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GULF COAST WORKFORCE BOARD

TENTATIVE AGENDA
TUESDAY, DECEMBER 6, 2022 AT 10:00 A.M.
IN-PERSON
2ND FLOOR, 3555 TIMMONS LANE
HOUSTON, TX 77027

The meeting will be in person only and will be open to the public but restrictions regarding masks, allowable room capacity, and seating arrangements may be in place.

- 1. Call to Order**
- 2. Roll Call**
- 3. Adopt Agenda**
- 4. Public Comment**
- 5. Review October 2022 meeting minutes**

Request approval of minutes of the October 2022 meeting of the Gulf Coast Workforce Board. (Contact: Chair Mark Guthrie)

- 6. Declare Conflicts of Interest**

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7. Reports


- a. Chair's Remarks (Contact: Chair Mark Guthrie)
- b. Executive Director Report – Report on recent, current, and upcoming activities. (Staff Contact: Juliet Stipeche)
- c. H-GAC Executive Director Report – Report on recent, current, and upcoming activities related to Houston-Galveston Area Council. (Staff Contact: Chuck Wemple)
- d. National Apprenticeship Week – Recognize employers who have assisted over 100 individuals find a new career path through registered apprenticeships. (Staff Contact: Juliet Stipeche)
- e. Foster Youth Conference – Recognize entities supportive of the recent Foster Youth Conference. (Staff Contact: Anna Kluth)
- f. Budget Committee Report – report on recommended adjustments to 2022 budget to accommodate changes that have occurred in revenues and expenditures. (Contact: Willie Alexander)
- g. Audit and Monitoring Committee Report – Briefing on the committee's November meeting. (Contact: Guy Robert Jackson)
- h. Procurement Committee – Briefing on the committee's November meeting. (Contact: Dr. Bobbie Henderson)
- i. Bylaws Committee Report – Report on the committee's meeting to review and discuss changes to the bylaws. (Contact: Dr. Michael Webster)

8. Action

- a. Nominating Committee – Discussion, consideration, and possible action regarding Board approval of members of the Board's Nominating Committee (Chair Guthrie)
- b. Budget – Approve budget adjustment. (Staff Contact: AJ Dean)
- c. Procurement – Discussion and action on Employer Services contracts, amount not to exceed \$12,000,000. (Staff Contact: Rebecca Neudecker)

9. Information

- a. Performance and Production – Report on the system's performance and production. (Staff Contact: Philip Garcia)

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- b. Expenditures – Report on the Board’s budget and expenditures. (Staff Contact: AJ Dean)
 - c. Communications – A review of Workforce Solutions’ communications and outreach activities. (Staff Contact: Michelle Castrow)
 - d. Supported Employment Pilot Project – Report on our success supporting individuals with disabilities in securing employment. (Staff Contact: Bobi Cook)

10. Look at the Economy

- a. Special Presentation: “Measuring Education Credentials of Middle-Skill Jobs.” (Staff Contact: Ron Borski)

11. Adjourn

If you wish to make public comment you may appear in person or by providing your comments in writing no later than 5:00 pm on **Monday, December 5, 2022** to Deborah Duke at deborah.duke@wrksolutions.net.

Meeting materials are available on our website at www.wrksolutions.com/about-us/meetings.

Workforce Solutions is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities.

Please contact us at 713.627.3200 at least 48 hours in advance to request accommodations.

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

Equal opportunity is the law.

Gulf Coast Workforce Board-Workforce Solutions
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713.627.3200
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**MINUTES OF MEETING OF
THE GULF COAST WORKFORCE BOARD
TUESDAY, OCTOBER 4, 2022**

MEMBERS PRESENT

Willie Alexander	Mark Guthrie	Edward Melton
Peter Beard	Bobbie Henderson	Margaret Oser
Mustapha Beydoun	Guy Robert Jackson	Adrian Ozuna
Sara Bouse	Doug Karr	Paul Puente
Carl Bowles	Jeff LaBroski	Monica Riley
Helen Cavazos	Shareen Larmond	Danielle Scheiner
Anthony Gay	Michael Love	Valerie Segovia
Melissa Gonzalez	Jonathan Lowe	Richard Shaw
Cheryl Guido	Rajen Mahagaokar	Lizandra Vazquez

H-GAC STAFF PRESENT

Ron Borski	Philip Garcia	Rebecca Neudecker
Michelle Castrow	Rick Guerrero	Juliet Stipeche
Deborah Duke	Parker Harvey	Brenda Williams

Mark Guthrie, Chair, called the in-person only meeting to order at approximately 10:00 a.m., on Tuesday, October 4, 2022. Deborah Duke called roll to determine a list of members present. Chair Guthrie determined a quorum was present. Prior to adopting the agenda, Chair Guthrie welcomed new board member, Mou Sakar. Ms. Sakar introduced herself and was warmly welcomed by the Board.

ADOPTION OF AGENDA

Chair Guthrie then presented the agenda and requested a motion to approve the agenda as presented. A motion was made and seconded to adopt the agenda. The motion carried and the agenda was adopted as presented.

PUBLIC COMMENT

Dr. Melanie Johnson, President and CEO of Collaborative for Children provided comments to the Board. Dr. Johnson addressed Board members regarding factors related to the Texas Rising Star grant renewal and pointed out the support provided by Collaborative for Children in the past.

Next, Rene Solis, Chief Program Officer for BakerRipley, provided comments to the Board. Mr. Solis recognized that September is National Workforce Development month. He acknowledged the role Workforce plays in developing and supporting job seekers and recognized activities hosted by BakerRipley throughout the month. He thanked the Board Staff for participation in these activities. Mr. Solis also provided comments addressing procurement of an Employer Service contractor.

Ms. Graciela Saenz, Attorney representing LULAC Council #60, spoke to the Board regarding LULAC's mission to promote economic development, education and opportunity for the Houston community at large. Ms. Graciela provided comments related to procurement of an Employer Service contractor.

MINUTES FROM AUGUST 2, 2022 MEETING

Chair Guthrie asked for approval of the minutes as presented. A motion was made and seconded to approve the minutes as presented. The motion carried unanimously.

DECLARE CONFLICTS OF INTEREST

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

CONSIDER REPORTS

1. *Paving the Pathway to Success Employer Recognition.*

Paving the Pathway to Success helps students with disabilities who are transitioning from high school or post-secondary education into work. Paving activities bridge the gap between school and work through professional workshops, mentoring, and work experience – helping students with disabilities obtain skills necessary to compete in today's workforce. This program provides the intensive long-term support needed for students to gain confidence, broaden their view of the business world, and gain real world experience with a local employer.

Paving the Pathway to Success served 36 young people this year in a seven-month project that included three phases:

In March through May 2022, participants learned employability, critical thinking, and interpersonal skills through a series of workshops.

At the beginning of May, participants worked with a business mentor for up to six weeks on projects to develop projects to enhance the partner's business or address a business need.

At the end of the mentorship there was a 2-day symposium, each team presented their final projects to a panel of judges in a competition. This year, the Whataburger team was chosen as the winner.

Following the business projects, Pathway participants worked in paid summer jobs for up to 5 weeks, 20 hours per week.

The businesses who sponsor and mentor the project teams are essential to the Paving the Pathway to Success program. The program would be nowhere near as impactful or successful without them. We want to offer our sincere gratitude and thanks to the participating businesses who made this year's Paving the Pathway to Success program possible for our local students:

- DLZP Group,
- HG Consulting,
- Houston Space Center,
- Houston Museum of Natural Science,
- My Kids Dentist, and
- Whataburger.

2. Chair's Report.

Chair Guthrie reported that he will attend the NAWB Board of Directors meetings in Alexandria, VA at the end of October and will provide a report of matters of interest during the December Board meeting. He also reported that he along with a number of Board Members and Staff will attend the TWC annual conference in Dallas at the end of November.

Chair Guthrie also reported that TWC is dedicated to supporting apprenticeships in middle-skill careers and to helping employers develop and use registered apprenticeships to train their workforce. He also recognized our contractor, Adaptive Construction Solutions, for their efforts in implementing apprenticeships.

Next Chair Guthrie discussed issues related to Board Operations. He first discussed issues related to procurement and, said that while there has been progress in this area, he encouraged continued coordination among staff and the Procurement and Audit and Monitoring Committees so that relevant information is properly shared and appropriately used in procurement decisions. He encouraged Board Members to speak up regarding any day-to-day customer service and customer satisfaction issues that arise with our contractors. He encouraged Members to report their observations to Juliet so that she and Board staff can address any issues.

Chair Guthrie announced that he created a By-Laws Committee to be chaired by Mike Webster and Vice Chaired by Adrian Ozuna. The Committee will include Peter Beard, Guy Jackson, Carolyn Watson, Alan Heskamp and Chair Guthrie as an ex-officio member. By-laws were last approved by the Board in 2005 and it is time to take another look at them. The Committee will meet soon for an introductory meeting. Chair Guthrie also reported that he was considering forming another working Committee to look at the future operation of the Board.

Chair Guthrie concluded his report and no action was taken.

3. Executive Director's Report.

Executive Director Juliet Stipeche provided a report thanking members of the Board, Board Staff, and H-GAC staff for their service and support during her first few months. She reported that she has had opportunities to meet with the Regional Management Team, regional staff and others to discuss opportunities and next steps moving forward within the system.

Ms. Stipeche also reported that the Gulf Coast Region had the opportunity to attend the Texas Apprenticeship Conference and to participate in a panel discussion highlighting the amazing work done in our region. The panel was well attended.

Lastly, Ms. Stipeche informed the Board that the Gulf Coast Region will host the first annual Youth Conference and Resource Fair on Saturday, October 8 which will focus on providing support and resources to youth, especially those who are homeless, foster and vulnerable youth. She encouraged members to share this event with their social media followers.

Ms. Stipeche concluded her report and no action was taken.

4. Communications Committee Report.

Communications Committee Chair Doug Karr provided the following report.

Background

The Communications Committee met on Thursday, September 15, 2022. Committee Chair Doug Karr and members Willie Alexander, Mark Guthrie, Bobbie Henderson, Guy Robert Jackson, Jonathan Lowe, Richard Shaw and Michael Webster attended.

Updates

Public outreach service providers offered reports regarding their progress on key tasks for the contract year, including long-term employer engagement, materials development, and Workforce TV.

The “Your Career Your Choice” television series premiered in early August, and the viewership continues to grow. The show has generated approximately \$60,000 worth of media value to date. Production has wrapped, and original episodes will air weekly through October 2022, and then will be repurposed for various Workforce Solutions media channels. The committee also recommended that we share these videos with local K-12 school systems and post-secondary partners.

Outreach Strategists offered an update regarding their work with Economic Development Corporations in the region. Gatherings with Tomball and Wharton EDCs held recently brought the total number of events to six over the contract year. Videos highlighting discussions with employers, educators, and community leaders have also been created.

Savage Brands presented Committee members with highlights of materials recently developed, including a newsletter for employers, and assets for social media and email communications that reflect the brand identities for Workforce Solutions’ agency, employer and individual audiences. An internal site to house this information is being created to ensure that persons within the system have secure access to materials they will need to do their work.

Chair Karr concluded his report and no action was taken.

5. H-GAC Executive Director Report.

H-GAC Executive Director, Chuck Wemple, informed the Board that staff are working to connect and engage Workforce activities more closely with other activities of the Houston-Galveston Area Council. He also congratulated Juliet Stipeche on having been recently named one of the top 30 most influential women in Houston. Mr. Wemple also assured the Board that H-GAC joins Workforce in placing an increasing emphasis on customer service.

Mr. Wemple updated the Board on activities related to the Outreach Strategists contract as it relates to the H-GAC contract finalization which was tabled at the August H-GAC Board meeting. Compliance concerns and other assessments were researched with no adverse findings. The discussion was brought back to the H-GAC Board at the September meeting and the motion to not renew with Outreach Strategists was approved with a caveat to allow negotiation of a bridge contract while deciding how to move forward with reprocurement or an option to bring related activities in-house within H-GAC. This contract negotiation, as well as plans for an expedited reprocurement are currently in progress. A procurement grievance was filed by Outreach Strategists and the claims process and potential resolutions are currently in progress. Future updates will be provided to this Board.

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

6. Audit and Monitoring Committee Report.

Audit and Monitoring Committee Chair Guy Robert Jackson provided the following report.

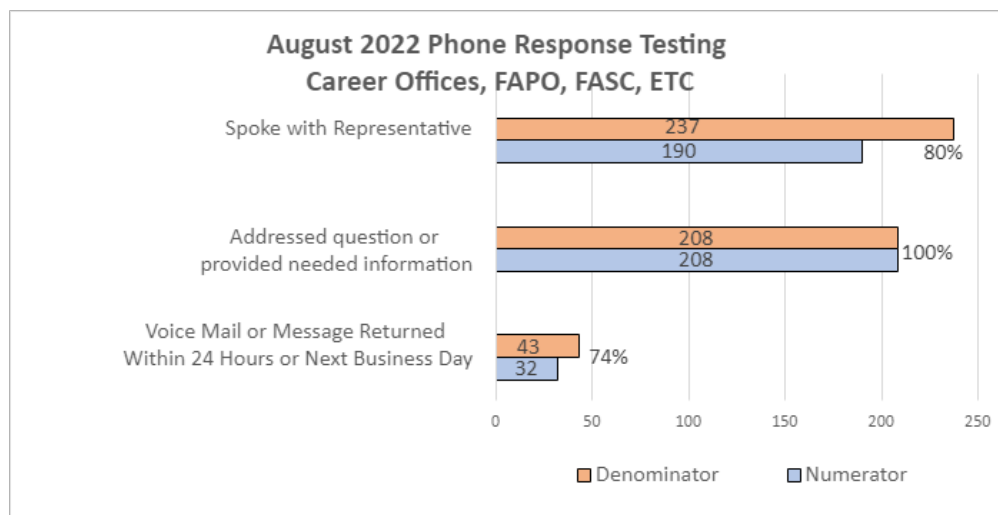
The Audit and Monitoring Committee met on July 19, 2022, at 1:00 PM Members - Guy Robert Jackson (Chair), Carl Bowles (Vice Chair), Willie Alexander, Sara Bouse, Helen Cavazos, Cheryl Guido, Mark Guthrie, Bobbie Henderson, Alan Heskamp, and Doug Karr attended.

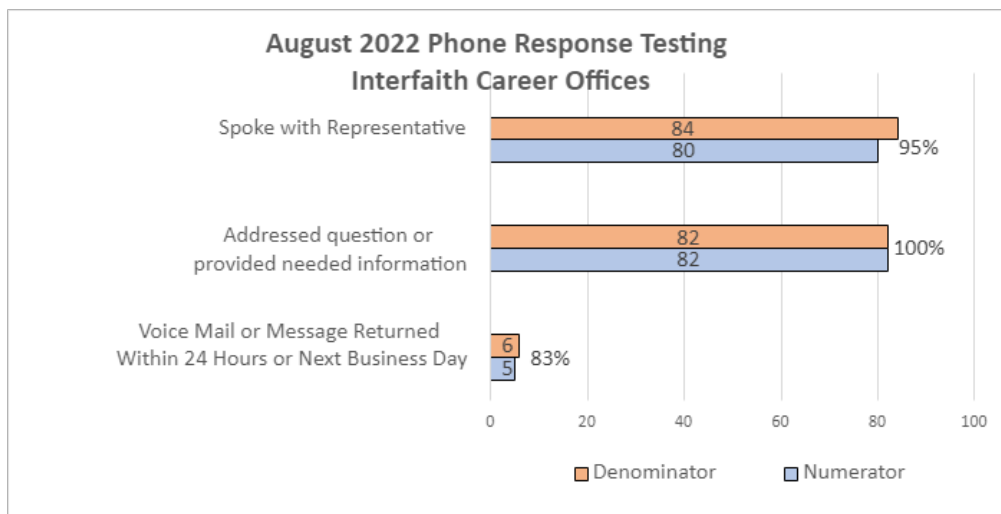
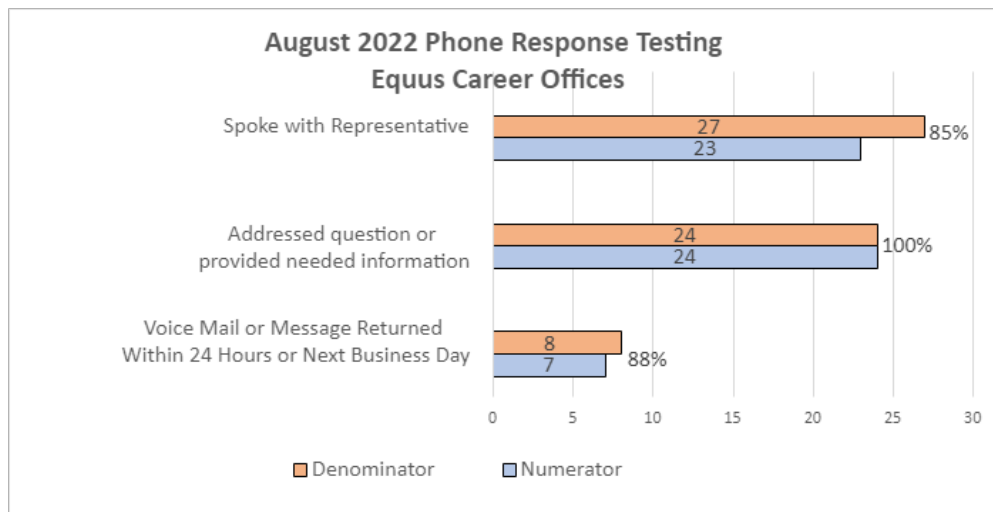
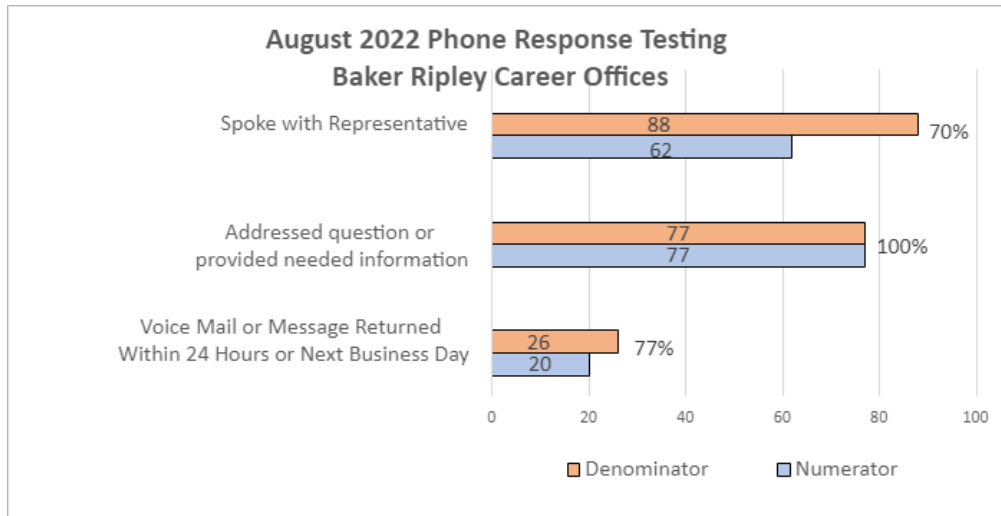
System Review

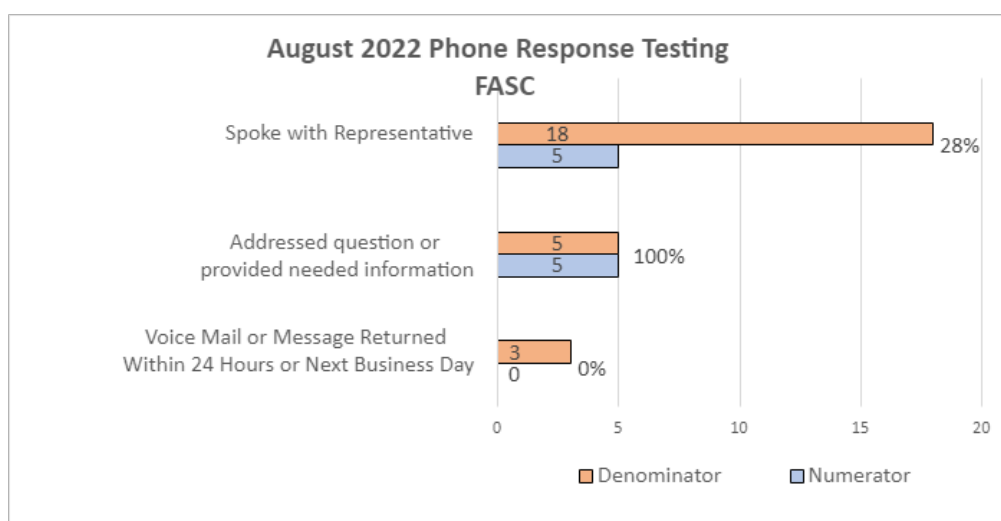
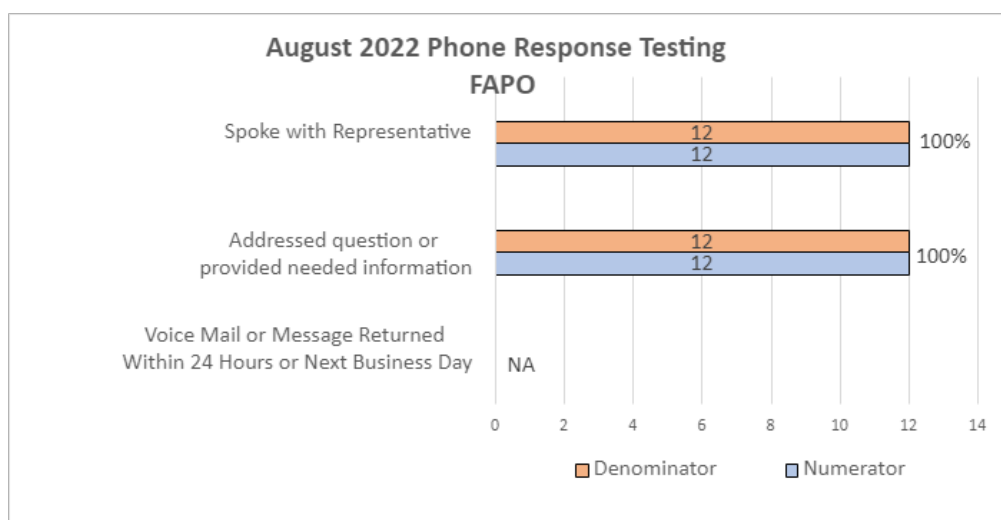
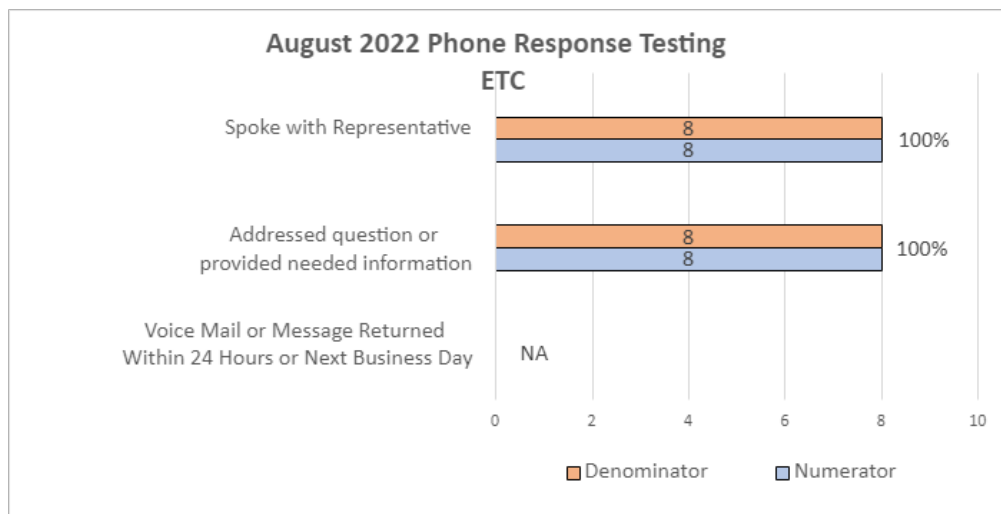
This report includes a system-level review of performance/production and expenditures and a contractor-level review of performance/production and expenditures.

Responsiveness and Customer Satisfaction

Voice mail responses within 24 hours were 74% in August, decreasing from 76% in June and 86% in May.







Technical Compliance

We concluded the monitoring reviews for Employment and Training Centers, Alliance for Community Assistance Ministries, American YouthWorks, and Career

Teams. Each service provider will have ten days to respond to preliminary findings before issuing a final report. Summer Earn and Learn worksite visits were completed, and we are finalizing a report for the Texas Workforce Commission.

We are reviewing Interfaith and BakerRipley Career Offices and testing compliance in the Financial Aid Support Center and Financial Aid Payment Office.

Financial Systems and Issues

The FY2021 financial monitoring completed for Brazosport College and Chinese Community Center resulted in no critical issues.

Collaborative for Children's monitoring identified \$50,000 in expenditures recorded in the wrong period requiring an adjustment from 2021 to 2022.

Over the past year, financial monitoring has identified multiple disallowed costs related to inadequate processes, a lack of enforcement of existing processes, and large expenditures that did not comply with procurement policies.

	Disallowed Cost	Payment Received
Financial Monitoring for FY 20	\$9,571.60	Yes
Follow-up monitoring for FY 20	\$144,372.00	Yes
Follow-up monitoring for FY 21-22	\$162,638.88	Yes
Rice-Baker Procurement FY 22	\$20,000.00	Yes

The FY 2022 financial monitoring completed for Alliance for Multicultural Community Services and Lone Star College resulted in disallowed costs of \$4,268.32 and \$1,688.00, respectively. Both organizations have reimbursed H-GAC in full.

Corrective Action Plans

Employment and Training Centers was placed on a corrective action plan (CAP), effective July 1, 2022, to improve three processes related to talent development. Problems in allocating funds appropriately for expenses through the payment office resulted in payments, including reimbursements to employers of OJT wages, not being made in a timely fashion and also resulted in inaccurate information regarding available funding. The problems affected accounts in both FY 21 and FY 22.

Summary of Plan Targets:

- Ensure the enrollment process for talent development candidates is followed, and training funds are appropriately allocated,
- Ensure participating employers are reimbursed promptly, and
- Ensure employers understand the terms of training agreements.

Reports for the prior month are submitted on the first of each month. For the July report, the standard of 95% accuracy in completing steps promptly for the first item was not met. Operations staff are currently reviewing the August report.

The CAP will end with the current contract year. We can request that the reporting on these processes continue in the transition contract.

Reporting Contractor Progress

The Committee next considered the staff's presentation of options to present monitoring results to the Audit and Monitoring Committee.

Proposed Contractor Report Card

	WEIGHT	AVERAGE	RATING
CUSTOMER EXPERIENCE	50%		0.00
Performance and Production			
Customer Satisfaction & Complaints			
Customer Response & Service			
Observations			
COMPLIANCE	40%		0.00
Policies and Procedures			
Financial Monitoring			
Data Security & Data Validation			
ACCOUNTABILITY	10%		0.00
Accessibility			
Staff Training			
TOTAL	100%		0.00
FINANCIAL MONITORING			
Critical Issues (Yes/No)			
Summary Critical Issues			

Proposed Rating Scale

Proposed Rating Scale A	Proposed Rating Scale 2
5 Excelling	10 Excellent
4 Exceeds	5 Above Standard
3 Meets	0 Standard
2 Improvement Needed	-5 Below Standard
1 Unacceptable	-10 Poor

Next Meeting

The next Committee meeting was tentatively scheduled for 1:00 PM on Thursday, November 17, 2022.

Chair Jackson concluded his report and no action was taken.

7. Procurement Committee.

Procurement Committee Chair Dr. Bobbie Henderson provided the following report.

Background

The Board's Procurement Committee met on September 22, 2022 and considered the procurements of Early Education Quality and Employer Services for the Workforce Solutions system.

Early Education Quality involves several important deliverables, including helping child care providers and families understand the importance of early education, finding quality child care, and enhancing early childhood development at home. The service provider also assesses and mentors child care providers to achieve recognition for quality services through the Texas Rising Star program. This year, we started a new procurement cycle and issued an RFP which was evaluated by staff. Based on the foregoing, staff recommended a new provider to the Board, The University of Texas Health Science Center at Houston.

The second agenda item involved Employers Services which serves our primary customers, employers. Currently, two providers deliver services, one for outreach, marketing, and consulting, and the other for talent development, which serves to train and upskill potential and current workers. This summer, staff issued and evaluated two RFPs and made recommendations.

The Procurement Committee rejected the staff recommendations, and the Board subsequently approved a motion for staff to negotiate extension contracts for up to six months with existing service providers. This allowed the Procurement Committee time to gather additional information, including from interviews of all proposers on September 19, 2022 and additional performance and audit and monitoring information that the staff doing the initial scoring and ranking of the proposals were instructed not to consider.

On September 22, 2022, the Procurement Committee met to review and discuss performance and audit information and the results of the interviews.

Based on this discussion, this Committee voted to recommend that one organization provide both Marketing and Consulting and Talent Development scopes of services. The Committee then voted to re-rank the proposals based on their combined scoring, the additional performance and audit information, the

interviews, and the fact that the staff doing the initial scoring were not provided meaningful customer satisfaction information and were instructed to not consider current performance of the incumbent contractors and the pending imposition of a corrective action plan against one of them and other current audit and monitoring information. Further, the Committee voted to recommend that staff negotiate a contract with Adaptive Construction Solutions to provide all services, subject to further consideration of a complete audit and financial integrity review of Adaptive Construction Solutions.

The Committee recommended several items for action and those are discussed below in Action Items.

Chair Henderson concluded her report and no action was taken.

8. Education Committee.

Education Committee Chair Dr. Bobbie Henderson provided the following report.

Background

The Education Committee met on Wednesday September 7, 2022 at 2:00 p.m. Attendees included the Committee chair Dr. Bobbie Henderson, Committee vice chair Doug Karr, Sara Bouse, Helen Cavazos, Mark Guthrie, Alex Hunt, Jeff LaBroski, Michael Love, Edward Melton, Margaret Oser, Valerie Segovia and Richard Shaw.

The Committee received updates on the status of the childcare financial aid waiting list status, transitioning for support centers, early education quality, and the youth summer employment program.

Updates

- As of August 22, 2022, there were approximately 19,024 families and 32,359 children on the child care financial aid waiting list, with an average of 800 new families added each week. 3000 families have been pulled from priority groups each month, with only 30% of the families being eligible for assistance. The region continues to meet performance established by the Texas Workforce Commission but not those established by the Gulf Coast Workforce Board. There is also a possibility that funding will be returned to the state given our enrollment figures at present.
- On August 2, 2022, the Board awarded a contract for operations of the Financial Aid Support Center to Equus, and Interfaith of the Woodlands received a contract extension to support the transition. Equus is facilitating the transition by interviewing staff and temporary staff, discussing lease options, exploring new call center technology, and new software. Board staff continues to meet with leadership from Interfaith and Equus to discuss the next steps of transition. Staff will update the Committee as decisions are made, and the transition formally begins in October.

- Workforce Solutions has offered hundreds of meaningful job opportunities to youth to introduce them to workforce experience. This year we asked contractors to assist us in outreach by contacting schools and universities. We served 11,066 young adults, and at least 186 young individuals have been able to find jobs within our region using WorkInTexas since May 1, 2022. As additional wage information becomes available, we can provide an update on the services provided and those entering employment.
- This summer, 100 employers participated as worksites for our Summer Earn and Learn (SEAL) program. Over 650 young adults completed the work readiness training, and 517 were placed at a worksite for a five-week paid work experience.

The Committee recommended several additional items for action and those are discussed below in Action Items.

Chair Henderson concluded her report and no action was taken.

TAKE ACTION

a. Child Care Wait List.

Board staff Rebecca Neudecker presented the following report:

Background

At its meeting on September 7, 2022, the Education Committee recommended a change to our child care waiting list policy that will add as a priority those who are receiving financial aid for child care based on their participation in time-limited special project funding for care. The intent is to reduce the possibility that these customers will lose needed assistance when that funding ends.

Since the Committee met, action by the Texas Workforce Commission has necessitated a second change to the waiting list policy. At its September 13, 2022 meeting, TWC passed a number of changes to the child care rules, including one effective October 3, 2022, exempting those participating in recognized pre-K or Head Start/Early Head Start partnerships from waiting lists.

Current Situation

The needed changes to our waiting list policy are shown underlined, bolded and in red below in the appropriate sections of the list.

For those in recognized partnerships:

1. There is a group of applicants who are never placed on a waiting list (first priority group). When families from this group apply, as we certify their eligibility, we fund their financial aid for childcare. This group includes:

- Parents receiving Temporary Assistance for Needy Families cash payments who are required to work with us to go to work;
- Parents applying for Temporary Assistance for Needy Families cash payments;
- Parents receiving Supplemental Nutrition Assistance (food stamps) who are working with us to go to work; and
- Parents whose TANF cash payments were denied or voluntarily ended within the last 12 months

Addition:

- **Parents with children who are directly referred from a recognized pre-K or Head Start/Early Head Start partnership to a child care provider to receive services in a contracted partnership program, subject to the availability of funding and the availability of slots at the partnership site.**

For those enrolled in special projects:

- i. Applicant families then pulled from the waiting list after the 2nd group (third priority group) include, in order:
 - Parents/Families who have siblings in families already receiving our financial aid for one or more children
 - Parents/Families who are students at, or employees of, a match partner
 - Parents/Families participating in career, employment or education activities that require financial aid to successfully complete their service.

