

To: Gulf Coast Workforce Board Members

From: Mike Temple
Carol Kimmick

Date: May 29, 2013

Subj: Board Meeting Materials for Tuesday, June 4, 2013

The next meeting of the Gulf Coast Workforce Board is scheduled for **10:00 a.m., Tuesday, June 4, 2013**, in the second floor Conference Room A, 3555 Timmons, Houston.

Chairman's and Committee Reports. Board Chair Guthrie will provide an update on items of interest. Audit/Monitoring Committee Chair Garcia will provide the latest update on contractor and system monitoring. Early Education & Care Committee Chair Bobbie Henderson will discuss a recent report on a regional approach to school readiness.

Action. Strategic Planning Committee Chair Carl Bowles will bring an update to the Board's strategic plan for members to consider. The update extends the plan through 2018 and provides targets for the Board's performance measures. Nominating Committee Chair John Hebert will bring a recommendation to fill the Vice Chair position vacated when the Board elected Chair Guthrie last meeting. Finally, as sometimes happens, we are asking that you ratify actions taken earlier this year. Delays in appointing new members until May means that we just now have a full complement of required members.

Information Items. Included is information on current performance and expenditures. At the meeting, we'll provide you with a short summary of legislation of interest from the state session that ended in May. Ron Borski will give us a look at the current state of the region's economy.

We look forward to seeing you Tuesday. Please call or email us if you have questions.

The Gulf Coast Workforce Board

Tentative Agenda

Tuesday, June 4, 2013 at 10:00 a.m.

H-GAC Conference Room A

3555 Timmons Lane, Second Floor, Houston, Texas 77027

1. **Call to Order and Determine Quorum**
2. **Adopt Agenda**
3. **Hear Public Comment**
4. **Review April 2013 meeting minutes**
5. **Declare Conflicts of Interest**
6. **Consider Reports**
 - a. *Chair's Report.* The Board chair will report on items of interest.
 - b. *Audit/Monitoring.* The committee chair will present an update from the May 2013 meeting.
 - c. *Early Education & Care.* The committee chair will discuss findings on improving and strengthening early education.
7. **Take Action**
 - a. *Strategic Planning.* The committee chair will present an update from the May 2013 meeting and bring recommendations for changes to the Board's strategic plan.
 - b. *Nominating.* The committee chair will present a recommendation to fill the vacant office of vice chair.
 - c. *Ratify previous decisions.* Ratify actions taken at the February 5, 2013 and April 2, 2013 Board meetings.
8. **Receive Information**
 - a. *System Performance.* Staff will summarize current performance against Board measures and grantor requirements.
 - b. *Expenditures.* Staff will report on current expenditures.
 - c. *Legislative update.* Staff will provide a briefing on the status of state and federal legislation affecting the Board.
9. **Look at the Economy**

Staff will discuss current economic data and trends in the Gulf Coast labor market.
10. **Other Business**
11. **Adjourn**



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**MINUTES OF
THE GULF COAST WORKFORCE DEVELOPMENT BOARD
TUESDAY, APRIL 2, 2013**

MEMBERS PRESENT:

Willie Alexander	Karlos Allen	Gerald Andrews
Betty Baitland	Elaine Barber	Sara Bouse
Carl Bowles	Scott Buchel	Yvonne Estrada
Joe Garcia	Mark Guthrie	John Hebert
Bobbie Henderson	Tracie Holub	Eduardo Honold
Guy Robert Jackson	Sarah Janes	Tony Jones
David Joost	Birgit Kamps	Jeffrey Labroski
Ray Laughter	Ramona Malone	Kendrick McCleskey
Linda O'Black	Allene Schmitt	Richard Shaw
Connie Smith	Gil Staley	Joe Swinbank
Evelyn Timmins	Bill Weaver	Madeleine York

H-GAC STAFF MEMBERS PRESENT

Mike Temple
David Baggerly
Ron Borski

Mr. Mark Guthrie, Vice Chair, called the meeting to order at approximately 10:00 a.m., on Tuesday, April 2, 2013, in the 2nd floor, H-GAC Conference Room A, at 3555 Timmons Lane, Houston, Texas. Mr. Guthrie determined a quorum was present.

Mr. Guthrie chaired the meeting and asked that the Board have a moment of silence in memory of our long-time Chair, Frank Thompson, Jr., who passed away March 22, 2013.

ADOPTION OF AGENDA

Mr. Guthrie asked for an adoption of the agenda as presented, but asked that an amendment be added. That the meeting is to be conducted in the memory of Frank Thompson, Jr., and to add an item before the meeting is adjourned to discuss our memories of Frank and to consider a resolution in his honor. The agenda item will be called "Remembrance of Frank Thompson, Jr." A motion was made and seconded to adopt the initial agenda and to include the amendment as presented. The motion carried.

Mr. Guthrie welcomed newest Board member Mr. Kendrick McCleskey, who is a business representative employed by Sense Corp., which is a management consulting company focusing on IT and business consulting.

Mr. Guthrie also acknowledged that this meeting was Mr. Mike Temple's first meeting as Director of Workforce Solutions.

PUBLIC COMMENT

No one signed up for public comments.

MINUTES FROM FEBRUARY 5, 2013

Mr. Guthrie asked if there were any additions or corrections to the minutes for the February 5, 2013 meeting. A motion was made and seconded to approve the minutes as presented. The motion carried.

DECLARE CONFLICTS OF INTEREST

No one declared a conflict of interest.

CONSIDER REPORTS

Audit/Monitoring

Mr. Joe Garcia explained that the committee met on Wednesday, March 27th and discussed recent activity.

- The regional team has completed reviews of the Humble Office (below average) operated by Interfaith of The Woodlands; Southwest and Northline (average) operated by Neighborhood Centers, Inc.; and Baytown, Rosenberg (below average) and Katy Mills (average) operated by ResCare Workforce Services.
- The team has also completed five other reviews that the reports will be issued in April.
- The Regional Quality Assurance special projects monitor is conducting surprise visits to child care vendors to see if the vendors and parents are using the automated attendance system correctly.
 - We seized 7 cards from vendors in February
 - Some vendors are not using the automated system as required.
 - We discovered delays in customers receiving their swipe cards timely.

We continue to work with the Financial Aid Payment Office to correct issues, better train vendors and parents and better address misuse of the attendance cards.

- Financial reviews:
 - Collaborative for Children, Inc. (CFC) lacked formally documented process and controls for some computer access and record collecting. Also, computer access was not terminated at an employee's separation. CFC has responded with new policies and procedures.
 - Goodwill Industries of Houston had personnel policy and procurement policy issues. Additionally, billings records are not based on the accrual system and they did not obtain required insurance timely. Goodwill has responded and grants management is reviewing the response.
 - Neighborhood Centers, Inc. lacks some formal procedures and some separation of duties issues. The response is due April 4, 2013.

- IT security:
 - We are on a corrective action plan (CAP) from the state as are several other boards. The TWC monitors have found private customer data not protected in the career offices such as: computer screen unattended and not locked, passwords attached somewhere to the computer, customer documents left unattended on a staff desk, etc.

The Board has issued instructions to the office operators to ensure correction and elimination of these IT issues. The office operators must self monitor frequently, even, daily until they are perfect. Then they can monitor weekly. The regional QA team members are also making unannounced visits to our offices to check IT security.

Mr. Guthrie asked a few questions regarding career offices that are ranked below average and discussion followed. Mr. Guthrie stated with the 2013-2017 procurement coming up the procurement committee needs to hear a more detailed report about performance and in particular regarding the below average career offices.

Several Board members had questions and discussion followed.

TAKE ACTION

- a. Employer Service. The committee chair will present an update from the March 2013 meeting and bring recommended changes to the Board's high-skill, high-growth occupations for consideration.

Mr. Gerald Andrews stated that the committee met prior to the Board meeting to hear a presentation from Mr. Ron Borski. Mr. Andrews explained that the Gulf Coast Workforce Board targets the resources it controls — and influences those controlled by its partners in the regional workforce system — with its strategic plan and a series of three supporting lists: 1) *Targeted Industries*, 2) *High-Skill, High-Growth Occupations*, and 3) *Where the Jobs Are*, a list of occupations likely to provide the largest number of job opportunities in the region over the next ten years.

These lists are used to guide the Board's strategic investments, but also to help our residents build careers in industries and occupations with good prospects and higher wages. We use the High-Skill, High-Growth Occupations list to decide which occupations we will support with our education scholarship dollars.

An employer or group of employers with a demand for skilled workers can ask us at any time to modify our list. We will discuss with employers their shortage occupations, expected numbers of hires, wages and training requirements.

We also use our employer service sales and marketing staff and any updates to published labor market data to consider new or emerging shortage occupations that might be added to our list.

The Employer Service Committee reviewed and recommended the initial lists for the target industries, demand occupations and “hot jobs” to the Board. It was noted that periodic updates to these lists would be presented to the Committee and the Board as circumstances warranted.

A motion was made and seconded to adopt the updated Targeted Industries; High-Skill, High Growth Occupations; Occupations Supported by Scholarship; and Where the Jobs Are to better focus available workforce resources in the region. The motion carried.

Mr. Andrews stated that also during the committee meeting staff spoke about improving availability of training. Information was presented about improving our processes for finding and certifying Board-approved providers for training in the high-skill occupations as well as basic education and skill upgrades. Staff will accomplish this through the RFP process to actively solicit training providers with short-term, focused training upgrade, retrain, and certify dislocated workers and veterans. This new category will fill a much needed training gap experienced by our customers and will meet the needs of our area employers for better qualified/certified workers. This is an ongoing process and there will be more about this at future meetings.

b. Nomination. Consider recommendations of Nominating Committee to fill offices.

Mr. John Hebert explained that due to the passing of Mr. Frank Thompson, the Board would need to elect a new Chairman. The Nominating Committee recommended that Mr. Mark Guthrie be elected to fill the position of Chairman. Mr. Hebert asked for nominations from the floor or a motion to elect Mr. Mark Guthrie as the new Chairman. There were no nominations from the floor and a motion was made and

seconded to elect Mr. Mark Guthrie by acclamation. The motion carried. Mr. Mark Guthrie abstained from voting.

Mr. Hebert stated that at the June 2013 meeting the Nominating Committee would have recommendations for a new Vice Chairman.

RECEIVE INFORMATION

System Performance

Mr. David Baggerly reviewed the System Performance measures for October 2012 through February 2013. These measures gauge progress toward meeting the results set out in the Board's strategic plan. There are two sets of measures: one for the entire regional workforce system and one for the Board's operating affiliate, Workforce Solutions. We report on the Workforce Solutions measures at each Board meeting.

For Workforce Solutions More Competitive Employers –

Employers Receiving Services (Market Share) – we expected to provide services to 24,591 employers this year which is almost 18% of the 138,150 employers identified for the Gulf Coast area. We provided services to 16,000 employers in the first quarter of the year.

Employer Loyalty – our performance indicates our employer customers value our services and return to us for additional services. Of a possible 22,979 employers, 9,150 returned to The Workforce Solutions for additional services in the first quarter of the year.

More and Better Jobs –

New jobs created – This information is captured quarterly and reflects a two year average.

Customers employed by the 1st quarter after exit – Reporting for two quarters ending March 2012, 121,343 of the 170,077 customers who exited from services were employed in the quarter after exit.

Higher Real Incomes –

Exiters with Earnings Gains of at least 20% - Reporting for two quarters ending September 2011, 59,449 of the 122,343 customers who exited had earnings gains of at least 20%.

A Better Educated and Skilled Workforce –

Customers pursuing education diploma, degree or certificate who achieve one
Reporting through February 2013, 603 of the 2,630 customers pursuing an education diploma, degree or certificate achieved one.

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

For the performance year that began October 1, 2012, we are meeting or exceeding the target for four of eleven measures. The seven measures we are not meeting are:

- Total Job Postings Filled. The target for this measure is 32.1%. Our performance in two quarters (1/12-6/12) was 24.2%.
- Total Employer Success Rate. The target for this measure is 49%. Our performance for two quarters (1/12-6/12) was 28.4%.
- Total Education Achievement. The target for this measure is 80%. Our performance for two quarters was 68.9%. We expect to meet the target by the end of September.
- Youth Placement in Employment or Education. The target for this measure is 64.9%. Our performance for two quarters was 59.0%. We expect to meet the target by the end of September.
- Youth Literacy/Numeracy Gains. The target for this measure is 50.5%. Our performance in the first two quarters (7/12 – 12/12) was 35.3%. We expect to meet the target by the end of June.
- Choices Full Work Rate. This measure looks at the percent of customers receiving TANF benefits who are employed. The target for this measure is 43.0%. Our performance through February was 34.0%.
- Average Number of Children Served per Day (Child Care). The target for this measure is 23,439. We are about 4,000 children under enrolled and are working to increase our enrollment.

