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# GULF COAST WORKFORCE BOARD

**AGENDA**  
**TUESDAY, JUNE 6, 2023, AT 10:00 A.M.**  
**2<sup>ND</sup> FLOOR, 3555 TIMMONS LANE,**  
**HOUSTON, TEXAS 77027**

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

- 1. Call To Order**
- 2. Roll Call**
- 3. Adopt Agenda**
- 4. Public Comment**
- 5. Review April 2023 meeting minutes**
- 6. Declare Conflicts of Interest**
- 7. Consider Reports**
  - a. Chair's Remarks: (Chairman Mark Guthrie)
  - b. Executive Director's Report: (Staff Contact: Juliet Stipeche)
  - c. H-GAC Internal Audit Department: Pre-Award Process Overview (Staff Contact: Charles Hill)
  - d. By-laws Committee: Briefing on the committee's May meeting (Chair Dr. Michael Webster)
  - e. Strategic Planning Committee: Briefing on the committee's May meeting (Chair Carl Bowles)
  - f. Education Committee: Briefing on the committee's May meeting (Chair Dr. Bobbie Henderson)

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- g. Employer Engagement: Briefing on the committee's May meeting (Chair Sara Bouse)
  - h. Communications: Briefing on the committee's May meeting (Chair Doug Karr)
  - i. Audit and Monitoring Committee: Briefing on the committee's May meeting (Chair Guy Jackson)
  - j. Procurement Committee: Briefing on the committee's May meeting (Chair Dr. Bobbie Henderson)

## 8. Take Action

- a. Approval of Revised By-laws (Staff Contact: Rebecca Neudecker)
- b. Approval of Adult Education and Literacy Consortium Contracts for 2023-2024 (Staff Contact: Danielle Knotts)
- c. Approval of Service Provider for Child Care Expansion Grant (Staff Contact: Kristi Rangel)
- d. Approval of Equus Support Center Contract Amendment (Staff Contact: Kristi Rangel)
- e. Approval of Criteria for Texas Industry Partnership and High Demand Job Training Grant Applications (Staff Contact: Crosby Brito)

## 9. Information

- a. Performance and Production: Report on the system's performance and production (Staff Contact: Rebecca Neudecker)
- b. Expenditures: Report on the Board's budget and expenditures (Staff Contact: AJ Dean)
- c. Communications: A review of our media outreach activities (Staff Contact: Michelle Castrow)

## 10. Look at the Economy

Update on the Labor Market (Staff Contact: Parker Harvey)

## 11. Other Business

## 12. Adjourn

If you wish to make a public comment you may appear in person or do so by providing your comments in writing no later than 5:00 pm on **Monday, June 5, 2023**, to Deborah Duke at [deborah.duke@wrksolutions.net](mailto:deborah.duke@wrksolutions.net).

Meeting materials are available on our website at [www.wrksolutions.com/about-us/meetings](http://www.wrksolutions.com/about-us/meetings).

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

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

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

**Equal opportunity is the law.**

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**MINUTES OF MEETING OF  
THE GULF COAST WORKFORCE BOARD  
TUESDAY, APRIL 4, 2023**

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**MEMBERS PRESENT**

Peter Beard	Guy Robert Jackson	Paul Puente
Sara Bouse	Doug Karr	Monica Riley
Carl Bowles	Jeff LaBroski	Mou Sarkar
Helen Cavazos	Shareen Larmond	Valerie Segovia
Anthony Gay	Michael Love	Richard Shaw
Melissa Gonzalez	Jonathan Lowe	Gil Staley
Cheryl Guido	Rajen Mahagaokar	Katherine Taylor
Mark Guthrie	Edward Melton	Carolyn Watson
Bobbie Henderson	Margaret Oser	Michael Webster
Alan Heskamp	Adrian Ozuna	

**H-GAC STAFF PRESENT**

Ron Borski	Philip Garcia	Trudy Ray
Michelle Castrow	Rick Guerrero	Juliet Stipeche
AJ Dean	Parker Harvey	Chuck Wemple
Deborah Duke	Rebecca Neudecker	

Chair Mark Guthrie called the in-person meeting of the Gulf Coast Workforce Board to order at approximately 10:00 a.m., on Tuesday, April 4, 2023. Deborah Duke called roll to determine a list of members present. Chair Guthrie determined a quorum was present.

**ADOPTION OF AGENDA**

Chair Guthrie presented the agenda and requested that it be amended to reflect approval of February 2023 meeting minutes. A motion was made and seconded to adopt the amended agenda. The motion carried, and the agenda was adopted as amended.

**PUBLIC COMMENT**

Ms. Jarale Jones, Genesys Works' senior manager of workforce initiatives, provided an overview of the commendable pre-apprenticeship programs targeting

young adults aged 18 to 24. She expressed sincere gratitude to the Board for its support and extended special recognition to Workforce Solutions' Talent Development team for its invaluable contributions in establishing and maintaining these programs. Ms. Jones emphasized the significance of our collaborative partnership in effectively serving the needs of youth and young adults.

Mr. Ken Morris, the Director of the Bay Area Houston Advanced Technology Consortium (BayTech), commented on BayTech's grant from the Texas Investment Council in 2021 which was designated for a project focused on training aerospace technicians and facilitating their seamless integration into aerospace companies within the Gulf Coast region. Mr. Morris underscored the pivotal role played by the Workforce Solutions' Talent Development team in the resounding success of this grant initiative, expressing sincere appreciation for their unwavering support and partnership. Mr. Morris also reaffirmed BayTech's commitment to future collaborations with the Talent Development team, recognizing its expertise and instrumental contribution to the consortium's ongoing endeavors.

### **MINUTES FROM FEBRUARY 7, 2023 MEETING**

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

### **DECLARE CONFLICTS OF INTEREST**

Chair Guthrie invited Board members to disclose any conflicts of interest related to today's action items on the agenda. No conflicts were reported then. Chair Guthrie reminded members that they could also declare any conflicts with items as they were taken up, ensuring transparency and accountability throughout the decision-making process.

### **CONSIDER REPORTS**

#### *a. Chair's Report.*

Chair Guthrie provided a comprehensive report on recent activities and conferences he attended pertinent to workforce development. In March 2023, he participated in the National Association of Workforce Boards (NAWB) Forum in Washington, DC. The forum centered on the theme of "Leadership" and 1,500 people from across the country, including Dr. Bobbie Henderson and several Board staff and contractors.

While at the NAWB forum, Chair Guthrie participated in a panel discussion focused on effective workforce board members. He also received very positive feedback from forum attendees about a panel presentation including Michelle Castrow on

storytelling strategies for workforce boards. Both presentations were well-attended.

Several noteworthy highlights emerged from the forum, including insights shared during a panel session on employer services. The panelists emphasized the importance of business consultants possessing a deep understanding of an employer's operations in order to propose viable solutions to that employer's needs. They emphasized the need for the business consultants to be proactive in providing solutions, including attending employer meetings with well-defined plans and solutions. The panel also stressed the significance of directing attention to small and medium-sized employers who may lack extensive human resources departments or comprehensive training programs.

In another panel session centered on alternative energy, Chair Guthrie learned that the Department of Energy anticipates the creation of approximately nine million jobs within the next decade in the areas of clean manufacturing, clean transportation, and utilities. These job opportunities, arising from recent federal Jobs Act legislation, federal infrastructure funding, and other federal initiatives, span various sectors such as IT, construction, and engineering. Many of these positions do not require a four-year degree, presenting a significant opportunity for our residents and workforce system. Chair Guthrie emphasized the importance of considering the regional workforce pipeline in anticipation of these forthcoming alternative energy jobs. The panel also lauded an energy industry fundamentals curriculum developed by the Center for Energy Industry Workforce Development, prompting Chair Guthrie to request a review of the curriculum by the Board staff.

During a session on cultivating a diverse workforce, led by former U. S. Assistant Secretary of Labor Jane Oates, the discussion emphasized that diversity, equity, and inclusion (DEI), should extend to older workers who have yet to reenter the workforce after the impact of COVID-19. The panel also highlighted projected nationwide unfilled manufacturing job vacancies of 2.1 million by 2030. Additionally, the session addressed the potential role of adult education services in providing education and training opportunities for refugees and identified areas where the present services provisions may fall short.

In a federal policy session, an organization called Lightcast projected labor shortages persisting through the 2100s. Discussions also touched upon the potential consideration by the House of legislation reauthorizing of the Workforce Innovation and Opportunity Act (WIOA) in late summer or early fall. Chair Guthrie acknowledged that these timelines are delayed, cautioning that the legislation might face challenges due to significant differences in opinion between Republicans and Democrats regarding what a reauthorization of WIOA should look like. Notwithstanding, proposals with bipartisan support, such as allowing Pell grants for short-term training, hold a higher likelihood of being included.

Dr. Bobbie Henderson expressed enthusiasm for the forum sessions she attended and urged the Board staff to present more opportunities of a similar nature.

Turning attention to Texas, Chair Guthrie reported attending the Texas Association of Workforce Boards (TAWB) meetings in Austin in February, accompanied by Guy Jackson and Juliet Stipeche. During the meetings, Mr. Jackson skillfully led a panel discussion on legislative matters, effectively representing the Gulf Coast region.

Chair Guthrie briefly updated the Board on additional activities during the TAWB meetings, highlighting the commendable efforts of TAWB in diligently tracking the abundance of filed legislation during the session. He mentioned House Bill 3203, which proposed subjecting the state's 28 workforce boards to sunset review but without provisions for workforce board dissolution similar to state agencies. The bill was referred to the House Committee on International Relations and Economic Development, with no scheduled hearings as of yet. Chair Guthrie also mentioned a bill aimed at increasing child care representation on workforce boards, which also was referred to the House Committee on International Relations and Economic Development.

Notably, Chair Guthrie reported that in mid- March, he and Juliet Stipeche provided invited resource testimony about workforce boards before the House Committee on International Relations and Economic Development. During his testimony, Chair Guthrie underscored the already robust oversight in place for workforce boards. He commended Ms. Stipeche for her testimony about Board operations and child care. During the same Austin trip, Chair Guthrie and Ms. Stipeche attended a Texas Workforce Commission meeting and had a productive meeting afterwards with Alberto "Albert" Trevino, the newest Texas Workforce Commissioner representing Labor, and his team.

Regarding local matters, Chair Guthrie provided an update on ongoing revisions to the by-laws and discussions surrounding the current partnership agreement with H-GAC Board. He mentioned that Dr. Michael Webster, the Chair of the By-laws Committee, would present a comprehensive committee report later in the meeting.

Chair Guthrie concluded his report and no action was taken.

*b. Executive Director's Report.*

Executive Director Juliet Stipeche delivered several important updates during the meeting. Firstly, she informed the Board that an onsite Department of Labor audit was currently underway, with expectations for it to continue for another week. She



commended Board staff for the hard work in preparing and participating in the audit.

Ms. Stipeche further reported that an extension has been secured for residual funds allocated in response to Covid-19 and winter storm Yuri. This extension has enabled collaborative efforts with partners through the Talent Development department, effectively utilizing these funds to empower customers by providing them with valuable educational opportunities.

In addition, Ms. Stipeche shared the outcomes of a recent employer survey conducted by Savage Brands. The survey indicated a favorable perception of our organization, with more respondents expressing positive views compared to negative ones. The survey results also provided valuable insights that can be leveraged to further enhance our services and strategic direction.

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

*c. Audit and Monitoring Committee*

Committee Chair Guy Robert Jackson provided the following report.

The Audit and Monitoring Committee met on March 30, 2023, at 1:00 p.m. Members present included Guy Robert Jackson (Chair), Carl Bowles (Vice Chair), Sara Bouse, Helen Cavazos, Cheryl Guido, Doug Karr, and Mark Guthrie (Board Chair).

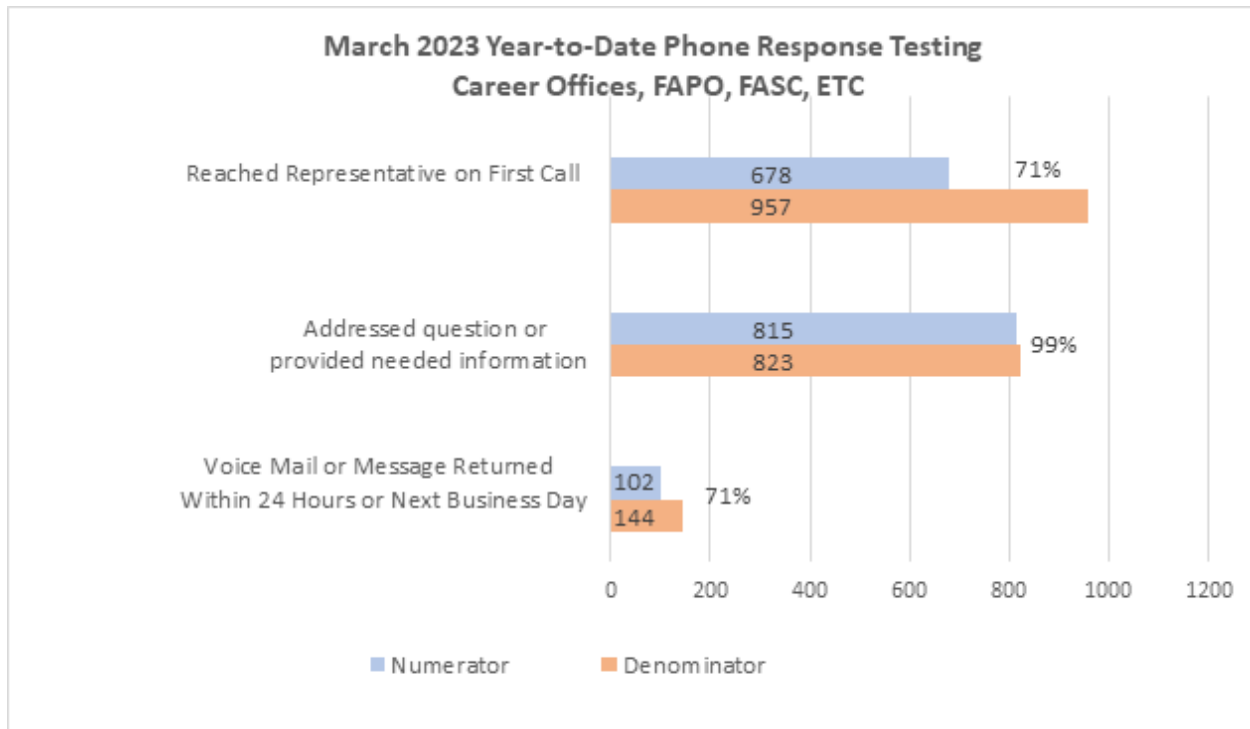
The Committee received information regarding a system-level review performance/production and expenditures and a contractor-level review of performance/production and expenditures.

**Customer Experience and Satisfaction**

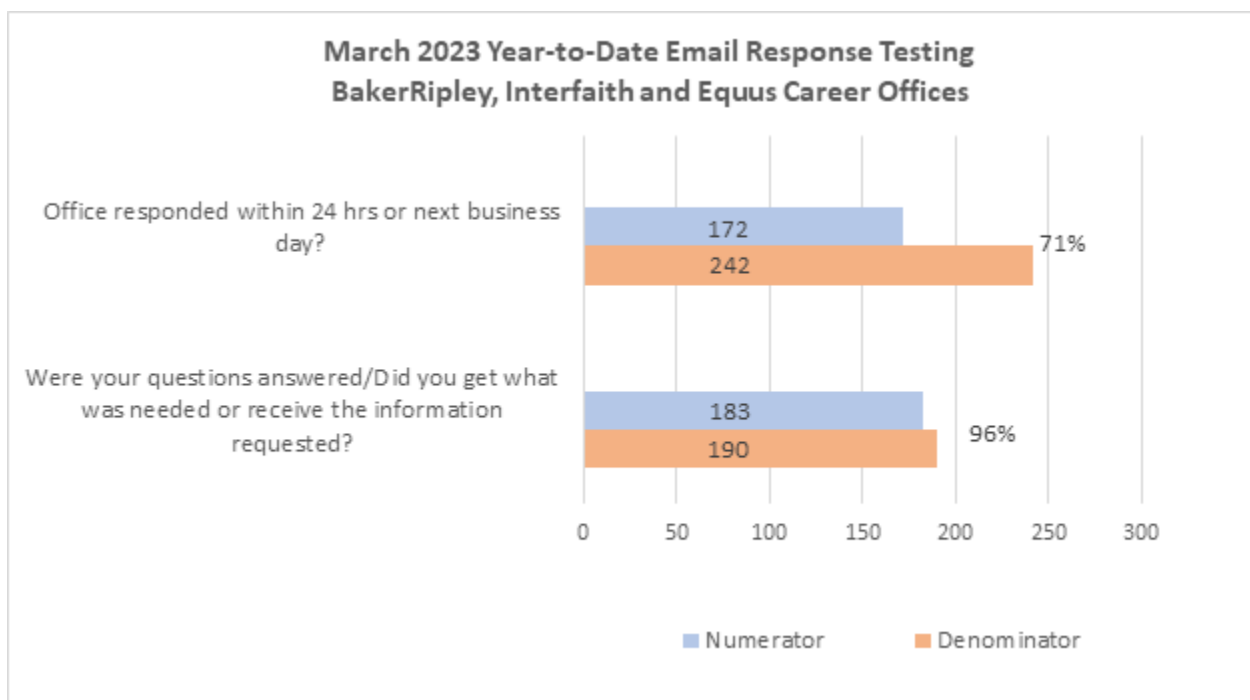
The Committee received information regarding the staff's testing of our system's customer experience for employers and individuals through phone and email contacts, as well as customer satisfaction.

Voice mail responses within 24 hours in March 2023 decreased slightly to 71% from 72% in February but increased from 70% in January. One provider had phone

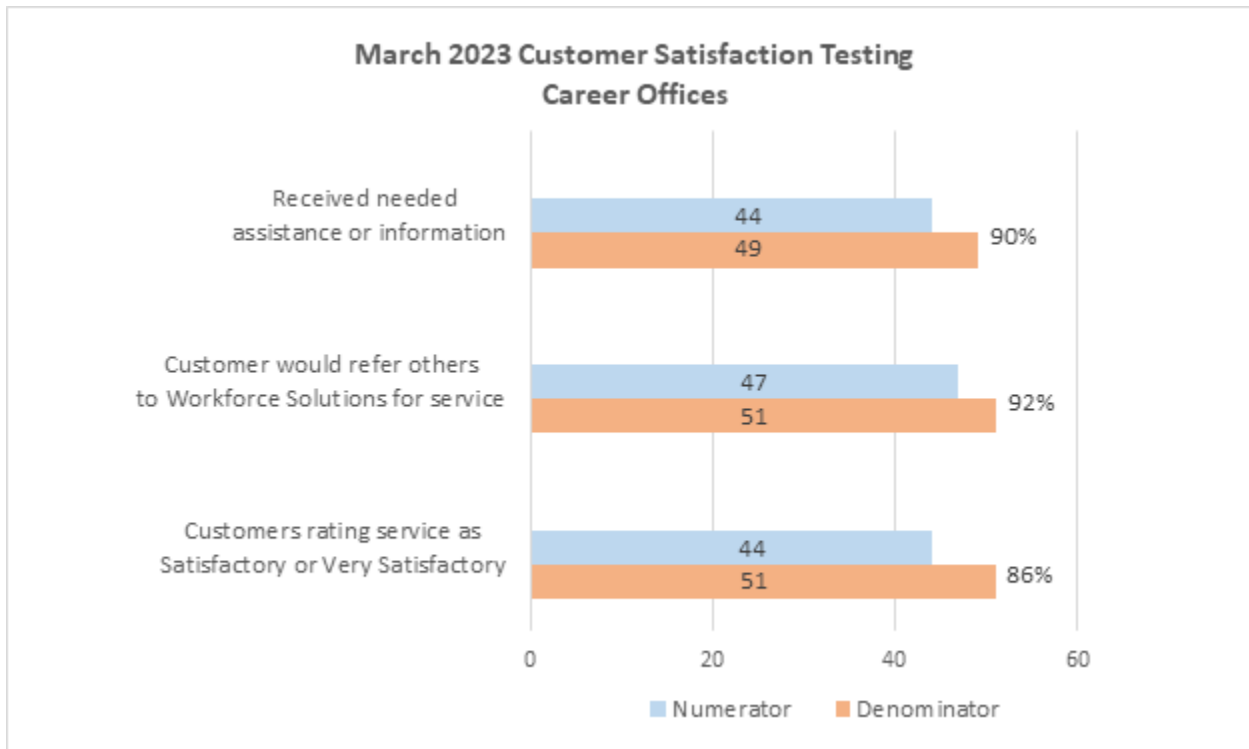
system issues that they were unaware of, which impacted their responsiveness. Results are shown below.



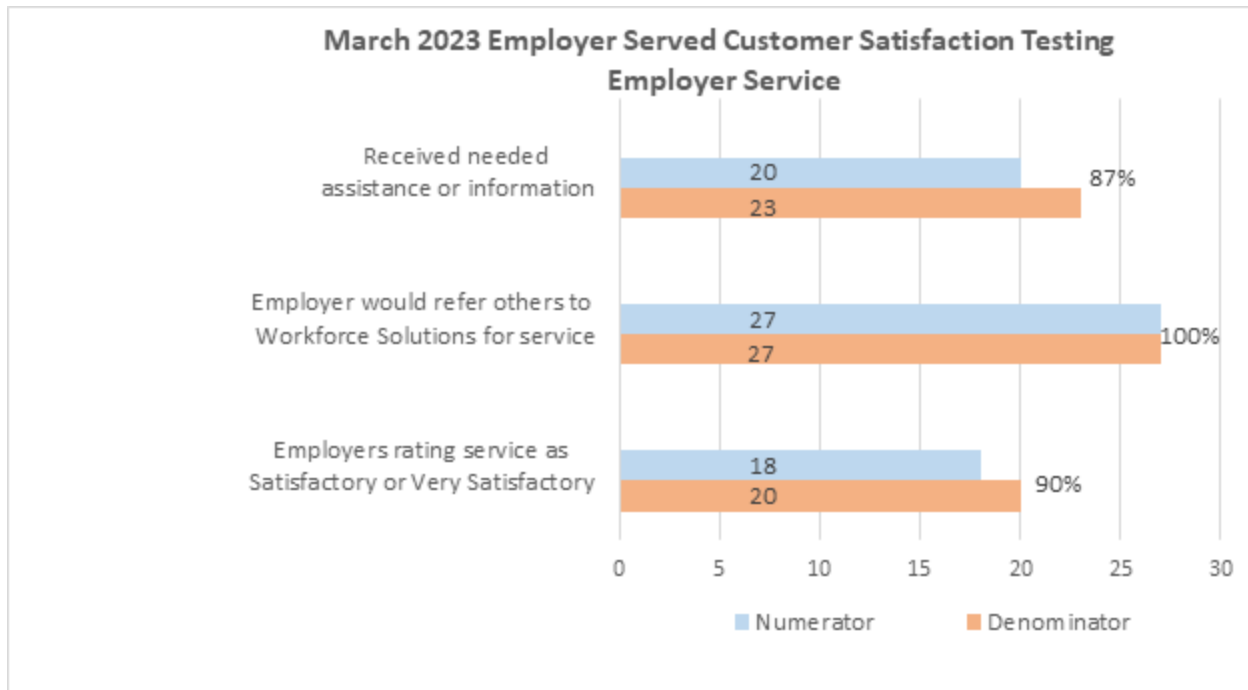
Staff tested the responsiveness of the career offices to emails sent to the career office email address found on Wrksolutions.com. The responses were good, but improvement is needed to ensure a customer receives an email response within 24 hours. Results are shown below.



Customer satisfaction is a relatively new area of monitoring. From a list of 133 customers receiving a service through a career office in March 2023, staff spoke with 51 customers. Results are shown below.



Staff called 57 employers who interacted with Employer Service in the last three months and were able to talk with 20 employers. Results are shown below.



### Technical Program Compliance

Staff issued the final reports for the 2022 program year for Equus, Interfaith of the Woodlands, and BakerRipley's career office operations, and Interfaith of the Woodlands' operation of the Financial Aid Support Center. Each provider has addressed all findings noted during the reviews.

Staff also issued a final report for the 2022 program year for the Association for the Advancement of Mexican Americans, an adult education service provider. There were no significant findings noted during the review.

Draft reports for the 2022 program year are pending for Adult Education providers: Brazosport College, Chinese Community Center, Lone Star College, and San Jacinto College. Staff will have the final reports for all adult education service providers ready for the May 2023 committee meeting.

### Financial Systems and Issues

BakerRipley's Adult Education and Financial Aid Payment Office financial monitoring identified no findings. Financial monitoring for Interfaith of the Woodlands' Career Offices and Financial Aid Support Center had no significant findings identified.

Financial monitoring for adult education providers identified the following disallowed costs, which have all been reimbursed to the Workforce Board:

- Adult Education Center -- \$3,707.00
- Alliance for Multicultural Community Services -- \$4,268.82
- Association for the Advancement of Mexican Americans -- \$4,831.00

- Lone Star College -- \$1,688

**Update on Adaptive Construction Solutions (ACS):**

Staff have offered ACS ongoing technical support and placed them on a mandatory financial management plan. Staff recently issued a final correspondence to ACS regarding their financial monitoring for 2022, which outlined 1) significant questions and disallowed costs and 2) a question of a conflict of interest. That correspondence took the position that ACS had a total of \$967,007.05 in disallowed costs related to documentation and internal controls required by OMB Uniform Guidance standards. On March 14, 2023, ACS submitted a dispute letter to H-GAC's Executive Director, Chuck Wemple, regarding the disallowed costs finding which is currently under review and the amount of disallowed costs could change as a result of that review.

Mr. Wemple provided an update on the review of ACS' formal dispute of the disallowed cost determination. Mr. Wemple and H-GAC Chief Financial Officer, Nancy Haussler, met with ACS leadership on March 23, 2023 to discuss the process for addressing the dispute. That process will involve a careful review of all back up documentation used in calculating the disallowed costs with an independent review involving the H-GAC's internal audit team, H-GAC's finance team, and H-GAC's external auditor. Mr. Wemple noted that the review should be concluded by the end of April 2023, and in the meantime, we are moving forward on a negotiating a contract amendment with ACS, and ACS's requests for cost reimbursements are being reviewed carefully with increased scrutiny.

Chair Jackson continued his report, with the assistance of Board staff, as follows:

**Corrective Action and Technical Assistance Plans**

In April 2022, Harris County Department of Education (HCDE) and Houston Community College (HCC) were placed on corrective action plans to address data integrity and accuracy. HCC continues to work with Region 6 to improve.

On March 13, 2023, HCDE was notified via correspondence of continued programmatic and operational concerns after ten months of being on a corrective action plan. Additionally, it was made aware of novel issues concerning staff professional development data entry and programmatic processes related to Texas Educating Adults Management System (TEAMS). Staff offered recommendations for immediate process changes to be implemented by March 31, 2023. Staff met with the HCDE Superintendent and the Assistant Superintendent of Education and Enrichment to discuss the ongoing issues in person. The HCDE Superintendent verbally committed to provide the deliverables, enhance our working relationship, and focus on improvement.

In October 2022, Equus began their contract to oversee the Financial Aid Support Center. From October to December 31, 2022, the previous contractor, Interfaith of the Woodlands, provided Equus with technical assistance and support to assist with the transition. After a series of site visits, Board staff identified areas of concern and improvements needed by the Support Center management. On February 2, 2023, a meeting was held with Lisa Boyd, Regional Vice President of Equus, to address concerns regarding data reporting, data management, system failures, staffing issues, and the unwelcoming culture and climate. Board staff and H-GAC's Executive Director Chuck Wemple set directives and expectations for the Support Center. Ms. Boyd was receptive and responsive regarding the support center's administrative staff's performance issues.

In the following weeks, additional staffing, technology, and technical support were provided to the Support Center by Board staff. Unfortunately, the performance of the administrative staff and the support center culture has not improved. During a March 21, 2023, meeting, Board staff advised Ms. Boyd of the ongoing issues and a failure to improve. In the follow-up meeting set with Ms. Boyd, Board staff will discuss continuing issues with the Support Center and share the next steps.

We received notice from the Texas Workforce Commission of successfully completing the Choices technical assistance plan issued for workforce boards with Choices monthly participation below 50%. In October 2022, our region met the year-to-date participation requirement, and we continue to exceed the 50% target.

Dr. Henderson expressed frustration with the Support Center contractor's performance and called for improvement.

Mr. Karr asked if staff examined the Savage report on employers and staff's internal survey to see how we can advance our employer engagement efforts. Ms. Stipeche indicated that staff will be doing so.

In response to a question, Chair Jackson clarified that the disallowed costs in dispute with ACS related to the first year of their contract from 2021-2022.

Chair Jackson concluded his report and no action was taken.

*d. By-laws Committee Report*

Committee Chair Michael Webster provided the following By-laws Committee report. The By-laws Committee convened on March 1, 2023, to deliberate additional amendments to the by-laws, as well as the interrelation between the by-laws,

consortium, and partnership agreements established between the H-GAC Board and the Workforce Board.

During the meeting, H-GAC provided its attorneys to pertinent information and address inquiries related to the development and amendment of such documents.

Following extensive discussions, the Committee identified certain matters that require attention, such as the requirement that the H-GAC Board approve Board contracts, which extend beyond the scope of the By-laws Committee and are addressed in the existing partnership agreement between the Workforce Board and H-GAC. Charles Wemple, Executive Director of H-GAC, recommended initiating a constructive dialogue involving the H-GAC Board officers, members of the By-laws Committee, other relevant Board Committee chairs, and the Workforce Board officers.

The first of these supplementary meetings took place on March 21, 2023. During the meeting, the parties discussed developing a proposed memorandum of understanding that could serve as an addendum to the current agreement. This potential memorandum of understanding would aim to address concerns pertaining to contracts, enhance communication, and foster mutual understanding between the Board and the H-GAC Board. The further discussion of this initiative is underway, with the next meeting scheduled for April 18, 2023.

Furthermore, considering emerging changes to the by-laws since the Committee's initial assembly in November 2022, Chair Webster has requested a follow-up meeting to conclude the amendment drafting process. The next meeting of the By-laws Committee is scheduled for April 2023, with the goal of finalizing the draft by-laws for comprehensive review and approval by the entire Board during the June Board meeting.

Chair Webster concluded his report and no action was taken.

## **TAKE ACTION**

### *a. Renew G&A Payroll Processing Contract.*

Trudy Ray, manager of grants and contracts, presented a request to increase funding for G&A Payroll, the Board's payroll contractor. In fiscal year 2020, the Gulf Coast Workforce Board, through its operating affiliate, Workforce Solutions, contracted with G&A Partners (G&A) to serve as the employer of record for processing the payroll, filing taxes, and providing other functions usual and customary for payroll processing for Workforce Solutions summer jobs, recovery temporary jobs, and part-time work experience jobs.

Staff notes that G&A continues to do a good job serving as the employer of record for payrolling services for subsidized and temporary workers. Staff expects G&A to continue:

- Employing eligible individuals designated by Workforce Solutions,
- Paying wages and providing fringe benefits and insurance for these individuals, and
- Reporting timely on individuals' wages, work, and experience.

Staff recommends a budget increase of \$3,000,000.00 to the G&A contract, from \$9,000,000.00 to \$12,000,000.00 to serve 4,000 individuals at an average cost of \$3,000 per individual.

After some discussion of the proposed contract, a motion was made and seconded to approve the action as requested. The motion was approved as presented, but the vote was not unanimous.

While the item carried, the Board's questions and final vote demonstrated concerns regarding the item's presentation and lack of clarity. Staff agreed to provide additional information with respect to the item including the cost increase at the next Board meeting.

## **RECEIVE INFORMATION**

### *a. Performance and Production.*

Philip Garcia, manager of data analytics and accountability, presented Performance and Production measures October 2022 through January 2023. Mr. Garcia stated that we are working with service providers to identify areas in need of improvement in order to increase performance. We are reviewing five production measures that are not currently being met and identifying opportunities for improvement. We are also working with service providers to identify areas that are being missed as well as additional data that may need to be entered.

### *b. Expenditures*

AJ Dean, manager of finance, reviewed the Financial Status Report representing expenses for the two months ending in February 2023. He reported that we are 13% expended overall and 17% through the year. Our year-to-date revenue is just under \$58 million. Our largest category of expenditures is financial aid early education at just over \$39 million.



