

To: Gulf Coast Workforce Board Members

From: Rodney Bradshaw  
Mike Temple

Date: September 30, 2009

Subj: Board Meeting Materials for Tuesday, October 6, 2009

The next meeting of the Gulf Coast Workforce Board is scheduled for **10:00 a.m., Tuesday, October 6, 2009**, in the second floor Conference Room A, 3555 Timmons, Houston.

**Chairman's and Committee Reports.** Chair Thompson will report on the U.S. Conference of Mayors workforce meeting, where there is continued discussion on the reauthorization of the Workforce Investment Act. Audit and Monitoring Committee Chair Joe Garcia will highlight the recently completed summer youth program and summarizes reports on all contracts. Career Office Committee Chair Kathy Shingleton will review results of the meeting to be held immediately prior to the Board meeting (beginning at 9:00 a.m. in Conference Room B).

**Action Items.** The Early Education and Care Committee is proposing changes in the family income level for financial aid eligibility. Chair Henderson will outline proposed higher income levels to allow more people to be served. The Procurement Committee completed its work evaluating proposals for services. Chair Guthrie will present the committee's recommendations on the 12 proposals received for early education quality initiatives, the 20 proposals for adult and dislocated worker training, and renewal of on-going career center, employer service, and financial aid service. The committee put in a very long day in completing this work.

**Information.** Staff will review system performance and expenditures. We also will present a short document, and video, describing some of the summer jobs activities recently completed. The labor market report will provide an update on employment trends. We will also have guests at the meeting visiting from the Denver workforce board.

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

# The Gulf Coast Workforce Board Tentative Agenda

Tuesday, October 6, 2009 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 August, 2009 meeting**

**5. Declarations of Conflict of Interest**

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

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

*a. Audit/Monitoring.* The Committee Chair will report on the most recent meeting.

*b. Career Office.* The Committee Chair will report on the most recent meeting.

**7. Action Items**

*a. Early Education & Care.* Consider changing eligibility criteria for parents to receive financial aid.

*b. Procurement.* Consider committee recommendations to award contracts for training and early education quality activities in amounts not to exceed \$8,291,292 and \$7,193,000 respectively.

*c. Procurement.* Consider committee recommendations to authorize second year Workforce Solutions operations contracts in total amount not to exceed \$45.6 million.

**8. Information**

*a. System Performance.* Staff will summarize current performance against Board measures and grantor requirements.

*b. Expenditures.* Staff will report on current 2008 expenditures.

**9. Labor Market Report**

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

**10. Adjourn**



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**MINUTES OF  
THE GULF COAST WORKFORCE DEVELOPMENT BOARD  
TUESDAY, AUGUST 4, 2009**

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**MEMBERS PRESENT:**

Gerald Andrews	Betty Baitland	Elaine Barber
Ron Bourbeau	Carl Bowles	Charles Cook
Bill Crouch	Yvonne Estrada	Joe Garcia
Mark Guthrie	Barbara Hayley	Bobbie Henderson
Tracie Holub	Eduardo Honold	Valeria Jackson-Forrest
Birgit Kamps	Jeff Labroski	Ray Laughter
Kathleen Long	Lynn Lumsden	Carolyn Maxie
Mindy May	Raymond McNeel	Michael Nguyen
Linda O'Black	Sara Richards	Janice Ruley
Allene Schmitt	Richard Shaw	Myles Shelton
Kathy Shingleton	Tom Stinson	Frank Thompson
Evelyn Timmins	Bill Weaver	

**H-GAC STAFF MEMBERS PRESENT**

Rodney Bradshaw  
Mike Temple  
David Baggerly  
Barbara Murphy  
Joel Wagher

Mr. Frank Thompson, Chair, called the meeting to order at approximately 10:00 a.m., on Tuesday, August 4, 2009, in the 2nd floor, H-GAC Conference Room A, at 3555 Timmons Lane, Houston, Texas. Mr. Thompson determined that a quorum was present.

**ADOPTION OF AGENDA**

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

**PUBLIC COMMENT**

Ms. Beverly Kerney representing Manpower spoke to the Board regarding the organization and what services they provide.

## **MINUTES FROM JUNE 2, 2009**

Mr. Thompson asked if there were any additions or corrections to the minutes for the June 2, 2009. A motion was made and seconded to approve the minutes as presented. The motion carried.

## **DECLARATION OF CONFLICT OF INTEREST**

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

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

Mr. Thompson welcomed four new Board members, Sara Richards, Betty Baitland, Valeria Jackson-Forrest and Eduardo Honold.

Mr. Thompson explained that overall the summer youth program has been successful. There were a few problems, but 3500 youth were placed in jobs and we provided some level of serve for more than 4000 young people.

### Audit/Monitoring

Mr. Joe Garcia stated that the Audit & Monitoring Committee met at the Humble office on July 28, 2009. Mr. Garcia explained that during July the regional quality assurance team visited the Pasadena, Westheimer, Rosenberg and Cypress Station offices and began work on visits to Downtown and Lake Jackson.

- Staff continues to see large numbers of people looking for work. We also continue to see poor quality job applications and less-than-acceptable record-keeping in the offices.
- While improvement is needed in the quality of job applications, the quality of job postings which is the responsibility of Employer Service has been good.

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

The Texas Workforce Commission made its regular annual monitoring visit. The U.S. General Accounting Office has made a visit to observe the summer jobs activity. We will see them several times during the stimulus money activities. The U.S. Department of Labor will visit in August to review summer youth activities and return early fall to review public service jobs we put in place after Hurricane Ike.

### Employer Service

Mr. Gerald Andrews explained that the Employer Services Committee also met on August 28, 2009 and discussed using Recovery Act funds. The Recovery Act is intended

to preserve and create jobs, promote the nation's economic recovery, and to assist those affected by the recession. Examples include helping:

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

Additionally, Recovery Act workforce dollars should help "transformational efforts" which make it easier for individuals to move more easily between the labor market and continuing education/training. The legislation encourages integrated regional approaches which focus on renewable energy, broad and telecommunication, health care, advanced manufacturing and other high-demand industries. As we noted before, the Recovery Act money comes with somewhat more guidance than usual. The U.S. Department of Labor wants to make sure we all do the following things:

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

We have to spend Recovery Act money concurrently with our regular allocations, and we cannot use the Recovery Act dollars to "fill in" for our normal and usual system costs. The federal government wants us to focus on assisting lower-income, less-skilled individuals as well as those who have recently lost jobs and "disconnected" youth. Where possible, we should use our dollars to support other Recovery Act-funded activities, such as public works projects and green jobs.