Mr. Baggerly explained that TWC notified the staff last week that they were dropping the *Total Employer Success Rate* which closely matched the *Total Jobs Postings filled* measure.

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

Expenditure Report

Mr. Mike Temple reviewed the Financial Status Report for two months ending February 28, 2013. Mr. Temple explained that we are running a little ahead of a straight line on financial aid year-to-date. There was a big demand for scholarships in the first quarter of the year, but we are not over spent and everything looks good.

Mr. Temple gave a brief update on the Sequestration. It appears we will lose approximately \$8.2 million of our annual budget of \$174.6 million or 4.7%. About 70% of the reduction will come from Child Care and the remaining reduction to come out of Workforce Investment funds.

Because the reductions occur relatively late in our contract year, and the requirement that the reductions be taken from currently budgeted funds, the actual impact likely will be larger than if the reductions could have been spread out over a full 12-month period.

We are currently working on recommendations on any needed belt-tightening in our system because of sequestration. We would likely:

- Reduce the availability of financial aid for scholarships and some other support services. Financial aid for child care may be affected late in the year.
- Consider the possibility of combining some local office operations.
- Reduce overhead expenses.

It is possible, though not likely, that Congress would reverse the sequestration. Some of the sequestered funds might be restored, although that also appears unlikely at this point in time.

Mr. Temple explained we are working on more specific recommendations for any changes to the budget and possible changes to our operating system and would like to bring them to the Budget Committee and the Board for its June 2013 meeting.

Sustainability

Mr. Jeff Taebel, Director of Community and Environmental Planning at H-GAC gave a briefing in regional sustainability planning from H-GAC's C&E planning staff.

Mr. Taebel explained that the Houston-Galveston Regional Plan is a locally-driven long range plan to ensure the 13-county region is as good or better a place to live, work and prosper in 2040 as it is today. H-GAC is working with a broad based coalition of twenty-four local government and nonprofit partners to develop the plan. Over the past two years, over 11,000 people have been engaged in the planning process through public meetings, work groups, advisory committees and the Think2040 survey. The plan will contain goals, metrics, and proposed voluntary strategies and recommendations in the realms of housing, jobs and workforce, health, the environment, and transportation. The strategies and recommendations will be tailored to urban, suburban, rural, and coastal communities to reflect their varying priorities and challenges. A full draft of the plan is expected to be ready for public comment this fall.

Think2040 survey (see <http://www.ourregion.org> to view survey results, in full or sorted by different categories).

LOOK AT THE ECONOMY

Mr. Ron Borski explained that the rate of unemployment in the Houston-Sugar Land-Baytown-Metropolitan statistical area (H-S-B MSA) rose seven-tenths of a percentage point to 6.7 percent in January. A rise in the unemployment rate is normal for January and the current rate is well below the nation's 8.5 percent.

The Texas Workforce Commission released revised estimates produced by the Bureau of Labor statistics indicating employment in the Houston-Sugar Land-Baytown MSA was up 4.5% in January with payrolls up 118,200 jobs over the year. The annual benchmark revisions indicate stronger job growth as a whole for the local area than originally estimated but not all revisions were favorable. While job growth was largely underestimated in Mining & Logging, Manufacturing, and Professional & Business Services it was overestimated in Construction, Educational & Health Services, and Other Services, see figure 2. The H-S-B MSA suffered a seasonal decline of 27,500 jobs in January, down 1.0 percent, but all major sectors both private and public were reporting over-the-year job gains, see figure 6. Strongest growth has been in Mining and Logging, Heavy Construction, Fabricated Metal Product Manufacturing, Architectural Engineering and Related Services, Employment Services, Ambulatory Health Care Services (where employment in all types of medical offices is found), and Food and Beverage Service Establishments. Mr. Borski concluded his report by saying the region as a whole is doing well.

Remembrance of Frank Thompson, Jr.

Mr. Guthrie began by speaking about how Frank gave so much to the community and our Board and elaborated on many remembrances of his contributions and leadership. Mr. Guthrie read a proposed resolution honoring Frank Thompson, Jr.

A motion was made and seconded to authorize the adoption of the Resolution. The motion carried.

Mr. Guthrie stated that he was told that at the Texas Workforce Commission meeting last Tuesday, March 26, 2013, they observed a moment of silence in Frank's honor. Congresswoman, Shelia Jackson Lee presented to the family at his funeral, a flag which was flown over the capital earlier that week and The State House passed a resolution in Frank's honor.

Many Board members had stories and memories of Frank they shared with the Board.

ADJOURN

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

Audit/Monitoring Committee

June 2013 Update

Recent Activity

- The regional team has completed reviews of the Westheimer Office (average) operated by Interfaith of The Woodlands and Lake Jackson Office (average) operated by ResCare Workforce Services. We also reviewed the Financial Aid Payment Office (FAPO) operated by Neighborhood Centers, Inc. We are working through our questions with their operations.
- The Regional Quality Assurance special projects monitor is conducting surprise visits to child care vendors to see if the vendors and parents are using the automated attendance system correctly.
 - We found no cards at vendors in March and April.
 - Some vendors are not using the automated system as required.
 - We found problems created by staff attempts to correct eligibility and attendance data.

We continue to work with the Financial Aid Payment Office to correct issues, better train vendors and parents and better address misuse of the attendance cards.

- Financial reviews:
 - Neighborhood Centers, Inc. annual financial review. We found procedures in need of updating, suggested better separation of duties practices and budget line item variances. All findings are resolved with the exception of the updated policies.
 - Neighborhood Centers, Inc. financial billings and financial aid payment review. We found lack of payment trail, some excess funds and 2 data systems not matching reported expenditure. NCI provided additional information to clear up these findings.
 - Gulf Coast Trade Centers, Inc. annual financial review. GCTC was late in making work experience payments.
 - Houston Area Urban League. We found procedures in need of updating, suggested better separation of duties practices. Additionally, there were late bank reconciliation and the GL did not match the billing.
 - Interfaith of the Woodlands financial aid payment review. Instances of missing reconciliations, signatures and other documentation. We questioned \$1,863.19. ITEP sent documentation to cover all but \$25.50 that they will refund us.

TWC will perform our annual monitoring later this month.

Early Education and Care Committee

School Readiness Update

Gulf Coast School Readiness Committee

Over the past year, the Texas Gulf Coast School Readiness Committee has been developing a long range plan for improving quality and expanding access to early childhood education to families in the 13-county region. The Texas Gulf School Readiness Committee is composed of a distinguished group of private and public leaders which includes our own Gulf Coast Workforce Board member Dr. Bobbie Henderson. Ms. Carol Shattuck, President and CEO of Collaborative for Children, the Board's Early Education and Care contractor, also serves as a member on the School Readiness Committee.

In her capacity as Chair of the Early Education and Care Committee, Dr. Henderson invited Ms. Shattuck to report on the progress of the School Readiness Committee at the Early Education and Care Committee meeting held on May 15, 2013.

We have included the "We Can Achieve School Readiness" Executive Summary plus the Full Report for your information.

Why Focus on Quality?

Ms. Shattuck explained that while research continues to support the benefits of early learning on a child's future, some children are not getting what they need to be successful in kindergarten. The committee reports that forty percent of children under five years of age are at home and cared for by a parent. Twenty-two percent are in an informal setting and thirty-five percent are in regulated care such as a licensed child care facility, prekindergarten or Head Start. Through its work, the School Readiness Committee intends to improve quality and expand access to early care and education for all children in the region.

Reading on grade level by the third grade has been associated with more successful graduation rates later in a child's life. The positive impact of early education and care for young children now will result in a better prepared workforce later. Ms. Shattuck reviewed the Committee's six goals which are included in the Executive Summary:

Goal 1. Quality Standards. Apply research and evidence-based standards in guiding family and educator interactions with young children and in measuring the quality and impact of early education programs and services.

Goal 2. Family Support. Ensure that families have easily accessible and culturally relevant parenting resources to enhance child development.

Goal 3. Professional Development. Ensure that early childhood education program staff have opportunities to develop the knowledge, skills, confidence and support systems to help children reach their full potential.

Goal 4. Financing and Governance. Develop a financing and governance structure that provides a sustainable community investment in early education and measures the impact of the system on school readiness.

Goal 5. Community Support for Quality and Access. Strengthen community support for high-quality, accessible early childhood education among families, elected officials, educators and business leaders.

Goal 6. State-Wide System. Build partnerships across Texas to strengthen state infrastructure and financial resources for early education.

Focus at the State Level

The Texas Early Learning Council has developed good tools for early education and care with funding from the Governor's Office.

House Bill 376 is making its way through the state legislature. HB 376 uses the existing Texas Rising Star Program to establish a rating system which ties the subsidy reimbursement rate to the provider's tiered (number of stars) quality rating. Higher rated providers will receive higher reimbursement rates.



WE CAN ACHIEVE SCHOOL READINESS

Our Regional Approach



A Report of the Texas Gulf Coast School Readiness Committee

APRIL 2013



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A PHILANTHROPY ENDOWED BY JESSE H. AND MARY GIBBS JONES

Improving the Quality of and Access to Early Childhood Education

Over the last year, the Texas Gulf Coast School Readiness Committee has developed a long-range plan to improve the quality of and access to early childhood education in the 13-county Texas Gulf Coast region. *We Can Achieve School Readiness: Our Regional Approach* looks at the specific ways our region can employ proven strategies that both build on the strength of families — the first and most important support system for children — and generate a better-coordinated and better-resourced early childhood education system. This enhanced system will lead to increased kindergarten readiness and positively influence later learning and life success.

Challenges Facing the Texas Gulf Coast Region

Houston and the Gulf Coast region overall are known for their “can do” attitude, individual self-reliance and enthusiasm to take on major projects that have long-

lasting impact. But in the last 30 years, the Texas Gulf Coast community has experienced dramatic changes that, if left unaddressed, could put our region’s children and our community overall at risk:

- **The job market has changed.** People with a high school education who used to be able to easily find well-paying jobs now need some form of post-high school training or education to land a job that pays a living wage.¹
- **Not enough children are making it through the educational pipeline** — only one of five students in Texas completes a degree or certificate within six years of high school graduation.²
- **A growing number of children, in particular children from lower-income families, are arriving at kindergarten unprepared for school.**³ A majority of young children now have working parents who need to involve other adults in their care, and many children are in the care of staff who do not have

the background needed to support their learning and development.⁴

Importance of Early Education

A growing body of research over the last 20 years has established the critical importance of the early years in a child’s life. The architecture of the brain, or the brain’s neural connections, is formed rapidly during these early years. The experiences of a child, especially those shared by a child and significant adults in his or her life, stimulate these neural connections. Research also has shown that higher-quality early education environments lead to better language, cognitive and social skills through early elementary school.⁵

On the other hand, failing to make the most of these early years means that far too many of our young children do not receive what they need early on and arrive the first day of school already behind. If they are not reading on grade level by 3rd grade, they are four times more likely to drop out of school.⁶ A lower graduation rate means fewer qualified candidates for the jobs that pay a living wage and help continue to grow and build our economy.

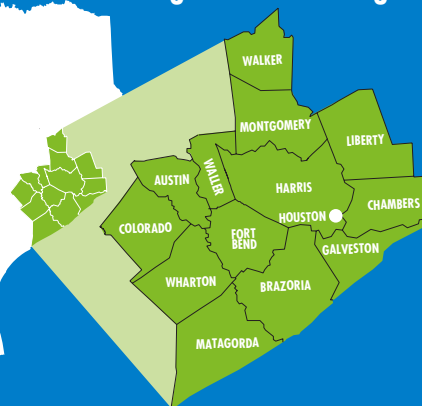
Different Systems of Early Childhood Education

PARENT AND INFORMAL CARE

Forty-three percent of young children in the Texas Gulf Coast region are cared for at home by a parent. Approximately another quarter (**22%**) are cared for in “informal care” environments by a family member, friend or neighbor.

