



Gulf Coast Workforce Board
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PO Box 22777 Houston, Texas 77227-2777
MAIN: 713.627.3200 **FAX:** 713.993.4578
www.wrksolutions.com

To: Gulf Coast Workforce Board members

From: Mike Temple
Brenda Williams
Deborah Duke

Date: November 25, 2019

Subject: Meeting Materials for Tuesday, December 3, 2019

Please join us on **Tuesday, December 3, 2019 at 10:00 a.m.** in **H-GAC's second floor conference rooms A/B/C**, 3555 Timmons Lane, Houston, Texas, for the next meeting of the Gulf Coast Workforce Board.

We hope that you all have a safe and happy Thanksgiving holiday.

We've attached the tentative agenda and materials for the December 3 Board meeting.

- As usual, we'll begin with comments from the Chair and an Audit/Monitoring Committee report.
- We have a couple of videos and updates for you: a look at our project with The H.E.A.R.T. Program and the University of Houston Downtown, and a recap of our 2019 Hiring Red White & You event.
- The Education Committee will ask your consideration for two items that impact Workforce Solutions financial aid: first, the eligibility for child care financial aid and second, the rates we pay child care providers.
- The Nominations Committee will bring its recommendations for 2020 officers to you.



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We'll follow up with performance and production information, expenditures, and a report on the economy.

We look forward to seeing you on December 3. Please let us know if you need anything!



GULF COAST WORKFORCE BOARD

**TENTATIVE AGENDA
10:00 A.M. TUESDAY, DECEMBER 3, 2019**

**H-GAC Conference Rooms A/B/C
3555 Timmons Lane, Second Floor, Houston, TX 77027**

1. Call to Order
2. Adopt Agenda
3. Hear Public Comment
4. Review October 2019 meeting minutes
5. Declare Conflicts of Interest
6. Consider Reports
 - a. Chair's Remarks.
 - b. Audit/Monitoring. Briefing on committee's November meeting.
7. Take Action
 - a. Education. Consider changes to the Board's financial aid policy for child care, including changes to provider rates.
 - b. Nominations. Consider nominations for 2020 Board officers.

A decorative graphic on the left side of the page, consisting of a cluster of blue hexagons of various sizes and orientations, some overlapping, creating a honeycomb-like pattern.

8. Receive Information

- a. Hiring Red White & You. Follow-up from the November veteran's day hiring event.
- b. HEART/UHD Project. A look at the project with the HEART Program and University of Houston Downtown to help individuals with intellectual and development disabilities go to work.
- c. Performance and Production. Report on the system's performance and production.
- d. Expenditures. Report on the Board's budget and expenditures.

9. Look at the Economy. Report on current employment data and economic trends.

10. Take Up Other Business.

11. Adjourn

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Deaf, hard-of-hearing or speech-impaired customers may contact:
Relay Texas 1-800-735-2989 (TTY) or 1-800-735-2988 (Voice) or 711.
Equal opportunity is the law.

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**MINUTES OF
THE GULF COAST WORKFORCE BOARD
TUESDAY, OCTOBER 1, 2019**

MEMBERS PRESENT

Willie Alexander	Alan Heskamp	Adrian Ozuna
Karlos Allen	Guy Robert Jackson	Paul Puente
Gerald Andrews	Doug Karr	Janice Ruley
Peter Beard	Jeffrey LaBroski	Danielle Scheiner
Sara Bouse	Ernest Lewis	Valerie Segovia
Renea Dillon	Rajen Mahagaokar	Richard Shaw
Cheryl Guido	Dexter McCoy	Evelyn Timmins
Mark Guthrie	Edward Melton	Lizandra Vazquez
Bobbie Allen Henderson	Jerry Nevlud	

H-GAC STAFF MEMBERS PRESENT

Mike Temple
Ron Borski

Dorian Cockrell
AJ Dean
Philip Garcia
Parker Harvey

Mark Guthrie, Chairman, called the meeting to order at approximately 10:00 a.m., on Tuesday, October 1, 2019, in the 2nd floor, H-GAC Conference Rooms A/B/C, at 3555 Timmons Lane, Houston, Texas. Chair Guthrie determined a quorum was present.

RECOGNIZE NEW MEMBERS

Prior to adoption of the Agenda, Chair Guthrie welcomed new Board members Lizandra Vazquez and Rajen Mahagaokar and asked each member to give a brief introduction to the Board. The new members each did so and were welcomed enthusiastically by the Board.

ADOPTION OF AGENDA

Chair Guthrie asked for adoption of the agenda as presented. A motion was made and seconded to adopt the agenda as presented. The motion carried and the agenda was adopted.

PUBLIC COMMENT

No one signed up for public comment.

MINUTES FROM AUGUST 6, 2019 MEETING

Chair Guthrie asked for any additions or corrections to the minutes for the August 6, 2019 Board meeting and if none, for approval of the minutes as presented. A motion was made and seconded to approve the minutes as presented. The motion carried.

DECLARE CONFLICTS OF INTEREST

Chair Guthrie asked for a declaration of any conflicts of interest with items on the agenda. No conflicts of interest were declared. Chair Guthrie reminded the members that they were welcome to declare conflicts with items as they are considered.

CONSIDER REPORTS

a. Chair's Report.

Chair Guthrie began by noting that tropical storm Imelda did not do as much lasting damage to our region as Harvey did. He expressed that our region is thankful for that blessing.

Chair Guthrie also reported that Congress approved a continuing resolution which was signed by the President and will continue to fund the federal government until November 21. This means there will be no disruption in the meantime for any of our programs.

Chair Guthrie said that he plans to attend the National Association of Workforce Boards quarterly directors meeting in Washington, DC in October and will report about it to the Board at the December meeting.

Chair Guthrie reported that a new TWC Commissioner representing employers was appointed. Commissioner Aaron Demerson replaces former Chair Ruth

Hughs who resigned to become the Texas Secretary of State. Commissioner Bryan Daniel has assumed the Chair position.

Chair Guthrie reported that September was a very busy month with a number of Report Card Roundtable meetings around the region. The meetings were good events that brought in people from the community and he expressed appreciation to the Board Members who were able to attend.

In late August, Chair Guthrie attended the graduation ceremony of the University of Houston Downtown HEART program. Twenty-four young people with disabilities walked the graduation stage after finishing a groundbreaking pilot program that Workforce Solutions supported. This program provided them with college credit classes and work experience in an internship program job at University of Houston Downtown followed by an apprenticeship or internship with an outside employer, followed by a capstone project at the university.

Chair Guthrie highlighted two events that are scheduled to take place before the December meeting. The first is White Cane Day which is scheduled to take place at Houston City Hall on October 17th. Chair Guthrie encouraged everyone to attend if possible. Cheryl Guido informed the Board that the event will start with a march ending at Houston City Hall and is intended to create awareness of working with blind and visually impaired individuals. The second event is the Hiring Red, White & You job fair for veterans and their families on November 7th at Minute Maid Park. A leadership breakfast precedes the job fair and Board Members are invited to attend.

Lastly, Chair Guthrie reported that the last Report Card Roundtable meeting is scheduled for October 10th in League City. He encouraged members to attend if possible.

Chair Guthrie concluded his report and no action was taken.

b. Audit/Monitoring Committee.

Committee Chair Guy Robert Jackson provided the following report.

The Audit/Monitoring Committee met by teleconference on Wednesday, September 18, 2019. Members present included the committee chair Guy Jackson, Board chair Mark Guthrie, and members Adrian Ozuna, Mike Stewart, Helen Cavazos, Alan Heskamp, Doug Karr, and Paul Puente.

Summary

The committee heard a presentation of results from the most recent monitoring activities. This included reviews of local offices, their tracking units, Employer Service, and the Financial Aid Support Center.

Staff did not find significant issues in any of these units and all of them were rated as Solid Performance.

Local Offices. As always, we find opportunities for improvement throughout the system. Out of this group of reviews, staff's most frequent comments for local offices included:

Find ways to increase outreach and the number of young people we serve

Improve their customer records

Make sure they have accurate and sufficient data for each customer receiving financial aid

Make sure the records include necessary information and required elements (employment plans, counselor notes)

Tracking Units. A tracking unit is a central office that supports the work of local career offices by keeping counts, assembling multiple customer-related documents, reviewing and notifying offices of required actions for customers, reviewing and notifying offices of individual customer deadlines for action, sanctioning customers for non-compliance, reporting on performance. Each office contractor has a tracking unit.

Staff has have reminded the tracking units of the importance of keeping good communication with the offices each serves, ensuring the accuracy of customer data, and checking to make sure our records are complete.

Financial Aid Support Center. This office determines eligibility for the largest share of customers who apply for our financial aid. The staff in this office also has a role in setting up arrangements for customers to whom we've awarded assistance, working with the customers, schools, early education providers, and others to put financial aid in place. Interfaith of the Woodlands operates the Support Center for us.

During staff's review, they saw a significant improvement in the response time for determining eligibility. They commented that the Support Center could improve the time to respond to customer inquiries and calls.

Employer Service. Employer Service is the sales and marketing arm of Workforce Solutions – making contact with employers, employer associations, chambers of commerce, and economic development associations to assist with human resources related needs. It is also the unit that responds to employers' requests for assistance with talent development – sourcing, screening, referring, and where possible, investing in education and upskilling for new and current workers.

There are two contractors in this unit: Employment and Training Centers and Grant Associates.

For Employment and Training Centers, staff saw a need to improve the candidate eligibility determination work it does for talent development projects and some of the required documentation for those projects. For Grant, staff noted that the contractor is not meeting its current year production expectations.

Chair Jackson concluded his report and no action was taken.

c. Nominations.

Chair Guy Robert Jackson provided the following report:

Background

The Board's bylaws call for an annual election of Board officers. There are four positions: Board Chair and three Vice Chairs. A Vice Chair acts in the absence of the Chair.

The Board Chair must come from the private sector representatives on the Board.

Current Situation

The Nominating Committee is opening the call for nominations for all four Board officer positions. Members interested in nominating themselves or other members may provide the nomination to Guy Jackson, the committee chair.

The Committee will review nominations and make a recommendation to the Board at the December 2019 meeting.

Chair Jackson concluded his report and no action was taken.

d. Report Card.

Chair Richard Shaw provided a brief background and overview of the Report Card process. The 7th edition of the Report Card was released in September which examined approximately 45 indicators in 6 key areas. Chair Shaw commended Mike Temple and the Board staff who worked on this report card. Six community roundtable meetings were conducted in September with one more scheduled in October. Each roundtable meeting provided good discussions covering a wide variety of topics. Chair Shaw provided highlights from some of the meeting discussions and informed the Board that a full report will be provided once the meetings are complete.

Parker Harvey presented the Report Card presentation for the Board and answered questions from Board Members.

Chair Shaw concluded his report and no action was taken.

TAKE ACTION

a. Budget. Proposed 2019 Board Budget Revision.

Chair Willie Alexander provided the following report from the Budget Committee:

Background

Periodically we update the Board's budget to account for changes in revenue. We are proposing the Board approve a small increase in the overall budget.

The Budget Committee met on Friday, August 23, 2019 with Committee Chair Willie Alexander, Board Chair Mark Guthrie, and Bobbie Henderson attending. Sarah Janes and Doug Karr participated by phone.

Current Situation

The proposed revision to the 2019 budget places total available revenue just over \$308 million, which results in a .4% increase from our original estimate. Decreased general revenue funding due to formula funding reductions is being offset by increased dollars available for new initiatives plus additional support for Vocational Rehabilitation integration.

Our proposed use for additional revenue will be split between service for employers and people. We recommend

- increasing dollars in financial aid for work-based learning,
- enhancing resources available for career office expansions, and
- adding funds to employer service.

We are also proposing a modest increase to the Board's travel budget for 2019.

Results

With these recommendations we expect to:

- Serve at least 28,500 employers and 425,000 individuals
- Ensure 17,670 of our employers return for service
- Assist in creating 3,300 new jobs
- Spend at least \$15 million on scholarships for more than 5,000 individuals in high-skill, high-growth occupational training
- Support about 24,000 families and 44,000 children with early education
- Help more than 230,000 individuals go to work
- Raise the incomes of 105,000 by at least 20%
- Help 85% of individuals pursuing a post-secondary education attain a credential (certificate or degree)

Action

A motion was made and seconded to approve the revised 2019 Board budget in amount of \$308,364,130. The motion was approved as presented.

Chair Alexander concluded his report and no further action was taken.

RECEIVE INFORMATION

a. Summer Jobs 2019

Mr. Dorian Cockrell updated the Board on the Youth and Young Adults Summer Job program:

From March 2019 through August 2019 the Summer Job program touched the lives of 8,427 young people. This number includes the young people who came from Hire Houston Youth. Fast Pass Work Readiness workshops provided employability skills to 1,680 participants preparing them for work. Work based learning opportunities were provided for 1,201 individuals. Five hundred eighty-seven of those individuals were Summer Earn and Learn students. In addition, 663 individuals were placed in direct hire positions providing part-time and full-time employment. That number will continue to increase as additional wage records come in.