*c. Communications*

Michelle Castrow, senior manager of employer and community engagement, presented an update on increased social media activity as well as continuing increases in earned media coverage. Our social media channels currently have just over 22,000 followers collectively. As of December 31, 2022, our cumulative earned-media value since the onset of the pandemic now exceeds \$40 million.

**LOOK AT THE ECONOMY**

Board staff Ron Borski presented a look at annual benchmark revisions as a result of reconciling reported jobs data with payroll tax records for 2022. These revisions show an increase of 146,000 jobs over the year or about 4.6%. These revised numbers reflect that the pace of job growth is gradually declining towards pre-pandemic levels.

**OTHER BUSINESS**

Dr. Henderson congratulated Ms. Stipeche on the creation of an outstanding Early Education and Strategic Education Partnerships Division and noted that the Education Committee would be meeting soon. There was no other business to be brought before the Board.

Dr. Webster announced that Houston Community College will be hosting the Skills USA Post-Secondary competition for community colleges from across the state to compete in skills in key indicators and invited others to attend.

The Honorable Missouri City Council Member Riley thanked Mr. Wemple and his staff and the Missouri City Workforce Solutions' Office for supporting workshops for seniors at the Landmark Center at 10 a.m. every second and fourth Tuesday.

**ADJOURN**

Chair Guthrie adjourned the meeting at approximately 11:45 a.m.

# GULF COAST WORKFORCE BOARD

## **ALEXANDER, WILLIE**

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Term: January 1, 2021 thru December 31, 2022

## **ALLEN, KARLOS**

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Term: January 1, 2020 thru December 31, 2022

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Term: January 1, 2023 thru December 31, 2024

## **BEARD, PETER**

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Term: January 1, 2023 thru December 31, 2024

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Term: January 1, 2021 thru December 31, 2022

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Term: January 1, 2021 thru December 31, 2022

## **BOUSE, SARA**

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Term: January 1, 2023 thru December 31, 2024

## **BOWLES, CARL**

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Term: January 1, 2023 thru December 31, 2024

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Term: January 1, 2021 thru December 31, 2022

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Term: January 1, 2021 thru December 31, 2022

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Term: January 1, 2021 thru December 31, 2022

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Term: January 1, 2021 thru December 31, 2022

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Term: January 1, 2023 thru December 31, 2024

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Term: January 1, 2022 thru December 31, 2023

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County: Wharton

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Term: January 1, 2022 thru December 31, 2023

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Category: Education

County: Fort Bend County

[alex.hunt@lcisd.org](mailto:alex.hunt@lcisd.org)

Term: January 1, 2021 thru December 31, 2022

**JACKSON, GUY ROBERT**

Chambers County Abstract Co. Inc.  
P.O. Box 640  
Anahuac, TX 77514  
(409) 267-6262, ext. 35  
Fax: (409) 267-6355  
Category: Business  
County: Chambers  
[grj@ccac.net](mailto:grj@ccac.net)  
Term: January 1, 2021 thru December 31, 2022

**KARR, DOUG**

Pro Staff/Atterro  
27 Canoe Birch Place  
The Woodlands, TX 77382  
832-967-7684  
Category: Business  
County: Montgomery  
[raiderkarr@aol.com](mailto:raiderkarr@aol.com)  
Term: January 1, 2022 thru December 31, 2023

**LaBROSKI, JEFFREY**

Plumbers Local Union No. 68  
502 Link Road  
P.O. Box 8746  
Houston, TX 77249  
(713) 869-3592  
Fax: (713) 869-3671  
Category: Labor  
County: City of Houston  
[ski@plu68.com](mailto:ski@plu68.com)  
Term: January 1, 2021 thru December 31, 2022

**LARMOND, SHAREEN**

West Gulf Maritime Association  
1717 Turning Basin Drive, Suite 200  
Houston, TX 77029  
Category: Business  
County: Harris  
[shareen@wgma.org](mailto:shareen@wgma.org)  
Term: January 1, 2021 thru December 31, 2022

**LOVE, MICHAEL**

Houston Independent School District  
4400 West 18<sup>th</sup> Street  
Houston, TX 77092  
(713) 556-6715  
Category: Education  
County: Harris  
[mlove@houstonisd.org](mailto:mlove@houstonisd.org)  
Term: January 1, 2021 thru December 31, 2022

**LOWE, JONATHAN**

International Alliance of Theatrical  
Stage Employees  
3030 North Freeway  
Houston, TX 77009  
(713) 697-3999  
Category: Labor  
County: City of Houston  
[jonrlowe@yahoo.com](mailto:jonrlowe@yahoo.com)  
Term: January 1, 2021 thru December 31, 2022

**MAHAGAOKAR, RAJEN**

Grid United  
Chief Financial Officer  
(281) 300-3926  
Category: Business  
County: Harris  
[rajenmahagaokar@gmail.com](mailto:rajenmahagaokar@gmail.com)  
Term: January 1, 2021 thru December 31, 2022

**McCLESKEY, KENDRICK**

PricewaterhouseCoopers-  
1903 Crockett St.  
Houston, TX 77007  
(281) 788-6046  
Category: Business  
County: City of Houston  
[klmccleskey@gmail.com](mailto:klmccleskey@gmail.com)  
Term: January 1, 2021 thru December 31, 2022

**MELTON, EDWARD**

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

Category: Literacy

County: Harris County

[edward.melton@hcpl.net](mailto:edward.melton@hcpl.net)

Term: January 1, 2022 thru December 31, 2023

**NELLONS-PAIGE, STEPHANIE**

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

Category: Business

County: Houston

[nellonspaige@gmail.com](mailto:nellonspaige@gmail.com)

Term: January 1, 2021 thru December 31, 2022

**OSER, MARGARET**

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

Category: CBO

County: City of Houston

[moser@unitedwayhouston.org](mailto:moser@unitedwayhouston.org)

Term: January 1, 2022 thru December 31, 2023

**OZUNA, ADRIAN**

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

Category: Business

County: Harris

[adrian.ozuna@prosperitybankusa.com](mailto:adrian.ozuna@prosperitybankusa.com)

Term: January 1, 2021 thru December 31, 2022

**PUENTE, PAUL J.**

Houston Gulf Coast Building and  
Construction

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

Fax: (713) 926-4918

Category: Labor

County: City of Houston

[paul@hgcbctc.org](mailto:paul@hgcbctc.org)

Term: January 1, 2021 thru December 31, 2022

**REED, JAMARIO**

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

Category: Business

County: City of Houston

[jamarioreed@gmail.com](mailto:jamarioreed@gmail.com)

Term: January 1, 2021 thru December 31, 2022

**RILEY, MONICA**

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

Category: CBO

County: Fort Bend County

[monicariley7@gmail.com](mailto:monicariley7@gmail.com)

Term: January 1, 2021 thru December 31, 2022

**SARKAR, MOU**

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

Category: Economic Development

County: Brazoria

[msarkar@pearlandedc.com](mailto:msarkar@pearlandedc.com)

Term: January 1, 2022 thru December 31, 2023

**SCHEINER, DANIELLE**

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

Category: Economic Development

County: Montgomery

[scheiner@conroeedc.org](mailto:scheiner@conroeedc.org)

Term: January 1, 2022 thru December 31, 2023

**SCHMIDT, KERI**

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

Fax: (281) 491-0112

Category: Business

County: Fort Bend

[keri@fortbendcc.org](mailto:keri@fortbendcc.org)

Term: January 1, 2021 thru December 31, 2022

**SEGOVIA, VALERIE GARCIA**

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

Category: Education

County: Matagorda

[vsegovia@tamu.edu](mailto:vsegovia@tamu.edu)

[valeriegsegovia@gmail.com](mailto:valeriegsegovia@gmail.com)

Term: January 1, 2022 thru December 31, 2023

**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](mailto:shawtrek@aol.com)

Term: January 1, 2021 thru December 31, 2022

**SHI, ISAAC**

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

Category: Business

County: City of Houston

[isaac@gstdev.com](mailto:isaac@gstdev.com)

Term: January 1, 2021 thru December 31, 2022

**STALEY, GIL**

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

Fax: (281) 298-6874

Category: Business

County: Montgomery

[gil.staley@edpartnership.net](mailto:gil.staley@edpartnership.net)

Term: January 1, 2022 thru December 31, 2023

**TAYLOR, KATHERINE**

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

Category: Public Assistance

County: City of Houston

[ktaylor@genesysworks.org](mailto:ktaylor@genesysworks.org)

Term: January 1, 2022 thru December 31, 2023

**VAZQUEZ, LIZANDRA**

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

Category: State Agency

[lizandra.vazquez@wrksolutions.com](mailto:lizandra.vazquez@wrksolutions.com)

Term: January 1, 2023 thru December 31, 2024

**WATSON, CAROLYN**

William Stamps Farish Fund  
1100 Louisiana, Suite 2200  
Houston, TX 77002  
(713) 757-7313  
Category: Business  
County: City of Houston  
[carolyn17968@gmail.com](mailto:carolyn17968@gmail.com)  
Term: January 1, 2021 thru December 31, 2022

**WEBSTER, MICHAEL**

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

**WORKFORCE BOARD KEY STAFF:**

Juliet Stipeche, Director  
Aaron Sturgeon, Assistant Director  
Michelle Castrow, Program Manager  
Jenny Johnson, Quality Assurance Manager  
Trudy Ray, Grants Manager  
Deborah Duke, Administrative Coordinator

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

# GULF COAST WORKFORCE DEVELOPMENT BOARD COMMITTEES

## **Audit/Monitoring**

- Guy Robert Jackson – Chair
- Carl Bowles – Vice Chair
- Sara Bouse
- Helen Cavazos
- Cheryl Guido
- Mark Guthrie
- Doug Karr

## **Budget**

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

## **By-Laws**

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

## **Communications**

- Doug Karr – Chair
- – Vice Chair
- Willie Alexander
- Anthony Gay
- Mark Guthrie
- Bobbie Henderson
- Guy Robert Jackson
- Jonathan Lowe
- Keri Schmidt
- Richard Shaw
- Mike Webster

## **Education**

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



### **Employer Service**

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

### **Government Relations**

- Guy Robert Jackson – Chair
- \_\_\_\_\_ – Vice Chair
- Willie Alexander
- Mark Guthrie
- Bobbie Henderson
- Richard Shaw

### **Nominating**

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

### **Procurement**

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

### **Report Card**

Appointed by Board Chair as needed

### **Strategic Planning**

- Carl Bowles – Chair
- \_\_\_\_\_ – Vice Chair
- Willie Alexander
- Peter Beard
- Anthony Gay
- Mark Guthrie
- Bobbie Henderson
- Doug Karr
- Michael Love
- Adrian Ozuna
- Paul Puente
- Richard Shaw
- Carolyn Watson

## GULF COAST WORKFORCE BOARD ATTENDANCE

Board Member	02/01/22	04/05/22	06/07/22	08/02/22	10/06/22	12/06/22	02/07/23	04/04/23	06/06/23	08/01/23	10/03/23	10/05/23
Alexander, Willie	✓	✓	✓	✓	✓	✓	✓					
Allen, Karlos												
Bartlett, Anne												
Beard, Peter	✓	✓	✓	✓	✓	✓	✓	✓				
Beydoun, Mustapha	✓			✓	✓							
Bilski, Carolyn		✓										
Bouse, Sara	✓	✓	✓	✓	✓	✓	✓	✓				
Bowles, Carl	✓			✓	✓	✓		✓				
Cavazos, Mary Helen		✓	✓	✓	✓	✓	✓	✓				
Gay, Anthony	✓	✓	✓		✓		✓	✓				
Gonzalez, Melissa	✓		✓	✓	✓	✓	✓	✓				
Guido, Cheryl	✓	✓	✓	✓	✓	✓	✓	✓				
Guthrie, Mark	✓	✓	✓	✓	✓	✓	✓	✓				
Henderson, Bobbie Allen	✓	✓	✓	✓	✓	✓	✓	✓				
Heskamp, Alan	✓	✓		✓		✓		✓				
Jackson, Guy Robert	✓	✓	✓	✓	✓	✓	✓	✓				
Karr, Doug	✓	✓	✓	✓	✓	✓	✓	✓				
LaBroski, Jeff	✓	✓	✓	✓	✓	✓	✓	✓				
Larmond, Shareen	✓	✓		✓	✓	✓	✓	✓				
Love, Michael	✓	✓	✓		✓	✓	✓	✓				
Lowe, Jonathan	✓		✓		✓	✓	✓	✓				
Mahagaokar, Rajen		✓			✓			✓				
McCleskey, Kendrick												
Melton, Edward		✓	✓	✓	✓	✓		✓				
Nellons-Paige, Stephanie												
Oser, Margaret				✓	✓		✓	✓				
Ozuna, Adrian	✓	✓		✓	✓	✓		✓				
Puente, Paul		✓		✓	✓	✓	✓	✓				
Reed, Jamario	✓		✓				✓					
Riley, Monica	✓	✓	✓	✓	✓	✓	✓	✓				
Sarkar, Mou					✓	✓	✓	✓				
Scheiner, Danielle	✓			✓	✓		✓					
Schmidt, Keri	✓		✓		✓	✓	✓					
Segovia, Valerie	✓	✓	✓	✓	✓		✓	✓				
Shaw, Richard	✓	✓	✓		✓	✓	✓	✓				
Shi, Isaac												
Staley, Gil	✓	✓		✓				✓				
Taylor, Katherine		✓				✓		✓				
Vazquez, Lizandra	✓	✓	✓	✓	✓	✓	✓					
Watson, Carolyn	✓	✓	✓	✓			✓	✓				
Webster, Michael	✓	✓	✓	✓		✓	✓	✓				



## By-laws Ad Hoc Committee

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### Meeting on May 11, 2023

At the October 2022 Board meeting, Chair Guthrie called for the formation of the By-laws Committee to review the current by-laws and propose any revisions needed to improve the effectiveness and efficiency of Board operations. The by-laws were last amended in 2005.

Dr. Mike Webster chaired the committee and Adrian Ozuna served as Vice Chair. The Committee members include Peter Beard, Guy Jackson, Carolyn Watson, Alan Heskamp and Chair Guthrie, who served as an ex-officio member.

Since its last report to the Board, the Committee met twice to finalize changes to the draft of the by-laws and also hosted a by-laws workshop for Board members. At its meeting on May 11<sup>th</sup>, the Committee voted unanimously to recommend to the full Board that they adopt the proposed changes. The workshop on May 15<sup>th</sup> provided an opportunity for Committee members to present an overview of the major changes to the by-laws and for other Board members to ask any questions they might have regarding the changes.

On May 15<sup>th</sup>, Board staff emailed the materials from the workshop to all Board members as formal notification that we would be acting on changes to the by-laws today. As noted in the by-laws, the votes of two thirds of the members present are needed to adopt the changes.

We are confident that the proposed changes to the by-laws will improve our ability to function efficiently and effectively as a Board. The proposed by-laws and a chart explaining the changes are included at the end of this report. The major changes include:

- Clarifying the roles of the Board;
- Changing language regarding requirements for Board composition to ensure compliance with state and federal requirements;
- Removing open meetings requirements for all but Board and Procurement meetings;
- Strengthening conflict of interest provisions; and
- Creating a new Executive Committee to provide counsel to the Board chair.

In addition to its work on the by-laws, the Committee and the Board Officers have continued to meet with members of the Houston-Galveston Area Council (H-GAC) Board to discuss the consortium and partnership agreement to better align efforts of the collective work for the region and the responsibilities of the two boards.

Additionally, a memorandum of understanding between the H-GAC Board and Gulf Coast Workforce Board is under development to better clarify the relationship with respect to operations and administration. The Board will be apprised of any developments related to this effort as they unfold.

## Attachments

1. Gulf Coast Workforce Board By-Laws, By-Laws Committee Draft
2. Major By-Laws Changes by Section

**GULF COAST WORKFORCE BOARD BY-LAWS  
BY-LAWS COMMITTEE DRAFT**

**ARTICLE I  
NAME**

The name of this organization is the Gulf Coast Workforce Board (hereinafter referred to as “Board”).

**ARTICLE II  
OFFICES**

The principal office of the Board shall be located in the workforce development area at a location approved by the Board.

**ARTICLE III  
PURPOSE**

The purposes of the Board are to plan and oversee the delivery of workforce training and services and evaluate workforce development in the Gulf Coast workforce development area in accordance with (i) the Workforce Innovation and Opportunity Act, as most recently amended and any successor legislation and regulations, Chapter 2308, Texas Government Code as most recently amended, and other applicable state or federal workforce legislation and regulations; and (ii) the Consortium Agreement for the Purpose of Creating the Gulf Coast Workforce Development Board, approved in 1995 by the Counties of Austin, Brazoria, Chambers, Colorado, Fort Bend, Galveston, Harris, Liberty, Matagorda, Montgomery, Walker, Waller, and Wharton, and the City of Pasadena, as amended in 1997 to add the City of Houston to the Gulf Coast workforce development area, and as further amended in 1997 to amend the provisions on resource allocation, as the same may be amended or replaced from time to time in the future (the “Consortium Agreement”).

The Gulf Coast workforce development area is defined as the territory within the boundaries of the Counties of Austin, Brazoria, Chambers, Colorado, Fort Bend, Galveston, Harris (outside the boundaries of City of Houston), Liberty, Matagorda, Montgomery, Walker, Waller, and Wharton, the City of Houston and the City of Pasadena.

**GULF COAST WORKFORCE BOARD BY-LAWS  
BY-LAWS COMMITTEE DRAFT**

**ARTICLE IV  
FUNCTIONS, POWERS, AND DUTIES**

The functions, powers, and duties of the Board shall include, but are not limited to the following, provided, however, all such functions, powers and duties shall be consistent with the terms of the Consortium Agreement and applicable state and federal law:

- A. Develop and approve the strategic plan for workforce development services for the Gulf Coast workforce development area, or any policy modifications thereto,
- B. Approve the operating budget of the Board and any amendments,
- C. Review and approve proposed occupational skills training programs to ensure that the level of skills provided in the workforce programs is in accordance with the guidelines established by the Board,
- D. Review, monitor, and evaluate all workforce programs coming within the purview of the Board,
- E. Develop other funding sources for the enhancement of the mission and operations of the Board,
- F. Request, evaluate and approve proposals for workforce development services,
- G. Approve award of contracts for workforce development service providers, and approve the termination, modification or amendment of such contracts,
- H. Review, recommend, modify or terminate any Board program not meeting programmatic or regulatory standards,
- I. Enter into contracts for the Board's fiscal agent,
- J. Enter into contracts for the administration of service contracts on behalf of the Board,
- K. Enter into contracts for the Board staff and services,
- L. Provide input, guidance, and recommendations to the executive leadership of organizations providing Board staff or serving as Board staff concerning the performance of employees of organizations serving as Board staff,
- M. Perform any other actions or duties of a local workforce board organization permitted by applicable laws and regulations.

**GULF COAST WORKFORCE BOARD BY-LAWS  
BY-LAWS COMMITTEE DRAFT**

**ARTICLE V  
MEMBERSHIP AND VOTING**

A. Composition.

The membership of the Board shall be consistent with the requirements of state and federal enabling legislation, regulations, and guidance and the agreements governing this Board.

B. Board size.

The size of the Board will not be less than 37 members and not more than 67 members.

C. Representation by political jurisdiction.

Each political jurisdiction shall be entitled to appoint at least one Board member. Not more than one Board member will represent a county with a population of less than 100,000. Not more than two Board members will represent a county with a population between 100,000 and 200,000. Not more than three Board members will represent a county with a population from 200,000 to 1,000,000. Not more than eighteen Board members will represent a county with a population over 1,000,000 and not more than twenty-four Board members will represent a city with a population of 1,000,000 or more. Not more than three Board members will represent regional offices of state agencies. The Board will use data from the latest decennial census in determining the number of Board members representing each political jurisdiction in the workforce development area.

D. Nomination, Appointment and Terms of Members

Nominations for Board membership shall be solicited according to rules promulgated under applicable state and federal law. Each chief elected official for political jurisdictions within the workforce development area shall nominate representatives to the Board for approval by the Texas Workforce Commission. Each Board member will serve a term of two full calendar years beginning January 1 of the year after which their nomination was approved by the Texas Workforce Commission. Terms of Board members will be staggered. Board members shall serve until their successors have been duly appointed and qualified. There is no limit on the number of terms a Board member may serve.

The Board Chair or his/her designee will notify chief elected officials when a vacancy on the workforce board has occurred and the appointment of a replacement is required.



**GULF COAST WORKFORCE BOARD BY-LAWS  
BY-LAWS COMMITTEE DRAFT**

E. Board Member Removal.

Any Board member may resign at any time by giving notice to the Board Chair, the chief elected official who nominated the Board member, and Board staff.

Board members may be removed for cause whenever in the judgment of two-thirds of the Board members present at a meeting and voting thereon, the best interest of the Board will be served thereby. Such cause may include, but need not be limited to, absences from Board meetings, lack of participation, undisclosed conflicts of interest, violation of conflicts of interest policy as set forth in these by-laws, or other conduct prejudicial to the best interest of the Board. Cause for removal of Board members also includes three consecutive absences from regularly scheduled Board meetings.

- F. In order to dismiss a Board member for cause, a statement of the charges constituting cause for removal shall be sent by hand delivery, common carrier delivery or by certified mail with delivery receipt to the Board member under charges at his or her last recorded address and to the chief elected official responsible for the Board member's nomination at least 15 days before final action is taken thereon. This statement shall be accompanied by a notice of the time and place the Board is to take action on the charges. The Board member shall be given an opportunity to present a defense at that time and place mentioned in the notice.

G. Vacancies.

Vacancies in unexpired terms are filled in the same manner as nominations and appointments are made. Any replacement appointed to the Board shall fill the unexpired term of the member such appointee has replaced

H. Voting.

Board members must be present to vote. A Board member may not give proxy voting authority to any other Board member or to any other person.

**ARTICLE VI  
MEETINGS**

A. Open meetings.

The Board and its Procurement Committee will conduct all business in meetings in compliance with requirements of the Texas open meetings law. In accordance with state and federal law and regulations, electronic meeting technology may be used as appropriate to promote workforce board member participation.

**GULF COAST WORKFORCE BOARD BY-LAWS  
BY-LAWS COMMITTEE DRAFT**

B. Schedule of meetings.

1. *Regular Meetings.* The Board will meet at least once each two months throughout the year. The Board may meet more frequently, as it determines necessary.
2. *Special Meetings.* The Chair, the Vice Chairs, or twenty percent of the Board membership, may call a special meeting with a minimum of ten calendar days written notice to all Board members. Written notice may be delivered electronically or physically.
3. Attendance of a Board member at a meeting shall constitute a waiver of notice of such meeting.

C. Presiding officer.

The Board Chair presides at all meetings. In absence of the Chair, a Vice Chair presides. In absence of both the Chair and a Vice Chair, a temporary Chair chosen by Board members present presides.

D. Parliamentary authority.

The Board shall conduct meetings in accordance with, in ranking order: federal and state requirements, Board by-laws and rules, and the latest version of Robert's Rules of Order.

E. Quorum.

A quorum will consist of fifty percent of the Board members for a full Board meeting and fifty percent of the Board appointed members for a committee meeting.

F. Conflict of Interest.

Prior to taking office and annually thereafter, Board members must provide to the Board Chair and Executive Director a written declaration of all Substantial Business Interests or relationships they, or their Immediate Family Members, have with all businesses or organizations that have received, currently receive, or are likely to receive contracts or funding from the Board. Such declarations shall be updated within 30 days to reflect any changes in such business interests or relationships. The Board shall appoint an individual to timely review the disclosure information and advise the Board Chair and appropriate members of potential conflicts.

1. Prior to a discussion, vote, or decision on any matter before the Board, if a Board member, or an Immediate Family Member of such Board member, has a Substantial Business Interest in or relationship to a business entity, organization, or property or a personal interest that would be pecuniarily affected by any official Board action, that Board member shall disclose the nature and extent of the interest

**GULF COAST WORKFORCE BOARD BY-LAWS  
BY-LAWS COMMITTEE DRAFT**

or relationship and shall abstain from discussion, voting on, attempting to influence, or in any other way participating in the decision on the matter.

2. A Board member who personally has or has Immediate Family Members who have Substantial Business Interests or Representational Interests in proposals, requests for funds or persons or entities making them, may not vote, attempt to influence, or initiate or participate in discussion on any proposals or requests for funds which compete with the proposals, requests for funds, or persons or entities making them in which the Board member or Immediate Family Member has the interest.
3. A Board member who violates the requirements of this section may be removed from the Board, upon two-thirds vote of the Board in accordance with the procedures for removal specified in Article V, Section E of these by-laws.
4. All declarations of conflict of interest and abstentions from voting will be recorded in the minutes of Board meetings and Procurement Committee meetings.
5. A “Substantial Business Interest” is defined as: (1) ownership of ten percent or \$5,000 or more of the fair market value of the business; (2) receiving ten percent or more of gross income during the previous or current year from the business; or (3) ownership in real property of the business valued at \$2,500 or more.
6. An “Immediate Family Member” is defined as: (1) a great-grandfather, great-grandmother, grandfather, grandmother, father, mother, brother, sister, daughter, son, son-in-law, daughter-in-law, brother-in-law, sister-in-law, aunt, uncle, great-granddaughter, great-grandson, granddaughter, grandson, nephew or niece of the Board member, and/or (2) the present or former spouse of the Board member, and/or (3) a great-grandfather, great-grandmother, grandfather, grandmother, father, mother, brother, sister, daughter, son, son-in-law, daughter-in-law, brother-in-law, sister-in-law, aunt, uncle, great-granddaughter, great-grandson, granddaughter, grandson, nephew or niece of the Board member’s present or former spouse. Each of these terms includes step-relatives and adopted family members.
7. A “Representational Interest” is defined as: (1) employed by or under contract with the organization, and/or (2) a member of the board of directors, commission, council, or other direct governing body of the organization. A “Representational Interest” does not include members of advisory boards, commissions or councils which are not direct governing bodies of an organization and the member is not compensated for their service.

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BY-LAWS COMMITTEE DRAFT**

G. Temporary Emergency Authority if Board is Unable to Meet

In the event of a declared Federal, State or Local emergency or disaster, if the Board is unable to convene in a duly or special called meeting, the Board officers can exercise temporary authority to empower the Board Staff to authorize related procurements, or agreements which require immediate action related to the declared emergency or disaster. All agreements, or procurements must be presented for ratification at the next duly or special called meeting of the Board.

**ARTICLE VII  
OFFICERS**

A. Board Officers.

The officers of the Board will be a Chair and three Vice Chairs. Vice Chairs may be assigned functional responsibilities by the Chair.

B. Election and Term.

The Chair and Vice Chairs will be elected by majority vote of Board members present and voting at a regular meeting designated by the Board for elections. Each officer serves a two-year term, provided that an officer's term ends upon the effective date of his/her resignation from or inability to serve on the Board and ends when an officer is not re-nominated to the Board by his/her chief elected official, or when the officer's re-nomination is not approved by the Texas Workforce Commission.

C. Election Procedures.

1. The Chair will appoint a Nominations Committee to solicit nominations for Board officers from among the Board members. Board members desiring to serve as officers will submit their names, resumes, if requested, and the offices which they wish to hold to the Nominations Committee.
2. At the first Board meeting of each year, the membership will vote on those names submitted by the Nominations Committee and any nominations from the floor.

D. Chair.

1. The Board Chair must come from among Board members representing private business on the Board.
2. The Chair presides at meetings, appoints committees, certifies the quorum, and takes other duties as the Board may assign.

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E. Vice Chair.

1. The Vice Chairs may come from any membership category on the Board.
2. The Vice Chairs each in turn act in absence of the Chair.

F. Ex Officio Membership on Committees

Board officers may participate as Ex Officio members of all Board committees, with all the rights and privileges of committee members. When serving in this capacity, officers shall not be considered in determining if a quorum is present.

G. Vacancies.

The Board will elect a successor to fill the vacancy of a Board officer whose term has ended.

H. Removal.

Any Board officer may be removed from office by a two-thirds vote of the Board members present at the meeting following the meeting at which the motion is made to remove the officer. Notice of the motion to remove the officer shall be sent by hand delivery, common carrier delivery or by certified mail with delivery receipt to the Board officer at his or her last recorded address at least 15 days before final action is taken thereon. This notice shall include the time and place the Board is to take action on the motion. The Board officer shall be given an opportunity to present a defense at that time and place mentioned in the notice.

**ARTICLE VIII  
COMMITTEES**

A. Standing committees.

There are four standing committees of the Board: (1) the Audit/Monitoring Committee, (2) the Procurement Committee, (3) the Nominations Committee, and (4) the Executive Committee. Apart from the Executive Committee, the Chair recommends Board members to sit on each of the standing committees, and the Board votes to confirm committee appointments. Each standing committee shall develop and review a committee charter.

1. *Audit/Monitoring.* The Audit/Monitoring Committee will meet, on an on-going, and periodic basis, to review the auditing, monitoring and performance of grants and contracts approved by the Board.
2. *Procurement.* The Procurement Committee will meet, on an on-going and periodic

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basis to review and make recommendations for approval of grants and contracts, including material contract amendments and modifications, by the Board.

3. *Nominations.* The Nominations Committee will meet, on an on-going and periodic basis to receive nominations for Board officers and recommend officers for approval by the Board.
4. *Executive.* The Executive Committee shall serve in an advisory capacity to the Chair and shall consist of the Officers plus the Chairs of the Procurement and Audit and Monitoring Committees. The Executive Committee will meet on an on-going and periodic basis and at the discretion of the Board Chair to provide counsel on Board agendas, policies, staffing matters and the strategic direction of Board. The Executive Committee may provide input to the executive leadership of any organization providing staff to the Board regarding the selection of and performance of the Executive Director of the Board.

B. Additional committees.

The creation of additional committees and appointment of committee members to these committees shall be at the discretion of the Chair as the need arises and as the Board may direct. Each additional non-standing committee shall develop and review a committee charter.

C. Committee term and other duties.

1. *Membership.* Board members who are not formally appointed to a committee may volunteer to join the committee and meet with appointed committee members to carry out committee business, including voting on matters before the committee.
2. *Term.* Committees that are not standing committees will be active for a necessary period until their objectives are met.
3. *Other duties.* Committees will submit progress reports as necessary or requested by the Board or the Board Chair, and if requested by the Board Chair, shall provide a final report.

**GULF COAST WORKFORCE BOARD BY-LAWS  
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**ARTICLE IX  
AMENDMENTS**

These by-laws may be amended at a regular meeting of the Board by a two-thirds vote of the Board members present, provided previous notice has been sent to Board members and the proposed amendment(s) have been announced in the business agenda of the scheduled meeting. Notice of the proposed amendment(s) and a copy of the amendment(s) must be provided to members at least twenty-one (21) calendar days prior to the meeting at which the amendment will come before the Board for vote.

## Major By-Laws Changes by Section

2005 Section	2023 Section	Issue	Recommended Change
3	3	Purpose	Updated to reflect changes in governing laws and possible changes in the future and add reference to Consortium Agreement.
4A	4A	Role in plan	Adds approval to Board role.
4H	4B	Role in budget	Moves description of Board role in budget up in the list functions, powers, and duties for clarity.
4D	4E	Develop other funding	Adds enhancing the mission of the Board to purposes of fund development.
4E	4F	Procurement	Adds evaluation to the duties and the powers of the Board with respect to proposals for services.
4F	4G and 4H	Power with respect to contracts and programs	Separates into distinct roles and adds modification to Board powers.
	4I	Board fiscal agent	Adds ability to enter into contracts for the Board's fiscal agent.
	4J	Contract for administration of service contracts	Adds ability to contract for the administration of contracts on behalf of the Board.
4G	4K	Board staff	States ability to enter into a contract for Board staff and services.
4G	4L	Board staff	Provides for input to performance of Board staff.
	4M	Other roles and duties	Adds language affirming the ability to perform additional actions and duties.
5A, 5D	5A	Board composition	Eliminates specific categories and affirms membership will meet federal and state composition requirements.
5C	5C	Representation by jurisdiction	Adds language to clarify decennial census will be used in determining population counts.
5E and 5F	5D	Terms	Replaces original appointment language to clarify TWC role and to specify terms must be staggered and that members will serve until successors are appointed and qualified.
5E and 5F	5D	Terms	Adds language to ensure federal requirement of notification is met.
5G	5E	Board member removal	Provides for resignation, adds failure to disclose conflict to reasons for removal, and clarifies terms of notification.