Addition

- **Parents with children who have received child care financial aid based on eligibility for time-limited special projects (e.g., Service Industry Recovery or essential worker projects).**
- Families who have lost financial aid for program violations including a child exceeding 40 unexplained absence days or failure to pay Parent Share of Cost, who have fulfilled their mandatory waiting period and have reapplied for aid.
- All other eligible parents/families.

Action Requested

We recommend that the Board approve changing its waiting list policy to include:

- Parents of children referred to contracted slots in pre-K, Early Head Start, and Head Start partnerships in the first priority group of customers; and
- Parents who have received financial assistance as part of a special project in the third priority group of customers.

A motion was made by Dr. Bobbie Henderson and seconded by Paul Puente to approve the changes. The motion was approved as presented.

Ms. Neudecker concluded her report and no further action was taken.

b. Hourly Wage Increase.

Board staff Rebecca Neudecker presented the following report:

Background

Work-based learning is a service offered to young people and customers who can benefit from acquiring workforce experience and skills to prepare for better workforce opportunities. To offer this service, we partner customers with participating employers and pay a current wage of \$10 an hour.

Through conversations with the younger audience and contractors, we found that the hourly rate of \$10 is not competitive enough for a high engagement rate among customers. We conducted a pilot earlier this year by raising the wage to \$13 confirming this conclusion.

To determine the most appropriate wage going forward, we researched and analyzed labor market wage data and determined that a ceiling of \$15 per hour would be a more appropriate wage and that there are sufficient funds to make the change. It is our practice to not pay more than what other similar workers are earning at a worksite, so \$15 per hour will be a ceiling wage, and not necessarily the wage that all participants earn.

Current Situation

At its meeting on September 7, 2022, the Education Committee recommended a change to our work-based learning wage from a maximum of \$10 per hour to a maximum of \$15 an hour.

Action Requested

We recommend that the Board raise the ceiling for wages paid for work-based learning participants be raised to \$15 per hour effective immediately.

A motion was made by Bobbie Henderson and seconded by Helen Cavazos to approve the action as requested. The motion was approved as presented.

Ms. Neudecker concluded her report and no further action was taken.

c. Procurement.

i. Early Education Quality

Board staff Trudy Ray presented the following report:

Background

The Board provides a variety of services to improve quality in early childhood education. These services include child care referrals for families, professional training, and other supports for child care workers and businesses, and assessing and mentoring child care businesses seeking to achieve quality recognition through the Texas Rising Star (TRS) program.

Currently, Collaborative for Children manages our early education quality efforts. Earlier this year, the Board approved a three-month extension of the contract with Collaborative for Children while a new procurement took place.

This summer, we issued a request for proposals (RFP) for early education quality services. Two proposers submitted timely and complete proposals:

- University of Texas Health Science Center - Houston, and
- Collaborative for Children (CFC).

Based on the evaluation by staff, University of Texas Health Science Center – Houston received the high score, and the Procurement Committee voted to recommend that the full Board authorize staff to negotiate a contract with University of Texas Health Science Center - Houston for early education quality services.

Action Requested

Recommend that the Board authorize staff to negotiate a contract for early education quality services with the University of Texas Health Science Center - Houston in an amount up to \$11,000,000.

A motion was made by Bobbie Henderson and seconded by Monica Riley to approve the action as requested. The motion was approved as presented.

Ms. Ray concluded her report and no further action was taken.

ii. Employer Services

Board staff Rebecca Neudecker presented the following report:

Background

Currently, two service providers manage the Employer Service Division. Adaptive Construction Solutions (ACS) provides marketing and consulting while Employment & Training Centers (ETC) provides talent development for employers. These two partners work together to introduce new employers to the workforce system while building customized solutions that fit the needs of our employers.

The Board directed staff to procure these services for the fiscal year starting October 1, 2022. Two requests for proposals (RFP) were issued in May 2022 based on the current division of services between marketing and consulting and talent development. The tables below show rankings based on staff evaluation of the proposals.

Marketing and Consulting		
Ranking	Company Name	Total Score
1	Educational Data Systems, Inc.	1185
2	Employment & Training Centers	1175
3	Adaptive Construction Solutions	1155

<u>Talent Development</u>		
Ranking	Company Name	Total Score
1	Employment & Training Centers, Inc.	1210
2	Adaptive Construction Solutions	1205
3	The Kaiser Group DBA Dynamic Workforce Solutions	1140

Based on these rankings, staff recommended contracting with the top two ranked proposers for each RFP.

At the last Board meeting, the Board approved a recommendation from the Procurement Committee to not accept the staff recommendations because information concerning a corrective action plan for ETC, which became effective in July 2022, was not considered in the initial staff scoring and evaluations, the fact that the staff doing the initial scoring were not provided meaningful customer satisfaction information and were instructed to not consider current performance of the incumbent contractors and other current audit and monitoring information about them. The Board directed staff to negotiate extension contracts for up to six months with existing service providers. This extension allowed time for the Procurement Committee to gather and consider additional information and develop an alternative recommendation. The Committee met on September 22, 2022 to discuss the procurement, performance and audit information, and the results of interviews committee members had conducted with proposers.

Based on this discussion, the Procurement Committee voted to recommend that one entity provide both Marketing and Consulting and Talent Development services. The Committee further voted to recommend, based on all the information available and the Committee's ranking of proposers, that staff negotiate a contract with Adaptive Construction Solutions in an amount not to exceed \$11,000,000, subject to further consideration of a complete audit and financial integrity review of Adaptive Construction Solutions. The Board staff is awaiting additional information from this service provider.

Action Requested

Possible consideration to negotiate a contract with a single provider for all employer services not to exceed \$11,000,000.

A motion was made by Bobbie Henderson to table this recommendation and send it back to the Committee for further discussion. The motion was seconded by Sara Bouse. The motion was approved.

Ms. Neudecker concluded her report and no further action was taken.

d. Construction Career Collaborative

Board staff Susan Dixon presented the following report:

Background

Construction Career Collaborative (C3) is currently the Workforce Board's contractor working with Workforce Solutions to improve the industry's human resource function, safety, and awareness in the profession. With more than 206,000 jobs in residential, commercial, industrial, and heavy/civil construction, the construction industry continues to be a driving factor for our region. For over 20 years, the industry has experienced a shortage of skilled craft professionals in small to medium-sized businesses because of advanced technology being introduced to the trade and skilled workers retiring and, in some cases, not being replaced.

Current Situation

In its first year with Workforce Solutions, C3 helped upskill 85 businesses by providing them with talent development best practices, provided 39 businesses with OSHA training, and seven businesses with National Center for Construction Education and Research or NCCER training. C3 also spent over 1,100 consulting hours with businesses educating them on industry trends and hiring practices, and hosting numerous construction industry events at schools with 1, 200 students participating across the Gulf Coast region.

Renewal

In its second year, C3 will introduce new businesses to Workforce Solutions, teaching them to use resources such as WorkInTexas job postings, labor market data, wage reports for occupations and industries, and employability skills. Additionally, C3 proposes to continue working with small to medium size businesses to improve safety awareness about the construction industry, which will help to prevent unwanted accidents, and help grow the businesses by providing human resources expertise and best practices.

Action

Recommend Board authorize staff to execute a renewal contract with Construction Career Collaborative not to exceed \$364,000 in the second year, with an option to renew the contract for one additional year pending fund availability.

A motion was made by Bobbie Henderson and seconded by Sara Bouse to approve the proposed contract extensions. The motion was approved as presented. Peter Beard and Lizandra Vazquez declared conflicts of interest and abstained from voting.

Ms. Dixon concluded her report and no further action was taken.

RECEIVE INFORMATION

a. Performance and Production.

Board staff Philip Garcia presented Performance and Production measures October 2021 through July 2022.

Mr. Garcia stated that the pandemic has affected our ability to meet performance measures. There are 4 measures currently not being met. We are reviewing these 4 measures and identifying strategies for improvement and any additional data that needs to be entered.

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

b. Expenditures

Board staff AJ Dean reviewed the Financial Status Report representing expenses for the 8 months ending in August 2022. He reported that we are 55% expended and we are 66% through the year. Our year-to-date revenue is just under \$274 million.

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

c. Communications

Board staff Michelle Castrow presented update on increased social media activity as well as continuing increases in earned media coverage. Cumulative value since the beginning of the pandemic is approximately \$34M. The television show “Your Career Your Choice” continues to air and is approximately three quarters of the way through the series. The ABC13 livestream recently celebrated episode 95 and continues to air weekly.

Ms. Castrow completed her report and no action was taken.

LOOK AT THE ECONOMY

Due to the length of the meeting, reports on the economy were deferred to the next meeting and no action was taken.

OTHER BUSINESS

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

ADJOURN

Chair Guthrie adjourned the meeting at approximately 1:00 p.m.

GULF COAST WORKFORCE BOARD

ALEXANDER, WILLIE

W J Alexander Associates P.C.
1770 St. James Place, Suite 407
Houston, TX 77056
(713) 802-0900, ext. 12
Fax: (713) 802-1188
Category: Business
County: City of Houston
walex@wjalexander.com
Term: January 1, 2021 thru December 31, 2022

ALLEN, KARLOS

PFM Financial Advisors LLC
1200 Smith Street, Suite 1600
Houston, TX 77002
(713) 353-4600
Category: Business
County: City of Houston
allenka@pfm.com
Term: January 1, 2020 thru December 31, 2022

ANDREWS, GERALD

Gallagher Victory Insurance
122 West Way, Suite 404
Lake Jackson, TX 77566
(979) 297-8604
Fax: (979) 297-7080
Category: Business
County: Brazoria
geraldandrews36@yahoo.com
Term: January 1, 2021 thru December 31, 2022

BEARD, PETER

Greater Houston Partnership
701 Avenida de las Americas, Suite 900
Houston, TX 77010
(713) 844-3602 – office
Fax: (713) 844-0200
Category: Business
County: City of Houston
pbeard@houston.org
Term: January 1, 2021 thru December 31, 2022

BEYDOUN, MUSTAPHA

Houston Advanced Research Center
8801 Gosling Road
The Woodlands, TX 77381
(713) 8443601
Category: Business
County: Harris
mbeydoun@harcresearch.org
Term: January 1, 2021 thru December 31, 2022

BILSKI, CAROLYN CERNY

Sealy Chamber of Commerce
721 7th Street
Sealy, TX 77474
(979) 256-7028
Category: Business
County: Austin County
carolyncernybilski@gmail.com
Term: January 1, 2021 thru December 31, 2022

BOUSE, SARA

Alvin Community College
3110 Mustang Road
Alvin, TX 77511
(281) 732-8389 – cell
Category: Education
County: Brazoria
sbouse@alvincollege.edu
Term: January 1, 2021 thru December 31, 2022

BOWLES, CARL

Bowles, Womack & Company, P.C.
24 Greenway Plaza, Suite 970
Houston, TX 77046
(713) 621-0050
Fax: (713) 621-0046
Category: Business
County: Waller
carl@bowleswomack.com
Term: January 1, 2021 thru December 31, 2022

CAVAZOS, MARY HELEN

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

Category: Business

County: Harris

mhcavazos@aol.com

Term: January 1, 2021 thru December 31, 2022

GAY, ANTHONY

AG Consultants
(713) 478-8504

Category: Business

County: Harris

anthonymg@gmail.com

Term: January 1, 2021 thru December 31, 2022

GONZALEZ, MELISSA

Lone Star College
20000 Kingwood Drive
Kingwood, TX 77339
(281) 312-1644

Category: Education

County: Harris

melissa.gonzalez@lonestar.edu

Term: January 1, 2021 thru December 31, 2022

GUIDO, CHERYL

Texas Workforce Solutions- Vocational
Rehabilitation Services
4424 North Freeway, Suite A
Houston, TX 77022
(713) 692-7755 ext. 2129

Fax: (713) 697-0485

Category: State Agency

cheryl.guido@twc.state.tx.us

Term: January 1, 2021 thru December 31, 2022

GUTHRIE, MARK

Winstead PC
600 Travis Street, Suite 5200
Houston, TX 77002
(713) 650-2730

Fax: (713) 650-2400

Category: Business

County: City of Houston

mguthrie@winstead.com

Term: January 1, 2021 thru December 31, 2022

HENDERSON, BOBBIE ALLEN

Texas Southern University
4203 Charleston Street
Houston, TX 77021-1415
(713) 313-7588/(713) 748-6508(h)
Fax: (713) 741-6196

Category: Education

County: City of Houston

bobbie.henderson@att.net

Term: January 1, 2022 thru December 31, 2023

HESKAMP, ALAN

Heskamp & Associates LLC
311 Hoskins Broadway
El Campo, TX 77437
(979) 758-4521

Category: Business

County: Wharton

aheskamp@sbcglobal.net

Term: January 1, 2022 thru December 31, 2023

HUNT, ALEX

Lamar CISD
3911 Avenue I
Rosenberg, TX 77471
(832) 454-6504

Category: Education

County: Fort Bend County

alex.hunt@lcisd.org

Term: January 1, 2021 thru December 31, 2022

JACKSON, GUY ROBERT

Chambers County Abstract Co. Inc.
P.O. Box 640
Anahuac, TX 77514
(409) 267-6262, ext. 35
Fax: (409) 267-6355
Category: Business
County: Chambers
grj@ccac.net

Term: January 1, 2021 thru December 31, 2022

KARR, DOUG

Pro Staff/Atterro
27 Canoe Birch Place
The Woodlands, TX 77382
832-967-7684
Category: Business
County: Montgomery
raiderkarr@aol.com

Term: January 1, 2022 thru December 31, 2023

LaBROSKI, JEFFREY

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

Term: January 1, 2021 thru December 31, 2022

LARMOND, SHAREEN

West Gulf Maritime Association
1717 Turning Basin Drive, Suite 200
Houston, TX 77029
Category: Business
County: Harris
shareen@wgma.org

Term: January 1, 2021 thru December 31, 2022

LOVE, MICHAEL

Houston Independent School District
4400 West 18th Street
Houston, TX 77092
(713) 556-6715
Category: Education
County: Harris
mlove@houstonisd.org

Term: January 1, 2021 thru December 31, 2022

LOWE, JONATHAN

International Alliance of Theatrical
Stage Employees
3030 North Freeway
Houston, TX 77009
(713) 697-3999
Category: Labor
County: City of Houston
jlowe@iatse51.org

Term: January 1, 2021 thru December 31, 2022

MAHAGAOKAR, RAJEN

Grid United
Chief Financial Officer
(281) 300-3926
Category: Business
County: Harris
rajenmahagaokar@gmail.com

Term: January 1, 2021 thru December 31, 2022

McCLESKEY, KENDRICK

PricewaterhouseCoopers-
1903 Crockett St.
Houston, TX 77007
(281) 788-6046
Category: Business
County: City of Houston
klmccleskey@gmail.com

Term: January 1, 2021 thru December 31, 2022

MELTON, EDWARD

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

Category: Literacy

County: Harris County

edward.melton@hcpl.net

Term: January 1, 2022 thru December 31, 2023

NELLONS-PAIGE, STEPHANIE

Nellons Paige Group, Inc.
14022 Hampton Cove Drive
Houston, TX 77077
(443) 610-3487

Category: Business

County: Houston

nellonspaige@gmail.com

Term: January 1, 2021 thru December 31, 2022

OSER, MARGARET

United Way of Greater Houston
50 Waugh Drive
Houston, TX 77007
(713) 685-2788

Category: CBO

County: City of Houston

moser@unitedwayhouston.org

Term: January 1, 2022 thru December 31, 2023

OZUNA, ADRIAN

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

Category: Business

County: Harris

adrian.ozuna@prosperitybankusa.com

Term: January 1, 2021 thru December 31, 2022

PUENTE, PAUL J.

Houston Gulf Coast Building and
Construction

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

Fax: (713) 926-4918

Category: Labor

County: City of Houston

paul@hgcbbctc.org

Term: January 1, 2021 thru December 31, 2022

REED, JAMARIO

Dollar Tree Family Dollar
2307 Louisia Street 1213
Houston, TX 77006
(404) 931-1924

Category: Business

County: City of Houston

jamarioreed@gmail.com

Term: January 1, 2021 thru December 31, 2022

RILEY, MONICA

The Community Gatekeepers
P.O. Box 2082
Missouri City, TX 77459
(281) 235-3933

Category: CBO

County: Fort Bend County

monicariley7@gmail.com

Term: January 1, 2021 thru December 31, 2022

SARKAR, MOU

Pearland Economic Development
Corporation
3519 Liberty Drive, Suite 350
Pearland, TX 77581
(281) 997-3007

Category: Economic Development

County: Brazoria

msarkar@pearlandedc.com

Term: January 1, 2022 thru December 31, 2023

SCHEINER, DANIELLE

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

Category: Economic Development

County: Montgomery

scheiner@conroeedc.org

Term: January 1, 2021 thru December 31, 2022

SHI, ISAAC

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

Category: Business

County: City of Houston

isaac@gstdev.com

Term: January 1, 2021 thru December 31, 2022

SCHMIDT, KERI

Fort Bend Chamber of Commerce
445 Commerce Green Boulevard
Sugar Land, TX 77478
(281) 491-0216

Fax: (281) 491-0112

Category: Business

County: Fort Bend

keri@fortbendcc.org

Term: January 1, 2022 thru December 31, 2023

STALEY, GIL

The Woodlands Area Economic
Development Partnership
2107 Research Forest Drive, Suite 150
The Woodlands, TX 77380
(281) 363-8130

Fax: (281) 298-6874

Category: Business

County: Montgomery

gil.staley@edpartnership.net

Term: January 1, 2022 thru December 31, 2023

SEGOVIA, VALERIE GARCIA

Director, Outreach & Education, TEES
Nuclear Engineering & Science Center
1095 Nuclear Science Road
College Station, TX 77843
979-240-5005

Category: Education

County: Matagorda

vsegovia@tamu.edu

valeriegsegovia@gmail.com

Term: January 1, 2022 thru December 31, 2023

TAYLOR, KATHERINE

Genesys Works - Houston
3100 Main Street, Suite 702
Houston, TX 77002
(713) 341-5777

Category: Public Assistance

County: City of Houston

ktaylor@genesysworks.org

Term: January 1, 2021 thru December 31, 2022

SHAW, RICHARD

Harris County Labor Assembly,
AFL-CIO Council
1707 Prism Lane
Houston, TX 77043-3344
(713) 240-2472

Category: Labor

County: City of Houston

shawtrek@aol.com

Term: January 1, 2021 thru December 31, 2022

VAZQUEZ, LIZANDRA

Texas Workforce Commission
3555 Timmons Lane, Suite 120
Houston, TX 77027
(713) 688-6890

Category: State Agency

lizandra.vazquez@wrksolutions.com

Term: January 1, 2021 thru December 31, 2022

WATSON, CAROLYN

William Stamps Farish Fund
1100 Louisiana, Suite 2200
Houston, TX 77002
(713) 757.7313
Category: Business
County: City of Houston
carolyn17968@gmail.com
Term: January 1, 2021 thru December 31, 2022

WEBSTER, MICHAEL

Houston Community College
3100 Main Street
Houston, TX 77002
(713) 718-8030
Fax: (713) 718-5018
Category: Education
County: City of Houston
michael.webster@hccs.edu
Term: January 1, 2021 thru December 31, 2022

WORKFORCE BOARD KEY STAFF:

Juliet Stipeche, Director
Brenda Williams, Senior Manager
Michelle Castrow, Program Manager
Susan Dixon, Employer Service Manager
Jenny Johnson, Quality Assurance Manager
Deborah Duke, Administrative Coordinator
Trudy Ray, Grants Management

Houston-Galveston Area Council
3555 Timmons Lane, Suite 120
P.O. Box 22777
Houston, TX 77227-2777
(713) 627-3200
Fax: (713) 993-4578
<http://www.wrksolutions.com>

GULF COAST WORKFORCE DEVELOPMENT

BOARD COMMITTEES

Audit/Monitoring

- Guy Robert Jackson – Chair
- Carl Bowles – Vice Chair
- Karlos Allen
- Sara Bouse
- Helen Cavazos
- Cheryl Guido
- Doug Karr
- Kendrick McCleskey
- Stephanie Nellons-Paige

Budget

- Willie Alexander – Chair
- Gerald Andrews – Vice Chair
- Karlos Allen
- Mark Guthrie
- Bobbie Henderson
- Guy Robert Jackson
- Doug Karr

By-Laws

- Michael Webster – Chair
- Adrian Ozuna – Vice Chair
- Peter Beard
- Mark Guthrie
- Alan Heskamp
- Guy Robert Jackson
- Carolyn Watson

Communications

- Doug Karr – Chair
- – Vice Chair
- Willie Alexander
- Karlos Allen
- Gerald Andrews
- Anthony Gay
- Mark Guthrie
- Bobbie Henderson
- Guy Robert Jackson
- Jonathan Lowe
- Rajen Mahagaokar
- Stephanie Nellons-Paige
- Keri Schmidt
- Richard Shaw
- Mike Webster

Education

- Bobbie Henderson – Chair
- Doug Karr – Vice Chair
- Willie Alexander
- Karlos Allen
- Gerald Andrews
- Sara Bouse
- Helen Cavazos
- Cheryl Guido
- Mark Guthrie
- Alan Heskamp
- Alex Hunt
- Jeff LaBroski
- Michael Love
- Edward Melton
- Stephanie Nellons-Paige
- Margaret Oser
- Paul Puente
- Valerie Segovia
- Richard Shaw
- Carolyn Watson

Employer Service

- Gerald Andrews – Chair
- Jeff LaBroski – Vice Chair
- Willie Alexander
- Sara Bouse
- Helen Cavazos
- Cheryl Guido
- Alan Heskamp
- Mark Guthrie
- Bobbie Henderson
- Guy Robert Jackson
- Shareen Larmond
- Danielle Scheiner
- Keri Schmidt
- Richard Shaw
- Gil Staley

Government Relations

- Guy Robert Jackson – Chair
- – Vice Chair
- Willie Alexander
- Gerald Andrews
- Mark Guthrie
- Bobbie Henderson
- Richard Shaw

Nominating

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

Procurement

- Bobbie Henderson – Chair
- Doug Karr – Vice Chair
- Willie Alexander
- Karlos Allen
- Sara Bouse
- Helen Cavazos
- Cheryl Guido
- Mark Guthrie
- Alan Heskamp
- Jeff LaBroski
- Stephanie Nellons-Paige
- Adrian Ozuna
- Richard Shaw
- Gil Staley

Report Card

Appointed by Board Chair as needed

Strategic Planning

- Carl Bowles – Chair
- – Vice Chair
- Willie Alexander
- Gerald Andrews
- Peter Beard
- Anthony Gay
- Mark Guthrie
- Bobbie Henderson
- Alex Hunt
- Doug Karr
- Michael Love
- Kendrick McCleskey
- Stephanie Nellons-Paige
- Adrian Ozuna
- Paul Puente
- Richard Shaw
- Isaac Shi
- Carolyn Watson

GULF COAST WORKFORCE BOARD

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National Apprenticeship Week Recognition

Background

This year marks the 85th Anniversary of the National Apprenticeship Act, and November 14-20, 2022 was the eighth annual celebration of National Apprenticeship Week. Workforce Solutions participated in several events including the Houston Community College's Women in Apprenticeship Summit on November 16, 2022. As part of the Summit, we recognized participating employers who have received expansion grant funds to assist individuals with completing apprenticeships.

Current Situation

Workforce Solutions has partnered with over twenty-five employers to develop and train more than 1,300 individuals through their pre- and registered apprenticeship programs. We thank each of the partners for their efforts in building our future workforce while offering pathways to quality jobs and well-paying careers aimed at meeting the demands of this region and fortifying our economy.

Today we would like to recognize employers who have assisted more than 100 individuals find a new career path through their apprenticeship programs in partnership with Workforce Solutions:

- Bright Offerings,
- Gulf Coast Carpenters & Millwrights,
- JATC Houston Area Plumbers,
- JATC Houston Electrical, and
- JATC Pipefitters Local Union 211.

Foster Youth Conference Recognition

Background

Workforce Solutions formed the Greater Houston Area Foster Youth Collaborative in October 2019. As a network of professionals and community organizations, its mission is to ensure that foster youth and their advocates are aware of and have access to available services and resources that support young people as they transition into adulthood. Over the last three years participation in the collaborative has continued to grow with monthly meeting attendance averaging sixty-five partners, and the distribution list reaching more than five hundred people.

Current Situation

In 2022, Workforce Solutions hosted the first Foster Youth Conference for the 13-county Gulf Coast region. Many foster youth are at high-risk of becoming homeless after aging out of foster care, and the conference's goal was to connect them with services and resources needed to succeed as young adults. These resources include employment and job training opportunities and wrap-around services. Eighty-five foster youth and forty-five partner agencies attended the inaugural event that was held at Region IV Education Service Center on October 8, 2022.

We offer our sincere gratitude to partners who went above and beyond and were instrumental in making the first annual Gulf Coast Foster Youth Conference a success:

- Phenomenal Pearls Educational & Charitable Foundation and
- Alpha Kappa Alpha Sorority, Incorporated, Chi Omicron Omega Chapter.

We look forward to our next Foster Youth Conference in May 2023.

Budget Committee Report

Proposed 2022 Board Budget Revision

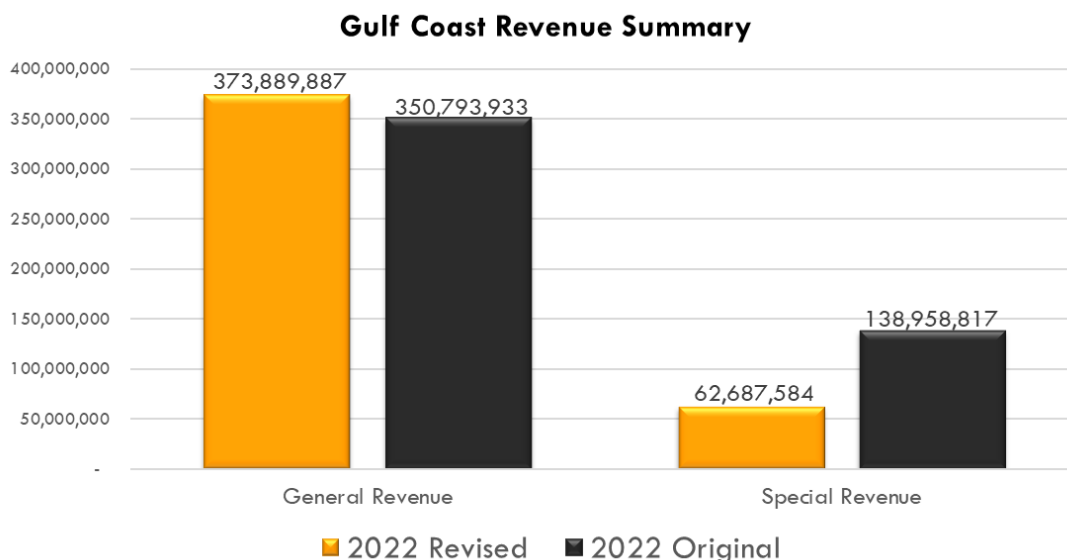
Background

The Budget Committee met on Wednesday, November 16, 2022 with Committee Chair Willie Alexander, Board Chair Mark Guthrie, Doug Karr, and Guy Robert Jackson attending.

Periodically the Workforce Board must adjust its annual budget to reflect significant revenue changes and incorporate modifications to planned activities. This year we had a large reduction to special purpose dollars which necessitates a budget adjustment.

Current Situation

The revised 2022 budget is approximately 10.9% less than our original proposal. This decrease lowers our revised budget to \$436,577,471.



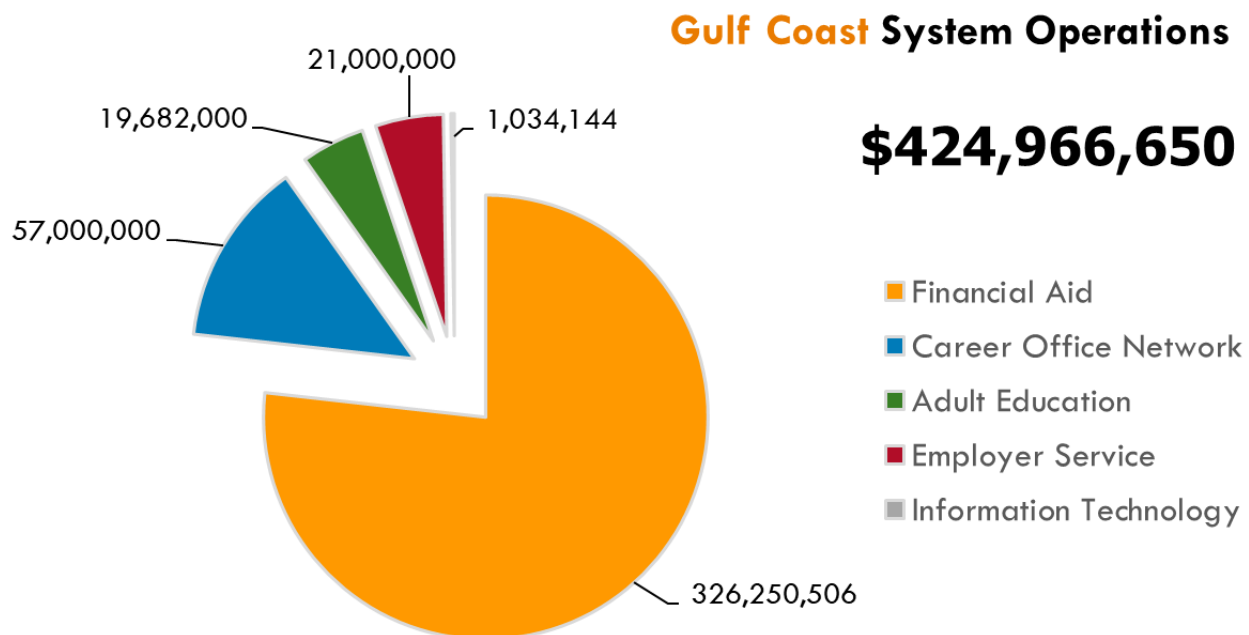
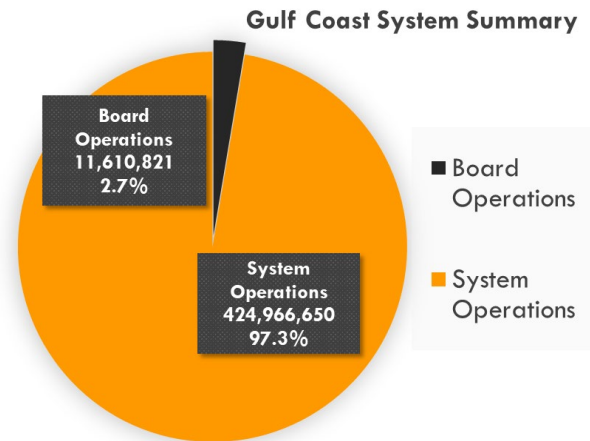
- General revenue includes the primary dollars which power Workforce Solutions. We received a 6.6% increase in general revenue funds this year.
- Special revenue are funds we consider short-lived or with a limited guarantee of continuance. These funds have considerably decreased. The state withdrew approximately 78 million dollars of the 110 million originally allocated to support service industry workers with child care.

The revised 2022 budget reserves 2.7% of total revenue for operations at the administrative level. The remaining 97.3% delivers direct service to customers.

Revised Board operations total \$11,610,821 which is a 6.9% increase from the original budget. System operations have decreased to \$424,966,650 which is a 12.1% decrease from the original budget.

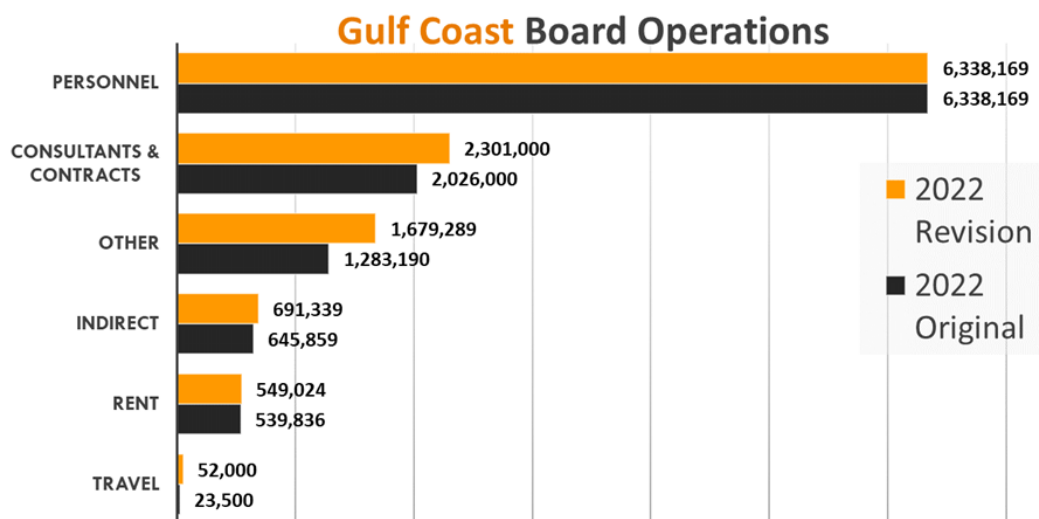
For system operations we propose:

- Decreasing financial aid to just over \$326 million to accommodate the reduction in our special revenue;
- Increasing funds for the Adult Education consortium to just under \$19.7 million which reflects the amounts approved by the Board at the June 2022 meeting; and
- Increasing Information Technology by \$115,325. We migrated the hosting of our document management software to the Board level, resulting in some additional costs.



For board operations we propose increases in all categories except for personnel.

