

To: Gulf Coast Workforce Board Members

From: Rodney Bradshaw  
Mike Temple

Date: July 28, 2010

Subj: Board Meeting Materials for Tuesday, August 3, 2010

The next meeting of the Gulf Coast Workforce Board is scheduled for **10:00 a.m., Tuesday, August 3, 2010**, in the second floor Conference Room A, 3555 Timmons, Houston.

**Chairman's and Committee Reports.** Chair Thompson will update the Board on any developments from the national or state associations. Education Committee Chair Shingleton will bring a report from the committee, which meets at 9:00 a.m. immediately prior to the full Board meeting. Audit/Monitoring Committee Chair Garcia will review the committee's recommendations to the Procurement Committee and report on any unresolved items.

**Action Items.** Procurement Chair Guthrie will deliver recommendations renew contracts for Workforce Solutions operations in 2011. In summary, the Committee recommends continuing current contracts, most at slightly reduced funding. We have to correct some on-going operating deficiencies in our career offices relating to record-keeping. Since state monitoring identified the deficiencies as continuing, we need to correct them immediately. The funding recommendations provide for monitoring the corrective action, reporting back to the Board, and changing funding and operations if there is no improvement. Also recommended is providing increased services to out of school youth by contracting for service outside the career offices.

**Information.** We will have staff reports on performance, expenditures, and labor market information. At our last meeting, members asked how we compare to other Boards' performance on state production requirements. We have some comparative information included in the performance report. We also have a handout on our Board's selection and participation in a national evaluation project.

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

# The Gulf Coast Workforce Board Tentative Agenda

Tuesday, August 3, 2010 10:00 a.m.

H-GAC Conference Room A

3555 Timmons Lane, Second Floor, Houston, Texas 77027

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

**1. Call to Order and Determination of Quorum**

**2. Adoption of Agenda**

**3. Public Comments**

**4. Minutes from June, 2010 meeting**

**5. Declarations of Conflict of Interest**

**6. Honeycomb Awards**

- a.* Presentation of the 2<sup>nd</sup> quarter Honeycomb Awards for outstanding staff contributions to Workforce Solutions

**7. Chairman's and Committee Reports**

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

- a. Education.* The Committee chair will report on the most recent meeting.  
*b. Audit/Monitoring.* The Committee chair will report on the most recent meeting.

**8. Action Items**

- a. Procurement.* Consider recommendations from the committee to authorize staff to negotiate 2011 Workforce Solutions contract renewals in amount not to exceed \$52,560,000.

**9. Information**

- a. System Performance.* Staff will summarize current performance against Board measures and grantor requirements.  
*b. Expenditures.* Staff will report on current expenditures.  
*c. The Workforce Investment Act Evaluation of the Adult and Dislocated Worker Program*

**10. Labor Market Report**

Staff discusses current employment data and trends in the Gulf Coast labor market.

**11. Adjourn**



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**MINUTES OF  
THE GULF COAST WORKFORCE DEVELOPMENT BOARD  
TUESDAY, JUNE 8, 2010**

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**MEMBERS PRESENT:**

Dula Abdu	Willie Alexander	Carl Bowles
Leigh Ann Collins	Sal Esparza	Yvonne Estrada
Joe Garcia	Mark Guthrie	Barbara Hayley
John Hebert	Bobbie Henderson	Cody Holloway
Guy Robert Jackson	Valeria Jackson-Forrest	Ray Laughter
Steve Lufburrow	Ronald McKinley	Michael Nguyen
Sara Richards	Allene Schmitt	Myles Shelton
Kathy Shingleton	Gil Staley	Tom Stinson
Frank Thompson	Evelyn Timmins	Bill Weaver
Sarah Wroblewski		

**H-GAC STAFF MEMBERS PRESENT**

Rodney Bradshaw  
Mike Temple  
David Baggerly  
Cally Graves  
Joel Wagher  
Ron Borski

Mr. Frank Thompson, Chair, called the meeting to order at approximately 10:00 a.m., on Tuesday, June 8, 2010, 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**

Ms. Nory Angel representing SER-Jobs for Progress spoke to the Board regarding the SER Open House for the Green Training Center which opened in February 2010. Ms. Angel explained that SER will also have their 45<sup>th</sup> Anniversary Gala on September 17, 2010 and the open house will be the kick-off for that event. Ms. Barbara Hayley – Gala Chair spoke to the Board about the upcoming gala and invited everyone to attend.

### **MINUTES FROM APRIL 6, 2010**

Mr. Thompson asked if there were any additions or corrections to the minutes for the April 6, 2010. A motion was made and seconded to approve the minutes as presented. The motion carried.

### **DECLARATION OF CONFLICT OF INTEREST**

No one declared a conflict of interest.

### **CHAIRMAN'S AND COMMITTEE REPORTS**

Mr. Thompson explained that just prior to the Memorial holiday, Congress passed a bill authorizing \$1 Billion for a Summer Youth Program, \$2.4 Billion for TANF and \$39.8 Billion for an extension of unemployment insurance benefits. Mr. Thompson stated the bill will need to go to the Senate and he has no update on any changes at this point, but it appears that the Summer Youth Program will pass.

Mr. Thompson stated that our Board was working on the Summer Youth program and he expected it to be as successful as it was in 2009.

#### **Audit/Monitoring**

Mr. Joe Garcia explained that the Regional Quality Assurance Team has four new members and they continue to review the operations in our region. The team reviewed operations at Employer Services and the Financial Aid Payment office – operations were generally good with both contractors and the team made several minor suggestions for improvement.

The team is currently checking on the career office contractors' implementation of changes to the various system procedures which were changed in response to the Texas Workforce Commission's monitoring.

- Early results suggest that the contractors may be having mixed success in making the changes.
- We will use results from this review and other reviews in making recommendations to the Audit/Monitoring and Procurement Committees on renewing contracts for 2011.
- We will have monitors checking on the 2010 summer jobs activities again this summer.

### **ACTION ITEMS**

- a. Early Education & Care. The Committee will report on the most recent meeting and present a recommendation to change the eligibility for child care financial aid.

Dr. Bobbie Henderson stated that the committee met on June 2, 2010 via conference call. Several topics were discussed:

- Collaborative for Children gave a great update on the impact they are seeing from the quality improvement activities.
- Proposed rule changes from the Texas Department of Family and Protective Services, Child Care Licensing Division which may impact child care providers.
- The State's new attendance and billing system for child care providers which will begin in July.
- Financial Aid Eligibility

Dr. Henderson explained that the Board's current policy provides financial aid to working parents who meet all other qualifications and work a minimum of 30 hours per week. State rules set a work minimum at 25 hours a week.

In 2009 the State made \$33 million available for child care financial aid through the Recovery Act. It was projected that we would provide financial aid to over 2,000 more families on average each day from October 2009 through June 2011. We have not seen the dramatic increase in enrollment that was anticipated and due to the economy, parents have lost jobs and others are working fewer hours which makes them ineligible for financial aid under our current policy. The committee is asking to change the current policy to the state required minimum as we currently have no waiting lists and unspent financial aid dollars.

A motion was made and seconded to reduce the work requirements to the state minimum to provide services for more parents in the region. The motion carried.

- b. Procurement. Consider recommendations to fund a contract for layoff aversion service in an amount not to exceed \$400,000.

Mr. Mark Guthrie explained that the Procurement Committee met prior to the Board meeting to review proposals received for a lay off aversion program. Mr. Guthrie stated that earlier this year, we issued a request for proposals to provide services that help avert business closings or downsizing. Through this project, we hope to better connect stakeholders – local elected officials, unions, the public workforce system, local economic development groups, chambers of commerce, industry groups and employers – to identify troubled businesses, and provide support and service to retain jobs and avert layoffs. We propose using Recovery Act Workforce Investment dollars to fund this service through the end of this year.

We solicited organizations to develop three components to avert layoffs:

- An early warning system that allows us to gather intelligence on businesses that might be in trouble:
- A portfolio of services to offer distressed businesses.
- A service delivery network that provides businesses what they need when they need it.

We received proposals from

- |                                       |           |
|---------------------------------------|-----------|
| • Employment & Training Centers, Inc. | \$623,662 |
| • Greater Houston Partnership         | \$410,592 |
| • Learning Designs, Inc.              | \$256,400 |

Mr. Guthrie explained that the committee heard a staff report on the requirements for the request for proposal and on each proposal received. Proposers were given the opportunity to make a short presentation to the committee and both staff and committee members could ask questions. Staff recommendations were made on ranking and funding and the committee was given the option to accept both ranking and funding recommendations or to make either ranking or funding changes.

Dr. Henderson made a motion and Ms. Timmons seconded the motion to accept staff recommendations not to exceed \$400,000 on the proposal submitted by the Greater Houston Partnership with the requirement that the GHP services not be limited to only its members - they would be required to serve any qualifying business. The motion passed on a 6 to 5 vote. Mr. Guthrie stated there was discussion after the vote about committee members feeling rushed in the procurement meeting because the Workforce Board meeting was scheduled to start at 10:00 a.m. Mr. Guthrie explained that he wanted to express the feelings of the committee to the full Board. Several Board members had questions and comments and discussion followed.

Mr. Temple was asked to give a summary of the RFP, the proposals received and how the staff arrived at their recommendations.

Mr. Guthrie made a motion to accept the staff recommendation to fund the layoff aversion program in the amount not to exceed \$400,000 with Greater Houston Partnership on the condition that their services under this program not be limited to "partnership" members, but all qualifying businesses. We should receive a report in December 2010 on how the funds were spent and what the outcomes were so that we can judge future funding for this program. The report needs to include a report by a representative of the Partnership. The motion was seconded by several board members.

Dr. Kathy Shingleton added to the motion that if we cannot get clarity around the marketing dollars – how they will be spent and the report, that we could quickly turn this around and go with the second recommendation – ETC.

Mr. Guthrie accepted the amendment – that if we cannot negotiate an acceptable arrangement with the Greater Houston Partnership – that we move to the second bidder.

The amended motion was seconded and approved.

All motions carried.

Mr. Willie Alexander abstained from voting.

## INFORMATION

### System Performance

Mr. David Baggerly reviewed the System Performance measures for October 2009 through April 2010. 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 35,275 employers this year which is 27% of the 130,648 employers identified for the Gulf Coast area. Through April, we provided services to 25,032 employers.

Employer Loyalty – our performance indicates our employer customers value our services and return to us for additional services. Of a possible 18,726 employers, 16,053 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 2,883 new jobs annually.

