



Gulf Coast Workforce Board

3555 Timmons Lane, Suite 120, Houston, Texas 77027

PO Box 22777 Houston, Texas 77227-2777

MAIN: 713.627.3200 FAX: 713.993.4578

www.wrksolutions.com

To: Gulf Coast Workforce Board members

From: Mike Temple
Brenda Williams
Deborah Duke

Date: January 28, 2020

Subject: Meeting Materials for Tuesday, February 4, 2020

Please join us on **Tuesday, February 4, 2020 at 10:00 a.m.** in **H-GAC's second floor conference rooms A/B/C**, 3555 Timmons Lane, Houston, Texas, for the next meeting of the Gulf Coast Workforce Board.

We hope that your new year (and new decade!) began well. We look forward to seeing you next week for our regularly scheduled Board meeting.

We have new members joining the Board, and we'll introduce them before we get started with the agenda.

After comments from the Chair and a summary of the Audit/Monitoring Committee meeting, we have two action items for your consideration – both from the Budget Committee.

- The first is a proposed 2020 Board budget. At \$314 million, this budget is slightly larger than last year. As is usual for our system, fully \$221 million is dedicated to financial assistance that helps both people and employers.
- The second is proposed use for statewide activity funds that the Workforce Commission allocated to us last fall. The Commission has in the past separately competed these funds but chose instead to formula allocate them to boards this year. We are limited to funding certain kinds of activities, and the proposal coming forward from the Budget Committee considers the Commission-imposed limits.



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

We look forward to seeing you on February 4. Please let us know if you need anything!


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GULF COAST WORKFORCE BOARD

TENTATIVE AGENDA
10:00 A.M. TUESDAY, FEBRUARY 4, 2020

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

1. Call to Order
2. Adopt Agenda
3. Hear Public Comment
4. Review December 2019 meeting minutes
5. Declare Conflicts of Interest
6. Welcome New Members
7. Consider Reports
 - a. Chair's Remarks.
 - b. Audit/Monitoring. Briefing on committee's November meeting.
8. Take Action
 - a. Budget. Consider proposed Board budget for 2020 in amount of \$313,742,103.
 - b. Budget. Consider proposed funding projects with statewide activity dollars in amount of \$3,214,224.

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9. Receive Information

- a. Performance and Production. Report on the system's performance and production.
- b. Expenditures. Report on the Board's budget and expenditures.

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

11. Take Up Other Business.

12. Adjourn

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Gulf Coast Workforce Board-Workforce Solutions

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P.O. Box 22777 Houston, Texas 77227-2777

713.627.3200

1.888.469.5627 toll-free

www.wrksolutions.com

**MINUTES OF
THE GULF COAST WORKFORCE BOARD
TUESDAY, DECEMBER 3, 2019**

MEMBERS PRESENT

Willie Alexander	Alan Heskamp	Paul Puente
Karlos Allen	Guy Robert Jackson	Valerie Segovia
Gerald Andrews	Jeffrey LaBroski	Richard Shaw
Peter Beard	Rajen Mahagaokar	Gil Staley
Mary Helen Cavazos	Dexter McCoy	Evelyn Timmins
Renea Dillon	Edward Melton	Michael Webster
Mark Guthrie	Jerry Nevlud	
Bobbie Allen Henderson	Adrian Ozuna	

H-GAC STAFF MEMBERS PRESENT

Mike Temple
Ron Borski
Michelle Castrow
AJ Dean
Philip Garcia
Trudy Ray

Mark Guthrie, Chairman, called the meeting to order at approximately 10:00 a.m., on Tuesday, December 3, 2019, in the 2nd floor, H-GAC Conference Rooms A/B/C, at 3555 Timmons Lane, Houston, Texas. Chair Guthrie determined a quorum was present.

ADOPTION OF AGENDA

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

PUBLIC COMMENT

No one signed up for public comment.

MINUTES FROM OCTOBER 1, 2019 MEETING

Chair Guthrie asked for any additions or corrections to the minutes for the October 1, 2019 Board meeting and if none, for approval of the minutes as presented. A motion was made and seconded to approve the minutes as presented. The motion carried.

DECLARE CONFLICTS OF INTEREST

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

CONSIDER REPORTS

a. Chair's Report.

Chair Guthrie began by noting that he attended the National Association of Workforce Boards (NAWB) board of directors quarterly meeting in October in Washington, DC. The meeting was primarily about planning for the Forum event in March 2020 and internal strategic initiatives. An additional item of note was that a representative of Jobs for the Future, a NAWB partner, stated that it is hard to see a clear path forward for reauthorization of the Higher Education Act. The next NAWB meeting will be in early January and will include a convening on disaster response by Workforce Boards.

Chair Guthrie also reported that he has been asked to join the Advisory Board of the HCC Advanced Manufacturing Center. He was unable to attend the December meeting of the Advisory Board but will provide a report of any developments at the next Board meeting.

The Hiring Red, White & You hiring event was held at Minute Maid Park on November 7th and Chair Guthrie reported that the special guest at this event was legendary musician Joe Walsh. Chair Guthrie commended the Board staff for doing an excellent job coordinating the event. Chair Guthrie reported that the Texas Workforce Commission (TWC) Annual Conference begins on Wednesday, December 4th in Grapevine, Texas and that he and several other Board members and staff planned to attend.

Chair Guthrie concluded his report and no action was taken.

b. Audit/Monitoring Committee.

Committee Chair Guy Robert Jackson provided the following report.

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

Summary

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

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

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

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

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

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

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

During staff's review, they identified opportunities for improvement with documentation of complaint resolutions and TWIST counselor notes.

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

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

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

Chair Jackson concluded his report and no action was taken.

TAKE ACTION

- a. **Education.** Consider changes to the Board's financial aid policy for child care, including changes to provider rates.*

Chair Bobbie Henderson provided the following report regarding the Education Committee's October 22, 2019 meeting:

Background

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

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

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

What is Changing?

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

Recommendation

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

Action

A motion was made and seconded to approve the Committee's recommendation to adopt a uniform Workforce Solutions financial aid requirement so that families with incomes under 200% of the federal poverty level are eligible for assistance. The motion was approved as presented.

Chair Bobbie Henderson continued her report regarding the Education Committee's October 22, 2019 meeting:

Background

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

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

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

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

Current Situation

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

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

- Preschool and School Age rates are set up to the 30th percentile.
- Texas Rising Star providers have an additional bump in their rates, some rates going up by 20%. The only TRS rate which remains unchanged was the Full-time Infant rate.
- For all other providers, increases ranged from 2.6% to 45%.
- Providers who are part of Texas School Ready! Project saw increases from 6% to 29%. The Texas School Ready! Project is a comprehensive early education model – supported through UT Health Houston -- that works with early childhood teachers to improve their instructional practices in the classroom, helping children be more prepared for kindergarten

Action

A motion was made and seconded to approve Committee's recommendation to accept changes to early education and care provider rates as shown in the attached chart. The motion was approved as presented.

Chair Henderson concluded her report and no further action was taken.

b. Nominations. Consider nominations for 2020 Board officers.

Chair Guy Robert Jackson provided the following report:

Background

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

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

Current Situation

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

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

Action

A motion was made and seconded to approve the Nominations Committee recommendations for 2020 Board officers Mark Guthrie, Gerald Andrews, Willie Alexander and Bobbie Henderson declared conflicts and abstained from voting. The motion was approved as presented.

Dr. Henderson also noted that she resigned from the Nominations Committee to avoid any conflict of interest.

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

RECEIVE INFORMATION

a. Hiring Red, White & You, 2019 Recap

Michelle Castrow updated the Board on the Hiring Red, White & You event:

Background

Hiring Red, White & You started in the Texas Medical Center as a recruiting effort to attract returning service members to civilian careers in healthcare. With support from the late Dr. Red Duke and the Texas Workforce Commission, Hiring Red, White & You grew into a statewide initiative. Annually in November, each of the 28 Workforce Boards in Texas hosts a job fair to celebrate the service of veterans and military families as well as their contributions to the civilian labor force.

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

2019 Results

Despite record low unemployment and heavy thunderstorms, Hiring Red, White & You attracted 3,348 job candidates, 133 employers and 18 veteran service organizations.

For 2019, Workforce Solutions was pleased to welcome Grammy-award winning guitarist Joe Walsh, member of The Eagles and founder of VetsAid, a non-profit organization that raises money to support veterans' causes. In addition to serving as guest of honor for the ribbon cutting, Mr. Walsh donated 500 VetsAid concert tickets to veterans attending Hiring Red, White & You.

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

b. Performance and Production.

Trudy Ray updated the Board on the H.E.A.R.T. Program:

Background

For some time, the H.E.A.R.T. Program – a local non-profit working with individuals with intellectual and developmental disabilities (IDD) – and the University of Houston Downtown had been discussing how to build university-level continuing education courses to provide individuals with IDD college credit and education in work and working. Individuals with IDD most often do not have the opportunity – or the encouragement – to go beyond high school and attend an institution of higher learning.

In late spring 2018, the U.S. Department of Labor's Office of Disability Employment Policy and the Texas Workforce Commission offered the Board funding – as part of the Hurricane Harvey recovery and rebuild effort – that could support a project as envisioned by H.E.A.R.T. and UHD.

After soliciting proposals for such a project, we contracted with H.E.A.R.T. and UHD to operate a demonstration project that offered individuals with IDD affected by the hurricane the opportunity to earn university-level continuing education credit and gain paid work experience – and to enter the workforce. The project began in October 2018.

Current Situation

We have worked with 72 individuals – spread out in two groups – in this project. Both groups of students enrolled at UHD and participated in classes on campus (taught by UHD and H.E.A.R.T. faculty) and then in on-campus internships and off-campus externships.

In mid-December, the second group of students will graduate, bringing the total number of graduates to 63. Also, in mid-December, we will be working with graduates at hiring events to help them go to work.

We expect project evaluations to be completed and full project results to be available in March 2020.

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

c. Performance and Production.

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

- More Competitive Employers: Market Share and Loyalty data accumulates over the course of the year. However, the reporting system used for these measures stopped functioning in July. TWC is working to correct the reporting system.
- New jobs created: we did not meet goal for this measure. Board staff is working with partners to bring jobs to our region and develop best practices for this measure.
- Earnings Gains: although we did better than last year for the people who successfully gained 20% increase in wages, we still have improvements to make. We continue to follow up with customers and review wage data for this population.

The Texas Workforce Commission has 25 production measures we must meet. Of those measures, we met or exceeded 23 of the measures for the year. The following measures require additional focus:

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

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

d. Expenditures

AJ Dean reviewed the Financial Status Report representing expenses for the 10 months ending in October 2019, and provided the following report:

Overall, we are on target in the area of Board Admin, Service for Employers and Service for People. We are lagging for System IT. Our year-to-date revenue is \$237M and we are well within our budget.

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

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

LOOK AT THE ECONOMY

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

The latest data for our area was released on November 15th and in indicates that the local rate of unemployment is 3.5% which is 4 tenths of a percentage point lower than a year ago. State and National unadjusted unemployment rates were at 3.3%. Those levels are at rates not seen since the late 1960s. Over the month we have added 20,200 jobs which is not quite as strong as 2018 or 2017, but still more than double the historical average increase for October. The largest number of new jobs were in Professional and Business Services and Government. Losses included weak declines in Construction and Manufacturing. The pace of job growth was up 2.6% year over year. There will be revisions to these numbers with revisions come out in March.

A recent survey by USA Today asked the question “Are baby boomers blocking your career path?” Mr. Borski shared information from a US Census Bureau study indicating that the percent of the workforce age 55 and above has nearly tripled since 1998. He also stated that, as life expectancy continues to rise, we can expect increasing levels of labor force participation.

Mr. Borski completed his report 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 11:00 a.m.

Attachment:

GULF COAST CHILD CARE DAILY MARKET RATES

BCY 20	Provider Type	Rating	Infant		Toddler		Preschool		School age	
			Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time
	Licensed Child Care Center	Reg	\$33.57	\$26.24	\$28.88	\$23.87	\$25.28	\$18.15	\$23.63	\$16.17
		TRS2	\$35.25	\$29.72	\$31.04	\$27.23	\$28.80	\$21.86	\$27.21	\$19.90
		TRS3	\$37.48	\$33.03	\$34.48	\$30.25	\$32.00	\$24.29	\$30.24	\$22.11
		TRS4	\$41.64	\$36.69	\$38.31	\$33.61	\$35.55	\$26.98	\$33.59	\$24.56
		TSR					\$26.55	\$19.06		
	Licensed Child Care Homes	Reg	\$26.66	\$22.96	\$25.41	\$21.42	\$23.08	\$18.74	\$20.32	\$16.34
		TRS2	\$29.63	\$26.56	\$28.17	\$25.07	\$26.68	\$22.45	\$24.00	\$20.07
		TRS3	\$32.92	\$29.52	\$31.30	\$27.86	\$29.64	\$24.94	\$26.66	\$22.30
		TRS4	\$36.57	\$32.79	\$34.77	\$30.95	\$32.93	\$27.71	\$29.62	\$24.77
		TSR					\$24.24	\$19.68		
	Registered Child Care homes	Reg	\$26.28	\$21.19	\$24.65	\$21.61	\$21.55	\$16.29	\$18.32	\$13.67
		TRS2	\$28.78	\$24.85	\$27.29	\$23.05	\$25.20	\$20.02	\$22.03	\$17.39
		TRS3	\$31.98	\$27.61	\$30.33	\$25.61	\$28.00	\$22.24	\$24.48	\$19.32
		TRS4	\$35.53	\$30.67	\$33.69	\$28.45	\$31.11	\$24.71	\$27.19	\$21.46
		TSR					\$22.63	\$17.11		
	Relative	Reg	\$15.17	\$15.17	\$13.19	\$11.48	\$11.30	\$8.48	\$9.42	\$6.59

BCY 19	Provider Type	Rating	Infant		Toddler		Preschool		School age	
			Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time
	Licensed Child Care Center	Reg	\$33.57	\$25.57	\$28.88	\$23.87	\$23.90	\$16.55	\$21.18	\$13.99
		TRS2	\$35.25	\$26.85	\$30.33	\$25.07	\$26.87	\$18.65	\$25.72	\$17.78
		TRS3	\$35.93	\$27.45	\$31.47	\$26.10	\$29.86	\$20.72	\$28.58	\$19.76
		TRS4	\$37.62	\$30.50	\$34.97	\$29.00	\$33.18	\$23.02	\$31.75	\$21.96
		TSR					\$25.10	\$17.38		
	Licensed Child Care Homes	Reg	\$26.66	\$21.09	\$25.41	\$19.87	\$18.92	\$16.55	\$15.99	\$11.26
		TRS2	\$28.00	\$22.40	\$26.69	\$23.62	\$24.80	\$18.51	\$21.19	\$16.36
		TRS3	\$30.11	\$24.89	\$27.97	\$26.24	\$27.56	\$20.57	\$23.54	\$18.18
		TRS4	\$33.46	\$27.65	\$31.08	\$29.15	\$30.62	\$22.86	\$26.15	\$20.20
		TSR					\$19.87	\$17.38		
	Registered Child Care homes	Reg	\$26.28	\$19.67	\$24.65	\$21.61	\$17.87	\$12.61	\$14.79	\$10.51
		TRS2	\$27.60	\$23.41	\$25.89	\$22.70	\$23.51	\$16.82	\$19.67	\$15.31
		TRS3	\$28.98	\$26.01	\$27.01	\$24.22	\$26.12	\$18.69	\$21.85	\$17.01
		TRS4	\$32.20	\$28.90	\$30.01	\$26.91	\$29.02	\$20.77	\$24.28	\$18.90
		TSR					\$18.77	\$13.25		
	Relative	Reg	\$15.17	\$15.17	\$13.19	\$11.48	\$11.30	\$8.48	\$9.42	\$6.59

% Change	Provider Type	Rating	Infant		Toddler		Preschool		School age	
			Full-time	Part-time	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time
	Licensed Child Care Center	Reg	---	2.6%	---	---	5.8%	9.7%	11.6%	15.6%
		TRS2	---	10.7%	2.3%	8.6%	7.2%	17.2%	5.8%	11.9%
		TRS3	4.3%	20.3%	9.6%	15.9%	7.2%	17.2%	5.8%	11.9%
		TRS4	10.7%	20.3%	9.6%	15.9%	7.1%	17.2%	5.8%	11.8%
		TSR					5.8%	9.7%		
	Licensed Child Care Homes	Reg	---	8.9%	---	7.8%	22.0%	13.2%	27.1%	45.1%
		TRS2	5.8%	18.6%	5.5%	6.1%	7.6%	21.3%	13.3%	22.7%
		TRS3	9.3%	18.6%	11.9%	6.2%	7.5%	21.2%	13.3%	22.7%
		TRS4	9.3%	18.6%	11.9%	6.2%	7.5%	21.2%	13.3%	22.6%
		TSR					22.0%	13.2%		
	Registered Child Care homes	Reg	---	7.7%	---	---	20.6%	29.2%	23.9%	30.1%
		TRS2	4.3%	6.2%	5.4%	1.5%	7.2%	19.0%	12.0%	13.6%
		TRS3	10.4%	6.2%	12.3%	5.7%	7.2%	19.0%	12.0%	13.6%
		TRS4	10.3%	6.1%	12.3%	5.7%	7.2%	19.0%	12.0%	13.5%
		TSR					20.6%	29.1%		
	Relative	Reg	---	---	---	---	---	---	---	---

GULF COAST WORKFORCE BOARD

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

GULF COAST WORKFORCE BOARD

ALEXANDER, WILLIE

W J Alexander Associates P.C.
1770 St. James Place, Suite 407
Houston, TX 77056

(713) 802-0900, ext. 12

Fax: (713) 802-1188

Category: Business

County: City of Houston

walex@wjalexander.com

Term: January 1, 2019 thru December 31, 2020

ALLEN, KARLOS

PFM Financial Advisors LLC
1200 Smith Street, Suite 1600
Houston, TX 77002

(713) 353-4600

Category: Business

County: City of Houston

allenka@pfm.com

Term: January 1, 2016 thru December 31, 2020

ANDREWS, GERALD

Gallagher Victory Insurance
122 West Way, Suite 404
Lake Jackson, TX 77566

(979) 297-8604

Fax: (979) 297-7080

Category: Business

County: Brazoria

geraldandrews36@yahoo.com

Term: January 1, 2019 thru December 31, 2020

BEARD, PETER

Greater Houston Partnership
701 Avenida de las Americas, Suite 900
Houston, TX 77010

(713) 844-3602 – office

Fax: (713) 844-0200

Category: Business

County: City of Houston

pbeard@houston.org

Term: January 1, 2019 thru December 31, 2020

Term: January 1, 2019 thru December 31, 2020

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, 2019 thru December 31, 2020