- In early 2022 we provided additional funding to produce “Your Career Your Choice” videos and to expand engagement with economic development organizations. This corresponds to the \$275,000 increase under contracted services.
- Shared costs provided by H-GAC represent the increases identified under the indirect and other line items. These costs support centralized agency functions such as procurement, contracts, finance, personnel, payroll, printing, network, communications, and administration.
- We have increased our travel budget to be more in-line with pre-pandemic levels. More conferences and training opportunities are being held in person that encourage attendance.



Results

Based on our current performance we anticipate achieving the following results with this budget:

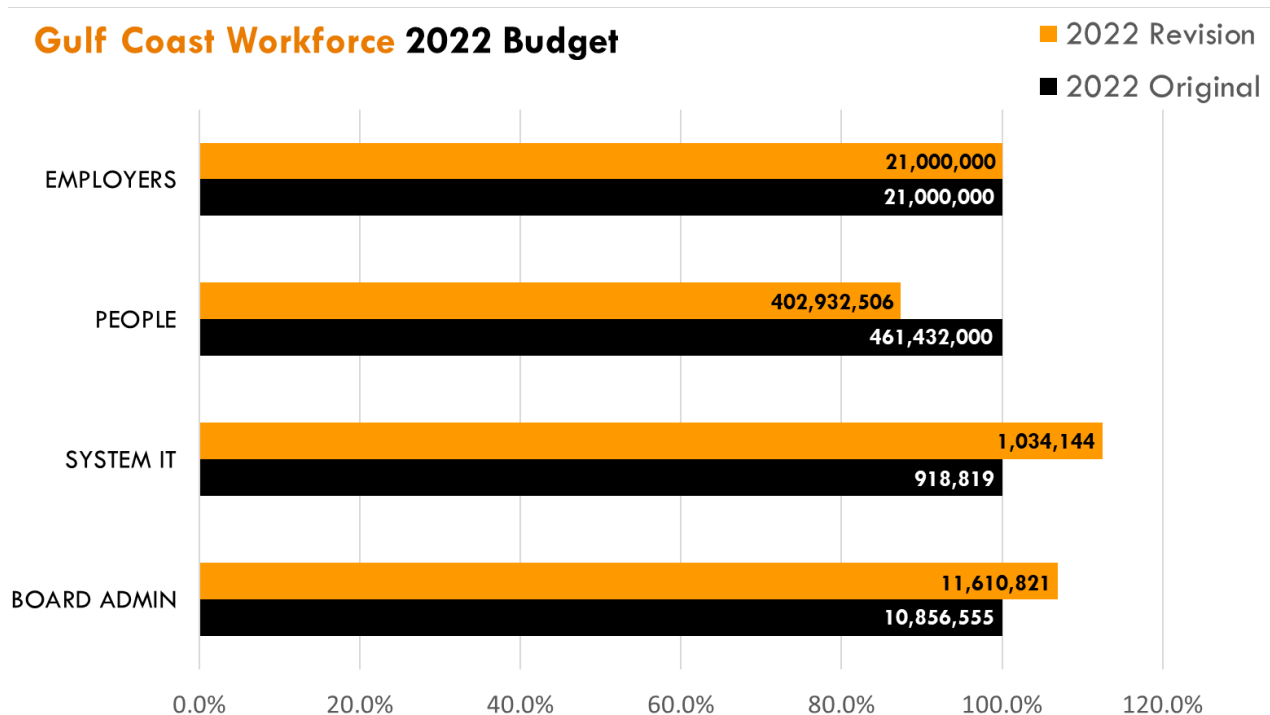
- Serve at least 17,800 employers and 200,000 individuals
- Ensure 9,640 of our employers return for service
- Assist in creating 2,540 new jobs
- Spend at least \$11 million to support scholarships and work-based learning opportunities for more than 2,800 individuals
- Support about 25,610 families and 48,160 children with early education
- Help more than 57,950 individuals go to work
- Raise the incomes of 25,200 by at least 20%

- Help 71% of individuals pursuing a post-secondary education attain a credential (certificate or degree)

2022 Original Targets:

- Serve at least 30,500 employers and 525,000 individuals
- Ensure 19,520 of our employers return for service
- Assist in creating 1,700 new jobs
- Spend at least \$14 million on scholarships for more than 4,500 individuals in high-skill, high-growth occupational training
- Support about 25,000 families and 50,000 children with early education
- Help more than 230,000 individuals go to work
- Raise the incomes of 80,000 by at least 20%
- Help 86% of individuals pursuing a post-secondary education attain a credential (certificate or degree)

Staff will request approval for the revised 2022 budget of \$436,577,471 as Board Item 8a.



Audit and Monitoring Committee Update for November 2022

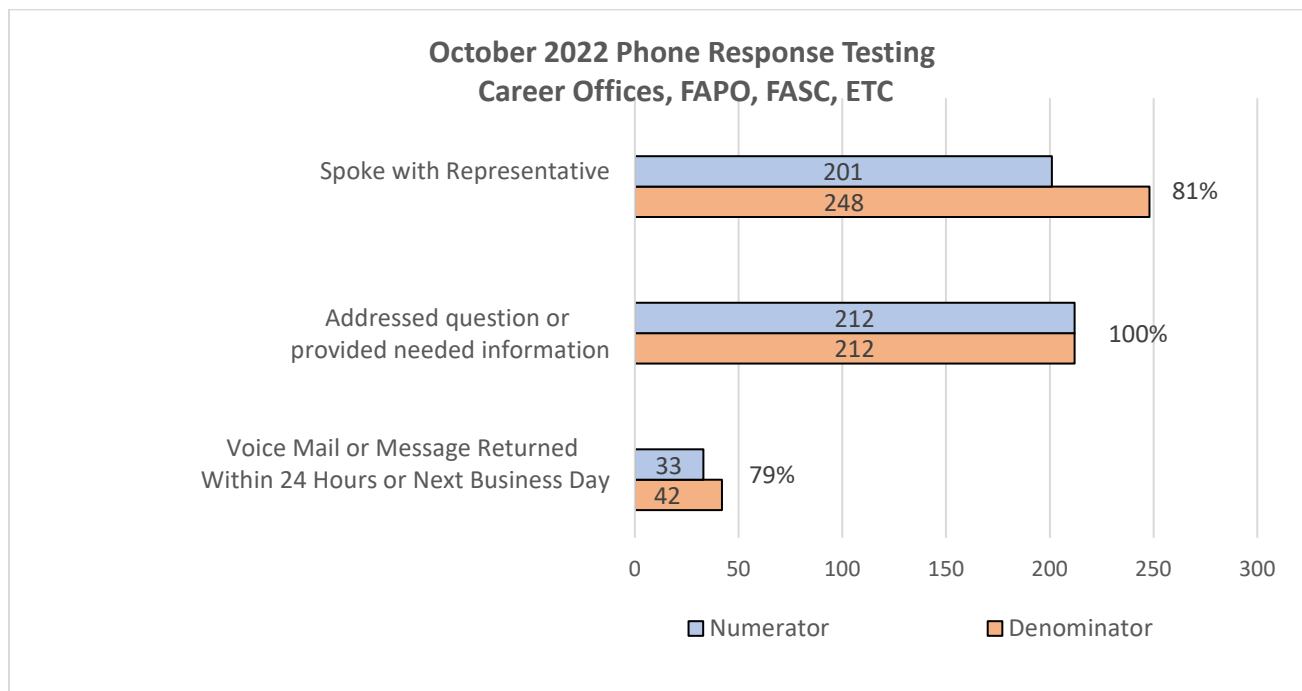
The Audit and Monitoring Committee met on November 17, 2022, at 1:00 PM. Members - Guy Robert Jackson (Chair), Sara Bouse, Helen Cavazos, Cheryl Guido, and Doug Karr attended. Also attending were Mark Guthrie (Board Chair), Peter Beard, Bobbie Henderson, Alan Heskamp, Jeff LaBroski, Adrian Ozuna, and Gil Staley.

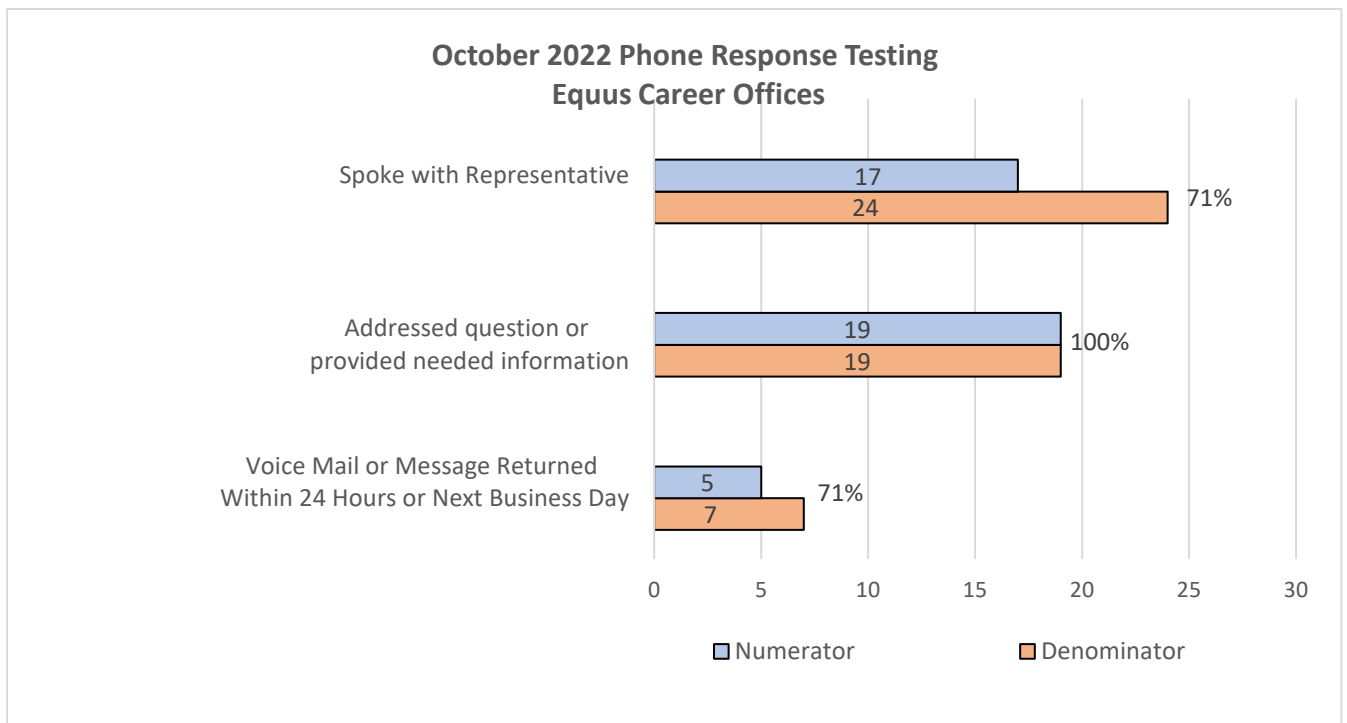
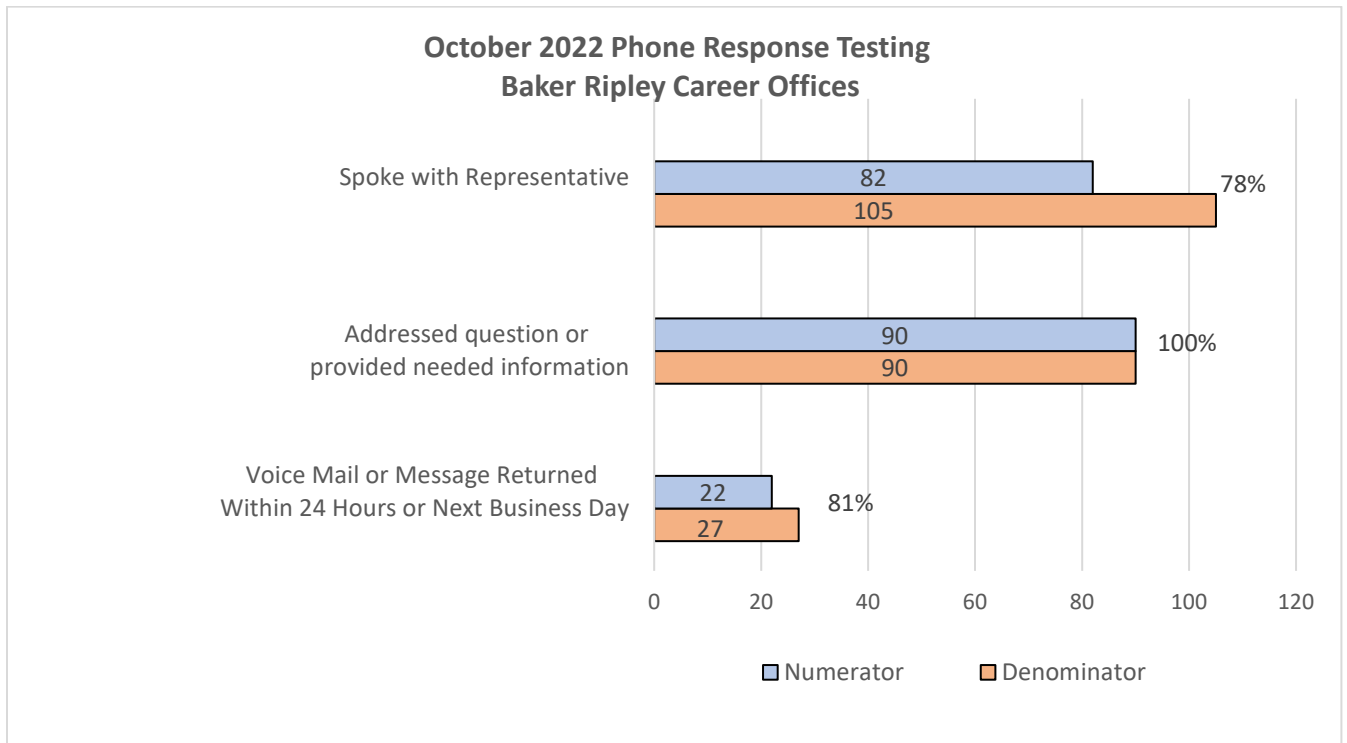
System Review

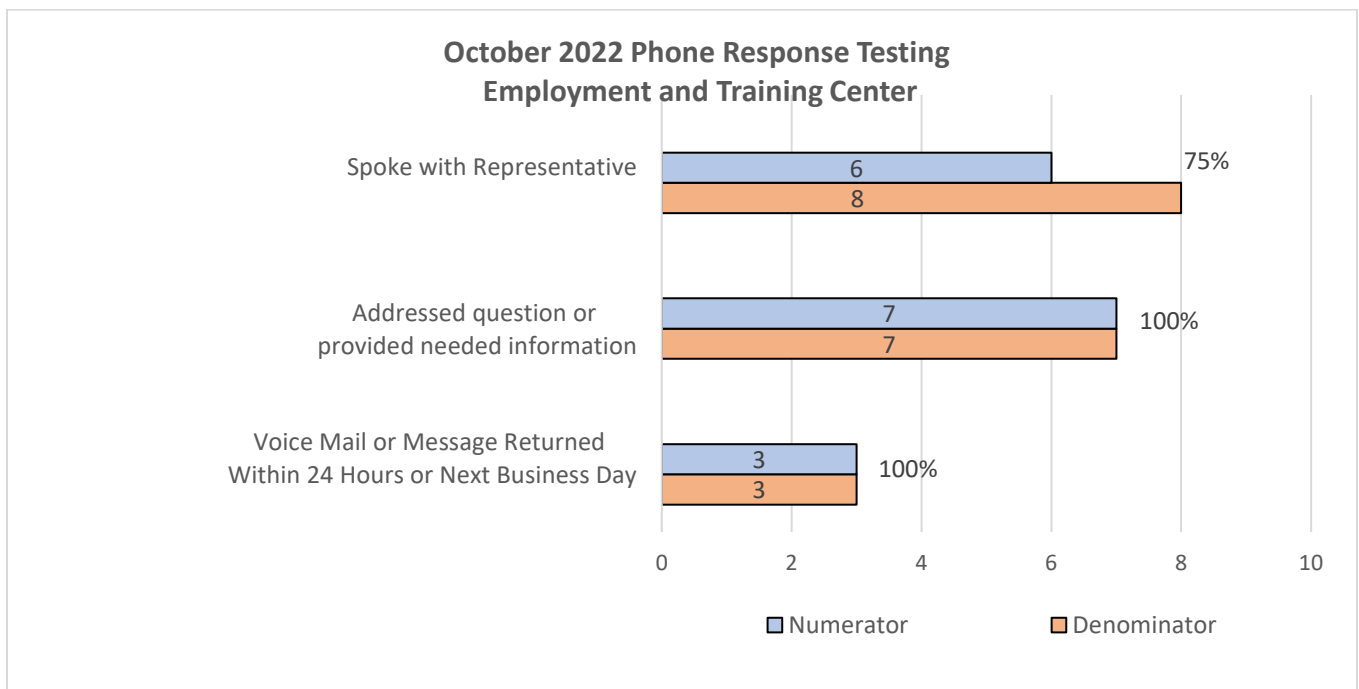
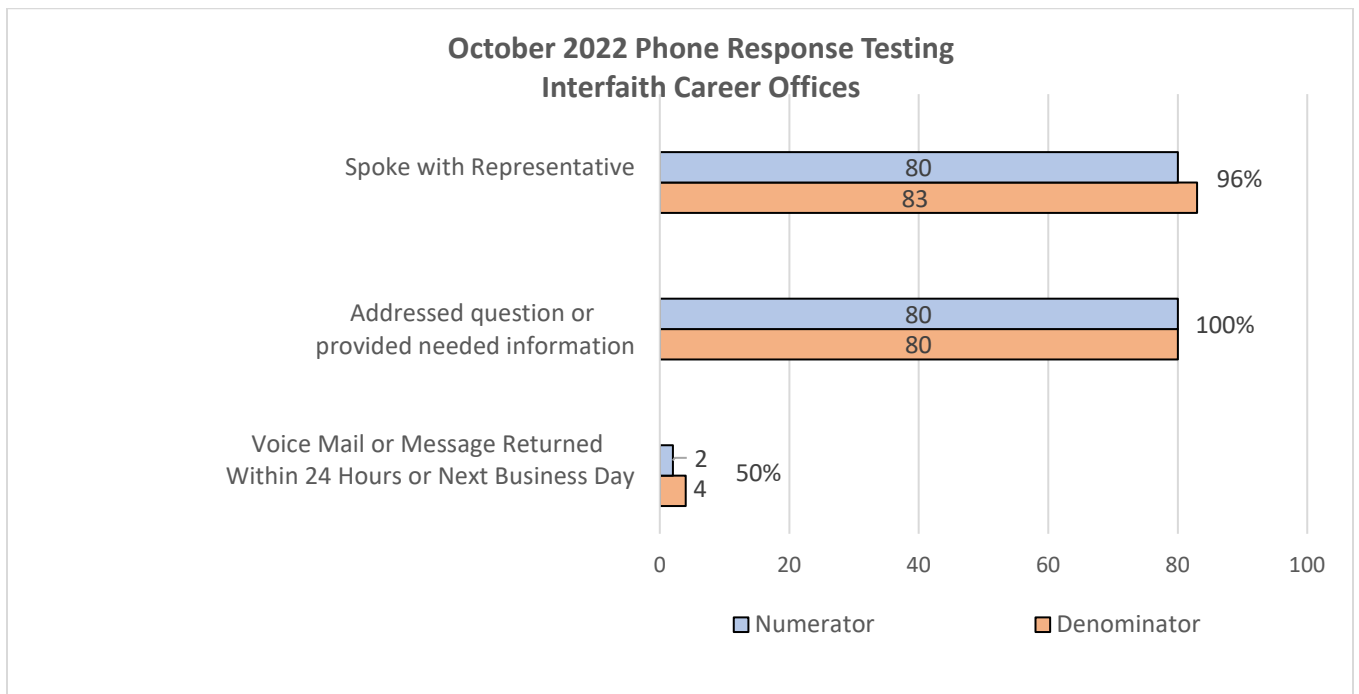
This report includes a system-level review of performance/production and expenditures and a contractor-level review of performance/production and expenditures.

Responsiveness and Customer Satisfaction

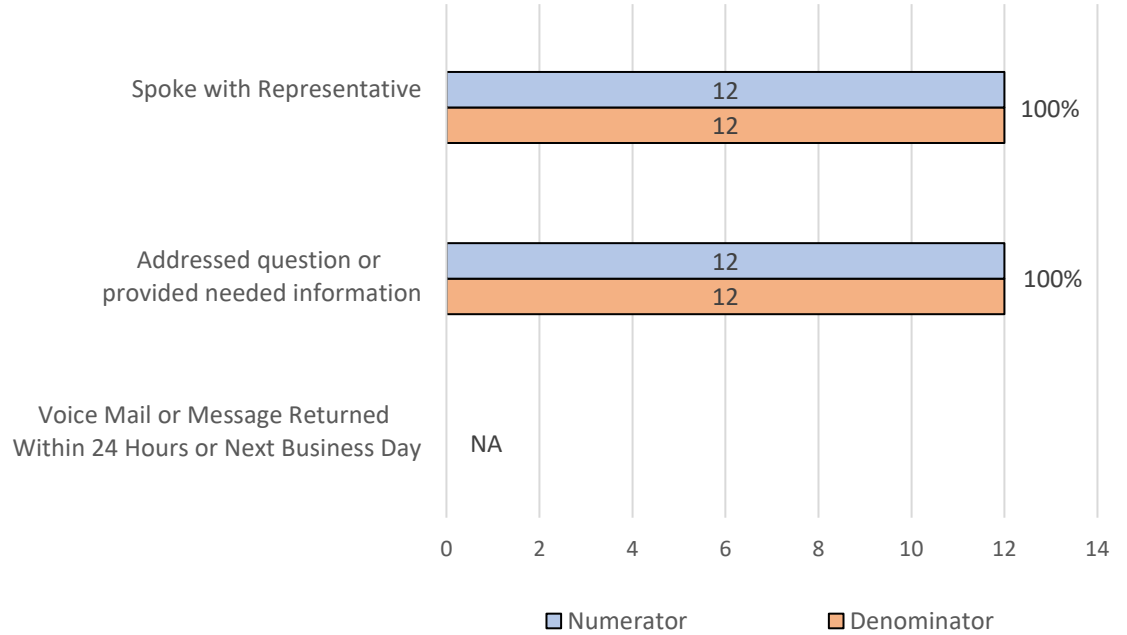
Voice mail responses within 24 hours were 79% in October, increasing from 74% in August and 62% in September.



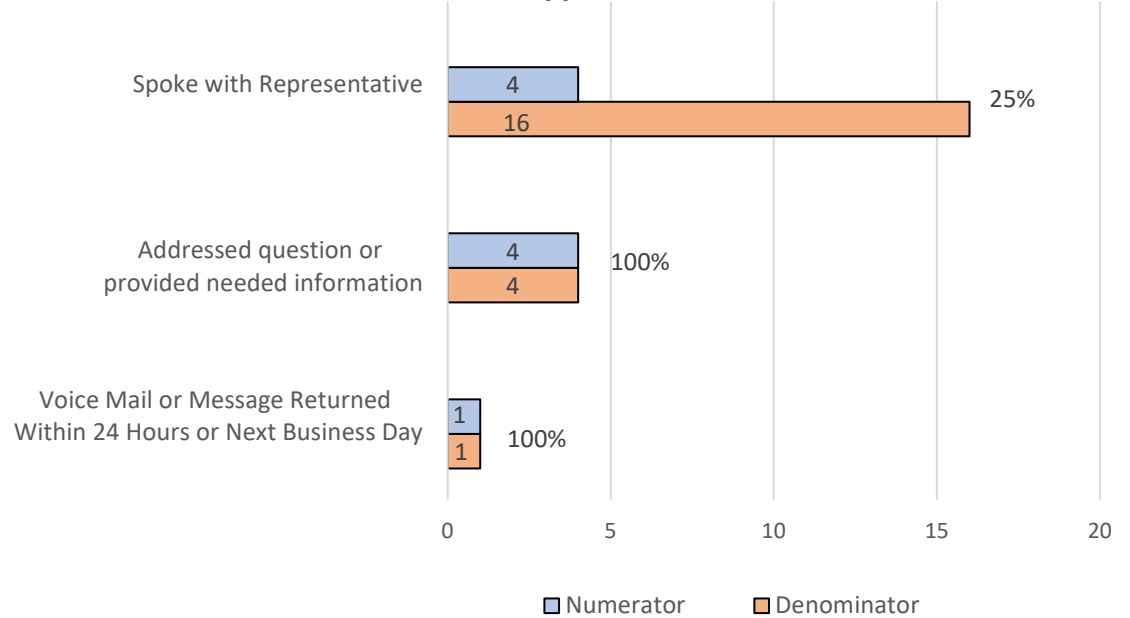




October 2022 Phone Response Testing Financial Aid Payment Office



October 2022 Phone Response Testing Financial Aid Support Center



Technical Compliance

We issued the final report for Employment & Training Centers (ETC) program monitoring review. The report noted deficiencies in creating and notating accounts, resulting in delays to employer reimbursements. Operations reviews progress reports monthly. In September, ETC processing accuracy was between 88 – 100%.

Adaptive Construction Solutions (ACS) received a status review report with four administrative findings. Performance and production targets for ACS were reduced in the August 2022 contract amendment. With the reduced targets, ACS met three of the four performance measures, but they did not meet the market share target of 8,300, only obtaining 7,396. Status reviews are conducted in the first grant year and are not rated.

The associated state target for market share for the Gulf Coast Workforce Board in 2022 was 30,500. As this was not met in 2022, we must meet the state's target next year to avoid being placed on a technical or corrective action plan.

We are completing the annual report for Interfaith of the Woodland's operation of the Financial Aid Support Center and preparing to begin compliance monitoring of the support center operated under Equus.

Information Security and Cybersecurity Review

Given the importance of information security and cybersecurity that has been stressed by the Texas Workforce Commission, all service providers in the workforce system will undergo an information security and cybersecurity review to help identify vulnerabilities and weaknesses that may develop as processes and technology infrastructure change.

John Tran, H-GAC Information Security Manager, and Edgar Rotundo, Data Services Manager, completed cybersecurity reviews of Employment and Training Center and Adaptive Construction Solutions. Both reviews contain recommendations to improve security and implement best practices for enhanced security.

Financial Systems and Issues

Employment and Training Center's financial monitoring identified cost allocation errors totaling \$7,616.67. Expenditures were recorded in the wrong fund for the previous year, so a correction could not be made this year. ETC has agreed to repay the full amount.

Financial Monitoring for **Adaptive Construction Solutions** (ACS) found instances of non-compliance or otherwise reportable conditions in the following areas:

- Audit,
- Cost Allocation/Indirect Costs,
- Expenditure Disbursements,
- Financial Reporting, and
- Other Administrative Areas.

The total questioned costs are \$722,449, and total disallowable costs are \$239,100, which totals \$961,549.

ACS billed H-GAC for expenses not recorded in the general ledger, specifically for management and general (M&G) expenses, nor did not ACS provide documentation to verify indirect costs billed to H-GAC. State and federal guidelines require documentation of all M&G expenses and indirect costs charged to a grant. ACS has a combined total of M&G and indirect costs of \$722,449. While new grant recipients commonly have some financial errors in reporting, this amount exceeds what is typical for a new service provider. These findings could potentially be resolved if ACS has and can provide existing documentation to substantiate these charges.

Additionally, financial monitoring identified multiple disallowed costs related to inadequate processes, a lack of procurement documentation, and a lack of required approvals, which is further delineated below:

Disbursements	Amount	Payment Received
Personnel-Timesheets	\$33,816	Pending. Response received on 11/15/22.
Personnel-Incentives	\$16,031	Pending. Response received on 11/15/22.
Personnel-Contingency	\$130,999	Pending. Response received on 11/15/22.
Non-Personnel	\$58,254	Pending. Response received on 11/15/22.
Disallowed Costs	\$239,100	Pending. Response received on 11/15/22.

The financial monitoring also had several administrative observations and findings related to ACS's lack of financial controls and adherence to standard accounting practices:

- Expenses incurred for H-GAC's contract were not listed in the Schedule of Expenditures of Federal Awards (SEFA).
- Bank reconciliations were not complete within ACS's stated policy of 30-days and lacked preparer signatures and dates.
- The bank reconciliation register balance did not reconcile with the current trial balance (February 2022), having a variance of \$30,384.
- ACS did not respond to all the documents requested by the financial monitor and has not provided the De Minimis Indirect Cost Analysis and Cost Allocation work papers.

The financial monitor described the above-mentioned findings as "non-compliance issues with federal and state rules and regulations or contract requirements" and recommends that ACS be placed on a "corrective action plan immediately to address these findings."

We will be providing ACS with technical assistance and will implement a corrective action plan.

Corrective Action and Technical Assistance Plans

- Harris County Department of Education and Houston Community College remain on a corrective action plan to address data errors and the timeliness of data entry exceeding monthly invalidation request limits set by the Texas Workforce Commission.
- In April 2022, the Texas Workforce Commission issued technical assistance plans for workforce boards with Choices of monthly participation below 50%. Last month our region met the year-to-date participation requirement, and we expect the technical assistance plan to be completed in the next few weeks.

Next Meeting

We propose to schedule the next committee meeting for 1:00 PM on Tuesday, January 17, 2023.

Procurement Committee

Employer Service

Background

The Board's Procurement Committee met on November 17. In addition to the Chair, Bobbi Henderson, members in attendance included Doug Karr, Willie Alexander, Sara Bouse, Helen Cavazos, Cheryl Guido, Mark Guthrie, Alan Heskamp, Jeff LaBroski, and Adrian Ozuna. Board member Peter Beard also attended.

The Board's two employer service providers, Adaptive Construction Solutions and Employment & Training Centers, Inc., are currently operating on contracts of up to six months. At the October meeting, the Board asked the Procurement Committee to recommend longer contract(s) after considering additional information anticipated by the end of October.

Current Situation

At its November meeting, the Procurement Committee considered additional financial and performance monitoring of both current employer services providers. This information is summarized in the Audit and Monitoring Committee report.

Staff briefed the Committee on distinct options for moving forward in contracting for services for employers in FY23. Committee members expressed dissatisfaction with aspects of both current providers, who are currently on contracts for up to six months. However, Committee members agreed that continuing with these providers for the remainder of the fiscal year would be in the best interest of our employer customers as switching providers of services can result in disruption of services for customers.

A motion was made to recommend that the Board extend contracts with the current providers for the remainder of the fiscal year at a total cost not to exceed \$12,000,000 and to direct staff to begin the process of procuring services for FY24.

Board staff stated that it will develop a corrective action plan to address the findings of the financial audits of ACS and that it will work with both providers to provide technical assistance and training as needed to ensure the providers can succeed. In addition, staff will engage in a strategic planning process to examine

our current strategies for serving employers and explore how they might be changed to improve considering current employer needs and preferences and economic changes over the last several years.

After completing action on the employer service procurement, the committee heard an update on professional development and training. Board staff will assume responsibility for this function and have developed a transition plan.

During the months of December 2022 and January 2023, we will hire a Program Administrator to lead the training and professional development team; an Instructional Designer to analyze training needs, modify existing learning modules, and create new content; and three experienced Training & Professional Development Facilitators to deliver training courses to Workforce Solutions staff.

As we finish building out our staff, after LDI's contract ends in December, we will offer several core system training courses. These will include the Workforce Solutions Onboarding Academy, and other core courses such as Managing Services, Basics of Financial Aid, Effective Recruiting, Coordinating Services, Helping People Find Jobs, Conducting Orientations, Generating Solutions for Employers, and A Day in the Life of Career Advisor.

Bylaws Committee

Employer Service

The Board's Bylaws Committee met on November 15, 2022 at 2:00 p.m. Attendees included Board Chair Mark Guthrie, Committee Chair Michael Webster, Alan Heskamp, Guy Robert Jackson, Adrian Ozuna, and Carolyn Watson.

Board Chair Mark Guthrie opened the meeting, noting that the Board's Bylaws were originally created in 1997 at the Board's formation, and were last amended in 2005. He suggested that the members of the Committee, who had an opportunity to review the Board's bylaws and bylaws from other workforce boards, use the first meeting to share items that they would like the Committee to consider going forward.

Suggestions included:

- Review quorum for Board Meetings, including if representation from 7 counties should be considered as part of ensuring a quorum for meetings.
- Consider if Board should be incorporated or create a non-profit that could receive grant funds.
- Ensure bylaws comply with state and WIOA requirements in terms of Board composition.
- Review census data for Board representation by county population.
- Review Board representation by sector to include consideration of increased representation for early education professionals.
- Consider two-year terms for officers.
- Consider the roles of vice-chairs and clarify if they must also be from private sector.
- Consider term limits for Board members
- Add language on how to address members who do not show up for meetings.
- Consider creation of an executive committee and its duties and powers
- Review provision stating priorities for managing meetings using Robert's Rules of Order.
- Consider removing the open meetings requirement for committee meetings, except for procurement.
- Allow ex-officio members of committees.
- Review committee size language.
- Review the specific mention of the Houston-Galveston Area Council as

Board staff in the bylaws.

- Consider role of Board in hiring, managing, and evaluating Board staff, including requirement of notification of new and departing staff
- Review use of “may and shall” in Article 4.
- Review of the conflict of interest definitions of “substantial business interest”

The Committee directed the Board staff to produce a redline copy of the bylaws with potential changes identified and incorporated. The Committee will review the redlined version at its next meeting on December 15, 2022 at 2:00 p.m. for further discussion.

