



OFFICE OF THE GOVERNOR

RICK PERRY
GOVERNOR

August 30, 2013

Mr. Ken Levine, Director
Sunset Advisory Commission
Robert E. Johnson Building
1501 North Congress Avenue
Austin, Texas 78701

Dear Mr. Levine:

I am pleased to present to you and to the Sunset Advisory Commission the Self-Evaluation Report of the Texas Workforce Investment Council (Council). I hope that the information contained in this report will assist Commission staff to understand the work of the Council, and will serve as the foundation for further discussions regarding that work. Council staff will be happy to provide any additional information or documents to support this report, and to support the research and analysis by the Sunset Commission as recommendations are developed in anticipation of the 2015 legislative session.

As noted in this self-evaluation report, the Council is required by Texas Government Code Section 2308.403 to staff the Texas Skill Standards Board (TSSB). The TSSB is a separate advisory board with members appointed by the Governor, and with specific mandates that guide its work. In 2003 in response to a question regarding the sunset requirements for the TSSB, Sunset Commission staff advised Council staff that the TSSB was not subject to sunset review, but that it would be appropriate to include information on the TSSB in the report. Therefore, as with the Council's 2003 self-evaluation report, information regarding the TSSB is included in the attachments of this report.

The Council and its staff look forward to working with you, your staff, and the Commission during the review process and during the 2015 legislative session.

Please do not hesitate to contact me if you have any questions or if I can provide additional information. I can be reached by telephone at 512-936-8102, or by email at rector@governor.state.tx.us.

Sincerely,

A handwritten signature in black ink, appearing to read "Lee Rector".

Lee Rector
Director
Texas Workforce Investment Council



Self-Evaluation Report

Submitted to the Sunset Advisory Commission

August 2013

www.governor.state.tx.us/twic

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Texas Workforce Investment Council Self-Evaluation Report

I. Agency Contact Information

A. Please fill in the following chart.

Texas Workforce Investment Council Exhibit 1: Agency Contacts				
	Name	Address	Telephone & Fax Numbers	E-mail Address
Agency Head	Lee Rector	1100 San Jacinto, Ste. 1.100 Austin, Texas 78701	512-936-8100	lrector@governor. state.tx.us
Agency's Sunset Liaison	Lee Rector	Same	same	same

II. Key Functions and Performance

Provide the following information about the overall operations of your agency. More detailed information about individual programs will be requested in a later section.

A. Provide an overview of your agency's mission, objectives, and key functions.

The Texas Workforce Investment Council is specified in both state and federal workforce development law and regulation. The Texas Legislature created the Council in 1993 and mandated that the Council promote the development of a well-educated, highly skilled workforce for Texas and advocate for an integrated workforce system that provides quality, relevant services that address the needs of Texas businesses and workers. Both state and federal law charge the Council with assisting the Governor and the Legislature with strategic planning for and evaluation of the Texas workforce system.

The Workforce and Economic Competitiveness Act of 1993, 73rd Legislature, established the Council as a Human Resource Investment Council under the Job Training Partnership Reform Amendments of 1992. The federal Workforce Investment Act of 1998 (WIA) replaced the Job Training Partnership Act and requires the Governor of each state to establish a State Workforce Investment Board in order for the state to receive federal funds under WIA. The Council serves as the State Workforce Investment Board.

The Texas workforce system is composed of over 20 programs that are administered by eight state agencies and 28 local workforce boards, as well as independent school districts, community and technical colleges, and local adult education providers. Workforce system partners include the:

- Health and Human Services Commission (HHSC) and its Department of Assistive and Rehabilitative Services (DARS);
- Office of the Governor (OOG) - Economic Development and Tourism (EDT);
- Texas Association of Workforce Boards;

- Texas Department of Criminal Justice - Windham School District;
- Texas Education Agency (TEA);
- Texas Higher Education Coordinating Board (THECB);
- Texas Juvenile Justice Department (TJJJ);
- Texas Veterans Commission (TVC); and
- Texas Workforce Commission (TWC).

Primary Functions

The scope of the Council's work is "workforce development," which is defined in the Council's state statutes as "workforce education and workforce training and services." Workforce education includes articulated career path programs and the constituent courses of those programs that lead to a sub-baccalaureate license, credential, certificate, or degree.

State statute assigns the Council four primary functions in the Texas workforce system:

- 1) strategic planning and capacity-building,
- 2) evaluation and performance measurement,
- 3) research and continuous improvement, and
- 4) review of state and local workforce plans in order to recommend final approval by the Governor.

The Council also serves as the State Workforce Investment Board (State Board) as required under the WIA (Public Law 105-220). While composition and responsibilities differ somewhat between states, all state boards are charged with assisting the Governor with planning, evaluation, collaboration among system partners, and review of state and local workforce plans.

The composition, powers, duties, and administrative arrangements of each state board differ according to the structure designated by the Governor of each state under WIA. State boards also differ in their degree of operational responsibility. Some states like Texas have determined that their state boards will be largely responsible for system strategic planning and evaluation and have assigned most programmatic responsibilities to the appropriate state operational agency. Other states have designated their state boards to carry significant operational responsibilities in addition to their responsibilities for system planning and evaluation.

Because of the significant workforce system reform initiated by the Texas Legislature in 1993 and 1995, WIA contains provisions that allow Texas to retain – or grandfather – major elements of its workforce system that are consistent with WIA, including the Council's composition and roles. As a result, the duties assigned to the state board under WIA are implemented in a manner that is consistent with the Council's role under state legislation enacted before WIA. Accordingly, the Council does not operate programs nor does it directly manage the flow of state and federal funding to the system's state agencies. Rather, the Council's focus is strategic and its functions are guided by the duties and responsibilities established for the Council by the Texas Legislature, including the redesignation of local workforce areas.

As the State Board, federal agencies periodically engage the Council in its system oversight role to participate in program reviews. For example, in the past the Council has participated in program reviews and site visits conducted by the U.S. Department of Labor Region IV Office, U.S. Department of Labor Office of Inspector General, Rehabilitation Services Administration, and the U.S. Department of Education Office of Adult and Vocational Education. It has also participated in a fact-finding and review meeting conducted by the Organization for Economic Cooperation and Development.

Duties and Powers – Statutory

Federal WIA or TX Government Code	Function	Council Duties and Powers
2308.051(a)	Cross Function	The Council acts as a state human resource investment council under the Job Training Reform Amendments of 1992 (29 U.S.C. Section 1792 et seq.) and as a state workforce investment board (SWIB) under the Workforce Investment Act of 1998 (Pub. L. No. 105-220).
WIA Sec. 194 (a)(5) and WIA Sec. 194 (b)(2)	Cross Function	Notwithstanding any other provision of this title, the Secretary may not deny approval of a State plan for a covered State, or an application of a covered State for financial assistance, under this title or find a covered State (including a state board or Governor), or a local area (including a local board or chief elected official) in a covered State, in violation of a provision of this title on the basis that the State proposes to designate or designates a state board, or proposes to assign or assigns functions and roles of the state board (including determining the time periods for development and submission of a State plan required under section 112), for purposes of subtitle B in accordance with prior consistent State laws. The term “prior consistent State laws” means State laws, not inconsistent with the Job Training Partnership Act (JTPA), or any other applicable Federal law, that took effect on September 1, 1993, September 1, 1995, and September 1, 1997.
2308.101(1)	Cross Function	Promote the development of a well-educated, highly skilled workforce in this state.
2308.101(2)	Cross Function	Advocate the development of an integrated workforce development system to provide quality services addressing the needs of business and workers in this state.
2308.101(12)	Cross Function	Carry out the federal and state duties and responsibilities of advisory councils under applicable federal and state workforce development laws or regulations.
2308.102(b)	Cross Function	Assume the responsibilities formerly exercised by the following state advisory councils and committees: Apprenticeship and Training Advisory Committee.
2308.103(a)(4)	Cross Function	Provide for the mediation or arbitration of disputes between agencies that perform functions for state and federal programs as provided by this chapter.
WIA Sec. 111(d)(4)	Planning	Designation of local workforce development areas. (SWIB)

Federal WIA or TX Government Code	Function	Council Duties and Powers
2308.101(3)	Planning	Recommend to the Governor the designation or redesignation of workforce development areas for the local planning and delivery of workforce development.
2308.252(a)-(e)	Planning	<p>The Governor shall, after receiving the recommendations of the Council, publish a proposed designation of local workforce development areas for the planning and delivery of workforce development.</p> <p>A local workforce development area:</p> <ol style="list-style-type: none"> (1) is composed of more than one contiguous unit of general local government that includes at least one county; (2) is consistent with either a local labor market area, a metropolitan statistical area, one of the 24 sub-state planning areas, or one of the 10 uniform state service regions; and (3) is of a size sufficient to have the administrative resources necessary to provide for the effective planning, management, and delivery of workforce development. <p>Units of general local government, business and labor organizations, and other affected persons and organizations must be given an opportunity to comment on and request revisions to the proposed designation of a workforce development area.</p> <p>After considering all comments and requests for changes, the Governor shall make the final designation of workforce development areas.</p> <p>The Governor may re-designate workforce development areas not more than once every two years. A redesignation must be made not later than four months before the beginning of a program year.</p>
2308.101(4)	Planning	Identify and recommend to the Governor incentives to encourage the consolidation, on a regional labor market basis, of local boards/service delivery areas under JTPA or other federal workforce legislation.
2308.101(11)	Planning	Develop and recommend to the Governor criteria for the establishment of local workforce development boards.
2308.101(13)	Planning	Report periodically to the Governor and the Legislature.
2308.102(a)(1)	Planning	Assume the duty to develop, with the assistance of each appropriate state agency, and recommend to the Governor, and report to the Legislature state plans required by applicable federal law in order for the state to receive federal funds.

Federal WIA or TX Government Code	Function	Council Duties and Powers
2308.102(a)(2)	Planning	Assume the duty to make policy recommendations to the Governor and the Legislature on goals and priorities for formula and discretionary funds for all applicable programs.
2308.102 (a)(3)	Planning and Evaluation	Assume the duty to make recommendations to the Texas Workforce Commission on unemployment insurance issues pertinent to the responsibilities of the Council.
WIA Sec. 111(d)(2)	Planning	Development and continuous improvement of comprehensive State performance measures, including State adjusted levels of performance, to assess the effectiveness of the workforce investment activities in the State. (SWIB)
2308.104(a)	Planning and Evaluation	Develop and recommend to the Governor and report to the Legislature a single strategic plan that establishes the framework for the budgeting and operation of the workforce development system, including school to careers and welfare to work components, administered by agencies represented on the Council. The Council shall annually report to the Governor and the Legislature on the implementation of the strategic plan.
2308.104(b)-(d)	Planning	<p>Engage in strategic planning by selecting or developing two types of performance measures. To the fullest extent possible, all measures must be selected from those already developed and approved before September 1, 2001, by one or more state agencies that administer workforce programs. The Council may develop a new measure only if the Council identifies a gap in accountability, or determines that at least one state agency administering a workforce program cannot report under the measures developed and approved before September 1, 2001.</p> <p>The first type of performance measure consists of formal measures identifying outcomes that are essentially consistent across all workforce programs. Job placement rates, job retention rates, and wage rates may be included among those measures. The Council may develop or select not more than five formal measures. The Council shall develop or select each formal measure in consultation with the state agencies required to report under this subsection. Once approved by the Governor and the Legislative Budget Board, a formal measure becomes part of the state's performance budget and accounting system and applies to each state agency that administers a workforce program.</p> <p>The second type of performance measure consists of less formal measures to provide information determined by the Council to be essential in development of the strategic plan under this section.</p>

Federal WIA or TX Government Code	Function	Council Duties and Powers
		Employer participation rates, customer satisfaction levels, and educational attainment may be included among those measures. The Council shall develop or select each less formal measure with the approval of the Governor and in consultation with the state agencies required to report under this subsection. The Legislative Budget Board shall provide technical assistance to the Council to ensure that the measures and associated reporting criteria are consistent with the state's performance budget and accounting system. The Council may exempt a state agency that administers a workforce program from any requirement to use a less formal measure.
2308.104(e)	Planning	The strategic plan recommended by the Council must recognize and address literacy and basic education as activities that are critical to the well-being of individuals and the state without regard to whether the training and education is directed at preparing an individual for employment.
2308.104(f)	Planning	Include in the strategic plan goals, objectives, and performance measures for the workforce development system that involve programs of all state agencies that administer workforce programs.
2308.104(g)	Planning	On approval of the plan by the Governor, an agency administering a workforce program shall use the strategic plan to develop the agency's operational plan.
2308.104(h)	Planning	Include in the strategic plan long-range strategies developed by the Council under Section 2308.1015 to facilitate the seamless delivery of integrated workforce services in this state.
2308.104(i)	Planning	Include in the strategic plan the long-range strategies developed by the Council under Section 2308.1016 to facilitate the efficient delivery of integrated adult education and literacy services in this state.
WIA Sec. 501	Planning	Lead development of a State Unified Plan. (at state option) (SWIB)
WIA Sec. 111(d)(2)(a)	Planning	Develop linkages to ensure coordination and non-duplication to assist the Governor in the development and continuous improvement of a state-wide system of activities carried out through a one-stop delivery system. (SWIB)
2308.105	Planning	The Governor, with the Council and the Local Workforce Development Boards, shall: identify specific barriers to integrated service delivery at the local level, request waivers from federal and state regulations; and advocate changes in federal and state laws to promote local service integration.

Federal WIA or TX Government Code	Function	Council Duties and Powers
2308.201 – 2308.203	Planning	<p>Develop recommendations periodically in each of the Council's areas of responsibility and shall submit the recommendations to the Governor. The Governor shall consider the recommendations submitted under this subchapter. The Governor shall approve, disapprove, or modify the recommendations. The Governor shall return the recommendations to the Council to be forwarded as appropriate; or forward an approved or modified recommendation without returning the recommendation to the Council. A recommendation that is not approved, disapproved, or modified by the Governor before the 60th day after the date the recommendation is submitted shall be considered approved by the Governor. A recommendation that is approved or modified shall be forwarded to the appropriate agency for implementation. A recommendation that is approved or modified and that requires a change in state or federal law shall be forwarded to the appropriate legislative body for its consideration.</p> <p>A state agency that is responsible for the administration of human resources or workforce development in this state shall implement a recommendation under this subchapter if the recommendation does not violate a federal or state law. A state agency shall provide requested information to the Council in a timely manner; report on the implementation of the Council's recommendations at the time and in the format requested by the Council; and notify the Governor, the executive director, and the presiding officer of the Council within 30 days if the agency determines that a recommendation cannot be implemented.</p>
2308.205	Planning	A state agency represented on the Council shall provide to the Council and each local workforce development board an estimate of fund availability and services provided by the state agency in each local workforce development area.
2308.101(6)	Evaluation	Evaluate the effectiveness of the workforce development system;
2308.101(7)	Evaluation	Use the administrative records of the state's unemployment compensation program and other sources as appropriate in evaluating the workforce development system.
2308.101(9)	Evaluation	Recommend measures to ensure that occupational skills training is provided in occupations that are locally in demand and directed toward high-skill and high-wage jobs.

Federal WIA or TX Government Code	Function	Council Duties and Powers
2308.101(10)	Evaluation	Monitor the operation of the state's workforce development system to assess the degree to which the system is effective in achieving state and local goals and objectives.
2308.101(14)	Evaluation	Provide annual reports to the Governor and the Legislature, including an annual report analyzing work development programs that focus on welfare to work initiatives.
2308.1015 (a)-(c)	Evaluation	<p>To facilitate the seamless delivery of integrated workforce services in this state, the Council shall evaluate programs administered by agencies represented on the Council to identify any duplication of or gaps in the services provided by those programs; and any other problems that adversely affect the seamless delivery of those services; and develop and implement immediate and long-range strategies to address problems identified by the Council.</p> <p>The Council shall include in the Council's annual report to the Governor and the Legislature a list of specific problems identified by the Council to be addressed by the Council in the following year; and the results of any measures taken by the Council to address problems identified by the Council.</p> <p>The long-range strategies developed by the Council must identify each agency represented on the Council that is responsible for implementing each strategy; and include a timeframe for the implementation of each strategy.</p>
2308.1016 (a)-(c)	Evaluation	<p>To facilitate the efficient delivery of integrated adult education and literacy services in this state, the Council shall:</p> <p>(1) evaluate adult education and literacy programs administered by the Texas Education Agency and the Texas Workforce Commission to identify:</p> <ul style="list-style-type: none"> ▪ any duplication of planning by those agencies at the state and local level; ▪ any lack of adequate client information sharing between those agencies; and ▪ any other problems that adversely affect the delivery of those programs by the agencies; <p>(2) develop and implement immediate and long-range strategies to address problems identified by the Council; and</p> <p>(3) develop a system to monitor and evaluate the wage and employment outcomes of students who participate in the adult</p>

Federal WIA or TX Government Code	Function	Council Duties and Powers
		<p>education and literacy programs administered by the Texas Education Agency, including students referred to the programs by the Texas Workforce Commission or local workforce development boards, to ensure the effectiveness of the programs in improving the employment-related outcomes of the students.</p> <p>The Council shall include in the Council's annual report to the Governor and the Legislature a list of specific problems identified by the Council to be addressed by the Council in the following year; and the results of any measures taken by the Council to address problems identified by the Council.</p> <p>The long-range strategies developed by the Council must identify the agency responsible for implementing each strategy; and include a schedule for the implementation of each strategy.</p>
2308.106	Evaluation	<p>The division (Texas Workforce Commission, Workforce Division) shall assist a local workforce development board in designing effective measures to accomplish the board's responsibilities under Section 2308.302. (See below)</p> <p>§ 2308.302. RESPONSIBILITY OF BOARD. (a) A board is directly responsible and accountable to the division for the planning and oversight of all workforce training and services and the evaluation of all workforce development programs in the workforce development area. A board shall ensure effective outcomes consistent with statewide goals, objectives, and performance standards approved by the Governor.</p> <p>(b) A board is directly responsible to the division for the operational planning and administration of all workforce training and services funded through the Texas Workforce Commission to the local area.</p>
2308.151	Evaluation	<p>Establish, with the approval of the Governor, a funding formula to determine the level of support each agency administering a workforce program must provide to operate the automated follow-up and evaluation system administered by the Texas Workforce Commission under Subchapter E, Chapter 302, Labor Code.</p>
Subchapter E, Chapter 302.085 Labor Code	Evaluation	<p>The Council and each local workforce development board shall use the information developed under this subchapter (workforce development evaluation system) and other information to determine whether a specific workforce training and services program administered by or funded by the local board is effective and whether to continue the training and services program.</p>

Federal WIA or TX Government Code	Function	Council Duties and Powers
2308.268 – 2308.269	Evaluation	<p>Provide technical assistance to local workforce development areas that do not meet performance standards established under this chapter and other applicable federal and state law.</p> <p>If a local workforce development area does not meet performance standards for two consecutive program years, the Council shall develop and impose a reorganization plan that may include restructuring the board; prohibiting the use of designated service providers, including state agencies; and merging the local workforce development area with another area. If nonperformance is directly attributable to a specific state agency, the Council may select an alternative provider.</p> <p>A local workforce development area that is the subject of a reorganization plan may appeal to the Governor to rescind or revise the plan not later than the 30th day after the date of receiving notice of the plan.</p> <p>If, as a result of financial and compliance audits or for another reason, the Texas Workforce Commission finds a substantial violation of a specific provision of this chapter or another federal or state law or regulation and corrective action has not been taken, the Council shall issue a notice of intent to revoke all or part of the affected local plan; issue a notice of intent to cease immediately reimbursement of local program costs; or impose a reorganization plan under Section 2308.268 for the local workforce development area.</p>
WIA Sec. 111(d)(5)	Review	Monitor allocation formula priorities for the distribution of discretionary funds for adult and youth activities. (SWIB)
WIA Sec.111(d)(3)	Review	Comment on Perkins measures in the Texas Consolidated State Plan. (SWIB)
WIA Sec. 111(d)(1)	Review	Review and comment on State Plan for Title I of the WIA. Recommend the plan to the Governor. (SWIB)
WIA Sec. 111(d)(9)	Review	Review and comment on the application for an Incentive Grant (if the state qualifies for incentive funds). Recommend application for approval. (SWIB)
WIA Sec. 111(d)(7)	Review	Review and comment on the Annual Report to the Secretary of Labor. (SWIB)
2308.101(5)	Review	Review plans for local workforce development and make

Federal WIA or TX Government Code	Function	Council Duties and Powers
		recommendations to the Governor for approval.
WIA Sec. 111(d)(2)(b)	Review	Review local plans to assist the Governor in the development and continuous improvement of a state-wide system of activities carried out through a one-stop delivery system. (SWIB)
2308.101(8)	Research	Encourage, support, or develop research and demonstration projects designed to develop new programs and approaches to service delivery.
Govt. Code, Title 4, Subtitle F., Section 481.0215(b)	Research	At the direction of the Governor, the executive director of the department (Texas Department of Economic Development) or its successor shall work with each state agency that administers a program relating to job training or job creation, including the Texas Workforce Commission, the Texas Workforce Investment Council, the Department of Agriculture, and the Office of Rural Affairs, to address the challenges facing the agencies relating to job training and job creation.
2308.051(b)	Administration	The Council is attached for administrative purposes to the office of the Governor.
2308.059	Administration	The Office of the Governor shall serve as the Council's fiscal agent.
2308.060 (a)-(c)	Administration	The presiding officer of the Council shall appoint an executive director of the Council. The executive director shall report to the presiding officer of the Council; perform duties assigned by the Council and under state law; administer the daily operations of the Council; appoint officers, accountants, attorneys, experts and other employees to perform the Council's powers and duties under this chapter; and delegate authority to persons appointed under this section as the executive director considers to be reasonable and proper for the effective administration of the Council.
2308.060	Administration	The executive director shall adopt the administrative and personnel policies and procedures of the Council's fiscal agent.
2308.061(a)	Administration	The Council shall have an independent staff with expertise sufficient to perform all duties and responsibilities of the Council.
2308.061(b)	Administration	The staff may be supplemented by staff from other state agencies who are temporarily assigned to assist with special projects.

Federal WIA or TX Government Code	Function	Council Duties and Powers
2308.065(a)	Administration	Federal funding for the operation of the Council shall be allocated according to federal requirements.
2308.065(b)	Administration	A state agency represented on the Council shall provide funds for the support of the Council in proportion to the agency's financial participation in the workforce development system. The Council, with the Governor's approval, shall establish a funding formula to determine the level of support each agency must provide.
2308.101(c)	Administration	The members of the Council shall develop and implement policies that clearly separate the policy-making responsibilities of the members of the Council; and the management responsibilities of the executive director; and provide the public with a reasonable opportunity to appear before the Council and to speak on any issue under the jurisdiction of the Council.
2308.103(a)(1)	Administration	The Council may adopt rules essential to the internal functions and duties of the Council.
2308.103(a)(2)	Administration	The Council may make expenditures, enter into contracts with public, private, and nonprofit organizations or agencies, require reports to be made, conduct investigations, and take other actions necessary or suitable to fulfill the Council's duties under this chapter.
2308.103(a)(3)	Administration	The Council may delegate to the executive director any power or duty imposed on the Council by law, including the authority to make a final decision.
2308.103(a)(5)	Administration	The Council may accept gifts, grants, and donations of money, goods or services to be used only to accomplish the Council's duties under this chapter.
2308.103(a)(6)	Administration	The Council may share employees with another state agency.
2308.103(b)	Administration	The Council may not adopt rules related to the operation of workforce development; or delegate to the executive director the authority to adopt rules.
2308.107 (a)– (c)	Administration	The Council shall maintain a file on each written complaint filed with the Council. The file must include: (1) the name of the person who filed the complaint; (2) the date the complaint is received by the Council; (3) the subject matter of the complaint;

Federal WIA or TX Government Code	Function	Council Duties and Powers
		<p>(4) the name of each person contacted in relation to the complaint;</p> <p>(5) a summary of the results of the review or investigation of the complaint; and</p> <p>(6) an explanation of the reason the file was closed, if the Council closed the file without taking action other than to investigate the complaint.</p> <p>The Council shall provide to the person filing the complaint and to each person who is a subject of the complaint a copy of the Council's policies and procedures relating to complaint investigation and resolution.</p> <p>The Council, at least quarterly until final disposition of the complaint, shall notify the person filing the complaint and each person who is a subject of the complaint of the status of the investigation unless the notice would jeopardize an undercover investigation.</p>
2308.108	Administration	<p>The members of the Council shall develop and implement a policy requiring the executive director and Council employees to research and propose appropriate technological solutions to improve the Council's ability to perform its functions.</p> <p>The technological solutions must:</p> <p>(1) ensure that the public is able to easily find information about the Council on the Internet; and persons who want to use the Council's services are able to interact with the Council through the Internet and access any service that can be provided effectively through the Internet;</p> <p>(2) be cost-effective; and</p> <p>(3) be developed through the Council's planning processes.</p>
2308.159	Administration	<p>The executive director or the executive director's designee shall provide to Council employees information and training on the benefits and methods of participation in the state employee incentive program.</p>
2308.403	Administration	<p>Provide staff support for the Texas Skill Standards Board, as necessary.</p>

B. Do your key functions continue to serve a clear and ongoing objective? Explain why each of these functions is still needed. What harm would come from no longer performing these functions?

In Texas, the Council does not operate programs and is the only entity in the state that is charged with and able to conduct strategic planning and evaluation across the eight agencies and 20 workforce programs the workforce system comprises. The Council's neutral position enables it to convene agencies and system stakeholders, and to act as a system collaborator to assist state agencies and system partners to focus collectively on system planning, improvement, and capacity-building.

The Council's original purpose as a strategic advisory body, assisting the Governor in creating, evaluating and improving an integrated workforce development system for Texas, has not substantively changed since the Council's creation in 1993. The Council's operational/programmatic responsibilities, however, were substantially amended by the 74th Legislature in 1995 when those responsibilities were transferred to the newly created workforce agency, the Texas Workforce Commission, along with 28 other workforce programs from 10 state agencies. The Council's strategic role in planning, evaluation and system improvement was retained and strengthened. In 1999, the 76th Texas Legislature expanded the Council's evaluation role, and charged it with reporting to the Governor and Legislature on the implementation of the workforce system strategic plan. In carrying out these strategic functions, the Council works with its eight partner agencies that have workforce programs.

Given the essential nature of strategic planning and evaluation in developing, maintaining, and continuously improving a high-performing system, the Council does not foresee a time when its strategic mission will be accomplished and those vital functions no longer needed. Indeed, it could be argued that these functions have never been more important than they are today. Recent economic changes have led to fundamental changes in the labor market and the demand for increased education and training credentials and certifications. In the coming decade, 85 percent of jobs will require some type of postsecondary education - whether academic or technical. Skill requirements in technology and other industries have been rising, as has the need for workers trained in science, technology, engineering, and math. Education and skills have become increasingly important as paths to higher earnings and career growth.

Workforce development therefore becomes a core economic development strategy. Rather than viewing workforce development as an extension of social welfare policy, as has been the paradigm in the past, it is now an essential part of a state's economic growth strategy. The worlds of education, workforce development, and economic development must work together and in alignment to enable Texas to be a strong competitor in the global economy and to build a high quality of life for its citizens. A neutral entity such as the Council, responsible not for program delivery but for strategic planning and evaluation of a system encompassing those three worlds and the eight state agencies that compose them, is important to the state's ability to coordinate its efforts and focus on those common state goals.

The Council serves as the State Workforce Investment Board as required under the federal Workforce Investment Act of 1998 (WIA). The Council also served as the Human Resource Investment Council and State Job Training Coordinating Council under WIA's predecessor, the Job Training Partnership Act (JTPA). Under WIA, state boards were charged with promoting the restructuring of the fragmented mix of federal employment, training, and education programs into a comprehensive workforce development system that is both customer driven and result oriented. Key in this restructuring was state flexibility to establish, through partnership with local communities and the private sector, a state-based system with

locally designed service delivery.

Like other states, the Texas workforce development system is composed of workforce programs and initiatives across a number of state agencies. Essential to the successful implementation of both state and federal workforce law and regulation is the development of an integrated system that works toward common goals and objectives.

In addition, the Council is charged in both state and federal law with making important recommendations to the Governor, following: a) review of local workforce board plans, b) review of the state WIA plan for submission to the U.S. Department of Labor, and c) review of requests for redesignation of workforce development areas. In this external evaluation role, and distinct from the eight agencies in the workforce system and their local providers, the Council is a neutral entity that can provide unbiased recommendations on plans and requests.

C. What evidence can your agency provide to show your overall effectiveness and efficiency in meeting your objectives?

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Planning and Capacity-Building

1. Designation of Local Workforce Development Areas

According to both Texas Government Code, Section 2308.101(3), and the federal Workforce Investment Act of 1998, Section 111(d)(4), the Texas Council on Workforce and Economic Competitiveness (Council) is responsible for recommending to the Governor the designation or redesignation of workforce development areas for local planning and delivery of workforce development services. Between 1993 and 1995, the Council worked with the Governor to designate workforce development areas, the first step in developing a local service delivery system.

2. One-Stop Implementation Grant and Subsequent Activities

In its first strategic plan for the Texas workforce development system, the Council identified the following key goal with regard to delivery of an integrated system of workforce programs and services: “To develop a statewide system supporting local workforce development centers where all clients can conveniently access a network of information and services responsive to their individual needs.”

This goal was consistent with the Council’s responsibility under the Workforce and Economic Competitiveness Act of 1993 (Senate Bill 642) which created the Council, a Human Resource Investment Council under the JTPA amendments, and charged the Council with planning, developing, and evaluating the system envisioned in the legislation. In describing the system, the legislation set forth the design of an integrated local workforce development system. The local design consolidated current local governance and advisory structures into a single workforce development board and required these boards, once certified by the Governor, to establish local workforce development centers, (i.e., one-stop career centers). These centers were required to provide all customers with information and services that meet their needs for employment, education, and training.

In 1994, in partnership with the Texas Employment Commission, the Council submitted an application to the U.S. Department of Labor for an Employment and Training One-Stop Career Center System

Implementation/Planning and Development Grant. Texas was awarded the three-year grant and became one of six states in the nation to receive federal funds to pilot the development and implementation of one-stop career centers. The grant enabled the Council to carry out initial activities toward the development of these centers. The Council provided policy direction and general oversight and utilized some of the grant funds to carry out a number of state-level system development and training activities. The state conducted a process whereby it selected five pilot areas, based on objective criteria, for first-year funding. This initiative laid the framework for successful expansion statewide of one-stop (workforce) centers so that employers and individuals have ready access to a network of information and services responsive to their unique employment needs.

3. Workforce System Strategic Plans

Since its inception, the Council has developed four workforce system strategic plans, which were subsequently approved by the Governor, as required by Texas Government Code 2308.104.

The Changing World of Work: A Strategic Plan for Building a World-Class System for Workforce Education and Training (1994 – 1999). The first strategic plan provided the blueprint for the state's new workforce development system. The plan served as the basis for consolidating and aligning programs, and establishing local workforce boards and the network of workforce centers to deliver workforce programs and services to both employers and individuals.

Texas Workforce Development Strategic Plan (FY 2000 – FY 2004). The second system strategic plan provided for the ongoing development and improvement of the state's workforce development system. The five-year plan emerged from the Governor's *Vision Texas*, the goals and objectives for Texas government, and the original five-year strategic plan for workforce development that the Council published in 1994. This plan, developed using an extensive public consultation process, ultimately focused on the improvement and performance of programs and services to strengthen the foundation of Texas' workforce system. The key to the plan was a business-driven, universally accessible, integrated system of workforce education, training, and support or related services that provided individuals and employers with the means to meet their specific needs. It promoted the further development of a business-driven system, increased accountability and access for youth and adults to workplace skills, literacy, adult education, and occupational skills development necessary for employment in higher-skilled, higher-wage careers.

Destination 2010: FY2004 – FY2009 Strategic Plan for the Texas Workforce Development System. With this plan, the Council focused on the system as a true system and formulated the plan to promote a system identity for all agencies with workforce programs, as well as on the opportunities and challenges faced by system partners and stakeholders in preparing a skilled workforce for Texas in the twenty-first century. There was early and continued involvement of all partners, as well as continuous opportunities for partner input and feedback. The result of this development process was an elevated focus on systemic issues, as well as a focus on outcomes for Texas employers and for those key populations that will be part of the future Texas workforce. The plan was designed to minimize duplication of outcomes included in each agency's state strategic plan, while at the same time identifying and isolating those critical programmatic points and outcomes on the workforce continuum that required focus, action, and monitoring. This system strategic plan was the first to include Formal and Less Formal performance measures, performance targets, and action plans for each objective. Each action plan specified the objective, the agency(ies) accountable for the major tasks to achieve the intended outcome, and the timeline for completion. The action plans were updated annually, and performance targets were increased if the original target had been met.

Advancing Texas – Strategic Plan for the Texas Workforce System (FY 2010 – FY 2015). This is the fourth strategic plan developed by the Council and its system partners. It builds upon the systems approach to workforce planning first incorporated into *Destination 2010*. Analyzing the system as a whole, and targeting initiatives to effect change in the system, enabled the Council to identify key areas to target activities that will improve and enhance system performance, reduce redundancy, and assist workforce partners in working more cohesively toward the overall mission of the Texas workforce system. The Texas workforce system is a complex system of numerous programs and agencies that are interrelated either because they serve a common customer or are charged with achieving similar employment and education outcomes for their targeted customer groups. Therefore, the planning process was designed to increase focus on:

- those points of intersection of partner programs (e.g., adult education workplace literacy training and transition to employment through local workforce boards' services; dual credit, including both career and technology courses, as well as academic courses);
- gaps in program delivery (e.g., adult education English language learners and integrated occupational skills training);
- specific populations in order to increase employment outcomes (e.g., veterans, persons with disabilities, adult education participants, English language learners); and
- the development of resources and processes to meet needs identified by system stakeholders (e.g., supply and demand model, new apprenticeship areas and delivery models, the use of employment data and employer satisfaction in program planning and improvement).

Because the system strategic plan focuses on issues that cross agencies and program gaps, it fulfills a unique and complementary role in the workforce system.

4. Economic Development Workforce Initiatives

The Council led the planning of a major initiative, based on an objective in *Destination 2010*. This work resulted in the Governor's Texas Industry Cluster Initiative. Launched in 2004, the plan identified those clusters determined to be critical to the future of the Texas economy. That work has remained relevant since the original planning was undertaken. In 2007, the Governor created the Governor's Competitiveness Council to further the work of the industry cluster initiative. The Competitiveness Council released a 2008 report that contained recommendations related to the targeted industry clusters and the workforce system in general. The clusters work today is referenced in the Strategic State Workforce Investment Plan for Title I of the Workforce Investment Act of 1998, the Wagner-Peyser Act, and Wagner-Peyser Agricultural Outreach for Program Years 2012 – 2016, which is the required state plan submitted to the U.S. Department of Labor.

The Council participated in the Governor's Biotechnology and Life Sciences Council (2001 – 2002) and led work to identify key metrics related to education and training, institutional capacity, and value.

Evaluation and Performance Measurement

1. System Measures

The Council's first strategic plan for workforce development, released in 1994, included a goal to develop a state/local strategic planning, evaluation, and accountability system for the state's workforce development system. In the succeeding years, the Council and its system partners undertook the significant, long-term task of developing, refining, and implementing core measures, which provided the

initial basis for workforce evaluation. These core measures served as the indicators or measures of system performance across certain “like” components of the workforce development system, such as: Employer Participation, Entered Employment, Earnings Change, Employment Retention, and Educational Achievement.

The challenge, then and today, is to develop system measures that are meaningful, applicable across programs, and flexible. Very few states across the nation have engaged in the development of system measures and fewer yet have gathered data on measures following that development. The Council has worked steadily on this evolving process throughout the landmark workforce and welfare reforms initiated by Texas lawmakers. In the 1990s, those reforms brought about the consolidation of workforce programs and initiatives at the state level, as well as the establishment of local workforce development boards, and a system of workforce centers. In addition, Texas was one of the few states to opt for early implementation of the federal Workforce Investment Act of 1998 (WIA), which replaced the workforce system operated under the Job Training Partnership Act. WIA and Carl Perkins legislation require states to report on core measures to show progress toward continuous improvement in performance. Federal measures are now similar to Texas measures in that they also measure Entered Employment, Earnings Gains, Employment Retention, and Employer Participation. In developing and refining system measures, it has been critical for the Council to maintain compatibility with federal measures in order to avoid duplicative and confusing measurement of the system.

In 1999, the Council developed its second strategic plan for workforce development. In that plan, the Council revised the core measures and their definitions to better align them with changes in the system and ensure applicability across member and partner agencies’ programs and services. The measures were created by a System Measures and Evaluation Taskforce, using a consultative process among member/partner agencies and other interested agencies and organizations.

In preparing its third system strategic plan in 2003, and in response to statutory changes to institute Formal and Less Formal measures in its evaluation of workforce programs and the implementation of the strategic plan, the Council recommended to the Governor for approval four system Formal measures that were essentially consistent across programs and services: educational achievement, entered employment, employment retention, and customers served.

Since 2004 the Council has collected data on these measures for workforce programs. The Council’s annual evaluation report to the Governor and the Legislature contains a series of report cards, including one for each system measure. Each report card shows the current performance data and the increase or decrease between annual values, as well as the cumulative change during the strategic plan period. There is also a system report card that shows the performance of Texas’ workforce system and includes totals for each of the four Formal measures that have been aggregated and weighted by the number of program participants. The card also shows the number, percent where applicable, and rates of change for the Formal and Less Formal measures.

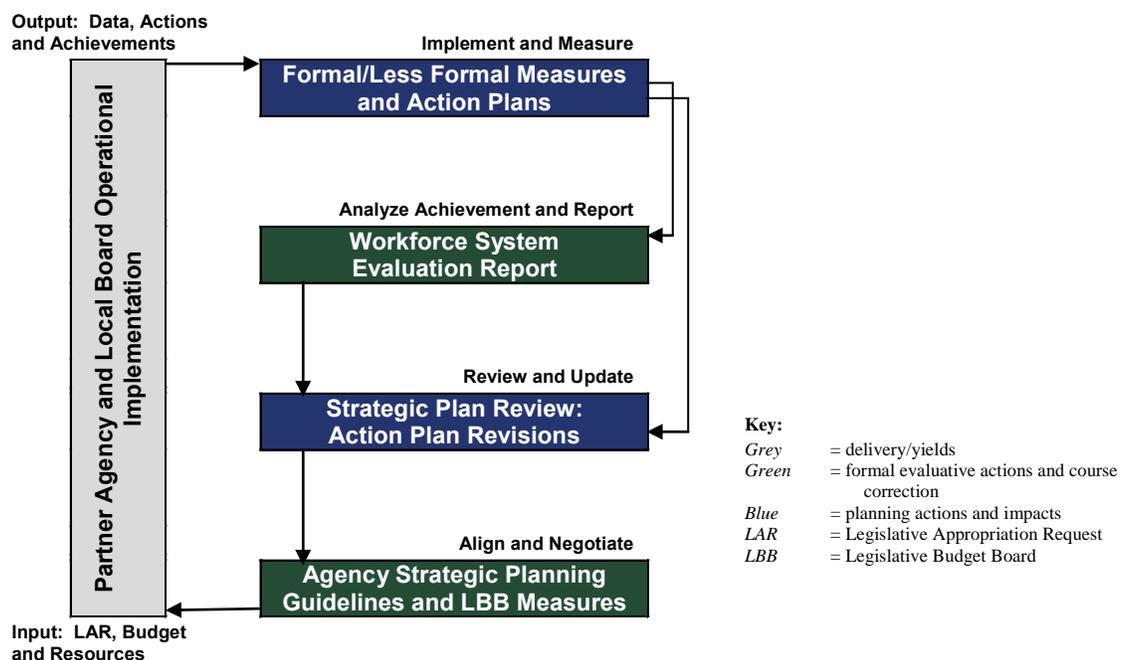
2. Workforce system evaluation

The Council is required by Texas Government Code Chapter 2308 to monitor the state’s workforce system. As part of that responsibility, the Council annually reports to the Governor and the Legislature on the degree to which the system is achieving state and local workforce goals and objectives. State statutes require that the Council evaluate five elements in the workforce system, and these elements are incorporated into the annual system evaluation report:

- Formal and Less Formal performance measures
- Implementation of the system strategic plan, *Advancing Texas*
- Adult education action and achievements
- Local workforce board activities and alignment
- Work development programs that focus on welfare to work initiatives

The Council utilizes a three-tier evaluation hierarchy that is one component of a system performance framework, as illustrated in the graphic below. The framework depicts the inputs, outputs, and planning and evaluative components that form the cycle of planning, evaluation, and implementation that the Council engages in with system partners.

Texas' Workforce System Performance Framework



Annually, since December 2000, the Council considers for approval and submission to the Governor and the Legislature, an evaluation report that presents accomplishments and outcomes of the Texas workforce system.

Four reports (2000 – 2003) evaluated actions and performance specified in the objectives contained in *Texas Workforce Development Strategic Plan (FY 2000 – FY 2004)*.

Six reports (2004 – 2009) evaluated system performance, Formal and Less Formal measures (presented as a series of report cards) and the accomplishment of milestones and timelines in the action plans contained in *Destination 2010: FY 2004 – FY 2009 Strategic Plan for the Texas Workforce Development System*.

Three reports (2010 – 2012) to date have evaluated system performance, Formal and Less Formal measures (presented as a series of report cards) and the accomplishment of milestones and timelines in the

action plans contained in *Advancing Texas – Strategic Plan for the Texas Workforce System (FY 2010 – FY 2015)*. The 2013 report is currently under development and will be presented to the Council in December.

3. Adult education evaluation

The Council is also charged in Texas Government Code Section 2308.1016 with evaluating adult education and literacy services administered by the Texas Education Agency and the Texas Workforce Commission. Each annual workforce system evaluation report contains a section related to this charge. Additionally, the Council has released five key reports in carrying out the charge to evaluate adult education:

A First Look at Critical Issues Surrounding Adult Education and Literacy in Texas is a report mandated by the 78th Texas Legislature, requiring the Council to evaluate adult education and literacy programs administered by the Texas Education Agency and the Texas Workforce Commission by December 31, 2003. In its research, the Council focused on three aspects of adult education and literacy: funding, outcomes, and service delivery. The Council makes two recommendations for improving the status of adult education and literacy in Texas and suggests strategies to support both recommendations. (December 2003)

A Primer on Adult Education in Texas continues the initial research began in *A First Look at Critical Issues Surrounding Adult Education and Literacy in Texas*. The primer's scope is focused primarily on adult education programs funded by Title II of the Workforce Investment Act of 1998 (WIA). The report discusses governing and relevant legislation, funding, the current delivery system, the present and future populations in need of adult education services, and current program accountability and outcomes. (January 2010)

Identifying the Current and Future Population in Need of Adult Education is the first companion paper to the primer. Prepared in coordination with the Office of the State Demographer, it contains updated data and more defined methodologies that detail the current and future need for adult education in Texas. (March 2010)

Adult Education Providers: Instructional Approaches and Service Delivery Methods is the second companion paper to the primer. Using data collected from 27 adult education providers throughout Texas, the different types of adult education providers and programs are discussed and their approaches and methods are compared. The Council also offers four observations and suggested actions to improve the adult education system in Texas. (June 2010)

Results of the 2012 Research and Survey of Adult Education Providers in Texas also follows the primer and the subsequent companion papers. The research contained in this report focuses on the development of a comprehensive list of adult education/literacy providers in Texas and the estimation of the delivery of programs to address the statewide need for adult education. (June 2012)

Research and Continuous Improvement

The Workforce Investment Act Section 111(d)(2)(a) directs the Council to develop linkages to ensure coordination and non-duplication to assist the Governor in the development and continuous improvement of a statewide system of activities carried out through the system. Texas Government Code Section 2308.101(8) directs the Council to encourage, support, or develop research and demonstration projects designed to develop new programs and approaches to service delivery.

To support policy decision making, program improvement, and enhanced planning, the Council uses two primary approaches in carrying out these charges: a technical advisory committee and the publication of research reports.

1. Technical Advisory Committee

The System Integration Technical Advisory Committee (SITAC) is constituted as a technical advisory committee to the Council. Chaired by a member of the Council's Executive Committee, SITAC includes executive-level representatives from the Council's eight partner agencies, as well as a representative from the Texas Association of Workforce Boards. The committee was conceived as the means to achieve three significant ends:

- Implement the strategic plan for Texas workforce system.

SITAC's key responsibility is the implementation of the workforce system strategic plan and to devise and execute collaborative solutions to issues associated with the system strategic plan's objectives. SITAC was established by the Council chair in 2003. Convened in February 2004, in its first four years of operation, SITAC met every two months to monitor and guide the implementation of the system strategic plan *Destination 2010*. SITAC members now meet quarterly, providing status reports on action plans for which their organization is solely or jointly responsible, for the current system strategic plan, *Advancing Texas*.

- Establish the identity of Texas' workforce system and the need for the eight agencies with workforce programs to focus on collective goals.

In 2003, when the system strategic plan was being developed, many of the partner agencies were siloed in terms of their interaction with other agencies with workforce programs and services, as well as in their constructs of whom their programs served and whether or not their programs were workforce programs. SITAC brought the eight agencies together to talk, learn about other agencies and workforce programs, and focus on implementing the action plans in the system strategic plan. The meetings were the place where agencies were accountable to a committee of their peers for implementing the action plans that they owned. Over time, a broader system identity emerged and all agencies could identify their place in that system.

- Recognize that Texas employers are workforce system customers.

Once the broader identity had been established, the discussions changed. All agencies talked about employers as customers and the imperative to understand their needs and satisfaction with programs and services. A problem in implementing an action plan became an opportunity for problem-solving and assistance from another partner who had a similar experience. Relationships established in SITAC continued outside of the meetings, resulting in opportunities for greater collaboration.

In *Advancing Texas*, a number of agencies are accountable for projects that focus on determining the needs of employers, relative to the agencies' specific programs/services, and measuring satisfaction of employers. These projects bridge the initial employer satisfaction work begun by agencies under the prior system strategic plan, *Destination 2010*. Agencies are using this information and data to drive program improvement.

2. Research Reports

The Council produces a number of research reports each year to support planning, service delivery, and implementation of the workforce system strategic plan. Please see Attachment 22 for a list of Council studies and reports. The attachment contains hyperlinks for easy access to the publications.

▪ Demographic studies

Over the past three years, the Council has produced and disseminated a series of demographic reports that focus on four populations that may experience difficulty in the workforce:

- ▶ mature workers,
- ▶ people with disabilities,
- ▶ veterans, and
- ▶ those people eligible for adult education services.

Each report is supported by an interactive map on the Council's website, where users can download an Excel spreadsheet with demographic county-level data by local workforce areas. The maps, which contain the most recently available Census or American Community Survey data, can be used to plan programs and services.

▪ Adult education

The Council has released a number of reports related to adult education in Texas. In the last three years, a number of these reports were produced (also in relation to the Council's adult education responsibilities stated in Texas Government Code Section 2308.1016) to support the work of the Texas Interagency Literacy Council. The most recent report presented the results of a 2012 research study and survey to identify: both federally funded and community-based adult education providers in Texas; the number of Texans being served by these providers; the number and location of sites providing service; and the unmet demand for services based on provider waiting lists. (See page 20 for greater detail.)

▪ Emerging issues, workforce trends, or evaluative studies – example reports

The Demand for Middle-Skill Jobs in the United States and in Texas – This report examines the importance of middle-skill occupations in the context of current workforce challenges, both in the United States and in Texas. Middle-skill jobs require people to have education or training beyond high school, but less than a four-year baccalaureate degree. These occupations include technicians and operators along with skilled craft and trade workers. (June 2008)

Texas Index – First released in 2005 and produced annually, the Index provides trend data for a series of indicators across four domains or categories: Training and Education; Research and Development; Market Composition and Characteristics; and Participant Access and Contribution. The Index contains four critical, interrelated elements: intellectual capital, human capital, financial capital, and an enhanced standard of living for Texas' citizens. The publication tracks Texas' longitudinal performance against other states and nations. (September 2012)

Potential Regional Economic Boundaries in Texas: An Analysis in Light of Current Patterns and Linkages in Business Activity is an authoritative study of Texas' economic activity. In 2007, the Council commissioned Dr. Ray Perryman to examine regional economies in Texas and determine how those might change in the future based on demographic and economic trends. Dr. Perryman is founder and president of The Perryman Group, an economic and financial analysis firm headquartered in Waco, Texas. In his December 2007 report to the Council, *Potential Regional Economic Boundaries in Texas: An Analysis in Light of Current Patterns and Linkages in Business Activity*, Dr. Perryman provided an overview of the three primary regional configurations and an analysis of how economic regions have changed as the Texas economy and population has grown and diversified. The purpose of this report was to provide an updated analysis of the state and its economic regions that could then inform the discussions and support decision making as regional and local leaders seek to position Texas' regions to compete successfully in a global economy.

- Surveys of Texas employers

The Council is required under Sec. 2308.101(10), Govt. Code, to monitor the operation of the workforce system to assess the degree to which the system is effective in achieving state and local goals and objectives, thereby meeting the needs of its customers. Because the workforce system is designed to be employer driven, the Council first assessed employer satisfaction to identify system improvements needed by employers in August 2000. Since that time, the Council has conducted five employer surveys in 2001, 2002, 2004, 2006, and 2008. The survey efforts focused on gathering information about: Texas businesses' use of system services; how satisfied they are with the services offered by the system; and how important employers feel those services are to their individual efforts to obtain and maintain a qualified staff. The results of the surveys were distributed to system stakeholders and agency partners. The findings also served as one of the foundations in developing each of the last two system strategic plans. The next survey is scheduled to be administered in 2014 prior to initiating development of the next workforce system strategic plan development process.

Review of Plans

1. State plan required by the Department of Labor

The Council is charged in Texas Government Code Sections 2308.101(5) and Workforce Investment Act Section 111(d)(1) with reviewing the State Plan for Title I of the WIA and the Wagner Peyser Act and recommending it to the Governor for approval. Subsection (7) of that same section also requires the Council to review and comment on the annual report on the Title I state plan to the Secretary of Labor.

Since its last Sunset review, the Council has reviewed and recommended to the Governor for approval State Plans or modifications for Title I of the WIA and the Wagner Peyser Act in 2004, 2005, 2007, 2009, and 2012.

2. Local Board Plans

Local workforce development boards are required to adopt a single plan for local service delivery that includes both strategic and operational components. The local plan must include a strategic component that sets broad goals and objectives for all workforce development programs in the local area consistent with statewide goals, objectives, and performance standards. The Council is charged in Texas Government Code Section 2308.101(5) and the Workforce Investment Act Section 111(d)(2)(b) with

reviewing local workforce development board plans (and plan modifications) and recommending them to the Governor for approval.

The Texas Workforce Commission works closely with the local boards to ensure that the local plans meet the requirements of state and federal workforce development law and regulations. As part of this assistance, the Commission issues planning guidelines to the local boards prior to each planning cycle. The Council works closely with the Texas Workforce Commission to develop a collaborative and non-duplicative review process for local board plans. In addition to the review process, the Council and the Commission have worked together to craft the portion of the local board planning guidelines that addresses incorporation of the goals and objectives in the system strategic plan. The review process involves two concurrent phases:

Phase One: Local board plans are reviewed by the Texas Workforce Commission for completeness, compliance with requirements, and accuracy. The Commissioners then consider each plan for Commission approval and transmittal to the Council.

Phase Two: The Council reviews each local board plan for alignment with the goals and objectives in the workforce system strategic plan, and to determine progress toward local goals and objectives. The Council provides the results of its review to the Commission so that Commission staff can work with local boards to address the Council's requests for modification or clarification.

The Council recommends local plans that successfully complete both phases to the Governor for final approval. This careful coordination between the Council and the Commission is essential to developing and maintaining a state/local planning process that ensures that local boards are focused on issues of both strategic and operational importance to both the state and local levels.

Since its last Sunset review, the Council has reviewed and recommended to the Governor for approval local workforce board plans or modifications in 2003, 2005, 2006, 2007, 2009, 2011, and 2013.

3. Agency Strategic Plans

Texas Government Code Section 2308.104 charges the Council with developing a single strategic plan for Texas' workforce system that establishes the basis for the operation of the workforce system administered by the agencies on the Council. Section 2308.104(g) requires agencies with workforce programs to use the strategic plan to develop the agencies' operational plans. Each biennium the Council submits, through the Office of the Governor, an appendix to be included in the instructions for state agencies' strategic plan development. The appendix requires an agency to demonstrate alignment with the workforce system strategic plan and any objectives for which the agency is responsible. Since 2006, the Council has reviewed its workforce system partner agencies' biennial strategic plans for alignment. Since 2010, the Council's annual system evaluation report (in even-numbered years) contains a section on the findings of this alignment review.

4. Requests for Redesignation of a Local Workforce Area

While the Council recommended the criteria for and designation of Texas' local workforce areas to the Governor in the 1990s, it is responsible today under Texas Government Code Section 2308.101(3) for recommending to the Governor the redesignation of local workforce areas. From January 1996 through the present, the Council has considered requests for redesignation from seven local workforce development areas and has made subsequent recommendations to the Governor.

To facilitate an efficient and public process for considering designations and redesignations of workforce

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development areas, and to ensure that the Council's deliberations are consistent with statute, the Council has established, improved, and communicated criteria and processes to guide its recommendations. In 1995, the Council approved a Workforce Development Redesignation Policy to communicate the process and criteria by which the Council would review requests for redesignation. In December 1999, to conform to requirements under the federal Workforce Investment Act, the Council approved two rules that further detail the process to be followed by the Council in considering a request or proposal for redesignation, and in addressing an appeal of a Council recommendation. These rules are published in the Texas Administrative Code, Title 40, Part 22, Chapters 901.1 and 901.2.

EFFICIENCY

The Council is efficient in meeting its statutory obligations related to its four key functions as evidenced by the fact that – even as the Council's work increased significantly with the addition of new mandates related to strategic planning, performance measurement and evaluation – during that same period of time:

- The budget has remained the same at just over \$1,057,000.
- The number of staff performing work on behalf of the Council has remained stable – at 12 FTEs.
- In 2013, due to federal sequestration cuts, the Council agreed to take a five-percent budget reduction for those monies from the Texas Workforce Commission used to support Council operations. This budget reduction was achieved by not filling a vacant FTE, thereby effectively reducing the FTE count to 11. Despite this reduction, all Council work plan strategies and deliverables will be achieved - as the redesign of several processes, the prioritization of projects, and the reallocation of work to other Council staff ensured that the work that the FTE would have performed would be accomplished.

D. Does your agency's enabling law continue to correctly reflect your mission, objectives, and approach to performing your functions? Have you recommended changes to the Legislature in the past to improve your agency's operations? If so, explain. Were the changes adopted

For the most part, the Council's enabling state and federal laws correctly reflect its mission, key functions, powers, and duties since the Council derives its mission, function, and duties directly from state and federal mandates. Exceptions are as follows:

1. In its previous Sunset review, it was noted that the Council had a number of mandated duties and responsibilities that had since their inception become defunct or had been repealed in state or federal law, or were inconsistent with the Council's powers and duties as amended by HB 1863, 74th Legislature.

One example used to illustrate this issue was the inconsistency that existed in statute related to the establishment and maintenance of an automated participant follow-up system and for an analysis by occupation and training provider of each workforce program. Under HB 1863, the responsibility for a labor market information system was transferred to the newly created Texas Workforce Commission and therefore Council was unable to carry out its mandate related to the follow-up system.

In its Sunset bill in 2003, the responsibility for the automated participant follow-up was transferred to the Texas Workforce Commission. That bill also contained a provision that continued a charge made

by SB 427 (77th Texas Legislature). This charge required the Council to establish, for approval by the Governor, a funding formula to determine the level of support that each agency administering a workforce program must provide to operate the automated participant follow-up system administered by the Texas Workforce Commission under Texas Labor Code Subchapter E, Chapter 302. This issue is addressed in more detail in the Issues section of this report.

2. In 2001, the Texas Legislature passed HB 1200, known as the Texas Economic Development Act. Found in Chapter 313 of the Tax Code, it allows a school district to offer a temporary limitation for school property tax purposes on the property value of new investment in the state. In determining whether to grant an application, Section 313.025(3)(c)(3) states that the governing body of the school district is entitled to request and receive assistance from:
 - the Texas Comptroller of Public Accounts;
 - the Texas Department of Economic Development;
 - the Texas Workforce Investment Council; and
 - the Texas Workforce Commission.

The Council would willingly assist a school district as directed by this act in the event that assistance is requested. However, since the inception of this act, the Council has never been called on to assist a school district.

3. Consistent with the Council's purpose and duties, Governor Bush designated the Council as the State Workforce Investment Board under the federal Workforce Investment Act of 1998 (WIA) in early 1999. Texas was one of six states to fully implement WIA on July 1, 1999, one full year ahead of schedule. The Council maintains its composition and duties under WIA through a grandfather clause in the law that allows Texas to retain specific elements of its workforce development system established under previous consistent state workforce legislation. As a result, the duties assigned to the State Workforce Investment Board under WIA Title I, Section 111(d) are implemented consistent with those grandfathered roles and are adapted to be consistent with the Council's roles under state legislation enacted before WIA. The grandfather clause may be found in WIA Title I, Section 194.

E. Do any of your agency's functions overlap or duplicate those of another state or federal agency? Explain if, and why, each of your key functions is most appropriately placed within your agency. How do you ensure against duplication with other related agencies?

The Council is the only entity designated to assist the Governor and the Legislature with strategic planning and evaluation for the workforce system. Additionally, the Council, designated as the State Workforce Investment Board under the Workforce Investment Act (1998), is required by federal law. The Council avoids duplication or conflict with the responsibilities of its member and partner agencies by ensuring that it focuses on its mandated responsibilities and its strategic role in the system, and avoids involvement in the operational and administrative detail assigned to those agencies. This action is aligned to the strategic imperatives in both state and federal workforce development law and regulation. Within this strategic role, the Council acts as convenor, facilitator, system-builder, planner, evaluator, and advisor.

With the passage and signing into law in 2001 of Senate Bill 429, the Council expanded its evaluation efforts in the area of system evaluation and performance measurement for both Formal and Less Formal measures that will serve to guide agency efforts within the workforce system. SB 429 established a solid

foundation for linking system measurement to agency activity through the provision of formal, reportable measures. The Council is the only entity that has a strategic system planning and performance charge such as this one.

F. In general, how do other states carry out similar functions?

Each state has a State Workforce Investment Board as required by the federal Workforce Investment Act, charged with assisting the Governor with planning, evaluation, system development/collaboration, and review. These boards have existed for over 20 years, authorized under previous federal legislation such as the Job Training Partnership Act, and include human resources investment councils, state workforce development boards/councils, state job training coordinating councils, and other similar state-level policymaking or advisory bodies. Most state workforce boards are composed of business and labor leaders; the heads of relevant state labor, education, economic development, and human services departments and agencies; representatives of the K-12 and postsecondary education communities; the heads of community-based organizations; representatives of key constituency groups; and state or local elected officials. Typically, state workforce boards oversee federally funded workforce development programs, including the employment service, the Workforce Investment Act, vocational education, and adult basic education. In addition to these federal programs, many state boards oversee state-funded workforce initiatives, enhancing the connection between federal and state efforts. Though most serve in an advisory role, many boards promote, facilitate, and enable state-level collaboration among workforce development programs. The most common responsibilities of state boards include:

- identifying workforce needs,
- reviewing services and the use of funds,
- conducting broad-based planning, and
- developing standards and measures to evaluate workforce development programs.

Many state workforce boards are chaired by private sector leaders, and many have a majority of private sector members. The boards, therefore, provide a key forum for employers and labor to contribute to the oversight and governance of state workforce development systems. In addition, several state boards are chaired or co-chaired by the lieutenant governor. In many states, the boards guide major crosscutting workforce initiatives that require high-level state agency collaboration and substantive employer input, such as the one-stop career networks, developing and implementing program-of-study models, and developing broad, collaborative workforce strategies as the basis for economic development initiatives.

Many boards have also spearheaded or advanced state workforce development reform initiatives by championing:

- **Broad-based strategic planning.** By bringing relevant stakeholders together and taking all parts of the workforce development system into account, state boards have developed goals, objectives, and strategies across agencies and programs.
- **More efficient use of resources.** State boards have worked to improve efficiency by encouraging the elimination of duplication and overlap in existing programs and encouraging pooling of available resources.

- **Improved service delivery.** State boards have improved service delivery by fostering collaboration and integration among various workforce development agencies and streamlining access to the system for job seekers, incumbent workers, employers, and its other customers.
- **Results-based accountability.** State boards have spearheaded the development of results-based accountability measures for the workforce system.
- **Increased employer involvement.** State boards serve as a forum for employer input so that the needs of employers are addressed throughout the workforce development system.

The composition, powers, duties, and administrative arrangements of each state board differ according to the structure designated by the Governor of each state under WIA and whether or not the state chose to grandfather the composition and, in some instances, the roles of their state board under allowable provisions of the Workforce Investment Act.

State Boards also differ in the degree of operational responsibility carried by the board. Some states have determined that their state boards will be largely responsible for system strategic planning and evaluation and have assigned most programmatic responsibilities to the appropriate state operational agency. Other states have designated their state boards to carry significant operational responsibilities in addition to their responsibilities for system planning and evaluation.

G. What key obstacles impair your agency's ability to achieve its objectives?

The Council has neither the ability to incentivize nor sanction, therefore all actions it takes with its system partner agencies are based on communication and relationships established through SITAC, annual performance evaluation development, or research projects. A staff change in a partner agency can make it difficult to achieve the objectives that the Council is charged with, particularly in key processes like annual program evaluation, reporting on action plans in the system plan, and managing data continuity over time so that Formal and Less Formal measures are accurate and valid.

H. Discuss any changes that could impact your agency's key functions in the near future (e.g., changes in federal law or outstanding court cases).

The Workforce Investment Act was scheduled for reauthorization by Congress in 2003, five years after its passage in 1998. On August 30, 2013 the U.S. Senate Health, Education, Labor and Pensions Committee approved Senate bill 1356, the Workforce Investment Act of 2013. The reauthorization process offers Congress an opportunity to take a close look at the system, including state and local workforce investment boards, and make determinations about the continued existence of the system as designed under WIA. Although it is still too early to identify specific issues that will dominate the reauthorization discussion, it is likely that Congress will review the legislation to determine if federal, state, and local partners have been successful in carrying out its two main purposes:

1. The first purpose, reflected in Title I and Title V of the legislation, is to establish a framework for a more unified workforce development system. This framework emphasizes the coordination rather than the consolidation of multiple federal funding streams. WIA maintains separate titles for job training, adult education, employment services, and vocational rehabilitation. It even maintains separate funding streams for adults, dislocated workers, and youth within the job training component. The only significant consolidation in the legislation combines summer and

year-round youth services within a single funding stream. Although WIA retains program silos, it promotes linkages among them in a number of ways, including reinforcing a governance structure of state and local boards to guide workforce system development at the state and local levels, and codifying the role of one-stop career centers as the primary access points for employment and training services provided by many different programs.

2. WIA's second major purpose is to revise, and in some cases completely revamp, federal legislation authorizing job training, employment services, adult education, and vocational rehabilitation programs.

The reauthorization process will likely include a review of the effectiveness of the new system for developing a unified workforce development system and an analysis of the restructured programs within that system.

The Council is not aware of any outstanding court cases that impact its key functions.

I. What are your agency's biggest opportunities for improvement in the future?

The Council's biggest opportunity for improvement in the future is related to (G) above. Staff has worked diligently over the years to establish standardized processes, tools, and reports for many of the plans and reports that the Council is required to produce and has worked with partner agencies, to the greatest extent possible, to embed the portions of those processes that are relevant in agency processes. This continues to be an area of challenge and offers the opportunity for increasing both effectiveness and efficiency when an agency incorporates the data and information requirements of the Council into their normal work processes and timelines rather than relying on ad hoc data gathering and reporting.

J. In the following chart, provide information regarding your agency's key performance measures included in your appropriations bill pattern, including outcome, input, efficiency, and explanatory measures. See Example 2 or [click here to link directly to the example](#).

Not applicable. Because the Council is not subject to the appropriations process, it is not responsible for developing a LAR and related performance measures.

III. History and Major Events

Provide a timeline of your agency's history and key events, including:

- **the date your agency was established;**
- **the original purpose and responsibilities of your agency;**
- **major changes in responsibilities or statutory authority;**
- **changes to your policymaking body's name or composition;**
- **significant changes in state/federal legislation, mandates, or funding;**
- **significant state/federal litigation that specifically affects your agency's operations; and**
- **key changes in your agency's organization (e.g., a major reorganization of the agency's divisions or program areas).**

See **History and Major Events Examples** or [click here to link directly to an example](#).

1993 The Texas Workforce Investment Council (Council) is created by Senate Bill 642, 73rd Legislature, as a state agency serving as a Human Resource Investment Council authorized under the Federal Job Training Partnership Act Reform Amendments of 1992. The Council assumes responsibilities formerly held by the State Job Training Coordinating Council, the Texas Council on Vocational Education, the Texas Literacy Council, the Apprenticeship and Training Advisory Committee, and the Texas Employment Commission Advisory Council.

Senate Bill 642 also gives the Council a number of strategic and programmatic responsibilities including development of a single strategic plan for the workforce system, policy recommendations to the Governor, workforce system development and advocacy, and evaluation of the effectiveness of the state's workforce development system. The Council is charged with the operational responsibilities of putting in place a system for the establishment of local workforce development boards and one-stop career centers.

First Council chair appointed by the Governor. Executive director hired.

1994 Change in Council director. Deputy director assumes acting director role.

1995 House Bill 1863, passed by the 74th Legislature, amends the Workforce and Economic Competitiveness Act, Article 5190.7a, Vernon's Texas Civil Statutes, and removes the Council's status as a state agency effective September 1, 1995. H.B. 1863 attaches the Council to the Office of the Governor for administrative purposes and designates the Office of the Governor as the Council's fiscal agent.

H.B. 1863 consolidates 28 job training, employment, and employment-related educational programs, and the unemployment insurance program, into a new state agency titled the Texas Workforce Commission. The Texas Workforce Commission is responsible for implementing and managing the new system. The Council's operational/programmatic responsibilities are transferred to the Commission and the Council's key strategic roles regarding workforce system policy, planning, and evaluation are retained and reinforced.

In addition, House Bill 1863 reduces the size of the Council from over 40 members and outlines the requirements for a new 20-member composition. The Council's budget and staffing levels are adjusted accordingly.

House Bill 1863 also creates the Texas Skill Standards Board (TSSB) as an advisory board to the Governor and the Legislature for the development of a statewide system of industry-defined and industry-recognized skill standards and credentials. The Council is charged with staffing the new Skill Standards Board. Therefore, although constituted as separate entities in legislation with specific and discrete mandates, the TSSB and the Council share staff and administrative arrangements. (See SER Addendum for additional information on the TSSB)

New Council chair appointed by the Governor. New Council director hired.

1996 Council chair resigns to assume duties as the newly appointed Commissioner representing the Public at the Texas Workforce Commission. New Council chair appointed by the Governor.

1997 Consistent with Texas Government Code Section 2308.065(b), which requires that a state agency represented on the Council shall provide funds for the support of the Council in proportion to the agency's financial participation in the workforce development system, the Office of the Governor enters into a memorandum of understanding (MOU) with the Texas Workforce Commission (TWC) to enable TWC to provide a portion of the Council's support, including operating costs and FTEs.

Senate Bill 898 is passed during the 75th Legislative Session, authorizing the Texas Legislative Council to conform the Council's Government Code to the changes made during the 74th Legislative Session in 1995.

Change in Council director.

1998 Congress passes the Workforce Investment Act (WIA). WIA is the culmination of various legislative attempts to reform the nation's workforce development programs. The final legislation, enacted in summer 1998 reflects the influence of many forces, including the priorities of the current administration, key policy changes favored by members of both parties in Congress, and the reforms that many states had been implementing since the late 1980's. Among those states is Texas, with its landmark workforce and welfare system reforms in 1993 and 1995. WIA adopted many features of the Texas workforce development system model for the nation.

Change in Council chair. Change in Council director.

1999 House Bill 3431 is passed by the 76th Texas Legislature. The bill amends the Council's mandates to update language in Government Code to the newly passed federal legislation. The bill also expands the Council's evaluation and reporting roles to require periodic reports to the Governor and the Legislature, including an annual report on the status of welfare initiatives in Texas and an annual report on the implementation of the *Texas Workforce Development Strategic Plan*.

Texas is one of six states to fully implement WIA on July 1, 1999, one full year ahead of schedule. The Council is designated by the Governor to serve as the state's Workforce Investment Board under the Workforce Investment Act. The Council maintains its composition and duties under WIA through a grandfather clause in the new law that allows Texas to retain specific elements of its workforce development system established under previous consistent state workforce legislation.

Council chair's term as a Council member expires. New Council chair appointed by the Governor. Change in Council director.

- 2000** The Office of the Governor enters into an MOU for Council funding and support, consistent with Texas Government Code §2308.065, with the Texas Workforce Commission, the Texas Education Agency, and the Texas Department of Human Services.
- 2001** Senate Bill 429 is passed by the 77th Texas Legislature. Senate Bill 429 is based on E-Texas recommendations released in December 2000 by the Texas Comptroller of Public Accounts. The bill requires the Council to develop funding formulas for Council support and for agency contribution to the automated follow-up and evaluation system. The bill also requires the Council to identify or establish Formal and Less Formal workforce system measures in consultation with the Legislative Budget Board and partner agencies. The Governor's approval is required on formulas and measures. Amends strategic plan to include all agencies with workforce programs.

Council chair resigns pending confirmation as the Assistant Secretary for Economic Development at the U.S. Department of Commerce. Council vice-chair appointed as chair by the Governor.

- 2002** The Council participated in Sunset review (2001-2003). The Council chair, vice-chair and director provided testimony regarding the Sunset staff report (May 2002) at the Sunset Advisory Commission Public Hearing held June 25, 2002. The Sunset Advisory Commission approved the Sunset staff recommendations at its decision meeting on September 25, 2002.
- 2003** Senate Bill 281, 78th Texas Legislature, finalized the Sunset Review process and:
- renamed the Council as the Texas Workforce Investment Council;
 - continued the Council's operation for an additional 12 years;
 - reduced the size of the Council from 20 to 19 voting members;
 - designated the agency head (executive director or commissioner) of each of the five member state agencies, rather than the board chair, to represent their agency as an ex officio voting member of the Council;
 - modified language regarding the Council's responsibility to facilitate the integrated delivery of workforce services; and
 - transferred maintenance of the Automated Follow-up and Evaluation System from the Council to the Texas Workforce Commission, while retaining the Council's responsibility to establish a funding formula to determine the level of contribution to be provided by agencies with workforce programs.

HB 2292 is passed by the 78th Legislature. The bill reorganizes various agencies into four under the umbrella of the Health and Human Services Commission. Two workforce system partner agencies, the Departments of Vocational Rehabilitation and Blind Services, are consolidated into the Department of Assistive and Rehabilitative Services.

The Council endorses and the Governor approves the third strategic plan for the Texas workforce system, entitled *Destination 2010: FY 2004–FY 2009 Strategic Plan for the Texas Workforce Development System*. For the first time the strategic plan included long term objectives, strategic action plans, and specified accountable partners and timelines for implementation.

- 2005** HB 2604 is passed by the 79th Legislature. The bill amends Chapter 302 of the Labor Code to move administration of employment services for veterans from the Texas Workforce Commission to the Texas Veterans Commission. The Veterans Commission became a new partner in the

workforce system (2006) and a member of the Council's System Integration Technical Advisory Committee.

2007 Council chair's term as a Council member expires. New Council chair appointed by the Governor.

2009 HB 4328 is passed by the 81st Legislature. The bill adds Chapter 312 to the Labor Code to create the Interagency Literacy Council to study, promote, and enhance literacy in Texas. The literacy council is directed by the executive director of the Texas Workforce Commission and includes representatives of the Texas Education Agency, the Texas Higher Education Coordinating Board, and public members. The literacy council must submit a statewide action plan to improve literacy and report on that plan to the legislature, the Governor, and the Texas Workforce Investment Council every November of even-numbered years.

The Council endorsed and the Governor approved the fourth strategic plan for the Texas workforce system, entitled *Advancing Texas: Strategic Plan for the Texas Workforce System (FY 2010-FY 2015)*.

Council chair resigns. New Council chair appointed by the Governor.

2011 SB 1796 is passed by 82nd Legislature. The bill amends Chapter 434 of the Government Code to establish the Texas Coordinating Council for Veterans Services to: coordinate the activities of state agencies that assist veterans and their families; coordinate outreach efforts that ensure those people are made aware of services; and facilitate collaborative relationships among state, federal, and local agencies and private organizations to identify and address relevant issues.

Following constitution of an employment workgroup, the executive heads of the Texas Workforce Commission and the Texas Workforce Investment Council (or that person's designated representative) were designated as a member of the Coordinating Council.

Change in Council director.

IV. Policymaking Structure

A. Complete the following chart providing information on your policymaking body members.

Texas Workforce Investment Council Exhibit 3: Policymaking Body			
Member Name	Term/ Appointment Dates/ Appointed by ___	Qualification (e.g., public member, industry representative)	City
Wes Jurey, Chair	Filling unexpired term of previous member. 11/9/2009 – 9/1/2013 Appointed by: Governor	Business Representative	Arlington
Sharla Hotchkiss, Vice Chair	6-year term 3/23/2005 – 9/1/2017 Appointed by: Governor	Community-based Organization Representative	Midland
Blas Castaneda	Filling unexpired term of previous member. 3/3/2008 – 9/1/2013 Appointed by: Governor	Education Representative	Laredo
James Brookes	6-year term 9/12/1996 – 9/1/2017 Appointed by: Governor	Labor Representative	Amarillo
Robert Cross	6-year term 10/23/2009 – 9/1/2015 Appointed by: Governor	Labor Representative	Houston
Mark Dunn	Filling unexpired term of previous member. 3/14/2011 – 9/1/2013 Appointed by: Governor	Business Representative	Lufkin
Carmen Olivas Graham	6-year term 11/30/2005 – 9/1/2017 Appointed by: Governor	Education Representative	El Paso
Richard Hatfield	6-year term 11/17/2003 – 9/1/2015 Appointed by: Governor	Labor Representative	Austin
Robert Hawkins	6-year term 9/29/1993 – 9/1/2017 Appointed by: Governor	Labor Representative	Bellmead
Larry Jeffus	6-year term 11/17/2003 – 9/1/2015 Appointed by: Governor	Education Representative	Garland
Matthew Maxfield	6-year term 10/23/2009 – 9/1/2015 Appointed by: Governor	Business Representative	Harker Heights

Paul Mayer	6-year term 11/9/2007 – 9/1/2013 Appointed by: Governor	Business Representative	Garland
Danny Prosperie	6-year term 11/9/2007 – 9/1/2013 Appointed by: Governor	Labor Representative	Nederland
Joyce Delores Taylor	6-year term 10/24/2008 – 9/1/2015 Appointed by: Governor	Business Representative	Houston
Jonathan Taylor	Ex officio member. (Ex officio members serve as a member of the Council as long as that member continues to serve in the designated office.)	Ex Officio Member - Presiding Officer of the Economic Development and Tourism Division, Office of the Governor	Austin
Kyle Janek	Ex officio member.	Ex Officio Member - Presiding Officer of the Texas Health and Human Services Commission	Austin
Raymund Paredes	Ex officio member.	Ex Officio Member - Presiding Officer of the Texas Higher Education Coordinating Board	Austin
Larry Temple	Ex officio member.	Ex Officio Member - Presiding Officer of the Texas Workforce Commission	Austin
Michael Williams	Ex officio member.	Ex Officio Member - Presiding Officer of the Texas Education Agency	Austin

B. Describe the primary role and responsibilities of your policymaking body.

As described in Section I, the Council was created by the Governor and the Legislature to carry out certain strategic planning and evaluation functions in order to promote the development of a well-educated, highly skilled workforce for Texas. In addition, the Council is charged with advocating the development of an integrated workforce development system that provides quality services to address the needs of businesses and workers.

The Council is charged by the Legislature and designated by the Governor to carry out the federal and state duties and responsibilities of advisory councils required by federal law or regulation, including serving as the State Workforce Investment Board under the federal Workforce Investment Act of 1998.

As such the Council was created in state and federal statute to serve as a policymaking and advisory body.

Primary roles of the Council include system strategic planning, system evaluation, system research and continuous improvement, and system review. The Council's key responsibilities fall within those primary roles and include but are not limited to:

- **System Strategic Planning.** Develop and recommend to the Governor, and report to the legislature a single strategic plan that establishes the framework for the budgeting and operation of the workforce development system administered by agencies represented on the Council. The plan must include in the strategic plan goals, objectives, and performance measures for the workforce development system that involve programs of state agencies that are represented on the council. (SB 429, 77th Legislature amends this responsibility to include all agencies with workforce programs);
- **Unified Plan.** Unified planning under the federal Workforce Investment Act of 1998;
- **System Alignment.** Develop linkages to ensure coordination and non-duplication to assist the Governor in the development and continuous improvement of a statewide system of activities carried out through a one-stop delivery system, including state agency strategic plans;
- **Workforce Development Areas.** Recommend to the Governor the designation or redesignation of workforce development areas for the local planning and delivery of workforce development;
- **System Measures.** Workforce system evaluation to include development and implementation of system measures, including Formal and Less Formal measures;
- **System Effectiveness.** Workforce system evaluation to determine system effectiveness and progress toward state and local goals and objectives;
- **Periodic Reports.** Periodic research and/or evaluative reports to the Governor and the Legislature to include an annual report on the status of welfare initiatives in Texas, and an annual report on the implementation of the Texas workforce development strategic plan;
- **System Research.** Encourage, support, or develop research and demonstration projects designed to develop new programs and approaches to service delivery; and
- **State and Local Plans.** Review and recommend state and local plans for workforce development to the Governor as required by federal workforce development law and regulation.

C. How is the chair selected?

The Governor appoints the chair of the Council from one of the business or labor representatives on the Council in accordance with Texas Government Code, Section 2308.053(a).