We have been working with area employers to understand current and future needs for workforce development. We have learned the following:

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

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

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

With all of this information in mind, we have developed a request for proposals that will be due on Monday, August 31, 2009 at 12:00 noon. A bidder's conference will be held on Monday, August 10, 2009 at H-GAC offices – 2nd Floor, Conf. Room A at 2:00 pm. We plan to bring this to the Procurement Committee in September and bring the Procurement Committee recommendations to the Board in October.

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

Career Office

Dr. Kathy Shingleton stated that the committee met prior to the Board meeting. Dr. Shingleton explained that we expected that the money we use for basic system operations will continue to shrink. We had to close six career offices last year because of the reduction in basic revenue. We did open three different locations and smaller "self service" offices and are currently experimenting with other ways to serve individuals without requiring them to physically come to an office. Dr. Shingleton reported on "How Are We Doing?"

- For the most recent 12-month period new unemployment claims are up 117% over the previous 12-monhs
- New job postings are down by 34% from 59,176 in the 12 months ending June 2008 to 38,857 new postings in the last 12 months ending June 2009.

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

Before an office visit, a comprehensive desk review that includes looking at records representing all aspects of our customer service (basic service, expanded service, and financial aid) is completed. At the site visit, we: (1) ask any questions we have about

particular customers or records from our desk review, (2) pull physical files to check service and compliance issues, (3) observe the office during business hours, (4) talk with staff and management about their jobs, and (5) talk with customers.

The committee is reviewing ways to recognize exceptional work and it was recommended that a workgroup be formed to bring to the committee suggestions about criteria for recognition, how to determine exceptional work and what type of recognition would mean the most to staff.

### **ACTION ITEMS**

- a. Early Education & Care. Public Hearing. Consider increasing child care provider rate by up to 5%.

Dr. Bobbie Henderson explained that the Workforce Board sets maximums for the rates child care providers charge parents who receive our financial aid for child care expenses. We normally set these rates based on market survey data and adjust them from time-to-time. Because we have not changed our rate structure in several years, we appear to have fallen behind the market.

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

- For this year, the Financial Aid Payment Office projects a rate increase will decrease the numbers of families we can provide financial aid to by approximately 1%. This would not affect our ability to meet the state's production requirements this year.
- The proposed rate increase will not affect our current open enrollment status for child care financial aid.
- The Financial Aid Payment Office also projects that the 5% increase will not affect our ability to meet the state's production targets for next year.
- Based on current allocation formulas, by increasing vendor rates, we believe we will bring more funds to the region in the long term.

The Board packet included two charts showing proposed increases for vendors by type.

A motion was made and seconded to recommend increasing rates for child care providers by up to 5% not to exceed the median rate charged by providers in our region for each age group and vendor type. The motion carried.

Dr. Henderson stated that our Board was awarded approximately \$7 million in stimulus funding for Quality Improvement in child care. An RFP for those services will be released in the next couple of days and we will have more to report at the October 2009 Board meeting.

- b. Authorize Staff to negotiate one-month contract extensions for Workforce Solutions contractors and Collaborative for Children through October 31, 2009.

Ms. Lucretia Hammond explained that we have five system contracts for basic operations of Workforce Solutions and two special contracts.

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

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

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

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

We are also requesting the authority to negotiate one-month contract budgets for the six contracts we want to extend.

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

A motion was made and seconded to authorize staff to negotiate one-month extensions to 2009 contracts for Arbor E&T, Collaborative for Children, Employment and Training Centers, Inc., Houston Works, Interfaith of the Woodlands and Neighborhood Centers, Inc. through October 31, 2009. The motion carried.

## **INFORMATION**

### System Performance

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

#### *For Workforce Solutions*

##### More Competitive Employers –

Employers Receiving Services (Market Share) – we expected to provide services to 32,200 employers this year which is 25% of the 128,708 employers identified for the Gulf Coast area. Through June, we provided services to 31,013 employers.

Employer Loyalty – our performance indicates our employer customers value our services and return to us for additional services. Of a possible 22,084 employers, 16,796 returned to The Workforce Solutions for additional services.

##### More and Better Jobs –

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

Customers employed by the 1<sup>st</sup> quarter after exit – with three quarters of data, 225,444 of the 284,783 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, 95,742 of the 266,480 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 June, 671 of the 2,412 customers pursuing an education diploma, degree or certificate achieved one.

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

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

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

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 six months ending June 30, 2009. Mr. Bradshaw explained that we are running behind in financial aid – child care enrollments trailed off the first quarter of 2009, it has picked up and we anticipate closing the gap soon. Everything else is on target and looks good.

Mr. Bradshaw stated that the summer youth program got off to a slow start, but there are 4900 youth enrolled and receiving some level of service. Approximately 3500 are in jobs receiving typically minimum wage. There is approximately 1500 – 14 to 15 year olds in the program, but their age makes them hard to place in jobs. Our contractors responded by creating classes where they will learn about career exploration and opportunities. The program is starting to wind down and will cease in the next couple of weeks. A complete report will be available at the next Board meeting.

#### Recovery Act Update

Mr. Mike Temple stated at the last several meetings we have discussed the money coming to the Board from the American Recovery and Reinvestment Act of 2009. Since February, 2009, the Board has:

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

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

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

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

**LABOR MARKET REPORT**

Mr. Joel Wagher explained that for the Gulf Coast Region lost 69,600 jobs from June 2008 to June 2009. This was the largest year-over-year decline since March 1987 when 82,600 jobs were lost over the year. Initial claims for unemployment benefits continue to grow and June’s unemployment rate is at a sixteen year high. The Gulf Coast Region’s unemployment rate for June 2009 was 8.0 percent, up from 5.0 percent in June 2008. But, there was still some growth in a few sectors – June’s job count was up for government (9,200), education and health services (6,300). Mining (oil & gas extraction) had its first over-the-year job loss since December 2002, reporting a loss of 700 jobs from June 2008.

Ms. Allene Schmitt commended Barbara Murphy, Joel Wagher and Rebecca Leppala on their efforts regarding the materials developed for the Education Committee. Ms Schmitt explained that the materials were presented at a state conference to career and technology educators and it was well received.

**ADJOURN**

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

## Audit/Monitoring Committee

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### October 2009 Monitoring Update

### Recent Activity

**Visits.** Since the last report, the regional quality assurance team visited the Cypress Station, Downtown, Lake Jackson, Conroe and Hobby offices. The Board staff reviewed Employer Service operations.

- Staff continues to see large numbers of people looking for work. We continue to see poor quality job applications and less-than-acceptable record-keeping in the offices. However, we have seen evidence that the offices are using the monitoring reports to improve their operations.
- We continue to emphasize to the career office contractors that Workforce Solutions staff must provide good professional advice about jobs, work and training to help our customers get a job, keep a job or get a better job.
- Employment and Training Centers meets expectations for the Employer Service operations.

