

Texas Workforce Investment Council

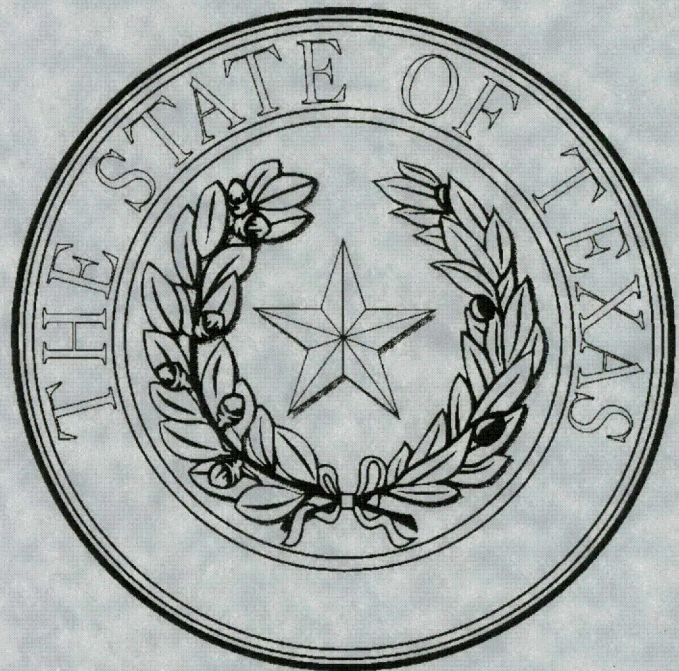
Greg Abbott
Governor

Dan Patrick
Lt. Governor

Joe Straus
Speaker

Wes Jurey
Chair

Lee Rector
Director



Briefing Materials
February 5, 2016
Austin Community College
Highland Business Center
5930 Middle Fiskville Road
Room 201
Austin, Texas 78752

Texas Workforce Investment Council

Members

Wes Jurey (Chair), Arlington
Sharla Hotchkiss (Vice Chair), Midland
Mark Barberena, Fort Worth
Robert Cross, Houston
Mark Dunn, Lufkin
Carmen Olivas Graham, El Paso
Thomas Halbouty, Southlake
Richard Hatfield, Austin
Robert Hawkins, Bellmead
Larry Jeffus, Garland
Paul Jones, Austin
Matthew Maxfield, Harker Heights
Richard Rhodes, Austin
Joyce Delores Taylor, Houston
Bryan Daniel, Austin
Mike Morath, Austin
Raymund Paredes, Austin
Larry Temple, Austin
Chris Traylor, Austin

Representing

Business and Industry
Community-Based Organizations
Labor
Labor
Business and Industry
Education
Business and Industry
Labor
Labor
Education
Labor
Business and Industry
Education
Business and Industry
Office of the Governor, Economic Development and Tourism
Texas Education Agency
Texas Higher Education Coordinating Board
Texas Workforce Commission
Texas Health and Human Services Commission

Mission of the Texas Workforce Investment Council

Assisting the Governor and the Legislature with strategic planning for and evaluation of the Texas workforce development system to promote the development of a well-educated, highly skilled workforce for Texas.



GOVERNOR GREG ABBOTT

TEXAS WORKFORCE INVESTMENT COUNCIL

January 27, 2016

Dear Council Members:

Enclosed please find the February 5, 2016, meeting briefing book.

The Texas Workforce Investment Council (Council) will meet at 8:30 a.m. on Friday, February 5, 2016, at the Austin Community College Highland Business Center located at 5930 Middle Fiskville Road, room 201, in Austin, Texas. On Thursday, February 4, 2016, the Apprenticeship and Training Advisory Committee will meet at 10:00 a.m. in room 1.312 in the State Insurance Building located at 1100 San Jacinto Boulevard. The Executive Committee will meet at 3:00 p.m. at the Economic Development and Tourism conference room, which is located on the fourth floor at 221 East 11th Street.

Overview of Council Meeting Agenda Items and Briefing Book Contents

The Council meeting will begin with reports from the Executive Committee and the Apprenticeship and Training Advisory Committee. These reports will be followed by two action items and an update on Wagner-Peyser 7(b). The first action considers approval of the fiscal year 2017 apprenticeship funding formula recommendations made by the Apprenticeship and Training Advisory Committee. This action item may be found in the briefing book on page 5. The second action item, found on page 7, will consider approval of the Texas Combined State Plan under the Workforce Innovation and Opportunity Act. In support of the action to consider approval of the combined state plan, a compendium of information about the Workforce Innovation and Opportunity Act is provided as part of the Information and Updates section of the briefing book, found on page 61. The next several agenda items will include briefings on several Council activities, projects, and reports. For the first item, found on page 11, members will receive a briefing on the status of a research project to define middle-skill STEM occupations and related third-party, industry-based certifications. The next item, found on page 19, will provide information related to a project management approach to be used in managing the system initiatives related to the new workforce system strategic plan. Members will also receive information on a new evaluation framework that is currently under development, found on page 25. The next briefing item, found on page 33, will update members on any new Texas skill standards based recognized programs. The final item, found on page 37, will provide members with an overview of registered apprenticeship in Texas. Staff from the Department of Labor's Office of Apprenticeship and from the Texas Workforce Commission will be present to provide this information to members.

Upcoming Projects and Activities

In the coming months, we will continue to work with our system partners to formalize performance measures as we implement the first year of the new workforce system strategic plan.

I look forward to seeing you in February. In the meantime, I would be happy to answer any questions that you have about the meeting or the agenda. Please do not hesitate to contact me by email at lee.rector@gov.texas.gov or at (512) 936-8100.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lee Rector".

This page intentionally left blank.