## Major By-Laws Changes by Section

2005 Section	2023 Section	Issue	Recommended Change
5H	5G	Vacancies	Clarifies that replacement members will fill the unexpired term of their predecessors.
6A	6A	Open Meetings	Removes open meetings requirements for all but Board and Procurement Committee meetings and clarifies technology may be used to promote participation.
6B2	6B2	Special Meetings	Clarifies how written notice may be provided.
6D	6D	Parliamentary Authority	Clarifies ranking order of meeting procedure requirements.
6E	6E	Quorum	Adds clarity and drops requirement that Board members from seven counties be present.
6F	6F	Conflict of Interest	Strengthens conflict of interest provisions by specifying notification and review procedures, adding the attempt to influence decisions as a prohibited action in case of conflict, and expanding the definition of Immediate Family.
	6G	Temporary Emergency Authority	Allows Board Offices to grant authority to H-GAC as Board staff to take action in an emergency in procurements and agreements. Any procurements and agreements will be presented to the Board for ratification at its next meeting.
7B	7B	Officer terms	Extends the terms of officers to two years and clarifies term-limiting conditions related to Board membership.
7C	7C	Election Procedures	Clarifies nomination requirements.
	7F	Ex Officio Membership	Clarifies that Board officers may serve as Ex Officio members of committees.
7F	7G	Vacancies	Clarifies when the Board will elect a successor to fill a Board officer vacancy.
7G	7H	Removal	Adds notification requirements regarding a motion to remove a Board officer.
8A	8A	Standing Committees	Adds new Executive Committee consisting of Board Officers and Chairs of the Procurement and Audit and Monitoring Committee. Clarifies that all standing committees will have a charter and meet on an on-going and periodic basis. Clarifies responsibilities of committees.
8B	8B	Committees	Clarifies that non-standing committees shall have charters.
8C1	8C1	Committee size, term and duties.	Removes requirement for at least seven members for each committee.
9	9	Amendments	Clarifies that copies of amendments must be provided with notice of proposed amendments.

# Strategic Planning Committee

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## Meeting on May 11, 2023

The Strategic Planning Committee met on Thursday, May 11, 2023, at 9:30 am. Members present included Carl Bowles (Chair), Willie Alexander, Peter Beard, Dr. Bobbie Henderson, Doug Karr, Adrian Ozuna, Carolyn Watson, and Mark Guthrie (Board Chair.) The committee received several updates. There were no action items.

### Strategic Plan 2019-2023 – Top Line Results

The strategic plan starts with a narrative that articulates the Gulf Coast Workforce Board's purpose, mission, vision, values, and behaviors to achieve the desired results of more competitive employers, a better educated workforce, more and better jobs, and higher incomes. In February 2019, the Gulf Coast Workforce Board approved a Strategic Plan with a big-picture narrative and 24 measures to track progress towards achieving the Board's goals. Here is a summary of the current situation as of May 1, 2023:

#### Regional Workforce System:

- **Education Credentials:** The target is for 84% of the region's population aged 25 and older to hold an education credential. Currently, 84.41% of the population has achieved this target.
- **Post-secondary Degree:** The target is for 39% of the region's population aged 25 and older to hold a post-secondary degree. Currently, 41.18% of the population has achieved this target.
- **Education Credential Attainment:** The target is for 24% of those pursuing an education credential to earn one. Currently, 23.1% of individuals pursuing a credential have met this target.
- **Job Creation:** The target is for 3.23 million individuals to be employed in the region, reflecting the addition of 254,202 jobs created since 2018. Currently, there are 3,084,029 individuals employed, falling short of the target.

#### Workforce Solutions:

- **Market Share:** The target is for 31,500 employers in the region to use Workforce Solutions. In 2022, 17,837 employers utilized the services, and this number decreased to 13,762 by March 2023, falling short of the target.
- **Customer Loyalty:** The target is for 65% of employers using Workforce Solutions to be repeat customers. In 2022, 37% of employers were repeat customers, and this number increased to 43% by March 2023, meeting the target.

- **Education Credential Attainment:** The target is for 76% of individual customers pursuing an education credential to earn one. In 2022, 70% of customers achieved this target, but the number decreased to 53% by March 2023, falling short of the target.
- **Job Creation:** The target is for 3,500 new jobs to be created through Workforce Solutions' partnerships with other business organizations. In 2022 and through March 2023, 2,536 new jobs were created, falling short of the target.
- **Employment:** The target is for 78% of individual customers to be employed after leaving Workforce Solutions. In 2022, 67% of customers achieved this target, and the number increased to 75% by March 2023, meeting the target.
- **Earnings:** The target is for 37% of individual customers exiting Workforce Solutions to have earnings gains of at least 20%. In 2022, 26% of customers met this target, and the number increased to 39% by March 2023, meeting the target.

In summary, the Gulf Coast Workforce Board has seen progress in some areas, such as customer loyalty, employment rates, and earnings gains. However, there are areas where the targets were not met, such as market share, education credential attainment, and job creation. A copy of the current performance on strategic plan measures is included in this packet for your file and review.

## Strategic Planning Efforts for 2024-2028

In this transformative era, we are embarking on an exciting journey with the Gulf Coast Workforce Board and our community to create a new strategic plan for 2024-2028. This endeavor is driven by our commitment to engaging our board members and community stakeholders to ensure their perspectives shape our future efforts. To support this process, we will partner with Outreach Strategists and Savage Design. Together, we will delve into comprehensive discussions, analysis, and innovative thinking throughout the summer months.

Our aim is to present a visionary strategic plan at the February 2024 meeting of the Gulf Coast Workforce Board. By fostering collaboration, embracing innovation, and prioritizing the betterment of our community, we are confident in our ability to shape a path forward that enhances workforce development and fosters prosperity for all.

## Career Office Utilization Update

Changes in consumer patterns of behavior since the pandemic have resulted in less walk-in traffic and utilization of Workforce Solutions career offices. This lower

utilization coupled with significant increases in costs to lease retail spaces presents significant fiscal challenges going forward.

As a result, board staff have begun developing metrics to identify opportunities to reimagine office service delivery to meet changing customer preferences. Possible strategies to address these challenges include reallocation of office space to expand provision of virtual services, relocation of offices to lower-cost or no-cost facilities by partnering with stakeholders, and consolidation of locations to enhance the effectiveness of traditional retail service delivery.

## **Proposed Pilot of Community Colleges and Other Community Based Organizations as Strategic Areas for Career Services**

We are exploring strategic partnerships with community colleges and community-based organizations, aiming to leverage available space at minimal or no cost. We hope to first pilot with Houston Community College, Alvin Community College, and Lone Star College. These alliances hold immense potential to enhance our service delivery capabilities and drive improved outcomes. Through a methodical piloting approach with our educational partners, we seek to establish robust collaborative networks and foster an environment of shared success. This deliberate approach allows us to assess the efficacy of our strategies, streamline operational processes, maximize the impact of our service delivery mechanisms, support our outreach efforts, and leverage the braiding of public dollars to enhance opportunities for our community's residents. We seek to transform our workforce development endeavors and establish a new roadmap to success. By harnessing the power of collaboration, innovation, and strategic foresight, we seek to unlock the full potential of our community's workforce. This collaborative undertaking underscores our commitment to continuous improvement, coordination of services with community partners, and optimized service delivery, ultimately strengthening the workforce and fostering prosperity for all stakeholders.

## **Support Center Restructuring and Proposed Transition of Scholarships to Career Offices**

The Support Center was established to streamline training and childcare scholarship application processing. Despite a significant increase in funding, staffing at the Support Center has seen minimal growth, leading to challenges in effectively addressing calls. To address this, we are dividing the Support Center into separate units for eligibility and call center functions. We have assessed areas for improvement and are prioritizing enrollments and call center enhancements. Collaboration with Equus and the hiring of a new call center director have

provided insights into staffing and technology improvements. We are implementing scheduling adjustments, hiring additional staff, and adopting Ring Central as the new phone system. An updated child care webpage has been launched to provide more information to parents. We will continue to work closely with the Support Center, install Ring Central by mid-June, hire more staff, and provide training for the new child care system.

Further, the Support Center was established to streamline the processing of training and childcare scholarship applications, but staffing has not kept pace with funding increases. Currently, the center consists of 89 staff members across eight functional groups, handling over 7,000 applications and 17,000 calls per month. To enhance customer service for training applicants, we are transferring eligibility determination and voucher processes to Tracking Units, aiming for faster outcomes. Workgroup and thinktank sessions with service providers are underway to ensure a smooth transition. Next steps involve continuing these sessions, commencing voucher and financial aid training, and updating contracts for the upcoming year to reflect the changes.

Additional details about the proposed change will be shared in the Education Committee and Procurement Committee reports contained in this packet.

## **Employer and Community Engagement Division**

Board staff provided information on the plan to expand the Employer and Community Engagement Division of the Workforce Board's staff. This plan allows the Board to use a sector-based approach to support talent pipeline development. More information about the approach and structure is included in the Employer Engagement Committee report in this packet.

## **Proposed Career Services Division**

At present, there is no dedicated division responsible for coordinating career services across the Board's various divisions and to serve as a liaison with our external service providers. Board staff proposed the establishment of a Career Service subdivision responsible for developing and implementing a comprehensive career services strategy that aligns with the needs of the local labor market.

This division will work closely with other divisions of the Workforce Board staff to ensure services at career offices are coordinated and resources are braided where appropriate and will work to develop and implement an integrated service delivery model that incorporates feedback from job seekers, employers, service providers, and other key stakeholders.

The anticipated return on investment for the Career Service Division is an increase in the number of individuals and businesses utilizing career services, resulting in a stronger and more competitive workforce.

## Next Meeting

The Committee Chair requested a meeting in the next 30 - 45 days, as schedules allow. We are tentatively holding June 30, 2023 at 2:00 p.m. for our next meeting.

## Attachments

1. Gulf Coast Workforce Board, Strategic Plan Measures Progress as of May 1, 2023

### Result #1 Competitive Employers

#### For Workforce Solutions

	2019	2020	2021	2022	2023 (as of March)	
Number of the region's employers who use Workforce Solutions	27,367	28,500	29,500	30,500	31,500	Target
	21,321	21,978	25,112	17,837	13,762	Actual
Percentage of the region's employers using Workforce Solutions as repeat customers	60%	62%	63%	64%	65%	Target
	60%	51%	48%	37%	43%	Actual

### Result #2 An Educated Workforce

#### For the Regional Workforce System

	2019	2020	2021	2022	2023 (as of March)	
Percentage of the region's population (25 years and older) holding an education credential	83%	83%	83%	84%	84%	Target
	83%	84%	84%	84%	P	Actual
Percentage of the region's population (25 years and older) holding a post-secondary degree	38%	38%	38%	39%	39%	Target
	39%	40%	41%	41%	P	Actual
Percentage of those pursuing an education credential who earn one	24%	24%	24%	24%	24%	Target
	22%	23%	22%	23%	P	Actual
Percentage of students enrolled in the 9th through 12th grades earning a high school diploma	23%	23%	23%	23%	23%	Target
	22%	22%	23%	22%	P	Actual
Percentage of those pursuing a high school equivalency who earn one.	79%	79%	79%	79%	79%	Target
	20%	49%	42%	44%	P	Actual
Percentage of students enrolled in post-secondary institutions earning a certificate or degree	23%	23%	24%	24%	24%	Target
	22%	22%	21%	24%	P	Actual
Percentage of students earning post-secondary certificates or degrees who hold credentials in fields preparing them for jobs in	38%	39%	39%	40%	40%	Target
	45%	45%	54%	55%	P	Actual

Total number of students earning a post-secondary degree or certificate up to and including Associate's degrees	42,825	45,679	48,532	51,385	54,239	Target
	39,439	41,353	39,697	42,299	P	Actual

<b>For Workforce Solutions</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b> (as of March)	
Percentage of customers pursuing an education credential who earn one	74%	75%	75%	76%	76%	Target
	77%	69%	76%	70%	53%	Actual

Percentage of customers enrolled in post-secondary education who earn certificate/degree	85%	85%	85%	86%	86%	Target
	80%	79%	77%	71%	63%	Actual

### Result # 3 More and Better Jobs

<b>For the Regional Workforce System</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b> (as of March)	
Total number of jobs	3,029,703	3,080,544	3,131,384	3,182,225	3,233,065	Target
	3,054,496	3,105,437	2,926,882	3,084,029	P	Actual

<b>For Workforce Solutions</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b> (as of March)	
Number of new jobs created as a direct result of Workforce Solutions' partnering with other business organizations	3,300	3,300	3,400	3,400	3,500	Target
	1,534	1,367	458	2,536	2,536	Actual

Percentage of new jobs created with employers in industries targeted by the Gulf Coast Workforce Board as a direct result of Workforce Solutions'	60%	63%	67%	72%	75%	Target
	34%	2%	0%	20%	20%	Actual

Percentage of new jobs created in high-skill, high-growth occupations targeted by the Gulf Coast Workforce Board as a direct result of Workforce Solutions'	45%	45%	45%	45%	45%	Target
	2%	13%	16%	7%	7%	Actual

<b>For the Regional Workforce System*</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b> (as of March)	
Number of jobs occurring in those industries targeted by the Gulf Coast Workforce Board	≥1,304,205	≥1,304,205	≥1,304,205	≥1,304,205	≥1,304,205	Target
	1,354,745	1,278,628	1,256,452	1,340,490	P	Actual



Number of jobs occurring in high-skill, high-growth occupations targeted by the Gulf Coast Workforce Board	≥ 615,170	≥ 615,170	≥ 615,170	≥ 615,170	≥ 615,170	Target
	635,730	617,280	592,530	P	P	Actual

**For Workforce Solutions**

	2019	2020	2021	2022	2023 (as of March)	
Percentage of individuals employed after leaving Workforce Solutions	76%	77%	77%	78%	78%	Target
	78%	88%	70%	67%	75%	Actual
5						
Percent of individuals Workforce Solutions customers employed in entrance quarter	68%	68%	68%	68%	70%	Target
	75%	77%	55%	58%	62%	Actual
Percent of individuals unemployed at entry who are employed after leaving Workforce Solutions	75%	75%	75%	76%	76%	Target
	76%	87%	68%	68%	73%	Actual
Percentage of individuals employed after leaving Workforce Solutions, also employed in both consecutive quarters	83%	83%	83%	83%	83%	Target
	81%	87%	72%	80%	82%	Actual

**Result # 4 Higher Incomes**

**For Workforce Solutions**

	2019	2020	2021	2022	2023 (as of March)	
Percentage of individuals with earnings gains of at least 20 percent after leaving Workforce Solutions	37%	37%	37%	37%	37%	Target
	31%	24%	30%	26%	39%	Actual
Percentage of individuals employed with earnings gains after leaving Workforce Solutions	46%	46%	46%	46%	46%	Target
	41%	27%	36%	34%	47%	Actual

## Education Committee

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### Update for May 2023

The Education Committee met on May 11, 2023, at 3:00 p.m. Members present included Bobbie Henderson (committee chair), Doug Karr (committee vice chair), Willie Alexander, Sara Bouse, Helen Cavazos, Cheryl Guido, Mark Guthrie, Michael Love, Edward Melton, Margaret Oser, Paul Puente and Carolyn Watson

### Child Care Support Center Reorganizing Plan

To enhance the customer service experience for our training customers, we are streamlining the eligibility determination and voucher process by transitioning it to the Tracking Units. This change will result in faster eligibility determinations and voucher distribution for our customers. Currently, our Board staff is facilitating workgroup and think tank sessions with service providers to ensure a smooth transition.

To boost the performance and productivity of the Support Center, we are collaborating closely with the management team to restructure the operational model into two specialized units: one dedicated to eligibility and the other to call center operations. This strategic realignment is crucial to foster improved focus, specialization, and operational efficiency.

Over the past five years, the funds allocated for Child Care Financial Aid have grown by an impressive 65% to reach \$81 million. However, during the same period, staffing levels at the support center have increased by less than 10%. To address these staffing challenges and rectify operational deficiencies, our Board staff will present action items at the upcoming June 6, 2023, Gulf Coast Workforce Board meeting. These action items will propose the addition of more staff to enhance call handling capacities, expedite child care application processing, resolve bottlenecks in the eligibility and fulfillment processes, and accommodate the needs of a growing customer base.

Please refer to the Procurement Committee report for additional information regarding action items concerning the Support Center.

### Early Childhood Quality

As of May 2023, The University of Texas Health Science Center - Children's Learning Institute (CLI) has successfully onboarded and trained approximately

60% of the required staff to support our Early Education Quality initiatives. As a new service provider, our leadership team at CLI receives weekly technical assistance implementation and support from the Board staff.

Our current priorities encompass the following:

- Expanding the number of Texas Rising Star certified providers.
- Delivering professional development opportunities and classroom resources to early learning providers within our region.
- Facilitating new Pre-K partnerships between Texas Rising Star providers and school districts/charter schools.
- Offering child care referrals and consumer education to families.

In addition, we are thrilled to announce that this month, our board has received permission from TWC (Texas Workforce Commission) to utilize Quality Child Care dollars for an innovative pilot program in collaboration with the Bright Offerings' Registered Apprenticeship Program. This pioneering initiative allows us to award scholarships to 60 early childhood educators. Remarkably, this marks the first utilization of these funds for such a purpose in the State of Texas.

## Child Care Expansion Grant

The child care expansion team is currently overseeing the coordination and implementation of activities and deliverables associated with the TWC grant. To fulfill this endeavor, we have prepared and issued a request for proposal (RFP) seeking qualified contractor(s) for the development of a "Child Care Provider Bootcamp." At the time of this committee meeting, the RFP applications were still under review.

The primary objective of this project is to collaborate closely with childcare providers, community partners, and existing community resources in order to create a comprehensive strategy document. This document aims to enhance the quality of childcare programs, particularly in areas with limited access to such services, by:

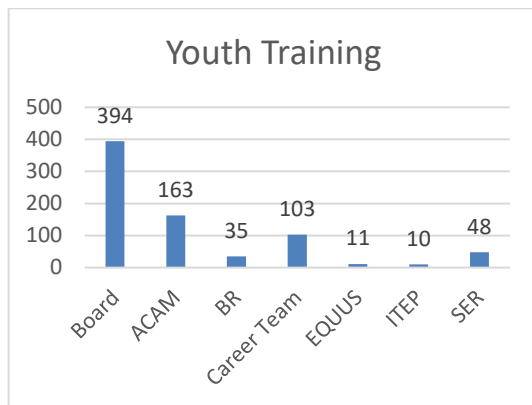
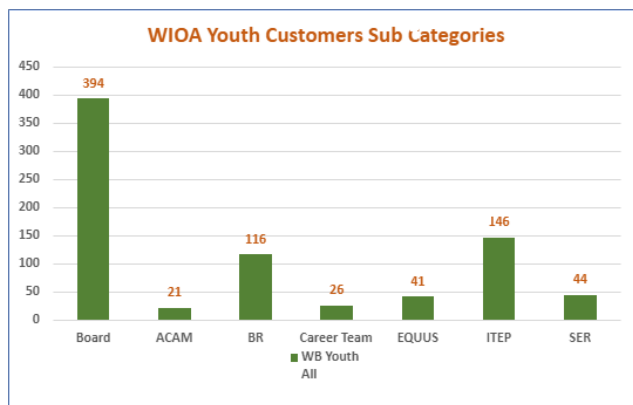
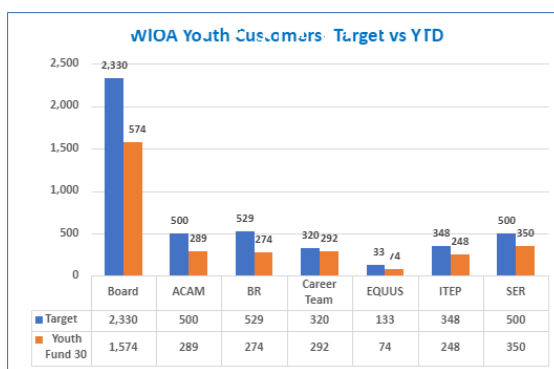
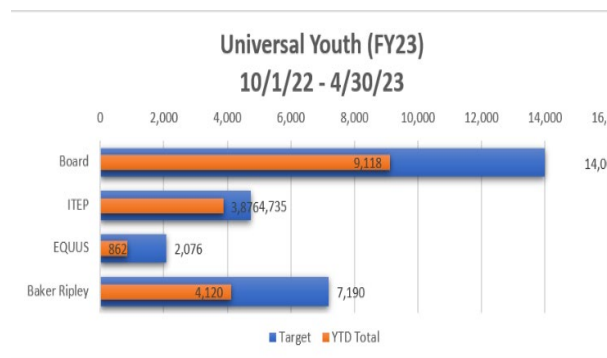
- Expanding awareness and availability of quality TWC programs for families and supporting sustainable business operations for childcare providers.
- Increasing awareness and accessibility of TWC partnerships for both childcare providers and families.
- Improving accessibility to TWC services within the childcare industry.
- Enhancing accessibility to upskilling and training opportunities offered through TWC programs for childcare teachers.

This work will involve the development of an effective ecosystem within the workforce system that fosters marketability within the child care industry.

## Youth Services

### Data

With five (5) months remaining in the year, all service providers have met more than 50% of their youth targets, and we are confident we will meet our overall targets for the 2023 contract year.



Our organization is shifting its goals beyond mere enrollment targets and placing a strategic emphasis on improving performance measures. Among these measures, the issue of measurable skills gained has been identified as requiring immediate attention. After analyzing the TWIST data, it was discovered that over 50% of the youth who obtained credentials did not demonstrate any measurable skill acquisition.

To address this concern, an educational session on measurable skills gained was conducted for our service providers. They are currently reviewing individual cases and implementing necessary changes accordingly. Going forward, we will engage in continuous monitoring of performance measures and hold monthly youth meetings to facilitate discussions on opportunities for improvement. By focusing on enhancing the acquisition of measurable skills, we aim to enhance the

effectiveness and impact of our programs, ultimately ensuring that our youth achieve tangible and meaningful outcomes.

**WORKFORCE SOLUTIONS SYSTEM PERFORMANCE**  
CONTRACT YEAR OCTOBER 2022 - SEPTEMBER 2023  
March 2023 Report

Board Measures	Board				Interfaith		BakerRipley		Equus		ACS		ETC		ACAM		Career T		SER		Measure Period	Report Period							
	% Current Target	Current Target	EOY Target	Current Perf	YTD Num	YTD Den	Current Perf	YTD Num	YTD Den	Current Perf	YTD Num	YTD Den	Current Perf	YTD Num	YTD Den	Current Perf	YTD Num	YTD Den	Current Perf	YTD Num			YTD Den						
Raise Education Levels	Achieve Education Credential	70.1%	76.0%	53.3%	618	1,160	55.2%	169	306	65.5%	218	333	54.8%	23	42	13.5%	26	192	71.7%	71	99	87.5%	58	112	16.0%	12	75	7/22-8/23	7/22-12/22
	Achieve Post-Secondary Certificate or Degree	73.1%	86.0%	62.9%	591	940	55.2%	169	306	67.5%	218	323	54.8%	23	42	0.0%	0	3	72.4%	71	98	89.1%	58	110	20.7%	12	58	7/22-8/23	7/22-12/22
	CredentialRate - WIOA Youth	108%	60.6%	65.2%	135	207	60.6%	20	33	56.8%	50	88	75.0%	6	8	21.9%	7	32	0	0	0	0	0	0	89.9%	62	69	1/21-12/21	1/21-8/21
	Measurable Skills Gains - WIOA Youth	69%	50.9%	35.2%	299	849	22.8%	28	123	33.3%	90	270	20.7%	6	26	36.3%	37	102	16.5%	21	127	63.8%	81	127	3.8%	7	183	7/22-8/23	7/22-3/23

**Fourteen (14) Youth Elements**

In addition to intake, eligibility determination, objective assessment, and individual service strategy development for youth aged 14 to 24, WIOA Title I Youth Programs are required to provide 14 program service elements. Youth enrollment is considered complete when they receive one of these elements for the first time. These 14 elements play a crucial role in supporting youth along their career paths and maximizing program impact.

Currently, our system requires stronger and more coordinated services that encompass the following elements:

- Tutoring, study skills training, dropout prevention, and recovery strategies,
- Leadership development,
- Comprehensive guidance and counseling,
- Financial literacy education,
- Entrepreneurial skills training,
- Mentoring, and
- Activities to prepare youth for postsecondary education and training transitions.

Although our programs partially incorporate some of these elements, it is imperative that we explicitly integrate all 14 measures into our activities. To achieve this, Youth Services is actively engaging in meetings with community-based organizations and corporations to establish partnerships that will ensure the consistent inclusion of these services in our current service delivery models.

**Next Gen & Workforce Process Improvements**

NextGen was established to address the gaps in effectively engaging with out-of-school, opportunity, and at-risk youth. Our dedicated Next Gen service providers actively connect with this population in the community, meeting them where they are to deliver tailored services. One standout feature of Next Gen is its flexibility in partnering with high-demand, short-term training providers, enabling young adults to rapidly acquire new skills and enter sustainable career paths. This

initiative is funded through WIOA youth funding from the Texas Workforce Commission.

Currently, the integration of Next Gen service providers into the Workforce Solution financial aid payment office (FAPO) is incomplete, as they manage their budgets independently. Moreover, each Next Gen service provider utilizes a different payroll vendor for work-based learning services. This lack of integration poses challenges in serving youth and employers, as well as providing scholarships for childcare and training to participants. Currently, Workforce Solutions may have up to four individual agreements with employers and training providers, creating confusion among our partners.

For the upcoming contract year, we propose the integration of NextGen funding within the Financial Aid Payment Office and the establishment of universal worksite agreements with employers and training providers to streamline coordination. This change will foster greater uniformity, enhance coordination efforts, and position us more effectively to serve our youth and employers. By centralizing financial management and standardizing agreements, we can maximize the impact of Next Gen, deliver comprehensive support to opportunity youth, and integrate this population into our Workforce Solutions' system.

#### Summer Earn and Learn (SEAL)

In collaboration with the Texas Workforce Commission's Vocational Rehabilitation Service (VRS), we are working to place 525 young adults with disabilities in paid work experience this summer. We have gained solid traction with our partners and employers and are pleased to report the following programmatic statistics:

- Referrals received from VR – 890;
- Active customers – 637;
- Customers on Waitlist – 253;
- Number of worksites – 851;
- Number of positions – 1456; and
- Worksite assignments made – 604 (94% of active customers).

Given the program's significant demand, the waitlist grew to 253 youth, and we are pleased to report that TWC has approved a \$1,000,000 amendment to support SEAL. These added funds will help to place additional youth from the current waitlist. Workforce Solutions' staff have been notified to begin contacting the waitlist customers and matching them to worksites. We are also working with ACS to increase the number of varied, high-quality work opportunities for this year's participants.

### Paving the Pathway

In collaboration with VRS, we are working to provide additional skill building for young adults with disabilities. Participants from this project will participate in SEAL to practice the skills learned and developed. We are currently working to identify persons in the healthcare sector to serve as mentors for a 6-week special project for Paving the Pathway participants.

### Hire Houston Youth (HHY)

In collaboration with the City of Houston (COH), Workforce Solutions – Gulf Coast will place 100-120 young adults into paid work experience opportunities for the summer. We have received 130 referrals for youth and 4 employer referrals. Eligibility training for Workforce Solutions' staff is scheduled for 05/18/23.

### Jobs Y'all

The Career Education Specialist (CES) team is planning four (4) Jobs Y'all events to be held across the 13-county region by end of June 2023. A \$35,000 Jobs Y'all grant is funding these events and activities. The goal of these events is to encourage youth to explore career opportunities including understanding pathways to in-demand careers, networking, internships, and other applied learning opportunities. We are encouraging attendance of both students and their parent/guardian. Our Employer Engagement and Partnership team is working to secure 10-15 employers for each quadrant. Some employers will provide career exploration, and others will offer employment opportunities. The team is working to incorporate several youth elements into the event.

## Adult Education & Literacy (AEL)

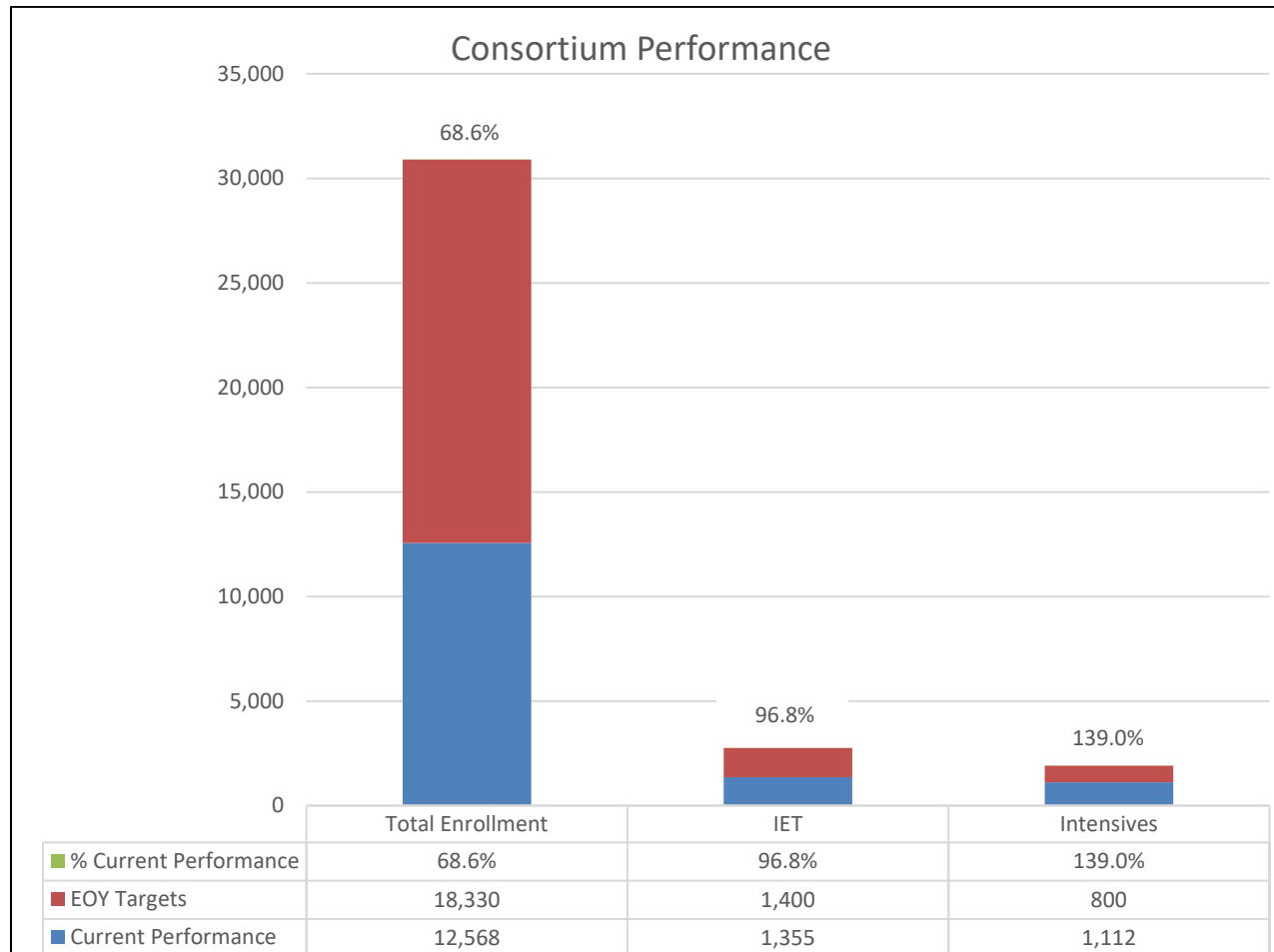
Texas Workforce Commission has extended the contract for adult education for an additional year, and it is likely that the extension will be provided for the following year as well.

We review performance for our service providers in four different areas:

- **12+ Hour Students:** Includes individuals in adult education classes with 12 or more clock hours completed.
- **Integrated Education and Training (IET):** Includes individuals enrolled in Adult Education and Literacy classes concurrently and contextually with workforce preparation activities and workforce training for specific in-demand or targeted occupations for educational and career advancement; this also includes those that are co-enrolled in civics classes which were formally classified as integrated English language/ civics/training.