13 COUNTIES IN TEXAS GULF COAST REGION

553,400 children
under age five live in region



Source: Kids Count Database, U.S. Census Data, Center for Public Policy Priorities, 2010.

REGULATED CARE

The remaining **35%** of children in our region are enrolled in one of the three systems of early care and education:

- **Child care system:** Regulated by the state, this system focuses on safety and health considerations for children in group settings, with less attention paid to the educational environment for young children.
- **Head Start:** Regulated by the federal government, this system focuses on school readiness as well as family financial security, physical/mental health and dental care for children.⁷
- **Pre-kindergarten:** Regulated by the state, this system has a strong curriculum focusing on such areas as literacy, math and science as well as how to interact and get along with other children.

Taking a Regional Approach

To ensure that children from all early education systems are ready for school, early childhood settings need to offer activities and interactions that adequately stimulate social, emotional, physical and cognitive development. Unfortunately, Texas ranks low on many indicators of quality early care and education and has been slow to address these shortcomings at the state level. In addition, there is no state-wide system of governance and funding for early childhood education.



Two years ago, Governor Rick Perry created the Texas Early Learning Council. While still in process, the Council has worked to develop early learning standards for infants and toddlers, a framework for a quality rating and improvement system to rate early childhood programs in the state, a career ladder, and definitions of core competencies for the early childhood education workforce. However, no department within the state owns the outcomes of this work and has responsibility to support implementation of the Council's proposals.

Rather than wait for the state to restructure and fund the implementation of these recommendations, community leaders in the Texas Gulf Coast region have opted to take a regional approach to

improving the early childhood education system. This approach will build on the recommendations of the Council and help ensure that:

- All children in our region are **developmentally ready to enter kindergarten** and better positioned to succeed in school;
- The Texas Gulf Coast region is **better positioned to have a talented workforce** to support economic growth and a high quality of life; and
- Taxpayers are **investing where it can make the most difference to school outcomes** and spending less on children repeating grades, special education, remediation, and the juvenile and adult criminal justice system.

1 Steve H. Murdock et al., *A Summary of the Texas Challenge in the Twenty-First Century: Implications of Population Change for the Future of Texas* (The Center for Demographic and Socioeconomic Research and Education, Texas A&M, 2002), 46–49.

2 The Houston Endowment, *A New Measure of Educational Success in Texas — Tracking the Success of 8th Graders into and through College* (National Center for Higher Education Management Systems, 2012), <http://www.houstonendowment.org/Assets/PublicWebsite/Documents/News/measureofsuccess.pdf>.

3 Lisa Klein and Jane Knitzer, *Promoting Effective Early Learning: What Every Policy Maker and Educator Should Know* (National Center for Children in Poverty, Columbia University, 2007), 2.

4 Center for Houston's Future, *Community Indicator Report 2012: Human Capital Development and Education, Early Childhood, K-12, Workforce Preparedness*.

5 E. S. Peisner-Feinberg et al., "The Relation of Preschool Child-Care Quality to Children's Cognitive and Social Developmental Trajectories through Second Grade," *Child Development* 72 (2001): 1534–1553, doi: 10.1111/1467-8624.00364.

6 Donald Hernandez, *Double Jeopardy: How Third Grade Reading Skills and Poverty Influence High School Graduation* (Annie E. Casey Foundation, 2011), 3.

7 Administration for Children and Families, *About Head Start* (U.S. Department of Health and Human Services), <http://eclkc.ohs.acf.hhs.gov/hslc/About%20Head%20Start>.

Overview of the Texas Gulf Coast School Readiness Plan

To improve the quality of and access to early childhood education — and ultimately improve school readiness — in the region, the Texas Gulf Coast School Readiness Committee has developed a plan with a series of goals, strategies and action steps. The Committee adopted four assumptions to guide the planning process:

1. Recommendations should reflect the critical role of families in child development.
2. Efforts should focus on improving the *quality* of the early childhood education system first and then on expanding *access*.
3. Initial program improvements should serve children most at risk and then expand to include all children.
4. Investments should prioritize systems with the least resources first.

Goal 1: Quality Standards

Apply research- and evidence-based standards in guiding family and educator interactions with young children and in measuring the quality and impact of early education programs and services.

Strategies to accomplish this goal include:

1. Review Texas' existing Infant, Toddler and Pre-Kindergarten Early Learning Guidelines for alignment with scholarly research in this field.

2. Support work leading to the adoption of a quality rating and improvement system (QRIS) for early education programs at the state level.
3. Strengthen the region's QRIS, either by adopting a newly developed state system or improving Collaborative for Children's regional QualiFind system.
4. Stay abreast of Texas Education Agency recommendations and systems to measure kindergarten readiness.
5. Develop regional consensus on a valid measure of kindergarten readiness.

Goal 2: Family Support

Ensure that families have easily accessible and culturally relevant parenting resources to enhance child development.

Strategies to accomplish this goal include:

1. Expand parenting resources that incorporate the use of early learning guidelines in user-friendly formats.
2. Develop user-friendly resources for families on the early education system so they will be better able to advocate for the needs of their children.
3. Provide a range of opportunities for families and parenting organizations to participate in public awareness and policy development.

Goal 3: Professional Development

Ensure that early childhood education program staff have opportunities to develop the knowledge, skills, confidence and support systems to help children reach their full potential.

Strategies to accomplish this goal include:

1. Adopt definitions of what early childhood education directors and teachers need to know to support the positive growth and development of young children.
2. Link levels of teacher education to different levels of program quality from "minimal" to "excellent" in the regional quality rating system.
3. Design and coordinate a training and credentialing system for individuals who want to enter the early education field.
4. Design and coordinate a continuing education system that will provide teachers with the core knowledge needed to be effective in supporting the optimal development of young children.

Goal 4: Financing and Governance

Develop a financing and governance structure that provides a sustainable community investment in early education and measures the impact of the system on school readiness.

Strategies to accomplish this goal include:

1. Work with organizations across the region/state to maximize the use of

existing early childhood education funding streams (pre-kindergarten, Head Start and child care subsidy).

2. Develop an estimate of what it would cost to significantly improve the *quality of* and *expand access to* early childhood education in the Texas Gulf Coast region.
3. Develop an early childhood education fund to improve the quality of early childhood programs through foundation, corporate and individual support.
4. Develop a sustained public funding stream to improve the quality of the Texas Gulf Coast early childhood education system, starting with Harris County.
5. Build durability for the plan and its implementation through identification of a suitable regional governance structure.

Goal 5: Community Support for Quality and Access

Strengthen community support for high-quality, accessible early childhood education among families, elected officials, educators, and business and civic leaders.

Strategies to accomplish this goal include:

1. Lead a public awareness campaign about the importance of high-quality early education.
2. Advocate for increased state/national funding and stronger regulations to improve the quality of early childhood education programs paid for by public dollars.
3. Lead a campaign to create a regional funding stream to support high-quality early education.

Goal 6: State-Wide System

Build partnerships across Texas to strengthen state infrastructure and financial resources for early education.

Strategies to accomplish this goal include:

1. Develop a coalition with other Texas cities involved in systems change for early childhood education at the regional and state levels.
2. Work toward having one kindergarten readiness assessment.
3. Work toward having a state registry that tracks the professional development and credentials of early education teachers and directors.
4. Work toward creating a single state entity to coordinate/govern all early education functions.



FIND OUT MORE

For specific action steps, timelines and groups that need to be involved in carrying out the Texas Gulf Coast School Readiness Committee plan, see www.CollabforChildren.org/SchoolReadinessProject. A model showing potential costs for implementing quality improvement strategies in Harris County is also available.



TEXAS GULF COAST SCHOOL READINESS COMMITTEE

Following initial conversations about a planning process for designing a pathway toward a higher-quality early education system, the Houston Endowment provided a one-year planning grant to Collaborative for Children to facilitate the process and recruit members for the Texas Gulf Coast School Readiness Committee. Collaborative for Children and the Greater Houston Partnership (GHP) decided to combine the efforts of the GHP Early Education Sub-Committee with the Texas Gulf Coast School Readiness Committee because both were working toward the same goals. The newly combined Committee, led by Chair Stephen M. Kaufman, was charged with developing a set of recommendations that would lead to improvement in the *quality of and access to*

early childhood education in the region. The Committee began its work in March 2012 and concluded this phase of the work in April 2013.

Members of the Committee are recognized leaders in the community representing a wide cross-section of business, philanthropy, nonprofit and educational arenas (see list at www.CollabforChildren.org/SchoolReadinessProject). They were selected for their ability to successfully guide the planning process, bringing expertise in early childhood education as well as systems thinking and problem-solving skills. Dr. Sharon Lynn Kagan, an international expert in building and strengthening early childhood systems, served as a consultant to this process.



Beginning in 1987 and throughout its 25-year history, Collaborative for Children has fostered the improvement of quality early care and education for young children zero to six in the Texas Gulf Coast region. The organization assists families with identifying child care options, offers parenting resources, provides training and mentoring to early education programs wanting to improve the quality of their learning environments, and advocates improved policies and increased resources to support quality early care and education.

1111 North Loop West, Suite 600 • Houston, TX 77008-1773 • www.CollabForChildren.org • info@collabforchildren.org • 713.600.1100



GREATER HOUSTON PARTNERSHIP
houston.org

The Greater Houston Partnership (GHP) traces its roots back to Houston's original Chamber of Commerce, founded in 1840. Its principal objective is to build regional economic prosperity. GHP invests time and energy in building a strong workforce to support businesses in the Texas Gulf Coast region. The Education Committee of GHP works in three areas to positively influence adequate resources and sound policies: early education, K-12 education and higher education.

1200 Smith, Suite 700 • Houston, TX 77002 • www.houston.org • gHP@houston.org • 713.844.3600

HOUSTON ENDOWMENT

A PHILANTHROPY ENDOWED BY JESSE H. AND MARY GIBBS JONES

Houston Endowment — a philanthropic foundation established by Jesse H. and Mary Gibbs Jones in 1937 — improves life for the people of greater Houston through its grants to nonprofit organizations and educational institutions. The foundation donates approximately \$75 million each year to organizations that support and promote arts and culture, education, the environment, and health and human services.

600 Travis, Suite 6400 • Houston, TX 77002 • www.houstonendowment.org • info@houstonendowment.org • 713.238.8100

Strategic Planning Committee

The Board's Strategic Plan 2014-2018

The Strategic Planning Committee met on May 7, 2013 with committee chair Carl Bowles presiding and members Mark Guthrie, Evelyn Timmins, Kendrick McCleskey, Richard Shaw, Sarah Janes and Eduardo Honold attending.

How Are We Doing?

Jeff Taebel and Meredith Dang from H-GAC's Community and Environmental Planning Department discussed findings and some suggested solutions to workforce-related issues raised through the regional sustainable development planning process. Committee members made comments about the findings and solutions.

The committee looked at data on the region's economy and performance against the Board's measures.

- The area economy is strong, with our region recovering all of the jobs lost in the most recent recession and even adding additional jobs.
- While not meeting all the targets for 2012, performance improved over the prior year.

A full report is attached.

Where Are We Going?

Committee members agreed that the Board's current strategic plan language remains clear and concise. For the next five-year plan cycle, the Board should focus on:

- Strengthening Workforce Solutions' support for customers pursuing education/training degrees and certifications
 - Providing higher level staff support for customers receiving Workforce Solutions scholarships
- Expanding the Board's role as the major source for labor market data and information in the region
 - Completing and distributing middle school and high school editions of the Board's career information curriculum When I Grow Up – providing help for students, parents and teachers in finding the good jobs of the future
- Finding alternative sources of funding to support the Board's system
 - Identifying ways to raise private or other sources of funding to help achieve the Board's results and support workforce service delivery

We will develop tactical plans to accomplish these tasks over the next cycle, including specific actions to implement those plans.

In considering annual and five-year targets for the Board's strategic plan measures, the committee heard recommendations from the staff for minor changes in the calculation of two measures.

- For the Higher Incomes/Exiters with income gains of 20% or more measure: broaden the base used to calculate performance. Include all customers who have finished their service at Workforce Solutions, not just customers who had finished their service and were employed.
- For the Educated Workforce/Customers pursuing credentials who achieve them measure: measure if each customer pursuing an education/training credential achieves the outcome regardless of the time needed to complete.