Mr. Cockrell reported that staff is excited about the effort moving forward to provide year-round services for young people.

Mr. Cockrell concluded his report and no action was taken.

b. Performance and Production.

Philip Garcia reviewed the Performance and Production measures for October 2018 through August 2019, as follows:

For the performance measurement year beginning October 1, 2018, Texas Workforce Commission recently changed reporting systems. The data for several reports has been affected. They are working to fix this.

- New jobs created: we are behind the goal for this measure. Board staff is working with our contractors to review the process and create an action plan to work with our partners to bring jobs to our region.
- Earnings Gains: although we are doing better than last year for the people who successfully gained 20% increase in wages, we still think there is room to improve. We will continue to follow up with customers and review wage data for this population.

- Attained Credentials: we are slightly behind and are following up to ensure all data has been entered.

During the same time period, Texas Workforce Commission has 25 production measures we must meet. Of those measures, we are currently meeting or exceeding 23 of the measures for the year. The following measures require additional focus:

- Employers Receiving Workforce Assistance: this is one of the Texas Workforce Commission reports previously mentioned that is not working correctly.
- Employed Q2 for Dislocated Workers: we are behind and are reviewing the information and updating the system accordingly.

Mr. Garcia completed his report and no action was taken.

c. Expenditures

AJ Dean reviewed the Financial Status Report representing expenses for the 9 months ending in August 2019, and provided the following report:

Our year-to-date target is 66%. Overall, we are on target in the area of Board Admin, Service for Employers and Service for People. We are lagging for System IT. Our original budget for Workforce Revenue is \$307M which is now \$308M. We will update that number in our next report. Overall our year-to-date target revenue is at 64% which is on target.

A breakout of System Expenses shows that 75% of our dollars are going towards Financial Aid followed by Office Operations, Adult Education and Employer Service expenses.

Mr. Dean completed his report and no action was taken.

LOOK AT THE ECONOMY

Ron Borski provided the Board with a report of employment data and economic trends:

Since the October meeting we are still looking at a very low rate of unemployment in the area. In August we had a slight decline. Local, State and National levels are all below 4%. When it comes to jobs in the area August typically sees an increase. However, this year we are at a net of zero. The areas of weakness we see are in Mining, Construction, Leisure and Hospitality, and Government.

On an over the year basis, Other Services has replaced Mining as the fastest growing industry in the region. Professional and Business Services continues to be the category with the most jobs. Retail Trade, which has been seeing a downward trend, continues to show losses for the 11th consecutive month.

The America Community Survey released detailed tables for local population changes. A snapshot of this data shows how the numbers have changed over the past 5 years. The percentage of people in the labor force age 60 and above was 9.7% in 2013, in 2018 that number is 11.2%. At the same time, we have seen a decline in the percentage of the workforce under the age of 24. This confirms that the make-up of the workforce is shifting higher. We also see that the percent of people working beyond age 60 has been on the rise in the last 5 years.

Lastly, looking at the education levels of our population ages 25 and over, the change from 2013 to 2018 shows that the number of individuals with a bachelor's degree or higher increased by 148,000.

Mr. Borski completed his report and no action was taken.

OTHER BUSINESS

Mike Temple reminded the members that the Hiring Red, White & You hiring event will take place on November 7th. The breakfast begins at 8:30am and is open to all Board Members. The job fair begins at 10:00am. This event will be held at Minute Maid Park.

There was no other business to be brought before the Board.

ADJOURN

Chair Guthrie adjourned the meeting at approximately 11:20 a.m.

GULF COAST WORKFORCE BOARD

Board Member	02/05/19	04/02/19	06/04/19	08/06/19	10/01/19	12/03/19
Alexander, Willie	✓		✓	✓	✓	
Allen, Karlos	✓				✓	
Andrews, Gerald	✓			✓	✓	
Beard, Peter	✓		✓	✓	✓	
Bouse, Sara	✓	✓	✓	✓	✓	
Cavazos, Mary Helen	✓	✓	✓	✓		
Dillon, Renea		✓	✓	✓	✓	
Guido, Cheryl	✓	✓	✓	✓	✓	
Guthrie, Mark	✓	✓	✓	✓	✓	
Henderson, Bobbie Allen	✓	✓	✓	✓	✓	
Heskamp, Alan		✓	✓		✓	
Jackson, Guy Robert	✓	✓	✓	✓	✓	
Janes, Sarah		✓	✓	✓		
Karr, Doug	✓	✓	✓	✓	✓	
LaBroski, Jeff	✓	✓	✓	✓	✓	
Lewis, Ernest	✓		✓	✓	✓	
Mahagaokar, Rajen					✓	
Marshall, Scott				✓		
McCleskey, Kendrick		✓				
McCoy, Dexter			✓	✓	✓	
Mechler, Steve	✓	✓	✓	✓		
Melton, Edward	✓	✓		✓	✓	
Nellons-Paige, Stephanie			✓	✓		
Nevlud, Jerry	✓				✓	
Ozuna, Adrian				✓	✓	
Puente, Paul				✓	✓	
Ruley, Janice	✓		✓	✓	✓	
Scheiner, Danielle	✓		✓		✓	
Segovia, Valerie		✓	✓	✓	✓	
Shaw, Richard	✓	✓		✓	✓	
Shi, Isaac			✓	✓		
Staley, Gil		✓	✓			
Stewart, Michael			✓	✓		
Timmins, Evelyn	✓	✓	✓	✓	✓	
Vazquez, Lizandra					✓	
Watson, Carolyn						
Webster, Michael		✓	✓	✓		

GULF COAST WORKFORCE BOARD

ALEXANDER, WILLIE

W J Alexander Associates P.C.
1770 St. James Place, Suite 407
Houston, TX 77056
(713) 802-0900, ext. 12
Fax: (713) 802-1188

Category: Business

County: City of Houston

walex@wjalexander.com

Term: January 1, 2019 thru December 31, 2020

BOUSE, SARA

Alvin Community College
3110 Mustang Road
Alvin, TX 77511

(281) 732-8389 – cell

(281) 756-3568 – office

Category: Education

County: Brazoria

sbouse@alvincollege.edu

Term: January 1, 2019 thru December 31, 2020

ALLEN, KARLOS

PFM Financial Advisors LLC
1200 Smith Street, Suite 1600
Houston, TX 77002
(713) 353-4600

Category: Business

County: City of Houston

allenka@pfm.com

Term: January 1, 2016 thru December 31, 2020

CAVAZOS, MARY HELEN

M.H. Cavazos & Associates
1124 W. Clay Street
Houston, TX 77019
(713) 807-1115

Category: Business

County: Harris

mhcavazos@aol.com

Term: January 1, 2019 thru December 31, 2020

ANDREWS, GERALD

Gallagher Victory Insurance
122 West Way, Suite 404
Lake Jackson, TX 77566
(979) 297-8604

Fax: (979) 297-7080

Category: Business

County: Brazoria

geraldandrews36@yahoo.com

Term: January 1, 2019 thru December 31, 2020

DILLON, RENE A

Goose Creek CISD
4544 I-10 East
Baytown, TX 77521
281-707-3361

Category: Education

County: Harris

carol.dillon@gccisd.net

Term: January 1, 2018 thru December 31, 2019

BEARD, PETER

Greater Houston Partnership
701 Avenida de las Americas, Suite 900
Houston, TX 77010
(713) 844-3602 – office

Fax: (713) 844-0200

Category: Business

County: City of Houston

pbeard@houston.org

Term: January 1, 2019 thru December 31, 2020

GUIDO, CHERYL

Department of Assistive and
Rehabilitation Services

427 W. 20th, Suite 407

Houston, TX 77008

(713) 802-3101

Fax: (713) 802-3143

Category: State Agency

cheryl.guido@twc.state.tx.us

Term: January 1, 2018 thru December 31, 2019

GUTHRIE, MARK

Winstead PC
600 Travis Street, Suite 5200
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(713) 650-2730
Fax: (713) 650-2400
Category: Business
County: City of Houston
mguthrie@winstead.com
Term: January 1, 2019 thru December 31, 2020

HAWTHORNE, CARI

HR Defined, LLC
10101 Fondren #206
Houston, TX 77096
Category: Business
County: City of Houston
info@hrdefined.com
Term: June 21, 2018 thru December 31, 2020

HENDERSON, BOBBIE ALLEN

Texas Southern University
4203 Charleston Street
Houston, TX 77021-1415
(713) 313-7588/(713) 748-6508(h)
Fax: (713) 741-6196
Category: Education
County: City of Houston
bobbie.henderson@att.net
Term: January 1, 2019 thru December 31, 2020

HESKAMP, ALAN

Heskamp & Associates LLC
311 Hoskins Broadway
El Campo, TX 77437
(979) 758-4521
Category: Business
County: Wharton
aheskamp@sbcglobal.net
Term: January 1, 2018 thru December 31, 2019

JACKSON, GUY ROBERT

Chambers County Abstract Co. Inc.
P.O. Box 640
Anahuac, TX 77514
(409) 267-6262, ext. 35
Fax: (409) 267-6355
Category: Business
County: Chambers
grj@ccac.net
Term: January 1, 2019 thru December 31, 2020

JANES, SARAH

San Jacinto College
8060 Spencer Highway
Pasadena, TX 77505
(281) 478-3605
Fax: (281) 479-8127
Category: Education
County: Harris
sarah.janes@sjcd.edu
Term: January 1, 2018 thru December 31, 2019

KARR, DOUG

Pro Staff/Atterro
27 Canoe Birch Place
The Woodlands, TX 77382
832-967-7684
Category: Business
County: Montgomery
doug.karr@prostaff.com
Term: January 1, 2018 thru December 31, 2019

LaBROSKI, JEFFREY

Plumbers Local Union No. 68
502 Link Road
P.O. Box 8746
Houston, TX 77249
(713) 869-3592
Fax: (713) 869-3671
Category: Labor
County: City of Houston
ski@plu68.com
Term: January 1, 2019 thru December 31, 2020

LEWIS, ERNEST

Adult Reading Center
2246 N Washington Ave
Pearland, TX 77581
(281) 485-1000

Category: Literacy

County: Brazoria

ernest.lewis@adultreadingcenter.org

Term: January 1, 2018 thru December 31, 2019

McCOY, DEXTER

Fort Bend Independent School District
16431 Lexington Blvd
(281) 634-1000

Fax: (281) 327-2834

Category: Education

County: Fort Bend

Dexter.mccoy@fortbendisd.com

Term: January 1, 2019 thru December 31, 2020

MAHAGAOKAR, RAJEN

Riverstone Holdings LLC
1000 Louisiana St, 1450
Houston, TX 77002
(713) 844-3600

Category: Business

County: Harris

rmahagaikar@riverstonellc.com

Term: June 21, 2019 thru December 31, 2020

MECHLER, STEVE

TI Constructors
4321 Directors Row, Suite 101
Houston, TX 77092
(281) 272-7980

Category: Business

County: Harris

smechler@ticonstructors.com

Term: January 1, 2018 thru December 31, 2019

MARSHALL, SCOTT

Worley
5995 Rogerdale Road
Houston, TX 77072
(832) 351-6655

Category: Business

County: Harris

scott.marshall@worley.com

Term: January 1, 2018 thru December 31, 2019

MELTON, EDWARD

Texas Library Association
5749 South Loop East
Houston, TX 77033
(713) 274-6600

Category: Literacy

County: Harris County

edward.melton@hcpl.net

Term: January 1, 2018 thru December 31, 2019

McCLESKEY, KENDRICK

PricewaterhouseCoopers-
1903 Crockett St.
Houston, TX 77007
(281) 788-6046

Category: Business

County: City of Houston

klmccleskey@gmail.com

Term: January 1, 2019 thru December 31, 2020

NELLONS-PAIGE, STEPHANIE

Texas Central Rail Holdings
1021 Main Street
Houston, TX 77002
(443) 610-3487

Category: Business

County: Houston

Snellons-paige@texascentral.com

Term: January 1, 2019 thru December 21, 2020

NEVLUD, JERRY

AGC Houston
3825 Dacoma Street
Houston, TX 77092
(713) 843-3700

Fax: (713) 843-3777

Category: Business

County: Harris

jerry.n@agchouston.org

Term: January 1, 2018 thru December 21, 2019

OZUNA, ADRIAN

Prosperity Bank
80 Sugar Creek Center Blvd
Sugar Land, TX 77478
(832) 259-7692

Category: Business

County: Harris

adrian.ozuna@prosperitybankusa.com

Term: June 21, 2019 thru December 31, 2020

PUENTE, PAUL J.