TEXAS WORKFORCE INVESTMENT COUNCIL

Austin Community College
Highland Business Center
5930 Middle Fiskville Road
Room 201
Austin, Texas 78752

COUNCIL MEETING
February 5, 2016

Wes Jurey, Chair

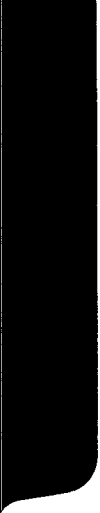
ORDER OF AGENDA AND TABLE OF CONTENTS

(8:30 A.M.)

The following items may not necessarily be considered in the order they appear.

I.	<u>Introduction</u>	<u>Item</u>	<u>Page</u>
	Call to Order, Announcements, and Public Comment		
	Approval of Minutes – December 4, 2015	Action	1
II.	<u>Reports, Actions, and Briefings</u>		
	1. Report from the Executive Committee	Report	
	2. Report from the Apprenticeship and Training Advisory Committee	Report	
	3. Consideration for Approval – Fiscal Year 2017 Apprenticeship Funding Formula Recommendations	Action	5
	4. Wagner-Peyser 7(b) Update	Report	
	5. Consideration for Approval – Texas Combined State Plan under the Workforce Innovation and Opportunity Act	Action	7
	6. Briefing on the Report: Middle-Skill STEM Occupations and Related Industry-Based Certifications	Briefing	11
	7. Briefing on a Project Management Approach for System Initiatives	Briefing	19
	8. Briefing on a Proposed New Evaluation Framework	Briefing	25
	9. Briefing on Texas Skill Standards Based Recognized Programs	Briefing	33
	10. Briefing on Registered Apprenticeship in Texas	Briefing	37
III.	<u>Information and Updates</u>		
	1. Workforce Innovation and Opportunity Act: A Compendium	Information	61
	2. Texas Demographic Update	Information	79
	3. Policy News Highlights	Information	81
	4. Fiscal Year 2016 Expenditure Report	Information	89
IV.	<u>Adjourn</u>		

This page intentionally left blank.



TEXAS WORKFORCE INVESTMENT COUNCIL MEETING

Austin Community College
Highland Business Center
5930 Middle Fiskville Road
Room 201
Austin, Texas 78752

**Friday, December 4, 2015
MINUTES**

MEMBERS PRESENT

Wes Jurey (Chair), Sharla Hotchkiss (Vice Chair), Bryan Daniel, Mark Dunn, Veronda Durden [designee for Chris Traylor], Carmen Olivas Graham, Thomas Halbouty, Richard Hatfield, Robert Hawkins, Paul Jones, Matthew Maxfield, Reagan Miller [designee for Larry Temple], Richard Rhodes, Joyce Taylor, and Garry Tomerlin [designee for Raymund Paredes]

MEMBERS ABSENT

Mark Barberena, Robert Cross, Larry Jeffus, Raymund Paredes, Larry Temple, Chris Traylor, and Michael Williams

WELCOME AND ANNOUNCEMENTS

Chair Wes Jurey called the meeting to order at 8:36 a.m.

Mr. Jurey welcomed the members and guests. He acknowledged three guests in the audience: Brian Owens, chief of staff for Ruth Hughs, commissioner representing employers at the Texas Workforce Commission (TWC); Wayne Oswald, executive director of the Houston Business Roundtable; and Kirby Goidel, professor and fellow, Public Policy Research Institute and Department of Communication at Texas A&M University. Mr. Jurey then invited Council members Thomas Halbouty, Richard Hatfield, and Joyce Taylor to comment on their experience attending the 19th Annual Texas Workforce Conference.

PUBLIC COMMENT

No public comment.

APPROVAL OF MINUTES – ACTION

Mr. Jurey asked if there were any changes to the September 11, 2015, minutes. Hearing none, he called for a motion. Robert Hawkins recommended approval of the minutes. Joyce Taylor seconded the motion. The minutes were approved by unanimous voice vote.

REPORTS, ACTIONS, AND BRIEFINGS

Report from the Executive Committee (Oral Report)

Mr. Jurey reported that the executive committee had met the previous afternoon and was briefed on a number of items. He stated that an update on the status of the Council's fiscal year (FY) 2016 work plan activities and deliverables was presented. In addition, he noted that the committee discussed the Council's 2016 quarterly meeting plan and the actions the Council will be required to take in the coming year. Mr.

Jurey reported that the committee members discussed the new workforce system strategic plan and potential Council projects to address the plan's three crucial foundation elements, which would be focused on the system rather than on programs. He noted that in November he and the Council director had met with Governor's Office staff to discuss four system initiatives that align with these elements. He concluded his comments by noting his meeting with staff of the Texas Department of Criminal Justice regarding the state reintegration of offenders program.

Wagner Peyser 7(b) Update (Oral Report)

Mr. Jurey called on Ms. Rector to give the Council a brief update. Ms. Rector reported on the grant selection process, including the evaluation committee, timeline, and total grant funding amount approved and recommended to the TWC. She noted that the Council would receive quarterly reports from the TWC on the status of the grants, which would be a standing information item at each Council meeting.

Consideration for Approval – *Evaluation 2015: Accomplishments and Outcomes of the Texas Workforce System* (Action Item)

Mr. Jurey called on Council staff Laura Pittman to brief members. Ms. Pittman briefed members on the final summative report of the workforce system strategic plan period for *Advancing Texas*. She reviewed the content and structure of the report, which includes final versions of all 14 agency action plans, as well as summary and standard report sections.

Mr. Jurey called for a motion to approve the *Evaluation 2015: Accomplishments and Outcomes of the Texas Workforce System* report. Richard Hatfield moved approval and Richard Rhodes seconded the motion. The motion passed by unanimous voice vote.