BOUSE, SARA

Alvin Community College
3110 Mustang Road
Alvin, TX 77511

(281) 732-8389 – cell

(281) 756-3568 – office

Category: Education

County: Brazoria

sbouse@alvincollege.edu

Term: January 1, 2019 thru December 31, 2020

CAVAZOS, MARY HELEN

M.H. Cavazos & Associates
1124 W. Clay Street
Houston, TX 77019

(713) 807-1115

Category: Business

County: Harris

mhcavazos@aol.com

Term: January 1, 2019 thru December 31, 2020

DILLON, RENE A

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

281-707-3361

Category: Education

County: Harris

carol.dillon@gccisd.net

Term: January 1, 2018 thru December 31, 2019

EDWARDS, TODD

Midtown Redevelopment Authority
410 Pierce Street, Suite 355
Houston, TX 77002
(713) 526-7577
Fax: (713) 526-7519
Category: Business
todd3e@houstonmidtown.com
Term: January 1, 2019 thru December 31, 2020

GUIDO, CHERYL

Department of Assistive and
Rehabilitation Services
427 W. 20th, Suite 407
Houston, TX 77008
(713) 802-3101
Fax: (713) 802-3143
Category: State Agency
cheryl.guido@twc.state.tx.us
Term: January 1, 2018 thru December 31, 2019

GUTHRIE, MARK

Winstead PC
600 Travis Street, Suite 5200
Houston, TX 77002
(713) 650-2730
Fax: (713) 650-2400
Category: Business
County: City of Houston
mguthrie@winstead.com
Term: January 1, 2019 thru December 31, 2020

HAWTHORNE, CARI

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

HENDERSON, BOBBIE ALLEN

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

HESKAMP, ALAN

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

JACKSON, GUY ROBERT

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

JANES, SARAH

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

KARR, DOUG

Pro Staff/Atterro
27 Canoe Birch Place
The Woodlands, TX 77382
832-967-7684

Category: Business

County: Montgomery

doug.karr@prostaff.com

Term: January 1, 2018 thru December 31, 2019

MARSHALL, SCOTT

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

Category: Business

County: Harris

scott.marshall@worley.com

Term: January 1, 2018 thru December 31, 2019

LaBROSKI, JEFFREY

Plumbers Local Union No. 68
502 Link Road
P.O. Box 8746
Houston, TX 77249
(713) 869-3592

Fax: (713) 869-3671

Category: Labor

County: City of Houston

ski@plu68.com

Term: January 1, 2019 thru December 31, 2020

McCLESKEY, KENDRICK

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

Category: Business

County: City of Houston

klmccleskey@gmail.com

Term: January 1, 2019 thru December 31, 2020

LEWIS, ERNEST

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

Category: Literacy

County: Brazoria

ernest.lewis@adultreadingcenter.org

Term: January 1, 2018 thru December 31, 2019

McCOY, DEXTER

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

Fax: (281) 327-2834

Category: Education

County: Fort Bend

Dexter.mccoy@fortbendisd.com

Term: January 1, 2019 thru December 31, 2020

MAHAGAOKAR, RAJEN

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

Category: Business

County: Harris

rmahagaikar@riverstonellc.com

Term: June 21, 2019 thru December 31, 2020

MECHLER, STEVE

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

Category: Business

County: Harris

smechler@ticonstructors.com

Term: January 1, 2018 thru December 31, 2019

MELTON, EDWARD

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

Category: Literacy

County: Harris County

edward.melton@hcpl.net

Term: January 1, 2018 thru December 31, 2019

NELLONS-PAIGE, STEPHANIE

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

Category: Business

County: Houston

Snellons-paige@texascentral.com

Term: January 1, 2019 thru December 21, 2020

NEVLUD, JERRY

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

Fax: (713) 843-3777

Category: Business

County: Harris

jerry.n@agchouston.org

Term: January 1, 2018 thru December 21, 2019

OZUNA, ADRIAN

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

Category: Business

County: Harris

adrian.ozuna@prosperitybankusa.com

Term: June 21, 2019 thru December 31, 2020

PUENTE, PAUL J.

Houston Gulf Coast Building and
Construction

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

Fax: (713) 926-4918

Category: Labor

County: City of Houston

paul@hgcbbctc.org

Term: January 1, 2019 thru December 31, 2020

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, 2019 thru December 31, 2020

ROSS, ADRIA

CenterPoint Energy
1111 Louisiana Street
Houston, TX 77002
(713) 289-4569

Category: Business

County: Fort Bend County

adria.ross@centerpointenergy.com

Term: January 1, 2019 thru December 31, 2020

RULEY, JANICE

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

Fax: (281) 230-8020

Category: Labor

County: City of Houston

janice.ruley@houstontx.gov

Term: January 1, 2019 thru December 31, 2020

SCHEINER, DANIELLE

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

Category: Economic Development

County: Montgomery

scheiner@conroeedc.org

Term: January 1, 2018 thru December 31, 2019

SEGOVIA, VALERIE GARCIA

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

Category: CBO

County: Matagorda

vsegovia@tamu.edu

valeriegsegovia@gmail.com

Term: January 1, 2019 thru December 31, 2020

SHAW, RICHARD

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

Category: Labor

County: City of Houston

shawtrek@aol.com

Term: January 1, 2019 thru December 31, 2020

SHI, ISAAC

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

Category: Business

County: City of Houston

isaac@gstdev.com

Term: January 1, 2019 thru December 31, 2020

STALEY, GIL

The Woodlands Area Economic
Development Partnership
9320 Lakeside Blvd., Bldg. 2, Suite 200
The Woodlands, TX 77381
(281) 363-8130

Fax: (281) 298-6874

Category: Business

County: Montgomery

gil.staley@edpartnership.net

Term: January 1, 2018 thru December 31, 2019

STEWART, MICHAEL

United Way of Greater Houston
50 Waugh Drive
Houston, TX 77007
(713) 685-2401

Fax: (844) 768-0346

Category: CBO

County: City of Houston

mstewart@unitedwayhouston.org

Term: January 1, 2019 thru December 31, 2020

TIMMINS, EVELYN

Houston Mayor's Committee for
Employment of People with Disabilities
2120 Lundy Lane
Friendswood, TX 77546
(281) 388-1967

Category: CBO

County: City of Houston

evtimmins@aol.com

Term: January 1, 2019 thru December 31, 2020

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, 2019 thru December 31, 2020

WATSON, CAROLYN

JPMorgan Chase
712 Main, 4th Floor
Houston, TX 77002
(713) 216-5008
Home: (832) 419-9156
Category: Business
County: City of Houston
carolyn17968@gmail.com
Term: January 1, 2019 thru December 31, 2020

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, 2019 thru December 31, 2020

WORKFORCE BOARD KEY STAFF:

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

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

GULF COAST WORKFORCE DEVELOPMENT BOARD COMMITTEES

Audit/Monitoring

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

Budget

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

By-Laws

Appointed by Board Chair as needed

Nominating

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

Oversight Committee (Delete?)

- Gerald Andrews
- Bobbie Henderson

Education

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

Career Office

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

Employer Services

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

Procurement

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

Report Card

Appointed by Board Chair as needed

Strategic Planning

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

Communications

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

Government Relations

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

Audit/Monitoring Committee

Update for February 2020

The Audit/Monitoring Committee met on Wednesday, January 22, 2020 in the Pearland career office with Chair Guy Jackson and members Carl Bowles, Helen Cavazos, Willie Alexander, Sara Bouse, Evelyn Timmins, and Cheryl Guido attending.

Operations

We've changed our review process this year. We are looking at each contract as a whole, rather than visiting various different parts – such as career offices – at different times during the year. We expect this to give us a slightly different view of our contractors' operations.

- We checked on ResCare – which operates three career offices for us: Westheimer, Pearland, and Acres Homes. ResCare is in its third year of managing Westheimer and, at the time of our review, had completed the first year for Pearland and Acres Homes.
 - We noted a decline in several compliance elements from our previous year review, primarily at the Westheimer location. We noted a lack of standard procedures for the tracking unit which is based at Westheimer. We also commented on a high staff turnover rate at the Westheimer location and voiced our concerns about office management, staff training, and corporate level support for the local operation.
 - For these reasons, we have rated ResCare as Building Performance – a drop in the rating from last year. We are currently working with ResCare on a extended corrective action plan, and we will go back out to review progress in summer 2020.

Financial Systems

We review each contractor at least once a year for compliance with financial requirements.

We completed reviews for Community Family Centers, the H.E.A.R.T. Program, University of Houston Downtown, Houston Community College System, Wharton County Junior College, San Jacinto College, and Interfaith of the Woodlands.

Trends

- As usual, smaller organizations and those who are new to our system tend to have a larger number of findings and recommendations from financial monitors.
- We commonly find small errors, including a limited number of unallowable charges to our contracts, and confusion around federal and state requirements for policies and procedures.
- We have not seen problems that we believe rise to a level of high risk.
- We provide direct technical assistance to contractors to support resolution of financial monitoring issues, and we are building additional training on key areas.

Budget Committee

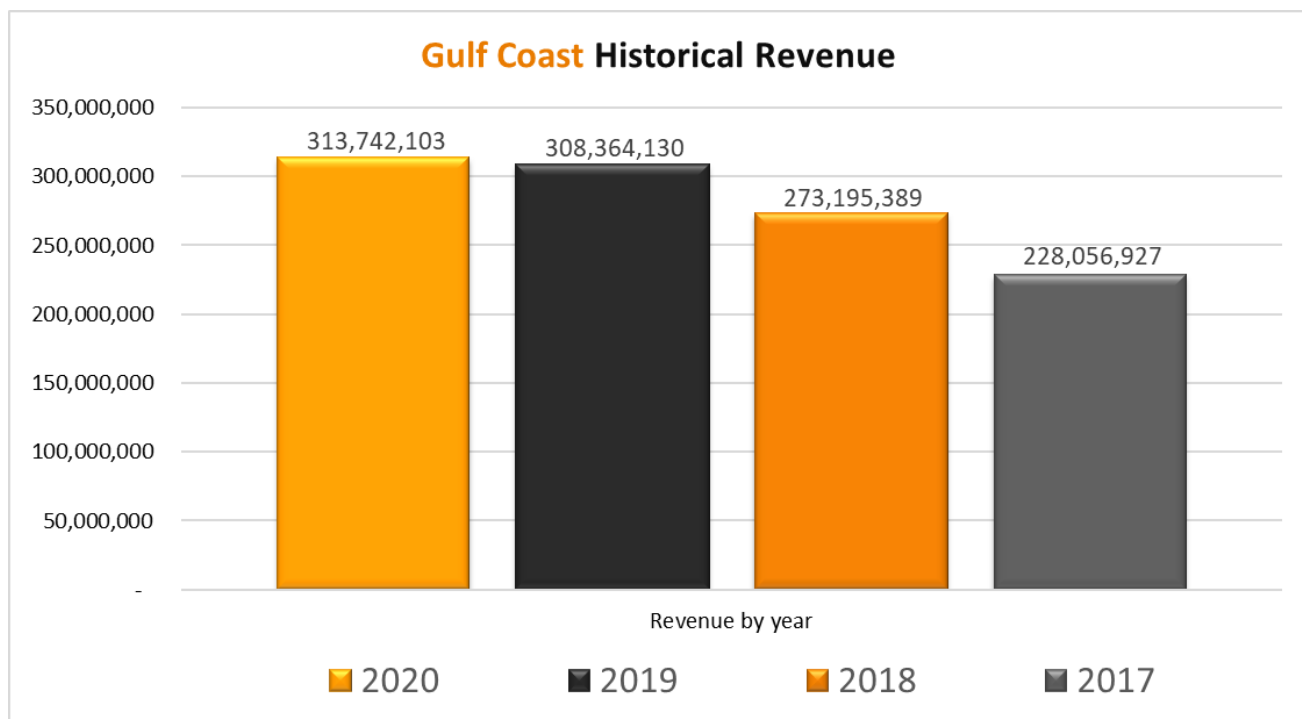
Proposed 2020 Board Budget

Background

The Budget Committee met on Wednesday, January 22, 2020 with Committee Chair Willie Alexander and Committee Vice Chair Gerald Andrews attending.

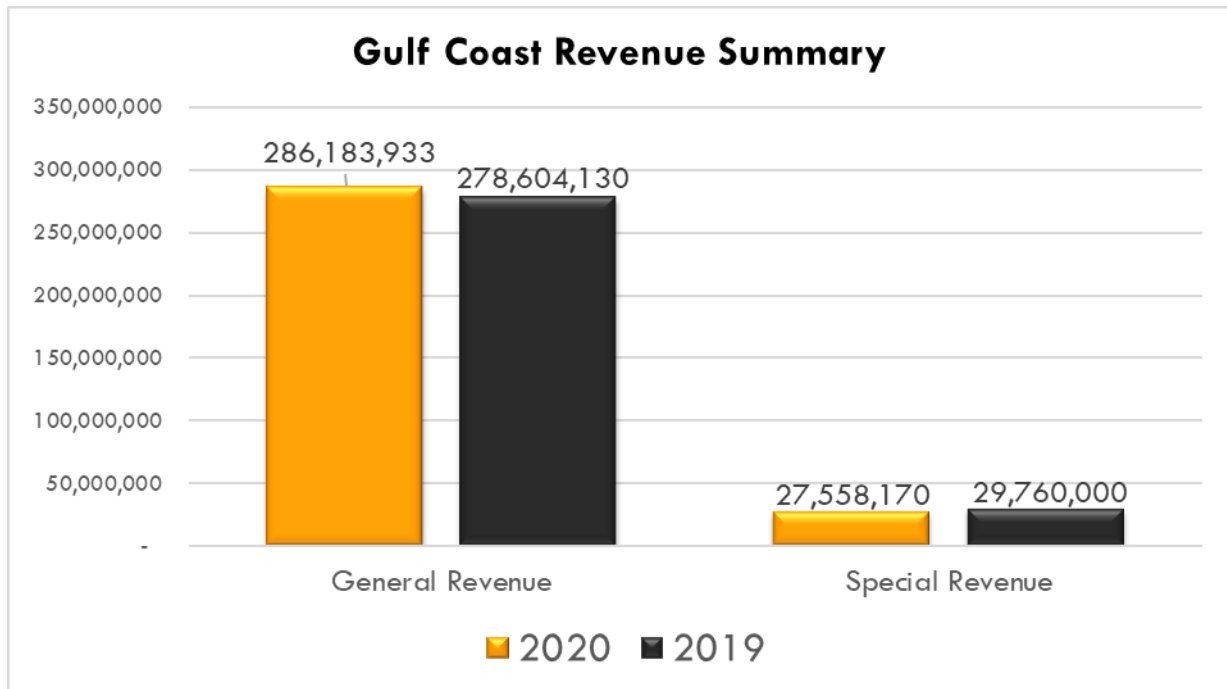
Each year the Workforce Board approves a budget showing how it uses the revenue it receives to achieve results set out in the Board's strategic plan – competitive employers, an educated workforce, more and better jobs, and higher incomes – and to operate Workforce Solutions and leverage results in the region.

The Board's revenue landscape has increased substantially in recent years. As our population grows and the labor market changes, funding we receive has increased as well. From 2017 to 2020 the Board's available revenue has increased nearly 37%.



Current Situation

The proposed 2020 budget at just over \$313 million is 1.7% more than 2019, attributable principally to increases in our general revenue.

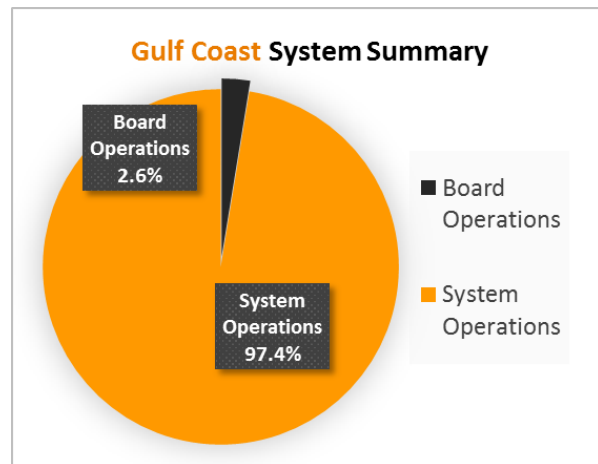


- Our larger formula allotments show the largest increase in early education dollars. We project general revenue will be 2.7% larger than in 2019. The general revenue fund contains the primary dollars which power Workforce Solutions.
- Special federal and state revenue, funds we consider short-lived or with a limited guarantee of continuance, are down in 2020. We have exhausted the disaster recovery dollar made available as a response to Hurricane Harvey.
- We continue incorporating staff from the Vocational Rehabilitation Service into the career offices and estimate contributions over \$3,100,000 for this fiscal year. We plan to integrate four additional locations in 2020.
- We have a little over \$3.1 million in statewide activity funds available to support a variety of initiatives.

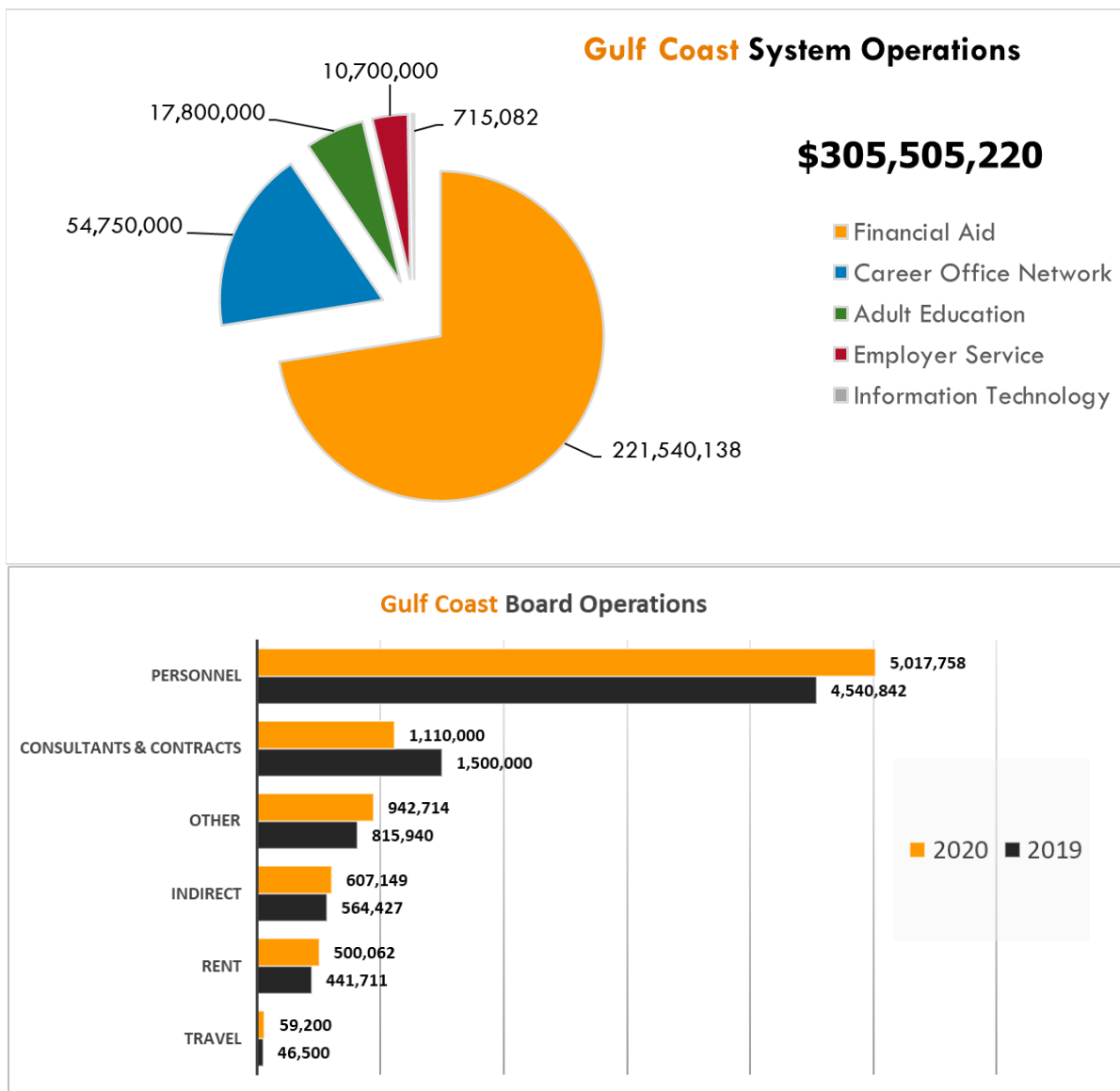
The proposed 2020 Board budget reserves 2.6% of total revenue for operations at the administrative level. The remaining 97.4% delivers direct service to customers.