Houston Gulf Coast Building and
Construction

Trades Council

1301 West 13th St, Suite D
Deer Park, TX 77536
(713) 926-4433

Fax: (713) 926-4918

Category: Labor

County: City of Houston

paul@hgbctc.org

Term: January 1, 2019 thru December 31, 2020

RULEY, JANICE

Houston Airport Systems
18600 Lee Road, Suite 130
Humble, TX 77338-4172
(281) 233-7853

Fax: (281)230-8020

Category: Labor

County: City of Houston

janice.ruley@houstontx.gov

Term: January 1, 2019 thru December 31, 2020

SCHEINER, DANIELLE

Conroe Economic Development Council
300 W Davis Street
Conroe, TX 77301
(936) 522-3529

Category: Economic Development

County: Montgomery

scheiner@conroeedc.org

Term: January 1, 2018 thru December 31, 2019

SEGOVIA, VALERIE GARCIA

Director of Outreach and Development
Nuclear Power Institute
101 Gateway Blvd, Suite A
College Station, TX 77845
979-240-5005

Category: CBO

County: Matagorda

vsegovia@tamu.edu

valeriegsegovia@gmail.com

Term: January 1, 2019 thru December 31, 2020

SHAW, RICHARD

Harris County Labor Assembly,
AFL-CIO Council

1707 Prism Lane
Houston, TX 77043-3344
(713) 240-2472

Category: Labor

County: City of Houston

shawtrek@aol.com

Term: January 1, 2019 thru December 31, 2020

SHI, ISAAC

Golden Section Technology
808 Travis St, Suite 1406
Houston, TX 77002
(713) 806-3020

Category: Business

County: City of Houston

isaac@gstdev.com

Term: January 1, 2019 thru December 31, 2020

STALEY, GIL

The Woodlands Area Economic
Development Partnership
9320 Lakeside Blvd., Bldg. 2, Suite 200
The Woodlands, TX 77381
(281) 363-8130
Fax: (281) 298-6874
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Term: January 1, 2018 thru December 31, 2019

STEWART, MICHAEL

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(713) 685-2401
Fax: (844) 768-0346
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County: City of Houston
mstewart@unitedwayhouston.org
Term: January 1, 2019 thru December 31, 2020

TIMMINS, EVELYN

Houston Mayor's Committee for
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2120 Lundy Lane
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County: City of Houston
evtimmins@aol.com
Term: January 1, 2019 thru December 31, 2020

VAZQUEZ, LIZANDRA

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County: City of Houston
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Term: January 1, 2019 thru December 31, 2020

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Term: January 1, 2019 thru December 31, 2020

WORKFORCE BOARD KEY STAFF:

Mike Temple, Director
Brenda Williams, Senior Manager
Michelle Castrow, Program Manager
Dorian Cockrell, Operation Manager
Susan Dixon, Employer Service
Manager
Jenny Johnson, Quality Assurance
Manager
Deborah Duke, Administrative
Coordinator
Lucretia Hammond, Grants
Management

Houston-Galveston Area Council
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(713) 627-3200
Fax: (713) 993-4578
<http://www.wrksolutions.org>

GULF COAST WORKFORCE DEVELOPMENT

BOARD COMMITTEES

Audit/Monitoring

- Guy Robert Jackson – Chair
- – Vice Chair
- Karlos Allen
- Sara Bouse
- Helen Cavazos
- Cheryl Guido
- Doug Karr
- Ernest Lewis – conflict? call him
- Scott Marshall
- Kendrick McCleskey
- Evelyn Timmins

Budget

- Willie Alexander – Chair
- Gerald Andrews – Vice Chair
- Karlos Allen
- Bobbie Henderson
- Guy Robert Jackson
- Sarah Janes
- Doug Karr
- Scott Marshall
- Jerry Nevlud
- Mike Stewart

By-Laws

Appointed by Board Chair as needed

Nominating

- Guy Robert Jackson – Chair
- Jeff LaBroski – Vice Chair
- Alan Heskamp
- Evelyn Timmins

Oversight Committee (Delete?)

- Gerald Andrews
- Bobbie Henderson

Education

- Bobbie Henderson – Chair
- Doug Karr – Vice Chair
- Karlos Allen
- Sara Bouse
- Helen Cavazos
- Renea Dillon
- Cheryl Guido
- Alan Heskamp
- Sarah Janes
- Jeff LaBroski
- Scott Marshall
- Dexter McCoy
- Steve Mechler
- Jerry Nevlud
- Valerie Segovia
- Richard Shaw

Career Office

- Karlos Allen – Chair
- – Vice Chair
- Cheryl Guido

Employer Services

- Gerald Andrews – Chair
- Jeff LaBroski – Vice Chair
- Sara Bouse
- Helen Cavazos
- Cheryl Guido
- Alan Heskamp
- Guy Robert Jackson
- Sarah Janes
- Scott Marshall
- Steve Mechler
- Danielle Scheiner
- Richard Shaw
- Gil Staley
- Evelyn Timmins

Procurement

- Evelyn Timmins – Chair
- Bobbie Henderson – Vice Chair
- Willie Alexander
- Karlos Allen
- Sara Bouse
- Helen Cavazos
- Cheryl Guido
- Alan Heskamp
- Doug Karr
- Jeff LaBroski
- Scott Marshall
- Adrian Ozuna
- Richard Shaw
- Gil Staley

Report Card

Appointed by Board Chair as needed

Strategic Planning

- – Chair
- – Vice Chair
- Peter Beard
- Sarah Janes
- Doug Karr
- Kendrick McCleskey
- Dexter McCoy
- Stephanie Nellons-Paige
- Adrian Ozuna
- Paul Puente
- Richard Shaw
- Isaac Shi
- Evelyn Timmins

Communications

- Evelyn Timmins – Chair
- – Vice Chair
- Willie Alexander
- Karlos Allen
- Gerald Andrews
- Bobbie Henderson
- Guy Robert Jackson
- Rajen Mahagaokar
- Stephanie Nellons-Paige
- Richard Shaw
- Mike Webster

Government Relations

- Guy Robert Jackson – Chair
- – Vice Chair
- Gerald Andrews
- Scott Marshall
- Jerry Nevlud
- Richard Shaw

Audit/Monitoring Committee

Update for November 2019

The Audit/Monitoring Committee met on Tuesday, November 5, 2019. Members present included the committee chair Guy Jackson, Board chair Mark Guthrie, and members, Cheryl Guido, Doug Karr, Ernest Lewis, Sara Bouse, Helen Cavazos, and Evelyn Timmins.

Summary

The committee heard a presentation of results from the most recent monitoring activities. This included reviews of local career offices, contractor inventory, the training contractor, youth contractors, and the Financial Aid Payment Office

We did not find significant issues in any of these units; the training contractor rated Strong Performance, and all of the other units rated Solid Performance.

Career Offices. As always, we find opportunities for improvement throughout the system. Out of this group of reviews, our most frequent comments for local offices included:

- Find ways to increase outreach and the number of young people we serve
- Improve our customer records
 - Make sure we have accurate and sufficient data for each customer receiving financial aid
 - Make sure our records include the necessary information and required elements (employment plans, counselor notes)

Contractor Inventory. We must be able to locate all of the equipment/inventory on the contractor's property list. Inventory includes any non-expendable equipment or real property purchased by the contractor for use in delivering services. H-GAC's contract management standards and guidelines, federal, and state rules require an annual inventory review and property must be purchased, stored, and safeguarded according to specific guidelines.

We have reminded the contractors to update AssetTiger as necessary and to provide up to date inventory lists to their contract managers.

Financial Aid Payment Office. This office supports the work of local career offices by handling the billing and payment function for Workforce Solutions vendors and procures cash substitutes and services for customers. BakerRipley operates the Financial Aid Payment Office for Workforce Solutions.

During our review, we identified opportunities for improvement with documentation of complaint resolutions and TWIST counselor notes.

Young Adult. Young Adult service helps individuals from low-income communities transform their lives through education, training, employment, and financial empowerment. There are two contractors: SERJobs and Dynamic Educational Services, Inc.

- During our review, we reminded the contractors about the importance of current and accurate documentation in TWIST counselor notes. We noted the importance of participant recruitment in hard to serve areas. Both contractors can improve follow up with young adults.

Training and Technical Assistance. Learning Designs, Inc. is contracted to provide training and technical assistance to improve the Gulf Coast area Workforce Solutions system. They oversee the Learning Management System that manages and maintains training records for the system and is responsible for the National Workforce Institute Certification Program. We shared recommendations to improve communication with management and enhance the training data that is shared.

Education Committee

Financial Aid Eligibility

Background

We establish income-level eligibility requirements for Workforce Solutions financial aid. The requirement may be different depending upon the kind of financial aid a customer wants and the dollars that we use to fund the assistance.

For most customers who request financial assistance, our entry level for income is up to 200% of the federal poverty level for our scholarships and most other kinds of work, work search, and education assistance. Customers with household incomes below 200% of the federal poverty level (adjusted for size of family) can apply.

For child care financial aid, most families must have an income below 200% of the poverty level, although in some cases, we have given assistance to families with higher incomes.

What is Changing?

At its October 22 meeting, the Education Committee considered adopting a uniform financial aid income-level eligibility requirement of below 200% of the federal poverty level for child care financial aid.

Recommendation

The Committee recommends establishing one entry level for child care financial aid at 200% of the federal poverty level. This option lines up the family income eligibility for child care financial aid with our other forms of financial assistance (scholarships and education, work search, and work support).

Action

Recommend the Board adopt a uniform Workforce Solutions financial aid requirement so that families with incomes under 200% of the federal poverty level are eligible for assistance.

Education Committee

Early Education & Care Provider Rates

Background

The federal Child Care and Development Fund – which provides the federal dollars we use to help parents with early education and care expenses – recommends that states and local areas set rates to reimburse providers based on periodic market surveys.

The federal rules also suggest that the maximum reimbursement to any provider be at the 75th percentile of the market rate. Rates are generally distinguished by a child's age: infant, toddler, preschool, school age.

We have always struggled to raise the rates we pay for early education and care and meet state requirements for units of service. We have historically not had enough dollars to pay 75th percentile market rates for all age groups and provide financial aid to either all eligible parents who ask for assistance or the state-required number of children.

We have, however, managed to raise rates for selective age groups and in 2015 reached the 75th percentile for the infant/toddler age groups.

Current Situation

Recently the Workforce Commission unilaterally increased provider rates for all boards, in part to ensure higher rates for Texas Rising Star certified providers. The increases are based on the most recent market survey data.

At the top of the attached chart are the new rates for our area (labeled "BCY20") by provider type and age group. The second block shows last year's rates (labeled "BCY19"), and the bottom block shows the difference between the two expressed as a percentage increase.

- Preschool and School Age rates are set up to the 30th percentile.
- Texas Rising Star providers have an additional bump in their rates, some rates going up by 20%. The only TRS rate which remains unchanged was the Full-time Infant rate.
- For all other providers, increases ranged from 2.6% to 45%.
- Providers who are part of Texas School Ready! Project saw increases from 6% to 29%. The Texas School Ready! Project is a comprehensive early

education model – supported through UT Health Houston -- that works with early childhood teachers to improve their instructional practices in the classroom, helping children be more prepared for kindergarten

Action

Recommend the Board accept changes to early education and care provider rates as shown in the attached chart.

Nominations Committee

2020 Board Officers

Background

The Board's bylaws specify annual elections for the four Board officer positions: Chair and three Vice Chairs. The Nominations Committee requests nominations from members interested in serving in these positions.

At the October Board meeting, Guy Jackson, chair of the Nominations Committee, asked members for nominations to the officer positions for the year beginning in January 2020.

Current Situation

The Nominations Committee met by teleconference on Thursday, November 21, 2019, considered nominations submitted, and recommends the following slate for 2020 Board officers:

Chair	Mark Guthrie
Vice Chair	Gerald Andrews
Vice Chair	Willie Alexander
Vice Chair	Bobbie Henderson

Action

Approve the Nominations Committee recommendations for 2020 Board officers.

Hiring Red White & You

2019 Recap

Background

Hiring Red White & You started in the Texas Medical Center as a recruiting effort to attract returning service members to civilian careers in healthcare. With support from the late Dr. Red Duke and the Texas Workforce Commission, Hiring Red White & You grew into a statewide initiative.

Annually in November, each of the 28 workforce boards in Texas hosts a job fair to celebrate the service of veterans and military families as well as their contributions to the civilian labor force.

On Thursday, November 7, 2019, the Gulf Coast Workforce Board hosted our eighth annual Hiring Red White & You at Minute Maid Park in Houston, Texas.

2019 Results

Despite record low unemployment and heavy thunderstorms, our 2019 event attracted **3,348 job candidates, 133 employers** and **18 veteran service organizations**.

We were also pleased to welcome Grammy-award winning guitarist Joe Walsh, member of The Eagles and founder of VetsAid, a non-profit organization that raises money to support veterans causes.

In addition to serving as guest of honor for the ribbon cutting, Mr. Walsh donated 500 VetsAid concert tickets to veterans attending the event.

HEART/UHD

Project Summary

Background

In October 2018 the Board began a demonstration project to help individuals with an intellectual or developmental disability (IDD) join or re-join the workforce after Hurricane Harvey. With funding from Department of Labor's Office of Disability Employment Policy (ODEP), the Board contracted with H.E.A.R.T. (the Housing, Entrepreneurship And Readiness Training Program) and the University of Houston-Downtown (UHD) to operate the project which offered 72 students with IDD an opportunity to earn Continuing Education Units and gain paid work experience.