**Summer Jobs.** The summer monitors are finishing up their reviews. We allowed some worksites to remain open until September 30. They are also visiting the relatives we pay to provide child care.

**Financial Reviews.** We conducted financial aid payment reviews for the office contractors. The reports have not been issued. Arbor E&T and ETC's annual financial reviews had minor findings. Arbor has corrected theirs.

### Other Activities

- We received a draft copy of the GAO summer jobs report. The report is generally positive and lists some information about most interesting work sites.
- We also received the DOL summer monitoring review.
  - We were cited for having students working at pool facilities. These jobs were not eligible for Recovery Act funding. We did not use that funding, but the youth were coded incorrectly in our data base. We've corrected the database.
  - Our financial monitoring for summer jobs contractors was late to start.

- DOL noted good practices, including our weekly management meetings for contractors and innovative job projects: KATCO performing arts; YMCA programs where our youth supervised the children's activities; City of Houston genealogy project; New Danville horse wrangler project; Vietnamese Senior Citizens where youth taught computer skills to senior citizens; and the HAUL computer projects, teaching computer repair and website construction for non-profits.

## **Career Office Committee**

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### **October Meeting**

The Career Office Committee will meet at 9:00 a.m. on Tuesday, October 6, 2009 in H-GAC's Conference Room B (3555 Timmons Lane, Second Floor, Houston, Texas). The agenda includes:

- Summary results from the last career office customer satisfaction survey
- Discussion on recognizing exceptional work
- Discussion on future directions for our service

Following is information the committee will consider.

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## **Recognizing Exceptional Work**

### **Background**

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

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

### **Encouraging Good Work**

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

## Criteria and Judgment

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

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

## Kinds of Recognition

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

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

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## What's Next

## Background

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

## What's New

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

- A workgroup of young staff members from each of our major contractors meets to discuss how we can use social networking sites in our business.
- The Employer Service Division has a group of four special recruiters who work to fill jobs in our targeted industries. Another group of four staff works to connect with, and serve, the hospitality industry. Both groups use social networking sites extensively to recruit candidates.
- Electronic Service
  - We have had preliminary talks with representatives of Microsoft about how to use technology in our business. We would like them help us develop a system that allows our customers to apply for financial aid on-line.
- Seminars through electronic media and in community locations
  - Our goal is to allow our customers to attend a seminar using electronic media or in community locations
  - More than 3,500 customers have attended seminars in community locations since January 1, 2009
- Call Center Activities
  - An additional 13 temporary positions paid from stimulus funds were added to our telephone placement unit. The unit has become a call center for new Unemployment Insurance recipients who must contact us to keep their benefits.

## Where is our future?

- ✓ People get information differently now than in the past. What does that mean for our business?
  - Do our customers need something new from us as job search methods change?
  - How can we use new forms of communication to help people get a job, keep a job or get a better job?
- ✓ Our major cost is staff – almost three-quarters of our budget is spent for staff in Employer Service and the offices. Even though donated or inexpensive space helps, it cannot alone result in a significant reduction in our costs.
- ✓ Call centers might allow us to give information to customers in all thirteen counties that results in quicker, less expensive help for some customers?

## Early Education and Care

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### Increasing Income Limits for Child Care Financial Aid

### Background

The Early Education & Care Committee met by teleconference on Thursday, September 24, 2009. In addition to Committee Chair Bobbie Henderson, members John Hebert, Mindy May, Linda O'Black, Bill Crouch, Allene Schmitt and Board Chair Frank Thompson attended.

- The Board currently provides financial assistance that helps about 13,000 families with child care expenses for about 27,500 children each day.
- To be eligible for this assistance, parents must
  - Be working, attending school, or both
  - Have a family income below 150% of the federal poverty level to start getting aid (\$2,756 per month for a family of four) and no more than 75% of the state median income to continue receiving it (\$3,738 per month)
  - Contribute towards expenses through a co-pay of either 11% or 13%, depending on the number of children supported with our assistance

### Current Situation

We are recommending an increase in the initial and continuing income limits for child care financial aid. We have not had to use a wait list since April 2009 for this service, and we believe there are a substantial number of working families that could benefit with minor adjustments to our financial aid eligibility guidelines.

We believe we have sufficient resources to meet any demand, as evidenced by the lack of a wait list for the last five months and the recent addition of \$33 million in Recovery Act funds for this kind of financial assistance.

Specifically, we recommend the following changes:

- Allow families to qualify for child care financial aid when the family's income is under 200% of the federal poverty level, adjusted for family size.
- Allow families to continue receiving our financial aid until the family's income reaches 85% of the state median income.

The following chart illustrates the proposed changes.

	<b>Initial Eligibility</b>		<b>Continuing Eligibility</b>	
	Current	Proposed	Current	Proposed
	150% federal poverty level	200% federal poverty level	75% of state median income	85% of state median income
Family of Four	\$2,756	\$3,675	\$3,897	\$4,417

## Action

Approve committee recommendation to adjust family income requirements for child care financial aid as shown above.

## Procurement Committee

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# Early Education Quality & Training for Jobs Proposals Recommendations for Funding

## Background

The Procurement Committee met on September 23, 2009 to consider 32 proposals to help the Board use its remaining uncommitted Recovery Act dollars. In addition to Committee Chair Mark Guthrie, members Ron Bourbeau, Allene Schmitt, Evelyn Timmins, Bobbie Henderson, Jeff Labroski, Barbara Hayley, Kathy Shingleton, Joe Garcia and Board Chair Frank Thompson attended the meeting.

- As Board members will remember from the August 2009 meeting, we received a total of \$73.7 million from the American Recovery and Reinvestment Act. About \$55 million of that had been previously committed for projects, including this year's summer jobs, temporary staff to help with increased career office traffic, and expanded financial aid.
- In July, we released two requests for proposals to help obligate the remaining Recovery Act funds. The first solicited proposals to help improve the quality of early education in the region. The second asked for proposals to provide training for good jobs.

## Early Education Quality

In addition to about \$6.2 million in Recovery Act funds available to help improve the quality of early education, we included \$1 million of our annual operating revenue spent for similar activities within the scope of the request for proposals. We asked organizations to bid on short-term projects (using the Recovery Act money) and long-term projects (using our regular revenue), with the expectation that short-term projects will expire when Recovery Act dollars are spent and the long-term projects will continue on an annual contract renewal cycle.

We received 12 proposals requesting \$12 million or about 1.7 times the amount of money available. Proposal summaries are attached for members' information.

Committee members asked detailed questions about all of the proposals. Chairman Guthrie invited any proposers attending the meeting to make a brief presentation and answer committee member questions.

- Following presentations, the committee considered staff scoring and recommendations, and with some changes, approved the following recommendations for funding. (Proposers are shown in the order in which they scored. Top scoring proposal is listed first.)