Proposed Board operations total \$8,236,883 for 2020 which is a 4.1% increase from the previous year. System operations have increased to \$305,505,220 which is a 1.7% increase from 2019.

Direct service to employers and people makes up system operations. Proposed 2020 expenditures are in line with contracts the Board approved for Workforce Solutions in August 2019 and include a portion of the funds we plan to use for contracts beginning in fall 2020.



- Financial aid, the highest dollar value service for people, represents the large demand for early education, scholarships, work-based learning, and work support in our region. We request to increase the financial aid pool to \$221.5 million.
- We recommend a modest 1% increase to our career office network for the new year. In 2019 we made a sizeable increase in this area to provide more access points for customers.
- Service through our adult education consortium will continue at a comparable level as 2019. Currently we include 14 adult education providers in the consortium and one lead agency.
- We propose increasing dollars budgeted for employer service by 4.6% to expand talent development opportunities and continue our efforts in assisting employers recruit and screen talent from qualified job seekers.
- We do not propose any major changes in our System IT for 2020 and recommend preserving the budget at its current level.



We are proposing a Board administrative operations budget at \$8.2 million, an increase of 4.1% from 2019. Board operations represent 2.6% of the total budget.

- The personnel line item reflects the Board's staffing at 49 positions. The increase in personnel cost results from H-GAC's budgeted merit increase, the addition of three career outreach specialists, and a project manager. H-GAC provides a pool of funds for merit raises in most years. Managers recommend raises based on an evaluation of employees' performance. This year the pool will be set at 4%.
- In 2019 H-GAC formed a communications group to assist with public information & outreach efforts. The added agency support will allow us to reduce the amount we contract out for this function. This change results in a \$390,000 decrease in consultants and contracted services.

- Shared costs provided by H-GAC represent the increases identified under indirect and other line items. Shared support includes functions such as human resources, accounting, and purchasing. The increase in rent is attributable to the additional board staff positions to be housed at H-GAC.

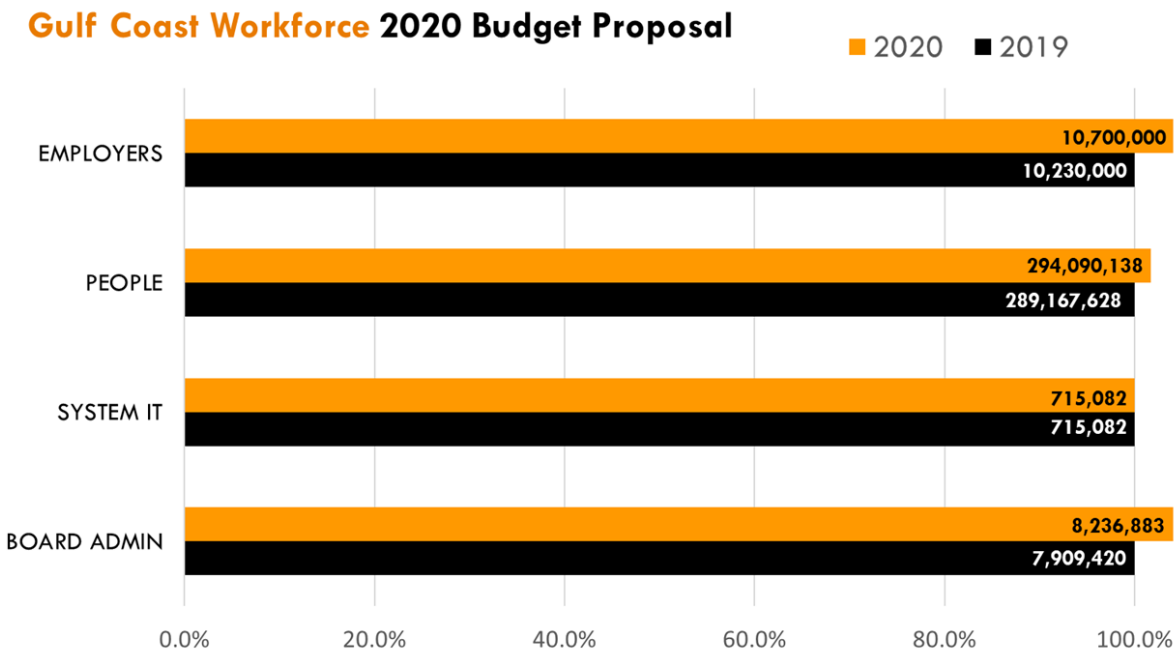
Results

With this budget, we plan to achieve the following:

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

Action

Approve the proposed 2020 budget in amount of \$313,742,103.



**Gulf Coast Workforce Board
Proposed 2020 Budget
Source and Use**

Source		Use
General Revenue	286,183,933	Board Operations 8,236,883
Special Federal & State Revenue	27,558,170	System IT 715,082
		Service for Employers 10,700,000
		Service for People 294,090,138
		<i>Financial Aid 221,540,138</i>
		<i>Career Office Network 54,750,000</i>
		<i>Adult Education 17,800,000</i>
Total	\$313,742,103	Total \$313,742,103

**Gulf Coast Workforce Board
Proposed 2020 Budget
Revenue Summary**

	2020	2019	Dollar Change	% Change
General Revenue	286,183,933	278,604,130	7,579,803	2.7%
Child Care	204,293,061	196,841,668	7,451,393	3.8%
Workforce Opportunity and Investment	46,346,207	46,346,207	-	0.0%
Temporary Assistance for Needy Families	17,015,170	17,218,589	203,419	-1.2%
Employment Service	6,414,130	6,410,628	3,502	0.1%
Supplemental Nutrition Assistance	4,188,930	4,500,427	311,497	-6.9%
Vocational Rehabilitation	3,160,447	2,640,845	519,602	19.7%
Reemployment Services & Eligibility Assessment	2,700,548	2,113,575	586,973	27.8%
Trade Act	1,720,440	2,174,391	453,951	-20.9%
Veterans Employment and Training	345,000	357,800	12,800	-3.6%
Special Federal & State Revenue	27,558,170	29,760,000	- 2,201,830	-7.4%
Adult Education	18,500,000	18,500,000	-	0.0%
Hurricane Harvey Disaster Relief	-	5,000,000	5,000,000	-100.0%
WIOA Alternative	3,124,224	2,000,000	1,124,224	100.0%
Summer Earn and Learn	1,900,000	1,900,000	-	0.0%
Disability Resource Coordination Cooperative	250,000	1,250,000	1,000,000	0.0%
Walmart Initiative	2,388,810	500,000	1,888,810	100.0%
Houston Housing Authority	-	210,000	210,000	-100.0%
Youth Job Skills	898,000	-	898,000	100.0%
Outreach Specialist	397,136	200,000	197,136	100.0%
Apprenticeship Texas	-	100,000	100,000	-100.0%
Performance Awards	100,000	100,000	-	0.0%
	313,742,103	308,364,130	5,377,973	1.7%

**Gulf Coast Workforce Board
Proposed 2020 Budget
Budget Overview**

	2020	2019	% of Total 2020 Budget	Dollar Variance from 2019	% Variance from 2019
Board Operations	8,236,883	7,909,420	2.6%	327,463	4.1%
Personnel	5,017,758	4,540,842	1.6%	476,916	10.5%
Indirect	607,149	564,427	0.2%	42,722	7.6%
Consultants & Contracts	1,110,000	1,500,000	0.4%	(390,000)	-26.0%
Travel	59,200	46,500	0.0%	12,700	27.3%
Rent	500,062	441,711	0.2%	58,351	13.2%
Capital Equipment	-	-	0.0%	-	100.0%
Other	942,714	815,940	0.3%	126,774	15.5%
System Operations	305,505,220	300,112,710	97.4%	5,392,510	1.8%
Service for Employers	10,700,000	10,230,000	3.4%	470,000	4.6%
Service for People					
Financial Aid	221,540,138	217,160,000	70.6%	4,380,138	2.0%
Career Office Network	54,750,000	54,207,628	17.5%	542,372	1.0%
Adult Education	17,800,000	17,800,000	5.7%	-	0.0%
System IT	715,082	715,082	0.2%	-	0.0%
Total	313,742,103	308,364,130	100.0%	5,377,973	1.7%

**Gulf Coast Workforce Board
2020 Budget
Proposed Budget Detail**

	Board Operations			
	2020	2019	Dollar Variance	Percent Variance
Consultants	1,110,000	1,500,000	- 390,000	-26%
Legal Services	15,000	15,000	-	0%
Audit	35,000	35,000	-	0%
Financial Monitoring	700,000	700,000	-	0%
Public Information & Outreach	360,000	750,000	- 390,000	-52%
Other	942,714	815,940	126,774	16%
Supplies	12,800	12,800	-	0%
Meeting Expenses	18,000	18,000	-	0%
Outside Printing	-	1,400	- 1,400	-100%
Books & Publications	1,500	1,600	- 100	-6%
Maintenance & Repair	4,000	4,000	-	0%
Software	2,500	4,000	- 1,500	-38%
Licenses & Permits	800	800	-	0%
Communications	42,000	41,600	400	1%
Postage & Delivery	12,800	12,800	-	0%
Subscriptions & Dues	20,000	16,000	4,000	25%
Expendable Equipment	25,000	55,000	- 30,000	-55%
Legal Notices	12,000	12,000	-	0%
Employee Recruitment	1,000	2,000	- 1,000	-50%
Employee Development	3,000	3,000	-	0%
Internal Services	351,971	274,587	77,384	28%
Network Services	435,343	356,353	78,990	22%
System IT	715,082	715,082	-	0%
Personnel	270,082	270,082	-	0%
Wide Area Network	235,000	235,000	-	0%
Office 365 Subscription	189,000	189,000	-	0%
Software	12,400	12,400	-	0%
Maintenance and Repair	5,000	5,000	-	0%
Security Training	3,600	3,600	-	0%



Gulf Coast Workforce 2020 Budget Proposal

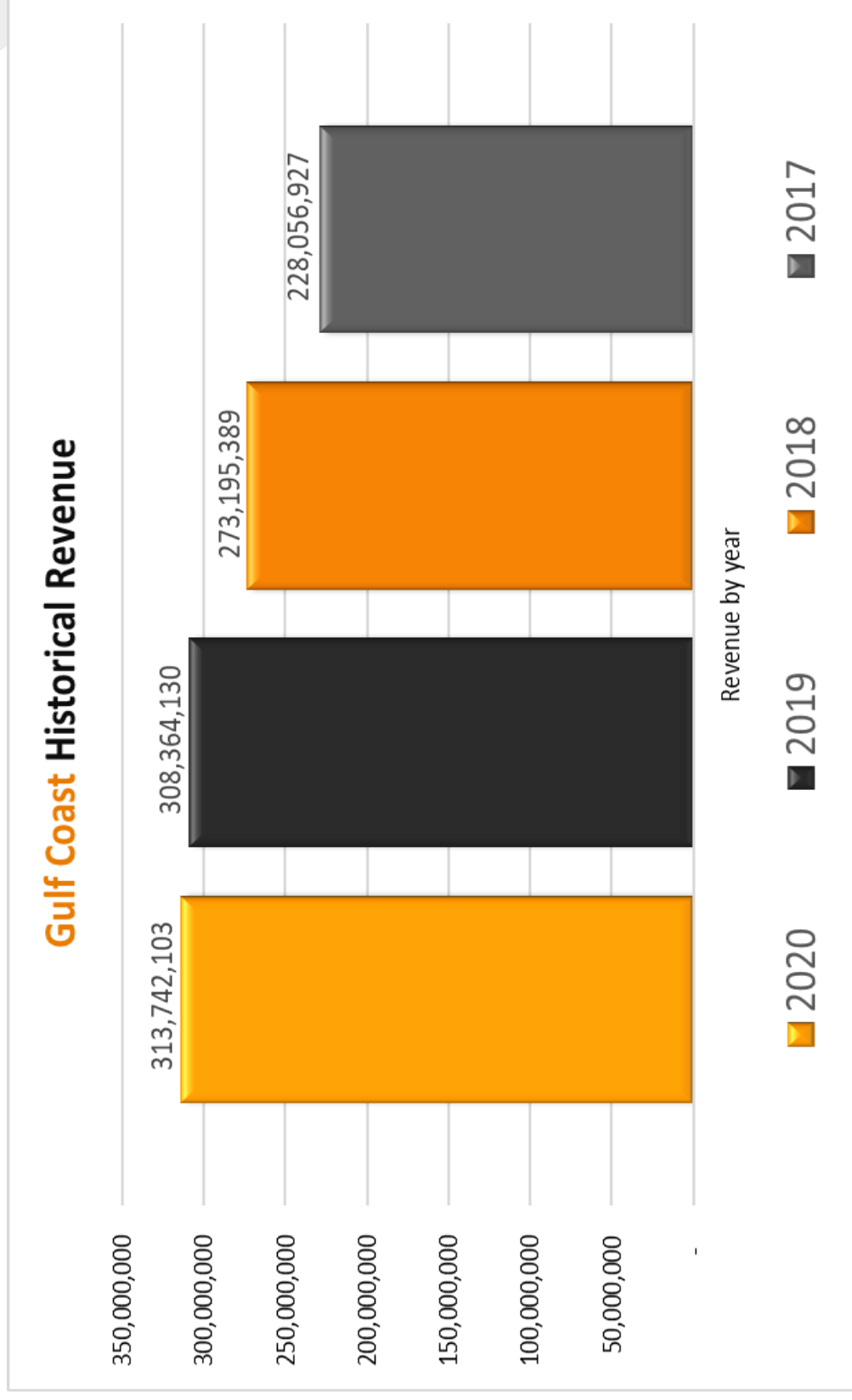
www.wrksolutions.com 1.888.469.JOBS (5627)

Workforce Solutions is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities. (Please request reasonable accommodations 48 hours in advance.)

Relay Texas: 1.800.735.2989 (TDD) 1.800.735.2988 (voice) or 711

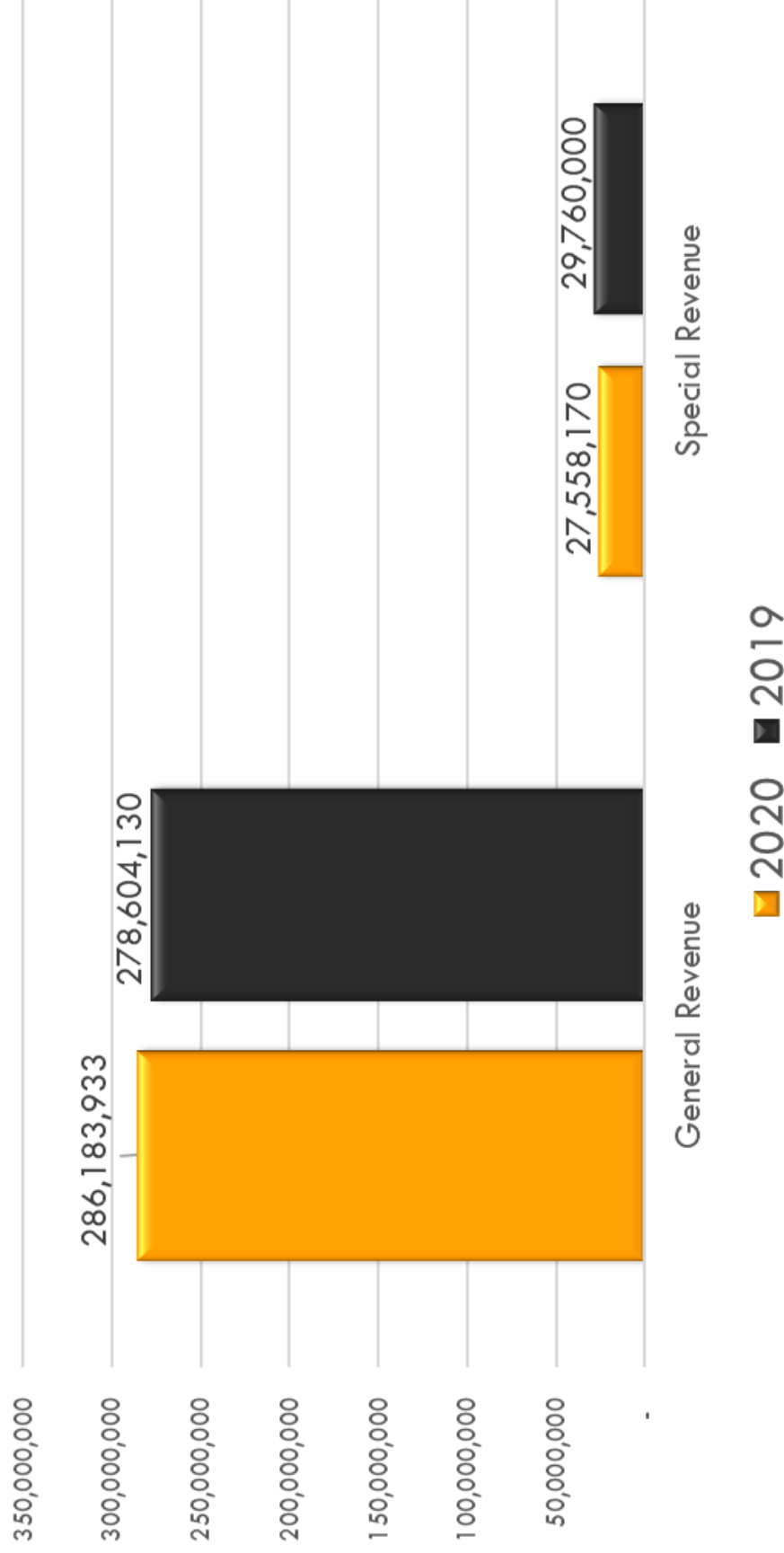
A proud partner of the american^{star}jobcenter network