Consideration for Approval – Texas Skill Standards Guidelines and Standards (Action Item)

Mr. Jurey called on Ms. Rector to introduce the item. Ms. Rector provided brief remarks to remind members of a briefing item presented during the September Council meeting. She then called on Council staff member Anne Dorsey to present the action item to the members. Ms. Dorsey reiterated the Council's new statutory charge and then reviewed the content of the *Guidelines for the Development, Recognition, and Usage of Skill Standards* including: requirements for the skill standards development process and for submission to the Council for recognition; recognition categories; and requirements for access, usage, and maintenance of skill standards. Mr. Jurey then called for a motion to approve the guidelines for skill standards development. Joyce Taylor so moved, and Richard Rhodes seconded the motion. The motion passed by unanimous voice vote.

Ms. Dorsey then presented the content of the *Guidelines for Texas Skill Standards Based Program Recognition*, including use of skill standards in community and technical college workforce education programs, program recognition criteria, and application and renewal requirements. Mr. Jurey then called for a motion to approve the guidelines for program recognition. Richard Rhodes so moved, and Matthew Maxfield seconded the motion. The motion passed by unanimous voice vote.

Finally, Ms. Dorsey presented the 43 skill standards previously recognized by the Texas Skill Standards Board (TSSB) for Council approval consideration. Mr. Jurey called for a motion to approve the skill standards. Carmen Graham so moved, and Joyce Taylor seconded the motion. The motion passed by unanimous voice vote. Mr. Jurey then called on Wayne Oswald, executive director of the Houston Business Roundtable and past chair of the TSSB, for comment.

Briefing on the Texas Workforce Investment Council Annual Report for Fiscal Year 2015 (Briefing Item)

Mr. Jurey called on Council staff Kristin McEntyre to present the item. Ms. McEntyre briefed members on the contents of the annual report, reviewing each of its six sections.

Briefing on the Research Report: Defining Middle-Skill STEM Occupations in Texas (Briefing Item)

Mr. Jurey called on Council staff Royce Wu to present the item. Mr. Wu briefed members on the results of the research contained in the report, which included describing the method of classifying workers and STEM occupations; explaining the process for determining middle-skill STEM occupations; identifying a list of middle-skill STEM occupations for Texas; and concluding with comments on the implications of the research.

Briefing on the Texas Combined State Plan under the Workforce Innovation and Opportunity Act (Briefing Item)

Mr. Jurey called on Ms. McEntyre to present the item. Ms. McEntyre reported on the requirements for the combined state plan under the Workforce Innovation and Opportunity Act (WIOA). She reviewed the required structure for the plan, including the strategic and operational planning elements, as well as the three sections that will comprise the plan, and concluded with noting the other federal programs that would be combined in the plan. She reminded members that the Council will consider action to recommend approval of the plan at its February meeting. Mr. Jurey then invited Reagan Miller of TWC, the lead agency in developing the plan, to comment.

Ms. Miller stated that federal guidance had not yet been provided for the plan, and thus, TWC had drafted the plan in a way that made the most sense for Texas, hoping that it would ultimately fit into the federal format once determined. She noted that seven public meetings had been conducted with 100 people providing input. She also mentioned that TWC was already anticipating an amendment to the plan in June regarding TWC's assumption of the vocational rehabilitation program from the Department of Assistive and Rehabilitative Services (DARS). Ms. Rector mentioned that amendments were also expected for the Wagner-Peyser Agricultural Outreach Plan in the second year and the Senior Community Service Employment Program in the third year of the combined plan. Veronda Durden for DARS commended the TWC and DARS staff for their hard work on the transition of the vocational rehabilitation services across their agencies.

Briefing on the Fiscal Year 2017 Apprenticeship Funding Formula Recommendations (Briefing Item)

Mr. Jurey called on Ms. McEntyre to present the item. Ms. McEntyre reminded members that they would consider for action at the February meeting the apprenticeship funding formulas for FY 2017, as a recommendation from the Apprenticeship and Training Advisory Committee. She noted that the formulas included the contact hour rate for apprenticeship programs funded under Chapter 133 of the Texas Education Code, the percent of available funds for new programs, and the amount of funding available for apprenticeship instructor training.

Briefing on the 2015 Survey of Texas Employers – Report Findings (Briefing Item)

Mr. Jurey called on Ms. Rector to introduce the briefing item. Ms. Rector then introduced Dr. Goidel from Texas A&M University's Public Policy Research Institute to present the report findings and reminded members of presentations by employers during the listening sessions held in 2013 and 2014. Dr. Goidel began by providing an overview of the survey methodology, followed by a report on the survey results. He reviewed the results including percent of businesses hiring and difficulty in hiring; employers' perceptions of the skills lacking in applicants and current employees; the most difficult positions to fill by job category; and strategies employers' used to deal with the shortages and to retain employees.

After Dr. Goidel's presentation, discussion among Council members included: the need for and difficulty with employers offering internships to provide students with practical work experience, as well as the value of summer employment opportunities under WIOA for the same purpose; how employers defined some of the most difficult-to-fill job titles; response differences between employers in urban and rural

areas; the survey's percentage of error; and the need to determine the most effective use of Work in Texas given employers' usage rate of the service. Mr. Jurey noted that the Council's role was to bring up the issues for practitioners and policy makers, who would devise solutions or strategies to address the issues.

ADJOURN

Mr. Jurey called for a motion to adjourn the meeting. Joyce Taylor moved to adjourn. Sharla Hotchkiss seconded the motion. The motion was approved by unanimous voice vote. The meeting adjourned at 10:37 a.m.