- Intensive Services:** Includes individuals who receive various college and career-focused adult education options, including workplace Adult Education and Literacy activities, services for internationally trained English language learner professionals and transition assistance to offenders for re-entry and post-release services.

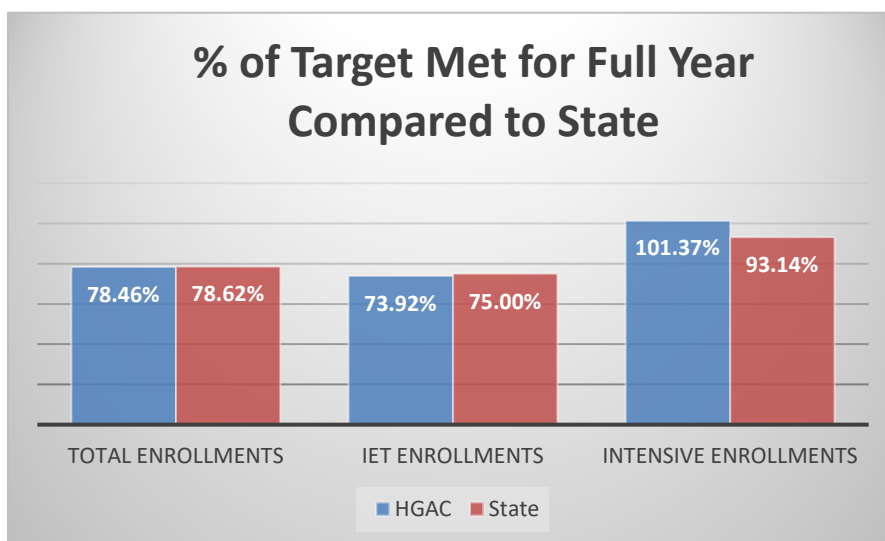
Performance through the month of March for the consortium is listed below:



We are exceeding one of the three measures and are on track to exceed one of the remaining two measures. However, we are lagging on our total enrollment measure. Performance in comparison to last year shows a 16% increase for total enrollment numbers.

In comparison to the state, we are inline in two measures and exceeding in one.





In the current year, the Adult Education and Literacy subdivision shifted from the Board’s operation division to the Early Childhood Education and Strategic Educational Partnerships division. This shift has opened opportunities for closer collaboration with Early Childhood Education and Youth Services. Moving forward we will continue with our efforts to build our alignment within the Education division to support a stronger synergetic system.

In the upcoming program year, we will implement a blended learning model for students receiving English language instruction. In the 2023-2024 program year each provider in the Gulf Coast Consortium will incorporate a blended learning model into their English language instruction. Research shows that when students are given 40 hours of direct instruction paired with 20 hours or more of supportive instruction, students’ education fluency levels increase.

## Texas Education Agency (TEA) Convener Grant

The Gulf Coast Workforce Board and its operating affiliate, Workforce Solutions, are dedicated to fostering collaboration among diverse stakeholders, including schools, colleges, local government entities, non-profits, social service providers, businesses, and philanthropy. Together, we address the economic, educational, and workforce needs of our region. By collecting and organizing local economic data, we empower employers to meet their human resource demands and enable individuals to build successful careers, ensuring their competitiveness in the global economy.

Through this grant, our primary focus is on high-skill, high-growth sectors such as healthcare, education, and building and construction, where we have established partnerships. Our mission is to bring together key stakeholders to develop a

strategic regional plan that promotes effective communication, collaboration, and coordination. By doing so, we aim to create a seamless transition for individuals from K-12 education to post-secondary education and meaningful careers in these industries.

Our objective is to enhance K-12 education by providing students with immersive and practical job experiences within specific fields of focus. This approach allows students to develop social capital, establish networks with local educators and employers, and engage in "earning and learning" opportunities. To oversee this project and leverage the expertise of our workforce staff in educational institutions, work-based learning, pre-apprenticeship and apprenticeship programs, as well as economic and business organizations, we will hire a dedicated full-time project director. This project will be informed by the comprehensive labor-market data and analysis provided by our skilled workforce labor market team

## Next Meeting

The Education Committee Chair, Dr. Bobbie Henderson, proposed scheduling future committee meetings as needed.

## Employer Engagement Committee

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### Meeting on May 18, 2023

The Employer Engagement Committee met on Thursday, May 18, 2023, at 1:30 pm. Members present included Sara Bouse (Chair), Helen Cavazos, Cheryl Guido, Alan Heskamp, Dr. Bobbie Henderson, Guy Robert Jackson, Doug Karr, Mou Sarkar, Richard Shaw, Gil Staley, and Mark Guthrie (Board Chair.) The committee received several updates and acted on one item.

### Current Production Measures

During the update provided by the Board staff, it was highlighted that Employment and Training Centers (ETC) are facing challenges in meeting performance measures, particularly in relation to education credentials. This issue is attributed to the delay in capturing pre-apprenticeship and apprenticeship gains.

Adaptive Construction Solutions (ACS) is currently underperforming across all measures, with the most critical underperformance occurring in the Texas Workforce Commission's required Market Share measure. This measure represents the number of regional employers utilizing Workforce Solutions through qualifying services and aligns with the Employer Receiving Workforce Assistance contracted measure from the Texas Workforce Commission (TWC) and excludes TWC's automated services. For FY 2023, the target for Market Share is 31,500, while the target for Employer Receiving Workforce Assistance is 32,270.

Analyzing the data from October 2022 to January 2023, the board was meeting the Market Share target. With a target of 31,500, the monthly target was set at 2,625. From October 2022 to April 2023, the average monthly increase was 1,514. Additionally, 4,482 services counted towards the measure starting in October 2022, representing job postings rolled over from FY22 and eligible for the FY23 target. However, starting from February 2023, Market Share has fallen behind the straight-line target projections.

Considering the current monthly increases, we have two Market Share projections that yield comparable results:

- Method 1 employs a 6-month moving average, projecting end-of-year performance at 21,986, equivalent to 69.80% of the performance goal.

- Method 2 employs forecast modeling with a 95% confidence interval, projecting end-of-year performance at 22,226, equivalent to 70.56% of the performance goal.

To reach the target of 31,500 by the end of FY23, Market Share needs to add an additional 16,419 Market Share entries between May 2023 and September 2023.

Since the Employer Engagement Committee, the subpar market share performance of ACS has prompted the Texas Workforce Commission to implement a Technical Assistance Plan for the Gulf Coast Workforce Board on May 30, 2023. It is critical for Board staff to address these performance shortfalls promptly and effectively with a comprehensive strategy. ETC has been placed on a technical assistance plan, while ACS has been placed on a corrective action plan.

The complete performance report for the Board and the two service providers is included in this packet.

## Employer and Community Engagement Division Update

On June 6, 2022, Juliet Stipeche assumed the role of Executive Director of the Gulf Coast Workforce Board and Workforce Solutions. After conducting interviews, observations, and assessments, she introduced a new organizational structure for the Board's staff, which includes six key divisions: Operations, Early Childhood and Strategic Educational Partnerships, Employer and Community Engagement, Quality Assurance, Risk Management, and Finance.

The new organizational structure became effective in mid-January 2023, providing the team with opportunities for greater focus and creativity. However, the team is currently operating with six vacancies, which will be repurposed to create stronger institutional ownership of employer relationships that were previously managed by contracted service providers.

The new Employer and Community Engagement division is designed to support the sector-based model of workforce development, as recommended in the Workforce Innovation and Opportunity Act. This model focuses on a region's workforce needs by identifying employers' and residents' needs, developing education and training strategies to upskill and reskill the workforce, and coordinating services to strengthen regional labor markets and create a more equitable distribution of jobs and careers.

To implement the sector-based approach, the new Employer and Community Engagement division includes three subdivisions or teams: 1) Regional Economic Analysis, 2) Employer Engagement, and 3) Community Engagement.

The Regional Economic Analysis Team, led by Parker Harvey, provides critical analysis of economic, labor market, education, and other data to inform Workforce Solutions investments. This team will continue to provide fundamental industry analysis such as Target Industries, High Skill High Growth Occupations, and monthly jobs reports. The team expansion will allow for additional analysis of economic and workforce data and active participation in business organizations to disseminate the Workforce Board's data.

Using the Target Industries and High Skill, High Growth Occupations list approved by the Workforce Board in February 2023, the Employer Engagement team will include seven industry liaison positions to work with employers and economic development organizations. The seven industry liaisons will be organized using clusters of Target Industries. At the two-digit NAICS level, the industries include:

- Mining, Quarrying, and Oil and Gas Extraction,
- Utilities,
- Construction,
- Manufacturing,
- Wholesale Trade,
- Transportation and Warehousing,
- Information,
- Finance and Insurance,
- Real Estate and Rental and Leasing,
- Professional, Scientific, and Technical Services,
- Management of Companies and Enterprises,
- Administrative and Support Services,
- Educational Services,
- Health Care and Social Assistance, and
- Other Services (except Public Administration).

The job titles and cluster assignments of the seven industry liaisons will complement the industry clusters used by the Greater Houston Partnership and Texas Economic Development, except Education and Construction, which are not specifically named:

Greater Houston Partnership  
Advanced Manufacturing  
Aerospace and Aviation  
Digital Technology

Texas Economic Development  
Advanced Manufacturing  
Aerospace, Aviation and Defense  
Information Technology

Energy  
Headquarters  
Life Sciences and Biotechnology  
Transportation and Logistics

Energy  
Corporate Services  
Biotechnology and Life Sciences

This team will play a strategic role in building the region's talent pipelines, addressing skill gaps, and creating meaningful career pathways for workers in important regional industries. The Employer Engagement team at the Board will complement the activities of the contracted service provider, who focuses on satisfying the human resource needs for today. Industry liaisons will focus on identifying long-term needs and addressing them proactively.

To maximize the effectiveness of industry liaisons and allow them to engage with outside business leaders, four project coordinators will provide administrative and technical support for events, projects, meetings, and collaborative tasks. They may also serve as technicians for communication tools. This team will also include a dedicated technical researcher/writer to ensure that Workforce Solutions speaks in industry language, not government or social service jargon.

The Community Engagement Team will have four primary functions including:

- Act as a liaison with organizations whose work intersects with Workforce Solutions in helping current and prospective job candidates advance in the local labor market. This function will increase the capacity of Workforce Solutions to develop the supply side.
- Serve as a liaison with contracted service provider staff who manage external outreach and engagement for Career Services and other units.
- Function as subject-matter-expert and technical administrator for Workforce Solutions branded communication tools, including web, email, social media, point-of-service materials, and media partnerships.
- Assist with the development of strong community partnerships with educational institutions, economic development councils, chambers of commerce, government entities, employers, public and private partners, and community-based organizations. This will enhance the braiding of funds, coordination of services, and enhancing wraparound services for our customers.

Following the Texas Talent and Economic Growth Action Plan framework, the Community Engagement Team serves as partnership managers. This team will create and manage more intentional partnerships to facilitate the talent solutions; pursue shared goals in support of a healthy and robust workforce and leverage joint resources.

### Employer Engagement Staffing

The Employer Engagement team will have a supervisor and manager to guide the team, serve as internal program experts for the Board's contract management team, and liaison between Board staff and contracted service provider to ensure that both are working in concert at various levels to support the needs of the region's employers. The staffing will include:

- Manager,
- Program Administrator,
- Technical Writer,
- Account Liaison,
- Project Coordinator,
- Principal Industry Liaison – 1 of 7,
- Principal Industry Liaison – 2 of 7,
- Principal Industry Liaison – 3 of 7,
- Principal Industry Liaison – 4 of 7,
- Principal Industry Liaison – 5 of 7,
- Principal Industry Liaison – 6 of 7, and
- Principal Industry Liaison – 7 of 7.

### Community Engagement Staffing

Sector strategies can only be effective if we meet the employers' demand by developing the supply of qualified workers through our existing and expanded community partnerships such as THRIVE agencies, local non-profits, philanthropic concerns. This team will also have responsibility for the Workforce Board's strategic planning and public policy advocacy. The Community Engagement team will have a supervisor and manager to guide work and ensure alignment with other areas at the Board in the field. Staffing recommendations include:

- Manager,
- Public Policy Analyst,
- Senior Planner,
- Labor Market Analyst,
- Program Administrator,
- Technical Writer
- Community Engagement Specialist – 1 of 4,
- Community Engagement Specialist – 2 of 4,
- Community Engagement Specialist – 3 of 4, and
- Community Engagement Specialist – 4 of 4.

After repurposing six open positions and creating three new positions to implement the sector-based structure by October 1, 2023, Board staff will propose remaining positions for the 2024 budget.

## Procurement of Service Provider

The Workforce Board's Executive Director provided an update on procurement of a single service provider for employer engagement. H-GAC's procurement representative shared improvements to the process to address issues and concerns expressed by Workforce Board members.

## Criteria Recommendation for Texas Industry Partnership and High Demand Job Training Grants

The Texas Workforce Commission (TWC) provides grant funding opportunities for local workforce development projects in support of current and prospective Texas businesses. The primary grant opportunities from the Texas Workforce Commission's Office of Outreach and Employer Initiatives include:

- Skills Development Fund,
- Skills Recruit Texas,
- Skills for Small Business,
- Self Sufficiency Fund,
- High Demand Job Training,
- Texas Industry Partnership, and
- Jobs and Education for Texans (JET).

On two of these opportunities – High Demand Job Training and Texas Industry Partnership, only the local Workforce Board may apply for the grants as matching or leverage to Workforce Investment and Opportunity Act (WIOA) funds on behalf of the partnership organizations.

The High Demand Job Training program supports collaborations between local workforce development boards (Boards) and Type A or Type B economic development corporations (EDCs). Through the High Demand Job Training program, Boards partner with local Economic Development Corporations to use their local economic development sales taxes for high-demand job training and other workforce-related activities.

The Texas Industry Partnership (TIP) program targets skills gaps and ensures a talent pipeline is available to address regional industry needs. Private employers, corporate foundations, and most 501(C)6 organizations can collaborate with local



workforce development boards to apply for funding to support workforce development projects focused on high-demand, target occupations for job training in their communities.

Boards may submit multiple applications under each award type, however, the total combined funding awarded to the Board may not exceed \$150,000 per fiscal year, per award type.

Applications are taken throughout the fiscal year, starting on September 1, and ending on August 31, or until approved funding by the Texas Workforce Commission has been exhausted. However, to be awarded during the current fiscal year, applications should be submitted no later than July 31.

In April of 2022, the Gulf Coast Workforce Board partnered with the Manvel Economic Development Corporation to secure a High Demand Job Training grant to purchase equipment for Alvin Independent School District's dental academy. Equipment installations were completed in February 2023. The staff is currently talking with the Tomball and Pearland EDCs about the High Demand Job Training grant.

For the Texas Industry Partnership grant, TRIO Electric and CenterPoint Energy have initiated requests for funding for the current fiscal year. Brazosport College and other potential applicants have made verbal inquiries. The requests for funding now exceed the annual award limit. Because the Gulf Coast Workforce Board service area is the largest in Texas, we anticipate that local requests for funding will increase and exceed the annual \$150,000 limit per award type.

The Texas Workforce Commission has increased outreach activities to encourage more applications. With more applications and the requests for funding exceeding the limit, we need parameters for these two grant programs.

The Committee approved a recommendation that the Workforce Board approve criteria as noted below for staff to evaluate funding requests:

- Support for employers in the Workforce Board's Target Industries,
- Support for the Workforce Board's High-Skill, High-Growth Occupations
- Number of individuals to be trained,
- Credentials to be awarded,
- Potential for braided funding to support career progression,
- Maximum amount for High Demand Job Training of \$75,000 per application,

- Maximum amount for Texas Industry Partnership of \$50,000 per application, and
- Applications will be considered on a first-come, first-served basis until annual award maximums are exhausted.

## Next Meeting

The Committee Chair suggested more frequent meetings to receive updates and support Board staff as the new structure takes shape. Members agreed that the Thursday afternoon timing worked well. Staff will consult with the Committee Chair to schedule the next meeting.

## Attachments

1. Workforce Solutions System Performance, Contract Year October 2022 - September 2023, March 2023 Report
2. Texas Talent and Economic Growth, Statewide Action Plan, Figure 8. Statewide Plan Framework

# WORKFORCE SOLUTIONS SYSTEM PERFORMANCE

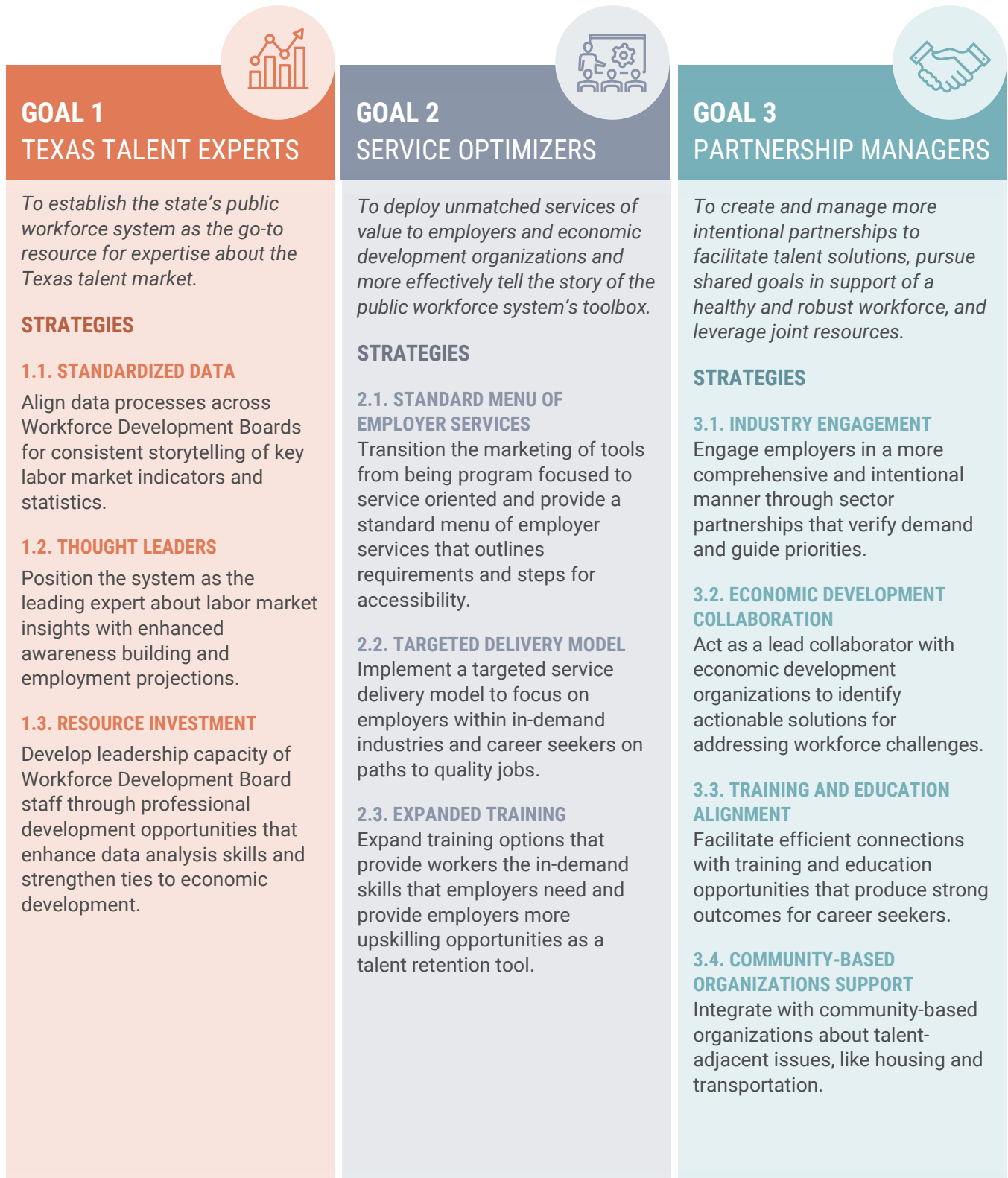
CONTRACT YEAR OCTOBER 2022 - SEPTEMBER 2023

March 2023 Report

	Board Measures	Board				ACS		ETC	
		% Current Target	Current Target	EOY Target	Current Perf.	YTD Num	Current Perf.	YTD Num	Current Perf.
					YTD Den		YTD Den		YTD Den
Support Employers	Market Share	44%	31,500	13,762		13,762			
	Loyalty	66%	65%	42.6%	7,595 17,837	42.6%	7,595 17,837		
	New Jobs Created	45%	3,500	1,576		1,576			
	<i>New jobs created with employers in targeted industries</i>	29%	75.0%	21.5%	339 1,576	21.5%	339 1,576		
	<i>New jobs created in targeted high-skill occupations</i>	18%	45.0%	8.2%	130 1,576	8.2%	130 1,576		
	<i>Employers with talent development assistance</i>	77%	200	400	154		132		22
	<i>Workers helped with talent development (Unduplicated)</i>	0%	600	1,200	INA				INA
Put People in Jobs	Employed in the 1st Qtr after Exit	95%	78.0%	74.5%	24,237 32,539			89.2%	323 362
	Employed after staff assistance *	51%	65.0%	33.3%	18,398 55,207			46.2%	945 2,046
Keep People in Jobs	Employed in 2nd and 3rd quarters after exit	99%	83.0%	82.1%	20,162 24,568			81.8%	193 236
	<i>Employed/Enrolled Q2 Post Exit - C&amp;T</i>	98%	68.1%	66.4%	23,987 36,112			81.0%	234 289
	<i>Employed Q2 Post Exit - WIOA Adult</i>	107%	72.0%	76.8%	1,464 1,906			81.4%	149 183
	<i>Employed Q2 Post Exit - WIOA DW</i>	102%	79.1%	80.3%	453 564			81.2%	82 101
	<i>Employed/Enrolled Q2 Post Exit - WIOA Youth</i>	98%	70.4%	69.0%	319 462			77.6%	38 49
	<i>Employed/Enrolled Q2-Q4 Post Exit - C&amp;T</i>	103%	83.4%	85.9%	23,592 27,449			89.4%	237 265
	<i>Employed Q4 Post Exit - WIOA Adult</i>	104%	70.6%	73.1%	1,125 1,538			75.9%	154 203
	<i>Employed Q4 Post Exit - WIOA DW</i>	105%	75.7%	79.8%	513 643			84.9%	90 106
	<i>Employed/Enrolled Q4 Post Exit - WIOA Youth</i>	102%	67.2%	68.7%	351 511			85.9%	55 64
	Increase Incomes	Exiters with Earnings Gains	102.9%	46.0%	47.4%	19,056 40,244			66.0%
Exiters with Earnings Gains of at least 20%		105.8%	37.0%	39.2%	15,758 40,244			55.4%	163 294
Raise Education Levels	Achieve Education Credential	70.1%	76.0%	53.3%	618 1,160			13.5%	26 192
	Achieve Post-Secondary Certificate or Degree	73.1%	86.0%	62.9%	591 940			0.0%	0 3
	<i>Credential Rate - C&amp;T</i>	99.9%	70.9%	70.9%	948 1,338			23.8%	36 151
	<i>Credential Rate - WIOA Adult</i>	99.9%	65.6%	65.5%	487 743			22.5%	18 80
	<i>Credential Rate - WIOA DW</i>	102.1%	79.6%	81.3%	351 432			35.6%	21 59
	<i>Credential Rate - WIOA Youth</i>	108%	60.6%	65.2%	135 207			21.9%	7 32
	<i>Measurable Skills Gains - WIOA Adult</i>	63%	70.7%	44.6%	433 970			44.4%	84 189
	<i>Measurable Skills Gains - WIOA DW</i>	75%	78.9%	59.2%	109 184			43.3%	13 30
	<i>Measurable Skills Gains - WIOA Youth</i>	69%	50.9%	35.2%	299 849			36.3%	37 102
	Deliver Outstanding Service	Customer Satisfaction based on survey results	80%	90%	72%		88%	Goal-85%	94%
Other Indicators	Customers, unemployed at entrance, employed by the 1st Qtr After Exit	95%	76.0%	72.5%	20,001 27,606			90.6%	202 223
	Customers employed in the entrance quarter	89%	70.0%	62.4%	20,178 32,332			79.9%	151 189

\* This measure is a test measure

Figure 8. Statewide Plan Framework



Source(s): TIP Strategies, Inc.

## Communications Committee

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### Meeting on May 18, 2023

The Communications Committee met on Thursday, May 18, 2023, at 3 pm. Members present included Doug Karr (Chair), Alan Heskamp, Bobbie Henderson, Guy Robert Jackson, Keri Schmidt, Richard Shaw, Michael Webster, and Mark Guthrie (Board Chair.) The committee received several updates. There were no action items.

### Savage Brands

The team from Savage Brands provided updates on several projects including a new home page for wrksolutions.com along with new landing pages for employers and people, new designs for content pages, and plans for supporting staff with the development of a quarterly newsletter for employers. Board Chair Guthrie asked that staff circulate a copy of the March edition of the newsletter to the full board and include them on future distribution lists.

### Outreach Strategists

The team from Outreach Strategists shared a broad overview for structuring the Board's strategic planning work. They discussed opportunities for conducting a national landscape analysis and engaging various stakeholder audiences to inform the plan with a target delivery of February 2024.

### Current Contract Renewals

Both Savage Brands and Outreach Strategists are currently in the third year of a four-year procurement. Both contracts will go to the Procurement Committee with a recommendation for renewal of the fourth and final year under the current procurement. This final year of the contract will be focused on supporting the Gulf Coast Workforce Board successfully develop a new strategic plan for 2024-2028. Staff will subsequently begin work on a new procurement for marketing and outreach at the conclusion of this fourth and final year.

### H-GAC Shared Services

H-GAC Executive Director Chuck Wemple presented on the services available to Workforce Board staff. He explained that shared services are charged to the

departments as staff time is spent on requested work. The Gulf Coast Workforce Board allocates the equivalent of 1.5 FTEs to H-GAC's Communications staff.

## Employer and Community Engagement Division Update

Board staff supplied information on the plan to expand the Employer and Community Engagement Division of the Workforce Board's staff. This plan allows the Board to use a sector-based approach to support talent pipeline development. More information about the approach and structure is included in the Employer Engagement Committee report in this packet.

## Next Meeting

The Committee Chair suggested continuing the practice of following the Employer Engagement Committee as a convenience and courtesy to participating Workforce Board members. Board staff will coordinate the next meeting dates accordingly.

# Audit and Monitoring Committee Update for May 2023

The Audit and Monitoring Committee met on May 25, 2023, at 1:00 p.m. Members present included Guy Robert Jackson (Chair), Carl Bowles (Vice Chair), Willie Alexander, Sara Bouse, Cheryl Guido, Mark Guthrie (Board Chair), Bobbie Henderson, Alan Heskamp, Doug Karr, and Adrian Ozuna.

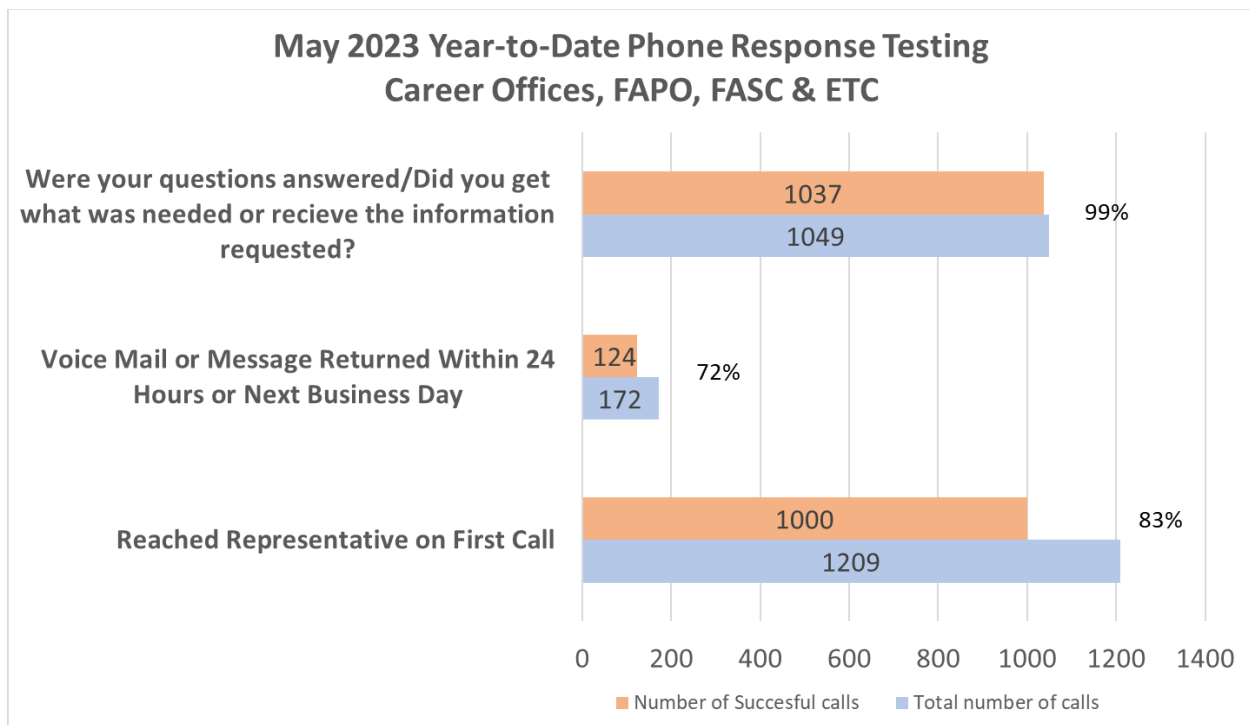
## System Review

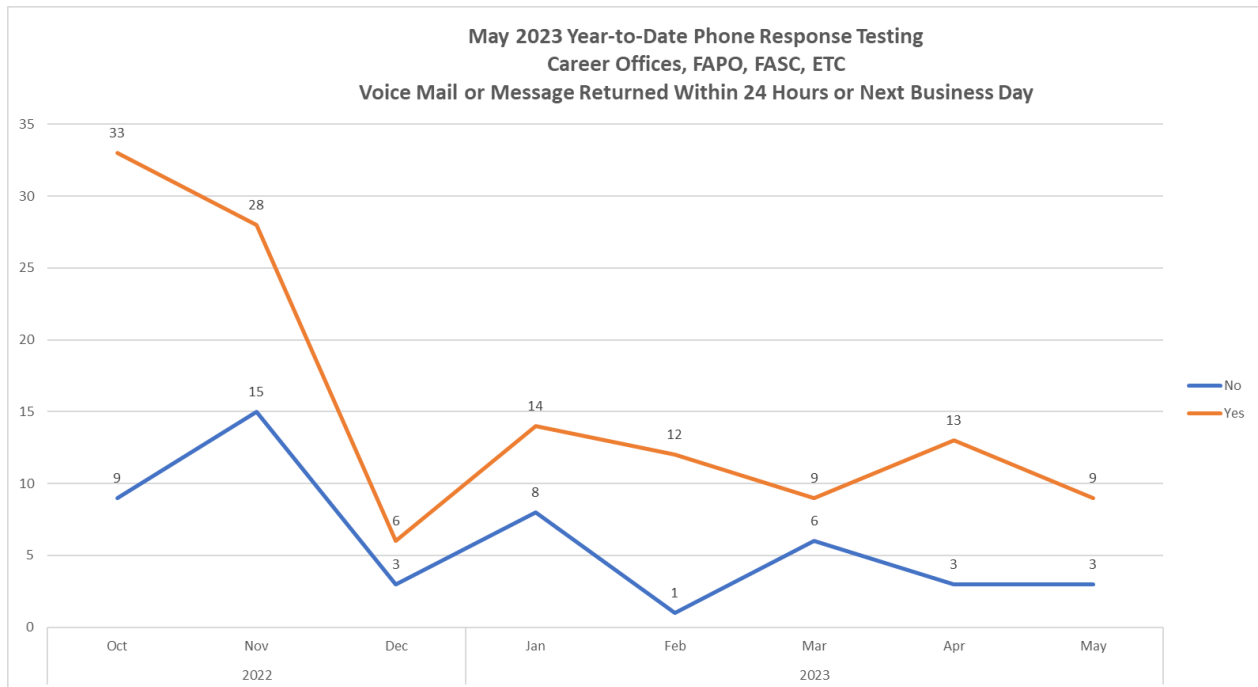
This report includes a system-level review of performance/production and expenditures and a contractor-level review of performance/production and expenditures.