Customers employed by the 1<sup>st</sup> quarter after exit – Reporting for three quarters (April 08 – June 09), 233,768 of the 316,893 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 (April 08 – December 08), 86,567 of the 289,889 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 February, 898 of the 3,654 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 sixteen indicators related to the money we receive from Texas Workforce Commission.

Of these sixteen measures we are not meeting the target for six measures.

- Claimant Reemployment. The target for this measure is 67%. Our performance through April was 52.1%, down from 54.2% in February.
- Claimant Reemployment within 10 Weeks. The target for this measure is 53.7%. Our performance through April was 38.5%, up slightly from 38.0% in February.
- Staff-Assisted Entered Employment. The target for this measure is 80%. Our performance through April was 73.1%, down from 75.3 in February.
- At Risk Employment Retention. The target for this measure is 76%. Our performance through April was 70.1%, up slightly from 70.0% in February.
- WIA Youth Attainment of Degree or Certificate. The target for this measure is 53%. Our performance through April was 41.6%, down slightly from 42.0% in February.
- Average Choices Single Parent Participation Rate – Mandatory. The target for this measure is 50%. Our performance through April was 48.6%, up from 47.7% in February.

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 twelve months ending April 30, 2010. Mr. Bradshaw explained that we are spending about 87% of the dollars that are available to us. One area that is running ahead of budget is Employer Services because the Texas Back to Work Initiative dollars that were committed are not reflected in the budget. This should be corrected on the next report.

### Pilot for financial aid call center

Mr. Mike Temple reported that we continue to look for less expensive and better ways to serve our customers. And we believe that providing some services through call centers may allow people to get thorough, accurate information quickly and at reduced cost to the system. We hope that call centers will relieve the career offices of some customer traffic and allow staff more time to give advice and help to customers who prefer to come to an office

We are pleased with the work of The Placement Team, a call center group of staff who work to find job or training opportunities for people who file new Unemployment Insurance claims and believe another function that may lend itself to call center service is

information and processing eligibility for financial aid. Two of our career office contractors will pilot different types of call center operations working with customers interested in applying for Workforce Solutions financial aid.

- Interfaith of the Woodlands-(Huntsville, Conroe, Sealy, Columbus, Waller, and Humble) began a pilot on May 11 and no new staff was hired. Interfaith repositioned seven staff members to a separate space at the Conroe office. This pilot accepts any customer call but receives most of its work from office staff. The call center staff:
  - \* Follows up with the customer by telephone or email to tell the customer what documents are needed to certify eligibility for financial aid.
  - \*Tracks all customers from the participating office who are tagged to a particular fund source and therefore have performance tracked accordingly.

The Interfaith pilot moves the “back office” operation from individual career offices to a central location where they process financial aid applications and track the recipients for performance purposes.

- Arbor Employment and Training will pilot a small call center operation for six months beginning July 2010 at their current administrative office location. Arbor will hire six (6) new staff members who will take calls from customers interested in applying for any financial aid over \$200.00. The office will be open Monday – Friday 7am to 7 pm and Saturday 8am to 12 noon. They will:
  - \*Provide general information about the our financial aid and how to apply.
  - \*Take applications and determine eligibility for all services and funding sources.
  - \*Allow each customer who applies for financial aid at the call center access to a 24-hour automated system telling the customer the status of a pending application.
  - \*Allow customers and staff to participate in a live e-mail chat about services or application status.

The Arbor pilot creates a call center operation that is separate from the office operations.

We will look at various indicators, such as:

- ✓ Cost per customer served
- ✓ Customer served per staff member
- ✓ Customer satisfaction
- ✓ Accuracy of records

We expect to inform the public about the call center in the following three ways:

1. Put the telephone number on information distributed by Employer Service Staff to employers interested in helping their employees get subsidized child care.
2. Provide the number to colleges with contracts for class size training using Recovery Act funds.
3. Choose a busy career office as a partner to give their customers the option of applying for financial aid through the call center.

Mr. Temple explained that we will be looking at the success of both operations over the next six months and will report back to the Board on the success of these pilots and if we think the stand-alone call center operation should be bid for a region-wide operation.

### Back to Work

Ms. Cally Graves stated that the Texas Workforce Commission (TWC) increased the funds available to expand the Texas Back to Work initiative using federal Temporary Assistance to Needy Families stimulus money. We have approximately \$14,000,000 available to reimbursement Gulf Coast employers who hire approximately 4,779 eligible claimants. Qualified participants are first time claimants who earned less than \$15/hour. Employers who sign an agreement to hire the claimants can earn a cash reimbursement of up to \$2,000 for each eligible new hire.

Ms. Graves explained that we amended the contract with Employment and Training Centers – our Employer Services contractor to begin the program in April. ETC received an additional \$331,707 to hire nine staff members. ETC is struggling to find enough interested employers to list jobs for the Texas Back to Work cash. Approximately 359 employers have listed 762 job openings and we have placed 258 claimants to date. TWC's goal is 4,779 claimants in the Texas Back to work jobs which ends September 30, 2010. Career office staff and the Placement Unit call center have repositioned staff to help meet that goal.

### Summer Job Update

Ms. Graves reported that in April, the Board approved about \$14 million to fund approximately 4,700 jobs for young people this summer. The Board approved managing contracts with the following organizations:

- Career and Recovery Resources
- Change Happens!
- Communities in Schools
- Employment and Training Centers
- Goodwill Industries
- Houston Area Urban League
- KATCO
- SER Jobs for Progress

And Unique HR will provide payroll services for this project.

Career offices have extended their hours and gone off-site to take applications from individuals interested in the summer jobs.

- Over 8,000 young people have met the basic criteria to qualify.
- Nearly 695 work sites have been developed across the 13-county region
- We expect 800+ to be working this week.

There is still a possibility that additional summer jobs money may become available late through the U.S. Department of Labor. Should this happen there is an option to delay use of the money until 2011, the Board may want to consider doing so to ensure summer jobs for next year.

### **LABOR MARKET REPORT**

Mr. Joel Wagher explained that he had some positive news to report on the April 2010 Employment data with over the month increases in educational and health services, leisure and hospitality and government. Over the year we are down 40,900 jobs or 1.6 percent. The Gulf Coast Region's unemployment rate dropped from 8.4 percent in April down from 8.5 percent in March. Last year at this time the rate was 6.7 percent. Mr. Wagher stated that job seekers are still at a high level and we are not seeing a drop. The new bubble could be unemployed people staying in the system longer.

Mr. Ron Borski reported on his section of the labor market report. He explained the we have a number of hurdles to overcome – with NASA, United/Continental merger, BAE Systems in Sealy, Euro prices and how it will affect the international economy and the BP oil spill. Mr. Borski stated that the ban on oil drilling is expected to last until after the November elections and what that means to us – is the companies will be forced to move the rigs to international waters and once they relocate – they could be gone for several years which could affect employment here.

Mr. Bradshaw explained there was a letter in the Board packet from the U.S. Department of Labor which stated that the Gulf Coast Workforce Board was one of 30 in the country randomly selected to participate in a national evaluation. This evaluation will examine the effectiveness of intensive and training services offered through the Workforce Investment Act (WIA) and Dislocated Worker Programs. Mr. Bradshaw stated that we will keep the Board posted.

Dr. Bobbie Henderson thanked the Board for their support of high quality child care and referred to two articles one in the Wall Street Journal and the other in the America Statesman about the impact being lifelong and beneficial.

Ms. Evelyn Timmins gave a brief report on the committee efforts. She reported that several members have visited their elected officials and encouraged Board members to keep up the good work. Ms. Timmins explained that we hope to have a binder of materials to hand out at the next meeting.

**ADJOURN**

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

## **Career Office Committee**

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### **Honeycomb Awards**

### **Background**

Workforce Solutions' Honeycomb Awards recognize exemplary work by staff throughout the system. Each quarter, a committee composed of contractor and Board staff makes awards from nominations received in three categories: Initiative, Innovation and Teamwork. At the end of the year, the committee will decide on annual awards from among the quarterly winners.

For the quarter ending June 2010, the committee received nominations:

Initiative	Initiative by an individual or group that results in good customer service	10 nominations
Innovation	Innovating to solve problems common to our customers	5 nominations
Teamwork	Cooperation among more than one contractor and at least two of the three system parts (Employer Service, Career Offices, Payment Office)	9 nominations

### **Initiative**

❖ **Carolyn Kennard** (Facilitator at Workforce Solutions' Downtown office)

Carolyn "goes the extra mile" in her role as a facilitator for Workforce Solutions' seminars.

- ✓ When asked to teach a workshop for Rivera Foods where 80 % of the class did not speak English, she immediately developed flash cards to improve the workshop.
- ✓ She was responsible for the successful implementation of a workshop for the Bayland Burnett Detention School for Girls. To supplement the workshop, she bought the girls journal diaries to help them express themselves more effectively.
- ✓ She routinely assists with the development of 20 – 30 resumes when she conducts a workshop.

## Innovation

- ❖ **Amanda Harrow** (Employment Counselor at Workforce Solutions' Northeast office)

The self-serve Northeast Office continues to strive to fulfill customer needs in a compact space with limited staffing. Amanda received recognition for multiple achievements:

- ✓ She developed and implemented innovative job search formats to address different customer needs.
- ✓ She developed a new method to display jobs using available media in the self-serve office.

## Teamwork

- ❖ **The Regional Facilitator Team**

Jenny Johnson (Interfaith)  
Norma Bonica (Interfaith)  
Josie Toth (Interfaith)  
Cheryl Sandifer (Interfaith)

Carolyn Kennard (HoustonWorks)  
LaTonya Rogers (HoustonWorks)  
Ernest Spivey (Arbor)

The Regional Facilitator team is expanding Workforce Solutions' reach into the community by delivering workshops and seminars in libraries, schools, churches, and at numerous public and private events.

- ✓ The team regularly delivers Workforce Solutions seminars in libraries around the region and has presented regularly at Between Jobs Ministries and Target Hunger job search events for the past several years.
- ✓ The team helps market Workforce Solutions and our job search and career seminars far beyond our office network.
- ✓ The team represents a good collaboration among our career office contractors.

**The Gulf Coast Workforce Board**  
**Education Committee**  
Tuesday, August 3, 2010  
9:00 a.m., H-GAC, 2<sup>nd</sup> floor, conference room B

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## Background

The Gulf Coast Workforce Board created the Education Committee after the 2005 Workforce Report Card highlighted the critical nature of our education system to the overall prosperity of the region and success of the Board's mission in achieving its results.