D. List any special circumstances or unique features about your policymaking body or its responsibilities.

Three features make the Council unique in comparison to many state-agency policymaking bodies:

1. **Systems Perspective.** Unlike policymaking bodies that are specific to one agency, the Council has responsibility for strategic planning, evaluation, research, and review for the workforce programs and initiatives residing in five member and three WIA partner agencies and their local program providers (independent school districts, adult education providers, local workforce boards, and community and technical colleges):
 - Economic Development and Tourism, Office of the Governor
 - Texas Department of Criminal Justice and its Windham School District
 - Texas Education Agency

- Texas Health and Human Services Commission and its Department of Assistive and Rehabilitative Services
- Texas Higher Education Coordinating Board
- Texas Juvenile Justice Department
- Texas Veterans Commission
- Texas Workforce Commission

2. Funding and Administrative Arrangements. Many policymaking bodies have an independent budget or a discrete source of funding. The Council relies on support from its member agencies as required by Texas Government Code 2308.065(b). This statute requires that a state agency represented on the Council provide funds for the support of the Council in proportion to the agency's financial participation in the workforce development system. This funding and FTE support, as well as associated administrative procedures, are negotiated on a periodic basis through a Memorandum of Understanding (MOU) with the Office of the Governor and the supporting agencies. Member agency support of the Council is not specified in each agency's Legislative Appropriations Request or in the Appropriations Bill. In addition, the Council's administrative arrangements are unique in that it is administratively attached to the Office of the Governor. The Texas Workforce Commission acts as the Council's fiscal agent, under an MOU with the Office of the Governor.

3. Texas Skill Standards Board (TSSB). Although constituted as a separate board with discrete mandates and no direct reporting relationship, the Council has the statutory responsibility to provide staff support to the TSSB. Given the Council's numerous state and federal responsibilities, only two of the Council staff positions have been dedicated to fulfilling the significant mandates of the TSSB. This will decrease to one dedicated staff person in FY 2014, plus administrative support.

E. In general, how often does your policymaking body meet? How many times did it meet in FY 2012? In FY 2013?

Full Council meetings are called by the presiding officer (chair) of the Council. The Council is required to meet quarterly and at other times as deemed necessary by the chair. Generally, and to the extent possible, Council meeting dates are set well in advance.

Council Meetings in FY 2012

September 9, 2011

December 16, 2011

March 8-9, 2012

June 15, 2012

Council Meetings in FY 2013

September 7, 2012

December 7, 2012

March 8, 2013

June 6, 2013

At any Council or committee meeting, a quorum is required for the transaction of business. A quorum of the Council is a majority of the number of members fixed by statute. Therefore, 10 of the 19 members of the Council constitute a quorum. If the chair increases or decreases the size of a committee by appointing or removing members, a quorum will consist of more than 50 percent of the committee as increased or

decreased by such appointments or removal.

All meetings of the Council and each committee are posted in the Texas Register in accordance with the Texas Open Meetings Act. In addition, all meetings are conducted in accordance with *Robert's Rules of Order, Revised*, as long as they are not inconsistent with Council bylaws or other applicable laws.

A record of each meeting is compiled in meeting minutes that are later approved by the Council's chair. The chair's approved minutes are then presented to the entire Council or committee body for consideration of approval at its next scheduled meeting.

The agenda for each Council and committee is developed in consultation with the Council or Committee chair. Items on the agenda are designated as action, briefing, or information items:

- Action items are matters that require a vote or other specific action by the Council.
- Briefing items are matters that may come before the Council at a future date for a vote or other specific action. Briefing items may also include presentations or discussions on topics relevant and important to Council responsibilities.
- Information items are matters that will not require a vote or specific action by the Council but which may contain information relevant to the operations or mandates of the Council.

In preparation for Council meetings, staff prepares materials that are compiled within a briefing book that is mailed to Council members one week prior to the full Council meeting. Briefing books are designed to provide Council members with the information necessary to be fully prepared to participate in the discussions and decisions at the Council meeting. The briefing book includes:

- final agenda;
- minutes of the previous full Council meeting;
- briefing memoranda for each action item and supporting material as appropriate;
- briefing memoranda for each briefing item and supporting material as appropriate;
- informational items, including quarterly expenditure reports and supporting material as appropriate; and
- other materials as requested by the chair.

F. What type of training do members of your agency's policymaking body receive?

Texas Government Code Section 2308.158 requires that members receive training prior to beginning their service on the Council. While the Council director is responsible for providing the initial orientation and training regarding the Council, new members must undertake training in both ethics and the Open Meetings Act. Members also receive ongoing training as necessary to fulfill the requirements for office, including information regarding their responsibilities under applicable laws relating to standards of conduct for state officers. Members are additionally encouraged to attend a training seminar hosted by the Governor's Office that is made available to all gubernatorial appointees. The training is designed to acquaint newly appointed Texas state agency board and commission members with the roles and responsibilities of their positions, with the resources available to them in carrying out these responsibilities, and with the Governor's philosophy and priorities. The one-day training includes sessions on legal and ethics issues, fiscal responsibility, and media relations.

Council members may also receive training specific to the workforce development system and their

responsibilities through:

- **Strategic planning sessions** are held for Council members in preparation for and throughout development of the statewide strategic plan for the workforce development system.
- Members hear **presentations/lectures at Council meetings** from authorities on a wide variety of issues including Texas demographics, developing a business-driven system, economic development, and national best practices.
- Members have the opportunity to attend periodic **state and regional workforce conferences** featuring sessions on a variety of topics, including: the workforce system, state and federal education and workforce laws and regulations, state and federal education and workforce issues, and board leadership.
- **Listening sessions and roundtables**, focused on critical workforce issues, that are presented by a panel of experts, including the agency executive head, program directors, local program providers, and/or Texas employers.
- The Council chair is a member of **the National Association of State Workforce Board Chairs**. Supported by the National Governors Association, this organization provides its members with the opportunity to learn about the workforce strategies of other states, gain a greater understanding of federal programs and initiatives, examine the impact of federal legislation and policy, and improve the effectiveness of state boards.
- Materials and training opportunities are available through the **National Leadership Institute**. The National Leadership Institute is an alliance of the Workforce Excellence Network, the National Association of Workforce Boards, and the National Association of State Workforce Board Chairs dedicated to building the leadership capacity of state and local workforce investment boards.

G. Does your agency have policies that describe the respective roles of the policymaking body and agency staff in running the agency? If so, describe these policies.

The Council does have a policy regarding separation of duties. Effective September 12, 2003, the policy lays out parameters for this separation.

Policy Statement

Background

The Texas Workforce Investment Council (Council) consists of 19 members appointed by the Governor. Council members serve staggered terms of six years. The terms expire on September 1 of odd-numbered years, and Council members hold office until successors are appointed.

The Governor selects from among the members representing business or labor a chair of the Council for a term at the pleasure of the Governor. The Council chair designates a vice-chair from among its members to serve at the pleasure of the chair. Vacancies on the Council are filled by the Governor, and vacancies in the office of chair and vice-chair are filled in the same manner as the original appointment or designation.

Separation of duties between Council members and Council staff is established under Texas Government Code, Chapter 2308, Subchapter B.

Policy

The Council's chief responsibility is long-term planning and issuing strategic direction necessary to ensure fulfillment of the Council's responsibilities under state and federal law. Council members' focus is on strategic leadership rather than administrative detail, policy rather than operational matters. The

Council is also required to approve specific actions and reports under state and federal law. In addition, the Council members adopt policies and rules as necessary, and approve the annual work plan that guides the staff's work.

The chair appoints a director to serve as the Council's chief executive officer, charged with the execution of Council policy and directives, and for determining the means, organizational structure, and management processes necessary to achieve the Council's legislative mandates and strategic objectives. The director is accountable to the Council for the overall operation of the Council, and has responsibility to ensure compliance with all Council policies and state and federal laws and regulations concerning the Council.

The chair is the Council's primary liaison with the director. Administrative direction is provided to the Council director by the chair, assisted by the Executive Committee, and is articulated through the Council's bylaws and annual work plan. In addition to assuming the duties of the chair during his/her absence, the vice-chair performs other duties prescribed from time to time by the chair, coincident to the office.

As instructed by the Council or the chair acting on behalf of the Council, the Council may delegate to the director any power or duty imposed on the Council by law, including the authority to make a final order or decision.

Committees other than the Executive Committee may advise the Council or the director but do not exercise authority over staff, and will ordinarily have no direct dealing with staff operations.

The director acts as liaison between the Council and the staff. Communications between Council and staff, outside of Council and committee meetings, are through the director or designate. This includes:

- any assignments or directives,
- requests for organizational resources or staff time,
- staff performance concerns or policy infractions, and
- concerns regarding any aspect of programs or administration.

Texas Government Code (TGC) Section 2308.060. Executive Director

(a) The presiding officer of the Council shall appoint an executive director of the Council.

(b) The executive director shall:

- (1) report to the presiding officer of the Council;
- (2) perform duties assigned by the Council and under state law;
- (3) administer the daily operations of the Council;
- (4) appoint officers, accountants, attorneys, experts, and other employees for the Council and assign duties for these employees to perform the Council's powers and duties under this chapter; and
- (5) delegate authority to persons appointed under this section as the executive director considers to be reasonable and proper for the effective administration of the Council.

(c) The executive director shall adopt the administrative and personnel procedures of the Council's fiscal agent.

TGC Section 2308.059. Fiscal Agent

The office of the Governor shall serve as the Council's fiscal agent.

TGC Section 2308.103. Additional Powers and Limitations

(a) The Council may:

- (3) delegate to the executive director any power or duty imposed on the Council by law, including the authority to make a final order or decision;

H. What information is regularly presented to your policymaking body to keep them informed of your agency's performance?

Each quarterly meeting of the Council, members are informed of: year-to-date expenditures, fiscal year work plan updates to the Executive Committee, System Integration Technical Advisory Committee quarterly updates, and verbal reports from other Council committees, including Executive and the Apprenticeship and Training Advisory Committee.

I. How does your policymaking body obtain input from the public regarding issues under the jurisdiction of the agency? How is this input incorporated into the operations of your agency?

The Council has a policy regarding public input at Council meetings, which was effective September 12, 2003.

Policy Statement

Background

The Texas Workforce Investment Council (Council) is created under both state and federal law to assist the Governor and the Legislature with strategic planning for and evaluation of the Texas workforce development system. The Council's primary functions include system planning, evaluation, research, and review.

The Council has adopted bylaws that provide parameters for meetings of the Council as well as the Council's subcommittees and technical advisory committees. The bylaws state that the Council is subject to the provisions of Chapter 551, Government Code, also known as the Open Meetings Act. The following provisions of the Open Meetings Act are reflected in the Council's bylaws and are relevant to the Council's policy regarding public comment.

- Governmental bodies must give the public advance written notice of the date, hour, place, and subject of each meeting held by the governmental body.
- A state governmental body shall provide notice of each meeting to the Secretary of State. The Secretary of State shall post the notice on the internet.
- A meeting that is "open to the public" under the Open Meetings Act is one that the public is permitted to attend. The act does not entitle the public to choose the items to be discussed or to speak about items on the agenda. A governmental body may, however, give members of the public an opportunity to speak at a public meeting. If it does so, it may set reasonable limits on the number, frequency, and length of presentations before it, but may not unfairly discriminate among speakers for or against a particular point of view.

Policy

In accordance with Chapter 551, Government Code and the Council bylaws, advance written notice of all meetings of the Council and Council subcommittees is submitted to the Secretary of State for posting in the *Texas Register*. Council meetings are therefore open to the public.

At each meeting of the full Council as well as Council subcommittees, members of the public will have an opportunity to speak to the Council on items included on the posted agenda or on other matters under the Council's jurisdiction. Public comment forms will be made available at the meeting so that members of the public may register their request to speak to the Council when the chair calls for public comment. At each meeting, the Council may set reasonable limits on the number, frequency, and length of public comments.

Because the Council is not an agency with programmatic and operational responsibility, public input with regard to the operations of the Council is primarily associated with the development of the workforce system strategic plan or evaluative report, or with a request to redesignate a local workforce development area. The Council invites public input on its plans, reports, and actions by:

- posting announcements and/or notices in the *Texas Register* inviting the public to submit written comment,
- holding public hearings to invite oral comment and posting notice of those hearings in the *Texas Register*,
- posting notice of council meetings in the *Texas Register*,
- providing opportunity for public comment at each council meeting,
- hosting employer roundtables,
- hosting listening sessions,
- conducting employer surveys,
- posting the workforce system strategic plan for review and comment,
- posting rule reviews in the *Texas Register*, and
- as appropriate, sending letters and drafts to system stakeholders requesting input on specific Council projects or actions.

J. If your policymaking body uses subcommittees or advisory committees to carry out its duties, fill in the following chart. See Exhibit 4 Example or [click here to link directly to the example](#).

Texas Government Code, Section 2308.058 authorizes the presiding officer to appoint subcommittees and technical advisory committees. The presiding officer may appoint subcommittees consisting of members of the Council for any purpose consistent with the duties and responsibilities of the Council. The presiding officer may appoint technical advisory committees composed of Council members, persons who are not Council members, or both members and nonmembers.

Texas Workforce Investment Council			
Exhibit 4: Subcommittees and Advisory Committees			
Name of Subcommittee or Advisory Committee	Size/Composition/ How members are appointed	Purpose/Duties	Legal Basis for Committee
Executive Subcommittee	Eight members designated by the presiding officer (chair)	<p>The Executive Subcommittee is primarily responsible for assisting the Presiding Officer in carrying out his/her leadership responsibilities including but not limited to:</p> <ul style="list-style-type: none"> • providing guidance on the establishment of policies for the administration and management of the Council; • acting as project liaison on Council projects; • activities involving advocacy and leadership, legislative communications and business involvement; • maintaining the Council's focus on strategic priorities; • providing guidance on the Council work plan; and • designing and articulating the Council's strategic intent regarding strategic planning and evaluation. 	Texas Government Code, Section 2308.058(a)
Apprenticeship Training Advisory Committee (ATAC)	15 members designated by the presiding officer of the Council. The ATAC Committee chair and vice-chair are appointed from Council members who represent Labor. 13 members are representatives from apprenticeship programs across the state.	<p>Established as a technical advisory committee to the Council to provide information, advice, and recommendations to the Council concerning its mandates regarding apprenticeship in Texas.</p> <p>Duties include recommending forms, formulas, and administrative procedures for the distribution of available funds to apprenticeship training programs funded under Chapter 133 of the Texas Education Code.</p>	Texas Government Code, Section 2308.058(b)

<p>System Integration Technical Advisory Committee (SITAC)</p>	<p>Ten members designated by the presiding officer of the Council. The SITAC chair is appointed by the presiding officer from Council members who represent Business. Eight members are representatives from the Council’s eight workforce system partner agencies, and one member is a representative from the Texas Association of Workforce Boards.</p>	<p>Ensures implementation of the strategic plan for the Texas workforce system and works to remedy barriers to system integration that emerge during implementation of the strategic plan. SITAC is charged with ensuring implementation of the strategic plan through:</p> <ul style="list-style-type: none"> • collaborative problem-solving; • commitment of resources and constitution of inter-agency task groups to implement action plans and achievement of articulated long term objectives; and • recommending periodic updates to the strategic plan. <p>SITAC is charged with developing solutions (technical and otherwise) to issues that arise during implementation of the strategic plan, and as directed by the Council. In addition, SITAC reports quarterly to the Council on the progress associated with the strategic plan’s action plans and achievement of long term objectives.</p>	<p>Texas Government Code Section 2308.101(8) WIA Section 111(d)(2)(a)</p>
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V. Funding

A. Provide a brief description of your agency's funding.

Texas Government Code Section 2308.065 specifies that a state agency represented on the Council shall provide funds for the support of the Council in proportion to the agency's financial participation in the workforce development system. The section further specifies that the Council, with the Governor's approval, shall establish a funding formula to determine the level of support each agency must provide. See pages 54-55 for additional detail.

B. List all riders that significantly impact your agency's budget.

None. The Council is not subject to the appropriation process. Therefore it is not required to develop a legislative appropriation request.

C. Show your agency's expenditures by strategy. See Exhibit 5 Example or [click here to link directly to the example](#).

The Council is not subject to the appropriation process. Therefore it is not required to develop a legislative appropriation request.

However, the Council's process for determining budget needs and priorities has eight key steps. The process begins with the Council's essential mandated work products and processes. This includes analysis of organizational capacity relative to those mandated responsibilities, and a review of the Council's budget and expenditure levels for the current and three previous fiscal years.

Step One: Council mandates are identified from Texas Government Code and the federal Workforce Investment Act of 1998 and categorized according to primary processes and products.

Step Two: Recently passed legislation that pertains to Council responsibilities, if any, is developed into an implementation plan with associated key strategies and outcomes.

Step Three: Council staff, under the direction of the Council chair, conducts an environmental scan to identify potential strategic priorities for Council consideration. The chair determines two to three strategic priorities that are incorporated as key themes within the mandated work products of the Council.

Step Four: The Council's annual work plan is then derived from steps one, two, and three and aligned to the applicable state and federal mandates. This annual plan builds off of the categories in the mandate spreadsheet. (See Attachment 21 for the Council's Work Plan for FY 2013.)

Step Five: The Council's annual work plan is translated into performance and project plans in association with a comprehensive staff performance planning and evaluation process.

Step Six: The project plans determine the requirement of Council resources that in turn determine both direct and indirect costs to carry out the plans. These cost objects in turn become budget amounts, and are categorized by personnel, travel, communications, supplies, IT operating costs, IT capital, and other operating costs.

Step Seven: Current and previous budgets are compared with the projected project plans. Based on this comparison, budget category adjustments are made and a budget is forecast.

Step Eight: Budget and FTEs then become part of an Memorandum of Understanding between the Office of the Governor, noted in Texas Government Code as the Council's fiscal agent, and those workforce member agencies that contribute to the operations of the Council. (See Attachment 10 for the current MOU.)

NOTE: Expenditures by strategy does not apply given the Council's non-agency status. Council budgets and reports expenditure by categories. The following expenditures, by budget category, were made for FY 2012:

Texas Workforce Investment Council Exhibit 5: Expenditures by Category — Fiscal Year 2012 (Actual)			
Category	Amount Spent	Percent of Total	Contract Expenditures Included
Personnel	\$629,740.03	66.78%	
Communications	\$5,852.85	3.32%	
Travel*	\$27,129.65	4.22%	
Supplies	\$2,440.27	0.38%	
IT Operating**	\$0	0%	
IT Capital	\$6,166.92	3.50%	
Other Operating***	\$105,647.99	21.80%	TSSB website technical assistance – Firecat Studio Income and Assistance Model update – R. Funk
GRAND TOTAL#:	\$776,977.71	100%	

* 60.16 percent Council and TSSB member travel; 39.84 percent staff travel.

**absorbed in Governor's Office budget – no break-out.

***includes reimbursement for director's salary.

in FY 2012 expenditures were lower than normal due to FTE vacancies.

D. Show your agency's sources of revenue. Include all local, state, and federal appropriations, all professional and operating fees, and all other sources of revenue collected by the agency, including taxes and fines. See Exhibit 6 Example or [click here to link directly to the example](#).

In 1995, due to the passage of HB 1863 by the 74th Texas Legislature, agency status was removed from the Council and it was attached to the Office of the Governor for administrative purposes. The Office of

the Governor was also designated as the Council's fiscal agent. The Council's mandates retained the requirement that the Council's operational funding be borne by member agencies. Within the context of a Memorandum of Understanding for budget and FTE support, agencies contribute to Council operations. The amounts below reflect the contributions by member agencies, as specified in Texas Government Code, Section 2308.065. Statute states that federal funding for the operation of the Council shall be allocated according to federal requirements and that a state agency represented on the Council shall provide funds for the support of the Council in proportion to the agency's financial participation in the workforce development system. The Council, with the governor's approval, shall establish a funding formula to determine the level of support each agency must provide. The Governor last approved the funding formula in 2004.

Texas Workforce Investment Council Exhibit 6: Sources of Revenue — Fiscal Year 2012 (Actual)	
Source	Amount
Texas Workforce Commission	\$726,176
Texas Higher Education Coordinating Board	\$33,005
Texas Education Agency	\$152,715
Health and Human Services Commission	\$145,893
Economic Development and Tourism, Office of the Governor	\$0
TOTAL	\$1,057,789

E. If you receive funds from multiple federal programs, show the types of federal funding sources. See Exhibit 7 Example or [click here to link directly to the example](#).

Not Applicable.

F. If applicable, provide detailed information on fees collected by your agency. See Exhibit 8 Example or [click here to link directly to the example](#).

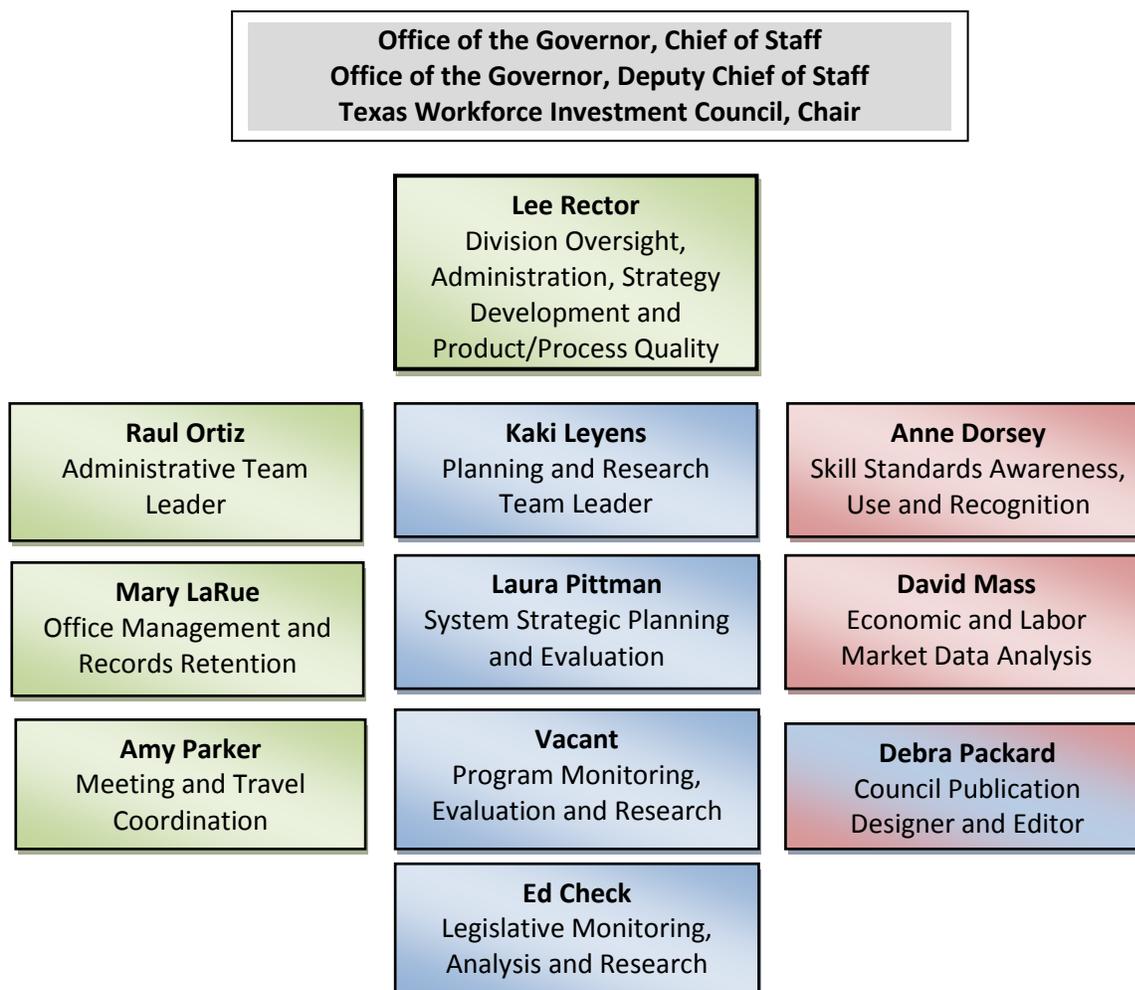
No fees are collected by the Council. Not applicable given the Council's non-agency status.

VI. Organization

A. Provide an organizational chart that includes major programs and divisions, and shows the number of FTEs in each program or division. Detail should include, if possible, Department Heads with subordinates, and actual FTEs with budgeted FTEs in parenthesis.

The Council’s staffing level was consistent at 12 FTEs over the period 1998 to 2013. Of those FTEs, 10 were devoted to Council work and two were devoted to TSSB work. In 2013, following federal sequestration, the Council agreed with the Texas Workforce Commission (TWC) to take a funding cut of five percent to the portion of the budget funded by TWC. The choice was made to take the cut by way of one FTE, which was vacant. This FTE decrease will result in one less FTE devoted to TSSB work. This left future professional services and contract funds intact, thereby offering greater flexibility for major future projects. The budget adjustment was made through an addendum to the MOU for Council funding.

Division Organizational Chart



B. If applicable, fill in the chart below listing field or regional offices. See Exhibit 9 Example or [click here to link directly to the example.](#)

All Council FTEs are located at the Council’s office at 1100 San Jacinto, Ste.1.100, Austin Texas.

C. What are your agency’s FTE caps for fiscal years 2012-2015?

The Council does not have agency status, therefore there is no FTE cap. Since 1998 the Council has had 12 FTEs through an MOU between the Office of the Governor and the Council’s members agencies. See V.D. and VI.A. above.

In 1995, with the passage of HB 1863, the Texas Legislature removed agency status from the Council and attached it to the Office of the Governor for administrative purposes. In addition, the Office of the Governor was designated as the Council’s fiscal agent. Since the enactment of that bill, the Council no longer is distinguished as a state agency and therefore an FTE cap does not apply.

However, within the context of the Memorandum of Understanding for budget and FTE support, member agencies contribute FTEs to support Council operations. These FTEs are included in the FTE cap of the contributing agency. The MOU that was in effect for the period FY 2012 between the Texas Workforce Commission (eight FTEs), the Texas Education Agency (one FTE), the Texas Higher Education Coordinating Board (operating costs only), Health and Human Services Commission (two FTEs) and the Office of the Governor specified a total of 11 FTEs. The Office of the Governor, which is not subject to an FTE cap, provides one FTE to Council.

D. How many temporary or contract employees did your agency have as of August 31, 2012?

The Council had no temporary employees or contract employees as of August 31, 2012.

E. List each of your agency’s key programs or functions, along with expenditures and FTEs by program. See Exhibit 10 Example [or click here to link directly to the example.](#)

Texas Workforce Investment Council Exhibit 10: List of Program FTEs and Expenditures – Fiscal Year 2012		
Program	FTEs as of August 31, 2012	Actual Expenditures
Program does not apply given the Council’s non-agency status. The Council organizes its work around functional areas of its more than 40 mandates. The FTEs at right reflect all FTEs budgeted for all Council activities, including the staff assigned to staff the Texas Skill Standards Board.	12 (budgeted)	\$696,453.03
TOTAL	11 (actual)	\$696,453.03

The Council's staffing level has been consistent at 12 FTEs since 1998, with 10 FTEs devoted to Council work and two FTEs devoted to TSSB work. As previously noted, the TSSB FTE count will decrease to one FTE in FY 2014. The following notes the current positions:

- director
- program supervisor
- staff services officer
- two administrative support staff
- two professional staff supporting the Texas Skill Standards Board (one vacant) in FY 2012
- five professional staff

VII. Guide to Agency Programs/Functions

Complete this section for **each** agency program (or each agency function, activity, or service if more appropriate). Copy and paste the questions as many times as needed to discuss each program, activity, or function. Contact Sunset staff with any questions about applying this section to your agency.

A. Provide the following information at the beginning of each program description.

Not Applicable. The Council does not operate any state or federally funded programs.

As an advisory body to the Governor and the Legislature, the Council has responsibility for a number of duties regarding strategic planning for and evaluation of the Texas workforce development system. Detailed information about the Council's purpose, mandates, and functions is provided in Sections I – III. In order to adapt this section to be applicable to the Council yet not duplicative, questions about the Council not heretofore asked will be addressed. Questions designed specifically for programs will be answered either for the Council as a whole or will be marked as Not Applicable.

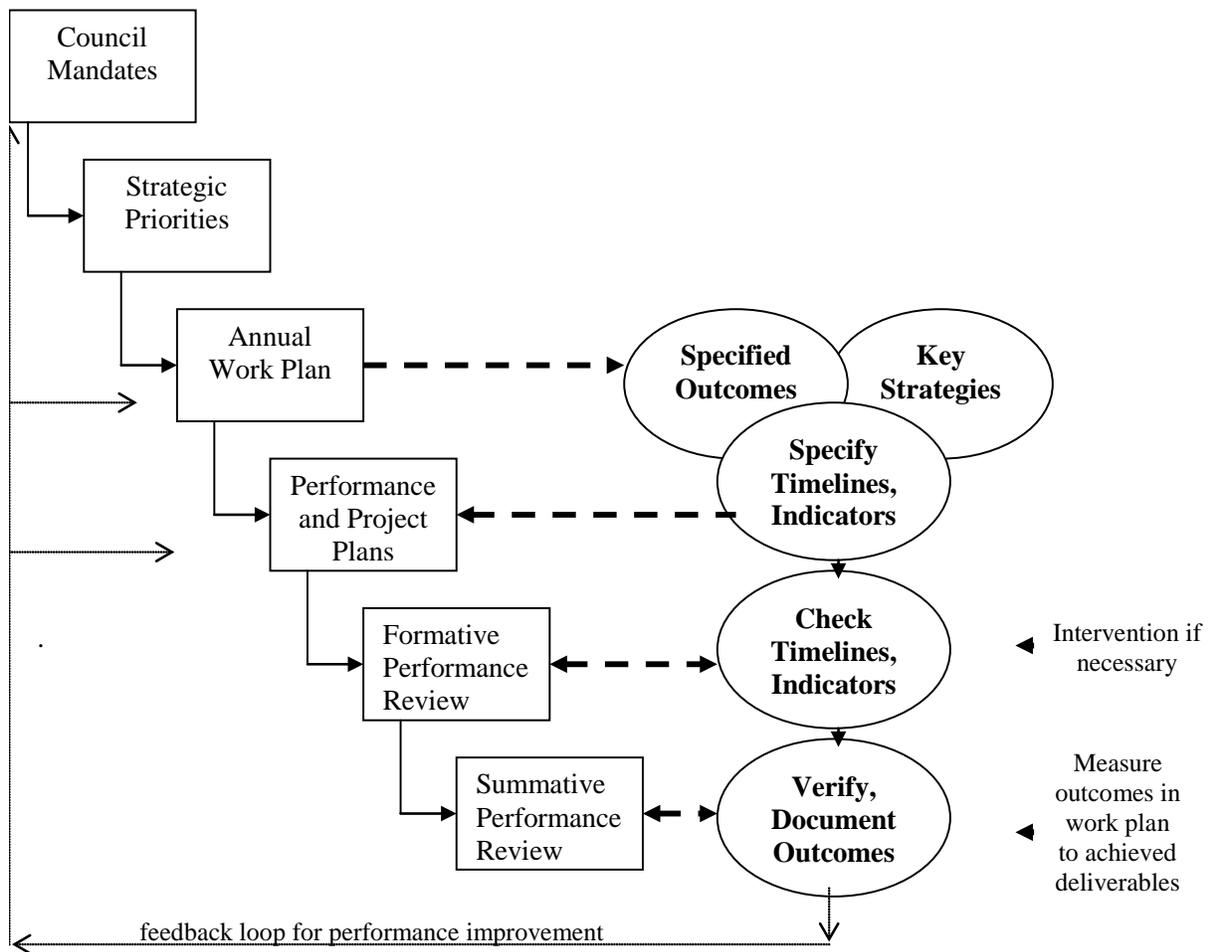
B. What is the objective? Describe the major activities performed.

As discussed in more detail in Section I, the purpose of the Council is to assist the Governor and the Legislature with strategic planning for and evaluation of the Texas workforce development system. The Council is also charged by the Legislature and designated by the Governor to carry out the federal and state duties and responsibilities of advisory councils required by federal law or regulation, including serving as the State Workforce Investment Board under the federal Workforce Investment Act of 1998. As such, the Council has four primary functions:

- workforce development system planning and capacity building
- workforce development system evaluation and performance measurement
- workforce development system research and continuous improvement
- workforce development system review

The Council's FY 2013 Work Plan, organized by primary function, is included as Attachment 21.

The process used to develop and control performance and achievement of deliverables is displayed on the following page.



C. What evidence can you provide that shows the effectiveness and efficiency of this function? Provide a summary of key statistics and performance measures that best convey the effectiveness and efficiency of this function or program.

Please see Section II (C) Key Functions and Performance in this SER.

D. Describe any important history regarding this function not included in the general agency history section, including how the services or functions have changed from the original intent.

Please see Section II (B) Key Functions in this SER.

E. Describe who or what this function affects. List any qualifications or eligibility requirements for persons or entities affected. Provide a statistical breakdown of persons or entities affected.

Not Applicable.

F. Describe how your function is administered. Include flowcharts, timelines, or other illustrations as necessary to describe agency policies and procedures. Indicate how field/regional services are used, if applicable.

Texas Government Code Section 2308.051(b) specifies that the Council is attached to the office of the Governor for administrative purposes. Therefore, Council staff follows the administrative and human resource procedures of the Office of the Governor (OOG). Additionally, staff has developed internal administrative procedures and standard operating procedures to define processes and timelines for those activities that are not covered by OOG procedures. Additionally, the Texas Workforce Commission serves as the Council's fiscal agent under the MOU for funding and FTE support for the Council's work (see G below).

G. Identify all funding sources and amounts for the program or function, including federal grants and pass-through monies. Describe any funding formulas or funding conventions. For state funding sources, please specify (e.g., general revenue, appropriations rider, budget strategy, fees/dues).

Because the Council does not operate programs or services, funding regarding program or function is not applicable. However, information related to the funding formula specified in Texas Government Code 2308.065 for Council support is provided in this section.

Memorandum of Understanding (MOU)

There have been eight MOUs between the Office of the Governor and one or more of the member agencies since the Legislature removed the Council's state-agency status in 1995 (74th Regular Session) and attached it to the Office of the Governor (OOG) for administrative purposes. At that time, the Legislature designated the OOG as the Council's fiscal agent and required the Council's executive director to adopt the administrative and personnel procedures of the OOG. In 2002, the OOG determined that TWC would be the repository for the operating funds received from agencies, and this has been included as a provision in all subsequent MOUs.

Each biennium, the OOG, on behalf of the Council, enters into a MOU with the Council's five member state agencies: Texas Education Agency (TEA); Texas Workforce Commission (TWC); Texas Higher Education Coordinating Board (THECB); Texas Health and Human Services Commission (HHSC); and the OOG's Economic Development and Tourism division. The MOU specifies the level of support to be provided in Full-Time Equivalent (FTE) staff positions and operating costs. The MOU also details other administrative arrangements for the Council, such as designating TWC as host of the Council's operating budget.

Funding Formula

In 2001, based on a recommendation from the Comptroller, the 77th Texas Legislature amended Texas Government Code Section 2308.065 to require the Council to develop, and the Governor to approve, a funding formula to determine each agency's level of support for the Council. The Governor last approved the formula in April 2004.

The formula defines the "... agency's financial participation in the workforce development system" and "proportional share" by applying the formula as follows:

Funding Formula: $A = (B/C) * D$

- A. Each member agency's contribution for Council funding.
- B. Total of each member agency's federal and state appropriated funding for programs eligible for inclusion under WIA Unified Planning and state-based workforce programs for the current biennium.
- C. Total of all member agencies' federal- and state-appropriated funding for programs eligible for inclusion under WIA Unified Planning and state-based workforce programs for the current biennium
- D. Council annual budget (past decade approximately \$1,057,000) (for FY 2014 – \$1,019,000 [less \$38,000 for TWC contribution reduction due to sequestration])

An agency's percentage of total workforce program funding is calculated by dividing the total of all agencies' funding for the above federal and state programs (C) by the agency's funding for its workforce programs (B). The percentage is then multiplied by the Council's budget (*D) to determine the level of support each agency will provide for the biennium (A).

H. Identify any programs, internal or external to your agency, that provide identical or similar services or functions to the target population. Describe the similarities and differences.

Not Applicable.

I. Discuss how the function is coordinating its activities to avoid duplication or conflict with the other programs listed in Question H and with the agency's customers. If applicable, briefly discuss any memorandums of understanding (MOUs), interagency agreements, or interagency contracts.

The Council is the only entity designated to assist the Governor and the Legislature with strategic planning and evaluation for the workforce system. The Council avoids duplication or conflict with the responsibilities of its member and partner agencies by ensuring that it focuses on its mandated responsibilities and its strategic role in the system, and avoids involvement in the operational and administrative detail assigned to those agencies. This action is aligned to the strategic imperatives in both state and federal workforce development law and regulation.

J. If the function works with local, regional, or federal units of government, include a brief description of these entities and their relationship to the agency.

Federal Government Agency

Generally, the Council does not work directly with federal government agencies. In some instances, the Council does interact with the regional or national offices of the U.S. Department of Labor. The basis of these interactions would be to seek clarification on particular workforce law or regulation as it relates to the Council's responsibilities under WIA, or in the Council's role to assist the Governor with the development or review of various plans as required by federal law. For example, the Council participated in a series of April 2010 meetings convened by the Department of Labor's Office of the Inspector General in undertaking an evaluation of Texas workforce programs under Section 136(e) of the Workforce Investment Act.

Local Unit of Government

Generally, the Council does not work directly with local units of government. Although not classified as local units of government, the Council also has occasional interaction with the 28 local workforce development boards in Texas. When the Council was initially created, it had the responsibility to put in place a system of local workforce boards and to act as an advocate for those boards at the state and federal level. Those responsibilities were transferred to the Texas Workforce Commission under HB 1863 in 1995.

Currently, as required by state and federal workforce development law, the Council is responsible for reviewing local plans for workforce development and making recommendations to the Governor regarding their approval. As has been the case since its inception, the Council is also charged with recommending to the Governor the designation or redesignation of local workforce development areas. In these instances, as well as where the Council is collaborating on specific system-building projects or issues, the Council may interact with local boards. Local boards are required under both state and federal law and are responsible for planning, performance oversight, and evaluation of the workforce programs and services delivered in their local areas.

MOUs and Interagency Agreements

Given the Council's administrative arrangements as defined in mandate and the Office of the Governor's MOU for Council funding, the Council has not directly entered into MOUs or Interagency Agreements in the last five fiscal years. As discussed previously, the Office of the Governor has entered into an MOU for Council FTE and budget support with the Texas Workforce Commission, the Texas Education Agency, the Texas Higher Education Coordinating Board, and the Texas Health and Human Services Commission. In 2008, the Texas Workforce Commission, as the provider of operating costs for the Council through the MOU in place at that time, entered into an Interagency Agreement with Texas A&M University to conduct the Council's 2008 survey of Texas employers.

K. If contracted expenditures are made through this program please provide:

- a short summary of the general purpose of those contracts overall;
- the amount of those expenditures in fiscal year 2012;
- the number of contracts accounting for those expenditures;
- top five contracts by dollar amount, including contractor and purpose;
- the methods used to ensure accountability for funding and performance; and
- a short description of any current contracting problems.

Not Applicable.

L. Provide information on any grants awarded by the program.

Not Applicable.

M. What statutory changes could be made to assist this program in performing its functions? Explain.

Not Applicable.

N. Provide any additional information needed to gain a preliminary understanding of the program or function.

Not Applicable.

O. Regulatory programs relate to the licensing, registration, certification, or permitting of a person, business, or other entity. For each regulatory program, if applicable, describe:

- why the regulation is needed;
- the scope of, and procedures for, inspections or audits of regulated entities;
- follow-up activities conducted when non-compliance is identified;
- sanctions available to the agency to ensure compliance; and
- procedures for handling consumer/public complaints against regulated entities.

Not Applicable.

P. For each regulatory program, if applicable, provide the following complaint information. The chart headings may be changed if needed to better reflect your agency's practices.

Not Applicable.

VIII. Statutory Authority and Recent Legislation

A. Fill in the following chart, listing citations for all state and federal statutes that grant authority to or otherwise significantly impact your agency. Do not include general state statutes that apply to all agencies, such as the Public Information Act, the Open Meetings Act, or the Administrative Procedure Act. Provide information on Attorney General opinions from FY 2009 – 2013, or earlier significant Attorney General opinions, that affect your agency’s operations.

Texas Workforce Investment Council Exhibit 12: Statutes/Attorney General Opinions	
Statutes	
Citation/Title	Authority/Impact on Agency
<p>Job Training Partnership Act Amendments 1992 29 USC, Section 1792</p> <p>Status/Citation: replaced by the Workforce Investment Act of 1998</p>	<p>Allows State Job Training Coordinating Councils to expand their responsibilities to include, among other things, the functions of state councils required under other federal legislation and to therefore be designated by the Governor as a Human Resource Investment Council (HRIC).</p>
<p>73rd Texas Legislature, 1993 Senate Bill 642 - The Workforce and Economic Competitiveness Act</p> <p>Status/Citation: amended by 74th, 75th, 76th and 77th Legislatures. Refer to Texas Government Code, Chapter 2308</p>	<p>Provides for the establishment of the Council on Workforce and Economic Competitiveness as the state's HRIC. Defines Council composition, designates agency status, specifies duties and powers.</p>
<p>Amendments to Carl D. Perkins Vocational and Applied Technology Act 1998 Public Law 105-332 (federal)</p> <p>Status/Citation: Amended. 20 USC, Section 2301</p>	<p>New federal Perkins law effective July 1999, removed the requirement for a state council on vocational education. Amendments allow states to fund activities of Councils related to certain Perkins duties that are also required of Councils under the Workforce Investment Act.</p>
<p>The National Literacy Act 20 USC Section 1201</p> <p>Status/Citation: Amended, removed from the Elementary and Secondary Education Act and incorporated into the Workforce Investment Act under Title II</p>	<p>Since its creation in 1993, the Council had served as the Texas Literacy Council. Duties and responsibilities for the Texas Literacy Council were repealed effective September 1997 and its federal responsibilities were repealed under the Workforce Investment Act of 1998.</p>

<p>Workforce Investment Act of 1998 PL 105-220 (federal)</p> <p>Status/Citation: Refer to 29 USC Sections 2801-2945</p>	<p>Replaced the Job Training Partnership Act. Required a State Workforce Investment Board (SWIB) and assigned certain duties to that board. Previously established boards or councils that were substantially similar with state board requirements under WIA were allowable alternative entities to serve as state boards under WIA. The Governor designated the Council as the SWIB.</p>
<p>75th Texas Legislature, 1997 Senate Bill 898</p> <p>Status/Citation: Conformed Texas Government Code, Chapter 2308 to changes made by the 74th Legislature</p>	<p>Authorized the Texas Legislative Council to make nonsubstantive additions to and corrections in enacted codes and to conform codifications enacted by the 74th Legislature to other Acts of that Legislature. Conformed Council code to changes made by House Bill 1863, 74th Legislature.</p>
<p>76th Texas Legislature, 1999 House Bill 3431</p> <p>Status/Citation: amended by the 77th Legislature. Refer to Texas Government Code, Chapter 2308</p>	<p>Amends Council mandates to require the Council to issue annual reports to the Governor and the Legislature, including one on the status of welfare reform initiatives in Texas and one on the implementation of the workforce development system strategic plan.</p>
<p>77th Texas Legislature, 2001 Senate Bill 429</p> <p>Status/Citation: Effective September 1, 2001. Refer to Texas Government Code, Chapter 2308</p>	<p>Amends Council mandates to require the Council to develop funding formulas for Council support and for agency contribution to the automated follow-up and evaluation system. Also requires the Council to identify or establish Formal and Less Formal workforce system measures in consultation with the Legislative Budget Board. The Governor's approval is required on formulas and measures.</p>
<p>78th Texas Legislature, 2003 Senate Bill 281</p> <p>Status/Citation: Effective September 1, 2003 Refer to Texas Government Code, Chapter 2308</p>	<p>Finalized the Sunset Review process and amended the Council's mandates, including: renamed the Council as the Texas Workforce Investment Council; continued the Council's operation for an additional 12 years; reduced the size of the Council from 20 to 19 voting members; designated the agency head (executive director or commissioner), rather than the board chair, of each of the five member state agencies to represent their agency as an ex officio voting member of the Council; modified language regarding the Council's responsibility to facilitate the integrated delivery of workforce services; and</p>

	transferred maintenance of the Automated Follow-up and Evaluation System from the Council to the Texas Workforce Commission, while retaining the Council's responsibility to establish a funding formula to determine the level of contribution to be provided by agencies with workforce programs.
Attorney General Opinions	
Attorney General Opinion No.	Impact on Agency
None	

B. Provide a summary of recent legislation regarding your agency by filling in the chart below or attaching information already available in an agency-developed format. Briefly summarize the key provisions. For bills that did not pass, briefly explain the key provisions and issues that resulted in failure of the bill to pass (e.g., opposition to a new fee, or high cost of implementation). Place an asterisk next to bills that could have a major impact on the agency. See Exhibit 13 Example or [click here to link directly to the example](#).

Key bills that were tracked by Council staff during the 83rd session are noted below. The shaded bills are those that will directly affect the Council.

Texas Workforce Investment Council Exhibit 13: 83rd Legislative Session Chart		
Legislation Enacted		
Bill	Author	Summary of Key Provisions
HB 5	Aycock	Allows the education commissioner to join a multi-state consortium for developing Career Technical Education (CTE) courses in high-demand career areas. Allows a school district to develop CTE courses or career training programs. Requires TEA, in collaboration with THECB and TWC, to evaluate the changes to the curriculum requirements required by the bill.
HB 437	Davis, John	Eliminates nonprofit organizations from eligibility for the comptroller's Jobs and Education for Texas grant program and eliminates student scholarships as well. Creates the Texas Innovative Adult Career Education Grant Program, which will authorize Austin Community College to award grants to develop, support, or expand programs of eligible nonprofit workforce intermediary and job training organizations to prepare low-income students to enter careers in high-demand and higher-earning occupations.
HB 809	Davis, John	Requires TWC to provide TEA with labor market data to that TEA must provide the information to school districts for planning for CTE programs.
HB 1296	Alvarado	Requires THECB to produce in conjunction with TWC, and any other requested agency, an annual report projecting workforce needs and levels of educational attainment for the next five years.

HB 1297	Alvarado	Requires each community college that receives Skills Development funding to submit to TWC a biennial review of the effectiveness of their training program.
HB 1967	Deshotel	Allows certain economic development corporations to provide life skills and job skills training.
HB 2036	Branch	Creates a commission to develop recommendations for meeting future education and workforce needs and to ensure alignment of workforce development with higher education. Commission members include the commissioner of higher education, the chair of THECB, and the TWC chair.
HB 2254	Geren	Allows a veteran to receive apprenticeship credit for applicable military training.
HB 2414	Button	Allows state boards to meet via teleconference provided the chair of the meeting is in a publicly accessible location.
HB 2478	Alvarado	Requires TWC to prepare an annual report analyzing current and projected job and skill shortages in high demand industries.
HB 3028	Davis, John	Allows TWC to use the skills development fund to support dual credit courses.
HB 3662	Clardy	Requires the education commissioner to create the Texas Workforce Innovation Needs Program to support schools and universities to prepare students for in-demand careers.
SB 1	Williams	Budget contains a rider requiring TEA, in consultation with the Council, to develop a strategic plan for adult education.
SB 215	Birdwell	Renews THECB after Sunset review. Contains a provision requiring THECB to use workforce standards developed by the Council when evaluating degree programs.
SB 307	Huffman	Transfers administration of the state's adult education program from TEA to TWC.
SB 441	Birdwell	Requires TWC in coordination with THECB to create the Texas Fast Start Program to support workforce training at community colleges, particularly by developing rapid delivery educational models.
SB 1142	Duncan	Requires TEA to create a charter high school pilot program for adults that would offer CTE courses that can lead to industry certification.
SB 1892	Garcia	Makes the Council director a member of the Texas Coordinating Council for Veterans Services.
Legislation Not Passed		
Bill	Author	Summary of Key Provisions
HB 683	Johnson	Would make the commissioner of education an elected official. Final legislative action: referred to House committee.
HB 763	Guillen	Would require adult education funds to be allocated based on need, performance, and efficiency. Final legislative action: referred to House committee.
HB 1423	Deshotel	Would require the TWC executive director to join the education commissioner and the higher education commissioner in recommending the essential knowledge and skills of certain high school courses. Final legislative action: Left pending in House committee.

HB 1574	McClendon	Would require TWC to produce an annual report analyzing economic data related to workforce, needs, trends, and opportunities. Final legislative action: Considered in House calendar committee.
HB 3092	Parker	Would require the comptroller to administer a workforce investment program to fund job training for qualified manufacturing projects. Final legislative action: Placed on House calendar.
SB 218	Patrick, Dan	Would renew TEA under sunset review process. Final legislative action: Placed on Senate calendar.

IX. Major Issues

A. Issue Number 1 – Funding and FTE Support for the Council’s Work

Given the Council’s mandates and strategic roles of planning and capacity-building, evaluation and performance measurement, research and continuous improvement, and review of state and local workforce plans, should the Council have FTEs and a budget that are independent and not reliant on the agreement of a Memorandum of Understanding between the Office of the Governor and multiple member agencies, including member agency administrative procedures and approval requirements?

B. Discussion

The Council currently receives budget support from member agencies through a Memorandum of Understanding (MOU) between the Office of the Governor and four agencies: the Texas Workforce Commission, the Texas Education Agency, the Texas Higher Education Coordinating Board, and the Texas Health and Human Services Commission. The Council is attached to the Office of the Governor for administrative purposes. The Office acts as the Council’s fiscal agent. This arrangement is due to a number of changes in legislation from 1995 to 2001, most notably House Bill 1863, passed by the 74th Legislature, which amended the Workforce and Economic Competitiveness Act, Article 5190.7a, Vernon’s Texas Civil Statutes, and removed the Council’s status as a state agency effective September 1, 1995.

The Council was created in 1993 as a state agency by Senate Bill 642, 73rd Legislature as a Human Resource Investment Council authorized under the Federal Job Training Partnership Act Reform Amendments of 1992. The Council assumed responsibilities formerly held by the State Job Training Coordinating Council, the Texas Council on Vocational Education, the Texas Literacy Council, the Apprenticeship and Training Advisory Committee, and the Texas Employment Commission Advisory Council. House Bill (HB) 1863 reduced the size of the Council from over 40 members and outlined the requirements for a new 20-member composition. The Council’s budget and staffing levels were adjusted accordingly. Prior to the passage of HB 1863 the Council had exercised independent decision-making authority regarding budget and expenditures.

Under the current and previous MOUs, the Council is required to have FTEs attached to different member agencies: Texas Workforce Commission (8); Texas Health and Human Services Commission (2), Texas Education Agency (1), and the Texas Higher Education Coordinating Board (operating budget only). Each biennium, when the MOU is reviewed and renegotiated, the amount of operating funds and FTEs contributed by an agency may change due to changes in federal funding. The outcome is that it may be necessary to move a FTE from one agency to another to “adjust” the Council’s costs to the level of funding formula contribution by an agency. A FTE move between agencies results in three agencies being involved in the move – Office of the Governor, the agency that the FTE is moving from, and the agency where the FTE is moving. In some instances the Council has been required by the receiving agency to post the position.

This results in duplication and is administratively inefficient. The arrangement poses an administrative burden on both the Council and the respective agencies, as it produces both administrative inefficiency and cost to the state of Texas. It is neither effective in terms of decision making and responsiveness, nor is it efficient with regard to processes.

C. Possible Solutions and Impact

In the option noted below, the description deals with the two key features within the issue, namely administrative arrangement and budget.

Option: The Office of the Governor would continue to execute an MOU, based on the required funding formula for Council support, with the Council member agencies and assign the Texas Workforce Commission as the Council's fiscal agency (as is the designation under the current MOU). Member agencies would contribute a budget amount to the Texas Workforce Commission as specified by the formula. The Texas Workforce Commission then would fund the FTEs from the amounts contributed by the Council's member agencies, but carry the FTEs in positions within its FTE cap.

The Council would adhere to the policies and processes of the Office of the Governor,.

Impact: This option would lessen the administrative burden on both the Council and member agencies. In this option member agencies would contribute only budget to Council operations, not FTEs, as is currently the case.

The above option describes only one possible method of addressing this issue. There are a number of options, some requiring legislative action and others requiring management action, which may be deemed to be appropriate given consultation with relevant parties.

A. Issue Number 2 – Texas Skill Standards Board

Should the Council be required to staff the Texas Skill Standards Board?

B. Discussion

The Council was created as a state agency by Senate Bill 642, 73rd Legislature as a Human Resource Investment Council authorized under the Federal Job Training Partnership Act Reform Amendments of 1992. The Council was charged with a number of strategic and programmatic responsibilities including development of a single strategic plan for the workforce system, policy recommendations to the Governor, workforce system development and advocacy, and evaluation of the effectiveness of the state's workforce development system.

In 1995, House Bill (HB) 1863 revised the Council's mandates to more closely reflect its strategic role, and also created the Texas Skill Standards Board (TSSB) as an advisory board to the Governor and the Legislature for the development of a statewide system of industry-defined and industry-recognized skill standards and credentials. Under HB 1863 the Council was charged with staffing the new skill standards board. Therefore, although constituted as separate entities in legislation with specific and discrete mandates, the TSSB and the Council share staff and administrative arrangements.

In 1999, the 75th Legislature amended the TSSB mandates with the passage of HB 3431. This bill charged the TSSB with four specific mandates:

1. validate and recognize nationally established skill standards to guide curriculum development, training, assessment, and certification of workforce skills;
2. convene industry groups to develop skill standards and certification procedures for industries and occupations in which standards have not been established or adopted and recognize the skill standards and certification procedures;
3. review standards developed by other states and nations and enter into agreements for mutual recognition of standards and credentials to enhance portability of skills; and
4. promote the use of standards and credentials among employers.

These four mandates, pertaining to the development of a statewide voluntary skill standards system, encompass the key roles of system building, quality assurance, and outreach and awareness. The attachment of the TSSB to the Council, both in staffing and administrative arrangements, blurs the relationship of the TSSB and the Council with the TSSB being perceived as a board that serves the Council rather than as separate entities with separate and important charges.

From 1995 to 1998 the Council provided one professional staff FTE and a percentage of administrative support to the TSSB. Since 1998 this support has included two professional staff FTEs and a percentage of administrative support. The Council also shares office space and operating costs for TSSB work, which is funded through the Memoranda of Understanding for Council operations that has been previously noted. The continued FTE support to the TSSB results in the loss of staff capacity that would otherwise be devoted to fulfillment of the Council's numerous mandates.

C. Possible Solutions and Impact

Over the past five years there has been a move at both state and federal levels to recognize industry certifications, which are similar to skill standards in that they define the competencies required in an occupation. Given this, it could be argued that the TSSB has essentially fulfilled its mandate and that policy, in a broad and systemic sense, has caught up to the work it was to carry out in developing and using standards. Alternatively, it could be argued that the work should continue in a more limited fashion.

A. Issue Number 3 – Funding Formula for the Follow-up and Evaluation Report

The Council is required to develop and recommend to the Governor for approval, a funding formula for agencies' contributions to the automated participant follow-up system and report administered by the Texas Workforce Commission under Texas Labor Code Subchapter E, Chapter 302. The administration of this requirement is administratively inefficient.

B. Discussion

In its previous Sunset review, it was noted that the Council had a number of mandated duties and responsibilities that had since their inception become defunct or had been repealed in state law, or were inconsistent with the Council's powers and duties as amended by HB 1863, 74th Legislature.

One issue was the inconsistency that existed in Council statute related to the establishment and maintenance of an automated participant follow-up system and for an analysis, by occupation and training provider, of each workforce program. In 1995, HB 1863 transferred to the newly created Texas Workforce Commission the responsibility for a labor market information system. After that transfer, the Council was unable to carry out its mandate related to the automated follow-up system as it no longer had staff with labor market information expertise. From that time forward, the Texas Workforce Commission matched data and authored the annual automated follow-up report.

Senate Bill 427, passed by the 77th Texas Legislature, required the Council to develop a funding formula for workforce agencies' contributions to the automated follow-up system and report. The Council considered and the Governor approved the follow-up formula in 2002. Since that time, each fall the Council:

1. collects the number of education/training seed records from the Texas Workforce Commission and the Texas Higher Education Coordinating Board;
2. collects cost data related to matching those seed records and compiling the follow-up report;
3. applies the funding formula to determine each workforce agency's contribution;
4. notifies each agency of the number of seed records matched and the cost for the next report; and,
5. advises the Texas Workforce Commission of the amount that should be billed, by agency, to recoup the costs of administering the follow-up system.

The Commission then bills each agency for the amount of their contribution and distributes those amounts collected to offset follow-up system costs at the Texas Workforce Commission and the Texas Higher Education Coordinating Board.

In its Sunset bill in 2003, the responsibility for the automated participant follow-up was transferred to the Texas Workforce Commission. That bill also contained a provision that continued the charge to the Council to establish, with approval by the Governor, a funding formula to determine the level of support that each agency administering a workforce program must provide to operate the automated participant follow-up system administered by the Texas Workforce Commission under Texas Labor Code Subchapter E, Chapter 302.

C. Possible Solutions and Impact

Given that both the Texas Workforce Commission and the Texas Higher Education Coordinating Board have MOUs with other agencies to match education/training and employment records, the funding formula and implementation process could be perceived as an add-on to an accepted MOU process.

The Texas Workforce Commission and the Texas Higher Education Coordinating Board could incorporate their costs for matching seed records and producing the report into current MOUs with workforce agencies. Alternatively, the Texas Workforce Commission could be charged with establishing for the Governor's approval and applying the funding formula for the automated follow-up system.

X. Other Contacts

A. Fill in the following chart with updated information on people with an interest in your agency, and be sure to include the most recent e-mail address.

PLEASE NOTE: PRIMARY CONTACTS ARE NOTED IN BOLD.

Texas Workforce Investment Council Exhibit 14: Contacts			
INTEREST GROUPS (groups affected by agency actions or that represent others served by or affected by agency actions)			
Group or Association Name/ Contact Person	Address	Telephone	E-mail Address
Texas Association of Workforce Boards/ Representative on SITAC/ David Setzer	P.O. Box 5888 Arlington, Texas 76005	817-695-9187	dsetzer@dfwjobs.com
Texas Association of Workforce Boards/ Chair/ Mark Guthrie	1100 JPMorgan Chase Tower 600 Travis Street Houston, Texas 77002	713-650-2730	mguthrie@winstead.com
Texas Association of Workforce Boards/ President, Director's Council/ Judy McDonald	Workforce Solutions for Tarrant County 1320 S. University Dr. Suite 600 Fort Worth, Texas 76107	817-413-4400	judy.mcdonald@workforcesolutions.net
INTERAGENCY, STATE, OR NATIONAL ASSOCIATIONS (that serve as an information clearinghouse or regularly interact with your agency)			
Group or Association Name/ Contact Person	Address	Telephone	E-mail Address
The National Association of State Workforce Board Chairs/ Staffed by the National Governors Association Center for Best Practices/ Program Director, Training and Employment/ Martin Simon	444 North Capitol Street, Suite 267 Washington, DC 20001	202-624-5345	msimon@nga.org
National Association of Workforce Boards/ CEO/ Ron Painter	1201 New York Avenue, NW Washington, DC 20005	202-857-7900 x101	painter@nawb.org
U.S. Department of Labor, Region IV/ State Lead/ Rebecca Sarmiento	525 Griffin Street, Suite 317 Dallas, Texas 75202	972-850-4621	Sarmiento.Rebecca@dol.gov
Rehabilitation Council of Texas/ Chair/ Lori Henning	4800 N. Lamar Blvd. Austin, TX 78756	512-424-4160	N/A

Department of Labor Office of Apprenticeship/ Dennis Goodson	300 East 8 th Street, Suite 814 Austin, Texas 78701	512-916-5435	goodson.dennis@dol.gov
LIAISONS AT OTHER STATE AGENCIES (with which your agency maintains an ongoing relationship, e.g., the agency's assigned analyst at the Legislative Budget Board, or attorney at the Attorney General's office)			
Agency Name/Relationship/ Contact Person	Address	Telephone	E-mail Address
Legislative Budget Board/ Adult Education / Sheila DeLeon	1501 North Congress Ave Austin, Texas 78701	512-463-2466	Sheila.DeLeon@lbb.state.tx.us
Legislative Budget Board/ Workforce/ Robert Norris	1501 North Congress Ave Austin, Texas 78701	512- 463-1179	robert.norris@lbb.state.tx.us
Office of the Governor, Economic Development and Tourism Division/ SITAC/ Keith Graf	2210 East 11 th Street Austin, Texas 78701	512-475-0487	kgraf@governor.state.tx.us
Texas Department of Criminal Justice/ Windham School District/ SITAC/ Veronica Casanova	P.O. Box 40 Huntsville, Texas 77342	936-291-5303	veronica.casanova@wsdtx.org
Texas Department of Criminal Justice/Windham School District/ All Projects/ Sandra Nash	P.O. Box 40 Huntsville, Texas 77342	936-291-4624	sandra.nash@wsdtx.org
Texas Education Agency/ Annual System Evaluation Report and Adult Education/ Jan Lindsey	1701 North Congress Ave Austin, Texas 78701	512-936-6060	jan.lindsey@tea.state.tx.us
Texas Education Agency/ SITAC/ Career Technical Education/ Vangie Stice-Israel	1701 North Congress Ave Austin, Texas 78701	512-463-9581	vangie.stice-israel@tea.state.tx.us
Texas Education Agency/ MOU and Financial Matters/ Shirley Beaulieu	1701 North Congress Ave Austin, Texas 78701	512-475-3773	shirley.beaulieu@tea.state.tx.us
Texas Health and Human Services Commission/ Annual System Evaluation Report, TANF and Welfare to Work data / Ross McDonald	4900 North Lamar Blvd Austin, Texas 78751	512-424-6843	ross.mcdonald@hhsc.state.s.us
Department of Assistive and Rehabilitative Services / Projects related to Blind Services/ Barbara Madrigal	4800 North Lamar Blvd Austin, Texas 78756	512-377-0602	barbara.madrigal@dars.state.tx.us
Department of Assistive and Rehabilitative Services / Projects related to Vocational Rehabilitation / Cheryl Fuller	4800 North Lamar Blvd Austin, Texas 78756	512-424-4220	cheryl.fuller@dars.state.tx.us
Texas Higher Education Coordinating Board/ Adult Education / Linda Munoz	1200 East Anderson Lane Austin, Texas 78752	512-427-6525	linda.munoz@theccb.state.tx.us

Texas Higher Education Coordinating Board/ Annual System Evaluation Report/ Susan Brown	1200 East Anderson Lane Austin, Texas 78752	512-427-6153	susan.brown@theccb.state.tx.us
Texas Higher Education Coordinating Board/ SITAC/ Garry Tomerlin	1200 Anderson Lane Austin, Texas 78752	512-427-6226	garry.tomerlin@theccb.state.tx.us
Texas Juvenile Justice Department/ All Projects/ Amy Lopez	11209 Metric Boulevard, Building H Austin, Texas 75758	512-490-7723	amy.lopez@tjjd.texas.gov
Texas Juvenile Justice Department/ All Projects/ Connie Simon	11209 Metric Boulevard, Building H Austin, Texas 78758	512-490-7091	connie.simon@tjjd.texas.gov
Texas Veterans Commission/ All Projects/ Stan Kurtz	1700 North Congress Ave Suite 800 Austin, Texas 78701	512-463-8016	stan.kurtz@tvc.state.tx.us
Texas Workforce Commission/ Adult Education/ Clint Winters	101 East 15 th Street Austin, Texas 78778	512-936-8136	clint.winters@twc.state.tx.us
Texas Workforce Commission/ Annual System Evaluation Report/ Adam Leonard	101 East 15 th Street Austin, Texas 78778	512-936-8566	adam.leonard@twc.state.tx.us
Texas Workforce Commission/ Local Workforce Boards Information and State WIA Plans/ Debbie Carlson	101 East 15 th Street Austin, Texas 78778	512-463-2675	debbie.carlson@twc.state.tx.us
Texas Workforce Commission/ TANF Income and Assistance /Laurie Biscoe	101 East 15 th Street Austin, Texas 78778	512-936-9256	laurie.biscoe@twc.state.tx.us
Texas Workforce Commission/ Workforce Division Director/ Reagan Miller	101 East 15 th Street Austin, Texas 78778	512-936-3563	reagan.miller@twc.state.tx.us
Texas Workforce Commission/ SITAC/ Luis Macias	101 East 15 th Street Austin, Texas 78778	512-463-3067	luis.macias@twc.state.tx.us

XI. Additional Information

A. Texas Government Code, Sec. 325.0075 requires agencies under review to submit a report about their reporting requirements to Sunset with the same due date as the SER. Include a list of each report that the agency is required by statute to prepare and an evaluation of the need for each report based on whether factors or conditions have changed since the statutory requirement was in place. If the list is longer than one page, please include it as an attachment.

1. Texas Government Code Section 2308.104(a) requires the Council to report annually to the Governor and the Legislature on the implementation of the workforce system strategic plan, *Advancing Texas*.
2. Texas Government Code Section 2308.104(a) also requires the Council to report annually on Formal and Less Formal measures. Statute specifies that Formal measures are those that are essentially consistent across all workforce programs, and that Less Formal measures provide information essential to implementation of the workforce system strategic plan.
3. Texas Government Code Section 2308.101(14) requires the Council to report annually on work development programs that focus on welfare to work initiatives.
4. Texas Government Code Section 2308.1016 mandates that the Council facilitate the efficient delivery of integrated adult education services in Texas, in part by evaluating the adult education and literacy services administered by the Texas Education Agency and the Texas Workforce Commission.
5. Texas Government Code Section 2308.304(b)(4) specifies that local board plans must include a strategic component that sets broad goals and objectives for local workforce programs that are consistent with statewide goals, objectives and performance standards.
6. Texas Government Code Section 2308.101(13) – requires the Council to report periodically to the Governor and the Legislature. Statute charges the Council with monitoring the operation of the state’s workforce system [§2308.101(10)] and evaluating effectiveness of that system [§2308.101(6)].
7. Texas Government Code Section 2308.104 requires the Council to develop a single strategic plan for Texas’ workforce system that includes goals, objectives, and performance measures for the system and the state agencies that administer workforce programs. It also requires agencies that administer a workforce program to use the system strategic plan in developing the agency’s operational plan.

In Texas, the Council is the only entity charged with and able to focus on a systems perspective and to conduct strategic planning and evaluation across the agencies and programs that comprise the system. As a neutral party, the Council is able to convene agencies and system stakeholders and to act as a collaborator as system plan implementation proceeds.

Please see Attachment 5 for details related to the reports the Council produces to meet the requirements.

B. Has the agency implemented statutory requirements to ensure the use of "first person respectful language"? Please explain and include any statutory provisions that prohibits these changes.

Texas Government Code, Section 392.001 directs the Legislature and the Texas Legislative Council to refrain from using certain terms and phrases in new or revised statute, and further directs them to use preferred phrases. While the Council is not named in this section of Government Code, it does endeavor to meet the intent of the statute in all of its publications by using the preferred phrases.

C. Fill in the following chart detailing information on complaints regarding your agency. Do not include complaints received against people or entities you regulate. The chart headings may be changed if needed to better reflect your agency's practices.

Texas Workforce Investment Council Exhibit 15: Complaints Against the Agency — Fiscal Years 2011 and 2012		
	FY 2011	FY 2012
Number of complaints received	0	0
Number of complaints resolved	0	0
Number of complaints dropped/found to be without merit	0	0
Number of complaints pending from prior years	0	0
Average time period for resolution of a complaint	0	0

D. Fill in the following chart detailing your agency's Historically Underutilized Business (HUB) purchases. See Exhibit 16 Example or [click here to link directly to the example](#).

The Council does not have agency status. Under the Memorandum of Understanding for agency budget support of Council operations, the Texas Workforce Commission (TWC) performs the purchasing function for procurement of goods and services for the Council. All information relative to HUB purchases by the TWC would be on file with the TWC, and would be in accordance with TWC agency purchasing and HUB policies and procedures.

E. Does your agency have a HUB policy? How does your agency address performance shortfalls related to the policy? (Texas Government Code, Sec. 2161.003; TAC Title 34, Part 1, rule 20.15b)

The Council does not have agency status. Under the Memorandum of Understanding for agency budget support of Council operations, the Texas Workforce Commission (TWC) performs the purchasing function for procurement of goods and services for the Council. All information relative to HUB purchases by the TWC would be on file with the TWC, and would be in accordance with TWC agency purchasing and HUB policies and procedures.

F. For agencies with contracts valued at \$100,000 or more: Does your agency follow a HUB subcontracting plan to solicit bids, proposals, offers, or other applicable expressions of interest for subcontracting opportunities available for contracts of \$100,000 or more? (Texas Government Code, Sec. 2161.252; TAC Title 34, Part 1, rule 20.14)

Not Applicable.

G. For agencies with biennial appropriations exceeding \$10 million, answer the following HUB questions.

Not Applicable.

H. Fill in the chart below detailing your agency's Equal Employment Opportunity (EEO) statistics.¹ See Exhibit 17 Example or [click here to link directly to the example](#).

Texas Workforce Investment Council Exhibit 17: Equal Employment Opportunity Statistics							
FISCAL YEAR 2009							
Job Category	Total Positions	Minority Workforce Percentages					
		Black		Hispanic		Female	
		Agency	Civilian Labor Force %	Agency	Civilian Labor Force %	Agency	Civilian Labor Force %
Officials/Administration	2	0	7.5%	0	21.1%	2	37.5%
Professional	7	0	9.7%	1	18.8%	5	53.3%
Technical	0	0	13.9%	0	27.7%	0	53.9%
Administrative Support	3	0	12.7%	1	31.9%	2	67.1%
Service Maintenance	0	0	14.1%	0	49.9%	0	39.1%
Skilled Craft	0	0	6.6%	0	46.3%	0	6.0%

¹ The Service/Maintenance category includes three distinct occupational categories: Service/Maintenance, Para-Professionals, and Protective Services. Protective Service Workers and Para-Professionals are no longer reported as separate groups. Please submit the combined Service/Maintenance category totals, if available.

FISCAL YEAR 2010							
Job Category	Total Positions	Minority Workforce Percentages					
		Black		Hispanic		Female	
		Agency	Civilian Labor Force %	Agency	Civilian Labor Force %	Agency	Civilian Labor Force %
Officials/Administration	2	0	7.5%	0	21.1%	2	37.5%
Professional	7	0	9.7%	1	18.8%	4	53.3%
Technical	0	0	13.9%	0	27.7%	0	53.9%
Administrative Support	3	0	12.7%	1	31.9%	2	67.1%
Service/Maintenance	0	0	14.1%	0	49.9%	0	39.1%
Skilled Craft	0	0	6.6%	0	46.3%	0	6.0%
FISCAL YEAR 2011							
Job Category	Total Positions	Minority Workforce Percentages					
		Black		Hispanic		Female	
		Agency	Civilian Labor Force %	Agency	Civilian Labor Force %	Agency	Civilian Labor Force %
Officials/Administration	1	0	8.99%	0	19.5%	1	39.4%
Professional	7	0	11.33%	1	17.4%	4	59.14%
Technical	0	0	14.16%	0	21.63%	0	41.47%
Administrative Support	3	0	13.57%	1	30.53%	2	65.52%
Service/Maintenance	0	0	14.68%	0	48.18%	0	40.79%
Skilled Craft	0	0	6.35%	0	47.44%	0	4.19%

I. Does your agency have an equal employment opportunity policy? How does your agency address performance shortfalls related to the policy?

In 1995, with the passage of HB 1863, the Texas Legislature attached the Council to the Office of the Governor (Office) for fiscal as well as administrative policy/procedural arrangements. Since the enactment of that bill, the Council no longer has agency status. Texas Government Code, Chapter 2308.060(c), requires that the executive director of the Council adopt the administrative and personnel procedures of the Council's fiscal agent. Consistent with that requirement, the Council adheres to the personnel policies of the Office of the Governor for its selection and hiring actions. These actions must comply with the Office's EEO policy, as well as policies on sexual harassment and other human resource management laws.

The director, Human Resources Office of the Governor, is the person who is responsible for addressing performance shortfalls related to EEO. All actions taken in addressing shortfalls must be in compliance with all other Office policies and procedures related to personnel matters.

XII. Agency Comments

Provide any additional information needed to gain a preliminary understanding of your agency.

None Submitted.

ATTACHMENTS

Create a separate file and label each attachment (e.g., Attachment 1, Agency Statue) and include a list of items submitted.

Please see the Table of Contents for the location of each attachment, each of which is bookmarked.

Attachments Relating to Key Functions, Powers, and Duties
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1. Agency's enabling statute.

The Council's enabling statute is codified in Texas Government Code 2308 and is included.

2. Annual report published by the agency from FY 2008 – 2012.

The Texas Workforce Investment Council is not an agency and is therefore not required to publish agency annual reports. However, in order to apprise the Governor and the Legislature of activities undertaken by the Council, it publishes a report on its fiscal year activities. Those annual reports are attached.

3. Internal or external newsletters published by the agency from FY 2011 – 2012.

- Apprenticeship Project Leadership Team Quarterly Report
- Policy News Highlights
- System Integration Technical Advisory Committee Quarterly Report

4. List of publications and brochures describing the agency.

A list of publications relating to the Council is attached. Also attached is an information flyer on the Council and its work.

5. List of reports that the agency is required to do by legislation or riders.

This attachment specifies the Council's statutory reporting requirements and the reports and research that the Council produces to meet those requirements

6. List of legislative or interagency studies relating to the agency that are being performed during the current interim.

Not Applicable. The 83rd Texas Legislature did not charge any entity or the Council with undertaking any studies.

7. List of studies from other states, the federal government, or national groups/associations that relate to or affect the agency or agencies with similar duties or functions.

An annotated list of studies related to the role and functions of state and local workforce investment boards, service delivery, and system integration is attached.

Attachments Relating to Policymaking Structure

8. Biographical information (e.g, education, employment, affiliations, and honors) or resumes of all policymaking body members.
 - Members' biographies
 - Geographic distribution map
9. Agency's most recent rules.
 - Texas Administrative Code, Title 40, Part 22, Chapter 901.1 - Procedures for Considering Redesignation of Workforce Development Areas
 - Texas Administrative Code, Title 40, Part 22, Chapter 901.2 - Appeal of Decision on Designation or Redesignation

Attachments Relating to Funding

10. Agency's Legislative Appropriations Request for FY 2014 – 2015.

The Council does not receive direct appropriations, and therefore does not have a LAR. As previously noted, HB 1863 74th Texas Legislature, removed agency status from the Council and attached it to the Office of the Governor for fiscal purposes. Texas Government Code, Chapter 2308.065(b) requires that Council operational funding to be borne by member agencies.

The Council receives financial support through budget contributions from member agencies. A signed copy of the current Memorandum of Understanding with the Texas Workforce Commission, the Texas Education Agency, the Texas Higher Education Coordinating Board, the Texas Health and Human Services Commission, and the Office of the Governor, is included. A funding formula information sheet is also attached.

11. Annual financial reports from FY 2010 – 2012.

The Council is not required to report annual financial data as it is not an agency and therefore no attachment is included. Member agencies and the Office of the Governor include budget and expenditure information for Council operations in their respective agency financial reports. However, the Council tracks annual budget and expenditure amounts, percentages, and patterns carefully and can provide this data if requested.

12. Operating budgets from FY 2011 – 2013.
 - FY 2011 Budget
 - FY 2012 Budget
 - FY 2013 Budget

Attachments Relating to Organization

13. If applicable, a map to illustrate the regional boundaries, headquarters location, and field or regional office locations.

Not applicable and therefore no attachment is included.

Attachments Relating to Agency Performance Evaluation

14. Quarterly performance reports completed by the agency in FY 2010 – 2012.

Not applicable and therefore no attachment is included.

15. Any recent studies on the agency or any of its functions conducted by outside management consultants or academic institutions.

Not applicable and therefore no attachment is included.

16. Agency's current internal audit plan.

A copy of the Office of the Governor's internal audit plan is attached. The Council is attached to the Office of the Governor for administrative and fiscal purposes, as noted in Texas Government Code.

17. Agency's current strategic plan.

Not applicable and therefore no attachment is included.

18. Internal audit reports from FY 2009 – 2013 completed by or in progress at the agency.

Copies of the Council's last four audits are attached. The division of internal audit in the Office of the Governor performed the audit. The Council is attached to the Office of the Governor for administrative and fiscal purposes, as noted in Texas Government Code.

- FY 2009 Office of the Governor Risk Assessment Questionnaire
- FY 2010 Office of the Governor Risk Assessment Questionnaire
- FY 2011 Office of the Governor Risk Assessment Questionnaire
- FY 2012 Office of the Governor Risk Assessment Questionnaire

19. List of State Auditor reports from FY 2009 – 2013 that relate to the agency or any of its functions.

Not applicable and therefore no attachment is included.

20. Any customer service surveys conducted by or for your agency in FY 2012.

Not applicable and therefore no attachment is included.

21. Council Annual Work Plan FY 2013.

A copy of the Council's FY 2013 work plan is attached. This work plan is linked to the budget, planning, and performance evaluation information presented in the body of the SER.

22. A list of Council publications, studies and reports.

23. Texas Skill Standards Board

Information related to the Texas Skill Standards Board is attached. Texas Government Code Section 2308.403 requires the Council to staff the Texas Skill Standards Board, which is a separate advisory board with 11 members appointed by the Governor.

XIII. Attachments

2013 Self Evaluation Report
Texas Workforce Investment Council

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Attachment 1

Council's Enabling Statute

2013 Self Evaluation Report
Texas Workforce Investment Council

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GOVERNMENT CODE

TITLE 10. GENERAL GOVERNMENT

SUBTITLE G. ECONOMIC DEVELOPMENT PROGRAMS INVOLVING BOTH STATE
AND LOCAL GOVERNMENTS

CHAPTER 2308. WORKFORCE INVESTMENT ACT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 2308.001. SHORT TITLE. This chapter may be cited as the Workforce Investment Act.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995. Amended by Acts 2003, 78th Leg., ch. 818, Sec. 1.02, eff. Sept. 1, 2003.

Sec. 2308.002. DEFINITIONS. In this chapter:

(1) "Council" means the Texas Workforce Investment Council.

(2) "Division" means the division of workforce development of the Texas Workforce Commission.

(3) "Local labor market" means an economically integrated geographical area within which individuals may reside and find employment within a reasonable distance.

(4) "Workforce development" includes workforce education and workforce training and services.