Workforce Historical Revenue



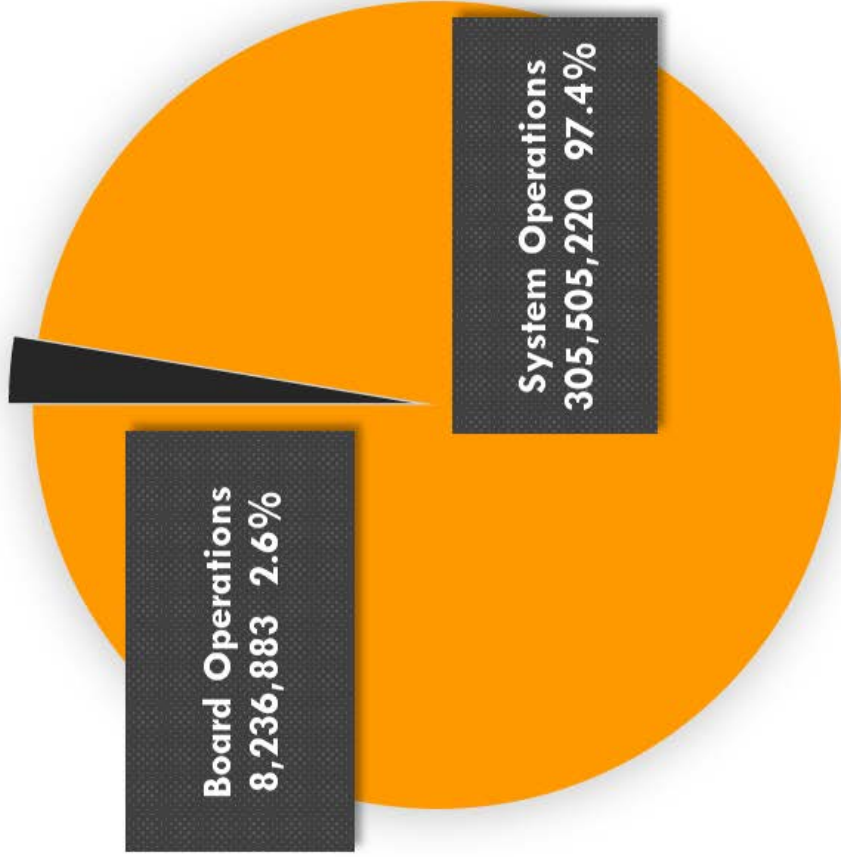
2020 Revenue Changes

Gulf Coast Revenue Summary



Proposed Use

Gulf Coast System Summary

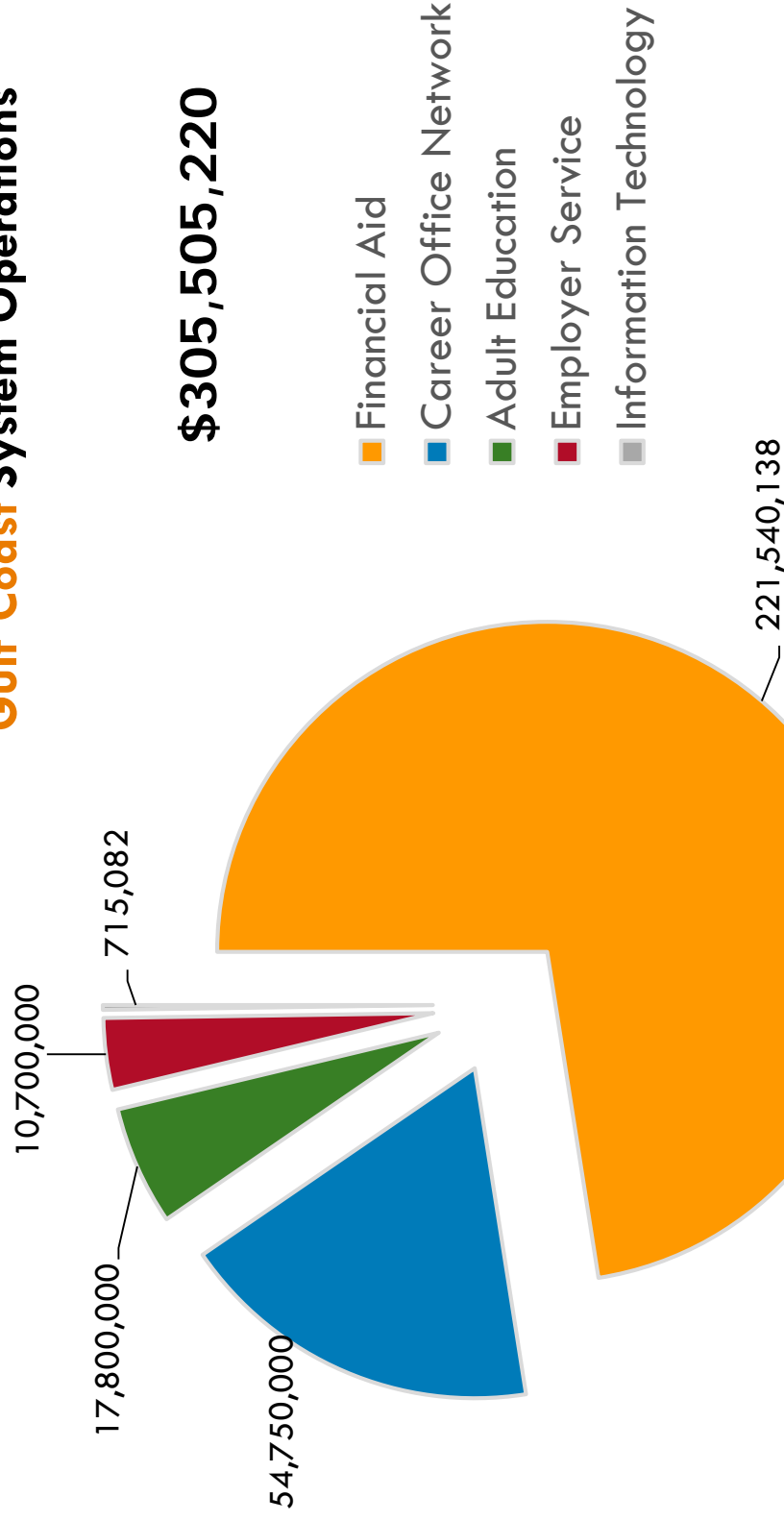


■ Board Operations

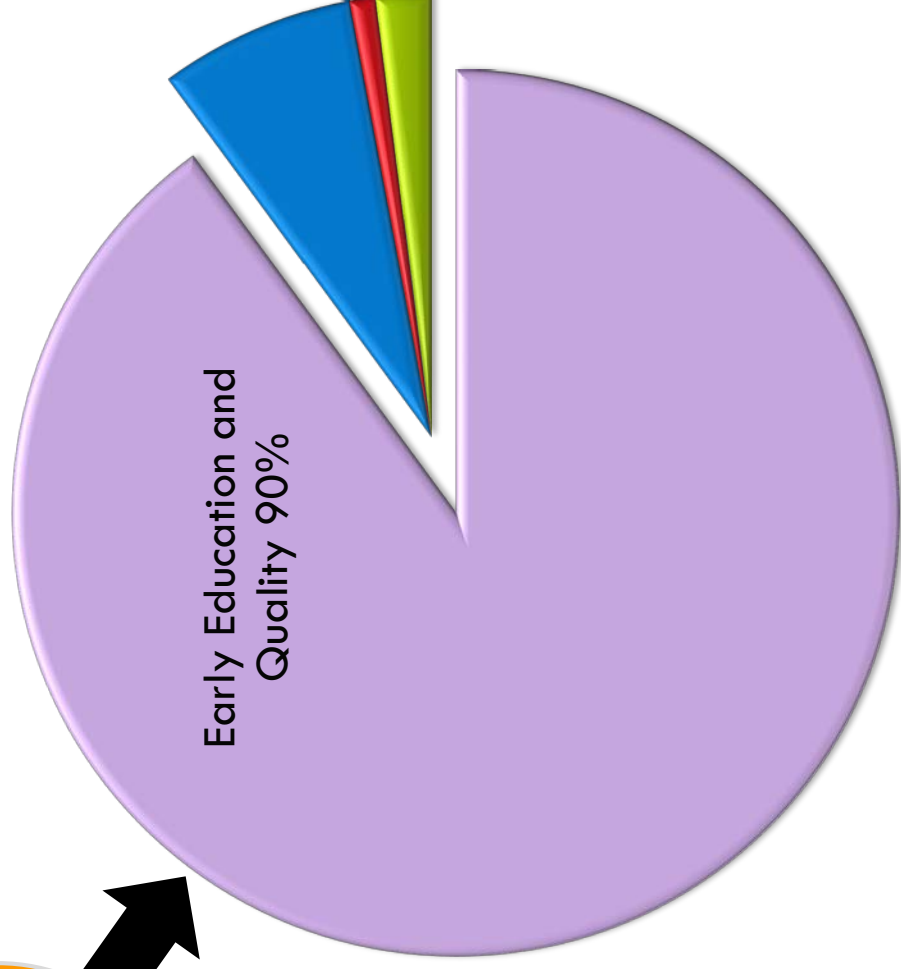
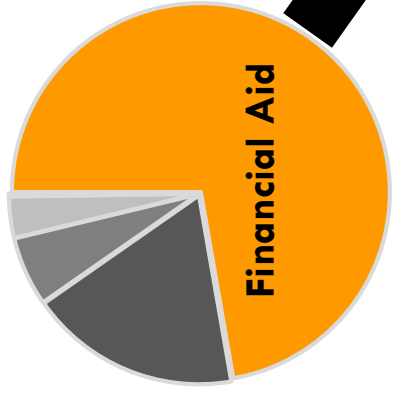
■ System Operations

Service to Employers and People

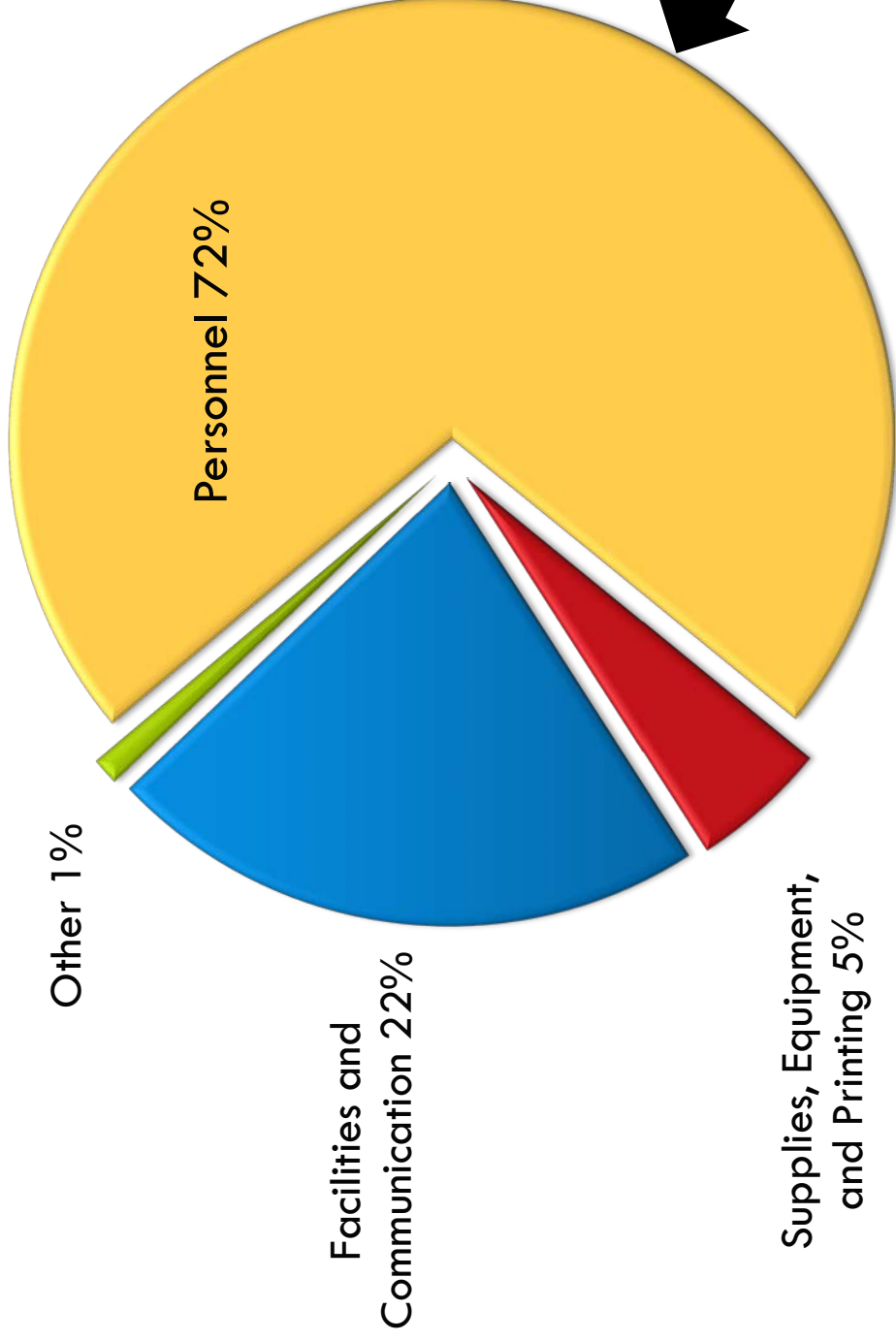
Gulf Coast System Operations



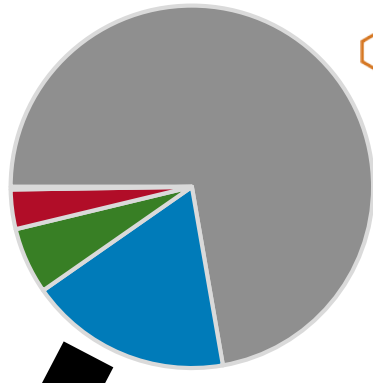
Financial Aid Breakdown



Customer Service Breakdown

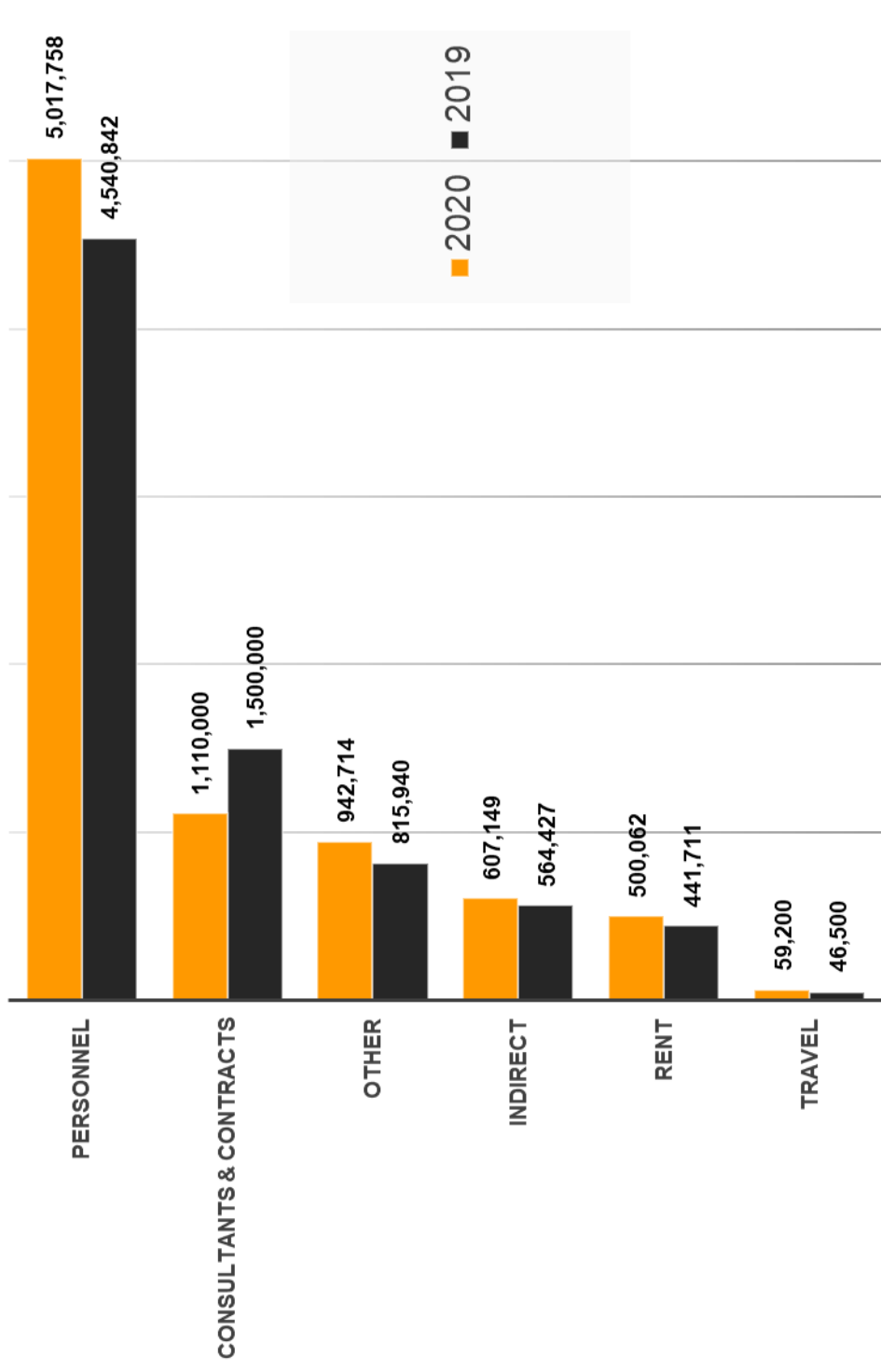


Career Offices,
Adult Education,
Employer Service,
System IT



Board Operations

Gulf Coast Board Operations



Results

With these recommendations we expect to:

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



Last Year Comparison

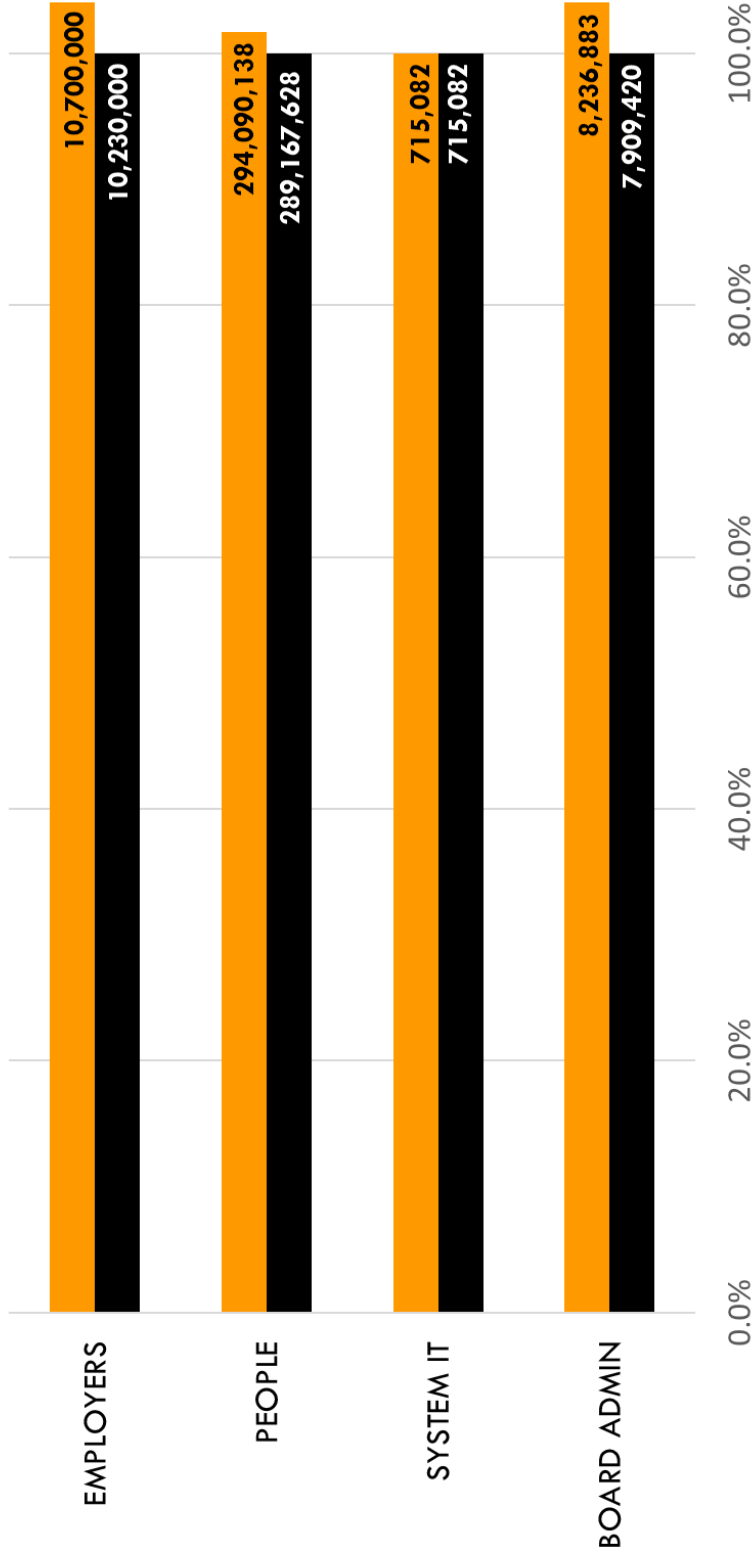
- **Serve at least 28,500 employers and 425,000 individuals**
 - Served 21,321 employers and 435,029 individuals
- **Ensure 17,670 of our employers return for service**
 - 13,734 of our employers returned for service
- **Assist in creating 3,300 new jobs**
 - Assisted in creating 1,534 new jobs
- **Spend at least \$15 million on scholarships for more than 5,000 individuals in high-skill, high-growth occupational training**
 - Spent \$14 million on scholarships for 4,464 individuals
- **Support about 24,000 families and 44,000 children with early education**
 - Supported about 23,826 families and 45,159 children with early education
- **Help more than 230,000 individuals go to work**
 - Helped about 180,926 individuals go to work
- **Raise the incomes of 105,000 by at least 20%**
 - Raised the incomes of 81,991 by at least 20%
- **Help 85% of individuals pursuing a post-secondary education attain a credential (certificate or degree)**
 - Helped 80.0% of individuals pursuing a post-secondary education attain a credential (certificate or degree)

Action

Recommend the proposed 2020 budget in the amount of \$313,742,103 to the Board for approval.

Gulf Coast Workforce 2020 Budget Proposal

■ 2020 ■ 2019



Budget Committee

Statewide Activity Funds

Background

The Workforce Innovation and Opportunity Act provides funds at the state level with greater flexibility than the dollars formula-allocated to local boards.

Texas has in the past competed these “statewide activity funds” but this summer allocated most of the dollars among the state’s local boards.

Since our report to the Board in August 2019 about these dollars, we have been working to structure projects that invest in our priorities and meet the state’s requirements for use.

Current Situation

We have included the statewide funds in the draft 2020 Board budget and propose using these dollars as follows:

Project	Budget	Board Contribution	Match
Texas Industry Partnership	\$70,000	\$35,000	\$35,000
Teacher Externships	137,500	107,500	30,000
Entrepreneur Boot Camps	125,000	100,000	25,000
Second Chance/Reentry Network	410,000	410,000	-
Youth Docket Diversion	240,000	240,000	-
Income Now	250,000	250,000	-
Supported Employment	600,000	600,000	-
CTE Partnership	120,000	120,000	-
Reserve for Scholarships	1,261,724	1,261,724	-
Total	\$ 3,214,224	\$ 3,124,224	\$ 90,000

Several of the projects require matching funds or resources from partners in the projects.

We will reserve \$1.26 million to add to our general scholarship fund and to be available to expand the second chance, youth docket, Income Now, and supported employment projects if needed.

A brief description of each project follows.

Action

Approve proposed budget for workforce innovation projects in amount of \$3,214,224.

Innovation Project Descriptions

1. Partnering with local employers to match funds for skills training in a Texas Industry Partnership project

We will leverage funds with Baker Hughes and BJ Services to skill 15 entry-level workers in oil/gas technical occupations. Lone Star College will provide the instruction.

The Board's contribution to the project is \$35,000 which will be matched 100% by Baker Hughes and BJ Services.

2. Partnering with local employers and school districts in teacher externship projects

Building on our experience in teacher externships, we will fund two projects with the statewide dollars.

In the first project, we will work with the Houston, Spring, Pasadena, Wharton, and El Campo school districts and the Houston Airport System and Port of Houston to acquaint 30 teachers with the jobs and skill needs of two major transportation/logistics centers in our region.

The Board's contribution is \$23,500 which will be matched by the districts and HAS and Port of Houston with \$7,500.

In the second teacher externship project, teachers will be able to experience the industry at the same time with the student. The teachers will be in a job coaching/shadowing role with the student to learn occupations.

We'll also work with the Houston Airport System and Port of Houston in this project, and 12 teachers and 24 students from the Goose Creek, Liberty, Texas City, Pasadena, Houston, Spring, Wharton, and El Campo districts.

The Board's contribution is \$60,000, matched with \$20,000 by the districts and employers.

3. Entrepreneur Boot Camps

We're proposing two events – one targeted to women entrepreneurs and the other to young adults. Each boot camp will include information and help with business creation, business plans, ownership, support and expansion. The events will include resources available in the community and an ongoing opportunity for support. We will procure a vendor, who will be responsible for a guest speaker for the event, location and the development of curriculum (in both Spanish and English).

The Board contribution is \$75,000, matched with \$25,000 in-kind (venue space, materials, staff time).

4. Second Chance/Re-entry Network

We will expand our work with Houston's Community Re-Entry Network program working primarily with adults.

We will begin by providing 50 re-entering citizens referred from the Network with work-based learning – work experience and transitional employment – and financial aid for transportation, clothing, certification/licenses, and education. We'll work with these individuals to place them in full-time employment after the work experience/transitional employment ends.

The Board is funding the entirety of this service at \$410,000 and partnering with the City of Houston, the community organizations in the re-entry network, and My Brother's Keeper.

5. Youth Docket Diversion

The project will provide an opportunity during the pre-trial stage of the criminal justice process for young adult offenders to participate in a restorative program. These young adults are over-represented in the criminal justice system and an increasing number of disengaged young people become adults suffering from a lifetime of low levels of education, chronic unemployment, recidivism and long-term incarceration.

Working cooperatively with Harris County Court System and the City's My Brother's Keeper initiative, this proposal is designed to serve 50 young adults with work-based learning.

The Justice Opportunity Youth (JOY) Docket will consist of defendants who have been in jail for over 3 days and have not been able to make a surety bond for a low-level felony offense. A District Judge will preside over the docket housed in the courtroom in the Joint Processing Center. Public Defender's Office, District Attorney's Office, and Pretrial Services will attend the JOY docket where defendants will be considered for a Pre-plea Diversion program and a Personal Bond along with a connection to services.

Workforce Solutions, along with the Houston ISD, Houston Community College, Goodwill Industries, Ripley House will be available at the docket. If the defendant is determined ready for work-based learning, education and/or job training, certification attainment, apprenticeship or employment, he or she may be released on a personal recognizance bond with applicable bond conditions that will include participation in the program until successfully completed or until further order of the Court. Bond conditions may include GPS monitoring.

Our contribution to this project will be the funds for work-based learning (work experience, transitional employment, pre-apprenticeship/apprenticeship) and related financial aid needs in amount of \$240,000.

6. Income Now

We're proposing to expand our work with The Way Home and the homeless service providers (called Income Now) to also focus on providing work-based learning. We will continue to be present at The Way Home's coordinated access points for direct contact with individuals experiencing homelessness and work closely on referrals to our offices from homeless service providers. With the innovation dollars, we'll target 50 individuals for work-based learning activities as a start to building careers with livable wages to prevent further episodes of homelessness.

As always, we'll continue with career planning, job search, job placement, and education financial support to all the customers that come to us through The Way Home and its network.

The Board's contribution to the expansion is \$250,000 for work-based learning activities.

7. Supported Employment

An individual with a disability may have the ability to perform a job but may lack the capacity to be successful due to other factors. A job coach is an individual with the training and certifications required to work alongside an individual with a disability to help them successfully navigate areas of the workforce where they may have difficulty participating because of a disability.

Our project began as way to expand the access to job coaching for individuals with disabilities. At the time we proposed this project, the Workforce Commission was seeking a way to implement a job coaching pilot required by Senate Bill 2038 from the last legislative session that would achieve the following results:

1. Texans with IDD who require supported employment follow-along services to maintain competitive, integrated employment will have access to supported employment follow along services which will help ensure they are employed long-term, lead self-directed lives and break the cycle of poverty.
2. TWC will receive valuable data and information to analyze the demand for supported employment follow-along services, the cost to provide service statewide, and policies that will improve the competitive, integrated employment outcomes for Texans with IDD.
3. Create a pilot that can be replicated and utilized to expand competitive, integrated employment opportunities for people with IDD and sustain a network of quality providers.
4. Include data from the pilot in the report required by SB 2038 from the 86th Legislative Session.

We propose using our dollars to both expand the availability of job coaching in our region and help the Commission implement the pilot.

We are working with local organizations that serve individuals with IDD and the Workforce Solutions Vocational Rehabilitation Service to structure our project, deliver service to at least 50 individuals with disabilities, and report out on our results, costs, and experience.

The Board's contribution to this project is \$600,000.

8. Career and Technical Education Partnership

At the last Report Card event in October 2019, we heard from six school districts in the Galveston-Harris-Chambers county area about the challenges in working with local employers to find work-based learning opportunities for students. We're proposing a project to work with the districts and local chambers on the eastern/southeastern side of the region (Liberty, East Harris County, Chambers County, Galveston County) to assist in developing, strengthening, and expanding school/business relationships to ensure CTE students find meaningful internship/work experiences.

We anticipate working with our existing Employer Service staff as well as finding additional staff support to plan and carry out connection activities for the CTE programs in at least 10 districts. We will be matching our work in the teacher externships with this partnership.

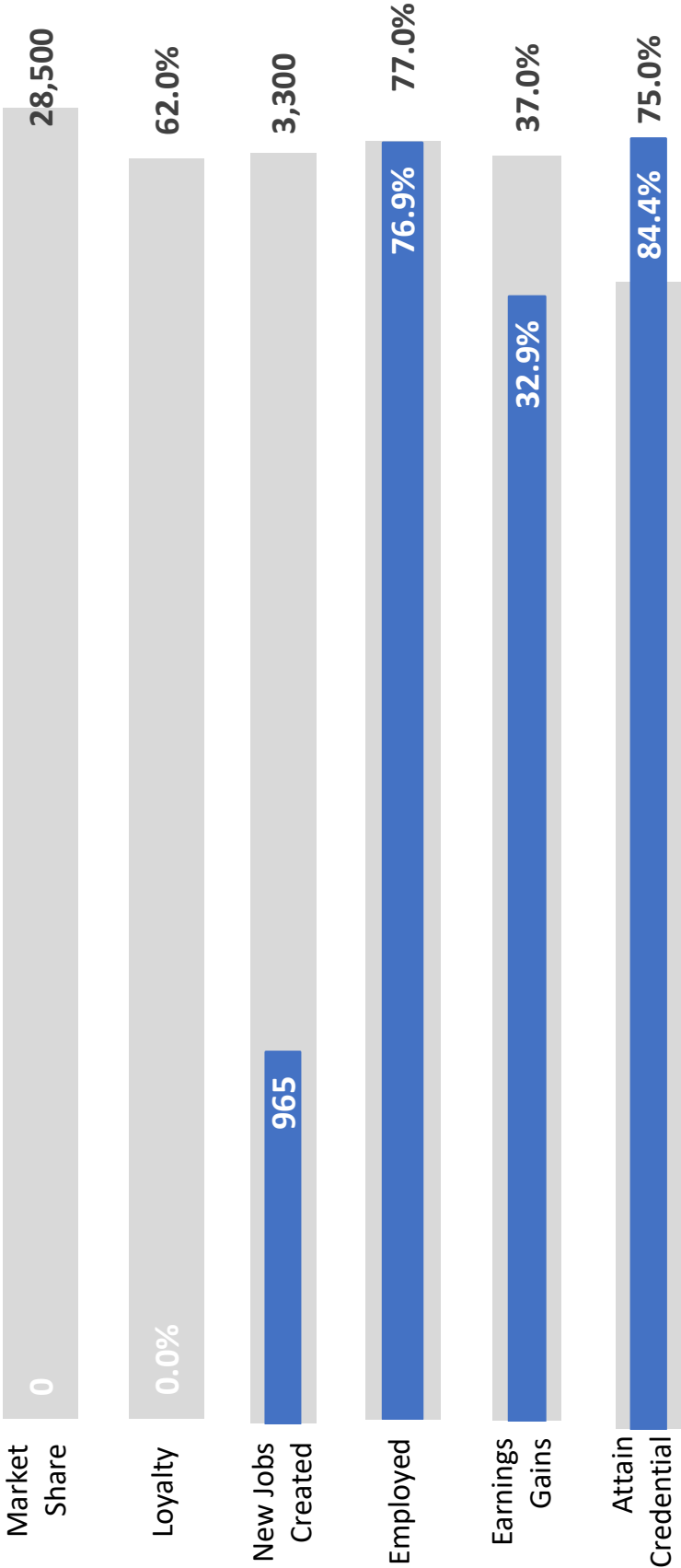
The Board's contribution to this project is \$120,000.

Gulf Coast Workforce Board

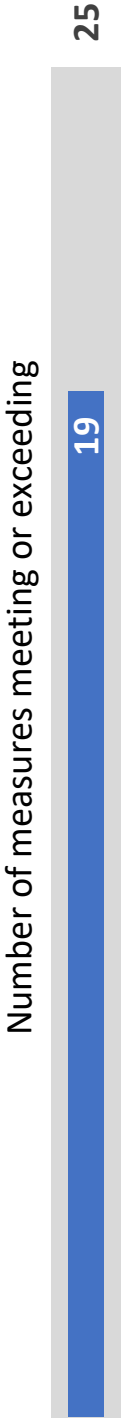
System Performance

Performance Measures

October 2018 to December 2019



Production Measures



Measures that require additional focus

Workforce

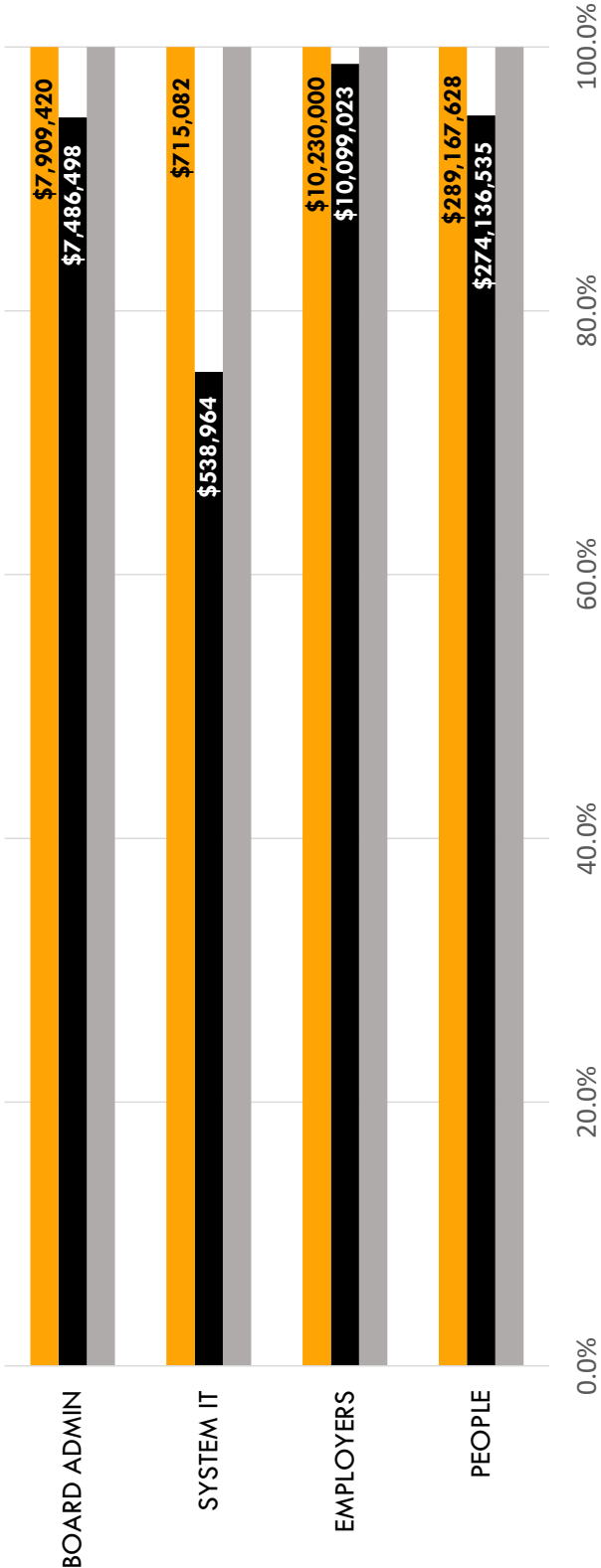
October 2018 to December 2019



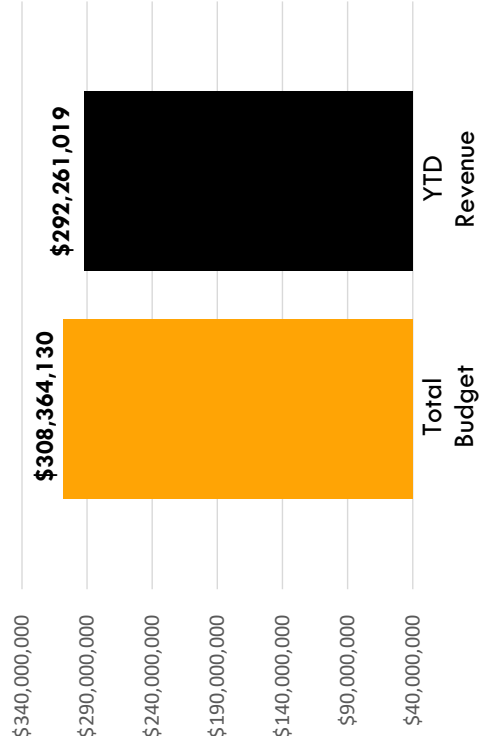
Gulf Coast Workforce Financial Status Report