**REPORTS, ACTIONS,
AND BRIEFINGS**



**TWIC ACTION ITEM
MEMORANDUM**

REF: KM.twic.II3.020516

TO Council Members

SUBJECT Fiscal Year 2017 Apprenticeship Funding Formula Recommendations

Introduction

The Texas Workforce Investment Council (Council) will consider and take action on the recommendations made by the Apprenticeship and Training Advisory Committee (ATAC) at the February 5, 2016, Council meeting. ATAC will have met on the morning of February 4, 2016, to discuss and finalize its annual recommendation to the Council regarding funding formulas for apprenticeship training programs under Chapter 133 of the Texas Education Code. Specifically, the funding formulas relate to distribution of available funds in fiscal year (FY) 2017 for the following: the rate of reimbursement for contact hours made to training providers in apprenticeship programs; funding new and existing apprenticeship programs that have not yet received Chapter 133 funds for FY 2016; and apprenticeship instructor training.

Background

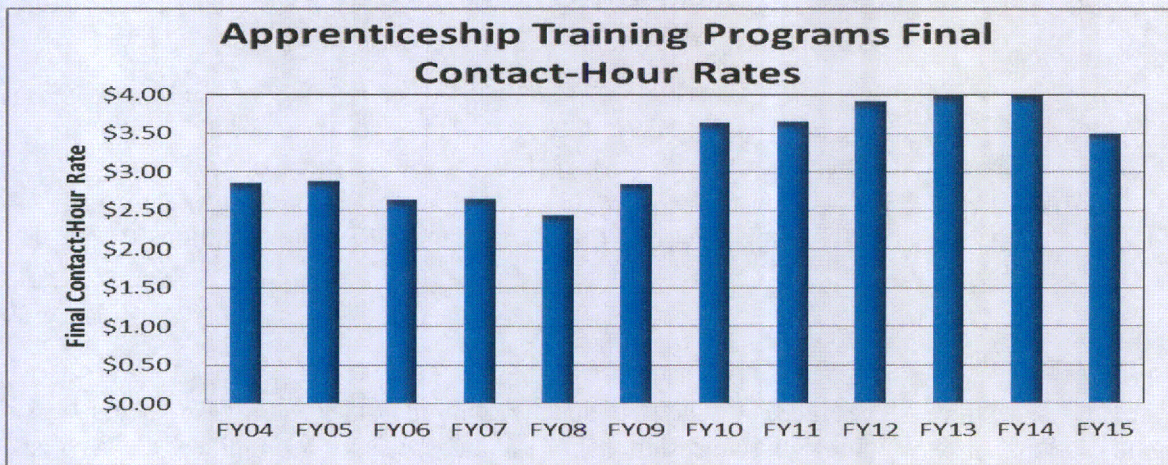
Texas Government Code, §2308.101(12), specifies that the Council is responsible for carrying out “the federal and state responsibilities of advisory councils under applicable federal and state workforce development laws or regulations.” These responsibilities include recommending formulas and administrative procedures for requesting appropriations of state funds for the apprenticeship programs funded under Chapter 133 of the Texas Education Code. In order to meet these responsibilities, the Council Chair has appointed ATAC as a technical advisory committee to advise the Council on apprenticeship matters.

Discussion

Texas Education Code, §133.006, requires the Texas Workforce Commission (TWC) to adopt formulas for the distribution of available funds to apprenticeship training programs on the recommendation of the Council. The contact-hour-rate formula is the method used for the distribution of apprenticeship training funds to public school districts and state postsecondary institutions that act as fiscal agents for registered apprenticeship training programs. This contact-hour rate is determined each year by dividing the total available funds statewide by the total number of contact hours of apprenticeship training instruction statewide. Funds are used only for job-related classroom instruction costs and for expenses such as instructor salaries, instructional supplies and equipment, and other operating expenses.

Each year, the Council forwards its proposed funding formulas to TWC after it has considered and taken action on ATAC’s recommendations. Consistently, TWC has recognized the value of registered apprenticeship and has looked for opportunities to provide additional funding support. In the past, TWC has funded projects to improve coordination between registered apprenticeship programs and local workforce boards, and has provided increased formula funding for the final contact-hour rate.

The following graph shows contact-hour rates for Chapter 133 apprenticeship programs over the past 12 years:



The following chart shows additional information about apprenticeship enrollment in Texas:

	Apprenticeship Training Program Final Contact-Hour Rate	Number of Apprentices Enrolled in Programs
FY 2004	\$2.855	3,333
FY 2005	\$2.877	3,345
FY 2006	\$2.638	3,483
FY 2007	\$2.659	3,511
FY 2008	\$2.443	3,896
FY 2009	\$2.839	4,080
FY 2010	\$3.643	4,159
FY 2011	\$3.660	4,172
FY 2012	\$3.921	3,855
FY 2013	\$4.000	3,947
FY 2014	\$4.000	4,308
FY 2015	\$3.505	4,648
FY 2016	TBD	TBD

Recommendations

It is recommended that the Council approve the recommendations from ATAC regarding the following items and forward them to TWC for action:

1. Contact-hour rate for apprenticeship training programs for FY 2017;
2. Percent of available funds being used to fund new or established apprenticeship programs that did not receive Chapter 133 funds in FY 2016; and
3. Amount of the FY 2017 funds to be set aside for apprenticeship instructor training.

**TWIC ACTION ITEM
MEMORANDUM**

REF: KM.twic.II5.020516

TO Council Members**SUBJECT** Texas Combined State Plan under the Workforce Innovation and Opportunity Act**Introduction**

The Texas Workforce Investment Council (Council) will consider endorsement of the Texas Combined State Plan under the Workforce Innovation and Opportunity Act (WIOA). Upon endorsement the Council will recommend final approval by the Governor and transmittal to the U.S. Secretary of Labor. The plan can be viewed at <http://www.twc.state.tx.us/materials-january-25-2016-texas-workforce-commission-public-policy-meeting#meetingMaterialsForAgendaItemsWithSupportingDocuments>.

Background

The Workforce Innovation and Opportunity Act of 2014 (WIOA, Public Law 113-128) was enacted on July 22, 2014. This legislation passed Congress with a bipartisan majority and is designed to help job seekers access employment, education, and training in order to achieve success in the workforce.