(5) "Workforce education" means articulated career-path programs and the constituent courses of those programs that lead to initial or continuing licensing or certification or associate degree-level accreditation and that:

(A) are subject to:

(i) initial and ongoing state approval or regional or specialized accreditation;

(ii) a formal state evaluation that provides the basis for program continuation or termination;

(iii) state accountability and performance standards; and

(iv) a regional or statewide documentation of the market demand for labor according to employers' needs; or

(B) are subject to approval by the Texas Higher Education Coordinating Board as adult vocational or continuing education courses.

(6) "Workforce training and services" means training and services programs that are not workforce education.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 165, Sec. 19.01(a), eff. Sept. 1, 1997; Acts 2003, 78th Leg., ch. 818, Sec. 1.03, eff. Sept. 1, 2003.

Sec. 2308.003. CONTRACTING FOR PRIVATE SERVICES NOT RESTRICTED. This chapter does not restrict a person's authority to contract for the provision of workforce development without state or federal funds.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995.

Sec. 2308.004. PROGRAM YEAR. Under this chapter, a program year begins on July 1 and ends on June 30 unless otherwise specified under appropriate state or federal law.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995. Amended by Acts 1999, 76th Leg., ch. 1472, Sec. 1, eff. Sept. 1, 1999.

Sec. 2308.005. APPLICATION OF SUNSET ACT. The Texas Workforce Investment Council is subject to Chapter 325 (Texas Sunset Act). Unless continued in existence as provided by that chapter, the council is abolished September 1, 2015.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 165, Sec. 19.02(a), eff. Sept. 1, 1997; Acts 1997, 75th Leg., ch. 1169, Sec. 2.06, eff. Sept. 1, 1997; Acts 2003, 78th Leg., ch. 818, Sec. 1.04, eff. Sept. 1, 2003.

Sec. 2308.006. APPLICATION OF PRIOR LAW. (a) If a change in law made by House Bill 3431, Acts of the 76th Legislature, Regular Session, 1999, would have the effect of invalidating an exemption granted under the Workforce Investment Act of 1998 (Pub. L. No. 105-220), the Texas Workforce Investment Council may not operate under that change in law but, instead, shall operate under the law as it existed before September 1, 1999.

(b) A change in law described by Subsection (a) of this section does not affect other related provisions or applications of a statute that can be given effect without that change in law, and to this end those other provisions and applications of the statute shall be given effect.

Added by Acts 1999, 76th Leg., ch. 1472, Sec. 2, eff. Sept. 1, 1999. Amended by Acts 2003, 78th Leg., ch. 818, Sec. 1.05, eff. Sept. 1, 2003.

SUBCHAPTER B. COUNCIL MEMBERSHIP AND ADMINISTRATION

Sec. 2308.051. COUNCIL. (a) The council acts as a state human resource investment council under the Job Training Reform Amendments of 1992 (29 U.S.C. Section 1792 et seq.) and as a state workforce investment board under the Workforce Investment Act of 1998 (Pub. L. No. 105-220).

(b) The council is attached for administrative purposes to the office of the governor.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 165, Sec.

19.03(a), eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 1472, Sec. 3, eff. Sept. 1, 1999.

Sec. 2308.052. MEMBERSHIP. (a) The governor shall appoint the members of the council as provided by this section.

(b) The council is composed of:

(1) three voting members who represent education, one of whom represents local public education, one of whom represents public postsecondary education, and one of whom represents vocational education;

(2) five voting members who represent organized labor appointed from recommendations made by recognized labor organizations;

(3) five voting members who represent business and industry, including business members serving on local workforce development boards or private industry councils;

(4) one voting member who represents community-based organizations; and

(5) the following ex officio voting members:

(A) the commissioner of education;

(B) the commissioner of higher education;

(C) the commissioner of human services;

(D) the executive director of the Texas Department of Economic Development; and

(E) the executive director of the Texas Workforce Commission.

(c) The membership of the council must represent the geographic diversity of this state.

(d) A member of the council who represents a community-based organization may not be a provider of services.

(e) Appointments to the council shall be made without regard to the race, color, disability, sex, religion, age, or national origin of the appointees.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 165, Sec.

19.04(a), eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 1472, Sec. 4, eff. Sept. 1, 1999; Acts 2003, 78th Leg., ch. 818, Sec. 2.01, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 1170, Sec. 48.01, eff. Sept. 1, 2003.

Sec. 2308.053. PRESIDING OFFICER. (a) The governor shall designate one of the business or labor representatives on the council as the presiding officer of the council to serve in that capacity at the pleasure of the governor.

(b) The presiding officer of the council shall designate a member of the council as assistant presiding officer to preside in the absence of the presiding officer.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995. Amended by Acts 2003, 78th Leg., ch. 818, Sec. 2.02, eff. Sept. 1, 2003.

Sec. 2308.054. TERMS. (a) A member of the council who does not serve as an ex officio member serves a six-year term. Approximately one-third of these members' terms expire in each odd-numbered year.

(b) An ex officio member serves as a member of the council as long as the member continues to serve in the designated office.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995. Amended by Acts 2003, 78th Leg., ch. 818, Sec. 2.03, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 1170, Sec. 48.02, eff. Sept. 1, 2003.

Sec. 2308.055. DESIGNATED REPLACEMENTS. (a) A member of the council may designate another person to attend a meeting for the member.

(b) The designated person may participate in the activities and discussions of the council but may not vote.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995.

Sec. 2308.056. GROUND FOR REMOVAL. (a) It is a ground for removal from the council that a member who is not an ex officio member:

(1) does not have at the time of appointment the qualifications required by Section 2308.052;

(2) does not maintain during service on the council the qualifications required by Section 2308.052;

(3) cannot, because of illness or disability, discharge the member's duties for a substantial part of the member's term;

(4) is absent from more than one-fourth of the regularly scheduled council meetings that the member is eligible to attend during a calendar year without an excuse approved by a majority vote of the council's members; or

(5) is absent from two consecutive council meetings for which the member received notice not less than 48 hours before the time of the meeting.

(b) The validity of an action of the council is not affected by the fact that it is taken when a ground for removal of a council member exists.

(c) If the executive director has knowledge that a potential ground for removal exists, the executive director shall notify the presiding officer of the council of the ground. The presiding officer shall then notify the governor and the attorney general that a potential ground for removal exists. If the potential ground for removal involves the presiding officer, the executive director shall notify the next highest ranking officer of the council, who shall then notify the governor and the attorney general that a potential ground for removal exists.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995. Amended by Acts 2003, 78th Leg., ch. 818, Sec. 2.04, eff. Sept. 1, 2003.

Sec. 2308.057. MEETINGS. The council shall meet at least quarterly and at other times at the call of the presiding officer or as provided by rules adopted by the council.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995.

Sec. 2308.058. SUBCOMMITTEES; TECHNICAL ADVISORY COMMITTEES. (a) The presiding officer of the council may appoint subcommittees consisting of members of the council for any purpose consistent with the duties and responsibilities of the council under this chapter.

(b) The presiding officer of the council may appoint technical advisory committees composed of council members, persons who are not council members, or both members and nonmembers.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995.

Sec. 2308.059. FISCAL AGENT. The office of the governor shall serve as the council's fiscal agent.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 165, Sec. 19.05, eff. Sept. 1, 1997.

Sec. 2308.060. EXECUTIVE DIRECTOR. (a) The presiding officer of the council shall appoint an executive director of the council.

(b) The executive director shall:

- (1) report to the presiding officer of the council;
- (2) perform duties assigned by the council and under state law;
- (3) administer the daily operations of the council;

(4) appoint officers, accountants, attorneys, experts, and other employees for the council and assign duties for these employees to perform the council's powers and duties under this chapter; and

(5) delegate authority to persons appointed under this section as the executive director considers to be reasonable and proper for the effective administration of the council.

(c) The executive director shall adopt the administrative and personnel procedures of the council's fiscal agent.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 165, Sec. 19.06(a), eff. Sept. 1, 1997.

Sec. 2308.061. STAFF. (a) The council shall have an independent staff with expertise sufficient to perform all duties and responsibilities of the council.

(b) The staff may be supplemented by staff from other state agencies who are temporarily assigned to assist with special projects.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995.

Sec. 2308.065. FUNDING. (a) Federal funding for the operation of the council shall be allocated according to federal requirements.

(b) A state agency represented on the council shall provide funds for the support of the council in proportion to the agency's financial participation in the workforce development system. The council, with the governor's approval, shall establish a funding formula to determine the level of support each agency must provide.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995. Amended by Acts 2001, 77th Leg., ch. 704, Sec. 1, eff. Sept. 1, 2001.

SUBCHAPTER C. COUNCIL DUTIES AND POWERS

Sec. 2308.101. GENERAL DUTIES. (a) The council shall:

- (1) promote the development of a well-educated, highly skilled workforce in this state;
- (2) advocate the development of an integrated workforce development system to provide quality services addressing the needs of business and workers in this state;
- (3) recommend to the governor the designation or redesignation of workforce development areas for the local planning and delivery of workforce development;
- (4) identify and recommend to the governor incentives to encourage the consolidation, on a regional labor market basis, of:
 - (A) local boards, councils, and committees; and
 - (B) service delivery areas authorized under federal workforce legislation;
- (5) review plans for local workforce development and make recommendations to the governor for approval;
- (6) evaluate the effectiveness of the workforce development system;
- (7) use the administrative records of the state's unemployment compensation program and other sources as appropriate in evaluating the workforce development system;
- (8) encourage, support, or develop research and demonstration projects designed to develop new programs and approaches to service delivery;
- (9) recommend measures to ensure that occupational skills training is:
 - (A) provided in occupations that are locally in demand; and

(B) directed toward high-skill and high-wage jobs;

(10) monitor the operation of the state's workforce development system to assess the degree to which the system is effective in achieving state and local goals and objectives;

(11) develop and recommend to the governor criteria for the establishment of local workforce development boards;

(12) carry out the federal and state duties and responsibilities of advisory councils under applicable federal and state workforce development laws or regulations;

(13) report periodically to the governor and the legislature; and

(14) provide annual reports to the governor and the legislature, including an annual report analyzing work development programs that focus on welfare to work initiatives.

(b) The council shall provide the information required to be reported under Subsections (a)(13) and (14) and Section 2308.104(a) to the Texas Workforce Commission. The Texas Workforce Commission shall include information provided under this subsection that relates to the administration and operation of the state's workforce development system with other information the commission provides to the public on the Internet.

(c) The members of the council shall develop and implement policies that:

(1) clearly separate:

(A) the policy-making responsibilities of the members of the council; and

(B) the management responsibilities of the executive director and the staff of the council; and

(2) provide the public with a reasonable opportunity to appear before the council and to speak on any issue under the jurisdiction of the council.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 165, Sec.

19.07(a), eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 1472, Sec. 5, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 704, Sec. 2, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 818, Sec. 3.01, eff. Sept. 1, 2003.

Sec. 2308.1015. DUTY TO FACILITATE DELIVERY OF INTEGRATED WORKFORCE SERVICES. (a) To facilitate the seamless delivery of integrated workforce services in this state, the council shall:

(1) evaluate programs administered by agencies represented on the council to identify:

(A) any duplication of or gaps in the services provided by those programs; and

(B) any other problems that adversely affect the seamless delivery of those services; and

(2) develop and implement immediate and long-range strategies to address problems identified by the council under Subdivision (1).

(b) The council shall include in the council's annual report to the governor and to the legislature:

(1) a list of specific problems identified by the council under Subsection (a) to be addressed by the council in the following year; and

(2) the results of any measures taken by the council to address problems identified by the council under Subsection (a).

(c) The long-range strategies developed by the council under Subsection (a) must:

(1) identify each agency represented on the council that is responsible for implementing each strategy; and

(2) include a time frame for the implementation of each strategy.

Added by Acts 2003, 78th Leg., ch. 818, Sec. 3.02, eff. Sept. 1, 2003.

Sec. 2308.1016. DUTY TO FACILITATE DELIVERY OF INTEGRATED ADULT EDUCATION AND LITERACY SERVICES. (a) In addition to any duty imposed under this subchapter, to facilitate the efficient delivery of integrated adult education and literacy services in this state, the council shall:

(1) evaluate adult education and literacy programs administered by the Texas Education Agency and the Texas Workforce Commission to identify:

(A) any duplication of planning by those agencies at the state and local level;

(B) any lack of adequate client information sharing between those agencies; and

(C) any other problems that adversely affect the delivery of those programs by the agencies;

(2) develop and implement immediate and long-range strategies to address problems identified by the council under Subdivision (1); and

(3) develop a system to monitor and evaluate the wage and employment outcomes of students who participate in the adult education and literacy programs administered by the Texas Education Agency, including students referred to the programs by the Texas Workforce Commission or local workforce development boards, to ensure the effectiveness of the programs in improving the employment-related outcomes of the students.

(b) The council shall include in the council's annual report to the governor and to the legislature:

(1) a list of specific problems identified by the council under Subsection (a) to be addressed by the council in the following year; and

(2) the results of any measures taken by the council to address problems identified by the council under Subsection (a).

(c) The long-range strategies developed by the council under Subsection (a) must:

(1) identify the agency responsible for implementing each strategy; and

(2) include a schedule for the implementation of each strategy.

Acts 2003, 78th Leg., ch. 817, Sec. 5.04, eff. Sept. 1, 2003.

Text of section as amended by Acts 2003, 78th Leg., ch. 110,
Sec. 2

Sec. 2308.102. ASSUMPTION OF DUTIES AND RESPONSIBILITIES.

(a) The council shall assume the duty to:

(1) develop, with the assistance of each appropriate state agency, recommend to the governor, and report to the legislature state plans required by applicable federal law in order for the state to receive federal funds;

(2) make policy recommendations to the governor and the legislature on goals and priorities for formula and discretionary funds for all applicable programs;

(3) participate directly in the development of the state plan for career and technology education, as required by law, and recommend the plan to the Texas Education Agency;

(4) ensure that general revenue funds previously available to the Texas Literacy Council are used to support the efforts of local literacy councils in a manner consistent with the state strategic plan;

(5) recommend to the State Board for Career and Technology Education the division of federal funds between secondary and postsecondary educational agencies under the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. Section 2301 et seq.); and

(6) make recommendations to the Texas Workforce Commission on unemployment insurance issues pertinent to the responsibilities of the council.

(b) The council shall assume the responsibilities assigned to the state advisory council under the following federal laws:

(1) the Job Training Partnership Act (29 U.S.C. Section 1501 et seq.);

- (2) the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. Section 2301 et seq.);
- (3) the Adult Education Act (20 U.S.C. Section 1201 et seq.);
- (4) the Wagner-Peyser Act (29 U.S.C. Section 49 et seq.);
- (5) Part F, Subchapter IV, Social Security Act (42 U.S.C. Section 681 et seq.);
- (6) the employment program established under Section 6(d)(4), Food Stamp Act of 1977 (7 U.S.C. Section 2015(d)(4)); and
- (7) the National Literacy Act of 1991 (20 U.S.C. Section 1201 et seq.).

(c) The council shall assume the responsibilities formerly exercised by the following state advisory councils and committees:

- (1) the State Job Training Coordinating Council;
- (2) the Texas Council on Vocational Education;
- (3) the Texas Literacy Council; and
- (4) the Apprenticeship and Training Advisory Committee.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 165, Sec. 19.08(a), eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 1472, Sec. 6, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 1420, Sec. 9.014(a), eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 110, Sec. 2, eff. Sept. 1, 2003.

Text of section as amended by Acts 2003, 78th Leg., ch. 818,
Sec. 3.03

Sec. 2308.102. ASSUMPTION OF DUTIES AND RESPONSIBILITIES.

(a) The council shall assume the duty to:

- (1) develop, with the assistance of each appropriate state agency, recommend to the governor, and report to the

legislature state plans required by applicable federal law in order for the state to receive federal funds;

(2) make policy recommendations to the governor and the legislature on goals and priorities for formula and discretionary funds for all applicable programs; and

(3) make recommendations to the Texas Workforce Commission on unemployment insurance issues pertinent to the responsibilities of the council.

(b) The council shall assume the responsibilities formerly exercised by the Apprenticeship and Training Advisory Committee.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 165, Sec. 19.08(a), eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 1472, Sec. 6, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 1420, Sec. 9.014(a), eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 818, Sec. 3.03, eff. Sept. 1, 2003.

Sec. 2308.103. ADDITIONAL POWERS AND LIMITATIONS. (a) The council may:

(1) adopt rules essential to the internal functions and duties of the council;

(2) make expenditures, enter into contracts with public, private, and nonprofit organizations or agencies, require reports to be made, conduct investigations, and take other actions necessary or suitable to fulfill the council's duties under this chapter;

(3) delegate to the executive director any power or duty imposed on the council by law, including the authority to make a final order or decision;

(4) provide for the mediation or arbitration of disputes between agencies that perform functions for state and federal programs as provided by this chapter;

(5) accept gifts, grants, and donations of money, goods, or services to be used only to accomplish the council's duties under this chapter; and

(6) share employees with another state agency.

(b) The council may not:

(1) adopt rules related to the operation of workforce development; or

(2) delegate to the executive director the authority to adopt rules.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995.

Sec. 2308.104. STRATEGIC PLAN. (a) The council shall develop and recommend to the governor and report to the legislature a single strategic plan that establishes the framework for the budgeting and operation of the workforce development system, including school to careers and welfare to work components, administered by agencies represented on the council. The council shall annually report to the governor and the legislature on the implementation of the strategic plan.

(b) The council shall engage in strategic planning by selecting or developing two types of performance measures as described by Subsections (c) and (d). To the fullest extent possible, all measures must be selected from those already developed and approved before September 1, 2001, by one or more state agencies that administer workforce programs. The council may develop a new measure only if the council:

(1) identifies a gap in accountability; or

(2) determines that at least one state agency administering a workforce program cannot report under the measures developed and approved before September 1, 2001.

(c) The first type of performance measure consists of formal measures identifying outcomes that are essentially consistent across all workforce programs. Job placement rates, job retention rates, and wage rates may be included among those measures. The council may develop or select not more than five formal measures. The council shall develop or select each formal measure in consultation with the state agencies required

to report under this subsection. Once approved by the governor and the Legislative Budget Board, a formal measure becomes part of the state's performance budget and accounting system and applies to each state agency that administers a workforce program.

(d) The second type of performance measure consists of less formal measures to provide information determined by the council to be essential in development of the strategic plan under this section. Employer participation rates, customer satisfaction levels, and educational attainment may be included among those measures. The council shall develop or select each less formal measure with the approval of the governor and in consultation with the state agencies required to report under this subsection. The Legislative Budget Board shall provide technical assistance to the council to ensure that the measures and associated reporting criteria are consistent with the state's performance budget and accounting system. The council may exempt a state agency that administers a workforce program from any requirement to use a less formal measure.

(e) In addition to the other requirements of this chapter, the strategic plan recommended by the council must recognize and address literacy and basic education as activities that are critical to the well-being of individuals and the state without regard to whether the training and education is directed at preparing an individual for employment.

(f) The council shall include in the strategic plan goals, objectives, and performance measures for the workforce development system that involve programs of all state agencies that administer workforce programs.

(g) On approval of the plan by the governor, an agency administering a workforce program shall use the strategic plan to develop the agency's operational plan.

(h) The council shall include in the strategic plan long-range strategies developed by the council under Section 2308.1015 to facilitate the seamless delivery of integrated workforce services in this state.

(i) The council shall include in the strategic plan the long-range strategies developed by the council under Section 2308.1016 to facilitate the efficient delivery of integrated adult education and literacy services in this state.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 165, Sec. 19.07(b), eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 1472, Sec. 7, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 704, Sec. 3, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 817, Sec. 5.05, eff. Sept. 1, 2003; Acts 2003, 78th Leg., ch. 818, Sec. 3.04, eff. Sept. 1, 2003.

Sec. 2308.105. LOCAL SERVICE INTEGRATION. The governor, with the council and the local workforce development boards, shall:

- (1) identify specific barriers to integrated service delivery at the local level;
- (2) request waivers from federal and state regulations; and
- (3) advocate changes in federal and state laws to promote local service integration.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995.

Sec. 2308.106. DIVISION ASSISTANCE. The division shall assist a local workforce development board in designing effective measures to accomplish the board's responsibilities under Section 2308.302.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 165, Sec. 19.09(a), eff. Sept. 1, 1997.

Sec. 2308.107. COMPLAINTS AGAINST COUNCIL. (a) The council shall maintain a file on each written complaint filed with the council. The file must include:

- (1) the name of the person who filed the complaint;
- (2) the date the complaint is received by the council;
- (3) the subject matter of the complaint;
- (4) the name of each person contacted in relation to the complaint;
- (5) a summary of the results of the review or investigation of the complaint; and
- (6) an explanation of the reason the file was closed, if the council closed the file without taking action other than to investigate the complaint.

(b) The council shall provide to the person filing the complaint and to each person who is a subject of the complaint a copy of the council's policies and procedures relating to complaint investigation and resolution.

(c) The council, at least quarterly until final disposition of the complaint, shall notify the person filing the complaint and each person who is a subject of the complaint of the status of the investigation unless the notice would jeopardize an undercover investigation.

Added by Acts 2003, 78th Leg., ch. 818, Sec. 3.05, eff. Sept. 1, 2003.

Sec. 2308.108. POLICY ON TECHNOLOGICAL SOLUTIONS. The members of the council shall develop and implement a policy requiring the executive director and council employees to research and propose appropriate technological solutions to improve the council's ability to perform its functions. The technological solutions must:

- (1) ensure that:
 - (A) the public is able to easily find information about the council on the Internet; and

(B) persons who want to use the council's services are able to:

(i) interact with the council through the Internet; and

(ii) access any service that can be provided effectively through the Internet;

(2) be cost-effective; and

(3) be developed through the council's planning processes.

Added by Acts 2003, 78th Leg., ch. 818, Sec. 3.05, eff. Sept. 1, 2003.

SUBCHAPTER D. INFORMATION AND TRAINING

Sec. 2308.151. ESTABLISHMENT OF FUNDING FORMULA FOR EVALUATION SYSTEM. The council shall establish, with the approval of the governor, a funding formula to determine the level of support each agency administering a workforce program must provide to operate the automated follow-up and evaluation system administered by the Texas Workforce Commission under Subchapter E, Chapter 302, Labor Code.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995. Amended by Acts 1999, 76th Leg., ch. 1472, Sec. 8, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 704, Sec. 4, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 818, Sec. 4.01, 4.02, 5.01, eff. Sept. 1, 2003.

Sec. 2308.158. COUNCIL TRAINING; STANDARDS OF CONDUCT INFORMATION. (a) A person who is appointed to and qualifies for office as a council member may not vote, deliberate, or be counted as a member in attendance at a meeting of the council until the person completes a training program that complies with this section.

(b) The training program must provide the person with information regarding:

- (1) the legislation that created the council;
- (2) the programs operated by the council;
- (3) the role and functions of the council;
- (4) the rules of the council, with an emphasis on the rules that relate to disciplinary and investigatory authority;
- (5) the current budget for the council;
- (6) the results of the most recent formal audit of the council;
- (7) the requirements of:
 - (A) the open meetings law, Chapter 551;
 - (B) the public information law, Chapter 552;
 - (C) the administrative procedure law, Chapter 2001; and
 - (D) other laws relating to public officials, including conflict-of-interest laws; and
- (8) any applicable ethics policies adopted by the council or the Texas Ethics Commission.

(c) Each council member shall comply with the member training requirements established by any other state agency that is given authority to establish the requirements for the council.

(d) The executive director shall provide to the council's members and employees, as often as necessary, information regarding the requirements for office or employment under this chapter, including information regarding a person's responsibilities under applicable laws relating to standards of conduct for state officers and employees.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995. Amended by Acts 2003, 78th Leg., ch. 818, Sec. 2.05, eff. Sept. 1, 2003.

SUBCHAPTER E. COUNCIL RECOMMENDATIONS AND IMPLEMENTATION BY
STATE AGENCIES

Sec. 2308.201. DEVELOPMENT OF RECOMMENDATIONS. The council shall develop recommendations periodically in each of the council's areas of responsibility and shall submit the recommendations to the governor.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995.

Sec. 2308.202. CONSIDERATION OF RECOMMENDATIONS BY THE GOVERNOR. (a) The governor shall consider the recommendations submitted under this subchapter.

(b) The governor shall approve, disapprove, or modify the recommendations.

(c) The governor shall:

(1) return the recommendations to the council to be forwarded as appropriate; or

(2) forward an approved or modified recommendation without returning the recommendation to the council.

(d) A recommendation that is not approved, disapproved, or modified by the governor before the 60th day after the date the recommendation is submitted shall be considered approved by the governor.

(e) A recommendation that is approved or modified shall be forwarded to the appropriate agency for implementation.

(f) A recommendation that is approved or modified and that requires a change in state or federal law shall be forwarded to the appropriate legislative body for its consideration.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995.

Sec. 2308.203. ACTION BY STATE AGENCIES. (a) A state agency that is responsible for the administration of human resources or workforce development in this state shall implement

a recommendation under this subchapter if the recommendation does not violate a federal or state law.

(b) A state agency shall:

(1) provide requested information to the council in a timely manner;

(2) report on the implementation of the council's recommendations at the time and in the format requested by the council; and

(3) notify the governor, the executive director, and the presiding officer of the council within 30 days if the agency determines that a recommendation cannot be implemented.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 165, Sec. 19.11(a), eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 1472, Sec. 12, eff. Sept. 1, 1999.

Sec. 2308.205. FUND AVAILABILITY AND SERVICES. A state agency represented on the council shall provide to the council and each local workforce development board an estimate of fund availability and services provided by the state agency in each local workforce development area.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995.

Sec. 2308.206. PROVISION OF SERVICES BY STATE AGENCIES. A state agency represented on the council shall, consistent with state and federal law, provide workforce training and services in accordance with the local workforce development plan developed by the local workforce development board and approved by the governor and shall implement rules and policies consistent with the plan.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995.

SUBCHAPTER F. CREATION AND ADMINISTRATION OF LOCAL WORKFORCE
DEVELOPMENT AREAS AND LOCAL WORKFORCE DEVELOPMENT BOARDS

Sec. 2308.251. DEFINITIONS. In this subchapter:

- (1) "Board" means a local workforce development board.
- (2) "Veteran" means a person who:
 - (A) has served in:
 - (i) the army, navy, air force, coast guard, or marine corps of the United States or the United States Public Health Service under 42 U.S.C. Section 201 et seq., as amended;
 - (ii) the state military forces as defined by Section 431.001; or
 - (iii) an auxiliary service of one of those branches of the armed forces; and
 - (B) has been honorably discharged from the branch of the service in which the person served.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995. Amended by Acts 2001, 77th Leg., ch. 1426, Sec. 1, eff. Sept. 1, 2001.

Sec. 2308.2515. APPLICATION OF PRIOR LAW. (a) If a change in law made by House Bill 3480, Acts of the 76th Legislature, Regular Session, 1999, would have the effect of invalidating an exemption granted under the Workforce Investment Act of 1998 (Pub. L. No. 105-220), a local workforce development board may not operate under that change in law but, instead, shall operate under the law as it existed before the effective date of this Act.

(b) A change in law described by Subsection (a) of this section does not affect other related provisions or applications of a statute that can be given effect without that change in law, and to this end those other provisions and applications of the statute shall be given effect.

Added by Acts 1999, 76th Leg., ch. 1103, Sec. 1, eff. Sept. 1, 1999.

Sec. 2308.252. DESIGNATION OF WORKFORCE DEVELOPMENT AREAS.

(a) The governor shall, after receiving the recommendations of the council, publish a proposed designation of local workforce development areas for the planning and delivery of workforce development.

(b) A local workforce development area:

(1) is composed of more than one contiguous unit of general local government that includes at least one county;

(2) is consistent with either a local labor market area, a metropolitan statistical area, one of the 24 substate planning areas, or one of the 10 uniform state service regions; and

(3) is of a size sufficient to have the administrative resources necessary to provide for the effective planning, management, and delivery of workforce development.

(c) Units of general local government, business and labor organizations, and other affected persons and organizations must be given an opportunity to comment on and request revisions to the proposed designation of a workforce development area.

(d) After considering all comments and requests for changes, the governor shall make the final designation of workforce development areas.

(e) The governor may redesignate workforce development areas not more than once every two years. A redesignation must be made not later than four months before the beginning of a program year.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995.

Sec. 2308.253. CREATION OF LOCAL WORKFORCE DEVELOPMENT

BOARDS. (a) The chief elected officials in a workforce

development area may form, in accordance with rules established by the Texas Workforce Commission, a local workforce development board to:

(1) plan and oversee the delivery of workforce training and services; and

(2) evaluate workforce development in the workforce development area.

(b) The authority granted under Subsection (a) does not give a local workforce development board any direct authority or control over workforce funds and programs in its workforce development area, other than programs funded through that board.

(c) Before a local workforce development board may be created, at least three-fourths of the chief elected officials in the workforce development area who represent units of general local government must agree to the creation of the board, including all of the chief elected officials who represent units of general local government that have populations of at least 200,000. The elected officials who agree to the creation of the board must represent at least 75 percent of the population of the workforce development area.

(d) The chief elected officials shall consider the views of all affected local organizations, including private industry councils and quality workforce planning committees, before making a final decision on the formation of a board.

(e) An agreement on the formation of a board must be in writing and must include:

(1) the purpose for the agreement;

(2) the process to be used to select the chief elected official who will act on behalf of the other chief elected officials;

(3) the process to be used to keep the chief elected officials informed regarding local workforce development activities;

(4) the initial size of the board;

(5) how resources allocated to the local workforce development area are to be shared among the parties to the agreement;

(6) the process, consistent with applicable federal and state law, for the appointment of the board members; and

(7) the terms of office of the board members.

(f) In a state planning area in which there is more than one local workforce development area, the quality workforce planning committee of that state planning area shall continue in existence to provide labor market information for the entire state planning area until local workforce development boards are certified in each workforce development area in that state planning area.

(g) The chief elected officials designated under Subsection (c) shall enter into a partnership agreement with the board to:

(1) select the grant recipient and the administrative entity for the local workforce development area; and

(2) determine procedures for the development of the local workforce development plan.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 165, Sec. 19.09(b), 19.12(a), eff. Sept. 1, 1997.

Sec. 2308.254. LIMITATION ON EXERCISE OF BOARD POWERS.

(a) A power or duty granted a board under this chapter may not be exercised in a workforce development area until:

(1) the chief elected officials in that area agree on the establishment of a board as provided by Section 2308.253(c); and

(2) the board is certified by the governor.

(b) A private industry council in an area in which a board is not created or in which the chief elective officers are unable to agree on the establishment of a board may not exercise any of the powers granted a board by this chapter, except for a

power granted under the federal Job Training Partnership Act (29 U.S.C. Section 1501 et seq.).

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 165, Sec. 19.12(b), eff. Sept. 1, 1997.

Sec. 2308.255. APPOINTMENT OF BOARD; LIABILITY OF BOARD MEMBERS. (a) The chief elected officials shall appoint the board.

(b) The appointments must:

(1) be consistent with the local government agreement and applicable federal and state law; and

(2) reflect the ethnic and geographic diversity of the workforce development area.

(c) To provide continuity, the chief elected officials shall consider appointing persons to the local workforce development board who are serving or who have served previously on a private industry council, a quality workforce planning committee, a job service employer committee, and any other entity affected by this chapter.

(d) Board members serve fixed and staggered terms as provided by the local government agreement or applicable federal or state law and may continue to serve until successors are appointed.

(e) A member or former member of a board may not be held personally liable for a claim, damage, loss, or repayment obligation of federal or state funds that arises under this chapter unless the act or omission that causes the claim, damage, loss, or repayment obligation constitutes, on the part of the board member or former board member:

(1) official misconduct;

(2) wilful disregard of the requirements of this chapter; or

(3) gross negligence.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 165, Sec. 19.12(c), (d) eff. Sept. 1, 1997.

Sec. 2308.256. BOARD MEMBERSHIP. (a) A board is composed as follows:

- (1) representatives of the private sector, who:
 - (A) constitute a majority of the membership of the board; and
 - (B) are owners of business concerns, chief executives or chief operating officers of nongovernmental employers, or other private sector executives who have substantial management or policy responsibilities;
- (2) representatives of organized labor and community-based organizations, who constitute not less than 15 percent of the membership of the board; and
- (3) representatives of each of the following:
 - (A) educational agencies, including community colleges and secondary and postsecondary practitioners representing vocational education, that are representative of all educational agencies in the service delivery area;
 - (B) vocational rehabilitation agencies;
 - (C) public assistance agencies;
 - (D) economic development agencies;
 - (E) the public employment service;
 - (F) local literacy councils; and
 - (G) adult basic and continuing education organizations.

(b) Private sector representatives on the board are selected from individuals nominated by general-purpose business organizations that have consulted with and received recommendations from other business organizations in the workforce development area. The nominations and the individuals selected from the nominations must reasonably represent the industrial and demographic composition of the business

community. Not less than one-half of the business and industry representatives must be, if possible, representatives of small businesses, including minority businesses.

(c) The education representatives on the board are selected from individuals nominated by regional or local educational agencies, vocational education institutions, institutions of higher education, including entities offering adult education, and general organizations of the institutions within the workforce development area.

(d) The labor representatives on the board are selected from individuals recommended by recognized state and local labor federations. If a state or local labor federation does not nominate a number of individuals sufficient to meet the labor representation requirements of Subsection (a)(2), individual workers may be included on the council to complete the labor representation.

(e) The remaining members of the board are selected from individuals recommended by interested organizations.

(f) In this section:

(1) "General-purpose business organization" means an organization that admits for membership any for-profit business operating within the workforce development area.

(2) "Small business" means a private, for-profit enterprise that employs not more than 500 employees.

(g) At least one of the members of a board appointed under Subsection (a) must, in addition to the qualifications required for the member under that subsection, have expertise in child care or early childhood education.

(h) At least one of the members of a board appointed under Subsection (a) must be a veteran who:

(1) meets the qualifications required for the member under that subsection; and

(2) serves as a representative on the board for the interests of veterans in the workforce development area.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 340, Sec. 1, eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 1103, Sec. 2, eff. Sept. 1, 1999; Acts 2001, 77th Leg., ch. 1426, Sec. 2, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 1142, Sec. 1, eff. June 20, 2003.

Amended by:

Acts 2005, 79th Leg., Ch. [511](#), Sec. 1, eff. September 1, 2005.

Sec. 2308.257. RECUSAL. (a) A member of a board shall avoid the appearance of conflict of interest by not voting in, or participating in, any decision by the board regarding the provision of services by such member, or any organization which that member directly represents, or on any matter which would provide direct financial benefit to that member, the member's immediate family, or any organization which that member directly represents.

(b) Subsection (a) shall serve as a minimum standard and shall not be construed as to limit the board's authority for more restrictive governance to prevent real and/or apparent conflict of interest.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995. Amended by Acts 2001, 77th Leg., ch. 1004, Sec. 6, eff. Sept. 1, 2001.

Sec. 2308.258. PRESIDING OFFICER. The presiding officer of a board is selected from the members of the board who represent the private sector.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995.

Sec. 2308.259. BOARD COMMITTEES. A board may create committees as needed to carry out its duties and responsibilities.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995.

Sec. 2308.260. TECHNICAL ADVISORY GROUPS. A board may create technical advisory groups composed of both council and noncouncil members to provide assistance to the board.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995.

Sec. 2308.261. CERTIFICATION OF BOARD. (a) The governor shall certify a board on determining that the board's composition is consistent with applicable federal and state law and requirements and meets established state criteria.

(b) The governor shall certify or deny certification not later than the 30th day after the date a certification request is submitted to the governor.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995.

Sec. 2308.262. BUDGET. A board shall adopt a budget for the board that must be included in the local workforce development plan submitted to the division.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 165, Sec. 19.13(a), eff. Sept. 1, 1997.

Sec. 2308.263. APPROVAL OF FISCAL AGENT. (a) The Texas Workforce Commission must approve the fiscal agent selected by a

board before any federal or state workforce development funds may be disbursed to the board.

(b) The commission shall base its approval on an audit of the financial capability of the fiscal agent to ensure that fiscal controls and fund accounting procedures necessary to guarantee the proper disbursement of and accounting for federal and state funds are in place.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 165, Sec. 19.14, eff. Sept. 1, 1997.

Sec. 2308.264. CONTRACTING FOR SERVICE DELIVERY. (a) Except as otherwise provided by this section, a board may not directly provide workforce training or one-stop workforce services.

(b) A board may request from the Texas Workforce Commission a waiver of Subsection (a).

(c) The request for a waiver must include a detailed justification based on the lack of an existing qualified alternative for delivery of workforce training and services in the workforce development area.

(d) If a board receives a waiver to provide workforce training and one-stop workforce services, the evaluation of results and outcomes is provided by the Texas Workforce Commission.

(e) In consultation with local workforce development boards, the Texas Workforce Commission by rule shall establish contracting guidelines for boards under this section, including guidelines designed to:

(1) ensure that each independent contractor that contracts to provide one-stop workforce services under this section has sufficient insurance, bonding, and liability coverage for the overall financial security of one-stop workforce services funds and operations;

(2) prevent potential conflicts of interest between boards and entities that contract with boards under this section; and

(3) ensure that if a board acts as a fiscal agent for an entity that contracts with the board to provide one-stop workforce services, the board does not deliver the services or determine eligibility for the services.

(f) The Texas Workforce Commission shall ensure that each board complies with this section and may approve a local plan under Section 2308.304 only if the plan complies with this section.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995. Amended by Acts 2003, 78th Leg., ch. 817, Sec. 4.01, eff. Sept. 1, 2003.

Amended by:

Acts 2005, 79th Leg., Ch. [1350](#), Sec. 1, eff. June 18, 2005.

Acts 2007, 80th Leg., R.S., Ch. [332](#), Sec. 1, eff. June 15, 2007.

Sec. 2308.265. INCENTIVES AND WAIVERS. (a) A board certified by the governor is eligible for incentives and program waivers to promote and support integrated planning and evaluation of workforce development.

(b) To the extent feasible under federal and state workforce development law, incentives include priority for discretionary funding, including financial incentives for the consolidation of service delivery areas authorized under the federal Job Training Partnership Act (29 U.S.C. Section 1501 et seq.).

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995.

Sec. 2308.266. NONPROFIT STATUS; ABILITY TO SOLICIT FUNDS. (a) A board may apply for and receive a charter as a

private, nonprofit corporation under the laws of this state and may choose to be recognized as a Section 501(c)(3) organization under the Internal Revenue Code of 1986 (26 U.S.C. Section 501(c)(3)).

(b) In addition to receiving funds specified in this chapter, a board may solicit additional funds from other public and private sources.

(c) A board may not solicit or accept money from an entity with which the board contracts for the delivery of services.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995.

Sec. 2308.267. STAFF. (a) A board may employ professional, technical, and support staff to carry out its planning, oversight, and evaluation functions.

(b) A board's staff shall be separate from and independent of any organization providing workforce education or workforce training and services in the workforce development area. A board's staff may not direct or control the staffing of any entity providing one-stop workforce services.

(c) The requirement for separate staffing does not preclude a board from designating a qualified organization to provide staff services to the board if the board:

(1) arranges for independent evaluation of any other workforce services provided by the staffing organization; and
(2) requests and obtains from the Texas Workforce Commission a waiver of the separate staffing requirement and of the requirement under Section 2308.264(a).

(d) A request for a waiver under Subsection (c)(2) must contain a detailed justification for the waiver, including:

- (1) cost-effectiveness;
- (2) prior experience;
- (3) geographic or budgetary considerations; and
- (4) availability of qualified applicants.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 165, Sec. 19.13(b), eff. Sept. 1, 1997; Acts 2003, 78th Leg., ch. 817, Sec. 4.02, eff. Sept. 1, 2003.

Sec. 2308.268. ASSISTANCE AND SANCTIONS FOR NONPERFORMANCE. (a) The council shall provide technical assistance to local workforce development areas that do not meet performance standards established under this chapter and other applicable federal and state law.

(b) If a local workforce development area does not meet performance standards for two consecutive program years, the council shall develop and impose a reorganization plan that may include:

- (1) restructuring the board;
- (2) prohibiting the use of designated service providers, including state agencies; and
- (3) merging the local workforce development area with another area.

(c) If nonperformance is directly attributable to a specific state agency, the council may select an alternative provider.

(d) A local workforce development area that is the subject of a reorganization plan may appeal to the governor to rescind or revise the plan not later than the 30th day after the date of receiving notice of the plan.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995.

Sec. 2308.269. SANCTIONS FOR LACK OF FISCAL ACCOUNTABILITY. If, as a result of financial and compliance audits or for another reason, the Texas Workforce Commission finds a substantial violation of a specific provision of this

chapter or another federal or state law or regulation and corrective action has not been taken, the council shall:

(1) issue a notice of intent to revoke all or part of the affected local plan;

(2) issue a notice of intent to cease immediately reimbursement of local program costs; or

(3) impose a reorganization plan under Section 2308.268 for the local workforce development area.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 165, Sec. 19.15, eff. Sept. 1, 1997.

SUBCHAPTER G. RESPONSIBILITIES AND DUTIES OF LOCAL WORKFORCE DEVELOPMENT BOARDS

Sec. 2308.301. DEFINITIONS. In this subchapter:

(1) "Board" means a local workforce development board.

(2) "Commission" means the Texas Workforce Commission.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995. Amended by Acts 2001, 77th Leg., ch. 1420, Sec. 9.016(a), eff. Sept. 1, 2001.

Sec. 2308.302. RESPONSIBILITY OF BOARD. (a) A board is directly responsible and accountable to the division for the planning and oversight of all workforce training and services and the evaluation of all workforce development programs in the workforce development area. A board shall ensure effective outcomes consistent with statewide goals, objectives, and performance standards approved by the governor.

(b) A board is directly responsible to the division for the operational planning and administration of all workforce

training and services funded through the Texas Workforce Commission to the local area.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 165, Sec. 19.09(c), eff. Sept. 1, 1997.

Sec. 2308.303. BOARD DUTIES. (a) A board shall:

(1) serve as a single point of contact for local businesses to communicate their skill needs and to influence the direction of all workforce development programs in the workforce development area;

(2) serve as a private industry council under the Job Training Partnership Act (29 U.S.C. Section 1501 et seq.);

(3) develop a local plan to address the workforce development needs of the workforce development area that:

(A) is responsive to the goals, objectives, and performance standards established by the governor;

(B) targets services to meet local needs, including the identification of industries and employers likely to employ workers who complete job training programs; and

(C) ensures that the workforce development system, including the educational system, has the flexibility to meet the needs of local businesses;

(4) designate the board or another entity as the board's fiscal agent to be responsible and accountable for the management of all workforce development funds available to the board;

(5) create local career development centers under Section 2308.312;

(6) review plans for workforce education to ensure that the plans address the needs of local businesses and recommend appropriate changes in the delivery of education services;

(7) assume the functions and responsibilities of local workforce development advisory boards, councils, and

committees authorized by federal or state law, including private industry councils, quality workforce planning committees, job service employer committees, and local general vocational program advisory committees;

(8) monitor and evaluate the effectiveness of the career development centers, state agencies and other contractors providing workforce training and services, and vocational and technical education programs operated by local education agencies and institutions of higher education to ensure that performance is consistent with state and local goals and objectives; and

(9) promote cooperation and coordination among public organizations, community organizations, charitable organizations, religious organizations, and private businesses providing workforce development, in a manner consistent with the nondiscrimination principles and safeguards stated in 42 U.S.C. Section 604a.

(b) The board shall ensure that employment services are provided for persons seeking employment in the local workforce development area. The board shall contract with an appropriate entity for the provision of services, or, if all necessary waivers are granted, the board may provide the services directly.

(c) In performing its duties under this section, a board may provide to the division relevant labor market information and information regarding the availability of existing workforce development.

(d) A provider must respond to a change recommended by a board under Subsection (a)(6) not later than the 30th day after the date the provider receives the recommendation.

(e) A board shall educate the public about the plumbing profession and the resources available to employers for the recruitment and training of plumbers as provided by Section 1301.652, Occupations Code.

(f) These educational efforts may be conducted to the extent that the plumbing profession is designated as an occupation in demand by a board.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 165, Sec. 19.09(d), eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 401, Sec. 2, eff. Aug. 30, 1999; Acts 1999, 76th Leg., ch. 1472, Sec. 13, eff. Sept. 1, 1999; Acts 2003, 78th Leg., ch. 819, Sec. 28, eff. Sept. 1, 2003.

Sec. 2308.3035. COMPONENTS OF LOCAL WORKFORCE DEVELOPMENT SYSTEM. The local workforce development system is composed of two major components as follows:

- (1) an employer services component that provides labor market information and services and other services as appropriate to local employers; and
- (2) an integrated service delivery system composed of a network of career development centers that serve the people of this state based on a "one-stop for service" approach and supported by electronic access to comprehensive labor market information.

Added by Acts 1997, 75th Leg., ch. 165, Sec. 19.18(a), eff. Sept. 1, 1997.

Sec. 2308.304. LOCAL PLAN. (a) A board shall adopt a single plan that includes the components specified in this section.

- (b) The plan must include a strategic component that:
 - (1) assesses the labor market needs of the local workforce development area;
 - (2) identifies existing workforce development programs;
 - (3) evaluates the effectiveness of existing programs and services; and

(4) sets broad goals and objectives for all workforce development programs in the local area consistent with statewide goals, objectives, and performance standards.

(c) The plan must include an operational component that specifies how all of the resources available to the local workforce development area from the Texas Workforce Commission will be used to achieve the goals and objectives of the plan for the area. At a minimum, this component must establish:

(1) the goals, objectives, and performance measures to be used in overseeing and evaluating the operation of all workforce training and services;

(2) the segments of the population targeted for various services;

(3) the mix of services to be provided and how those services are to be provided; and

(4) the structure of the local service delivery system.

(d) Program resources included in the operational component are:

(1) job training programs funded under the Job Training Partnership Act (29 U.S.C. Section 1501 et seq.);

(2) postsecondary vocational and technical job training programs that are not part of approved courses or programs that lead to licensing, certification, or an associate degree under Chapters 61, 130, and 135, or Subchapter E, Chapter 88, Education Code;

(3) adult education programs under Subchapter H, Chapter 29, Education Code;

(4) employment services programs;

(5) literacy funds available to the state under the National Literacy Act of 1991 (20 U.S.C. Section 1201 et seq.);

(6) the job opportunities and basic skills program under Part F, Subchapter IV, Social Security Act (42 U.S.C. Section 682); and

(7) the food stamp employment and training program authorized under 7 U.S.C. Section 2015(d).

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 165, Sec. 19.16(a), eff. Sept. 1, 1997.

Sec. 2308.305. USE OF LABOR MARKET INFORMATION SYSTEM. A board shall review, verify, modify, and use local labor market information developed through the state's labor market information system to identify, by occupation, the labor demand by employers in each workforce development area.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 165, Sec. 19.17(a), eff. Sept. 1, 1997.

Sec. 2308.306. REPORT. A board shall periodically provide a report summarizing by occupation the labor demand to:

- (1) each public postsecondary institution providing vocational and technical education; and
- (2) each entity under contract to the board to provide workforce training and services in a workforce development area.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995.

Sec. 2308.307. FILLING EDUCATIONAL NEEDS. (a) If a need in the availability of workforce education is indicated by the labor market information system provided by the board, by a direct request of employers located in the workforce area, or as the result of economic development incentives designed to attract or retain an employer, an institution may apply to the Texas Higher Education Coordinating Board for approval to offer the needed workforce education.

(b) An institution that desires to provide the needed workforce education must apply to the coordinating board not later than the 30th day after the date the need is identified.

(c) The coordinating board shall give immediate priority to the institution's application and shall notify the institution of the board's approval or disapproval not later than the 100th day after the date the application is received.

(d) If more than one institution in a workforce development area applies to provide the needed workforce education, the coordinating board shall select one or more institutions to offer the needed education as provided by Section 61.051, Education Code.

(e) If an institution approved by the coordinating board does not offer the approved workforce education in a timely manner, a board may solicit another qualified provider to apply to the coordinating board to provide needed education to be funded through state-appropriated formula funds.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995.

Sec. 2308.308. PUBLIC COMMUNITY COLLEGE. A public community college shall promptly provide workforce training and services that are requested:

(1) by a board if the need for the training and services is based on the labor market information system available for the area;

(2) by employers located in the college's taxing district when the request is presented directly to the college by the employers or through the board; or

(3) as part of economic development incentives designed to attract or retain an employer, including incentives offered under the skills development fund program under Chapter 303, Labor Code.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 165, Sec. 19.17(b), eff. Sept. 1, 1997.

Amended by:

Acts 2005, 79th Leg., Ch. [1115](#), Sec. 7, eff. June 18, 2005.

Sec. 2308.309. INSTITUTION OF HIGHER EDUCATION. (a) An institution of higher education that has local taxing authority and is governed by a locally elected board of trustees is the primary provider of local workforce training and services that are needed by an employer within the taxing district and funded fully or in part by local funds, except in Cameron, McLennan, and Potter counties, or by technical vocational funds administered by the Texas Higher Education Coordinating Board.

(b) A board shall select another qualified local or statewide provider if the local institution does not promptly provide locally needed workforce training and services.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995.

Sec. 2308.310. CERTAIN EDUCATIONAL SERVICES NOT PROHIBITED. This subchapter does not prohibit an institution of higher education from offering workforce education or workforce training and services that:

(1) are needed by an employer located in the institution's taxing district and that meet all applicable standards; or

(2) have been approved under applicable law and that are reviewed by the Texas Higher Education Coordinating Board.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995.

Sec. 2308.311. LIST OF PUBLICLY FUNDED PROGRAMS AND CLASSES. (a) Each local education agency and public or private postsecondary educational institution shall provide the board in its area a list of all vocational-technical programs and classes the agency or institution offers that are funded by state or federal funds.

(b) A board, with the assistance of the labor demand occupation report, shall evaluate the supply of vocational-technical programs in relation to the demand for the programs and report any discrepancies between supply and demand to the appropriate educational institution, the Central Education Agency, the Texas Higher Education Coordinating Board, the council, and the Legislative Budget Board.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995.

Sec. 2308.312. CAREER DEVELOPMENT CENTERS. (a) A board shall establish career development centers accessible to students, workers, and persons formerly sentenced to the Texas Department of Criminal Justice throughout the workforce development area. The board shall establish the centers not later than the 180th day after the date the board is certified.

(b) Each center shall provide access to information and services available in the workforce development area, including employment services, and shall address the individual needs of students, workers, and persons formerly sentenced to the Texas Department of Criminal Justice.

(c) The services must include:

(1) labor market information, including:

(A) available job openings; and

(B) education and training opportunities in the local area, in the state, and, as feasible, in the nation;

(2) uniform eligibility requirements and application procedures for all workforce training and services;

(3) independent assessment of individual needs and the development of an individual service strategy;

(4) centralized and continuous case management and counseling;

(5) individual referral for services, including basic education, classroom skills training, on-the-job training, and customized training;

(6) support services, including child care assistance, student loans, and other forms of financial assistance required to participate in and complete training; and

(7) job training and employment assistance for persons formerly sentenced to the Texas Department of Criminal Justice, provided in cooperation with Project RIO.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 165, Sec. 19.18(b), eff. Sept. 1, 1997; Acts 1999, 76th Leg., ch. 62, Sec. 8.23(a), eff. Sept. 1, 1999.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. [87](#), Sec. 25.090, eff. September 1, 2009.

Sec. 2308.3121. SERVICE PROVIDER LIMITATION; WAIVER. (a) Except as provided by Subsection (b), a person who provides one-stop services may not also provide developmental services such as basic education and skills training.

(b) The division may develop a waiver process for a person subject to Subsection (a). A request for a waiver must include a detailed justification based on the lack of an existing qualified alternative for delivery of developmental services in the applicable workforce development area.

Added by Acts 1997, 75th Leg., ch. 165, Sec. 19.18(c), eff. Sept. 1, 1997.

Sec. 2308.3122. UNEMPLOYMENT INSURANCE CLAIMS. In cooperation with the boards, the Texas Workforce Commission shall provide for the filing of unemployment insurance claims through career development centers in each local workforce development area.

Added by Acts 1997, 75th Leg., ch. 165, Sec. 19.18(c), eff. Sept. 1, 1997.

Sec. 2308.313. RIGHT TO KNOW. A career development center shall provide to each person, before the person participates in a vocational or technical training program, a document that informs the person of:

- (1) current employment prospects;
- (2) the current wage level for a person who completes the vocational or technical training program in which the person is considering participating; and
- (3) the most recent information available on the performance of institutions that provide that training in the local workforce development area.

Added by Acts 1995, 74th Leg., ch. 76, Sec. 5.81(a), eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 165, Sec. 19.18(d), eff. Sept. 1, 1997.

Sec. 2308.314. TAX ASSISTANCE. (a) The Texas Workforce Commission may provide to individuals who participate in a workforce development program information on the federal earned income tax credit for working families. The commission may assist participants in preparing and filing federal income tax forms to ensure that a participant who is eligible to receive the tax credit obtains the tax credit. The commission may fulfill its duties under this subsection by:

- (1) working in conjunction with the Internal Revenue Service to make each workforce development center a volunteer

income tax assistance site during the two months preceding the date federal income taxes are due; or

(2) using specially trained staff or volunteers to assist in preparing and filing federal income tax forms.

(b) The Texas Workforce Commission may provide information on the federal earned income tax credit to an employer who hires a welfare recipient under a wage supplementation program.

(c) In addition to providing information under Subsection (a) to an individual who participates in a workforce development program, the Texas Workforce Commission may provide the information to any other person who uses services provided through a workforce development center.

(d) In this section:

(1) "Wage supplementation program" means a program under which the state reserves all or part of the amounts that would be payable as benefits to welfare recipients and uses those amounts to provide and subsidize jobs for the recipients.

(2) "Welfare recipient" means a person who receives financial assistance under Chapter 31, Human Resources Code, or food stamps under the food stamp program administered under Chapter 33, Human Resources Code.

Added by Acts 1997, 75th Leg., ch. 1321, Sec. 1, eff. Sept. 1, 1997.

Sec. 2308.315. REIMBURSEMENT RATES FOR CHILD CARE. Each board shall establish graduated reimbursement rates for child care based on the Texas Workforce Commission's designated vendor program. The minimum reimbursement rate for designated vendors must be at least five percent greater than the maximum rate established for nondesignated vendors for the same category of care. The designated vendor rate differential established in this section shall be funded with federal child care development funds dedicated to quality improvement activities.

Added by Acts 1999, 76th Leg., ch. 1576, Sec. 1, eff. Sept. 1, 1999.

Sec. 2308.316. FUNDING OF COMPETITIVE PROCUREMENT PROCESS FOR INFANT AND EARLY CHILDHOOD CHILD CARE. Each board shall allocate a portion of the board's federal child care development funds dedicated to quality improvement activities to a competitive procurement process for a system for quality child care for children under four years of age that encourages child care providers to voluntarily meet the criteria of the Texas Workforce Commission's designated vendor program or national accreditation. In allocating funds under this section, special consideration shall be given to funding child care for children under four years of age in low-income communities. This section may not be interpreted to limit parental choice.

Added by Acts 1999, 76th Leg., ch. 1576, Sec. 1, eff. Sept. 1, 1999.

Sec. 2308.3165. SCOPE OF CHILD CARE SERVICES. In addition to other programs approved by a board or permitted by another law, a child who is otherwise eligible for child care services funded by a board is eligible to receive the services while the child is enrolled in a federal Head Start program or in after-school care provided at a school.

Added by Acts 2001, 77th Leg., ch. 1142, Sec. 1, eff. Sept. 1, 2001.

Sec. 2308.317. EXPENDITURES FOR CERTAIN CHILD CARE QUALITY IMPROVEMENT ACTIVITIES. (a) Notwithstanding any other law, the Texas Workforce Commission shall ensure that, to the extent federal child care development funds dedicated to quality improvement activities are used to improve quality and

availability of child care, those funds are used only for quality child care programs.

(b) For purposes of this section, a quality child care program is a program that:

(1) promotes:

(A) the physical, social, emotional, and intellectual development of young children;

(B) frequent, positive, warm interactions appropriate to a child's age and development; and

(C) regular communication with parents who are welcomed by the program at all times to participate in activities and to observe, discuss, and recommend policies; and

(2) provides:

(A) a healthy, safe, and nurturing environment for young children;

(B) planned learning activities appropriate to a child's age and development;

(C) specially trained child care providers;

(D) a sufficient number of adults to respond to the needs of each child;

(E) a variety of age-appropriate materials;

(F) nutritious meals and snacks;

(G) an effective program administration; and

(H) an ongoing, systematic evaluation process for the program.

Added by Acts 2001, 77th Leg., ch. 1517, Sec. 1, eff. Sept. 1, 2001.

Sec. 2308.3171. INFORMATION ON QUALITY CHILD CARE.

(a) In this section, "quality child-care indicator" means any appropriate indicator of quality services, including whether the provider of the services:

(1) meets the Texas Rising Star Provider criteria described by commission rules;

(2) is accredited by a nationally recognized accrediting organization approved by the commission;

(3) is certified under the school readiness certification system established under Section 29.161, Education Code;

(4) meets standards developed under Section 29.155(g), Education Code; or

(5) has achieved any other measurable target that is relevant to improving the quality of child care in this state and that has been approved by the commission.

(b) Each board shall provide information on quality child-care indicators for each licensed or registered child-care provider in the area.

(c) Each board shall determine the manner in which to provide the information required by this section.

Added by Acts 2011, 82nd Leg., R.S., Ch. [376](#), Sec. 1, eff. September 1, 2011.

Sec. 2308.318. MATCHING FUNDS FOR CHILD CARE SERVICES. For purposes of obtaining federal matching funds for child care services, including after-school care provided at a school or a federal Head Start program, a board shall use money and in-kind services provided by a local school district or local education agency for those services to the extent permitted by federal law.

Added by Acts 2001, 77th Leg., ch. 667, Sec. 1, eff. June 13, 2001. Renumbered from Government Code Sec. 2308.317 by Acts 2003, 78th Leg., ch. 1275, Sec. 2(89), eff. Sept. 1, 2003.

Sec. 2308.319. COLLABORATIVE READING INITIATIVES. The commission shall encourage each local workforce development board to raise an amount of local funds in excess of the amount required to meet performance measures to be used to support collaborative reading initiatives.

Acts 2003, 78th Leg., ch. 817, Sec. 4.03, eff. Sept. 1, 2003.

SUBCHAPTER H. SKILL STANDARDS BOARD

Sec. 2308.401. TEXAS SKILL STANDARDS BOARD. (a) The Texas Skill Standards Board is an advisory board to the governor and the legislature on the development of a statewide system of industry-defined and industry-recognized skill standards and credentials for all major skilled occupations that:

(1) provide strong employment and earnings opportunities in this state; and

(2) require less than a baccalaureate degree.

(b) The skill standards board is composed of 11 members appointed by and serving at the pleasure of the governor. The skill standards board consists of the following members:

(1) seven members who represent business, two of whom must be from business entities that employ fewer than 50 employees;

(2) two members who represent labor;

(3) one member who represents secondary education;

and

(4) one member who represents postsecondary education.

(c) The governor shall appoint the presiding officer of the skill standards board from the members who represent business. The skill standards board shall meet at the call of the presiding officer as often as necessary to accomplish its duties.

(d) A member of the skill standards board is not entitled to compensation for service on the board but is entitled to reimbursement for reasonable expenses incurred in performing duties as a member of the board, subject to any applicable limitation in the General Appropriations Act.

(e) Chapter 2110 does not apply to the skill standards board.

Added by Acts 1997, 75th Leg., ch. 165, Sec. 19.19(a), eff. Sept. 1, 1997.

Sec. 2308.402. DUTIES OF SKILL STANDARDS BOARD. (a) The skill standards board shall:

(1) validate and recognize nationally established skill standards to guide curriculum development, training, assessment, and certification of workforce skills;

(2) convene industry groups to develop skill standards and certification procedures for industries and occupations in which standards have not been established or adopted and recognize the skill standards and certification procedures;

(3) review the standards developed by other states and foreign countries and enter into agreements for mutual recognition of standards and credentials to enhance portability of skills; and

(4) promote the use of standards and credentials among employers.

(b) The skill standards board shall:

(1) report periodically to the governor; and

(2) provide annual reports to the governor, the division, and the legislature.

Added by Acts 1997, 75th Leg., ch. 165, Sec. 19.19(a), eff. Sept. 1, 1997. Amended by Acts 1999, 76th Leg., ch. 1472, Sec. 14, eff. Sept. 1, 1999.

Sec. 2308.403. STAFF SUPPORT. The council shall provide staff support for the Texas Skill Standards Board as necessary.

Added by Acts 1997, 75th Leg., ch. 165, Sec. 19.19(a), eff. Sept. 1, 1997.

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Attachment 2

Annual Reports Published by the Council from FY 2008–2012

2013 Self Evaluation Report
Texas Workforce Investment Council

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The strategic planning, research, and evaluation functions of the Council have proven instrumental in system improvement throughout the implementation of *Advancing Texas*. Increased collaboration among system partners is a hallmark achievement of the Council. Its impact is demonstrated through initiatives that improve outcomes for workforce customers—employers and the current and future workers of Texas—every one of whom are critical to Texas’ economic success. The Council’s work on adult education in Texas over the past year exemplifies how collaboration can facilitate system improvement.

Under Title 10 Texas Government Code Section 2308.1016, the Council is responsible for facilitating the efficient delivery of integrated adult education and literacy services in Texas. The Council is charged with evaluating the adult education and literacy programs administered by TEA and TWC to identify duplication of planning, lack of adequate client information sharing, and other problems that adversely affect the delivery of adult education and literacy programs.

Since 2010, the Council has produced a series of publications to support these collaborations. In June 2012, the Council published a comprehensive research report regarding adult education and literacy providers in Texas, *Results of the 2012 Research and Survey of Adult Education Providers in Texas*. This report provided a comprehensive list of adult education and literacy providers in Texas from which to estimate the demand for services. In developing the report and surveying providers, the Council collaborated with the state demographer, literacy coalitions, and councils. The survey asked providers to respond to questions concerning: types of services offered; numbers served; average student hours completed; locations; and numbers on waiting lists. Surveys were sent to TEA-funded and community-based providers; the 50 percent response rate ensured that results were representative of all providers.

Statewide estimates for 2011 surfaced critical facts about adult education programs delivered by TEA-funded and other community-based literacy organizations, including:

- 208,930 to 224,689 individuals enrolled or attempted to enroll in adult education.
- 182,384 adult and English language students enrolled in a program.
- 26,546 to 42,305 individuals were on a wait list.
- More than half of TEA-funded providers and almost one-third of other providers had a wait list.
- 2,336 sites throughout the state offered adult education, literacy, and language programs.

This research was designed to inform system partners, stakeholders, and policy makers with information about who is providing adult education in Texas, to estimate the eligible population as differentiated from the demand for services, and to bring insight into the next round of competitive funding.

The Council and its member agencies and partners each make unique contributions in the development and implementation of joint initiatives, the sharing of resources, and the development of strategies to promote collaboration. The Council will continue to monitor adult education activities.

Texas workforce system partners collaborate to better align, leverage, and integrate system services to develop a world-class workforce and ensure a higher quality of life for all Texans through educational, employment, and economic success. Eight state agencies, local workforce development boards, community and technical colleges, local adult education providers, and independent school districts actively contribute to statewide programs and those highlighted in this report.

Texas Workforce System Partners and Programs	
<p>Texas Department of Criminal Justice</p> <ul style="list-style-type: none"> • Postsecondary Academic and Technical Education • Windham School District <ul style="list-style-type: none"> –Secondary Academic Education –Secondary Technical Education <p>Texas Education Agency</p> <ul style="list-style-type: none"> • Adult Basic Education and Literacy • Secondary Schools <ul style="list-style-type: none"> –Academic Education –Career and Technical Education <p>Texas Health and Human Services Commission, Department of Assistive and Rehabilitative Services</p> <ul style="list-style-type: none"> • Temporary Assistance for Needy Families • Rehabilitative Services • Services for the Blind or Visually Impaired <p>Texas Higher Education Coordinating Board</p> <ul style="list-style-type: none"> • Community and Technical Colleges <ul style="list-style-type: none"> –Academic Education –Technical Education 	<p>Texas Juvenile Justice Department</p> <ul style="list-style-type: none"> • Secondary Academic Education • Secondary Technical Education <p>Texas Veterans Commission</p> <ul style="list-style-type: none"> • Veterans Employment and Training <p>Texas Workforce Commission</p> <ul style="list-style-type: none"> • Apprenticeship Training, Chapter 133 • Choices Program for TANF Adults • Employment Services (Job Matching) • Self-Sufficiency Fund • Senior Community Service Employment Program • Skills Development Fund • Supplemental Nutrition Assistance • Program Employment and Training services <ul style="list-style-type: none"> –Adult –Dislocated Workers –Youth



The *Program Directory 2012: A Guide to Funding and Programs Related to the Texas Workforce System (2012 Directory)* catalogues into one publication the many programs comprising the Texas workforce system. A companion document to the system strategic plan and the annual evaluation report, it details workforce development programs and related academic programs administered by the state’s workforce system partner agencies. A concise reference for policymakers and stakeholders, the *Directory 2012* is distributed to system partners and stakeholders, and posted on the Council’s website.

**Annual Report
Fiscal Year 2012
September 1, 2011 – August 31, 2012**



About the Council’s Role in the Texas Workforce System

The Texas Workforce Investment Council (Council) was created in 1993 by the Governor and the Texas Legislature to promote the development of a well-educated and highly skilled workforce in Texas. The Council assists the Governor and the Legislature with strategic planning, research, and evaluation to support continuous improvement of the Texas workforce system. In addition to its responsibilities in state law, the Council functions as the State Workforce Investment Board under the federal Workforce Investment Act of 1998. The Council does not operate programs but works to foster collaboration and a systems perspective among its partners and their programs.

The Texas workforce system delivers programs, services, and initiatives administered by eight agencies, local workforce development boards, school districts, community and technical colleges, and local adult education providers. The Council’s eight partner agencies are: Economic Development and Tourism within the Office of the Governor, Texas Department of Criminal Justice, Texas Education Agency (TEA), Texas Health and Human Services Commission and its Department of Rehabilitative Services (HHSC-DARS), Texas Higher Education Coordinating Board (THECB), Texas Juvenile Justice Department, Texas Veterans Commission (TVC), and Texas Workforce Commission (TWC).

There are 19 members on the Council. The Governor appoints 14 members representing business, organized labor, education, and community-based organizations. The remaining five members are ex officio representatives of the Council’s member state agencies.

The Council produces this annual report, which offers highlights of the Council’s work during the past fiscal year (FY). Included in this year’s report is information on the implementation of *Advancing Texas*, the workforce system strategic plan, as well as evaluations of system programs.

Advancing Texas and other Council products referenced in this report are posted on the Council’s website at <http://governor.state.tx.us/twic>.

Implementing Advancing Texas

This year was the third year of the six-year plan period for *Advancing Texas: Strategic Plan for the Texas Workforce System (FY2010 – FY2015) (Advancing Texas)*. The plan outlines 14 long term objectives and a series of action plans for workforce system partners to ensure effective implementation and outcomes.

The Council's System Integration Technical Advisory Committee (SITAC) fosters collaboration and engages executive-level representatives from the eight partner agencies, a member of the Texas Association of Workforce Boards, and a member of the Council's Executive Committee in developing, monitoring, and implementing the action plans and reporting to the Council. FY 2012 progress on the action plans highlights the effectiveness of interagency collaboration through SITAC. Action Plan examples include:

TEA will decrease high school dropout rates by implementing rigorous Career and Technical Education (CTE) as part of the recommended or advanced high school graduation program. CTE programs demonstrate positive impact toward reducing the dropout rate and increasing the number of career and college ready high school graduates. TEA leads progress on this action plan, with achievements that include:

- Adoption of almost 200 rigorous CTE courses, including 18 that meet the graduation requirements for fourth year math and science.
- Access to professional development for the new Texas Essential Knowledge and Skills is being expanded through Project Share.
- Policy and process development for dual credit and credit transfer is in progress, including an independent study of the correlation between dual credit and enrollment, persistence, and completion.
- Nine new Early College High Schools were designated in FY 2012, and a total of 62 innovative high schools currently assist historically underrepresented populations.

TVC will increase employment outcomes for the veteran population.

Veterans are a part of the critical pool of potential employees required by Texas employers. Veterans, who possess a wide range of abilities, can contribute significantly to the civilian workforce. TVC leads progress on this action plan with achievements that include:

- Regional Veterans Business Representatives were hired to increase veteran employment outcomes and annual employer awards were implemented to highlight regional partnerships.
- Processes were developed to review and conduct annual trend analyses to evaluate and improve the service delivery model and facilitate the dissemination of best practices to state, regional, and local staff.

Agency partners will gather data from employer customers at appropriate intervals to determine employer needs and satisfaction. THECB developed an online employer survey system and worked with partners to increase participation. When insufficient survey responses posed a data gap that hindered the ability to assess whether programs and services adequately meet employer needs, THECB worked with the Council to survey community and technical colleges (CTCs). Information on strategies for determining employer satisfaction and the use of that information in institutional planning processes to improve program delivery was collected. Blinn College and Lone Star College System were selected as models of promising practices and formally recognized by the Council.

Evaluating System Progress

The Council closely monitors progress by system partners and, each year, reports on system achievements and the performance outcomes of Texas' workforce system strategic plan, *Advancing Texas*. Published in December 2011, *Evaluation 2011* was the second comprehensive workforce system report under this strategic plan.



Evaluation 2012 has been in development since summer 2012. It includes performance data for 20 workforce programs, as well as five secondary and postsecondary academic education programs. It documents significant accomplishments of system partners during the year, including progress on the strategic plan's long term objectives. In addition, *Evaluation 2012* provides information on local workforce board and adult education activities, and workforce development programs that focus on welfare to work initiatives. Highlights include:

Agency Strategic Plan Alignment – Texas agencies administering workforce programs are required to align their plans with *Advancing Texas*' long term objectives, include formal performance measures, and demonstrate efforts toward coordination and collaboration. The strategic plans, submitted in June and July, were evaluated and results were reported to the Council. The level of detail provided by the agencies varied; however, all outlined the key actions, strategies, and anticipated outcomes to be achieved during the plan period.

Enhancing employment opportunities for English language learners and those populations requiring workplace literacy skills – TEA, THECB, and TWC demonstrated increased effectiveness in training these populations by integrating literacy instruction with occupational skills acquisition. The pilots fit within existing funding and document student activities in both adult education and workforce training. Pilot results are preliminary, yet promising. The adult education pilots have been extended for an additional year.

Apprenticeship – The Council's Apprenticeship Project Leadership Team assisted with the implementation of an action plan to demonstrate flexibility and expand the apprenticeship programs to address employer demand for skilled workers in middle-skill occupations. The five project partners included representatives from the allied healthcare, information technology, electrical construction, and energy industries.

Use of Employment Data for Program Improvement – Partner agencies continue efforts to ensure employer satisfaction with system programs and services, as well as to use data to improve services. HHSC-DARS is implementing a custom cloud-based data system, DARSforce, to facilitate positive employment placement practices and improve services. It will incorporate the department's employer survey.

Education and training programs to ensure regional workforce skills supply – CTCs are a primary source for training the workforce supply for middle-skill jobs. To ensure Texas programs meet the skill expectations of employers, TWC and THECB are developing a web-based tool that allows regional system partners to assess workforce supply and demand and align education and training programs with occupational skill requirements.

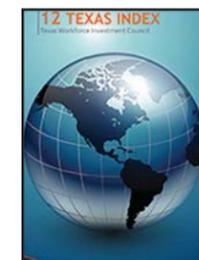
The Council supports system planning and evaluation functions and communicates with system partners through a suite of research products and news updates that are distributed to members, system partners, workforce stakeholders, and are publically available on the website.



Results of the 2012 Research and Survey of Adult Education Providers in Texas follows *A Primer on Adult Education in Texas* (2010) and the subsequent companion papers. The research contained in this report focuses on the development of a comprehensive list of adult education/literacy providers in Texas and the estimation of the delivery of programs to address the statewide need for adult education. This report supported the work of the Texas Interagency Literacy Council.



Apprenticeship in Texas for the 21st Century is an informational brochure that provides Texas apprenticeship information and resources for those interested in registered apprenticeship. Published biennially by the Council's Apprenticeship and Training Advisory Committee, the brochure promotes the value of a registered apprenticeship program and its four components: on-the-job learning, related instruction, mentoring, and incremental wage increases.



Texas Index is an annual report that provides trend data for a series of indicators that show the state's general workforce, education, and economic health. The *Texas Index* is organized in four domains: Training and Education, Research and Development, Market Composition and Characteristics, and Participant Access and Contribution. Thirty-eight indicators illustrate advances and challenges facing the Texas workforce system.

The Council's primary products include the strategic plan for the workforce system, evaluation reports and resource publications, reports on critical emerging issues, and recommendations to the Governor. In addition, a series of communication pieces that support the work of workforce system partners are published quarterly.

- **SITAC Quarterly Report** details recent implementation updates and activities by system partners for the Council's SITAC, which oversees implementation of the workforce system strategic plan.
- **Policy News Highlights** offers a quarterly review of selected reports relevant to the policy and research functions of the Council. Through abbreviated summaries of recent publications, the newsletter provides a quick overview of current topics, trends and issues affecting the workforce and the workforce system.
- **Legislative Updates** informs readers about emerging federal legislation and policy related to the Texas workforce system and the Council's partner agencies.

Expanding Registered Apprenticeship - Council Activities

In developing *Advancing Texas*, the Council noted the impending shortage of skilled workers as a priority issue for the state workforce system. Therefore, one of the plan's objectives focuses on expanding registered apprenticeship as a strategy to address employer demand for skilled workers in Texas. **Its goal is to design and implement pilot programs demonstrating the flexibility of the traditional apprenticeship model by 2012. A further goal is to expand and replicate the model to new occupations, where appropriate, by 2015.**

The Council has outlined five phases for implementing this objective and charged its Executive Committee with oversight:

Phase 1: Form a Statewide Apprenticeship Project Leadership Team to facilitate implementation. The Council Chair appointed a leadership team, which conducted a search for potential projects in high-growth industries.

Phase 2: Identify Projects. The leadership team identified projects and made recommendations to the Executive Committee, which approved the following:

- **Community Health Worker** – the Coastal Area Health Education Center is training individuals from within communities to serve as liaisons between their citizens and local health and social services. The U.S. Department of Labor (DOL) recognized this apprenticeship in July 2010.
- **Comprehensive-National Electrician Solar Training** – the Austin Electrical Joint Apprenticeship Training Committee, the Capital Area Workforce Board and ImagineSolar provide training for new and incumbent electrical workers for solar construction projects in Central Texas.
- **Health Information Technology** – the Dallas-Fort Worth Hospital Council Education and Research Foundation trains workers in health information technology to implement systems that use electronic health records.
- **Information Technology** – New Horizons Computer Learning Centers trains workers for various IT positions. IT Project Manager and Computer Support Specialist occupational standards were submitted to DOL for approval in FY 2011.
- **Electrical Pre-Apprenticeship, Distance Learning and Outreach** – the Independent Electrical Contractors of Texas incorporates distance learning into its apprenticeship program as a new method of program delivery.

Phase 3: Seek Funding to Support Projects. Projects will seek federal, state and private funding to support themselves. The leadership team will assist in identifying opportunities as needed.

Phase 4: Implement and Evaluate Projects. With project selection complete, the leadership team's role has changed to providing support and technical assistance, identifying resources, and monitoring progress. A reporting schedule is in place, with updates made to the Council quarterly.

Phase 5: Replicate Successful Projects. The Council will publish a report on the projects and make recommendations for successful replication by 2015.

Partners and Programs

The Texas workforce system is comprised of a number of programs, services and initiatives administered by eight state agencies, local workforce development boards, community and technical colleges, local adult education providers and independent school districts. By delivering programs that assist Texas' current and future workers to secure competitive and sustainable employment, system partners serve a critical role in the development of a world-class workforce that enjoys a higher quality of life through educational, employment and economic success. The table below shows the partners and primary supporting programs that make up the Texas workforce system:

Texas Workforce System - Partners and Programs	
<p>Texas Department of Criminal Justice</p> <ul style="list-style-type: none"> • Postsecondary Academic and Technical Education • Windham School District <ul style="list-style-type: none"> –Secondary Academic Education –Secondary Technical Education <p>Texas Education Agency</p> <ul style="list-style-type: none"> • Adult Basic Education and Literacy • Secondary Schools <ul style="list-style-type: none"> –Academic Education –Career and Technical Education <p>Texas Health and Human Services Commission</p> <ul style="list-style-type: none"> • Temporary Assistance for Needy Families <p>Department of Assistive and Rehabilitative Services</p> <ul style="list-style-type: none"> • Rehabilitative services • Services for the blind or visually impaired <p>Texas Higher Education Coordinating Board</p> <ul style="list-style-type: none"> • Community and Technical Colleges <ul style="list-style-type: none"> –Academic Education –Technical Education 	<p>Texas Veterans Commission</p> <ul style="list-style-type: none"> • Veterans Employment and Training <p>Texas Workforce Commission</p> <ul style="list-style-type: none"> • Apprenticeship Training, Chapter 133 • Choices Program for TANF Adults • Employment Services (Job Matching) • Project RIO (Re-Integration of Offenders) • Self-Sufficiency Fund • Senior Community Service Employment Program • Skills Development Fund • Supplemental Nutrition Assistance Program Employment and Training • Trade Adjustment Assistance/NAFTA • Workforce Investment Act, Title I-B, employment and training services <ul style="list-style-type: none"> –Adult –Dislocated Workers –Youth <p>Texas Youth Commission</p> <ul style="list-style-type: none"> • Secondary Academic Education • Secondary Technical Education



The *Texas Workforce System Program Directory 2011 (Directory 2011)* catalogues the many programs comprising the Texas workforce system in one publication. It details the 20 workforce development programs and five related academic programs administered by the State's workforce system partner agencies. *Directory 2011* is a companion document to the Council's system strategic plan, as well as its annual evaluation report. A concise reference for policymakers and stakeholders, the *Directory 2011* is distributed to system partners and stakeholders, and posted on the Council's website.

Annual Report

Fiscal Year 2011

September 1, 2010 - August 31, 2011



About the Council's Role in the Texas Workforce System

The Texas Workforce Investment Council (Council) was created in 1993 by the Governor and the Texas Legislature to promote the development of a well-educated and highly skilled workforce in Texas. The Council assists the Governor and the Legislature with strategic planning, research and evaluation for the Texas workforce system. In addition to its responsibilities in state law, the Council functions as the State Workforce Investment Board under the federal Workforce Investment Act of 1998. The Council does not operate programs but works to foster collaboration among its partners and their programs. It also conducts planning, evaluation and research to support continuous improvement of the system.