The Education Committee's charge is to identify how the Board uses its policy making role, its influence and its resources to improve the region's education system. In March 2006, the Committee adopted the following mission statement:

*To influence and assist the education system in increasing the percentage of area residents who are high school graduates and who earn post-secondary credentials for work in high-skill, high-growth occupations.*

Although the mission is broad, it encompasses the following important issues identified by the Board:

- The critical involvement of area businesses in local secondary school education to make sure students are prepared to work in the region's key industries and demand occupations;
- Strategies to increase participation in and graduation from high school, post-secondary education and training institutions for all students and particularly minority and immigrant students; and
- Strategies to support the region's higher education institutions and link them to the jobs employers need filled.

The Committee's initial focus was to help improve high school graduation rates. Members generally agreed a natural niche for the Education Committee and the Board was providing good, accurate and youth-friendly labor market information. Staff began work on a series of career planning resources and a plan to market these resources that promote the importance of career planning. An update on our progress is attached.

## Improving Post-Secondary Credential Rates

Earlier this year, the Strategic Planning Committee met for its annual review of performance against the Board's strategic measures and targets. Much of the discussion centered on low performance on education measures, particularly the post-secondary credential rate. The regional workforce system did not meet one of the three strategic education measures.

- Percent of the population with an education credential  
*Exceeded annual target at 80.1%*  
Our 2009 target was 79%
- **Percent of the population with a post-secondary credential**  
*Did not meet target at 34.4%*  
**The percentage of people holding a post-secondary credential moved up from the previous year's performance of 33%. Our 2009 target was 35%.**
- Percent of those pursuing an education credential who earn one  
*Met target at 20%*  
Our goal for 2009 was 20%

The Strategic Planning Committee has asked the Education Committee focus at how we can help improve post-secondary credential rates.

### Gulf Coast Post-Secondary Schools

Below is a summary of information on selected post-secondary institutions in our region. The most current data is from 2008 except the credential rates are from 2007. We have provided more detailed information in a table at the end of this report.

- Between 2005 and 2008 **enrollments** increased 5.2% overall in the region's post-secondary institutions. Community colleges increased 8.9% and universities 0.4%.
- Largest **enrollment** gains were seen at Houston Community College System with 21.9%.
- Decreases were most significant at Texas Southern University with **enrollments** declining 23.5%.
- Between 2005 and 2007 the number of credentials (**degrees/certificates**) earned in the region's post-secondary institutions increased 6.2%. Community colleges increased 3.8% and universities 7.8%.
- Overall **graduation rate** (150% of normal time) for students in the Gulf Coast region is 23.4%. This may simply indicate that students are taking longer to graduate. Universities' rate is 34.5% and community colleges 10.8%.
- In the 2007-2008 academic year, the greatest percentage of first-time, full-time undergraduate students receiving **financial aid** at a community college was Brazosport College (100%) and at a university Houston Baptist University (94%).

- The lowest percent of first-time, full-time undergraduate students receiving **financial aid** at a community college was at San Jacinto Community College (27%) and at a university Sam Houston State University (47%).
- Brazosport College had a 78% increase in the percent of students receiving **financial aid** between 2005 and 2008 while Alvin Community College had a 55% decrease.
- The greatest rise in **tuition** between 2005 and 2008 was Texas Southern University at 43.4%. Wharton County Community College was the only institution that did not raise **tuition** during this time period.
- Overall, the average percent **tuition** increased 20.8% in this region between 2005 and 2008, with community colleges increasing 10.7% and university increasing 41.2%.

### Identifying the Problems

Staff started identifying possible strategies for improving the post-secondary credential rates in our region.

- Increase high-school graduation rates
- Connect the adult basic education system to the post-secondary school
- Lower the cost of school
- Improve access to available financial aid
- Decrease the amount of time it takes to earn a post-secondary credential
- Improve the basic skills of high-school graduates
- Support higher education planning that educates students and their parents about the benefits of higher education
- Support the Texas Career and College Readiness Standards initiative at local school districts
- Increase awareness of the link between post-secondary education and employment – good jobs and good salaries
- Improve and equip students and parents with the knowledge and understanding needed to successfully negotiate the process of preparing for, enrolling in and completing college
- Increase options for students to earn college credit while in high school - dual credit courses, early college high schools, advanced placement
- Increase awareness and benefits of dual credit courses. Increase participation in dual credit courses
- Support P-16 initiatives in our region

## Education Committee

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### Improving High-School Graduation Rates

The Education Committee agreed a natural niche for the Board was developing and producing labor market information appropriate for young people, particularly those in high-school. Staff designed and developed a series of career planning products that we continue to update and distribute.

- **The Career Cube.** The *Career Cube* is an interactive, web-based tool for educators, parents, students and the general workforce that highlights four key industries in our region — health services, construction, energy and aerospace — and the job opportunities in those industries.
  
- **Focus On.** *Focus On* profiles provide career information for each of the Board’s key industries and high-skill/high-growth occupations.
  - There are 7 industry profiles and 52 occupational profiles. Each piece provides information about a targeted industry or a growth occupation, including expected demand, wages, and the required training job.
  - The *Focus On* profiles are available on our website and each month we send an email message to a distribution list of more than 8,900 people promoting the products.
    - 17.6% are child care providers
    - 25.2% are summer jobs participants
    - 4% are Workforce Solutions staff
    - 14.4% didn’t identify themselves
    - 9.4% are educators
    - 20.9% are employers
    - 8.3% are job seekers
    - 0.2% are parents
  
- **When I Grow Up.** *When I Grow Up* is a series of career education curricula for teachers to use with students that provide them with information about various careers and good jobs. The *When I Grow Up* curricula and supporting materials are available on our website.
  - The first module was completed last year and is designed to provide kids in pre-kindergarten through 3<sup>rd</sup> grade with an awareness of 12 high-skill/high-growth careers in our region.
  - The second module was completed earlier this year and is designed to provide students in 4<sup>th</sup> through 5<sup>th</sup> grade with opportunities to explore careers in the same 12 high-skill/high-growth occupations.
  
- **Job Search Workshops and Landing That First Job!** Several years ago, we re-engineered our successful job search workshop to have a more youth-friendly appeal. *Landing That First Job!* helps young people who have little or no work experience find a

job. The regional team of facilitators presents the workshops to various groups including schools, after school programs, community-based organizations and the general public.

- A team of 5 facilitators have provided job search and community outreach seminars to almost 400 groups and about 7,900 people since January 2010.
- Seminars were offered in 27 branch libraries and in partnership with 51 community organizations.
- In May 2010, we worked with Sarah Wroblewski (Career and Technology Director for Pasadena ISD) and her staff to provide a series of workshops, based around *Landing That First Job!* that taught students:
  - ✓ About careers in high-skill/high-growth jobs
  - ✓ How to look for work including filling out applications and developing resumes
  - ✓ About various careers that are in demand in the Pasadena area including police patrol officer
  - ✓ How to interview by bringing employers on site to interview students

### What's Next

- Staff will continue to refine and update information available on the Career Cube. We plan to add the *Education Industry* to the Cube.
- Although we have had thousands of hits on the *When I Grow Up* web page, we do not know which and how many school districts, schools, teachers and young people are using the material. We are looking at various methods to track who is using the curricula.
- Last year, we asked our marketing contractor, Gilbreath Communications, to help us develop a public relations plan to increase awareness of career planning and promote our career planning resources. The plan relied heavily on our career office network to make those connections. Shortly thereafter, the recession hit the region and the career offices were inundated with customers wanting and needing service. We now recommend another approach.
  - Assign Board staff to manage this effort
  - Integrate career planning awareness with a larger community outreach effort
  - Create strategic connections, beginning with existing relationships, to community organizations and talk about the importance of career planning and our career planning resources
- We plan to expand the *When I Grow Up* curricula to students in middle and high school. The third module will provide more career exploration opportunities for middle school students and the fourth module will provide high school students with both career exploration and career planning opportunities.

- There are several important initiatives underway in the Texas public education system that should be taken into consideration with any future career planning resource development, such as:
  - ✓ A uniform, nationally consistent method of calculating graduation and drop-out rates
  - ✓ College and Career Readiness Standards
  - ✓ Replacing the TAKS student assessment test with STAAR (State of Texas Assessment of Academic Readiness)
  - ✓ Achieve Texas initiative
  
- Having candid, robust discussions with the education community will help us better understand their needs and challenges. We think information gleaned from such discussions, and working directly with the education community will greatly help us develop better products.

### Updated Data on Gulf Coast School Districts

When the Education Committee first met, staff presented data on two key education measures:

- Ratio of high school graduates to high school enrollments, a proxy for graduation rates used in the Board’s Strategic Plan
- Ratio of 12<sup>th</sup> to 9<sup>th</sup> grade enrollments, a proxy for drop-out rates used in the Board’s Report Card

Since then, Texas schools have adopted new methods for measuring graduation and drop-out rates that are recognized and used by all U.S. school districts. The most current academic year for which we have district data is 2006 – 2007.

**Average Freshman Graduation Rate (AFGR):** an estimate of the proportion of public high school freshman who graduate with a regular diploma in 4 years. This measure is a longitudinal measure and follows a cohort of students for 4 years.

The Gulf Coast overall AFGR is 76.0% (high 100.0%, low 36.3%) with a median of 77.5%. This is better than the Texas state average of 71.9%. Forty-five districts (60.8%) in our region had AFGRs higher than the state average.

Louise ISD and Weimer ISD had AFGR of 100.0%. La Marque ISD and North Forest ISD had AFGRs below 50%. La Marque ISD also saw the greatest decline in AFGR.

## 2006 – 2007 Average Freshman Graduation Rate

### Top 10 Districts

Louise ISD  
Weimar ISD  
Columbus ISD  
Huffman ISD  
Katy ISD  
Montgomery ISD  
Barbers Hill ISD  
East Bernard ISD  
Palacios ISD  
Pearland ISD

### Bottom 10 Districts

Galveston ISD  
Channelview ISD  
Pasadena ISD  
Rice CISD  
Cleveland ISD  
Alief ISD  
Aldine ISD  
Houston ISD  
La Marque ISD  
North Forest ISD

**Drop-out Rate:** the ratio of all 9<sup>th</sup> through 12<sup>th</sup> grade student who were enrolled in public school in one academic year, and do not return to school the following fall, are not expelled, do not graduate, do not continue in school outside the public education system, are not enrolled in college and have not died. This measure is taken at a specific point in time.