Current Situation

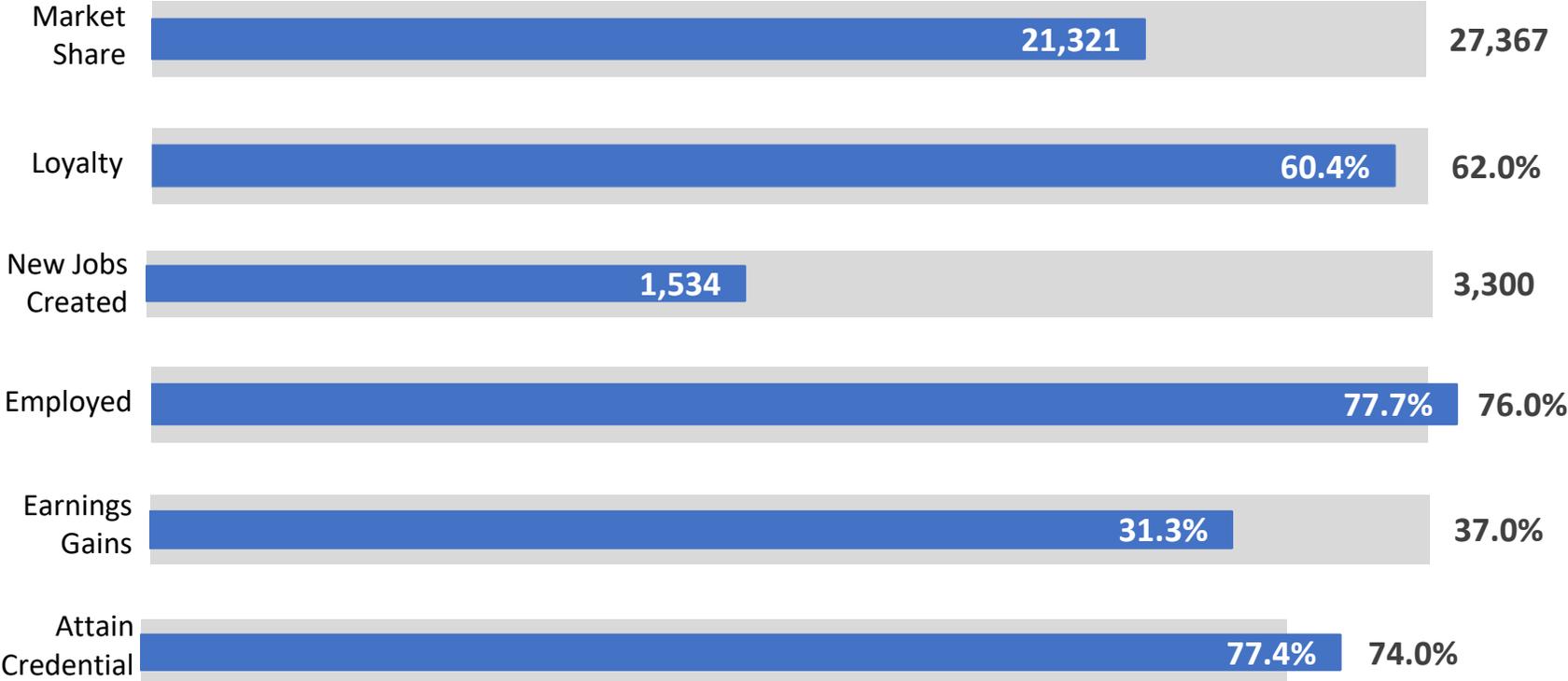
The second of two cohorts' graduates on December 13th. With a total of 63 graduates and a minimum of nine people employed, we consider the endeavor successful and are working to develop a process to include training, work and extended work support for individuals with IDD into the regular workforce system.

Gulf Coast Workforce Board

System Performance

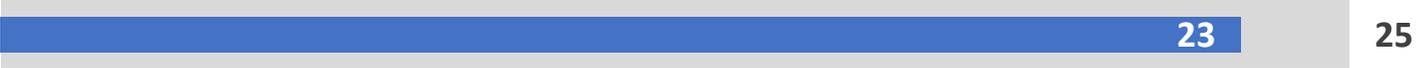
Performance Measures

October 2018 to September 2019



Production Measures

Number of measures meeting or exceeding



Measures that require additional focus

Workforce

October 2018 to September 2019



Employer Receiving Workforce Assistance

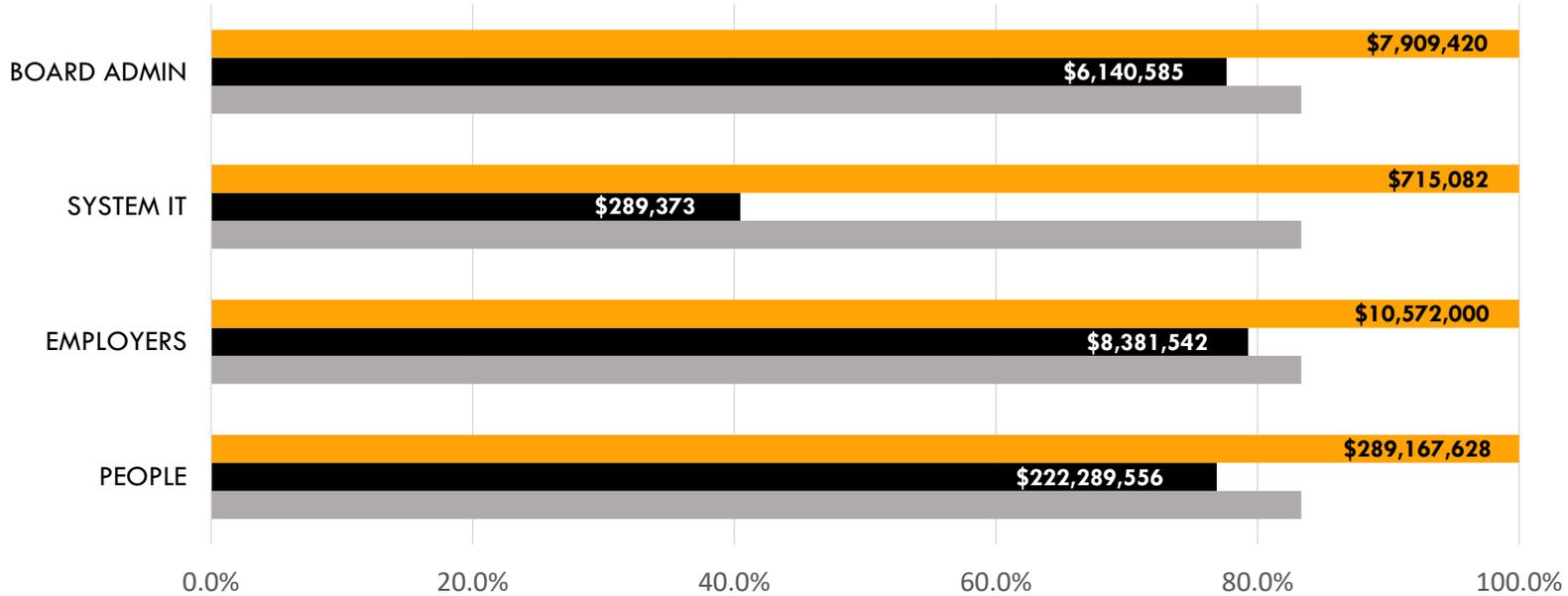


Employed Q2 Post Exit - WIOA DW

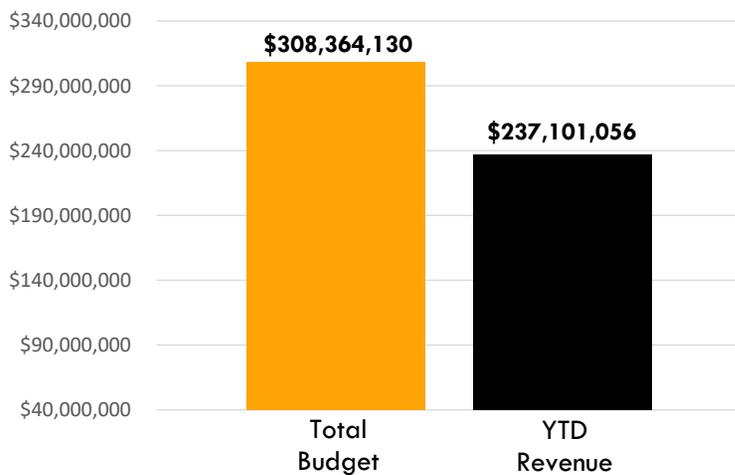
Gulf Coast Workforce Financial Status Report

For the 10 months ending October 31, 2019

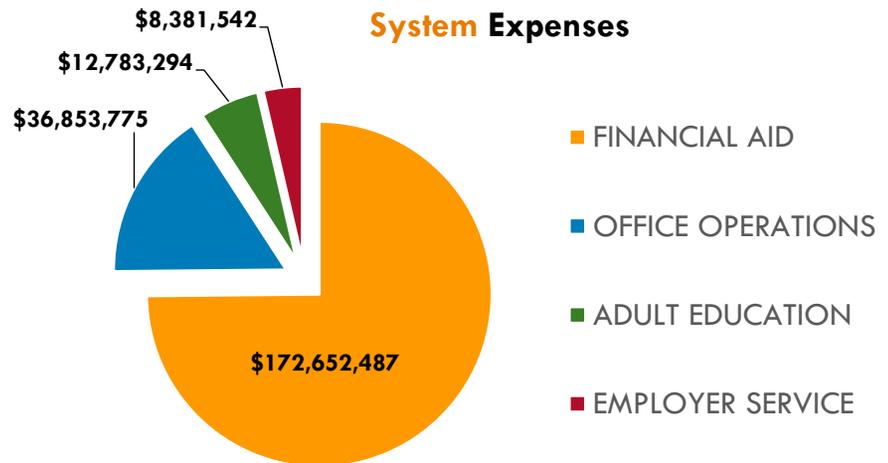
Budget Expenses Target



Workforce Revenue



System Expenses





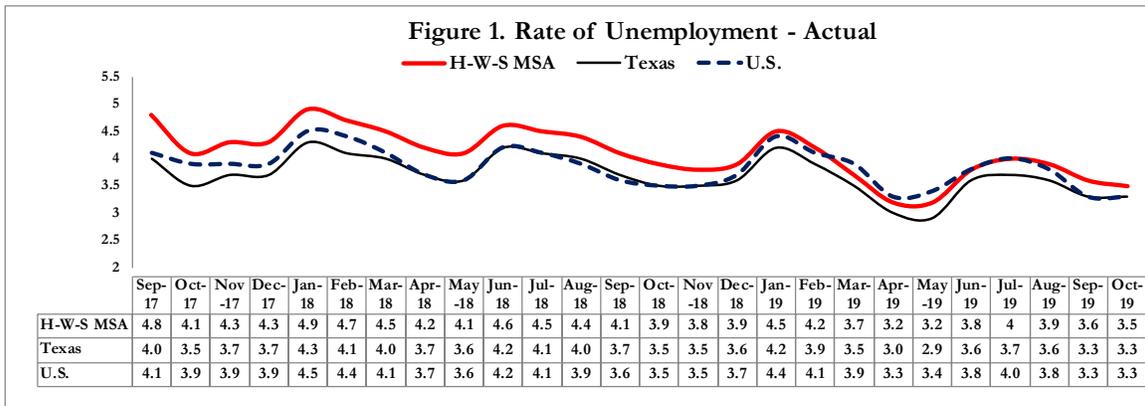
Labor Market Information
OCTOBER 2019 Employment Data

HOUSTON-THE WOODLANDS-SUGAR LAND METROPOLITAN STATISTICAL AREA Visit our website at www.wrksolutions.com