Action Item

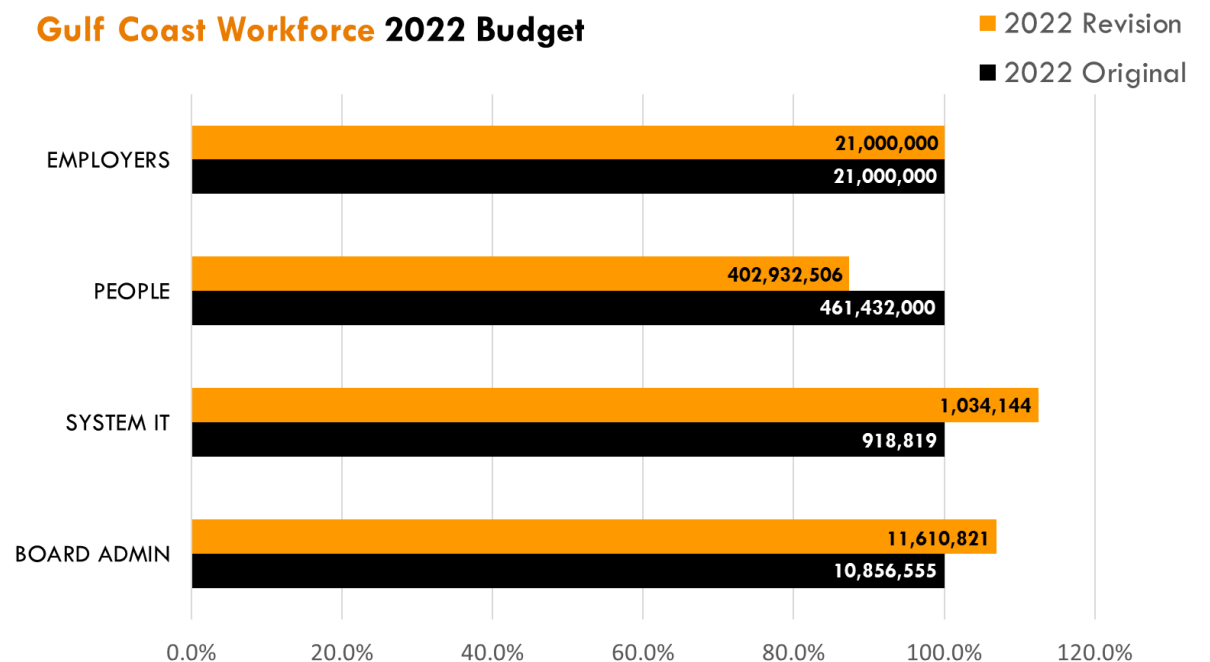
2022 Budget Adjustment

Background

The Budget Committee met on Wednesday, November 16, 2022, with Committee Chair Willie Alexander, Board Chair Mark Guthrie, Doug Karr, and Guy Robert Jackson attending.

Periodically the Workforce Board must adjust its annual budget to reflect significant revenue changes and incorporate modifications to planned activities. As we near the end of the year, the Budget Committee received a briefing on some final adjustments to the Board budget as described in the Budget Committee report.

Action Requested



Approve the revised 2022 budget in amount of \$436,577,471.

Action Item

Workforce Solutions 2023 Contract Extensions

Background

At its November 17, 2022 meeting, the Procurement Meeting met to discuss contracts for services to employers. After reviewing and considering information from the Audit and Monitoring Committee, the committee voted to recommend that the Board contract for the remainder of the year with the current service providers while reevaluating the strategies for how we serve employers as part of developing a new procurement for services for employers for FY24.

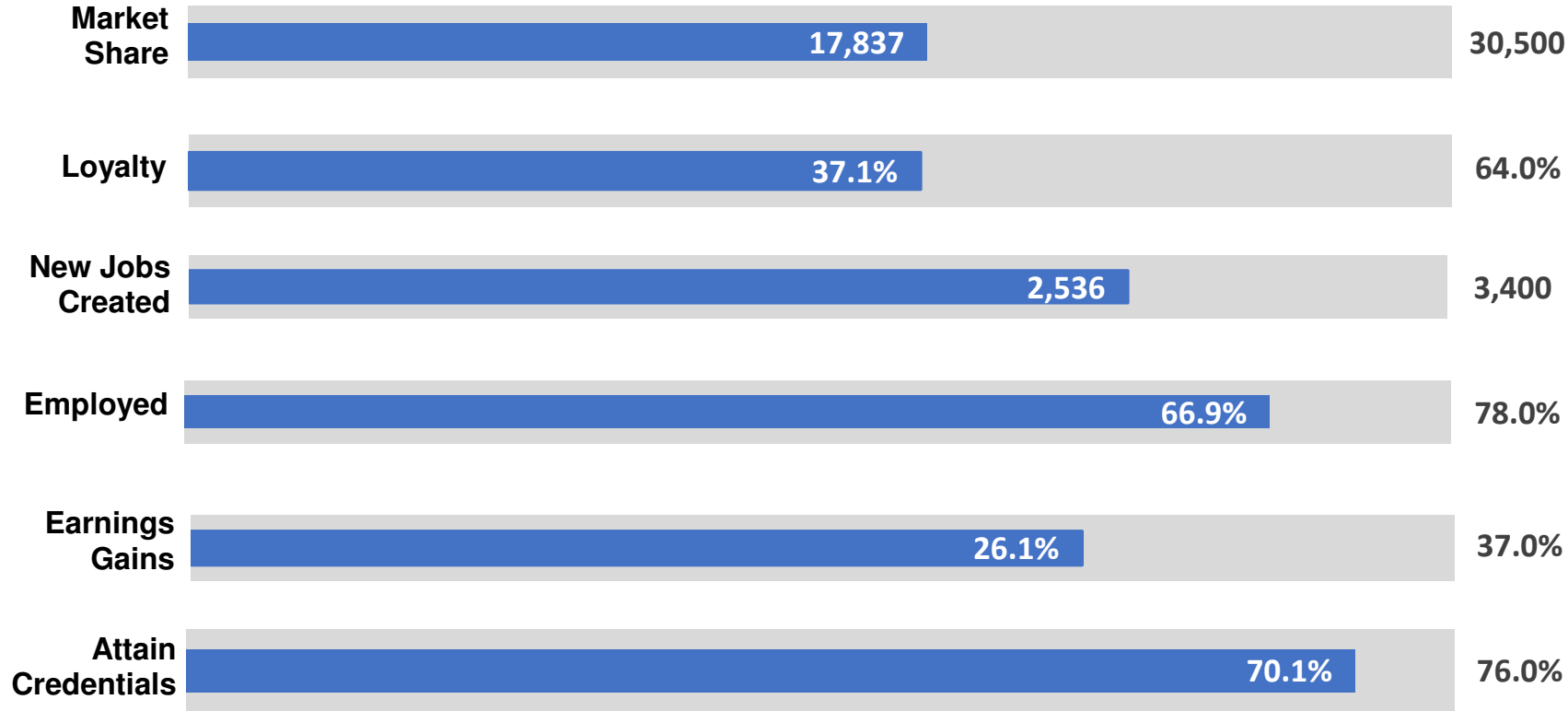
Action Requested

We ask the Board to authorize staff to negotiate amendments to the current contracts with our current providers, Employment & Training Centers, Inc. (ETC) and Adaptive Construction Solutions (ACS), *not to exceed* \$12,000,000 in total, as shown in the table below.

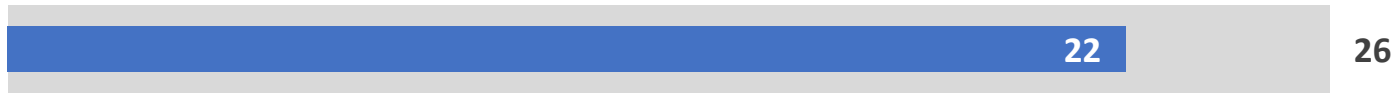
Function	Service Provider	Total Operations Costs for FY 24 Not to Exceed
Marketing and Consulting	ACS	\$5,000,000
Talent Development	ETC	\$7,000,000

Performance Measures

October 2021 to September 2022



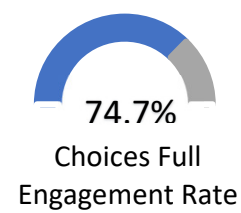
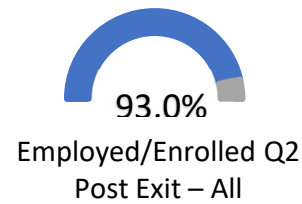
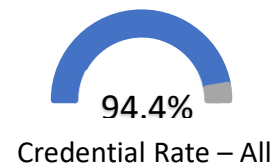
Production Measures



Number of measures meeting or exceeding

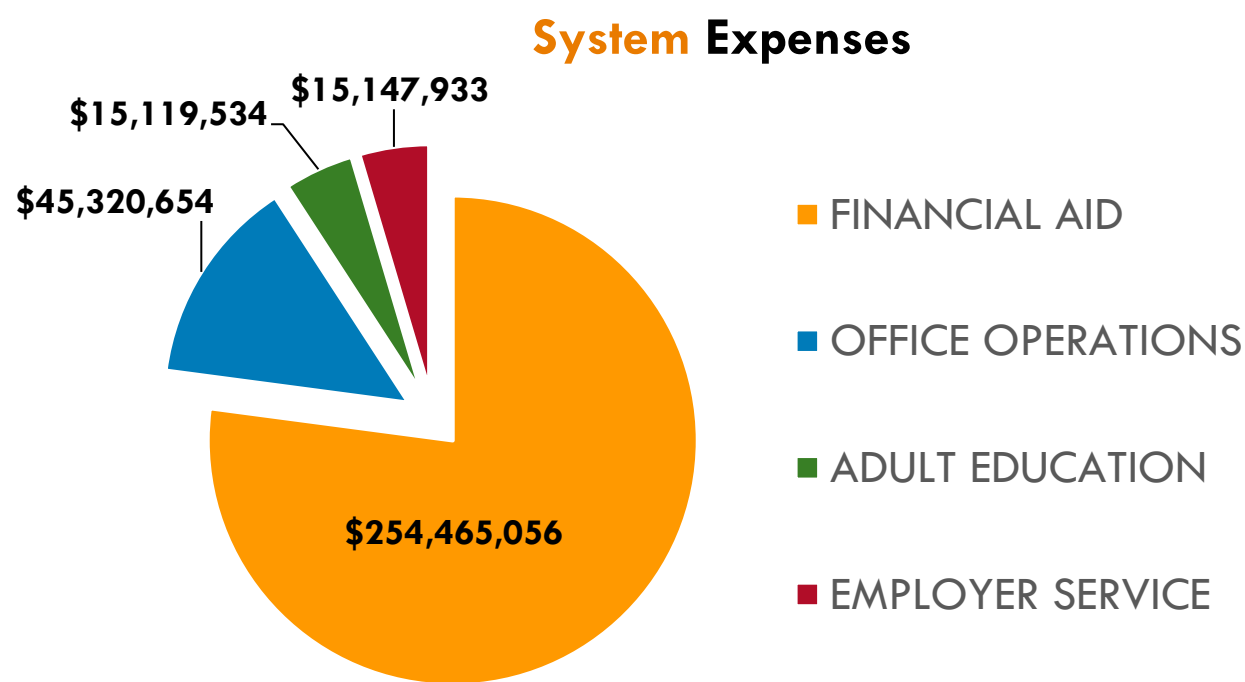
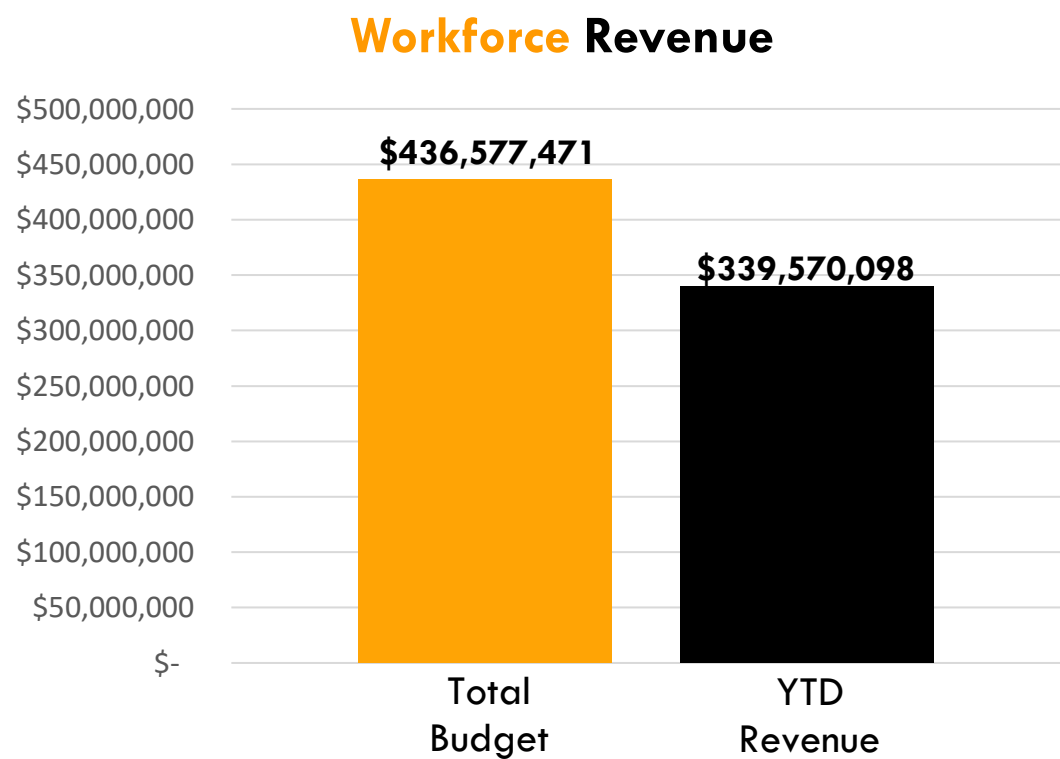
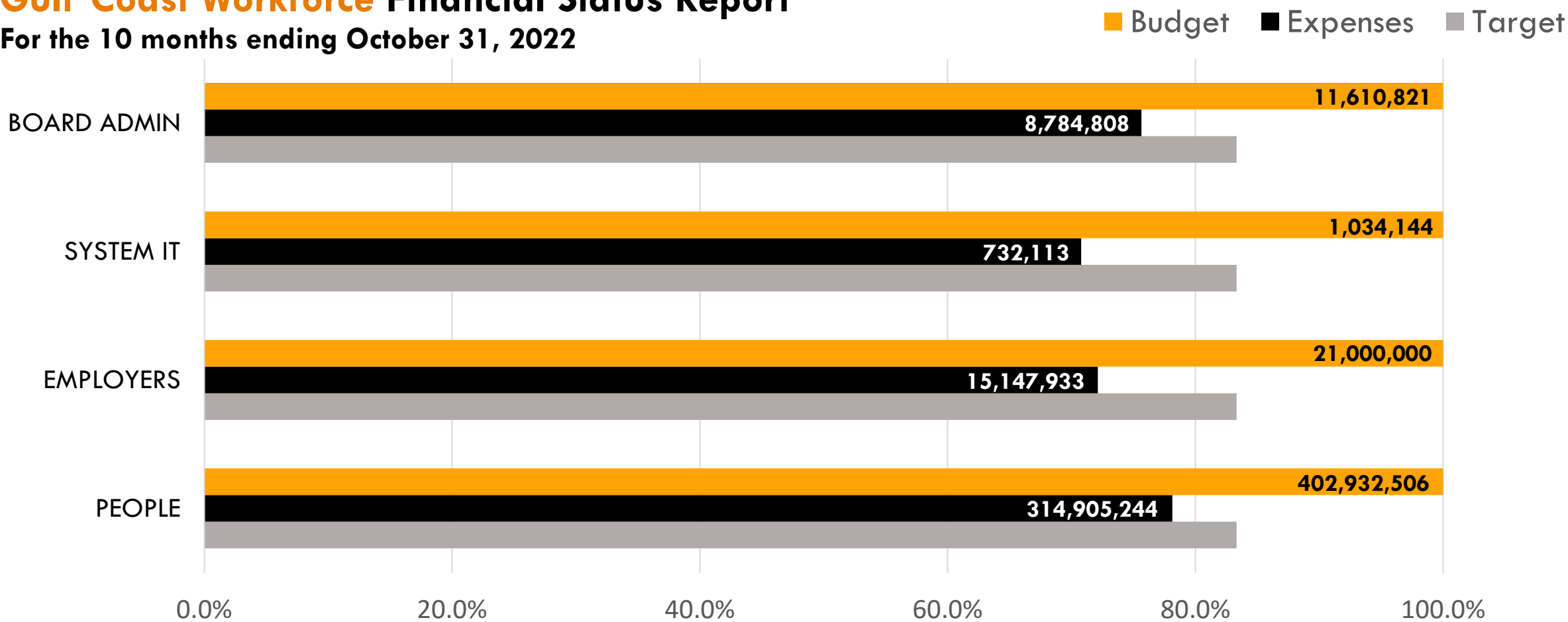
Measures that require additional focus

October 2021 to September 2022



Gulf Coast Workforce Financial Status Report

For the 10 months ending October 31, 2022



Media Outreach

December 2022 Update

This report provides an update on Workforce Solutions' media outreach efforts for October and November 2022. Topics for this period included:

- National Disability Employment Awareness Month,
- Foster Youth,
- Seasonal/Holiday Hiring,
- Monthly Jobs Report / Inflation,
- Hiring Red, White & You!,
- National Apprenticeship Week,
- Hiring Events,
- *Your Career, Your Choice*,
- 100th Episode of Who's Hiring on ABC 13.

Social Media

Our social media channels currently have 20,207 followers collectively. The table below shows the breakdowns and year-over-year changes.

Followers	October 2022	October 2021	Baseline March 2020	Growth to Prior Year	Growth to Baseline
Facebook	10,384	9,301	3,531	12%	194%
Instagram	2,842	2,539	663	12%	329%
Twitter	1,772	1,673	1,460	6%	21%
LinkedIn	5,195	4,282	1,473	21%	253%

You can find us on social media at:

- <https://www.facebook.com/advancemycareer/>
- <https://www.instagram.com/workforcesolutions/>
- <https://www.linkedin.com/company/advancemycareer>
- <https://twitter.com/GulfCoastWFS>
- <https://www.youtube.com/c/WorkforceSolutionsgulfcoast>

Earned Media Value

As of October 31, 2022, our cumulative earned-media value since the onset of the pandemic now exceeds \$35 million. Below is year-over-year comparison of October monthly values from 2020 to 2022.

Media	Items	Views	Value
October 2022	49	3,510,898	\$ 1,018,851
October 2021	21	2,139,952	\$ 547,577
October 2020	47	3,708,349	\$ 734,797

Media Partnerships

As a reminder, our partnerships include:

- KXLN Univision 45 – Interview each Monday during 11:30 a.m. newscast that is simulcast to Facebook Live
- KTRK ABC 13 – Weekly Who’s Hiring program each Thursday’s at 10 a.m., live stream as well as broadcast news features
- KRIV Fox 26 – Interview each Friday at 6:15 a.m. on morning TV news
- Quest Texas 55 (KHOU’s sister station) – *Your Career, Your Choice* aired each Saturday at 3 p.m., with the season 1 finale on October 29, 2022.

The following table contains highlights of Workforce Solutions in the media since September 30, 2022.

Date	Outlet	Story	Link
10/01/2022	KTBU Quest Texas 55	Your Career Your Choice – Episode 9	https://youtu.be/MbrS0ea55Cw
10/03/2022	KXLN Univision 45	Holiday Hiring	https://youtu.be/Eqb3G3e1quM
10/05/2022	KTRK ABC 13	Foster Youth Conference	https://abc13.co/3RIFF01
10/06/2022	KTRK ABC 13	Who’s Hiring – Texas HireAbility	https://abc13.co/3SLrecZ
10/07/2022	KRIV Fox 26	Foster Youth Resources	https://youtu.be/la1UxFt1ZKQ
10/08/2022	KTBU Quest Texas 55	Your Career Your Choice – Episode 10	https://youtu.be/R9yfFs3FxrS
10/10/2022	KXLN Univision 45	National Disability Employment Awareness Month	https://youtu.be/cngroLax8-U
10/13/2022	KTRK ABC 13	Who’s Hiring – Fulshear EDC	https://abc13.co/3S7EBTy

Date	Outlet	Story	Link
10/14/2022	KRIV Fox 26	National Disability Employment Awareness Month	https://youtu.be/4v8ALboEifM
10/15/2022	KTBU Quest Texas 55	Your Career Your Choice – Episode 11	https://youtu.be/zl-zXMTSQbw
10/17/2022	KXLN Univision 45	Disability-Friendly Job Fair	https://youtu.be/FP8pwhskZew
10/21/2022	KRIV Fox 26	Holiday Hiring	https://youtu.be/4Tf_4cmC7sw
10/22/2022	KTBU Quest Texas 55	Your Career Your Choice – Episode 12	https://youtu.be/no6dUKv2zxc
10/24/2022	KXLN Univision 45	Hiring Red, White & You! Prep Sessions	https://youtu.be/bQu55McogyE
10/24/2022	KRIV Fox 26	September Jobs Report – Parker Harvey	https://bit.ly/3ic6LjW
10/26/2022	The Katy News	September Jobs Report	https://bit.ly/3Djyx1C
10/27/2022	KTRK ABC 13	Who’s Hiring – HCC/UH 2+2 in Katy	https://abc13.co/3TJmtRH
10/28/2022	KRIV Fox 26	Cyber Security Month	https://youtu.be/BBFvUdGTQ8
10/29/2022	KTBU Quest Texas 55	Your Career Your Choice – Episode 13	https://youtu.be/rinQ40W7zT4
11/10/2022	KXLN Univision 45	Hiring Red, White & You!	https://youtu.be/hKm6ZyOmN40
11/10/2022	KTRK ABC 13	Who’s Hiring – Red, White & You	https://abc13.co/3AGOEsz
11/11/2022	KRIV Fox 26	Veterans Day	https://youtu.be/uO9CIhJZBBk
11/14/2022	KXLN Univision 45	Registered Apprenticeship	https://youtu.be/TOAKeHpJKn4
11/16/2022	KTRK ABC 13	Rosenberg Success Story	https://youtu.be/d-o5nNSAs6o
11/16/2022	KTRK ABC 13	100 th Episode Preview	https://abc13.co/3TYNe3X
11/17/2022	KTRK ABC 13	Who’s Hiring – National Apprenticeship Week	https://abc13.co/3AGOEsz
11/17/2022	KTRK ABC 13	Aon Apprenticeship Testimonial	https://youtu.be/rXM4Wu5mDzk
11/18/2022	KRIV Fox 26	National Apprenticeship Week	https://www.fox26houston.com/video/1145002

Supported Employment Pilot Project

Report

Background

In 2019, the Texas Workforce Commission offered boards the opportunity to propose projects for an alternative funding grant. One of the projects that our board proposed and had accepted was the Supported Employment Pilot. This pilot began September 1, 2019, and officially concluded on August 31, 2022.

The purpose of the Supported Employment Pilot was to assist individuals with intellectual and developmental disabilities to attain or maintain employment by providing a job coach in conjunction with employment or work-based learning. This pilot assisted individuals of all ages who may not have had success with previous work experience endeavors, might have been considered unemployable, and those who had been successfully employed but needed additional supports to remain employed and they had exhausted other support sources.

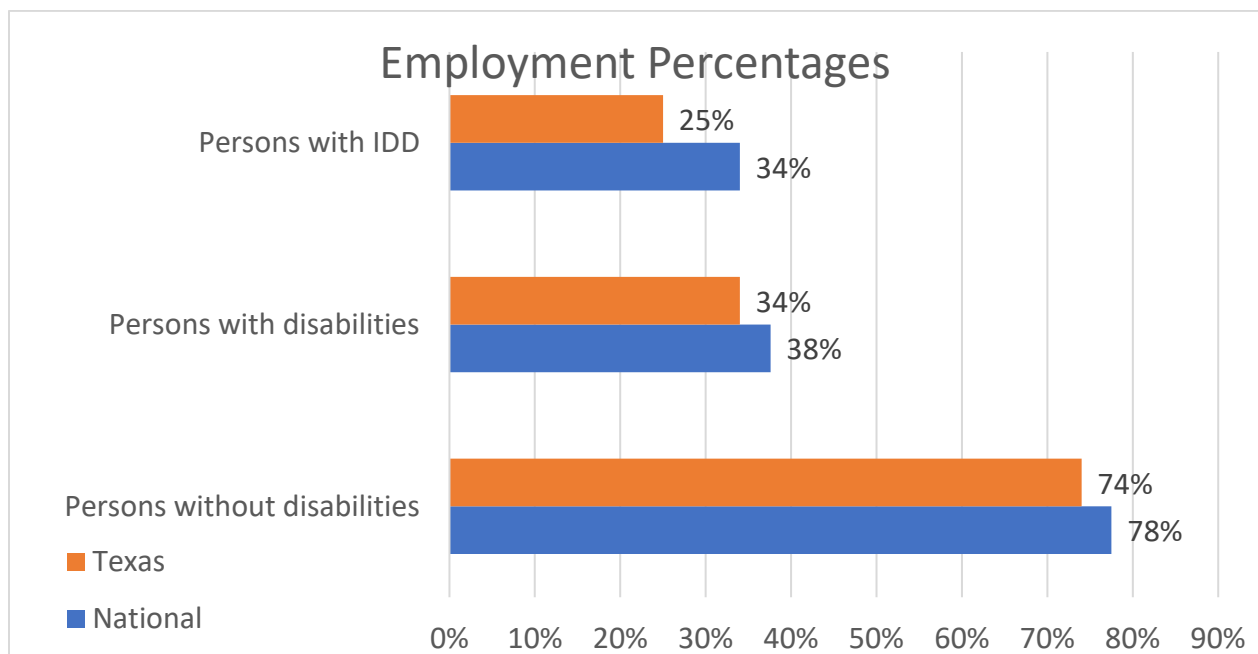
Shortly after the pilot was approved, the pandemic brought the project to a temporary halt. Employers were not open to being worksite partners, and individuals and job coaches did not feel safe given the pandemic. Many in the project target population are considered vulnerable to COVID-19 by the Centers for Disease Control, so these individuals and their families were hesitant to participate as well. By August of 2020 when the funding was originally slated to end, we had only helped two individuals find employment. Given the extenuating circumstances, the grant funding was extended to Fall 2021, and we continued to support participants with WIOA funds after the grant ended.

Current Situation

The project's goal was to provide a framework for serving individuals with different abilities and needs using standard operating processes. The program increased staff capacity for serving people with disabilities and built a foundation for continued support. It also provided a model for how Workforce Solutions can support individuals achieve employment while meeting employers' needs. WIOA funding was used to provide job coaches as a supportive service for individuals so they can find a job, keep a job, or get a better job.

Total Participants	29
Hired	15
Connected to Ticket to Work	5
Utilizing WFS to find employment	4
Connected to VRS	2
Receiving intensive supports	2
Withdrew	1

Ninety percent of participants made noteworthy progress towards their employment goals, and 52% of participants were permanently employed as a direct result of this program, and this statistic is 1 ½ times the national average and more than double the average for the state of Texas.



National Statistics: August 2022 (DOL website): [Disability Employment Statistics | U.S. Department of Labor \(dol.gov\)](https://www.dol.gov/ebsa/employers/pdf/20220801-disability-employment-statistics.pdf)
Texas Statistics: Source: American Community Survey (2019)

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

Labor Market Information

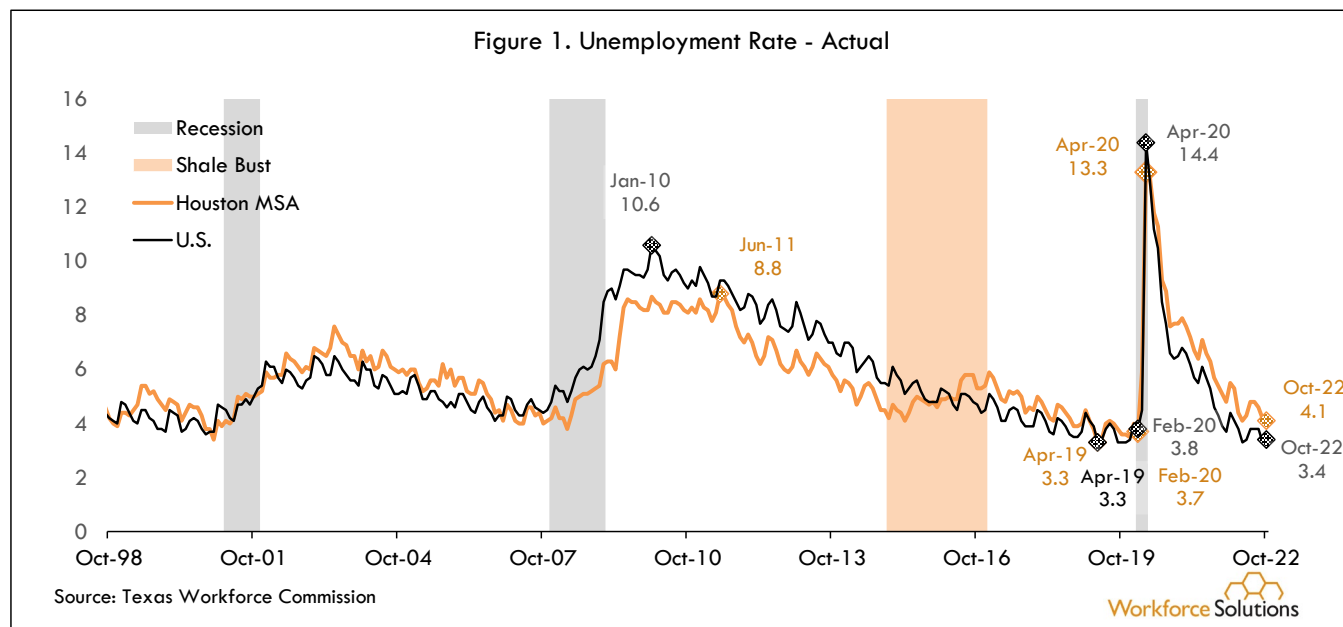
October 2022 data was released November 18, 2022.

Unemployment Rates

The rate of unemployment in The Houston-The Woodlands-Sugar Land MSA fell one-tenth of a percentage point to 4.1 percent in October, see figure 1. A decline in the rate of unemployment for the month of October is normal as many educational workers return for the school year. The number of individuals employed was up by 25,006 over the month and the number unemployed was down 3,732. The rate of unemployment was over one full percentage point lower than a year earlier. In comparison, the rate of unemployment at the state level was unchanged at 3.8 percent while the national rate rose one-tenth of a percentage point to 3.4 percent.

Unemployment Rate (Actual)

	OCT 2022	SEP 2022	OCT 2021
Civilian Labor Force	3,541,986	3,520,622	3,438,117
Total Employed	3,397,276	3,372,270	3,252,160
Unemployed	144,620	148,352	185,957
Unemployment Rate	4.1%	4.2%	5.4%
Texas	3.8%	3.8%	4.8%
U.S.	3.4%	3.3%	4.3%



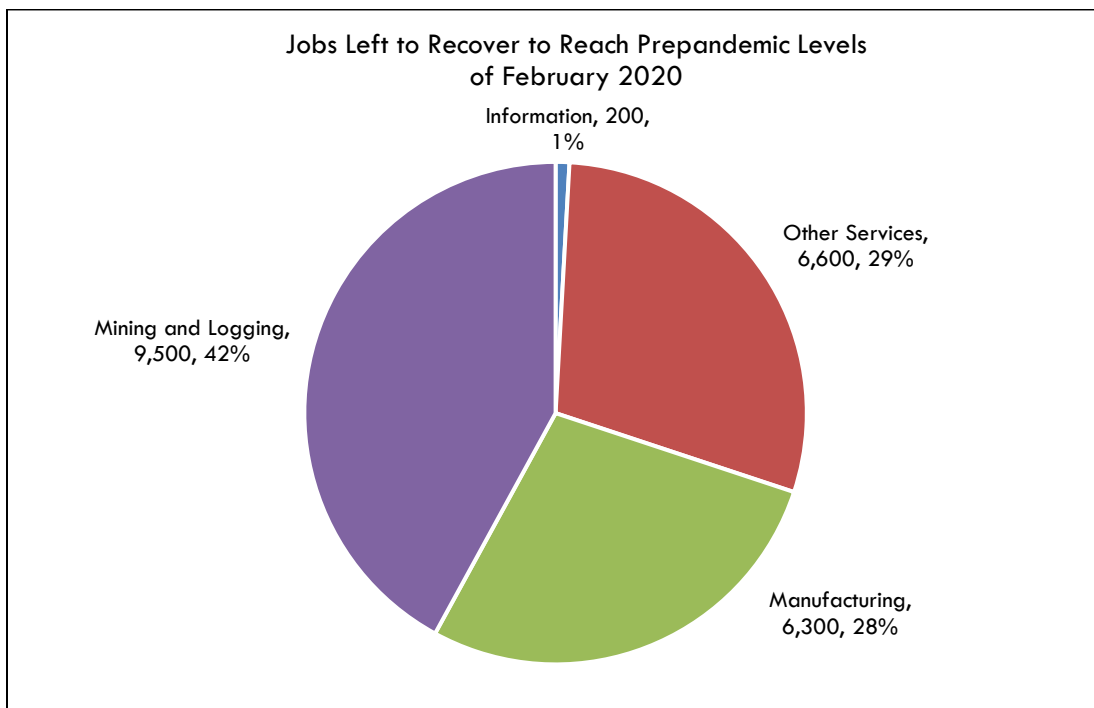
November data is scheduled to be released December 16, 2022.

Pandemic Job Recovery Update

The pandemic took a huge toll to labor markets in the Houston-The Woodlands-Sugar Land MSA resulting in an unprecedented loss of 359,400 jobs during March and April of 2020, down 11.3 percent. Total employment in the Houston MSA reached its pre-pandemic level in April of this year. As of October, payrolls

in the Houston MSA were 129,300 jobs or 4.1 percent higher than their pre-pandemic levels of February 2020.