The Gulf Coast overall dropout rate is 4.0% (high 12.4%, low .4%) with a median of 3.3%. The Texas state average is the same at 4.0%. Rice CISD and Hardin ISD had the largest declines in the drop-out rate between 2005-2006 and 2006-2007. The largest increases were seen at North Forest ISD, Channelview ISD and Galveston ISD. All three of these districts have drop-out rates above 10%.

## 2006 – 2007 Total Drop-out Rate

### Top 10 Districts

Montgomery ISD  
Deer Park ISD  
Friendswood ISD  
Needville ISD  
Bellville ISD  
Angleton ISD  
Clear Creek ISD  
Katy ISD  
Conroe ISD  
Cypress-Fairbanks ISD

### Bottom 10 Districts

Goose Creek ISD  
Aldine ISD  
Cleveland ISD  
Pasadena ISD  
Alief ISD  
Houston ISD  
La Marque ISD  
Channelview ISD  
Galveston ISD  
North Forest ISD

## **Audit/Monitoring Committee**

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### **August 2010 Monitoring Update**

### **Recent Activity**

The Regional Quality Assurance Team completed the annual reviews for all Workforce Solutions operations contracts and special reviews for a limited number of critical record-keeping compliance issues in the career offices.

- Career office contractors have not yet achieved required standards for critical record-keeping.
- We will be conducting additional reviews for these issues in August/September and November/December.
- We have monitors checking on the 2010 summer jobs activities again this summer. The activities are running smoothly.

### **Other Activities**

The Texas Workforce Commission just completed its annual review of the Board. We expect a report in the near future, however TWC monitors identified the same kinds of issues the regional quality assurance team has noted.

Financial monitoring for all contractors is on-going, although no critical problems have been identified.

## Procurement Committee

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### 2011 System Contract Renewals

The Procurement Committee met on Tuesday, July 27, 2010 with committee chair Mark Guthrie presiding and committee vice chair Evelyn Timmins and members Joe Garcia, Kathy Shingleton, Carl Bowles, Steve Lufburrow, Guy Robert Jackson, Sal Esparza, Bobbie Henderson, Massey Villareal, Allene Schmitt, and Willie Alexander present.

### Background

In 2008, the Workforce Board procured contractors for its operations affiliate, Workforce Solutions, on a five-year cycle. The Board solicited bidders through its public request-for-proposal process and awarded contracts which are renewable annually for the next four years, based on demonstrated performance, availability of money and the Board's approval each of those years.

The 2011 contract year will begin on October 1, 2010 and will be the third year of the five-year cycle. We expect to have about \$187 million available to us for Workforce Solutions.

Overall this is less money than in 2010, primarily because the Recovery Act dollars are being exhausted. We also have slightly less Workforce Investment Act dollars.

### Performance

Continued high levels of unemployment and lackluster job growth in our region during the last quarter has resulted in poorer performance on the Board's measures.

- Through June 2010, we are below target on most of the Board's measures and some of our production numbers. At this point, we are close on many of the targets.
- We've served about 360,000 this year (through June 2010), which means we could see close to 480,000 for the year.
- Beginning in February 2010, Employer Service and the offices noted an uptick in job postings from employers. We have continued to see some modest gains in our total job openings, and we are meeting our target for filling jobs we've posted.
- All three career office contractors have struggled with significant traffic in many of their offices this year. They have also struggled to address critical compliance requirements for record-keeping.

- Employer Service has successfully supported NASA and its contractors with services related to the space shuttle program's end and the transition to new missions; however, at the same time it has struggled to implement Texas Back to Work and show concrete results.
- Career offices and the Payment Office are currently engaged in implementing the state's required automated attendance tracking system for child care providers. This affects a significant number of our vendors (more than 2,500) and more than 15,000 customers.
- Career offices have also helped identify and determine eligible more than 10,000 young people interested in 2011 subsidized summer jobs. However, the same offices have been unable to identify or serve a significant number of at-risk youth.

## Employer Service

Employment and Training Centers, Inc. operates Workforce Solutions' Employer Service. This unit employs about 50 individuals who market and provide a variety of services to area employers. The staff are located in the local offices and a central unit in Houston.

For 2011, ETC will work with more than 36,000 employers.

## Career Offices

Three contractors employ about 600 staff and operate 29 offices:

Arbor E&T, LLC

Bay City, Baytown, Galveston, Katy,  
Lake Jackson, Liberty, Rosenberg,  
Texas City, Wharton and Winnie (10)

Houston Works

Astrodome, Downtown, East End,  
Hobby, Northeast, Northline,  
Northshore, Pasadena, and Southwest  
(9)

Interfaith of the Woodlands

Columbus, Conroe, Cypress Station,  
Humble, Huntsville, Spring Branch,  
Sealy, Waller, Westheimer, and  
Willowbrook (10)

In 2011, career offices will work with about 400,000 people.

## Payment Office

Neighborhood Centers, Inc. employs about 50 staff to operate our payment office. This unit tracks, manages, and pays out financial aid to or on behalf of our customers. For 2011, we expect that the financial aid office will pay out over \$130 million in financial aid for scholarships, job search support, education support, and work support expenses.

## Early Education & Care Quality

Collaborative for Children, Inc. (CFC) employs about 32 staff to provide quality activities to child care providers. CFC provides teachers and director training, equipment and material grants, intensive quality improvement services, support Texas Rising Star and National Accreditation, support for children with disabilities, support for infant/toddler care, child care resource and referral, resources for listed home providers, parenting support, and securing local match funds to match federal Child Care Development funds.

## 2011 Recommendations

The following chart shows contract amounts for 2009, 2010, and 2011 proposed.

Contractor		2009 (13 months)	2010 (11 months)	Proposed 2011 (12 months)
Employer Service	Employment and Training Centers, Inc. <sup>1</sup>	\$5,094,794	\$4,115,215	\$4,100,000
	Texas Back to Work, Aerospace Transition Center, Current Worker Training <sup>2</sup>		\$1,786,055	\$800,000
Career Offices	Arbor E&T, LLC	\$10,651,027	\$9,476,609	\$9,192,000
	Houston Works	\$23,009,209	\$19,451,250	\$18,868,000
	Interfaith of the Woodlands	\$15,285,645	\$12,886,302	\$12,500,000
	Services for At-Risk Youth <sup>3</sup>	NA	NA	\$1,500,000
Payment Office	Neighborhood Centers, Inc.	\$3,803,094	\$3,411,162	\$3,400,000
Early Education & Care Quality	Collaborative for Children, Inc. <sup>4</sup>	\$1,036,936	\$6,421,151	\$3,000,000
<b>Totals</b>		<b>\$58,880,705</b>	<b>\$55,761,689</b>	<b>\$52,560,000</b>

<sup>1</sup>ETC's principal contract is for operation of the Employer Service division.

<sup>2</sup>ETC also has current year funds for current working training, the transition center at NASA, and Texas Back to Work. 2011 funds for these activities estimated.

<sup>3</sup>Recommendation includes contributing \$500,000 from this year to 2011 summer jobs and separately contracting \$1 million for direct service to at-risk youth.

<sup>4</sup>CFC has a significant amount of Recovery Act dollars in 2010 for early education quality activities. Some of these dollars will be available in 2011 for the same kinds of activities, but not at the same level as this year.

## Addressing Compliance Issues

Career office contractors have not addressed problems with record keeping and compliance requirements relating to customers who receive welfare benefits. This will be the fourth year that Texas Workforce Commission reviewers list these issues in their monitoring report as unresolved.

Our own special quality assurance reviews in June 2010 found continuing problems with these issues at all three contractors. In addition, as we have noted, career office contractors have not identified sufficient numbers of at-risk youth.

For these reasons, we are recommending the following for 2011 contracts:

- 1. Conditional contracts.** Contracts for career office contractors will be conditional upon achieving required performance on critical compliance elements, as well as continued performance against Board standards and production measures, and continued compliance with all other requirements.
  - Beginning in late August, the quality assurance team will reassess the critical compliance elements (documenting and verifying cooperation for TANF/Choices and SNAP E&T; initiating penalties for TANF/Choices and SNAP E&T; ensuring test scores and service plans are complete as required for certain youth; and ensuring accurate and complete eligibility determination for customers tagged as dislocated workers) for all three contractors.
  - We require contractors to demonstrate at least a 95% level of success in each of these elements.
  - At the October 2010 Board meeting, we will report results (overall and for each office) for each contractor.
  - If a contractor fails to demonstrate adequate compliance after the August/September review, we will conduct one more review in November/December. We will then assign more offices to the highest performing contractor, reducing the number of assigned offices to the lower performing contractors.
  
- 2. Job requirements.** In our quality assurance reviews over the past year and in the special review, we have noted problems with supervision and management in the career office contracts. This lack of adequate supervision has contributed to the compliance failures.
  - As a part of the 2011 contracts, we will require each career office contractor to adopt duty checklists as a part of supervisors and managers' job descriptions. These will describe required daily, weekly and monthly duties for supervisors and managers to insure their staff and offices are able to operate and meet compliance requirements.

- 3. At-risk youth.** Career office contractors have not identified sufficient numbers of at-risk youth for service.
- As a part of the 2011 contracts, we will establish youth enrollment goals for each career office contractor.
  - In addition, we propose separately contracting \$1 million directly to organizations that serve at-risk, out of school youth.

## **Action**

Authorize staff to negotiate Workforce Solutions operations contracts with Employment and Training Centers, Arbor E&T, Houston Works, Interfaith of the Woodlands, Neighborhood Centers, and Collaborative for Children using proposed 2011 12-month contract amounts and conditions described above.

## *The Workforce Investment Act Evaluation of the Adult and Dislocated Worker Programs*

### ***Study Rationale***

With high unemployment and a growing need for a more skilled workforce, providing effective and efficient employment and training services is important. The Workforce Investment Act of 1998 (WIA) provides \$3 billion annually for employment and training services. Yet because these services have not been assessed using rigorous evaluation methodologies, we do not know how they are affecting customers' employment opportunities or earnings.