As the State Workforce Investment Board, the Council is charged with approval of the state plan required under the WIOA. The WIOA requires that states must have an approved state plan in place in order to receive WIOA formula funding.

Attachment

1. Letter: Larry Temple, Executive Director, Texas Workforce Commission

DiscussionThe Planning Process & Requirements

The WIOA requires the Governor to submit a state plan to the U.S. Department of Labor (DOL) that will outline a four-year plan for the workforce investment system. The due date for submission of the plan is March 3, 2016.

The WIOA instructs the state workforce board to assist the Governor in developing the WIOA State Plan to ensure the planning process is completed in a transparent manner, and in consultation with a variety of workforce partners that include local workforce boards, business representatives, adult education providers, and postsecondary institutions.

DOL has specified that states have the option of submitting a unified plan or a combined state plan for the WIOA. Texas will submit a combined state plan, and the Texas Workforce Commission (TWC) has been the lead agency in developing the plan.

The WIOA statute identifies the structure required for the state plan. The plan must be comprised of strategic and operational planning elements. The strategic plan should describe the state's vision, goals, and strategies for preparing an educated and skilled workforce to close any skills gaps and meet employer

needs. The operational planning elements in the state plan must describe each program and the operating systems and policies that support implementation of strategies.

Overview of State Plan

The state plan is comprised of three sections.

Section I is the strategic portion that contains the Governor's vision and stated goals for Texas' workforce system. It includes a description of the major strategies and goals of the plan; updated economic and demographic information for Texas, including projections for the future and information about target populations; a discussion of how the state will align policies, operations, and administrative systems; and outcomes and quantitative targets.

Section II is the operational part of the plan and includes a description of programs, participant groups, and the delivery of services. It includes a description of how service delivery will achieve outcomes; services for employers; an overview of the workforce system; organization at the state and local levels; and descriptions of workforce programs and required policies.

Section III contains assurances that states must affirm have been met. These key obligations form the basis of the commitment by the TWC to uphold the requirements in the law and regulation. Included in the assurances are the requirements for stakeholder consultation and public comment during development of the plan.

The state plan is subject to the approval of both the secretary of labor and the secretary of education, after approval of the commissioner of the Rehabilitation Services Administration. The plan is considered to be approved at the end of the 90-day period beginning on the day the plan is submitted, unless the secretary of labor or the secretary of education makes a written determination that the plan is inconsistent with the statute provisions during the 90-day period.

Recommendation

It is recommended that the Council endorse the Texas Combined State Plan under the Workforce Innovation and Opportunity Act, and recommend final approval by the Governor and transmittal to the U.S. Secretary of Labor.

Texas Workforce Commission

A Member of Texas Workforce Solutions

Briefing Book Page 9

Andres Alcantar, Chairman
Commissioner Representing
the Public

Ronald G. Congleton
Commissioner Representing
Labor

Ruth R. Hughs
Commissioner Representing
Employers

Larry E. Temple
Executive Director

January 15, 2016

Ms. Lee Rector
Director
Texas Workforce Investment Council
1100 San Jacinto
Austin, Texas 78701

Dear Ms. Rector:

The Texas Workforce Commission (Commission) respectfully announces its intent to consider approving, on January 25, 2016, the *Combined State Plan for The Workforce Innovation and Opportunity Act (WIOA)* for the State of Texas. The Commission proposes through this Plan to implement jointly administered activities concerning core programs and two optional programs authorized by WIOA: the adult, dislocated worker, and youth programs; the Wagner-Peyser Act employment services program, including the agricultural outreach plan (AOP); the Adult Education and Family Literacy Act (AEFLA) program; the vocational rehabilitation (VR) program; and the Senior Community Service Employment Program (SCSEP). The Plan was developed in accordance with the Notices of Proposed Rulemaking implementing WIOA and the Required Elements for Submission of the Unified or Combined State Plan, published by the U.S. Departments of Labor and Education (Departments).

The Plan outlines a four-year strategy combining strategic and operational planning elements:

- Section I states Texas' intention to submit a Combined State Plan.
- Section II describes how the Texas workforce system will accomplish its mission, vision, and goals through fully integrated workforce strategies that align with economic and workforce conditions, workforce development programs, and the strategic direction of the Texas Workforce Investment Council.
- Section III responds to operational planning elements—required by the Departments' agencies—regarding state infrastructure, policies, funding, target populations, and service delivery efforts.
- Section IV discusses the core program activities to implement the state's strategy.
- Section V includes separate appendices for the AEFLA, VR, AOP, and SCSEP plans, and the transfer of VR services; all applicable waivers; performance goals for core programs; a list of assurances that obligations in the law have been met; and a summary of plan development and public comments.

If approved by the Commission on January 25, 2016, the approved Plan will be delivered to the Texas Workforce Investment Council for consideration at its meeting on February 5, 2016. If you have questions or require additional information, please contact Jason Vaden, Interim Director, Workforce Program Policy, at (512) 463-5010.

Sincerely,



Larry E. Temple
Executive Director

Enclosure

This page intentionally left blank.

**TWIC BRIEFING ITEM
MEMORANDUM**

REF: RW.twic.II6.020516

TO Council Members**SUBJECT Middle-Skill STEM Occupations and Related Industry-Based Certifications**

Introduction

The Texas Workforce Investment Council (Council) operates as the state workforce board required by the federal Workforce Innovation and Opportunity Act of 2014 and is charged in state statute with developing a strategic plan for the Texas workforce system. The role of the Council is strategic; it provides research, information, and analysis that facilitates collaboration between system partners and relevant stakeholders, and alignment between elements of the Texas workforce system. To that end, the Council determined a need to address several issues in the latest workforce system strategic plan. Two of the issues identified were the changing demand for middle-skill workers and the increasing demand for industry-based certifications (certification) for Texas workers. Utilizing two previous Council research reports, the summary at attachment one describes the process by which third-party, industry-based certifications were identified for middle-skill science, technology, engineering, and mathematics (STEM) occupations. It precedes the final report, which will summarize the research and present a list of certifications relevant to middle-skill STEM occupations in Texas in June 2016.