A draft Board Strategic Plan for 2014-2018, along with proposed annual and five-year targets and measures, is attached.

Action

Adopt the proposed Board Strategic Plan for 2014-2018.

How Are We Doing?

2012 Report on Achieving the Board's Results

Some Thoughts about the Economy

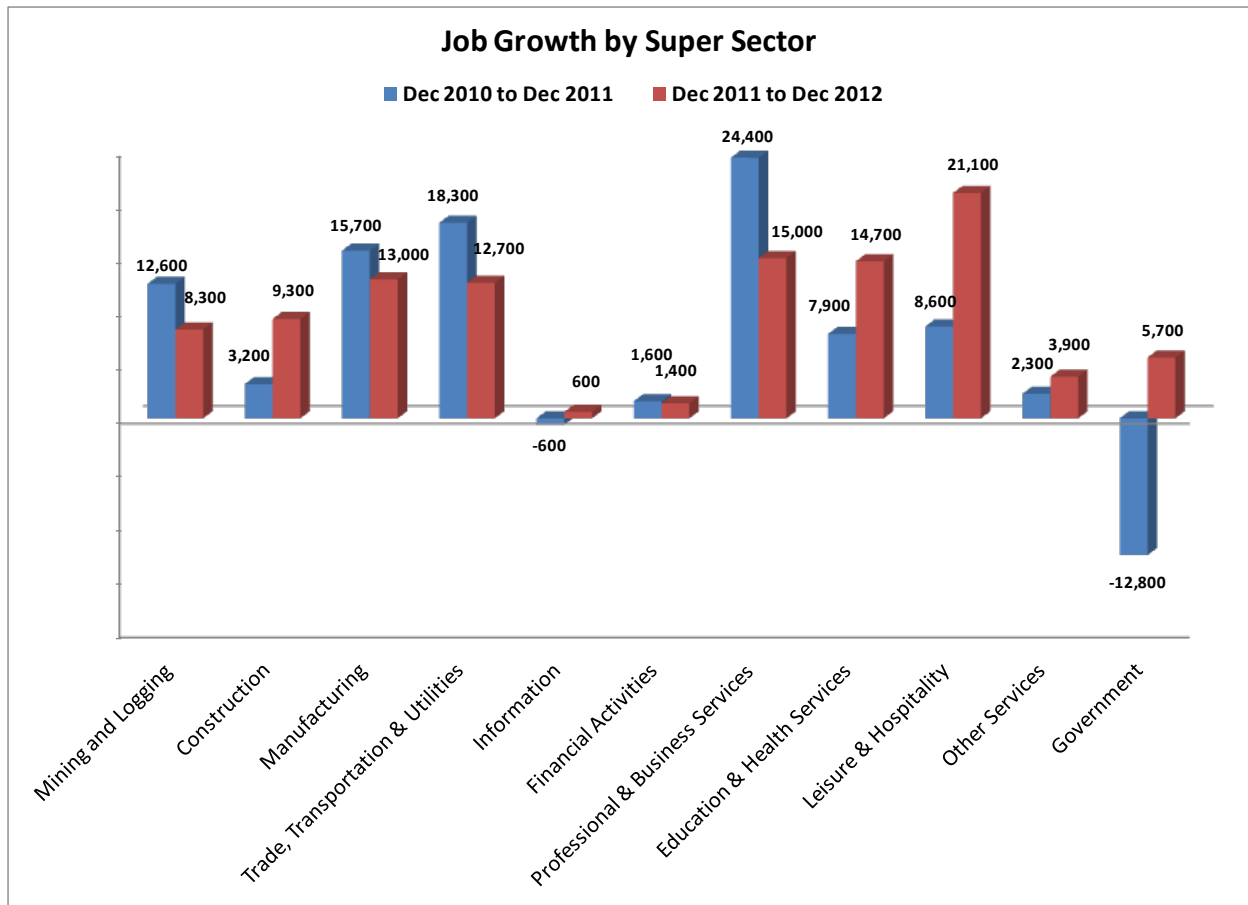
The Gross Domestic Product (GDP) of the Houston-Sugar Land-Baytown MSA was 419.7 billion in 2011. If it were a country it would be the 26th largest economy by Gross Domestic Product, larger than Austria, South Africa, United Arab Emirates, and Columbia. Of the ten largest metropolitan areas it had the fastest growth rate of 3.7 percent in 2011 followed by Dallas-Fort Worth-Arlington with a growth rate of 3.1 percent and San Francisco-Oakland-Fremont with a growth rate of 2.6 percent. The economy is largely driven by oil and gas exploration and production. Several factors point towards economic expansion over the next several years.

- Energy prices are expected to average \$88.29 per barrel throughout 2013 according to the U.S. Energy Administration.
- Major chemical plant construction projects have been announced and in some cases ground has been broken by Chevron Phillips, Dow, Celanese, LyondellBasell, and ExxonMobil.
- Demand for exports is expected to grow which already is in excess of \$100 billion in merchandise and commodities.
- The local housing market is expected to be strong with local developers projected to build more than 25,000 single-family homes and 10,000 multi-family units.

Some Thoughts about the Labor Market

The Gulf Coast region's unemployment rate mirrored the state's rate and remained considerably lower than the nation's rate throughout 2012. By December it had fallen considerably to 6.0%, the lowest since December 2008. Many areas of the nation are not experiencing the same level of economic recovery we're seeing in Texas and Gulf Coast. The unemployment rate in the Gulf Coast region should continue to steadily decline throughout 2013.

Job recovery in the Gulf Coast region began in 2010 with the region recovering all jobs lost during the recession by November 2011. The recovery that continued throughout 2012 was more widespread with job gains found in all industry super sectors. By the end of 2012, the region had netted an additional 105,700 jobs recovering all jobs lost since the beginning of the great recession and adding another 126,900 jobs, up 4.8%, over the most recent peak that occurred in December 2008.



The Gulf Coast region has always been known for its strength in energy. The Eagle Ford Shale boom and its requirements for the many supportive services and equipment have added to that with a profound impact on the region last year. The thriving energy industry in the Gulf Coast region has positioned it to be one of the few in the nation where job growth is strong and job gains are found across all industries.

In addition to energy, the region features other important industries. Its centrally southern location with easy access to the Port of Houston also makes it an ideal distribution point for numerous maritime, railroad, airline, and motor freight companies and the Eagle Ford Shale boom is only helping attract more business. The Eagle Ford Shale boom and the resulting easy access to natural gas were also having an impact on the region in 2012 with the announcements of a number of new chemical plants to be constructed in the region. The Construction industry, the hardest hit industry sector of the recession, steadily improved throughout 2012 owing a considerable portion of credit to the Eagle Ford Shale boom. Many other industries that benefit from population growth also saw improvement in 2012 such as education, trade, and healthcare. Job growth is expected to continue at a good pace.

Some Thoughts about Demographics

The numerous opportunities in the Gulf Coast region continued to attract people from all over the world in 2012 bringing its population to nearly 6.5 million. Over the past thirty years or so the region has gone through a significant demographic transformation and today it is one of the youngest, fastest growing, and most culturally diverse areas in the nation. The rapid increase in a Hispanic population continues to be the driving force for the region's population growth at a rate that is more than twice the nation's. Two of the nation's top ten fastest growing counties with a population of over 250,000 are found in the Gulf Coast region, Fort Bend and Montgomery County. Projections indicate that by 2020 the Gulf Coast region's population:

- Will be more than 7.1 million
- 40 percent of the total population will be Hispanic
- 48 percent of the population under 25 will be Hispanic
- 57 percent of the population 65 and older will be Anglo

Some Thoughts about Education, Skills and the Workforce

Education continues to be a critical issue for the Gulf Coast region. Although small gains have been made, the region continues to struggle to achieve educational achievements at all levels. The ability to fill the region's workforce needs is becoming particularly difficult as the employment in high growth industries surpass historical highs leaving the educational system the task to fill the gaps. Employers with ties to oil and gas exploration, its supportive services, and their related manufacturing companies were voicing increasing difficulty in 2012 in recruiting individuals with the required training and skills. Construction and plant maintenance related companies that hire industrial craft workers are also finding it difficult to find skilled workers.

The Board's Plan and Performance

More than 10 years ago the Gulf Coast Workforce Board adopted a strategic plan that described and quantified results the Board expected the regional workforce system to achieve. It includes values, mission and vision statements that explain what its members value most, why they exist as a board, and where they want the regional workforce system to be in the future. The plan continues to guide our efforts to help employers meet their human resource needs and individuals build careers. In keeping with its key values — innovation, productivity, performance and results — the Board identified four results statements that describe the difference it intends to make in the Gulf Coast region.

- More competitive employers
- A better educated workforce
- More and better jobs
- Higher incomes

The Board's measures, developed from these statements, help determine progress towards achieving the results both for the region and for Workforce Solutions, our operating affiliate. 2012 was the fourth year of the five-year strategic planning period, 2009 – 2013. We used 10 strategic metrics to assess performance and progress towards annual targets and longer-term goals.

For the Regional Workforce System, we focused on total employment — a gauge of how well we create and keep jobs in the region — and education credentials of working-age residents — a gauge of the skill level of the region's workforce. The most recent educational credential data is for the 2010 to 2011 school year for all but one measure, the percentage of those taking a GED earning one which is for the 2011 calendar year. In this current update we missed the same two of three of four Regional Workforce System education targets as in the previous update.

- Our performance improved for two of the three measures for the Regional Workforce System education targets. We continue to see some encouraging trends.
 - The number of people that have an education credential continues to rise and more notably the percentage of people holding a post-secondary credential rose by more than half of a percentage point.
 - More people are pursuing and earning education credentials. The number of people pursuing educational credentials increased by 28,630 and the number of those earning an educational credential increased by 4,278. It is common to see increased enrollment in post-secondary institutions when the unemployment rate is up.
 - The percentage of people earning a post-secondary credential in a field that prepares them for work in a high-skill, high-growth occupation targeted by the Board increased by 1.2%, an increase of 2,355.
- The most recent employment data is for 2012 which we missed the target of 2.75 million. The recent recession was a setback and while the region has recovered all jobs lost it has not been able to reach goals that were set prior to the recession. Despite not being able to meet the target employment, the 3.3% rate of increase in the number of individuals employed was much higher than the projected rate of 1.9%.
- When we measured regional employment, the region had added back another 50,000 jobs. Since then, we continued to create jobs, were back on level ground by October and hit a new high of 2.64 million employed by year end.

For the part of the system we directly control, Workforce Solutions, we focus on outcomes for individuals — employment, education and earnings. We also looked at our contribution to employers job creation, market share and customer loyalty.

- We target our training dollars to helping customers prepare for high-wage, high-skill jobs in demand by our employers. Most of the customers pursuing an education credential are in post-secondary education programs. We served fewer customers in education programs than originally planned.
- Workforce Solutions exceeded its goal for the number of jobs it helped create. More than two-thirds of the new jobs were in our key industries — an improvement over last year — and many of these new jobs are in high-skill/high-growth occupations.
- Our ability to help people find jobs and increase their income is increasing since the recession. We are showing slow, steady improvement in customers employed quickly and employed after leaving Workforce Solutions.
- Our service to employers continued to improve with the number of employers we work with increasing by 6,411 from the previous year.

Job Creation and Employment

We use four measures as indicators of our success at adding jobs in our region, getting people employed in those jobs and increasing their incomes.

Regional Workforce System	Workforce Solutions
<p>— Total number of people employed <i>Did not meet target, 2.75 million people were working</i> The number of people working increased last year, reflecting significant recovery from the recent recession. Although we missed our target of 2.75 million employed by about 114,000 it was an improvement over 2011's goal shortage of 150,000.</p>	<p>— Number of new jobs created as a results of Workforce Solutions partnering with other business organizations <i>Exceeded target at 2,671</i> We exceeded our target of creating 2,000 new jobs.</p>
	<p>— Percentage of customers employed after leaving Workforce Solutions <i>Did not meet target at 71%</i> The percentage of customers employed after leaving Workforce Solutions improved from last year's 69%, missing our target of 79%.</p>
	<p>— Percentage of customers with earning gains of at least 20% after leaving Workforce Solutions <i>Exceeded the target at 49%</i> The percentage of customers who saw earnings gains of at least 20% after leaving Workforce Solutions increased from the previous year. Our target was 40%.</p>

Education Credentials

We use four measures as indicators of our success at improving the education level of the region's workforce. Note that 2012 data is not yet available for the Regional Workforce System thus the measures shown are for 2011.