**Early Education Quality  
Recommended Contracts**

<b>Proposer</b>	<b>Requested</b>	<b>Recommended</b>
Collaborative for Children	\$6,988,550	<b>\$5,421,151</b>
Neighborhood Centers, Inc.	\$975,498	<b>\$765,000</b>
The Parish School	\$182,849	<b>\$182,849</b>
William Smith, Sr. Tri-County Child Dev Council	\$448,292	<b>\$310,000</b>
Houston Area Urban League	\$381,027	<b>\$254,000</b>
Teaching Strategies, Inc.	\$406,500	<b>\$260,000</b>
Teaching Strategies, Inc.	\$940,009	
Learning Care Group	\$533,400	
Waterford Institute, Inc.	\$330,362	
Diamond A-CAT-A-ME, LLC	\$137,302	
Retention Education Inc.	\$688,401	
Passages Children Services	\$100,000	
<b>TOTALS</b>	<b>\$12,112,190</b>	

## Training for Jobs

We also asked for proposals that would train workers for good jobs in our area’s key industries using Recovery Act dollars. We were particularly interested in projects with direct employment involvement – including proposals from employers themselves or employer associations – and projects centered around green jobs. We received 20 proposals requesting about \$20 million.

Committee members asked questions about these proposals as well, and members listened to brief presentations from bidders who were in the audience.

- Following presentations, Chairman Guthrie asked for staff rankings and then staff recommendations. Committee members discussed both and recommend the following:
  - o Commit \$2 million in Recovery Act dollars to the Workforce Solutions delivery system (career offices, Employer Service, payment office) to ensure implementation of training for jobs and service for our customers;
  - o Reserve up to \$750,000 in Recovery Act dollars for a request to provide lay-off aversion service for employers in our area; and

- o Fund the following contracts from proposals received

**Training for Jobs  
Recommended Contracts**

Proposer	Requested	Recommended
S&B Engineers & Constructors	\$531,550	\$500,000
Galveston College	\$921,581	\$921,581
Genesys Works	\$1,702,215	\$500,000
Lone Star College System	\$328,036	\$328,036
San Jacinto Community College	\$1,163,757	\$900,000
Houston Community College - Green Jobs	\$1,169,947	\$1,169,94
SER, Jobs for Progress	\$1,333,357	\$400,000
Houston Community College - Teachers	\$202,198	\$202,198
Independent Electrical Contractors	\$683,929	\$683,929
Houston READ Commission	\$569,704	\$569,704
Houston Community College - Pipe Drafting	\$957,316	\$500,000
Home Builders Institute	\$1,895,135	\$500,000
Gateway to Care	\$115,897	\$115,897
Alvin Community College	\$1,742,734	\$1,000,000
William Smith, Sr. Tri-County Child Dev. Council	\$418,538	
Employment & Training Centers	\$2,962,623	
Monica Lamb Wellness Foundation	\$464,072	
CareerBuilder	\$1,500,000	
JOBS Ministry Southwest	\$700,000	
Houston Food Bank	\$250,000	
<b>TOTALS</b>	<b>\$19,612,589</b>	

## Action

Authorize staff to negotiate contracts for early education quality and training for jobs in amounts not to exceed those shown above.

**Gulf Coast Workforce Board**  
**System Performance**  
October 2008 through August, 2009

## Board Measures

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

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

## More Competitive Employers

<b>Measure</b>	<b>Annual Target</b>	<b>Current Performance</b>	<b>Performance Last Year</b>
<u>Employers Receiving Services</u> (Market Share) We expect to provide services to 32,200 employers this year which is 25% of the 128,708 employers identified for the Gulf Coast area. Through August, we provided services to 36,623 employers.	25%	28.5%	24.5%
<u>Employer Loyalty</u> Our performance indicates our employer customers value our services and return to us for additional services. Of a possible 26,730 employers, 19,917 returned to Workforce Solutions for additional services.	72%	74.5%	70.7%

## More and Better Jobs

Measure	Annual Target	Current Performance	Performance Last Year
<u>New jobs created</u> This information is captured quarterly and reflects a two year average. We worked with employers who added 2,374 new jobs annually.	1,500	2,266	2,234
<u>Customers employed by the 1st Qtr after exit</u> With four quarters of data, 295,933 of the 376,740 customers who exited from services were employed in the quarter after exit.	78%	78.6%	78.9%

## Higher Real Incomes

Measure	Annual Target	Current Performance	Performance Last Year
<u>Exiters with Earnings Gains of at least 20%</u> Reporting for four quarters, 128,598 of the 361,715 who exited had earnings gains of at least 20%.	40%	35.6%	38.0%

## A Better Educated Workforce

Measure	Annual Target	Current Performance	Performance Last Year
<u>Customers pursuing education diploma, degree or certificate who achieve one</u> Through June, 1,357 of the 3,481 customers pursuing an education diploma, degree or certificate achieved one.	40%	39.0%	38.5%

## Production

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

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

- WIA Adult Average Earnings. The target for this measure is \$12,400. Our performance for the year is \$11,498.
- Claimant Reemployment. The target for this measure is 67%. Our performance for the year is 63.1%.
- Claimant Reemployment within 10 Weeks. The target for this measure is 53.7%. Our performance for three quarters is 45.4%.

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

**GULF COAST WORKFORCE BOARD  
FINANCIAL STATUS REPORT  
For the Eight Months Ended August 31, 2009**

	<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>232,700,852</b>	<b>155,133,901</b>	<b>130,723,146</b>	<b>24,410,755</b>
<b>WORKFORCE EXPENDITURES</b>				
BOARD ADMINISTRATION	<b>4,913,536</b>	<b>3,275,691</b>	<b>3,246,888</b>	<b>28,803</b>
EMPLOYER SERVICES	<b>6,210,000</b>	<b>4,140,000</b>	<b>4,068,571</b>	<b>71,429</b>
RESIDENT SERVICES	<b>220,527,316</b>	<b>147,018,211</b>	<b>122,559,606</b>	<b>24,458,605</b>
OFFICE OPERATIONS	54,575,459	36,383,639	35,677,045	706,594
FINANCIAL AID	148,052,296	98,701,531	76,311,742	22,389,789
RECOVERY PROJECTS	17,899,561	11,933,041	10,570,819	1,362,222
RESEARCH & DEMONSTRATION	<b>1,050,000</b>	<b>700,000</b>	<b>848,081</b>	<b>(148,081)</b>
<b><i>TOTAL WORKFORCE EXPENDITURES</i></b>	<b>232,700,852</b>	<b>155,133,901</b>	<b>130,723,146</b>	<b>24,410,755</b>

**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

OCTOBER 2009  
AUGUST 2009 DATA

**Job losses continued in August at levels not seen since 1986.** The Gulf Coast Region<sup>1</sup> lost 95,100 jobs from August 2008 to August 2009. This was the largest year-over-year decline since December 1986, when 97,300 jobs (-6.0%) were lost over the year. The rate of growth from August 2008 to August 2009 was -3.6 percent. To find a decline of this level, one would have to go back to 1987 when April 1987 was down 3.8 percent (59,200 jobs) from the previous year. Texas has recorded a net loss of 295,400 jobs (-2.8%) since August 2008, compared with job losses of 5.9 million (-4.4%) nationwide during the same period. The national over-the-year growth rate for August was the lowest since October 1949 when the over-the-year change was -4.9 percent, or 2.2 million jobs.