Background

Nationally, the process for collecting and tracking certification data is either limited or in development. Despite developing and instituting a robust educational and training data system, tracking certifications and related information is virtually nonexistent in Texas. At the same time, employers nationwide continue to seek qualified workers with tangible, industry-specific job skills to support an ever-changing workforce system. Despite the growth of many occupations that now require some degree of STEM skills and knowledge, the majority of workforce research has concentrated on STEM jobs that require at least a four-year degree. This memorandum summarizes relevant findings from previous Council research reports and introduces a process for identifying workforce certifications for critical middle-skill STEM occupations in Texas.

Attachment

1. A Process Summary – Identifying Industry-Based Certifications for Middle-Skill STEM Occupations in Texas

Discussion

There will be four outputs associated with this research:

1. *Tracking Industry-Based Certifications: Promising Practices In Capturing Data On The Workforce Supply Of Industry-Certified Workers* (report – June 2015)
2. *Defining Middle-Skill STEM Occupations in Texas* (report – December 2015)
3. A Process Summary – Identifying Industry-Based Certifications for Middle-Skill STEM Occupations in Texas (February 2016)

4. *Third-Party, Industry-Based Certifications for Middle-Skill STEM Occupations In Texas* (report and list – June 2016)

***Tracking Industry-Based Certifications: Promising Practices In Capturing Data On The Workforce Supply Of Industry-Certified Workers* (report – June 2015)**

The primary objective of the first report was to establish a definition for third-party, industry-based certifications within the broader framework of education and training credentials and to provide information on national certification data-collection practices. Across the nation, the process for collecting and tracking certification data is either limited or in development; in Texas, a method to comprehensively track certification awards and related information is virtually nonexistent. The Council has therefore identified data tracking specific to certifications as a key component for the future development of the workforce system. Industry-based certifications—number and type—are included in *The Texas Workforce System Strategic Plan FY 2016–FY 2023* as a key performance measure.

A certification is a type of nontraditional award to an individual that demonstrates proficiency and knowledge, through examination, in a specific industry or trade. As opposed to a certificate, obtaining a certification award is not dependent on any actual education or training program. Instead, evaluating candidates for certification relies on independent, third-party professional and industry-based groups. These national organizations develop and maintain relevant proficiency standards that are assessed and sanctioned by industry-approved examination facilities, independent of any educational institution or training program. Furthermore, certifications often have an expiration date, requiring individuals to participate in continuing education or reexamination in order to stay current. This characterization of certification awards has been accepted and endorsed by national entities, such as the National Association of Manufacturers, the Manufacturing Skill Standards Council, and the National Institute for Precision Metalworking.

***Defining Middle-Skill STEM Occupations in Texas* (report – December 2015)**

Within the purview of the Council, middle-skill STEM occupations are growing and becoming increasingly important in Texas. As described in the new Texas workforce system strategic plan, middle-skill and STEM occupations require further research to understand their growth and to bolster the supply of qualified workers in the state.

This research approach offers a framework for researching middle-skill STEM occupations by first establishing a definition of middle-skill occupations and STEM occupations. No single national definition of STEM occupations exists. A cursory examination of employment statistics illustrates the difficult task of classifying and thus quantifying STEM occupations. Generally, STEM jobs have been identified as occupations in the fields of science, technology, engineering, and mathematics that require a four-year degree or higher. These high-skill jobs usually include industries ranging from advanced technology to research-oriented professions. However, as industries evolve, many occupations once considered non-STEM now require STEM-oriented skills and knowledge. The lack of a consensus definition of STEM has been problematic and created workforce analyses that vary considerably.

Based on SOC detailed occupation codes, STEM-classified occupations were determined from 11 difference sources from nine federal, state, and institutional organizations. Each source considered a different number of occupations as STEM. In all, 257 out of 840 detailed SOC occupations were identified as STEM by at least one of the 11 sources. Of the 257 identified STEM occupations, 42 were considered STEM by all 11 sources.

Based on the identified STEM occupations, a list of middle-skill STEM occupations was constructed. Federal designations regarding typical education and training levels for entry were added to the 257 STEM occupations. From the list of occupations identified as STEM, 84 were identified as middle-skill STEM occupations. Of the 42 STEM occupations matched across all 11 sources, only five were considered middle-skill STEM by every source.

The final step in this research generated a list of middle-skill STEM occupations important to the Texas economy. In addition to the list of 84 middle-skill STEM occupations, an additional 12 middle-skill classified jobs were identified and incorporated. While these additional occupations are not considered STEM by any of the original 11 sources, they require substantial STEM-related skills and knowledge. Thus, a total of 96 middle-skill STEM occupations were identified.

A Process Summary – Identifying Industry-Based Certifications for Middle-Skill STEM Occupations in Texas

This summary at attachment 1 describes the research and process that connects the output (list of 96 middle-skill STEM occupations) from the *Defining Middle-skill STEM Occupations* report to the industry-based certifications found in the U.S. Department of Labor's (DOL) national Certification Finder and O*NET labor market information database.

The process produced a list of nearly 2,400 certifications from over 400 specific certifying organizations. After every certification for each occupation was identified, the information was filtered and organized to remove duplicates. The next major step was to determine the validity of each identified certification. This process involved examining each certification and associated certifying organization to ensure it met the previously established definition of certifications developed in the *Tracking Industry-Based Certifications* report. After removing the certifications that did not qualify under the parameters of the report, over 1,900 certifications from nearly 350 certifying organizations remained. After removing overlapping certifications between each middle-skill STEM occupation, almost 1,500 unique certifications remained.