Regional Workforce System	Workforce Solutions
<p>— Percent of the population with an education credential</p> <p><i>Met target at 80.57%</i></p> <p>The percentage of people holding an education credential (GED, high-school diploma, associate, bachelors or graduate degree) moved up 0.20% from last year. Our target was 80%.</p>	<p>— Percent of customers pursuing an education credential who earn one</p> <p><i>Did not meet target at 31%</i></p> <p>Performance dropped sharply from last year's 42%. We had less than half the number of customers earning credentials than we did last year and about 900 fewer enrolled in school. Our target was 36%.</p>
<p>— Percent of the population with a post-secondary credential</p> <p><i>Did not meet target at 34.63%</i></p> <p>The percentage of people holding a post-secondary credential moved up 0.59% from last year. Our target was 36%.</p>	
<p>— Percent of those pursuing an education credential who earned one</p> <p><i>Narrowly missed target at 20.14%</i></p> <p>The percentage of people pursuing a credential who earned one increased slightly from last year. Our goal for 2012 was 21%. This measure is an aggregate of the number of people who attain a high school diploma, GED or post-secondary degree.</p>	

Market Share and Customer Loyalty

We use two measures as indicators of our system’s success at improving the competitive position of our region’s employers.

Market Share	Customer Loyalty
<p>— Percent of employers using Workforce Solutions</p> <p><i>Exceeded target at 17%</i></p> <p>We increased the share of the region’s employers we served from last year’s 12%. In 2012, we provided services to 23,000 customers. Our target was 16%.</p>	<p>— Percent of employers who are repeat customers</p> <p><i>Did not meet target at 51%</i></p> <p>In 2012 we provided services to 8,480 employers we also serviced in 2011. Our target was 55%.</p>

Following are market penetration rates for the Board’s target industries. This information is a subset of the total market share shown above.

Targeted Industry Title	2009 Penetration Rate	2010 Penetration Rate	2011 Penetration Rate	2012 Penetration Rate
Oil and Gas Extraction	9.7%	10.94%	18.86%	8.51%
Support Activities for Mining	19.3%	18.71%	26.23%	14.97%
Petroleum and Coal Products Manufacturing	25.7%	31.25%	33.33%	25.00%
Building Equipment Contractors	23.5%	27.01%	28.03%	11.86%
Computer Systems Design & Related Service	10.8%	10.65%	13.97%	9.40%
Management, Scientific, & Technical Consulting Services	9.7%	10.47%	15.43%	7.00%
Elementary & Secondary Schools, Public/Private	75.8%	69.17%	52.0%	44.04%
Colleges, Universities, & Professional Schools. Public/Private	62.9%	54.24%	47.9%	70.49%
Offices of Physicians	19.9%	28.29%	28.35%	4.44%
General Medical & Surgical Hospitals, Public/Private	100%	72.12%	100%	76.79%
Utility System Construction			28.16%	13.96%

Targeted Industry Title	2012 Total Establishments	2012 Number Served	2012 Penetration Rate
Oil and Gas Extraction	1,058	90	8.51%
Support Activities for Mining	915	137	14.97%
Petroleum and Coal Products Manufacturing	96	24	25.00%
Building Equipment Contractors	2,715	322	11.86%
Computer Systems Design & Related Services	2,894	272	9.40%
Management, Scientific, & Technical Consulting Services	4,274	299	7.00%
Elementary & Secondary Schools, Public/Private	302	133	44.04%
Colleges, Universities, & Professional Schools. Public/Private	122	86	70.49%
Offices of Physicians	5,091	226	4.44%
General Medical & Surgical Hospitals, Public/Private	112	86	76.79%
Utility System Construction	523	73	13.96%

Recommended Changes to the Strategic Plan

There are a number of recommendations:

- We recommend changing how we measure earnings gains of 20% or more. Currently, we only look at customers employed in the quarter after leaving Workforce Solutions. We propose to include all customers who leave Workforce Solutions.
- We recommend changing how we measure Educational Achievement. Currently, we look at customers in a training service during a year and who attain a credential, degree, or diploma within that same year. We propose to look at customers in a training service and determine if they attain a credential during or after leaving Workforce Solutions.
- We also recommend targets for the next five years, 2014 to 2018, for the Board Measures.

The Gulf Coast Workforce Board
Bringing People and Jobs Together

STRATEGIC PLAN 2014 – 2018
FOR THE REGIONAL WORKFORCE SYSTEM

DRAFT

The Gulf Coast workforce system is a regional network of business, education, labor, government, and community organizations serving the City of Houston and the 13-county Gulf Coast region of Texas.

THE GULF COAST WORKFORCE BOARD
Bringing People and Jobs Together

Strategic Plan 2014 – 2018

<p>Core Values <i>(Our Strongly Held Beliefs)</i></p>	<p>Innovation — Productivity — Accountability — Results</p>
<p>MISSION <i>(The Reason We Exist)</i></p>	<p>The Gulf Coast workforce system helps employers meet their workforce needs and individuals build careers so both can compete in the global economy.</p>
<p>VISION <i>(The Future We Aspire To)</i></p>	<p>For the Gulf Coast region:</p> <p><i>The Gulf Coast of Texas ranks among the top ten economic regions in the world.</i></p> <p><i>Employers have an adequate supply of well-educated and well-trained people, which enables them to compete in the world economy.</i></p> <p><i>Individuals have the knowledge, skills, and aptitudes to work and earn incomes that make them self-sufficient.</i></p> <p><i>The region is among the most attractive places in the country to live and work.</i></p>

VISION
(continued)

For the regional workforce system:

A single, integrated workforce system helps employers meet their workforce needs and individuals build careers.

Employers access the system and use its services without leaving their place of business.

Individuals are able to learn and work in their homes, in schools, and on the job to realize their greatest potential.

People throughout the region know about the system and can access the same high-quality information and labor market services regardless of where they live or how they come in contact with the system.

Strong commitments to innovation, productivity, accountability, and results keep the system flexible and responsive to employers' and peoples' ever-changing workforce needs.

Life-long learning and skills development are integral parts of the regional workforce system.

Long-standing relationships between employers and educators keep education and training opportunities one step ahead of the needs of the market.

The system partners with those industries and employers that drive the regional economy. It also works with chambers of commerce and economic development entities to identify and support emerging industries vital to the region's continued growth and diversification.

Operating above reproach, the system is highly valued by employers and people alike.

VISION
(continued)

For the Gulf Coast Workforce Board:

The Gulf Coast Workforce Board sets the regional workforce agenda. It is widely recognized for its excellence as a leadership and governing board and for its commitment to making a difference.

Business, labor, and community leaders vie for board membership because they know it is:

- well-educated, innovative, disciplined, and high-performing*
- nationally and locally recognized for its stewardship of public funds and its commitment to results; it makes funding decisions solely on the basis of performance, not politics*
- accountable to its owners (the taxpayers) and their representatives (the elected officials who appointed its members)*

RESULTS
(The Difference We Will Make)

1. More Competitive Employers
2. A Better-Educated Workforce
3. More and Better Jobs
4. Higher Incomes

**MEASURES, BASELINES,
AND TARGETS**
*(How We Will Measure
Progress Toward
Achieving Results)*

For the Regional Workforce System in 2018:

Education Credentials

- 80 percent of the region's population 25 years and older will hold an education credential
- 36 percent of the region's population 25 years and older will hold a post-secondary degree
- 21 percent of those pursuing an education credential will earn one

Job Creation

- 3.0 million individuals will be employed in the region, reflecting the addition of 365,000 jobs created since 2012

For Workforce Solutions in 2018:

Market Share

- 25 percent of the region's employers will use Workforce Solutions

Customer Loyalty

- 65 percent of employers using Workforce Solutions will be repeat customers

Education Credentials

- 66 percent of individual customers pursuing an education credential will earn one

Job Creation

- 3,300 new jobs will be created as a direct result of Workforce Solutions' partnering with other business organizations

**MEASURES, BASELINES,
AND TARGETS**
(continued)

Employment

— 76 percent of individual customers will be employed after leaving Workforce Solutions

Income

— 37 percent of individual customers leaving Workforce Solutions will have earnings gains of at least 20 percent

STRATEGIES
*(How We Will Achieve
Results)*

1. Continually improve the quality of customer service
2. Provide high-quality labor market information
3. Provide skilled workers for employers in critical industries
4. Contribute to high-quality, life-long learning experiences
5. Use our resources to move the larger system to achieve Board-established results
6. Meet the requirements of our funding sources
7. Find additional revenue to support Board results

Result #1 More Competitive Employers

For Workforce Solutions	2014	2015	2016	2017	2018
Percentage of the region's employers who use Workforce Solutions	20%	21%	23%	24%	25%

Percentage of the region's employers using Workforce Solutions as repeat customers	60%	62%	63%	64%	65%
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Result #2 A Better-Educated Workforce

For the Regional Workforce System	2014	2015	2016	2017	2018
Percentage of the region's population (25 years and older) holding an education credential	80.0%	80.0%	80.0%	80.0%	80.0%

Percentage of the region's population (25 years and older) holding a post-secondary degree	35.0%	35.0%	35.0%	36.0%	36.0%
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Percentage of those pursuing an education credential who earn one	21.0%	21.0%	21.0%	21.0%	21.0%
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Percentage of students enrolled in the 9th through 12th grades earning a high school diploma	21.0%	21.0%	21.0%	21.0%	21.0%
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	2014	2015	2016	2017	2018
Percentage of those enrolled in adult basic education who earn a GED	79%	79%	79%	79%	79%
Percentage of students enrolled in post-secondary institutions earning a certificate or degree	18.00%	18.00%	18.00%	18.00%	18.00%
Percentage of students earning post-secondary certificates or degrees who hold credentials in fields preparing them for jobs in high-skill, high-growth occupations targeted by the Gulf Coast Workforce Board	32.0%	32.5%	33.0%	33.5%	34.0%

For Workforce Solutions	2014	2015	2016	2017	2018
Percentage of resident customers pursuing an education credential who earn one.	58%	60%	62%	64%	66%
Percentage of resident customers enrolled in post-secondary education who earn certificate/degree	59%	60%	62%	64%	66%

Result # 3 More and Better Jobs - Job Creation

For the Regional Workforce System	2014	2015	2016	2017	2018
Total number of individuals employed.	2.75M	2.81M	2.87M	2.93M	3.0M

For Workforce Solutions	2014	2015	2016	2017	2018
Number of new jobs created as a direct result of Workforce Solutions’s partnering with other business organizations	2,700	2,800	3,000	3,200	3,300

Percentage of new jobs created with employers in industries targeted by the Gulf Coast Workforce Board as a direct result of Workforce Solutions's partnerships	75%	75%	75%	75%	75%
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Percentage of new jobs created in high-skill, high-growth occupations targeted by the Gulf Coast Workforce Board as a direct result of Workforce Solutions's partnerships with employers	45%	45%	45%	45%	45%
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Result # 3 More and Better Jobs - Employment

For the Regional Workforce System	2014	2015	2016	2017	2018
Percentage of those employed who are working for employers in industries targeted by the Gulf Coast Workforce Board	27.5%	27.7%	27.9%	28.1%	28.3%

Percentage of those employed who are working in high-skill, high-growth occupations targeted by the Gulf Coast Workforce Board	19.3%	19.4%	19.6%	19.7%	19.8%
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For Workforce Solutions	2014	2015	2016	2017	2018
Percentage of resident customers employed after leaving Workforce Solutions	72%	73%	75%	76%	76%

Percent of resident customers unemployed at entry who are employed after leaving Workforce Solutions	70%	71%	73%	74%	74%
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Percentage of resident customers employed after leaving Workforce Solutions, also employed in both consecutive quarters	81%	81%	82%	82%	83%
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Percentage of resident customers employed in the quarter beginning services from Workforce Solutions	62%	62%	63%	63%	64%
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Result # 4 Higher Incomes

For Workforce Solutions	2014	2015	2016	2017	2018
Percentage of resident customers with earnings gains of at least 20 percent after leaving Workforce Solutions	35%	35%	36%	36%	37%
Percentage of resident customers employed with earnings gains after leaving Workforce Solutions	44%	45%	46%	46%	47%

Nominating Committee

Recommendation for Vice Chair

The Nominating Committee Chair will present a recommendation to fill the vacant position of Vice Chair.