**Growth continues in a few sectors.** The data on the next page, Table 1, shows the levels of employment for the current month, month ago, and year ago for the Gulf Coast Region. August's job count was up for government (200) and educational & health services (4,600). Mining (oil and gas extraction) had its largest over-the-year job loss since December 2002, reporting a loss of 1,900 jobs from last year (-2.1%). The loss can be found in support activities for mining, which was down 3,900 jobs, or 9.0 percent, from last August. Manufacturing was only down 1,900 jobs in March 2009, but has increased its losses to 16,000 jobs over-the year in August.

**August's unemployment rate at an all time high for this time series.** The Gulf Coast Region's unemployment rate did not change over the month, remaining at 8.4 percent for August 2009, up from 5.2 percent in August 2008. The official time series only goes back to 1990. The previous high was in June 1993, when the rate was 8.1 percent, with a total of 180,384 unemployed. Total unemployment for August 2009 was 236,917. Older series for unemployment rates show 1987 as the nearest year with higher rates than the current 8.4 percent. The national unemployment rate climbed from 6.2 percent in August 2008 to 9.6 percent in August 2009.

**Initial Claims for unemployment benefits continue to grow.** Initial Claims for unemployment benefits started reporting over-the-year increases in July 2007; thus we are now in the third year of rising claims. There were 22,922 claims filed in August 2009, up 8,807 (62 %) from August 2008 (Chart). This was the largest net gain for the month of August in this time series, which goes back to 2000. Continued Claims were up 75,233 (100%) from August 2008, to 150,524 in August 2009. From August 2008 to August 2009, total insured unemployed for the Gulf Coast Region increased by 39,998 (166%) to 64,079. All major industry groups were up over the year. The number of people who are listed as unemployed '15 weeks or over', was up 22,321 (273%) to 30,475.

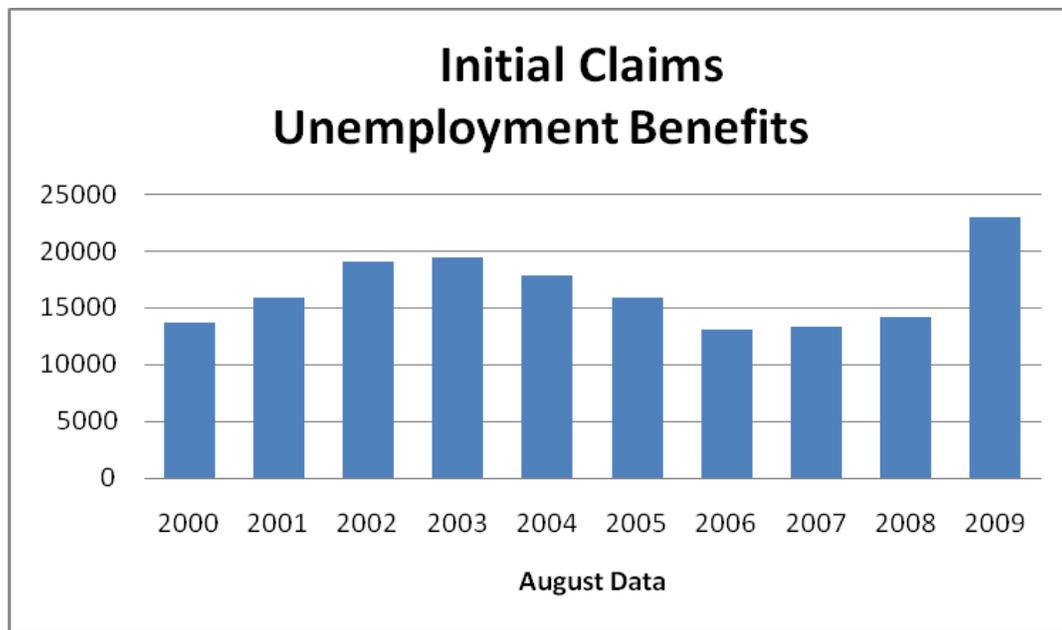
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<sup>1</sup> The Houston- Sugar Land-Baytown MSA is the only geographic area with monthly job count data in the Gulf Coast Region. Houston-Sugar Land- Baytown MSA includes the following counties: Austin, Brazoria, Chambers, Fort Bend, Galveston, Harris,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

Table 1

Industry	NET CHANGE FROM						% Chg. Aug-08 TO Aug-09
	Aug-09	Jul-09	Aug-08	Jul-09	Aug-08	Aug-09	
				TO	TO		
Total Nonfarm	2,516,700	2,520,700	2,611,800	-4,000	-95,100	-3.6%	
MINING & LOGGING	90,100	90,600	92,000	-500	-1,900	-2.1%	
CONSTRUCTION	183,400	184,700	205,000	-1,300	-21,600	-10.5%	
MANUFACTURING	227,000	228,500	243,000	-1,500	-16,000	-6.6%	
DURABLE GOODS	145,900	146,800	160,200	-900	-14,300	-8.9%	
NONDURABLE GOODS	81,100	81,700	82,800	-600	-1,700	-2.1%	
TRADE, TRANSP., & UTILITIES	505,200	503,400	537,700	1,800	-32,500	-6.0%	
WHOLESALE TRADE	126,300	125,900	140,500	400	-14,200	-10.1%	
RETAIL TRADE	259,800	259,400	268,800	400	-9,000	-3.3%	
TRANSP, WAREHOUSING, & UTIL	119,100	118,100	128,400	1,000	-9,300	-7.2%	
INFORMATION	34,600	34,900	36,500	-300	-1,900	-5.2%	
FINANCIAL ACTIVITIES	141,900	141,700	144,500	200	-2,600	-1.8%	
PROFESSIONAL & BUSINESS SERV.	366,900	366,600	386,500	300	-19,600	-5.1%	
EDUCATION & HEALTH SERV.	294,300	292,100	289,700	2,200	4,600	1.6%	
LEISURE & HOSPITALITY	237,900	237,900	238,000	0	-100	0.0%	
OTHER SERV.	89,800	90,500	93,500	-700	-3,700	-4.0%	
TOTAL GOVERNMENT	345,600	349,800	345,400	-4,200	200	0.1%	
FEDERAL	29,100	29,500	29,200	-400	-100	-0.3%	
STATE	71,000	70,700	70,300	300	700	1.0%	
LOCAL	245,500	249,600	245,900	-4,100	-400	-0.2%	