The final step in the process analyzed each middle-skill STEM occupation to identify additional certifications excluded by the DOL. This step identified over 80 additional certifications from three certifying organizations that were missing from the DOL certification database. These additional certifications were added to three specific occupational groups containing nine detailed occupations, ranging from electricians and automotive services to machine tool operators and welders. In all, just over 1,500 certifications from almost 350 certifying organizations were matched to the 96 middle-skill STEM occupations identified for Texas.

Next Steps

Third-Party, Industry-Based Certifications for Middle-Skill STEM Occupations in Texas (report and list – Council briefing on June 10, 2016)

The list of certifications described above needs to be culled to only include those key third-party, industry-based certifications that can serve as outcomes for secondary and postsecondary education, and workforce education and training. That reduction must be carried out in a collaborative manner by those agencies with a vested interest—namely, those with programs and services whose participants would benefit from receiving a national certification as an outcome: Texas Workforce Commission, Texas Education Agency, Texas Higher Education Coordinating Board, and the Windham School District (Texas Department of Criminal Justice).

Following a Council briefing at the quarterly meeting in February, a schedule of meetings will be established and agencies invited to participate in the list reduction process.

Recommendation

It is recommended that the Council note the information contained in this briefing item.

A Process Summary – Identifying Industry-Based Certifications for Middle-Skill STEM Occupations in Texas

As directed in Texas Government Code 2308.104, the Texas Workforce Investment Council is charged with strategic planning for and evaluation of the Texas workforce system. Identified as key issues in the new strategic plan for the Texas workforce system, demand for industry-based certifications (certification) and demand for middle-skill STEM workers continue to increase. In order to identify the necessary certifications needed for many critical middle-skill STEM occupations across Texas, a multi-step research project was developed to better understand and evaluate these issues.

The initial report of the research project (*Tracking Industry-Based Certifications: Promising Practices In Capturing Data On The Workforce Supply Of Industry-Certified Workers*) distinguishes between various types of postsecondary credentials. While four-year degrees are important, the report focuses on other awards individuals may earn, such as certifications, licenses, and certificates. More specifically, it examines and details certifications that are industry-recognized and awarded through independent, third-party organizations. By developing specific definitions, the report clearly differentiates between certifications and other postsecondary awards. The report also describes several workforce benefits of certifications and promising national- and state-level methods to track the number of individuals who earn them.

The second report (*Defining Middle-Skill STEM Occupations in Texas*) presents a method for identifying and analyzing middle-skill STEM occupations important to the economy. Middle-skill represents education and training beyond high school but less than a four-year degree. This educational range includes awards such as certifications. The report also identifies inconsistencies associated with national definitions of STEM that can affect workforce data. Additionally, various sources that define STEM jobs are explored to produce a more accurate list of occupations that can be considered middle-skill STEM.

This process summary represents the culmination of these previous research reports that began during the last fiscal year. The following section elaborates on the process developed to identify certifications for important middle-skill STEM occupations in Texas. This process follows information and important parameters established from the two previous reports. The goal is to create a broad list of certifications and associated certifying organizations for middle-skill STEM occupations to support system partners in implementing workforce programs, services, and initiatives.

Industry-Based Certifications for Texas Middle-Skill STEM Occupations

This section outlines a method to connect middle-skill STEM and third-party, industry-recognized certifications in Texas. It describes the process used to match the certifications for middle-skill STEM occupations. This process identifies cataloged certifications from the U.S. Department of Labor's (DOL) CareerOneStop and Occupational Information Network (O*Net) obtained from national certifying organizations. Furthermore, similar to the report on middle-skill STEM occupations, an analysis of the Texas workforce is conducted to identify additional certifications not identified by either DOL source.

The process for identifying certifications for middle-skill STEM occupations began with the list of 96 occupations determined from the *Defining Middle-Skill STEM Occupations* report. Briefly, the process for identifying middle-skill STEM occupations utilized the Bureau of Labor's (BLS) Standard Occupational Classification (SOC) system. SOC codes were used to organize and catalog jobs from nine different federal, state, and independent organizations. Nine national organizations produced 11 different STEM defining sources to create a list of 257 detailed occupations. The 257 occupations were identified as STEM by at least one of the 11 sources. The list of identified STEM occupations was then matched with BLS-classified typical education and training levels. Based on BLS classifications, 84 of the 257 occupations were classified as middle-skill. These 84 occupations represent the complete list of middle-skill STEM occupations identified from the 11 sources. Finally, 12 additional middle-skill

classified jobs, not already included in the list of 84, were identified. While the 12 additional middle-skill jobs are not recognized as STEM by any of the 11 sources, evaluations of those jobs indicate that they require significant STEM-related competencies. In all, 96 middle-skill STEM occupations were identified for the Texas economy.

DOL Certification Databases

The first step for identifying a list of certifications for middle-skill STEM occupations in Texas utilized the DOL's CareerOneStop and O*Net certification databases. These resources provide various employment information and career management tools for businesses, job seekers, and others. The certification databases also provide tools that identify occupational certifications for a myriad of occupations. The DOL describes certifications as a nationally recognized verification of skill or knowledge attainment based on generally accepted skill standards for a particular occupation. Specific certifications are searchable in the databases by keywords, industry or occupation codes. Certification results are organized and filtered by several formats, providing relevant certification names, certifying organizations, and associated organization websites.

Using the list of identified middle-skill STEM occupations, 96 jobs were searched by their associated SOC code. The number of certifications and certifying organizations identified by the DOL was then recorded. For instance, DOL identified 138 total certifications from 11 certifying organizations for web developers (15-1134), compared to zero certifications for chemical plant and system operators (51-8091).