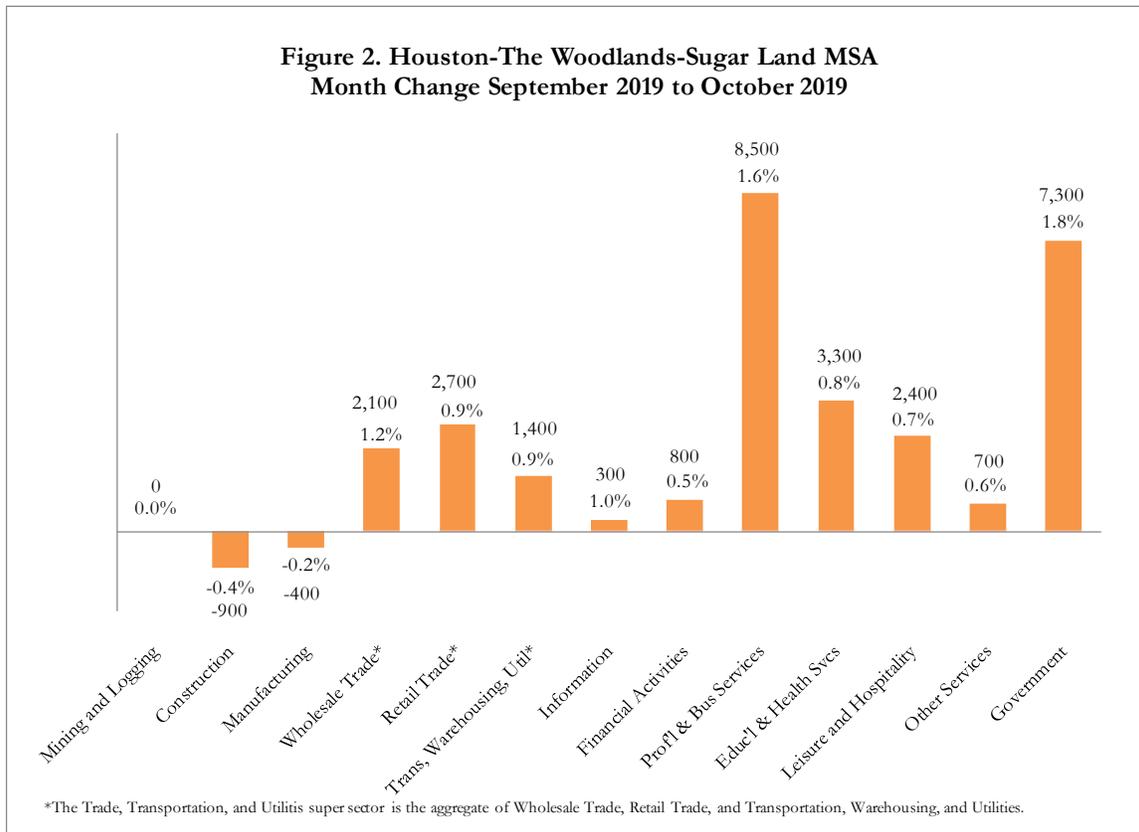
The actual rate of unemployment in the Houston-The Woodlands-Sugar Land Metropolitan Statistical Area (H-W-S MSA) fell one-tenth of a percentage point to 3.5 percent, the lowest for the month of October since records began in 1990. The state and national rate were unchanged over the month at a slightly lower rate of 3.3 percent, see figure 1. Over the previous year the number of individuals in the labor force in the H-W-S MSA increased by 72,988 while the number of unemployed declined by 8,414 driving the rate of unemployment down four-tenths of a percentage point.

Unemployment Rate (Actual)

	OCT 2019	SEP 2019	OCT 2018
Civilian Labor Force	3,476,739	3,455,713	3,403,759
Total Employed	3,353,685	3,331,015	3,272,291
Unemployed	123,054	124,698	131,468
Unemployment Rate	3.5%	3.6%	3.9%



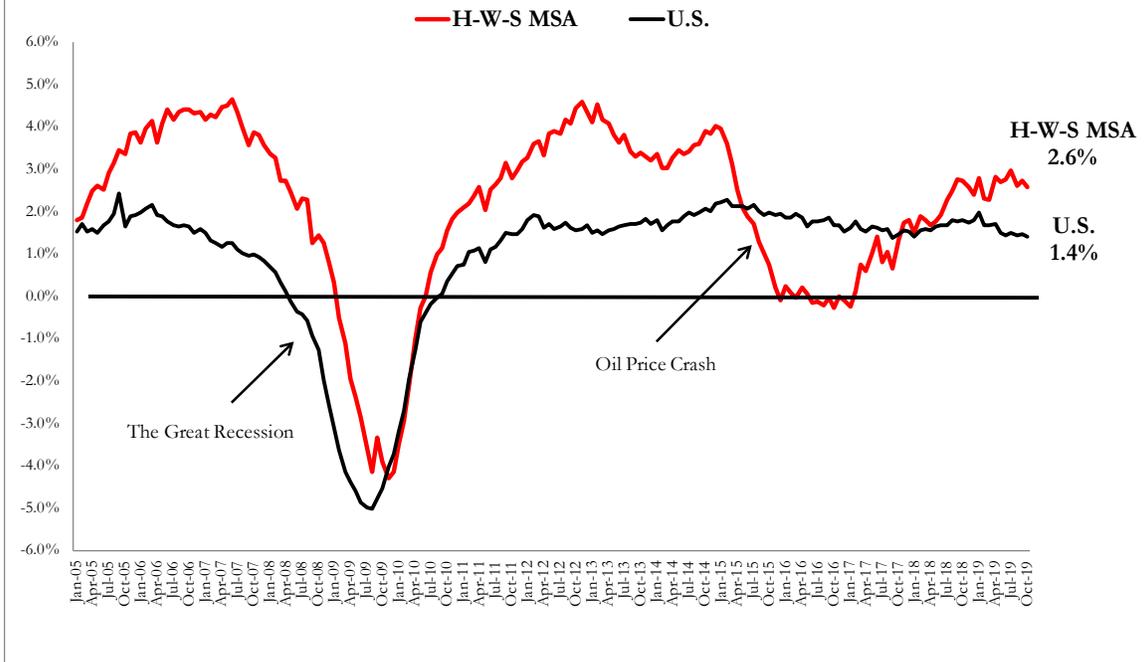
Total Nonfarm Employment in the H-W-S MSA increased by 28,200 jobs over the month. October's 0.9 percent increase was not as strong as the previous two years but well above the historical average of 0.4 percent. Professional and Business Services added the largest number of jobs reporting its strongest October increase on record since 2008, up 8,500 jobs or 1.6 percent. Government also reported a substantial increase of 7,300 jobs as educational institutions continued to boost payrolls for the 2019 to 2020 school year. While most industry sectors were reporting job gains, Construction and Manufacturing reported slight losses, down 900 jobs and 400 jobs respectively. Changes for major industry sectors can be seen in figure 2. For a complete list of October employment estimates see pages 13 & 14.



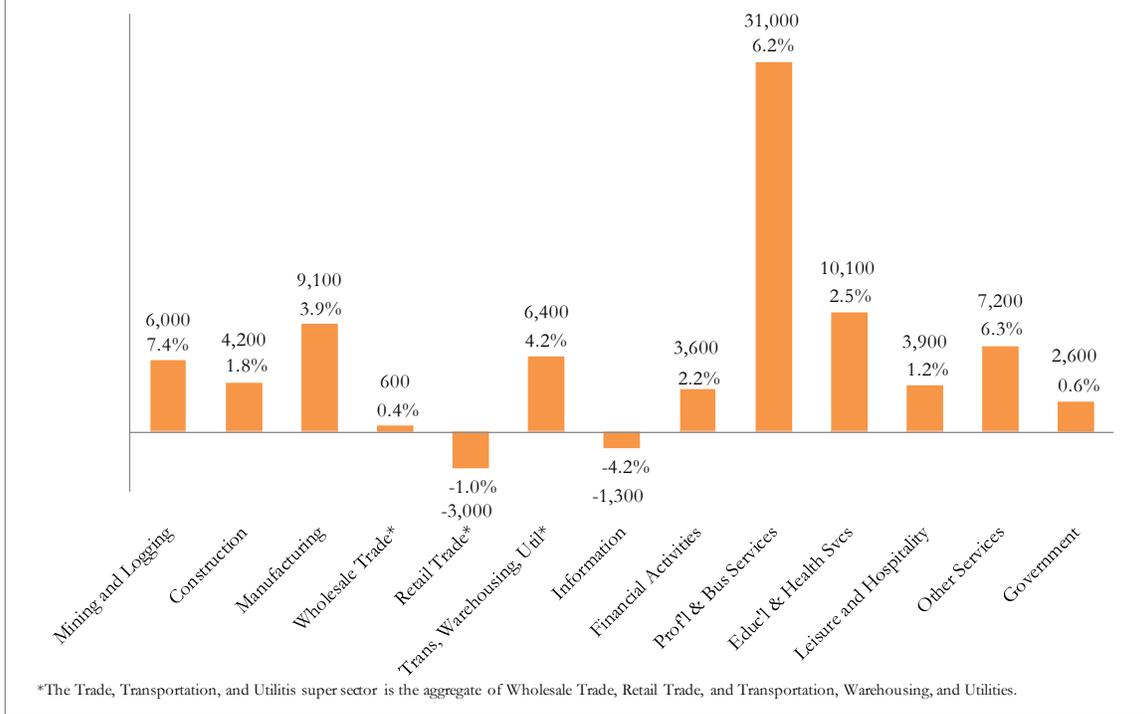
Total Nonfarm Employment in the H-W-S MSA increased by 80,400 jobs over the year in October with the pace of job at 2.6 percent, nearly twice that of the nation's 1.4 percent pace, see figure 3. Job gains were widespread across most industry sectors. Professional & Business Services added the largest number of new jobs to the area with payrolls up 31,000 jobs over the year, see figure 4. Mining and Logging added jobs at the fastest pace, up 6,000 jobs or 7.4 percent. The only super sector not reporting an over-the-year increase was Information where payrolls were down 1,300 jobs. Within the Trade, Transportation, and Utilities super sector, which managed a net increase of 4,000 jobs over the year, Retail Trade was reporting a loss of 3,000 jobs over the year. September revisions indicate Wholesale Trade did not incur an over-the-year loss as originally estimated however recent job growth is at the lowest levels seen since early 2017. Note: while current estimates indicate payrolls are up some 80,400 jobs or 2.6 percent over the year, similar to gains in 2018, it is anticipated that benchmark revisions to be released in March 2020 will indicate the pace of job growth in the H-W-S MSA has slowed somewhat over the course of 2019.

Additional comments by super sector can be found beginning on page 5. Detailed data can be viewed on pages 13 & 14.