### ***Research Questions***

In response, the U.S. Department of Labor has funded a study to assess the effectiveness of the WIA intensive and training services provided through the Adult and Dislocated Worker formula programs. For each program, the study's research questions are:

- How do the WIA-funded intensive services affect customers' employment rates, earnings, and other related outcomes?
- How does WIA-funded training affect customers' employment rates, earnings, and other related outcomes?
- What is the effect of these services on subgroups of customers defined by customer and program characteristics?
- How are these services implemented, and how do differences in implementation affect customers' employment, earnings, and related outcomes?
- Are the benefits of these services measured in dollars greater than their costs?

### ***Study Design Features***

The study will use an experimental research design with the following features:

- Thirty local workforce investment areas (LWIAs) have been selected randomly so that study findings can represent the national WIA Adult and Dislocated Worker programs.
- All eligible adults and dislocated workers in the study sites will be randomly assigned to one of three research groups defined by the WIA-funded services that they can receive: (1) all WIA services, (2) core and intensive services but not training, and (3) core only services. Random assignment will occur just before eligible customers would begin to receive WIA-funded intensive services.
- About 85 to 90 percent of WIA-eligible adults and dislocated workers will be in the first group and will be able to access all WIA services.
- Two follow-up surveys will be conducted for a subsample of customers in the study.
- Administrative and program data will be collected for all customers in the study.
- Detailed information will be collected on the implementation of WIA intensive and training services through interviews with program staff.

### ***Benefits to Participating LWIAs***

Participating LWIAs will provide input into the national discussion about policies and practices designed to raise the employment and earnings of adults and dislocated workers. Other benefits to each participating LWIA include:

- Receipt of timely findings for the LWIA; findings for each LWIA will not be made public or shared with the U.S. Department of Labor
- Opportunities to discuss program issues and policy with senior staff at the U.S. Department of Labor
- Opportunities for staff at all levels to meet with and learn from staff of other study LWIAs
- Financial compensation

**Study Requirements**

For the success of the study, participating LWIAs will perform specific study-related tasks. The study team will work with each LWIA to minimize disruptions to its normal operations. Participation includes:

- Asking all customers who would be offered WIA-funded intensive services to read and sign a study consent form and to complete short information and contact forms
- Entering the data from the short form into a web-based information system, which will indicate the group to which the customer has been randomly assigned
- Providing to customers only the WIA-funded services for which their assigned research group is eligible
- Providing information to the study team on services received by customers
- Participating in on-site visits conducted by the study team

The study team will support and train the LWIA staff on the study, and will compensate the LWIA for its participation.

**Study Schedule**

Key milestones and dates for the study follow:

- Train LWIA staff in February 2011
- Start random assignment of customers in March 2011; random assignment will continue for 18 months
- Enter data on new WIA-eligible adults and dislocated workers into the study web-based system for an additional 15 months after random assignment has ended
- Research team begins to provide feedback to the LWIA within six months after the start of random assignment
- Release of the first impact findings is expected in 2014 and the final findings in 2015

**The Study Team**

**Mathematica Policy Research**, a nonpartisan policy research firm, conducts research and surveys for federal and state governments, foundations, and private sector clients. The employee-owned company has conducted some of the most important evaluations of education, nutrition, welfare, employment, and early childhood policies and programs in the United States. See [www.mathematica-mpr.com](http://www.mathematica-mpr.com).

**Social Policy Research Associates (SPR)** is a nationally recognized research, evaluation, and technical assistance firm. SPR specializes in providing rigorous and responsive services related to employment assistance, job training, education, youth programs, and comprehensive social services. See [www.spra.com](http://www.spra.com).

**MDRC** is known for mounting large-scale evaluations of real-world policies and programs targeted to low-income people. From welfare policy to high school reform, MDRC's research has frequently helped to shape legislation, program design, and operational practices across the country. See [www.mdrc.org](http://www.mdrc.org).

**The Corporation for a Skilled Workforce (CSW)** works closely with members of the workforce investment system. CSW researches promising practices; creates and tests new models and tools to solve problems; and advises and supports state, regional, and local implementation of workforce initiatives. See [www.skilledwork.org](http://www.skilledwork.org).

**To Find Out More**

Contact the U.S. Department of Labor's project officer, Jonathan Simonetta, by phone at (202) 693-3911 or by email at [simonetta.jonathan@dol.gov](mailto:simonetta.jonathan@dol.gov).

Or contact Mathematica's project director, Sheena McConnell, by phone at (202) 484-4518 or by email at [smcconnell@mathematica-mpr.com](mailto:smcconnell@mathematica-mpr.com).

**Gulf Coast Workforce Board**  
**System Performance**  
October 2009 through June 2010

## 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 35,275 employers this year which is 27% of the 130,648 employers identified for the Gulf Coast area. Through June, we provided services to 29,424 employers.	27%	22.5%	28.8%
<u>Employer Loyalty</u> Our performance indicates our employer customers value our services and return to us for additional services. Of a possible 22,185 employers, 18,847 returned to Workforce Solutions for additional services.	73%	85.0%	74.5%

## 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 3,121 new jobs annually.	2,000	3,121	2,307
<u>Customers employed by the 1st Qtr after exit</u> Reporting for three quarters (Oct 08 – June 09), 233,878 of the 316,939 customers who exited from services were employed in the quarter after exit.	78%	73.8%	78.6%

## 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 (April 08 – Dec 08), 86,641 of the 289,919 who exited had earnings gains of at least 20%.	40%	29.9%	35.7%

## 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, 1,409 of the 4,948 customers pursuing an education diploma, degree or certificate achieved one.	40%	29.9%	43.2%

## Production

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

Of these sixteen measures, we did not meet the target for six measures – down from the seven measures we missed in February.

- Claimant Reemployment. The target for this measure is 67%. Our performance through April was 51.5%, down from 52.1% in April.  
No board in the state is meeting this measure. Performance ranges from 63% in Southeast Texas Board (Beaumont) to 45% at the South Texas Board (Laredo). Comparable Board performance include: Dallas 48.2%, North Central 50.9%, Tarrant County 49.5%, San Antonio 55.4%, and Austin 50.7%.
- Claimant Reemployment within 10 Weeks. The target for this measure is 53.7%. Our performance through June was 39.2%, up slightly from 38.5% in April.  
No board in the state is meeting this measure. Performance ranges from 48% at the Upper Rio Grande Board (El Paso) to 42% at the Golden Crescent Board (Victoria). Comparable Board performance include: Dallas 41.8%, North Central 41.2%, Tarrant County 40.1%, San Antonio 47.2%, and Austin 43.4%.
- Staff-Assisted Entered Employment. The target for this measure is 80%. Our performance through June was 71.4%, down from 73.1% in April.  
Two boards in the state are meeting this measure. Performance ranges from 79.5% at the South Plains Board (Lubbock) to 67.9% at the South Texas Board (Laredo). Comparable Board performance include: Dallas 68.6%, North Central 71.8%, Tarrant County 70.7%, San Antonio 73.8%, and Austin 72.2%.

- At Risk Employment Retention. The target for this measure is 76%. Our performance through June was 70.3%, up slightly from 70.1% in April.  
Two boards in the state are meeting this measure. Performance ranges from 78% at the Cameron County Board (Brownsville) to 69.6% at the North Texas Board (Wichita Falls). Comparable Board performance include: Dallas 71.1%, North Central 71.2%, Tarrant County 71.6%, San Antonio 74.5%, and Austin 72.3%.
- WIA Youth Attainment of Degree or Certificate. The target for this measure is 53%. Our performance through June was 38.8%, down from 41.6% in April.  
Most boards in the state are meeting this measure. Performance ranges from 83.7% at the Capital Area Board (Austin) to 31.4% at the Concho Valley Board (San Angelo). Comparable Board performance include: Dallas 45.6%, North Central 50.5%, Tarrant County 51.5%, San Antonio 59.6%, and Austin 83.7%.
- Average Choices Single Parent Participation Rate – Mandatory. The target for this measure is 50%. Our performance through June was 46.9%, down from 48.6% in April.  
Nine boards in the state are meeting this measure. Performance ranges from 64.1% at the Golden Crescent Board (Victoria) to 26.7% at the Permian Basin Board (Midland). Comparable Board performance include: Dallas 46.9%, North Central 47.7%, Tarrant County 39.4%, San Antonio 57.7%, and Austin 45.6%.

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, 2010**

	<b>ANNUAL BUDGET</b>	<b>BUDGET YEAR TO DATE</b>	<b>ACTUAL YEAR TO DATE</b>	<b>DOLLAR VARIANCE</b>
<b>WORKFORCE REVENUES</b>				
WORKFORCE REVENUES	<b>221,157,512</b>	<b>110,578,756</b>	<b>102,152,942</b>	<b>8,425,814</b>
<b>WORKFORCE EXPENDITURES</b>				
BOARD ADMINISTRATION	<b>4,102,741</b>	<b>2,051,371</b>	<b>2,247,665</b>	<b>(196,295)</b>
EMPLOYER SERVICES <sup>1</sup>	<b>5,157,727</b>	<b>2,578,864</b>	<b>3,377,379</b>	<b>(798,516)</b>
RESIDENT SERVICES	<b>211,897,044</b>	<b>105,948,522</b>	<b>96,527,898</b>	<b>9,420,624</b>
OFFICE OPERATIONS <sup>2</sup>	50,132,546	25,066,273	22,082,060	2,984,213
FINANCIAL AID <sup>3</sup>	142,651,278	71,325,639	60,931,344	10,394,295
RECOVERY PROJECTS <sup>4</sup>	19,113,220	9,556,610	13,514,494	(3,957,884)
<b>TOTAL WORKFORCE EXPENDITURES</b>	<b>221,157,512</b>	<b>110,578,756</b>	<b>102,152,942</b>	<b>8,425,814</b>

Footnotes

1. Budget will be revised upward to include approximately \$1.7 million additional funds for Current Worker Training, Outplacement, and Texas Back to Work activities assigned to Employer Services.
2. Budget will be revised downward by approximately \$2.0 million to reflect reduced revenues in WIA effective July 1 and in TANF Choices effective October 1.
3. Budget will be revised downward by approximately \$4 million in child care expenses that are anticipated to occur in 2011 rather than 2010.
4. Budget will be revised upward by approximately \$13 million to account for additional Recovery Act TANF funds used for 2010 Summer Employment.