Board Action

Ratify Board Actions for February and April 2013

Current Situation

Elected officials have been in the process of reappointing Board members. This has resulted in two months in which the Board was technically out of compliance with membership requirements.

To ensure that all Board actions are appropriately approved, we are requesting that the Board ratify actions taken by the Board in February and April 2013.

Those items are:

February 5, 2013

- a. *Early Education & Care.* The committee chair will present an update from the January 2013 meeting and bring recommended changes to Workforce Solutions financial aid procedures for Board consideration.
- b. *Budget.* The Budget Committee will present a proposed 2013 Board budget of \$174,555,600 million for consideration.
- c. *Nominating.* The committee chair will present nominations for Board officers in 2013.

April 2, 2013

- a. *Employer Service.* The committee chair will present an update from the March 2013 meeting and bring recommendations for changes to the Board's high-skill, high-growth occupations for consideration.
- b. *Nominating.* Consider recommendations of Nominating Committee to fill offices.

Action

Ratify actions taken by the Board in February and April 2013, as listed above.

Gulf Coast Workforce Board
System Performance
October 2012 to April 2013

Board Measures

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

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

More Competitive Employers

Measure	Annual Target	Current Performance	Performance Last Year
<u>Employers Receiving Services (Market Share)</u> We expect to provide services to 24,591 employers this year which is almost 18% of the 138,150 employers identified for the Gulf Coast area. We provided services to 19,555 employers through April.	17.8%	14.2%	17.1%
<u>Employer Loyalty</u> Our performance indicates our employer customers value our services and return to us for additional services. Of a possible 22,979 employers, 10,134 returned to Workforce Solutions for additional services through April.	58%	44.1%	51.6%

More and Better Jobs

Measure	Annual Target	Current Performance	Performance Last Year
<u>New jobs created</u> This information is captured quarterly and reflects a two year average.	2,200	2,784	2,671
<u>Customers employed by the 1st Qtr after exit</u> Reporting for three quarters ending June 2012, 185,201 of the 259,655 customers who exited from services were employed by the quarter after exit.	80%	71.3%	69.9%

Higher Real Incomes

Measure	Annual Target	Current Performance	Performance Last Year
<u>Exiters with Earnings Gains of at least 20%</u> Reporting for three quarters ending December 2011, 81,987 of the 166,146 customers who exited had earnings gains of at least 20%.	42%	49.3%	43.9%

A Better Educated Workforce

Measure	Annual Target	Current Performance	Performance Last Year
<u>Customers pursuing education diploma, degree or certificate who achieve one</u> Reporting through April 2013, 922 of the 3,422 customers pursuing an education diploma, degree or certificate achieved one.	36%	26.9%	31.0%

Production

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

For the performance year that began October 1, 2012, we are meeting or exceeding the target for five of ten measures. The five measures we are not meeting are:

- Total Job Postings Filled. The target for this measure is 32.1%. Our performance for three quarters (1/12-9/12) was 23.1%.
- Total Education Achievement. The target for this measure is 80%. Our performance for three quarters (10/11 – 6/12) was 71.4%. We expect to meet the target by the end of September.
- Youth Literacy/Numeracy Gains. The target for this measure is 50.5%. Our performance in the first three quarters (7/12 – 3/13) was 41.7%. We will meet the target by the end of June.
- Choices Full Work Rate. This measure looks at the percent of customers receiving TANF benefits who are employed. The target for this measure is 43.0%. Our performance through April was 34.0%.
- Average Number of Children Served per Day (Child Care). The target for this measure is 22,942. We are about 3,000 children under enrolled and are working to increase our enrollment.

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

**GULF COAST WORKFORCE DEVELOPMENT BOARD
FINANCIAL STATUS REPORT
For the Four Months Ended April 30, 2013**

	ANNUAL BUDGET	BUDGET YEAR TO DATE	ACTUAL YEAR TO DATE	DOLLAR VARIANCE
WORKFORCE REVENUES				
WORKFORCE REVENUES	174,555,600	58,294,100	56,368,579	1,925,521
WORKFORCE EXPENDITURES				
BOARD ADMINISTRATION	4,270,128	1,423,376	1,181,401	241,975
SYSTEM IT	759,648	253,216	29,048	224,168
EMPLOYER SERVICES	6,373,402	2,124,467	1,719,236	405,231
RESIDENT SERVICES	163,152,422	54,493,041	53,438,895	1,054,146
OFFICE OPERATIONS	42,320,985	14,106,995	12,814,305	1,292,690
FINANCIAL AID	119,851,337	39,950,446	40,392,011	(441,565)
SPECIAL PROJECTS	980,100	435,600	232,579	203,021
TOTAL WORKFORCE EXPENDITURES	174,555,600	58,294,100	56,368,580	1,925,520

VARIANCE ANALYSIS

Note: Except for Special Projects that are currently funded through September 30, 2012, the "Budget Year to Date" column reflects straight-line estimate of expenditures for the twelve-month period, assuming equal expenditures every month in order to fully expend the budget in a year. The Special Projects budget is a straight-line estimate of the budget over the nine month period January to September 2013.

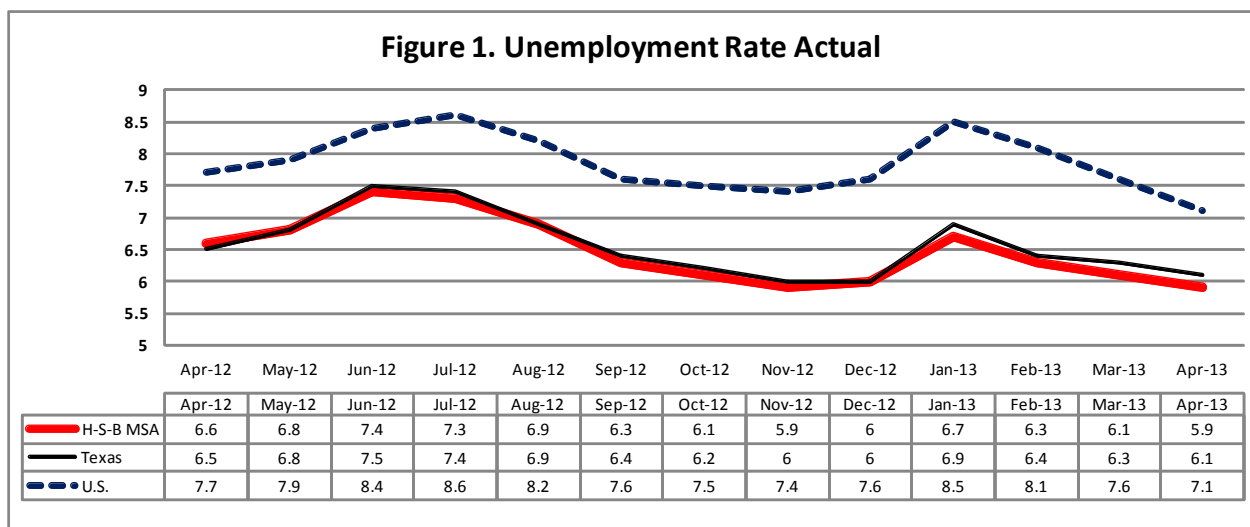


Labor Market Information
 APRIL 2013 Employment Data

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

Visit our website at www.wrksolutions.com

THE RATE OF UNEMPLOYMENT IN THE HOUSTON-SUGAR LAND-BAYTOWN METROPOLITAN STATISTICAL AREA (H-S-B MSA) DROPPED TWO-TENTHS OF A PERCENTAGE POINT TO 5.9 PERCENT IN APRIL. The current rate is seven-tenths of a percentage point lower than it was one year earlier and lower than both the state's 6.1 percent rate and the nation's 7.1 percent rate, see figure 1.



THE HOUSTON-SUGAR LAND-BAYTOWN MSA ADDED 18,400 JOBS TO PAYROLLS OVER THE MONTH. April's 0.7 percent increase was much stronger than it is in most years. Most major industry sectors saw payroll increases. Strongest April gains were in Construction, Retail Trade, Real Estate and Rental and Leasing, Architectural Engineering and Related Services, Employment Services, Services to Buildings and Dwellings, and Food Services and Drinking Places.

STRONG APRIL GAINS DRIVE THE RATE OF JOB GROWTH IN THE HOUSTON-SUGAR LAND-BAYTOWN MSA UP FROM 3.8 PERCENT IN MARCH TO 4.2 PERCENT IN APRIL, SEE FIGURE 2. The 4.2 percent increase translates to an addition of 111,200 jobs to payrolls since April 2012. All major sectors, both private and public, were reporting over-the-year job gains. Strongest growth was in Mining and Logging, Heavy Construction, Machinery Manufacturing, Architectural Engineering and Related Services, Employment Services, Ambulatory Health Care Services (where employment in all types of medical offices is found), and Food Services and Drinking Places.

Additional details by super sector are provided beginning on page 3.