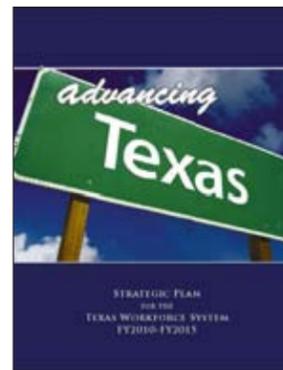
The Texas workforce system includes programs, services and initiatives administered by eight state agencies and local workforce development boards, along with school districts, community and technical colleges, and local adult education providers. The Council's eight partner agencies are: Economic Development and Tourism within the Office of the Governor, Texas Department of Criminal Justice, Texas Education Agency, Texas Health and Human Services Commission and its Department of Assistive and Rehabilitative Services, Texas Higher Education Coordinating Board, Texas Veterans Commission, Texas Workforce Commission and Texas Youth Commission.

There are 19 members on the Council. The Governor appoints 14 members representing business, organized labor, education and community-based organizations. The remaining five members are ex officio representatives of the Council's member state agencies.

One of the Council's chief responsibilities in state law is the development of a strategic plan for the Texas workforce system. The current plan, *Advancing Texas: Strategic Plan for the Texas Workforce System (FY2010 - FY2015)* (*Advancing Texas*), was approved by the Council on September 3, 2009. *Advancing Texas* was approved by the Governor on October 23, 2009.

The Council also produces a comprehensive annual system evaluation, the *Texas Index*, research publications in areas such as adult education, a system program directory, a quarterly newsletter, a series on successful workforce programs and participants, and various papers and reports on critical and emerging issues. This annual report offers highlights of the Council's work during the fiscal year 2011. For more information, see: <http://governor.state.tx.us/twic/work/>.

Implementing *Advancing Texas: Strategic Plan for the Texas Workforce System (FY2010 - FY2015) (Advancing Texas)*



Fiscal year (FY) 2011 was the second year of *Advancing Texas'* six-year plan period. The plan outlines 14 long term objectives and a series of action plans for its system partners to follow in order to achieve these objectives. The full text of the plan is available at: http://governor.state.tx.us/files/twic/Advancing_Texas.pdf.

The Council's System Integration Technical Advisory Committee, or SITAC, is charged with monitoring and implementing these action plans and reporting to the Council. SITAC includes executive-level representatives from the eight partner agencies, a member of the Texas Association of Workforce Boards and a member of the Council's Executive Committee. FY 2011 highlights of progress on action plans related to two objectives follow:

Objective	2010	2011	2012	2013	2014	2015
1. Increase awareness of CTE as preparation for promising career options is crucial and the Council's progress for this objective is marked by the following:						
2. Agency partners will design and implement adult education and workforce skills training programs to enhance employment outcomes for the English language learner population and Texans requiring workplace literacy skills.						

The Council will design and implement a demonstration program targeted to improve perception of career options that career technical education (CTE) programs enable. Over the next 20 years many high wage and high skill jobs in Texas will require some postsecondary education, but not necessarily a four-year degree. Increasing awareness of CTE as preparation for promising career options is crucial and the Council's progress for this objective is marked by the following:

• The Council published *Research Findings: Raising Awareness of Career Technical Education in Texas Schools*.

- The Council convened a task group to design an outreach and awareness model utilizing promising CTE practices identified in its research paper.
- The task group developed a sequential and cohort-based model for a pilot project and a Request for Applications to implement best practices for parents and students in grades nine through 12. When funds are available, the Request for Applications will be released.

Objective	2010	2011	2012	2013	2014	2015
1. Increase awareness of CTE as preparation for promising career options is crucial and the Council's progress for this objective is marked by the following:						
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Agency partners will design and implement adult education and workforce skills training programs to enhance employment outcomes for the English language learner population and Texans requiring workplace literacy skills. During FY 2011, the Texas Education Agency (TEA), Texas Higher Education Coordinating Board (THECB), and Texas Workforce Commission collaborated on several tasks. Together, they:

- Formed a work group to design and develop pilot models for community and technical colleges and local workforce boards. The work group includes representatives from TEA, THECB, community and technical colleges, local boards, education providers, and Council staff.
- Identified funding sources and reviewed pilot program applications.
- Negotiated project terms for English language learner pilots at eight institutions and workforce literacy pilots in three local workforce board areas, which will start in fall 2011.

Evaluating Progress



Each year, the Texas Workforce Investment Council prepares a report on the implementation of Texas' workforce system strategic plan. *Evaluation 2010* is the first report under the current strategic plan, *Advancing Texas*. It includes performance data for 20 workforce programs, as well as five secondary and postsecondary academic education programs. It documents significant accomplishments of system partners during the first year of implementation, including progress on the plan's long term objectives. In addition, *Evaluation 2010* provides information on local workforce board and adult education activities, and workforce development programs that focus on welfare to work initiatives.

First-year highlights under *Advancing Texas* from *Evaluation 2010* include:

- TEA completed important tasks aimed at decreasing the high school dropout rate by including rigorous CTE as part of the recommended and advanced high school graduation program. The agency adopted CTE courses that satisfy fourth-year math or science graduation requirements.
- The Health and Human Services Commission's Department of Assistive and Rehabilitative Services is working to increase employment outcomes for Texans with disabilities. The agency is developing innovative models to promote partnerships between business, industry and rehabilitation providers.
- The Texas Veterans Commission is focused on increasing employment outcomes for veterans. It is using state and leveraged federal services to provide veterans much-needed programs, products and services. Regional Business Outreach Coordinators now work directly with employers on behalf of veterans.
- The Council is facilitating the expansion of registered apprenticeship as a way to satisfy employer demand for skilled workers in Texas. The Council's Apprenticeship Project Leadership Team recommended several projects for consideration and approval by the Council's Executive Committee.



Profiles in Success is a series of brief reports that highlight programs within the Texas workforce system and feature interviews with successful program participants. *Profiles* was developed for Council members who requested more information about the difference that workforce system programs and services make in the lives of individuals who participate in them. As part of its duty under the Texas Government Code, the Council must evaluate the effectiveness of the workforce development system. The *Profiles* series supports the Council in this duty and provides an additional tool for it to identify and

communicate effective practices in workforce program design, implementation, and improvement. To date, 11 issues have been produced, including five in FY 2011: Veterans Employment Services, Perkins-funded education at the community college level, the Senior Community Service Employment Program, adult education and the TANF/Choices program in Texas. *Profiles in Success* is produced quarterly and is available on the Council's website.

Conducting Research



The sixth release of the *Texas Index 2010 (Index)* provides trend data for a series of indicators that show the state's general workforce, education and economic health. The *Index* is distributed to the Governor, the Legislature and policymakers. A skilled and well-educated workforce drives innovation, which in turn drives economic expansion and competitive advantage for Texas employers to succeed in the global marketplace. With this success comes an improved standard of living for the state's citizens. This value proposition is illustrated by 42 indicators organized into four domains within the *Texas Index*: Training and Education, Research and Development, Market Composition and Characteristics, and Participant Access and Contribution.



In FY 2011, Council staff produced another companion paper to complement the FY 2010 publication, *A Primer on Adult Education in Texas*. In the recent *Adult Education Regions and Local Collaboration*, funding and coordination of adult education are examined from a regional perspective for those providers that receive funding through TEA. This report provides information that could support collaborative decision making by the Interagency Literacy Council, partner agencies, and TEA on its work on the next Request for Proposal for funding for adult education providers. It builds on suggested action from the Council's second companion paper, *Adult Education Providers: Instructional Approaches and Service Delivery Methods*. Specifically, those observations and suggested actions dealt with the following:

- the general lack of information regarding adult education in Texas;
- the need for collaboration at all levels;
- the need for the alignment of developmental and adult education; and
- the need for increased capacity in the current delivery system.



Policy News Highlights is a quarterly review of selected reports relevant to the policy and research functions of the Texas Workforce Investment Council. Federal and state agency websites, in addition to numerous public policy and educational databases, are scanned monthly for relevant and emerging issues. Reports are catalogued and stored electronically in the Council's Information Repository (IR). The IR is divided into 11 topic areas that correspond to priority issues supporting the Council's current strategic plan. They are: adult education, apprenticeship, career and college readiness, career and technical education, clusters and sector strategies, competitiveness, data, disabilities, dropout prevention, green initiatives, and training. *Policy News Highlights* is organized into three sections, beginning with a spotlight on recent articles reflecting the quarter's most current workforce trends and issues. The second section contains abbreviated summaries of articles, and the final section lists all articles recently added to the IR, with hyperlinks to their sources.

Council Recommendations for the Texas workforce system:

Throughout FY 2010, the Council closely monitored progress by system partners to implement *Advancing Texas*. In December, members agreed on five priority recommendations that are essential to successful achievement of the plan's vision:

1. Increase the literacy, English language proficiency, and educational attainment of adult Texans. A strong regional infrastructure will enable consistent collaboration and resource sharing among providers of adult education services in each region, and barriers to transitioning between education levels must be removed. The Council encourages initiatives that:

- Coordinate adult education services in their regions, with specific metrics to measure progress.
- Remove the duplication between adult education and developmental education.

2. Increase high school completion and support effective strategies for dropout prevention. Career and technical education is both a critical and effective strategy to engage and retain students. The Council supports priorities to increase the relevance and rigor of academic education, and encourages initiatives that:

- Promote the value of career and technical education courses.
- Increase the number of career and technical education courses that count toward the 4x4 requirements of the recommended high school program.
- Offer relevant and rigorous career and technical education through coherent programs of study.

3. Graduate students from high school ready for both college and career and informed about career options and the educational pathways to take to enter the career of their choosing. The Council encourages initiatives that:

- Increase the effective and innovative strategies to educate students about the wide variety of rewarding careers and the educational pathways necessary to enter them.
- Promote the value of the full range of postsecondary educational and career opportunities that lead to rewarding careers with competitive wages.

4. Develop a consistent, transparent system for awarding college credit for courses taken in secondary schools, community colleges and universities. The Council encourages initiatives that:

- Increase the number of Texas students that earn college credit in high school.
- Provide greater access to dual credit courses.
- Increase community and technical college rates of transfer to four year institutions.
- Meet student and employer needs through strong education and training programs.
- Increase the consistency and frequency with which veterans are awarded college credit for experience and education attained during military service.

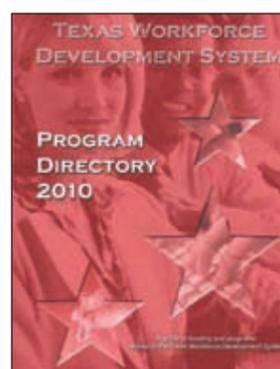
5. Develop data projections that will assist institutions of higher education to determine which programs will ensure an available workforce – today and tomorrow – with the skills and knowledge needed by Texas employers. The Council supports continued and enhanced alignment of the supply of educated, skilled workers with labor market demand, and encourages initiatives that:

- Assess labor market supply and demand, by local workforce area.
- Disseminate the results of the assessment each biennium, commencing in 2010.
- Align higher education programs with regional and state labor market demand.

Partners and Programs

The Texas workforce system is comprised of a number of programs, services and initiatives administered by eight state agencies, local workforce development boards, community and technical colleges, local adult education providers and independent school districts. By delivering programs that assist Texas' current and future workers to secure competitive and sustainable employment, system partners serve a critical role in the development of a world-class workforce that enjoys a higher quality of life through economic, employment and educational success. The table below shows the partners and primary supporting programs which make up the Texas workforce system:

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The *Program Directory 2010: A Guide to Funding and Programs Related to the Texas Workforce Development System* presents the programs comprising the Texas workforce system. Updated and produced annually, the 2010 *Directory* is the sixth edition. The *Directory* details the 20 workforce development programs as well as five academic programs administered by workforce system partner agencies. It identifies program funding sources and is a companion document to the system strategic plan and the annual evaluation report. The *Directory* is a concise reference for both policymakers and workforce system partners.

Annual Report

Fiscal Year 2010

September 1, 2009 - August 31, 2010



About the Council's Role in the Texas Workforce System

The Texas Workforce Investment Council (Council) was created in 1993 by the Governor and the Texas Legislature to promote the development of a highly-skilled and well-educated workforce in Texas. The Council assists the Governor and the Legislature with strategic planning, research and evaluation for the Texas workforce system. In addition to its responsibilities in state law, the Council functions as the State Workforce Investment Board under the federal Workforce Investment Act of 1998. The Council does not operate programs but works to foster collaboration among its partners and their programs. It also conducts planning, evaluation and research to support continuous improvement of the system.

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There are 19 members on the Council. The Governor appoints 14 members representing business, organized labor, education and community-based organizations. The remaining five members are ex officio representatives of the Council's member state agencies.

One of the Council's chief responsibilities in state law is the development of a strategic plan for the Texas workforce system. After a year of planning and development, the Council approved *Advancing Texas: Strategic Plan for the Texas Workforce System (FY2010 - FY2015) (Advancing Texas)* September 3, 2009. *Advancing Texas* was approved by the Governor on October 23, 2009.

In addition to the strategic plan, the Council produces a comprehensive annual system evaluation, research publications such as the *Texas Index*, a quarterly newsletter, a series on successful workforce programs and participants, and various papers and reports on critical and emerging issues. This annual report offers highlights of the Council's work during the fiscal year (FY) 2010. For more information, see: <http://governor.state.tx.us/twic/work/>.

Implementing *Advancing Texas: Strategic Plan for the Texas Workforce System (FY2010 - FY2015) (Advancing Texas)*



Chapter 2308.104 of the Texas Government Code mandates the Council to develop a single strategic plan. *Advancing Texas* was approved by the Council and by Governor Perry in late 2009.

The yearlong strategic planning process began in July 2008 with the guidance of the Council’s Executive Committee, and engagement of the Council’s eight partner agencies and the Texas Association of Workforce Boards (TAWB). The Council’s System Integration Technical Advisory Committee (SITAC), charged with monitoring implementation of the plan

and reporting to the Council, launched the action plans in *Advancing Texas* in late 2009. SITAC includes a member of the Council’s Executive Committee and executive-level representatives from the eight partner agencies and TAWB. To enhance Texas’ competitiveness in the global economy, *Advancing Texas* contains 14 long term objectives (LTOs) that form a road map for achieving this goal:

- Assess Workforce Supply and Demand
- Implement Rigorous Career Technical Education to Increase Student High School Completion
- Facilitate Credit Transfer to Build Seamless Education Pathways
- Increase Employment Outcomes for Texans With Disabilities
- Increase Employment Outcomes for Veterans
- Increase Employment Outcomes for English Language Learners
- Increase Employment Outcomes for Individuals With Low Workplace Literacy
- Deliver Technical Education to Meet Employers’ Need for Skilled Workers
- Align State and Local Goals and Objectives for the Workforce System
- Gather Data to Determine Employer Need and Satisfaction
- Use Outcome Data to Improve Program Design and Delivery
- Improve Knowledge and Perception of the Value of Career Technical Education
- Increase Use of Apprenticeship to Meet Employers’ Need for Skilled Workers
- Use Critical Data to Monitor Texas’ Competitive Position

The Council is leading implementation of three LTOs. First, since Career Technical Education (CTE) is seen by many as a less desirable career option, the Council will design and implement a demonstration program by 2013 to improve the perception of career options within CTE programming. Second, as increasing shortages of workers with appropriate middle skills are becoming apparent, by 2013 the Council will design and implement a pilot program that expands the “earn while you learn” apprenticeship model to non-traditional and new occupations. Last, since data analysis is crucial for monitoring Texas’ competitive position in the global marketplace, the Council will continue to produce the *Texas Index*, a compilation of economic indicators.

Other work under *Advancing Texas* in FY 2010 includes efforts at partner agencies to create innovative models and partnerships between employers and rehabilitation providers that improve employment outcomes for Texans with disabilities and Texas veterans.

Partner actions and performance outcomes will be reported annually in the Council’s evaluation report to the Governor and Legislature. The first annual evaluation report will be presented to the Council in December 2010.

Evaluating Progress



Each December, the Texas Workforce Investment Council (Council) approves an annual evaluative report on Texas’ workforce development system. The recently concluded plan, *Destination 2010*, covered the strategic planning period of FY2004-FY2009. *Evaluation 2009: Accomplishments and Outcomes of the Texas Workforce Development System and Final Report on Destination 2010* report is the summative evaluation and includes: analysis of program and system performance based upon the Formal and Less Formal performance measures approved by the Governor; local workforce development board and adult education activities; and an overview of system partner progress in implementing the six-year plan.

A major accomplishment of *Destination 2010* was the successful development of the System Integration Technical Advisory Committee’s role in leading plan implementation and fostering increased collaboration among system partners. Another accomplishment detailed in *Evaluation 2009* included developing and providing ongoing support for the Texas Work Explorer Portal. The report also includes information about partner agencies’ activities to gather information on their employer customers’ use of and satisfaction with the system products and services. *Evaluation 2009* also details the design and implementation of the Governor’s industry cluster initiative. Last, *Evaluation 2009* contains information about increasing coordination and alignment between partner agencies with regard to Adult Education.

Contained within the system evaluation report is a series of report cards that provide an analysis of system and program performance. Below are highlights:

Highlights - 2009 Workforce System Report Card	
Educational Achievement	448,581 participants completed a degree, certificate or other measure of educational achievement
Entered Employment	1,209,134 participants entered employment
Employment Retention	1,133,348 participants retained employment
Customers Served	5,268,340 participants received services



Profiles in Success is a series of brief reports highlighting programs within the Texas workforce system that feature interviews with successful program participants. Launched in July 2009, *Profiles* was developed in response to the Council’s request for information about the difference workforce system programs make in the lives of the individuals who participate in them. To date, it has featured registered apprenticeship, dual credit in high school, secondary and postsecondary CTE, Workforce Investment Act summer youth and dislocated worker programs, and vocational rehabilitation programs at the Department

of Assistive and Rehabilitative Services and Texas Veterans Commission. *Profiles* is distributed electronically to system partners and stakeholders.

Conducting Research

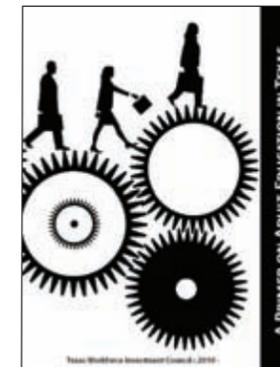


The *Texas Index 2009 (Index)*, in its fifth release, provides trend data for a series of indicators that show the state’s general workforce, education and economic health. The *Index* is distributed to the Governor, the Legislature and policymakers.

A skilled and well-educated workforce drives innovation, which in turn drives economic expansion and competitive advantage for Texas employers to succeed in the global marketplace. With this success comes an improved standard of living for the state’s citizens. This value proposition is illustrated by 42 indicators organized into four domains in the *Texas Index*:

- Training and Education
- Research and Development
- Market Composition and Characteristics
- Participant Access and Contribution

The *Texas Index* displays 95 charts and graphs with state and international comparative outputs. The 95 charts contain 2,964 data points from 265 data sets. The full effect on Texas from the current economic recession is not yet evident in the data gathered for the 2009 *Texas Index*. However, the 2006-2008 data included in this release show that Texas continued to fare well in the domains that deal with market composition and the economic well-being of citizens, where the majority of the indicators reflect a positive change.

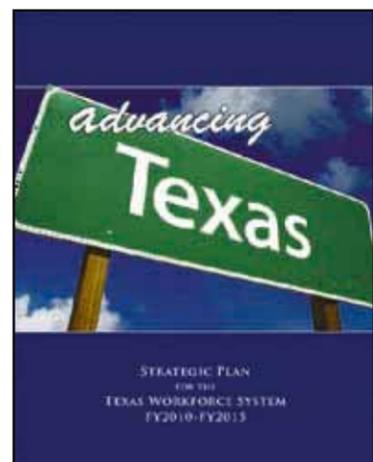


In FY 2010, the Council published *A Primer on Adult Education in Texas* to support partner agencies in their work and to promote implementation of objectives related to Adult Education in the Council’s strategic plan, *Advancing Texas*. The report focuses on the Texas Education Agency’s (TEA) Adult Education programs funded by Title II of the Workforce Investment Act of 1998 (WIA Title II). Adult Education in Texas is governed by both state and federal law, with most of it falling under WIA Title II.

Adult Education service delivery in Texas is complex, and is provided by a number of different organizations operating at state, regional and community levels. For example, TEA provides funding to 55 fiscal agents, but also funds 37 additional providers of English Literacy and Civics Education for immigrants.

The Council’s research shows that Adult Education programs in Texas served three percent of the target population during the 2008-2009 school year, or approximately 100,393 people. However, the Council research conducted in cooperation with the Texas state demographer indicates that over 23 percent of Texans at least 16 years old, or 3,870,000 individuals, meet the federal definition of qualifying for Adult Education services. In 2009, the Texas Legislature provided \$20 million to state agencies to encourage them to collaborate and maximize new and existing programs. Therefore, the Council will continue its research for the objectives of increasing employment outcomes for English Language Learners and persons with low workplace literacy.

Introducing *Advancing Texas: Strategic Plan for the Texas Workforce System (FY2010 - FY2015)*



Advancing Texas' primary audience is the Council's partner agencies that operate workforce programs and services. Spanning September 1, 2009 to August 31, 2015 (FY 2010 to FY 2015), the system strategic plan is devised on a six-year time frame to align with the Texas Strategic Planning and Performance Budgeting system. Partner agency strategic plans submitted in June 2008 are the basis of the assessment of internal and external system issues, and the foundation of the critical issues analysis. The priorities and objectives of *Advancing Texas* will be reflected in the future strategic plans of each partner agency and local workforce board.

Vision: Our world-class workforce system enables Texas to compete successfully in the global market.

Mission: The Texas workforce system creates a globally competitive workforce through collaborative workforce system partner relationships that align, leverage and integrate system services.

Advancing Texas addresses eight priority issues that were identified by the Council and system partners. These issues include the availability of qualified workers for middle-skill occupations, the need for more adult literacy and English language training, and the role of career technical education (CTE) in Texas today. Other issues and opportunities for the developing workforce arise from the state's profoundly changing demographics as its Hispanic population grows and the current workforce matures. These priorities define the plan's critical business issues and are the basis of the long term objectives (LTOs) in *Advancing Texas*. The LTOs contain the goals toward which the Texas workforce system will work over the next six years:

- Assess workforce supply and demand by determining what credentials are needed to fill forecasted job openings
- Implement rigorous CTE to increase student completion of high school
- Facilitate credit transfer to build seamless educational pathways
- Improve knowledge and perception of the value of CTE
- Leave no pool of talent untapped, including the blind and disabled, veterans, English language learners, and Texans with low workplace literacy
- Deliver technical education tailored to meet employers' need for skilled workers
- Increase use of apprenticeship to meet employers' need for skilled workers
- Produce critical data to inform decisions that drive competitiveness
- Align state and local goals and objectives for the workforce system
- Gather data to determine employer need and satisfaction with programs and services.
- Use feedback from employer customers to improve program design and service delivery

Governor Rick Perry approved *Advancing Texas* on October 23, 2009.

Partners and Programs

The Texas workforce system is comprised of a number of programs, services and initiatives administered by eight state agencies, local workforce development boards, community and technical colleges, local adult education providers and independent school districts. By delivering programs that assist Texas' current and future workers to secure competitive and sustainable employment, system partners serve a critical role in the development of a world-class workforce that enjoys a higher quality of life through economic, employment and educational success.

The table below shows the partners and primary and supporting programs which make up the Texas workforce system:

Texas Workforce System – Partners and Programs	
<p>Texas Department of Criminal Justice</p> <ul style="list-style-type: none"> • Postsecondary Academic and Technical Education • Windham School District Secondary Academic Education Secondary Technical Education <p>Texas Education Agency</p> <ul style="list-style-type: none"> • Adult Basic Education and Literacy • Secondary Schools Academic Education Career and Technical Education <p>Texas Health and Human Services Commission</p> <ul style="list-style-type: none"> • Temporary Assistance for Needy Families <p>Department of Assistive and Rehabilitative Services</p> <ul style="list-style-type: none"> • Services for the blind or visually impaired • Rehabilitative services <p>Texas Higher Education Coordinating Board</p> <ul style="list-style-type: none"> • Community and Technical Colleges Academic Education Technical Education 	<p>Texas Veterans Commission</p> <ul style="list-style-type: none"> • Veterans Employment and Training <p>Texas Workforce Commission</p> <ul style="list-style-type: none"> • Apprenticeship Training, Chapter 133 • Choices Program for TANF Adults • Employment Services (Job Matching) • Project RIO (Re-Integration of Offenders) • Self-Sufficiency Fund • Senior Community Service Employment Program • Skills Development Fund • Supplemental Nutrition Assistance Program Employment and Training • Trade Adjustment Assistance/ NAFTA • Workforce Investment Act, Title I-B, employment and training services Adult Dislocated Workers Youth <p>Texas Youth Commission</p> <ul style="list-style-type: none"> • Secondary Academic Education • Secondary Technical Education



The Council produces a guide to the workforce system for stakeholders, the *Program Directory 2009: A Guide to Funding and Programs Related to the Texas Workforce Development System (Directory)*. Published annually, the *Directory* identifies and describes programs administered by the workforce system partner agencies, the foundation for much of the Council's work related to system planning, evaluation, and performance measurement. In the *Directory*, the Council collects and disseminates basic information on 20 workforce programs, as well as five academic education programs at the secondary and postsecondary levels. The *Directory* is also designed to assist the reader in identifying the source of program funding.

Annual Report

Fiscal Year 2009

September 1, 2008 - August 31, 2009



About the Council's Role in the Texas Workforce System

The Texas Workforce Investment Council (Council) was created in 1993 by the Governor and the Texas Legislature to promote the development of a highly-skilled and well-educated workforce for the State of Texas. The Council assists the Governor and the Legislature with strategic planning, research and evaluation for the Texas workforce system. In addition to its responsibilities in state law, the Council functions as the State Workforce Investment Board under the federal Workforce Investment Act of 1998. The Council does not operate programs but works to foster collaboration among its partners and their programs. It also conducts planning, evaluation and research to support continuous improvement of the system.

The Texas workforce system includes programs, services and initiatives administered by eight state agencies and local workforce development boards, along with school districts, community and technical colleges, and local adult education providers. The Council's eight partner agencies are: Economic Development and Tourism within the Office of the Governor, Texas Department of Criminal Justice, Texas Education Agency, Texas Health and Human Services Commission, Texas Higher Education Coordinating Board, Texas Veterans Commission, Texas Workforce Commission, and Texas Youth Commission.

There are 19 members on the Council. The Governor appoints 14 members representing business, organized labor, education, and community-based organizations. The remaining five members are ex officio representatives of the Council's member state agencies.

One of the Council's chief responsibilities is the development of an overarching strategic plan for the workforce system. The Council spent the last year developing *Advancing Texas: Strategic Plan for the Texas Workforce System (FY2010 - FY2015) (Advancing Texas)*, an ambitious plan that focuses on the critical workforce issues facing the state over the next six years. The Council develops and produces a comprehensive annual system evaluation, research publications such as the *Texas Index*, a quarterly newsletter, a series of briefs on successful workforce programs and participants, and various papers and reports on critical and emerging issues.

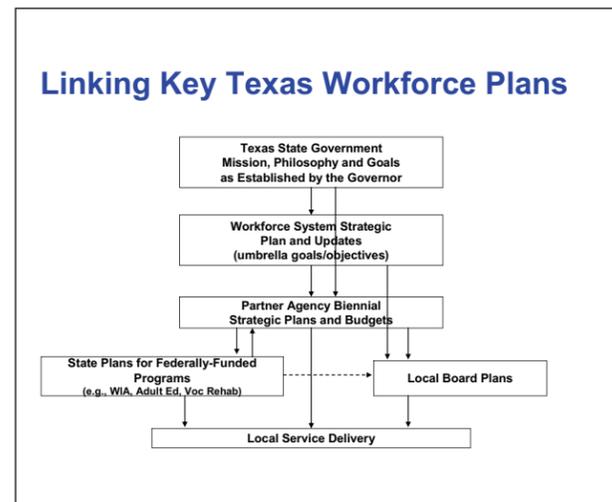
This annual report offers highlights of the Council's work during the past fiscal year. For more information about the Council's work, see: <http://governor.state.tx.us/twic/work/>.

Developing the Next Six-Year Plan for the Texas Workforce System

Texas Government Code requires the Council to develop a single strategic plan for the workforce system. *Advancing Texas: Strategic Plan for the Texas Workforce System (FY2010 - FY2015)* is the fourth such plan developed by the Council and its system partners. It builds upon the systems approach to workforce planning incorporated into the prior system plan, *Destination 2010: FY2004 - FY2009 Strategic Plan for the Texas Workforce Development System (Destination 2010)*. A systems approach assists in understanding complex organizations and the interrelationships between key components. Analyzing the system as a whole allows the Council to target critical areas to improve and enhance system performance, reduce redundancy, and work with system partners toward the overall mission of the Texas workforce system.

Council members and system partners worked together to develop the overarching plan to guide the system over the next six years. The planning process began in August 2008 with discovery interviews with each Council member and system partner agencies to identify issues and concerns. The planning process was led by the Council's Executive Committee, with regular input by Council members and system partners. The Council's System Integration Technical Advisory Committee (SITAC), comprised of executive-level staff from each of the system partners, provided feedback on the elements of the plan. In addition, SITAC members developed the action plans that are the road map for executing the plan. By July 2009, a draft plan was posted to the Council web site for public comment and partner agencies, local workforce boards, and other system stakeholders were notified of its availability. The planning process concluded in September 2009 with approval by the Council and submission to the Governor for final approval.

As the plan developed, Council members and system partners focused on critical issues that require collaboration by system partners to improve and increase outcomes for workforce system customers. *Advancing Texas* does not duplicate each agency's state strategic plan. Rather, it identifies those critical programmatic points and outcomes on the workforce continuum that affect the work of multiple agencies and workforce programs.



The plan includes system-oriented objectives that will result in greater cross-agency coordination and collaboration. In addition, throughout its implementation, *Advancing Texas* will

undergo annual progress evaluations. Each biennium results will be translated into future actions by the Council and its system partners as part of updates to the plan. These updates ensure that the plan continues to be relevant during the implementation period.

Evaluating Progress

The Council is responsible for evaluating the effectiveness of the Texas workforce system and annually produces a report for the Governor and the Legislature. *Evaluation 2008: Accomplishments and Outcomes of the Texas Workforce Development System* was approved and published in December 2008. According to statute, the report must contain information on the implementation of the strategic plan and on the programs and performance of the workforce system, including an analysis of system performance based on the Formal and Less Formal measures required by Texas Government Code and approved by the Governor in 2003. Formal measures are those that are essentially consistent across all workforce programs, while Less Formal measures provide information essential to implementation of the workforce strategic plan. Other elements of the evaluation include reports on local workforce board and adult basic education (ABE) activities. The 2009 report, to be published in FY 2010, will include a summative evaluation of progress by system partners to implement the recently concluded six-year strategic plan, *Destination 2010*.

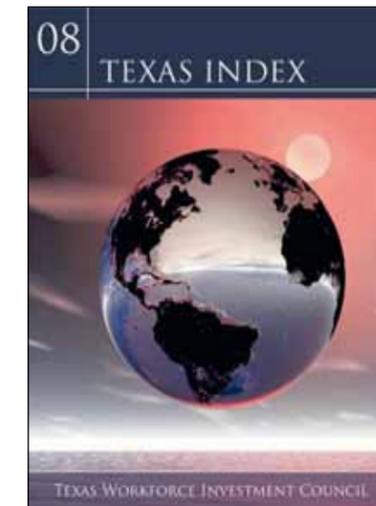
A focal point of *Evaluation 2008* is a series of report cards that provide an analysis of system and program performance. System partners are responsible for the delivery of 25 programs and services focused on education, workforce education and workforce training and services for adults, adults with barriers and youth. The report card series includes five report cards: A System report card with aggregate performance for the Formal and Less Formal measures and report cards for each of the four Formal measures, showing program performance data for the three key participant groups.

Highlights - 2008 Workforce System Report Card	
Educational Achievement -	442,351 participants completed a degree, certificate or other measure of educational achievement
Entered Employment -	1,175,803 million participants entered employment
Employment Retention -	1,112,672 million participants retained employment
Customers Served -	4,811,606 million participants received services

SITAC continued to play a critical role in implementation, success and wrap up of *Destination 2010*. In June 2009, Council Chair John Sylvester acknowledged the role of SITAC, commending system partners and agency representatives for their hard work in successfully implementing 21 of the 22 long term objectives (LTOs) in *Destination 2010*. He praised the significant progress made in areas such as ongoing development and support of the Texas Work Explorer portal, agencies' focus on how their employer customers use system products and services, implementation of the Governor's Industry Cluster Initiative, and increasing the effectiveness of ABE within the workforce system. Through SITAC's collaborative work, agencies have developed and implemented changes that improved coordination, accountability and access to programs and services. Agency representatives on SITAC led their agencies in developing several components of the new strategic plan, *Advancing Texas*, and will be instrumental in implementing the new plan.

Conducting Research

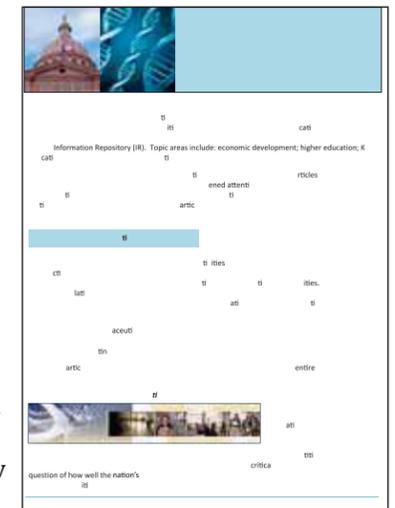
The *Texas Index* was created to provide the Governor, Legislature, policymakers, workforce system partners and stakeholders a snapshot of how Texas is performing in terms of its workforce, education and economic health. The



2008 Texas Index is the fourth annual publication, and provides data for a series of 42 indicators organized into four categories or domains: Training and Education, Research and Development, Market Composition and Characteristics, and Participant Access and Contribution. The indicators provide a measure of Texas' performance and are benchmarked against the U. S. average, state and international competitors, or against Texas' own longitudinal performance.

Texas continues to fare well in all four domains and results noted in this *Index* show that Texas is solidly building its asset-base for the future. For example, both per capita income and average pay rates rose, while the labor productivity and unemployment rates also improved. Median household income and computer technology in the home showed positive movement. Positive results were again reported for firm births and terminations, exports, and Gross State Product per capita. State revenue and budget surplus also increased.

The Council also maintains an Information Repository (IR) of selected publications that are relevant to its policy and research functions. Federal and state agency web sites, along with public policy and educational databases, are scanned monthly for relevant papers and then catalogued and stored electronically in the IR. Based on recent additions to the IR, the Council produces a quarterly newsletter called *Policy News Highlights* and distributes it to workforce system partners and stakeholders. The newsletter contains selected articles that focus on workforce trends and issues receiving heightened attention in recent months. For example, as the new U.S. presidential administration took hold in 2009, workforce policymakers wrote about the "green economy" and the American Recovery and Reinvestment Act's emphasis on building up the nation's renewable and energy efficiency sectors. Later in FY 2009, several papers appeared about the quickly growing biosciences field and its impact on the workforce in Texas. The most recent trend in publications selected for the IR showed increased awareness in rural America and how population migrations to rural areas impact the strength of the country's workforce.



Texas Workforce Investment Council Annual Report



Council Purpose

The Texas Workforce Investment Council (Council) assists the Governor and the Legislature with strategic planning for and evaluation of the Texas workforce development system; promotes the development of a well-educated, highly skilled workforce for Texas; and advocates for the development of an integrated workforce development system that provides quality services.

The Council also serves as the State Workforce Investment Board under the federal Workforce Investment Act of 1998.

Council Functions

The Council performs four primary functions in the Texas workforce development system:

- System Planning and Capacity Building
- System Evaluation and Performance Measurement
- System Research and Continuous Improvement
- System Review

Council Products

Council products include a strategic plan for the workforce development system, annual evaluation reports and resource publications, occasional papers and reports on critical emerging issues, and recommendations to the Governor.

Council Strategy

The Council facilitates collaboration, coordination, innovation and leveraging of resources at the system level between system partners. The Council encourages state-level linkages between economic and workforce development and education, and facilitates solutions to identified system gaps through the coordination of interagency efforts and resources.

The Texas Workforce Development System

The Texas workforce development system is comprised of a number of programs, services and initiatives administered by eight state agencies:

- Economic Development and Tourism, Office of the Governor
- Texas Department of Criminal Justice
- Texas Education Agency
- Texas Health and Human Services Commission
- Texas Higher Education Coordinating Board
- Texas Veterans Commission
- Texas Workforce Commission
- Texas Youth Commission

In addition, system partners and stakeholders include local workforce development boards, independent school districts, community colleges, economic development entities, employers and other system users.

Council Members

There are 19 members on the Council. The Governor appoints 14 members representing business, organized labor, education, and community-based organizations. The remaining five members are ex officio representatives of the Council's member state agencies.

Fiscal Year 2008

September 1, 2007 – August 31, 2008



Texas Workforce Investment Council

September 2008

John W. Sylvester
Chair

Sharla E. Hotchkiss
Vice Chair

Karen Bonner

James Brookes

Blas Castañeda

Steve Dement

Aaron Demerson

Carmen Olivas
Graham

Richard Hatfield

Albert Hawkins, III

Robert Hawkins

Ann Hodge
Chair Emeritus

Larry Jeffus

Wes Jurey

Paul Mayer

Raymund Paredes

Danny Prosperie

Robert Scott

Larry Temple

Cheryl Fuller
Director

Dear Fellow Texan:

The Texas Workforce Investment Council (Council) is pleased to present its Annual Report for Fiscal Year (FY) 2008. The Annual Report provides a brief summary of the Council's activities and shows how its products meet state and federal mandates for its four primary functions in the workforce system: planning, evaluation, research and review.

As Council begins the important task of outlining the next cycle of strategic planning this year, it will adhere to these new priorities:

- Strengthen relationships between workforce partner agencies to address issues critical to developing a workforce that meets the education and skill requirements of Texas Employers
- Promote collaboration between Council members and partner agencies to develop the FY 2010 – FY2015 strategic plan for the Texas workforce system
- Submit annual recommendations to the Governor regarding priorities and policies for improving the state workforce system and increasing the competitiveness of the Texas workforce
- Educate Council members, partner agencies and other system stakeholders in ways to shape policy and improve approaches for delivering programs and services

Finally, the Annual Report includes a snapshot of the increasingly important role of Career Technical Education (CTE) in education and workforce training for Texans of all ages.

We look forward to continuing our work in Fiscal Year 2009 to produce products and hold discussions that inform and encourage meaningful collaboration among workforce system partners and stakeholders.

Sincerely,

John W. Sylvester, Chair
Texas Workforce Investment Council

An important part of the Council's work is to advocate improvement to the workforce system. The Council does this by supporting and facilitating collaboration among system partners and by providing information to increase partner awareness and initiative with regard to emerging and critical issues.

PARTNER COLLABORATION

System Integration Technical Advisory Committee (SITAC) - In 2003, the Chair of the Council appointed SITAC to monitor and facilitate implementation of *Destination 2010: FY2004-FY2009 Strategic Plan for the Texas Workforce Development System (Destination 2010)*. This ten member committee, chaired by the Council Vice Chair, includes representatives from the eight partner agencies and the Texas Association of Workforce Boards.

Since 2005, SITAC has been working to implement two Long Term Objectives that focus on employer use of and satisfaction with workforce system products and services. Last year, staff worked with all eight partner agencies to develop agency-specific projects.

Currently, agency work is underway on 12 projects that report quarterly to SITAC. The projects address: (1) program evaluation using current and new performance data and information; (2) evaluation of employer satisfaction with programs and services through new survey efforts; and (3) other agency-specific items. This work is expected to inform the system strategic planning process and continue in future years.

Adult Basic Education (ABE) - Since 2003, the Council and its ABE partners – Texas Education Agency (TEA)/Texas LEARNS, Texas Workforce Commission (TWC), and Texas Higher Education Coordinating Board – have worked to identify issues and develop an action plan that outlines long-term strategies for improvement. In December 2005, the Council approved the ABE strategic action plan to be included in the 2006 update to *Destination 2010*.

In FY 2008, significant progress was made for two TWC Limited English Proficiency (LEP) projects:

- **Adult Technology Training** – Grants for projects that integrate occupational training, vocational ESL, technology application training and GED test preparation (if required for employment or training).
- **LEP Field Guide** – Supported by training sessions, the guide was designed to assist local boards, workforce center staff, and education and training professionals with the delivery of services to LEP participants.

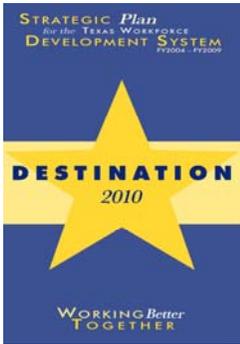
INFORMATION AND AWARENESS

State of the Workforce Reports - Periodically, the Council produces State of the Workforce Reports that provide information or raise awareness of issues that are important to the Texas workforce system. FY 2008 reports include:

State of the Workforce Report – The Demand for Middle-Skills Jobs in the United States and in Texas. Middle-skill jobs require education and/or training beyond high school, but do not require a four-year baccalaureate degree. Training for middle-skill jobs includes apprenticeships, certificate programs, on-the-job-training, and two-year Associate academic or two-year Associate technical degrees. Currently, middle-skill jobs account for nearly half the jobs in Texas and are considered the backbone of the economy. They provide the basic infrastructure in critical economic sectors such as manufacturing, energy, oil and gas, aerospace, and construction. They range widely from jobs in skilled crafts and trade occupations for electricians, plumbers, pipefitters, welders, construction inspectors and fire fighters, to technical positions as radiation therapists, registered nurses, diagnostic medical sonographers and paralegals.

Furthermore, in addressing the demand for middle-skill jobs, Texas' higher education plan, *Closing the Gaps*, proposes awarding up to 163,000 bachelor's and associate's degrees, along with certificates, by 2015. In order to ensure that Texas maintains a competitive position in the 21st century global economy, a strong emphasis on STEM (science, technology, engineering and mathematics) skills has been woven into both the higher education and K through 12 plans.

Apprenticeship and Training Advisory Committee (ATAC) – The Council's 15 member ATAC convenes apprenticeship representatives across the state to provide information, advice, and recommendations to the Council concerning its mandates involving apprenticeship in Texas. In FY 2008, the ATAC met two times and approved apprenticeship funding formulas. It also received information from other state workforce agencies and the U.S. Department of Labor Office of Apprenticeship. In FY 2008, Chapter 133 programs funded by \$1.6 million in general revenue, served an estimated 3,896 apprentices in approximately 30 occupations.



In accordance with state law, one of the primary responsibilities of the Council is to develop and recommend to the Governor a single strategic plan that establishes the framework for the Texas workforce system.

Destination 2010: FY2004 - FY2009 Strategic Plan for

the Texas Workforce Development System, is the third plan developed by the Council in collaboration with workforce system partners since the Council's creation in 1993.

Destination 2010 includes nine strategic goals, twenty-two long term objectives, and three types of performance measures: system, strategy-critical, and capacity building. *Destination 2010* also includes strategic action plans (SAPs) that identify implementation timelines and the agency accountable for each long term objective. The plan contains the overarching strategic issues, strategies and metrics identified and developed by system partners and the Council in late 2003. While it fulfills the role and legislative planning responsibilities of the Council, more importantly, it provides a solid foundation and pathway for attainment of the plan's vision:

Texas has a world-class workforce system that promotes a higher quality of life through economic, employment, and educational success.

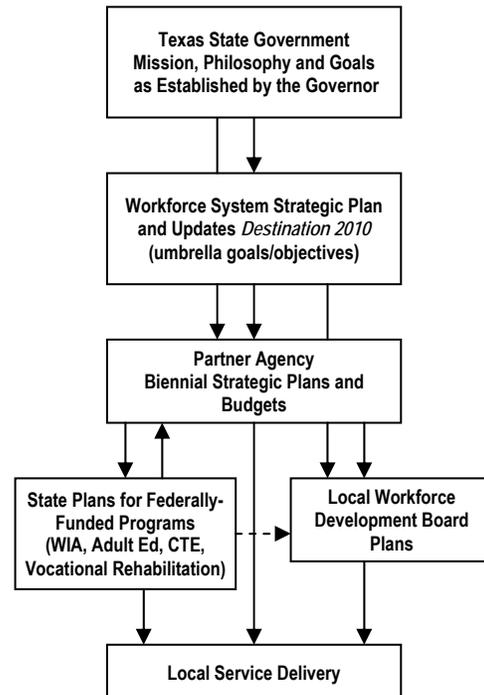
The dynamic nature of the planning process provides for annual progress evaluations and recommendations for further action. The SAPs are updated annually to indicate milestones and accomplishments achieved, as well as other changes such as the addition of dependencies or tracking measures.

The Council approved the 2008 Update to *Destination 2010* in March 2008. The update was subsequently approved by the Governor. The fifth annual update includes a revision to the target percentage for job placement for mature workers and a technical change to the target for the number of certificates, associate's and bachelor's degrees awarded.

Role of the System Strategic Plan - *Destination 2010* does not duplicate other Texas Workforce Plans. It provides a complimentary and overarching framework within which system partners can focus

on important issues that cross agencies and work together to strengthen critical intersections in the pipeline of skilled workers that Texas must have to compete successfully in the 21st century.

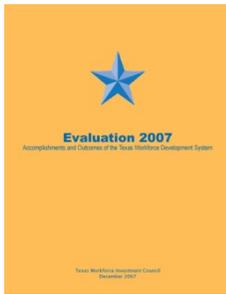
The following flowchart shows how *Destination 2010* links to the strategic and operational plans of partner agencies and local boards:



State law requires that state agency plans demonstrate alignment to the strategic goals and objectives in the system strategic plan. State law also requires that local workforce development boards demonstrate alignment to the statewide goals and objectives in *Destination 2010*. State agencies are submitting updated five-year strategic plans in summer of 2008.

Future Actions - In early FY 2009, the Council will begin a new strategic planning process during which system issues and gaps for action will be identified. A few of the areas that will be examined include:

- Middle-Skill Jobs
- Apprenticeship Training
- Work Readiness Credentials
- College and Work Readiness
- Adult Basic Education
- Dropouts – Definitions and Methodology
- Career Technical Education
- Mature Workers
- Demand-Driven Programs and Services
- Local Board Challenges and Priorities



The Council is responsible for evaluating the effectiveness of the Texas workforce system by carrying out specific duties in state and federal law. One of the Council's primary products is a yearly system evaluation report to the Governor and the Legislature. In FY 2008, the Council published its eighth such

report, *Evaluation 2007: Accomplishments and Outcomes of the Texas Workforce Development System*. The report describes the progress by workforce system partners in implementing the system strategic plan and provides data on the outcomes of workforce system programs.

Evaluation 2007 also reports the Council's work to fulfill four legislative requirements:

- Report annually on implementation of the workforce system strategic plan.
- Report annually on Formal and Less Formal measures for the workforce system.
- Facilitate integrated adult basic education services through implementation of the Strategic Action Plan for improved adult education services in Texas.
- Assess the degree to which the system is effective in achieving state and local objectives, as determined by reviewing local board plans and progress reports to determine alignment with *Destination 2010*.

In *Evaluation 2007*, system performance is again presented in a series of five report cards that contain data reported by partner agencies on the Formal and Less Formal measures for the workforce system. The Council endorsed and the Governor approved the current measures in late 2003. The measures capture, at both the program and system levels, critical outcomes that the Texas workforce system delivers through the efforts and actions of eight partner agencies and their local delivery entities. Local delivery entities include: local workforce development boards and workforce centers; community and technical colleges; correctional facilities for adults and youth; and independent school districts.

The System Report Card in *Evaluation 2007* (shown) contains aggregate data for the four Formal measures, with the data sets combined across programs, as well as data for the eight Less Formal measures. The report card series also includes four Formal Measure report cards and analysis for each. With four years of data available, *Evaluation 2007* also included a comparison of data reported in 2004-2007.

Evaluation 2007 reports that almost 4.8 million individuals received workforce system services, almost 1.2 million entered employment, almost 1.1

million retained employment, and 445,919 program participants completed a degree, certificate or other measure of educational achievement.

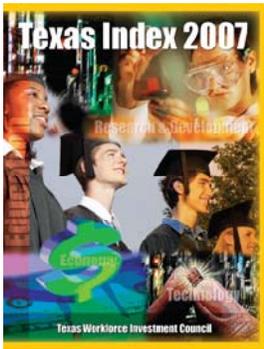
Formal Measures	Actual	Percent	Change 2004-2005	Cumulative 2004-2007
Educational Achievement	445,919	77.22%	-3.41%	-.231%
Entered Employment	1,174,107	78.20%	1.15%	5.60%
Employment Retention	1,078,659	82.34%	-0.37%	2.11%
Customers Served	4,785,366	N/A	-0.22%	0.76%
Less Formal Measures				
Educational Transition	131,142	54.53%	0.61%	1.51%
Educational Participation	1,234,625	5.30%	-0.03%	0.14%
Secondary Dropout	51,841	2.57%	N/A	N/A
Constructive Activity	2,105	57.50%	-0.60%	6.18%
TANF Recidivism	10,405	42.87%	-1.77%	-0.81%
Pre-release Placement	2,793	8.86%	3.44%	7.87%
Jobs Created	8,332	N/A	8.92%	23.04%
Jobs Retained	13,610	N/A	-16.96%	7.04%

Data Revisions – Since performance measure definitions and methodologies were negotiated and approved in 2004, the Council and partner agencies have worked to identify and implement process improvements for all work phases associated with preparation of the annual evaluation report. In many cases, agencies have provided supplemental data that aids in presenting a more comprehensive overview of Texas' workforce system outcomes.

For the 2005 through 2007 evaluation cycles, some partner agencies identified a need to revise prior year data. In addition, agencies have been asked to resubmit some program data when it was determined that the approved methodology had not been followed for a given reporting cycle(s). The 2005 through 2007 – and forthcoming 2008 – reports include data addenda to publish and disseminate the revised information.

The Council's 2008 evaluation report, to be published in December 2008, will contain revised data for the Adult Education (WIA II) program. TEA submitted revised 2004-2007 Entered Employment and Employment Retention data as corrections were required to ensure compliance with the U.S. Department of Education's National Reporting System requirements. As this, and other future iterations of the annual evaluation report are produced, it is essential for the quality and accuracy of longitudinal tracking and analysis, that comparable data sets be reported by agencies according to the approved definitions for the Formal and Less Formal measures.

The Council's *Evaluation 2009* report will be the final summative evaluation of *Destination 2010*. In addition to standard content, final versions of all 22 Strategic and Agency Action Plans (SAPs/AAPs) will be published, along with an assessment of task and outcome completion.



In early FY 2008, the Council produced the *Texas Index 2007 (Index)*, the third annual release, providing a snapshot of the state's general workforce, education, and economic health. The *Index* is produced as a resource for the Council, the Governor, policy makers, and workforce system partners

and stakeholders.

The *Index* provides trend data for 42 economic indicators across four domains: Training and Education; Research and Development; Market Composition and Characteristics; and Participant Access and Contribution, which contains three new indicators. The *Index*, its domains and indicators within those domains, demonstrate a value proposition that contains four critical, interrelated elements: intellectual capital, human capital, financial capital, and a rising standard of living for Texas citizens. The state's efforts to improve intellectual, human and financial capital are paramount to building Texas' assets for the future. The *Index* includes an Indicator Report Card that lists the 42 indicators in alphabetical order, with a corresponding trend arrow. The directional arrows are used to indicate positive , no significant , or negative  change from the last reporting cycle. The watch alert flag symbol  is used to denote an indicator to watch in the next reporting cycle.

Domain 2 – Research and Development

The Research and Development (R&D) domain includes 11 indicators that describe the state of the Texas economy in areas such as patents, venture capital investment and federal grant awards. Of the four domains, this one again had the highest incidence of negative change in the last reporting cycle with 6 of 11 indicators (55%) declining. This domain did see improvement in two additional indicators since last year's report. Although alerts were removed from three indicators, alerts were added to four other indicators.

Domain 2 Summary		
Number of Indicators - 11		
	No.	%
 Positive change in last reporting cycle	5	45%
 No significant change in last reporting cycle	0	0%
 Negative change in last reporting cycle	6	55%
 Data unavailable	0	0%
 Watch alert	4	36%

Indicator	Page	Alert	Trend
Number of Patents	27	-	
Patents per Capita	27	-	
Venture Capital per Capita	28	-	
Venture Capital Invested as a Percent of Gross State Product	28	-	
Venture Capital Invested per \$1000 of Gross State Product	28	-	
Total R&D Expenditure per \$1000 of Gross State Product	32		
Industry R&D Expenditure per \$1000 of Gross State Product	32		
Academic-Performed R&D Expenditure per \$1000 of Gross State Product	32		
National Institutes of Health (NIH) Support to Texas Institutions per Capita	36		
National Science Foundation (NSF) Funding per Capita	36	-	
Average Annual Amount of Small Business Investment Companies (SBIC) Funds Dispersed per \$1000 of Gross State Product	37	-	

Across the four domains in the Index, the change in the last reporting cycle for the indicators was:

- **Positive change** – 21 of 42 indicators (50%)
- **No significant change** – 5 of 42 indicators (12%)
- **Negative change** – 12 of 42 indicators (29%)

- **Data unavailable** – 4 of 42 indicators (10%)
Seven of the 42 indicators were flagged with a “watch alert” for the next reporting cycle. Since 29% of the indicators are moving in a negative direction, it is important to monitor these trends. However, results in the *Index* do show that generally, Texas is successfully building its asset base for the future:

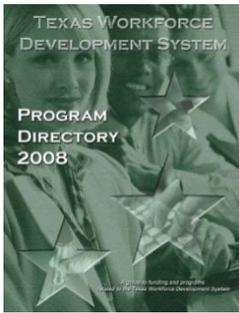
- All of the enrollment and credential indicators had a positive or no change.
- Both per capita income and average pay rates again rose while the labor productivity and unemployment rates also again improved.
- Positive results were again reported for firm births, exports and GSP per capita. Patents per capita decreased slightly.
- Small Business Investment Companies funding continued its recent upward trend.

The *Texas Index 2008* will reflect considerable revision and updating, including among other changes, a 50-state ranking table and international comparative data.

Research Issues and Trends – The Council uses several sources of information to monitor current policy developments across the four domain areas of the Index. One of the Council's most important research tools is its Information Repository (IR), an electronic database of policy papers, government reports, and industry white papers gathered from select educational, industry, and public policy institute websites.

Information selected for the IR in FY 2008 reflects major concern for economic competitiveness on both the state and national level in areas such as: STEM education; priority for engendering innovation in economic development and competitiveness; the growing importance of industry clusters in maintaining a healthy and competitive economy and workforce; the alignment of secondary and postsecondary curricula to facilitate the transition of students to higher education and to the workforce; and the changing demographics of the American workforce due to immigration and the impending retirement of the baby boomers.

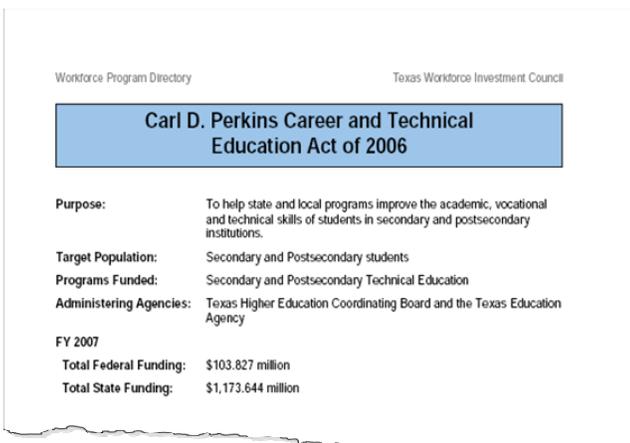
The Council also uses information collected in the *Texas Workforce Development System 2008 Employer Survey* prepared by the Public Policy Research Institute at Texas A&M University. This is the fifth biennial survey and was conducted via telephone and web. It focused on obtaining information from employers about their perceived access to a skilled workforce, barriers to success and productivity, aging workforce, innovation, and sustainability strategies.



The Council annually produces a publication that provides a brief review of the programs that comprise the Texas workforce development system. *Program Directory 2008: A Guide to Funding and Programs of the Texas Workforce Development System (Directory)*. The Directory serves as a companion document

to the workforce system strategic plan and to the Council's annual report to the Governor and the Legislature.

Workforce programs and services may be interrelated by virtue of a single customer or similar intended outcomes. These programs and services are intended to interact with each other in order to produce the desired outcome for the customer, the employer or the individual seeking employment.



Both state and federal law require the Council to review and comment on certain state and local plans, proposals and reports. The purpose of the Council's review is to ensure alignment with the goals and objectives in the system strategic plan, to make a recommendation to the Governor, or both.

Agency Plan Review – The Council is charged with developing a single strategic plan for Texas' workforce development system. The plan is to include goals, objectives and Formal performance measures for the system and for the state agencies that administer workforce programs. In their agency plans, system partners are required to address alignment with the system plan, *Destination 2010*. [Texas Government Code, Chapter 2308]

Agency strategic plans are prepared on a biennial basis, following guidelines issued by the Governor's Office of Budget, Planning and Policy and the Legislative Budget Board.

The requirements outline the information required to facilitate Council's review of how the agency addresses the applicable Long Term Objectives in *Destination 2010* and related Formal performance measures. Agency plans for Fiscal Years 2009 through 2013 were submitted for review in June and July of 2008.

Local Board Strategy and Performance Review -

The Council is charged under both state and federal law with recommending local workforce development board (Board) plans and plan modifications to the Governor for final approval. The Council reviews each plan to ensure that local goals and objectives are consistent with the statewide long term objectives in the system plan, *Destination 2010*. The Council also reviews Board plans to determine their progress in implementing the local strategies that align with the system strategic plan.

In March 2008, the Texas Workforce Commission approved an extension of the current Board plans through July 2009. Therefore, instead of gathering it from the planning process, the Council requested information from Boards as needed for its upcoming system planning and evaluation activities. Boards then submitted an update on their progress to implement local strategies that align with the system strategic plan, and summarized their priorities, challenges and accomplishments. This information will inform the development of the next system strategic plan and will be summarized in the Council's annual evaluation report.

Economic Analysis – In December of 2007, the Council received the Perryman Group's report entitled, *Potential Regional Economic Boundaries in Texas: an Analysis in Light of Current Patterns and Linkages in Business Activity*. The Council retained the Perryman Group to evaluate the state's current regional economic groupings in light of the great demographic and economic changes occurring in Texas over the last century. Dr. Perryman's report compared current economic activity with three regional configurations: 1) the Governor's substate planning regions; 2) the Comptroller's uniform service regions; and 3) local workforce development areas. Dr. Perryman's analysis was the most comprehensive review of Texas' economic regions since the initial establishment of the Governor's substate planning regions nearly forty years ago. With this report, the Council provided a valuable resource to the Governor, Legislature and system stakeholders for their consideration as they respond to growing challenges in serving citizens and employers in 21st century Texas.

Texas is part of the nation's push to maintain a competitive edge in today's knowledge-based global economy. In the 21st century, technology affects all levels of the economy. In order to remain competitive, it is critical for the state's workforce to be capable of adapting quickly to economic trends and of learning and using state-of-the-art technology skills in the workplace. Career technical education (CTE) is an excellent way to enable workers to actively learn new skills because its approach is to teach information in an applied setting. CTE is based on the idea that the knowledge and skill sets students need to succeed in college and careers today are one in the same. Using this perspective, CTE can modify curricula and respond to the flux in a rapidly changing job market, whether due to economic change, innovation or demand. This combination of applied setting and adaptation to changing needs better prepares workers for continued education or direct entry into the workforce.

In Texas, the State Board of Education is responsible for CTE and administers the Carl D. Perkins Career and Technical Education Improvement Act, while the Texas Education Agency (TEA) manages and disburses Perkins CTE funding. TEA and the Texas Higher Education Coordinating Board (THECB) work together to support and provide CTE programs. The Texas Workforce Investment Council consults and coordinates with its partner agencies to make CTE a vital element of the Texas workforce system. Currently, there are 1,242,309 high school students in Texas, of which 941,045 are taking CTE classes, while there are 545,103 community colleges students in the state, of which 310,227 are CTE enrolled. Perkins funding in Texas amounts to \$101,837,703.

CTE is an important investment for both students and schools in Texas, with research correlating that individuals enrolled in CTE are less likely to drop out. This, in turn, positively impacts high school graduation rates, postsecondary enrollment, and provides secure and better paying positions in the labor market.

Texas Legislation Related to CTE

House Bill 1 of the Third Called Session, 79th Legislature, focused on education in Texas, including CTE. Among many initiatives in 2006, H.B. 1 mandated vertical teams of secondary and postsecondary education teachers and specialists to develop College Readiness Standards for use in curriculum planning in CTE as well as for academic classes. In addition, H.B. 1 requires curricula alignment to facilitate a seamless transition for students from secondary to postsecondary education and/or workforce participation.

H.B. 3485, of the 80th Texas Legislature in 2007, created a CTE Review Panel to survey and update CTE in the state. The Texas Workforce Investment Council is represented on the 10-member CTE Review Panel created by H.B. 3485, which has met regularly in 2008 to review and make recommendations on the revision of CTE curricula. The State Board of Education has appointed writing teams to make the necessary revisions to the essential knowledge and skills that must be included in CTE courses. The panel recommended that the writing teams develop coherent sequences of CTE courses that:

- Result in an industry-recognized credential or certificate at the postsecondary level, or an associate or baccalaureate degree
- Support and reinforce cluster knowledge and skills
- Support challenging academic and technical standards
- Align to postsecondary programs
- Align with high skill, high wage, or high demand occupations in current or emerging fields
- Lead to technical skill attainment

National and Texas Initiatives Related to CTE

The system of education that includes CTE in the United States (U.S.) involves thousands of high schools, vocational and technical high schools, and community colleges. The U.S. Department of Education operates the Office of Vocational and Technical Education, itself subdivided into several divisions including Adult Education and Literacy, Career and Technical Ed, Center for Rural Ed, and Community Colleges. The common thread running through all CTE-related initiatives is that technology and global competition have so changed the nature of work today, that tomorrow's labor force will need to have better skills, more knowledge, and more adaptability than ever before.

One way in which U.S. schools are working to prepare students for tomorrow is through the use of contextual or applied learning within "career clusters." Career clusters are broad groupings of occupations and industries based on related disciplines. There are sixteen "career clusters" under the national States' Career Clusters Initiative, with recommended sequences of coursework to guide students depending upon their interests and career goals.

AchieveTexas is an educational initiative in Texas modeled after the federal program, combining academics with career technical education so that students see the "usefulness" of what they are studying. Aligned with the national program, AchieveTexas aims to facilitate a seamless transition from secondary to postsecondary education, training, or workforce.

"Providing a higher skilled, more educated workforce is clearly the future of our country in the worldwide economy."
Elaine Chao, U.S. Secretary of Labor

Attachment 3

Newsletters Published by the Council from FY 2011–2012

2013 Self Evaluation Report
Texas Workforce Investment Council

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SITAC Quarterly Report

System Integration Technical Advisory Committee
Texas Workforce Investment Council
Quarter Ending June 2012

System Integration Technical Advisory Committee

The System Integration Technical Advisory Committee (SITAC) is constituted as a technical advisory committee to the Texas Workforce Investment Council (Council). Chaired by a member of the Council's Executive Committee, SITAC includes executive-level representatives from the Council's partner agencies, as well as from the Texas Association of Workforce Boards. SITAC's key responsibility is the implementation of the workforce system strategic plan.

Next Meeting

Thursday, September 6, 2012 – 1:00 p.m.
Teacher Retirement System, Austin

The current plan, *Advancing Texas: Strategic Plan for the Texas Workforce System (FY2010-FY2015)* (*Advancing Texas*) was first approved by Governor Rick Perry on October 23, 2009. It outlines 14 long term objectives (LTOs), grouped by the three key performance areas that address the critical business issues identified during a yearlong collaborative planning process. The first update to the plan, incorporating

input from all partner agencies, was approved by the Council on March 9, 2012 and by the Governor on May 24, 2012.

SITAC members typically meet quarterly, providing status reports on action plans for which their organization is solely or jointly responsible. The committee is authorized to create and deploy cross-agency teams in order to devise and execute collaborative solutions to issues associated with the system strategic plan's LTOs.

2012 Update to *Advancing Texas*

In March 2012, the Council approved the *2012 Update* to the workforce system strategic plan, which was signed by the Governor on May 24, 2012. This is the first update for *Advancing Texas*, which covers a six-year period. The plan outlines the vision for the state's workforce system and contains the action plans (APs) that guide plan execution. The *2012 Update* serves as the foundation of system partner actions and will continue to guide implementation of *Advancing Texas*.

Texas Government Code also requires an annual status update to the Governor and legislature. This requirement is met by the Council's annual evaluation report and periodic plan updates.

The iterative nature of the planning and status reporting processes provide for progress evaluations and recommendations for further action. The APs are reviewed and modified periodically to indicate accomplishments and milestones achieved as well as other changes such as the addition of dependencies or tracking measures.

For the *2012 Update*, all APs and agency projects associated with LTO P5-Employer Needs/Satisfaction and LTO P6-Use of Employment Data for Program

Message from the Chair

In June, we welcomed our new member from the Texas Juvenile Justice Department, as well as several Council members.

Status reports for several action plans and partner agency initiatives were discussed, including updates on the recent Texas Association of Workforce Boards' meeting and Workforce Solutions for North Central Texas' federal H-1B Technical Skills.

The Texas Education Agency and Texas LEARNS presented on pilot projects designed to improve the employment prospects of individuals needing workplace literacy skills. Overviews of the project updates are included in this issue of the *SITAC Quarterly Report*.

With the first update to *Advancing Texas* finalized, staff is working closely with system partners on the Council's annual evaluation report. Scheduled for Council consideration in December, this report will document program performance outcomes as well as partner efforts and progress made toward improving Texas' workforce system this year.

Paul Mayer

Advancing Texas and implementation updates available at:
http://governor.state.tx.us/twic/twic_strategic_plan/

Improvement were reviewed and updated. Partner agency reports to SITAC, as well as formal reporting for the *Evaluation 2011* report, provided much of the information needed for the update. Staff also worked with applicable system partner(s) to revise or establish performance measures and/or targets for several LTOs.

Updates were proposed and approved for all action plans and agency projects, primarily to (1) indicate achievement of major tasks and (2) add or update dependency or interim output information. Significant changes included:

- ★ *System Partner Change* – Senate Bill 653 (82nd Legislature) abolished the Texas Youth Commission (TYC) and the Texas Juvenile Probation Commission. Effective December 1, 2011, duties assigned to the two agencies were transferred to the new Texas Juvenile Justice Department (TJJD) which has been added as a new system partner agency.
- ★ *Projects Completed and Closed* – Two agency projects associated with LTO P5-Employer Needs/Satisfaction have been completed and were closed. Under a modified plan of work for the Texas Higher Education Coordinating Board's (THECB) project, Blinn College and Lone Star College System were selected as models of promising practice and formally recognized by the Council in December 2011. TYC completed all major tasks, with implementation of the reformatted employer satisfaction survey on hold. TJJD plans to continue the survey when budget and staff are available.

Featured Action Plan: Adult Basic Education / Low Literacy Level Employment [C4]

To meet the demands of Texas' employers, everyone must be part of the critical pool of potential employees. The *Advancing Texas* key performance area (KPA) **Customer Outcomes** specifies four target populations, including *those with low literacy skills*, who can be assisted through targeted literacy programs to gain or maintain employment.

LTO C4 requires the Texas Education Agency (TEA) and the Texas Workforce Commission (TWC) to develop new and enhance existing methods, programs and processes for programs targeted at the over age 17 adult education population to address workplace literacy acquisition. Workforce literacy skills are the basic and soft skills considered necessary to perform in entry-level occupations or the skills needed to adapt to technological advances in the workplace.

ABE / Low Literacy Level Employment [C4] – By 2013, design and implement targeted Adult Basic Education programs to enhance employment outcomes for populations requiring workplace literacy skills.

Owner: SITAC

Participants: TEA, TWC

A workgroup with local workforce board, adult education provider, partner agency representatives and Council staff designed a model of program outreach and delivery. It fits within existing adult education funding, program offerings and initiatives, and can be offered concurrently with adult education levels 4 through 6.

In late 2010, TWC completed an assessment that identified three local boards – Alamo, Capital Area and Gulf Coast – which have strong

relationships with adult education providers as pilot program candidates. TEA committed \$400,000 in Adult Education State Leadership funds for the pilots.

A nationally recognized career awareness curriculum, previously offered by some Texas sites with highly successful results, was selected. The pilots include a career exploration awareness component that focuses on workplace literacy skills designed to facilitate a smooth transition from adult education to workforce training.

Pilots were negotiated with multiple adult education providers in the three regions. The providers received technical assistance as well as the guidelines and timelines for launching the pilot initiatives. Pilot objectives include:

- ★ formation of a local workforce literacy resource team including adult education providers and workforce partners;
- ★ development of a cross-agency referral process to track learners' educational and workforce-related activities;
- ★ development of a strong memorandum of understanding that can withstand crises and changes in personnel at the local level;
- ★ a clear understanding and common language regarding eligibility criteria and characteristics of a successful transition from adult education to further training and employment;
- ★ development of clear guidelines for navigating local workforce centers;

The C4 Initiative: A Workforce-Related Opportunity for Adult Learners

Critical roles in the pilots include those of the instructor, adult education's career or transition counselor, and key one stop center staff ... heavily reliant on strong partnerships between adult education and one stop career workforce centers.

*- SHOP TALK #57, Texas LEARNS
(February 21, 2012)*

- ★ shared reports of student activities in the TEAMS student tracking and other data systems (e.g., documentation of GED® Test completion and referral and placement in training and/or jobs);
- ★ use of the *Integrating Career Awareness into the ABE & ESOL Classroom* curriculum that intensifies GED® Test preparation and introduces learners to the soft skills needed for successful employment;
- ★ documented evidence of counseling and support in linking learners with training and work opportunities; and
- ★ exploration of ways to recognize student accomplishments that are portable and recognized by workforce partners.

"This has definitely opened a door for me to further my education. I'm not stopping here! I am going to continue my education and go for my LVN license."

*- Lockhart Class Participant
Community Action Inc. of Central Texas
(June 2012)*

Negotiations are underway to extend the pilots for a second year. The regional workforce literacy resource teams formed to assist with pilot implementation will continue to meet quarterly, with tentative plans to hold a joint meeting in winter or spring 2013.

Next steps include development of tracking mechanisms that will assist with linkages between adult education and workforce partners. This may enable tracking of additional training and support services (e.g., transportation, uniform purchase) provided through the workforce centers. In addition, data collected from the initial pilot cohorts will be analyzed to determine if additional data elements/points will be collected in the future, as well as to assist in documentation of best practices.

***By the Numbers ...
as of June 7, 2012***

- ★ **\$400,000** divided by **3** regions serving the Alamo, Gulf Coast, Capital and Rural Capital local workforce development areas:
 - San Antonio ISD
 - Houston area
 - Austin/San Marcos area
- ★ **3** fiscal agents (one per region)
- ★ **7** providers
- ★ **21** sites
- ★ **27** classes
- ★ **480** served
- ★ **61.25** contact hours per student
- ★ **104** obtained GED

Source: Texas LEARNS (June 7, 2012)

Implementation Update: June 2012

Reports for three additional *Advancing Texas'* APs were presented at the June 14, 2012 SITAC meeting. Each included actions required in the **Programs, Products and Services KPA**. Summaries for each are provided below.

Apprenticeship

Middle-skill jobs currently account for nearly half the jobs in the U.S. and Texas. These are jobs requiring education and/or training beyond high school, but less than a four-year college degree. Training ranges from apprenticeships, certificate programs, and mid- to long-term on-the-job-training, to two-year associate academic or technical degrees.

"In occupations in which apprenticeship is the typical on-the-job training, employment is projected to **grow by 22.5 percent**, faster than for any other on-the-job training category."

*- Employment Projections – 2010-20,
U.S. DOL, Bureau of Labor Statistics (2/1/2012)*

Texas is facing an increasing need for workers with appropriate middle skills, created by job growth and future workforce retirements for a myriad of industries and occupations. Under the Council's leadership, **LTO P2** requires expansion of the earn while you learn model to address employer demand for skilled workers in middle-skill occupations.

The Council Chair assigned the Executive Committee the responsibility of overseeing implementation and reporting to the full Council. A project leadership team, including members from system partners THECB, the Texas Veterans Commission and TWC, was created in 2010 and charged with identifying and recommending potential projects. The team considered target industries in allied healthcare, health information technology, energy, aviation, and logistics and distribution and recommended six projects that were approved by the Executive Committee. Four of the six projects are active, including:

Apprenticeship [P2] – By 2012, design, develop, and implement a pilot program to demonstrate flexibility of the 'earn while you learn' model of traditional apprenticeship programs. Where appropriate, expand and replicate into new occupational areas by 2015.

Owner / Participant: Council

- ★ *Two pilots* – partnership formed to develop a registered apprenticeship program in an occupational area that has not traditionally used apprenticeship as a means to train its workforce:
 - Community Health Worker – Coastal Area Health Education Center
 - Health Information Technology – Dallas-Fort Worth Hospital Council Education and Research Foundation

- ★ *Two demonstrations* – partnership formed to adapt an existing registered apprenticeship program to meet emerging industry demand:
 - Comprehensive-National Electrician Solar Training (C-NEST) – Austin Electrical Joint Apprenticeship Training Committee and the Capital Area Workforce Board
 - Pre-Apprenticeship, Distance Learning and Outreach to Underserved Populations – Youth and Women – Independent Electrical Contractors of Texas

The Council worked with the U.S. Department of Labor (DOL) and pilot project staff to develop action plans with major tasks and timelines for development and implementation of the new programs.

The project's reporting process provides for:

- ★ quarterly submission of written reports by all pilot and demonstration projects;
- ★ compilation of a *Quarterly Update* for use at Council, Executive Committee and leadership team meetings; and
- ★ periodic leadership team conference calls with verbal updates from project representatives.

Based on May quarterly status reports, all active projects are making progress toward achieving their goals and objectives. As implementation proceeds, the leadership team continues to provide support and technical assistance based on member's background and position; assist in identifying funding and other resources; and monitor project progress. In March, the leadership team met jointly with the Executive Committee and received updates from project representatives.

★ ★ ★

Competitive Data

Data is required to ensure that system initiatives will be developed and executed to strategically position Texas in the global marketplace. Data must be available to benchmark Texas against other states and countries in the most significant and strategic education, workforce and market outcomes.

LTO P3 calls for continuation of the Council's efforts to produce a data set that allows system stakeholders to ascertain Texas' position relative to key indicators of competitiveness.

In 2003, indicators were chosen that met the conceptual frameworks which are now the foundation of the *Texas Index (Index)*. These frameworks are Dr. Michael Porter's model of cluster competitiveness and the OECD's Science, Technology, and Industry Scoreboard. Porter's model provides a basis for indicators that show an economic performance measure to address current performance and also focuses on the innovation output of a knowledge-based economy. The OECD scoreboard focuses on indicators that quantify the changing relationship between science, innovation, and economic performance in order to analyze trends in a knowledge-based economy. While both affirming selection of the recommended indicators and serving as the conceptual basis for the *Index*, Porter's model and the OECD's scoreboard also provided the possibility of using the *Index* indicators as elements of reliable and recognized models.

Since 2005, the Council has compiled data used to publish the *Index*. This research report currently provides data for 41 indicators organized into four domains: Training and Education; Research and Development; Market Composition and Characteristics; and Participant Access and Contribution. Data in the four domains are based on the important value proposition that skilled and educated people create innovations that result in commercialized products and services. These products are sold in the marketplace, generating economic activity that builds wealth for the state, and subsequently increases the standard of living for Texans.

The 2012 edition of the *Texas Index* is currently in production, with distribution expected in fall 2012.

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Local Board Plan Alignment

As the system's front line partners, local workforce boards must understand and meet the needs of their local communities by providing relevant workforce programs and services. **LTO P4** addresses the statutory requirement that local board plans align with the system strategic plan, *Advancing Texas*.

Congratulations to C-NEST Partner - Workforce Solutions Capital Area!!

The Capital Area local workforce board (Austin, TX), a partner in the C-NEST demonstration project, was awarded the **2012 Workforce Investment Board Excellence Grand Prize** at the National Association of Workforce Board's Forum 2012.

"The award recognizes our ongoing commitment to building collaborative partnership and developing innovative solutions in developing a world-class workforce that meets the needs of our region's employers and prepares people for good jobs with good wages."

- Alan Miller, Executive Director – Workforce Solutions Capital Area (March 16, 2012)

The Council is charged in federal and state law with recommending to the Governor approval of local board plans or plan modifications as required by the Workforce Investment Act (WIA) of 1998, the Wagner-Peyser Act and other applicable statutes. Under WIA, boards are required to develop and submit to the Governor a comprehensive local plan consistent with the WIA State Plan. The Council, as the designated State Workforce Investment Board, assists the Governor in review of the board plans.

Texas Government Code specifies that local plans must include a strategic component that sets broad goals and objectives for local workforce programs, and that outcomes must be consistent with statewide goals, objectives, and performance standards. *Advancing Texas* established these statewide goals and objectives. In previous years, TWC issued local board planning guidelines that included an appendix requesting quantitative and qualitative information needed for the Council’s review. The Council typically analyzes the local board plans for:

- ★ data to demonstrate performance in specified areas;
- ★ explicit strategies that address critical business issues and success factors noted in *Advancing Texas*; and
- ★ other information as requested related to broad system priorities and/or initiatives.

Local Board Plan Alignment [P4] – Local boards will align with and support the workforce system strategic plan through their planning processes and related initiatives. This will be documented in board plans and plan modifications, which are submitted to the Council for approval.
Owner / Participant: Local boards

After determining that local plans meet the statutory requirements, the Council approves the plans and recommends them to the Governor for approval. Following the Governor’s approval, local boards are able to enter into contracts for the purpose of operating the local workforce centers that deliver programs and services. TWC extended the existing, approved board plans through September 2012; therefore, the Council was not required to endorse or recommend board plans to the Governor in 2011.

TWC staff has convened a workgroup with representatives from 14 local boards and will seek their input during development of local board planning guidelines. Local board plans will be submitted later this year, with Council action projected for March 2013.