**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.

GULF COAST WORKFORCE BOARD  
Employment Trends

AUGUST 2010  
JUNE 2010 DATA

**Federal government trims the number of census workers in June.** The data on the next page shows the levels of employment for the current month, month ago, and year ago for the Gulf Coast Region<sup>1</sup>. Federal Government jobs increased by 11,000 from March to May 2010 as Census workers started their door-to-door count of the population for the 2010 Census. The beginning of layoffs for Census workers decreased Federal Government jobs by 4,200 in June. It would appear that there are another 6,800 jobs to be lost in the near future. Seasonal losses in State and Local Education combined with the lost Federal Government jobs totaled 12,500. Combining this loss with the 13,100 jobs added by the private sector brings the over-the-month job growth to 600 in June.

Over the year, total nonfarm jobs were down 17,400, or 0.7 percent. The two year trend, June 2008 to June 2010, was down 92,700 jobs, or 3.6 percent (Chart 1).

**Unemployment increases as students enter the summer job market.** The Gulf Coast Region's unemployment rate increased to 8.8 percent in June, up from 8.3 percent in May. Last year at this time, the rate was 8.2 percent. Total unemployed increased over the month by 14,153 to 255,200 in the region. Total employment was down from May by 19,326 to 2,633,132. The national unemployment rate dropped from 9.7 percent in June 2009 to 9.6 percent in June 2010, while employment dropped by 943,000.

**Initial Claims for unemployment benefits decrease over the year.** June's Initial Claims for unemployment benefits numbered 23,729, a decrease of 4,391 (15.6%) from June 2009. Even though the numbers are down over the year, June 2010 Initial Claims are still at a high level compared with other June data in this time series (Chart 2). Continued Claims were down 41,344 (27.5%) from June 2009.

**Fewer insured unemployed being counted.** Total insured unemployed for the Gulf Coast Region decreased by 18,068 (28%) to 46,400 in June, compared to June 2009. The number of insured unemployed has decreased over the month by 593.

The number of people who are listed as receiving unemployment benefits for fifteen weeks or more was down 7,682 (28%) from last June. This number has been diminishing as layoffs have subsided.

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<sup>1</sup> 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

## Houston-Sugar Land-Baytown MSA

Industry	June-10	May-10	June-09	NET CHANGE FROM		% Chg.
				May-10 TO June-10	June-09 TO June-10	June-09 TO June-10
Total Nonfarm	2,526,600	2,526,000	2,544,000	600	-17,400	-0.7%
MINING & LOGGING	89,100	87,900	86,700	1,200	2,400	2.8%
CONSTRUCTION	167,400	167,300	183,700	100	-16,300	-8.9%
MANUFACTURING	220,400	218,700	225,000	1,700	-4,600	-2.0%
DURABLE GOODS	140,800	139,200	144,000	1,600	-3,200	-2.2%
NONDURABLE GOODS	79,600	79,500	81,000	100	-1,400	-1.7%
TRADE, TRANSP., & UTILITIES	507,700	505,100	517,000	2,600	-9,300	-1.8%
WHOLESALE TRADE	127,300	127,000	131,700	300	-4,400	-3.3%
RETAIL TRADE	261,400	259,700	262,200	1,700	-800	-0.3%
TRANSP, WAREHOUSING, & UTIL	119,000	118,400	123,100	600	-4,100	-3.3%
INFORMATION	32,900	32,800	34,900	100	-2,000	-5.7%
FINANCIAL ACTIVITIES	137,400	137,000	140,000	400	-2,600	-1.9%
PROFESSIONAL & BUSINESS SERV.	351,900	349,300	359,000	2,600	-7,100	-2.0%
EDUCATION & HEALTH SERV.	306,300	306,100	296,200	200	10,100	3.4%
LEISURE & HOSPITALITY	242,100	239,000	243,800	3,100	-1,700	-0.7%
OTHER SERV.	93,500	92,400	93,700	1,100	-200	-0.2%
TOTAL GOVERNMENT	377,900	390,400	364,000	-12,500	13,900	3.8%
FEDERAL	35,900	40,100	28,900	-4,200	7,000	24.2%
STATE	69,300	71,200	67,100	-1,900	2,200	3.3%
LOCAL	272,700	279,100	268,000	-6,400	4,700	1.8%

Chart 1

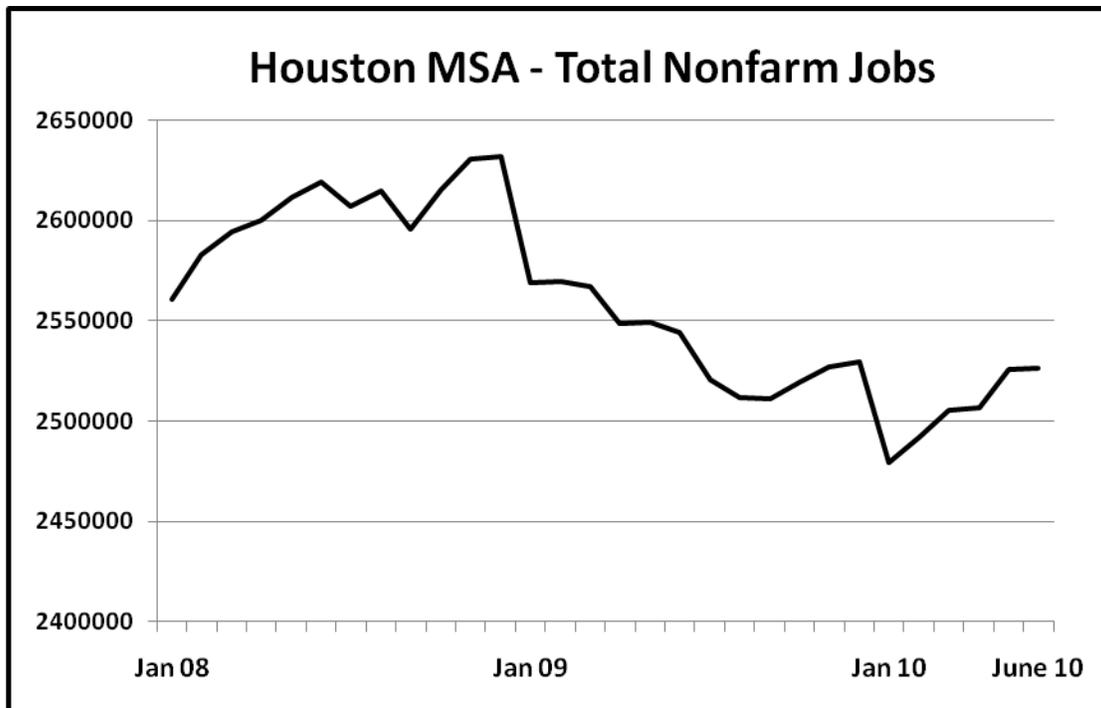
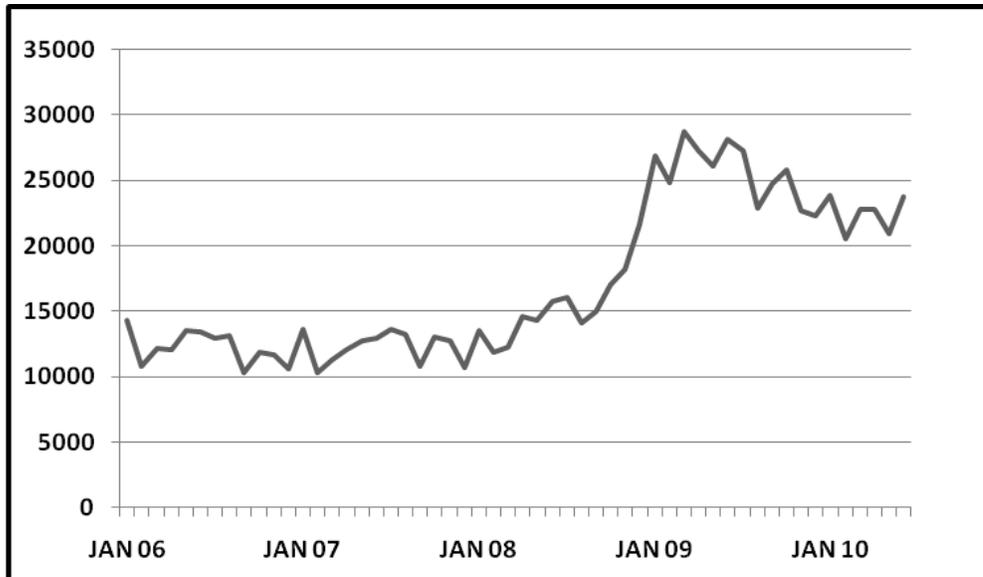


Chart 2

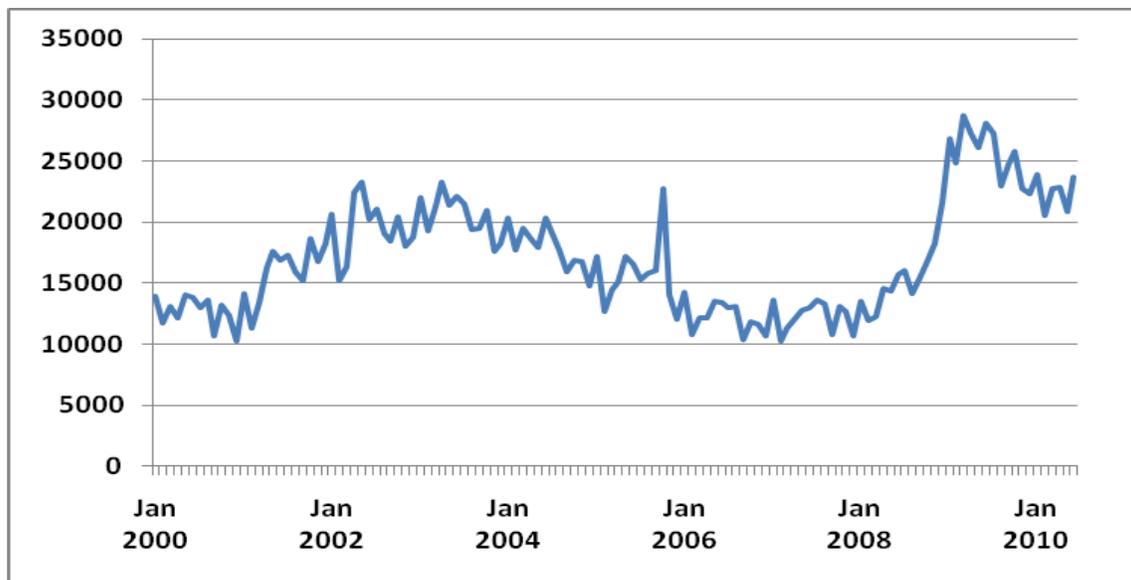
**Gulf Coast Region Initial Claims\* for Unemployment Benefits**