**Figure 3. Current Employment Statistics
Actual Over-The-Year Increase/Decrease**

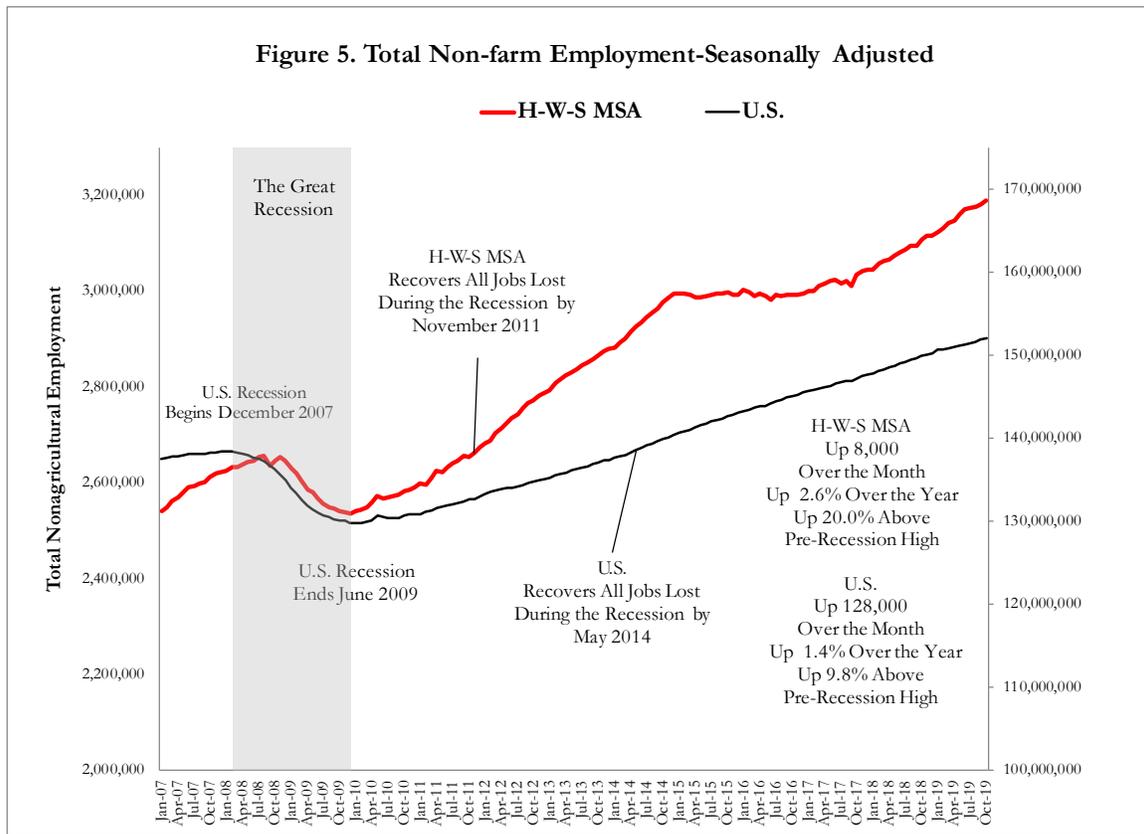


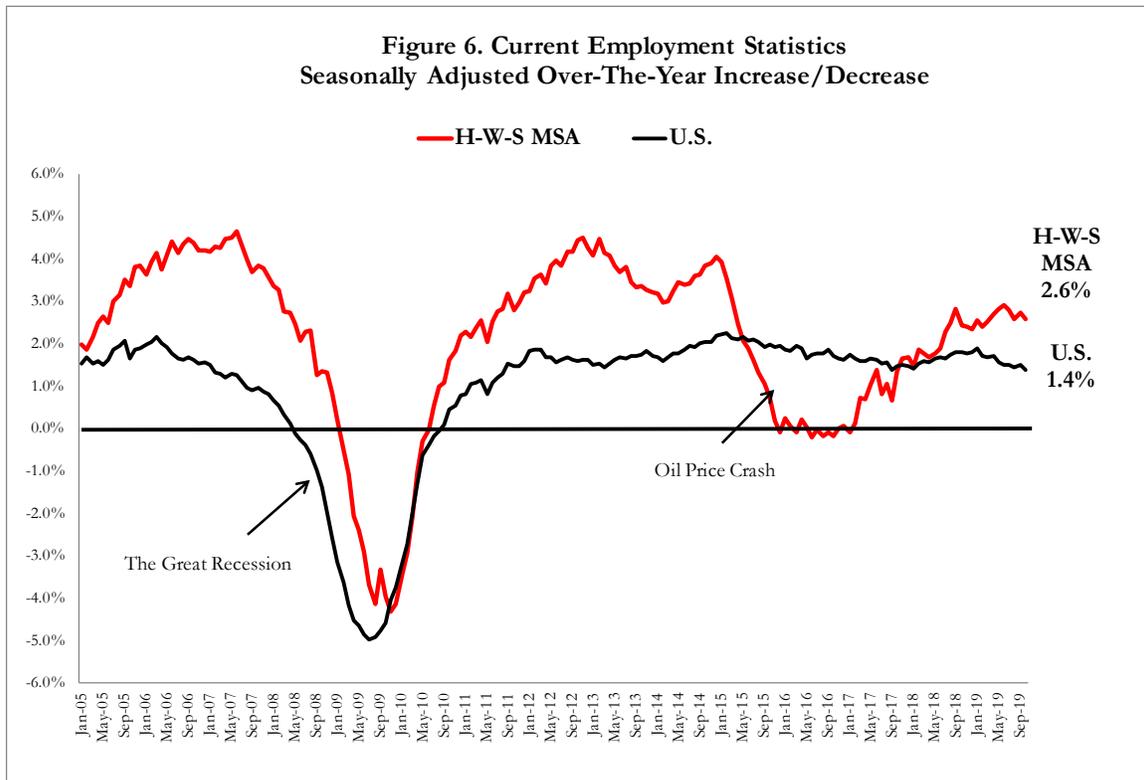
**Figure 4. Houston-The Woodlands-Sugar Land MSA
Annual Change October 2018 to October 2019**



*The Trade, Transportation, and Utilities super sector is the aggregate of Wholesale Trade, Retail Trade, and Transportation, Warehousing, and Utilities.

Seasonally adjusted estimates for the H-W-S MSA and U.S. seen in figure 5 and 6 provide an additional view of growth-trends removing the erratic month-to-month seasonal patterns. On a seasonally adjusted basis, Total Nonfarm Employment was up 8,000 jobs over the month in October and 80,600 jobs over the year. The annual pace of job growth was 2.6 percent, nearly twice the nation's 1.4 percent pace. Growth of Total Nonfarm Employment in the H-W-S MSA has also outperformed the nation over the long-term as well with payrolls up 20.0 percent above the prerecession high compared to the nation's 9.8 percent increase.

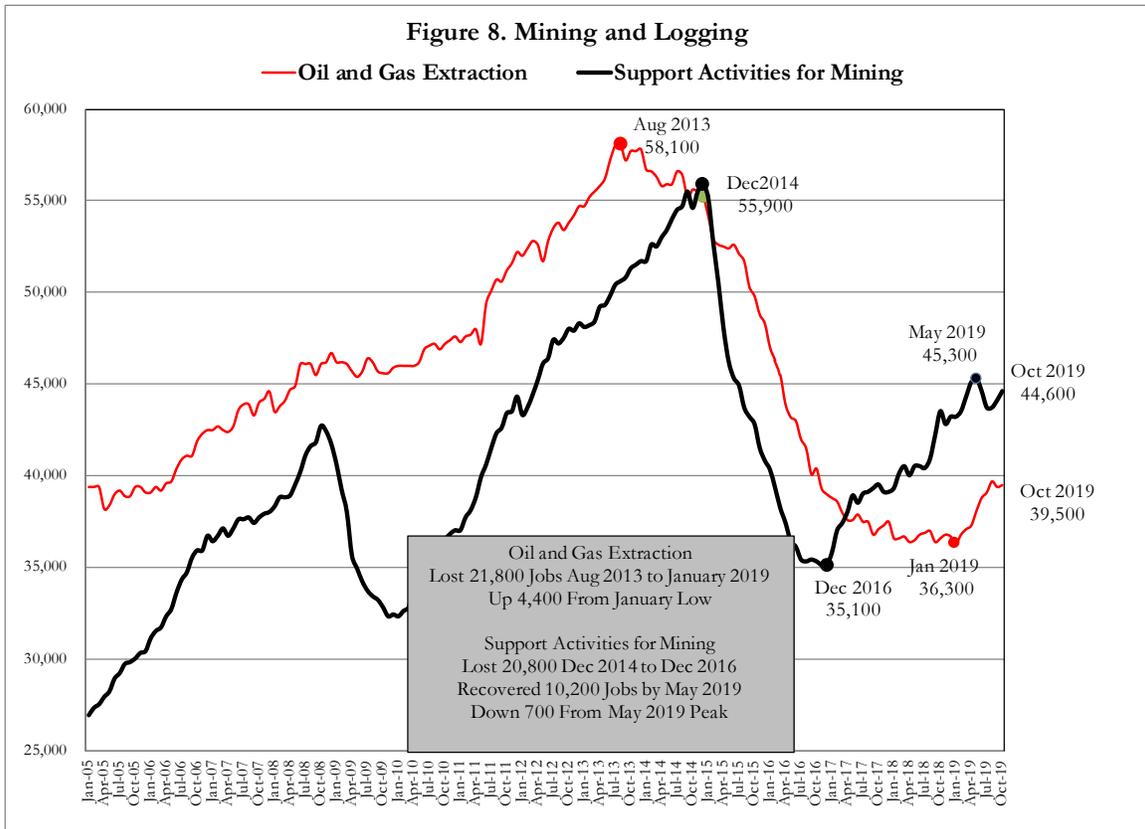
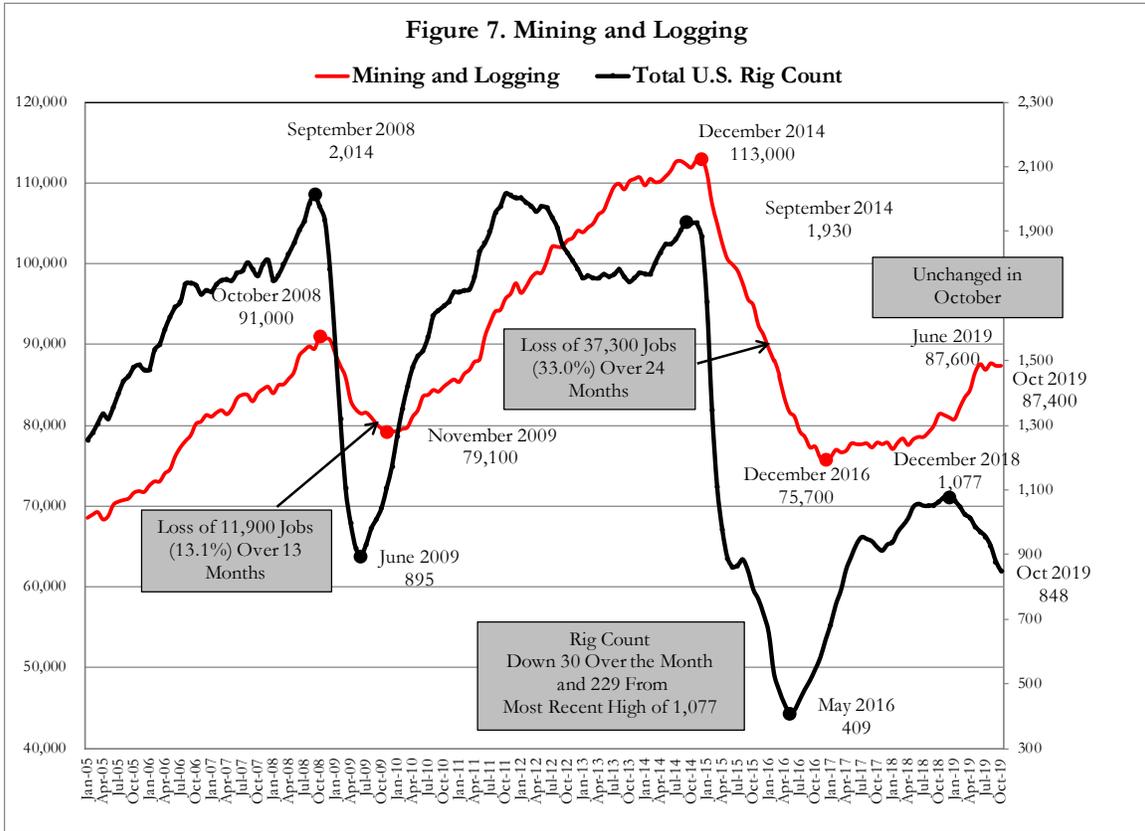




DETAILS BY SUPER SECTOR

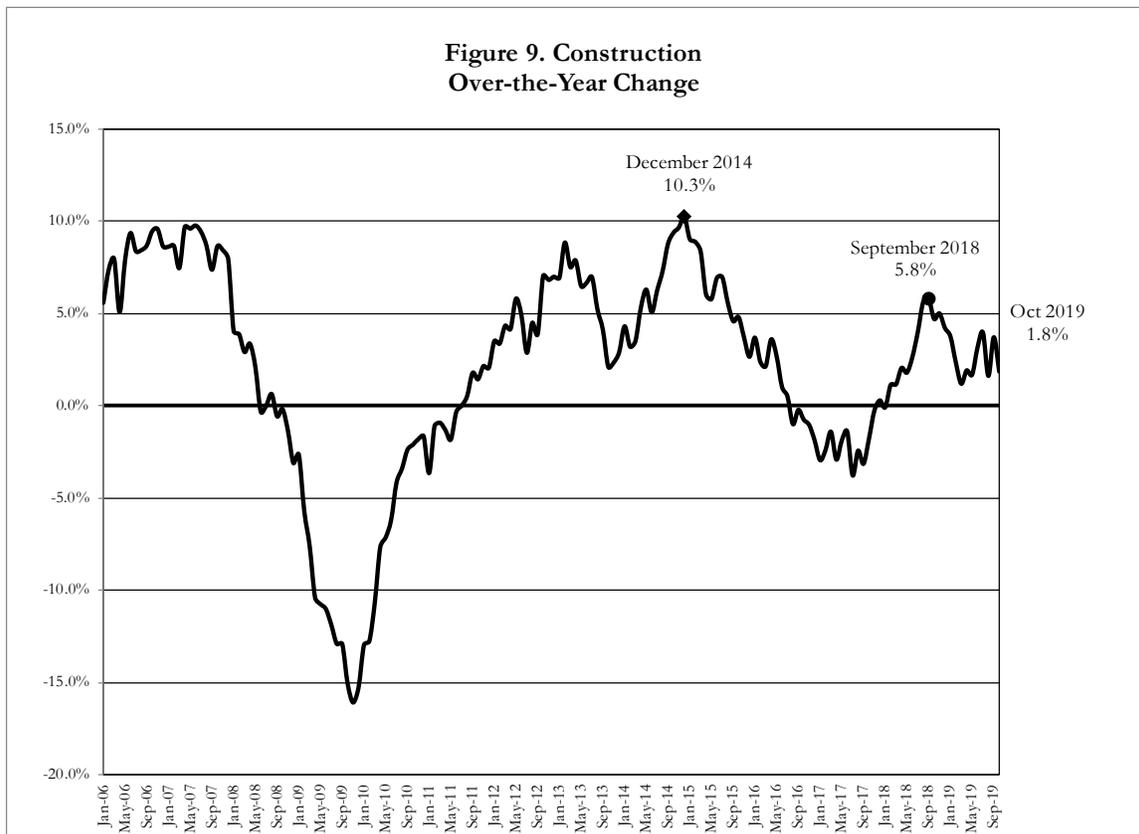
Mining and Logging payrolls were unchanged in October and up 6,000 jobs over the year. With a 7.4 percent pace of job growth, current estimates are that it is the fastest growing super sector in the H-W-S MSA. It is quite possible that payrolls have been overestimated considering the substantial decline in the U.S. rig count. Benchmark revisions to be released in March 2020 will give a clearer picture. Oil and Gas Extraction, where over-the-year job growth turned positive for the first time in more than four and a half years in February, was up 2,900 jobs or 7.9 percent over the year. Support Activities for Mining was up 1,100 jobs over the year with the pace of job growth falling for the sixth straight month from a peak of 12.8 percent in April to 2.5 percent. Payrolls in the Mining and Logging super sector remain well below their peak levels during the shale boom, see figure 7 and 8.