For the 12 months ending December 31, 2019

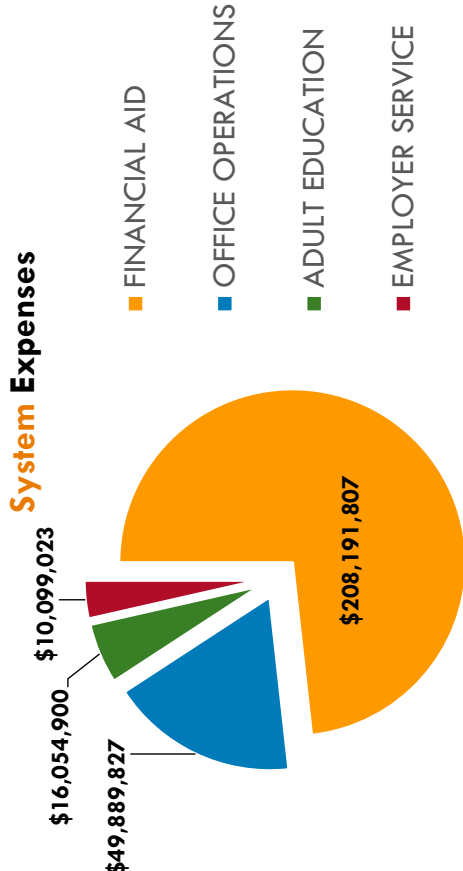
Budget Expenses Target



Workforce Revenue



System Expenses





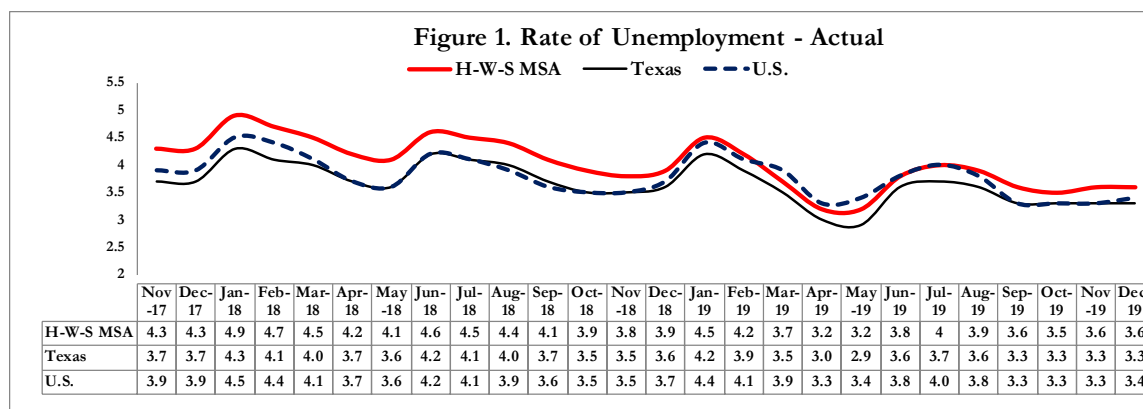
Labor Market Information
DECEMBER 2019 Employment Data

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

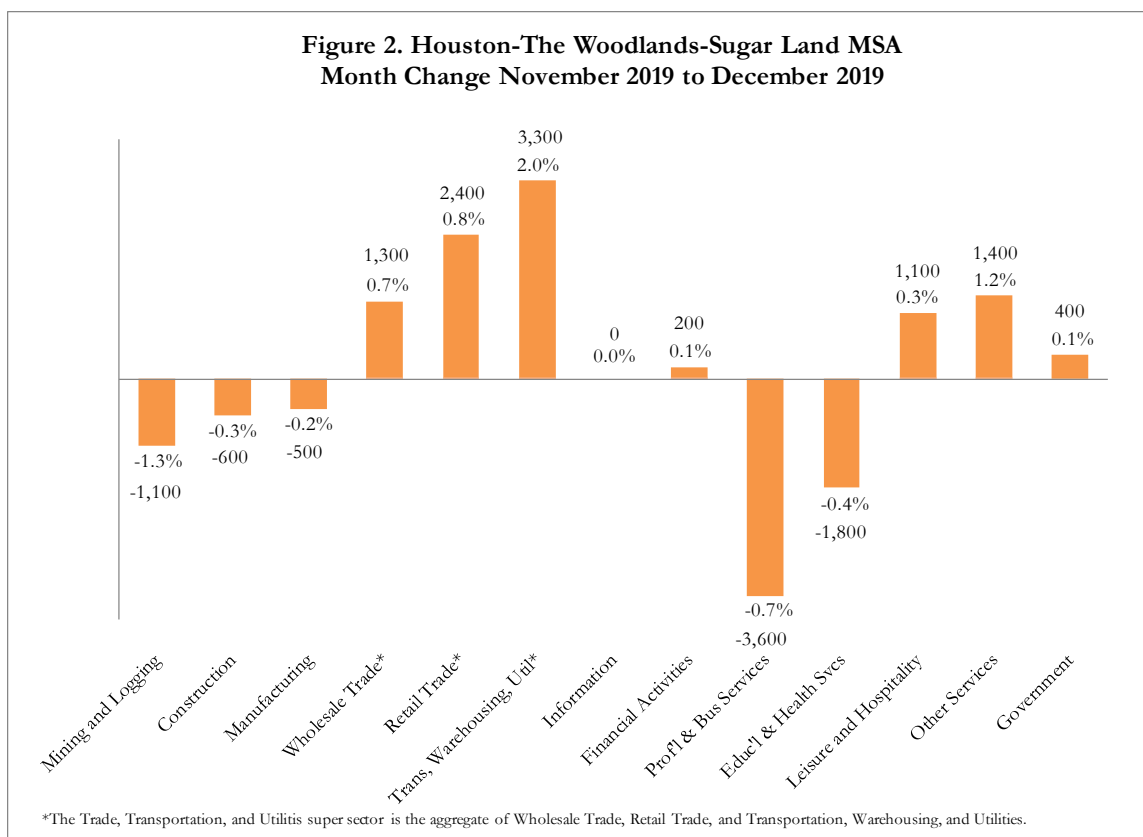
The actual rate of unemployment in the Houston-The Woodlands-Sugar Land Metropolitan Statistical Area (H-W-S MSA) was unchanged at 3.6 percent, the lowest for the month of December since records began in 1990. The local rate of unemployment has been at historical lows for the last nine consecutive months. Over the previous year the number of individuals in the labor force in the H-W-S MSA increased by 63,907 while the number of unemployed declined by 8,580 driving the rate of unemployment down three-tenths of a percentage point. While the state rate of unemployment was also unchanged in December at 3.3 percent, the national rate rose slightly by one-tenth of a percentage point to 3.4 percent, see figure 1.

Unemployment Rate (Actual)

	DEC 2019	NOV 2019	DEC 2018
Civilian Labor Force	3,487,842	3,498,843	3,423,935
Total Employed	3,361,831	3,372,470	3,289,344
Unemployed	126,011	126,373	134,591
Unemployment Rate	3.6%	3.6%	3.9%



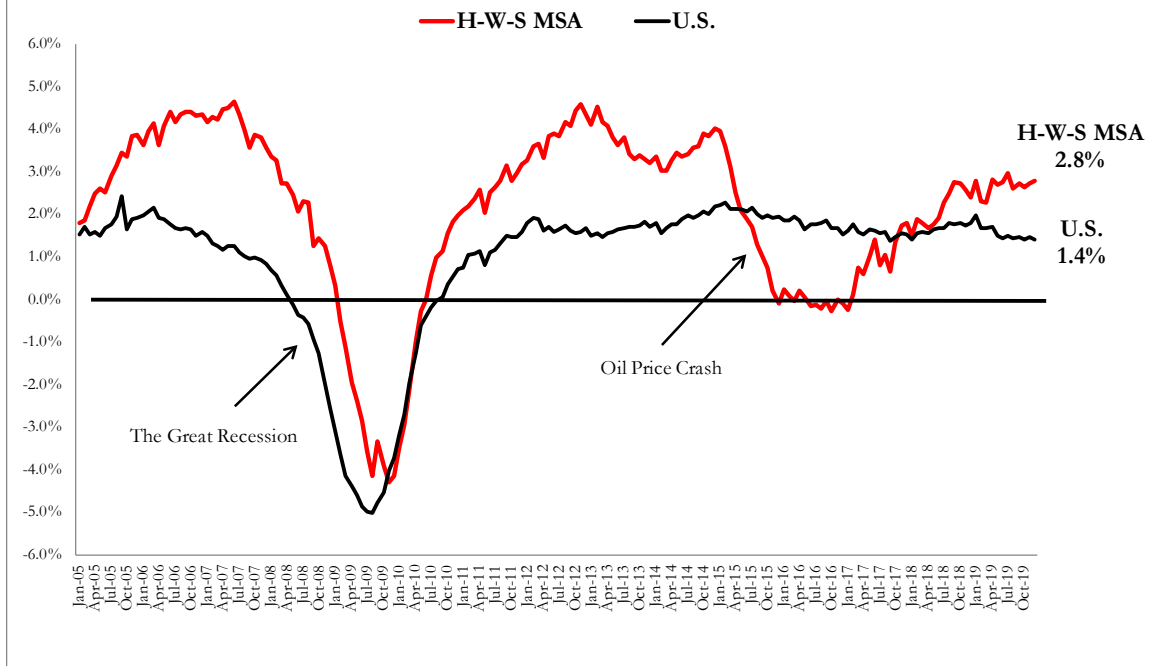
Total Nonfarm Employment in the H-W-S MSA was up 2,500 jobs in December, up 0.1 percent. For the fifth consecutive year December's increase was considerably weaker in comparison to the historical average of 0.5 percent. Most of the increase was due to seasonal gains in the Trade, Transportation, and Utilities super sector related to the holiday season with Retail Trade up 2,400 jobs, Wholesale Trade up 1,300 jobs, and Transportation, Warehousing, and Utilities up 3,300 jobs. Substantial gains were also found in Other Services, up 1,400 jobs, and Leisure and Hospitality, up 1,100 jobs. Declines in several industry sectors held back December gains most substantially Professional and Business Services, down 3,600 jobs, Educational and Health Services, down 1,800 jobs, and Mining and Logging, down 1,100 jobs. Over-the-month changes for industry sectors can be seen in figure 2. For a complete list of December employment estimates see pages 13 & 14.



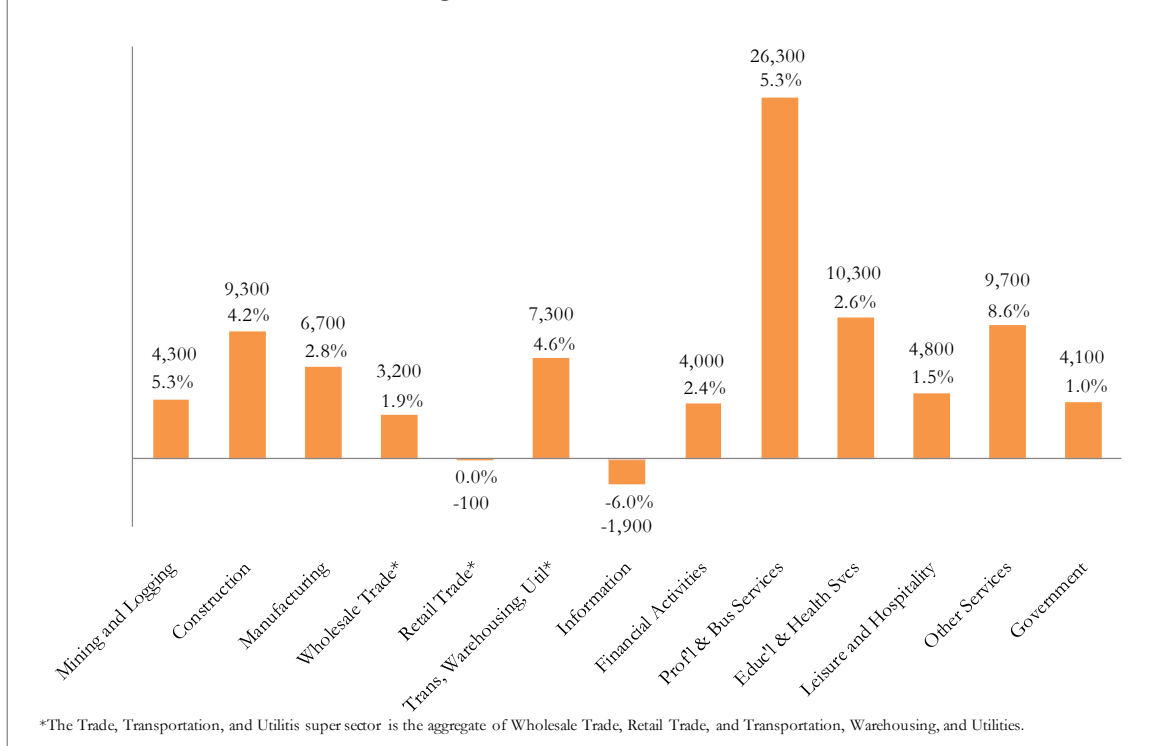
Total Nonfarm Employment in the H-W-S MSA increased by 88,000 jobs over the year in December with the pace of job at 2.8 percent, twice that of the nation's 1.4 percent pace, see figure 3. Job gains were widespread across most industry sectors. Professional and Business Services added the largest number of new jobs to the area with payrolls up 26,300 jobs over the year, see figure 4. Other Services added jobs at the fastest pace, up 9,700 jobs or 8.6 percent. With more drilling rigs become idle each month it is affecting job growth across several industry sectors. The pace of job growth in Mining and Logging has fallen from a peak of 11.5 percent in June 2019, up 9,000 jobs, to 5.3, up 4,300 jobs over the year. Manufacturing has seen the pace of job growth fall from a peak of 7.6 percent in February 2019, up 17,100 jobs, to the current pace of 2.8 percent, up payrolls 6,700 jobs.

While the only super sector not reporting an over-the-year increase was Information where payrolls were down 1,900 jobs, several sub sectors were reporting declines. Within the Trade, Transportation, and Utilities super sector, which managed a net increase of 10,400 jobs, the Merchant Wholesalers of Nondurable Goods sub sector was down 1,200 jobs over the year and the Retail Trade sub sector was down 100 jobs over the year. Within the Construction super sector, which managed a net gain of 9,300 jobs over the year, the Construction of Buildings sub sector was down 3,100 jobs. Lastly, within the Professional and Business Services super sector the Employment Services sub sector was down 1,600 jobs over the year.

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

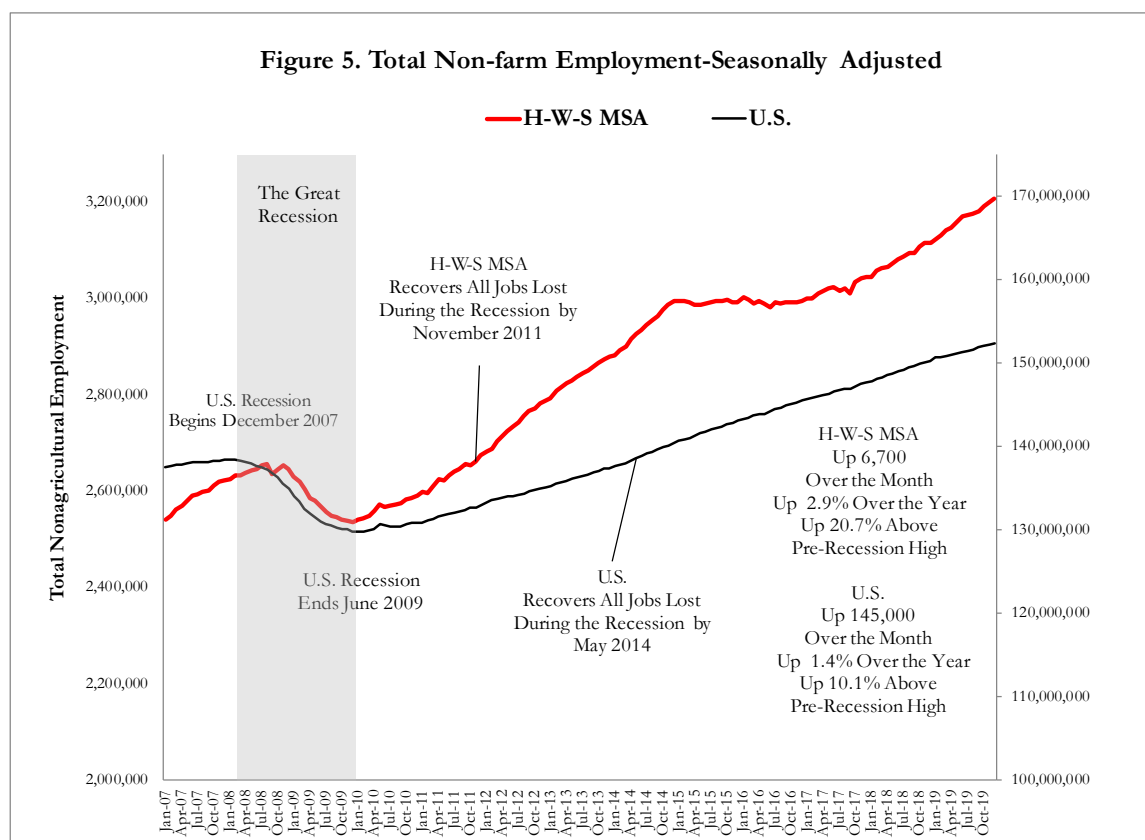


**Figure 4. Houston-The Woodlands-Sugar Land MSA
Annual Change December 2018 to December 2019**

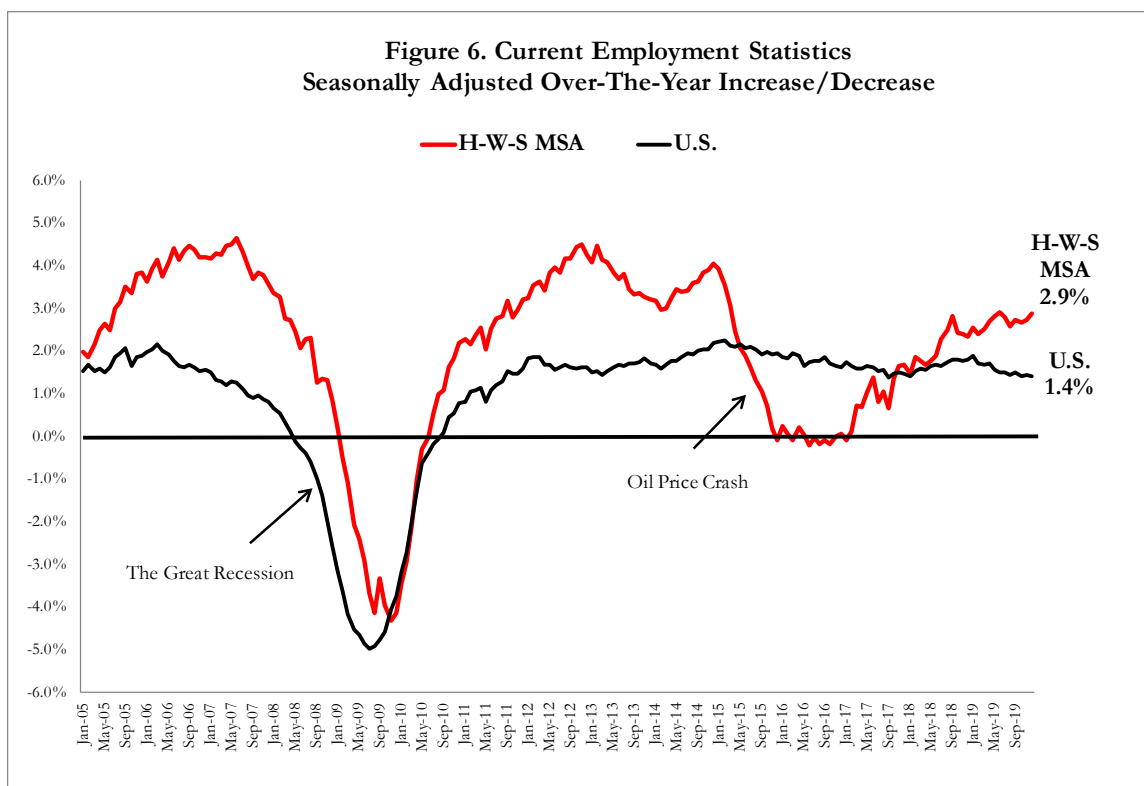


Note: While current estimates indicate payrolls are up some 88,000 jobs or 2.8 percent over the year, it is anticipated that benchmark revisions to be released in March 2020 will indicate that job growth in the H-W-S MSA was weaker than currently estimated for 2019. The same was true of 2018 estimates when revised data was released indicating the H-W-S MSA added 35,000 fewer jobs than originally estimated.