**\*Adjusted for atypical claims data filed in September and October 2008 due to Hurricane Ike. September 2008 Initial Claims unadjusted were 55,659. October Initial Claims unadjusted were 37,664.**

August 2008:	14,115	
September 2008:	55,659	adjusted to 15,448
October 2008:	37,664	adjusted to 16,814
November 2008:	18,215	
December 2008:	21,567	

Chart 3





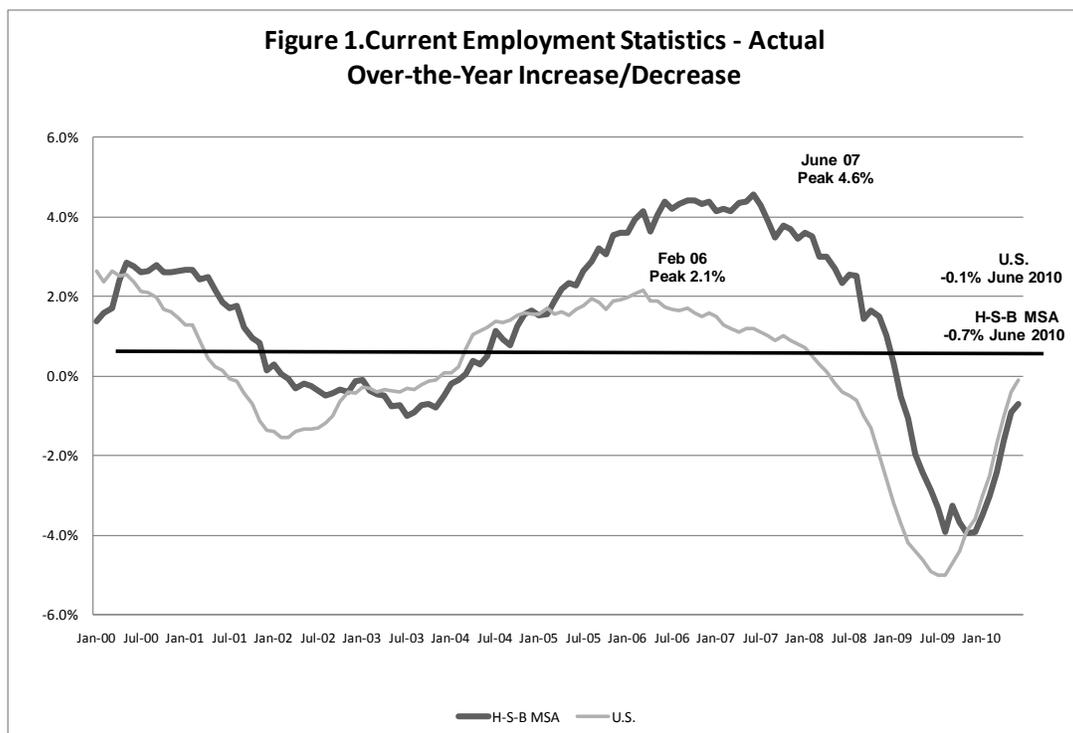
Labor Market Information  
JUNE 2010 Employment Data

HOUSTON-SUGAR LAND-BAYTOWN METROPOLITAN STATISTICAL AREA (H-S-B MSA)

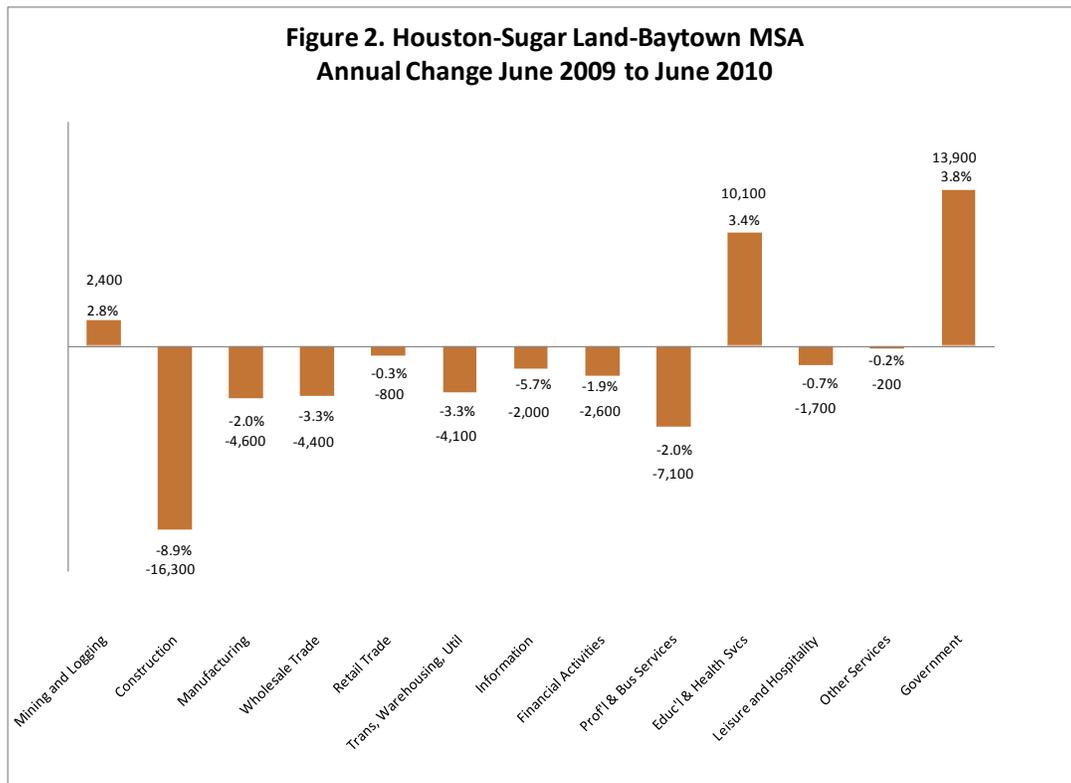
Visit our website at [www.wrksolutions.com](http://www.wrksolutions.com)

**UNEMPLOYMENT IN THE H-S-B MSA ROSE FIVE-TENTHS OF A PERCENTAGE POINT IN JUNE TO 8.8 PERCENT.** This was the smallest May to June increase since 2006 driven by a drop in the civilian labor force. A drop in the labor force for the month of June has not happened since the current data series began in 2000 and is a result of discouraged long-term unemployed individuals leaving the labor force. This was also the first May to June decline in the number of employed in the H-S-B MSA for the current data series. If the individuals that have given up looking for work were counted then the unemployment rate would certainly be higher. The unemployment rate at the state and national level also increased in June. The H-S-B MSA's rate of unemployment continues to be lower than the nation's 9.6 percent but slightly higher than the state's 8.5 percent.

**THE H-S-B MSA ADDED JOBS FOR THE FIFTH CONSECUTIVE MONTH, UP 600 JOBS IN JUNE.** All major private job sectors experienced growth this month paving the way to a June gain despite seasonal declines at government educational institutions and a reduction in the number of temporary Census workers. Over-the-year losses in the MSA continue to decline, down 17,400 jobs or -0.7 percent from last June. Recent declines in the rate of job losses for the H-S-B MSA are very similar to improvements at the national level, see figure 1. Education & Health Services and Mining and Logging are the only private super sectors reporting positive over-the-year job growth in June, see figure 2. Labor market conditions in the H-S-B MSA have improved but continued growth remains uncertain given the potential fallout from the European debt crisis, a moratorium on deepwater drilling, cancellation of NASA's human space flight program, and recent airline mergers.



**Mining and Logging** added 1,200 jobs in June, up 1.4 percent, driven by increased drilling activity. June's job gains helped over-the-year growth in the super sector rise to 2.8 percent, see figure 2. Employment levels have returned very close to recent highs seen in 2008. All of the growth is found in Oil and Gas Extraction, up 2,400 jobs or 4.9 percent from last June. A prolonged moratorium on deepwater drilling will prove costly across the Gulf Coast and has already convinced some drillers to move rigs to international destinations while others anxiously await the final decision to be made in court. The high cost to relocate rigs will likely make it necessary to keep rigs abroad for several years.



**Construction** remains the hardest hit super sector of the H-S-B MSA, down 16,300 jobs or -8.9 percent from last June. Although employment in the super sector has stabilized, weak construction activity has resulted in stagnant job growth. Heavy and Civil Engineering Construction, down 3,700 jobs or -9.4 percent, and Specialty Trade Contractors, down 10,500 jobs or -11.0 percent, have suffered steepest losses. New housing construction has been up considerably from 2009 spurred by homebuyer tax credits helping Construction of Buildings report slightly more moderate losses, down 2,100 jobs or -4.3 percent from last June. The recent expiration of homebuyer tax credits, however, is expected to dampen demand for homebuilders and their affiliates considerably.

**Manufacturing** added 1,700 jobs in June, up 0.8 percent, with most of the increase found in Durable Goods Manufacturing. The rate of over-the-year losses have fallen significantly from -9.6 percent in January to -2.0 percent this month, down 4,600 jobs from June 2009. Despite recent stabilizing of employment in Manufacturing, there remain 24,900 fewer jobs in the super sector than its recent peak in November 2008. Largest losses in Manufacturing remain tied to demand for equipment related to the oil and gas industry with Fabricated Metal Product Manufacturing down 3,400 jobs or -7.1 percent over the year. Employment in Nondurable Goods Manufacturing has suffered a more modest decline of 1,400 jobs over the year, down -1.7 percent.

**Trade Transportation & Utilities** added 2,600 jobs in June, up 0.5 percent. Most of the increase was due to seasonal hiring in Retail Trade, up 1,700 jobs or 0.7 percent. The super sector is down

9,300 jobs or -1.8 percent over the year with the rate of loss down significantly from January's -3.9 percent. Nearly half of the decline is found in Wholesale Trade, down 4,400 jobs or -3.3 percent. The Transportation, Warehousing, and Utilities Sector accounted for much of the remainder of the loss, down 4,100 jobs or -3.3 percent.

Employment in **Information** steadily declined throughout most of 2009 with the rate of losses peaking at -6.3 percent in July. The super sector is currently down 2,000 jobs or -5.7 percent over the year. About half of the MSA's employment in information resides in telecommunications with the remainder found in newspaper and periodical publishing, software publishing, motion picture and sound recording, and data processing hosting and related services.