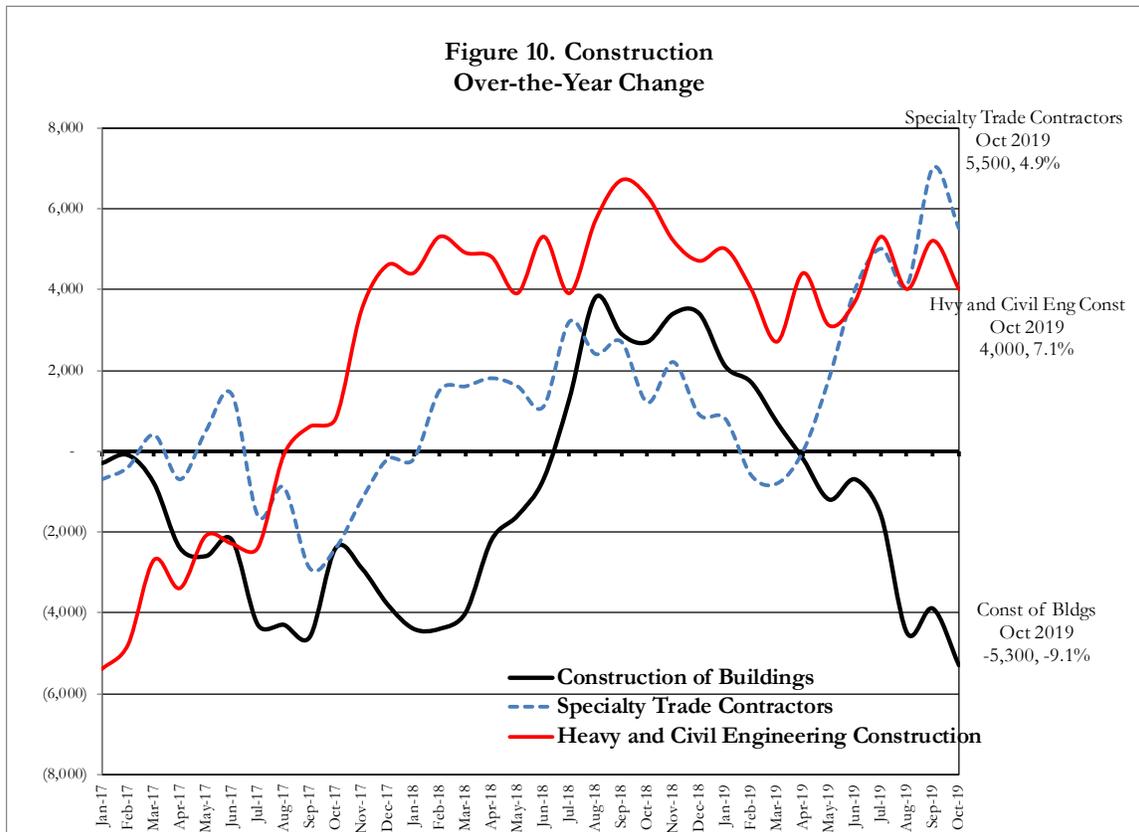
The average U.S. rig count fell for the tenth consecutive month in October, down by 30 to 848. The current number of active rigs has declined by 229 from its most recent peak of 1,077 in December 2018, down 21.3 percent, but remains well above a low of 409 that was hit in May 2016.



Construction was down 900 jobs over the month. The loss was driven by declines in Specialty Trade Contractors which reduced payrolls by 2,300 jobs. Declines were offset by a combined increase of 1,400 jobs in Construction of Buildings and Heavy and Civil Engineering Construction.

The pace of job growth in Construction nearly two full percentage points to 1.8 percent representing an increase of 4,200 jobs over the year. The pace of job growth is down considerably from the most recent peak of 5.8 percent in September 2018 and well below a peak of 10.3 percent in December 2014, see figure 9. Heavy and Civil Engineering Construction added jobs at the fastest pace of 7.1 percent, up 4,000 jobs. Specialty Trade Contractors reported the largest increase of 5,500 jobs, up 4.9 percent. Declines in Construction of Buildings, where payrolls were down 5,300 jobs or 9.1 percent over the year, have held back the overall pace of job growth in the super sector, see figure 10.





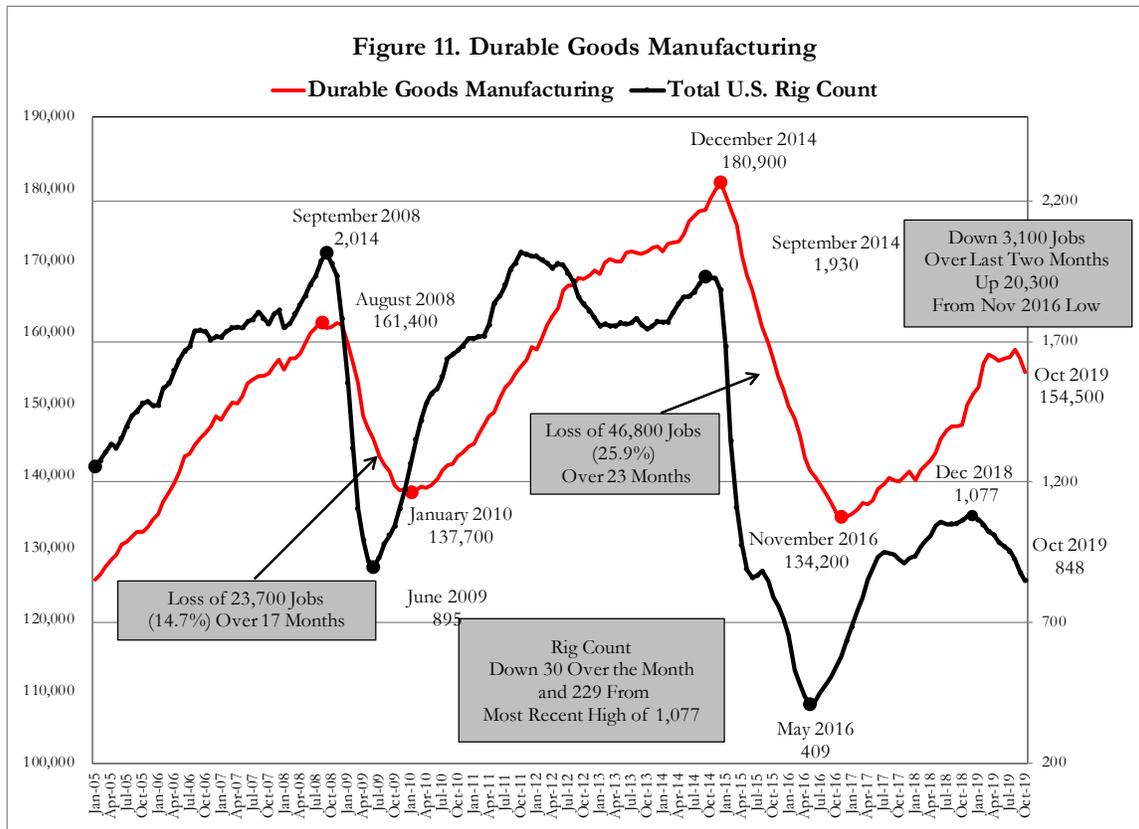
Manufacturing incurred a net loss of 400 jobs in October due to a loss of 1,900 jobs in Durable Goods Manufacturing. Looking within Durable Goods Manufacturing, Fabricated Metal Product Manufacturing was hardest hit reducing payrolls by 1,200 jobs or 2.1 percent due to declining demand from the energy sector. An increase of 1,500 jobs in Nondurable Goods Manufacturing helped offset losses in Durable Goods Manufacturing.

The pace of job growth in Manufacturing fell for the second consecutive month, down one-half of a percentage point to 3.9 percent representing an increase of 9,100 jobs. Most of the job growth was in Durable Goods Manufacturing, up 7,500 jobs. Employment in Durable Goods Manufacturing peaked in August and have since declined a total of 3,100 jobs over the last two months, see figure 11. Within Durable Goods Manufacturing the pace of job growth in Fabricated Metal Product Manufacturing fell sharply this month from 9.8 percent, up 5,200 jobs over the year, to 5.9 percent, up 3,200 jobs over the year. Growth in Agriculture, Construction, and Mining, Machinery Manufacturing has also stalled in recent months driving the pace of job growth down nearly two and a half percentage points from 7.0 percent in August to 4.6 percent, up 1,400 jobs over the year.

The pace of job growth in Non-durable Goods Manufacturing rose sharply this month from 0.7 percent to 1.9 percent representing an increase of 1,600 jobs over the year. The increase was driven by gains in Petroleum and Coal Products Manufacturing where payrolls were up a strong 17.0 percent over the year, up 1,700 jobs.

The Houston Purchasing Managers Index registered 51.1 in October, down 2.4 points from one month earlier. While the index has remained positive for nearly two years indicating

expanding economic activity in the region, it has weakened substantially in recent months. The Houston PMI indicates likely shifts in production three or four months in advance. Readings over 50 generally indicate production expansion over the near term, while readings below 50 show coming contraction.



Trade Transportation, Warehousing & Utilities added 6,200 jobs in October, up 0.6 percent. Although the increase was stronger than the long-term average it was the weakest in three years. Job gains were widespread across most of the super sector. Retail Trade was the largest contributor to the increase as retailers begin ramping up payrolls for the holiday season, up 2,700 jobs. Wholesale Trade was the second largest contributor with payrolls up 2,100 jobs, followed by Trade, Transportation, and Utilities, up 1,400 jobs.

The pace of job growth in Trade, Transportation, Warehousing & Utilities fell for the third consecutive month, down two-tenths of a percentage point to 0.6 percent, up 4,000 jobs over the year. Weakness in Retail Trade continues to be the main source dragging down the pace of job growth in the super sector with payrolls down year over year for the thirteenth consecutive month, down 3,000 jobs or 1.0 percent. Largest declines have been at Building Material and Garden Equipment and Supplies Dealers, down 1,400 jobs, and Clothing and Clothing Accessories Stores, down 1,100 jobs. General Merchandise Stores, Including Warehouse Clubs and Supercenters were also reporting a loss of 400 jobs, down 1.0 percent. September revisions indicate Wholesale Trade did not incur an over-the-year loss as originally estimated however recent job growth is at the lowest levels seen since early 2017, currently up 600 jobs or 0.4 percent over the year. Transportation, Warehousing, and Utilities was reporting

the strongest year-over-year gains, up 4.2 percent or 6,400 jobs. While much of the detailed data within Transportation, Warehousing, and Utilities is not available, Truck Transportation was responsible for the largest portion of the increase, up 1,900 jobs or 6.8 percent over the year. Pipeline Transportation was reporting a slight loss of 400 jobs.

Information payrolls rose 300 jobs in October with payrolls down 1,300 jobs or 4.2 percent over the year. About half of the MSA's employment in Information resides in Telecommunications where payrolls were down 400 jobs or 3.0 percent over the year. The remainder of the declines were in areas such as newspaper and periodical publishing, software publishing, motion picture and sound recording, and data processing hosting and related services. The Information super sector continues to suffer from declines over the long term due to several issues including, but not limited to, automation, growth in wireless communications, and changes in customers demand and access to media.

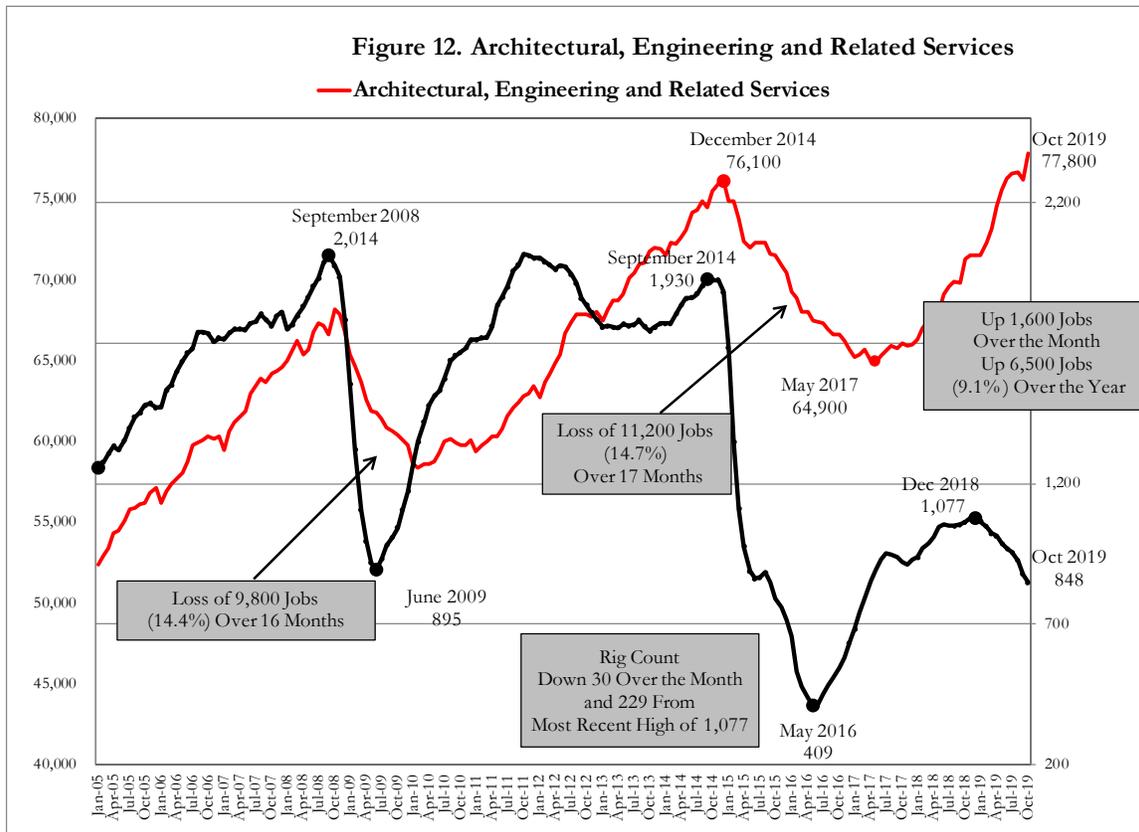
Financial Activities added 800 jobs over the month. All the increase was found in Real Estate and Rental and Leasing, up 1,100 jobs. A slight loss of 300 jobs in Finance and Insurance offset the increase.