## Customer Experience

### Phone Responsiveness

Voice mail responses within 24 hours improved in May 2023, slightly increasing the year-to-date result to 72% from 71% in March and April.

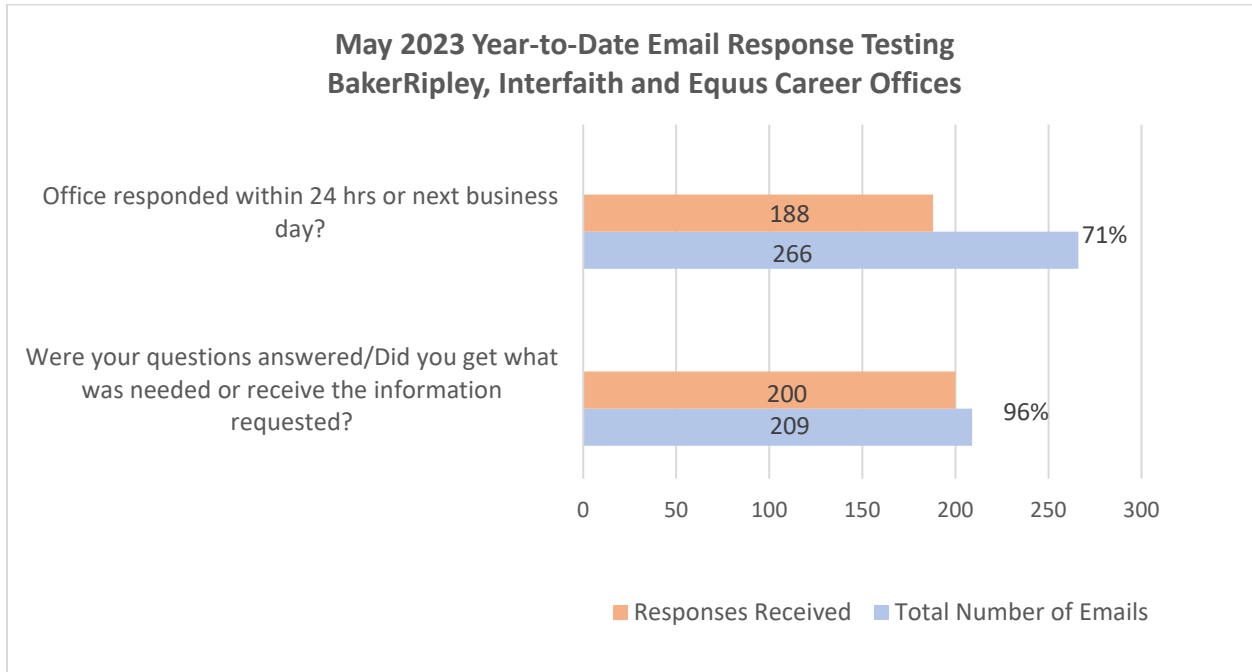




### Email Responsiveness

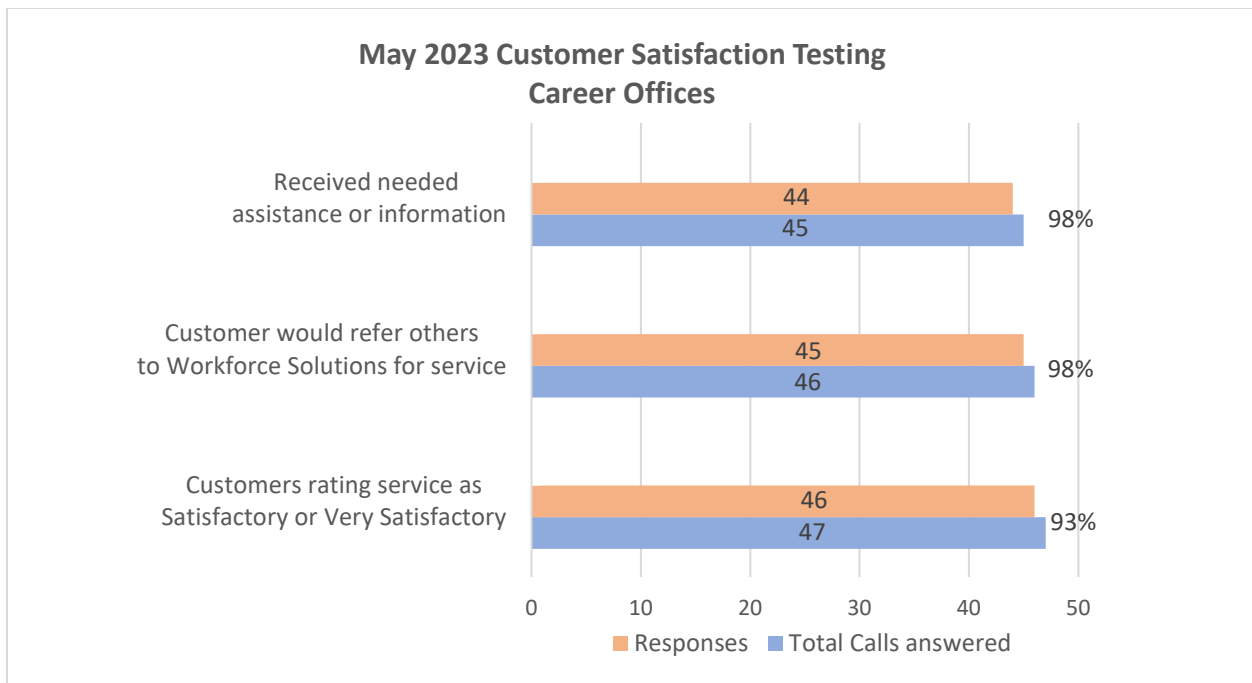
We tested the responsiveness of the career offices to emails sent to the career office email address found on [Wrksolutions.com](http://Wrksolutions.com). The responses were good, but improvement is needed to ensure a customer receives an email response within 24 hours.

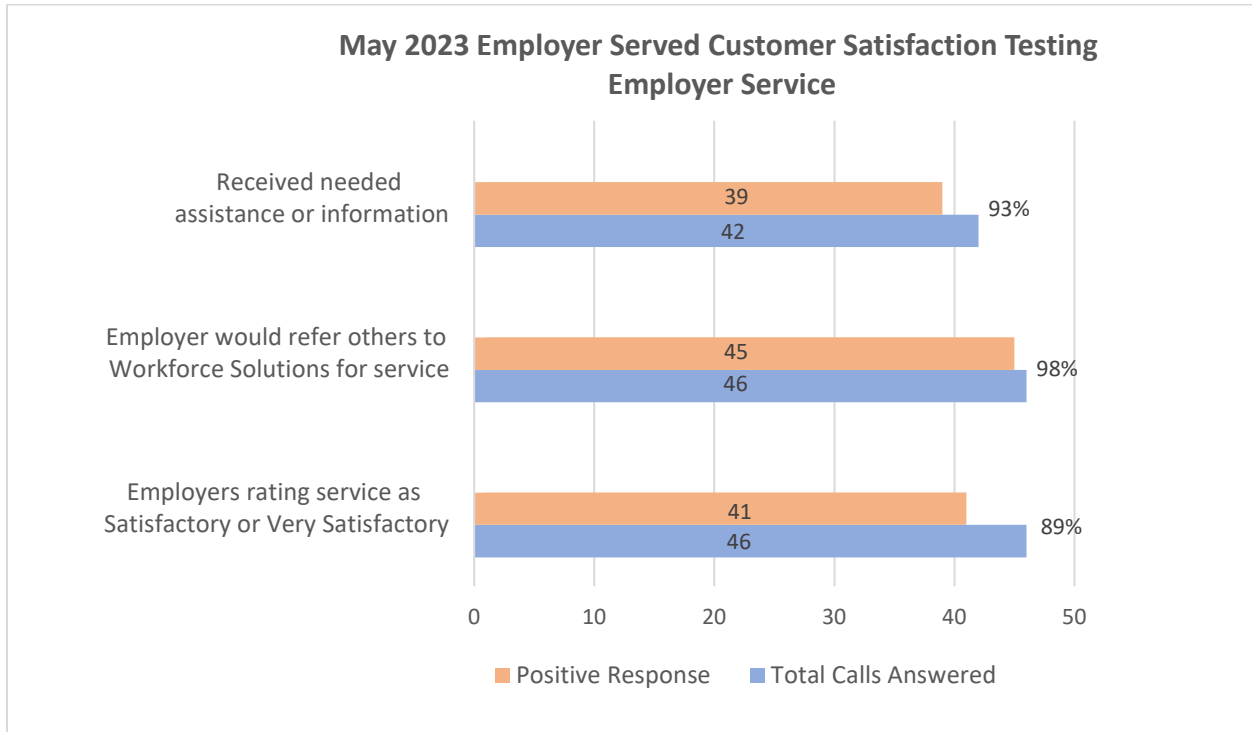




### Customer Satisfaction

From a list of 114 customers receiving a service through a career office in April 2023, we spoke with 47 customers. We called 27 employers who interacted with Employer Service in the last three months and were able to talk with 12 employers. The charts below reflect what we heard.





## Technical Program Compliance

We issued the final report for the Adult Education providers: **Region 6, BakerRipley Adult Education, and Wharton County Junior College**. All three reports were sent without any findings.

Final reports were also issued for the **Adult Education Center, Alliance for Multicultural Community Services, Boys and Girls Club of Walker County, Brazosport College, Chinese Community Center, College of the Mainland, Community Family Centers, Harris County Department of Education, Houston Community College, Lone Star College, and San Jacinto College**. Each service provider has addressed all findings noted during the reviews.

Last year the Audit and Monitoring Committee updated the rating scale used to evaluate service provider performance.

<b>Excellent</b>	10	<b>Improvement Needed</b>	0 to -5
<b>Above Average</b>	5 to 9.9	<b>Unacceptable</b>	- 4.9 to -10
<b>Standard</b>	0 to 4.9		

The new rating scale factors any critical findings from the most recent financial monitoring report and requires a performance improvement plan for providers with a rating of -5.

The table below shows the report card rating for program monitoring for each Adult Education service provider:

<b>Adult Education Service Provider</b>	<b>Report Card Rating</b>	<b>Numeric Rating</b>	<b>Financial Monitoring</b>
Adult Education Center	Improvement Needed	-.54	PY22 – reimbursed \$3,707 disallowed costs
Association for the Advancement of Mexican Americans	Standard	4.29	PY22 – reimbursed \$4,831 disallowed costs
Alliance for Multicultural Community Services	Standard	.98	PY22 – reimbursed \$4,268.82 disallowed costs
BakerRipley Adult Education	Standard	2.28	PY23 – no findings
Boys and Girls Club of Walker County	Standard	4.08	PY22 – reimbursed \$3,549.42 disallowed costs
Brazosport College	Standard	1.10	PY22 – no significant findings
Chinese Community Center	Standard	2.96	PY22 – no significant findings
Community Family Centers	Standard	2.79	PY22 – no findings
College of the Mainland	Standard	.10	PY22 – no significant findings
Houston Community College	Standard	1.05	PY23 – no findings
Harris County Department of Education	Standard	.75	PY23 – no significant findings
Lone Star College	Standard	.30	PY22 – reimbursed \$1,688 disallowed costs
San Jacinto College	Standard	2.98	PY22 – no significant findings
Wharton County Junior College	Standard	3.24	PY23 – no findings
Region 6	Standard	4.00	PY22 – reimbursed \$218.34 disallowed costs

## Financial Systems and Issues

**BakerRipley Adult Education, Houston Community College, and Wharton County Junior College** financial monitoring identified no findings. Financial monitoring for **Harris County Department of Education** had no significant findings identified.

**Adult Education Center** – The current year monitoring report is not finalized, pending a response from the Adult Education Center due on May 22, 2023. The review found repeat observations and potential questioned costs related to promotions and cost of living, inflation pay increases, missing procurement documentation and travel costs, and expenditures not listed in the approved budget narrative.

**Alliance for Multicultural Community Services** – The current year monitoring report is not finalized, pending a response from the Alliance. The review found multiple findings related to insufficient internal controls and potential questioned costs related to missing procurement documentation and expenditures not included in the approved budget.

**Association for the Advancement of Mexican Americans (AAMA)** (*presented in committee meeting omitted from the written report*) - The current year monitoring report is not finalized, pending a response from the AAMA. The review found repeat observations regarding the cost allocation plan and indirect costs. Non-personnel questioned costs were \$20,937.00 related to missing procurement documentation. Total financial billing questioned costs are \$21,932 related to under/over reporting and line items not included in the budget.

**Boys and Girls Club of Walker County** – The current year monitoring report is not finalized, pending a response from the Boys and Girls Club of Walker County. The review found multiple findings related to insufficient internal controls and non-personnel potentially questioned costs for missing procurement documentation.

**Chinese Community Center** – The current year monitoring report is not finalized, pending a response from the Chinese Community Center. The review found non-personnel potential questioned costs related to missing procurement documentation and costs recorded in the wrong fiscal year.

The financial monitoring reports for the following adult education providers are pending because the providers failed to submit the documentation requested in a timely manner during the review:

Brazosport College (Exit May 25, 2023)  
College of the Mainland (Exit May 23, 2023)  
Community Family Center (Exit May 17, 2023)  
Lone Star College (Exit May 17, 2023)  
Region 6 (Exit May 19, 2023)  
San Jacinto College (Exit May 18, 2023)

## Corrective Action and Technical Assistance Plans

- In April 2022, **Harris County Department of Education (HCDE)** and **Houston Community College (HCC)** were placed on corrective action plans to address data integrity and accuracy. In May 2023, HCC received notification that they had met all of the requirements of the CAP, and the CAP has been lifted.

On March 13, 2023, HCDE was notified via correspondence of continued programmatic and operational concerns after ten months of being on a corrective action plan. They were also made aware of new issues concerning staff professional development data entry and programmatic processes related to Texas Educating Adults Management System (TEAMS).

Recommendations for immediate process changes were offered, accepted, and implemented by the recommended date of March 31, 2023. Since meeting with the HCDE Superintendent and the Assistant Superintendent of Education and Enrichment to discuss the ongoing issues in person, HCDE is showing greater effort to enhance our working relationship and focus on improvement.

- **Equus Support Center Corrective Action Plan** – On April 6, 2023, **Equus** was placed under a corrective action plan for a minimum of six (6) months to address growing customer complaints and a lack of progress in meeting contractual customer service standards. Equus was advised that a failure to demonstrate significant progress by the end of the fourth quarter evaluation could result in reduced funding or contract termination. The Equus CAP was finalized on April 20, 2023, with biweekly meetings scheduled beginning May 2, 2023.

To improve the performance and production of the Support Center, we are working closely with the management team to transform the current operational model into two specialized units dedicated to 1) eligibility and 2) call center operations. This strategic realignment is needed to foster enhanced focus, specialization, and operational efficiency.

We will ensure the seamless implementation of recommended strategies and conduct regular evaluations to gauge efficiency, economy, and efficacy. Moreover, our Board staff will actively participate in mandatory monthly TWC

technical assistance meetings, reinforcing our dedication to continuous improvement. Additionally, we anticipate the installation of Ring Central, a cutting-edge communication solution, to be completed by mid-June, further augmenting the operational capabilities of the Support Center.

Over the past five years, the Child Care Financial Aid funds have grown by 65% to \$81 million dollars, while staffing levels at the support center have grown by less than 10%. To overcome the staffing challenges and address operational deficiencies, Board staff will present action items to the Gulf Coast Workforce Board at the June 6, 2023, board meeting. The action items will request additional staff to address call handling capacities, expedite child care application processing, correct bottlenecks within the eligibility and fulfillment processes, and limited capacity to serve a growing customer base.

- **Employer Engagement Service Providers** – Since the Audit and Monitoring Committee last met, staff has been working with both **Employment Training & Centers, Inc. (ETC)** and **Adaptive Construction Solutions, Inc. (ACS)** on performance issues.

In the case of ETC., the performance issues are tied to the percentage of job seekers obtaining credentials and measurable skills gains. The credential rate is related in part to the number of individuals served through registered apprenticeships. Workforce Solutions' involvement is often at the beginning of the apprenticeship process in the form of support for classroom training and on-the-job training. We cannot take credit for the end credential if we do not continue to work with the customer throughout the apprenticeship, which can up to four years. However, we can get credit for the end credential if we provide follow-up and any additional services that customers may need. Measurable skills gains are an issue that we see system-wide, and we are working with ETC and our other service providers to implement changes in how we record our work and our customers' achievements. We are developing a technical assistance plan to provide needed assistance to ensure that ETC and our system get credit for the work we are doing.

We have been working with ACS throughout their current contract to improve performance on market share, which measures the number of employers receiving services. Failure to meet this measure last year resulted in us not meeting our production measure with the Texas Workforce Commission (TWC) for employer service. TWC could put the Board on a corrective action plan if we do not meet it this year. In recent weeks, we asked ACS for a strategic plan to meet this measure and requested subsequent revisions to provide more detail. They failed to submit a satisfactory plan, and we began work on a technical assistance plan. Given that we may not meet our state target for a second year

and ACS's inability to show progress toward meeting the market share measure, we will make this plan a corrective action plan.

## **Adaptive Construction Solutions (ACS) Grievance**

ACS filed a formal dispute with H-GAC Executive Director Chuck Wemple, and the H-GAC Internal Audit and Finance teams were tasked with re-evaluating the financial monitoring results. H-GAC concluded that the disallowed costs should be reduced from \$994,590 to \$428,298. For more information, please refer to the following attachments:

1. ACS Dispute Resolution; and
2. ACS Final Report.

## **Next Meeting**

We propose to schedule the next committee meeting for 1:00 PM on Tuesday, July 25, 2023.



**HOUSTON- GALVESTON AREA COUNCIL**  
OFFICE OF THE EXECUTIVE DIRECTOR

May 25, 2023

Mr. Nicholas Morgan  
President  
Adaptive Construction Solutions  
6509 West Little York Drive  
Houston, Texas 77040  
Via Email: [nicholas@acstexas.com](mailto:nicholas@acstexas.com)

Re: Results of the Independent Review of Disallowed and Questioned Costs

Dear Mr. Morgan:

In response to your dispute letter dated March 14, 2023 related to results of financial monitoring which found significant disallowed costs, H-GAC completed an independent review of the disallowed and questioned costs. The review team consisted of members of H-GAC's Internal Audit and Finance staff, along with Ms. Christine Nguyen, an external contract monitor for the Gulf Coast Workforce Board. The team worked closely with members of your staff to examine a large volume of transactions and discuss reasonable methodologies for allowance and disallowance of the various categories of cost in the program.

We thank you and your staff for your cooperation and dedication to completing this review in an expedited manner. The following schedule is a summary of the results of the review which has been discussed with your staff:

Description	Original Disallowed and Questioned Cost	Revised Disallowed and Questioned Cost	Summary
Salaries & Benefits	\$878,545	\$384,891	Allowed partial executive salaries using an allocated methodology tied to actual salaries of subordinate staff in Workforce programs as a percentage of total organizational salaries. Some bonuses and vacation pay were disallowed as well as overbillings.
Audit/Legal/Consulting	\$42,840	\$28,452	Audit fees were allowed; legal and retainer fees were disallowed.
Other	\$11,343	\$2,750	Disallowed \$320 travel costs and \$208 in other costs. Balance disallowed primarily due to overbilling.
Indirect Costs	\$61,862	\$12,205	Allowed more indirect costs based on revised allowability of total direct costs.
Total	\$994,590	\$428,298	



H-GAC will work with Adaptive Construction Solutions to develop an acceptable payment plan for the recovery of these funds. Please note that these funds must be reimbursed with discretionary funds that are not sourced from federal or state grant programs.

Adaptive Construction Solutions has 30 days from the receipt of this letter to provide an acceptable payment plan to H-GAC or submit a final response to the findings which were transmitted to you in detail on May 2, 2023. As a reminder, all records regarding this contract must be retained in accordance with Article 14 of the General Provisions of your contract and are subject to review by other authorized entities per Article 13.

Please include your contract number 7764 when submitting your payments so that they can be properly applied to this debt. We thank you in advance for your prompt attention in resolving this matter. If you have any questions, please feel free to contact me at (713) 993-4514 or [Charles.Wemple@h-gac.com](mailto:Charles.Wemple@h-gac.com).

Sincerely,



Charles Wemple

CW/ma



May 25, 2023

To: Chuck Wemple, *H-GAC Executive Director*

From: Nancy Haussler, *H-GAC Chief Financial Officer*  
Charles Hill, *H-GAC Director Internal Audit*

RE: Report on the Independent Review of Disallowed Costs of Adaptive Construction Solutions, Inc. (ACS)

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We are pleased to inform you that H-GAC Finance, Internal Audit and our external Financial Monitor has completed the joint and independent review of ACS's disallowed costs for the contract with H-GAC from October 1, 2021 to September 30, 2022. The review was performed with cooperation and transparency from the staff of ACS.

Please find attached a Report of the review. The initial disallowed costs were \$967,008 and the questioned costs were \$27,582. ACS formally disputed the costs on March 14, 2023. The revised disallowed costs resulting from this joint and independent review is now \$428,298. The results have been presented to ACS and ACS has agreed to the revised costs.

Please do not hesitate to contact us if you have any questions or concerns.

cc: Juliet Stipeche, *H-GAC Director Human Services*  
Onyinye Akujuo, *H-GAC Chief Operating Office*  
Mark Guthrie, *Gulf Coast Workforce Board Chair*  
Guy Jackson, *Gulf Coast Workforce Audit/Monitoring Committee Chair*

**INDEPENDENT REVIEW OF DISALLOWED COSTS OF  
ADAPTIVE CONSTRUCTION SOLUTIONS, INC.**

**EXECUTIVE SUMMARY**

H-GAC has completed an independent review of the disallowed and questioned costs on May 2, 2023, in response to a dispute letter from Adaptive Construction Solutions, Inc. (ACS) dated March 14, 2023 for the results of the financial monitoring which found significant disallowed costs. The review team consisted of members of H-GAC's Internal Audit and Finance staff, along with Ms. Christine Nguyen, an external contract monitor for the Gulf Coast Workforce Board. The team worked closely with staff of ACS to examine large volumes of transactions and discuss reasonable methodologies for allowance and disallowance of the various categories of costs in the program. The following is a summary of the results of the review, which has been discussed with ACS.

Description	Original Disallowed and Questioned Cost	Revised Disallowed Cost	Summary
Salaries & Benefits	\$878,545	\$384,891	Allowed partial executive salaries using an allocated methodology tied to actual salaries of subordinate staff in Workforce programs as a percentage of total organizational salaries. Bonuses, vacation pay, and overbillings were disallowed.
Audit/Legal/ Consulting	42,840	28,452	Audit fees were allowed, legal and retainer fees were disallowed.
Other	11,343	2,750	Disallowed \$320 in travel costs and \$208 in other costs. Balance disallowed primarily due to overbilling.
Indirect Costs	61,862	12,205	Allowed more indirect costs based on revised allowability of total direct costs.
<b>Total</b>	<b>\$994,590</b>	<b>\$428,298</b>	

H-GAC will work with ACS to develop an acceptable payment plan for the recovery of these funds.

# **REPORT**

## **Independent Review of the Disallowed and Questioned Costs**

**ADAPTIVE CONSTRUCTION SOLUTIONS, Inc.**

**October 1, 2021 – September 30, 2022**

**Report date: May 18, 2023**

**By: Christine Nguyen, Mary Yee, Arathi Nayak, Sabrina Uy**

## **PURPOSE**

This Audit Report provides a summary of the independent review performed over Adaptive Construction Solutions, Inc.'s (ACS) disallowed and questioned costs for its first-year contract with H-GAC, for the period of October 1, 2021 to September 30, 2022.

## **BACKGROUND**

The review was conducted jointly by a team of H-GAC's external financial monitors Christine Nguyen, CPA and Mary Yee, H-GAC's Finance staff-Arathi Nayak, and Internal Audit staff-Sabrina Uy, CPA. The review was performed pursuant to ACS serving an official dispute letter on March 14, 2023, relating to H-GAC's financial monitoring letter dated March 10, 2023. After receipt of the dispute letter from ACS by H-GAC, Chuck Wemple, H-GAC's Executive CEO requested for a joint and independent review of the disallowed cost of \$967,008 and the questioned cost of \$27,582. The review team conducted an on-site visit on April 14, 2023 and began the review. The review was substantively completed on May 2, 2023 and finalized by May 12, 2023.

## **SCOPE**

H-GAC's external financial monitor had conducted and issued a Financial Compliance Monitoring Report on October 28, 2022. H-GAC's Human Services manager, Internal Audit and ACS had been working together to resolve outstanding issues. Only the remaining unresolved disallowed and questioned costs were presented to ACS in H-GAC's letter dated March 10, 2023. This review solely addresses the unresolved issues summarized in the March 10, 2023 letter. The financial compliance monitoring was originally for the period from October 1, 2021 to August 31, 2022. The review period was subsequently extended to September 30, 2022, thus covering the full first year's contract period.

Although ACS has informed us that they implemented many of the recommendations identified in the October 28, 2022 letter and continue to do so, this review does not address the status of the implementations. A follow up by each monitoring team in the future will formally address them. This review does not contain any new recommendations, as recommendations relating to weakness in controls that led to the disallowed costs were already provided in the October 28, 2022 report. In summary, ACS is currently implementing NetSuite, a cloud-based ERP system that will fulfill the grant-based compliance reporting needs, ACS's prior Controller has rejoined ACS providing stability, and all staff who bill Workforce are recording timesheets. These changes should prevent the re-occurrence of the issues identified during the contract's first year financial monitoring.

## **SUMMARY OF REVIEW PROCESS**

### Time and Effort based on actual versus budget:

As part of the financial monitoring process, H-GAC sought the advice of Texas Workforce

Commission (TWC) for the disallowed salaries as ACS's Time and Effort basis of charging salaries and related expenses were based on budgeted percentages. This review adopts the guidance of TWC, specifically that the cost allocation method used to charge Management and General salaries and related expenses (M&GS) be reasonably documented, and that it results in the assignment of costs in accordance with the relative benefit received. H-GAC understands that the approach taken to resolve issues under dispute with one subrecipient does not set precedence for others, as issues are resolved based on case facts, a case-by-case application of the Uniform Guidance's cost principles for documentation, and Texas Workforce Commission's administrative requirements and standards.

To this effect, the review process entailed recalculating Time-and-Effort (or Personal Activity) monthly reports using Actual Salaries percentages versus budgeted percentages, as such:

$$\text{Time and Effort \%} = \frac{\text{Workforce Actual Gross Salary}}{\text{Total ACS Actual Gross Salary}}$$

$$\text{Allowed Salaries, Benefits and Incentives} = \text{Time and Effort \% (based on actual salaries, above)} \times \text{Salaries, Benefits and Incentives paid during each pay cycle.}$$

#### Overbillings and recording in incorrect P&L:

The Operations/Direct Services' disallowed Salaries, Benefits and Incentives were primarily due to overbillings, whereby the expenses in the Workforce Profit and Loss statement (WF P&L) were less than the billings to H-GAC. The review team provided recommendations to ACS to properly record all Workforce Operations/Direct expenses in the WF P&L, and to create a new 'WF M&G P&L' to record just Workforce M&GS expenses which now match H-GAC's approved M&G budget line items.

#### **SUMMARY OF REVISED DISALLOWED COSTS**

The revised disallowed cost is \$428,298. The March 10, 2023, disallowed cost was \$967,008 and the questioned cost was \$27,582. The nature of the revisions is described below. Refer to attachment 1 for a comparative summary.

Management and General items disallowed \$154,566:

1. Salaries, Benefits, and Incentive pay disallowed \$152,361:

Salaries of \$117,426, benefits of \$25,390 and incentives of \$9,545 were disallowed due to the differences in billings based on budgeted percentage for the Time and Effort method of allocating Management and General salaries, benefits, and incentives, versus the recalculated actual percentage of salary on Workforce grant for the Time and Effort method of allocation. Other pay items disallowed include vacation pay not in the HR policy, bonus pay not in the budget, and time charged while not on Workforce grant.

Previously, the disallowed amount of \$519,382 (Salaries of \$415,158, benefits of \$84,010 and incentives of \$20,214) and questioned costs of \$21,373 (Salaries of \$16,807 and benefits of \$4,566) was mainly due to differences in billings based on allocation of Management and General salaries, benefits and incentives using budgeted percentages, in addition to the other pay items with reasons as listed above.

2. Other items disallowed \$2,205:

They are due to net over-billings in communications, travel, and office supplies.

Previously, \$1,783 was allowed. \$2,205 was disallowed due to net over-billings in communications, travel, and office supplies. \$3,998 of Gerald Tinsley, CPA consultant's fees, was allowed until further clarification was sought. The \$3,998 fee is now disallowed as it is determined to be retainer fees, which are not allowable.

Operations/Direct Services items disallowed \$261,526

3. Salaries, Benefits, and Incentive pay disallowed \$232,529:

Salaries of \$185,194, benefits of \$44,518 and incentives of \$2,817 are disallowed due to billings over the amounts recorded in the WF P&L.

Previously, salaries of \$248,878, benefits of \$79,625 and incentives of \$3,078 were disallowed due to billings over the amounts recorded in the WF P&L. A data analyst's salaries of \$45,712 and benefits of \$10,301 are now allowed using actual salaries to calculate Time and Effort allocation, as described in item #1 above. Another Workforce staff's salaries of \$33,772 and benefits of \$9,048 has now been appropriately recorded in the WF P&L and is now allowed. ACS's contribution of staff's HSA in the amount of \$15,799 is now properly recorded under the Personal Benefits (Fringe) account and removed from Personnel Salaries.

The previously identified questioned costs related to Incentives of \$5,768 and Benefits of \$441 for two Workforce staff's expenses not recorded in the WF P&L. The questioned costs have been resolved after proper journal entries were recorded, and only \$576 is disallowed for the time they were not in Workforce.

4. Audit, legal, non-staff services disallowed \$0:

Previously, \$20,938 of Crowe LLP's Single Audit fees were disallowed due to reallocation of this into the M&G budget. The amount is now allowed, as the budget simply split Workforce's portion of the Audit Fees between the M&G and the Operations budget.

5. Consulting services disallowed \$28,469:

\$25,620 of Gerald Tinsley's retainer fees is disallowed, as retainer fees are not allowable. \$2,849 of legal fees incurred for an employee's potential conflict of interest issue connected to H-GAC

do not meet the requirements of 2 CFR 200.435 and is disallowed.

Previously, the retainer fee and legal fees issues were not fully resolved and was disallowed as part of the \$25,907. The full amounts for these two issues are disallowed now due to the reasons above.

6. Other items disallowed \$528:

\$528 is disallowed due to over-billing in Communications and Other.

Previously, \$9,121 was disallowed. ACS provided invoices for \$8,593 showing benefit to Workforce, and it is now allowed.

Indirect costs disallowed \$12,205:

It is calculated as the difference between the previous indirect costs of \$289,531 and the revised indirect costs of \$277,326. The revised indirect cost is calculated as 10% of the previous Workforce expenses of \$3,189,350 less the revised disallowed costs of \$416,093.

## **CONCLUSION**

The review was completed with the full cooperation of ACS and transparency between the review team and ACS. In addition to the concurrent review of the supporting documentation and the recalculation of the Time and Effort % using Actual Salaries, H-GAC's review team, CFO and Director of Internal Audit held a formal meeting to explain the revised disallowed costs to ACS's management team on April 27, 2023. ACS was provided the opportunity to review the calculations and applied procedures. The disallowed costs calculation was finalized on May 2, 2023. Final reclassification entries by ACS between P&Ls and budget lines were completed on May 12, 2023.

In conclusion, the final disallowed cost from Year 1 (October 1, 2021 to September 30, 2022) of ACS's financial monitoring compliance is \$428,298.