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



Seasonally adjusted estimates for the H-W-S MSA and U.S. seen in figure 5 and 6 provide an additional view of growth-trends removing the erratic month-to-month seasonal patterns. On a seasonally adjusted basis, Total Nonfarm Employment was up 6,700 jobs over the month in December and 90,000 jobs over the year. The annual pace of job growth was 2.9 percent, more than twice the nation's 1.4 percent pace. Growth of Total Nonfarm Employment in the H-W-S MSA has also outperformed the nation over the long-term as well with payrolls up 20.7 percent above the prerecession high compared to the nation's 10.1 percent increase.

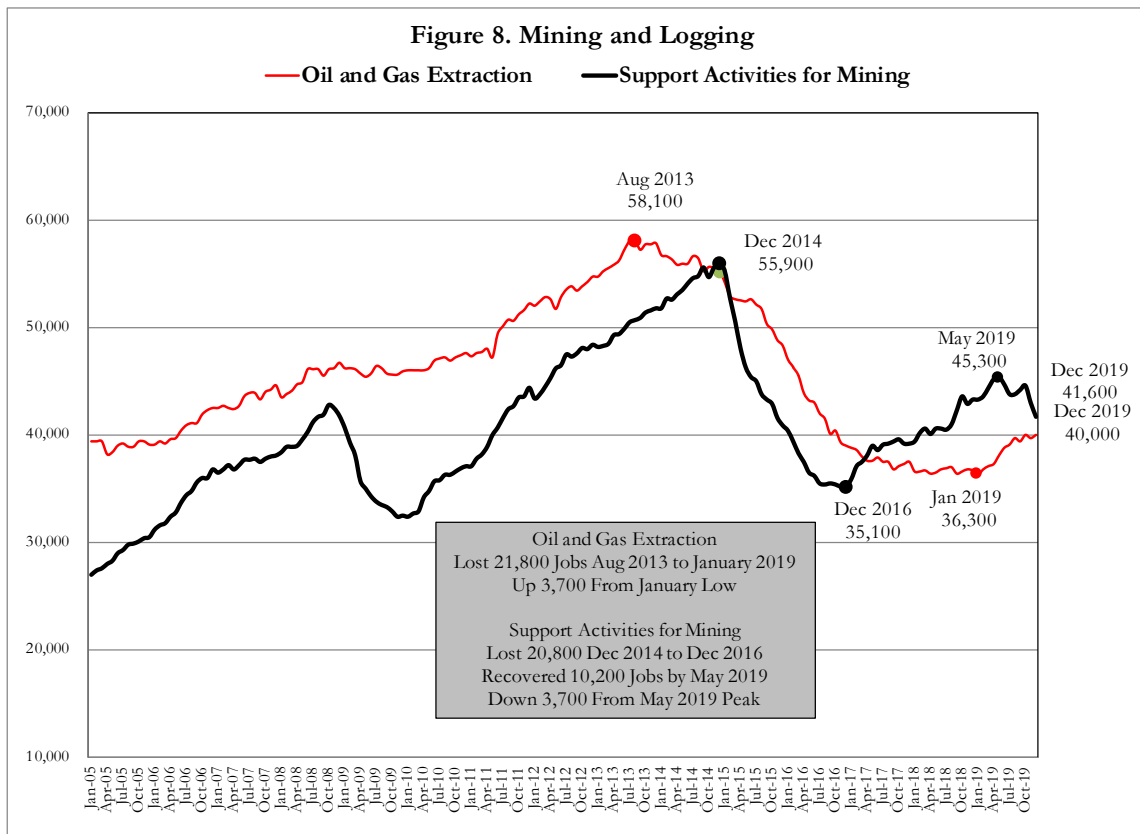
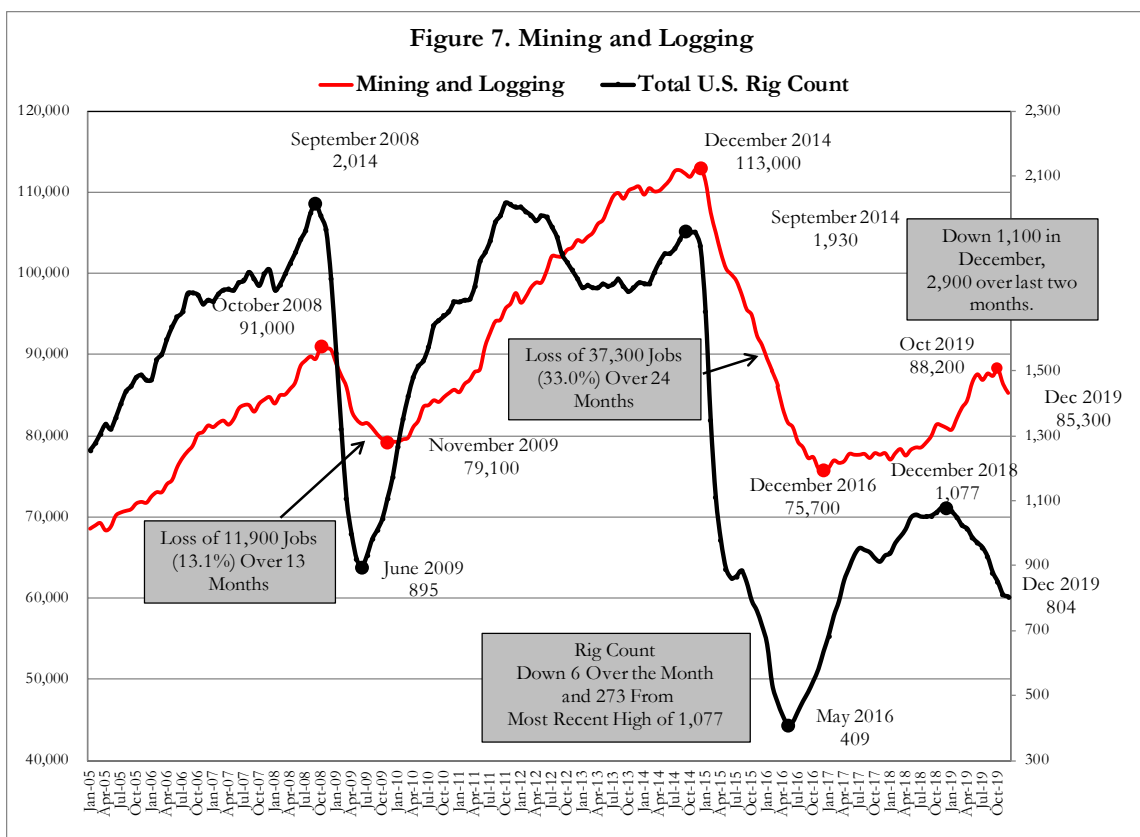


DETAILS BY SUPER SECTOR

Weakness in **Mining and Logging** was more evident with the release of December estimates. November's loss of 600 jobs was revised to 1,800 jobs with losses continuing into December, down an additional 1,100 jobs for a total loss of 2,900 jobs over two months. December declines were found in Support Activities for Mining, down 1,300 jobs.

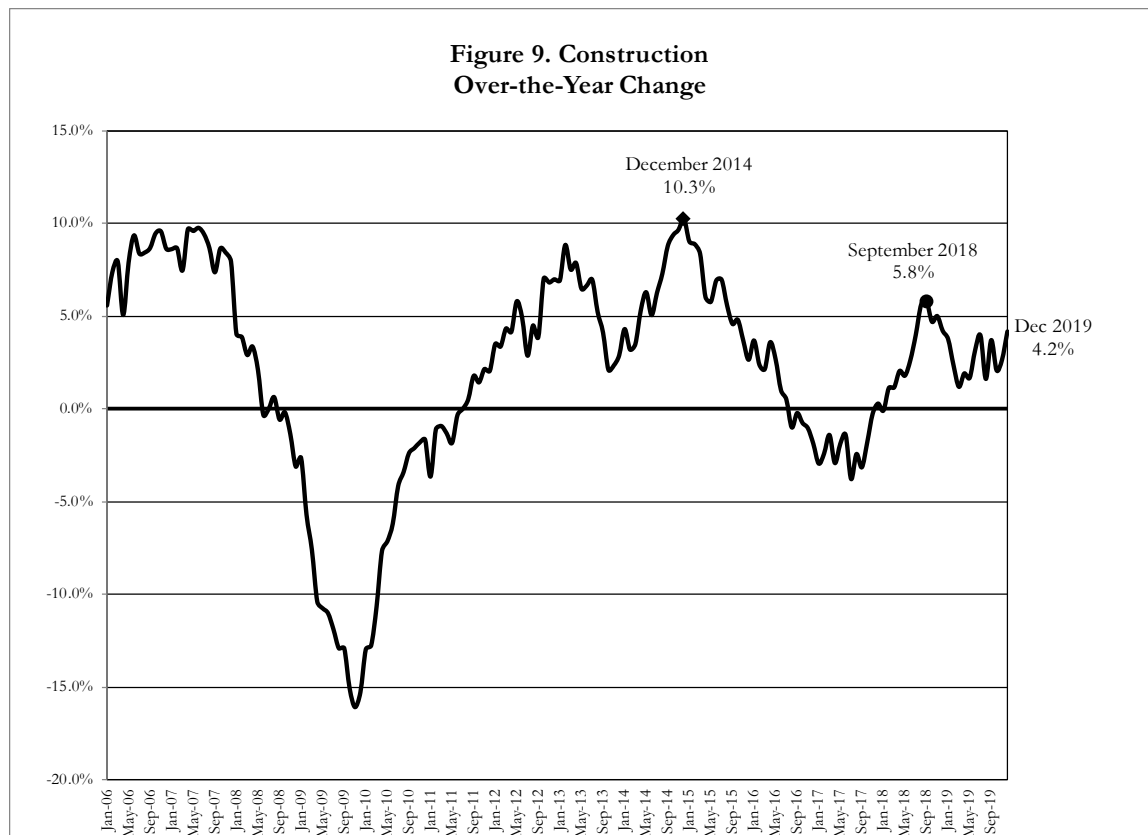
Mining and Logging was no longer the fastest growing super sector in the H-W-S MSA as result of the pace of job growth falling to 5.3 percent, up 4,300 jobs, down from a peak of 11.5 percent in June 2019. Oil and Gas Extraction was primarily responsible for job gains with payrolls up 3,300 jobs or 9.0 percent over the year. The remainder of the increase was in undefined areas of the Mining and Logging super sector. After thirty-two consecutive months of positive year-over-year job growth, Support Activities for Mining was reflecting a loss of 1,600 jobs, down 3.7 percent. While job growth in Mining and Logging has been strong, payrolls remain well below their peak levels during the shale boom, see figure 7 and 8.

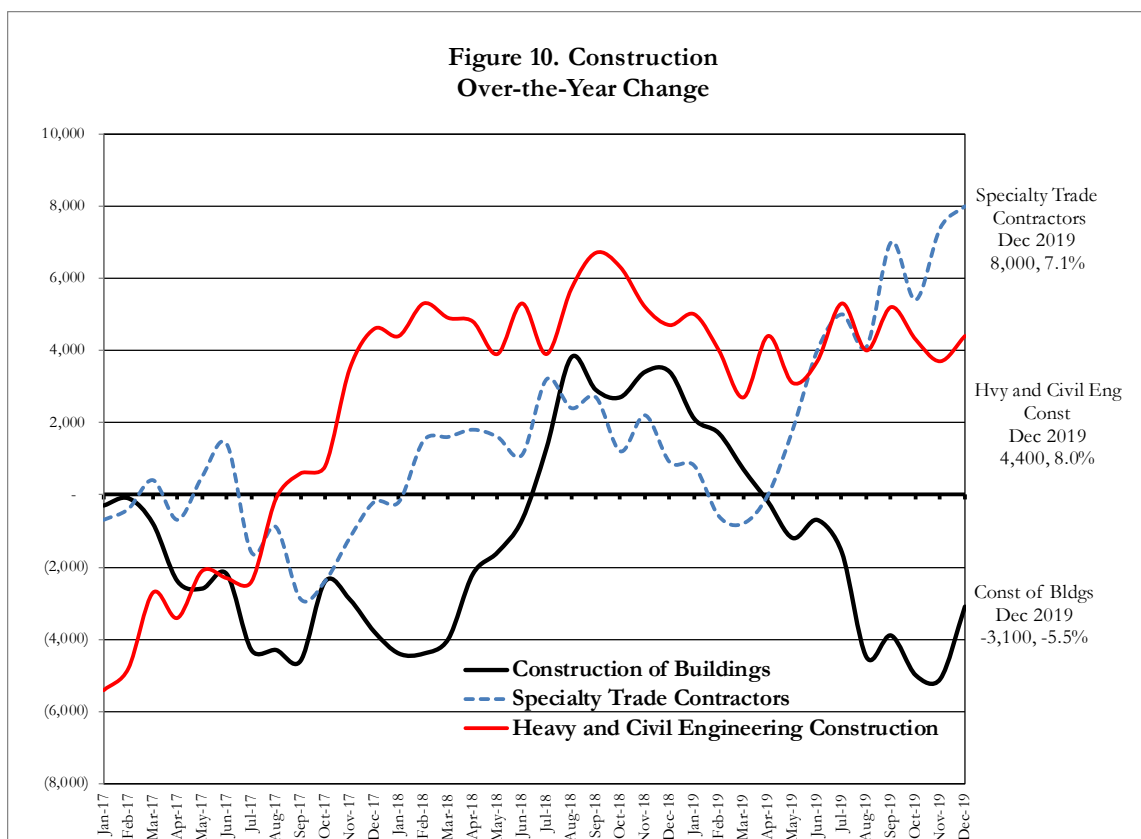
The average U.S. rig count fell for the twelfth consecutive month in December, down by 6 to 804. One in four active rigs have been idled since December 2018, down 273 from 1,077, but at 804 the number remains well above a low of 409 that was hit in May 2016.



Construction was down 600 jobs over the month. Losses were found in Heavy and Civil Engineering Construction, down 700 jobs, and Specialty Trade Contractors, down 900 jobs. Declines were offset by an increase of 1,000 jobs in Construction of Buildings.

Construction added 9,300 jobs over the year. While job growth in the super sector has been positive since February 2018 the pace of job growth at 4.2 percent remains well below a peak of 10.3 percent in December 2014, see figure 9. Current estimates indicate Specialty Trade Contractors reported the largest increase of 8,000 jobs, up 7.1 percent. Heavy and Civil Engineering Construction also reported an increase, up 4,400 jobs or 8.0 percent. Construction of Buildings was reporting a loss of 3,100 jobs, down 5.5 percent over the year, holding back the overall pace of job growth in the super sector, see figure 10.



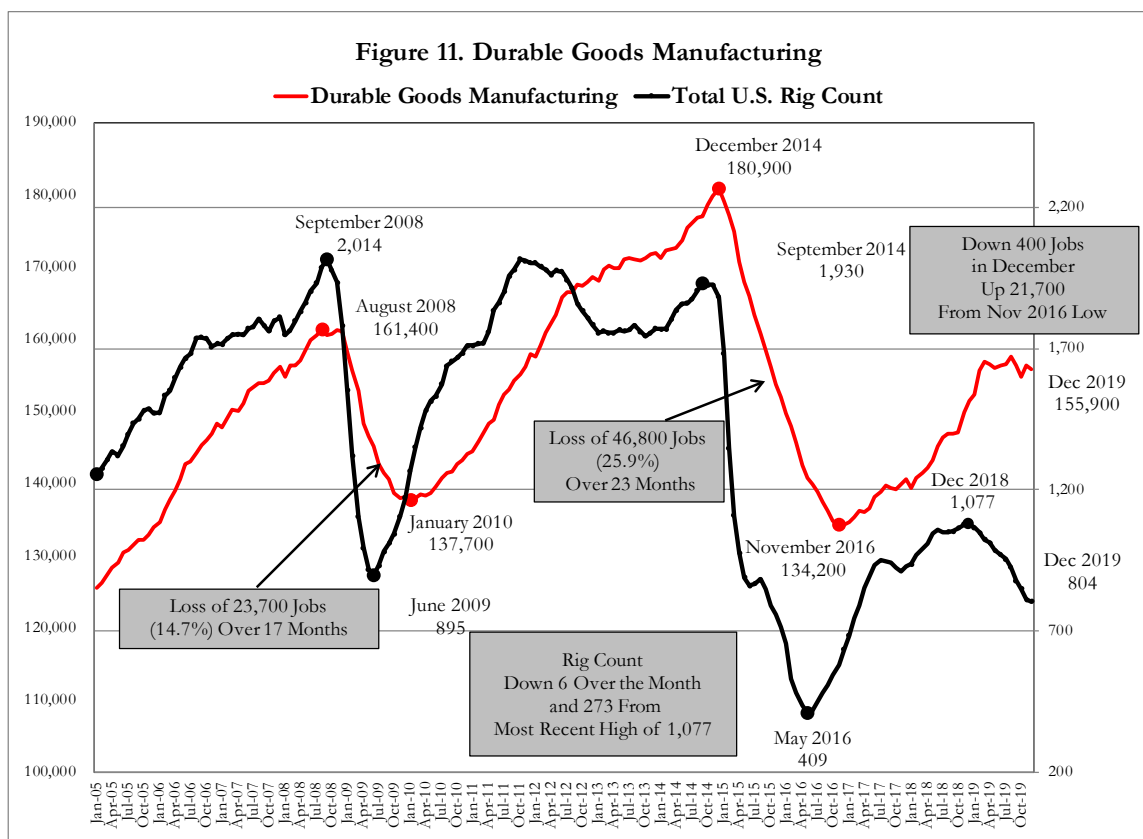


Manufacturing payrolls were down 500 jobs in December. Most of the loss was in Durable Goods Manufacturing where payrolls incurred a net loss of 400 jobs. Within Durable Goods Manufacturing, Fabricated Metal Product Manufacturing was hardest hit reducing payrolls by 800 jobs percent due to declining demand from the energy sector.