**Figure 2. Current Employment Statistics
Actual Over-The-Year Increase/Decrease**

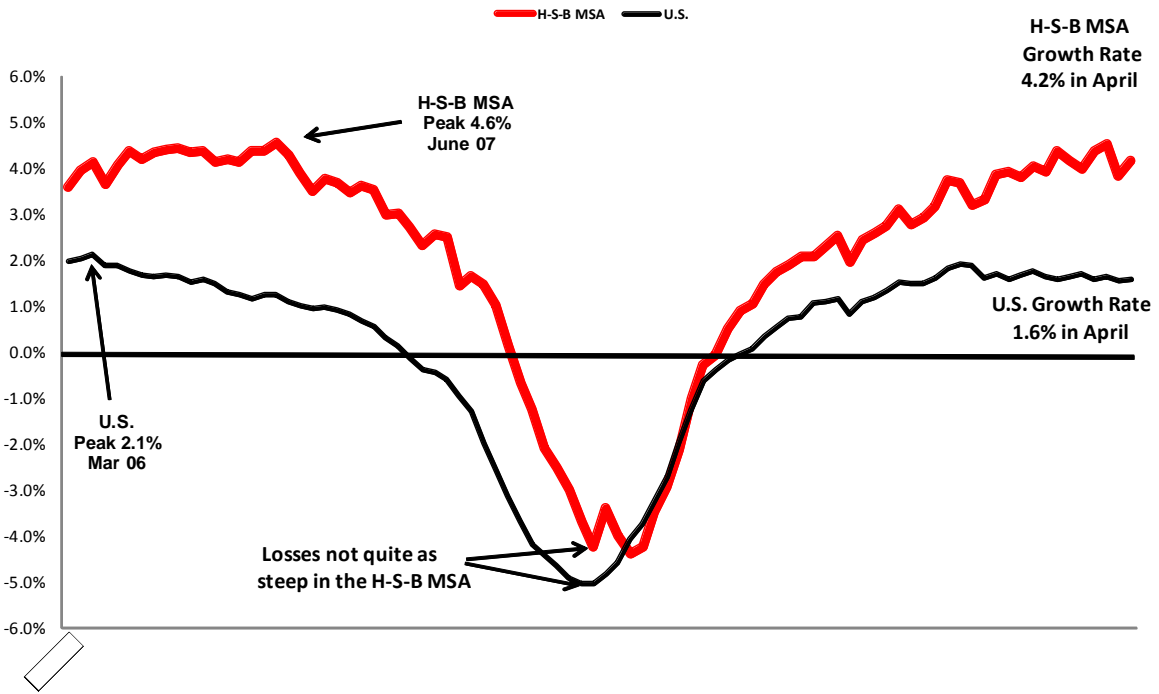
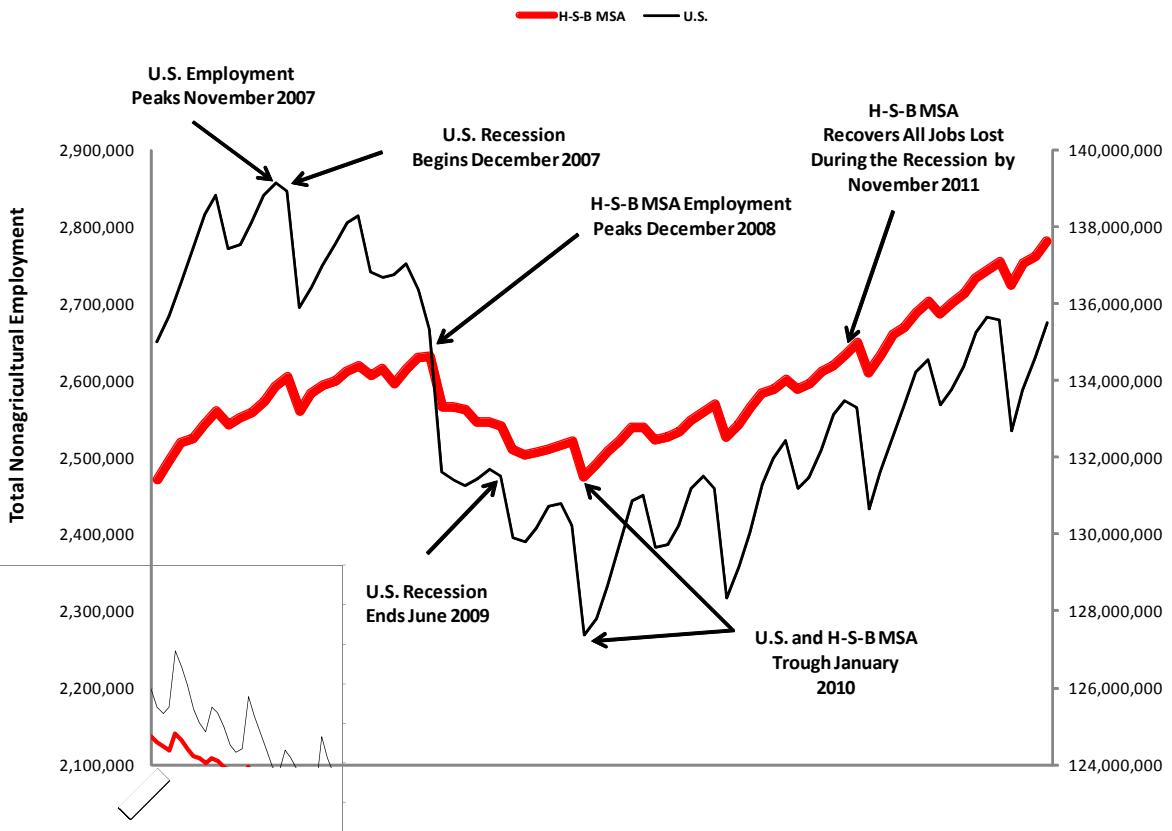
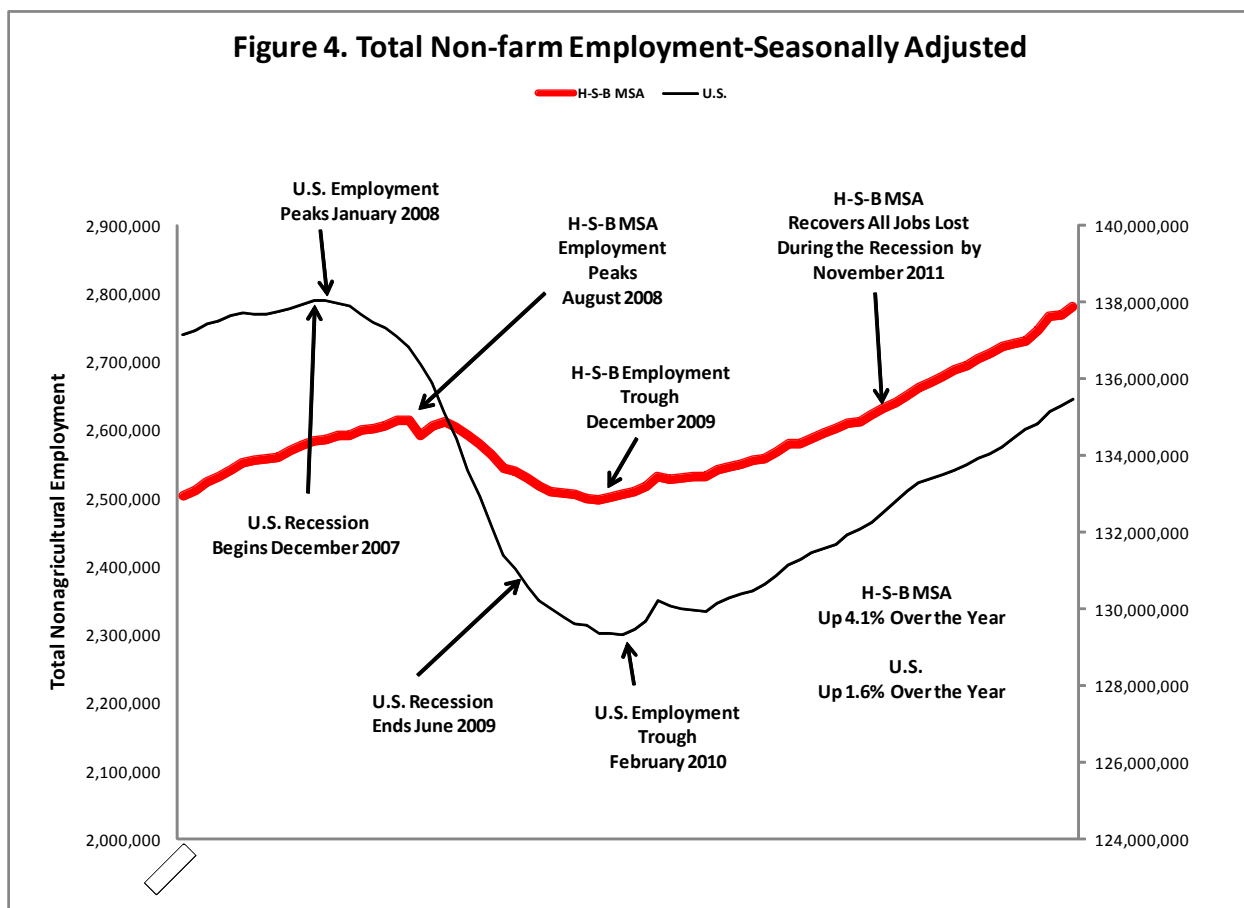


Figure 3. Total Non-farm Employment-Actual





Seasonally adjusted data for the H-S-B MSA and U.S. seen in figure 4 provides an additional view of employment removing the erratic seasonal movement. The H-S-B MSA recovered all jobs lost since the beginning of the recession by November 2011 and has since added 165,400 jobs to payrolls, an increase of 6.3 percent. Employment for the U.S. is still down 1.9 percent needing to recover 2,582,000 jobs to reach pre-recession levels.

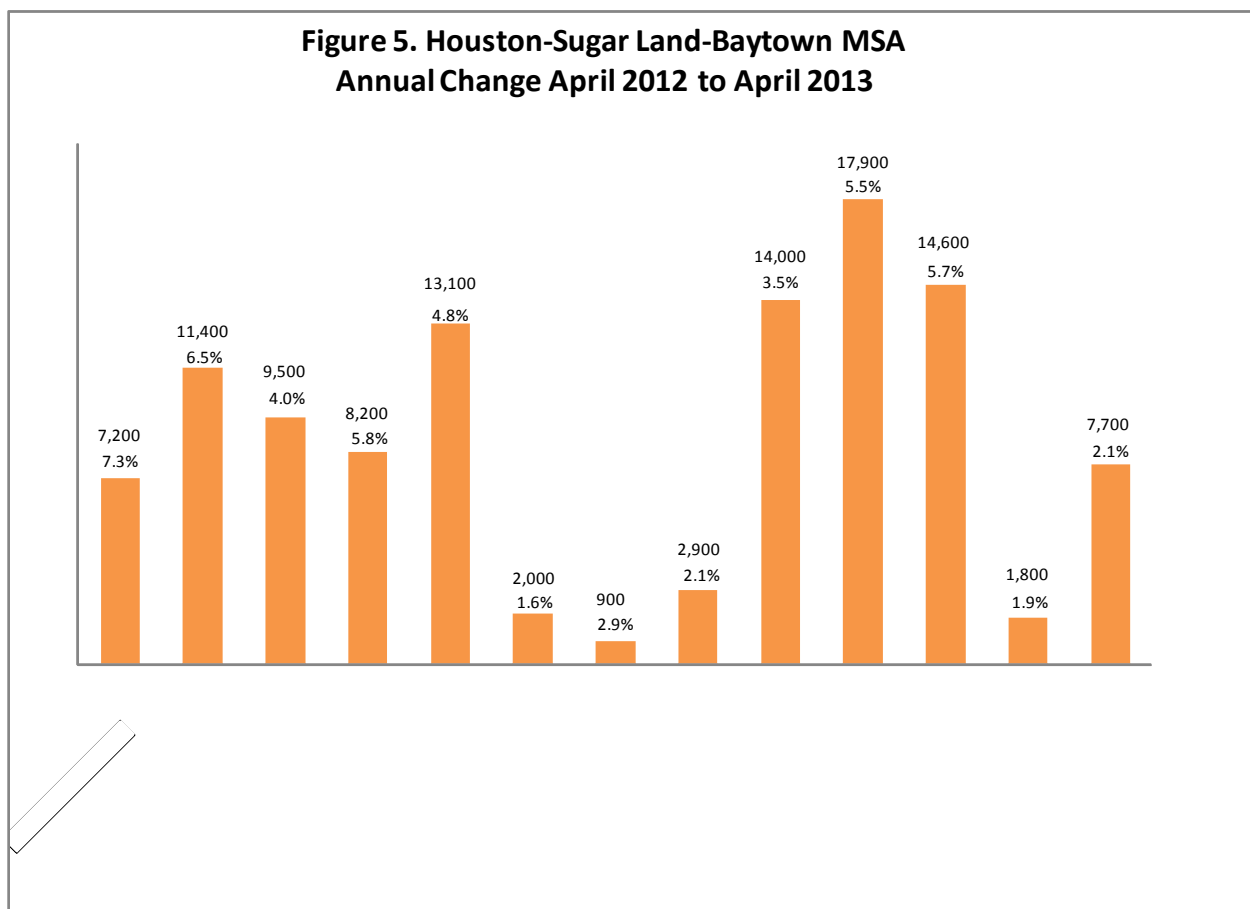
DETAILS BY SUPER SECTOR

Mining and Logging added 600 jobs to payrolls in April and was up 7,200 jobs or 7.3 percent over the year, see figure 5. Job growth has been in both Oil and Gas Extraction, up 3,600 jobs or 6.9 percent, and Support Activities for Mining, up 3,200 jobs or 7.2 percent. The average U. S. rig count dropped by 1 in April to 1,755, down 206 from one year earlier. While the number of gas rigs dropped by four, the number of oil rigs increased by nine. The number of rigs targeting gas has declined for six straight quarters as a result of increased outputs and lower prices. Oil drilling continues to dominate drilling. The Eagle Ford Shale, Barnett Shale, and Permian Basin regions have been major sources of activity. Gulf activity is expected to increase in the second half of the year. Global activity has been healthy and should remain healthy in the near future.

Construction experienced a strong increase of 3,800 jobs in April, up 2.1 percent. Gains were found across all major sectors of construction but Construction of Buildings saw the strongest increase, up 1,600 jobs or 3.4 percent, driven by strong residential housing demand. The super sector continues to report healthy over-the-year growth, up 11,400 jobs or 6.5 percent. While job gains are found across the entire industry the strongest growth has been in Heavy and Civil Engineering Construction where demand has been vigorous from the energy industry, up 5,900 jobs or 13.8 percent. Construction of Buildings was the second fastest growing sector, up 2,900 jobs or

6.3 percent. The outlook for construction remains positive for 2013 due to the H-S-B MSA's healthy economy.