Attachment 1	MANAGEMENT & GENERAL			OPERATIONS / DIRECT SERVICE		
	Previous Disallowed Costs	Previous Questioned Costs	Revised Disallowed Costs	Previous Disallowed Costs	Previous Questioned Costs	Revised Disallowed Costs
Personnel Salaries	415,158	16,807	117,426	248,878		185,194
Personnel Benefits	84,010	4,566	25,390	79,625	441	44,518
Personnel Incentive Pay	20,214		9,545	3,078	5,768	2,817
Audit/Legal/Non-staff Services	(17)		(17)	20,938		-
Consulting Services	(3,988)		-	25,907		28,469
Communications	453		453			
Travel	1,633		1,633	320		320
Office Supplies	136		136			
Subscriptions, Dues				520		-
Subcontractors				8,073		-
Other				208		208
<b>Subtotal</b>	<b>517,599</b>	<b>21,373</b>	<b>154,566</b>	<b>387,547</b>	<b>6,209</b>	<b>261,526</b>

	<u>Previous</u>	<u>Revised</u>	<u>Difference</u>
Disallowed Costs	905,146	416,093	(489,053)
Questioned Costs	27,582	-	(27,582)
Indirect Costs Disallowed*	61,862	12,205	(49,657)
<b>Total Disallowed/Questioned Costs</b>	<b>994,590</b>	<b>428,298</b>	<b>(566,292)</b>

\* Indirect cost disallowed calculation:

Previous WF P&L	3,189,350
Revised disallowed costs	<u>(416,093)</u>
Revised WF P&L	<u>2,773,257</u>
Indirect Cost Billed	289,531
Indirect Cost=10% of Revised WF P&L	<u>(277,326)</u>
Indirect Costs Disallowed	<u>12,205</u>

## Procurement Committee

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### Meeting on May 25, 2023

The Procurement Committee met on Thursday, March 25, 2023, with Committee Chair Bobbie Henderson, Committee Vice Chair Doug Karr, Willie Alexander, Gerald Andrews, Sara Bouse, Cheryl Guido, Alan Heskamp, Guy Jackson, Adrian Ozuna, Richard Shaw and Gil Staley in attendance.

The committee considered three action items and voted unanimously to recommend their approval by the full Board, which are explained more fully below.

#### **1. Adult Education and Literacy (AEL)**

The Adult Education and Family Literacy Act, which falls under Title II of the Workforce Innovation & Opportunity Act, authorizes publicly funded adult education activities. For the 2023-2024 period, the Workforce Board will continue to act as the grantee/fiscal agent for the region's adult education consortium, with Education Service Center (ESC) Region VI serving as the lead agency providing technical assistance and support to the fourteen (14) contractors.

#### **Accomplishments and Continuing Work**

Our proposal entails the continuation of adult education instruction at the current 300 sites throughout the 13-county region. Consortium service contract providers will deliver adult education and literacy instruction through face-to-face, remote, or hybrid methods. Our services encompass English language instruction (also known as English Second Language (ESL)), literacy classes, adult basic education, adult secondary education, integrated education, GED preparation, joint basic education-skills training classes, college and career readiness, employability skills, services for internationally trained professionals, job search assistance, training, workplace literacy, and digital literacy. Since the onset of the pandemic in March 2020, adult education successfully transitioned from in-person to remote and hybrid instruction, continuing to provide the services referenced above to eligible residents in the Gulf Coast area.

For 2023-2024, Adult Education will continue to:

- Identify youth customers and collaborate with career offices to inform them about available workforce services.

- Integrate adult education with Employer Service to meet the increasing demand for on-site basic skills and English language instruction by employers.
- Expand the availability of workforce services to the community by establishing connections among adult education providers, career offices, NextGen providers, and vocational rehabilitation, ensuring easy access to services regardless of entry point.
- Foster closer collaboration with childcare and youth services divisions to build stronger synergy within our operating system.
- Enhance outcomes and capture co-enrollment across the workforce system by providing training to the lead agency and the workforce career navigator team on data cross-matching across three customer relations management workforce systems.
- Integrate services, such as adult education and literacy, throughout our system, so the services are not siloed and disconnected.

Develop stronger relationships with our AEL service providers to learn more about their communities, services, and supports to enhance our system with expanded partnership.

**Recommendations:**

We estimate that approximately \$22.6 million will be available for the adult education program in 2023. This year, we are piloting a new method of distributing funds based on the Audit and Monitoring Committee’s report card and whether a service provider is on a corrective action plan or not.

The Audit and Monitoring Committee issues a report card with a program monitoring rating that is based on customer experience, compliance, and accountability with a scoring system that ranges from -10 to 10. In allocating funds to our service providers, we first determine whether the entity is on a corrective action plan or not. If an entity is on a corrective action plan, the entity is ineligible for an increase. Next, we examine the report card’s scoring system which is outlined below:

<b>Adult Education Service Provider</b>	<b>Report Card Rating</b>	<b>Numeric Rating</b>	<b>Financial Monitoring</b>
Adult Education Center	Improvement Needed	-0.54	PY22 – reimbursed \$3,707 disallowed costs
Association for the Advancement of Mexican Americans	Standard	4.29	PY22 – reimbursed \$4,831 disallowed costs

<b>Adult Education Service Provider</b>	<b>Report Card Rating</b>	<b>Numeric Rating</b>	<b>Financial Monitoring</b>
Alliance for Multicultural Community Services	Standard	.98	PY22 – reimbursed \$4,268.82 disallowed costs
BakerRipley Adult Education	Standard	2.28	PY23 – no findings
Boys and Girls Club of Walker County	Standard	4.08	PY22 – reimbursed \$3,549.42 disallowed costs
Brazosport College	Standard	1.10	PY22 – no significant findings
Chinese Community Center	Standard	2.96	PY22 – no significant findings
Community Family Centers	Standard	2.79	PY22 – no findings
College of the Mainland	Standard	.10	PY22 – no significant findings
Houston Community College	Standard	.70	PY23 – no findings
Harris County Department of Education	Standard	.75	PY23 – no significant findings
Lone Star College	Standard	.30	PY22 – reimbursed \$1,688 disallowed costs
San Jacinto College	Standard	2.98	PY22 – no significant findings
Wharton County Junior College	Standard	3.37	PY23 – no findings
Region 6	Standard	4.00	PY22 – reimbursed \$218.34 disallowed costs

The chart above illustrates a numeric rating range spanning from -0.54 to 4.29, with a median value of 1.88. Our scoring system comprises four distinct ratings:

- Scores below 0: This category represents the lowest performance levels or areas requiring improvement.
- Scores between 0 and 1.88: This category includes ratings that fall below the mean of 1.88 but still meet performance expectations.
- Scores between 1.89 and 4.0: This category encompasses ratings equal to or higher than the mean of 1.88, indicating commendable performance.
- Scores of 4.0 and above: This category signifies excellent performance.

Through the utilization of this tiered distribution model, we have assigned different performance levels based on the ratings, resulting in a curve that reflects the distribution of scores. Each eligible provider is allocated a category based on their score, with an associated percentage increase as outlined below:

- Providers on a corrective action plan, with a score below 0, or identified as "in need of improvement" receive no increase in allocation.
- Providers scoring between 0 and 1.88 are eligible for a 3% increase in allocation.
- Providers scoring between 1.89 and 4.0 are eligible for a 6% increase in allocation.
- Providers scoring 4.0 and above are eligible for a 9% increase in allocation.

Applying this method, we recommend the following proposed ranges for our service providers in 2023:

<b>Provider</b>	<b>Current</b>	<b>Proposed Range</b>		<b>Increase</b>
Adult Education Center	\$360,000	\$344,808	\$360,000	0%
A.A.M.A	\$770,000	\$737,506	\$839,300	9%
Alliance for Multicultural Community	\$705,000	\$675,249	\$726,150	3%
BakerRipley Adult Education	\$705,000	\$675,249	\$747,300	6%
Boys & Girls Club	\$360,000	\$344,808	\$392,400	9%
Brazosport College	\$820,000	\$785,396	\$844,600	3%
Chinese Community Center	\$370,000	\$354,386	\$392,200	6%
College of Mainland	\$1,350,000	\$1,293,030	\$1,390,500	3%
Community Family Center	\$687,000	\$658,009	\$728,220	6%
Harris County Department of Education	\$4,720,000	\$4,520,816	\$4,720,000	0%
Houston Community College	\$4,420,000	\$4,233,476	\$4,552,600	3%
Lone Star College	\$1,550,000	\$1,484,590	\$1,596,500	3%
San Jacinto College	\$820,000	\$785,396	\$869,200	6%
Wharton County Junior College	\$935,000	\$895,543	\$991,100	6%
Region 6 ESC	\$1,110,000	\$1,063,158	\$1,830,000	
<b>Subtotal</b>	<b>\$19,682,000</b>	<b>\$18,851,420</b>	<b>\$20,980,070</b>	
Board Administration	\$968,028	\$1,110,297	\$1,368,028	
Workforce Integration	\$400,000	\$200,000	\$300,000	

<b>Total</b>	<b>\$21,050,028</b>	<b>\$20,161,717</b>	<b>\$22,648,098</b>	
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### **ESC Region VI**

In the proposed range for ESC Region VI, we have allocated an additional \$720,000.00 for the consortium to purchase Burlington English. This strategic investment will have a significant impact on our English language instruction programs during the 2023-2024 program year.

By purchasing Burlington English, we wish to sunset the use of free and lower quality programs from our system and anticipate gains in the English language proficiency levels of our students. This investment is to ensure that all students receive quality English language education.

### **Board Administration**

The proposed Board Administration range encompasses funds to support a third-party consultant's involvement in reviewing our current adult education and literacy consortium. The consultant's expertise will be focused on key areas such as training expansion and outreach, upskilling and career pathways, system-wide sustainability, business development and stabilization, as well as accountability and monitoring. To ensure a timely and effective review, we aim to publish the request for qualification for a third-party consultant before the end of the current AEL program year, which concludes on June 30, 2023.

Additionally, within the proposed Board Administration range, funds are allocated to accommodate a promotion and the addition of two full-time employees at the Board level. These resources will be instrumental in supporting the expansion of educational services and the integration of adult education and literacy within the Workforce Solutions' system.

### **Recommendation**

The Procurement Committee unanimously approved this recommendation for the full Board's consideration: Approval for staff to negotiate contracts with adult education providers as shown above for the period July 1, 2023, through June 30, 2024, in total amount not to exceed \$20,980,070.

## **2. Child Care Support Center**

As discussed in the Education Committee report, the Support Center is undergoing a comprehensive re-imagining and restructuring process to enhance operations and customer service. Presently, the center functions as a unified entity encompassing two distinct areas: 1) eligibility processing and 2) call center services. Recognizing the unique skill sets required for each function, we strongly

recommend restructuring the Support Center into two separate units, thereby ensuring optimal performance and outcomes.

Our board staff conducted thorough visits to each of the eight departments within the Support Center, collaborating closely with the management team. Through this assessment, we found areas that were functioning effectively and areas that required improvement. Our primary focus lies in two critical areas: increasing child enrollments and improving call response capabilities.

While additional help has enabled the Support Center to conduct outreach to a larger number of customers on the Waiting List, the lack of ongoing capacity has created a bottleneck in the eligibility process due to limited staff devoted to case processing. As of May 4, 2023, temporary staff members are still undergoing training, with an estimated duration of one more month. Once their training is complete, we expect their contribution will significantly help in alleviating the bottleneck and reducing parent wait times for processing.

During our visits and in consultation with the Texas Workforce Commission (TWC), a major deficiency identified was the Support Center's inability to handle a higher volume of incoming calls. To address this concern, Equus has successfully recruited a director with over 10 years of call center background. Collaborating closely with the new director and the management team, we have proactively focused on staffing and technology improvements. We are presently implementing changes to schedules to accommodate peak call times. However, there is still a crucial need to hire more staff members to effectively manage the significant increase in call volumes.

In June 2023, we will launch Ring Central as the new phone system for the Support Center. Working closely with Ring Central, our management team is ensuring that the system supplies comprehensive reporting capabilities and the necessary functionality to seamlessly support our program's operations.

By restructuring the Support Center, recruiting qualified staff, and leveraging advanced technology, we are committed to improving the efficiency and effectiveness of the center's operations. These strategic measures will enable us to enhance child enrollments, provide prompt call responses, and deliver a higher level of customer service to our valued residents.

### **Recommendation**

The Procurement Committee unanimously approved this recommendation for the full Board's consideration: Amending the Equus Support Center contract for the current funding year (June 1 - September 30, 2023) by adding funding up to \$922,981.00 to implement a new tiered pay system for existing staff, hiring

needed permanent staff, and purchasing furniture, equipment, and software licenses for the Support Center.

### **3. Child Care Expansion Boot Camp**

In the summer of 2022, the Texas Workforce Commission (TWC) announced a grant proposal targeting local workforce boards to provide comprehensive support for childcare outreach, expansion, and assistance. The TWC grant program specifically focused on three key goals: 1) the expansion of child care facilities in regions experiencing shortages, 2) the augmentation of child care services catering to infants and toddlers, and 3) the establishment of collaborative child care initiatives in partnership with employers. The Gulf Coast Workforce Board applied and was awarded a \$2,880,507 grant dedicated to child care expansion, covering a project duration of eighteen months, beginning in October 2023.

This initiative entails close collaboration with child care providers, community partners, and existing resources to develop a meticulously devised strategy to substantially elevating the quality of child care programs, particularly in areas characterized as child care deserts. The Houston Gulf Coast region wishes to also address the need for more quality child care providers in our region. The comprehensive strategy encompasses the following key objectives:

- Enhancing awareness and accessibility of quality TWC programs for families, while concurrently fostering sustainable business operations for child care providers;
- Expanding the knowledge and availability of TWC partnerships for both child care providers and families;
- Enhancing the accessibility of TWC services specifically tailored to the child care industry; and
- Facilitating greater accessibility to upskilling and training opportunities provided through TWC programs, primarily targeting child care teachers and staff.

#### **Current Situation**

Upon securing the grant funding around November 9, 2022, the Gulf Coast Workforce Board hired staff members to oversee the project's implementation and subsequently developed a request for proposal for the development of a "Child Care Provider Bootcamp." A stringent selection process was undertaken to find a qualified contractor capable of meeting the grant's stipulated requirements, and eight timely submissions were received from the following entities:



- Community Preschools Corporation,
- Craving For A Change Foundation,
- Mother Daughter ISH,
- Stephanie LaShaun Robinson, LLC,
- TNR Advisors & Management Consultants, LLC,
- Train Bright,
- University of Houston, and
- Wonderschool.

A panel of four qualified individuals conducted a review of the proposals, ultimately ranking the University of Houston as the highest-scoring candidate. The University of Houston showed notable strengths, including a proven record of enhancing child care capacity within our local communities. Moreover, their interdisciplinary team approach positions them to use their collective expertise effectively in delivering the proposed outcomes.

**Recommendation**

The Procurement Committee unanimously approved this recommendation for the full Board’s consideration: Approval for Board staff to negotiate a contract with the University of Houston for the development of the Child Care Provider Bootcamp and related project activities that shall not to exceed \$525,000.

**Upcoming Procurements:**

The committee discussed upcoming workforce system procurements. These procurements include:

<b>System Component</b>	<b>Service Provider(s)</b>	<b>Procurement Year (Calendar Year/Fiscal Year)</b>	<b>Next Scheduled Procurement (Calendar Year/Fiscal Year)</b>
Employer Engagement	<ul style="list-style-type: none"> <li>• TBD</li> </ul>	2023/FY24	2027/FY28
Public Information and Outreach	<ul style="list-style-type: none"> <li>• Savage Brands</li> <li>• Outreach Strategists</li> </ul>	2020/FY21	2024/FY25
Career Offices	<ul style="list-style-type: none"> <li>• BakerRipley</li> <li>• Equus</li> <li>• Interfaith of the Woodlands</li> </ul>	2021/FY22	2025/FY26

Next Generation Youth Providers	<ul style="list-style-type: none"> <li>• Alliance of Community Assistance Ministries (ACAM)</li> <li>• Career Team</li> <li>• SER Jobs</li> </ul>	2021/FY22	2025/FY26
Payment Office	<ul style="list-style-type: none"> <li>• BakerRipley</li> </ul>	2022/FY23	2026/FY27
Support Center	<ul style="list-style-type: none"> <li>• Equus</li> </ul>	2022/FY23	2026/FY27

**H-GAC Procurement**

Finally, the Committee heard an update from Mary Tronnes, Manager of Procurement and Contracts for the Houston-Galveston Area Council who works closely with workforce board staff. She provided an overview of changes to the procurement process, including questionnaires that will provide additional performance information and interviews with proposers intended to evaluate their knowledge in real time. The Committee members provided their input, recommendations, and suggested changes which have been incorporated into the procurement process.



## Action Item

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### By-laws Amendments

#### Background

In October 2002, Board Chair Mark Guthrie established the By-laws Committee, appointing Dr. Michael Webster as Chair, with the purpose of reviewing and evaluating the Gulf Coast Workforce Board By-laws, as amended in 2005. The committee's primary responsibility was to propose necessary revisions to enhance the efficiency and effectiveness of the Board's operations and ensure compliance with current state and federal law.

#### Current Situation

On May 12, 2023, the By-laws Committee conducted a unanimous vote to recommend the adoption of proposed changes to the by-laws, as outlined in the comprehensive report of the Committee. Subsequently, a Board workshop was organized on May 15, 2023, during which the Committee members diligently explained the proposed changes to attending Board members. Additionally, the mandatory notice of intent to address these proposed changes at the June 2023 Board meeting, along with the detailed revisions, was duly provided to the members of the Gulf Coast Workforce Board.

#### Action

Approve the proposed revisions to the Gulf Coast Workforce By-laws.

## Action Item

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# Adult Education & Literacy (AEL)

### Background

The Adult Education and Family Literacy Act, which falls under Title II of the Workforce Innovation & Opportunity Act, authorizes publicly funded adult education activities. For the 2023-2024 period, the Workforce Board will continue to act as the grantee/fiscal agent for the region's adult education consortium, with Education Service Center (ESC) Region VI serving as the lead agency providing technical assistance and support to the fourteen (14) contractors offering adult education and literacy (AEL) services.

Consortium service providers deliver adult education and literacy instruction through face-to-face, remote, or hybrid methods. AEL services encompass English language instruction (also known as English Second Language (ESL)), literacy classes, adult basic education, adult secondary education, integrated education, GED preparation, joint basic education-skills training classes, college and career readiness, employability skills, services for internationally trained professionals, job search assistance, training, workplace literacy, and digital literacy. These services are offered at 300 sites throughout our region.

### Current Situation

For 2023-2024, Adult Education will continue to:

- Identify youth customers and collaborate with career offices to inform them about available workforce services.
- Integrate adult education with Employer Service to meet the increasing demand for on-site basic skills and English language instruction by employers.
- Expand the availability of workforce services to the community by establishing connections among adult education providers, career offices, NextGen providers, and vocational rehabilitation, ensuring easy access to services regardless of entry point.
- Foster closer collaboration with childcare and youth services divisions to build stronger synergy within our operating system.
- Enhance outcomes and capture co-enrollment across the workforce system by providing training to the lead agency and the workforce career navigator team on data cross-matching across three customer relations management workforce systems.

- Integrate services, such as adult education and literacy, throughout our system, so it is not siloed and disconnected.
- Develop stronger relationships with our AEL service providers to learn more about their communities, services, and support to enhance our system with expanded partnership.

## Recommendations:

Using a rating system based on customer experience, compliance, and accountability, as well as each organization performance with respect to any corrective action plans and financial monitoring, we recommend funding consortium members as follows for the upcoming program year:

Provider	Current	Proposed Range		Increase
Adult Education Center	\$360,000	\$344,808	\$360,000	0%
A.A.M.A	\$770,000	\$737,506	\$839,300	9%
Alliance for Multicultural Community	\$705,000	\$675,249	\$726,150	3%
BakerRipley Adult Education	\$705,000	\$675,249	\$747,300	6%
Boys & Girls Club	\$360,000	\$344,808	\$392,400	9%
Brazosport College	\$820,000	\$785,396	\$844,600	3%
Chinese Community Center	\$370,000	\$354,386	\$392,200	6%
College of Mainland	\$1,350,000	\$1,293,030	\$1,390,500	3%
Community Family Center	\$687,000	\$658,009	\$728,220	6%
Harris County Department of Education	\$4,720,000	\$4,520,816	\$4,720,000	0%
Houston Community College	\$4,420,000	\$4,233,476	\$4,552,600	3%
Lone Star College	\$1,550,000	\$1,484,590	\$1,596,500	3%
San Jacinto College	\$820,000	\$785,396	\$869,200	6%
Wharton County Junior College	\$935,000	\$895,543	\$991,100	6%
Region 6 ESC	\$1,110,000	\$1,063,158	\$1,830,000	
<b>Subtotal</b>	<b>\$19,682,000</b>	<b>\$18,851,420</b>	<b>\$20,980,070</b>	
Board Administration	\$968,028	\$1,110,297	\$1,368,028	
Workforce Integration	\$400,000	\$200,000	\$300,000	
<b>Total</b>	<b>\$21,050,028</b>	<b>\$20,161,717</b>	<b>\$22,648,098</b>	

In the proposed range for ESC Region VI, we have allocated an additional \$720,000.00 for the consortium to purchase Burlington English. This tool will enable each of our providers to implement a blended learning model with 40

hours of direct instruction and at least 20 supportive instruction for students receiving English language instruction. Research has consistently shown that this type of instructional approach leads to notable increases in students' education fluency levels.

## Action

Approve staff recommendations and authorize staff to negotiate contracts with adult education for the period July 1, 2023, through June 30, 2024, in a total amount not to exceed \$20,980,070.

## Action Item

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# Child Care Expansion Boot Camp

## Background

In the summer of 2022, the Texas Workforce Commission (TWC) announced a grant proposal targeting local workforce boards to provide comprehensive support for childcare outreach, expansion, and assistance. The TWC grant program specifically focused on three key goals: 1) the expansion of child care facilities in regions experiencing shortages, 2) the augmentation of child care services catering to infants and toddlers, and 3) the establishment of collaborative child care initiatives in partnership with employers. The Gulf Coast Workforce Board applied and was awarded a \$2,880,507 grant dedicated to child care expansion, covering a project duration of eighteen months, beginning in October 2023.

This initiative entails close collaboration with child care providers, community partners, and existing resources to develop a meticulously devised strategy to substantially elevating the quality of child care programs, particularly in areas characterized as child care deserts. The Houston Gulf Coast region wishes to also address our area's issues with quality child care deserts in the region. The comprehensive strategy encompasses the following key objectives:

1. Enhancing awareness and accessibility of quality TWC programs for families, while concurrently fostering sustainable business operations for child care providers;
2. Expanding the knowledge and availability of TWC partnerships for both child care providers and families;
3. Enhancing the accessibility of TWC services specifically tailored to the child care industry; and
4. Facilitating greater accessibility to upskilling and training opportunities provided through TWC programs, primarily targeting child care teachers and staff.

## Current Situation

Upon securing the grant funding around November 9, 2022, WE hired staff members to oversee the project's implementation and conducted a procurement for the development of a "Child Care Provider Bootcamp." We received eight timely submissions were received from the following entities:



1. Community Preschools Corporation,
2. Craving For A Change Foundation,
3. Mother Daughter ISH,
4. Stephanie LaShaun Robinson, LLC,
5. TNR Advisors & Management Consultants, LLC,
6. Train Bright,
7. University of Houston, and
8. Wonderschool.

A panel of four qualified individuals reviewed and ranked the proposals. The University of Houston was the highest-scoring candidate, showing notable strengths, including a proven record of enhancing child care capacity within our local communities and a strong interdisciplinary team approach with collective expertise to deliver the proposed outcomes.

## Action

Authorize staff to negotiate a contract with the University of Houston for the development of the Child Care Provider Bootcamp and related project activities not to exceed \$525,000.

## Action Item

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# Child Care Support Center

### Background

The Support Center, established to streamline training and child care scholarships, has experienced minimal staffing growth despite a significant increase in funding. Over the past five years, Child Care Financial Aid Funds rose by 65%, exceeding \$81 million, yet staffing has grown less than 10%. Unexpended funds in 2019 were \$25,000, escalating to \$18.5 million in 2022. The Support Center consists of 89 individuals across eight departments, handling a workload of 7,000 applications and 17,000 calls monthly. External assistance and temporary staff have become the norm due to staffing shortages, highlighting the need for expanded capacity. Staffing limitations result in the inability to address more than 50% of the 850 daily calls, which has been identified in QA audits and caught the attention of the Texas Workforce Commission. This issue has persisted with the current service provider, Equus.

### Current Situation

The Support Center, established as a centralized hub for training and child care scholarships, faces limited staffing despite a significant increase in funding. This has led to the engagement of external assistance and temporary personnel becoming the norm, highlighting the urgent need for expanded capacity. The Support Center receives a high volume of applications and calls, but staffing limitations prevent them from addressing more than 50% of incoming calls.

As a solution, we propose restructuring the Support Center into separate units for eligibility processing and call center services to optimize performance. Thorough assessments have identified areas for improvement, particularly in increasing child enrollments and improving call response capabilities. While additional help has supported outreach efforts, a bottleneck in the eligibility process persists due to limited staff. Temporary staff members undergoing training are expected to alleviate the bottleneck once their training is complete.

In consultation with the Texas Workforce Commission, the Support Center's inability to handle a higher volume of calls has been addressed by recruiting an experienced call center director and implementing staffing and technology improvements. The upcoming launch of the new phone system, Ring Central, will enhance operations. By restructuring, recruiting qualified staff, and leveraging technology, we aim to improve efficiency, enhance child enrollments, deliver

prompt call responses, and elevate customer service. Our recommendation is to amend the Equus Support Center contract for additional funding to implement a new pay system, hire permanent staff, and acquire necessary furniture, equipment, and software licenses.

## **Action**

Authorize staff to amend the Equus Support Center contract for the current funding year (June 1 - September 30, 2023) by adding up to \$922,981.00 to the present contract.

## Action Item

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# High-Demand Job Training Grant and Texas Industry Partnership Grant Criteria

## Background

The Texas Workforce Commission (TWC) provides grant funding opportunities for local workforce development projects in support of current and prospective Texas businesses.

For the High Demand Job Training and Texas Industry Partnership, only the local Workforce Board may apply for the grants as matching or leverage to Workforce Investment and Opportunity Act (WIOA) funds on behalf of the partnership organizations.

## Current Situation

The Texas Workforce Commission has increased outreach activities to encourage more applications. With more applications and the requests for funding exceeding the limit, Board staff is requesting parameters for these two grant programs that reflect the Workforce Board's priorities.

## Action

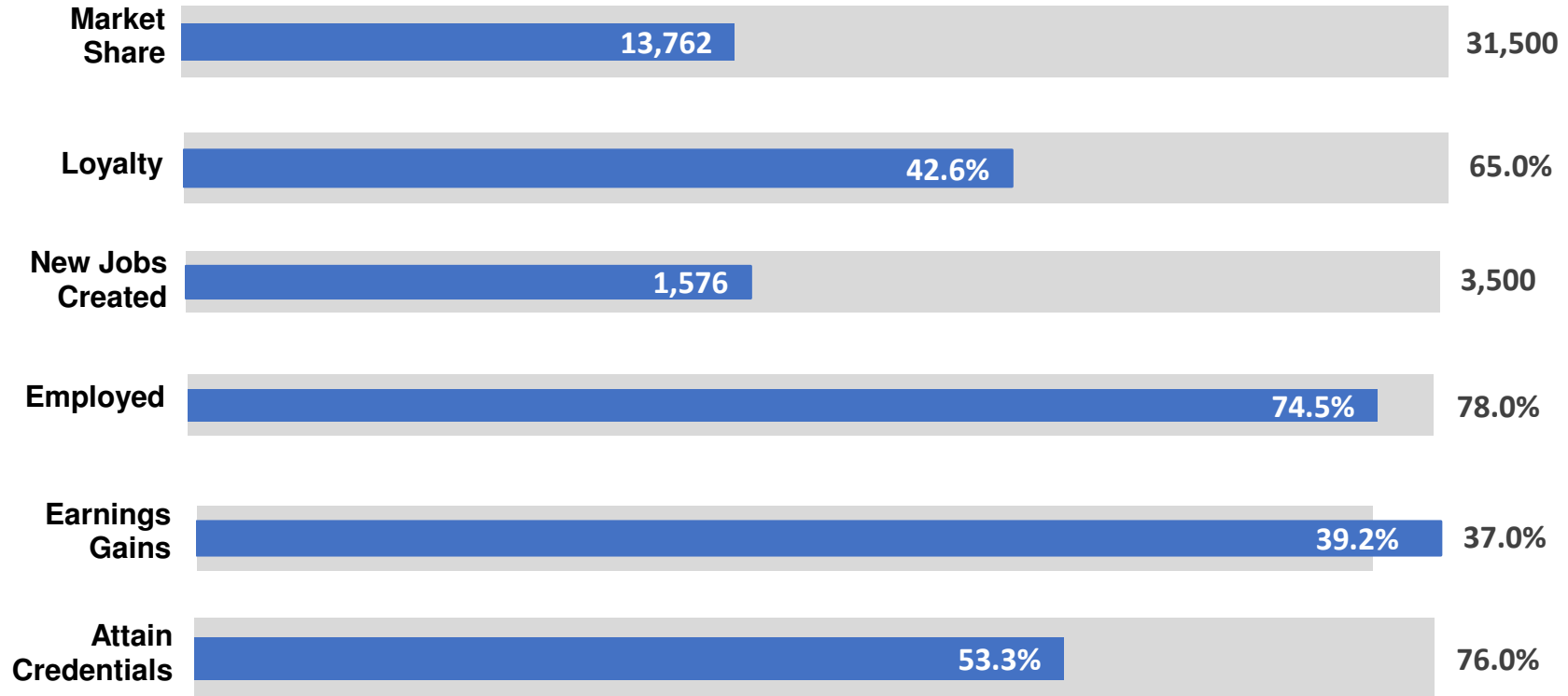
Approve criteria for Board staff to evaluate funding requests for the High Demand Job Training and Texas Industry Partnership grants including:

- Support for employers in the Workforce Board's Target Industries,
- Support for the Workforce Board's High-Skill, High-Growth Occupations
- Number of individuals to be trained,
- Credentials to be awarded,
- Potential for braided funding to support career progression,
- Maximum amount for High Demand Job Training of \$75,000 per application,
- Maximum amount for Texas Industry Partnership of \$50,000 per application, and
- Applications will be considered on a first-come, first-served basis until annual award maximums are exhausted.