Not all industry sectors have managed full job recovery. The majority deficit in jobs is currently in Mining and Manufacturing as they continue to lag due to their ties to the energy sector, together down a total of 15,800 jobs from pre-pandemic levels. Despite the overall weakness in the energy sector, conditions have greatly improved due to recent events and the related high energy prices. While drilling activity has increased by more than two hundred percent from recent lows, businesses are reluctant to continue at a pace that places risk to additional capital investments. The only other industry sector with a substantial amount of recovery remaining is Other Services where payrolls are down 6,600 jobs from pre-pandemic levels. Other Services is composed of businesses performing a wide range of services such as automotive repair, car washes, electronic equipment repair, commercial equipment repair, personal household goods repair, barber shops, beauty salons, funeral homes, dry cleaning and laundry services, religious organizations, social advocacy organizations, civic and social organizations, business associations, political organizations, and private organizations, and more.



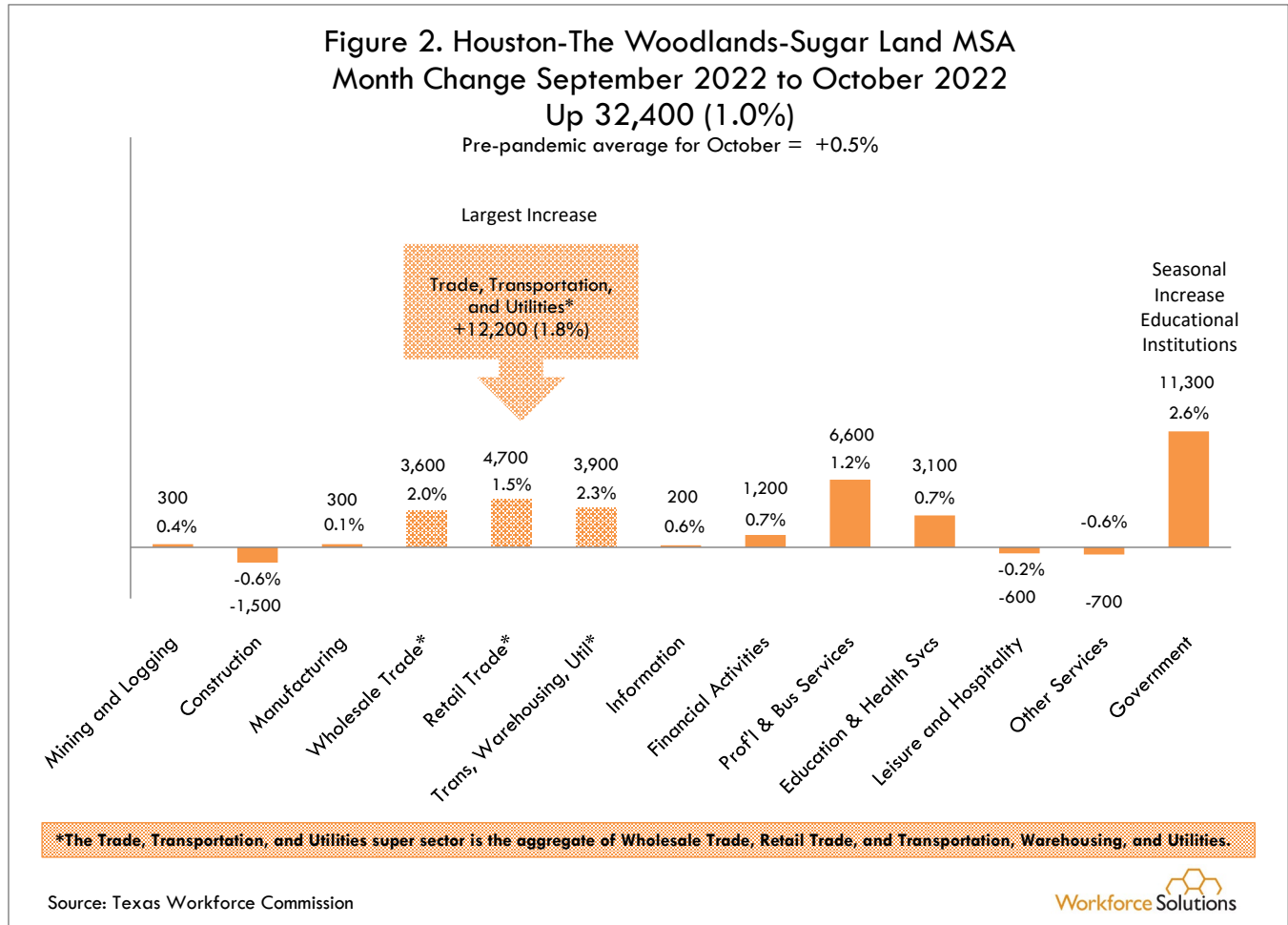
Nonagricultural Employment

Over the Month

Total Nonfarm Employment in the H-W-S MSA added 32,400 jobs in October, up 1.0 percent, see figure 2. The increase was stronger than most years excluding 2020 where businesses were in a recovery phase from the pandemic. The largest increase was in Trade, Transportation, and Utilities, up 12,200 jobs or 1.8 percent, where gains were above expectations in Wholesale Trade, Retail Trade, and Transportation, Warehousing, and Utilities in preparation for the busy holiday season. Government provided the second largest increase of 11,300 jobs as educational institutions continued adding to payrolls for the 2022 to 2023 school year, up 2.6 percent. Above average increases were also found in Financial Activities, Professional and Business Services, and Education and Health Services. Job gains were weak in Mining and

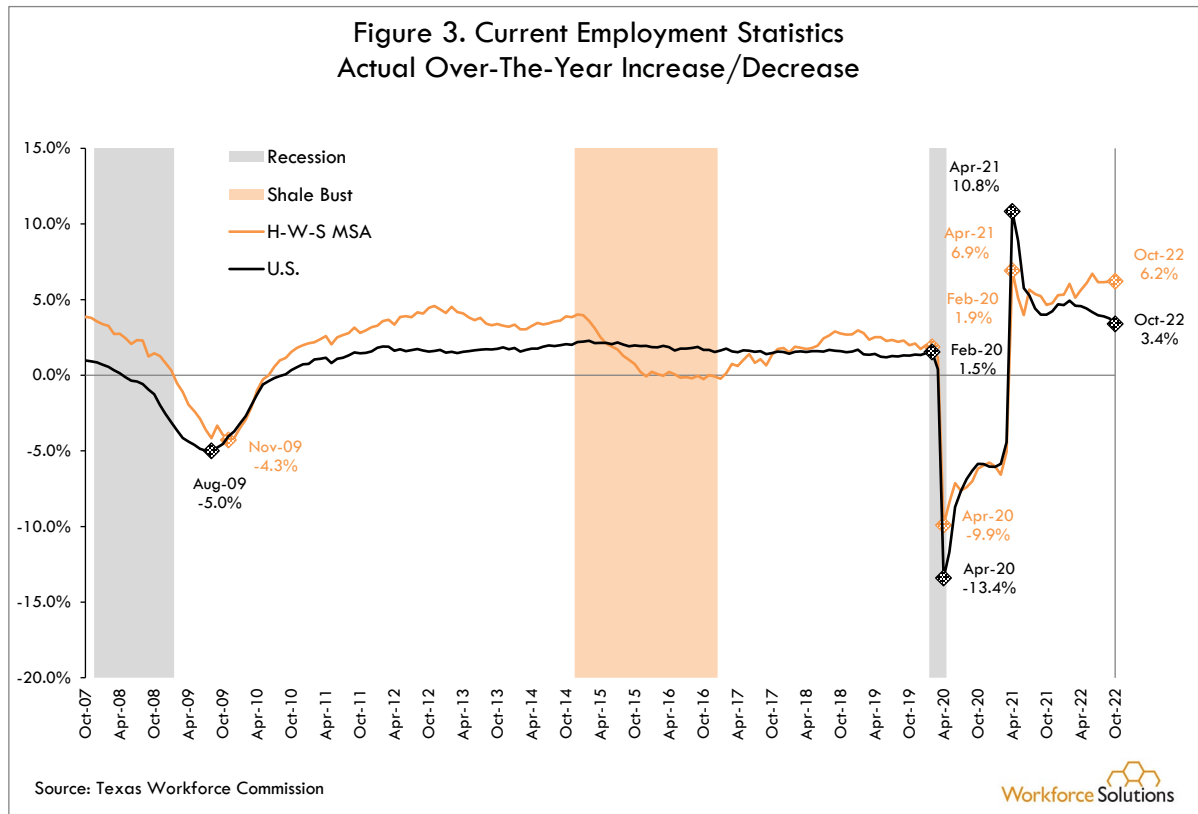
Logging, up 300 jobs, and Manufacturing, up 300 jobs. Construction experienced its largest October decline since 2000 during the dot com crash, down 1,500 jobs or 0.6 percent.

Estimates for the month of September were revised upward by 3,500 jobs to reflect an increase of 18,300 jobs over the month, up from 14,800 jobs.



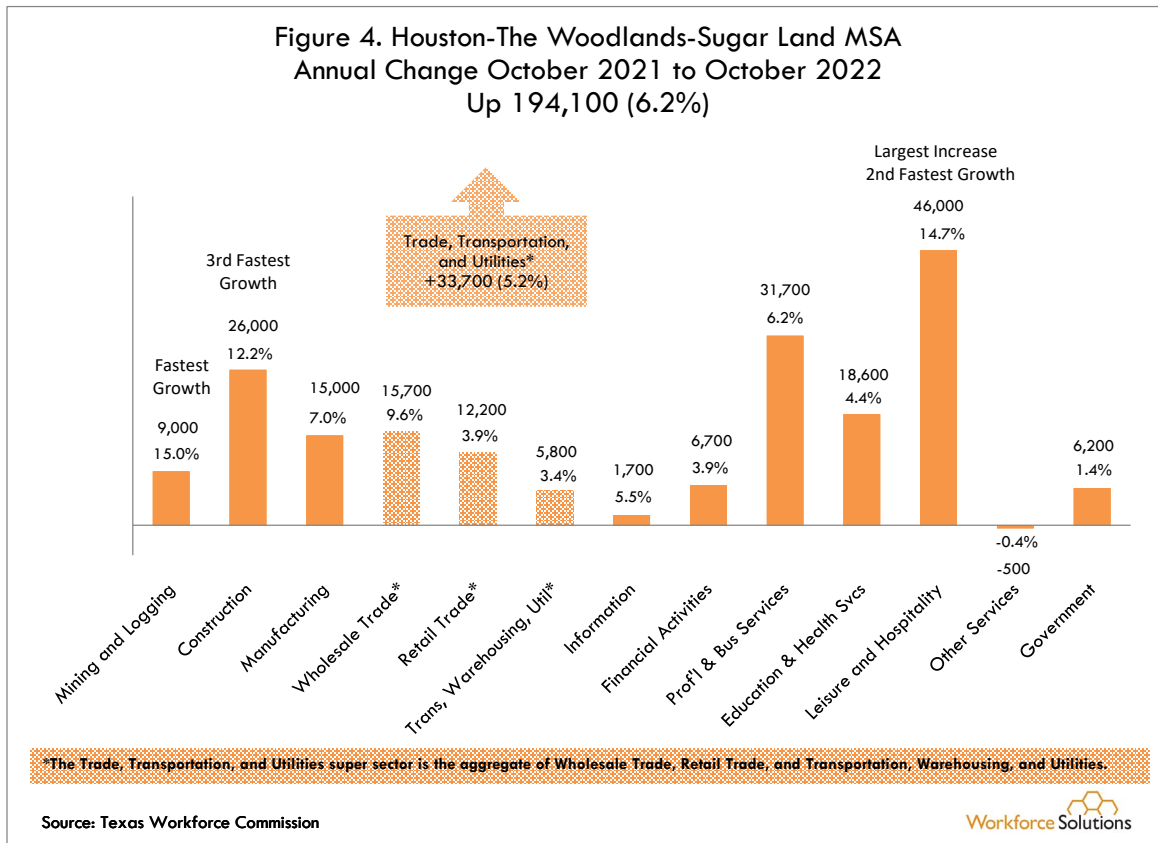
Over the Year

Total Nonfarm Employment in the H-W-S MSA was up 194,100 jobs over the year in October. The 6.2 percent increase in the Houston was nearly three percentage points stronger than the nation's increase of 3.4 percent, see figure 3.



All but one industry super sectors were reporting over-the-year increases, see figure 4. The largest contributors to the increase were Leisure and Hospitality, up 46,000 jobs or 14.7 percent, Trade, Transportation, and Utilities, up 33,700 jobs or 5.2 percent, Professional and Business Services, up 31,700 jobs or 6.2 percent, and Construction, up 26,000 jobs or 12.2 percent. Fastest growth was in Mining and Logging, up 9,000 jobs or 15.2 percent. Other Services reported the only over-the-year loss of 500 jobs, down 0.4 percent. Payrolls were 129,300 jobs higher than pre-pandemic levels of February 2020. For a complete list of current, month-ago, and year-ago employment estimates see pages 29 & 30.

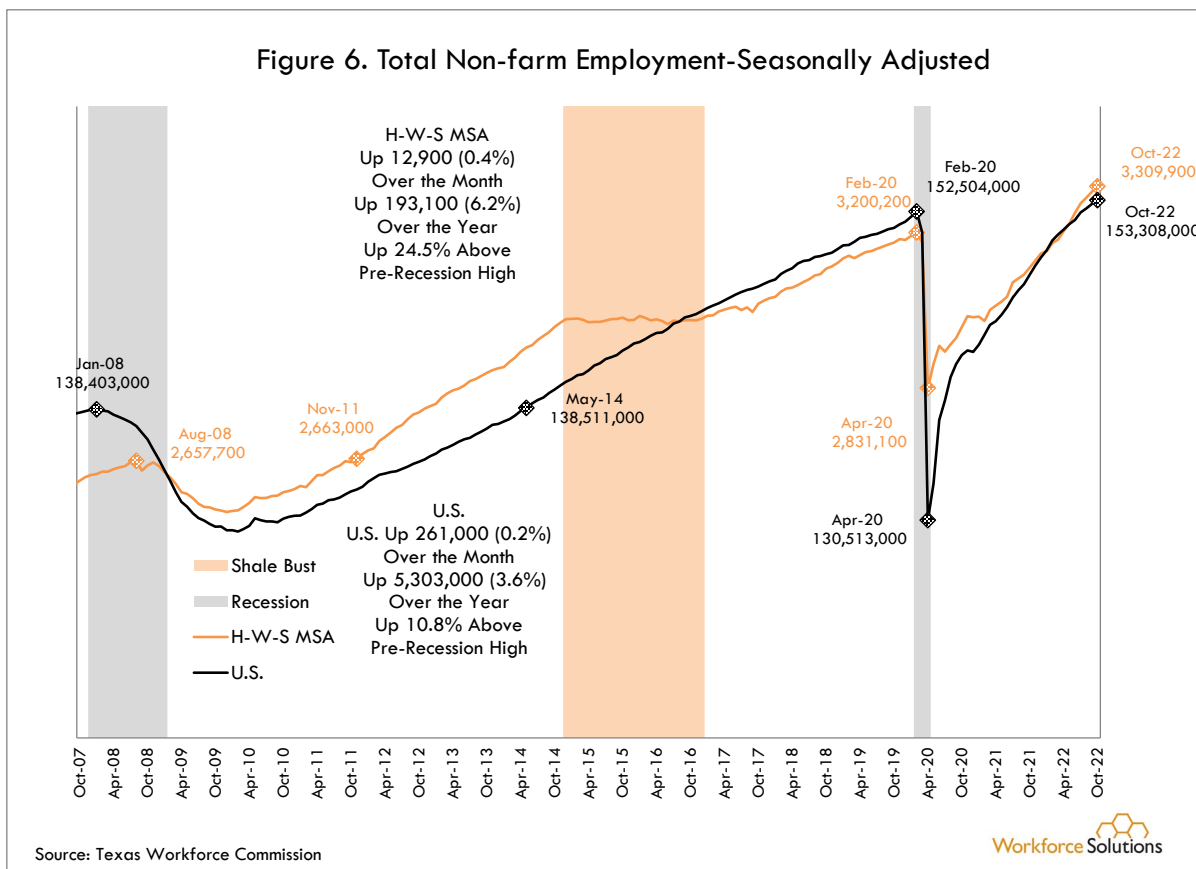
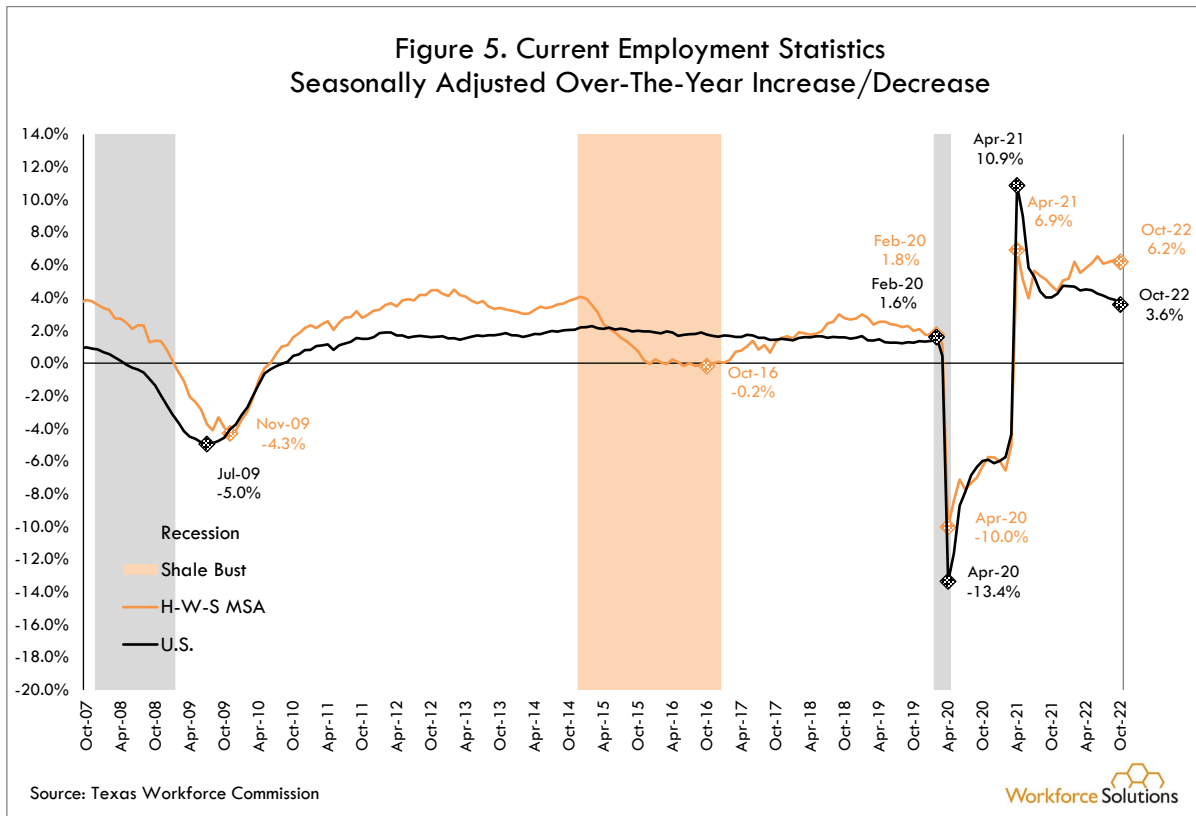
Additional comments by industry super sector can be found beginning on page 7.



Total Nonfarm Employment – Seasonally Adjusted

Seasonally adjusted estimates for the H-W-S MSA and U.S. seen in figure 5 and 6 provide an additional view of growth trends removing the erratic month-to-month seasonal patterns. On a seasonally adjusted basis, Total Nonfarm Employment increased by 12,900 jobs or 0.4 percent over the month in October with the pace of growth at 6.2 percent. Payrolls were 109,700 jobs higher than pre-pandemic levels of February 2020. Total Nonfarm Employment at the national level added 261,000 jobs in October with the pace of growth at 3.6 percent.

Looking at growth over a more long-term basis, Houston has been among the fastest-growing cities in the U.S. and as a result long-term job growth has historically outpaced that of the nation. Payrolls in the H-W-S MSA are currently up 24.5 percent above their peak prior to The Great Recession while payrolls at the national level are only up 10.8 percent.



Details by Industry Sector

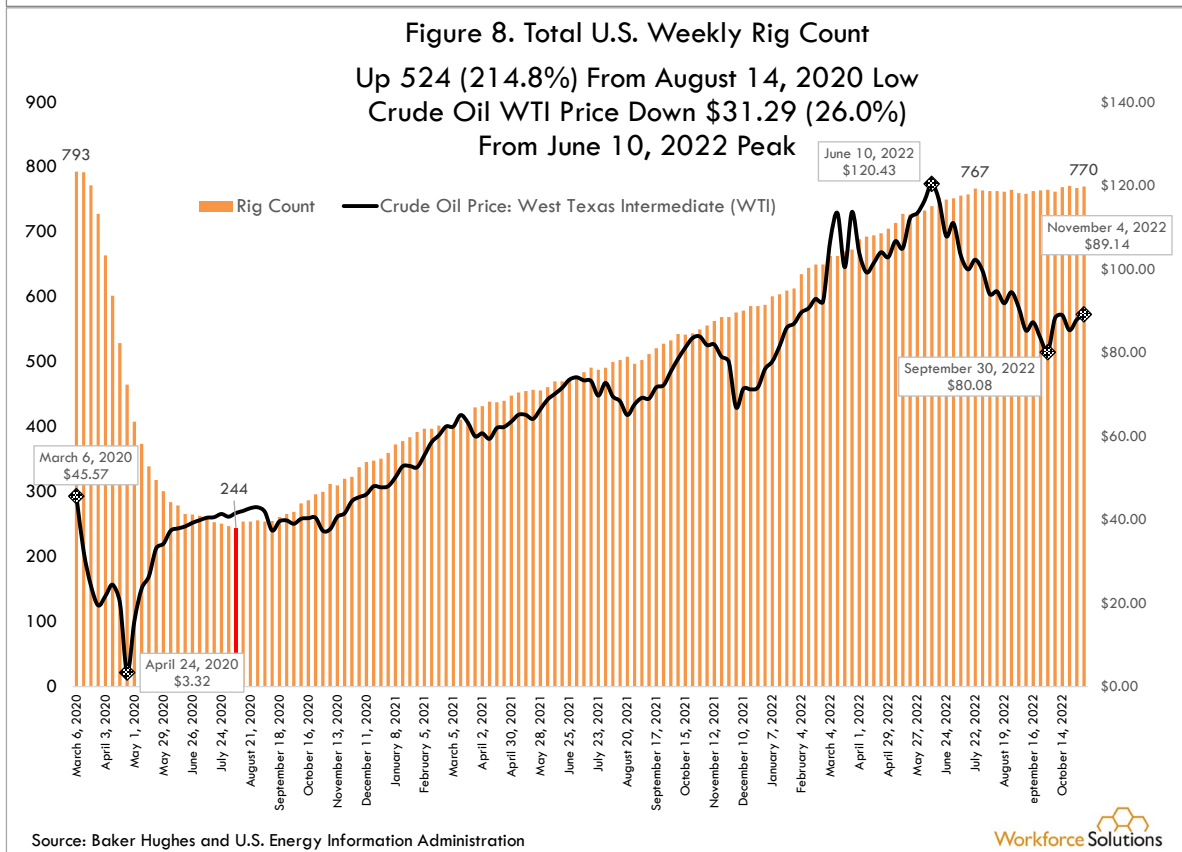
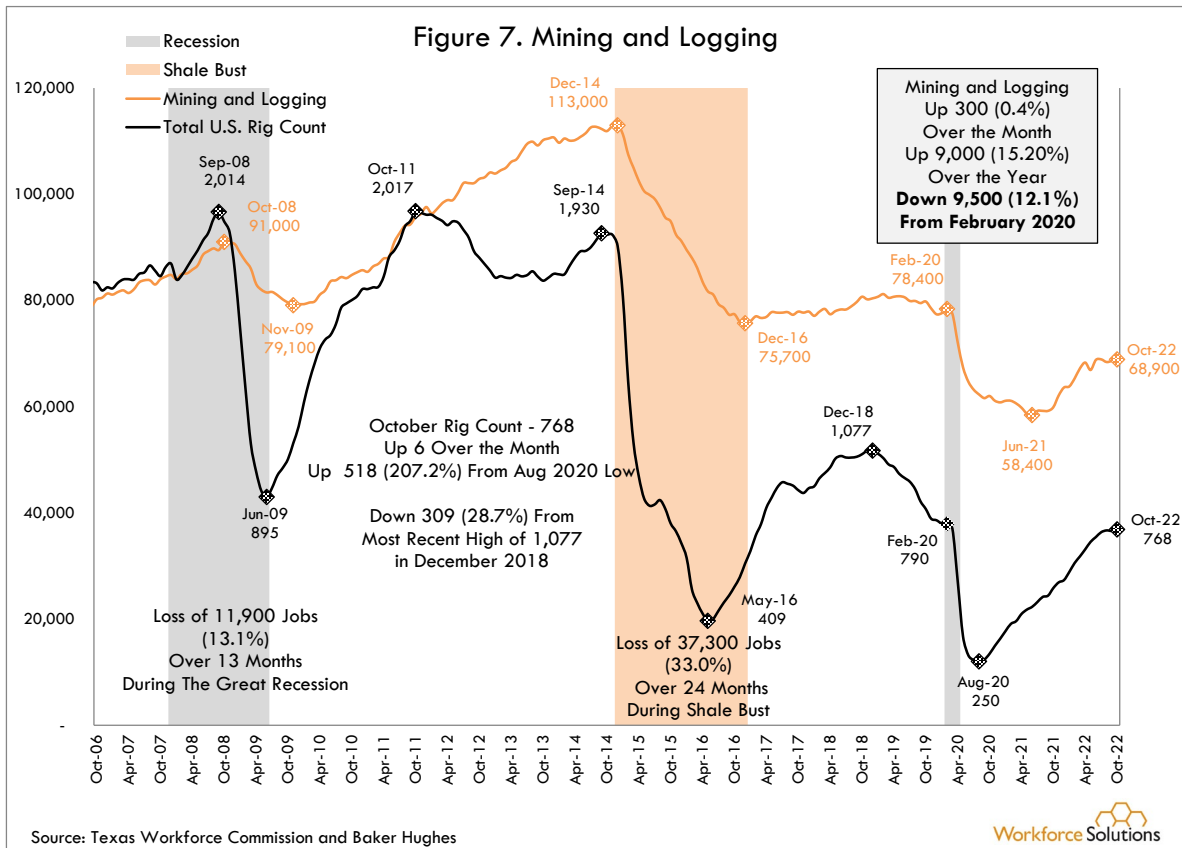
Mining and Logging added 300 jobs in October, up 0.4 percent. The gain falls in line with what is typically seen during most years. Slight gains were found in Oil and Gas Extraction, up 100 jobs, and Support Activities for Mining, up 200 jobs.

Mining and Logging was the fastest growing industry in the Houston MSA with the pace of job growth at 15.0 percent, up 9,000 jobs over the year. Gains have been strong in both Support Activities for Mining, up 4,900 jobs or 16.8 percent, and Oil and Gas Extraction, up 4,100 jobs or 14.2 percent.

Mining and Logging was already struggling before the pandemic began reporting substantial declines near the end of 2019 which continued throughout 2020 and into 2021. Hiring resumed in the Support Activities for Mining sector in the second half of 2021 with job gains during most months in response to increased drilling activity. Oil and Gas Extraction, where companies operate and/or develop oil and gas field properties and in most cases do not work in the field, continued to see declines until fourth quarter 2021 before seeing increases. While Mining and Logging has been making progress in recovering jobs, payrolls are currently down 9,500 jobs or 12.1 percent from pre-pandemic levels in February 2020, see figure 7.

The average U.S. rig count rose by 6 in October to 768. The current monthly rig count was down 309 (28.7%) from the most recent high of 1,077 in December 2018. Viewing activity on a weekly basis, drilling activity has levelled off for the most part since the middle of July, see figure 8. WTI oil prices have fallen from the most recent peak of \$120.43 in the week ending June 10th by 26.0 percent to \$89.14 in the week ending November 4th but firms seem confident that prices will remain high enough to support continued growth in oil and gas activity.

Payrolls in the Mining sector never made it back to pre-pandemic levels. Labor and supply chain constraints have been limiting the pace of drilling and well completion activity and lead times for new oilfield equipment have been extended. Industry outlooks have been optimistic although uncertainty has risen with expectations for possible slowing growth ahead because of limited spare capacity due to supply-chain and labor challenges.

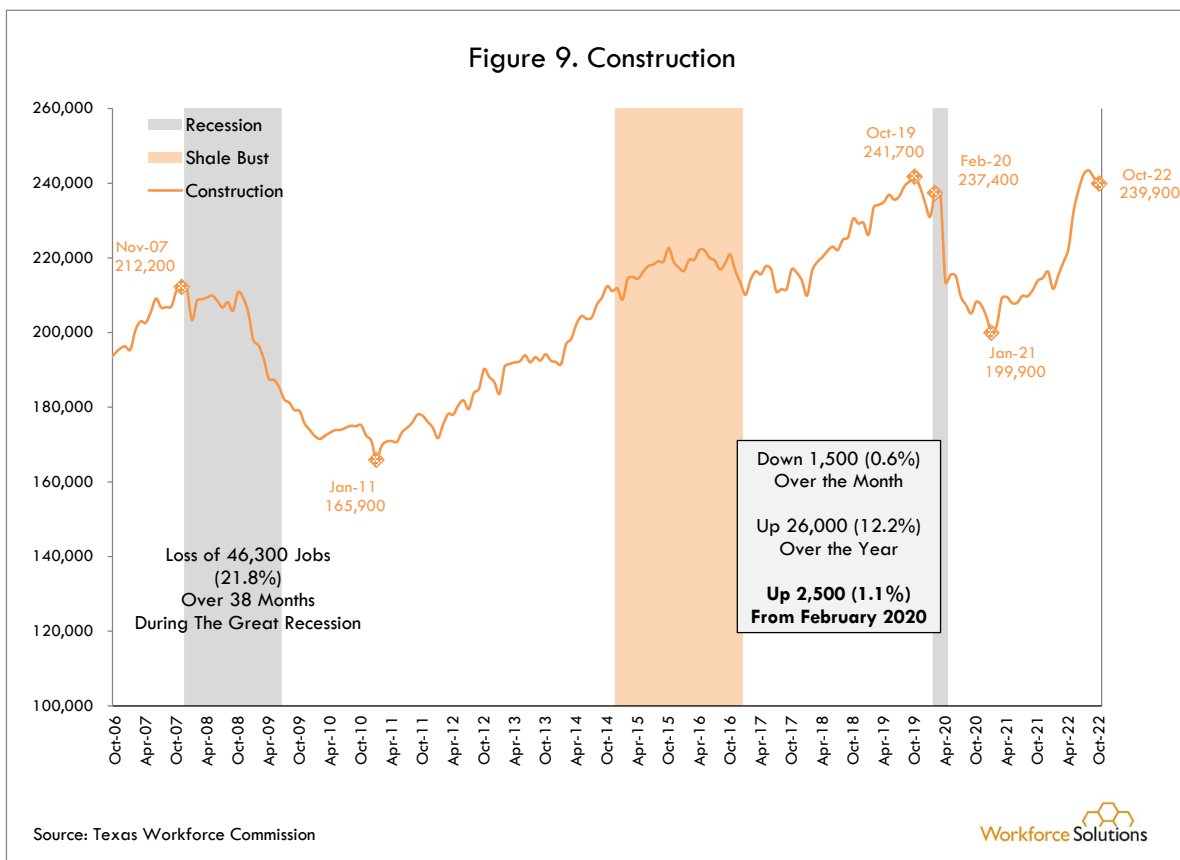


Construction was the largest declining industry sector in October, down 1,500 jobs or 0.6 percent. This was the second consecutive decline in Construction. All the loss was in Specialty Trade Contractors, down

2,500 jobs or 1.9 percent. Declines were offset by gains in Heavy and Civil Engineering Construction, up 700 jobs or 1.2 percent, and Construction of Buildings, up 300 jobs or 0.6 percent. September's preliminary estimated loss of 3,000 jobs in Construction were revised indicating losses were not as deep as originally thought, down 2,000 jobs or 0.8 percent.

The pace of job growth in Construction fell two percentage points in October to 12.2 percent making it the third fastest growing industry sector, up 26,000 jobs. Specialty Trade Contractors was responsible for more than half of the increase with payrolls up 16,200 jobs or 14.6 percent. Heavy and Civil Engineering Construction added 6,700 jobs over the year, up 13.0 percent, and Construction of Buildings added 3,100 jobs, up 6.0 percent. Construction has recovered all jobs lost in the early stages of the pandemic with employment up 2,500 jobs or 1.1 percent from its February 2020 pre-pandemic level, see figure 9.

According to the Federal Reserve Bank of Dallas, activity in the housing market remains weak. Sales have slipped and contract cancellations have been highly elevated in part due to rising mortgage rates pricing buyers out of the market.



Manufacturing payrolls increased slightly in October, up 300 jobs or 0.1 percent. While the increase was small, it was the largest for the month of October since 2018. The increase was driven by gains in Nondurable Goods Manufacturing, up 600 jobs or 0.7 percent. Durable Goods Manufacturing saw payrolls decline slightly by 300 jobs or 0.2 percent.