Chart





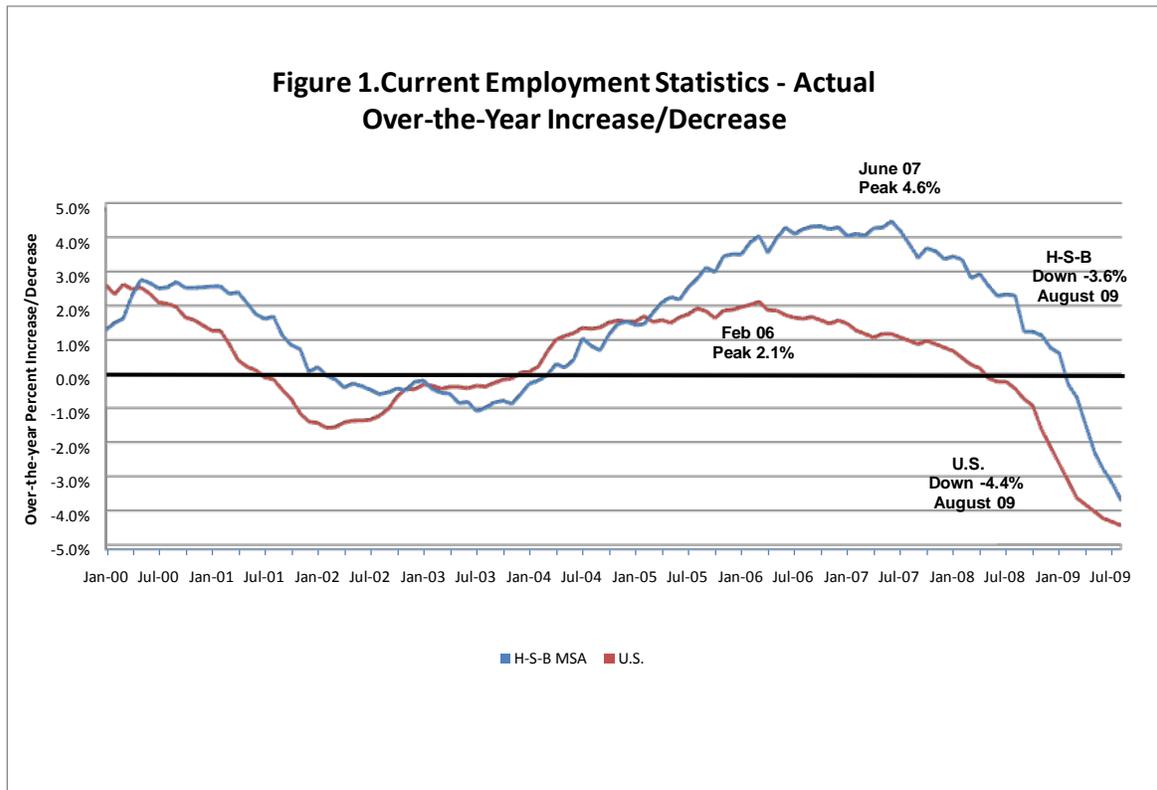
Labor Market Information  
AUGUST 2009 Employment Data

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

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

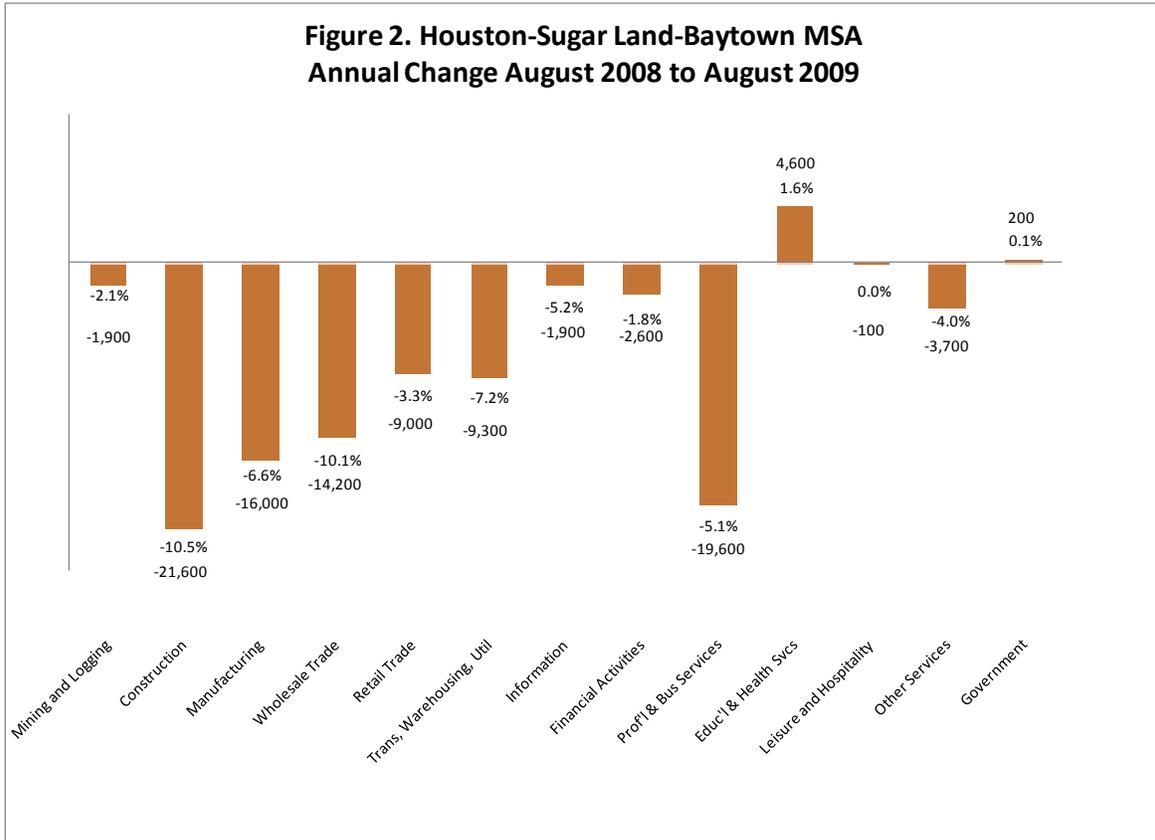
**THE UNEMPLOYMENT RATE IN THE H-S-B MSA REMAINED UNCHANGED AT 8.4 PERCENT IN AUGUST.** The unchanged rate indicates that job opportunities for the labor force have not improved in the MSA from the month. The 8.4 percent rate is the highest for the MSA since the current time series began in 2000. The unemployment rate at the state and national level, however, managed a 0.1 percent decline for August. While the rate of unemployment for the MSA remains lower than the nation's 9.6 percent, it is higher than the state's 8.1 percent rate.