Additional Updates

State Workforce Plan

As the State Workforce Investment Board, the Council is also charged with approval of the Strategic State Workforce Plan for WIA Title I and Wagner-Peyser. WIA requires that states have an approved state plan in place in order to receive WIA formula funding.

In March 2012, DOL’s Employment and Training Administration issued guidance requiring state submission of a new five-year state workforce plan by April 16, 2012, or between April 17 and September 15, 2012. As allowed under the DOL guidelines, TWC requested and received a temporary extension to the current state plan in April 2012. DOL also specified that states have the option of submitting a unified plan or an integrated plan for WIA and Wagner-Peyser. As in previous plan submissions, TWC will develop an integrated state plan. Once developed, the draft plan will be posted for public comment on the TWC website. After the public comment period, TWC will consider and approve the final version of the state plan and transmit it to the Council for consideration and endorsement.

The Council is scheduled to consider endorsement of the state plan at its September 2012 meeting. Following endorsement, the Council will recommend final approval by the Governor and transmittal to the U.S. Secretary of Labor.

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Two reports were presented that directly relate to several of the critical business issues outlined in *Advancing Texas*. (see sidebar at right)

Texas Association of Workforce Boards (TAWB) Update

The Council’s March 2012 meeting included a workshop for members and invited guests focusing on aging workers, with presentations by Goodwill Industries of Houston and the Council for Adult and Experiential Learning (CAEL). As a follow-up, the TAWB Chair invited Goodwill Industries and CAEL representatives to report on the Aging Worker Initiative (AWI) at the association’s May meeting.

Advancing Texas’ Critical Business Issues

Everyone must be part of the critical pool of potential employees that is and will be required by Texas employers ...

Local workforce boards must understand and meet the needs of their local communities because they are the system’s front line partner in offering relevant programs and services.

Supported by a DOL demonstration grant, the AWI seeks to expand the workforce system’s understanding about how to best serve older workers and to develop models to share with all local workforce areas. AWI grants focus on providing training and related

services for individuals age 55 and older that result in employment and advancement opportunities in high-growth sectors. Goodwill is partnering with CAEL for technical assistance, documentation of best practices, leveraging lessons learned, and replication of models developed during the grant period.

In recent months, TAWB presentations and discussions have also addressed:

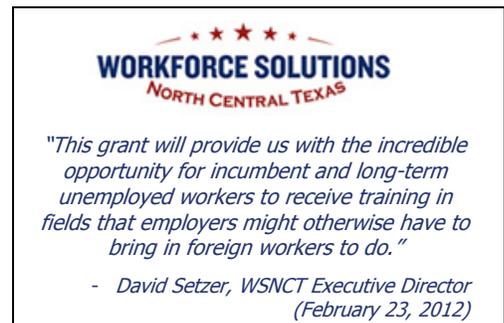
- ★ What can be done to increase manufacturing competitiveness across the state, the aging workers in the industry, and the misalignment of education and training.
- ★ WIA reauthorization and recent Congressional committee meetings.
- ★ Focus on career and technical education in school districts and the need to prepare students for careers in science, technology, engineering and math (STEM) fields.



Workforce Solutions for North Central Texas – H-1B Technical Skills Grant Training Award

Workforce Solutions for North Central Texas (WSNCT) and its training partners have been awarded a four-year \$4,991,839 grant as part of DOL’s second round of funding under the H-1B Technical Skills Training Grant Competition. The money is part of more than \$183 million given to 43 public-private partnerships in 28 states in the second round of funding. In the first round last October, DOL awarded over \$159 million to 36 grantees.

WSNCT’s IMPACT project focuses on the IT and STEM fields. These occupational areas are projected to grow by nine and eight percent, respectively, in the Dallas-Fort Worth region over the next three years. In the target occupations, WSNCT has identified an estimated 19,000 IT-related positions and 2,700 STEM-related positions currently open. Key project partners include IBM, Lockheed Martin, AT&T, Labinal, Business Control Systems, and North Central Texas College (NCTC). This year, NCTC will equip a \$200,000 CISCO training lab and establish courses that meet industry demands. Advanced STEM and IT training will be ongoing.



The project focuses on advancing the career of 3,951 current IT and STEM professionals within the business partners. In addition, 200 long term unemployed individuals with IT or STEM backgrounds will receive training to address their current skills gap. Average hourly wage projections are \$44 for incumbent workers and \$24 for the long term unemployed.

The DOL grants are funded through fees paid by employers to bring foreign workers into the U.S. under the H-1B program. The intent is to raise the technical skill levels of American workers and, over time, help businesses reduce their need to use the H-1B program.

<i>SITAC Members</i>	
<i>Chair</i>	Paul Mayer, Executive Committee Member, Texas Workforce Investment Council
<i>Economic Development and Tourism Division</i>	Keith Graf, Director, Aerospace and Aviation
<i>Texas Association of Workforce Boards</i>	David K. Setzer, Executive Director, Workforce Solutions North Central Texas
<i>Texas Department of Criminal Justice</i>	Debbie Roberts, Superintendent, Windham School District
<i>Texas Education Agency</i>	Vangie Stice-Israel, State Director for Career Technical Education
<i>Texas Health and Human Services Commission</i>	Jim Hanophy, Assistant Commissioner, Division for Rehabilitative Services
<i>Texas Higher Education Coordinating Board</i>	Dr. MacGregor Stephenson, Assistant Commissioner for Academic Affairs and Research
<i>Texas Juvenile Justice Department</i>	Amy Lopez, Superintendent of Education Services
<i>Texas Veterans Commission</i>	Stan Kurtz, Operations Manager, Veterans Employment Services
<i>Texas Workforce Commission</i>	Luis Macias, Chief of Staff



SITAC Quarterly Report

System Integration Technical Advisory Committee
Texas Workforce Investment Council
Quarter Ending December 2011

System Integration Technical Advisory Committee

The System Integration Technical Advisory Committee (SITAC) is constituted as a technical advisory committee to the Texas Workforce Investment Council (Council). Chaired by a member of the Council's Executive Committee, SITAC includes executive-level representatives from the Council's partner agencies, as well as from the Texas Association of Workforce Boards. SITAC's key responsibility is the implementation of the workforce system strategic plan.

Next Meeting

Thursday, June 14, 2012 – 1:00 p.m.
Teacher Retirement System, Austin

The current plan, *Advancing Texas: Strategic Plan for the Texas Workforce System (FY2010-FY2015)* (*Advancing Texas*) was approved by Governor Rick Perry on October 23, 2009. It outlines 14 long term objectives (LTOs), grouped by the three key performance areas that address the critical business issues identified during a yearlong collaborative planning process.

SITAC members meet quarterly, providing status reports on action plans for which their organization is solely or jointly responsible. The committee is authorized to create and deploy cross-agency teams in order to devise and execute collaborative solutions to issues associated with the system strategic plan's LTOs.

In Progress

2012 Update to *Advancing Texas*

In March 2012, the Council will consider the *2012 Update* to the workforce system strategic plan, the first update for *Advancing Texas*. Approved by the Governor in 2009, the plan covers a six-year period. It outlines the vision for the state's workforce system and contains the action plans (APs) that guide plan execution.

Texas Government Code also requires an annual status update to the Governor and legislature. This requirement is met by the Council's annual evaluation report and periodic plan updates.

The iterative nature of the planning and status reporting processes provide for progress evaluations and recommendations for further action. The APs are reviewed and modified periodically to indicate accomplishments and milestones achieved as well as other changes such as the addition of dependencies or tracking measures.

For the *2012 Update*, all APs and agency projects associated with **LTO P5**-Employer Needs/Satisfaction and **LTO P6**-Use of Employment Data for Program Improvement will be reviewed with the applicable system partner(s). Partner agency reports to SITAC, as well as

Message from the Chair

In December 2011, agencies reported recent achievements related to workplace literacy skills pilot programs, dual credit transfer, and a future Request for Applications for career technical education demonstration projects. In addition, the Texas Workforce Commission presented on work related to assessing workforce supply and demand.

With our third year of *Advancing Texas'* implementation underway, system partners continue to make significant progress toward achieving the plan's long term objectives. This is evidenced not only through our meeting reports and discussion, but by the detailed reporting that supports the Council's annual evaluation report to the Governor and Legislature.

Council staff are working closely with partners to complete the first update to *Advancing Texas*. The Council will review proposed changes in March 2012, in anticipation of action and submission to the Governor for approval.

On behalf of the Council members attending and our fellow members, my thanks to system partners for their continued good work! I look forward to hearing your reports when we reconvene in June.

Paul Mayer

formal reporting for the *Evaluation 2011* report, will also provide much of the information needed for the update. Proposed changes or modifications to *Advancing Texas* include:

- ★ accomplishment of, clarification to, or addition of major tasks and milestones;
- ★ changes to timelines;
- ★ changes to accountable participants; and
- ★ establishment of performance targets.

After consideration for approval by the Council at its March 2012 meeting, the *2012 Update* will be forwarded to the Governor for signature. The update will then be the foundation of system partner actions and will also continue to guide implementation of *Advancing Texas*.

Implementation Update: December 2011

Reports for four *Advancing Texas*' APs were presented at the December 15, 2011 SITAC meeting. Summaries are provided for each, grouped by the plan's key performance areas (KPA).

KPA: Customer Outcomes

To meet the demands of Texas' employers, everyone must be part of the critical pool of potential employees. *Advancing Texas* specifies four target populations, including *those with low literacy skills*, who can be assisted through targeted literacy programs to gain or maintain employment.

LTO C4 requires the Texas Education Agency (TEA) and the Texas Workforce Commission (TWC) to develop new and enhance existing methods, programs and processes for programs targeted at the over age 17 adult education population to address workplace

ABE / Low Literacy Level Employment [C4] – By 2013, design and implement targeted Adult Basic Education programs to enhance employment outcomes for populations requiring workplace literacy skills.

Owner: SITAC
Participants: TEA, TWC

literacy acquisition. Workforce literacy skills are the basic and soft skills considered necessary to perform in entry-level occupations or the skills needed to adapt to technological advances in the workplace.

A workgroup with local workforce board, adult education provider, partner agency representatives and Council staff designed a model of program outreach and delivery. It fits within existing adult education funding, program offerings and initiatives, and can be offered concurrently with adult education levels 4 through 6.

Last year, TWC completed an assessment that identified three local boards – Alamo, Capital Area and Gulf Coast – which have strong relationships with adult education providers as pilot program candidates. TEA committed \$400,000 in Adult Education State Leadership funds for the pilots.

A nationally recognized career awareness curriculum, previously offered by some Texas sites with highly successful results, has been selected. The pilots include a career exploration awareness component that focuses on workplace literacy skills designed to facilitate a smooth transition from adult education to workforce training.

Pilots have been negotiated with multiple adult education providers in the three regions. The providers received technical assistance as well as the guidelines and timelines for launching the pilot initiatives.

Regional workforce literacy resource teams have been formed and are meeting quarterly to assist with pilot implementation. In addition, tracking mechanisms are being developed that will also assist with linkages between adult education and workforce partners.

KPA: Systems, Operations, Competencies and Integration

Career technical education (CTE) programs provide valuable skills training, and often lessen the risk of students dropping out. Texas needs enhanced and more effective integration of academic and CTE options at both the secondary and postsecondary levels in order to increase graduation rates and assist with the transition to further education or the workforce. Two LTOs focus on this critical issue.

LTO S1 addresses integrated planning initiatives that require partner coordination to ensure alignment, with work in progress by the Texas Higher Education Coordinating Board (THECB) and TWC. Readily available supply-demand reports will provide data needed for education and training providers to plan and better align their programs to industry needs.

TWC's online Strategic Workforce Assessment Project (SWAP) provides statewide occupational data as well as data for pre-defined occupational subsets such as local workforce development area target occupations, AchieveTexas career clusters and STEM occupations. New features, reports, data items and analytical tools are in continuous development, dependent on user expectations and available funding.

Utilizing SWAP, TWC has made progress toward creating a supply and demand database. Last year, the agencies reported that ongoing data collection mechanisms had been identified for:

- ★ *Supply* – THECB will provide annual enrollment and graduation data at the 4-/6-digit CIP code level. Program-level data will be used initially, with course-level data expected to be available in 2013.
- ★ *Demand* – TWC provided employment and job opening projections, with 2018 projections now available.

The AP's plan of work has been modified to utilize an electronic report format rather than a hard copy report format. In August 2011, TWC completed a draft *SWAP User's Guide* for use in introducing customers to SWAP's analysis tools. TWC plans to create an interactive format that will better guide users in developing reports while allowing for continued evolution of online tools.

TWC is also developing multiple user scenarios that pose hypothetical education or workforce planning issues and demonstrate how SWAP can be used to provide the appropriate data and analysis to address the issue. Tentative plans are to pilot test the interactive guide with selected community and technical colleges in early 2012. As of December 2011, the website's functionality was in the process of being modified, with additional enhancements expected to be completed in the first quarter of 2012.

Whether made available through an online application or a formatted report, to meet the AP intent and serve as a resource for supply-demand information it is essential that the data include middle skills jobs that require on-the-job training, as well as certificates and associate degrees.



LTO S3 addresses the need for improved program and initiative alignment, with the goal of providing seamless education and career pathways. Streamlining processes, and in some cases shortening time to program completion, should help increase student enrollment and completion of courses, credentials and degrees.

A key strategy is dual credit, which THECB defines as a process by which a high school junior or senior enrolls in a college course and receives simultaneous academic credit from both the college and the high school. Dual credit courses are often taught at secondary schools for high school students only; however, high school students can also take courses at a college campus and earn both high school and college credits.

Both academic and technical courses may be provided for dual credit. Administrative challenges are numerous as programs vary at the local level in terms of funding mechanisms, cost sharing agreements, training locations, transportation availability and faculty.

TEA and THECB are working together on all aspects of the infrastructure for transferring academic and technical dual credit courses from high schools to community colleges and four-year institutions. Two related reports were completed in 2011:

- ★ *Research Study of Texas Dual Credit Programs and Courses* was published in March. TEA, in collaboration with THECB, contracted with American Institutes for Research and Gibson Consulting Group, Inc. to conduct the study.
- ★ *Dual Credit Report*, was published by THECB in December. The report fulfills the requirements of Rider 33, House Bill 1 (82nd Legislature).

TEA also plans to fund a research study to assess utilizing dual credit as a substitute for end of course (EOC) exams. EOC assessments have not been implemented but will be phased in beginning with 2011-12 ninth grade students, adding successive grades annually through 2014-15.

Assess Workforce Supply / Demand [S1] – Produce each biennium, commencing in 2010, a report that documents an assessment of the number and type of postsecondary education and training credentials (certificate, level two certificate, associate, bachelor's and advanced degrees) required to match the demand for a skilled and educated workforce. The assessment will include the number of forecast net job openings by occupation at each level of postsecondary education and training and the number of credentials needed to match that forecast.

Owner: SITAC

Participants: THECB, TWC

In addition, the agencies are improving data systems for tracking and evaluating student outcomes. Beginning fall 2011, THECB data systems will allow the tracking of students from dual credit into college level courses with associated course grades included. This will provide significantly greater opportunities to evaluate the preparedness level of students who take courses as dual credit in high school versus as a traditional college course. In addition, THECB will be able to evaluate success rates for each group in subsequent college courses. Data analysis will be limited to the number of cohorts included in the system, beginning with the FY 2012 cohort.

Dual Credit Transfer [S3] – By 2013, education and training partners will have the infrastructure necessary (policies, procedures, data processes, rules, and capabilities) to facilitate the effective and efficient transfer of academic and technical dual credit courses from high schools to community colleges and four-year institutions.

Owners / Participants: THECB, TEA

THECB is also working with two- and four-year institutions to develop explicit learning outcomes that will be consistent across key lower division academic courses taught at institutions statewide. By September 2011, faculty teams had developed learning outcomes for approximately 19 percent of course sections at community colleges and 25 percent of the enrollments. This process is expected to continue for several years in order to complete the process for the most frequently offered and taken courses. Less frequently used courses or unique need courses will not be completed at a state level.

Such efforts are critical, as evidenced by data showing that public high school graduates who participated in dual credit while in high school enroll in higher education at a slightly higher rate than the total population of high school graduates. Dual credit enrollment has risen annually since record keeping began in 1999, climbing from 11,921 in 1999 to 91,303 in 2009, before dipping slightly to 90,364 in 2010. In 2010, dual credit accounted for 6.7 percent of total fall enrollments, up from 1.4 percent in 1999.



Career technical education (CTE) programs provide valuable skills training, and often assist with the transition to further education or the workforce. **LTO S4** focuses on improving the perception of CTE as a desirable career option. Increasing the perceived value of CTE programs may increase graduation rates and lessen the risk of students dropping out.

The Council is responsible for this AP, with the Executive Committee providing oversight. The intent is to increase awareness and educate high school counselors by creating a secondary school culture where all students and parents understand the wide range of available education and career choices. This is increasingly important as many high skill, high wage jobs critical to Texas' economy require some postsecondary education, but less than a four-year degree.

CTE Demo – Improve Knowledge / Value Perception [S4] – By 2013, design and implement a demonstration program targeted to improve perception of career options that career technical education (CTE) programs enable.

Owner / Participant: Council

In November 2010, a task group was convened to design an outreach and awareness model that incorporates promising CTE practices. The group used the findings from the Council's 2010 report, *Research Findings: Raising Awareness of Career Technical Education in Texas Schools*, to assist in developing the model for a pilot project and a Request for Applications (RFA).

The structure of the model is sequential and cohort-based. The best practices target students and their parents with specific activities for each of three years (grades 9-11). The RFA will be finalized and released when funds become available. It is anticipated that four awards will be made with final selection based on school size and community type (rural/urban). Successful, replicable demonstrations have the potential to increase awareness and educate students, parents, and counselors about the wide range of career and educational choices available through CTE.

<i>SITAC Members</i>	
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<i>Texas Association of Workforce Boards</i>	David K. Setzer, Executive Director, Workforce Solutions North Central Texas
<i>Texas Department of Criminal Justice</i>	Debbie Roberts, Superintendent, Windham School District
<i>Texas Education Agency</i>	Vangie Stice-Israel, State Director for Career Technical Education
<i>Texas Health and Human Services Commission</i>	Jim Hanophy, Assistant Commissioner, Division for Rehabilitative Services
<i>Texas Higher Education Coordinating Board</i>	Dr. MacGregor Stephenson, Assistant Commissioner for Academic Affairs and Research
<i>Texas Veterans Commission</i>	Shawn Deabay, Director, Veterans Employment Services
<i>Texas Workforce Commission</i>	Luis Macias, Texas Back to Work Coordinator



SITAC Quarterly Report

System Integration Technical Advisory Committee
Texas Workforce Investment Council
December 2011

System Integration Technical Advisory Committee

The System Integration Technical Advisory Committee (SITAC) is constituted as a Technical Advisory Committee to the Texas Workforce Investment Council (Council). Chaired by a member of the Council's Executive Committee, SITAC includes executive-level representatives from the Council's eight partner agencies, as well as from the Texas Association of Workforce Boards. SITAC's key responsibility is the implementation of the workforce system strategic plan.

Next Meeting

Thursday, June 14, 2012 – 1:00 p.m.
Teacher Retirement System, Austin

The current plan, *Advancing Texas: Strategic Plan for the Texas Workforce System (FY2010-FY2015)* (*Advancing Texas*) was approved by Governor Rick Perry on October 23, 2009. It outlines 14 long term objectives (LTOs), grouped by the three key performance areas that address the critical business issues identified during a yearlong collaborative planning process.

SITAC members meet quarterly, providing status reports on action plans (APs) for which their organization is solely or jointly responsible. The committee is authorized to create and deploy cross-agency teams in order to devise and execute collaborative solutions to issues associated with the system strategic plan's LTOs.

Year 2 Implementation Highlights

Fiscal year 2011 was the second year of *Advancing Texas*' six-year plan cycle. Implementation highlights include:

LTO C3 – English Language Learner (ELL) Employment and LTO C4 – Adult Basic Education/Low Literacy Level Employment – The Texas Education Agency (TEA), the Texas Higher Education Coordinating Board (THECB) and the Texas Workforce Commission (TWC) worked together on several tasks:

- ★ Formed a work group to design and develop pilot models to be executed through community and technical colleges (CTCs) and local boards. The group includes representatives from TEA, TWC, THECB, CTCs, local boards, adult education providers and Council staff.
- ★ Identified funding sources, obtained and reviewed pilot program applications.
- ★ Negotiated project terms, with implementation to begin in September 2011: C3 ELL pilots at seven institutions and C4 workforce literacy pilots with three local board areas reported to have robust relationships with their workforce partners.

Message from the Chair

With our second year of *Advancing Texas*' implementation complete, I am pleased to report that progress has been made in many areas. This issue of the quarterly report notes a few implementation highlights in addition to our regular reports.

System partners continue to increase collaborative efforts as work proceeds on new and ongoing projects. In the coming year, we look forward to hearing more about pilot projects underway that have been designed to address critical areas such as earn while you learn training, and programs designed to meet the needs of English language learners and those with low literacy levels.

In September, agencies responsible for several action plans reported recent achievements and members also provided key legislative outcomes from the Texas Legislature's regular and special sessions, as well as federal funding changes. I was pleased to welcome our new member from the Workforce Commission and to announce that Dr. Stephenson, our Coordinating Board representative, has agreed to serve as my Vice Chair.

On behalf of the Council members attending and our fellow members, my congratulations and thanks to system partners for the strides made over the last year!

Paul Mayer

LTO P2 – Apprenticeship – Under the Council’s leadership, LTO P2 requires expansion of the earn while you learn model to address employer demand for skilled workers. Five projects recommended by the Apprenticeship Project Leadership Team and approved by the Council’s Executive Committee are currently being implemented, with regular reporting to the Council and the leadership team.

LTO P4 – Local Board Alignment – TWC assisted with the collection of summative data and information from local workforce boards related to the implementation of *Advancing Texas*. All 28 boards provided information pertaining to:

- ★ increasing employment outcomes for veterans;
- ★ designing and implementing targeted adult education programs to increase employment outcomes for populations requiring workforce literacy skills; and
- ★ cooperative and collaborative efforts with another system partner to increase participant outcomes.

LTO P5.2 – Employer Needs / Satisfaction [THECB] – The agency partnered with the Council to conduct a two-phase survey of CTCs in an effort to document colleges’ strategies for determining employer satisfaction and using that information in institutional planning processes to improve program delivery. Two colleges were selected as models of promising practices and will be formally recognized by the Council in December 2011.

Implementation Update: September 2011

Reports for three *Advancing Texas*’ APs were presented at the September 8 SITAC meeting. Summaries are provided for each, grouped by the plan’s key performance areas (KPA).

KPA: Customer Outcomes

To meet the changing demands of Texas’ employers, everyone must be part of the critical pool of potential employees. *Advancing Texas* specifies four target populations, including *English language learners*, who constitute a rapidly growing population requiring additional skills for workforce-related success.

English Language Learner (ELL) Employment [C3] –

By 2013, design and implement integrated Adult Basic Education and workforce skills training programs to enhance employment outcomes for the English language learner population.

Owner: SITAC

Participants: TEA, TWC

LTO C3 requires TEA and TWC to develop new and enhance existing methods, programs and processes for programs targeted at the over 17 ELL population that address both language and occupation skill acquisition. The ELL population is comprised of individuals who have a high school diploma or degree in their native country, but for whom English is not their first language.

TEA previously reported that the Adult Basic Education Innovation Grant application was available on the THECB website. The two

agencies collaborated to issue this grant which was initially limited to selected geographic regions with specific criteria required of the applicants. Due to a lack of applications, the Request for Applications was revised and reissued in March 2011. All pilot elements specified in action plan C3 were retained, but changed from required to preferred criteria. This change allows the pilot projects to be more flexible while still focusing on the intended outcomes.

Pilot implementation was scheduled to begin in September 2011 at Alamo Community College District, Amarillo Community College, El Centro College of the Dallas County Community College District, Hill College, South Texas College, Tyler Junior College and Wharton County Junior College.

KPA: Programs, Products and Services

Middle-skill jobs currently account for nearly half the jobs in the U.S. and in Texas. These are jobs requiring education and/or training beyond high school, but less than a four-year college degree. Training ranges from apprenticeships, certificate programs, and mid- to long-term on-the-job-training, to two-year associate academic or technical degrees.

Texas is facing an increasing need for workers with appropriate middle skills, created by job growth and future workforce retirements for a myriad of industries and occupations. Under the Council’s leadership, **LTO P2** requires expansion of the earn while you learn model to address employer demand for skilled workers in middle-skill occupations.

Apprenticeship [P2] – By 2012, design, develop, and implement a pilot program to demonstrate flexibility of the ‘earn while you learn’ model of traditional apprenticeship programs. Where appropriate, expand and replicate into new occupational areas by 2015.

Owner / Participant: Council

The Council Chair assigned the Executive Committee the responsibility of overseeing implementation and reporting to the full Council. A project leadership team, including members from system partners THECB, the Texas Veterans Commission (TVC) and TWC, was created in 2010 and charged with identifying and recommending potential projects. The team considered target industries in allied healthcare, health information technology, energy, aviation, and logistics and distribution and recommended six projects that were approved by the Executive Committee. Five projects are active, including:

- ★ *Three pilots* – partnership formed to develop a registered apprenticeship program in an occupational area that has not traditionally used apprenticeship as a means to train its workforce:
 - Community Health Worker – Coastal Area Health Education Center
 - Health Information Technology – Dallas-Fort Worth Hospital Council Education and Research Foundation
 - Information Technology – New Horizons Computer Learning Centers
- ★ *Two demonstrations* – partnership formed to adapt an existing registered apprenticeship program to meet emerging industry demand:
 - Comprehensive-National Electrician Solar Training – Austin Electrical Joint Apprenticeship Training Committee and the Capital Area Workforce Board
 - Pre-Apprenticeship, Distance Learning and Outreach to Underserved Populations – Youth and Women – Independent Electrical Contractors of Texas

The Council worked with the U.S. Department of Labor (DOL) and pilot project staff to develop action plans with major tasks and timelines for development and implementation of the new programs.

Implementation is underway for all projects. Based on the August 2011 quarterly status reports, all are on track to achieve the majority of their goals and objectives.

★ ★ ★

Data gaps regarding employers' needs and customer satisfaction hinder the ability to assess whether existing programs and services adequately meet customer requirements. During the previous strategic plan period, several partner agencies increased their efforts to become more familiar with employers' perception of agency services, and to gather information about projected hiring and training needs.

LTO P5 incorporates five agency projects, with updates presented for four at the September meeting:

- ★ *Health and Human Services Commission – Department of Assistive and Rehabilitative Services (DARS) [P5.1]* – DARS is working on two employer-related projects under LTOs P5 and P6. An online survey was developed to collect employer feedback for each

New Horizons Computer Learning Center

"When working with companies in a significant growth mode ... advisable to engage the respective Executive Director and the Business Development Managers from the local board as soon as possible."

- Pilot Project Quarterly Report (May 2011)

New Horizons Computer Learning Centers operates over 300 centers in 65 countries. In 2009, the company was awarded a \$580,685 DOL grant to support development of an apprenticeship model incorporating competency-based learning. Under the grant, New Horizons developed standards for multiple Information Technology (IT) occupations for Indiana's largest healthcare employer. Median hourly wages for the seven occupations ranged from \$20.89-\$54.86 per hour in 2009.



In 2010, New Horizons researched Texas' demand for several IT occupations and proposed a registered apprenticeship project to target the I-35 corridor, including Dallas, Fort Worth, Austin and San Antonio. In 2011, the implementation region was expanded to add the 13-county Gulf Coast Planning Region served by the Houston-Galveston Area Council. As the project convener, New Horizons is working to build project partnerships with DOL, public and private training providers, community-based organizations, local boards and employers.

The apprenticeship program is based on a competency-based model which enables participants to accelerate their completion timeline if they have prior knowledge and skills. Total time commitments range from:

- ★ Computer Support Specialist (Help Desk Technician) – 2,224 hours, including 2,004 hours of on-the-job learning, supplemented by 220 hours of related instruction.
- ★ IT Project Manager – 6,588 hours, including 6,144 hours of on-the-job learning, supplemented by 444 hours of related instruction.

As of August 2011, the project was on track with milestones in the action plan submitted to the Council in October 2010. A partner employer, JPS Health Network, has completed standards development for two entry level IT occupations and submitted them for DOL review. In addition, New Horizons is modifying standards developed under the 2009 DOL grant, with submission to DOL for review expected by the end of 2011.

New Horizons continues to engage additional partners. For example:

- ★ added teleNetwork Inc., with a projected 400 entry-level positions in Austin and San Marcos;
- ★ discussed referral of disabled veterans with South Texas Veterans Health Care System;
- ★ consulted with TWC regarding developing a consortium for possible Skills Development Fund grant application; and
- ★ met with staff from a Fort Worth high school to discuss creating an apprenticeship pathway for students interested in healthcare IT.

If successful, these apprenticeship models could be adopted by a wide variety of businesses that employ IT professionals.

service or interaction. The initial 2010 pilot resulted in overall high levels of satisfaction, and the survey was modified in an effort to address the low response rate and issues identified by respondents. The Divisions for Blind and Rehabilitation Services are piloting similar versions of the revised survey, with the gathered information scheduled to be evaluated by November 2011. Information obtained through the survey will be used to assess employer satisfaction and to identify opportunities for program and service improvements.

DARS is also exploring the purchase of cloud based subscriptions for business relations management software that would enable businesses to screen applicants online and also provide DARS with options for tracking key indicators such as how quickly individuals were hired and retention rates.

Employer Needs / Satisfaction [P5] – Partner agencies will gather data from employer customers at appropriate intervals to determine employer needs and satisfaction.

Owner: SITAC

Participants: HHSC-DARS, THECB, TVC, TYC, TDCJ-Windham

- ★ *THECB [P5.2]*– After developing an online survey system, THECB worked with TWC to notify employers of its availability and also contacted key stakeholder groups in an effort to increase awareness and participation. A low response rate prompted THECB to consider new options to meet the project’s intent, and in 2011 the agency partnered with the Council to survey CTCs.

A two-phase survey process was used to collect information on college strategies for determining employer satisfaction and using that information in institutional planning processes to improve program delivery. Two colleges were selected as models of promising practices and will be formally recognized by the Council in December 2011.

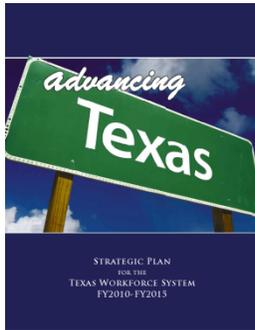
- ★ *TVC [P5.3]*– In late 2009, TVC launched a statewide initiative focused on placing veterans into employment by hiring a dedicated Business Outreach Coordinator. The successful effort was expanded in July 2011 when TVC instituted the Veterans Business Representatives (VBR) initiative with positions strategically located across the state.

The VBRs are working to establish partnerships with regional employers and to directly market TVC employment services. A new web-based survey has been created to evaluate services. Data collection is scheduled to begin in early 2012, allowing time for employers to effectively evaluate the new services. TVC regional managers will collect and analyze data for their region to evaluate the VBR initiative and employers’ needs and satisfaction related to hiring qualified veteran candidates.

- ★ *Texas Department of Criminal Justice – Windham School District (Windham) [P5.5]* – In 2011, Windham employed an electronic survey but encountered low response rates and data. Windham reported that additional effort is needed to accurately match ex-offenders with respective employers, also noting that more investigation is required in order to determine how federal confidentiality statutes apply to the provision of additional individual detail to potential respondents.

Current plans are to develop an alternative instrument and methodology by August 2012. Annual surveys will continue, with data reviewed to determine employer satisfaction and for use in a variety of program planning and management initiatives. In addition, alternate methodologies will be discussed during the biannual plan review process.

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<i>Texas Youth Commission</i>	



SITAC Quarterly Report

System Integration Technical Advisory Committee
Texas Workforce Investment Council
September 2011

System Integration Technical Advisory Committee

The System Integration Technical Advisory Committee (SITAC) is constituted as a Technical Advisory Committee to the Texas Workforce Investment Council (Council). Chaired by a member of the Council's Executive Committee, SITAC includes executive-level representatives from the Council's eight partner agencies, as well as representation from the Texas Association of Workforce Boards. SITAC's key responsibility is the implementation of the workforce system strategic plan.

The current plan, *Advancing Texas: Strategic Plan for the Texas Workforce System (FY2010-FY2015)* (*Advancing Texas*) was approved by Governor Perry on October 23, 2009. It outlines 14 long term objectives (LTOs), grouped by three key performance areas (KPAs) that address the critical business issues identified during a yearlong collaborative planning process.

Next Meeting

Thursday, December 15, 2011 – 1:00 p.m.
Teacher Retirement System, Austin

SITAC members meet quarterly, providing status reports on action plans (APs) for which their organization is solely or jointly responsible. The committee is authorized to create and deploy cross-agency teams in order to devise and execute collaborative solutions to issues associated with the system strategic plan's LTOs.

Featured Action Plans

Increase Blind & Disabled Employment [C1] Employer Needs & Satisfaction [P5.1]

The Health and Human Service Commission's Department of Assistive and Rehabilitative Services (DARS) works in partnership with disabled Texans to improve the quality of their lives and to enable their full participation in society. DARS' Division of Blind Services (DBS) and Division of Rehabilitation Services (DRS) have a dual customer focus – striving to meet the needs of employers and individual consumers.



The blind and disabled, who with focused assistance can achieve enhanced employment outcomes, are one of four populations targeted by *Advancing Texas*. LTO C1 specifies that DARS will develop system capabilities, including transition technologies,

designed to ensure employment outcomes for workers with disabilities or who are blind or visually impaired.

DARS Serves Business

Finding the right employee can be time consuming and expensive. Each year, DARS serves over 90,000 Texans with disabilities and helps them prepare for employment. In doing so, DARS offers a valuable resource to Texas businesses – qualified job applicants.

- DARS & Business: What's In It for You? (4/07).

The Vocational Rehabilitation (VR) program assists the blind and visually impaired, as well as individuals with physical disabilities, prepare for, find and keep jobs. Individualized rehabilitation services may include counseling, training, medical services, assistive devices, job placement assistance and other services. The VR program also partners with businesses to help workers with disabilities keep their jobs and to cultivate new

Message from the Chair

In June, SITAC heard status reports for several action plans, along with a special presentation on the Department of Assistive and Rehabilitative Services' industry partnerships and employer satisfaction initiatives. These projects support several action plans, including one to increase the employment of blind and disabled individuals, and are featured in this issue of the *SITAC Quarterly Report*.

Members were also reminded that work on the Council's annual evaluation report is underway.

I am always pleased to see Council members and others at our meetings. I encourage everyone to attend when you can and to share our *Quarterly Reports*. The action plan updates and special presentations give SITAC and Council members – and all individuals interested in Texas' workforce system – the opportunity to learn how the objectives of *Advancing Texas* are being realized.

Paul Mayer

*Advancing Texas and implementation updates available at:
http://governor.state.tx.us/twic/twic_strategic_plan/.*

employment opportunities for VR consumers. As part of that effort, the agency offers job placement services and assistance with employment accommodations.

DARS is focused on ensuring that employers are aware of and understand the capabilities of current and future workers who receive DARS services. DARS works with specific employers to develop and deploy assistive technologies after assessing disabled workers' specific needs, thus broadening the range of employment options. Business services include:

- ★ applicant screening, evaluation and referral services;
- ★ helping new employees come ready to work with knowledge about the business and what can be expected of them;
- ★ following up to ensure satisfaction of both employer and new hire to establish a mutually beneficial relationship;
- ★ job retention services for some employees who have developed a disability due to accident or sickness and need assistance to keep their job or return to work;
- ★ leading edge technology and assistance to provide job accommodation provisions for qualified employees; and
- ★ consultation and training on disabilities, as well as information on available tax incentives and credits.

"We look to DRS as a resource for qualified applicants for positions in our Amarillo area stores and look forward to a lasting partnership."

- Eddie Owens, APR
United Supermarkets – Lubbock, Texas
(DARS & Business, 4/07)

For several years, DARS has been involved in successful, innovative models that have created and facilitated partnerships between business/industry and rehabilitation providers. To build on and replicate these models, a competitive request for proposals was issued in September 2009, with contracts awarded to nine providers in multiple industries and with various job opportunities. The contracts, awarded in February 2010, are scheduled to run from March 2010 through September 2011. The Council's February 2010 *Profiles in Success*¹ features individuals involved in this DARS initiative.

Blind / Disabled Employment [C1] – By 2013, the blind and disabled populations will achieve additional employment outcomes.

Owner / Participant: HHSC-DARS

The agency utilizes an 'imbedded training model' when working with medium to large business in a variety of industries including Walgreens stores and distribution centers, Lowes distribution centers, T.J.Maxx, Safeway, Randalls, Tom Thumb and the Army & Air Force Exchange Service. DARS works with business and Community Rehabilitation Programs to develop customized, on-site training which often includes a physical conditioning component to benefit individuals transitioning from idle to full time work. These partners' positive experience is evident by their expansion of this program within their companies, as well as by their marketing to other employers. From February 2010 through January 2011, DARS successfully closed 225 cases with the referenced employers and an estimated 1,200 overall for the initiative.

Using American Reinvestment and Recovery Act (ARRA) of 2009 funds, this initiative was expanded to multiple businesses in the medical, hotel and grocery sectors. In the first year (March 2010-February 2011), 116 participants were successful in gaining employment. Based on performance and projected need, the ARRA contracts will be converted to a fee for service basis when they end in February 2012.

DARS is using funds from a four year Medicaid Infrastructure Grant (MIG) to develop the infrastructure for a comprehensive system of competitive employment support for persons with disabilities. For example, DARS supported the formation of the Houston Business Leadership Network (BLN) with founding members: Manpower, Walgreens, Shell, Kelsey-Seybold Clinics, Houston Community College, UPS and MD Anderson Cancer Center. The Houston BLN is an affiliate of the US Business Leadership Network® (USBLN), a national disability organization that serves as the collective voice of over 60 affiliates across North America, representing over 5,000 employers. The USBLN recognizes and supports best practices in the employment and advancement of people with disabilities; the preparedness for work of youth and students with disabilities; marketing to consumers with disabilities; and contracting with vendors with disabilities through the development and certification of disability-owned businesses.

Other DARS Initiatives

- ★ VR-NET (National Employment Team) – uses a 'one company' approach to working with large businesses
- ★ Schedule A Federal Hiring – 24 hires at IRS
- ★ Project Search – joint effort with schools and businesses; internships involving complex repetitive tasks that often lead to hires
- ★ Employer Symposiums
- ★ On-site 'Disability 101' Training
- ★ Targeted Community Job Fairs

Source: Presentation by Jim Hanophy, Assistant Commissioner – Rehabilitation Services (June 2, 2011).

¹ Accessible at <http://governor.state.tx.us/files/twic/ProfilesinSuccessDARS.pdf>.

BLN affiliates are business organizations headed by a lead employer who exemplifies these practices and shares experiences with other members (employers) within the state or region. These activities include career fairs, disability mentoring and internship programs, and training programs including disability business etiquette, accommodation, and other disability issues deemed significant to employers. Initiated in April 2011, the group's Project Ability goal is to hire 100 people with disabilities and early successes have been reported.



Data gaps regarding employers' needs and customer satisfaction hinder the ability to assess whether existing programs and services are adequately meeting customer requirements. During the previous strategic plan implementation period, several partner agencies increased their efforts to become more familiar with employers' awareness and perception of existing services, as well as gather information about projected hiring and training needs. **LTO P5** incorporates five agency projects that were continued under *Advancing Texas*, including the DARS project.

Employer Needs / Satisfaction [P5] – Partner agencies will gather data from employer customers at appropriate intervals to determine employer needs and satisfaction.

Owner: SITAC
Participants: HHSC-DARS, THECB, TVC, TYC, TDCJ-Windham

DARS initially developed transactional surveys to collect real-time feedback, rather than convening focus groups or issuing an annual survey. In 2010, a three-month pilot was conducted in three DRS and three DBS offices with both divisions using two surveys: (1) Business Satisfaction Survey for business contacts and (2) Applicant, Hiring and Retention Survey for applicant referral. Response and satisfaction rates from the pilot are presented in the table below.

2010 Survey Pilots		
	DRS	DBS
Business Satisfaction Survey – Response Rate	67% (sample=76)	12% (sample=62)
Applicant, Hiring and Retention Survey – Response Rate	70% (sample=80)	48% (sample=35)
Overall 'high satisfaction' rate	94% (only 1 negative response)	

Based on feedback obtained during the pilot and an internal review, the agency has consolidated the surveys to a single instrument that can be completed electronically. The revamped survey has been vetted with businesses and will be piloted in a metropolitan area during summer 2011 in anticipation of statewide implementation in September.

The agency is considering potential changes to the MIG website so that the survey could be accessible from that

site and may also utilize business/sales software to track clients and indicators of success.

Implementation Update: June 2011

In addition to the DARS' report, updates for several other *Advancing Texas*' APs were presented at the June 2 SITAC meeting. Summaries are provided below, grouped by the plan's three KPAs.

KPA: Systems, Operations, Competencies and Integration

Career technical education (CTE) programs provide valuable skills training, and often lessen the risk of students dropping out. Texas needs enhanced and more effective integration of academic and CTE options at both the secondary and postsecondary levels in order to increase graduation rates and assist with the transition to further education or the workforce. Two LTOs focus on this critical issue including **LTO S2** that addresses college and career readiness. The intent is to increase the availability of both academic and rigorous CTE courses to support all students through a range of choices including two- and four-year degrees, apprenticeship and the military.

Career Technical Education – Increase Student Completion [S2] – By 2013, Texas will decrease high school dropout rates by implementing rigorous Career and Technical Education (CTE) as a part of the recommended or advanced high school graduation program.

Owner / Participant: TEA

The Texas Education Agency (TEA) continues to make progress on the AP tasks, including the design, development and adoption of CTE courses to meet recommended or advanced high school program graduation requirements for the fourth year of science and math. Over 190 new CTE courses have been developed, including six options for fourth year science and three for fourth year math. Required professional development courses for teachers will be available beginning summer 2011 through Project Share – an Internet portal designed to provide professional development resources for teachers across the state and to build

professional learning communities where educators can collaborate and participate in online learning opportunities.

The agency continues to develop and deploy early college high schools. These innovative high schools are located on or in close proximity to a college campus that allow students in historically underrepresented college-going populations the opportunity to earn a high school diploma and an associate's degree or up to 60 hours college credits over four years. At present there are 49, including

five Texas Science, Technology, Engineering and Math (T-STEM) early college high schools. Application reviews for additional sites were in progress and expected to be completed by the end of June 2011.

Work is also underway to develop criteria for the Campus Distinction Designations for the 21st Century Workforce Development program as required by House Bill 3 (81st Legislature). Meetings are tentatively set for fall 2011, a stakeholder list has been compiled and a literature review conducted.

TEA noted that no federal dollars were allocated for the Tech Prep program and that agency representatives are working with the Texas Higher Education Coordinating Board on how to address this funding change. Tech Prep programs offer students the opportunity to study in a career program in high school and either gain credit or experience which will assist them in their transition to higher education.

KPA: Customer Outcomes

To meet the demands of Texas' employers, everyone must be part of the critical pool of potential employees. *Advancing Texas* specifies four target populations, including *those with low literacy skills*, who can be assisted through targeted literacy programs to gain or maintain employment.

LTO C4 requires TEA and the Texas Workforce Commission (TWC) to develop new and enhance existing methods, programs and processes for programs targeted at the over age 17 adult education population to address workplace literacy acquisition. A workgroup with local workforce board, adult education provider, partner agency and Council staff designed a model of program outreach and delivery that fits within existing adult education funding, program offerings and initiatives, and that can be offered concurrently with adult education levels 4 through 6.

ABE / Low Literacy Level Employment [C4] – By 2013, design and implement targeted Adult Basic Education programs to enhance employment outcomes for populations requiring workplace literacy skills.

Owner: SITAC

Participants: TEA, TWC

Last year, TWC completed an assessment that identified three local boards – Alamo, Capital Area and Gulf Coast – with strong relationships with adult education providers as pilot program candidates. TEA committed \$400,000 in Adult Education State Leadership funds for the pilots.

TEA had reported earlier that work was underway on a Request for Proposals (RFP) to select pilot sites for workplace literacy. The agency has since identified definitional differences between the local

workforce boards and the adult education providers and is developing an abbreviated RFP. RFP revisions were to be completed in June 2011, with the pilots expected to run July 2011-June 2012. The pilots will include a career exploration awareness component that focuses on workplace literacy skills designed to facilitate a smooth transition from adult education to workforce training.

KPA: Programs, Products and Services

As the system's front line partners, local workforce boards must understand and meet the needs of their local communities by providing relevant workforce programs and services. **LTO P4** addresses the statutory requirement that local board plans align with the system strategic plan, *Advancing Texas*.

The Council is charged in federal and state law with recommending to the Governor approval of local board plans or plan modifications as required under the Workforce Investment Act (WIA) of 1998, the Wagner-Peyser Act and other applicable statutes. WIA requires that each board develop and submit to the Governor a comprehensive local plan consistent with the WIA State Plan, and that the Council, as the designated State Workforce Investment Board, assist the Governor in review of the board plans.

Local Board Plan Alignment [P4] – Local boards will align with and support the workforce system strategic plan through their planning processes and related initiatives. This will be documented in board plans and plan modifications, which are submitted to the Council for approval.

Owner / Participant: Local boards

Texas Government Code specifies that local plans must include a strategic component that sets broad goals and objectives for local workforce programs, and that outcomes must be consistent with statewide goals, objectives, and performance standards. *Advancing Texas* established these statewide goals and objectives. In previous years, TWC issued local board planning guidelines that included an appendix requesting quantitative and qualitative information needed for the Council's review. The Council typically analyzes the local board plans for:

- ★ data to demonstrate performance in specified areas;
- ★ explicit strategies that address critical business issues and success factors noted in *Advancing Texas*; and
- ★ other information as requested related to broad system priorities and/or initiatives.

After determining that local plans meet the statutory requirements, the Council approves the plans and recommends them to the Governor for approval. Following the Governor's approval, local boards are able to enter into contracts for the purpose of operating the one-stop centers that deliver programs and services. TWC extended the existing, approved board plans through September 2011; therefore, the Council was not required to endorse or recommend board plans to the Governor in 2010.

Given the continued potential for reauthorization of WIA in the coming year and the U.S. Department of Labor Employment and Training Administration's (DOLETA) intention to revise State Planning Guidance for Program Year 2012 (PY, July 1 – June 30) and beyond, DOLETA provided states with two options for PY 2011 state planning: (1) DOLETA approves an extension of the current WIA State Plan for an additional year, through PY 2011, or (2) DOLETA reviews and approves the WIA State Plan modification submitted by a state for PY 2011.

DOLETA has approved TWC's request under Option 1, extending the state plan to 2012. Because of this extension, TWC extended the local board plans for another program year.

In previous years, Council staff has used information gathered during consideration of local board plans for reporting in the Council's annual evaluation report on the workforce system. In order to collect the necessary information from the boards for the *Evaluation 2011* report, the Council's annual agency data and information request letter to TWC included three strategic questions regarding implementation of the goals and LTOs in *Advancing Texas*. TWC issued the request to the boards in June, with information to be submitted by mid-July.

The boards are to provide both narrative and quantitative information related to:

- ★ increasing veterans' employment outcomes (LTO C2);
- ★ increasing employment outcomes for populations requiring workforce literacy skills (LTO C4); and
- ★ cooperative and collaborative efforts with another system partner to increase participant outcomes (LTO P4).

SITAC Members

Chair

Paul Mayer, Executive Committee Member, Texas Workforce Investment Council

Economic Development and Tourism Division

Keith Graf, Director, Aerospace and Aviation

Texas Association of Workforce Boards

David K. Setzer, Executive Director, Workforce Solutions North Central Texas

Texas Department of Criminal Justice

Debbie Roberts, Superintendent, Windham School District

Texas Education Agency

Vangie Stice-Israel, State Director for Career Technical Education

Texas Health and Human Services Commission

Jim Hanophy, Assistant Commissioner, Division for Rehabilitative Services

Texas Higher Education Coordinating Board

Dr. MacGregor Stephenson, Assistant Commissioner for Academic Affairs and Research

Texas Veterans Commission

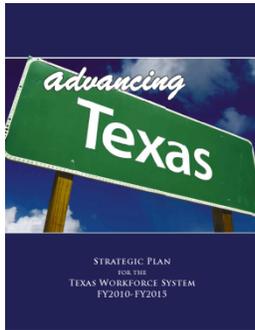
Shawn Deabay, Director, Veterans Employment Services

Texas Workforce Commission

Luis Macias, Texas Back to Work Coordinator

Texas Youth Commission

Dr. Clint Carpenter, Superintendent of Education



SITAC Quarterly Report

System Integration Technical Advisory Committee
Texas Workforce Investment Council
June 2011

System Integration Technical Advisory Committee

The System Integration Technical Advisory Committee (SITAC) is constituted as a Technical Advisory Committee to the Texas Workforce Investment Council (Council). Chaired by a member of the Council's Executive Committee, SITAC includes executive-level representatives from the Council's eight partner agencies, as well as representation from the Texas Association of Workforce Boards. SITAC's key responsibility is the implementation of the workforce system strategic plan.

The current plan, *Advancing Texas: Strategic Plan for the Texas Workforce System (FY2010-FY2015)* (*Advancing Texas*) was approved by Governor Perry on October 23, 2009. It outlines 14 long term objectives (LTOs), grouped by three key performance areas (KPA) that address the critical business issues identified during a yearlong collaborative planning process.

Next Meeting

Thursday, September 8, 2011 – 1:00 p.m.
Teacher Retirement System, Austin

SITAC members meet quarterly, providing status reports on action plans (APs) for which their organization is solely or jointly responsible. The committee is authorized

to create and deploy cross-agency teams in order to devise and execute collaborative solutions to issues associated with the system strategic plan's LTOs.

Featured Action Plan

Increase Veteran Employment [C2]

Veterans, who often have a wide range of disabilities but with training, referral and placement services can return to the civilian workforce, are one of four populations targeted by *Advancing Texas*. LTO C2 specifies that the Texas Veterans Commission (TVC) will work to ensure state and leveraged federal services provide veterans with the programs, products and services necessary to accommodate their needs and to enable them to enter the workforce successfully.



TVC offers employment services to Texas veterans and helps employers find qualified veteran job applicants. Through the Veterans Employment Services (VES) program veterans receive assistance with finding employment through job matching, resume assistance and intensive services. The program transferred to TVC from the Texas Workforce Commission (TWC) in 2006 and has over 190 VES staff located statewide in workforce centers supported through Texas Workforce

Message from the Chair

In March, SITAC heard status reports for several action plans, along with a special presentation on the Texas Veterans Commission's Business Outreach initiative. That project, as it supports the action plan to increase veteran employment, is featured in this issue of the *SITAC Quarterly Report*.

Members were also informed that the *Employer Services* briefing paper has been updated and is available at:

governor.state.tx.us/files/twic/Employer_Services.pdf

In addition, we welcomed two new members who will represent the Department of Assistive and Rehabilitative Services and the Texas Association of Workforce Boards.

As always, I was glad to see several of my fellow Council members in attendance. The reports, presentations and group discussion enable us to better understand the challenges faced by system partners as implementation of *Advancing Texas* continues.

On a mixed note, it was the last meeting for our Vice Chair Gene Crump from the Texas Workforce Commission. The last original SITAC member, Gene has been with the committee since it was convened in 2003 – his experience, wit and wisdom have been an asset to the group and the workforce system. He will be missed, but we wish him well in his upcoming retirement!

Paul Mayer

Solutions, the partnership of TWC and the 28 local workforce boards. Workforce Solutions offices provide veterans with ready access to other employment, training and support services. Intensive services are available for veterans who are disabled, economically or educationally disadvantaged, homeless or facing other barriers to employment.

Veteran Employment [C2] – By 2013, the veteran population will achieve additional employment outcomes.

Owner / Participant: TVC

Employers and VES staff utilize TWC’s WorkInTexas online job search resources, which allows job postings to be designated as ‘veterans only’; however, employers – or staff on their behalf – can also browse for job seekers or link a non-veteran to a job posted as ‘veterans only’.

Historically, performance targets have been negotiated by each state with the United States Department of Labor (DOL) annually, taking prior performance and economic conditions into consideration. In light of the recession, the entered employment rate was renegotiated to a lower rate of 56%. TVC is currently exceeding that new target and performance is slowly increasing. The employment retention rate has not changed significantly; TVC notes once veterans obtain employment they tend to stay employed.

Although the entered employment rate has declined from recent years, progress has been made for major tasks related to LTO C2, including ongoing efforts such as:

- ★ *Transition Assistance Program (TAP)* – In coordination with the U.S. Department of Defense (DOD), TVC facilitates multi-day TAP seminars that are designed to provide job search and related services to military personnel within 180 days of separation or retirement. Agency efforts to increase the number of seminars have been successful. As of March, 908 veterans had participated compared to 795 over the same period in 2010, with continued increases anticipated.
- ★ *REALifelines* – Working with the DOD and the Veterans Administration, TVC continues to increase outreach, awareness and participation in this program which helps injured veterans return to civilian life.

In addition, TVC is focused on enhancing employer outreach activities. In late 2009, the agency launched a new statewide initiative by hiring a dedicated **Business Outreach Coordinator**. The establishment of this position provides TVC the opportunity to work more closely with employers, TWC and the local boards to leverage more successful training and placement services for veterans. The coordinator works directly with employers – helping them to understand the value of hiring qualified veterans with unique abilities gained through military service.

Business Outreach Initiative		
	11/09-12/10	1/1/11-2/18/11
Job Openings	350	27
Employers	81	6
Resumes Submitted	381	43
Hires	25	11
Average Salary	\$50,377.50	

provide training on use of the WorkInTexas website and in assisting veterans with customizing resumes for specific job applications. This year, the coordinator continues to work with participating companies and is also targeting new employers in the oil and gas, government, and medical fields. He serves as a central point of contact for companies and handles the final screening of job applicants.

Employers such as J.B. Hunt Transport Services, Inc., one of the largest transportation logistics companies in North America, are consistently recognized as one of the ‘Top 100 Military Friendly Employers’ by *G.I. Jobs* magazine. Founded by a veteran, the company is committed to providing current and former military personnel with career opportunities including their management training program. Initially unfamiliar with TVC and the free services available to employers, J.B. Hunt human resources managers recognized the quality of services provided and are excited about their partnership with TVC and its Business Outreach coordinator.

HIRE A HERO

10 Reasons to Hire Veterans

- ★ Dependability
- ★ Commitment to results
- ★ Accelerated learning
- ★ Leadership
- ★ Teamwork
- ★ Performance under pressure
- ★ Respect for procedures
- ★ Integrity
- ★ Triumph over adversity
- ★ Strong technical skills

Source: TVC website.

Goals for the initiative are two-fold: (1) to establish TVC as a trusted source of veteran job candidates and (2) to provide veterans with better options for higher paying jobs, thus creating advocates for the agency and its services and leading to more veteran-only employment opportunities.

During the first six months the coordinator focused on streamlining processes and developing a consistent approach for working with veterans and employers. For the remainder of 2010, the focus was on working with TVC’s regional staff to

"... jobs require critical thinking skills, technical savvy, leadership skills, and are process driven, and military employees have been exposed to that already ..."

- Eric Airola, Director of Human Resources
J.B. Hunt Transport Services Inc.
(2010 National Employer Award Winner)

TVC's On the Job Training (OJT) program allows newly-hired or promoted individuals, eligible for GI Bill educational benefits, to be in training while performing a new job and earning wages. Employers directly benefit through recruiting assistance, providing company-directed training, and increased employee retention while the employees receive a monthly subsistence benefit while learning work processes, equipment, company policies and skills under the direct supervision of a skilled trainer. TVC is the state agency that approves GI Bill OJT programs in Texas – with programs typically ranging from six months to two years in length.

Since September 2009, TVC has also been providing employment services to spouses and caregivers of active duty service members. Family Employment Assistance Counselors are based at Fort Hood, Fort Bliss and San Antonio's Brooke Army Medical Center, providing the same services as those available to veterans.

Implementation Update: March 2011

In addition to veterans employment [LTO C2], reports for several other *Advancing Texas'* APs were presented at the March 3 SITAC meeting. Summaries are provided below, grouped by the plan's three KPAs.

KPA: Customer Outcomes

To meet the changing demands of Texas' employers, everyone must be part of the critical pool of potential employees. *Advancing Texas* specifies four target populations, including *those with low literacy skills*, who can be assisted through targeted literacy programs to gain or maintain employment.

LTO C3 requires the Texas Education Agency (TEA) and TWC to develop new and enhance existing methods, programs and processes for programs targeted at the over 17 English language learner (ELL) population that address both language and occupation skill acquisition. The ELL population is comprised of individuals who may have a high school diploma or degree in their native country, but for whom English is not their first language.

English Language Learner (ELL) Employment [C3]

– By 2013, design and implement integrated Adult Basic Education and workforce skills training programs to enhance employment outcomes for the English language learner population.

Owner: SITAC

Participants: TEA, TWC

TEA reported that the Adult Basic Education Innovation Grant application was available on the Texas Higher Education Coordinating Board (THECB) website. The three agencies are collaborating to issue this career pathways innovation grant which is limited to selected geographic

regions with specific requirements required of the applicants. After the application period closes, submissions will be reviewed by TEA, THECB and TWC staff. Grantees will be awarded \$200,000-500,000 award per grantee with the grant period projected to be May 1, 2011 – August 31, 2012.

KPA: Programs, Products and Services

Middle-skill jobs¹ currently account for nearly half the jobs in the U.S. and in Texas. The U.S. Bureau of Labor Statistics projects about 45 percent of all job openings over the next decade will require some postsecondary education or occupational training.

However, Texas is facing an increasing need for workers with appropriate middle skills, created by both job growth and future workforce retirements. The projected need crosses a range of industries and occupations, including health care and energy.

Under the Council's leadership, **LTO P2** requires expansion of the 'earn while you learn' model to address employer demand for skilled workers. The Apprenticeship Project Leadership Team (leadership team) appointed by Council Chair Jurey has recommended six projects to the Council's Executive Committee for approval.

Apprenticeship [P2] – By 2012, design, develop, and implement a pilot program to demonstrate flexibility of the 'earn while you learn' model of traditional apprenticeship programs. Where appropriate, expand and replicate into new occupational areas by 2015.

Owner / Participant: Council

The sixth proposed project focuses on the North Texas manufacturing industry. It was presented to the leadership team at its February 18 meeting, with the Executive Committee scheduled to consider the leadership team's recommendation at its March meeting. If approved as a pilot, there will be four pilot and two demonstration projects attached to this LTO with initiatives in a variety of industries including healthcare, information technology, manufacturing and construction trades. The Council continues to

¹ Jobs requiring education and/or training beyond high school, but less than a four-year college degree. Training may range from apprenticeships, certificate programs, and open-ended on-the-job-training, to two-year associate academic or technical degrees.

work with DOL and project staff to develop action plans and identify additional resource needs for all approved projects. Project reporting is underway, with presentations scheduled to begin in May.



Data gaps regarding employers’ needs and customer satisfaction hinder the ability to assess whether existing programs and services adequately meet customer requirements. During the previous strategic plan cycle, several partner agencies increased their efforts to become more familiar with employers’ awareness and perception of existing services, as well as gather information about projected hiring and training needs. LTO P5 incorporates five agency projects, with updates presented for all at the March meeting.

- ★ *Health and Human Services Commission – Department of Assistive and Rehabilitative Services (DARS) [P5.1]*– DARS conducted a pilot survey in two areas of the state and staff are reviewing results for potential modification to the survey questions and process. The agency plans to utilize survey feedback to make adjustments to offered training. Use of a survey as the mechanism to determine employer satisfaction led DARS to consider web-based administration of future surveys. Based on that possibility, the agency is considering potential changes to the Medicaid Infrastructure Grant website so that the survey could be accessible from that site. The project goal is to have immediate feedback based on a specific transaction rather than conducting an annual survey.
- ★ *THECB [P5.2]*– THECB is currently surveying community and technical colleges to collect information on strategies colleges are using to determine employer satisfaction and to use that information in their institutional planning processes to improve program delivery. Following the end of the data collection phase in March, THECB plans to identify best practices and to disseminate information to SITAC, other institutions and other THECB staff.
- ★ *TVC [P5.3]*– TVC staff are reviewing the survey format and process used previously and considering random sample options and possible modifications to survey questions. Tentative plans are to conduct surveys in May and October.
- ★ *Texas Youth Commission (TYC) [P5.4]*– In late 2010, TYC conducted a pilot survey and received favorable ratings from the limited number of responses. Of the participating employers, 95% indicated their satisfaction with TYC services as excellent or better (4 or 5 on a 5-point scale). The agency plans to utilize data to adjust current offerings and is considering how to get data in the future from a larger sample of employers.
- ★ *Texas Department of Criminal Justice (TDCJ) – Windham School District (Windham) [P5.5]* – Windham continues to have a low response rate due to the service population. With Project RIO administration moving from Windham to TDCJ, job fairs are no longer conducted on site; therefore, ready access to employers is limited. As a next step, TWC will be providing Windham with additional employer contact information, including email addresses. When this modification is in place, Windham plans to conduct an electronic survey with the goal of increasing response rates.

Employer Needs / Satisfaction [P5] – Partner agencies will gather data from employer customers at appropriate intervals to determine employer needs and satisfaction.
Owner: SITAC
Participants: HHSC-DARS, THECB, TVC, TYC, TDCJ-Windham

<i>SITAC Members</i>
<i>Chair</i> Paul Mayer, Executive Committee Member, Texas Workforce Investment Council
<i>Economic Development and Tourism Division</i> Keith Graf, Director, Aerospace and Aviation
<i>Texas Association of Workforce Boards</i> David K. Setzer, Executive Director, Workforce Solutions North Central Texas
<i>Texas Department of Criminal Justice</i> Debbie Roberts, Superintendent, Windham School District
<i>Texas Education Agency</i> Vangie Stice-Israel, State Director for Career Technical Education
<i>Texas Health and Human Services Commission</i> Jim Hanophy, Assistant Commissioner, Division for Rehabilitative Services
<i>Texas Higher Education Coordinating Board</i> Dr. MacGregor Stephenson, Assistant Commissioner for Academic Affairs and Research
<i>Texas Veterans Commission</i> Shawn Deabay, Director, Veterans Employment Services
<i>Texas Workforce Commission</i> Gene Crump, Deputy Executive Director
<i>Texas Youth Commission</i> Dr. Clint Carpenter, Superintendent of Education



SITAC Quarterly Report

System Integration Technical Advisory Committee
Texas Workforce Investment Council
March 2011

System Integration Technical Advisory Committee

The System Integration Technical Advisory Committee (SITAC) is constituted as a Technical Advisory Committee to the Texas Workforce Investment Council (Council). Chaired by a member of the Council's Executive Committee, SITAC includes executive-level representatives from the Council's eight partner agencies, as well as representation from the Texas Association of Workforce Boards. SITAC's key responsibility is the implementation of the workforce system strategic plan.

Next Meeting

Thursday, June 2, 2011 – 1:00 p.m.
Teacher Retirement System, Austin

The current plan, *Advancing Texas: Strategic Plan for the Texas Workforce System (FY2010-FY2015)* (Advancing Texas) was approved by Governor Rick Perry on October 23, 2009. It outlines 14 long term objectives (LTOs) that address the critical business issues identified during a yearlong collaborative planning process.

SITAC members meet quarterly, providing status reports on action plans (APs) for which their organization is solely or jointly responsible. The committee is authorized to create and deploy cross-agency teams in order to devise and execute collaborative solutions to issues associated with the system strategic plan's LTOs.

Implementation Update: December 2010

Reports for five *Advancing Texas*' APs were presented at the December 2 SITAC meeting. Summaries are provided for each AP, grouped by the plan's key performance areas (KPA).

KPA: Systems, Operations, Competencies and Integration

Career technical education (CTE) programs provide valuable skills training, and often lessen the risk of students dropping out. Texas needs enhanced and more effective integration of academic and CTE options at both the secondary and postsecondary levels in order to increase graduation rates and assist with the transition to further education or the workforce. Two LTOs focus on this critical issue.

LTO S1 addresses integrated planning initiatives that require partner coordination to ensure alignment, with work in progress by the Texas Higher Education Coordinating Board (THECB) and the Texas Workforce Commission (TWC).

TWC has made progress toward creating a supply and demand database. Most work has been accomplished on the demand side, largely through the agency's Strategic Workforce Assessment Project (SWAP). Readily available supply-demand reports will provide data needed for education and training providers to plan and better align their programs to industry needs.

While noting that work on the supply side continues to be more difficult, TWC is working with THECB to address that challenge.

Message from the Chair

In December 2010, agencies responsible for several APs provided status reports and all members presented updates for the 2011 Legislative session. In addition, members received brief updates on the Council's *Evaluation 2010* report and the 2011 meeting schedule.

I was pleased to welcome four of my fellow Council members to our December meeting. Their presence provides an opportunity to interact with partner representatives and underscores the Council's commitment to learning more about implementation progress and challenges.

As we move forward with the second year of *Advancing Texas*' implementation, we plan to schedule in-depth presentations on partner projects that directly relate to or complement action plan (AP) reports. This effort will begin in March 2011 with the Texas Veterans Commission's Business Outreach initiative which supports the objective of **AP C2 – Veteran Employment**.

Paul Mayer

Rather than publishing an annual report, the agencies proposed utilizing the online SWAP system and developing a user guide and desk reference to facilitate understanding by community college faculty and other potential users. Another recommended action was to schedule site demonstrations for SITAC and for a group of community and technical college representatives.

Whether made available through an online application or a formatted report, to meet the AP intent and serve as a resource for supply-demand information it is essential that the data include middle skills jobs that require on-the-job training, as well as certificates and associate degrees. As next steps, the partner agencies will:

- ★ determine if enhancements to SWAP are feasible;
- ★ follow up on the middle skills issue;
- ★ develop a prototype report to demonstrate to potential users the utility of an online analysis and gap identification system report; and
- ★ obtain feedback on the prototype from selected community colleges and local boards.

★ ★ ★

Linked to the same issue, **LTO S2** focuses on college and career readiness. The intent is to increase the availability of both academic and rigorous career technical education (CTE) courses to support all students through a range of choices including two- and four-year degrees, apprenticeship and the military.

Career Technical Education – Increase Student Completion [S2] – By 2013, Texas will decrease high school dropout rates by implementing rigorous Career and Technical Education (CTE) as a part of the recommended or advanced high school graduation program.

Owner / Participant: TEA

The Texas Education Agency (TEA) continues to make progress on the AP tasks, including the design, development and coordination with THECB on dual credit transfer policies and processes. Studies are underway related to dual credit costs and effectiveness and to assess utilizing dual credit as a substitute for end of course exams.

The partner agencies acknowledge that one challenge is varying requirements between academic and CTE courses.

They are working to ensure that CTE course outcomes are comparable to those required for academic courses.

THECB is also working to facilitate better understanding of CTE and is increasing communication with students, parents and counselors as one way to improve student persistence and completion rates.

★ ★ ★

As one way to improve educational outcomes, system partners are working to improve secondary and postsecondary transitions. **LTO S3** addresses the need for improved program and initiative alignment, with the goal of providing seamless education and career pathways. Streamlining processes, and in some cases shortening time to program completion, should help increase student enrollment and completion of courses, credentials and degrees.

A key strategy is dual credit, which provides high school juniors and seniors the option of enrolling in a college course and receiving simultaneous academic credit from both the college and the high school. Since their last report, TEA and THECB have made progress on several tasks, including:

- ★ Perkins Leadership Grant funds are being used to promote better understanding of dual credit transfer options by counselors, parents and students.
- ★ A cost effectiveness study is underway, with a report expected in February 2011.

- ★ A research study to assess utilizing dual credit as a substitute for end of course exams is being finalized and is expected to serve as a resource for the Legislature.
- ★ Data systems for tracking and evaluating student outcomes are being enhanced, with initial data expected in summer 2011.
- ★ THECB has begun efforts to incorporate dual credit courses into the *Academic Course Guide Manual*. Vertical teams will be formed to begin work on high-demand courses, primarily those in STEM fields. The goal is to build outcome requirements for 8-10 courses during the first year.
- ★ TEA continues to develop and deploy Early College High School programs and the partners may develop statewide dual credit courses to be made available through the Virtual School Network.

Dual Credit Transfer [S3] – By 2013, education and training partners will have the infrastructure necessary (policies, procedures, data processes, rules, and capabilities) to facilitate the effective and efficient transfer of academic and technical dual credit courses from high schools to community colleges and four-year institutions.

Owners / Participants: THECB, TEA

Such efforts are critical, as evidenced by data showing that public high school graduates who participated in dual credit while in high school enroll in higher education at a slightly higher rate than the full population of high school graduates. With major worker and skill shortages projected across the state, continued expansion of dual credit and related initiatives should help meet the education and training needs of future workers.

KPA: Customer Outcomes

To meet the demands of Texas' employers, everyone must be part of the critical pool of potential employees. *Advancing Texas* specifies four target populations, including *those with low literacy skills*, who can be assisted through targeted literacy programs to gain or maintain employment.

ABE / Low Literacy Level Employment [C4] – By 2013, design and implement targeted Adult Basic Education programs to enhance employment outcomes for populations requiring workplace literacy skills.

Owner: SITAC

Participants: TEA, TWC

LTO C4 requires TEA and TWC to develop new and enhance existing methods, programs and processes for programs targeted at the over age 17 adult education population to address workplace literacy acquisition. A workgroup has been formed that includes local workforce board and provider representatives as well as partner

agency and Council staff. The group is charged with designing and developing a model of program outreach and delivery that fits within existing adult education funding, program offerings and initiatives, and that can be offered concurrently with adult education levels 4 through 6.

TWC completed an assessment that identified local boards with strong relationships with adult education providers. The Alamo, Capital Area and Gulf Coast boards have been selected as pilot program candidates.

TEA has committed \$400,000 in Adult Education State Leadership funds for the pilots. The partner agencies will negotiate pilot terms with local providers and boards, and were on track to complete this task by February 2011. Requirements will include data tracking through both TEA and TWC systems, as well as looking at ways to bring participants back to pursue completion of GED requirements.

KPA: Programs, Products and Services

Data must be available to benchmark Texas against other states and countries in the most significant and strategic educational, workforce and market outcomes. Since 2005, the Council has published the *Texas Index (Index)* annually and continues to do so under **LTO P3**. The report is distributed to the Council, the Governor, policy makers, and system partners and stakeholders.

Published last fall, the *Texas Index 2010* was the sixth annual release of the *Index*, providing data for 42 indicators across four categories, or domains: Training and Education, Research and Development, Market Composition and Characteristics, and Participant Access and Contribution. The *Index*, its domains and indicators within those domains, demonstrate a value proposition that contains four critical, interrelated elements: intellectual capital, human capital, financial capital, and the progression to an improved standard of living for Texans.

The *Texas Index 2010* includes longitudinal data for Texas benchmarked against other large states and internationally. Where data were available, each indicator page included:

- ★ indicator definition and calculation;
- ★ large states' trend analysis comparative graph (top 4 or 5);
- ★ 50-state ranking and analysis;
- ★ description of the international comparative table (Organization for Economic Co-operation and Development top three, BRIC (Brazil, Russia, India or China) top two and U.S. average); and
- ★ summary of the indicator's importance.

Annual Data Set (*Texas Index*) [P3] –
Annually, the Council will produce a data set whereby system stakeholders can ascertain Texas' position relative to key indicators of competitiveness.

Owner / Participant: Council

The report also contains a report card that provides a snapshot of how Texas is performing across the four domains, thus identifying achievement as well as areas for improvement. High school degree attainment by the population age 25 and up continues to be of concern, with Texas having the lowest rate in the nation. The ongoing effects of the recession are expected to be seen again in data released in 2011.

SITAC Members

Chair

Paul Mayer, Executive Committee Member, Texas Workforce Investment Council

Economic Development and Tourism Division

Keith Graf, Director, Aerospace and Aviation

Texas Association of Workforce Boards

David K. Setzer, Executive Director, Workforce Solutions North Central Texas

Texas Department of Criminal Justice

Debbie Roberts, Superintendent, Windham School District

Texas Education Agency

Vangie Stice-Israel, State Director for Career Technical Education

Texas Health and Human Services Commission

Jim Hanophy, Assistant Commissioner, Division for Rehabilitative Services

Texas Higher Education Coordinating Board

Dr. MacGregor Stephenson, Assistant Commissioner for Academic Affairs and Research

Texas Veterans Commission

Bill Wilson, Director, Veterans Employment Services

Texas Workforce Commission

Gene Crump, Deputy Executive Director

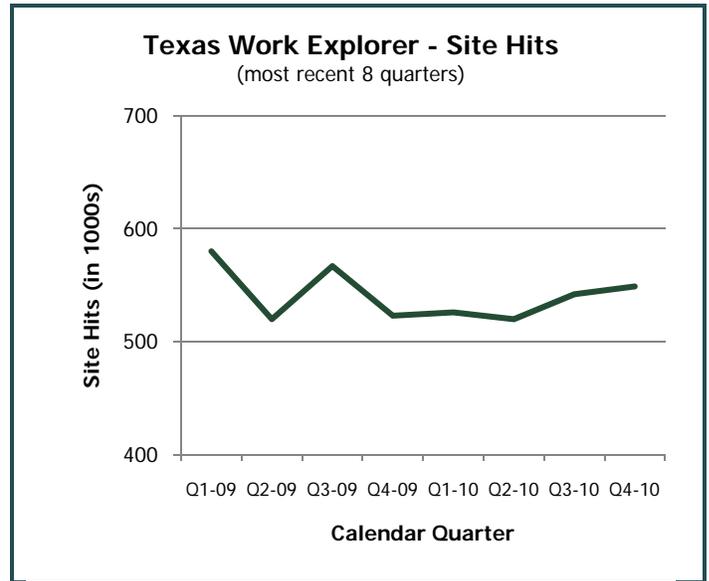
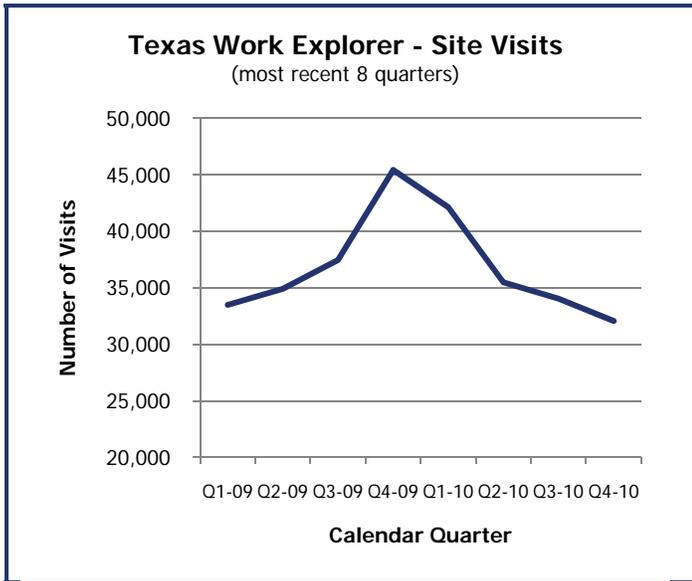
Texas Youth Commission

Dr. Clint Carpenter, Superintendent of Education

Texas Work Explorer Portal

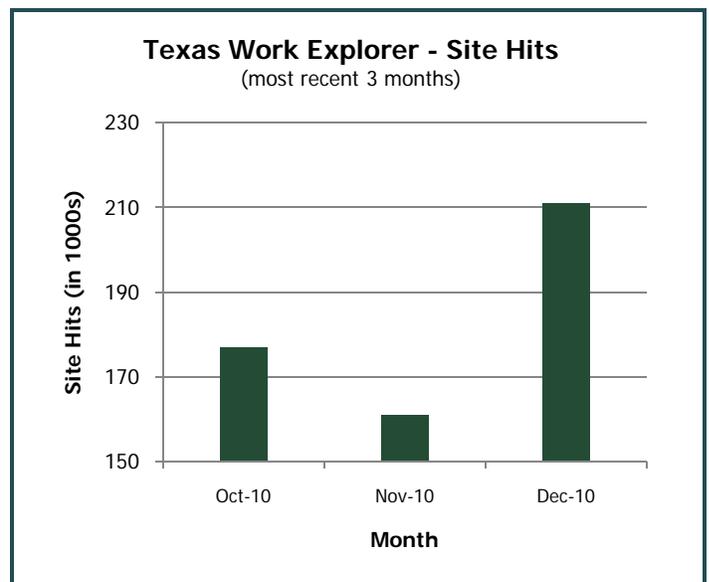
Available at www.texasworkexplorer.com, the Texas Work Explorer Portal is on Texas.gov, Texas' official website. Since the portal's implementation, Texas.gov was launched and system partners significantly enhanced and expanded their primary and wholly-supported websites. The portal's purpose is now met through other online options; therefore, as a cost-saving measure, the portal project will be discontinued in April 2011.

Current *WebTrends* 'visit' and 'hit' data is presented below:



Visit – A series of actions that begins when a visitor views the first page from the server and ends when the visitor leaves the site or remains idle beyond the idle-time limit (30 minutes).
- WebTrends®

Hit – Each file requested by a visitor registers a hit. There can be several hits on each page. While the volume of hits reflects the amount of server traffic, it is not an accurate reflection of the number of pages viewed.
- WebTrends®





SITAC Quarterly Report

*System Integration Technical Advisory Committee
Texas Workforce Investment Council
December 2010*

System Integration Technical Advisory Committee

The System Integration Technical Advisory Committee (SITAC) is constituted as a Technical Advisory Committee to the Texas Workforce Investment Council (Council). Chaired by a member of the Council's Executive Committee, SITAC includes executive-level representatives from the Council's eight partner agencies, as well as representation from the Texas Association of Workforce Boards. SITAC's key responsibility is the implementation of the workforce system strategic plan.

Next Meeting

Thursday, March 3, 2011 – 1:00 p.m.
Teacher Retirement System, Austin

The current plan, *Advancing Texas: Strategic Plan for the Texas Workforce System (FY2010-FY2015)* (Advancing Texas) was approved by Governor Rick Perry on October 23, 2009. It outlines 14 long term objectives (LTOs), grouped by the three key performance areas (KPA) that address the critical business issues identified during a yearlong collaborative planning process.