Manufacturing added 15,000 jobs over the year, up 7.0 percent. Most of the increase was in Durable Goods Manufacturing with much of it tied to the energy sector, up 10,400 jobs or 7.9 percent, see figure 10.1. Nondurable Goods Manufacturing payrolls were up 4,600 jobs or 5.6 percent over the year, see figure 10.2. In recent weeks, Manufacturing tied to the upstream energy sector continues to experience rising demand while petrochemical companies and refineries reported slowing demand. The energy crisis in Europe is expected to boost demand for petrochemical producers and refineries over the winter. In terms

of the pandemic, payrolls in Manufacturing remain 6,300 jobs or 2.7 percent below pre-pandemic levels in February 2020, see figure 10.

The Houston Purchasing Managers Index fell 1.3 points to 52.9 in October indicating economic activity was expanding at a slower pace of that in September. The Houston Manufacturing PMI fell 3.9 points to 50.8 indicating very weak expansion. Lead times, employment, and finished goods inventory indexes remained above 50 indicating continued expansion. The sales/new orders index portion was hit hard falling 6.6 points to 47.8, indicating contraction. The Non-manufacturing PMI fell 0.9 points to 53.2 pointing to continued expansion but at a slower pace than the in September. The Houston PMI provides a measure of current economic activity in the greater Houston area and a forecast of likely shifts in activity over the next several months. Readings over 50 generally indicate goods producing industry expansion over the near term, while readings below 50 show coming contraction. Readings above 45 correlates with expansion of the Houston-The Woodlands-Sugar Land Business Cycle Index.

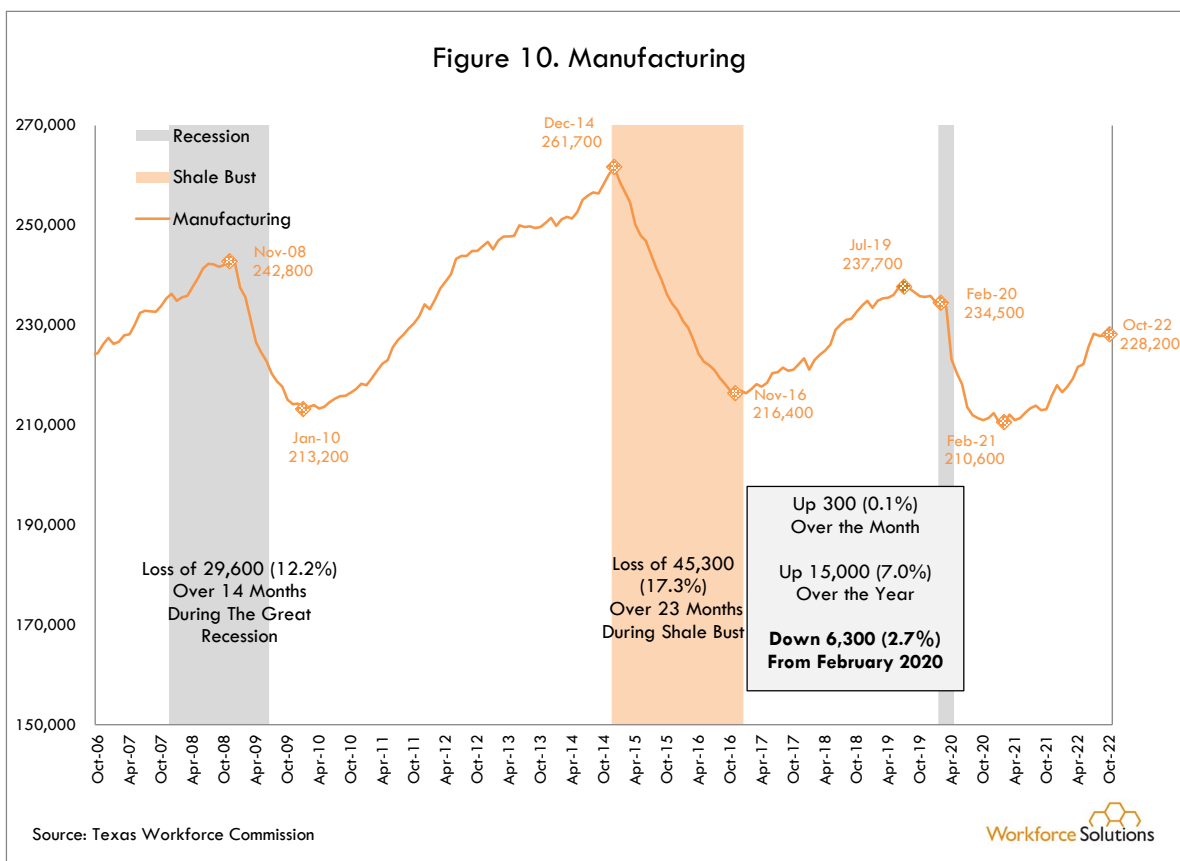


Figure 10.1 Durable Goods Manufacturing

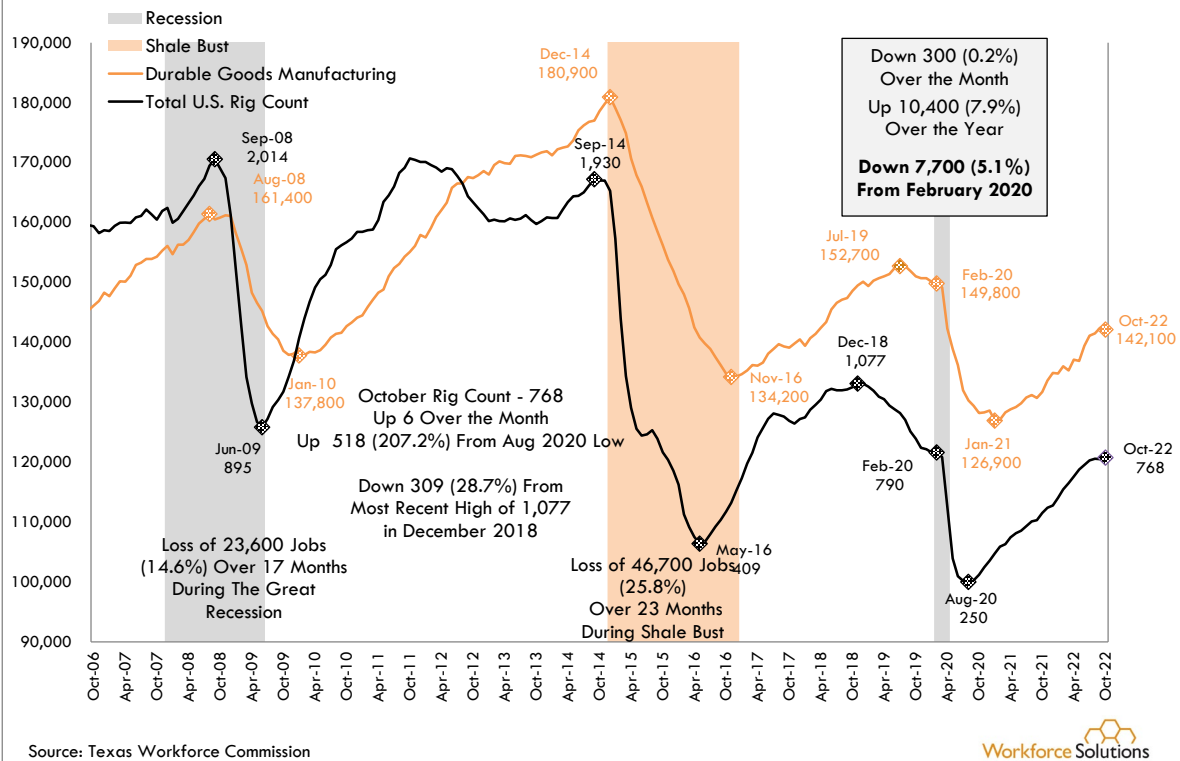
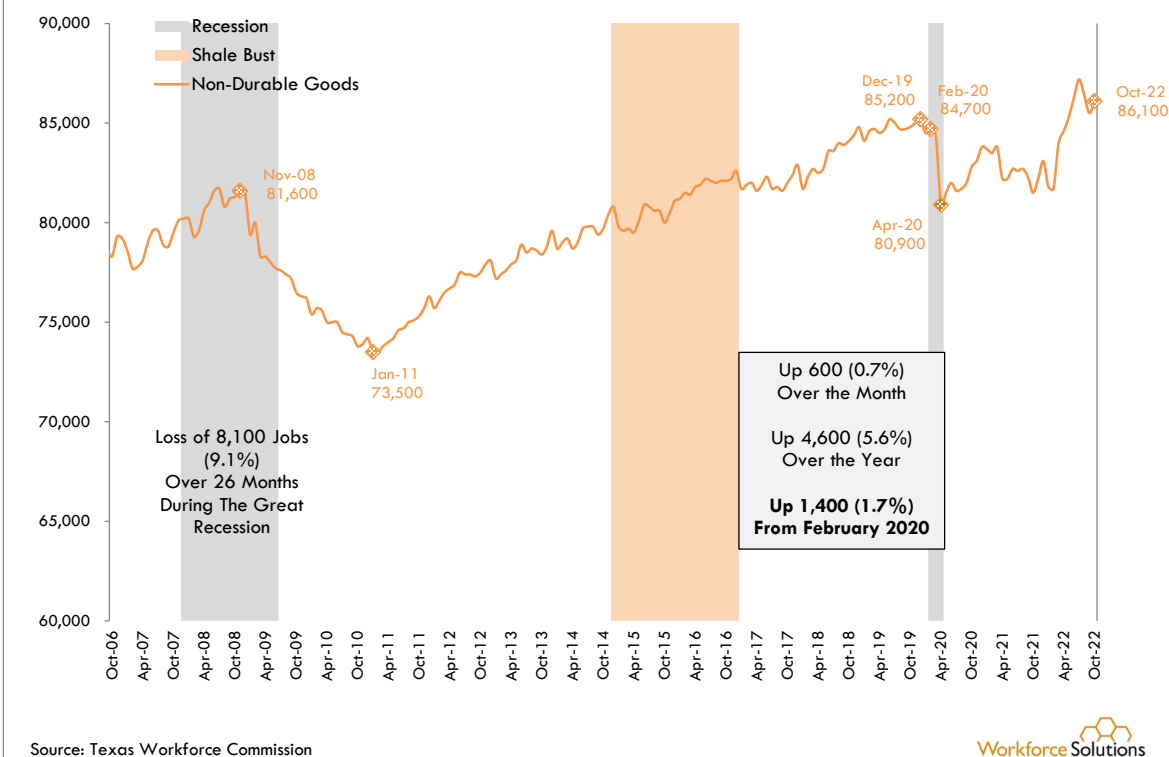


Figure 10.2 Non-Durable Goods Manufacturing



Trade Transportation, Warehousing & Utilities was the largest gaining industry sector over the month experiencing its largest October increase ever, up 12,200 jobs or 1.8 percent. The previous record for

October was in 2020 during the early stages of recovery from the pandemic when payrolls increased by 11,300 jobs or 1.9 percent. September estimates for the super sector were revised indicating losses were not as deep as originally thought, down 4,200 jobs or 0.6 percent instead of 7,200 jobs or 1.1 percent. October's increases were found across all three major subsectors with Wholesale Trade up 3,600 jobs or 2.0 percent, Retail Trade, up 4,700 jobs or 1.5 percent, and Transportation, Warehousing, and Utilities up 3,900 jobs or 2.3 percent. The only substantial October decline was seasonal and found in Retail Trade at Building Material and Garden Equipment and Supplies Dealers, down 400 jobs or 1.7 percent.

Trade, Transportation, and Utilities was the second largest gaining industry sector in October, up 33,700 jobs or 5.2 percent over the year. Wholesale Trade experienced the strongest growth, up 15,700 jobs or 9.6 percent, see figure 11.1. Retail Trade was up 12,200 jobs or 3.9 percent with strongest growth at Clothing and Clothing Accessories Stores, up 1,100 jobs or 4.7 percent, and Health and Personal Care Stores, up 900 jobs or 4.5 percent. Food and Beverage Stores was the largest gaining retail sector, up 1,900 jobs or 2.7 percent. Lastly, Transportation, Warehousing, and Utilities was up 5,800 jobs over the year with the pace of job growth rising to 3.4 percent. Largest gains were in Truck Transportation, up 1,800 jobs or 6.5 percent, and Air Transportation, up 1,000 jobs or 1.5 percent. Payrolls in Trade, Transportation, and Utilities are up 48,000 jobs or 7.6 percent above pre-pandemic levels in February 2020.

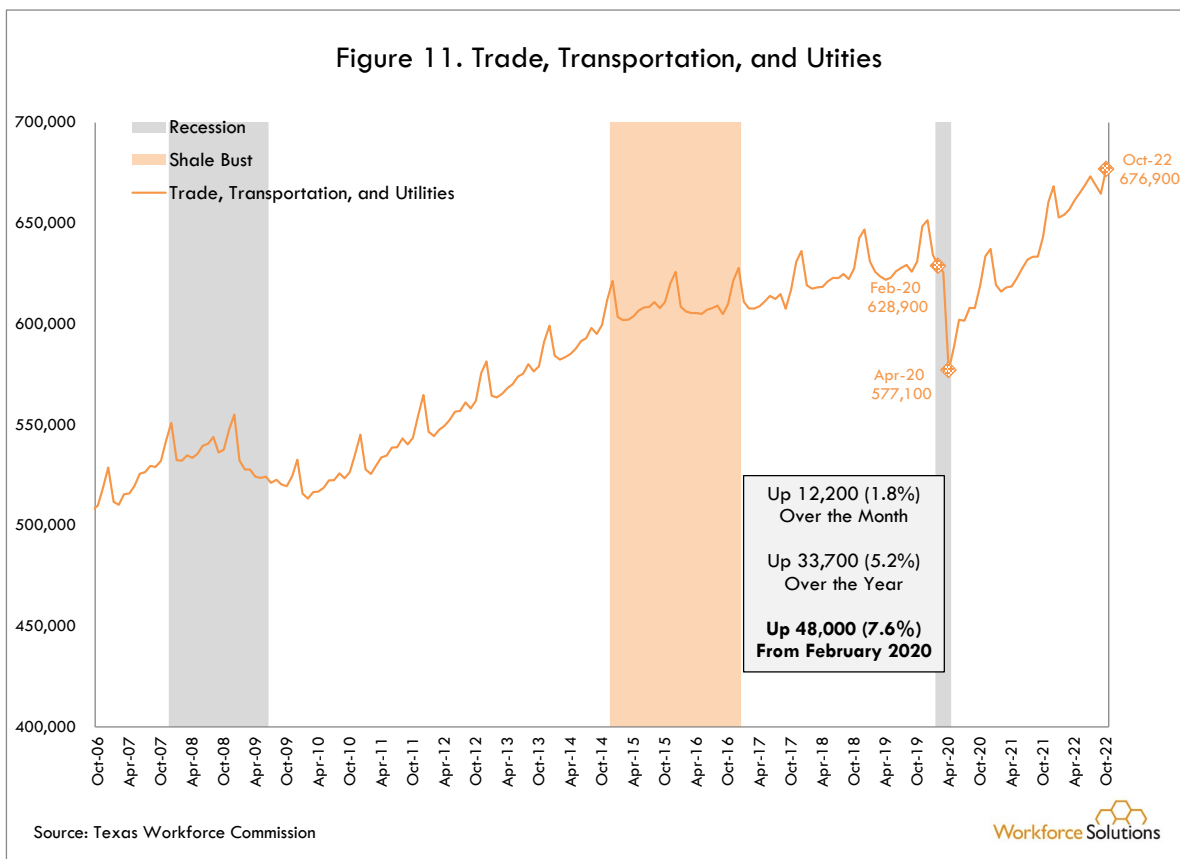
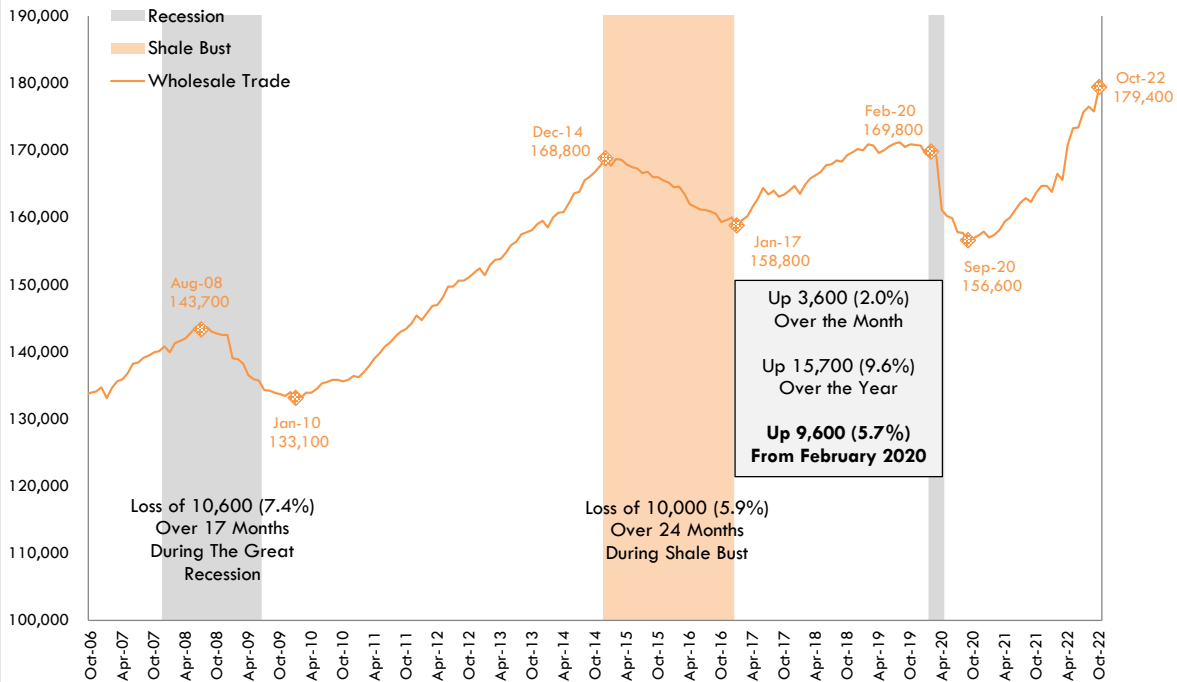


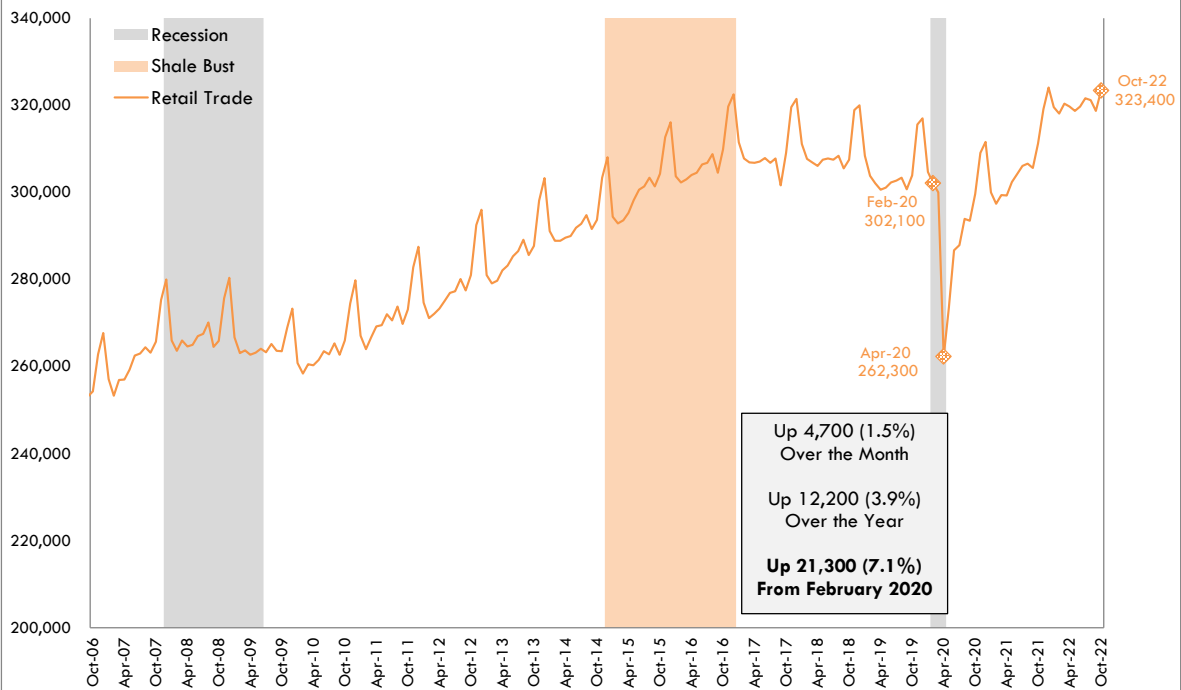
Figure 11.1 Wholesale Trade



Source: Texas Workforce Commission

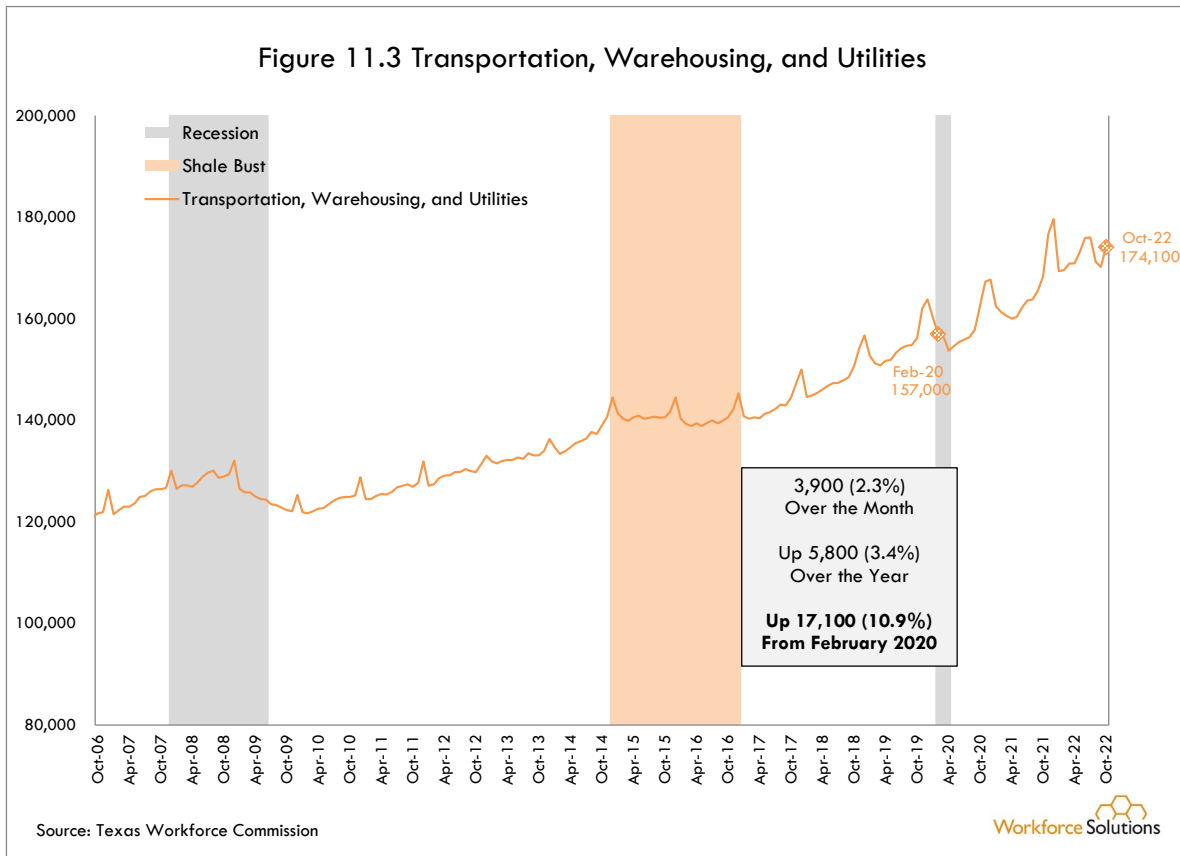
Workforce Solutions

Figure 11.2 Retail Trade



Source: Texas Workforce Commission

Workforce Solutions



Information payrolls were up 200 jobs in October and 1,700 jobs or 5.5 percent over the year. Nearly half of the employment in Information resides in Telecommunications where payrolls were up 200 jobs or 1.6 percent over the year. This means most of the increase was at other establishments within the Information super sector which include newspaper and periodical publishing, software publishing, motion picture and sound recording, and data processing hosting and related services.

Financial Activities added 1,200 jobs in October, up 0.7 percent. Job gains were found in both major sub sectors with Finance and Insurance up 800 jobs or 0.7 percent and Real Estate and Rental and Leasing up 400 jobs or 0.6 percent.

Financial Activities added 6,700 jobs over the year, up 3.9 percent, see figure 12. Real Estate and Rental and Leasing added the most jobs, up 3,900 jobs, at the fastest pace of 6.3 percent. Finance and insurance added 2,800 jobs, up 2.6 percent. Financial Activities are up 6,400 jobs or 3.8 percent from just prior to the pandemic in February 2020, see figure 12.

Figure 12. Financial Activities

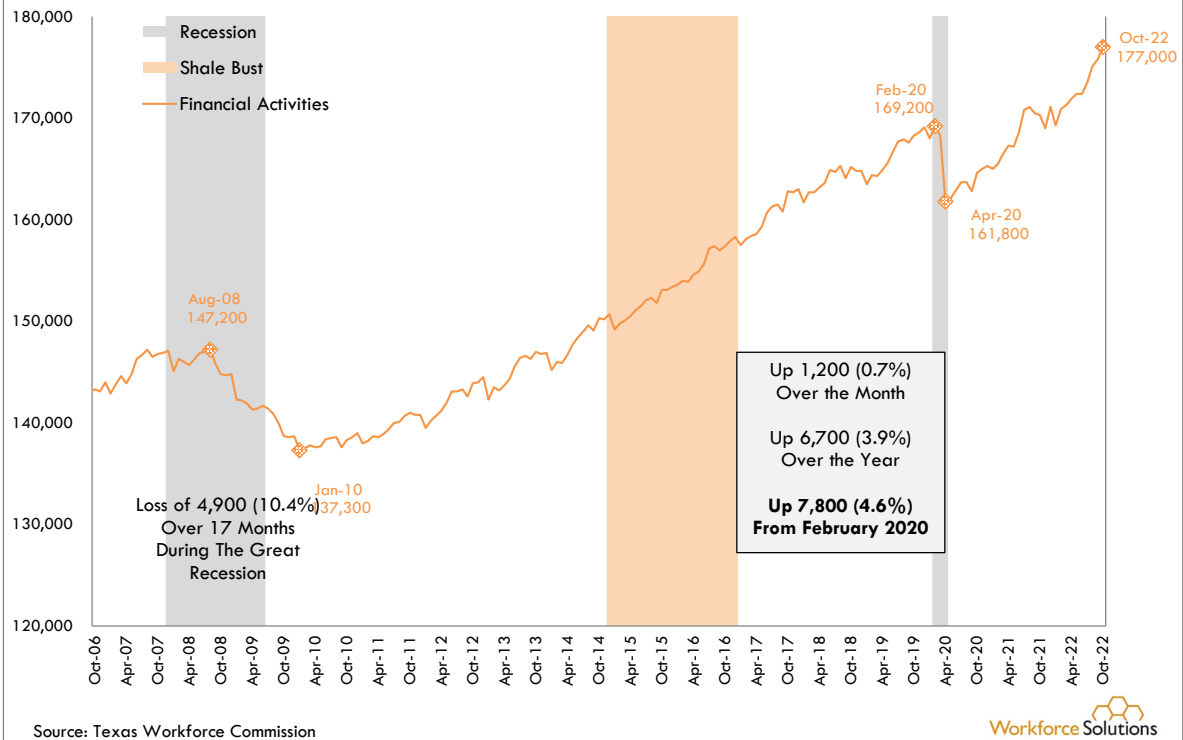
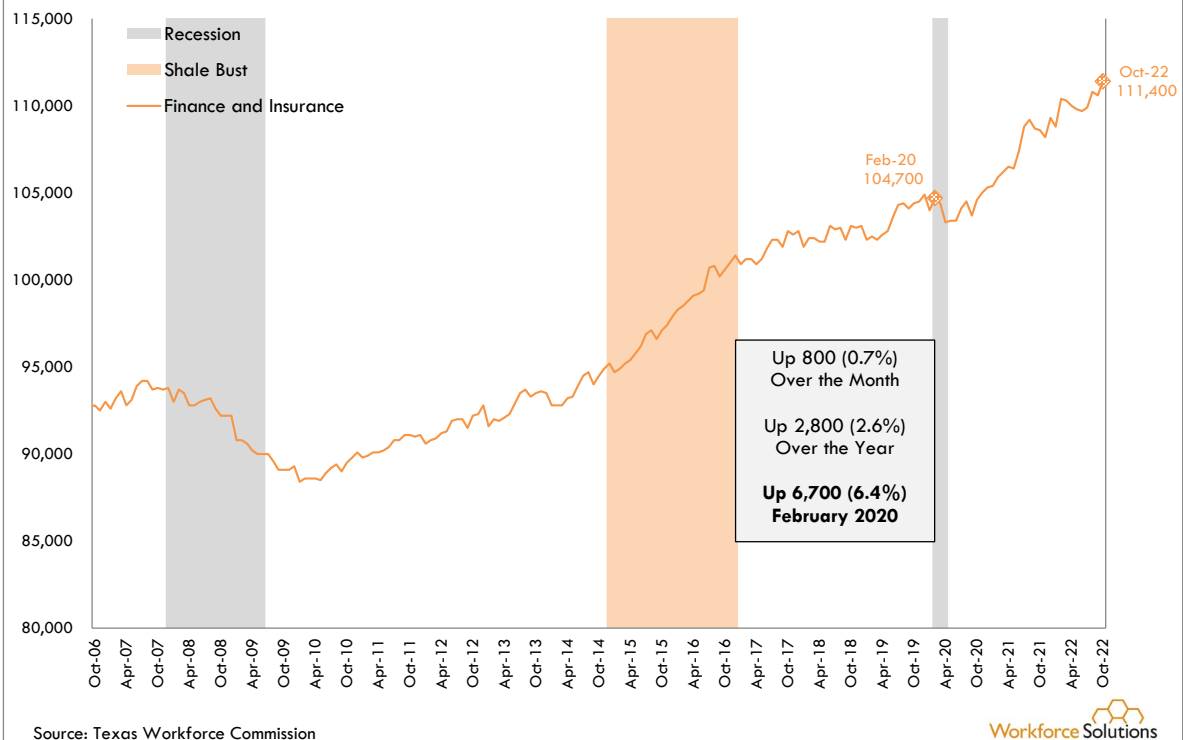
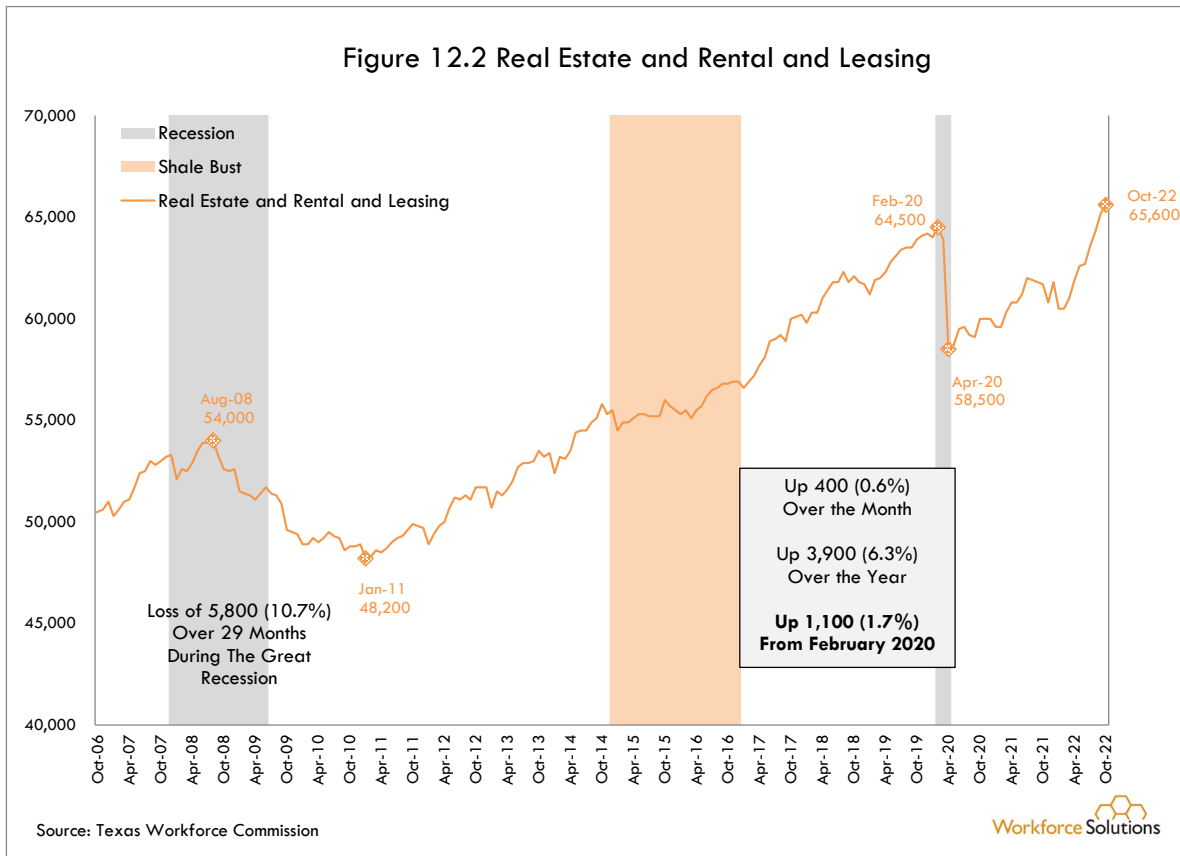


Figure 12.1 Finance and Insurance





Professional and Business Services was the third largest gaining industry sector in October adding 6,600 jobs over the month, up 1.2 percent. The only other October increase this large was in 2020 during the early stages of recovery from the pandemic. Most of the increase was in Professional, Scientific, and Technical Services, up 5,200 jobs or 2.0 percent. Architectural, Engineering, and Related Services was the largest contributor where payrolls were up 2,000 jobs or 2.7 percent. Management of Companies and Enterprises had an increase of similar strength as Professional, Scientific, and Technical Services with payrolls up 900 jobs or 2.3 percent. Administrative and Support and Waste Management and Remediation Services also reported an increase of 1,600 jobs, up 0.7 percent.