**JOB LOSSES IN THE H-S-B MSA CONTINUED TO INCREASE TO THEIR HIGHEST LEVEL SINCE 1987, CURRENTLY DOWN 95,100 JOBS OR -3.6 PERCENT FROM AUGUST 2008.** Job growth has been declining ever since it peaked in June 2007 when the H-S-B MSA was up 111,700 jobs or 4.6 percent over the year, see Figure 1. Job losses have been increasing at a rate that outpaces estimates produced by the Texas Workforce Commission Labor Market and Career Information department therefore requiring significant revisions for the past six months. Return to sustained job growth is not expected until a broad economic recovery takes hold.



**Mining and Logging** lost 500 jobs in August and is down 1,900 jobs or -2.1 percent over the year, see Figure 2. Job growth continues on a sharp decline that started in February with over-the-year growth turning negative in June and more than doubling this month from July's loss of 800 jobs. Weak demand and high inventories continue to weigh heavily on the sector

driving employment in Support Activities for Mining down -9.0 percent over the year, a loss of 3,900 jobs from August 2008. Outlook for natural gas drilling remains weak where new technology has been driving up supplies and will likely lead to cheaper gas over the next few years. Demand for gas has been so weak that producers able to switch from gas to oil exploration are doing so. Anticipated demand for oil has driven prices to the \$70 range, however, any significant increase in exploration will be driven by economic recovery at that international level.



**Construction** activity continued to decline in August as reflected in a loss of 1,300 jobs, down -0.7 percent over the month. Construction is the hardest hit super sector in the MSA, down 21,600 jobs or -10.5 percent over the year due to lack of credit availability and tighter budgets. Specialty Trade Contractors have been hardest hit, down 14,800 jobs or -13.9 percent over the year, followed by Construction of Buildings, down 5,000 jobs or -9.7 percent over the year. While it appears that Construction activity has yet to hit a bottom, companies remain hopeful that conditions will improve in 2010.

**Manufacturing** lost 1,700 jobs in August and is down 16,000 jobs or -6.6 percent over the year. While the -6.6 decline is the largest in nearly ten years, it remains much lower than the nation's -12.0 percent decline. Largest losses in Manufacturing are tied to demand for equipment related to the oil and gas industry with Fabricated Metal Product Manufacturing down 6,000 jobs or -10.9 percent. Many manufacturers tied to oil and gas exploration are operating well below capacity but are attempting to retain staff until orders increase stating that skilled staff is difficult to replace. Computer and Electronic Product Manufactures have also been hit hard, down 1,800 jobs or -9.1 percent as businesses and consumers continue to be cautious about their spending. Nondurable Goods is down 1,700 jobs or -2.1 percent over the year.

**Trade Transportation & Utilities** added 1,800 jobs in August, up 0.4 percent. An increase for the month of August normal, however, the current increase was the smallest since 2002. Despite an increase in August, one out of every ten jobs in Wholesale Trade has disappeared over the year, down 14,200 jobs or -10.1. Over-the-year declines in Retail Trade increased to a loss of 9,000 jobs in August, down -3.3 percent, with retailers scaling back seasonal hiring anticipating weak back to school sales. Department stores, specialty stores, and furniture stores have stated to have recently fallen short of their already scaled sales goals. Transportation, Warehousing, and Utilities added 1,000 jobs in August and is down 9,300 jobs or -7.2 percent over the year. The rate of over-the-year decline in Transportation, Warehousing, and Utilities has decelerated from a peak of -8.4 percent in June.

**Financial Activities** managed an increase of 200 jobs in August. The super sector has managed to keep over-the-year losses to a minimum, currently down -1.8 percent from August 2008. Most of the decline is in Finance and Insurance, down 2,200 jobs or -2.4 percent.

**Professional and Business Services** added 300 jobs in August, its smallest August increase since 2001. Over-the-year losses continued to mount in the super sector, down 19,600 jobs or -5.1 percent from August 2008, and are at their highest level since the data series began in 2000. Architectural, Engineering, and Related Services has suffered the largest decline, down 5,300 jobs or -7.9 percent. Employment Services added a meager 200 jobs in August with employers being cautious in hiring. The over-the-year rate of decline in Employment Services increased to -4.0 percent from a -3.1 percent rate in the previous month. Look for increases in Employment Services as a possible leading indicator when the labor market becomes more favorable since adding temps does not add to an employer's permanent payroll.

**Education and Health Services** is the only super sector in private industry reporting an over-the-year increase, up 4,600 jobs or 1.6 percent from August 2008, see Figure 2. Growth in the super sector continues to decline, however, from March when it was up 3.5 percent. Most of the job growth is found in Health Care and Social Assistance, up 3,500 jobs or 1.4 percent over the year. Educational Services added fewer jobs but at a faster pace, up 1,100 jobs or 2.7 percent over the year. An aging population and a population growth rate that more than doubles that of the nation is responsible for growth in the super sector.

Employment in **Leisure and Hospitality** remained unchanged for the third consecutive month and is basically unchanged from the previous year, down 100 jobs. While Arts, Entertainment, and Recreation managed a 2.7 percent increase over the year, Accommodation and Food Services experienced a loss of 900 jobs, down -0.4 percent. The rate of decline in Accommodation and Food Services has improved considerably from -2.3 percent in June.

**Other Services** lost 700 jobs in August and is down 3,700 jobs or -4.0 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** experienced a seasonal decline of 4,200 jobs in August as schools continued to reduce staff levels for the summer. Over-the-year growth in Government continues to dwindle, up a meager 200 jobs over the year, with entities hiring less as they deal with budget deficits.