Manufacturing experienced a decline of 900 jobs in April, down 0.4 percent. All of the loss was at manufacturers of durable goods with the strongest decline found at Computer and Electronic Product Manufacturing, down 200 jobs or 1.1 percent. While Machinery Manufacturing cut payrolls by 200 jobs over the month, Fabricated Metal Product Manufacturing increased payrolls by 400 jobs with producers reporting a broad-based increase in demand. Manufacturing added 9,500 jobs to payrolls over the year, up 4.0 percent, see figure 5. Most of the increase has been at manufacturers of durable goods with the largest gain found in Machinery Fabricating where many companies that support the energy sector are found, up 4,600 jobs or 8.7 percent. Nondurable Goods Manufacturing was reporting a more moderate but healthy increase of 1,300 jobs over the year, up 1.7 percent. The outlook for Manufacturing remains positive for 2013. Demand for high-tech products has been mixed with expectations for moderate improvement over the next three to six months. Gulf Coast chemical production has been up compared to last year in most product categories. Demand for oil field and gas equipment continues to be steady but leveling off. The Houston Purchasing Managers index fell for the second consecutive month in April to 58.4. Any index over 50 indicates production gains over the near term.



Trade Transportation & Utilities added 2,900 jobs to payrolls over the month, up 0.5 percent. April's increase was a result of gains in Wholesale Trade, up 1,000 jobs or 0.7 percent, and Retail Trade, up 3,500 jobs or 1.3 percent. Strongest hiring in Retail Trade was at Clothing and Clothing Accessories Stores and Building Material and Garden Equipment and Supplies Dealers. The Trade Transportation & Utilities super sector was up 23,300 jobs or 4.3 percent over the year. Retail Trade

accounted for more than half of the increase with payrolls up 13,100 jobs or 4.8 percent over the year. Wholesale Trade was up 8,200 jobs or 5.8 percent over the year. The pace of job growth in Transportation, Warehousing and Utilities dropped for the third consecutive month in April to 1.6 percent, down from 4.5 percent in January. The area of job growth that continues to stand out in Transportation, Warehousing, and Utilities is Truck Transportation, up 1,000 jobs or 4.3 percent, where demand has been strong due to energy related activity in the region. Utilities, Air Transportation, and Pipeline Transportation were reporting a combined loss of 1,200 jobs.

Employment in **Information** was up 100 jobs in April and 900 jobs or 2.9 percent over the year, see figure 5. About half of the MSA's employment in information resides in telecommunications with the remainder found in newspaper and periodical publishing, software publishing, motion picture and sound recording, and data processing hosting and related services.

Financial Activities added 1,500 jobs to payrolls in April, up 1.1 percent. The pace of job growth in Financial Activities increased for the second consecutive month rising from 1.4 percent in March to 2.1 percent, up 2,900 jobs. Gains in the super sector were found across most areas with the exception of Insurance Carriers and Related Activities, down 200 jobs or 0.7 percent over the year. Real Estate and Rental and Leasing reported the strongest increase of 1,800 jobs, up 3.6 percent. An improving housing market and strong energy activity continues to drive activity in the Financial Activities super sector.

Professional and Business Services added 2,300 jobs over the month, up 0.6 percent. Strongest April increases were in Employment Services, up 1,900 jobs or 2.5 percent, and Services to Buildings and Dwellings, up 1,300 jobs or 3.0 percent. The super sector added 14,000 jobs to payrolls over the year, up 3.5 percent. The bulk of the increase was found in Architectural, Engineering, and Related Services, up 5,400 jobs or 8.4 percent, and Employment Services, up 6,400 jobs or 9.1 percent. The only area to report an over-the-year loss was Accounting, Tax Preparation, Bookkeeping, and Payroll Services, down 900 jobs or 4.1 percent.

Education and Health Services reported an increase of 1,000 jobs in April, up 0.3 percent, and was up 17,900 jobs or 5.5 percent over the year, see figure 5. Most of the increase was in Health Care and Social Assistance. Ambulatory Healthcare Services, where employment in all types of medical offices is found, was up 9,400 jobs or 7.1 percent accounting for much of the increase. Educational Services also reported a healthy increase of 2,200 jobs, up 4.9 percent. An aging population and a population growth rate that more than doubles that of the nation is responsible for growth in the super sector.

Leisure and Hospitality reported a strong seasonal increase of 6,300 jobs in April, up 2.4 percent. According to estimates seasonal hiring that is normally seen in March were delayed until April. The pace of over-the-year job growth in Leisure and Hospitality rebounded as a result from 3.8 percent in March to 5.7 percent. Most of the job growth has been in Food Services and Drinking Places, up 13,300 jobs or 6.5 percent. Like many other industries in the H-S-B MSA, population growth continues to be the driving factor to job gains in the super sector.

Other Services reported an increase of 900 jobs in April and was up 1,800 jobs or 1.9 percent over the year. Other Services includes, as a partial list, industries such as various repair services, personal care services, dry cleaning and laundry services, and religious and social advocacy organizations.

Employment in **Government** was basically unchanged in April, down 100 jobs, with payrolls up 7,700 jobs or 2.1 percent over the year. Most of the increase was in Local Government Educational Services, up 5,800 jobs or 3.1 percent.

NONAGRICULTURAL EMPLOYMENT

Houston-Sugar Land-Baytown MSA	APR 2013	Month Change		Year Change	
		Net	Percent	Net	Percent
Total Nonfarm	2,780,700	18,400	0.7%	111,200	4.2%
Total Private	2,403,800	18,500	0.8%	103,500	4.5%
Goods Producing	541,800	3,500	0.7%	28,100	5.5%
..Mining and Logging	105,200	600	0.6%	7,200	7.3%
...Oil and Gas Extraction	56,000	100	0.2%	3,600	6.9%
...Support Activities for Mining	47,700	200	0.4%	3,200	7.2%
..Construction	186,900	3,800	2.1%	11,400	6.5%
...Construction of Buildings	49,000	1,600	3.4%	2,900	6.3%
...Heavy and Civil Engineering Construction	48,500	1,200	2.5%	5,900	13.8%
...Specialty Trade Contractors	89,400	1,000	1.1%	2,600	3.0%
..Manufacturing	249,700	-900	-0.4%	9,500	4.0%
...Durable Goods	169,900	-900	-0.5%	8,200	5.1%
...Fabricated Metal Product Manufacturing	57,900	400	0.7%	2,600	4.7%
...Machinery Manufacturing	57,600	-200	-0.3%	4,600	8.7%
....Agriculture, Construction, and Mining Machinery Manufacturing	42,600	-300	-0.7%	3,200	8.1%
...Computer and Electronic Product Manufacturing	18,600	-200	-1.1%	-300	-1.6%
..Non-Durable Goods	79,800	0	0.0%	1,300	1.7%
...Petroleum and Coal Products Manufacturing	12,200	0	0.0%	100	0.8%
...Chemical Manufacturing	35,400	0	0.0%	600	1.7%
Service Providing	2,238,900	14,900	0.7%	83,100	3.9%
..Private Service Providing	1,862,000	15,000	0.8%	75,400	4.2%
..Trade, Transportation, and Utilities	563,900	2,900	0.5%	23,300	4.3%
...Wholesale Trade	150,600	1,000	0.7%	8,200	5.8%
....Merchant Wholesalers, Durable Goods	88,900	700	0.8%	4,600	5.5%
.....Professional and Commercial Equipment and Supplies Merchant	10,500	0	0.0%	0	0.0%
....Merchant Wholesalers, Nondurable Goods	40,800	0	0.0%	900	2.3%
...Retail Trade	283,500	3,500	1.3%	13,100	4.8%
....Motor Vehicle and Parts Dealers	35,100	100	0.3%	1,300	3.8%
....Building Material and Garden Equipment and Supplies Dealers	21,500	700	3.4%	1,200	5.9%
....Food and Beverage Stores	58,100	700	1.2%	1,900	3.4%
....Health and Personal Care Stores	16,900	0	0.0%	600	3.7%
....Clothing and Clothing Accessories Stores	31,400	700	2.3%	1,900	6.4%
....General Merchandise Stores	59,700	500	0.8%	-300	-0.5%
.....Department Stores	22,300	100	0.5%	-600	-2.6%
.....Other General Merchandise Stores	37,400	400	1.1%	300	0.8%
...Transportation, Warehousing, and Utilities	129,800	-1,600	-1.2%	2,000	1.6%
....Utilities	16,100	-200	-1.2%	-500	-3.0%
.....Air Transportation	22,100	0	0.0%	-500	-2.2%
.....Truck Transportation	24,400	100	0.4%	1,000	4.3%
.....Pipeline Transportation	10,300	-100	-1.0%	-200	-1.9%
..Information	31,900	100	0.3%	900	2.9%
...Telecommunications	15,200	0	0.0%	0	0.0%
..Financial Activities	141,900	1,500	1.1%	2,900	2.1%
...Finance and Insurance	90,500	800	0.9%	1,100	1.2%
....Credit Intermediation and Related Activities	43,400	400	0.9%	600	1.4%
.....Depository Credit Intermediation	29,900	300	1.0%	200	0.7%
.....Securities, Commodity Contracts, and Other Financial					
Investments and Related Activities	13,600	100	0.7%	300	2.3%
....Insurance Carriers and Related Activities	29,300	200	0.7%	-200	-0.7%
...Real Estate and Rental and Leasing	51,400	700	1.4%	1,800	3.6%

NONAGRICULTURAL EMPLOYMENT

Houston-Sugar Land-Baytown MSA	APR 2013	Month Change		Year Change	
		Net	Percent	Net	Percent
..Professional and Business Services	417,100	2,300	0.6%	14,000	3.5%
...Professional, Scientific, and Technical Services	198,400	200	0.1%	5,300	2.7%
....Legal Services	23,900	0	0.0%	600	2.6%
....Accounting, Tax Preparation, Bookkeeping, and Payroll Services	21,300	-500	-2.3%	-900	-4.1%
....Architectural, Engineering, and Related Services	69,600	1,100	1.6%	5,400	8.4%
....Computer Systems Design and Related Services	27,000	0	0.0%	600	2.3%
...Management of Companies and Enterprises	23,300	100	0.4%	800	3.6%
...Administrative and Support and Waste Management and Remediation Services	195,400	2,000	1.0%	7,900	4.2%
....Administrative and Support Services	185,600	2,200	1.2%	7,200	4.0%
.....Employment Services	76,700	1,900	2.5%	6,400	9.1%
.....Services to Buildings and Dwellings	45,300	1,300	3.0%	1,000	2.3%
..Educational and Health Services	342,200	1,000	0.3%	17,900	5.5%
...Educational Services	47,400	0	0.0%	2,200	4.9%
...Health Care and Social Assistance	294,800	1,000	0.3%	15,700	5.6%
....Ambulatory Health Care Services	141,500	-100	-0.1%	9,400	7.1%
....Hospitals	77,300	700	0.9%	3,300	4.5%
..Leisure and Hospitality	268,800	6,300	2.4%	14,600	5.7%
...Arts, Entertainment, and Recreation	27,800	200	0.7%	600	2.2%
...Accommodation and Food Services	241,000	6,100	2.6%	14,000	6.2%
....Accommodation	22,200	200	0.9%	700	3.3%
....Food Services and Drinking Places	218,800	5,900	2.8%	13,300	6.5%
..Other Services	96,200	900	0.9%	1,800	1.9%
Government	376,900	-100	0.0%	7,700	2.1%
..Federal Government	27,500	100	0.4%	200	0.7%
..State Government	72,800	100	0.1%	800	1.1%
...State Government Educational Services	39,600	0	0.0%	200	0.5%
..Local Government	276,600	-300	-0.1%	6,700	2.5%
...Local Government Educational Services	195,400	-100	-0.1%	5,800	3.1%

UNEMPLOYMENT RATE

	APR 2013	MAR 2012	APR 2012
H-S-B MSA	5.9	6.1	6.6
Texas (Actual)	6.1	6.3	6.5
United States (Actual)	7.1	7.6	7.7

Houston-Sugar Land-Baytown MSA: Includes Austin, Brazoria, Chambers, Ft. Bend, Galveston, Harris, Liberty, Montgomery, and San Jacinto & Waller Counties. Houston-Baytown-Sugar Land MSA CES data series are benchmarked to March 2011 levels and are estimated by the U.S. Department of Labor, Bureau of Labor Statistics. All Data is Subject To Revision.

Sources: U.S. Department of Labor, BLS, Texas Workforce Commission, Baker Hughes Incorporated, Kiley Advisors, Metrostudy, and The Federal Reserve Bank of Dallas.