Professional and Business Services was the third largest gaining industry sector over the year adding 31,700 jobs, up 6.2 percent. Professional, Scientific, and Technical Services was the largest contributor to the increase, up 17,300 jobs or 7.0 percent, largely driven by gains in Architectural, Engineering, and Related Services, up 9,200 jobs or 13.8 percent, see figure 13.1. Administrative and Support and Waste Management and Remediation Services was the second largest contributor to the increase, up 13,000 jobs or 5.8 percent. Lastly, Management of Companies and Enterprises was up 2,000 jobs or 5.2 percent over the year. Payrolls in Professional and Business Services are up 31,700 jobs or 6.2 percent from their pre-pandemic level in February 2020, see figure 13. Architectural, Engineering, and Related Services sector reported its first increase in payrolls from just prior to the pandemic, up 400 jobs or 0.5 percent from February 2020. Recent gains in Professional and Business Services have been driven by surging global demand for energy products.

Figure 13. Professional and Business Services

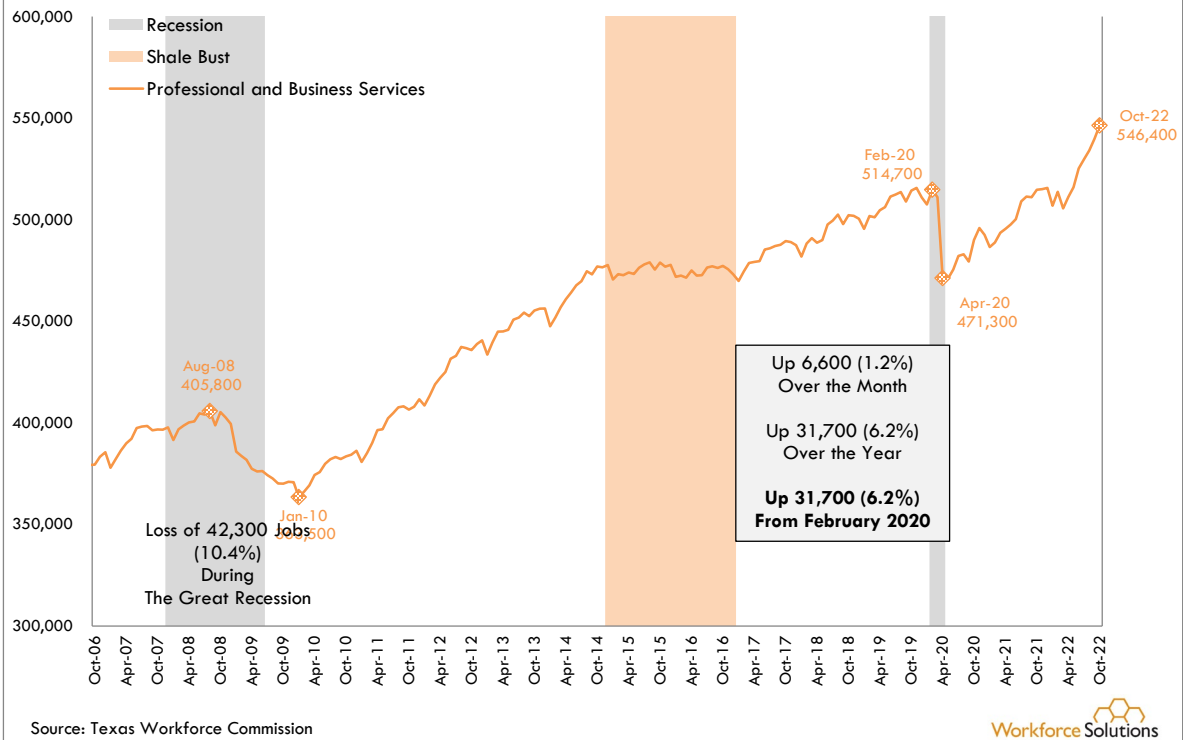


Figure 13.1 Architectural, Engineering, and Related Services

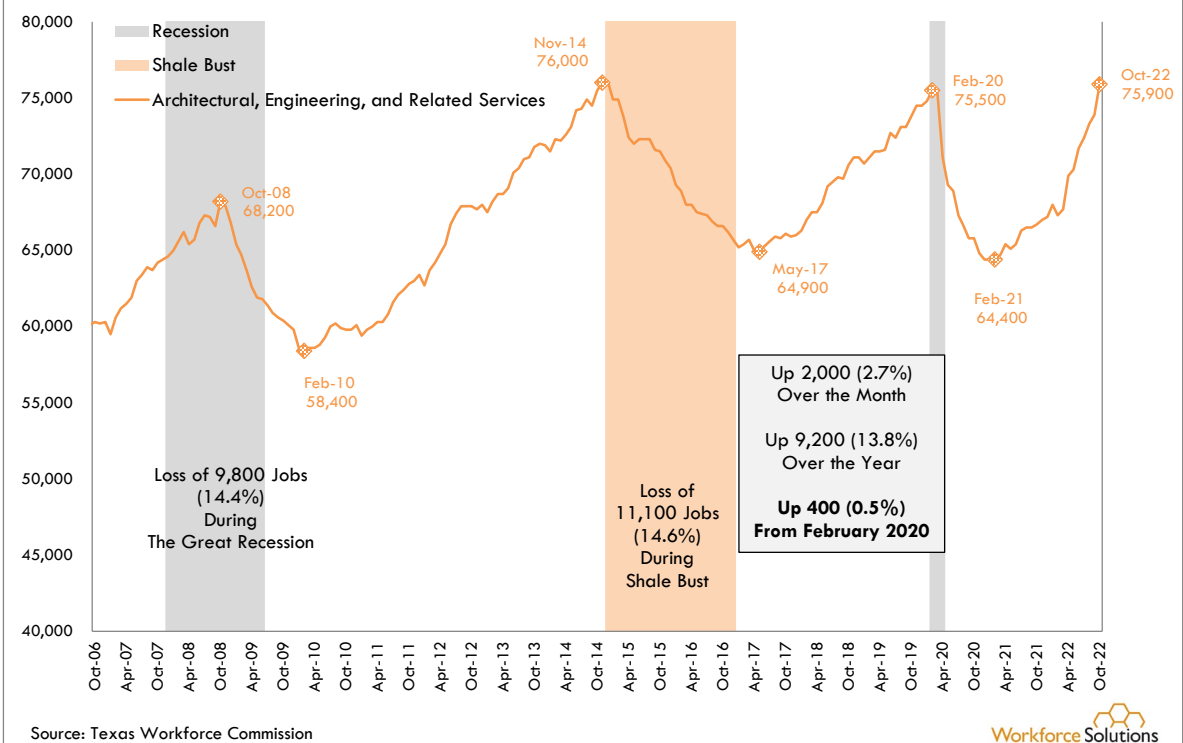
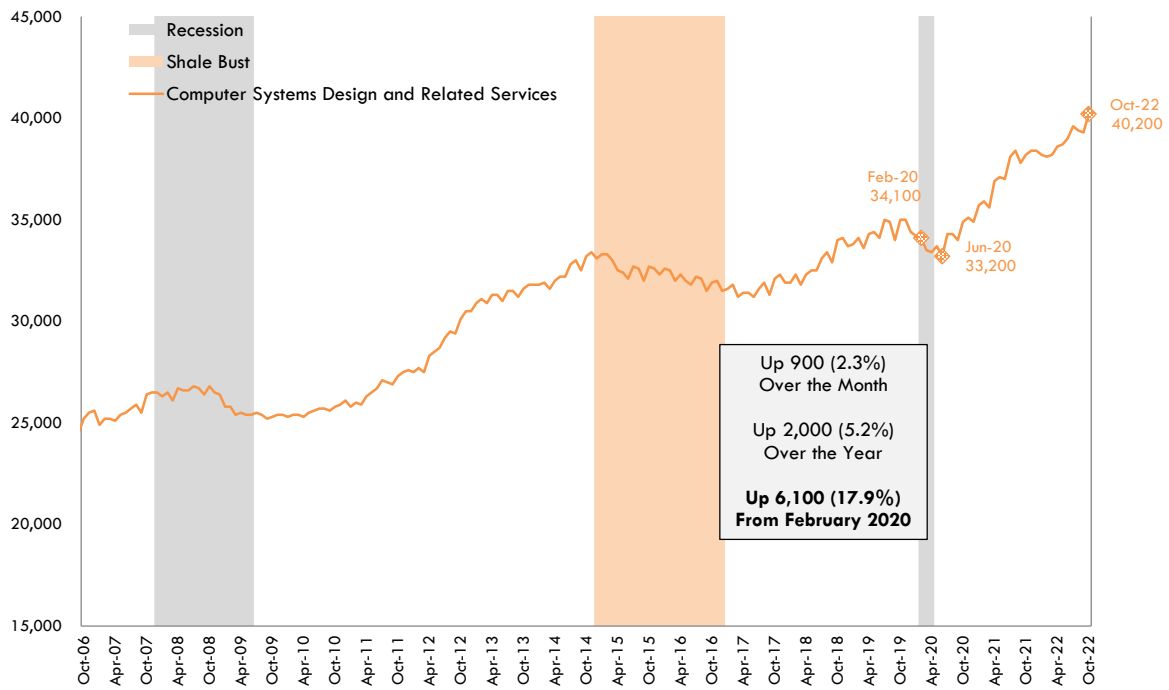


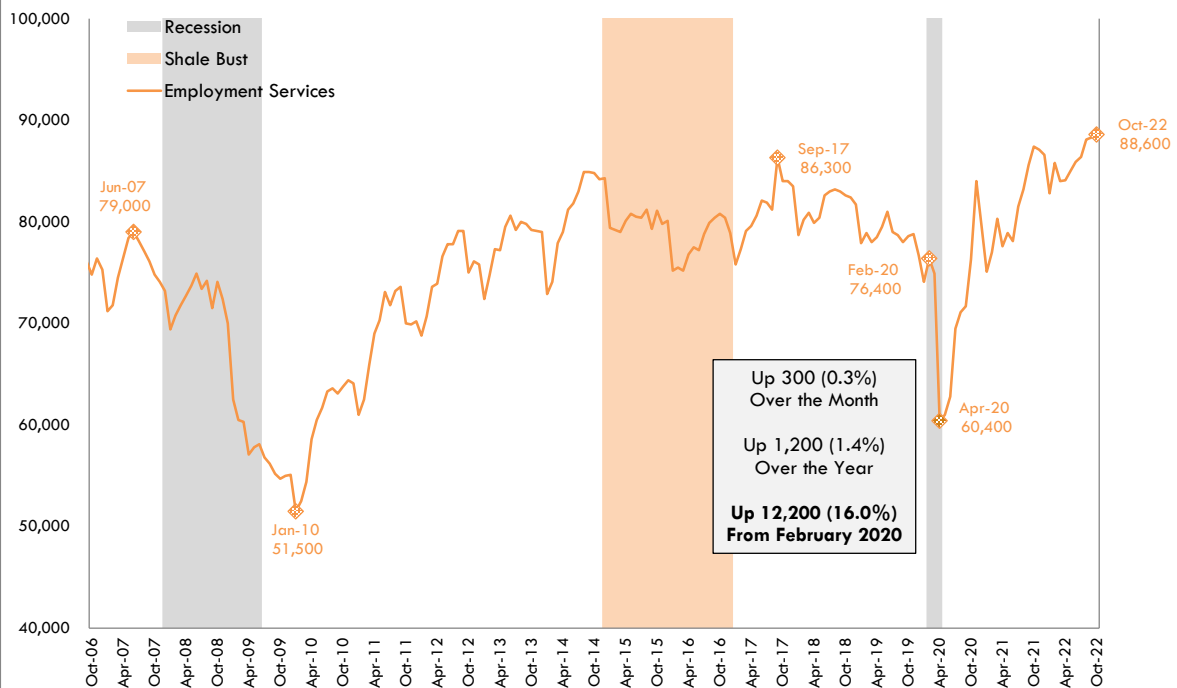
Figure 13.2 Computer System Design and Related Services



Source: Texas Workforce Commission

Workforce Solutions

Figure 13.3 Employment Services



Source: Texas Workforce Commission

Workforce Solutions

Education and Health Services added 3,100 jobs in October, up 0.7 percent. Health Care and Social Assistance was the largest contributing sub sector with payrolls up 2,000 jobs or 0.5 percent. Gains in Health Care and Social Assistance were driven by increase in Ambulatory Health Care Services, up 2,400 jobs or 1.3 percent, and Hospitals, up 600 jobs or 0.6 percent, which were offset by declines in undisclosed areas of Social Assistance. Educational Services added 1,100 jobs over the month, up 1.5 percent.

Education and Health Services added 118,600 jobs over the year in October, up 4.4 percent. About two-thirds of the increase was in Health Care and Social Assistance, up 12,300 jobs or 3.5 percent, see figure 14.2. Job gains in Health Care and Social Assistance were found across all its subsectors including Ambulatory Health Care Services, up 4,200 jobs or 2.4 percent, Hospitals, up 6,200 jobs or 7.0 percent, and the remainder of the increase in nursing care facilities, community care facilities, and various providers of social assistance that include child day care services. Educational Services was reporting the strongest over-the-year growth in October, up 6,300 jobs or 9.2 percent, see figure 14.1. Education and Health Services payrolls are up 26,400 jobs or 6.4 percent from their pre-pandemic levels in February 2020, see figure 14.

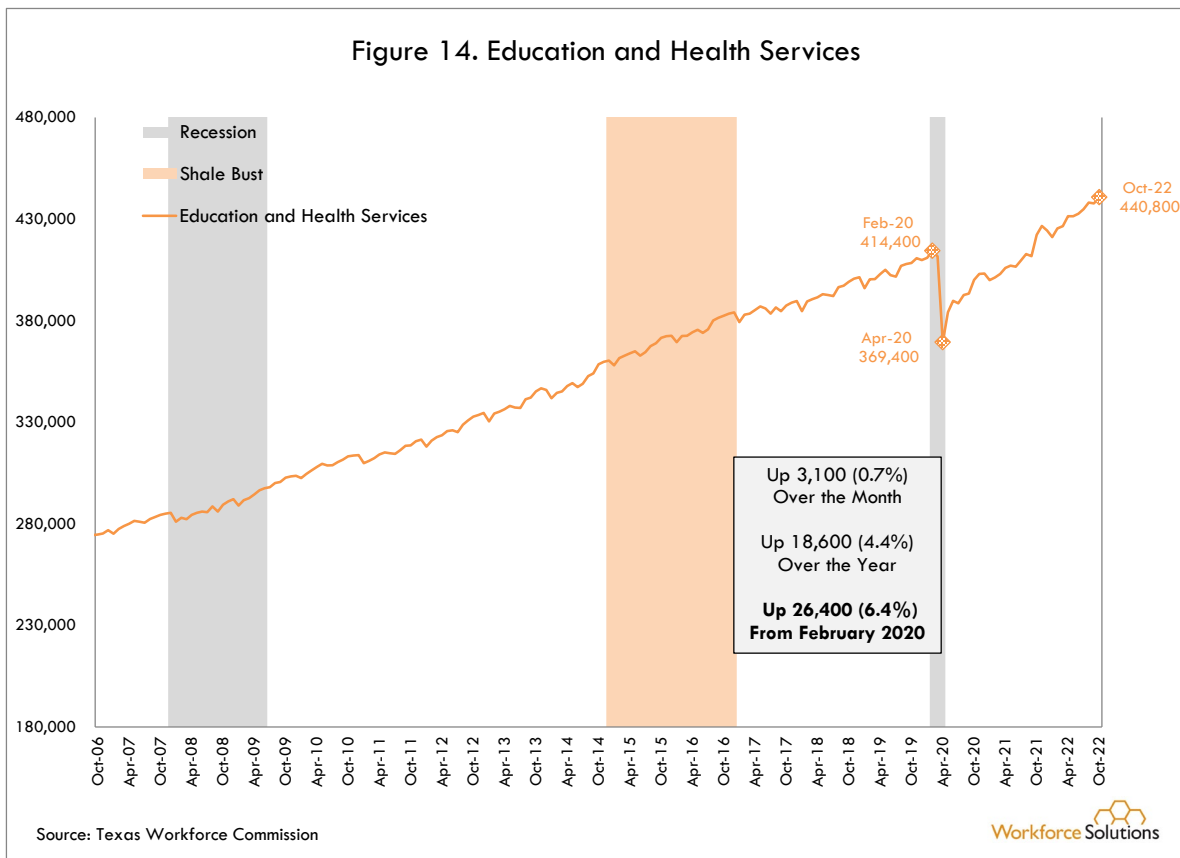
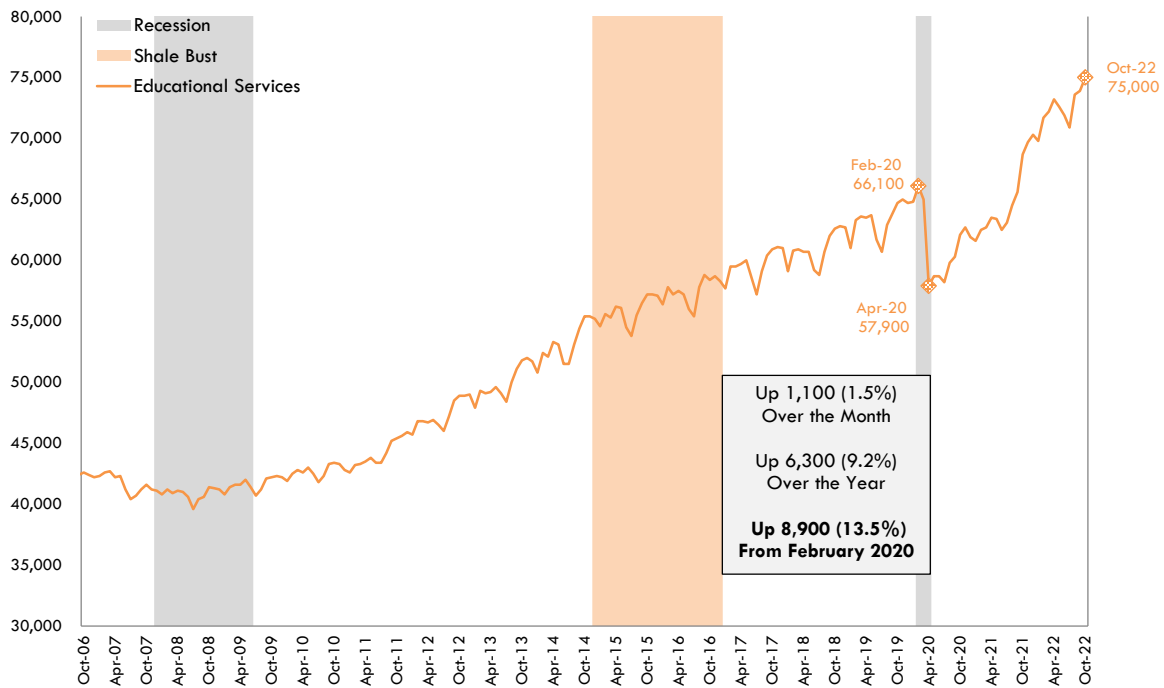


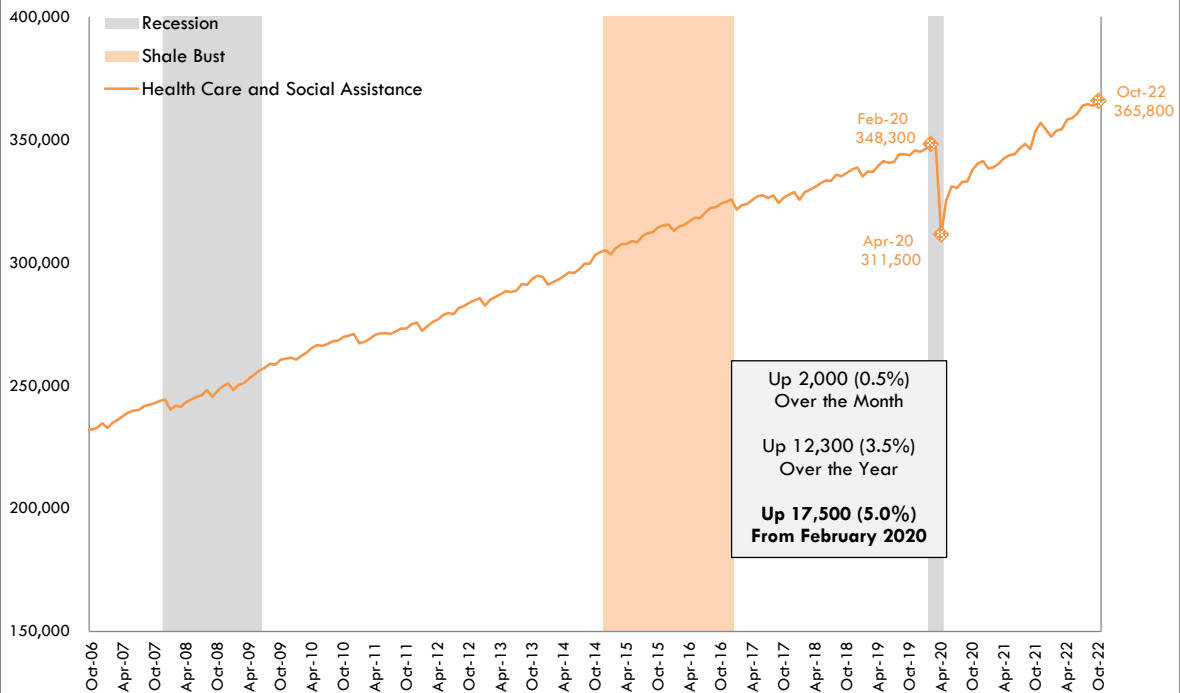
Figure 14.1 Educational Services



Source: Texas Workforce Commission

Workforce Solutions

Figure 14.2 Health Care and Social Assistance



Source: Texas Workforce Commission

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Figure 14.2.1 Ambulatory Healthcare Services

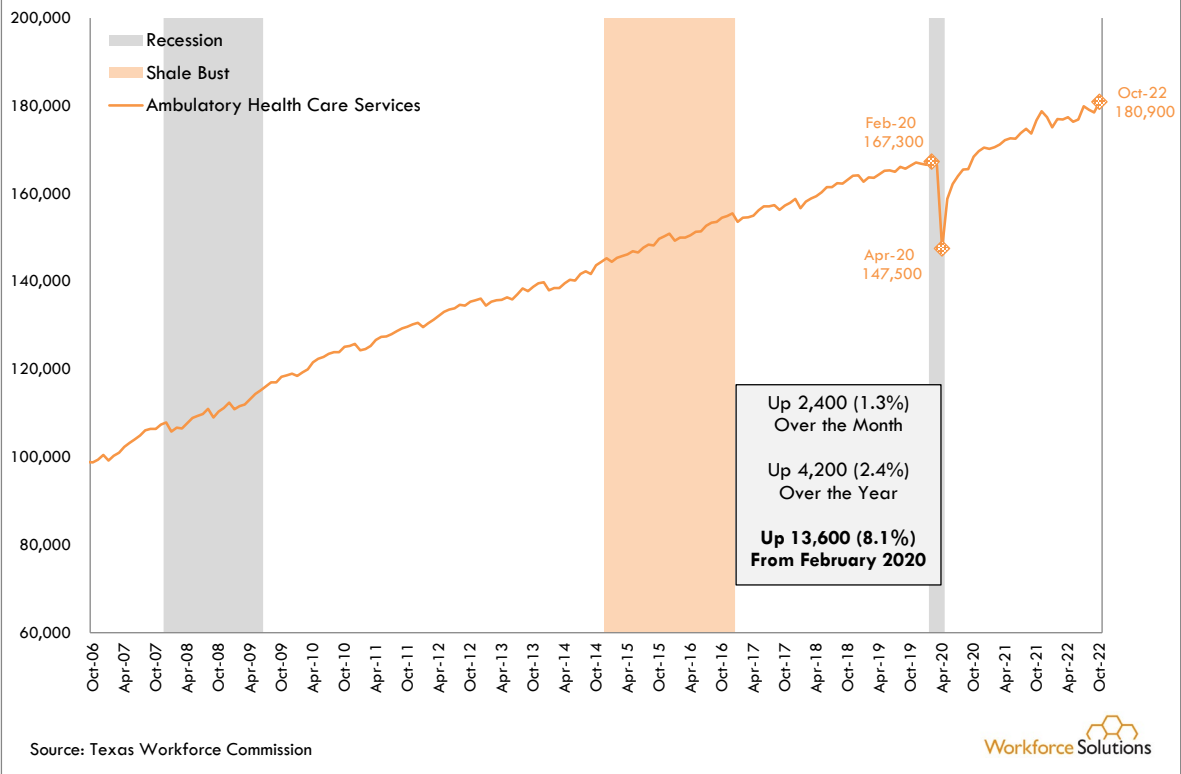
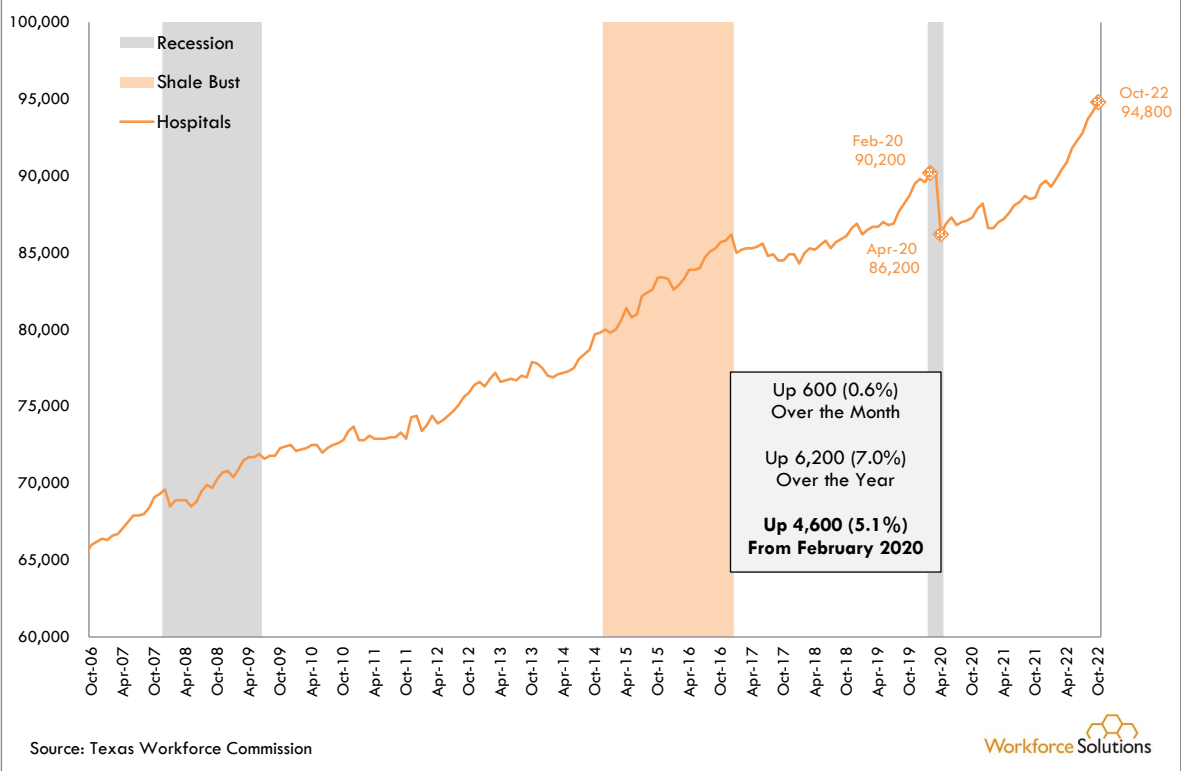


Figure 14.2.2 Hospitals



September estimates for **Leisure and Hospitality** were revised indicating it did not incur a record increase of 4,800 jobs but added 3,100 jobs over the month matching the prior record increase made in 2020, up 0.9 percent. Preliminary estimates show Leisure and Hospitality incurred a seasonal loss of 600 jobs in October, down 0.2 percent. The decline was expected but much smaller than the historical average decline of 1.0 percent. Nearly all the loss was at Food Services and Drinking Places, down 700 jobs or 0.2 percent. Accommodation managed an increase of 200 jobs over the month, up 0.8 percent. Arts, Entertainment, and Recreation payrolls were virtually unchanged, down 100 jobs.

Leisure and Hospitality was the largest gaining industry sector over the year with payrolls up 46,000 jobs or 14.7 percent from October 2021. Strong gains were found across all industry sectors. Arts, Entertainment, and Recreation was up 7,800 jobs or 25.7 percent, Accommodation was up 3,900 jobs or 17.3 percent, and lastly Food Services and Drinking Places was up 34,300 jobs or 13.2 percent. Leisure and Hospitality payrolls are up 24,600 jobs or 7.4 percent from what they were just prior to the pandemic in February 2020, see figure 15. While Arts, Entertainment, and Recreation and Food Services and Drinking Places have reached pre-pandemic employment levels, Accommodation continues to see payrolls below what they were in February 2020, down 2,100 jobs or 7.4 percent, see figure 15.2.