SITAC members meet quarterly, providing status reports on action plans (APs) for which their organization is solely or jointly responsible. The committee is authorized to create and deploy cross-agency teams in order to devise and execute collaborative solutions to issues associated with the system strategic plan's LTOs.

Year 1 Implementation Highlights

Fiscal Year (FY) 2010 was the first year of *Advancing Texas'* six-year plan cycle. Implementation highlights include:

LTO S2 – Career Technical Education (CTE) – Increase Student Completion – The Texas Education Agency (TEA) completed several tasks including:

- ★ adoption of CTE courses that satisfy fourth year math or science graduation requirements;
- ★ adoption of CTE Texas Essential Knowledge and Skills, incorporating the College and Career Readiness Standards; and
- ★ design and implementation of related professional development initiatives.

LTO S3 – Dual Credit Transfer – TEA and the Texas Higher Education Coordinating Board (THECB) are working together on all aspects of the infrastructure for transferring academic and technical dual credit courses from high schools to community colleges and four-year institutions.

Message from the Chair

With our first year of *Advancing Texas'* implementation complete, I am pleased to report that progress has been made in many areas. This issue of the quarterly report notes a few 'implementation highlights' in addition to our regular reports.

System partners continue to work on identifying ways to increase collaborative efforts – as they help with ongoing projects or define tasks for new initiatives. In the coming year, we will hear about a new report that examines educational credential supply and labor market demand. Project teams are being formed and plans made for pilots addressing critical areas such as career technical education and 'earn while you learn' training, as well as programs designed to meet the needs of English language learners and those with low literacy levels.

In September, agencies responsible for several action plans reported on achievements in the first year of implementation. Members received brief updates on the Council's agency strategic plan review and its *Evaluation 2010* report.

I was pleased to welcome five of my fellow Council members to our meeting in September and hope more can join us in the future. On behalf of the Council, my congratulations and thanks to system partners for the strides made in this first year of *Advancing Texas!*

Paul Mayer

LTO C1 – Blind / Disabled Employment – The Health and Human Services Commission – Department of Assistive and Rehabilitative Services has been working on innovative models that create and facilitate partnerships between business/industry and rehabilitation providers. To build on and replicate these models, a request for proposals was issued and nine contracts awarded to providers in multiple industries and with various job opportunities.

LTO C2 – Veteran Employment – The Texas Veterans Commission is using state and leveraged federal services to provide veterans with needed programs, products and services. A Business Outreach Coordinator has been hired to work directly with employers to secure jobs and 'vet preference' commitments. Veterans continue to receive support through a network of over 90 field offices, including assistance from locally-based Veterans Employment Representatives.

LTO P2 – Apprenticeship – Under the Council's leadership, LTO P2 requires expansion of the 'earn while you learn' model to address employer demand for skilled workers. The Project Leadership Team has recommended several pilot projects for consideration by the Council's Executive Committee.

Implementation Update: September 2010

Reports for four *Advancing Texas'* action plans (AP) were presented at the September 9 SITAC meeting. Summaries are provided for each AP, grouped by the plan's three key performance areas (KPA's).

KPA: Systems, Operations, Competencies and Integration

Career technical education (CTE) programs provide valuable skills training, and often assist with the transition to further education or the workforce. Texas needs enhanced and more effective integration of academic and CTE options at the secondary and postsecondary levels in order to increase graduation rates and lessen the risk of students dropping out. **LTO S4** focuses on improving the perception of CTE as a desirable career option.

The Council is responsible for this AP, with the Executive Committee providing oversight. The intent is to increase awareness and educate high school counselors by creating a secondary school culture where all students and parents understand the wide range of available education and career choices. This is increasingly important as over the next 20 years, many high skill, high wage jobs critical to Texas' economy will require some postsecondary education, but less than a four-year degree.

CTE Demo – Improve Knowledge / Value Perception [S4] – By 2013, design and implement a demonstration program targeted to improve perception of career options that career technical education (CTE) programs enable.
Owner / Participant: Council

Since June, a research study to identify models of best and promising practices for Texas' high schools has been completed. Council staff worked with TEA and the Career and Technology Association of Texas to identify excellent and best practices in the provision of information about careers and future options. Program staff were interviewed to collect information to supplement that available in TEA's online best practices clearinghouse¹. The study:

- ★ identified promising practices and activities in Texas high schools that improve the perception of career options and pathways offered by CTE programs;
- ★ identified and qualitatively compared components of the activities to determine common effective elements;
- ★ verified the components of state activities using national best practice activities to validate findings and determine additional gaps; and
- ★ recommended elements to be included in a future demonstration project(s).

This fall, a team will be convened to design an outreach model that incorporates elements identified by the study prior to release of a Request for Applications to fund one or more demonstration projects that incorporate the identified elements.

KPA: Customer Outcomes

To meet the shifting demands of Texas' employers, everyone must be part of the critical pool of potential employees. *Advancing Texas* specifies four target populations, including *English language learners* (ELL), who constitute a rapidly growing

¹ Accessible at <http://www.teabpc.org/>.

population requiring additional skills for workforce-related success. This population is comprised of individuals who have a high school diploma or additional education but are typically under-/unemployed due to lack of proficiency in English and certification of occupational skills.

LTO C3 requires TEA and the Texas Workforce Commission (TWC) to develop new and enhance existing methods, programs and processes for programs targeted at the ELL population. As part of the Council's mandate to monitor and facilitate adult

education work, the Council published *A Primer on Adult Education in Texas* (January 2010). Several companion papers are planned, with two published to date.²

English Language Learner (ELL) Employment [C3]

– By 2013, design and implement targeted Adult Basic Education and workforce skills training programs to enhance employment outcomes for the English language learner population.

Owner: SITAC

Participants: TEA, TWC

The agencies are conducting a gap analysis to determine occupations with the potential for high impact employment outcomes.

This fall, a work group will design and develop a model that can be executed through community and technical colleges (CTCs) and local workforce boards. With an initial meeting

set for September, the group will include representatives from TEA, TWC, THECB, CTCs, local boards, adult education providers and Council staff.

KPA: Programs, Products and Services

Middle-skill jobs currently account for nearly half the jobs in the U.S. and in Texas. These are jobs that require education and/or training beyond high school, but less than a four-year college degree. Training may range from apprenticeships, certificate programs, and open-ended on-the-job-training, to two-year associate academic or technical degrees. The U.S. Bureau of Labor Statistics projects about 45 percent of all job openings over the next decade will require some postsecondary education or occupational training. Texas is facing an increasing need for workers with appropriate middle skills, created by job growth and future workforce retirements. Projected need crosses a range of industries and occupations.

Apprenticeship [P2] – By 2012, design, develop, and implement a pilot program to demonstrate flexibility of the 'earn while you learn' model of traditional apprenticeship programs. Where appropriate, expand and replicate into new occupational areas by 2015.

Owner / Participant: Council

Under the Council's leadership, **LTO P2** requires expansion of the 'earn while you learn' model to address employer demand for skilled workers. Since the last *SITAC Quarterly Report*:

- ★ *June 4, 2010* – Project Leadership Team recommendations were presented to the Council's Executive Committee. Formal consideration and approval was deferred pending U.S. Department of Labor (DOL) approval of a new apprenticeable occupation.
- ★ *August 9, 2010* – At its third meeting, the team heard presentations from two additional programs. A recommendation to approve four projects was to be made to the Council's Executive Committee at its September 10, 2010 meeting.

The Council will work with DOL and project staff to develop action plans and identify additional resource needs for all approved projects.

★ ★ ★

As the system's front line partners, local boards must understand and meet the needs of their local communities by providing relevant workforce programs and services. **LTO P4** addresses the statutory requirement that local workforce board plans align with the system strategic plan

The Council is charged in both state and federal law with recommending to the Governor approval of local board plans or plan modifications as required under Title I of the Workforce Investment Act (WIA) of 1998, the Wagner-Peyser Act and other applicable statutes. WIA requires that each board develop and submit to the Governor a comprehensive local plan consistent with the WIA State Plan, and that the Council, as the designated State Workforce Investment Board, assist the Governor in review of the board plans.

² Council publications are accessible at <http://governor.state.tx.us/twic/work/>.

Texas Government Code specifies that local plans must include a strategic component that sets broad goals and objectives for local workforce programs, and that outcomes must be consistent with statewide goals, objectives, and performance standards. *Advancing Texas* established these statewide goals and objectives. In previous years, TWC issued local board planning guidelines that included an appendix requesting quantitative and qualitative information needed for the Council’s review. The Council typically analyzes the local board plans for:

- ★ data to demonstrate performance in specified areas;
- ★ explicit strategies that address critical business issues and success factors noted in *Advancing Texas*; and
- ★ other information as requested related to broad system priorities and/or initiatives.

Local Board Plan Alignment [P4] – Local boards will align with and support the workforce system strategic plan through their planning processes and related initiatives. This will be documented in board plans and plan modifications, which are submitted to the Council for approval.
Owner / Participant: Local boards

After determining that local plans meet the statutory requirements, the Council approves the plans and recommends them to the Governor for approval. Following the Governor’s approval, local boards are able to enter into contracts for the purpose of operating the one-stop centers that deliver programs and services.

During the current economic recession, boards and their providers have experienced heavy demand for programs and services. In addition, the influx of federal stimulus funding required them to expand existing services for economically disadvantaged adults and dislocated workers and to implement new programs such as summer youth programs. In recognition of this increased demand, TWC determined that boards would not be required to submit new plans or modifications for FY 2011.

TWC extended the existing, approved board plans through September 30, 2011; therefore, the Council was not required to endorse or recommend board plans to the Governor in 2010. Where applicable, TWC assisted with gathering of information from boards related to the implementation of *Advancing Texas*.

DOI’s Employment and Training Administration will likely require states to submit new WIA state plans in 2011. Also in 2011, TWC will determine the timeline and process for development of new or modified local board plans.

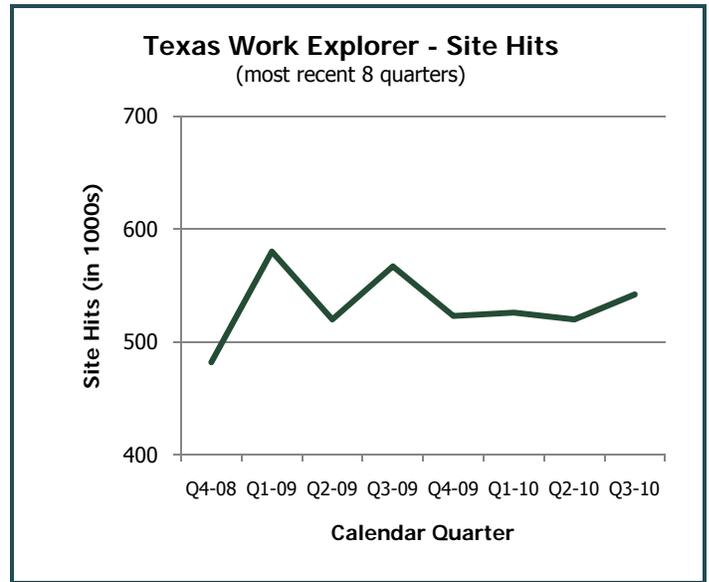
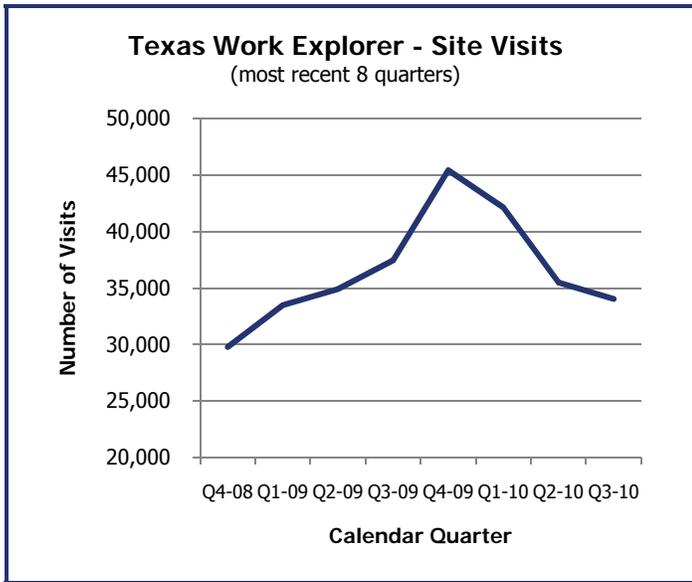
<i>SITAC Members</i>
<i>Chair</i> Paul Mayer, Executive Committee Member, Texas Workforce Investment Council
<i>Economic Development and Tourism Division</i> Keith Graf, Director, Aerospace and Aviation
<i>Texas Association of Workforce Boards</i> <i>Appointment pending</i>
<i>Texas Department of Criminal Justice</i> Debbie Roberts, Superintendent, Windham School District
<i>Texas Education Agency</i> Vangie Stice-Israel, State Director for Career Technical Education
<i>Texas Health and Human Services Commission</i> Debra Wanser, Deputy Commissioner, Department of Assistive and Rehabilitative Services
<i>Texas Higher Education Coordinating Board</i> Dr. MacGregor Stephenson, Assistant Commissioner for Academic Affairs and Research
<i>Texas Veterans Commission</i> Bill Wilson, Director, Veterans Employment Services
<i>Texas Workforce Commission</i> Gene Crump, Deputy Executive Director
<i>Texas Youth Commission</i> Dr. Clint Carpenter, Superintendent of Education

Texas Work Explorer Portal

Available at www.texasworkexplorer.com, the Texas Work Explorer Portal is on texas.gov, Texas' official website. Full site reviews are conducted annually; however, partners are encouraged to submit corrections, additions or featured link suggestions at any time.

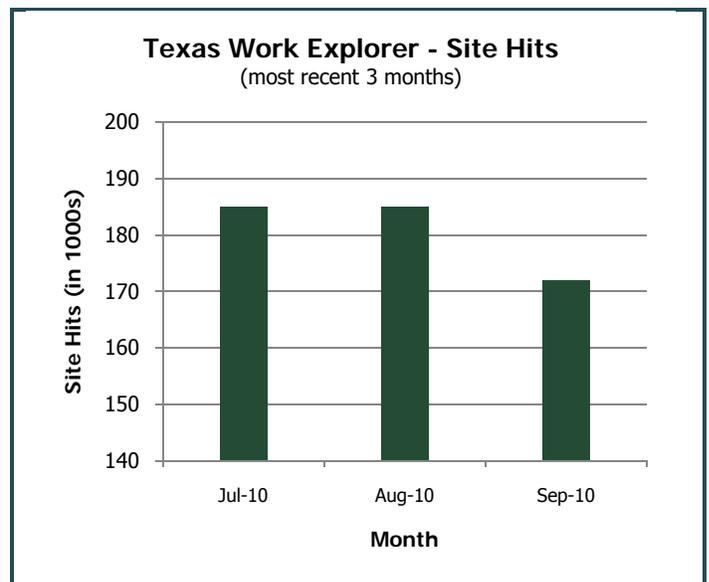
Current *WebTrends* 'visit' and 'hit' data is presented below, with FY 2010 average and high data provided at right. High figures for both statistics were posted in October 2009.

Texas Work Explorer Portal – September 2009 – August 2010		
	Average	High
Hits	176,873	192,733
Visits	13,373	16,860



Visit – A series of actions that begins when a visitor views the first page from the server and ends when the visitor leaves the site or remains idle beyond the idle-time limit (30 minutes).
- WebTrends®

Hit – Each file requested by a visitor registers a hit. There can be several hits on each page. While the volume of hits reflects the amount of server traffic, it is not an accurate reflection of the number of pages viewed.
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SITAC Quarterly Report

System Integration Technical Advisory Committee
Texas Workforce Investment Council
September 2010

System Integration Technical Advisory Committee

The System Integration Technical Advisory Committee (SITAC) is constituted as a Technical Advisory Committee to the Texas Workforce Investment Council (Council). Chaired by a member of the Council's Executive Committee, SITAC includes executive-level representatives from the Council's eight partner agencies, as well as representation from the Texas Association of Workforce Boards. SITAC's key responsibility is the implementation of the workforce system strategic plan.

Next Meeting

Thursday, December 2, 2010 – 1:00 p.m.
Teacher Retirement System, Austin

The current plan, *Advancing Texas: Strategic Plan for the Texas Workforce System (FY2010-FY2015)* (*Advancing Texas*) was approved by Governor Rick Perry on October 23, 2009. It outlines 14 long term objectives (LTOs), grouped by the three key performance areas (KPA) that address the critical business issues identified during a yearlong collaborative planning process.

SITAC members meet quarterly, providing status reports on action plans (APs) for which their organization is solely or jointly responsible. The committee is authorized to create and deploy cross-agency teams in order to devise and execute collaborative solutions to issues associated with the system strategic plan's LTOs.

Featured Action Plan

Dual Credit Transfer [S3]

As one way to improve educational outcomes, system partners are working to improve secondary and postsecondary transitions. LTO S3¹ addresses the need for improved program and initiative alignment, with the goal of providing seamless education and career pathways. Streamlining processes, and in some cases shortening time to program completion, should help increase student enrollment and completion of courses, credentials and degrees.

A key strategy is dual credit, which the Texas Higher Education Coordinating Board (THECB) defines as a process by which a high school junior or senior enrolls in a college course and receives simultaneous academic credit from both the college and the high school. Dual credit courses are often taught at secondary schools for high school students only; however, high school students can also take courses at a college campus and earn both high school and college credits. Both academic and technical offerings may be provided.

Message from the Chair

During the early implementation stages of *Advancing Texas*, our focus continues to be on identifying ways to increase collaborative efforts. Reports on action plan progress and challenges – with excellent group discussion – continue to help improve and build upon established partner relationships.

In June, status reports were requested for several action plans, including one addressing dual credit – our featured plan in this issue of the *SITAC Quarterly Report*. As you will see, the Coordinating Board and TEA are making strides in this area.

In addition to the strategic plan updates reported here, members also received updates on agency strategic plan review, the Texas Work Explorer Portal and upcoming work on the Council's *Evaluation 2010* report.

Once again, I was glad several of my fellow Council members were able to attend. I encourage all members to join us at future meetings when your schedule permits. Partner reports and discussion bring the plan to life and will enable us to better support its implementation.

Paul Mayer

¹ Additional background information and data from: THECB, *Overview: Dual Credit* (April 2010), *Dual Credit – Frequently Asked Questions* (2010) and *Closing the Gaps Progress Report 2010* (June 2010).

In 2006, the Legislature required school districts to implement a program allowing students to earn at least 12 hours of college credit, with dual credit being one delivery option. Dual credit is also the focus of interim charges currently assigned to the House Higher Education Committee and jointly to the Senate Education and Higher Education Committees. Hearings have been held, with reports and accompanying recommendations to be issued in advance of the 82nd Legislative Session that will convene January 11, 2011.

The Texas Education Agency (TEA) and THECB are working together on all aspects of the infrastructure for transferring academic and technical dual credit courses from high schools to community colleges and four-year institutions. Administrative challenges and actions include:

- ★ Course content may be comparable across districts, but course credit may be handled differently. A crosswalk is being developed to address this issue.
- ★ There are multiple ways dual credit can be funded and student costs may vary by community college district. For example, dual credit may be free within a community college’s taxing district, but fee-based in their larger service area. THECB and TEA were working with Texas A&M University to conduct a cost effectiveness study.

Dual Credit Transfer [S3] – By 2013, education and training partners will have the infrastructure necessary (policies, procedures, data processes, rules, and capabilities) to facilitate the effective and efficient transfer of academic and technical dual credit courses from high schools to community colleges and four-year institutions.

Owners / Participants: THECB, TEA

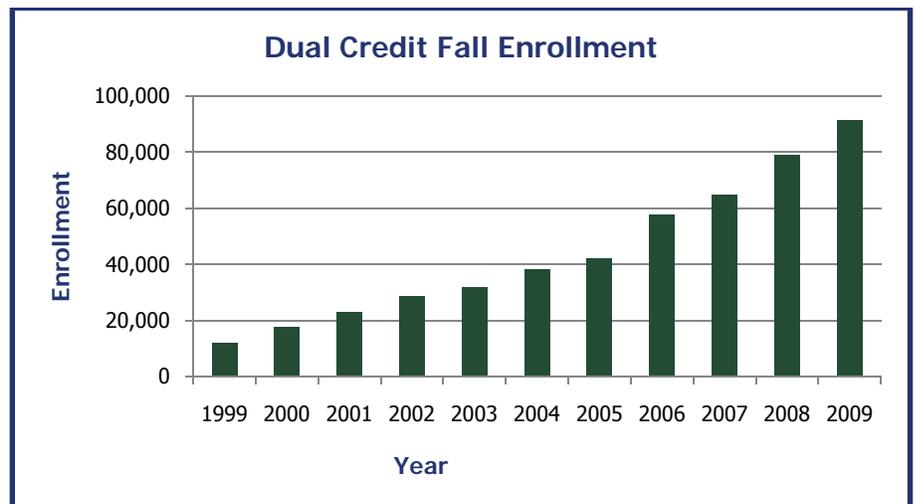
TEA also plans to fund a research study to assess utilizing dual credit as a substitute for end of course exams. In addition, the agencies will work to improve data systems for tracking and evaluating student outcomes.

Positive Outcomes of

- ★ Studies show that dual credit increases the likelihood that a student will complete high school, and enroll in and persist in college.
- ★ Decreases cost of tuition and fees for students by accelerating time to degree.
- ★ Accelerated degree time may free up facility space and faculty for additional students to enroll.
- ★ New graduates enter the workforce sooner and begin to earn wages, benefiting themselves and the economy.
- ★ Contributes to the goals of *Closing the Gaps* through greater participation and increased success.

Source: THECB, *Overview: Dual Credit* (April 2010).

Such efforts are critical, as evidenced by data showing that public high school graduates who participated in dual credit while in high school enroll in higher education at a slightly higher rate than the full population of high school graduates. As shown in the chart below, dual credit enrollment has risen annually since record keeping began in 1999, climbing from 11,921 in 1999 to 91,303 in 2009 – an increase of over 765 percent. Total enrollment also increased annually over that time span; however, dual credit as a percentage of total enrollments did as well. In 2009, dual credit accounted for 6.7 percent of total fall enrollments, up from 1.4 percent in 1999.



Source: THECB, *Dual Credit and Total Enrollments, Fall Semesters* (February 2009).

Performance for the *Closing the Gaps* higher education participation rate is 'well above target' for the goal of 5.6 percent and 5.7 percent by 2010 and 2015, respectively. In fall 2009, 5.8 percent of the state’s population was participating in higher education, slightly over the 2015 target. However, with projected population growth, public and independent institutions must enroll about 229,000 more students in 2015 to meet the 5.7 percent target. Notably, dual credit enrollments accounted for 18 percent of the enrollment growth from 2000 to 2009.

With major worker and skill shortages projected across the state, continued expansion of dual credit and related initiatives should help meet the education and training needs of future workers.

Implementation Update: June 2010

In addition to dual credit [S3], reports for several other *Advancing Texas'* APs were presented at the June 3 SITAC meeting. Summaries are provided below, grouped by the plan's three KPAs.

KPA: Systems, Operations, Competencies and Integration

Career technical education (CTE) programs provide valuable skills training, and often lessen the risk of students dropping out. Texas needs enhanced and more effective integration of academic and CTE options at both the secondary and postsecondary levels in order to increase graduation rates and assist with the transition to further education or the workforce. Multiple LTOs address this critical issue, including **LTO S4** that focuses on improving the perception of CTE as a desirable career option.

CTE Demo – Improve Knowledge / Value Perception [S4] – By 2013, design and implement a demonstration program targeted to improve perception of career options that career technical education (CTE) programs enable.
Owner / Participant: Council

During strategic plan development, the Council elected to retain responsibility for this AP, with the Executive Committee providing oversight. The intent is to increase awareness and educate high school counselors by creating a secondary school culture where all students and parents understand the wide range of education and career choices available today. This is

increasingly important as over the next 20 years, many high skill, high wage jobs critical to Texas' economy will require some postsecondary education, but less than a four-year degree.

Work is underway on the AP's first task which requires the design and execution of a research study to identify models of best and promising practices for Texas' high schools. Council staff is focusing on identifying practices that improve the perception of CTE, rather than the specific components of selected CTE programs.

Council staff worked with TEA and the Career and Technology Association of Texas (CTAT)² to identify nine CTE programs considered 'excellent'. Program staff is being interviewed to collect information to supplement that available in TEA's online best practices clearinghouse³. Study results will be used to determine common program characteristics and possible elements for replication in a demonstration project(s). This fall, a team will be convened to design an outreach model designed to improve the perception of career options and pathways offered by high school CTE programs.

KPA: Customer Outcomes

To meet the shifting demands of Texas' employers, everyone must be part of the critical pool of potential employees. *Advancing Texas* specifies four target populations, including:

- ★ *Veterans*, who often have a wide range of disabilities but with training, referral and placement services can return to the civilian workforce; and
- ★ *Those with low literacy skills*, who can be assisted through targeted literacy programs to gain or maintain employment.

LTO C2 specifies that the Texas Veterans Commission (TVC) will work to ensure state and leveraged federal services provide veterans with the programs, products and services necessary to accommodate their needs and to enable them to enter the workforce successfully.

Veteran Employment [C2] – By 2013, the veteran population will achieve additional employment outcomes.
Owner / Participant: TVC

Although the entered employment rate has declined during the economic downturn, TVC reported that progress has been made for most of the AP's major tasks, calling special attention to enhanced employer outreach activities. Last fall the agency launched a new statewide initiative by hiring a dedicated Business Outreach Coordinator. Since November 2009, the Coordinator has worked directly with approximately 25 employers to secure jobs and 'vet preference' commitments. Veterans continue to receive support through a network of over 90 field offices, including assistance from locally-based Veterans Employment Representatives.

Other recent actions include:

- ★ *REALifelines* – Working with the DOD and the Veterans Administration, TVC has increased outreach, awareness and participation in this program which helps injured veterans return to civilian life.

² CTAT (<http://www.ctat.org>) promotes quality instructional partnerships with business and industry to successfully prepare every student for the challenges of postsecondary education, a globally competitive workplace and active citizenship.

³ Accessible at <http://www.teabpc.org/>.

- ★ *Transition Assistance Program (TAP)* – In coordination with the U.S. Department of Defense (DOD), TVC facilitates multi-day TAP seminars. Additional trainers have been requested to assist with the seminars that are designed to provide job search and related services to military personnel within 180 days of separation or retirement.
- ★ *Outreach* – TVC launched a new website (<http://texas-veterans.com>) that provides state and federal benefits information for veterans, active duty service members, spouses and dependents.

LTO C4 requires TEA and the Texas Workforce Commission (TWC) to develop new and enhance existing methods, programs and processes for programs targeted at the over 17 workforce literacy⁴ population that address workplace literacy acquisition.

ABE / Low Literacy Level Employment [C4] – By 2013, design and implement targeted Adult Basic Education programs to enhance employment outcomes for populations requiring workplace literacy skills.

Owner: SITAC

Participants: TEA, TWC

As part of the Council's mandate to monitor and facilitate adult education work, the Council published⁵ *A Primer on Adult Education in Texas* (January 2010). Several companion papers are planned, with two published to date.

Since the March SITAC meeting, Council staff met with TEA staff charged with the responsibility for adult education in order to review the AP's intent and tasks. Due to pending reauthorization of the federal Workforce Investment Act, TWC is not requiring submission of local board plans this

year; therefore, TWC will be surveying local boards in an effort to identify strong relationships with adult education providers. Council staff will provide input on the survey design and review TWC's analysis of the survey responses, with a report to be provided to the Committee at a future meeting.

TEA staff is working to increase efforts of the tri-agency partnership with THECB and TWC, and will also be working with TWC on the local board survey. In addition, a curriculum consultant will be reviewing low or no-cost curriculum options available nationally.

KPA: Programs, Products and Services

Middle-skill jobs⁶ currently account for nearly half the jobs in the U.S. and in Texas. The U.S. Bureau of Labor Statistics projects about 45 percent of all job openings over the next decade will require some postsecondary education or occupational training. However, Texas is facing an increasing need for workers with appropriate middle skills, created by job growth and future workforce retirements. The projected need crosses a range of industries and occupations, including health care and energy.

Under the Council's leadership, LTO P2 requires expansion of the 'earn while you learn' model to address employer demand for skilled workers. Key actions to date include:

- ★ *January 2010* – Council Chair Jurey appointed eight members to the new Apprenticeship Project Leadership Team, including representatives from system partners THECB and TWC.
- ★ *January 29, 2010* – At the team's organizational meeting, members discussed elements of an apprenticeship model and what demand or emerging occupations held the best potential for pilot projects. The group decided to consider target industries in allied healthcare, health information technology, energy, and logistics and distribution.
- ★ *April 2010* – In response to a team recommendation, Chair Jurey appointed a TVC representative to the group.
- ★ *May 11, 2010* – The team heard two presentations at their second meeting. Recommendations to approve them as pilot and demonstration projects were to be made to the Council's Executive Committee at their June 3, 2010 meeting.
- ★ *August 9, 2010* – The team will hear presentations on additional pilot programs

Apprenticeship [P2] – By 2012, design, develop, and implement a pilot program to demonstrate flexibility of the 'earn while you learn' model of traditional apprenticeship programs. Where appropriate, expand and replicate into new occupational areas by 2015.

Owner / Participant: Council

⁴ *Executive Summary of Texas Adult Education Standardized Curriculum Framework: Workforce Literacy* – The basic skills necessary to perform in entry-level occupations or the skills necessary to adapt to technological advances in the workplace.

⁵ Accessible at <http://governor.state.tx.us/twic/work/>.

⁶ Jobs requiring education and/or training beyond high school, but less than a four-year college degree. Training may range from apprenticeships, certificate programs, and open-ended on-the-job-training, to two-year associate academic or technical degrees.

Data gaps regarding employers’ needs and customer satisfaction hinder the ability to assess whether existing programs and services are adequately meeting customer requirements. During the previous strategic plan cycle, several partner agencies increased their efforts to become more familiar with employers’ awareness and perception of existing services, as well as gather information about projected hiring and training needs.

LTOs **P5 and P6** incorporate five and three agency projects, respectively, that were continued under *Advancing Texas*, with updates on several presented in June.

- ★ *THECB [P5.2]*– THECB developed an online survey system and worked with TWC to notify employers of its availability, also informing the Texas Association of Community Colleges and local workforce boards in an effort to increase awareness and participation. At the conclusion of the initial data collection phase in April 2010, THECB had received a lower than anticipated response to the web-based employer survey. The agency is considering new options at the community college level or ways to coordinate efforts through local associations.
- ★ *Texas Youth Commission (TYC) [P5.4]*– After approval by their research department, surveys are conducted with in-house units and youth as well as employers. A paper-based survey, originally scheduled for implementation in April, will be piloted in August or September. TYC will then assess capacity and resources for automating the survey for future releases. In addition, the annual review of Prison Industry Enhancement (PIE) programs will be conducted in late July or early August.
- ★ *TVC [P6.2]*– Over the last year, TVC shifted to one on one intensive services to better serve the crucial needs of recently separated veterans. The agency utilized employment data to help identify the need for this change.
- ★ *Texas Department of Criminal Justice – Windham School District (TDCJ-Windham) [P5.5 and P6.3]* – Local board visits and surveys have been completed with no program changes indicated this cycle. Windham plans to continue conducting the board surveys annually; however, plans for a joint conference with Project RIO and local board staff have been deferred due to travel and budget constraints.

Employer Needs / Satisfaction [P5] – Partner agencies will gather data from employer customers at appropriate intervals to determine employer needs and satisfaction.
Owner: SITAC
Participants: HHSC-DARS, THECB, TVC, TYC, TDCJ-Windham

Use of Employment Data for Program Improvement [P6] – Partner agencies will use the employment data/outcomes of their programs to understand and improve those programs.
Owner: SITAC
Participants: HHSC-DARS, TVC, TDCJ-Windham

<i>SITAC Members</i>
<i>Chair</i> Paul Mayer, Executive Committee Member, Texas Workforce Investment Council
<i>Economic Development and Tourism Division</i> Keith Graf, Director, Aerospace and Aviation
<i>Texas Association of Workforce Boards</i> Chakib Chehadi, Executive Director, Workforce Solutions Alamo
<i>Texas Department of Criminal Justice</i> Debbie Roberts, Superintendent, Windham School District
<i>Texas Education Agency</i> Vangie Stice-Israel, State Director for Career Technical Education
<i>Texas Health and Human Services Commission</i> Debra Wanser, Deputy Commissioner, Department of Assistive and Rehabilitative Services
<i>Texas Higher Education Coordinating Board</i> Dr. MacGregor Stephenson, Assistant Commissioner for Academic Affairs and Research
<i>Texas Veterans Commission</i> Bill Wilson, Director, Veterans Employment Services
<i>Texas Workforce Commission</i> Gene Crump, Deputy Executive Director
<i>Texas Youth Commission</i> Dr. Clint Carpenter, Superintendent of Education

Attachment 3

Additional Documents

There are a number of additional documents that the Texas Workforce Investment Council (Council) produces regularly that are not technically newsletters. These documents, however, do in many ways serve a similar purpose. They are listed below and where applicable are linked to the Council's website. Copies of these documents are also available upon request.

[Apprenticeship Project Quarterly Update](#)

Each quarter the Council receives an update from its apprenticeship project leadership team that summarizes pilot apprenticeship projects conducted under the workforce system strategic plan *Advancing Texas*. The purpose of the projects is to design, deploy, and implement pilot programs that demonstrate the flexibility of the-earn-while-you-learn model of traditional apprenticeship programs. [Archive](#)

[Federal Legislative Update](#)

Includes information on emerging federal legislation and policy as they relate to the Texas workforce system. Emphasis is on Workforce Investment Act reauthorization and federal appropriations as they affect workforce programs. [Archive](#)

[Policy News Highlights](#)

Is a quarterly review of selected reports relevant to the policy and research functions of the Council. Through abbreviated summaries of recent publications, the review provides a quick overview of current topics, trends and issues affecting the workforce and the workforce system. [Archive](#)

Council Activity Update (available upon request)

Is a quarterly summary of recent Council activity. It is used to provide information to Council members from the Council's director concerning recent staff activity and a preview of the upcoming meeting.

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Attachment 4

List of Publications Describing the Council

2013 Self Evaluation Report
Texas Workforce Investment Council

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Attachment 4

List of Publications Describing the Council

1. [Government Effectiveness and Efficiency Report \(Legislative Budget Board, Jan 2013\)](#) – pg. 422
2. [Overview of the Texas Workforce Development System \(Legislative Budget Board, Jun 2013\)](#)

Texas Workforce Investment Council

*Promoting the development of a well-educated, highly skilled workforce for Texas.
Advocating for an integrated workforce system that meets the needs of Texas' business and workers.*



Purpose. Created by the Texas Legislature in 1993, the Texas Workforce Investment Council assists the Governor and the Legislature with strategic planning for and evaluation of the Texas workforce development system.

Members. There are 19 members of the Council. The Governor appoints 14 members representing business, organized labor, education, and community-based organizations. The remaining members are ex-officio representatives of the Council's five member state agencies.

Scope. The scope of the Council's work is "workforce development", which is defined in the Council's state statutes as "workforce education and workforce training and services". Workforce education is further defined as articulated career-path programs and the constituent courses of those programs that lead to a sub-baccalaureate license, credential, certificate, or degree.

Texas Workforce System. The Texas workforce system is comprised of 19 workforce programs and initiatives administered by eight state agencies and their local program and service providers.

Texas Workforce System Agencies

Texas Department of Criminal Justice
Texas Education Agency
Health and Human Services Commission –
Department of Assistive and Rehabilitative Services
Texas Higher Education Coordinating Board
Texas Juvenile Justice Department
Texas Office of Economic Development and Tourism, Office of the Governor
Texas Veterans Commission
Texas Workforce Commission

Council Members

Wes Jurey, Chair, Arlington
Sharla Hotchkiss, Vice Chair, Midland
James Brookes, Amarillo
Blas Castañeda, Laredo
Robert Cross, Houston
Jonathan Taylor, Austin
Mark Dunn, Lufkin
Carmen Olivas Graham, El Paso
Richard Hatfield, Austin
Robert Hawkins, Bellmead
Larry Jeffus, Garland
Matthew Maxfield, Harker Heights
Paul Mayer, Garland
Raymund Paredes, Austin
Danny Prosperie, Nederland
Michael Williams, Austin
Kyle Janek, Austin
Joyce Delores Taylor, Houston
Larry Temple, Austin

History. The 73rd Texas Legislature created the Council under Senate Bill 642, the Workforce and Economic Competitiveness Act. Council structure, administration and functions were modified by the 74th Texas Legislature in 1995 under House Bill 1863. The Council was reviewed by Sunset Advisory Commission in 2002. During the 78th Regular Session, the Legislature passed SB 281, reauthorizing the Council for 12 years and adding to the Council's responsibilities for workforce system strategic planning and evaluation.

The Council also serves as the State Workforce Investment Board as required by the federal Workforce Investment Act of 1998. While composition and responsibilities differ somewhat between states, all State Boards are charged with assisting the Governor with planning, evaluation, collaboration among system partners, and review of state and local plans. Such state-level policymaking and advisory boards have existed for over thirty years, authorized under prior federal employment and training legislation.

Functions & Products

State and federal law assign the Council four primary functions in the Texas workforce system: 1) planning, 2) evaluation and performance measurement, 3) research and continuous improvement, and 4) review of state and local workforce plans in order to recommend final approval by the Governor. Council products include a strategic plan for the workforce system, annual evaluation reports and resource publications, occasional papers, reports on critical emerging issues, and recommendations to the Governor.





The state's workforce system is comprised of a number of programs, services and initiatives administered by the Council's eight partner state agencies and local workforce development boards, as well as independent school districts, community and technical colleges, and local adult education providers. System partners are responsible for the delivery of workforce education and training programs and related services, and education programs that support career preparation and advancement. More information on the Council and Texas' workforce system can be found at www.governor.state.tx.us/twic/.

Texas Workforce System

Texas Agency	Program	Who Is Served?
Department of Criminal Justice	Postsecondary Community & Technical College Corrections	Individuals 25 and younger in state prisons and jails with a high school diploma or equivalent; and within five years of parole eligibility.
Education Agency	Adult Education, Workforce Investment Act Title II	Persons at least 16 years old and not registered in a secondary school and who lack basic education skills.
	Perkins Secondary Career Technical Education	Secondary students.
	Secondary Academic Windham	Incarcerated adults who do not have a high school diploma or the equivalent.
	Secondary Academic Youth Corrections	Secondary students in youth correctional facilities.
	Secondary Education	Secondary students.
	Secondary Technical Windham	Incarcerated adults in state prisons and jails, without a high school diploma or the equivalent.
	Secondary Technical Youth Corrections	Secondary students in youth correctional facilities.
Health and Human Services Commission	Blind Services	Adults who are blind or visually impaired.
	Rehabilitation Services	Adults with a mental or physical disability.
Higher Education Coordinating Board	Community & Technical College Academic Education	Students with a high school diploma or the equivalent.
	Community & Technical College Technical Education	Students with a high school diploma or the equivalent.
Veterans Commission	Veterans Employment and Training	Any person who served on active duty for 180 days and was honorably discharged or released because of a service-connected disability.
Workforce Commission	Adults, Workforce Investment Act Title I	Adults and youth, 16 years or older, with a high school diploma or the equivalent.
	Apprenticeship	Students with a high school diploma or the equivalent.
	Dislocated Workers, Workforce Investment Act Title 1	Dislocated workers who are unemployed due to layoffs or adverse market conditions and unlikely to return to their jobs.
	Employment Services - Wagner Peyser	All applicants looking for work and all employers seeking employees.
	Self-Sufficiency Fund	Recipients of TANF or SNAP benefits, or a parent, with wages at or below \$37,000.
	Senior Community Service Employment Program	Low income adults aged 55 or older.
	Skills Development Fund	Adult incumbent workers in need of undated skills, or adults to be hired upon completion of training.
	Supplemental Nutrition Assistance Program Employment and Training	Recipients are mandatory work registrants, unemployed, or employed less than full time, and able to work.
	Temporary Assistance for Needy Families Choices	Eligible single-parent families and eligible two-parent families with children.
	Trade Adjustment Assistance	Workers adversely affected by trade agreements as certified by the U.S. Department of Labor.
	Youth, Workforce Investment Act Title 1	Persons between the age of 14 and 21, who face barriers to school completion or employment.

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Attachment 5

List of Reports Required by Legislation or Rider

2013 Self Evaluation Report
Texas Workforce Investment Council

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Attachment 5
List of Reports Required by Legislation or Rider

1. Texas Government Code §2308.104(a) – requires the Council to report annually to the Governor and the Legislature on the implementation of the workforce system strategic plan.
2. Texas Government Code §2308.104(a) – requires the Council to report annually on Formal and Less Formal measures. Statute specifies that Formal measures are those that are essentially consistent across all workforce programs, and that Less Formal measures provide information essential to implementation of the workforce system strategic plan.
3. Texas Government Code §2308.101(14) – requires the Council to report annually on work development programs that focus on welfare to work initiatives.
4. Texas Government Code §2308.304(b)(4) – specifies that local board plans must include a strategic component that sets broad goals and objectives for local workforce programs that are consistent with statewide goals, objectives and performance standards.
5. Texas Government Code §2308.1016 – mandates that the Council facilitate the efficient delivery of integrated adult education services in Texas, in part by evaluating the adult education and literacy services administered by the Texas Education Agency (TEA) and the Texas Workforce Commission (TWC).
6. Texas Government Code §2308.101(13) – requires the Council to report periodically to the Governor and the Legislature. Statute charges the Council with monitoring the operation of the state’s workforce system [§2308.101(10)] and evaluating effectiveness of that system [§2308.101(6)].
7. Texas Government Code §2308.104 requires the Council to develop a single strategic plan for Texas’ workforce system that includes goals, objectives, and performance measures for the system and the state agencies that administer workforce programs.

In meeting the above evaluation and reporting requirement, the Texas Workforce Investment Council submits the following to the Governor and the Legislature:

- ▶ Evaluation report on Texas’ workforce system: annually (2004 through 2012). The 2013 evaluation report is currently under development. The report contains separate sections that address the Council’s different reporting requirements. This annual report is the key vehicle for meeting the reporting requirements related to 1 through 5.
- ▶ Welfare to work reports: annually (2000 through 2009). This report was the key vehicle for meeting the reporting requirement related to 3. Since 2010, welfare to work participant and program data are reported through the system evaluation report (above) and the Formal measures report cards.
- ▶ Adult education and literacy services: annually. The system evaluation report (above) contains a section related to the reporting requirement in 5, which provides an overview of the Council’s work in adult education in the prior fiscal year. Adult education is also included in the Formal measures report cards, as well as the Less Formal measures report section.

The Council also meets its reporting requirements in 5 through periodic research reports on adult education and literacy services (2003, 2010 [3], 2012). Research has focused on structure and funding, instructional approaches, service delivery methods, the current and future number of Texans eligible for adult education services, and estimates of the total number of service providers (both federally funded and community-based providers) and the adults that they served, as well as waiting lists.

▶ Examples of periodic reports:

- Career Technical Education and Outcomes in Texas High Schools - A Monograph (2013)
 - Career Awareness Model (2013)
 - Mature Workers in Texas: A Demographic Study (2012)
 - People with Disabilities: A Texas Profile (2013)
 - Veterans in Texas: A Demographic Study (2012)
 - Texas Index (annually since 2005)
 - The Demand for Middle-Skills Jobs in the United States and in Texas (2008)
 - Potential Regional Economic Boundaries in Texas: An Analysis in Light of Current Patterns and Linkages in Business Activity (2007)
 - American Competitiveness in the 21st Century and Key Texas Initiatives (2006)
 - Demographics and Trends of the Texas Welfare Population (2005)
 - Employer Surveys (2002-2008)
- ▶ Workforce system strategic plan. While not a study, development of a workforce system strategic plan is a significant undertaking, and represents a key output of work for the Council. In collaboration with system agency partners, as well as system stakeholders, each of the past two system strategic plans was developed over an eighteen-month period.

The system strategic plan contains an action plan for each long term objective, which specifies who, what, when and how the objective will be achieved, as well as the metric by which success will be measured. The system strategic plan, the actions plans, and metrics are the foundation for much of the Council's work. Upon approval by the Council, the system strategic plan and the Formal and Less Formal measures contained within it, are submitted to the Governor for approval. Updates to the system strategic plan are also submitted to the Governor for approval.

Attachment 6

Not Applicable

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Attachment 7

List of Studies that Relate to Agencies with Similar Duties or Functions

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Attachment 7

List of Studies that Relate to Agencies with Similar Duties or Functions

2010 – 2012

The Critical and Emerging Role of Workforce Investment Boards: How Federal Policy Can Incite Workforce Innovation, Corporation for A Skilled Workforce, January 2010

This brief challenges the notion that WIBs' primary role is to manage WIA grants. Boards are valuable organizers of people in communities. Federal policy could help Boards perform this function more systematically.

Implementing Efficiency Measures for Employment and Training Programs, U.S. Department of Labor, Employment and Training Administration, May 2010

In May 2008, ETA looked into the efficiency of its administration of various WIA programs. To be implemented within three years, the study recommends that efficiency measures should be closely tied to the current outcome performance measures in effect under ETA's Common Measures framework. Though the report highlights some of the challenges of comparing efficiency measure results across programs, the Common Measures provide common definitions for outcome measures and thus increase the potential for making meaningful comparisons of efficiency measure results within individual programs (e.g., across states/sub-grantees) and across at least some of the ETA programs of interest. http://wdr.doleta.gov/research/FullText_Documents/Implementing%20Efficiency%20Measures%20for%20Employment%20and%20Training%20Programs%20Final%20Report.pdf

Texas Workforce Investments: Returns for Participants, Taxpayers and Society, Texas Business Review Bureau of Business Research LBJ School UT Austin, June 2010

This issue of the Texas Business Review concentrates on the Return on Investment for comprehensive workforce programs in Texas. After analysis, the authors recommend that more be invested in workforce services. They say that the ROI on workforce services is at least as high as those for education. Furthermore, they accrue to people who are already of working age, and to employers. <http://www.utexas.edu/research/cshr/pubs/pdf/TBR%20Article.pdf>

Using State Data to Promote Continuous Improvement of Workforce Programming: Guidance for States Preparing Applications to the U.S. DOL Workforce Data Quality Initiative, Shifting Gears Joyce Foundation, July 2010

The U.S. Department of Labor's Workforce Data Quality Initiative will give states an opportunity to use the data they collect to promote continuous improvement of workforce education and employment programs. The first goal is to give consumers information that will help them select programs. The second goal is to make available timely info that can help providers improve their programs. http://occrll.illinois.edu/files/Projects/shifting_gears/Report/SG_Using_State_Data.pdf

Rural Workforce Consortium Biotechnology/Life Sciences-Medical Targeted Industry Employer Survey Report, Rural Workforce Network (per TWC), July 2010

This report summarizes the results of an employer survey relating to a Regional Cooperation Capacity Building for Targeted Industries Program Grant. Its purpose is to develop data on current and future workforce needs for five LWDBs in West Texas, in targeted industry areas. High current and projected demand for BA level in health fields. <http://www.ruralworkforcenetwork.org/pages/results.pdf>

Sector Snapshot A Profile of Sector Initiatives, 2010, National Network of Sector Partners - Insight Center for Community Economic Development, September 2010

This is the latest report in a ten-year series profiling the sector field nationwide. The findings include that

sector initiatives have become more important as a means of providing workforce development, adult literacy, post-secondary education, and economic development services.

<http://www.insightcced.org/uploads/publications/wd/Sector-Snapshots.pdf>

Multiple Employment and Training Programs: Providing Information on Co-locating Services and Consolidating Administrative Structures Could Promote Efficiencies, Government Accountability Office, February 2011

This GAO report looks at federally funded employment and training programs, primarily at programs under the jurisdiction of the Departments of Labor, Education and Health and Human Services. It recommends that Labor and HHS disseminate information about state efforts to consolidate administrative structures and co-locate services and, where needed, identify options for increasing incentives to undertake these initiatives. <http://www.gao.gov/assets/320/314551.pdf>

Partnering for Success: Recommendations to Facilitate Greater Collaboration between the Registered Apprenticeship and Public Workforce Systems, U.S. Department of Labor, Employment and Training Administration, May 2011

This is a brief white paper prepared by the Advisory Committee on Apprenticeship. This paper reviews barriers that inhibit collaboration between workforce boards and registered apprenticeship programs and highlights examples of promising practices that demonstrate how to support apprenticeship programs with federal and state funding. The paper makes recommendations including encouraging better alignment of performance measures for registered apprenticeship programs and the workforce system to encourage the use of the registered apprenticeship model.

<http://wdr.doleta.gov/directives/attach/TEN/ten2011/ten44-11aA.pdf>

Training Policy in Brief: An Overview of Federal Workforce Development Policies, National Skills Coalition, February 2011

This brief is part of a periodic series that covers key federal programs and policies that support postsecondary education and job training for U.S. workers and businesses. The series is intended to serve two primary functions. First, the issue briefs provide a reference tool to help policymakers and practitioners better understand the “nuts and bolts” of how a range of federally funded programs can support education and training to improve the skills of U.S. workers. Second, the issue briefs provide specific legislative recommendations for how these programs can be improved to better serve the needs of workers and more effectively align with the needs of local and regional employers.

http://www.nationalskillscoalition.org/assets/reports/tpib_2011.pdf

Workforce Investment Act: Innovative Collaborations between Workforce Boards and Employers Helped Meet Local Needs, U.S. Government Accountability Office, January 2012

The report examines various local initiatives around the country viewed as promising practices in which local workforce boards collaborated effectively with employers and other partners to achieve positive results. The report recommends that DOL disseminate information about workforce boards that have effectively leveraged WIA funds with other funding sources. <http://www.gao.gov/products/GAO-12-97>

Workforce Investment Board Services to Veterans, National Association of Workforce Boards, January 2012

This summary report presents the findings of a survey conducted to determine the degree to which the WIA system has helped the veteran’s population prepare for and transition into employment in the civilian

workforce. http://www.nawb.org/documents/Research/Workforce%20Investment%20Board%20Services%20to%20Veterans%20-%20whole-notes%20_3_.pdf

2009

Recovery and Reemployment: Regional Forums for Economic Change: Final Report, U.S. Department of Labor, Employment and Training Administration, June 2009

This final report of the Employment and Training Administration's forums highlights the findings of six Regional Recovery and Reemployment forums that focused on immediate and effective implementation of the American Recovery and Reinvestment Act within the workforce system.

http://www.doleta.gov/Regional_Forum_Final_Report_062609.pdf

National Report: Workforce System Readiness Level and Technical Assistance Needs for Implementation of the American Recovery and Reinvestment Act (The Recovery Act), U.S. Department of Labor, Employment and Training Administration, July 2009

This paper contains data from DOL/ETA's nationwide consultation with workforce systems on both local and state levels. The assessment concerned itself with workforce system readiness in terms of implementing The Recovery Act. http://www.doleta.gov/pdf/National_Readiness_Report.pdf

Evaluating Local Workforce Investments: Results for Short- and Long-Term Training in Austin (TX), Ray Marshall Center, LBJ School of Public Affairs, November 2009

This report on evaluating local workforce investments was presented at the Association for Public Policy Analysis and Management's 31st Annual Research Conference in November 2009. The report focuses on two local workforce investments in Central Texas: the Rapid Employment Model (REM) project operated by Workforce Solutions, and occupational training and related services provided by Capital IDEA and its partners. It provides data sources and methods of analysis, and presents near- and longer-term outcomes and impact results for Capital IDEA and REM, as well as policy implications.

http://www.utexas.edu/research/cshr/pubs/pdf/APPAM_Local%20Workforce%20Investments.11-2.pdf

Implementing the National Fund for Workforce Solutions—the Baseline Evaluation Report, National Fund for Workforce Solutions, December 2009

In September 2007, the Annie E. Casey, Ford, Hitachi, and Harry and Jeanette Weinberg Foundations and the U.S. Department of Labor formally launched the National Fund. A promising workforce intermediary's pilot initiative provided the early investors with the confidence to expand into an ambitious five-year national effort to leverage major new private and public investment in workforce development in regions across the nation. The purpose of the initiative was to build workforce partnerships rooted in industry sectors and to transform institutions to improve labor market outcomes for low-income individuals and employers. In this, NFWS built on three promising approaches: sector initiatives, career pathways programs, and workforce intermediaries.

http://wdr.doleta.gov/research/FullText_Documents/Implementing%20the%20National%20Fund%20for%20Workforce%20Solutions%20-The%20Baseline%20Evaluation%20Report.pdf

2008

Workforce Narrative Project: Does Workforce Development Work? Ray Marshall Center/LBJ School of Public Affairs for the Annie E. Casey Foundation, January 2008

An older paper, this narrative presents a good overview of the workforce development system in Texas.

<http://www.aecf.org/news/fes/dec2008/pdf/ChrisKing.pdf>

Training Policy in Brief-An Overview of Federal Workforce Development Policies (2007), Workforce Alliance, February 2008

This brief is an update of a periodic series that covers key federal programs and policies that support postsecondary education and job training for U.S. workers and businesses. The series is intended to serve two primary functions. First, the issue briefs provide a reference tool to help policymakers and practitioners better understand the “nuts and bolts” of how a range of federally funded programs can support education and training to improve the skills of U.S. workers. Second, the issue briefs provide

specific legislative recommendations for how these programs can be improved to better serve the needs of workers and more effectively align with the needs of local and regional employers.

An Evaluation Framework for State Sector Initiatives, National Governors Association, Corporation for a Skilled Workforce, and the National Network for Sector Partners, May 2008

This paper is one of several that lays out a framework states can refer to regarding sector strategies and issues a "call to action," for states to respond to this approach to economic development.

<http://www.insightcced.org/uploads/nssp/Evaluation-Framework-White-Paper.pdf>

Building Employer-Responsive Workforce Systems at the State Level: A "How To" Manual, Jobs for the Future, January 2008

This guide has two purposes: to elucidate the importance of organizing and supporting the employer side of workforce development and to demonstrate for leaders of employer organizations their role as workforce development intermediaries. http://www.jff.org/sites/default/files/WINsStateLevel_0.pdf

Workforce Investment Act Non-Experimental Net Impact Evaluation, DOLETA, December 2008

This report presents the results of a non-experimental net impact evaluation of the Adult and Dislocated Worker programs under WIA. The key measure of interest is the difference in average earnings or employment attributable to WIA program participation for those who participate. The overall goal of the evaluation was to provide information on the long-run impact of the WIA program at both the local and national level. <http://www.nawdp.org/Content/NavigationMenu/ResearchReports/2009-10-WIANon-ExperimentalNetImpact.pdf>

2005 – 2007

The Workforce Investment Act in Eight States, The Nelson A. Rockefeller Institute of Government for the U.S. Department of Labor, February 2005

This report concludes a two-year, in-depth study of state and local workforce service delivery administration of the WIA of 1998 in eight states, including Texas, as well as 16 local areas and more than 30 local one-stop career centers operating under the federal WIA. The reasons for conducting this research included economic development, administrative understanding, and federal theory.

http://www.utexas.edu/research/cshr/pubs/pdf/Rockefeller_Institute_Final_Report2-10-05.pdf

Workforce Investment Act—Substantial Funds are Used for Training, but Little is Known Nationally about Training Outcomes, Government Accountability Office, June 2005

This study evaluated how WIA funds are being used and in particular, how much is being spent on training. Findings indicated that LWDB used an estimated 40% of WIA funds available in PY 2003.

<http://www.gao.gov/new.items/d05650.pdf>

Workforce Investment Act: One-Stop System Infrastructure Continues to Evolve, but Labor Should Take Action to Require That All Employment Service Offices Are Part of the System, Government Accountability Office, September 2007

This report examines the one-stop system and the connection with Employment Service offices across the country. GAO assessed (1) the current composition of states' one-stop systems and how this has changed; (2) what funds are primarily used to support states' one-stop system infrastructure and how this has changed; and (3) the extent to which states are monitoring customer satisfaction. GAO's work was primarily based on a 50-state survey of state workforce officials, updating work previously done in 2000 and 2001. <http://www.gao.gov/assets/270/266125.pdf>

2002 - 2004

States and Local Areas Have Developed Strategies to Assess Performance, but Labor Could Do More to Help, U.S. General Accounting Office, June 2004

This report examines how useful WIA performance data are for gauging program performance; what local areas are doing to manage their WIA performance and assess one-stops on a timely basis, and how states assist these efforts; and the extent to which the Department of Labor is trying to improve WIA's performance measurement system and assess one-stop success.

<http://www.gao.gov/new.items/d04657.pdf>

Responding In a Turbulent Economy: Creative Roles for Workforce Investment Boards, National Center on Education and the Economy, U.S. Department of Labor, April 2004

This report identifies and shares effective strategies for addressing the demands on the workforce investment system and is organized around individual case examples that illustrate the strategies employed by several state and local workforce areas and partners.

http://www.ncee.org/wp-content/uploads/2010/04/Churning_Final_Report.pdf

The Road to Sector Success: A Guide for Workforce Boards, National Association of Workforce Boards and the National Network of Sector Partners, December 2004

Information on sector strategies to strengthen workforce board's outreach to the business community and to build stronger links with regional economic development efforts.

http://www.nawb.org/documents/sector_strategies_full.pdf

The Next Generation of Workforce Development Project: A Six-State Policy Academy to Enhance Connections between Workforce and Economic Development Policy, National Governors Association, December 2004

This report to the U.S. Department of Labor, Employment and Training Administration presents outcomes of an initiative to provide governors with the critical knowledge and policy tools needed to support long term cluster-based economic development.

http://wdr.doleta.gov/research/FullText_Documents/2005_05_final_dol_workforce_academy.pdf

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Attachment 8

Council Member Biographical Information

2013 Self Evaluation Report
Texas Workforce Investment Council

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**WES JUREY, Chair
Business & Industry**

In 2007, Wes Jurey was appointed to the Council by Governor Rick Perry and subsequently named Chair on October 23, 2009.

Mr. Jurey was appointed President and CEO of the Arlington Chamber of Commerce on October 1, 2001, having previously served as President and CEO of the Greater El Paso Chamber of Commerce since 1990.

He earned his B.A. in Education from Phillips University in Enid, Oklahoma, in 1972; is a graduate and former faculty member of the Boy Scouts of America's National Executive Institute; and a Certified Fundraising Practitioner.

His career in non-profit management began in 1968, and includes the Methodist Church, the Oklahoma Department of Institutions, the YMCA, and the Boy Scouts of America, prior to entering the Chamber profession.

He currently serves on the Advisory Boards of the Schools of Business and Engineering at the University of Texas at Arlington, the U.S. Department of Labor Advisory Committee on Apprenticeship, the Board of the Alliance for Higher Education, Chair of the Strategic Planning Committee for the North Texas Regional Center for Innovation and Commercialization, and the Executive Committee of the Texas Workforce Investment Council.

Civic and community involvement includes serving on the board of the United Way of Tarrant County and the Advisory Board of the Arlington Public Library Foundation. Previous service includes the Texas Department of Economic Development's Border Infrastructure Coalition, the Editorial Board of the New Mexico Business Journal, the boards of the State Bar of Texas, the Texas Equal Access to Justice Foundation, the Texas Bar Foundation, the North Texas Commission, Kiwanis Lt. Governor (Dallas), Chairman of the Dallas (Area) Special Olympics, and deacon of his church.

He is active in the U.S. Chamber of Commerce, serving as Immediate Past Chairman of the Board of the Institute for a Competitive Workforce, a 501(c) (3) affiliate of the U.S. Chamber, immediate past chair of Workforce Development on the Chamber of Commerce Committee of 100, member of the U.S. Chamber's Education, Employment and Training Committee, and the Board of Directors of the National Chamber Foundation. He is a past member of the boards of the American Chamber of Commerce Executives, the Texas Chamber of Commerce Executives, the Texas Association of Business, past chair of the Texas Chamber Metro Cities Council, and co-founder and past president of the North Central Texas Chamber of Commerce Executive Associates.

**SHARLA HOTCHKISS, Vice Chair
Community Based Organization**

Sharla Hotchkiss serves as Vice Chair of the Council having been appointed by Governor Rick Perry in 2005 representing the environmental and public interest community.

Ms. Hotchkiss is a nonprofit consultant who conducts trainings on topics relating to organizational development. She has been an executive trainer for Keep Texas Beautiful for 15 years, providing

education and training for their affiliate network. Keep America Beautiful has used her talents as a presenter at national conferences and for webinar board training.

As a Keep Texas Beautiful and Keep Midland Beautiful board member she served as President as well as chairman of multiple committees. In addition, she is a mentor to the Generations Leadership class for the Nonprofit Management Center, is an appointee to the Permian Basin Regional Planning Commission Solid Waste Advisory Committee and serves the community on the Bush Home Board and as a Master Gardener. Past activities include an appointment to the Pollution Prevention Advisory committee of the Texas Commission on Environmental Quality where she served as Co-Chairman. She was chairman of the Midland Planning and Zoning Commission and helped write successful ordinances for the City.

Awards include Keep America Beautiful Lady Bird Johnson Award for outstanding female volunteer in the nation, Keep Texas Beautiful President's Award, Texas League of Women Voters Excellence in Environmental Awareness award, and Southwestern University's Citation of Merit Award to name a few.

She received a bachelor's degree from Southwestern University.

JAMES N. BROOKES

Labor

James Brookes graduated from Tascosa High School in 1970. Since high school, he attended extension courses at Texas A&M, Texas State Technical Institute, and Amarillo College. On April 15, 1976, he was indentured into the Apprenticeship Program of Amarillo Carpenters Union #665. He graduated from the apprenticeship four years later as a journeyman carpenter and worked at the trade for the next 21 years. In 1988, Mr. Brookes was elected as the Business Representative and Financial Secretary of the Union. By virtue of the office, he became Director of Apprenticeship and an instructor. That same year, he was elected President of the Building Trades Council and Secretary-Treasurer of the Amarillo Central Labor Council. In August 1996, Mr. Brookes was elected Trustee of the Texas Carpenters and Millwrights Regional Council in Arlington Texas and in 2009 was elected to serve a four year term as the Executive Secretary/Treasurer.

In 1993, Governor Ann Richards appointed Mr. Brookes to the On-Site Wastewater Treatment Advisory Council. In 1996, he was appointed by Governor George W. Bush to serve on the Council. As a member of the Council, he worked with the staff and the Governor to establish local workforce boards. He is a member of the Panhandle Workforce Development Board in Amarillo. He also serves as Chair of the Apprenticeship and Training Advisory Committee. While on the Committee, rates and regulations were set for Chapter 33 apprenticeship training standards.

BLAS CASTAÑEDA

Education

Blas Castañeda is the External Affairs/Economic Development Officer at Laredo Community College in Laredo, Texas and served on the original Texas Workforce Investment Council from 1990-1994, appointed by Governor Ann Richards. In 2008 he was again appointed to serve on the Council by Governor Rick Perry. As a post-secondary veteran of 31 years at Laredo Community College, he has enjoyed a pro-active career in building collaborations, partnerships, and regional planning for public education, higher education with business and industry at the local, regional, state, and international levels along the Texas-Mexico Border.

From 1988-1996, Mr. Castañeda was elected to serve as a member of the Laredo City Council as well as the Mayor – Pro Tempore. Throughout his career, as a Development Officer for Laredo Community College, he has brought major capital facilities to the college and was the leader in developing and establishing the distance learning program that is part of the virtual college of Texas on-line systems.

Mr. Castañeda currently holds several positions within various civic organizations throughout the Valley region, for example, he currently serves on the Board as Ex-Officio President and recently as President (2006-2008) of the Future of the Region Inc. (FORI), a 47 county non-profit economic development organization that is to forge a united South Texas/Border region by bringing together its leadership to address key issues in the region. He is also a member and chair to the workforce and education committee of the Texas Border Coalition (TBC). TBC is the collective voice of border mayors, county judges, and community leaders on issues that affect the Texas-Mexico border region quality of life and pursues a strong prosperous economy development. Additionally, he serves on the Board of the Texas Migrant Council, a multi-million, multi-state, multi service organization that promotes services in family literacy, consumer education, prenatal care, and education for parents in identifying quality daycares.

Most recently, Mr. Castañeda was appointed by the Mayor of Laredo to join the South Texas Workforce Solutions Board as a member representing Adult and Continuing Education. Through the EDC's efforts Mr. Castaneda has helped launch a seven county Workplace Literacy Council to help support the business and industries along the Border, from Laredo to Brownsville.

Mr. Castañeda has extensive experience in regional planning with school districts, colleges, and universities and the private sector. Through his many efforts, he has received numerous awards for economic development, community service, and education and labor. The Texas Lulac Council 12 recognized him in 1999 with the Tejano's High Achievers Award for his achievements in education, the Laredo-Webb County Bar Association recognized him with the Liberty Bell Award for being an advocate for students and women and the Central Labor Council of Webb County:AFL-CIO bestowed the 1st "Salute To Labor" Star Award for his service to the community, assistance to students, and economic development in 1995.

ROBERT CROSS

Labor

Robert Cross of Houston is the Director of Training for the Houston Area Plumbing Joint Apprenticeship Committee and a licensed Master Plumber. He is President of the Apprenticeship Training Association of Texas; a member and Past International President of the American Society of Sanitary Engineering; a member of the International Association of Plumbing and Mechanical Officials; and a member of the United Association of Plumbers and Pipe Fitters. He is president of the Education Foundation of the Texas Pipe Trades, Supervisory Committee Chairman of the Union Fidelity Credit Union, and a member of the International Pipe Traders Joint Training Committee board of directors. In addition, he is a member on the Council's Apprenticeship Technical Advisory Committee and the Texas Commission on Environmental Quality: Cross Connection Control Advisory Committee. His higher education includes completion of a registered apprenticeship (Journeyman Plumber), attendance at the University of Houston, majoring in Construction Technology, and a Bachelor's degree in Labor Education and History from the National Labor College at Silver Springs, Maryland.

MARK DUNN**Business & Industry**

Mark Dunn is the president of Dunn's Construction, LLC, a commercial construction firm he founded in 2000. He and his wife Shawn returned to Lufkin in 1999 with their children Alyssa and Mason after having lived in the Woodlands just north of Houston for several years. He is a graduate of Sam Houston State University and holds a degree in Design Development. Since returning home to East Texas, he has been active in the community in various leadership and volunteer activities. Mark has served as the president of the Lufkin Rotary Club and currently serves as an Assistant District Governor of Rotary District 5910. He has also served on the board of the Texas Forestry Museum and the Lufkin Planning and Zoning Council. Current positions include Texas Water Planning Group Region I member, Boys and Girls Club of East Texas Lufkin Unit Advisory Committee, Boys and Girls Club of East Texas Board of Directors, Leadership Lufkin Advisory Council and the Lufkin Landscape Task Force.

In his spare time, Mark enjoys time with his family, biking, running and serving in his church.

CARMEN OLIVAS GRAHAM**Education**

Carmen Olivas Graham is the Assistant Principal for grades Pre-K through Middle School for the Desert Wind School in El Paso, Texas. Dr. Graham received her Doctorate in Curriculum and Instruction, with a double minor in Bilingual Education and Early Childhood Education from New Mexico State University.

Dr. Graham's life-long goal is to embrace a firm commitment to produce results, using her abilities and academic preparation to help meet the needs of others and the goals of the organization where she works. She is a strong advocate for public education and a firm believer in equity and support programs for young people in Texas.

RICHARD HATFIELD**Labor**

Richard Giles Hatfield of Austin is a retired international captain for Delta Airlines where he worked for more than 32 years. He is a member of the Airline Pilots Association and during his career he served as Chairman of Scheduling and Safety Committees and Chairman of Contract Negotiations between Delta and their pilots. Before joining Delta, he served in the United States Air Force as an instructor pilot. Mr. Hatfield received a bachelor's degree from Oklahoma State University.

Mr. Hatfield serves as the Council's representative on the Rehabilitation Council of Texas and also on the Texas Veterans Commission Veterans Employment and Training Advisory Committee, Austin Bergstrom International Airport Advisory Commission, and Austin's Citizens' Water Conservation Implementation Task Force.

ROBERT HAWKINS

Labor

Robert Hawkins has served on the Texas Workforce Investment Council since its inception in 1993 as the Texas Council on Workforce and Economic Competitiveness. Prior to his appointment to the Council, he served on the State Job Training Coordinating Council. He served as the Council's representative on the Rehabilitation Council of Texas for six years (October 1999 – October 2005).

Mr. Hawkins retired as the Director of Special Programs at Texas State Technical College in Waco. During his 29 years at the college, he worked as Senior Researcher, Master Instructor, Apprenticeship Coordinator, Economic Development Director, and Director of Special Programs. Mr. Hawkins was instrumental in pioneering work in the area of career education and economic development training. He also held positions with Rocketdyne and General Dynamics. He has been a guest lecturer at several colleges and universities. He also served as the Coordinator to the Texas Pipe Trades Apprenticeship Council.

Mr. Hawkins has taught military courses at the National Guard Bureau Training Center and the Department of Defense. He served in the U.S. Army, the Army National Guard, the U.S. Army Reserve, and the Texas State Guard and held staff and command positions. He retired with 25 years of combined military service as a Colonel.

Mr. Hawkins' professional memberships include the United Association of Plumbers and Pipefitters Local 529, AFL-CIO, Dean of the Central Texas Labor Council, AFL-CIO (and was inducted into the Texas AFL-CIO Labor Hall of Fame in 2011), Texas Academy of Science, and the Texas Technical Society. He has served as a member of an Advisory Committee for the Texas Department of Health, Senate Advisory Committee for Vocational/Technical Education, President's Council on Youth Opportunity and Vice Chair of the Texas State Board of Physical Therapy Examiners and the Texas State Independent Living Council. He served on the Bellmead City Council for 20 years with four terms as mayor. He is also Chair Emeritus of the Central Texas Economic Development Board and Chair Emeritus of the Heart of Texas Economic Development District.

Mr. Hawkins has received several awards for military, public service, and humanitarian activities. Among these are a Distinguished Service Award from the Secretary of the Army, the Lone Star Distinguished Service Medal, and the Clara Barton Medal from the American Red Cross, which is the highest award for volunteer service. He is also a member and officer of several Masonic, alumni, veteran, hereditary, charitable, and patriotic organizations.

Mr. Hawkins earned an Associate Degree from McLennan Community College (and was named the college's first Distinguished Alumnus in its 44-year history in 2009), a Bachelor's degree from the State University of New York at Albany, and a graduate certificate from Texas A&M University. He is a graduate of the U.S. Army Institute for Professional Development and the National Defense University. He is a graduate of the Federal Emergency Management Institute, and completed advanced studies in economic development at Georgetown University.

KYLE JANEK
Ex-Officio State Agency

Dr. Kyle Janek was appointed Texas health and human services executive commissioner on Sept. 1, 2012, by Gov. Rick Perry. As head of the Texas Health and Human Services Commission, Dr. Janek provides leadership and strategic direction to the health and human services system in Texas. The executive commissioner oversees the operations of the five health and human services agencies, including more than 56,000 employees and combined annual budgets of \$30 billion, serving more than 4 million Texans.

A lifelong Texan, Dr. Janek was born and raised in Galveston. After eight years in the Texas House of Representatives, he was elected to the Texas Senate in 2003, where he served for more than five years.

Dr. Janek received a bachelor's degree and graduated magna cum laude from Texas A&M University in 1980. He went back to his hometown to attend medical school at the University of Texas Medical Branch in Galveston. After earning his medical degree, he took a residency in anesthesiology at UTMB, where he served as chief resident his final year. A board-certified anesthesiologist, Dr. Janek has been in private practice since 1986.

Dr. Janek has been a sponsor of medical missions to Central America and has been an active sponsor of numerous civic and community organizations. He and his wife, Shannon, live in Austin and are the proud parents of three sons.

LARRY JEFFUS
Education

Larry Jeffus began teaching part-time in 1967 on a special certificate until he graduated from the University of Tennessee in 1969. He taught full-time for 32 years. He has taught at all levels of education in both public and private schools and colleges. In addition to teaching traditional students, he has taught in schools for the deaf, blind, and multiply handicapped. For the last 24 years of his teaching career he taught at Eastfield College in Mesquite, Texas. After 35 years in the classroom, he retired in 2001 from Eastfield College where he was the Air Conditioning Department Chair. His youngest students were 6 months old in a water baby swimming program at Eastfield College and the oldest were nearly 100 at a senior citizens center in Lancaster, California. Mr. Jeffus has taught Career and Technical Education classes most of his career and is the author of a number of textbooks.

For more than 10 years, Mr. Jeffus worked with Heat-the-Town, a program sponsored by Dallas County Health and Human Services in conjunction with the Air Conditioning Contractors Association. Heat-the-Town inspects the heating systems for the elderly and disabled citizens living in the Dallas/Fort Worth area. He has volunteered as an expert witness and testified on behalf of seniors who have had problems with construction or remodeling contractors. He has also worked with Habitat for Humanity for both general construction and installation of central air conditioning and heating systems. He has served on the Board of Directors of The Learning Center of North Texas, a nonprofit organization serving children and adults with learning differences. He currently is a Garland City Council member and serves on the Texas Technology Access Project board.

MATTHEW MAXFIELD**Business & Industry**

Matthew Maxfield is the Chief Executive Officer for Seton Medical Center Harker Heights and will represent Business and Industry on the Council. He has served in his current position since 2011. His previous positions include CEO of Brownwood Regional Medical Center, Associate Executive Director of Operations for Scott & White Hospital and Clinic in Temple, CEO of Coryell Memorial Hospital in Gatesville, and CEO of Burluson Memorial Hospital in Caldwell, Texas. Mr. Maxfield is also a member of several professional organizations, including the Board of Trustees of the Texas Hospital Association, the American College of Healthcare Executives and the Texas Organization of Rural and Community Hospitals, and the Texas Rural Health Association of which he is a past President. He holds an undergraduate degree in Business from Texas Tech University and has earned a graduate degree in Business specializing in Health Administration from the University of Dallas.

PAUL MAYER**Business & Industry**

Appointed to the Council in November 2007, Paul Mayer serves as Chair of the Council's System Integration Technical Advisory Committee, charged with monitoring implementation of the FY 2010-FY 2015 Strategic Plan for the Texas Workforce Development System.

As CEO of the Garland Chamber of Commerce, Mr. Mayer organized the Work Ready Coalition that includes the City of Garland, the Dallas County Workforce Board, the Dallas County Community College District, the Garland Independent School District and the Garland Chamber of Commerce. In addition, the Garland Chamber serves as the organizing entity for the Dallas County Manufacturers Association with over 100 members across the country.

During his career, Mr. Mayer has worked for a number of economic development entities, including the San Antonio Chamber of Commerce, Houston Chamber of Commerce and Denver Chamber of Commerce in Colorado. He is a board member of the Boy Scouts of America and YMCA First United Methodist Church Day School. Mr. Mayer also serves as a Captain of Armor in the Texas Army National Guard.

Mr. Mayer earned a bachelor's degree in Elementary Education from Texas Lutheran College in 1972, and served in the Texas Army National Guard from 1972-1979.

RAYMUND PAREDES
Ex-Officio State Agency

Raymund A. Paredes is the Commissioner of Higher Education at the Texas Higher Education Coordinating Board.

Prior to joining the Coordinating Board in July 2004, Dr. Paredes was Vice President for Programs at the Hispanic Scholarship Fund (HSF) where he was responsible for scholarship and outreach programs. Before joining HSF, he was Director of Creativity & Culture at The Rockefeller Foundation from 2001 to 2003.

Before joining The Rockefeller Foundation, Dr. Paredes was Vice Chancellor-Academic Development for 10 years at UCLA, where he had also been a professor of English since 1971. In addition, he served as special assistant to the President of the University of California system from 1998-2000 on outreach efforts intended to improve access to higher education for students from educationally disadvantaged communities.

Dr. Paredes currently serves as a member of The College Board and on the Board of Directors of the Texas Cultural Trust. He was appointed by Governor Rick Perry to the Education Commission of the States, a member of the Texas Philosophical Society and was named one of Hispanic Business Magazine's 100 Most Influential Hispanics of 2007.

Dr. Paredes was born and raised in El Paso, Texas. After graduation from El Paso High School, he attended the University of Texas at Austin, receiving a B.A. in English. He served in the U.S. Army for two years, including a 14-month tour with the First Infantry Division in Vietnam. After separation from military service, he resumed his education, receiving a Ph.D. in American Civilization in 1973, once again from the University of Texas at Austin.

DANNY PROSPERIE
Labor

Danny Prosperie has worked at the Beaumont Electrical Training Center representing the International Brotherhood of Electrical Workers Local Union 479 & Sabine Area National Electrical Contractors Association from February 2001 to present in the capacity of Training Director.

Mr. Prosperie graduated from the Beaumont Electrical Joint Apprenticeship and Training Committee in 1984 and became a Master Electrician in 1989. Prior working experience has been six years in management with Gold Crest Electric Company, Inc., sixteen years field work, and six years as a part-time Electrical Instructor for Beaumont Electrical JATC.

Mr. Prosperie serves on the following committees: President of the Sabine Chapter Apprenticeship and Training Association of Texas, State Apprentice Training Advisory Committee, Finance Chair of the Southeast Texas Workforce Solutions Board, Board Chair of the International Brotherhood of Electrical Workers Federal Credit Union, Lay Leader and Youth Coordinator of St. Paul United Methodist Church Bridge City, TX, and his most recent appointment by Texas Governor Rick Perry to the Texas Workforce Investment Council in November 2007.

Mr. Prosperie's work experience has made him a valued member of the Southeast Texas Workforce Solutions Board and Registered Apprenticeship Programs.

JONATHAN TAYLOR
Ex-Officio State Agency

Jonathan Taylor has worked for the state for more than 10 years, having most recently served as director of the Enterprise Project Management Office at the Texas Department of Motor Vehicles. Prior to that, Mr. Taylor served as director of the Texas Emerging Technology Fund and previously served in the U.S. Army Reserve as a staff sergeant combat medic and combat adviser. Mr. Taylor holds a bachelor's degree in political science from Texas Christian University in Fort Worth.

JOYCE DELORES TAYLOR
Business & Industry

Joyce Delores Taylor is a human resources consultant as President and Chief Executive Officer of Js Dynamic Transformations, a consulting firm specializing in training and leadership development, dedicated to grooming leaders for public service, educational leadership and corporate America. Ms. Taylor has over 18 years of human resources experience, as well as twenty (20) plus years of project management and organization development experience. Ms. Taylor was formerly a Senior Human Resources Specialist with the City of Houston supporting the Classified Testing Division where she was responsible, as part of the City's Classified Testing team, to develop, administer, and validate classified testing for the Houston Fire and Police Department personnel which included the implementation of the entrance and promotional examination process. Ms. Taylor most recently was responsible for Human Resource administration under the Administration & Regulatory Affairs Division at the City, where in this role she was responsible for all facets of HR administration and policy implementation for personnel.