**Financial Activities** added 400 jobs in June driven by growth in Real Estate and Rental and Leasing. The super sector continues, however, to report an over-the-year loss of 2,600 jobs, down -1.9 percent. Most of the loss was in Finance and Insurance, down 2,400 jobs or -2.7 percent. Weak conditions are expected to continue in Financial Services until late 2010 or early 2011.

**Professional and Business Services** experienced an increase for the fifth consecutive month in June, up 2,600 jobs or 0.7 percent. Largest over-the-month increases were in Architectural, Engineering, and Related Services, up 800 jobs or 1.3 percent, and Employment Services, up 700 jobs or 1.4 percent. Recent gains in the super sector have helped reduce the rate of over-the-year losses from a peak of -8.5 percent last August, down 33,000 jobs, to the current loss of 7,100 jobs, down -2.0 percent. Areas hardest hit with job losses were Accounting, Tax Preparation, Bookkeeping, and Payroll Services, down 1,200 jobs or -7.1 percent, and Employment Services, down 2,700 jobs or -5.0 percent

**Education and Health Services** added 200 jobs in June and continues to report positive job growth over the year as it has throughout the economic downturn, currently up 10,100 jobs or 3.4 percent from last June. The largest job gains were in Health Care and Social Assistance, up 9,000 jobs or 3.5 percent over the year. Educational Services was also reporting a significant 2.7 percent increase over-the-year, up 1,100 jobs. An aging population and a population growth rate that more than doubles that of the nation is responsible for growth in the super sector.

**Leisure and Hospitality** experienced a seasonal gain of 3,100 jobs in June. Despite the 1.3 percent increase the super sector continues to report an over-the-year loss of 1,700 jobs, down -0.7 percent from June 2009. Nearly two-thirds of the loss was due to declines in Food Services and Drinking Places, down 1,000 jobs or -0.5 percent over the year.

**Other Services** added 1,100 jobs in June, up 1.2 percent. Job losses in the super sector continue to decline, currently down just 200 jobs or -0.2 percent over the year. Other Services includes, as a partial list, industries such as various repair services, personal care services, dry cleaning and laundry services, and religious and social advocacy organizations.

**Government** shed 12,500 jobs in June as a result of seasonal declines at government educational institutions and a reduction in the number of temporary workers for the 2010 Census. Employment in Federal Government continues to be much higher than one year ago as a result of the 2010 Census, up 7,000 jobs or 24.2 percent from last June.

**NONAGRICULTURAL EMPLOYMENT****Houston-Sugar Land-Baytown MSA****Month Change****Year Change**

	<b>JUN 2010</b>	<b>Net Percent</b>		<b>Net Percent</b>	
Total Nonfarm	2,526,600	600	0.0%	-17,400	-0.7%
Total Private	2,148,700	13,100	0.6%	-31,300	-1.4%
Goods Producing	476,900	3,000	0.6%	-18,500	-3.7%
.Mining and Logging	89,100	1,200	1.4%	2,400	2.8%
...Oil and Gas Extraction	50,900	800	1.6%	2,400	4.9%
...Support Activities for Mining	37,200	400	1.1%	0	0.0%
.Construction	167,400	100	0.1%	-16,300	-8.9%
..Construction of Buildings	46,900	400	0.9%	-2,100	-4.3%
..Heavy and Civil Engineering Construction	35,600	200	0.6%	-3,700	-9.4%
..Specialty Trade Contractors	84,900	-500	-0.6%	-10,500	-11.0%
.Manufacturing	220,400	1,700	0.8%	-4,600	-2.0%
..Durable Goods	140,800	1,600	1.1%	-3,200	-2.2%
...Fabricated Metal Product Manufacturing	44,600	400	0.9%	-3,400	-7.1%
...Machinery Manufacturing	39,200	200	0.5%	-1,800	-4.4%
....Agriculture, Construction, and Mining Machinery Manufacturing	28,100	100	0.4%	-700	-2.4%
...Computer and Electronic Product Manufacturing	17,800	0	0.0%	-700	-3.8%
....Computer and Peripheral Equipment Manufacturing	7,500	0	0.0%	0	0.0%
..Non-Durable Goods	79,600	100	0.1%	-1,400	-1.7%
...Petroleum and Coal Products Manufacturing	13,700	0	0.0%	800	6.2%
...Chemical Manufacturing	36,400	200	0.6%	-600	-1.6%
Service Providing	2,049,700	-2,400	-0.1%	1,100	0.1%
.Private Service Providing	1,671,800	10,100	0.6%	-12,800	-0.8%
..Trade, Transportation, and Utilities	507,700	2,600	0.5%	-9,300	-1.8%
...Wholesale Trade	127,300	300	0.2%	-4,400	-3.3%
....Merchant Wholesalers, Durable Goods	76,400	300	0.4%	-2,900	-3.7%
....Professional and Commercial Equipment and Supplies Merchant	10,600	100	1.0%	-100	-0.9%
....Merchant Wholesalers, Nondurable Goods	39,900	200	0.5%	-100	-0.3%
...Retail Trade	261,400	1,700	0.7%	-800	-0.3%
....Motor Vehicle and Parts Dealers	32,300	200	0.6%	0	0.0%
....Building Material and Garden Equipment and Supplies Dealers	21,100	100	0.5%	600	2.9%
....Food and Beverage Stores	54,000	100	0.2%	500	0.9%
....Health and Personal Care Stores	16,900	100	0.6%	200	1.2%
....Clothing and Clothing Accessories Stores	26,600	600	2.3%	-500	-1.8%
....General Merchandise Stores	58,900	100	0.2%	-100	-0.2%
.....Department Stores	22,900	200	0.9%	700	3.2%
.....Other General Merchandise Stores	36,000	-100	-0.3%	-800	-2.2%
...Transportation, Warehousing, and Utilities	119,000	600	0.5%	-4,100	-3.3%
...Utilities	16,600	100	0.6%	-100	-0.6%
....Air Transportation	24,000	200	0.8%	-700	-2.8%
....Truck Transportation	18,600	200	1.1%	-500	-2.6%
....Pipeline Transportation	8,900	0	0.0%	200	2.3%
..Information	32,900	100	0.3%	-2,000	-5.7%
...Telecommunications	17,700	100	0.6%	-400	-2.2%
..Financial Activities	137,400	400	0.3%	-2,600	-1.9%
...Finance and Insurance	86,100	0	0.0%	-2,400	-2.7%
...Credit Intermediation and Related Activities	42,400	0	0.0%	0	0.0%
....Depository Credit Intermediation	29,100	0	0.0%	0	0.0%
....Securities, Commodity Contracts, and Other Financial Investment	12,400	0	0.0%	-200	-1.6%
...Insurance Carriers and Related Activities	29,100	0	0.0%	-800	-2.7%
....Insurance Carriers	13,800	0	0.0%	-600	-4.2%
...Real Estate and Rental and Leasing	51,300	400	0.8%	-200	-0.4%
....Rental and Leasing Services	14,200	100	0.7%	-900	-6.0%

## NONAGRICULTURAL EMPLOYMENT

Houston-Sugar Land-Baytown MSA	JUN 2010	Month Change		Year Change	
		Net	Percent	Net	Percent
..Professional and Business Services	351,900	2,600	0.7%	-7,100	-2.0%
...Professional, Scientific, and Technical Services	169,500	1,500	0.9%	-5,400	-3.1%
....Legal Services	23,200	300	1.3%	-200	-0.9%
....Accounting, Tax Preparation, Bookkeeping, and Payroll Services	15,700	200	1.3%	-1,200	-7.1%
....Architectural, Engineering, and Related Services	60,200	800	1.3%	-1,000	-1.6%
....Computer Systems Design and Related Services	23,700	-100	-0.4%	-400	-1.7%
...Administrative and Support and Waste Management and Remediation Services	162,300	1,200	0.7%	-2,300	-1.4%
....Administrative and Support Services	154,600	1,200	0.8%	-1,700	-1.1%
.....Employment Services	51,300	700	1.4%	-2,700	-5.0%
.....Services to Buildings and Dwellings	42,300	400	1.0%	500	1.2%
..Educational and Health Services	306,300	200	0.1%	10,100	3.4%
...Educational Services	42,400	-700	-1.6%	1,100	2.7%
...Health Care and Social Assistance	263,900	900	0.3%	9,000	3.5%
....Ambulatory Health Care Services	119,700	700	0.6%	4,800	4.2%
.....Offices of Physicians	43,900	400	0.9%	1,600	3.8%
....Hospitals	73,400	100	0.1%	1,500	2.1%
..Leisure and Hospitality	242,100	3,100	1.3%	-1,700	-0.7%
...Arts, Entertainment, and Recreation	31,300	1,500	5.0%	-200	-0.6%
...Accommodation and Food Services	210,800	1,600	0.8%	-1,500	-0.7%
....Accommodation	20,800	500	2.5%	-500	-2.3%
....Food Services and Drinking Places	190,000	1,100	0.6%	-1,000	-0.5%
..Other Services	93,500	1,100	1.2%	-200	-0.2%
Government	377,900	-12,500	-3.2%	13,900	3.8%
.Federal Government	35,900	-4,200	-10.5%	7,000	24.2%
.State Government	69,300	-1,900	-2.7%	2,200	3.3%
..State Government Educational Services	36,100	-2,000	-5.2%	2,500	7.4%
.Local Government	272,700	-6,400	-2.3%	4,700	1.8%
..Local Government Educational Services	184,600	-7,200	-3.8%	2,500	1.4%

## UNEMPLOYMENT RATE

	JUN 2010	MAY 2010	JUN 2009
H-S-B MSA	8.8	8.3	8.2
Texas (Actual)	8.5	8.0	8.3
United States (Actual)	9.6	9.3	9.7

**Houston-Sugar Land-Baytown MSA:** Includes Austin, Brazoria, Chambers, Ft. Bend, Galveston, Harris, Liberty, Montgomery, and San Jacinto & Waller Counties. Houston-Baytown-Sugar Land MSA CES data series are benchmarked to March 2009 levels. Estimated by the Texas Workforce Commission in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics. All Data Subject To Revision.

Sources: U.S. Department of Labor, BLS, Texas Workforce Commission, Baker Hughes Incorporated, Kiley Advisors, Metrostudy, and The Federal Reserve Bank of Dallas (which covers Texas, northern Louisiana and southern New Mexico).