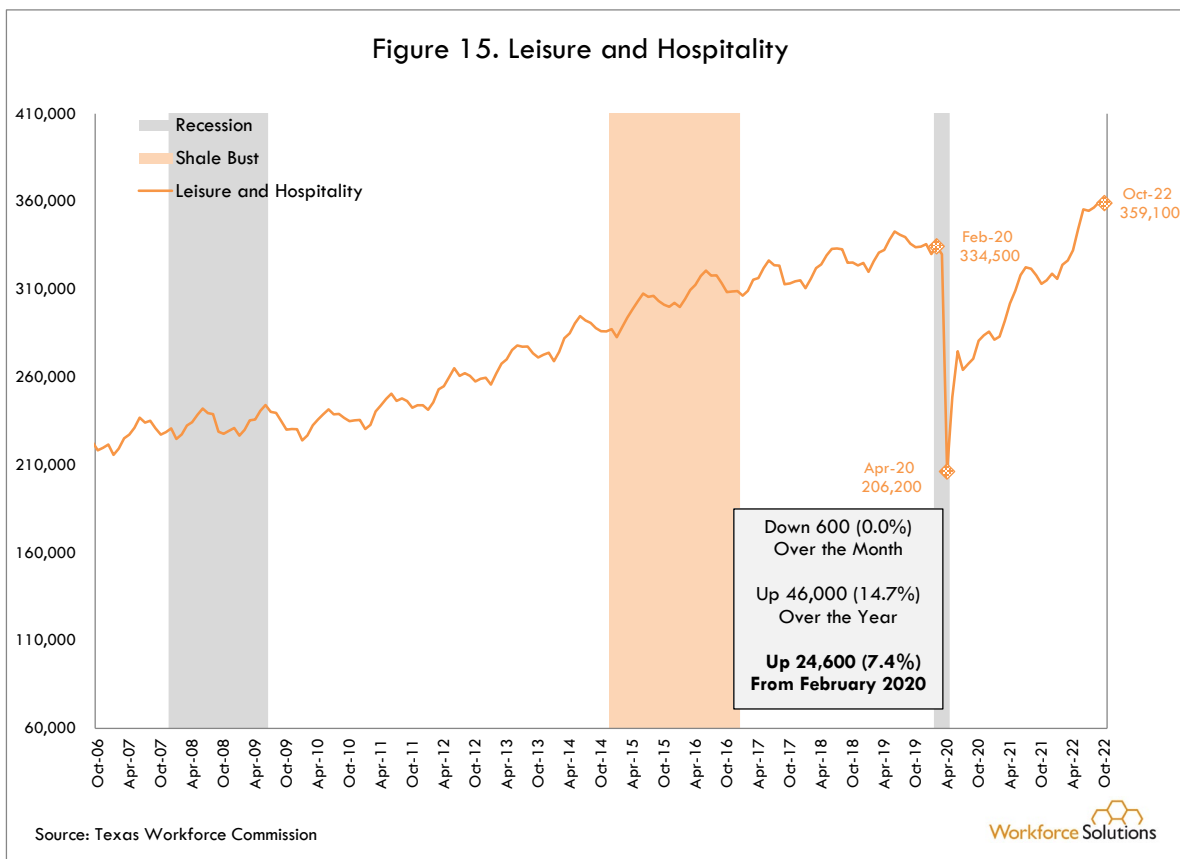
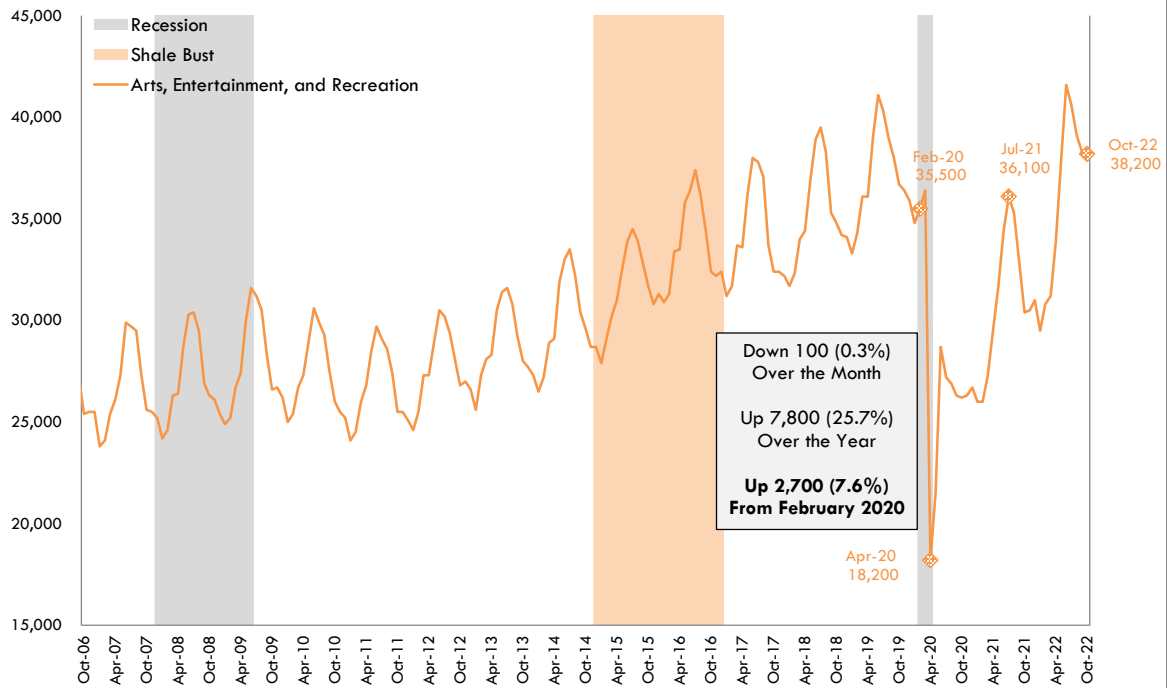


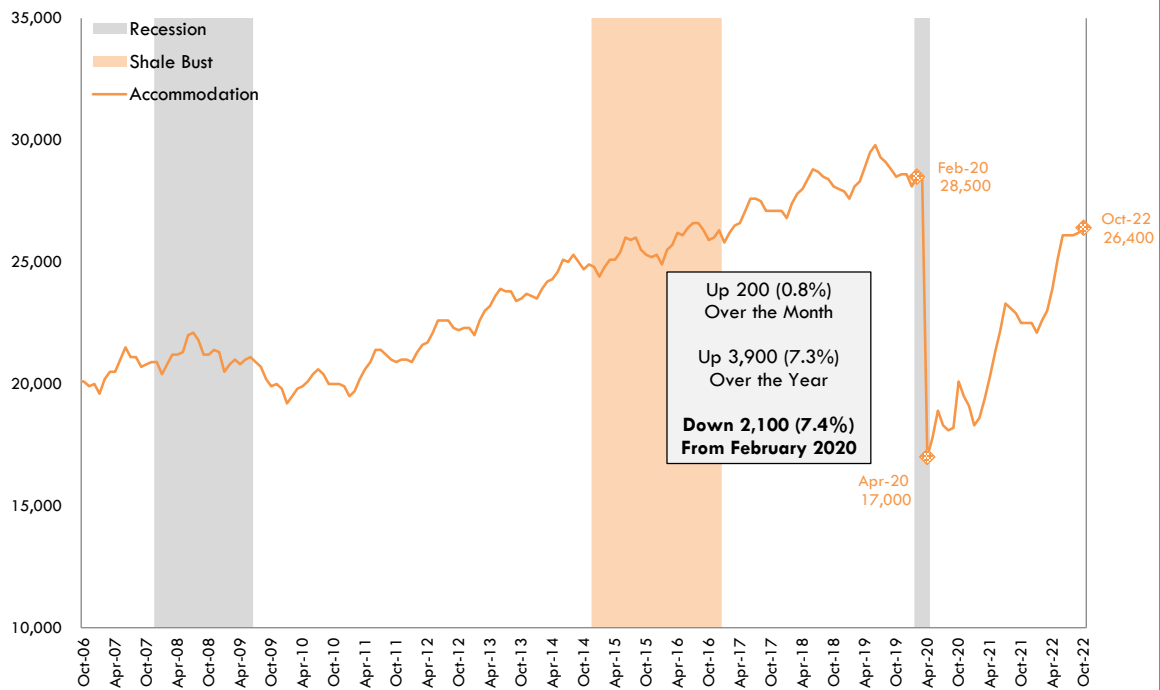
Figure 15.1 Arts, Entertainment, and Recreation



Source: Texas Workforce Commission

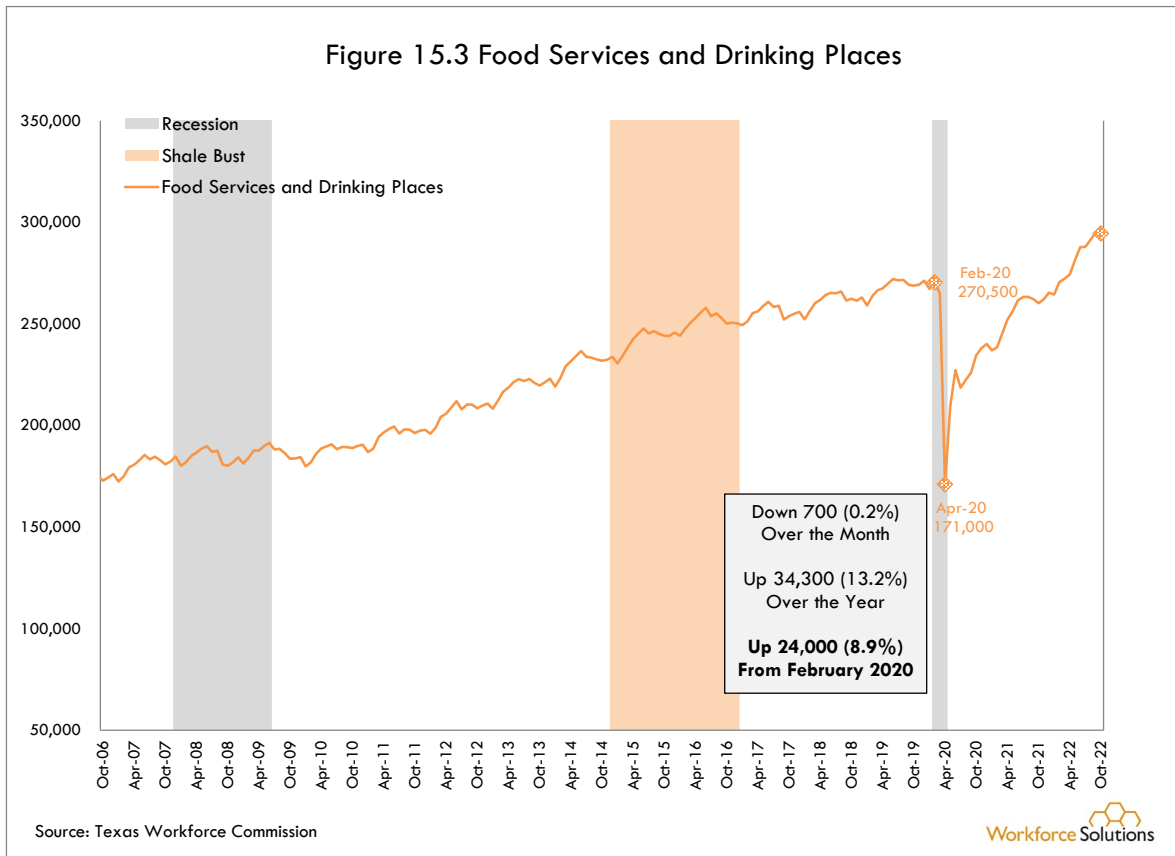
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Figure 15.2 Accommodation

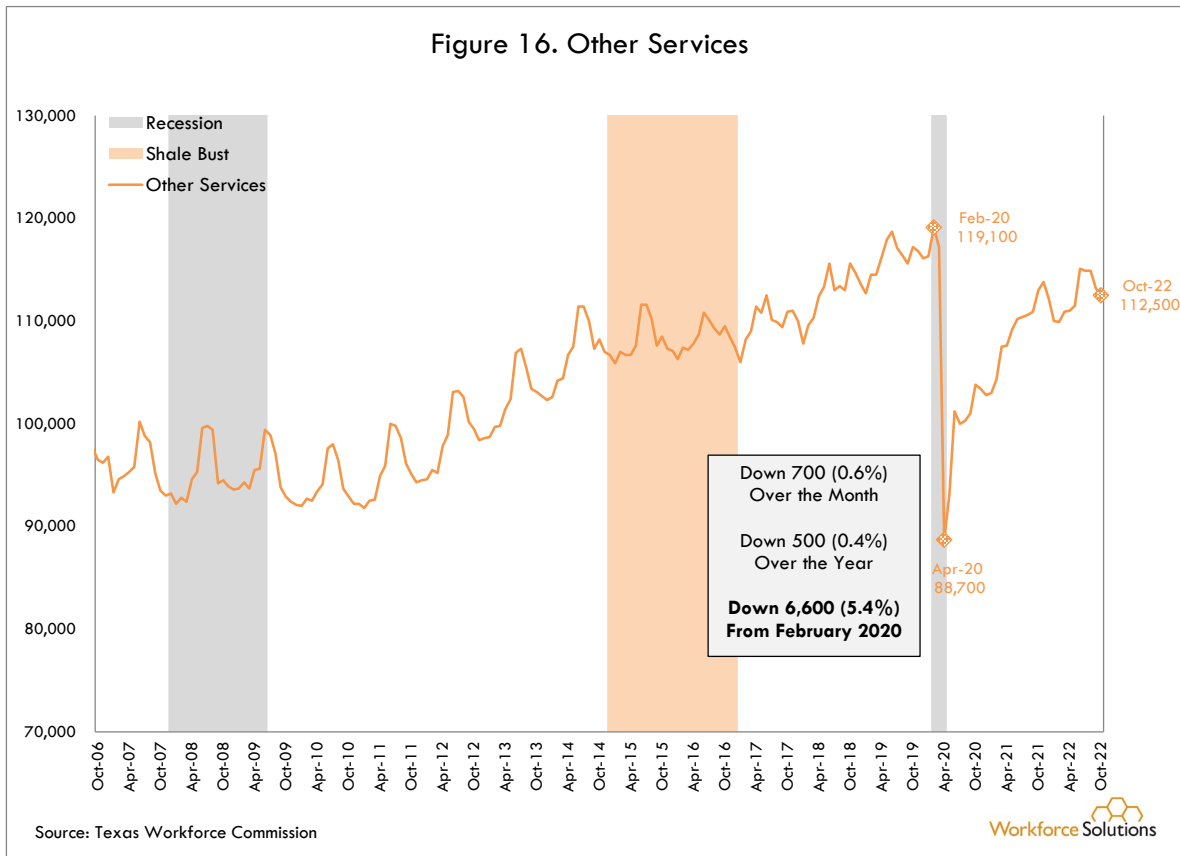


Source: Texas Workforce Commission

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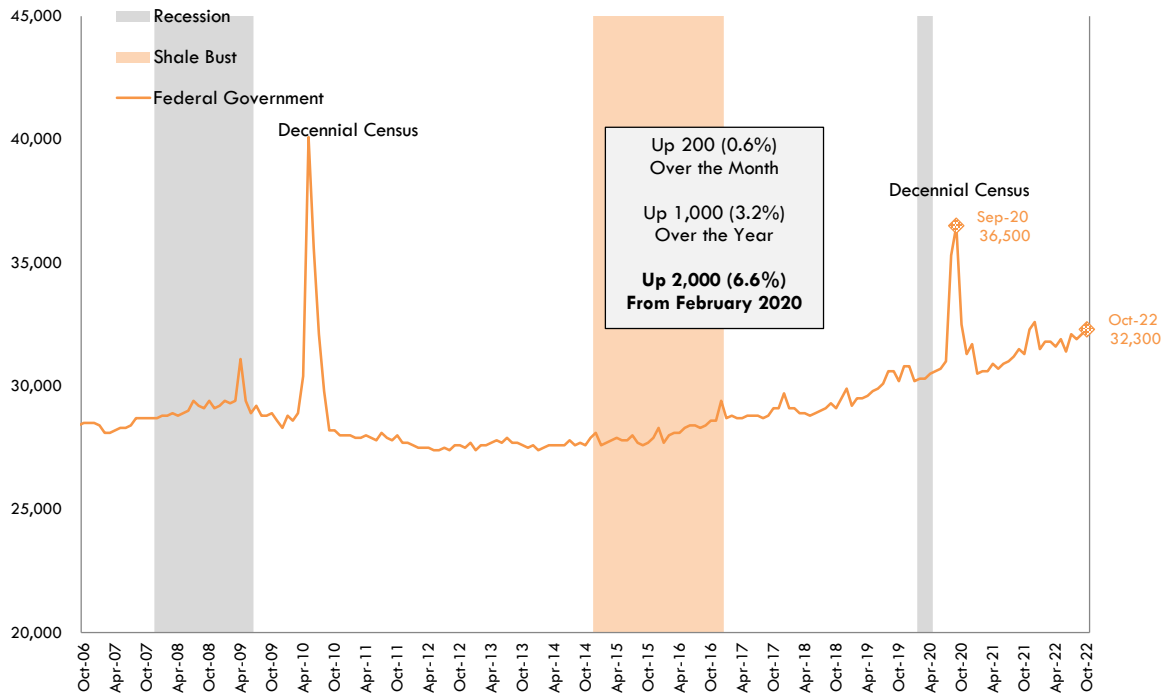
Other Services experienced a loss of 700 jobs in October, down 0.6 percent. The super sector was down 500 jobs or 0.4 percent over the year. Other Services is comprised of personal care services, dry cleaning and laundry services, various repair service companies (industrial equipment, mining machinery and equipment), as well as religious and social advocacy organizations and others. Other Services payrolls remain 6,600 jobs or 5.4 percent below their pre-pandemic levels in February 2020, see figure 16.



Government experienced a seasonal gain of 11,300 jobs in October as educational institutions continue to boost payrolls for the 2022 to 2023 school year, up 2.6 percent.

Government payrolls were up 6,200 jobs or 1.4 percent over the year in October.

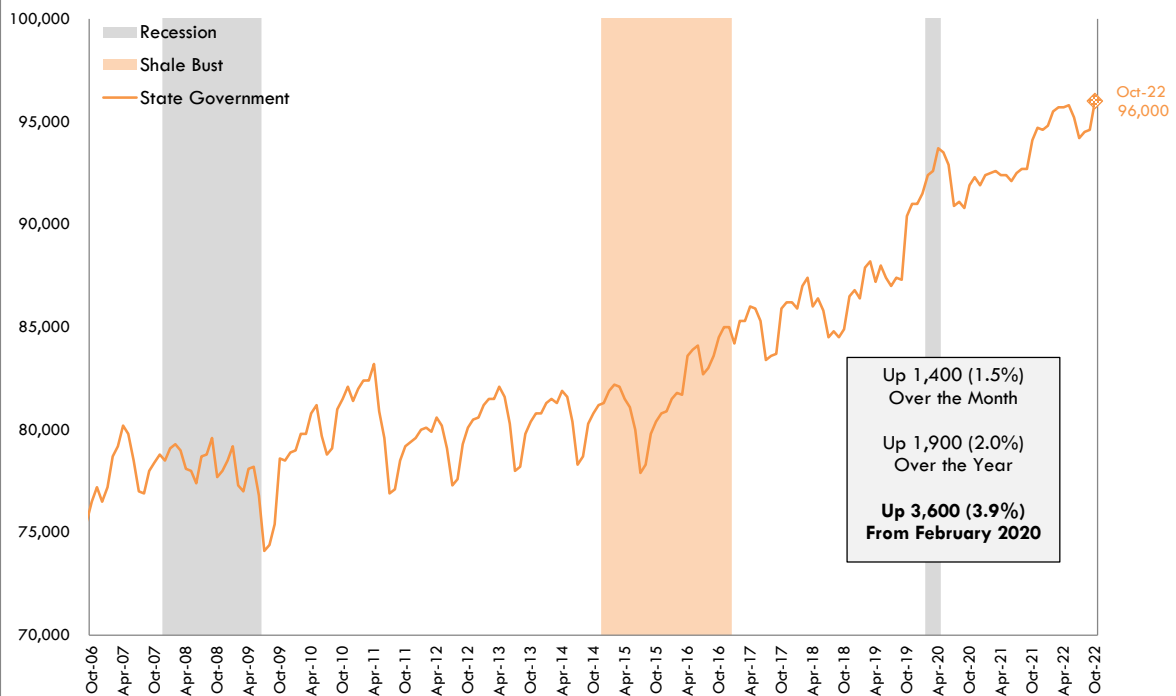
Figure 17. Federal Government



Source: Texas Workforce Commission

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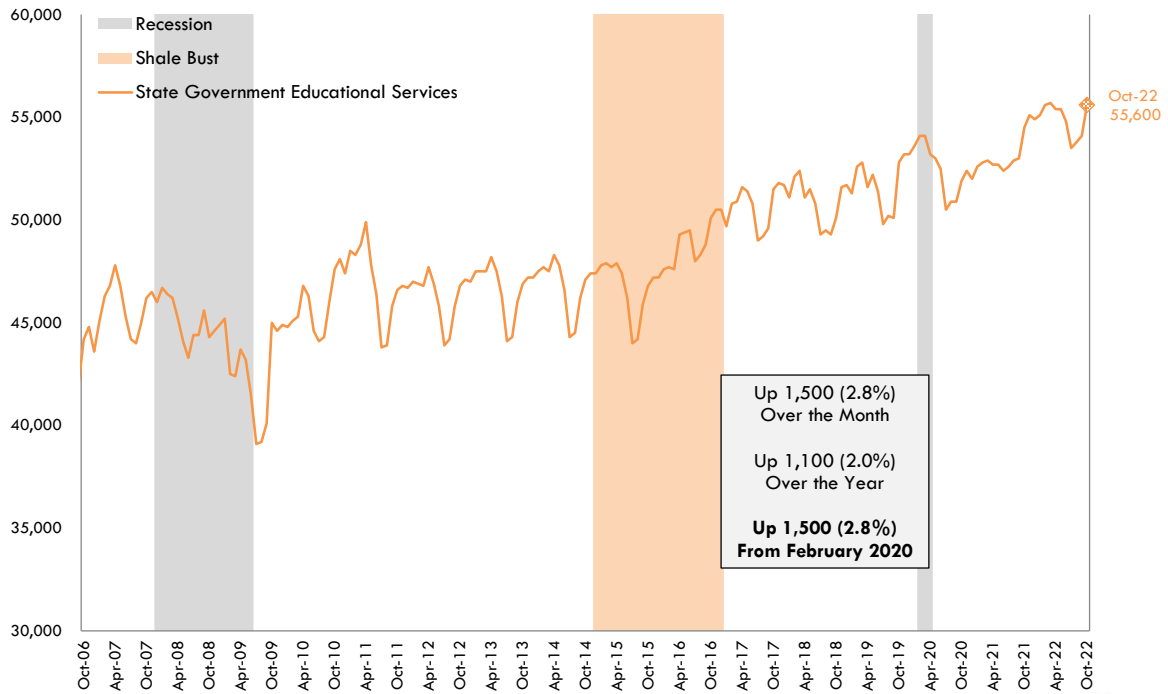
Figure 18. State Government



Source: Texas Workforce Commission

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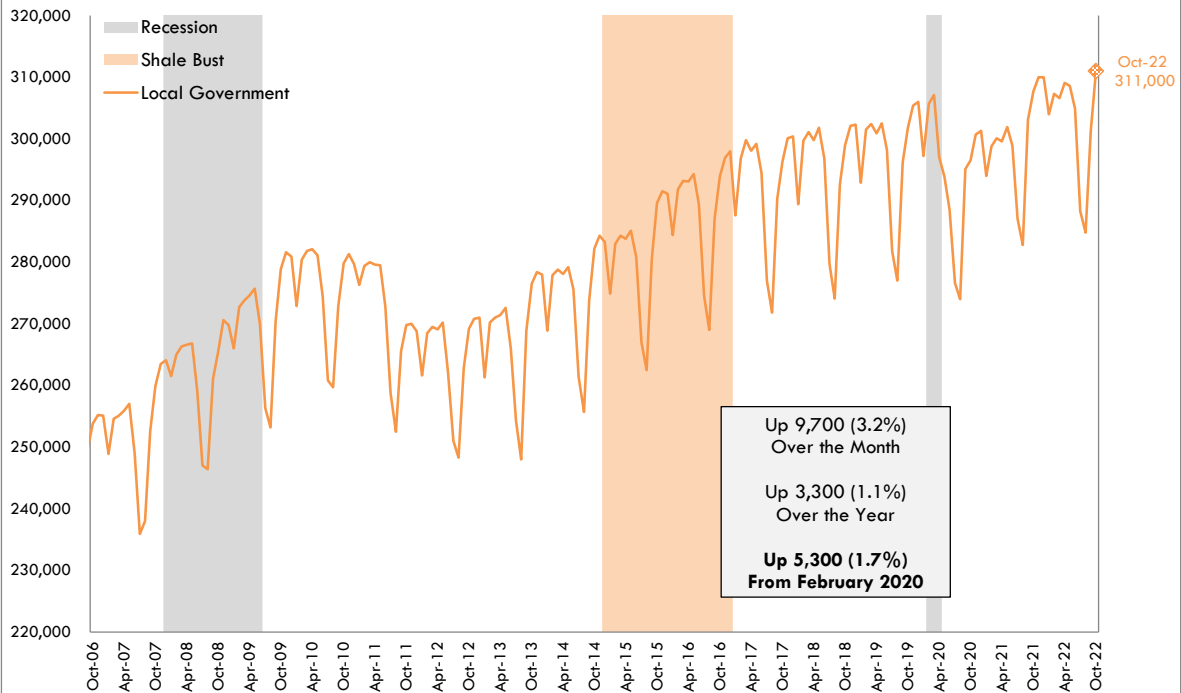
Figure 18.1 State Government Educational Services



Source: Texas Workforce Commission

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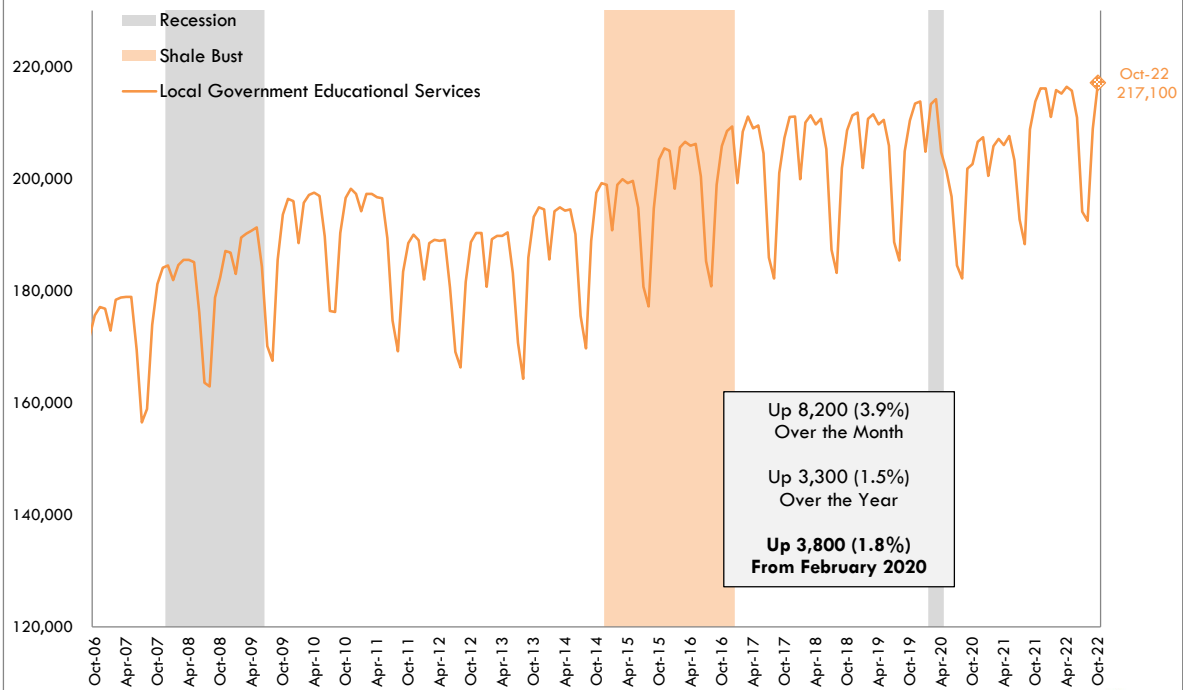
Figure 19. Local Government



Source: Texas Workforce Commission

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Figure 19.1 Local Government Educational Services



Source: Texas Workforce Commission

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NONAGRICULTURAL EMPLOYMENT				Month Change		Year Change	
Houston-The Woodlands-Sugar Land MSA	OCT 2022	SEP 2022	AUG 2021	Net	Percent	Net	Percent
Total Nonfarm	3,321,500	3,289,100	3,127,400	32,400	1.0%	194,100	6.2%
.Total Private	2,882,200	2,861,100	2,694,300	21,100	0.7%	187,900	7.0%
.Goods Producing	537,000	537,900	487,000	-900	-0.2%	50,000	10.3%
..Mining, Logging and Construction	308,800	310,000	273,800	-1,200	-0.4%	35,000	12.8%
...Mining and Logging	68,900	68,600	59,900	300	0.4%	9,000	15.0%
.....Oil and Gas Extraction	33,000	32,900	28,900	100	0.3%	4,100	14.2%
.....Support Activities for Mining	34,100	33,900	29,200	200	0.6%	4,900	16.8%
...Construction	239,900	241,400	213,900	-1,500	-0.6%	26,000	12.2%
.....Construction of Buildings	54,400	54,100	51,300	300	0.6%	3,100	6.0%
.....Heavy and Civil Engineering Construction	58,400	57,700	51,700	700	1.2%	6,700	13.0%
.....Specialty Trade Contractors	127,100	129,600	110,900	-2,500	-1.9%	16,200	14.6%
..Manufacturing	228,200	227,900	213,200	300	0.1%	15,000	7.0%
...Durable Goods	142,100	142,400	131,700	-300	-0.2%	10,400	7.9%
....Fabricated Metal Product Manufacturing	49,200	49,000	45,200	200	0.4%	4,000	8.8%
....Machinery Manufacturing	39,900	39,900	39,300	0	0.0%	600	1.5%
.....Agriculture, Construction, and Mining Machinery Manufacturing	20,400	20,300	19,800	100	0.5%	600	3.0%
....Computer and Electronic Product Manufacturing	13,200	13,100	12,800	100	0.8%	400	3.1%
...Non-Durable Goods	86,100	85,500	81,500	600	0.7%	4,600	5.6%
....Petroleum and Coal Products Manufacturing	8,200	8,200	8,000	0	0.0%	200	2.5%
....Chemical Manufacturing	40,100	40,100	39,000	0	0.0%	1,100	2.8%
.Service-Providing	2,784,500	2,751,200	2,640,400	33,300	1.2%	144,100	5.5%
.Private Service Providing	2,345,200	2,323,200	2,207,300	22,000	0.9%	137,900	6.2%
..Trade, Transportation, and Utilities	676,900	664,700	643,200	12,200	1.8%	33,700	5.2%
...Wholesale Trade	179,400	175,800	163,700	3,600	2.0%	15,700	9.6%
....Merchant Wholesalers, Durable Goods	109,000	106,800	100,200	2,200	2.1%	8,800	8.8%
.....Professional and Commercial Equipment and Supplies Merchant Wholesalers	18,100	18,000	17,100	100	0.6%	1,000	5.8%
....Merchant Wholesalers, Nondurable Goods	56,500	56,600	52,200	-100	-0.2%	4,300	8.2%
...Retail Trade	323,400	318,700	311,200	4,700	1.5%	12,200	3.9%
....Motor Vehicle and Parts Dealers	43,400	43,500	42,100	-100	-0.2%	1,300	3.1%
....Building Material and Garden Equipment and Supplies Dealers	23,000	23,400	22,700	-400	-1.7%	300	1.3%
....Food and Beverage Stores	72,600	72,200	70,700	400	0.6%	1,900	2.7%
....Health and Personal Care Stores	21,100	20,800	20,200	300	1.4%	900	4.5%
....Clothing and Clothing Accessories Stores	24,300	23,900	23,200	400	1.7%	1,100	4.7%
....General Merchandise Stores	63,600	62,700	63,800	900	1.4%	-200	-0.3%
.....Department Stores	20,600	20,100	20,800	500	2.5%	-200	-1.0%
.....General Merchandise Stores, including Warehouse Clubs and Supercenters	43,000	42,600	43,000	400	0.9%	0	0.0%
...Transportation, Warehousing, and Utilities	174,100	170,200	168,300	3,900	2.3%	5,800	3.4%
....Utilities	17,800	17,600	17,300	200	1.1%	500	2.9%
.....Air Transportation	19,300	19,200	18,300	100	0.5%	1,000	5.5%
.....Truck Transportation	29,500	29,200	27,700	300	1.0%	1,800	6.5%
.....Pipeline Transportation	12,800	12,700	12,300	100	0.8%	500	4.1%
..Information	32,500	32,300	30,800	200	0.6%	1,700	5.5%
...Telecommunications	12,400	12,400	12,200	0	0.0%	200	1.6%
..Financial Activities	177,000	175,800	170,300	1,200	0.7%	6,700	3.9%
...Finance and Insurance	111,400	110,600	108,600	800	0.7%	2,800	2.6%
....Credit Intermediation and Related Activities including Monetary Authorities - Central Bank	47,200	46,700	46,400	500	1.1%	800	1.7%
.....Depository Credit Intermediation including Monetary Authorities - Central Bank	30,200	30,000	29,600	200	0.7%	600	2.0%
....Financial Investments and Related Activities including Financial Vehicles	22,100	21,900	21,600	200	0.9%	500	2.3%
....Insurance Carriers and Related Activities	42,100	42,000	40,600	100	0.2%	1,500	3.7%
..Real Estate and Rental and Leasing	65,600	65,200	61,700	400	0.6%	3,900	6.3%

NONAGRICULTURAL EMPLOYMENT				Month Change		Year Change	
Houston-The Woodlands-Sugar Land MSA	OCT 2022	SEP 2022	AUG 2021	Net	Percent	Net	Percent
..Professional and Business Services	546,400	539,800	514,700	6,600	1.2%	31,700	6.2%
...Professional, Scientific, and Technical Services	263,000	257,800	245,700	5,200	2.0%	17,300	7.0%
.....Legal Services	31,200	30,500	29,700	700	2.3%	1,500	5.1%
.....Accounting, Tax Preparation, Bookkeeping, and Payroll Services	27,300	26,600	25,900	700	2.6%	1,400	5.4%
.....Architectural, Engineering, and Related Services	75,900	73,900	66,700	2,000	2.7%	9,200	13.8%
.....Computer Systems Design and Related Services	40,200	39,300	38,200	900	2.3%	2,000	5.2%
...Management of Companies and Enterprises	44,900	45,100	43,500	-200	-0.4%	1,400	3.2%
...Administrative and Support and Waste Management and Remediation Services	238,500	236,900	225,500	1,600	0.7%	13,000	5.8%
.....Administrative and Support Services	227,700	226,200	213,700	1,500	0.7%	14,000	6.6%
.....Employment Services	88,600	88,300	87,400	300	0.3%	1,200	1.4%
.....Services to Buildings and Dwellings	53,000	53,300	50,900	-300	-0.6%	2,100	4.1%
..Education and Health Services	440,800	437,700	422,200	3,100	0.7%	18,600	4.4%
...Educational Services	75,000	73,900	68,700	1,100	1.5%	6,300	9.2%
...Health Care and Social Assistance	365,800	363,800	353,500	2,000	0.5%	12,300	3.5%
.....Ambulatory Health Care Services	180,900	178,500	176,700	2,400	1.3%	4,200	2.4%
.....Hospitals	94,800	94,200	88,600	600	0.6%	6,200	7.0%
..Leisure and Hospitality	359,100	359,700	313,100	-600	-0.2%	46,000	14.7%
...Arts, Entertainment, and Recreation	38,200	38,300	30,400	-100	-0.3%	7,800	25.7%
...Accommodation and Food Services	320,900	321,400	282,700	-500	-0.2%	38,200	13.5%
.....Accommodation	26,400	26,200	22,500	200	0.8%	3,900	17.3%
.....Food Services and Drinking Places	294,500	295,200	260,200	-700	-0.2%	34,300	13.2%
..Other Services	112,500	113,200	113,000	-700	-0.6%	-500	-0.4%
..Government	439,300	428,000	433,100	11,300	2.6%	6,200	1.4%
...Federal Government	32,300	32,100	31,300	200	0.6%	1,000	3.2%
...State Government	96,000	94,600	94,100	1,400	1.5%	1,900	2.0%
.....State Government Educational Services	55,600	54,100	54,500	1,500	2.8%	1,100	2.0%
...Local Government	311,000	301,300	307,700	9,700	3.2%	3,300	1.1%
.....Local Government Educational Services	217,100	208,900	213,800	8,200	3.9%	3,300	1.5%
UNEMPLOYMENT RATE							
H-W-S MSA	4.1	4.2	5.4				
Texas (Actual)	3.8	3.8	4.8				
United States (Actual)	3.3	3.8	4.6				

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

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