## NONAGRICULTURAL EMPLOYMENT

### Houston-Sugar Land-Baytown MSA

	AUG 09	Month Change		Year Change	
		Net	Percent	Net	Percent
Total Nonfarm	2,516,700	-4,000	-0.2%	-95,100	-3.6%
Total Private	2,171,100	200	0.0%	-95,300	-4.2%
Goods Producing	500,500	-3,300	-0.7%	-39,500	-7.3%
.Mining and Logging	90,100	-500	-0.6%	-1,900	-2.1%
...Oil and Gas Extraction	49,800	100	0.2%	2,000	4.2%
...Support Activities for Mining	39,200	-600	-1.5%	-3,900	-9.0%
.Construction	183,400	-1,300	-0.7%	-21,600	-10.5%
..Construction of Buildings	46,500	-300	-0.6%	-5,000	-9.7%
..Heavy and Civil Engineering Construction	45,200	-200	-0.4%	-1,800	-3.8%
..Specialty Trade Contractors	91,700	-800	-0.9%	-14,800	-13.9%
.Manufacturing	227,000	-1,500	-0.7%	-16,000	-6.6%
..Durable Goods	145,900	-900	-0.6%	-14,300	-8.9%
...Fabricated Metal Product Manufacturing	48,900	100	0.2%	-6,000	-10.9%
...Machinery Manufacturing	43,600	-100	-0.2%	-200	-0.5%
....Agriculture, Construction, and Mining Machinery Manufacturing	31,100	0	0.0%	1,100	3.7%
...Computer and Electronic Product Manufacturing	17,900	-100	-0.6%	-1,800	-9.1%
....Computer and Peripheral Equipment Manufacturing	7,600	-100	-1.3%	-100	-1.3%
..Non-Durable Goods	81,100	-600	-0.7%	-1,700	-2.1%
...Petroleum and Coal Products Manufacturing	13,800	-500	-3.5%	1,200	9.5%
...Chemical Manufacturing	37,600	-400	-1.1%	-500	-1.3%
Service Providing	2,016,200	-700	0.0%	-55,600	-2.7%
.Private Service Providing	1,670,600	3,500	0.2%	-55,800	-3.2%
..Trade, Transportation, and Utilities	505,200	1,800	0.4%	-32,500	-6.0%
...Wholesale Trade	126,300	400	0.3%	-14,200	-10.1%
....Merchant Wholesalers, Durable Goods	78,300	-100	-0.1%	-8,500	-9.8%
.....Professional and Commercial Equipment and Supplies Merchant W	10,300	100	1.0%	-900	-8.0%
....Merchant Wholesalers, Nondurable Goods	40,900	0	0.0%	300	0.7%
...Retail Trade	259,800	400	0.2%	-9,000	-3.3%
....Motor Vehicle and Parts Dealers	34,700	0	0.0%	-1,000	-2.8%
....Building Material and Garden Equipment and Supplies Dealers	19,400	-200	-1.0%	-200	-1.0%
....Food and Beverage Stores	54,300	-300	-0.5%	1,800	3.4%
....Health and Personal Care Stores	16,500	-100	-0.6%	300	1.9%
....Clothing and Clothing Accessories Stores	27,600	400	1.5%	-1,600	-5.5%
....General Merchandise Stores	59,900	600	1.0%	800	1.4%
.....Department Stores	23,700	700	3.0%	800	3.5%
.....Other General Merchandise Stores	36,200	-100	-0.3%	0	0.0%
...Transportation, Warehousing, and Utilities	119,100	1,000	0.8%	-9,300	-7.2%
....Utilities	16,200	100	0.6%	100	0.6%
.....Air Transportation	25,700	0	0.0%	-300	-1.2%
.....Truck Transportation	20,800	0	0.0%	-400	-1.9%
.....Pipeline Transportation	8,600	0	0.0%	0	0.0%
..Information	34,600	-300	-0.9%	-1,900	-5.2%
...Telecommunications	18,000	0	0.0%	-600	-3.2%
..Financial Activities	141,900	200	0.1%	-2,600	-1.8%
...Finance and Insurance	88,600	100	0.1%	-2,200	-2.4%
....Credit Intermediation and Related Activities	41,900	100	0.2%	-1,000	-2.3%
.....Depository Credit Intermediation	29,100	0	0.0%	-200	-0.7%
....Securities, Commodity Contracts, and Other Financial Investments	13,300	0	0.0%	-100	-0.7%
....Insurance Carriers and Related Activities	30,800	0	0.0%	-300	-1.0%
.....Insurance Carriers	14,800	0	0.0%	-600	-3.9%
...Real Estate and Rental and Leasing	53,300	100	0.2%	-400	-0.7%
....Rental and Leasing Services	16,200	100	0.6%	-400	-2.4%

## NONAGRICULTURAL EMPLOYMENT

Houston-Sugar Land-Baytown MSA	AUG 09	Month Change		Year Change	
		Net	Percent	Net	Percent
..Professional and Business Services	366,900	300	0.1%	-19,600	-5.1%
...Professional, Scientific, and Technical Services	178,700	200	0.1%	-7,200	-3.9%
....Legal Services	23,900	-200	-0.8%	100	0.4%
....Accounting, Tax Preparation, Bookkeeping, and Payroll Services	16,900	-100	-0.6%	-400	-2.3%
....Architectural, Engineering, and Related Services	61,600	300	0.5%	-5,300	-7.9%
....Computer Systems Design and Related Services	25,900	100	0.4%	500	2.0%
...Administrative and Support and Waste Management and Remediation Services	180,000	-1,000	-0.6%	-2,900	-1.6%
....Administrative and Support Services	169,900	-1,200	-0.7%	-4,100	-2.4%
.....Employment Services	66,700	200	0.3%	-2,800	-4.0%
.....Services to Buildings and Dwellings	41,700	0	0.0%	100	0.2%
..Educational and Health Services	294,300	2,200	0.8%	4,600	1.6%
...Educational Services	41,500	1,000	2.5%	1,100	2.7%
...Health Care and Social Assistance	252,800	1,200	0.5%	3,500	1.4%
....Ambulatory Health Care Services	118,800	900	0.8%	5,100	4.5%
.....Offices of Physicians	42,300	200	0.5%	800	1.9%
.....Hospitals	69,700	0	0.0%	-100	-0.1%
..Leisure and Hospitality	237,900	0	0.0%	-100	0.0%
...Arts, Entertainment, and Recreation	30,000	-600	-2.0%	800	2.7%
...Accommodation and Food Services	207,900	600	0.3%	-900	-0.4%
....Accommodation	21,200	-200	-0.9%	-300	-1.4%
....Food Services and Drinking Places	186,700	800	0.4%	-600	-0.3%
..Other Services	89,800	-700	-0.8%	-3,700	-4.0%
Government	345,600	-4,200	-1.2%	200	0.1%
.Federal Government	29,100	-400	-1.4%	-100	-0.3%
.State Government	71,000	300	0.4%	700	1.0%
..State Government Educational Services	39,200	100	0.3%	2,000	5.4%
.Local Government	245,500	-4,100	-1.6%	-400	-0.2%
..Local Government Educational Services	160,900	-3,500	-2.1%	-1,300	-0.8%

## UNEMPLOYMENT RATE

	AUG 09	JUL 09	AUG 08
H-S-B MSA	8.4	8.4	5.2
Texas (Actual)	8.1	8.2	5.3
United States (Actual)	9.6	9.7	6.1

**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 2008 levels. Data from April 2008 forward are estimates and are subject to future revisions based on employer reports. 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).