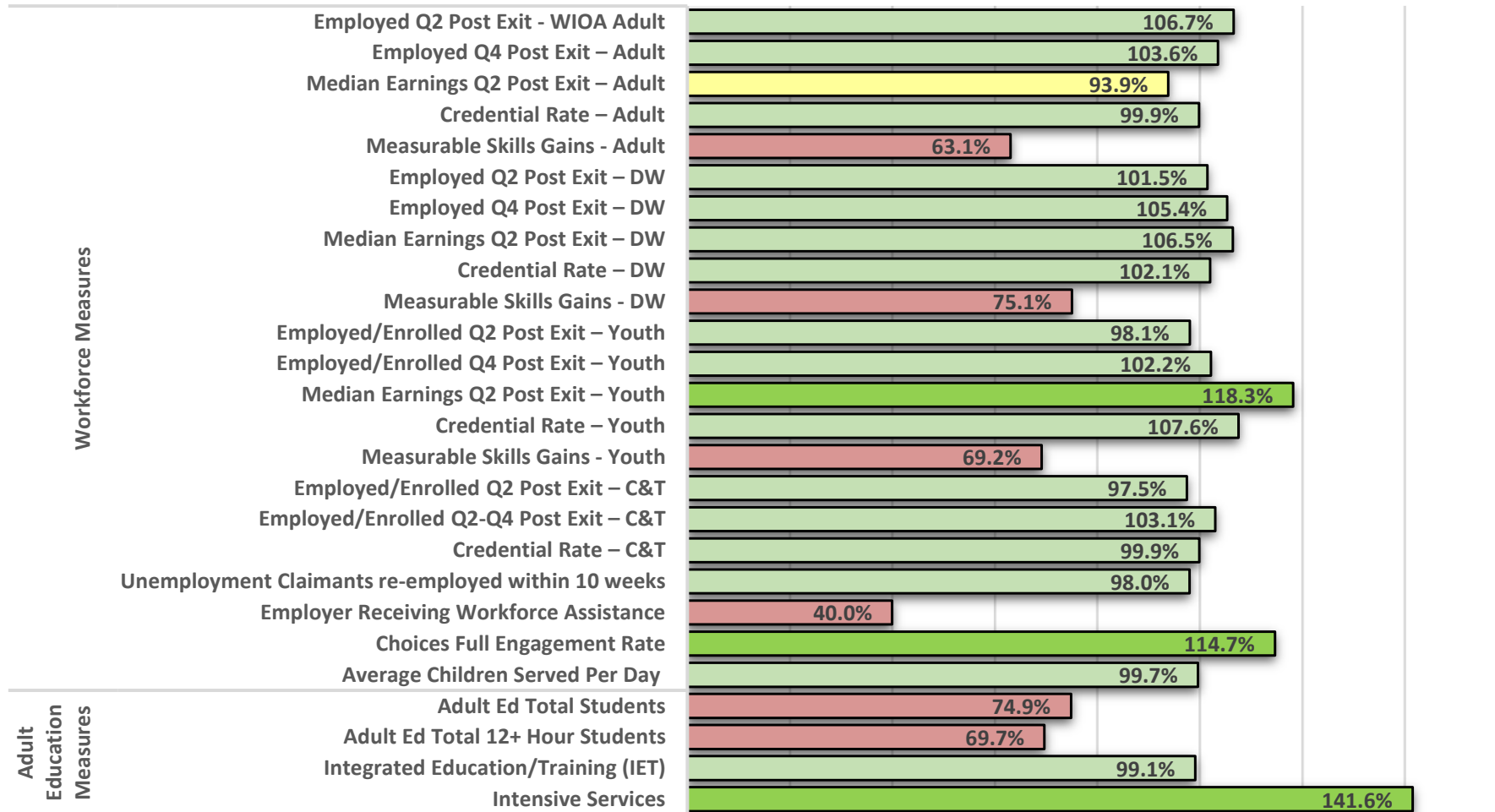
## Performance Measures

October 2022 to March 2023



## Production Measures

October 2022 to March 2023

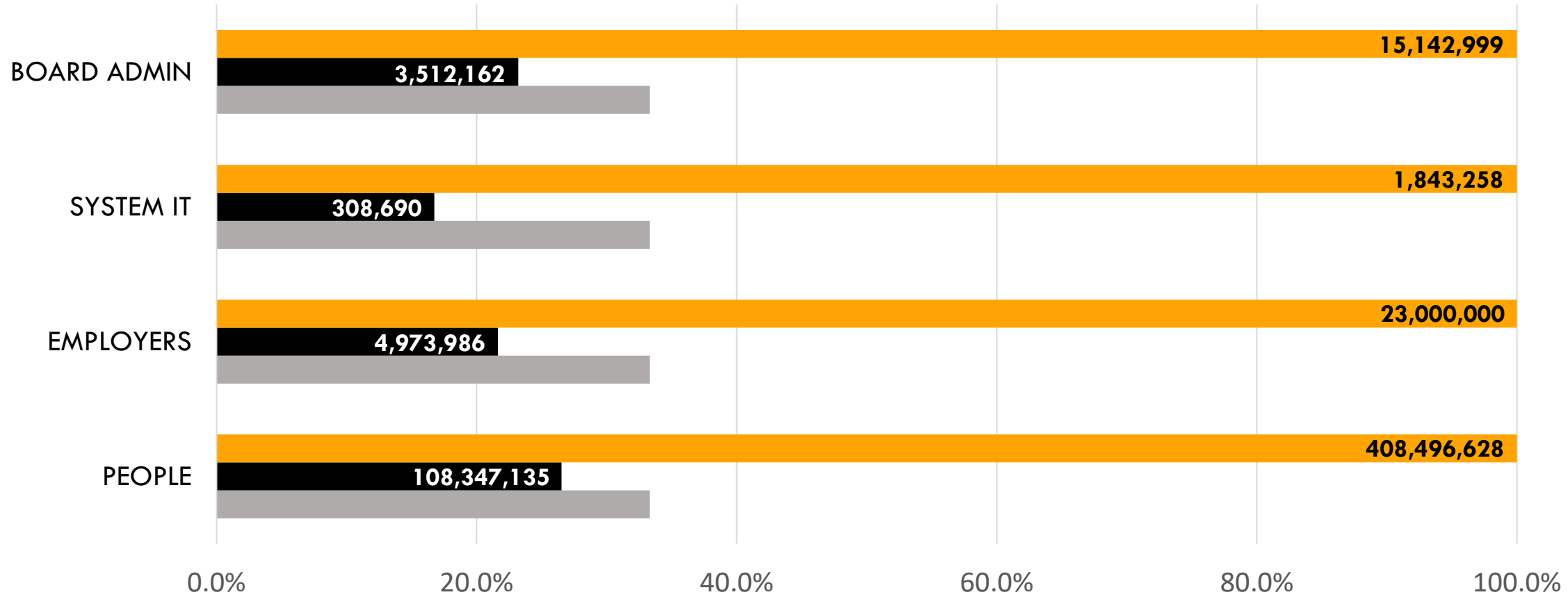


■ P- 
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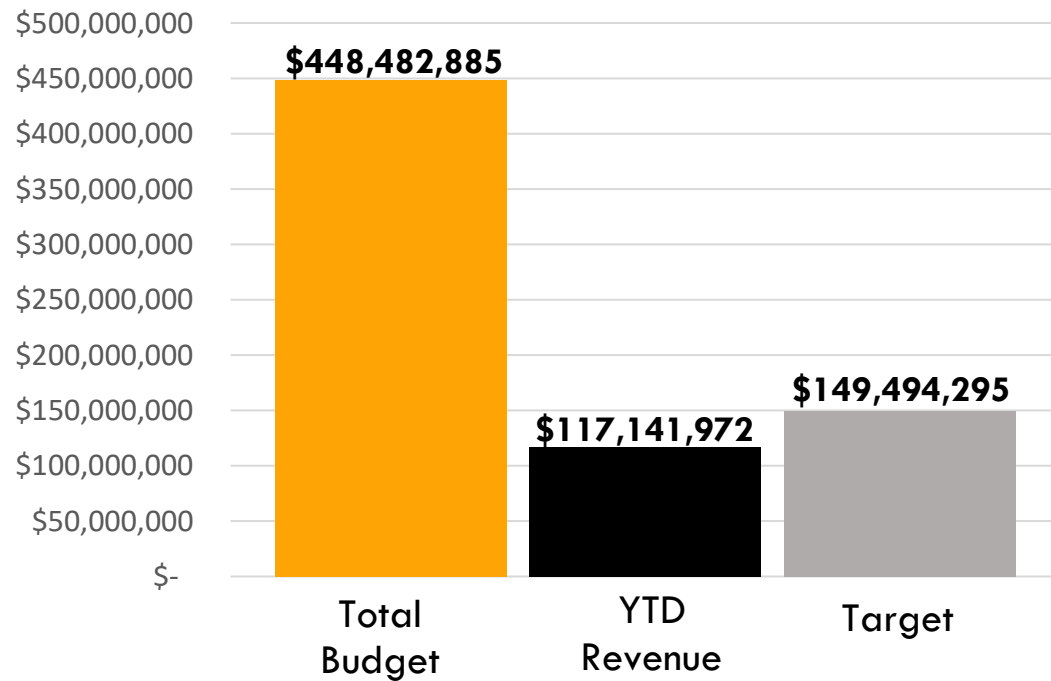
# Gulf Coast Workforce Financial Status Report

For the 4 months ending April 30, 2023

■ Budget ■ Expenses ■ Target

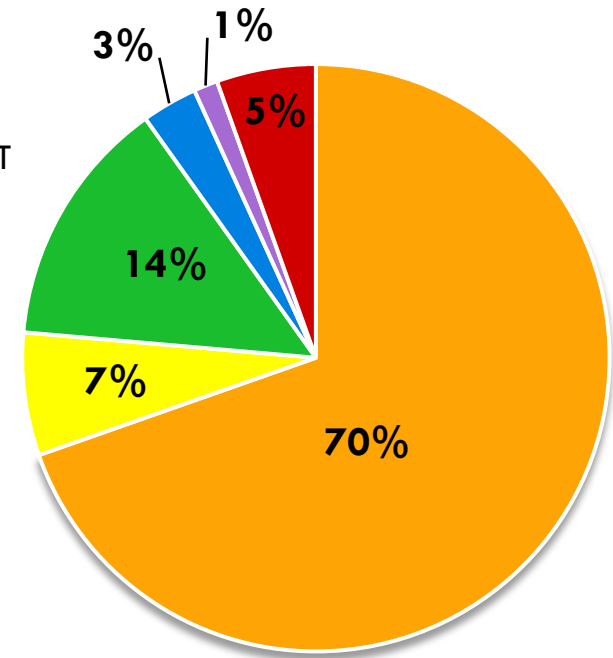


## Workforce Revenue



## System Expenses

- FINANCIAL AID - EARLY EDUCATION \$78,894,244
- FINANCIAL AID - TRAINING & SUPPORT \$7,662,770
- CAREER OFFICE NETWORK \$15,594,875
- EMPLOYER ENGAGEMENT \$3,473,959
- QUALITY IMPROVEMENT \$1,500,028
- ADULT EDUCATION \$6,195,246





# Communications: Media Outreach

## June 2023 Update

This report provides an update on Workforce Solutions' media outreach efforts for April and May 2023. Topics for this period included autism awareness, green jobs, mental health awareness, post-graduation graduation advice, monthly jobs report, the skilled trades, as well as features on Katy and AsiaTown for ABC 13 Localish.

### Social Media

Our social media channels currently have 22,658 followers collectively. The table below shows the breakdowns and year-over-year changes.

Followers	April 2023	April 2022	April 2021	One Year Change	Two Year Change
Facebook	10,650	9,600	7,848	11%	36%
Instagram	3,378	2,655	2,253	27%	50%
Twitter	1,782	1,731	1,511	3%	18%
LinkedIn	6,848	4,599	3,896	49%	76%

You can find us on social media at:

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

### Earned Media Value

As of May 1, 2023, our cumulative earned-media value since the onset of the pandemic now exceeds \$46 million. Below is year-over-year comparison of April monthly values from 2020 to 2023.

Media Month	Items	Views	Value
April 2023	41	16,690,065*	\$1,691,365.21
April 2022	58	6,988,733	\$1,730,208.79
April 2021	44	3,342,822	\$1,167,552.08
April 2020	81	5,889,359	\$2,495,482.65

\* This number is an outlier due to two Fox 26 TV interviews that were picked up and shared on the Yahoo News national feed.

## Media Partnerships

As a reminder, our partnerships include:

- KXLN Univision 45 – Interview bi-weekly on Monday during 11:30 a.m. newscast that is simulcast to Facebook Live
- KTRK ABC 13 – Weekly Who’s Hiring program each Thursday’s at 10 a.m., live stream as well as broadcast news features
- KRIV Fox 26 – Interview semi-monthly Friday at 6:15 a.m. on morning TV news

The following table contains highlights of Workforce Solutions in the media since April 1, 2023.

Date	Outlet	Story	Link
04/01/2023	Houston Business Journal	February Jobs Report	<a href="https://bit.ly/42Q08qB">https://bit.ly/42Q08qB</a>
04/03/2023	KXLN Univision 45	Edicion Digital: Personal Branding	<a href="https://youtu.be/uM4jdOJm5CM">https://youtu.be/uM4jdOJm5CM</a>
04/03/2023	KXLN Univision 45	Noticias a las 10: Job Scams	<a href="https://youtu.be/X8mojxKQOHU">https://youtu.be/X8mojxKQOHU</a>
04/04/2023	KTRK ABC 13	Welding Careers (CTE)	<a href="https://abc13.co/3GJlvQW">https://abc13.co/3GJlvQW</a>
04/06/2023	KRIV Fox 26	Isiah Factor: Rage Applying	<a href="https://www.fox26houston.com/video/1204145">https://www.fox26houston.com/video/1204145</a>
04/06/2023	KTRK ABC 13	Who’s Hiring: Autism Awareness	<a href="https://abc13.co/3KDC56Y">https://abc13.co/3KDC56Y</a>
04/07/2023	KRIV Fox 26	Wake Up: Autism in the Workplace	<a href="https://www.fox26houston.com/video/1204421">https://www.fox26houston.com/video/1204421</a>
04/10/2023	KXLN Univision 45	Edicion Digital: Autism Awareness	<a href="https://youtu.be/yn9b3wTC-Hw">https://youtu.be/yn9b3wTC-Hw</a>
04/13/2023	KTRK ABC 13	Who’s Hiring: Volunteering, Harris Health	<a href="https://abc13.co/43A5DtY">https://abc13.co/43A5DtY</a>
04/17/2023	KXLN Univision 45	Edicion Digital: Job Search Plan	<a href="https://youtu.be/sqOoJeyjsx0">https://youtu.be/sqOoJeyjsx0</a>
04/20/2023	KTRK ABC 13	Who’s Hiring: Greentown Labs	<a href="https://abc13.co/3N0LrLH">https://abc13.co/3N0LrLH</a>
04/21/2023	KRIV Fox 26	Wake Up: Earth Day Green Jobs	<a href="https://youtu.be/Ho_q64eaU9I">https://youtu.be/Ho_q64eaU9I</a>
04/21/2023	KXLN Univision 45	March Jobs Report	<a href="https://youtu.be/f9O4uGohQng">https://youtu.be/f9O4uGohQng</a>
04/24/2023	Houston Business Journal	March Jobs Report	<a href="https://bit.ly/3nTrzjC">https://bit.ly/3nTrzjC</a>

Date	Outlet	Story	Link
04/24/2023	KXLN Univision 45	Edicion Digital: Green Jobs	<a href="https://youtu.be/yrBv_AAJEHs">https://youtu.be/yrBv_AAJEHs</a>
04/26/2023	KTRK ABC 13	Summer Jobs	<a href="https://abc13.co/41TkWGa">https://abc13.co/41TkWGa</a>
04/27/2023	KTRK ABC 13	Who's Hiring: Katy	<a href="https://abc13.co/3Hlk9vQ">https://abc13.co/3Hlk9vQ</a>
05/01/2023	KXLN Univision 45	Edicion Digital:	<a href="https://youtu.be/JR0fDkXp88s">https://youtu.be/JR0fDkXp88s</a>
05/04/2023	KTRK ABC 13	Who's Hiring: Aviation Mechanics	<a href="https://abc13.co/44uK2n0">https://abc13.co/44uK2n0</a>
05/05/2023	KRIV Fox 26	Wake Up: Middle Skill Jobs for Graduating High School Seniors	<a href="https://youtu.be/2WcG0uAalgg">https://youtu.be/2WcG0uAalgg</a>
05/06/2023	KTRK ABC 13	April Jobs Report	<a href="https://youtu.be/bi_IrPA636s">https://youtu.be/bi_IrPA636s</a>
05/08/2023	KXLN Univision 45	Edicion Digital: Mental Health in the Workplace	<a href="https://youtu.be/4mlbvV5xlpE">https://youtu.be/4mlbvV5xlpE</a>
05/10/2023	Houston Chronicle / Pearland	Alvin ISD Dental Academy	<a href="https://bit.ly/3O1FVsl">https://bit.ly/3O1FVsl</a>
05/15/2023	KXLN Univision 45	Edicion Digital: Middle Skill Jobs for Graduating High School Seniors	<a href="https://youtu.be/1RPpagZsub8">https://youtu.be/1RPpagZsub8</a>
05/17/2023	KRIV Fox 26	Houston's Morning Show: Mental Health in the Workplace	<a href="https://www.fox26houston.com/video/1221885">https://www.fox26houston.com/video/1221885</a>
05/17/2023	KTRK ABC 13	Success Story: Pre-Apprenticeship Readiness to Pipefitter Apprenticeship	<a href="https://youtu.be/2GYBTVSunA0">https://youtu.be/2GYBTVSunA0</a>
05/18/2023	KTRK ABC 13	Who's Hiring: Third Anniversary	<a href="https://abc13.co/3MjHeRu">https://abc13.co/3MjHeRu</a>
05/22/2023	KXLN Univision 45	Edicion Digital: Social Media	<a href="https://youtu.be/DMxJd4Nlfxw">https://youtu.be/DMxJd4Nlfxw</a>
05/24/2023	KTRK ABC 13	Localish: AsiaTown – Chinese Community Center	<a href="https://abc13.co/3MBMT5v">https://abc13.co/3MBMT5v</a>
05/25/2023	KTRK ABC 13	Who's Hiring: Chinese Community Center	<a href="https://abc13.com/careers/chinese-community-center-offers-job-training-for-everyone/13294935/">https://abc13.com/careers/chinese-community-center-offers-job-training-for-everyone/13294935/</a>
05/26/2023	KRIV Fox 26	Wake Up: Personal Branding	<a href="https://youtu.be/D2l6dqox7zQ">https://youtu.be/D2l6dqox7zQ</a>

## Your Career Your Choice

*Your Career Your Choice* – powered by *Workforce Solutions* was recognized with a Telly Award for Television Series – Video Journalism: <https://bit.ly/43bMPR1>.

The Telly Awards receives over 12,000 entries from across the country. Judges are from the major media production companies. Winners are selected based on excellence in production quality.

Other winners in this same category included a series from former CNN anchor Soledad O'Brien <https://www.matteroffact.tv/>, and Beneath the Surface from the Tennessee Titans <https://www.tennesseetitans.com/video/titans-all-access>.

Additionally, Quest Texas 55 will re-broadcast season 1 starting Saturday, June 3, at 6 pm weekly.



# Houston Area Employment Situation

April 2023

## CURRENT EMPLOYMENT AND LOCAL AREA UNEMPLOYMENT STATISTICS

### Construction Falls Apart While the Rest of Job Market Continues Treading Water

#### Total Nonfarm

##### Over-the-month Change

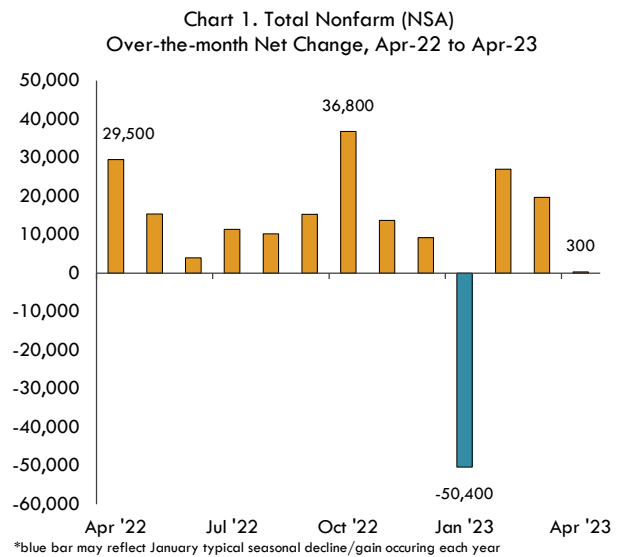
Houston MSA Total Nonfarm employment stood at 3,332,400 in April, up 300 jobs over the month, or 0.0 percent on a not-seasonally-adjusted basis (see Chart 1). A year ago Houston registered an over-the-month increase of 29,500 jobs. Prior to the pandemic, historically in the month of April, Total Nonfarm has on average added 7,300 jobs over the month, which indicates that this month's gains are substantially below the long-term average. Disregarding typical seasonal declines in January and July of each year, April's gain was the smallest over-the-month increase since December 2020.

The primary drivers of this April's growth were increases in Leisure and Hospitality; Professional and Business Services; and Manufacturing. Gains were also recorded in Education and Health Services; Mining and Logging; and Government. The net increase in jobs over the month was partially offset by losses in Construction; Other Services; and Financial Activities. (see Chart 2). Houston MSA Total Nonfarm (seasonally adjusted) employment stood at 3,332,700, down -13,500 jobs over the month, or -0.4 percent vs. a historical average of 3,700. This was the largest April over-the-month decline in since 2020. All analysis pertains to not-seasonally adjusted data unless otherwise noted. Data source: BLS/TWC.

- Top-3 Drivers of Over-the-month Job Growth in April
- Leisure and Hospitality: 5,300
  - Professional and Business Services: 2,200
  - Manufacturing: 900

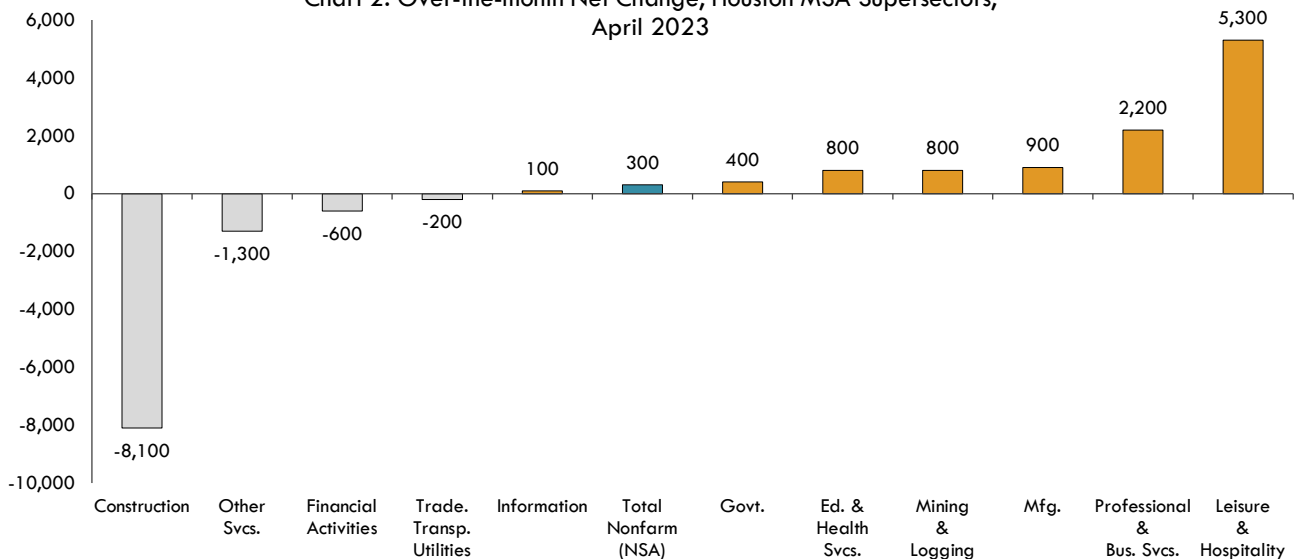
##### Over-the-year Change

Over the year, Total Nonfarm employment was up 112,600 or 3.5 percent on a not-seasonally-adjusted basis and up 111,300 or 3.5 percent on a seasonally-adjusted basis (see NSA Chart 3). To compare, April 2022 saw a year-over-year gain of 189,600 jobs (NSA) from April 2021. This was the third-largest over-the-year gain in April since records began in 1990. Currently 9 out of 11 sectors show growth year over year of which the top-three are Professional and Business Services (26,900); Education and



Health Services (22,500); and Trade, Transportation, and Utilities (22,300) (see Chart 4). Total Nonfarm employment not-seasonally-adjusted now exceeds its February 2020 pre-pandemic level of 3,191,800 jobs by 140,600, or 4.4 percent (134,800 jobs, 4.2 percent above 3,197,900 seasonally adjusted).

Chart 2. Over-the-month Net Change, Houston MSA Supersectors, April 2023



# Houston Area Employment Situation

April 2023

## Previous Month's Revisions

Total Nonfarm employment was revised downward by -200 jobs for a February to March smaller net gain of 19,700 compared to an original estimate of 19,900 jobs. A downward revision of -800 jobs in Manufacturing was the largest contributor followed by Other Services (-700) and Government (-300). Upward revisions in Professional and Business Services (+1,100), Education and Health Services (+900), and Mining and Logging (+100) provided a partial offset of the overall downward revision to Total Nonfarm employment (see Chart 5).

### Top-3 Drivers of Over-the-year Job Growth in April

- Professional and Business Services: 26,900
- Education and Health Services: 22,500
- Trade, Transportation, and Utilities: 22,300

Chart 5. Net Revisions for Selected Supersectors and Major Industries, March 2023

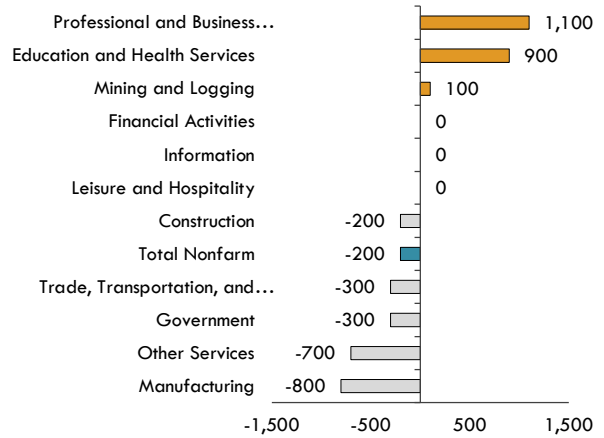


Chart 3. Total Nonfarm (NSA)  
Over-the-year Net Change, Apr-08 to Apr-23

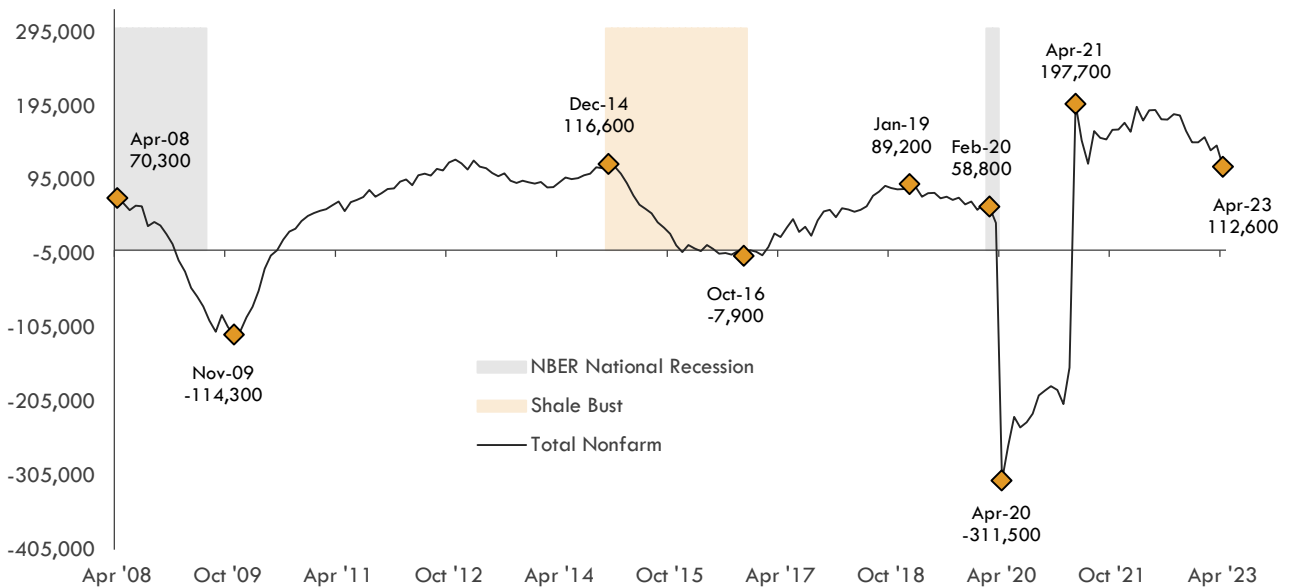
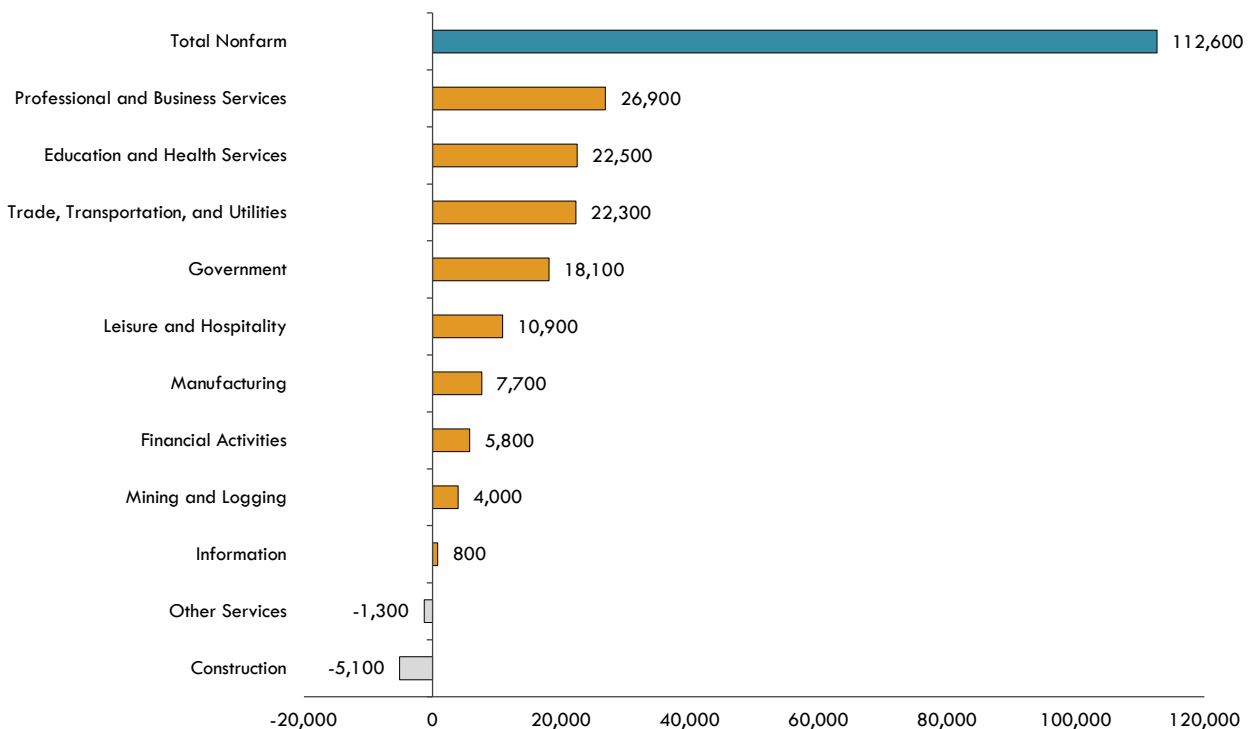


Chart 4. Over-the-year Net Change, Houston MSA Supersectors, April 2022 to April 2023



## Supplemental Commentary

### Overall Impressions

Three years ago, as of this April, the Houston metropolitan area, and virtually every other region across the world, experienced the single-largest one-month decline in employment on record. Almost overnight, our region lost nearly 345,000 jobs on top of March’s 18,000-decline. In the process, seven years’ worth of employment gains were erased as shelter-in-place orders were issued to try and stem the tide of the pandemic. At the time, many of us, myself included, hoped that the most disruptive effects would last no more than a quarter or two. Obviously, we know how that turned out. However, vaccines were developed in record time, and we learned to adapt, albeit with a wide range of opinions on what that meant in practice.

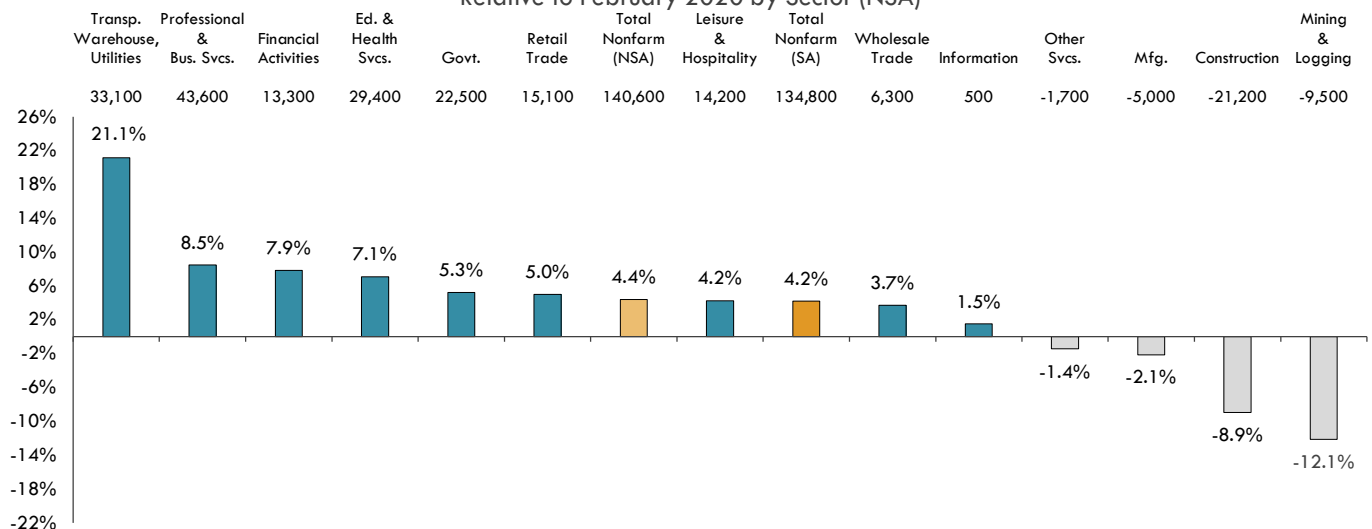
As the economy reopened in staggered fashion, Houston’s job market began a daunting climb back towards to normalcy but with a pace of recovery behind the nation and many of its Texas metro peers. By March 2021, a little over 50 percent of the jobs lost over March and April 2020 were regained. It would take another year for the region to recover the remaining half ultimately returning us to our pre-pandemic highwater mark of just under 3.2 million jobs. Fast-forward another year and total employment in March 2023 managed to reach and new all-time high of 3,346,200 jobs. However, despite that milestone we can’t help but notice storm clouds forming off in the distance.