Financial Activities added 3,600 jobs over the year. The pace of job growth in the super sector has risen steadily over the last six months to 2.2 percent, up from a low of 0.5 percent in April. Job gains were widespread with the largest number of new jobs tied to Finance and Insurance, up 2,000 jobs. Within Finance and Insurance, Financial Investments and Related Activities Including Financial Vehicles experienced the strongest increase of 3.3 percent, up 700 jobs. Real Estate and Rental and Leasing was up 1,600 jobs or 2.6 percent.

Professional and Business Services added 8,500 jobs in October, up 1.6 percent. While the current estimate indicates it was the largest October increase ever according to records dating back to 1990 the accuracy of the estimate is uncertain considering 2018 job growth estimates were cut in half with the release of benchmark revisions in March. The largest contributor to the increase was Employment Services, up 4,500 jobs, followed by Architectural, Engineering, and Related Services, up 1,600 jobs.

Professional and Business Services was the largest contributor to over-the-year job growth in the H-W-S MSA, up 31,000 jobs or 6.2 percent. Job gains were found across most sectors with strongest growth found in Architectural, Engineering, and Related Services, up 6,500 jobs or 9.1 percent, and Computer Systems Design and Related Services, up 2,100 jobs or 6.4 percent. After eleven consecutive months of reporting year-over-year losses, Employment Services reported an increase of 900 jobs, up 1.1 percent. Note: when viewing Professional and Business Services strong over-the-year gains it is important to note how much growth in the super sector was overstated in 2018 and the likely possibility of substantial revisions.

- Originally estimated year-to-date growth by October 2018 was 27,000 jobs
- Revised estimated year-to-date growth by October 2018 was 12,300 jobs
- Current estimated year-to-date growth by October is 29,000 jobs



September estimates for **Education and Health Services** received a substantial upward revision of 2,600 jobs that resulted in an over-the-month increase of 500 jobs as opposed to the originally estimated loss of 2,100 jobs. Education and Health Services reported its largest October increase in five years, up 3,300 jobs over the month. Most of the increase was in Health Care and Social Assistance, up 2,800 jobs.

The pace of job growth in Education and Health Services rose to 2.5 percent representing an increase of 10,100 jobs over the year. Job gains were found across all industry sectors. Most of the growth was in Health Care and Social Assistance, up 8,400 jobs or 2.5 percent over the year. Within Health Care and Social Assistance, Ambulatory Health Care Services was the largest contributor to growth, up 3,300 jobs or 2.0 percent. The pace of job growth in Educational Services was 2.7 percent representing an increase of 1,700 jobs.

Leisure and Hospitality added 2,400 jobs over the month. While October is historically a month the super sector experiences seasonal declines, the last three consecutive years have been an exception. The October increases were primarily driven by uncharacteristic hiring in Food Services and Drinking Places, currently up 3,300 jobs. Arts, Entertainment, and Recreations followed typical seasonal patterns reducing payrolls by 1,000 jobs.

The pace of job growth in Leisure and Hospitality rose slightly from 1.0 percent to 1.2 percent representing an increase of 3,900 jobs over the year. Most of new jobs were created in Food Services and Drinking Places, up 3,100 jobs or 1.2 percent.

Other Services added 700 jobs over the month. The 0.6 percent October increase was the weakest on record since 2013. Other Services is comprised of personal care services, dry cleaning and laundry services, various repair service companies (industrial equipment, mining machinery and equipment), as well as religious and social advocacy organizations and others.

Weak October gains drove the pace of job growth in Other Services down to 6.3 percent, down 1.4 percentage points from 7.7 percent in the previous month. Note: Other Services is another super sector where job growth is believed to be overestimated with downward revisions expected with the release of benchmark revisions in March 2020.

Government added 7,300 jobs to payrolls in October. The increase was driven by hiring at educational institutions for the 2019 to 2020 school year. Local Government Educational Services' increase of 6,800 jobs was substantially weaker than they were one year earlier.

The pace of job growth in Government fell to its slowest since March 2018 largely due to weaker hiring at local government educational institutions, up 0.6 percent or 2,600 jobs.

NONAGRICULTURAL EMPLOYMENT Houston-The Woodlands-Sugar Land MSA	OCT 2019	Month Change		Year Change	
		Net	Percent	Net	Percent
Total Nonfarm	3,202,100	28,200	0.9%	80,400	2.6%
Total Private	2,781,100	20,900	0.8%	77,800	2.9%
Goods Producing	559,700	-1,300	-0.2%	19,300	3.6%
..Mining, Logging and Construction	318,700	-900	-0.3%	10,200	3.3%
...Mining and Logging	87,400	0	0.0%	6,000	7.4%
.....Oil and Gas Extraction	39,500	100	0.3%	2,900	7.9%
.....Support Activities for Mining	44,600	500	1.1%	1,100	2.5%
...Construction	231,300	-900	-0.4%	4,200	1.8%
.....Construction of Buildings	52,800	700	1.3%	-5,300	-9.1%
.....Heavy and Civil Engineering Construction	60,500	700	1.2%	4,000	7.1%
.....Specialty Trade Contractors	118,000	-2,300	-1.9%	5,500	4.9%
..Manufacturing	241,000	-400	-0.2%	9,100	3.9%
...Durable Goods	154,500	-1,900	-1.2%	7,500	5.1%
...Fabricated Metal Product Manufacturing	57,100	-1,200	-2.1%	3,200	5.9%
...Machinery Manufacturing	49,000	300	0.6%	2,800	6.1%
.....Agriculture, Construction, and Mining Machinery Manufacturing	31,700	-100	-0.3%	1,400	4.6%
...Computer and Electronic Product Manufacturing	13,500	0	0.0%	300	2.3%
...Non-Durable Goods	86,500	1,500	1.8%	1,600	1.9%
...Petroleum and Coal Products Manufacturing	11,700	0	0.0%	1,700	17.0%
...Chemical Manufacturing	40,200	-600	-1.5%	400	1.0%
Service-Providing	2,642,400	29,500	1.1%	61,100	2.4%
Private Service Providing	2,221,400	22,200	1.0%	58,500	2.7%
..Trade, Transportation, and Utilities	632,700	6,200	1.0%	4,000	0.6%
...Wholesale Trade	172,000	2,100	1.2%	600	0.4%
....Merchant Wholesalers, Durable Goods	105,400	-400	-0.4%	-1,000	-0.9%
.....Professional and Commercial Equipment and Supplies Merchant Wholesaler	18,500	100	0.5%	800	4.5%
....Merchant Wholesalers, Nondurable Goods	52,900	200	0.4%	-300	-0.6%
...Retail Trade	303,400	2,700	0.9%	-3,000	-1.0%
....Motor Vehicle and Parts Dealers	42,100	-200	-0.5%	400	1.0%
....Building Material and Garden Equipment and Supplies Dealers	21,100	-100	-0.5%	-1,400	-6.2%
....Food and Beverage Stores	67,100	700	1.1%	700	1.1%
....Health and Personal Care Stores	19,400	400	2.1%	200	1.0%
....Clothing and Clothing Accessories Stores	28,100	600	2.2%	-1,100	-3.8%
....General Merchandise Stores	60,700	800	1.3%	-200	-0.3%
.....Department Stores	21,000	400	1.9%	200	1.0%
.....General Merchandise Stores, including Warehouse Clubs and Supercenters	39,700	400	1.0%	-400	-1.0%
...Transportation, Warehousing, and Utilities	157,300	1,400	0.9%	6,400	4.2%
...Utilities	17,100	100	0.6%	300	1.8%
.....Air Transportation	19,800	-100	-0.5%	-100	-0.5%
.....Truck Transportation	29,900	400	1.4%	1,900	6.8%
.....Pipeline Transportation	10,800	0	0.0%	-400	-3.6%
..Information	30,000	300	1.0%	-1,300	-4.2%
...Telecommunications	12,900	100	0.8%	-400	-3.0%
..Financial Activities	168,800	800	0.5%	3,600	2.2%
...Finance and Insurance	105,400	-300	-0.3%	2,000	1.9%
....Credit Intermediation and Related Activities including Monetary Authorities -	45,300	-200	-0.4%	800	1.8%
.....Depository Credit Intermediation including Monetary Authorities - Central B	29,900	0	0.0%	500	1.7%
....Financial Investments and Related Activities including Financial Vehicles	22,000	0	0.0%	700	3.3%
....Insurance Carriers and Related Activities	38,100	-100	-0.3%	500	1.3%
...Real Estate and Rental and Leasing	63,400	1,100	1.8%	1,600	2.6%

NONAGRICULTURAL EMPLOYMENT		Month Change		Year Change	
Houston-The Woodlands-Sugar Land MSA	OCT 2019	Net	Percent	Net	Percent
..Professional and Business Services	529,500	8,500	1.6%	31,000	6.2%
...Professional, Scientific, and Technical Services	252,900	5,000	2.0%	22,300	9.7%
.....Legal Services	26,600	200	0.8%	300	1.1%
.....Accounting, Tax Preparation, Bookkeeping, and Payroll Services	25,800	500	2.0%	400	1.6%
.....Architectural, Engineering, and Related Services	77,800	1,600	2.1%	6,500	9.1%
.....Computer Systems Design and Related Services	34,800	300	0.9%	2,100	6.4%
...Management of Companies and Enterprises	46,800	200	0.4%	-200	-0.4%
...Administrative and Support and Waste Management and Remediation Services	229,800	3,300	1.5%	8,900	4.0%
....Administrative and Support Services	217,000	3,300	1.5%	8,000	3.8%
....Employment Services	85,000	4,500	5.6%	900	1.1%
.....Services to Buildings and Dwellings	51,300	-800	-1.5%	900	1.8%
..Education and Health Services	407,900	3,300	0.8%	10,100	2.5%
...Educational Services	63,700	500	0.8%	1,700	2.7%
...Health Care and Social Assistance	344,200	2,800	0.8%	8,400	2.5%
....Ambulatory Health Care Services	165,700	400	0.2%	3,300	2.0%
....Hospitals	87,800	100	0.1%	1,200	1.4%
..Leisure and Hospitality	331,500	2,400	0.7%	3,900	1.2%
...Arts, Entertainment, and Recreation	34,400	-1,000	-2.8%	100	0.3%
...Accommodation and Food Services	297,100	3,400	1.2%	3,800	1.3%
....Accommodation	29,000	100	0.3%	700	2.5%
....Food Services and Drinking Places	268,100	3,300	1.2%	3,100	1.2%
..Other Services	121,000	700	0.6%	7,200	6.3%
..Government	421,000	7,300	1.8%	2,600	0.6%
...Federal Government	29,900	-400	-1.3%	800	2.7%
...State Government	87,300	1,100	1.3%	900	1.0%
....State Government Educational Services	51,200	1,200	2.4%	500	1.0%
...Local Government	303,800	6,600	2.2%	900	0.3%
....Local Government Educational Services	212,900	6,800	3.3%	100	0.0%
UNEMPLOYMENT RATE	OCT 2019	SEP 2019	OCT 2018		
H-W-S MSA	3.5	3.6	3.9		
Texas (Actual)	3.3	3.3	3.5		
United States (Actual)	3.3	3.3	3.5		

Houston-The Woodlands-Sugar Land MSA: Includes Austin, Brazoria, Chambers, Ft. Bend, Galveston, Harris, Liberty, Montgomery, and Waller Counties. All Data is Subject to Revision.

Sources: U.S. Department of Labor, BLS, Texas Workforce Commission, Institute for Supply Management, Baker Hughes, and The Federal Reserve Bank of Dallas.