The pace of job growth in Manufacturing fell for the fourth consecutive month to 2.8 percent, up 6,700 jobs. Most of the job growth was in Durable Goods Manufacturing, up 4,500 jobs or 3.0 percent. Employment in Durable Goods Manufacturing peaked in August 2019 and have since declined a total of 1,800 jobs, see figure 11. A closer look shows the pace of job growth in Fabricated Metal Product Manufacturing falling sharply in recent months from a peak of 12.9 percent in March 2019, up 6,600 jobs over the year, to a mere 0.3 percent, up 300 jobs over the year. Growth in Agriculture, Construction, and Mining, Machinery Manufacturing has also stalled in recent months driving the pace of job growth down more than two percentage points from 7.0 percent in August 2019 to 4.9 percent, up 1,500 jobs over the year.

The pace of job growth in Non-durable Goods Manufacturing rose to 2.6 percent in December representing an increase of 2,200 jobs over the year. Job gains were largely driven by an increase of 2,000 jobs in Petroleum and Coal Products Manufacturing.

The Houston Purchasing Managers Index was 47.4 in December 2019, up slightly from 46.9 in November. The Houston PMI indicates likely shifts in production three or four months in advance. Readings over 50 generally indicate production expansion over the near term, while readings below 50 show coming contraction.



Trade Transportation, Warehousing & Utilities added 7,000 over the month. The 1.6 percent increase was the strongest for the month of December since 2014. Most of the job gains were tied to increased activity related to the holiday season. The largest number of jobs were trade related with Retail Trade up 2,400 jobs and Wholesale Trade up 1,300 jobs. Transportation, Warehousing, and Utilities was up 3,300 jobs.

The pace of job growth in Trade, Transportation, Warehousing & Utilities rose one-half of a percentage point to 1.6 percent, up 10,400 jobs over the year. Year-over-year losses in Retail Trade continued to improve in December with payrolls down a mere 100 jobs. Several areas of retail trade continued to report substantial declines with Building Material and Garden Equipment and Supplies Dealers and Clothing and Clothing Accessories Stores down 800 jobs each and General Merchandise Stores down 600 jobs. While Wholesale Trade managed a net increase of 3,200 jobs or 1.9 percent over the year, the Merchant Wholesalers of Nondurable Goods sub sector was reporting a loss of 1,200 or 2.2 percent.

Strongest growth in the super sector was in Transportation, Warehousing, and Utilities, up 7,300 jobs or 4.6 percent over the year. While much of the detailed data within Transportation, Warehousing, and Utilities is not available, Truck Transportation was responsible for the largest portion of the increase, up 1,500 jobs or 5.3 percent over the year. Pipeline Transportation was reporting a slight loss of 300 jobs.

Information payrolls were unchanged in December and down 1,900 jobs or 6.0 percent over the year. Some forty-three percent of the MSA's employment in Information resides in Telecommunications where payrolls were down 400 jobs or 3.0 percent over the year. The remainder of the declines were in areas such as newspaper and periodical publishing, software publishing, motion picture and sound recording, and data processing hosting and related services. The Information super sector continues to suffer from declines over the long term due to several issues including, but not limited to, automation, growth in wireless communications, and changes in customers demand and access to media.

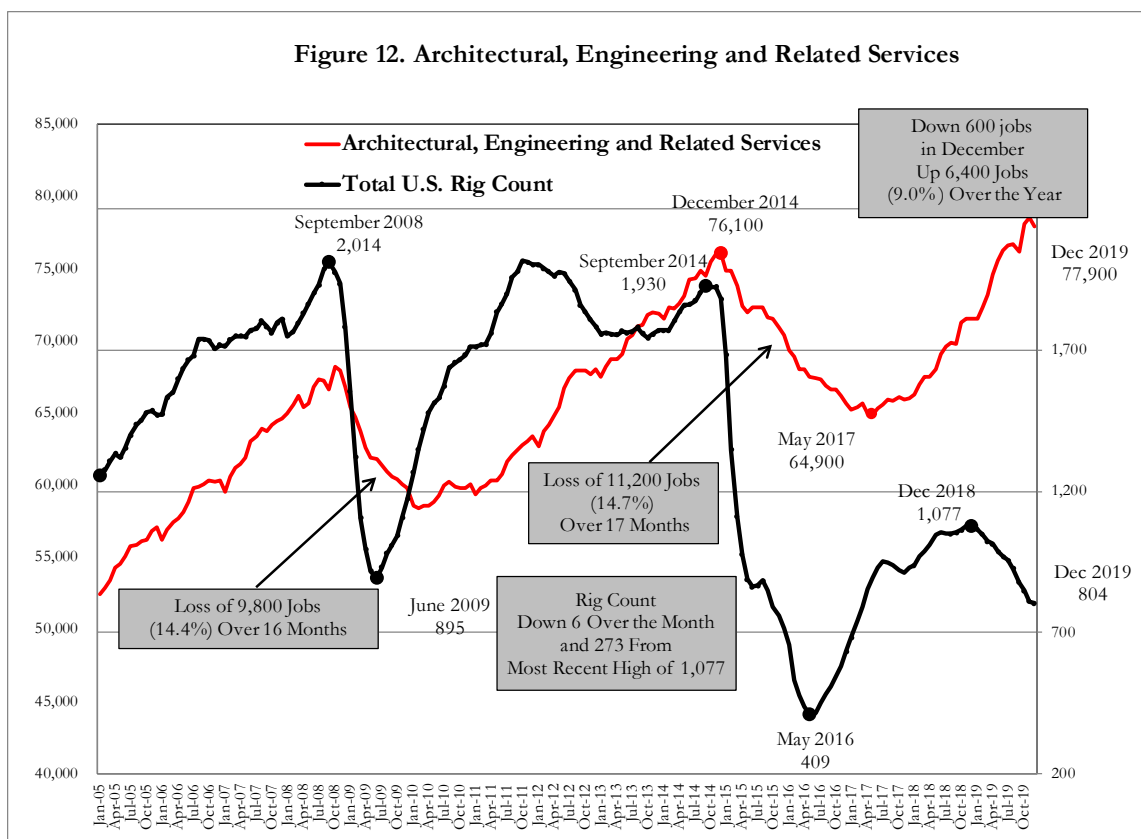
Financial Activities payrolls changed very little in December netting an increase of 200 jobs.

Financial Activities added 4,000 jobs over the year. The pace of job growth in the super sector has risen steadily over recent months to 2.4 percent, up from a low of 0.5 percent in April. Job gains were widespread with the largest number of new jobs tied to Finance and Insurance with gains found across all sub sectors, up 2,300 jobs or 2.2 percent. Real Estate and Rental and Leasing was up 1,700 jobs or 2.8 percent.

November's preliminary estimates indicating **Professional and Business Services** incurred a loss of 1,900 jobs were sharply reduced to reflect a loss of only 200 jobs. Preliminary estimates for December are currently indicating the super sector incurred a loss of 3,600 jobs, down 0.7 percent. The largest contributor to the loss was Employment Services, down 2,300 jobs, followed by Services to Buildings and Dwellings, down 900 jobs.

Professional and Business Services was the largest contributor to over-the-year job growth in the H-W-S MSA, up 26,300 jobs or 5.3 percent. Job gains were found across most sectors with strongest growth found in Architectural, Engineering, and Related Services, up 6,400 jobs or 9.0 percent, and Computer Systems Design and Related Services, up 1,500 jobs or 4.5 percent. Declines were found in Management of Companies and Enterprises, down 600 jobs or 1.3 percent, and Employment Services, down 1,600 jobs or 1.9 percent.

Note: The accuracy of overall growth in the super sector is uncertain considering 2018 job growth estimates were cut in half with the release of benchmark revisions in March 2019. Growth estimates for Professional and Business Services continued to be strong throughout 2019 and will likely see downward revisions with the upcoming release of benchmark revisions in March.



Education and Health Services was down 1,800 in December. A loss of 1,600 jobs in Health Care and Social Assistance was primarily responsible for the decline.

Education and Health Services added 10,300 jobs over the year in December with the pace of job growth falling slightly from 2.8 percent to 2.6 percent. Job gains were found across all industry sectors. Most of the growth was in Health Care and Social Assistance, up 8,500 jobs or 2.5 percent over the year. Within Health Care and Social Assistance, Ambulatory Health Care Services was the largest contributor to growth, up 6,300 jobs or 3.9 percent. The pace of job growth in Educational Services was 2.9 percent representing an increase of 1,800 jobs.

Leisure and Hospitality added 1,100 jobs over the month driven by an increase in Food Services and Drinking Places, up 1,200 jobs.

Leisure and Hospitality added 4,800 jobs over the year with the pace of job growth at 1.5 percent. Most of new jobs were created in Food Services and Drinking Places, up 3,900 jobs or 1.5 percent.

Other Services added 1,400 jobs over the month, up 1.2 percent. 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 added 9,700 jobs over the year, up 8.6 percent. Note: Other Services is another super sector where job growth is believed to be overestimated with downward revisions expected with the release of benchmark revisions in March 2020.

Government payrolls changed very little in December adding 400 jobs driven by gains in Local Government. Federal and State Government payrolls were unchanged over the month.

Government added 4,100 jobs over the year with the pace of job growth at 1.0 percent. Federal Government reported the strongest growth, up 700 jobs or 2.3 percent. The largest increase was in Local Government, up 2,500 jobs or 0.8 percent, followed by State Government, up 900 jobs or 1.0 percent.

NONAGRICULTURAL EMPLOYMENT				Month Change		Year Change	
Houston-The Woodlands-Sugar Land MSA	DEC 2019	NOV 2019	DEC 2018	Net	Percent	Net	Percent
Total Nonfarm	3,225,700	3,223,200	3,137,700	2,500	0.1%	88,000	2.8%
.Total Private	2,799,500	2,797,400	2,715,600	2,100	0.1%	83,900	3.1%
.Goods Producing	560,000	562,200	539,700	-2,200	-0.4%	20,300	3.8%
...Mining, Logging and Construction	317,500	319,200	303,900	-1,700	-0.5%	13,600	4.5%
....Mining and Logging	85,300	86,400	81,000	-1,100	-1.3%	4,300	5.3%
.....Oil and Gas Extraction	40,000	39,700	36,700	300	0.8%	3,300	9.0%
.....Support Activities for Mining	41,600	42,900	43,200	-1,300	-3.0%	-1,600	-3.7%
...Construction	232,200	232,800	222,900	-600	-0.3%	9,300	4.2%
.....Construction of Buildings	53,100	52,100	56,200	1,000	1.9%	-3,100	-5.5%
.....Heavy and Civil Engineering Construction	59,200	59,900	54,800	-700	-1.2%	4,400	8.0%
.....Specialty Trade Contractors	119,900	120,800	111,900	-900	-0.7%	8,000	7.1%
...Manufacturing	242,500	243,000	235,800	-500	-0.2%	6,700	2.8%
...Durable Goods	155,900	156,300	151,400	-400	-0.3%	4,500	3.0%
....Fabricated Metal Product Manufacturing	55,700	56,500	55,400	-800	-1.4%	300	0.5%
....Machinery Manufacturing	50,200	49,700	47,100	500	1.0%	3,100	6.6%
....Agriculture, Construction, and Mining Machinery Manufacturing	32,400	32,300	30,900	100	0.3%	1,500	4.9%
....Computer and Electronic Product Manufacturing	13,500	13,400	13,500	100	0.7%	0	0.0%
...Non-Durable Goods	86,600	86,700	84,400	-100	-0.1%	2,200	2.6%
....Petroleum and Coal Products Manufacturing	12,000	11,900	10,000	100	0.8%	2,000	20.0%
....Chemical Manufacturing	40,600	40,400	40,100	200	0.5%	500	1.2%
.Service-Providing	2,665,700	2,661,000	2,598,000	4,700	0.2%	67,700	2.6%
.Private Service Providing	2,239,500	2,235,200	2,175,900	4,300	0.2%	63,600	2.9%
..Trade, Transportation, and Utilities	655,100	648,100	644,700	7,000	1.1%	10,400	1.6%
...Wholesale Trade	175,800	174,500	172,600	1,300	0.7%	3,200	1.9%
....Merchant Wholesalers, Durable Goods	108,200	107,000	107,400	1,200	1.1%	800	0.7%
.....Professional and Commercial Equipment and Supplies Merchant Wholesaler	18,700	18,700	17,900	0	0.0%	800	4.5%
....Merchant Wholesalers, Nondurable Goods	52,900	53,500	54,100	-600	-1.1%	-1,200	-2.2%
...Retail Trade	314,500	312,100	314,600	2,400	0.8%	-100	0.0%
....Motor Vehicle and Parts Dealers	42,500	42,400	41,600	100	0.2%	900	2.2%
....Building Material and Garden Equipment and Supplies Dealers	20,700	21,000	21,500	-300	-1.4%	-800	-3.7%
....Food and Beverage Stores	68,000	67,800	66,600	200	0.3%	1,400	2.1%
....Health and Personal Care Stores	20,100	19,900	20,000	200	1.0%	100	0.5%
....Clothing and Clothing Accessories Stores	32,700	31,100	33,500	1,600	5.1%	-800	-2.4%
....General Merchandise Stores	65,000	64,600	64,900	400	0.6%	100	0.2%
.....Department Stores	23,500	22,800	22,800	700	3.1%	700	3.1%
.....General Merchandise Stores, including Warehouse Clubs and Supercenters	41,500	41,800	42,100	-300	-0.7%	-600	-1.4%
...Transportation, Warehousing, and Utilities	164,800	161,500	157,500	3,300	2.0%	7,300	4.6%
....Utilities	17,100	17,100	17,000	0	0.0%	100	0.6%
.....Air Transportation	20,000	19,900	19,700	100	0.5%	300	1.5%
.....Truck Transportation	29,700	29,800	28,200	-100	-0.3%	1,500	5.3%
.....Pipeline Transportation	10,800	10,800	11,100	0	0.0%	-300	-2.7%
..Information	29,900	29,900	31,800	0	0.0%	-1,900	-6.0%
...Telecommunications	13,000	12,900	13,400	100	0.8%	-400	-3.0%
..Financial Activities	168,100	167,900	164,100	200	0.1%	4,000	2.4%
...Finance and Insurance	105,500	105,300	103,200	200	0.2%	2,300	2.2%
....Credit Intermediation and Related Activities including Monetary Authorities -	45,400	45,100	44,600	300	0.7%	800	1.8%
.....Depository Credit Intermediation including Monetary Authorities - Central B	30,000	29,800	29,200	200	0.7%	800	2.7%
....Financial Investments and Related Activities including Financial Vehicles	22,000	22,000	21,400	0	0.0%	600	2.8%
....Insurance Carriers and Related Activities	38,100	38,200	37,200	-100	-0.3%	900	2.4%
...Real Estate and Rental and Leasing	62,600	62,600	60,900	0	0.0%	1,700	2.8%

NONAGRICULTURAL EMPLOYMENT				Month Change		Year Change	
Houston-The Woodlands-Sugar Land MSA	DEC 2019	NOV 2019	DEC 2018	Net	Percent	Net	Percent
..Professional and Business Services	526,800	530,400	500,500	-3,600	-0.7%	26,300	5.3%
...Professional, Scientific, and Technical Services	255,500	255,200	231,500	300	0.1%	24,000	10.4%
.....Legal Services	26,800	26,700	26,300	100	0.4%	500	1.9%
.....Accounting, Tax Preparation, Bookkeeping, and Payroll Services	26,500	25,900	26,300	600	2.3%	200	0.8%
.....Architectural, Engineering, and Related Services	77,900	78,500	71,500	-600	-0.8%	6,400	9.0%
.....Computer Systems Design and Related Services	35,000	35,100	33,500	-100	-0.3%	1,500	4.5%
...Management of Companies and Enterprises	46,700	46,800	47,300	-100	-0.2%	-600	-1.3%
...Administrative and Support and Waste Management and Remediation Services	224,600	228,400	221,700	-3,800	-1.7%	2,900	1.3%
.....Administrative and Support Services	211,200	215,200	209,700	-4,000	-1.9%	1,500	0.7%
.....Employment Services	80,700	83,000	82,300	-2,300	-2.8%	-1,600	-1.9%
.....Services to Buildings and Dwellings	49,400	50,300	48,800	-900	-1.8%	600	1.2%
..Education and Health Services	408,900	410,700	398,600	-1,800	-0.4%	10,300	2.6%
...Educational Services	63,800	64,000	62,000	-200	-0.3%	1,800	2.9%
...Health Care and Social Assistance	345,100	346,700	336,600	-1,600	-0.5%	8,500	2.5%
.....Ambulatory Health Care Services	167,800	167,800	161,500	0	0.0%	6,300	3.9%
.....Hospitals	88,700	88,100	86,900	600	0.7%	1,800	2.1%
..Leisure and Hospitality	328,300	327,200	323,500	1,100	0.3%	4,800	1.5%
...Arts, Entertainment, and Recreation	34,000	34,100	33,800	-100	-0.3%	200	0.6%
...Accommodation and Food Services	294,300	293,100	289,700	1,200	0.4%	4,600	1.6%
.....Accommodation	29,000	29,000	28,300	0	0.0%	700	2.5%
.....Food Services and Drinking Places	265,300	264,100	261,400	1,200	0.5%	3,900	1.5%
..Other Services	122,400	121,000	112,700	1,400	1.2%	9,700	8.6%
..Government	426,200	425,800	422,100	400	0.1%	4,100	1.0%
...Federal Government	30,600	30,600	29,900	0	0.0%	700	2.3%
...State Government	87,700	87,700	86,800	0	0.0%	900	1.0%
.....State Government Educational Services	51,500	51,500	50,900	0	0.0%	600	1.2%
...Local Government	307,900	307,500	305,400	400	0.1%	2,500	0.8%
.....Local Government Educational Services	216,600	216,400	215,300	200	0.1%	1,300	0.6%
UNEMPLOYMENT RATE							
H-W-S MSA	3.6	3.6	3.9				
Texas (Actual)	3.3	3.3	3.6				
United States (Actual)	3.4	3.3	3.7				

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.