Three-hundred. That’s how many jobs (not-seasonally-adjusted) the Houston area added in April. Over the past three years, we’ve grown accustomed to five-digit job growth each month more often than not, which makes this month’s paltry gains concerning to say the least. Switching to seasonally-adjusted figures, the picture appears even more dire with April serving as the first over-the-month loss since February 2021 (-13,500 jobs).

But before we enter a spiral of despair, it’s important to note that losses were mainly confined to the Construction sector, which posted an unusually large decline of -8,100 jobs. Within Construction, all three major components shed jobs including Construction of Buildings, made up of residential, commercial, and industrial projects, Heavy and Civil Engineering made up of large infrastructure projects, and Specialty Trade Contractors. Beyond Construction, catchall category Other Services saw a non-trivial decline with some -1,300 jobs lost over the month accompanied by Trade Transportation and Utilities and Financial Activities also losing a few hundred jobs each. The remaining sectors by and large posted average, if not above average, growth for the month. The point here is that losses in April weren’t broad-based, which gives us a reason to remain cautiously optimistic at least for the time being. Could Construction’s poor showing in April be a harbinger of things to come? Sure, but after 10 interest rate hikes since March 2022, we shouldn’t be surprised that a sector that’s highly sensitive to changes in borrowing costs has finally started to crack.

So, where do we go from here? The good news is that a decent amount of rebound momentum from the pandemic continues to permeate the job market. Year over year job growth remains above 110,000 four months into 2023. While that’s well off the 180,000+ figures seen throughout 2022, at the current pace coupled with likely only a few more interest rate hikes this year, we’re on track to close out 2023 on the lower side of 60,000 jobs returning us to job growth typical of Houston before the pandemic. The unemployment rate, whether seasonally or not-seasonally-adjusted, is only slightly above where it was a year ago and still in the neighborhood of four percent. Unemployment insurance claims for the region have yet to cross the 5,000 mark for a single week keeping it within the range seen throughout the last 18 to 24 months, if not pre-pandemic. And despite restatements of recent job posting data by Lightcast (see page 17 for details), the Workforce Solutions Index still gives jobseekers a slight edge over employers. The not-so-good news is that the peak is almost guaranteed to be behind us, likely last summer, but it doesn’t mean that the proverbial “bottom falling out” is imminent. If anything it appears that we’ve worked through much of the supply chain and labor market bottlenecks that defined 2022. Given that one-third of the year is already over and things have held up relatively well, the case for a “mild recession/soft landing” remains compelling, but if 2020 taught us anything, expect the unexpected.

Supplemental Chart 1. Houston MSA Current Employment Levels as of April 2023 Relative to February 2020 by Sector (NSA)





## Local Area Unemployment Statistics

### Not-Seasonally Adjusted

#### Houston Metro, Texas, and U.S. Unemployment

The Houston MSA (not-seasonally-adjusted) unemployment rate stood at 4.0 percent in April, down from March's 4.4 percent and up from 3.9 percent a year ago. This was above the statewide rate of 3.7 percent and above the national rate of 3.1 percent. An over-the-month decline in April is typical having occurred nearly 85 percent of the time over the past three decades making this month's decrease consistent with historical seasonal trends. 141,733 individuals were unemployed in Houston in April, down from March's 160,889 and up from 134,392 in April 2022 (see Charts 39 and 40).

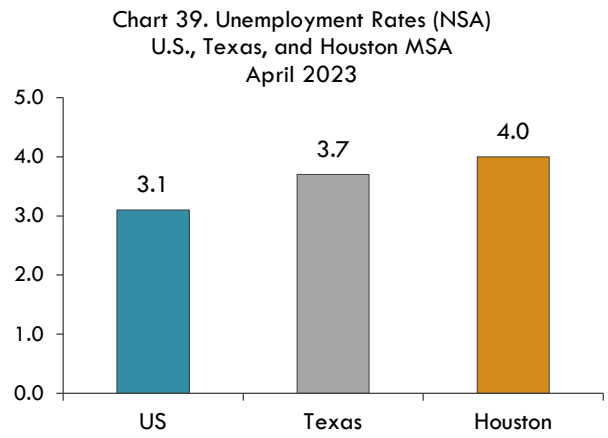
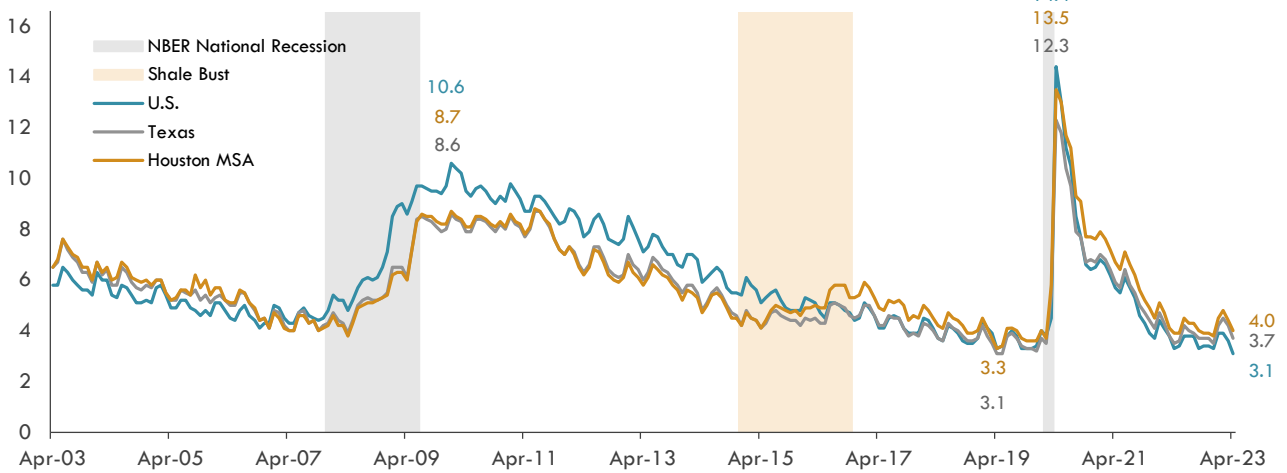


Chart 40. Unemployment Rates U.S., Texas, and Houston MSA (NSA) April 2003 to April 2023

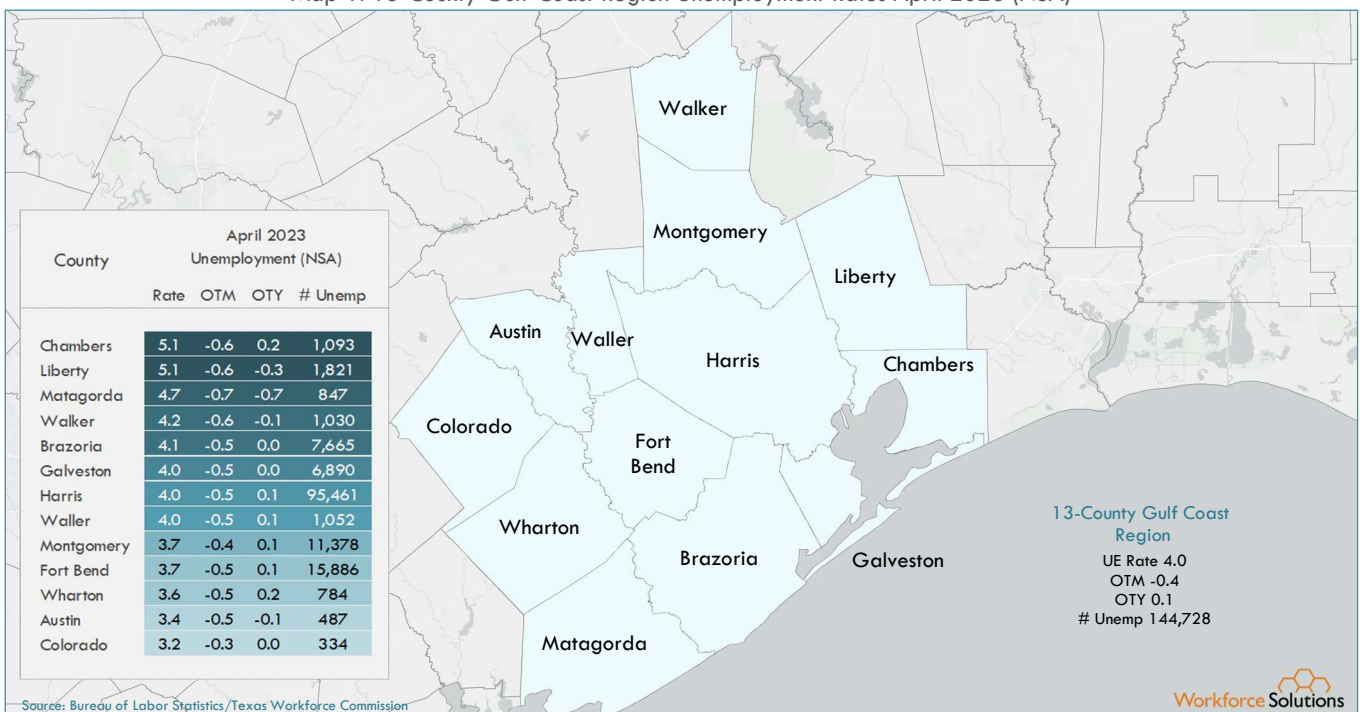


### County-level Unemployment

Among the 13 counties that comprise the Gulf Coast Workforce Development Area, unemployment rates in April ranged from a high of 5.1 percent in Chambers County to a low of 3.2 percent in Colorado. Over the month, all 13 counties saw their unemployment rates decline in keeping with the region-wide decrease of -0.4 percentage points. Matagorda saw the largest percentage-point decrease in unemployment down -0.7 pp. representing -141 fewer unemployed workers compared to the previous month. This was followed by Chambers (-0.6 pp, -136 workers) and Liberty (-0.6 pp, -263 workers). Over the year

unemployment rates rose with, Wharton posting the largest increase, up 0.2 percentage points representing 40 more unemployed workers compared to a year ago followed by Chambers (0.2 pp, 78 workers) and Waller (0.1 pp, 55 workers). Since peaking at 449,312 in April 2020 due to the COVID-19 global pandemic, the number of unemployed workers in the Gulf Coast Region has fallen by -304,584 as of this April (see Map 1 legend).

Map 1. 13-County Gulf Coast Region Unemployment Rates April 2023 (NSA)



## Local Area Unemployment Statistics (continued)

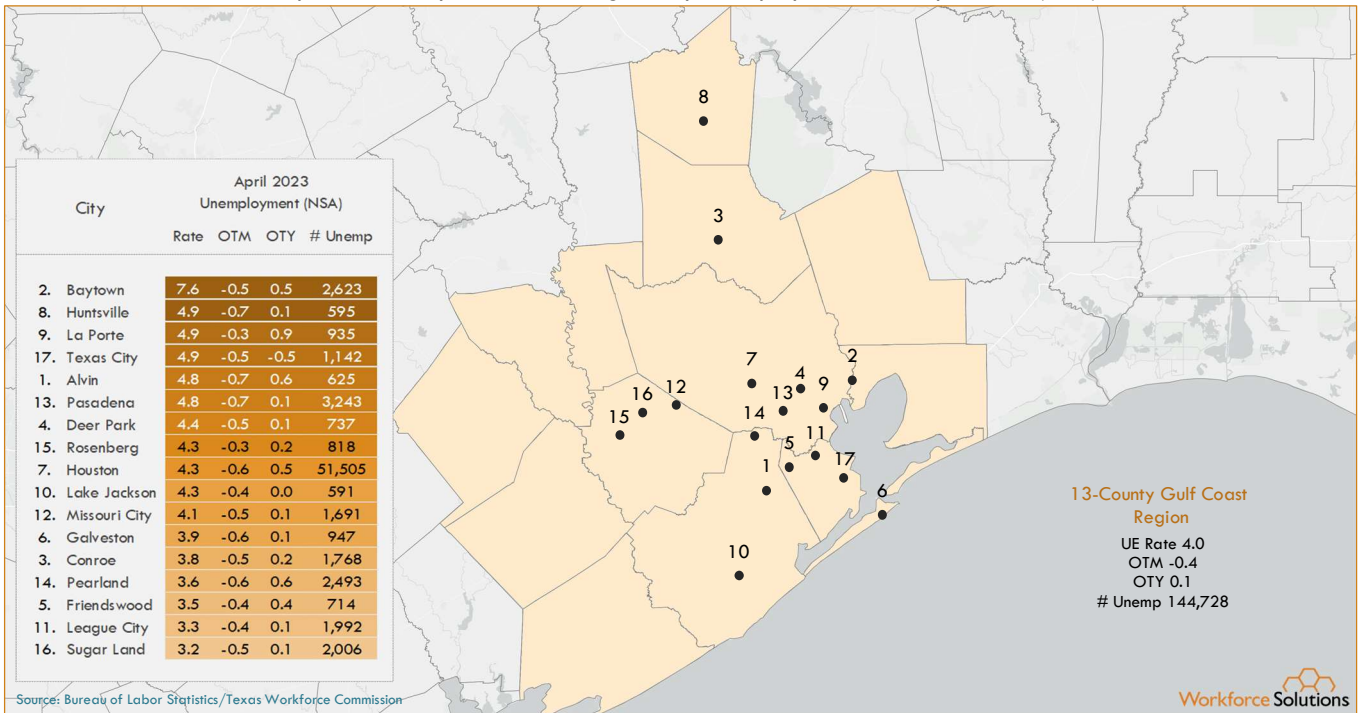
### Not-Seasonally Adjusted

#### Unemployment Rates for Select Municipalities

Among the 17 cities in the Gulf Coast Workforce Development Area for which Local Area Unemployment Statistics are available, unemployment rates in April ranged from a high of 7.6 percent in Baytown to a low of 3.2 percent in Sugar Land (see Map 2 legend). Over the month, all 17 cities saw their unemployment rates decline in keeping with region-wide decrease of -0.4 percentage points. Pasadena saw the largest percentage-point decrease in unemployment down -0.7 pp.

representing -459 fewer unemployed workers compared to the previous month. This was followed by Huntsville (-0.7 pp, -91 workers) and Alvin (-0.7 pp, -97 workers). Over the year unemployment rates rose with, La Porte posting the largest increase, up 0.9 percentage points representing 204 more unemployed workers compared to a year ago followed by Pearland (0.6 pp, 485 workers) and Alvin (0.6 pp, 92 workers). The 17 cities below accounted for 51 percent of the 144,728 unemployed workers across the Gulf Coast Region as of this April (see Map 2 legend).

Map 2. 13-County Gulf Coast Region City Unemployment Rates April 2023 (NSA)



### Seasonally Adjusted

#### Houston Metro, Texas, and U.S. Unemployment

The Houston MSA (seasonally-adjusted) unemployment rate stood at 4.3 percent in March, up from February's 4.2 percent and This was above the statewide rate of 4.0 percent and above the national rate of 3.5 percent. 152,479 individuals were unemployed in Houston in March, up from February's 148,406 and up from 151,691 in March 2022 (see Charts 41 and 42). NOTE: Seasonally-adjusted data for the MSA are available with a one-month delay but are not available for the 13-County Region or 17 cities.

Chart 41. Unemployment Rates (SA)  
 U.S., Texas, and Houston MSA  
 March 2023

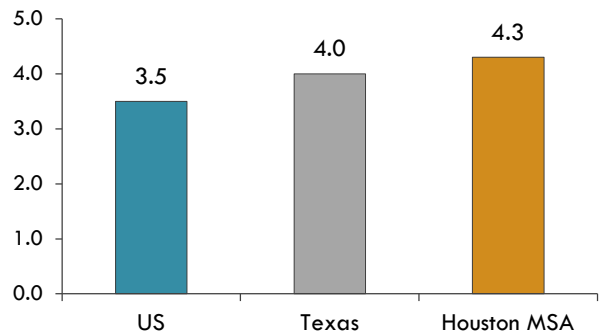
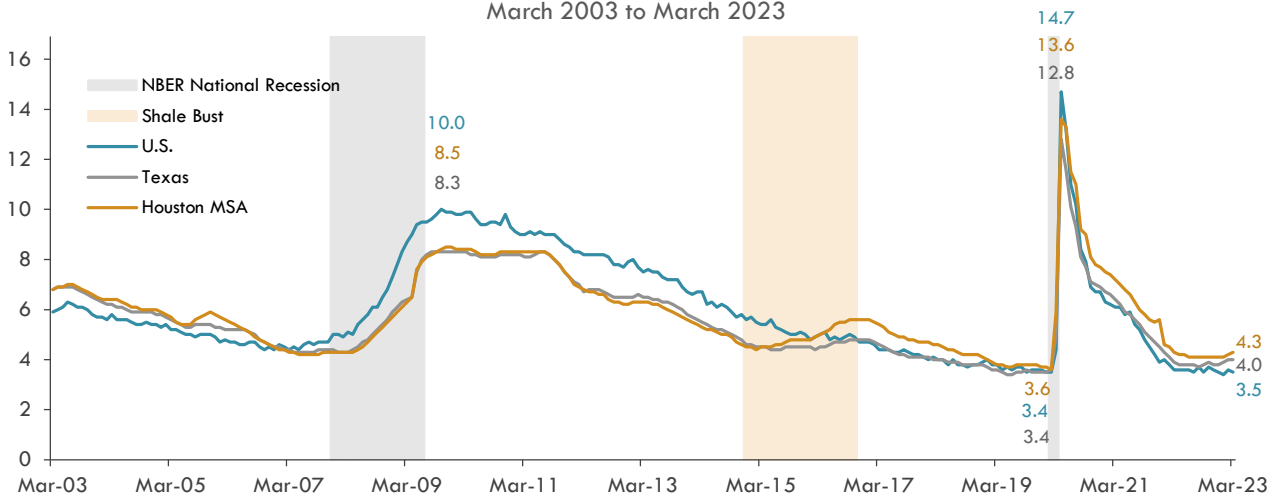


Chart 42. Unemployment Rates U.S., Texas, and Houston MSA (SA)  
 March 2003 to March 2023



## Gulf Coast Workforce Solutions Index (WSI)

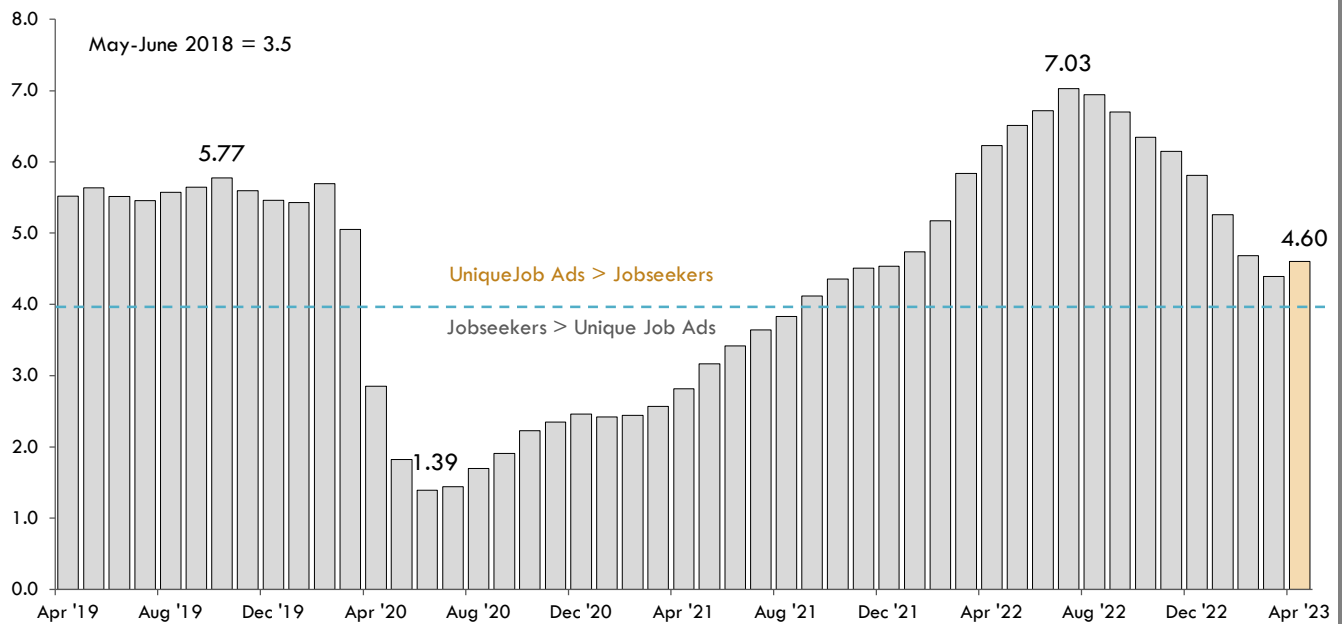


### The Gulf Coast Workforce Solutions Index (WSI)

The WSI is an indicator designed to capture shifts in the local labor market, specifically the balance between available jobs and unemployed workers at a given point in time. Values above 4.0 signal a surplus of jobs while values less than 4.0 signal a surplus of jobseekers. The Gulf Coast Workforce Board monitors the WSI as part of its ongoing review of the region's unemployment insurance work search requirement and reserves the right to adjust the number of weekly job search contacts as labor market conditions warrant. In the event of change to the work search requirement, the Board will notify the Texas Workforce Commission who will in turn notify UI recipients.

WSI Reading  
April  
2023:  
**4.60**

Gulf Coast Workforce Solutions Index - Houston MSA 2017 - 2022 (SA)



Source(s): Emsi-Burning Glass and BLS/TWC - LAUS  
Note: data subject to revisions.



### Workforce Solutions Index April 2023

The Houston MSA WSI for April stood at 4.6, up from March's revised reading of 4.39. This April's value was the result of an 25,000-increase in job ads over from March coupled with a modest increase in unemployed workers by 4,100 from February to March (SA). However Lightcast issued a notice stating that it has

*"completed its restatement of US posting data covering March and April 2023, effective May 12th. Total postings have decreased by 23% compared to previous numbers, so any analysis including those months completed prior to the restatement may overstate results."*

Nonetheless, April's reading continues to suggest that a requirement of four work search activities may be appropriate for individuals receiving unemployment insurance given the relative availability of jobs at present.



# Houston Area Employment Situation

April 2023

Table 1. Houston MSA Sectors and Major Industry Subcomponents

NAICS Industry	Apr-23	Mar-23	Apr-22	Monthly	Monthly	Yearly	Yearly %
<b>Total Nonfarm</b>	<b>3,332,400</b>	<b>3,332,100</b>	<b>3,219,800</b>	<b>300</b>	<b>0.0%</b>	<b>112,600</b>	<b>3.5%</b>
Total Private	2,881,500	2,881,600	2,787,000	-100	0.0%	94,500	3.4%
Goods Producing	514,600	521,000	508,000	-6,400	-1.2%	6,600	1.3%
<b>..Mining and Logging</b>	<b>68,900</b>	<b>68,100</b>	<b>64,900</b>	<b>800</b>	<b>1.2%</b>	<b>4,000</b>	<b>6.2%</b>
...Oil and Gas Extraction	29,400	29,200	28,700	200	0.7%	700	2.4%
...Support Activities for Mining	37,700	37,300	34,900	400	1.1%	2,800	8.0%
<b>..Construction</b>	<b>216,200</b>	<b>224,300</b>	<b>221,300</b>	<b>-8,100</b>	<b>-3.6%</b>	<b>-5,100</b>	<b>-2.3%</b>
..Construction of Buildings	55,100	57,200	54,600	-2,100	-3.7%	500	0.9%
..Heavy and Civil Engineering Construction	53,800	55,800	53,000	-2,000	-3.6%	800	1.5%
..Specialty Trade Contractors	107,300	111,300	113,700	-4,000	-3.6%	-6,400	-5.6%
<b>..Manufacturing</b>	<b>229,500</b>	<b>228,600</b>	<b>221,800</b>	<b>900</b>	<b>0.4%</b>	<b>7,700</b>	<b>3.5%</b>
..Durable Goods	141,300	140,600	135,600	700	0.5%	5,700	4.2%
...Fabricated Metal Product Manufacturing	49,000	48,900	46,100	100	0.2%	2,900	6.3%
...Machinery Manufacturing	41,800	41,700	39,800	100	0.2%	2,000	5.0%
....Agriculture, Construction, and Mining Machinery Mfg.	21,800	21,800	20,400	0	0.0%	1,400	6.9%
...Computer and Electronic Product Manufacturing	14,200	14,200	13,700	0	0.0%	500	3.6%
..Non-Durable Goods	88,200	88,000	86,200	200	0.2%	2,000	2.3%
...Petroleum and Coal Products Manufacturing	7,800	7,800	7,800	0	0.0%	0	0.0%
...Chemical Manufacturing	42,000	41,900	40,500	100	0.2%	1,500	3.7%
Service Providing	2,817,800	2,811,100	2,711,800	6,700	0.2%	106,000	3.9%
.Private Service Providing	2,366,900	2,360,600	2,279,000	6,300	0.3%	87,900	3.9%
<b>..Trade, Transportation, and Utilities</b>	<b>683,000</b>	<b>683,200</b>	<b>660,700</b>	<b>-200</b>	<b>0.0%</b>	<b>22,300</b>	<b>3.4%</b>
...Wholesale Trade	176,100	174,700	167,400	1,400	0.8%	8,700	5.2%
....Merchant Wholesalers, Durable Goods	109,800	108,500	102,900	1,300	1.2%	6,900	6.7%
....Prof. and Commercial Equip. Supplies Wholesalers	17,600	17,600	17,100	0	0.0%	500	2.9%
....Merchant Wholesalers, Nondurable Goods	53,800	53,800	52,900	0	0.0%	900	1.7%
...Retail Trade	317,200	316,700	312,500	500	0.2%	4,700	1.5%
....Motor Vehicle and Parts Dealers	43,500	43,300	43,100	200	0.5%	400	0.9%
....Bldg. Material and Garden Equip. and Supplies Dealers	24,800	24,500	25,000	300	1.2%	-200	-0.8%
....Food and Beverage Stores	73,700	73,700	71,200	0	0.0%	2,500	3.5%
....Health and Personal Care Stores	61,400	61,100	61,200	300	0.5%	200	0.3%
....Clothing and Clothing Accessories Stores	19,700	19,700	19,300	0	0.0%	400	2.1%
....General Merchandise Stores	41,700	41,400	41,900	300	0.7%	-200	-0.5%
....Department Stores	20,600	20,500	21,300	100	0.5%	-700	-3.3%
....Other General Merchandise Stores	25,000	25,000	24,700	0	0.0%	300	1.2%
...Transportation, Warehousing, and Utilities	189,700	191,800	180,800	-2,100	-1.1%	8,900	4.9%
....Utilities	20,300	20,300	19,300	0	0.0%	1,000	5.2%
....Air Transportation	20,300	20,200	19,900	100	0.5%	400	2.0%
....Truck Transportation	30,900	30,900	29,900	0	0.0%	1,000	3.3%
....Pipeline Transportation	12,900	12,900	12,200	0	0.0%	700	5.7%
<b>..Information</b>	<b>33,200</b>	<b>33,100</b>	<b>32,400</b>	<b>100</b>	<b>0.3%</b>	<b>800</b>	<b>2.5%</b>
...Telecommunications	11,800	11,700	11,700	100	0.9%	100	0.9%
<b>..Financial Activities</b>	<b>182,500</b>	<b>183,100</b>	<b>176,700</b>	<b>-600</b>	<b>-0.3%</b>	<b>5,800</b>	<b>3.3%</b>
...Finance and Insurance	114,600	115,100	112,500	-500	-0.4%	2,100	1.9%
....Credit Intermediation and Related Activities	45,600	46,000	46,000	-400	-0.9%	-400	-0.9%
....Depository Credit Intermediation	29,500	29,700	29,200	-200	-0.7%	300	1.0%
....Securities, Commodity Contracts, and Fin. Investments	22,800	23,000	22,100	-200	-0.9%	700	3.2%
....Insurance Carriers and Related Activities	46,200	46,100	44,400	100	0.2%	1,800	4.1%
...Real Estate and Rental and Leasing	67,900	68,000	64,200	-100	-0.1%	3,700	5.8%
<b>..Professional and Business Services</b>	<b>558,300</b>	<b>556,100</b>	<b>531,400</b>	<b>2,200</b>	<b>0.4%</b>	<b>26,900</b>	<b>5.1%</b>
...Professional, Scientific, and Technical Services	273,900	274,600	256,100	-700	-0.3%	17,800	7.0%
....Legal Services	32,100	32,000	30,500	100	0.3%	1,600	5.2%
....Accounting, Tax Preparation, Bookkeeping, and Payroll	29,600	29,500	28,600	100	0.3%	1,000	3.5%
....Architectural, Engineering, and Related Services	75,900	75,400	67,600	500	0.7%	8,300	12.3%
....Computer Systems Design and Related Services	43,600	43,300	41,400	300	0.7%	2,200	5.3%
...Management of Companies and Enterprises	46,600	46,200	44,000	400	0.9%	2,600	5.9%
...Admin. and Support and Waste Mgmt. and Remediation	237,800	235,300	231,300	2,500	1.1%	6,500	2.8%
....Administrative and Support Services	224,200	221,700	218,700	2,500	1.1%	5,500	2.5%
....Employment Services	86,000	85,800	87,700	200	0.2%	-1,700	-1.9%
....Services to Buildings and Dwellings	56,000	54,000	52,800	2,000	3.7%	3,200	6.1%
<b>..Educational and Health Services</b>	<b>443,800</b>	<b>443,000</b>	<b>421,300</b>	<b>800</b>	<b>0.2%</b>	<b>22,500</b>	<b>5.3%</b>
...Educational Services	72,600	72,800	69,100	-200	-0.3%	3,500	5.1%
...Health Care and Social Assistance	371,200	370,200	352,200	1,000	0.3%	19,000	5.4%
....Ambulatory Health Care Services	186,900	186,900	178,100	0	0.0%	8,800	4.9%
....Hospitals	94,100	94,200	87,800	-100	-0.1%	6,300	7.2%
<b>..Leisure and Hospitality</b>	<b>348,700</b>	<b>343,400</b>	<b>337,800</b>	<b>5,300</b>	<b>1.5%</b>	<b>10,900</b>	<b>3.2%</b>
...Arts, Entertainment, and Recreation	36,800	37,100	36,200	-300	-0.8%	600	1.7%
...Accommodation and Food Services	311,900	306,300	301,600	5,600	1.8%	10,300	3.4%
....Accommodation	27,000	26,300	25,500	700	2.7%	1,500	5.9%
....Food Services and Drinking Places	284,900	280,000	276,100	4,900	1.8%	8,800	3.2%
<b>..Other Services</b>	<b>117,400</b>	<b>118,700</b>	<b>118,700</b>	<b>-1,300</b>	<b>-1.1%</b>	<b>-1,300</b>	<b>-1.1%</b>
<b>Government</b>	<b>450,900</b>	<b>450,500</b>	<b>432,800</b>	<b>400</b>	<b>0.1%</b>	<b>18,100</b>	<b>4.2%</b>
.Federal Government	33,200	32,900	31,900	300	0.9%	1,300	4.1%
.State Government	95,400	95,700	90,700	-300	-0.3%	4,700	5.2%
..State Government Educational Services	54,100	54,800	51,000	-700	-1.3%	3,100	6.1%
.Local Government	322,300	321,900	310,200	400	0.1%	12,100	3.9%
..Local Government Educational Services	224,800	224,800	215,600	0	0.0%	9,200	4.3%