Ms. Taylor is a native of Memphis, Tennessee and has undergraduate degrees in Mathematics and Electrical Engineering from Wilberforce University and the University of Dayton in Ohio, respectively, a Certificate in Physics from Hull University in Hull, England as an academic study abroad scholar, Leadership degrees from Lakewood Church Institute, and Masters degrees from the University of Houston-Clear Lake in Behavior Science (with a specialization in Industrial/Organizational Psychology), Criminology, and Cross Cultural/Women's Studies. She is completing the last phase of examinations for her fourth Masters in Multicultural Education. Ms. Taylor has been very involved with the University of Houston- Clear Lake, serving as the President of the Student Government Association, the Black Students Association, Alpha Phi Sigma National Criminal Justice Honor Society and as a member of several other National Honor Societies and campus organizations. Additionally, she is a National Certified Student Leader who has received numerous academic honors including UH-Clear Lake's Outstanding Behavior Science Graduate in 2004, Who's Who Among American College Students for six (6) years, Presidential Student Leadership Award, Outstanding Student Leadership Award, Distinguished Student Leadership Award, Team Synergy Leadership Award, and received her National Certified Mediator's Certificate in December of 2007.

Ms. Taylor is very active in her community. She is a member of Lakewood Church where she is a Prayer Partner. She has also given service in the following organizations: the University of Houston-Clear Lake's Outreach and Community Service Program Volunteers, Past President of the National Coalition of 100 Black Women, Inc., Houston Chapter with over 15 years membership, also serving as first Vice President of Membership and Parliamentarian; and she is a registered Voter Deputy for the City of Houston. She serves on the Alumni Constituent Group for UHCL and is instrumental in getting past Alumni involved in UHCL's activities.

Of the many honors and recognitions that Ms. Taylor has received, she is most proud of being recently selected from among 50,000 Alumni as the recipient of the University of Houston-Clear Lake's 2010 Leadership Service Award for her service both to the University and to the community. She has also received the Presidential Award and the Outstanding Member Award from the National Coalition of 100 Black Women, and the Woman of Excellence Award from the Federation of Houston Professional Women.

LARRY TEMPLE
Ex-Officio State Agency

Larry Temple is the Executive Director of the Texas Workforce Commission (TWC), a state agency with an operating budget of approximately \$1.2 billion, in addition to the issuance of \$2 billion in unemployment insurance benefits annually. TWC has oversight of the state's employment, training, welfare reform, childcare, and unemployment insurance programs and delivers these services to its 254 counties through a network of 28 local workforce development boards.

He serves as a member of the State's P-16 Council, which coordinates educational policy between Pre-K and 12 grade public education and higher education. He also serves on the Texas Workforce Investment Council and served as President for the National Association of State Workforce Agencies from 2007-2008.

Mr. Temple brings to the job over 20 years of private-sector management experience in energy, retail, and real estate development. Mr. Temple holds a Bachelor of Arts degree in History from St. Edwards University where he serves as a member of the Advisory Council.

Michael Williams
Ex-Officio State Agency

Michael L. Williams was appointed Texas Commissioner of Education by Gov. Rick Perry on Sept. 1, 2012. As Commissioner, Williams heads the Texas Education Agency, which oversees pre-kindergarten through high school education for approximately five million students enrolled in both traditional public schools and charter schools. The agency also oversees basic adult education throughout the state.

Williams' appointment as Commissioner is the latest in what has been a lifetime of public service. After earning a Bachelor's, Master's and law degree from the University of Southern California, Williams returned to his hometown of Midland where he served as an assistant district attorney. He went on to become a federal prosecutor in the Reagan Justice Department, earning the attorney general's Special Achievement Award for the conviction of six Ku Klux Klan members. Williams prosecuted the KKK cases under heavy armed guard after receiving death threats.

President George Herbert Walker Bush appointed Williams as Deputy Assistant Secretary for Law Enforcement at the U.S. Department of the Treasury. Williams had policy oversight responsibility for the Federal Law Enforcement Training Center, the U.S. Secret Service, the U.S. Customs Service, the Bureau of Alcohol, Tobacco and Firearms and the Financial Crimes Enforcement Network.

In 1990, President Bush named Williams the Assistant Secretary of Education for Civil Rights at the U.S. Department of Education. In that job, he acted as the principal advisor to the President and Secretary of Education Lamar Alexander on civil rights matters. He led the charge to establish much of the DOE policy still in effect today regarding increased investigative resources to issues such as the overrepresentation of minority males in special education, the underrepresentation of females in advanced placement curriculums, racial harassment on college campuses, and the treatment of limited-English proficiency students.

In 1998, Gov. George W. Bush appointed Williams to an unexpired term on the Railroad Commission of Texas, the oldest regulatory body in this state. The three-member commission oversees oil and gas regulation. Texans subsequently elected him to this position in 2000, 2002 and 2008. Known as a calm leader during a crisis, Gov. Perry selected Williams as his designee in 2005 to lead the state's long-term relief efforts following Hurricanes Katrina and Rita. Williams also initiated the Texas response to the tragedy in Darfur.

As Commissioner of Education, Williams serves as the Governor's appointee to the Southern Regional Education Board, the OneStar National Service Commission, the Interstate Compact on Educational Opportunity for Military Children, and the Education Commission of the States.

He is a past Honorary State Chairman of Big Brothers Big Sisters of Texas. He chaired the Texas Juvenile Probation Commission and has served on the board of directors of the Arlington Chamber of Commerce.

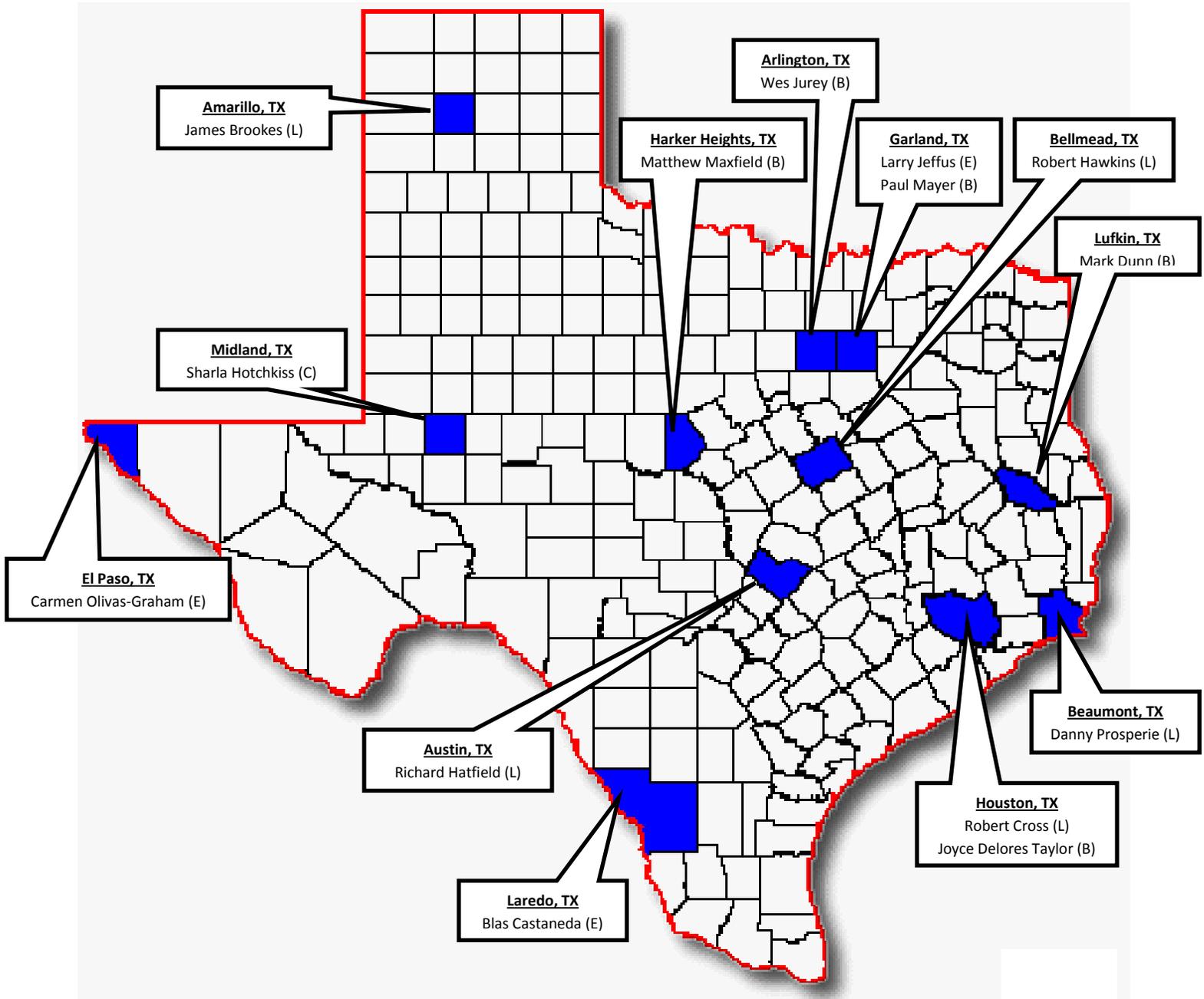
He previously served as an adjunct professor at Texas Southern University in the School of Public Affairs, the University of Texas of the Permian Basin, and the Texas Wesleyan School of Law. He also serves as Chairman of the UTPB Business Advisory Council.

The son of public school teachers (who earned degrees in math) and the husband of a mechanical engineer, Williams is the creator and co-sponsor of "Winnovators," a summer camp for 6th through 12th graders to help inspire the next generation of scientists, technologists, engineers and mathematicians. Williams also narrates short stories for children of all ages, including the visually impaired and those with special needs.

He and his best friend, Donna, celebrate 27 years of marriage.

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GEOGRAPHIC DISTRIBUTION OF CURRENT COUNCIL APPOINTEES



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Attachment 9

Council's Rules

2013 Self Evaluation Report
Texas Workforce Investment Council

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Texas Administrative Code

TITLE 40

PART 22

CHAPTER 901

RULE §901.1

SOCIAL SERVICES AND ASSISTANCE

TEXAS WORKFORCE INVESTMENT COUNCIL

DESIGNATION AND REDESIGNATION OF LOCAL WORKFORCE DEVELOPMENT AREAS

Procedures for Considering Redesignation of Workforce Development Areas

(a) Definitions. "Chief Elected Officials" means the officials designated by state law as the Chief Elected Officials for the purposes of establishing agreements to form local workforce development boards.

(b) Initiation of Redesignation. The Texas Workforce Investment Council may submit a written proposal or a local area or proposed local area may submit a written request to initiate the process to consider redesignation of workforce areas.

(c) Requirements for a request by a local area or proposed local area.

(1) Written Request. A request for redesignation of workforce development areas must be signed by the Chief Elected Officials (CEO) of the proposed new area to be designated. These must be the same officials who would be able to create a local workforce development board if the request is granted. The request must designate one of the officials as the lead CEO.

(2) Acknowledgment and Summary Action. The director will notify the lead CEO and the Governor of receipt of the request and any deficiencies in the written request. The lead CEO has 30 days to correct any deficiencies.

(3) Contents of Written Request.

(A) The written request must show that each proposed area complies with state requirements for a local workforce development area and include information on the following factors:

(i) geographic areas served by local educational agencies and intermediate educational agencies;

(ii) geographic areas served by postsecondary educational institutions and area vocational education schools;

(iii) the extent to which such local areas are consistent with labor market areas;

(iv) the distance that individuals will need to travel to receive services provided in such local areas;

(v) the resources of such local areas that are available to effectively administer the activities carried out under Texas and federal law;

(vi) the total population of the proposed area;

(vii) any prior designation of the area as a Job Training Partnership Act Service Delivery Area or Substate Area or service as a rural concentrated employment program; and

(viii) other information required by the Council to make a determination.

(B) If one or more of the proposed areas is identified in the request as a local labor market area, the request must also contain sufficient evidence that each such area is an economically integrated geographic area within which people may reside and find employment within a reasonable distance.

(4) Further Division of Areas. If one or more of the existing areas would be further divided, the request must also contain the following:

(A) a description of how services of all programs under the local board's purview will be coordinated with other local boards and workforce development areas within the region;

(B) if applicable, documentation that justifies the designation of an area that has less than 200,000 population; and

(C) an analysis of costs associated with dividing the region, with particular emphasis on administrative costs.

(d) Splitting Designated Areas. If a proposal or request is made to split a designated area into two or more areas, the director shall notify all current workforce development board members of the affected areas.

(e) Notification of Proposal or Request. When a proposal is made by the Governor or the Council to redesignate workforce development areas or when a complete request to redesignate such areas is received from a local area or proposed local area, notice of the proposal or request shall be published in the Texas Register with a statement inviting input, specifying the deadline for submitting written input, and setting an open meeting at which oral comments will be accepted.

(f) Consideration of Proposal or Request. The Council may consider a proposal or request or may designate a committee to do so and make a report to the Council. In considering a proposal or request, all relevant information may be reviewed in addition to the information submitted with the proposal or request and the information obtained during the public comment process.

(g) Recommendation. After considering a proposal or request, the Council shall make a recommendation to the Governor.

Texas Administrative Code

TITLE 40

PART 22

CHAPTER 901

RULE §901.2

SOCIAL SERVICES AND ASSISTANCE

TEXAS WORKFORCE INVESTMENT COUNCIL

DESIGNATION AND REDESIGNATION OF

LOCAL WORKFORCE DEVELOPMENT AREAS

**Appeal of Decision on Designation or
Redesignation**

(a) Time Limit for Appeal. An appeal of a designation or redesignation of a workforce area must be delivered to the Council no later than 30 days after the date the designation or redesignation was made.

(b) Contents of Appeal. An appeal shall be in writing and shall include the specific reasons for appealing the designation or redesignation. The request shall also include any new information the requestor seeks to have considered in the appeal process.

(c) Notice of Appeal. When an appeal is received, notice of the appeal shall be published in the Texas Register with a statement inviting input, specifying the deadline for submitting written input. The council, at its discretion, may also schedule a public meeting at which oral comments on the appeal will be accepted.

(d) Consideration of Proposal or Request. The Council may consider an appeal or may designate a committee to do so and make a report to the Council. In considering an appeal, all relevant information may be reviewed in addition to the information submitted with the appeal and the information obtained during the public comment process.

(e) Recommendation. After considering an appeal, the Council shall make a recommendation to the Governor within 120 days of the date of receipt of the appeal request.

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Attachment 10

Memorandum of Understanding for Council Support

2013 Self Evaluation Report
Texas Workforce Investment Council

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TEXAS WORKFORCE INVESTMENT COUNCIL

**MEMORANDUM OF UNDERSTANDING AND
AGREEMENT REGARDING SUPPORT OF THE TEXAS
WORKFORCE INVESTMENT COUNCIL**

This Memorandum of Understanding and Agreement, dated and effective as of September 1, 2012 (the “Effective Date”) is made and entered into by and between the Office of the Governor (OOG) and the Texas Workforce Commission (TWC), the Texas Education Agency (TEA), the Texas Health and Human Services Commission (HHSC) and the Texas Higher Education Coordinating Board (THECB), also herein after referred to collectively as “the Parties”.

PREMISES FOR AGREEMENT

WHEREAS OOG is statutorily charged with constituting and overseeing the Texas Workforce Investment Council (TWIC);

WHEREAS the Parties agree that the continued provision of the services performed by TWIC and its staff is required under state and federal law;

WHEREAS the Parties, as state agencies represented on TWIC, are required by Texas Government Code §2308.065 to provide funds for the support of TWIC in proportion to such agencies’ financial participation in the workforce development system in accordance with the funding formula established by TWIC and approved by the Governor on April 13, 2004; and

WHEREAS the Parties have determined that their mutual assistance and cooperation will maximize the available resources appropriated for activities of TWIC;

NOW THEREFORE, in consideration of the cited premises, mutual covenants and terms and conditions herein contained the Parties agree to the following:

SECTION 1 – CONTRIBUTION BY AGENCIES

- 1.1 TWC, TEA and HHSC shall provide and pay the salaries and benefits of TWIC staff in accordance with Subsections 1.2, 1.3, 1.4 and 1.5 of this Agreement;
- 1.2 TWC shall provide, in aggregate, 8 FTEs to TWIC for the period beginning on the effective date of this Agreement and continuing for the duration of this Agreement, and in addition shall contribute operating costs in an amount not to exceed \$265,304.84 annually, which funds shall be utilized by TWC pursuant to Section 3 below;
- 1.3 TWC shall reimburse OOG for the full amount of the salary and benefits of the Executive Director of TWIC for the period beginning on the effective date of this Agreement and continuing for the duration of this Agreement. OOG will bill TWC for the actual amounts incurred and outstanding on a quarterly basis.
- 1.4 TEA shall provide, in aggregate, 1 FTE to TWIC for the period beginning on the effective date of this Agreement and continuing for the duration of this Agreement, and in addition shall contribute to TWC operating costs in an amount not to exceed \$51,379.20 annually, which funds shall be utilized by TWC pursuant to Section 3 below;
- 1.5 HHSC shall provide, in aggregate, 2 FTEs to TWIC for the period beginning on the effective date of this Agreement and continuing for the duration of this Agreement, and in addition shall contribute to TWC operating costs in an amount not to exceed \$5,133.00 annually, which funds shall be utilized by TWC pursuant to Section 3 below;

- 1.6 THECB shall contribute to TWC operating costs in an amount not to exceed \$32,825.00 annually, which funds shall be matched by non-federal sources as certified by OOG to THECB annually by October 15 and shall be utilized by TWC pursuant to Section 3 below;
- 1.7 OOG and TWIC shall biennially review the contribution formula set forth in Subsections 1.2, 1.3, 1.4, 1.5 and 1.6, and if they determine after such review that such contributions need adjustment, then they shall propose to the other Parties to this Agreement that all Parties should mutually agree to amend such contributions pursuant to Section 7 and 8 below;
- 1.8 While the Division of Economic Development and Tourism in the Office of the Governor (EDT) is a member of TWIC pursuant to Texas Government Code Section 2308.052, EDT is not subject to provision of FTEs or operating costs under this Agreement. Given its current lack of workforce programs (as per the funding formula), EDT shall provide TWIC requested data and information as well as staff support. Future biennial review of the funding formula and subsequent amendments pursuant to Section 1.7 may result in provision of FTEs and/or operating costs by EDT;
- 1.9 The provision of FTEs to TWIC by TWC, TEA and HHSC under Subsections 1.2, 1.4 and 1.5 shall consist of a payroll transfer of current TWIC staff positions and not a transfer of personnel from TWC, TEA or HHSC to TWIC. The Executive Director of TWIC shall select the current TWIC positions to be subject to the payroll transfer, and will initiate subsequent payroll actions such as merit increases and position reclassifications or promotions as appropriate and within the funding amounts specified in this Agreement;
- 1.10 TWC shall provide the staff of TWIC (herein collectively referred to as "Staff") the necessary administrative services, including payment of operating expenses, as described in this Agreement;
- 1.11 The Staff shall remain located at OOG and subject to the policies and procedures of OOG;
- 1.12 The Staff provided by TWC, TEA, and HHSC shall be functionally assigned to OOG and shall remain independent of the providing agency in non-administrative matters, which means that OOG shall possess review and approval authority over the Staff's employment, budget, and expenditures and will comply with all current State requirements regarding such expenditures. OOG may transfer by mutual agreement such authority to TWC, TEA, HHSC and/or THECB as necessary;
- 1.13 The Parties to this Agreement shall comply with all applicable state and federal statutes, regulations, rules and guidelines;
- 1.14 The Parties to this Agreement shall assign a primary and a back-up contact person to facilitate the implementation of this Agreement and the Parties shall also assign contact person(s) for payroll and administrative questions and reporting as specified in Section 2 of this Agreement. Each party shall notify the other parties in writing of the designated contact persons within ten (10) working days of the effective date of this Agreement;
- 1.15 Each party shall notify the other parties in writing within ten (10) calendar days of the effective date of a change in the primary contact person or back-up person.

SECTION 2 – AGREED PERFORMANCE BY TWC, TEA, HHSC and THECB

TWC, TEA, HHSC and THECB at the direction of OOG and in accordance with its policies, shall:

- (a) timely process and fund, as needed, personnel actions for the Staff;

- (b) provide support on human resource matters and personnel payroll actions affecting the Staff, including job postings, merit increases, reclassifications and promotions, in support of OOG under Subsection 4(b) herein;
- (c) provide monthly reports on income and expenses of the Staff with a budget comparison and provide other relevant information to OOG, as requested;
- (d) include expenditures made pursuant to this Agreement in the respective annual financial report of TWC, TEA, HHSC or THECB;
- (e) process and fund payroll and travel expenses of the respective FTEs provided to TWIC under Section 1; and
- (f) administer travel arrangements for the respective FTEs provided to TWIC under Section 1.

SECTION 3 – AGREED PERFORMANCE BY TWC

TWC shall, at the direction of OOG and in accordance with OOG’s policies, serve as host agency for the operating funds contributed to TWC under Section 1 above. TWC shall hold all such operating funds in a discrete account, and shall develop and implement all budgeting and processing procedures related to such funds in conjunction with the Executive Director of TWIC. In addition, TWC shall:

- (a) pay travel and other direct expenses of TWIC Council members, Staff, and TSSB Board members;
- (b) timely process and fund payment of TWIC or Staff invoices, if all legal requirements pertaining to the payment have been complied with;
- (c) provide technical assistance and program support to the Staff, upon request;
- (d) allow Staff to utilize the services of TWC print shop;
- (e) provide Staff with desktop and server hardware, software licenses, and user training; and
- (f) administer procurement for the Staff.

SECTION 4 – AGREED PERFORMANCE BY OOG

OOG agrees to the following performance in accordance with its policies and procedures:

- (a) payment of salary and benefits for the Executive Director of TWIC in accordance with Section 1.3;
- (b) management of Staff personnel actions involving selection, employment, classification, performance review, retention, promotions, merit raises, and other related actions. The Staff shall be merit system exempt and thus shall serve as at-will employees; and
- (c) provide electronic mail, network access, network server backup, and maintenance and technical support for Staff information systems.

SECTION 5 – MUTUALLY AGREED PERFORMANCE

The Parties to this Agreement mutually agree to the following performance:

- (a) identify and implement cost efficiency measures for Staff and take other actions to avoid unnecessary duplication of effort;
- (b) after review and recommendation by TWIC chair and OOG, all TWIC contracts shall be approved by TWC; and
- (c) consultation between TWC, TEA, HHSC, THECB and OOG on Staff performance with respect to actual and budgeted expenditures.

SECTION 6 – FTE AND OPERATING COSTS MANAGEMENT

- 6.1 The monetary amounts indicated in Section 1 shall be pro-rated for any partial fiscal year occurring at the beginning or the end of the term of this Agreement.
- 6.2 Where applicable, estimated employee benefits costs are deducted from the total contribution by the agencies prior to determining operating costs.
- 6.3 Salaries paid to FTE's referenced in Section 1 for each fiscal year subsequent to August 31, 2012 shall be automatically adjusted to include any across-the-board salary increase granted to state employees generally by any Act of the Legislature subsequent to the enactment of the General Appropriations Act for the 2014-2015 biennium.
- 6.4 Expenditures under this Agreement shall be as authorized by, and in compliance with, the appropriate funding sources as determined by the providing agency. The Parties further agree that TWC, HHSC, TEA and THECB shall be held harmless for any costs incurred or claimed by TWIC that exceed the funding or staffing requirements established by this Agreement.

SECTION 7 – CHANGES AND AMENDMENTS

- 7.1 Any alterations, additions, or deletions to the terms of this Agreement which are required by changes in federal or state law or by regulations are automatically incorporated into this Agreement without written amendment hereto and shall become effective on the date designated by such law or by regulation.
- 7.2 Except as specifically provided by Subsection 7.1 of this Agreement, any other alterations, additions, or deletions to the terms of this Agreement shall be by modification hereto in writing and executed by all Parties to this Agreement.

SECTION 8 – TERMINATION OF AGREEMENT

- 8.1 This Agreement shall remain in force and effect until the Termination Date specified in Subsection 10.1 below, or until such earlier date if terminated in accordance with Subsection 8.2 of this Agreement.
- 8.2 Upon mutual agreement of all the Parties to this Agreement, any or all of the conditions or arrangements enacted by this Agreement may be terminated. If a party desires to terminate or modify this Agreement, the moving party shall notify all of the other parties in writing and, within thirty (30) days, the representatives of the Parties shall meet and seek to reach agreement on the proposal. If the Parties cannot agree to the proposed termination or modification, then the Parties shall jointly secure the services of a mediator, whose decision, upon completion of the mediation, shall be binding on all Parties.
- 8.3 In the event federal or state laws or regulations should be amended or judicially interpreted to render the continued fulfillment of this Agreement by any party substantially unreasonable or impossible, then the affected parties shall be discharged from any further obligations under this

Agreement, except for the equitable settlement of the respective accrued interests or obligations incurred up to the effective date of Agreement close-out.

SECTION 9 – TERMINATION OF PRIOR AGREEMENT

This Agreement supercedes any prior Memorandum of Understanding and Agreement executed for the same or similar purpose, except that such prior Agreement shall remain in effect for the purpose of satisfying any outstanding financial obligations incurred under that Agreement.

SECTION 10 – PERIOD OF AGREEMENT

- 10.1 This Agreement shall become effective upon the Effective Date specified above and shall remain in effect until August 31, 2014, subject to Section 8 and Subsection 10.2 of this Agreement.
- 10.2 In the event that a written memorandum of understanding and agreement achieving the same purposes as this Agreement for the two (2) year period beginning September 1, 2014 is not jointly executed by all of the Parties to this Agreement prior to August 31, 2014, Subsection 10.1 of this Agreement shall have no effect and the remainder of this Agreement shall continue in full force and effect until such time as it may be amended or terminated in accordance with Section 8 of this Agreement.

{Signature Page Follows}

The undersigned parties bind themselves to the faithful performance of this Agreement:

TEXAS WORKFORCE COMMISSION


Larry E. Temple
Executive Director

Date: 8/17/12

OFFICE OF THE GOVERNOR


Jeffrey S. Boyd
Chief of Staff

Date: 8/27/12

TEXAS EDUCATION AGENCY


Shirley Beaulieu
Associate Commissioner, Finance

Date: 8-14-12

HEALTH AND HUMAN SERVICES COMMISSION


Thomas Suehs
Executive Commissioner

Date: 8/20/12

**TEXAS HIGHER EDUCATION
COORDINATING BOARD**


Raymund A. Paredes
Commissioner

Date: 8-21-12

Attachment 11

Not Applicable

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Attachment 12

Operating Budgets from FY 2011–2013

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TEXAS WORKFORCE INVESTMENT COUNCIL

Fiscal Year 2013 Operating Budget

Description	Budgeted Amount
Texas Education Agency - Salaries and Wages	\$ 96,349.80
Health and Human Services Commission - Salaries and Wages	111,651.00
Texas Workforce Commission - Salaries and Wages	495,146.16
IT & Data Processing Services	-
Other Professional Fees and Services	4,700.00
Consumable Supplies	4,000.00
Travel - Out-of-State	7,600.00
Travel - In-State	34,000.00
Rental of Space	7,800.00
Rent - Machine and Other	7,510.56
Books, Subscriptions and Reference Materials	3,971.00
Computer Equipment and Software	2,500.00
Other Contracted Services	246,260.48
Filing/Witness Fees, etc.	-
Electronic Communication Services	5,100.00
Freight and Delivery	1,000.00
Furnishings and Equipment	200.00
Postage	2,500.00
Printing	9,000.00
Registration Fees and Employee Training	12,500.00
Telephone - STS/Department of Information Resources (DIR)	6,000.00
Total	\$ 1,057,789.00

TEXAS WORKFORCE INVESTMENT COUNCIL

Fiscal Year 2012 Operating Budget

Description	Budgeted Amount
Texas Education Agency - Salaries and Wages	\$ 93,080.76
Health and Human Services Commission - Salaries and Wages	130,947.76
Texas Workforce Commission - Salaries and Wages	482,379.48
IT & Data Processing Services	-
Other Professional Fees and Services	3,500.00
Consumable Supplies	4,000.00
Travel - Out-of-State	7,600.00
Travel - In-State	37,000.00
Rental of Space	7,800.00
Rent - Machine and Other	9,161.76
Books, Subscriptions and Reference Materials	2,968.63
Computer Equipment and Software	6,240.05
Other Contracted Services	238,753.42
Filing/Witness Fees, etc.	-
Electronic Communication Services	3,500.00
Freight and Delivery	1,000.00
Furnishings and Equipment	206.10
Postage	2,500.00
Printing	7,928.92
Registration Fees and Employee Training	12,451.07
Telephone - STS/Department of Information Resources (DIR)	6,771.05
Total	\$ 1,057,789.00

TEXAS WORKFORCE INVESTMENT COUNCIL

Fiscal Year 2011 Operating Budget

Description	Budgeted Amount
Texas Education Agency - Salaries and Wages	\$ 92,325.36
Health and Human Services Commission - Salaries and Wages	130,907.76
Texas Workforce Commission - Salaries and Wages	483,174.88
IT & Data Processing Services	10,186.00
Other Professional Fees and Services	20,000.00
Consumable Supplies	5,000.00
Travel - Out-of-State	7,600.00
Travel - In-State	37,000.00
Rental of Space	8,500.00
Rent - Machine and Other	10,000.00
Books, Subscriptions and Reference Materials	2,750.00
Computer Equipment and Software	3,500.00
Other Contracted Services	205,263.40
Filing/Witness Fees, etc.	-
Electronic Communication Services	6,631.60
Freight and Delivery	1,000.00
Furnishings and Equipment	750.00
Postage	2,200.00
Printing	8,500.00
Registration Fees and Employee Training	13,500.00
Telephone - STS/Department of Information Resources (DIR)	9,000.00
Total	\$ 1,057,789.00

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Attachment 13

Not Applicable

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Attachment 14

Not Applicable

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Attachment 15

Not Applicable

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Attachment 16

Office of the Governor Internal Audit Plan

2013 Self Evaluation Report
Texas Workforce Investment Council

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October 29, 2012

Honorable Rick Perry
Members of the Legislative Budget Board
Members of the Sunset Advisory Commission
The State Auditor's Office
Mr. Jeffrey S. Boyd, Chief of Staff to the Governor

Attached is the annual report of the Internal Audit Division of the Office of the Governor for the year ended August 31, 2012. This report fulfills the requirements set forth in the Texas Internal Auditing Act. As stated in the Act, the State Auditor's Office prescribes both the format and the content of the report. The Internal Audit Department of the Office of the Governor is in compliance with the Texas Internal Audit Act (Texas Government Code, Chapter 2102), and reports to the head of the agency, the Governor, through the Chief of Staff. The purpose of this report is to provide information on the benefits and effectiveness of the internal audit function. In addition, the annual report assists oversight agencies in their work planning and coordinating efforts.

Please contact me at (512) 936-2601 if you have any questions about this report.

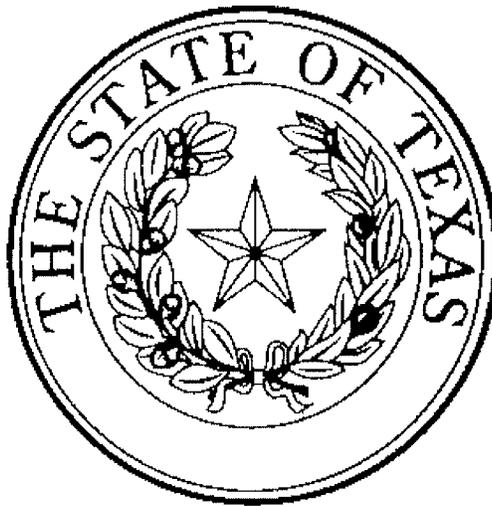
Sincerely,

A handwritten signature in black ink, appearing to read "R. Valadez".

Rene Valadez, CIA
Director, Internal Audit

Office of the Governor

Internal Audit



**Internal Audit
Annual Report**

For Fiscal Year Ended August 31, 2012

October 2012

**Internal Audit Plan
Fiscal Year 2012**

COMPLETED AUDITS

Title	Completed/Released
<ul style="list-style-type: none"> • Information Systems Audit of the Criminal Justice Division's eGrants Grant Management database including application controls and selected general controls (Report 12-01) 	October 2011
<ul style="list-style-type: none"> • Internal Audit of Management Controls and Adherence to Established Investment Policies (Report 12-02) 	April 2012

DEVIATIONS FROM PLAN

Description	Deviation
<ul style="list-style-type: none"> • Engagement to determine whether general IT controls provide reasonable assurance that information is protected. 	Incorporating into Special Projects
<ul style="list-style-type: none"> • Internal Audit of Management Controls and Adherence to Established Investment Policies (Report 12-02) 	Added
<ul style="list-style-type: none"> • An audit to provide management assurance on progress towards implementing Emerging Technology Fund (ETF) recommendations. 	Added

SPECIAL PROJECTS AND MANAGEMENT ASSISTANCE

- Management Assistance Project
Economic Development & Tourism Division
- FY 2012 Small Agency Risk Assessment,
Office of State and Federal Relations
- FY 2013 Agency-Wide Risk Assessment,
Office of the Governor & Trusteed Programs
- Required Reporting,
Fiscal Year 2011 Internal Audit Annual Report
Year End Report on the Status of SAO Recommendations
- Special Projects at Management Request

External Quality Assurance Review (Peer Review)

A quality assurance review of the internal audit function of the Office of the Governor was completed October 27, 2009. The overall opinion in the report was as follows:

"Overall Opinion"

Based on the information received and evaluated during this external quality assurance review, it is our opinion that the Office of the Governor's Internal Audit Division (IAD) "fully complies" with the Institute of Internal Auditors (IIA) *International Standards for the Professional Practice of Internal Auditing*, and the United States Government Accountability Office (GAO) *Government Auditing Standards*, within the inherent limitations of a one-person audit shop. This opinion, which is the highest of the three possible ratings, means that policies, procedures, and practices are in place to implement the standards and requirements necessary for ensuring the independence, objectivity, and proficiency of the internal audit function within the inherent limitations of a one-person audit shop.

IAD is in compliance with the Texas internal Audit Act (Texas Government code, Chapter 2102), except for the requirement to report to either the Board of the agency or the head of the agency. This state agency does not have a board, and the head of the agency is the Governor. However, reporting to the Governor would not add independence or objectivity. The Governor's primary responsibility is managing statewide issues, while the Chief of Staff's primary responsibility is managing the state agency. We consider the IA Director reporting to the Chief of Staff to be the most appropriate reporting structure for the IAD.

We found that IAD is independent, objective, and able to render impartial and unbiased judgments on the audit work performed. The Director and staff member are qualified, proficient, and knowledgeable in the areas they audit. Individual projects are planned using risk assessment techniques, conclusions are supported in the working papers, and findings and recommendations are verbally communicated clearly and concisely.

The IAD is well managed internally. In addition, IAD has effective relationships with the Chief of Staff and other executives and is well respected and supported by management. Surveys and interviews conducted during the quality assurance review indicate that management considers Internal Audit a useful part of the overall agency operations and finds that the audit process and report recommendations add value and help improve the agency's operations.

One opportunity for improvement was recommended by the reviewer and the Internal Audit Director's response is included:

Opportunity: IAD and executive management should consider adding attestation audits to the audit plan for FY 2010.

Director's Response: Internal Audit is in the process of preparing a detailed risk assessment of the Office of the Governor. At the conclusion of this process, Internal Audit will make recommendations to amend the audit plan based on the results of the risk assessment.

Note: Peer review underway (October 2012).

Consulting Engagements and Non-audit Services Completed

No consulting engagements as defined in The International Standards for the Professional Practice of Internal Auditing, nor non-audit services, as defined in Government Auditing Standards, were completed during Fiscal Year 2012.

Internal Audit Plan Fiscal Year 2013

Internal Audit gathered division-specific performance information as well as management input for the development of an agency-wide risk assessment.

Note: All risks ranked as "High" are addressed by Fiscal Year 2013 Internal Audit Plan

PLANNED AUDITS

DESCRIPTION	Budgeted Hours
• An audit to provide management assurance on progress towards implementing Emerging Technology Fund (ETF) recommendations.	140
• An audit to provide management assurance that contractor performance is monitored.	450
• An audit to determine compliance with investment policies.	120

SPECIAL PROJECTS AND MANAGEMENT ASSISTANCE

DESCRIPTION	Budgeted Hours
• FY 2013 Small Agency Risk Assessment, Office of State and Federal Relations	40
• Peer Review (Required by GAGAS)	80
• Management Assistance Project(s) As Requested	325
• FY 2014 Agency Risk Assessment, Office of the Governor & Trusteed Programs	275
• Required Reporting Fiscal Year 2012 Internal Audit Annual Report	95
Reporting on the Status of SAO Recommendations	20
• Follow-Up of Prior Findings	100
• Special Projects As Requested	225

External Audit Services

No external audit services were procured in FY 2012.

Reporting Suspected Fraud and Abuse

The Chief of Staff reports suspected loss, misappropriation, misuse, fraud or unlawful conduct in relation to the operations of the Office of the Governor to the State Auditor's Office.

All employees are informed of their responsibility to help protect public assets by reporting any suspicions of the existence of unethical activities internally, or to the State Auditor's Office.

The external website of the Office also includes a link to the State Auditor's fraud-reporting site.

Attachment 17

Not Applicable

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Attachment 18

Council Risk Assessment FY 2009–2013

2013 Self Evaluation Report
Texas Workforce Investment Council

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The Office of the Governor Internal Audit Division is facilitating the annual risk assessment in preparation for development of its fiscal year 2012 annual audit plan for Office of the Governor. As part of this effort, we request that you respond to the items that follow and forward the document containing your responses to Lynn Altemeyer, Internal Audit Director, by close of business on **Monday, August 29, 2011**. The questionnaire should take about 30 minutes or less to complete.

The questionnaire asks for some general information about you and your operating unit. It then asks for your input related to risks and associated management controls in the areas of operations, fraud, and information technology (IT). Finally, it asks you to rate the potential impact of eight overarching, or inherent, risk factors to your operational area.

Please fill out a separate Questionnaire for each business process in your division. We also added a new section for to obtain information about data bases that your division uses to perform your mission.

If you need assistance, please contact me and I will be happy to assist.

Please follow the instructions included in each section of the questionnaire. I appreciate the insight your responses will give, and thank you for participating in this important process.

Your Contact Information

Name:	Lee Rector
Title:	Deputy Director
Phone:	512-936-8102
Division or Office:	Texas Workforce Investment Council (TWIC)
Operating Unit:	Texas Workforce Investment Council

Information About Your Operating Unit

Note: I will get one list of FTE's and budget information from Terri Boland.

How many funded FTE's are in your operating area?	What is the approximate annual operating budget for your operating unit?	What is your estimate of the percentage of your operating unit's program activities that are performed by contractors?
12 (1 OOG, 1 TEA, 2 HHSC, 8 TWC)	\$1,057,800	FY11 – 2.24% (\$23,686) FY12 – 9.5% (\$100,000) projected

12 FTEs perform the work of TWIC and the Texas Skill Standards Board as specified in state and federal statute. However, only one of the 12 is an OOG employee. The other 11 FTEs are loaned staff from the Council's member agencies as specified in state law and provided through a Memorandum of Understanding (MOU) between the OOG and TWIC's member agencies.

Have there been significant changes to your operating unit in the past year? Have there been significant changes in your budget during the past year? If yes, please describe these changes below:

Yes

No

What are the three most important objectives of your operating unit?

- 1. Fulfill our state and federal mandates to assist the Governor and the Legislature with strategic planning for and evaluation of the Texas workforce development system.*
- 2. Produce high quality resources and products that inform the strategic decisions and policies that affect the Texas workforce development system.*
- 3. Facilitate collaboration and integration across the eight state agencies that comprise the Texas workforce development system.*

Please list prior internal or external audits that have occurred in the past five years and attach a copy of each report if not already submitted to Internal Audit.

Our operating budget is hosted by the Texas Workforce Commission as specified in the MOU between OOG and TWIC's member agencies. TWC administers all staff and board member travel, procurement and purchases for the division. Audit of these expenditures and processes is therefore completed by TWC. We provide additional information as needed to assist with their internal or external reviews.

Please describe any external auditing or monitoring that your operating unit utilized during the past year.

Information about databases, files or software

Please describe any database, software or other electronic system (e.g. Excel spreadsheets) that your division uses to track, manage or monitor information necessary to perform your division's mission. Copy the information for each database or file. Please request assistance if you have questions about how to respond to this question.

Database Name: *TWIC Budget Database*

Platform: *Microsoft Office Access Database*

Support:

Data Owner: *Texas Workforce Commission (TWC)¹ and TWIC*

Location/Backup: *S:\Budget\AccessDatabase (OOG Share Drive). OOG maintains necessary network and backup support.*

Type of Data: *Budget*

Volume: *9,144 KB*

Criticality: *See description below.*

Is any of the information in the database classified as confidential? *No*

Describe any reports from this database provided to internal or external users: *The TWIC Budget database is used to track current and projected expenditures against TWIC's budget as determined by the MOU for the current fiscal year. Reports from the database are provided to the Council Director, Deputy Director and Council members.*

Database Name: *TWIC Mailing Database*

Platform: *Microsoft Office Access Database*

Support:

Data Owner: *TWIC*

Location/Backup: *S:\Contact Database\Mailing Database (OOG Share Drive). OOG maintains necessary network and backup support.*

Type of Data: *Contact information - e.g. email, phone numbers, business address, etc.*

¹ Since TWC hosts TWIC's operating budget, TWC provides budget and expenditure reports to TWIC to assist the division in tracking its expenditures. The TWIC Budget database is used internally to record expenditures as they occur and subsequently to reconcile them with reports provided by TWC.

Volume: 4,872 KB

Criticality: *See description below.*

Is any of the information in the database classified as confidential? *No*

Describe any reports from this database provided to internal or external users: *Reports are not produced through TWIC's contact database. It is used as a directory of contacts and interested parties for TWIC correspondence and publication distribution.*

Database Name: *TWIC Correspondence Tracking Database*

Platform: *Microsoft Office Access Database*

Support:

Data Owner: *TWIC*

Location/Backup: *S:\Correspondence\Correspondence Tracking Database (OOG Share Drive). OOG maintains necessary network and backup support.*

Type of Data: *Records Retention*

Volume: 6.31 MB

Criticality: *See description below.*

Is any of the information in the database classified as confidential? *No*

Describe any reports from this database provided to internal or external users: *Reports are not produced through TWIC's correspondence database. It is used to track correspondence either sent or received by the Council for record retention purposes.*

Identify and Evaluate Potential Risks and Associated Management Controls

Please use the following concepts to evaluate potential risks and appropriate ratings.

Risk

A concept used in business and government to describe the uncertainty of achieving desired outcomes. The outcomes associated with risk can be either positive (an opportunity) or negative (a threat). Risks are those events which, if they occur, could materially impact your operational area's ability to effectively and efficiently achieve its most important objectives.

Impact

The degree to which an operating unit's ability to achieve its objectives would be impacted if the risk were to occur.

Management Controls

A process designed to provide reasonable assurance regarding the achievement of objectives in the categories: (1) effectiveness and efficiency of operations, (2) reliability of financial reporting,

and (3) compliance with applicable laws and regulations (see examples of Management Controls on the following page).

Likelihood

The probability that a risk will occur, after consideration of the quality of the management control structure that is in place and its ability to mitigate risk.

Management Controls

Management controls are things management does to achieve objectives. (Remember that risks are the things that can occur to keep those objectives from being met.) An effective management control structure is designed specifically to address significant risks. Some types and examples of management control activities are listed below:

- Policies and procedures are adequate and current.
- Processes are in place:
 - to analyze skills needed to perform jobs adequately.
 - to communicate and escalate issues (e.g. complaints) upwards.
 - to assess achievement of goals and objectives using performance measures.
 - to identify internal and external risks to the organization achieving its objectives.
 - to make employees aware of responsibilities and expectations.
 - to respond to identified risks.
 - for senior management to monitor, review, approve, and discover errors in work performed.
 - for securing assets.
 - to ensure information is appropriate, timely, current, accurate and accessible.
 - to ensure proper segregation of duties.
 - to ensure that corrective action occurs timely when errors are noted.
- Policies exist on expected ethical behavior and codes of conduct.
- IT systems have edits in place to check accuracy, completeness, and authorizations.

For each of the sections that follow list applicable risks, then use the criteria below to assess (1) the impact to your operating unit if each of the listed risks were to occur, (2) the quality of the existing related management control structure, and (3) the likelihood that each of the risks you list could occur.

<i>Component to be Assessed</i>	<i>Rating</i>	<i>Criteria</i>
Impact	High	Significantly reduces the ability to deliver quality services or operate efficiently and effectively.
	Medium	Moderately reduces the ability to deliver quality services or operate efficiently and effectively.
	Low	Little or no impact on the ability to deliver quality services or operate efficiently and effectively.
Management Controls	Strong	Controls are in place and working as intended.
	Adequate	Most controls are in place and generally work as intended.
	Need Improvement	Needed controls are not in place or controls that are in place are not working as intended.
Likelihood	High	May have already occurred or high chance of occurrence.
	Medium	Moderate chance of occurrence.
	Low	No to low chance of occurrence.

Name the five most significant risks (events that could keep your operating unit from achieving its most important objectives) in your operating unit. Evaluate the impact, management control structure, and likelihood of each using the criteria above.

Operational Risks	Impact (High, Medium, or Low)	Management Controls (Strong, Adequate, or Need Improvement)	Likelihood (High, Medium, or Low)
1. Quarterly Council meetings must adhere to Texas Open Meetings Act requirements and must be organized and conducted to ensure fulfillment of the Council's state and federal mandates.	High	Strong²	Low

² Council Meeting Guidebook provides operational procedures for all aspects of meeting preparation.

2. Council administration is somewhat complex as staff is funded by four different agencies and our operating budget is hosted by the Texas Workforce Commission.	Medium	Strong³	Low
3. Workforce System Strategic Planning and Evaluation are two of our primary functions in state and federal law. How we carry those out has a significant impact on our ability to fulfill our role.	High	Strong⁴	Low
4. Council and Board member orientation and ongoing training is critical because appointed members can cause significant disruption to the division's work if they do not understand the role of the Council/Board as well as their responsibilities.	Medium	Strong⁵	Medium

³ State law requires that we follow the administrative and personnel procedures of the OOG. To supplement OOG procedure we have a TWIC Administrative Procedures Manual that provides staff additional guidance on division administration. Also, a biennial MOU between OOG and our finding agencies provides for many of our administrative functions to be carried out by TWC, including purchasing, travel, procurement and IT functions. We follow TWC's procedures for these functions. In FY 2009 we worked with Computer Services in the Governor's Office to develop a new budget database that enables more detailed tracking and reconciliation of our expenditures with the monthly budget reports provided by the Texas Workforce Commission.

⁴ We have constructed system planning and evaluation architectures. Each describes the Council's approach to these two critical functions and shows how our various projects and products connect to each other. Every year the Council approves an annual work plan that specifies the strategies that the Council will undertake for each of its four major functions in order to meet its mandated responsibilities.

⁵ As required by state law, all new Council members receive training prior to being eligible to vote at their first Council meeting. The Council Director provides individual training to each new member using the Council Guidebook as the primary resource material. The guidebook is provided to all members and includes: Council statutes, bylaws and policies, as well as summary descriptions of the Council's role, history, products, meetings, administration, staffing and workforce system partners and programs. Members also receive regular updates between meetings and the Council's scope and duties are clarified in writing and orally at meetings as necessary. Texas Skill Standards Board members receive training as well. Though the controls are strong, the likelihood is still medium because the behavior of appointed members is not something division staff can control outside of providing clear training and communication to members on a regular and as needed basis. Where necessary to resolve and issue, the Council Director seeks assistance from Finance, BPP, Appointments, General Counsel, or Executive.

5. Data gathering, analysis and validation is an area of considerable risk because we must rely on data submitted by partner agencies for our evaluation of the system. Inaccurate data can result in incorrect reports and flawed recommendations.	High	Adequate⁶	Medium
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List the top three fraud business risks your operating unit faces, and assess your risk of exposure to each. Evaluate the impact, management control structure, and likelihood of each using the criteria above.

Fraud Risks	Impact (High, Medium, or Low)	Management Controls (Strong, Adequate, or Need Improvement)	Likelihood (High, Medium, or Low)
1. Employee misuse of state property or funds.	High	Strong⁷	Low
2. Employee misuse of work time.	High	Strong	Low
3. Inaccurate reporting or accounting of employee time and leave.	High	Strong	Low

⁶ Council staff meets with agency staff each year to negotiate and/or clarify questions regarding performance measures definitions and reporting processes. The Council Director sends an information request letter to agency executive directors each year with the specific data requests for that year. Agencies have at least three months to provide the requested data. Agencies are asked to explain data variances where they exceed the variance range allowed by LBB. Council staff then reviews the data to ensure it meets definitional requirements and that it is accurate and complete. Staff also reviews variance explanations and follows up with agency staff to seek clarification if needed. The controls are strong, however, we are still dependent on the accuracy and responsiveness of another agency, therefore; I have rated the controls as adequate and the likelihood as medium. Primary responsibility for controls remains with the originating agency.

⁷ A TWIC administrative staff member is responsible for office management functions, including conducting quality control checks of documentation on expenditures and performing an annual inventory of office furniture and equipment. Inventory reports are presented to the Director and submitted to TWC (TWC hosts the Council's budget so Council furniture and equipment are included in TWC's inventory). Any anomalies or questions regarding expenditures are submitted to the Director for resolution.

Name the three most significant IT risks to your operating unit achieving its objectives. If risks relate to a specific automated system(s), please indicate the name of the system. Evaluate the impact, management control structure, and likelihood of each using the criteria above.

Consider these and other IT areas:

- IT Budget Allocation
- Data Integrity
- Help Desk/Desktop Support
- Network Availability and Performance
- IT Project Prioritization
- System Implementation
- System Access and Security
- Wireless Access and Devices

IT Risks	Impact (High, Medium, or Low)	Management Controls (Strong, Adequate, or Need Improvement)	Likelihood (High, Medium, or Low)
1. Network availability and performance is critical as we store all work on network drives.	High	Strong –OOG IT Division	Low
2. System access and security might be at risk if employees do not follow the established policies of the OOG.	High	Strong –OOG IT Division	Low
3. System or computer breakdown can undermine our ability to complete our work, which is often based on critical timelines.	High	Strong –OOG IT Division	Low

Evaluate Inherent Risks

Assess each of the following bolded risk factors (described by the bullets that follow each) as they relate to your operating unit by placing an “X” under the appropriate rating (High, Medium, or Low Risk) for each risk factor.

<u>Risk Factors</u>	<u>High</u>	<u>Medium</u>	<u>Low</u>
1. Nature of Operations <ul style="list-style-type: none"> • Significant Changes • Clearly Defined Performance Measures 			X

<u>Risk Factors</u>	<u>High</u>	<u>Medium</u>	<u>Low</u>
2. Outsourcing <ul style="list-style-type: none"> • Extent of Reliance on Contractors • Effectiveness of Contract Management/ Monitoring 			X
3. Nature of Transactions <ul style="list-style-type: none"> • Number of Transactions • Complexity of Transactions • Accuracy of Transactions 			X
4. Customers/Clients <ul style="list-style-type: none"> • Ability to Provide Timely Services • Number of Customers • Impact on Customers if Services are Not Provided • Complexity of Services Provided 			We do not provide programs or services – not applicable.
5. Personnel <ul style="list-style-type: none"> • Training/Experience • Adequacy of Staffing Levels • Personnel Turnover • Segregation of Duties 			X
6. Information Systems <ul style="list-style-type: none"> • Data Integrity • System/Data Availability • Data Security and Confidentiality • IT Support 			X
7. External Environment <ul style="list-style-type: none"> • Compliance with Regulations • Impact of Adverse Publicity 			X
8. Fraud <ul style="list-style-type: none"> • Opportunity for Fraud to Occur • Potential Operational Impact • Ability to Detect Fraud • Level of Training on Fraud Prevention and Elimination 			X

How many minutes did you spend filling out this questionnaire?

of Minutes
45

Thank you for completing this questionnaire.

The Office of the Governor Internal Audit Division is facilitating the annual risk assessment in preparation for development of its fiscal year 2011 annual audit plan for Office of the Governor. As part of this effort, we request that you respond to the items that follow and forward the document containing your responses to Lynn Altemeyer, Internal Audit Director, by close of business on **Monday, August 30, 2010**. The questionnaire should take about 30 minutes or less to complete.

The questionnaire asks for some general information about you and your operating unit. It then asks for your input related to risks and associated management controls in the areas of operations, fraud, and information technology (IT). Finally, it asks you to rate the potential impact of eight overarching, or inherent, risk factors to your operational area.

Please fill out a separate Questionnaire for each business process in your division. We also added a new section for to obtain information about data bases that your division uses to perform your mission.

If you need assistance, please contact me and I will be happy to assist.

Please follow the instructions included in each section of the questionnaire. I appreciate the insight your responses will give, and thank you for participating in this important process.

Your Contact Information

Name:	Cheryl Fuller
Title:	Director
Phone:	512-936-8101
Division or Office:	Texas Workforce Investment Council (TWIC)
Operating Unit:	TWIC

Information About Your Operating Unit

Note: I will get one list of budget information from Terri Boland.

How many funded FTE's are in your operating area?	What is the approximate annual operating budget for your operating unit?	What is your estimate of the percentage of your operating unit's program activities that are performed by contractors?
<p align="center">FTE's 12¹ (1 OOG, 1 TEA, 2 HHSC, 8 TWC)</p>	<p align="center">FY 11 = \$1,057,789 FY 10 = \$1,057,789</p>	<p align="center">FY 11 (projected) = \$128,000 or 12.10%² FY 10 = \$23,895.67 or 2.26%</p>

Have there been significant changes to your operating unit in the past year? If yes, please describe these changes below:

Yes

No

What are the three most important objectives of your operating unit?

1. *Fulfill our state and federal mandates to assist the Governor and the Legislature with strategic planning for and evaluation of the Texas workforce development system.*
2. *Produce high quality resources and products that inform the strategic decisions and policies that affect the Texas workforce development system.*
3. *Facilitate collaboration and integration across the eight state agencies that comprise the Texas workforce development system.*

¹ 12 FTEs perform the work of TWIC and the Texas Skill Standards Board as specified in state and federal statute. However, only one of the 12 is an OOG employee. The other 11 FTEs are loaned staff from the Council's member agencies as specified in state law and provided through a Memorandum of Understanding (MOU) between the OOG and TWIC's member agencies.

² TWIC will be using approximately \$110,000 from its operating budget to fund one or more research and demonstration projects associated with implementation of *Advancing Texas: Strategic Plan for the Texas Workforce System (FY2010-FY2015)*.

Please list prior internal or external audits that have occurred in the past five years and attach a copy of each report if not already submitted to Internal Audit.

TWIC's operating budget is hosted by the Texas Workforce Commission as specified in the MOU between OOG and TWIC's member agencies. TWC administers all staff and board member travel, procurement and purchases for the division. Audit of these expenditures and processes is therefore completed by TWC, and official records of expenditures are maintained by TWC as well. TWIC provides information as needed to assist with TWC's internal or external reviews.

Information about databases, files or software

Please describe any database, software or other electronic system (e.g. Excel spreadsheets) that your division uses to track, manage or monitor information necessary to perform your division's mission. Copy the information for each database or file.

Database Name: *TWIC Budget Database*

Platform: *Microsoft Office Access Database*

Support:

Data Owner: *Texas Workforce Commission (TWC)³ and TWIC*

Location/Backup: *S:\Budget\AccessDatabase (OOG Share Drive). OOG maintains necessary network and backup support.*

Type of Data: *Budget*

Volume: *9,144 KB*

Criticality: *See description below.*

Is any of the information in the database classified as confidential? *No*

Describe any reports from this database provided to internal or external users: *The TWIC Budget database is used to track current and projected expenditures against TWIC's budget as determined by the MOU for the current fiscal year. Reports from the database are provided to the Council Director, Deputy Director and Council members.*

Database Name: *TWIC Mailing Database*

Platform: *Microsoft Office Access Database*

Support:

Data Owner: *TWIC*

Location/Backup: *S:\Contact Database\Mailing Database (OOG Share Drive). OOG maintains necessary network and backup support.*

Type of Data: *Contact information - e.g. email, phone numbers, business address, etc.*

Volume: *4,872 KB*

Criticality: *See description below.*

Is any of the information in the database classified as confidential? *No*

³ Since TWC hosts TWIC's operating budget, TWC provides budget and expenditure reports to TWIC to assist the division in tracking its expenditures. The TWIC Budget database is used internally to record expenditures as they occur and subsequently to reconcile them with reports provided by TWC.

Describe any reports from this database provided to internal or external users: *Reports are not produced through TWIC's contact database. It is used as a directory of contacts and interested parties for TWIC correspondence and publication distribution.*

Database Name: *TWIC Correspondence Tracking Database*

Platform: *Microsoft Office Access Database*

Support:

Data Owner: *TWIC*

Location/Backup: *S:\Correspondence\Correspondence Tracking Database (OOG Share Drive). OOG maintains necessary network and backup support.*

Type of Data: *Records Retention*

Volume: *6.31 MB*

Criticality: *See description below.*

Is any of the information in the database classified as confidential? *No*

Describe any reports from this database provided to internal or external users: *Reports are not produced through TWIC's correspondence database. It is used to track correspondence either sent or received by the Council for record retention purposes.*

Identify and Evaluate Potential Risks and Associated Management Controls

Please use the following concepts to evaluate potential risks and appropriate ratings.

Risk

A concept used in business and government to describe the uncertainty of achieving desired outcomes. The outcomes associated with risk can be either positive (an opportunity) or negative (a threat). Risks are those events which, if they occur, could materially impact your operational area's ability to effectively and efficiently achieve its most important objectives.

Impact

The degree to which an operating unit's ability to achieve its objectives would be impacted if the risk were to occur.

Management Controls

A process designed to provide reasonable assurance regarding the achievement of objectives in the categories: (1) effectiveness and efficiency of operations, (2) reliability of financial reporting, and (3) compliance with applicable laws and regulations (see examples of Management Controls on the following page).

Likelihood

The probability that a risk will occur, after consideration of the quality of the management control structure that is in place and its ability to mitigate risk.

Management Controls

Management controls are things management does to achieve objectives. (Remember that risks are the things that can occur to keep those objectives from being met.) An effective management control structure is designed specifically to address significant risks. Some types and examples of management control activities are listed below:

- Policies and procedures are adequate and current.
- Processes are in place:
 - to analyze skills needed to perform jobs adequately.
 - to communicate and escalate issues (e.g. complaints) upwards.
 - to assess achievement of goals and objectives using performance measures.
 - to identify internal and external risks to the organization achieving its objectives.
 - to make employees aware of responsibilities and expectations.
 - to respond to identified risks.
 - for senior management to monitor, review, approve, and discover errors in work performed.
 - for securing assets.
 - to ensure information is appropriate, timely, current, accurate and accessible.
 - to ensure proper segregation of duties.
 - to ensure that corrective action occurs timely when errors are noted.
- Policies exist on expected ethical behavior and codes of conduct.
- IT systems have edits in place to check accuracy, completeness, and authorizations.
- IT systems have a process in place to ensure only authorized users have access.

For each of the sections that follow list applicable risks, then use the criteria below to assess (1) the impact to your operating unit if each of the listed risks were to occur, (2) the quality of the existing related management control structure, and (3) the likelihood that each of the risks you list could occur.

<i>Component to be Assessed</i>	<i>Rating</i>	<i>Criteria</i>
Impact	High	Significantly reduces the ability to deliver quality services or operate efficiently and effectively.
	Medium	Moderately reduces the ability to deliver quality services or operate efficiently and effectively.
	Low	Little or no impact on the ability to deliver quality services or operate efficiently and effectively.

<i>Component to be Assessed</i>	<i>Rating</i>	<i>Criteria</i>
Management Controls	Strong	Controls are in place and working as intended.
	Adequate	Most controls are in place and generally work as intended.
	Need Improvement	Needed controls are not in place or controls that are in place are not working as intended.
Likelihood	High	May have already occurred or high chance of occurrence.
	Medium	Moderate chance of occurrence.
	Low	No to low chance of occurrence.

Name the five most significant risks (events that could keep your operating unit from achieving its most important objectives) in your operating unit. Evaluate the impact, management control structure, and likelihood of each using the criteria above.

Operational Risks	Impact (High, Medium, or Low)	Management Controls (Strong, Adequate, or Need Improvement)	Likelihood (High, Medium, or Low)
1. Quarterly Council meetings must adhere to Texas Open Meetings Act requirements and must be organized and conducted to ensure fulfillment of the Council's state and federal mandates.	<i>High</i>	<i>Strong⁴</i>	<i>Low</i>
2. Council administration is somewhat complex as staff is funded by four different agencies and our operating budget is hosted by the Texas Workforce Commission.	<i>Medium</i>	<i>Strong⁵</i>	<i>Low</i>
3. Workforce System Strategic	<i>High</i>	<i>Strong⁶</i>	<i>Low</i>

⁴ Council Meeting Guidebook provides operational procedures for all aspects of meeting preparation.

⁵ State law requires that we follow the administrative and personnel procedures of the OOG. To supplement OOG procedure we have a TWIC Administrative Procedures Manual that provides staff additional guidance on division administration. Also, a biennial MOU between OOG and our finding agencies provides for many of our administrative functions to be carried out by TWC, including purchasing, travel, procurement and IT functions. We follow TWC's procedures for these functions. Finally, in FY 2009 we worked with Computer Services in the Governor's Office to develop a new budget database that enables more detailed tracking and reconciliation of our expenditures with the monthly budget reports provided by the Texas Workforce Commission.

Planning and Evaluation are two of our primary functions in state and federal law. How we carry those out has a significant impact on our ability to fulfill our role. An incoherent or fragmented approach to either could result in lack of ownership and accountability by partner agencies to the goals and objectives in the system strategic plan, and/or in inaccurate conclusions and recommendations in the Council's reports.

- | | | | |
|---|---------------|------------------------------|---------------|
| 4. Data gathering, analysis and validation is an area of considerable risk because we must rely on data submitted by partner agencies for our evaluation of the system. Inaccurate data can result in incorrect reports and flawed recommendations. | <i>High</i> | <i>Adequate</i> ⁷ | <i>Medium</i> |
| 5. Council and Board member | <i>Medium</i> | <i>Strong</i> ⁸ | <i>Medium</i> |

⁶ We have constructed system planning and evaluation architectures. Each describes the Council's approach to these two critical functions and shows how our various projects and products connect to each other. Every year the Council approves an annual work plan that specifies the strategies that the Council will undertake for each of its four major functions in order to meet its mandated responsibilities.

⁷ Council staff meets with agency staff each year to negotiate and/or clarify questions regarding performance measures definitions and reporting processes. The Council Director sends an information request letter to agency executive directors each year with the specific data requests for that year. Agencies have at least three months to provide the requested data. Agencies are asked to explain data variances where they exceed the variance range allowed by LBB. Council staff then reviews the data to ensure it meets definitional requirements and that it is complete. Staff also reviews variance explanations and follows up with agency staff to seek clarification if needed. The controls are strong, however, we are still dependent on the accuracy and responsiveness of another agency, therefore; I have rated the controls as adequate and the likelihood as medium. Primary responsibility for controls remains with the originating agency.

⁸ As required by state law, all new Council members receive training prior to being eligible to vote at their first Council meeting. The Council Director provides individual training to each new member using the Council Member Reference Book as the primary resource material. The reference book is updated as needed and provided to all members. The book includes Council statutes, bylaws and policies as well as summary descriptions of the Council's

orientation and ongoing training is critical because appointed members can cause significant disruption to the division’s work if they do not understand the role of the Council/Board as well as their responsibilities as appointees.

List the top three fraud business risks your operating unit faces, and assess your risk of exposure to each. Evaluate the impact, management control structure, and likelihood of each using the criteria above.

Fraud Risks	Impact (High, Medium, or Low)	Management Controls (Strong, Adequate, or Need Improvement)	Likelihood (High, Medium, or Low)
1. Employee misuse of state property or funds.	<i>High</i>	<i>Strong⁹</i>	<i>Low</i>
2. Employee misuse of work time.	<i>High</i>	<i>Strong</i>	<i>Low</i>
3. Inaccurate reporting or accounting of employee time and leave.	<i>High</i>	<i>Strong</i>	<i>Low</i>

Name the three most significant IT risks to your operating unit achieving its objectives. If risks relate to a specific automated system(s), please indicate the name of the system. Evaluate the impact, management control structure, and likelihood of each using the criteria above.

Consider these and other IT areas:

- IT Budget Allocation
- IT Project Prioritization
- Data Integrity
- System Implementation

role, history, products, meetings, administration, staffing and workforce system partners and programs. Members also receive regular updates between meetings and the Council’s scope and duties are clarified in writing and orally at meetings as necessary. Texas Skill Standards Board members receive training as well. Though the controls are strong, the likelihood is still medium because the behavior of appointed members is not something division staff can control outside of providing clear training and communication to members on a regular and as needed basis. Where necessary to resolve an issue, the Council Director seeks assistance from Finance, BPP, Appointments, General Counsel, or Executive.

⁹ A TWIC administrative staff member is responsible for office management functions, including conducting quality control checks of documentation on expenditures and performing an annual inventory of office furniture and equipment. Inventory reports are presented to the Director and submitted to TWC (TWC hosts the Council’s budget so Council furniture and equipment are included in TWC’s inventory). Any anomalies or questions regarding expenditures are submitted to the Director for resolution.

- Help Desk/Desktop Support
- Network Availability and Performance
- System Access and Security
- Wireless Access and Devices

IT Risks	Impact (High, Medium, or Low)	Management Controls (Strong, Adequate, or Need Improvement)	Likelihood (High, Medium, or Low)
1. Network availability and performance is critical because we store all of our work on network drives.	<i>High</i>	<i>Strong – OOG IT has the necessary network back-up and support</i>	<i>Low</i>
2. System access and security might be at risk if employees do not follow the established policies of the OOG.	<i>High</i>	<i>Strong – same reason as above</i>	<i>Low</i>

Evaluate Inherent Risks

Assess each of the following bolded risk factors (described by the bullets that follow each) as they relate to your operating unit by placing an “X” under the appropriate rating (High, Medium, or Low Risk) for each risk factor.

<u>Risk Factors</u>	<u>High</u>	<u>Medium</u>	<u>Low</u>
1. Nature of Operations <ul style="list-style-type: none"> • Significant Changes • Clearly Defined Performance Measures 			X
2. Outsourcing <ul style="list-style-type: none"> • Extent of Reliance on Contractors • Effectiveness of Contract Management/ Monitoring 			X
3. Nature of Transactions <ul style="list-style-type: none"> • Number of Transactions • Complexity of Transactions • Accuracy of Transactions 			X

<u>Risk Factors</u>	<u>High</u>	<u>Medium</u>	<u>Low</u>
4. Customers/Clients <ul style="list-style-type: none"> • Ability to Provide Timely Services • Number of Customers • Impact on Customers if Services are Not Provided • Complexity of Services Provided 			<i>N/A – We do not provide program services.</i>
5. Personnel <ul style="list-style-type: none"> • Training/Experience • Adequacy of Staffing Levels • Personnel Turnover • Segregation of Duties 			X
6. Information Systems <ul style="list-style-type: none"> • Data Integrity • System/Data Availability • Data Security and Confidentiality • IT Support 			X
7. External Environment <ul style="list-style-type: none"> • Compliance with Regulations • Impact of Adverse Publicity 			X
8. Fraud <ul style="list-style-type: none"> • Opportunity for Fraud to Occur • Potential Operational Impact • Ability to Detect Fraud • Level of Training on Fraud Prevention and Elimination 			X

How many minutes did you spend filling out this questionnaire?

of Minutes
60

Thank you for completing this questionnaire.

The Office of the Governor Internal Audit Division is facilitating the annual risk assessment in preparation for development of its fiscal year 2010 annual audit plan for Office of the Governor. As part of this effort, we request that you respond to the items that follow and forward the document containing your responses to Lynn Altemeyer, Internal Audit Director, by close of business on **Monday, November 2, 2009**. The questionnaire should take about 30 minutes or less to complete.

The questionnaire asks for some general information about you and your operating unit. It then asks for your input related to risks and associated management controls in the areas of operations, fraud, and information technology (IT). Finally, it asks you to rate the potential impact of eight overarching, or inherent, risk factors to your operational area. Please follow the instructions included in each section of the questionnaire. I appreciate the insight your responses will give, and thank you for participating in this important process.

Your Contact Information

Name:	Cheryl Fuller
Title:	Director
Phone:	512-936-8101
Division or Office:	Texas Workforce Investment Council (TWIC)
Operating Unit:	same

Information About Your Operating Unit

<p>How many funded FTE's are in your operating area?</p>	<p>What is the approximate annual operating budget for your operating unit?</p>	<p>What is your estimate of the percentage of your operating unit's program activities that are performed by contractors?</p>
<p>12¹ (1 OOG, 1 TEA, 3 HHSC, 7 TWC)</p>	<p>FY 10 = \$1,057,789.13</p>	<p>FY 10 (projected) \$143,500 or 13.57% FY 09 \$98,041.01 or 9.36%</p>

¹ 12 FTEs perform the work of TWIC and the Texas Skill Standards Board as specified in state and federal statute. However, only one of the 12 is an OOG employee. The other 11 FTEs are loaned staff from the Council's member agencies as specified in state law and provided through a Memorandum of Understanding (MOU) between the OOG and TWIC's member agencies.

Have there been significant changes to your operating unit in the past year? If yes, please describe these changes below:

Yes

No

What are the three most important objectives of your operating unit?

1. *Fulfill our state and federal mandates to assist the Governor and the Legislature with strategic planning for and evaluation of the Texas workforce development system.*
2. *Produce high quality resources and products that inform the strategic decisions and policies that affect the Texas workforce development system.*
3. *Facilitate collaboration and integration across the eight state agencies that comprise the Texas workforce development system.*

Please list prior internal or external audits that have occurred in the past five years and attach a copy of each report if not already submitted to Internal Audit.

Our operating budget is hosted by the Texas Workforce Commission as specified in the MOU between OOG and TWIC's member agencies. TWC administers all staff and board member travel, procurement and purchases for the division. Audit of these expenditures and processes is therefore completed by TWC. We provide additional information as needed to assist with their internal or external reviews.

Identify and Evaluate Potential Risks and Associated Management Controls

Please use the following concepts to evaluate potential risks and appropriate ratings.

Risk

A concept used in business and government to describe the uncertainty of achieving desired outcomes. The outcomes associated with risk can be either positive (an opportunity) or negative (a threat). Risks are those events which, if they occur, could materially impact your operational area's ability to effectively and efficiently achieve its most important objectives.

Impact

The degree to which an operating unit's ability to achieve its objectives would be impacted if the risk were to occur.

Management Controls

A process designed to provide reasonable assurance regarding the achievement of objectives in the categories: (1) effectiveness and efficiency of operations, (2) reliability of financial reporting, and (3) compliance with applicable laws and regulations (see examples of Management Controls on the following page).

Likelihood

The probability that a risk will occur, after consideration of the quality of the management control structure that is in place and its ability to mitigate risk.

Management Controls

Management controls are things management does to achieve objectives. (Remember that risks are the things that can occur to keep those objectives from being met.) An effective management control structure is designed specifically to address significant risks. Some types and examples of management control activities are listed below:

- Policies and procedures are adequate and current.
- Processes are in place:
 - to analyze skills needed to perform jobs adequately.
 - to communicate and escalate issues (e.g. complaints) upwards.
 - to assess achievement of goals and objectives using performance measures.
 - to identify internal and external risks to the organization achieving its objectives.
 - to make employees aware of responsibilities and expectations.
 - to respond to identified risks.
 - for senior management to monitor, review, approve, and discover errors in work performed.
 - for securing assets.
 - to ensure information is appropriate, timely, current, accurate and accessible.
 - to ensure proper segregation of duties.
 - to ensure that corrective action occurs timely when errors are noted.
- Policies exist on expected ethical behavior and codes of conduct.
- IT systems have edits in place to check accuracy, completeness, and authorizations.
- IT systems have a process in place to ensure only authorized users have access.

For each of the sections that follow list applicable risks, then use the criteria below to assess (1) the impact to your operating unit if each of the listed risks were to occur, (2) the quality of the existing related management control structure, and (3) the likelihood that each of the risks you list could occur.

<i>Component to be Assessed</i>	<i>Rating</i>	<i>Criteria</i>
Impact	High	Significantly reduces the ability to deliver quality services or operate efficiently and effectively.
	Medium	Moderately reduces the ability to deliver quality services or operate efficiently and effectively.
	Low	Little or no impact on the ability to deliver quality services or operate efficiently and effectively.
Management Controls	Strong	Controls are in place and working as intended.
	Adequate	Most controls are in place and generally work as intended.
	Need Improvement	Needed controls are not in place or controls that are in place are not working as intended.
Likelihood	High	May have already occurred or high chance of occurrence.
	Medium	Moderate chance of occurrence.
	Low	No to low chance of occurrence.

Name the five most significant risks (events that could keep your operating unit from achieving its most important objectives) in your operating unit. Evaluate the impact, management control structure, and likelihood of each using the criteria above.

Operational Risks	Impact (High, Medium, or Low)	Management Controls (Strong, Adequate, or Need Improvement)	Likelihood (High, Medium, or Low)
1. Quarterly Council meetings must adhere to Texas Open Meetings Act requirements and must be organized and conducted to ensure fulfillment of the Council's state and federal mandates.	<i>High</i>	<i>Strong²</i>	<i>Low</i>

² Council Meeting Guidebook provides operational procedures for all aspects of meeting preparation.

2. Council administration is somewhat complex as staff is funded by four different agencies and our operating budget is hosted by the Texas Workforce Commission.	<i>Medium</i>	<i>Strong³</i>	<i>Low</i>
3. Workforce System Strategic Planning and Evaluation are two of our primary functions in state and federal law. How we carry those out has a significant impact on our ability to fulfill our role. An incoherent or fragmented approach to either could result in lack of ownership and accountability by partner agencies to the goals and objectives in the system strategic plan, and/or in inaccurate conclusions and recommendations in the Council's reports.	<i>High</i>	<i>Strong⁴</i>	<i>Low</i>

³ State law requires that we follow the administrative and personnel procedures of the OOG. To supplement OOG procedure we have a TWIC Administrative Procedures Manual that provides staff additional guidance on division administration. Also, a biennial MOU between OOG and our finding agencies provides for many of our administrative functions to be carried out by TWC, including purchasing, travel, procurement and IT functions. We follow TWC's procedures for these functions. Finally, in FY 2009 we worked with Computer Services in the Governor's Office to develop a new budget database that enables more detailed tracking and reconciliation of our expenditures with the monthly budget reports provided by the Texas Workforce Commission.

⁴ We have constructed system planning and evaluation architectures. Each describes the Council's approach to these two critical functions and shows how our various projects and products connect to each other. Every year the Council approves an annual work plan that specifies the strategies that the Council will undertake for each of its four major functions in order to meet its mandated responsibilities.

4. Data gathering, analysis and validation is an area of considerable risk because we must rely on data submitted by partner agencies for our evaluation of the system. Inaccurate data can result in incorrect reports and flawed recommendations.	<i>High</i>	<i>Adequate</i> ⁵	<i>Medium</i>
5. Council and Board member orientation and ongoing training is critical because appointed members can cause significant disruption to the division's work if they do not understand the role of the Council/Board as well as their responsibilities.	<i>Medium</i>	<i>Strong</i> ⁶	<i>Medium</i>

⁵ Council staff meets with agency staff each year to negotiate and/or clarify questions regarding performance measures definitions and reporting processes. The Council Director sends an information request letter to agency executive directors each year with the specific data requests for that year. Agencies have at least three months to provide the requested data. Agencies are asked to explain data variances where they exceed the variance range allowed by LBB. Council staff then reviews the data to ensure it meets definitional requirements and that it is accurate and complete. Staff also reviews variance explanations and follows up with agency staff to seek clarification if needed. The controls are strong, however, we are still dependent on the accuracy and responsiveness of another agency, therefore; I have rated the controls as adequate and the likelihood as medium. Primary responsibility for controls remains with the originating agency.

⁶ As required by state law, all new Council members receive training prior to being eligible to vote at their first Council meeting. The Council Director provides individual training to each new member using the Council Member Reference Book as the primary resource material. The reference book is updated annually and provided to all members. The book includes Council statutes, bylaws and policies as well as summary descriptions of the Council's role, history, products, meetings, administration, staffing and workforce system partners and programs. Members also receive regular updates between meetings and the Council's scope and duties are clarified in writing and orally at meetings as necessary. Texas Skill Standards Board members receive training as well. Though the controls are strong, the likelihood is still medium because the behavior of appointed members is not something division staff can control outside of providing clear training and communication to members on a regular and as needed basis. Where necessary to resolve and issue, the Council Director seeks assistance from Finance, BPP, Appointments, General Counsel, or Executive.

List the top three fraud business risks your operating unit faces, and assess your risk of exposure to each. Evaluate the impact, management control structure, and likelihood of each using the criteria above.

Fraud Risks	Impact (High, Medium, or Low)	Management Controls (Strong, Adequate, or Need Improvement)	Likelihood (High, Medium, or Low)
1. Employee misuse of state property or funds.	High	Strong⁷	Low
2. Employee misuse of work time.	High	Strong	Low
3. Inaccurate reporting or accounting of employee time and leave.	High	Strong	Low

Name the three most significant IT risks to your operating unit achieving its objectives. If risks relate to a specific automated system(s), please indicate the name of the system. Evaluate the impact, management control structure, and likelihood of each using the criteria above.

Consider these and other IT areas:

- IT Budget Allocation
- Data Integrity
- Help Desk/Desktop Support
- Network Availability and Performance
- IT Project Prioritization
- System Implementation
- System Access and Security
- Wireless Access and Devices

IT Risks	Impact (High, Medium, or Low)	Management Controls (Strong, Adequate, or Need Improvement)	Likelihood (High, Medium, or Low)
1. Network availability and performance is critical	High	Strong – OOG IT has the	Low

⁷ A TWIC administrative staff member is responsible for office management functions, including conducting quality control checks of documentation on expenditures and performing an annual inventory of office furniture and equipment. Inventory reports are presented to the Director and submitted to TWC (TWC hosts the Council’s budget so Council furniture and equipment are included in TWC’s inventory). Any anomalies or questions regarding expenditures are submitted to the Director for resolution.

because we store all of our work on network drives.		necessary network back-up and support	
2. System access and security might be at risk if employees do not follow the established policies of the OOG.	High	Strong – same reason as above	Low

Evaluate Inherent Risks

Assess each of the following bolded risk factors (described by the bullets that follow each) as they relate to your operating unit by placing an “X” under the appropriate rating (High, Medium, or Low Risk) for each risk factor.

<u>Risk Factors</u>	<u>High</u>	<u>Medium</u>	<u>Low</u>
1. Nature of Operations <ul style="list-style-type: none"> • Significant Changes • Clearly Defined Measures of Performance 			X
2. Outsourcing <ul style="list-style-type: none"> • Extent of Reliance on Contractors • Effectiveness of Contract Management/ Monitoring 			X
3. Nature of Transactions <ul style="list-style-type: none"> • Number of Transactions • Complexity of Transactions • Accuracy of Transactions 			X
4. Customers/Clients <ul style="list-style-type: none"> • Ability to Provide Timely Services • Number of Customers • Impact on Customers if Services are Not Provided • Complexity of Services Provided 			N/A – We do not provide program services.

<u>Risk Factors</u>	<u>High</u>	<u>Medium</u>	<u>Low</u>
5. Personnel <ul style="list-style-type: none"> • Training/Experience • Adequacy of Staffing Levels • Personnel Turnover • Segregation of Duties 			X
6. Information Systems <ul style="list-style-type: none"> • Data Integrity • System/Data Availability • Data Security and Confidentiality • IT Support 			X
7. External Environment <ul style="list-style-type: none"> • Compliance with Regulations • Impact of Adverse Publicity 			X
8. Fraud <ul style="list-style-type: none"> • Opportunity for Fraud to Occur • Potential Operational Impact • Ability to Detect Fraud • Level of Training on Fraud Prevention and Elimination 			X

How many minutes did you spend filling out this questionnaire?

of Minutes
60

Thank you for completing this questionnaire.

The Office of the Governor Internal Audit Division is facilitating the annual risk assessment in preparation for development of its fiscal year 2009 annual audit plan for Office of the Governor. As part of this effort, we request that you respond to the items that follow and forward the document containing your responses to Lynn Altemeyer, Internal Auditor, by close of business on **Monday, August 4, 2008**. The questionnaire should take about 30 minutes or less to complete.

The questionnaire asks for some general information about you and your operating unit. It then asks for your input related to risks and associated management controls in the areas of operations, fraud, and information technology (IT). Finally, it asks you to rate the potential impact of eight overarching, or inherent, risk factors to your operational area. Please follow the instructions included in each section of the questionnaire. I appreciate the insight your responses will give, and thank you for participating in this important process.

Your Contact Information

Name:	Cheryl Fuller
Title:	Director
Phone:	512-936-8101
Division or Office:	Texas Workforce Investment Council (TWIC)
Operating Unit:	same

Information About Your Operating Unit

How many funded FTE's are in your operating area?	What is the approximate annual operating budget for your operating unit?	What is your estimate of the percentage of your operating unit's program activities that are performed by contractors?
FTE's 14¹	\$1.066 million²	8%

¹ 12 FTEs perform the work of TWIC and the Texas Skill Standards Board as specified in state and federal statute. However, only one of the 12 is an OOG employee. The other 11 FTEs are loaned staff from the Council's member agencies as specified in state law and provided through a Memorandum of Understanding (MOU) between the OOG and TWIC's member agencies. In addition, the division houses and/or provides administrative support for two FTEs that perform duties associated with the Governor's Industry Cluster Initiative and the Governor's Competitiveness Council. These two FTEs and their associated operating costs are established in separate Memoranda of Agreement between OOG and the Texas Workforce Commission.

² This is the annual budget for the division. It does include the two FTEs and associated operating costs provided through separate MOUs between OOG and TWC. These two FTEs do not perform the statutorily specified work of the division. Rather, the division provides them with administrative support as requested by OOG and as specified in the MOUs.

Have there been significant changes to your operating unit in the past year? If yes, please describe these changes below:

Yes

No

What are the three most important objectives of your operating unit?

- 1. Fulfill our state and federal mandates to assist the Governor and the Legislature with strategic planning for and evaluation of the Texas workforce development system.*
- 2. Produce high quality resources and products that inform the strategic decisions and policies that affect the Texas workforce development system.*
- 3. Facilitate collaboration and integration across the eight state agencies that comprise the Texas workforce development system.*

Please list prior internal or external audits that have occurred in the past five years and attach a copy of each report.

Our operating budget is hosted by the Texas Workforce Commission as specified in the MOU between OOG and TWIC's member agencies. TWC administers all staff and board member travel, procurement, and purchases for the division. Audit of these expenditures and processes is therefore completed by TWC. We provide additional information as needed to assist with their internal or external reviews.

Since our operating budget is hosted by TWC, our office furniture and equipment is on TWC's inventory and we participate in their annual inventory to account for all property.

Identify and Evaluate Potential Risks and Associated Management Controls

Please use the following concepts to evaluate potential risks and appropriate ratings.

Risk

A concept used in business and government to describe the uncertainty of achieving desired outcomes. The outcomes associated with risk can be either positive (an opportunity) or negative (a threat). Risks are those events which, if they occur, could materially impact your operational area's ability to effectively and efficiently achieve its most important objectives.

Impact

The degree to which an operating unit's ability to achieve its objectives would be impacted if the risk were to occur.

Management Controls

A process designed to provide reasonable assurance regarding the achievement of objectives in the categories: (1) effectiveness and efficiency of operations, (2) reliability of financial reporting, and (3) compliance with applicable laws and regulations (see examples of Management Controls on the following page).

Likelihood

The probability that a risk will occur, after consideration of the quality of the management control structure that is in place and its ability to mitigate risk.

Management Controls

Management controls are things management does to achieve objectives. (Remember that risks are the things that can occur to keep those objectives from being met.) An effective management control structure is designed specifically to address significant risks. Some types and examples of management control activities are listed below:

- Policies and procedures are adequate and current.
- Processes are in place:
 - to analyze skills needed to perform jobs adequately.
 - to communicate and escalate issues (e.g. complaints) upwards.
 - to assess achievement of goals and objectives using performance measures.
 - to identify internal and external risks to the organization achieving its objectives.
 - to make employees aware of responsibilities and expectations.
 - to respond to identified risks.
 - for senior management to monitor, review, approve, and discover errors in work performed.
 - for securing assets.
 - to ensure information is appropriate, timely, current, accurate and accessible.
 - to ensure proper segregation of duties.
 - to ensure that corrective action occurs timely when errors are noted.
- Policies exist on expected ethical behavior and codes of conduct.
- IT systems have edits in place to check accuracy, completeness, and authorizations.
- IT systems have a process in place to ensure only authorized users have access.

For each of the sections that follow list applicable risks, then use the criteria below to assess (1) the impact to your operating unit if each of the listed risks were to occur, (2) the quality of the existing related management control structure, and (3) the likelihood that each of the risks you list could occur.

<i>Component to be Assessed</i>	<i>Rating</i>	<i>Criteria</i>
Impact	High	Significantly reduces the ability to deliver quality services or operate efficiently and effectively.
	Medium	Moderately reduces the ability to deliver quality services or operate efficiently and effectively.
	Low	Little or no impact on the ability to deliver quality services or operate efficiently and effectively.
Management Controls	Strong	Controls are in place and working as intended.
	Adequate	Most controls are in place and generally work as intended.
	Need Improvement	Needed controls are not in place or controls that are in place are not working as intended.
Likelihood	High	May have already occurred or high chance of occurrence.
	Medium	Moderate chance of occurrence.
	Low	No to low chance of occurrence.

Name the five most significant risks (events that could keep your operating unit from achieving its most important objectives) in your operating unit. Evaluate the impact, management control structure, and likelihood of each using the criteria above.

Operational Risks	Impact (High, Medium, or Low)	Management Controls (Strong, Adequate, or Need Improvement)	Likelihood (High, Medium, or Low)
1. Quarterly Council Meetings must adhere to Texas Open Meetings Act requirements and must be organized and conducted to ensure fulfillment of the Council's state and federal mandates	High	Strong ³	Low
2. Council Administration is somewhat complex as staff is funded	Medium	Strong ⁴	Low

³ Council Meeting Guidebook provides operational procedures for all aspects of meeting preparation

⁴ State law requires that we follow the administrative and personnel procedures of the OOG. To supplement OOG procedure we have a TWIC Administrative Procedures Manual that provides staff additional guidance on division administration. Also, a biennial MOU between OOG and our finding agencies provides for many of our administrative functions to be carried out by TWC, including purchasing, travel, procurement and IT functions. We follow TWC's procedures for these functions.

by four different agencies and our operating budget is hosted by the Texas Workforce Commission.

3. *Workforce System Strategic Planning and Evaluation are two of our primary functions in state and federal law. How we carry those out has a significant impact on our ability to fulfill our role. An incoherent or fragmented approach to either could result in lack of ownership and accountability by partner agencies to the goals and objectives in the system strategic plan, and/or in inaccurate conclusions and recommendations in the Council's reports.*

High

Strong⁵

Low

4. *Data Gathering, Analysis and Validation is an area of considerable risk because we must rely on data submitted by partner agencies for our evaluation of the system. Inaccurate data can result in incorrect reports and flawed recommendations.*

High

Adequate⁶

Medium

5. *Council and Board Member Orientation and ongoing training is critical because appointed members can cause significant disruption to the division's work if they do not understand the role of the Council/ Board as well as their responsibilities*

Medium

Strong⁷

Medium

⁵ We have constructed system planning and evaluation architectures. Each describes the Council's approach to these two critical functions and shows how our various projects and products connect to each other. Every year the Council approves an annual work plan that specifies the strategies that the Council will undertake for each of its four major functions in order to meet its mandated responsibilities.

⁶ Council staff meets with agency staff each year to negotiate and/or clarify questions regarding performance measures definitions and reporting processes. The Council Director sends an information request letter to agency executive directors each year with the specific data requests for that year. Agencies have at least three months to provide the requested data. Agencies are asked to explain data variances where they exceed the variance range allowed by LBB. Council staff then reviews the data to ensure it meets definitional requirements and that it is accurate and complete. Staff also reviews variance explanations and follows up with agency staff to seek clarification if needed. The controls are strong, however, we are still dependent on the accuracy and responsiveness of another agency, therefore; I have rated the controls as adequate and the likelihood as medium. Primary responsibility for controls sits with the originating agency.

⁷ As required by state law, all new Council members receive training prior to being eligible to vote at their first Council meeting. The Council Director provides individual training to each new member using the Council Member Reference Book as the primary resource material. The reference book is updated annually and provided to all members. The book includes Council statutes, bylaws, and policies as well as summary descriptions of the Council's role, history, products, meetings, administration, staffing and workforce system partners and programs. Members also receive regular updates between meetings and the Council's scope and duties are clarified in writing and orally at meetings as necessary. Texas Skill Standards Board members receive training as well. Though the controls are strong, the likelihood is still medium because the behavior of appointed members is not something division staff can control outside of providing clear training and communication to members on a regular and as needed basis. Members with strong interests in certain areas outside of the Council's purview may still be disruptive by continuing to raise those topics in Council meetings. Where necessary, issues are escalated internally for resolution as deemed appropriate by OOG leadership.

as an appointee.

List the top three fraud business risks your operating unit faces, and assess your risk of exposure to each. Evaluate the impact, management control structure, and likelihood of each using the criteria above.

Fraud Risks	Impact (High, Medium, or Low)	Management Controls (Strong, Adequate, or Need Improvement)	Likelihood (High, Medium, or Low)
1. employee misuse of state property or funds	High	Strong	Low
2. employee misuse of work time	High	Strong	Low
3. inaccurate reporting or accounting of employee time and leave	High	Strong	Low

Name the three most significant IT risks to your operating unit achieving its objectives. If risks relate to a specific automated system(s), please indicate the name of the system. Evaluate the impact, management control structure, and likelihood of each using the criteria above.

Consider these and other IT areas:

- IT Budget Allocation
- Data Integrity
- Help Desk/Desktop Support
- Network Availability and Performance
- IT Project Prioritization
- System Implementation
- System Access and Security
- Wireless Access and Devices

IT Risks	Impact (High, Medium, or Low)	Management Controls (Strong, Adequate, or Need Improvement)	Likelihood (High, Medium, or Low)
1. Network availability and performance is critical because we store all of our work on network drives	High	Strong - OOG IT has the necessary network back up and support	Low
2. System access and security might be at risk if employees do	High	Strong – same reason as above	Low

not follow the established policies of the OOG.

3.

Evaluate Inherent Risks

Assess each of the following bolded risk factors (described by the bullets that follow each) as they relate to your operating unit by placing an “X” under the appropriate rating (High, Medium, or Low Risk) for each risk factor.

<u>Risk Factors</u>	<u>High</u>	<u>Medium</u>	<u>Low</u>
1. Nature of Operations <ul style="list-style-type: none"> • Significant Changes • Clearly Defined Measures of Performance 			X
2. Outsourcing <ul style="list-style-type: none"> • Extent of Reliance on Contractors • Effectiveness of Contract Management/ Monitoring 			X
3. Nature of Transactions <ul style="list-style-type: none"> • Number of Transactions • Complexity of Transactions • Accuracy of Transactions 			X
4. Customers/Clients <ul style="list-style-type: none"> • Ability to Provide Timely Services • Number of Customers • Impact on Customers if Services are Not Provided • Complexity of Services Provided 			n/a - we don't provide program services
5. Personnel <ul style="list-style-type: none"> • Training/Experience • Adequacy of Staffing Levels • Personnel Turnover • Segregation of Duties 			X

<u>Risk Factors</u>	<u>High</u>	<u>Medium</u>	<u>Low</u>
6. Information Systems <ul style="list-style-type: none"> • Data Integrity • System/Data Availability • Data Security and Confidentiality • IT Support 			X
7. External Environment <ul style="list-style-type: none"> • Compliance with Regulations • Impact of Adverse Publicity 			X
8. Fraud <ul style="list-style-type: none"> • Opportunity for Fraud to Occur • Potential Operational Impact • Ability to Detect Fraud • Level of Training on Fraud Prevention and Elimination 			X

How many minutes did you spend filling out this questionnaire?

of Minutes
90

Thank you for completing this questionnaire.

Attachment 19

Not Applicable

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Attachment 20

Not Applicable

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Attachment 21

Council Annual Work Plan FY 2013

2013 Self Evaluation Report
Texas Workforce Investment Council

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Work Plan for Fiscal Year 2013
September 1, 2012 – August 31, 2013

Council Work Plan

Each September, the Council approves a work plan to guide the activities of the Council and staff for the upcoming fiscal year.

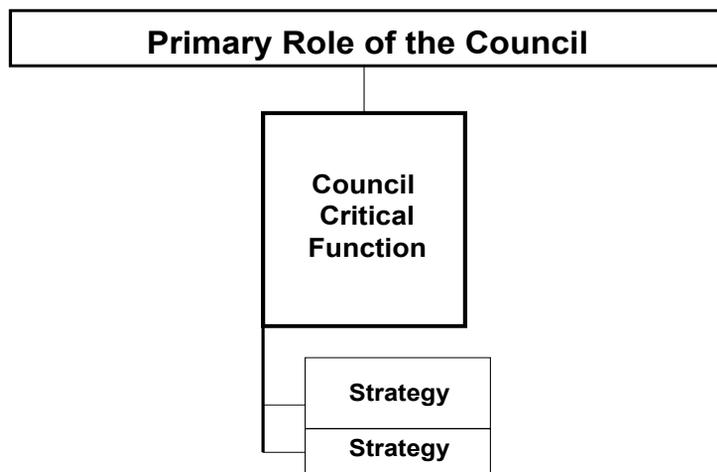
The work plan is based on the duties and responsibilities assigned to the Council by state and federal law. The Council’s responsibilities in federal law are contained in Title I of the Workforce Investment Act; the Council’s state statutes are codified in Chapter 2308 of Texas Government Code.

The work plan is structured according to the five **primary roles** of the Council in the Texas workforce system:

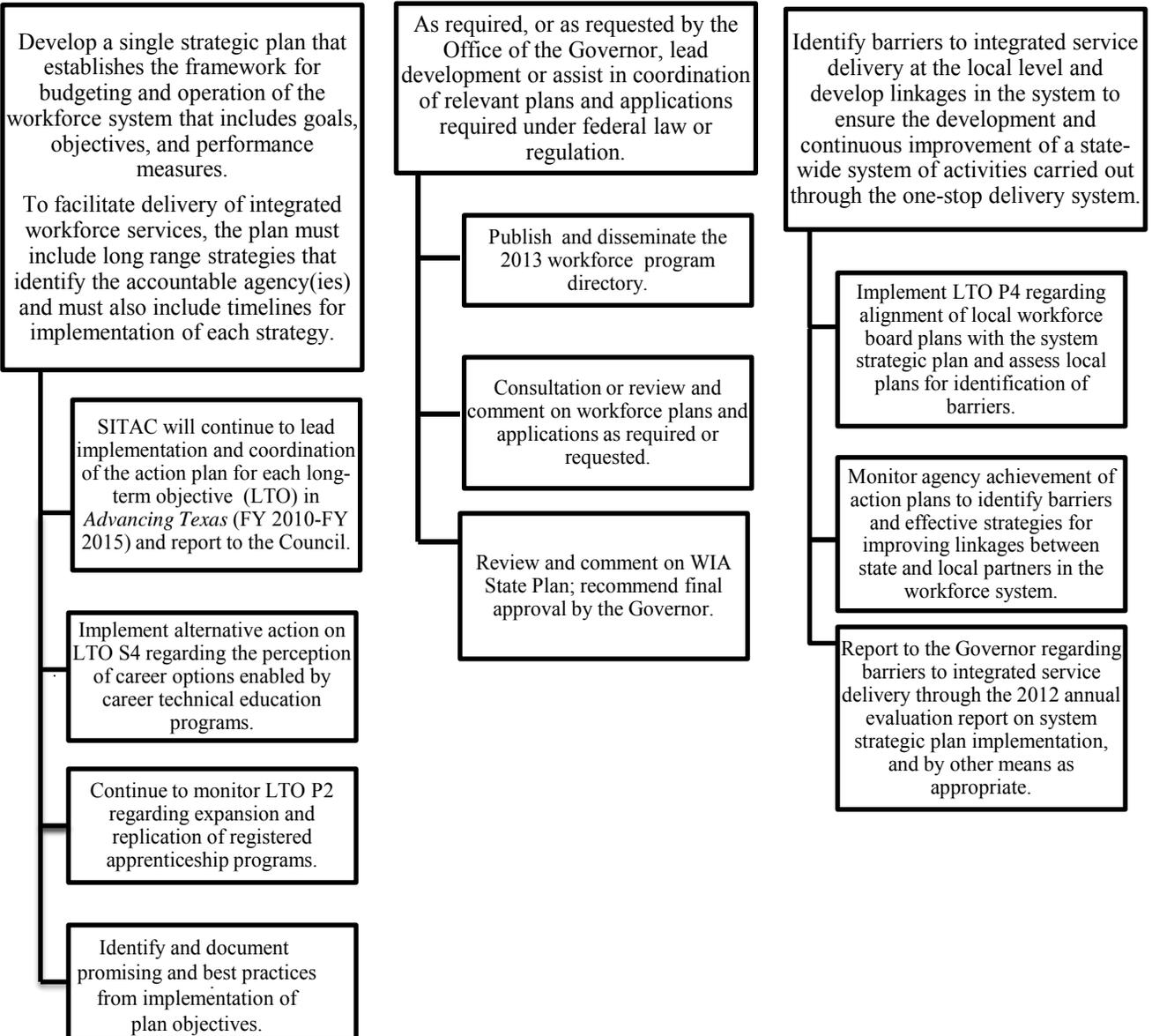
1. strategic planning and capacity building
2. evaluation and performance measurement
3. research and continuous improvement
4. review
5. internal administration

Each role is further organized by critical function and by strategy. A **critical function** is a summary of statutes that assign the Council a specific duty or responsibility. A **strategy** is the action that the Council will take during the fiscal year to fulfill that responsibility.

The layout of each page in the work plan is as follows:



System Strategic Planning and Capacity Building



System Evaluation and Performance Measurement

Develop, implement and continuously improve a comprehensive system of performance measures.

Evaluate the effectiveness of the workforce development system, including the degree to which the system is effective in achieving state and local goals and objectives.

Evaluate programs to identify any gaps or duplications in planning or service delivery, and any other problems that adversely affect the seamless delivery of services.

Provide annual evaluation reports to the Governor and the Legislature, including a report on the implementation of the Workforce System Strategic Plan and a report on the Status of Welfare to Work Initiative in Texas.

Include in the annual report on Strategic Plan implementation, problems identified by the Council, those to be addressed in the coming year, and the results of measures taken by the Council to address those problems.

Develop a system to monitor and evaluate employment-related outcomes of adult education and literacy programs. Evaluate programs to identify any lack of adequate client information sharing and any other problems that adversely affect the seamless delivery of those services.

Establish, with the approval of the Governor, a funding formula for the follow-up and evaluation system.

Monitor the implementation of workforce programs and services to identify gaps, duplication or delivery issues, and work with partner agencies to facilitate resolution.

Collect, analyze and report on system, strategy, critical and capacity-building measures in the annual workforce system evaluation report.

Publish the 2012 workforce system evaluation report that provides a summative evaluation of system performance under *Advancing Texas*.

Develop logic models, evaluation plans and instruments for adult education pilots.

Integrate the status of welfare to work programs into the Council's annual system evaluation report.

Publish research on emergent issues as relevant to assist system partners.

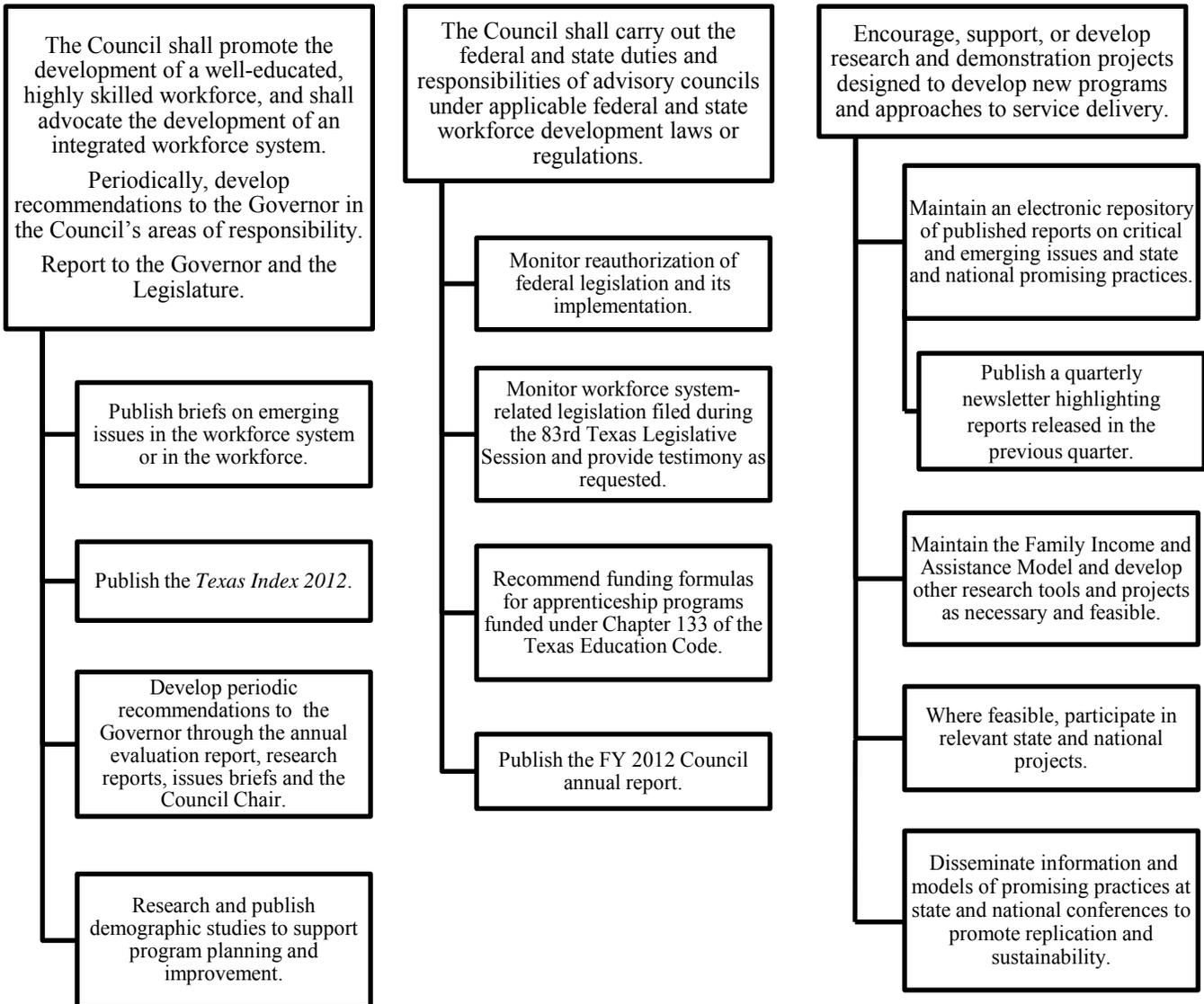
The System Integration Technical Advisory Committee will continue to monitor implementation of the Adult Education action plans for LTOs C3 and C4.

Employment-related outcomes for adult education are included in the Council's system measures and reported in the annual workforce system evaluation report.

Work with system partners to develop delivery models for adult education and literacy, including workforce skills integration and braided funding.

Apply funding formula for the follow-up and evaluation system.

System Research and Continuous Improvement



System Review

Review and comment on state plans required by applicable federal law in order for Texas to receive federal funds, and on certain reports required under WIA.

This review and comment shall include the review of state agency strategic plans for alignment with the Texas Workforce System Strategic Plan for Fiscal Years 2010-2015, as specified in state law.

Review and comment on the state WIA plan to the Secretary of Labor.

Develop a summary analysis of state agency partners' strategic plans, including alignment with *Advancing Texas* and significant challenges.

Integrate summary analysis of agency strategic plans in the 2012 system evaluation report.

Recommend to the Governor the designation or redesignation of workforce development areas for the local planning and delivery of workforce development.

Review and consider requests or proposals for redesignation, if any, and make a recommendation to the Governor.

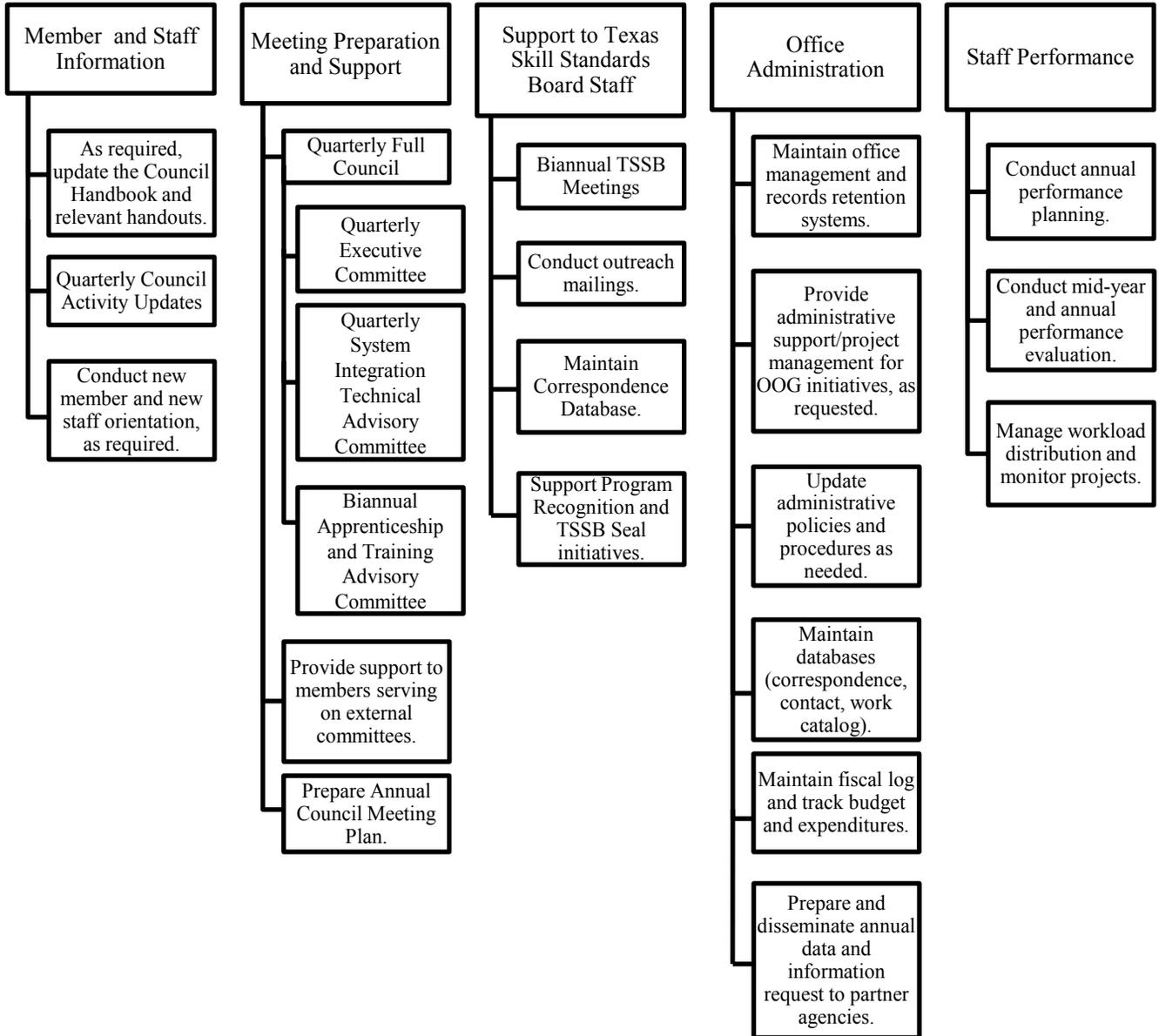
Review local plans to determine the degree to which local boards have developed broad goals and objectives consistent with state-wide strategic plan goals and objectives and performance measures, and to assist the Governor in continuous improvement of the one-stop system.

Review Local Workforce Development Board plans for recommendation to the Governor for approval.

Revise instrument to include in TWC guidelines to determining LWDB alignment and progress.

Prepare aggregate level analysis of local workforce development board alignment and progress to be included in the 2013 annual workforce system evaluation report.

Internal Administration



Following the 83rd legislative session, the Texas Workforce Investment Council will begin the process of review by the Texas Sunset Commission.

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Attachment 22

List of Council Publications, Studies, and Reports

2013 Self Evaluation Report
Texas Workforce Investment Council

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Attachment 22

List of Council Publications, Studies, and Reports

The Council publishes a range of annual, biannual and occasional reports, papers, evaluations and articles that examine workforce-related program areas, initiatives and outcomes. Included in these publications are reports required by state law that the Council prepares annually for submission to the Governor and the Legislature. The reports below are listed in alphabetical order. Prior year publications can be found in the Publication [Archive](#).

[**Advancing Texas: Strategic Plan for the Texas Workforce System \(FY2010-FY2015\)**](#) – Approved by Governor Perry on October 23, 2009, Advancing Texas was created using the systems approach to workforce planning first incorporated into the previous plan Destination 2010. The plan provides a systems perspective and increases the Council's ability to identify key areas to target activities that would improve and enhance system performance, reduce redundancy, and assist workforce partners in working more cohesively toward the overall mission of the Texas workforce system. (September 2009) [Summary](#)

[**American Competitiveness in the 21st Century and Key Texas Initiatives**](#) – This paper documents emerging and prevalent themes on the challenge of strengthening the education and skills of the workforce in order to sustain and strengthen American competitiveness. (June 2006)

[**Apprenticeship in Texas**](#) – First released in 2005, and updated biennially as of fiscal year 2010, the Council, through its Apprenticeship and Training Advisory Committee, produces the Apprenticeship in Texas brochure. The brochure's intent is to increase awareness by policymakers and apprenticeship stakeholders of the apprenticeship training program funded with general revenue funds under Chapter 133 of the Texas Education Code. (March 2012)

[**Apprenticeship Project Quarterly Update**](#) - Each quarter the Council receives an update from its apprenticeship project leadership team that summarizes pilot apprenticeship projects conducted under the workforce system strategic plan Advancing Texas. The purpose of the projects is to design, deploy, and implement pilot programs that demonstrate the flexibility of the earn-while-you-learn model of traditional apprenticeship programs. (June 2013) [Archive](#)

[**Career Awareness Model**](#) - This guide details a sequential model of information and activities to support student and parent understanding of educational and career options. This model was developed by a workgroup comprised of representatives from the Texas Education Agency, Region XIII Education Service Center, and the Texas Counseling Association. The workgroup used Council research that documented promising practices in Texas schools identified as having outstanding efforts in providing both students and parents with information about educational and career options. These state practices were then validated using national best practices. (June 2013)

[**Career Technical Education and Outcomes in Texas High Schools - A Monograph**](#) - The monograph was developed to support the Council's work on career technical education (CTE) in

Texas. It provides basic information about CTE, including relevant legislation and funding, a brief history of CTE, and the impact of CTE programs. Additionally, improved academic outcomes associated with CTE are highlighted using data for Texas high school students. (April 2013)

[Demographics and Trends of the Texas Welfare Population: Report 2005](#) – This report analyzes the population and caseload trends of Temporary Assistance for Needy Families (TANF) and the State Program, the cash grant program for two-parent families. (March 2006)

[Destination 2010: FY2004–FY2009 Strategic Plan for the Texas Workforce Development System](#) – Published in September 2003, when the Council recommended and the Governor approved the third system strategic plan. During development, the Council focused on the system as a whole and on the opportunities and challenges faced by system partners and stakeholders in preparing a skilled workforce for Texas in the 21st century. (November 2003)
[Archive](#)

[Employer Services Briefing Paper](#) – In association with the Council's System Integration Technical Advisory Committee, several partner agencies have worked since 2007 to increase their efforts to become more familiar with employers' awareness and perception of existing services to more effectively meet employer needs. The Employer Services briefing paper provides information on employer-based workforce activities provided by partner agencies and the local workforce boards. (February 2011)

[Employer Surveys](#) – First undertaken in 2002 and last conducted in 2008, the Council periodically surveys Texas employers regarding their interaction with workforce programs and services. The survey focused on gathering information about how Texas businesses use system services; how satisfied they are with the services offered by the system; and how important employers feel those services are to their individual efforts to obtain and maintain a qualified staff. **[Request Information](#)**

[Evaluation 2012](#) – First published in 2004, Evaluation 2012 is the most recent annual evaluation report for Texas' workforce system and the system strategic plan, Advancing Texas – documenting accomplishment by system partners during the third year of the plan's implementation. Through the delivery of multiple workforce education and training programs, state and local system partners served almost 5.1 million individuals in the last reporting year. Over 488,000 completed a degree, certificate or other measure of educational achievement, while more than 1.2 million individuals entered employment and over one million retained jobs. (December 2012) **[Summary](#)** **[Archive](#)**

[Federal Legislative Update](#) – Informs readers about emerging federal legislation and policy as these areas relate to the Texas workforce system. Emphasis will be on Workforce Investment Act reauthorization and federal appropriations as they affect workforce programs. (July 2013)
[Archive](#)

[Issues in Welfare to Work](#) – Provides information to legislators, policymakers, and other interested parties on the impact to Texas of the federal TANF program. This report analyzes

changes in the TANF reauthorization legislation and outlines the possible affects upon Texas' TANF and Choices programs. The report includes options and makes recommendations for action by the Texas Legislature or by the administering state agencies. (December 2006)

[Mature Workers in Texas: A Demographic Study](#) – This report provides information about mature labor force participants in Texas, specifically those 55 years and older. The research can be utilized as a primer to understand the significant issues related to mature labor force participants and as a reference for data about this specific segment of the population. (September 2012) **[Summary](#)**

[People with Disabilities: A Texas Profile](#) - This study details the demographic characteristics of the population of individuals with disabilities for both the U.S. and Texas. Individuals with disabilities experience numerous challenges associated with participation in the labor force. The unemployment rate for individuals with disabilities is higher than for individuals without disabilities. Individuals with disabilities strengthen the Texas labor market and are a valuable resource for Texas employers. (April 2013) **[Summary](#)**

[Policy News Highlights](#) – Is a quarterly review of selected reports relevant to the policy and research functions of the Texas Workforce Investment Council. Through abbreviated summaries of recent publications, the newsletter provides a quick overview of current topics, trends and issues affecting the workforce and the workforce system. (June 2013) **[Archive](#)**

[Potential Regional Economic Boundaries in Texas: An Analysis in Light of Current Patterns and Linkages in Business Activity](#) – Report prepared for the Council by The Perryman Group. The purpose of this report is to provide an updated analysis of the State and its economic regions to inform the discussions of state and local leaders as they seek to position Texas' regions to compete successfully in a global economy. (December 2007) **[Summary](#)**

Profiles in Success is a series of reports on various education, training and workforce programs and in particular, the participants in these programs. By spotlighting individual success stories, Profiles provides insight into the way the Texas workforce system positively impacts people's lives.

- **[Apprenticeship Temple College with the Texas Bioscience Institute and Scott & White Hospital](#)** (July 2009)
- **[Tech-Connect at Texas State Technical College in Waco](#)** (September 2009)
- **[Alamo Area Academies in San Antonio](#)** (November 2009)
- **[Texas Department of Assistive and Rehabilitative Services](#)** (February 2010)
- **[Workforce Investment Act Summer Youth Programs 2009](#)** (April 2010)
- **[Workforce Investment Act Dislocated Worker Programs](#)** (July 2010)
- **[Perkins-Funded Workforce Education at the Community College Level](#)** (September 2010)
- **[Veterans Employment Services, Texas Veterans Commission](#)** (November 2010)
- **[Senior Community Service Employment Program](#)** (February 2011)
- **[Temporary Assistance for Needy Families through Choices](#)** (April 2011)
- **[Adult Education](#)** (July 2011)

[**SITAC Quarterly Report**](#) The Council's System Integration Technical Advisory Committee (SITAC) oversees implementation of the workforce system strategic plan. This quarterly report details recent activities by system partners. (June 2013) [**Archive**](#)

[**Texas Index**](#) – First released in 2005 and produced annually, the Index provides trend data for a series of indicators across four domains or categories: Training and Education; Research and Development; Market Composition and Characteristics; and Participant Access and Contribution. The Index contains four critical, interrelated elements: intellectual capital; human capital; financial capital; and an enhanced standard of living for Texas' citizens. The publication tracks Texas' longitudinal performance against other states and nations. (September 2012)

[**Summary**](#)

[**Texas Workforce Investment Council Annual Report**](#) – First released in 2006, the Council's annual report summarizes the activities and products of the Council during the previous fiscal year. During fiscal year 2010, the Council's annual report format was modified to include recommendations regarding Texas' workforce system, the purpose of which was to highlight the most critical priorities within the workforce system strategic plan. (December 2012) [**Archive**](#)

[**Texas Workforce System Program Directory**](#) – Provides basic information about the workforce education and training programs that the Texas workforce system comprises. These programs, administered by eight state agencies, prepare Texas' current and future workers for success in today's global economy. (June 2013)

[**The Demand for Middle-Skills Jobs in the United States and in Texas**](#) – This report examines the importance of middle-skills occupations in the context of current workforce challenges, both in the United States and in Texas. Middle-skills jobs require people to have education or training beyond high school, but less than a four-year baccalaureate degree. These occupations include technicians and operators along with skilled craft and trade workers. (June 2008)

[**Update to Advancing Texas**](#) – Approved by Governor Perry on May 24, 2012, includes current versions of all action plans and associated agency-specific project plans. (March 2012)

[**Veterans in Texas: A Demographic Study**](#) - This study provides a demographic overview of veterans for both the U.S. and Texas. A demographic description of the U.S. veteran population is first presented to provide context for the analysis of Texas veterans. The Texas veteran population is then detailed with a focus on disabilities and the characteristics of veteran labor force participants. The veteran population is a valuable resource for Texas employers and the Texas economy. (December 2012) [**Summary**](#)

[**Welfare to Work**](#) – First released in 2000, Welfare to Work Initiatives in Texas was created to satisfy the mandate that requires the Council to provide an annual report to the Governor and the Legislature that analyzes work development programs that focus on welfare to work initiatives. In the first several releases, this was a stand-alone report that provided an overview and update on the programs and initiatives that serve adult recipients of TANF cash assistance. Information on each program included purpose, population served, types of services, and the numbers

served. In 2010, information and data from the Welfare to Work Initiatives in Texas report was consolidated into the annual release of the Evaluation Report. (December 2009) [Archive](#)

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Attachment 23

Texas Skill Standards Board

2013 Self Evaluation Report
Texas Workforce Investment Council

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Texas Skill Standards Board Statute

Texas Government Code

SUBCHAPTER H. SKILL STANDARDS BOARD

Sec. 2308.401. TEXAS SKILL STANDARDS BOARD.

(a) The Texas Skill Standards Board is an advisory board to the governor and the legislature on the development of a statewide system of industry-defined and industry-recognized skill standards and credentials for all major skilled occupations that:

- (1) provide strong employment and earnings opportunities in this state; and
- (2) require less than a baccalaureate degree.

(b) The skill standards board is composed of 11 members appointed by and serving at the pleasure of the governor. The skill standards board consists of the following members:

- (1) seven members who represent business, two of whom must be from business entities that employ fewer than 50 employees;
- (2) two members who represent labor;
- (3) one member who represents secondary education; and
- (4) one member who represents postsecondary education.

(c) The governor shall appoint the presiding officer of the skill standards board from the members who represent business. The skill standards board shall meet at the call of the presiding officer as often as necessary to accomplish its duties.

(d) A member of the skill standards board is not entitled to compensation for service on the board but is entitled to reimbursement for reasonable expenses incurred in performing duties as a member of the board, subject to any applicable limitation in the General Appropriations Act.

(e) Chapter 2110 does not apply to the skill standards board.

Added by Acts 1997, 75th Leg., ch. 165, Sec. 19.19(a), eff. Sept. 1, 1997.

Sec. 2308.402. DUTIES OF SKILL STANDARDS BOARD.

(a) The skill standards board shall:

- (1) validate and recognize nationally established skill standards to guide curriculum development, training, assessment, and certification of workforce skills;
- (2) convene industry groups to develop skill standards and certification procedures for industries and occupations in which standards have not been established or adopted and recognize the skill standards and certification procedures;
- (3) review the standards developed by other states and foreign countries and enter into agreements for mutual recognition of standards and credentials to enhance portability of skills; and
- (4) promote the use of standards and credentials among employers.

(b) The skill standards board shall:

(1) report periodically to the governor; and

(2) provide annual reports to the governor, the division, and the legislature.

Added by Acts 1997, 75th Leg., ch. 165, Sec. 19.19(a), eff. Sept. 1, 1997. Amended by Acts 1999, 76th Leg., ch. 1472, Sec. 14, eff. Sept. 1, 1999.

Sec. 2308.403. STAFF SUPPORT. The council shall provide staff support for the Texas Skill Standards Board as necessary.

Added by Acts 1997, 75th Leg., ch. 165, Sec. 19.19(a), eff. Sept. 1, 1997.

Texas Skill Standards Board Summary Information

The Texas Skill Standards Board (TSSB) was created in 1995 by the 74th Legislature as an advisory board to the Governor and the Legislature. The TSSB is composed of 11 members appointed by and serving at the pleasure of the governor. The board consists of seven members representing business, two of whom must be from business entities that employ fewer than 50 employees; two members representing labor; one secondary education representative; and one post-secondary education representative. Found in Texas Government Code Section 2308.401, the mission of the TSSB reflects its legislative purpose as stated in its authorizing legislation House Bill 1863:

The mission of the TSSB is to advise the Governor and the Legislature on the development of a statewide skill standards system for all major skilled occupations that require less than a baccalaureate degree and provide strong employment and earnings opportunities in Texas. The TSSB will establish a framework of industry-defined and industry-recognized skill standards and credentials.

The two principles guiding the Board's work reflect the members' commitment to a voluntary system that is driven by industry and developed in partnership with local communities.

- The skill standards must be voluntary and relevant to employers, educators, and employees.
- The development process will be business-led in full partnership with community and other stakeholders.

The Board's goals correspond directly with its four legislative mandates, as amended by the 76th Legislature in House Bill 3431:

- 1) Validate and recognize nationally-established skill standards to guide curriculum development, training, assessment, and certification of workforce skills.
- 2) Convene industry groups to develop skill standards and certification procedures for industries and occupations in which standards have not been established or adopted and recognize the skill standards and certification procedures.
- 3) Review standards developed by other states and nations and enter into agreements for mutual recognition of standards and credentials to enhance portability of skills.
- 4) Promote the use of standards and credentials among employers.

Skill standards are performance specifications that identify the knowledge and competencies an individual needs to succeed in the workplace. Standards are defined by occupational areas and validated by representatives from the occupation. Standards include the functions, activities and performance criteria for an occupational area.

As performance specifications skill standards are the critical communication tool between Texas industry and Texas education and training providers as to the requirements of preparing students for the world of work. These standards should be the basis of all curricula and program development as well as assessment tools and methodologies. The translation of recognized skill standards into skill-based training and education programs is the point at which providers of training and education programs develop curriculum based on the recognized skill standards. Through collaboration between industry and providers, skill standards can significantly and positively impact both entry-level and incumbent worker skill acquisition through informing curricula so that it is relevant and reflects the needs of industry. This

crucial usage link is the primary implementation mechanism in the development and maintenance of a system of skill standards which supports the economic competitiveness of Texas.

Skill standards provide a base for productivity improvements through enhanced entry-level and incumbent worker skills. Standards that support true strategic capabilities at the industry and enterprise levels are future oriented. These skill standards capture not only current critical work functions and activity skills, but also those work and worker characteristics that will enable enterprises to build competitive capabilities and strategic market placement through work practices that characterize high performance workplaces.

Skill standards benefit employers by:

- Focusing the investment in training and reducing training costs.
- Boosting quality and productivity and creating a more flexible workforce.
- Enlarging the pool of skilled workers.

Skill standards benefit workers, job seekers and communities by:

- Helping workers make better decisions about the training they need to advance their careers.
- Allowing workers to effectively communicate to employers what they know and can do.
- Improving long-term employability by helping workers move more easily among work roles and occupations.
- Providing information that can assist in informing career choices among job seekers.
- Ensuring that education and training is relevant to industry needs, thereby enhancing employment prospects for job seekers.

SUMMARY INFORMATION

Legislation enacted 74th Legislature in 1995 - HB 1863

Legislation amended 76th Legislature in 1999 – HB 3431

Staff staffed by Texas Workforce Investment Council

1996 –1998	One (1)	- 1 planner
1999 – 2012	Two (2)	- 1 administrator and 1 planner
2012 – 2013	One (1)+	- 1 administrator; parts of other positions

Fiscal agent Office of the Governor¹

Skill Standards as of August 1, 2013

Recognized 42

¹ HB1863 (74th Legislature) charged the Texas Workforce Investment Council will staffing the Texas Skill Standards Board. In Texas Government Code 2308, the Council is administratively attached to the Office of the Governor. Budget has been provided for the specified periods through Memorandum of Understanding with the Texas Workforce Commission.

COMMUNITY AND TECHNICAL COLLEGE PROGRAMS

Program recognized as of August 1, 2013

Recognized	-	51 at 27 colleges
Applying/In Process	-	5 at 3 colleges

“TSSB-Recognized” Credential Seals

- 27 colleges with 50 programs now participating in this option
- Seals affixed to credentials in fiscal year 2012 (latest date available): 591 seals affixed to graduate’s credentials from 39 programs at 25 colleges

Employer Involvement to Date

- 7 statewide employer roundtables with 204 participants to determine need and appropriate design for a skill standards system in Texas.
- Members of Industry Technical Advisory Committees for the development of recognized skill standards.
- In-kind contributions of employees’ time to serve as subject-matter experts in the analysis of the work.
- Community and technical college industry advisory committees of recognized programs.
- Key Partnerships:
 - North American Process Technology Alliance
 - Center for the Advancement of Process Technology
 - Marine Advanced Technology Education Center
 - Maricopa Advanced Technology Education Center
 - Manufacturing Skill Standards Council
 - National Institute for Metalworking Skills
 - National Center for Optics and Photonics Education

Members of the Texas Skill Standards Board

Representing Business

Chair

Wayne Oswald
Executive Director
Houston Business Roundtable
Houston, Texas

Bruce Aumack
Retired Western Region Manager
Center for Learning
IBM Corporation
Austin, Texas

Carlos Chacón
Integrated Account Manager
MCS Fire & Security
Houston, Texas

Joseph Croci
Vice President of Labor Relations
AT&T
Austin, Texas

Andy Ellard
General Manager
Manda Machine Company, Inc.
Dallas, Texas

Terri Flow
Government Relations Manager
BancVue
Austin, Texas

Erma Palmer
Owner
Autos R Us Collision Center
Houston, Texas

Representing Labor

Iria Ganious, Jr.
Business Agent
Teamsters Local #745
Dallas, Texas

Ford Keating
Retired Delta Airlines Pilot
Austin, Texas

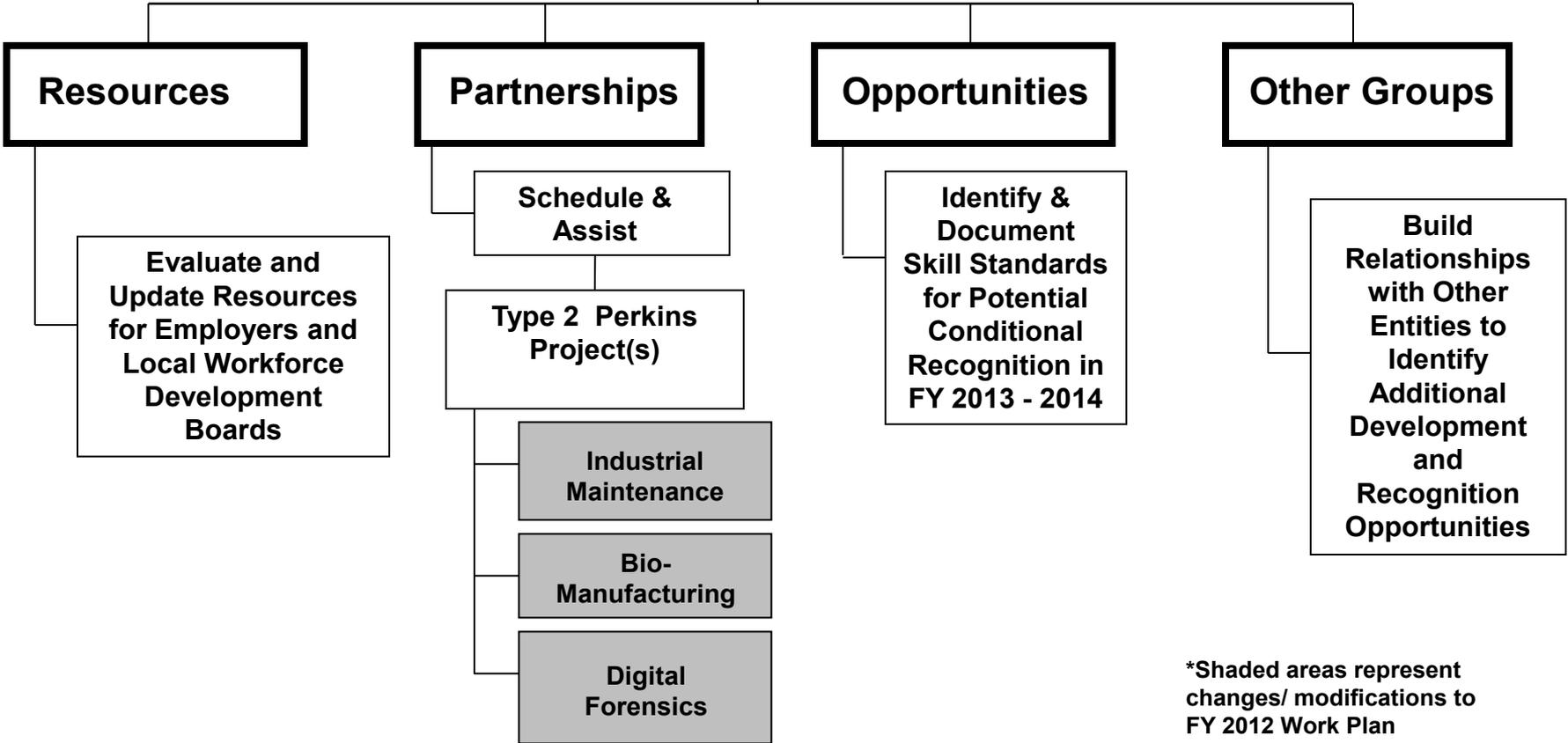
Representing Secondary Education

Edward Foster, Jr., Ph.D.
Retired Director
Career and Technical Education
Mansfield Independent School District
Mansfield, Texas

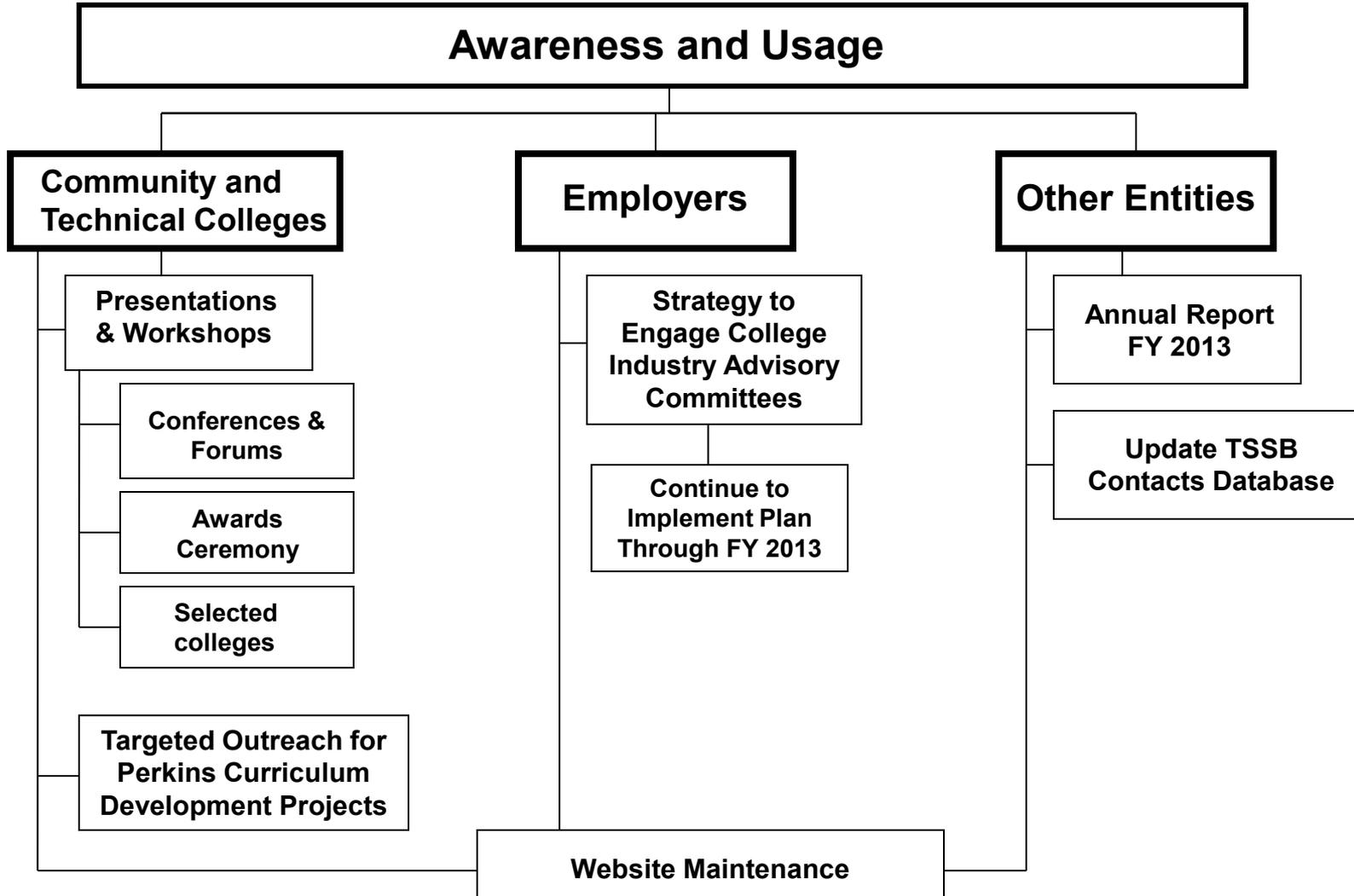
Representing Post Secondary Education

Linda Stegall, Ed.D.
Retired President
Kingwood College
Houston, Texas

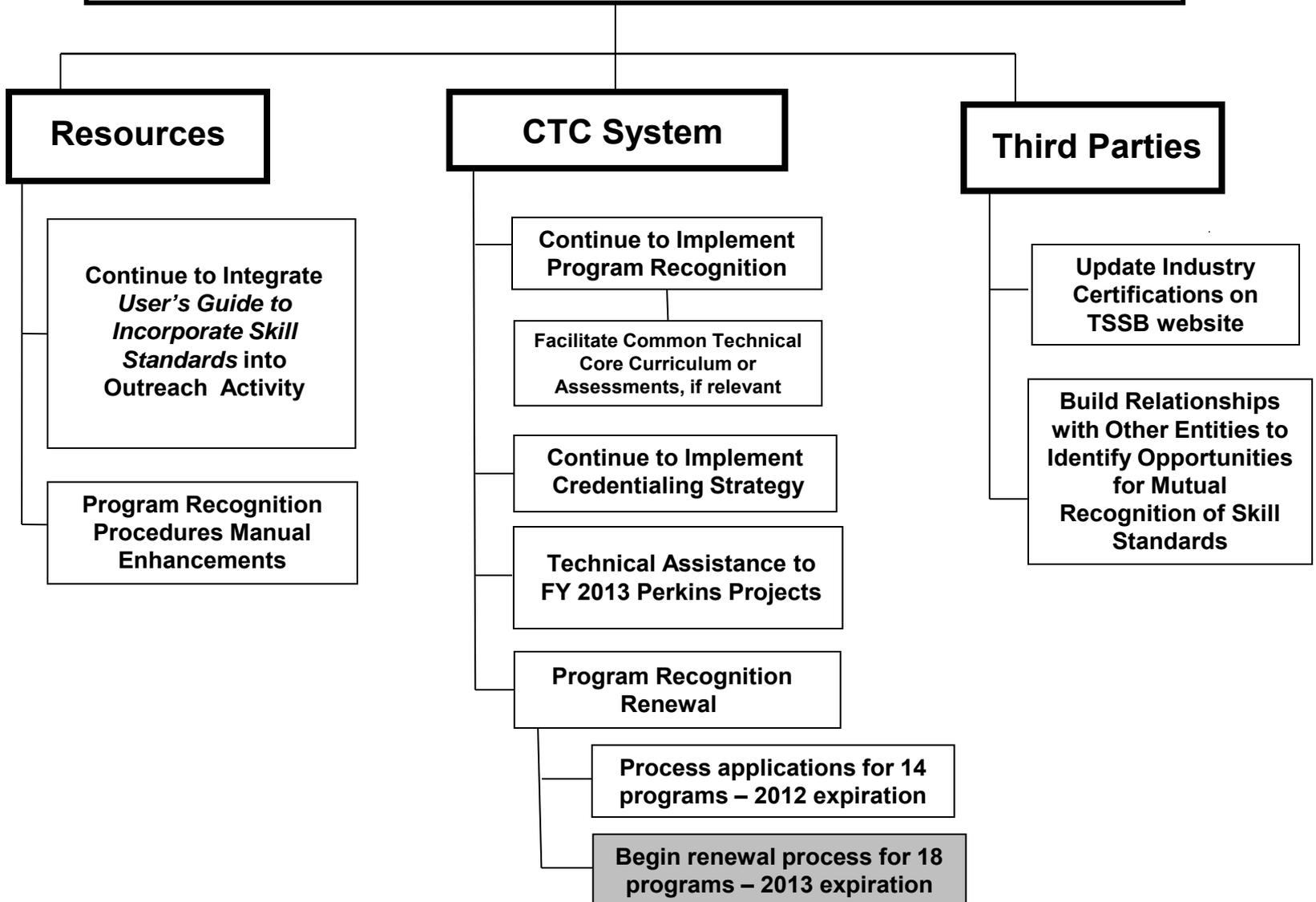
Skill Standards Development



*Shaded areas represent changes/ modifications to FY 2012 Work Plan



Skill Attainment: Certification and Credentialing



TSSB Origin and Mission

What is the TSSB?

The TSSB was established by the Texas Legislature in 1995 as an 11-member advisory board to the Governor and the Legislature. The members, who are appointed by the Governor, consist of:

- 7 business and industry representatives
- 2 labor representatives
- 1 secondary education representative
- 1 postsecondary education representative

What is the TSSB's mission?

The TSSB is charged with the development of a statewide system of industry-defined and industry-recognized skill standards for all major skilled, sub-baccalaureate occupations with strong employment and earnings opportunities.

What are the TSSB's major functions?

Skill Standards Development and Recognition

- Convenes industry groups to develop new skill standards and validates existing, nationally-established industry standards.
- Recognizes skill standards based on TSSB-established validity and reliability criteria.

Skill Standards Awareness and Usage

- Promotes the use of standards and credentials.
- Assists education and training providers to use skill standards in their workforce programs.

Skill Attainment: Certification and Credentialing

- Facilitates the portability of skills by recognizing standards and credentials from other states and nations.

Texas Skill Standards Board
P.O. Box 2241
Austin, Texas 78768

A Message from the Chair

Fiscal year (FY) 2012 has been another year of hard work, reflecting the Texas Skill Standards Board's (TSSB) mission to build a strong and skilled workforce to support Texas employers. I am pleased to present this report of our many successes in FY 2012.

In this report you will read about newly developed skill standards, as well as skill standards whose TSSB recognitions have been extended based on ongoing relevance for industry and educators. TSSB program recognition was granted to six new community college programs and renewed by five others. The TSSB's promotion of the use of common technical core curriculum among colleges that teach the same skill standards-based workforce education programs continued in FY 2012. The use of the TSSB credential seal increased from 20 colleges and 37 programs in FY 2011 to 26 colleges and 47 programs in FY 2012.

The TSSB's effort to facilitate the development of common assessment tools to certify workforce skills attained by graduates of TSSB-recognized biotechnology Associate of Applied Science (AAS) programs across the state is also described in this report. With the cooperation of five of the TSSB-recognized biotechnology AAS programs, this effort was completed successfully.

The TSSB is fortunate to collaborate with statewide educator groups such as those involved in the biotechnology project, state agencies such as the Texas Higher Education Coordinating Board, national educator groups, and national industry groups such as the Manufacturing Skill Standards Council and the National Institute for Metalworking Skills (NIMS). All of these groups are critical to the TSSB's continued success in the pursuit of its mandates. Thus, it is with sadness that we note the recent passing of Steve Mandes, NIMS' executive director, and gratefully acknowledge the support and guidance that he and his organization have provided to the TSSB for many years.

Respectfully Submitted,

Wayne Oswald



TEXAS SKILL STANDARDS BOARD

**ANNUAL REPORT
SEPTEMBER 2011-AUGUST 2012**

Skill Standards Development and Recognition

Biomedical Equipment Technician Skill Standards

Federal Perkins State Leadership discretionary grant funding provided by the Texas Higher Education Coordinating Board in FY 2012 made the development and TSSB recognition of new occupational skill standards possible. With the help of a statewide panel of industry subject matter experts convened by Texas State Technical College Marshall, the Biomedical Equipment Technician skill standards were developed as a vehicle to help guide curriculum development for this growing occupational area. The skill standards describe the work functions, activities, and skills expected of biomedical equipment technicians.

Recognition of National Skill Standards

The TSSB recognized the Oceanographic Instrumentation Technician skill standards, developed by a national panel of marine industry subject matter experts in an effort coordinated by the Marine Advanced Technology Education Center. These standards describe the work functions, activities, and skills associated with the oceanographic instrumentation technician occupation. They were submitted for TSSB recognition consideration by two Houston area employers of oceanographic technicians.

TSSB policy ensures that recognized skill standards are current and relevant by requiring that they be reviewed by industry experts, and updated if necessary. Recently the Manufacturing Skill Standards Council (MSSC), a long-time partner of the TSSB, conducted a major review and update of its suite of national skill standards for manufacturing production. The TSSB recognized the MSSC's Manufacturing Logistics skill standards, which are the basis for the MSSC's Certified Logistics Technician assessment and credentialing. In addition, the TSSB extended its recognition of the following skill standards based on their ongoing relevance and use by industry and educators: Geographic Information Systems Technician, Homeland Security Support Specialist, Customer Service and Sales, and Metalworking.

Skill Standards Awareness and Usage

Program Recognition Awards

The TSSB continued to implement strategies to increase the numbers of community and technical college programs that incorporate skill standards into curriculum. For the fourth year, the TSSB participated in an awards ceremony at the Texas Community College Instructional Leaders conference to honor seven colleges that achieved TSSB recognition for ten programs in FY 2011.

Program Recognition Renewal

TSSB policy requires that TSSB-recognized community and technical college programs seek formal renewal of their TSSB program recognition every three years. The focus of the renewal process is to ensure that assessments evaluate student mastery of all competencies in the skill standards on which the program is based. The following colleges met all of the requirements for renewal of their TSSB program recognition for another three years:

College	Program
Brazosport College	Chemical Technology: Process Operations Associate of Applied Science (AAS)
Lone Star College - CyFair	Visual Communication-Graphic Design AAS
Lone Star College - Kingwood	Visual Communication-Graphic Design AAS
Lone Star College - Montgomery	Biotechnology AAS
Lone Star College - North Harris	Visual Communication-Graphic Design AAS

Information Dissemination

The TSSB actively communicates with its partners and interested parties in an effort to encourage mutual recognition of standards and credentials to enhance portability of skills. In addition to maintaining an information-rich website at www.tssb.org, the TSSB sends regular notifications to state agencies, local workforce development boards, community and technical colleges, and national skill standards-related groups to announce newly recognized skill standards and TSSB-recognized programs.

Skill Attainment: Certification & Credentialing

Newly Recognized Programs

Promotion of the use of skill standards to guide curriculum development in community and technical colleges continued this past year. To date, 54 workforce education programs at 28 colleges have incorporated skill standards into their curricula and earned TSSB recognition. The following colleges took advantage of FY2012 Perkins leadership funds:

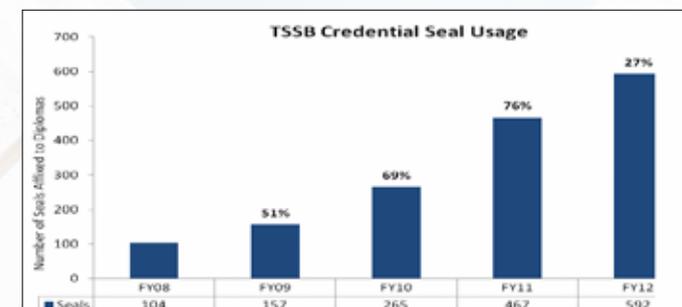
College	Program
Brookhaven College	Computer Information Technology - Web Production and Design AAS
El Centro College	Biological Technician AAS
Texas State Technical College Harlingen	Machining Technology-Mold, Tool and Die Making AAS
Texas State Technical College Marshall	Biomedical Equipment Technology AAS Electric Utility Construction and Maintenance AAS Process Operations Technology AAS

Common Technical Core Curriculum

The TSSB seeks to ensure consistent learning outcomes by promoting the use of common technical core courses among recognized programs in given occupational areas. Ten colleges now offer the common process technology core curriculum, and biotechnology programs at six colleges are based on a common technical core curriculum.

Increased Credential Seal Participation

The TSSB credential seal is an indication to employers that a student has graduated from a program that teaches to industry-defined skills and knowledge.



Challenges for the Future

Common Assessments

One of FY 2012's major achievements was made possible through Perkins State Leadership discretionary grant funding to encourage the development of skill standards and promote the use of skill standards-based curriculum. This grant facilitated the establishment of student assessments and a comprehensive faculty handbook based on the common technical core curriculum adopted and taught by the six TSSB-recognized biotechnology Associate of Applied Science (AAS) programs.

The outcome of this collaborative effort is a model that will benefit students, faculty, and Texas employers. By ensuring that students are work ready, employers will know that any student hired from a participating college in the state has been trained and assessed in the skills and knowledge defined by industry as critical to job success. Biotechnology AAS programs at community and technical colleges around the state can take advantage of these tools—the common technical core curriculum, the assessments, and the instructor handbook.

The common assessments model can and should be replicated across other occupational areas that also have common technical core curriculum, such as Process Technology, Geographic Information Systems Technology, and Wind Turbine Technology. This would address two needs articulated by industry. Colleges must teach a core of essential technical competencies to prepare students for the workplace and similar programs at different colleges should impart similar outcomes for students.

Employer Engagement

Employers continue to be central to the TSSB's mission to provide a skilled and educated workforce. Employers can participate by initiating skill standards development projects for in-demand occupations, participating in reviews of existing skill standards to ensure ongoing accuracy, and recruiting from TSSB-recognized community and technical college programs.

TSSB Origin and Mission

What is the TSSB?

The TSSB was established by the Texas Legislature in 1995 as an 11-member advisory board to the Governor and the Legislature. The members, who are appointed by the Governor, consist of:

- 7 business and industry representatives
- 2 labor representatives
- 1 secondary education representative
- 1 postsecondary education representative

What is the TSSB's mission?

The TSSB is charged with the development of a statewide system of industry-defined and industry-recognized skill standards for all major skilled, sub-baccalaureate occupations with strong employment and earnings opportunities.

What are the TSSB's major functions?

Skill Standards Development and Recognition

- Convenes industry groups to develop new skill standards and validates existing, nationally-established industry standards.
- Recognizes skill standards based on TSSB-established validity and reliability criteria.

Skill Standards Awareness and Usage

- Promotes the use of standards and credentials.
- Assists education and training providers to use skill standards in their workforce programs.

Skill Attainment: Certification and Credentialing

- Facilitates the portability of skills by recognizing standards and credentials from other states and nations.

Texas Skill Standards Board
P.O. Box 2241
Austin, Texas 78768

A Message from the Chair

On behalf of the Texas Skill Standards Board (TSSB) I am pleased to present this report of our progress during fiscal year (FY) 2011. Over the course of the year our partnerships with community and technical college entities such as the Texas Higher Education Coordinating Board, Del Mar College, and the Texas Community College Instructional Leaders (TCCIL) have been lucrative. Perkins funding for skill standards-based curriculum projects has provided monetary incentive to new colleges to become involved. And, participating as an awards presenter at the annual TCCIL conference increased TSSB visibility to a wide audience of potential new community college partners. It all resulted in the development of a new set of TSSB-recognized skill standards, ten newly recognized workforce education programs, and recognition of the efforts by faculty from seven different colleges.

I am gratified and pleased to see colleges renew program recognition because it is a confirmation that colleges are testing students' mastery of skill standards competencies. It is what makes program recognition – indeed, the whole system – meaningful to employers. I am glad to see TSSB outreach leading to more geographic diversity in recognized programs throughout the state including rural areas. This year we expanded recognized programs to the northernmost, easternmost and southernmost colleges in the state. Clarendon College, Lamar State College-Orange, and the University of Texas at Brownsville and Texas Southmost College, respectively, all became involved in our mission to continue to build a strong and skilled workforce to support Texas employers.

This is a report of the TSSB's accomplishments over the past year. Included are achievements by Texas colleges which deserve credit and recognition. Texas colleges are the engines of this state's economy as they strive to meet employers' need for a skilled workforce.

Respectfully Submitted,

Wayne Oswald

Skill Standards Development and Recognition

Medical Office Manager Skill Standards

The Texas Higher Education Coordinating Board (THECB) again provided federal Perkins State Leadership discretionary grant funding to two-year colleges to facilitate the development of occupational skill standards as the vehicle to guide curriculum development. The University of Texas at Brownsville and Texas Southmost College leveraged Perkins leadership funds, industry expertise, and TSSB technical assistance to develop occupational skill standards for Medical Office Managers. These skill standards describe the work functions, activities, and skills expected of medical office managers in a small medical practice environment.

Recognition of Two National Skill Standards

The TSSB recognized the Lineman Skill Standards, developed in a collaborative effort between Washington State's Walla Walla Community College and industry experts, and endorsed by the Pacific Northwest Center of Excellence for Clean Energy. These standards describe the work functions, activities, and skills associated with the utility lineman occupation. They were submitted by Texas State Technical College Marshall's lineman program industry advisory committee for TSSB recognition consideration.

TSSB policy ensures that recognized skill standards are current and relevant by requiring that they be reviewed by industry experts at least every five years, and updated if necessary. In FY 2011 the Manufacturing Skill Standards Council (MSSC), a long-time partner of the TSSB, conducted a major review and update of its suite of national skill standards for the manufacturing production occupational area. The TSSB recognized the MSSC's Certified Production Technician (CPT) Skill Standards, which are the basis for the MSSC's CPT assessment and credentialing process. The CPT skill standards include four critical work functions: Safety; Quality Practices and Measurement; Manufacturing Processes and Production; and Maintenance Awareness.

Skill Standards Awareness and Usage

Program Recognition Awards

The TSSB continued to implement strategies to increase the numbers of community and technical college programs that incorporate skill standards into curriculum. For the third year in a row, the TSSB facilitated and participated in an awards ceremony at the Texas Community College Instructional Leaders conference to honor seven colleges that achieved TSSB recognition for 12 programs in FY 2010.

Program Recognition Renewal

TSSB policy requires that TSSB-recognized community and technical college programs seek formal renewal of their TSSB recognition every three years. TSSB program recognition is valid for three years, at which time it may be renewed. The point of renewal is to ensure that assessments evaluate student mastery of all competencies in the skill standards. The following colleges met all of the requirements for renewal of their TSSB program recognition for another three years:

College	Program
Austin Community College	Biotechnology Associate of Applied Science (AAS) Degree
College of the Mainland	Petrochemical Process Technology AAS Degree
Del Mar College	Geographic Information Systems AAS Degree and Level 2 Certificate
Lamar Institute of Technology	Homeland Security AAS Degree
San Jacinto College, Central Campus	Process Technology AAS Degree
Texas State Technical College, Waco	Telecommunications Technology AAS Degree

TSSB Website Redesign

The TSSB has long maintained an information-rich website that is an important source of information regarding skill standards in general, and the Texas Skill Standards Board in particular. The website was redesigned to include graphics, navigation changes, and compliance with disability accessibility requirements. All of the content was preserved. Please visit the website at www.tssb.org.

Skill Attainment: Certification & Credentialing

Newly Recognized Programs

Achievements in the past year include continued promotion of the use of skill standards to guide curriculum development in community and technical colleges. To date, 49 workforce education programs at 27 colleges have incorporated skill standards into their curriculum and earned TSSB recognition. The following colleges took advantage of Perkins leadership funds in FY 2011 to earn this recognition:

College	Program
Clarendon	Wind Energy Associate of Applied Science (AAS) Degree Wind Technician Level 2 Certificate
Houston Community Northeast Campus	Instrumentation and Controls Engineering Technology AAS Degree Biotechnology AAS Degree
Kilgore	Process Technology – Petroleum Specialty AAS Degree
Lamar State-Orange	Process Operating Technology AAS Degree
Northwest Vista	Game Production AAS Degree 3D Animation AAS Degree
The University of Texas at Brownsville and Texas Southmost	Medical Office Management AAS Degree
Victoria	Process Technology AAS Degree

Common Technical Core Curriculum

Two more colleges with process technology (P-Tech) programs adopted a common technical core of courses. A total of nine colleges now offer the common P-Tech core curriculum. In addition, two more wind technology programs now offer common technical core curriculum.

Increased Credential Seal Participation

Participation in the TSSB credential seal option continued to increase. Of the 49 TSSB-recognized programs, 36 now affix this seal to their graduates' diplomas. This year a total of 487 seals were affixed to diplomas of graduates of TSSB-recognized programs. This seal signals to employers that the student has graduated from a program that teaches to industry-defined skills and knowledge.

Challenges for the Future

Employer Engagement

Employers are central to the TSSB's mission to develop and expand the Texas skill standards system. The TSSB's greatest challenge continues to be employer engagement in a system developed specifically to address their need for a skilled workforce. Employer involvement makes the system more responsive through awareness of skill standards and recruitment from recognized programs so that more colleges will use skill standards-based curriculum. Employers can initiate skill standards development projects for in-demand occupations, participate in reviews of existing skill standards to ensure ongoing accuracy, and recruit from TSSB recognized community and technical college programs.

Outreach for Recognized Programs

With encouragement from this year's successes, the TSSB will continue to expand the geographic diversity of colleges with recognized programs. The TSSB will recruit and invite colleges to apply for program recognition in skill standards occupational areas where there are currently no recognized programs.

Common Technical Core Curriculum

The TSSB will continue to promote common technical core courses between recognized programs in given occupational areas in order to ensure consistent learning outcomes. The goal is for employers to be confident that graduates of TSSB-recognized programs are work-ready, with skills and knowledge identified by industry as critical for workplace success.

Skill Standards Development

The TSSB will continue to seek community college-associated industry advisory groups interested in participating in the development of skill standards for the occupations they represent. The TSSB will also conduct research into the development of skill standards in other areas of the country, and assess whether these standards could be of benefit to Texas employers.

TSSB documents, guidelines, and information can be found on the TSSB website at www.tssb.org

TSSB Skill Standards Publications

- [Developing Skill Standards: A User's Guide](#)
- [Guidelines for the Development, Recognition, and Usage of Skill Standards](#)

TSSB Community and Technical College Program Recognition and Renewal Publications

- [A User's Guide: Incorporating Skill Standards into Community and Technical College Curriculum](#)
- [Guidelines for the Certification and Credentialing of Skill Attainment - Amended](#)