After identifying the certifications for each middle-skill STEM occupation through DOL, a detailed spreadsheet cataloging each occupation and the corresponding certifications was developed. The information was then organized by occupation code and filtered to remove duplicates within each occupation. After duplicate certifications were removed, a total of 2,354 certifications remained for the 96 middle-skill STEM occupations.

The next step was to analyze each certification identified for the middle-skill STEM occupations to ensure conformity with the definition of certifications established in the initial research report. This process was performed by tracing each certification to its corresponding certifying organization. Certifications that did not fall within the established parameters were removed from the list. After this process, 1,975 out of the 2,354 total certifications remained for the middle-skill STEM occupations. To illustrate the reduction, the architecture and engineering occupation group (17-0000) decreased from 375 identified certifications for 13 middle-skill STEM occupations to 335 certifications for the 13 occupations.

The next step was to determine the total number of unique certifications and certifying organizations from the list of 1,975 certifications. This step reanalyzed the list to remove any associated spelling or classification errors and removed overlapping certifications between each middle-skill STEM occupation. In all, 1,435 unique certifications from 334 unique certifying organizations remained that were related to the 96 middle-skill STEM occupations identified in Texas.

Additional Certifications Not Identified by DOL Certification Databases

The final step in this process analyzed the Texas workforce to determine if there were any additional certifications that are important to the workforce system but not identified by the DOL certification databases. Upon analysis, additional certifications from several certifying organizations were identified as missing from the middle-skill STEM DOL certifications.

Specifically, many certifications from the National Center for Construction Education and Research, National Institute for Automotive Service Excellence, and National Institute for Metalworking Skills were not identified by any DOL certification database. Additional certifications were added to nine specific middle-skill STEM occupations found within the construction and extraction (47-0000); installation, maintenance, and repair (49-0000); and

production occupation (51-0000) major groups.¹ For instance, six additional certifications were added to electricians (47-2111), while 33 additional certifications were added to tool and die makers (51-4111). In all, 140 total additional certifications were added in this step. After removing duplicate certifications between each occupation, 83 total unique certifications remained. Combined with the list of certifications produced from the DOL, a total of 1,518 unique certifications from 335 unique certifying organizations were identified.

Next Steps

As this process has illustrated, a vast national network of certifications and certifying organizations exists for the workforce system. Identifying occupation-specific certifications from the sheer breadth of available certifications can be a daunting process for any workforce board, let alone for individual workers looking to improve their employability or knowledge. Using information and processes developed from previous reports, this process summary has illustrated a method for identifying a list of potential and available, nationally recognized, certifications for classified middle-skill STEM occupations in the Texas economy. The next step will be to further evaluate and analyze the list of certifications to reduce the number to those key certifications that can serve as outcomes for secondary and postsecondary education, and workforce education and training in the state.

¹ The nine specific middle-skill STEM occupations are Operating Engineers and Other Construction Equipment Operators (47-2073), Electricians (47-2111), Automotive Service Technicians and Mechanics (49-3023), Electromechanical Equipment Assemblers (51-2023), Computer-Controlled Machine Tool Operators, Metal and Plastic (51-4011), Computer Numerically Controlled Machine Tool Programmers, Metal and Plastic (51-4012), Tool and Die Makers (51-4111), Welders, Cutters, Solderers, and Brazers (51-4121), and Welding, Soldering, and Brazing Machine Setters, Operators, and Tenders (51-4122).

This page intentionally left blank.

**TWIC BRIEFING ITEM
MEMORANDUM**

REF:KL.twic.II7.020516

TO Council Members

SUBJECT A Project Management Approach for System Initiatives

Introduction

The strategic plan for the Texas workforce system covers the fiscal years (FY) from September 1, 2015 to August 31, 2023. Through the implementation of the plan, the Texas Workforce Investment Council (Council) envisions an innovative, world-class Texas workforce system that is poised to compete in a dynamic global economy. To achieve the Council's vision outlined in the workforce system strategic plan, three core competencies, or system imperatives, must be strengthened across the system. This briefing item will provide information on a project management approach to be used to identify, launch, execute, report, and close strategic initiatives during the system strategic plan period.

Background

Section 2308.104 of the Texas Government Code mandates the Council to develop a "single strategic plan that establishes the framework for budgeting and operation of the workforce development system." The plan must include goals, objectives, and performance measures for the workforce system that involve programs of all state agencies that administer workforce programs. Senate Bill 429, passed by the 77th Legislature, established the following state agencies as the workforce development system partners: Texas Workforce Commission, Texas Education Agency, Texas Higher Education Coordinating Board, Economic Development and Tourism, Texas Health and Human Services Commission - Department of Assistive and Rehabilitative Services, Texas Juvenile Justice Department, Texas Department of Criminal Justice - Windham School District, Texas Veterans Commission.

State statute also directs the Council to "develop and implement immediate and long-range strategies to address problems identified within the workforce system." The Council is to assign implementation responsibility and a timeline for completion of each long-range strategy developed.

The FY 2016 to FY 2023 strategic plan for the Texas workforce system fulfills these legislative mandates and includes actions and performance measures to guide accomplishment of the goals and objectives developed by the Council in collaboration with its workforce system partner agencies.

Attachment

1. Strategic Initiative Project Management Framework (Discussion Draft)

Discussion

The proposed approach provides the Council with a flexible model that allows for change management within the life cycle of the system strategic plan and brings the system integration functions directly under the purview of the Council. It is designed to allow the Council greater collaboration with system partners in the implementation of strategic system initiatives over the life of the plan and to provide guidance on agency activities that facilitate achievement of the system objectives identified in the plan.

The Texas workforce system is defined by well-established partnerships; expertise in program integration; and a strong understanding of the needs of a diverse portfolio of regional capabilities, industries, and workers, particularly special populations of workers. The system comprises the workforce programs, services, and initiatives administered by eight state agencies and 28 local workforce boards, as well as independent school districts, community and technical colleges, and local adult education providers. System partners are responsible for a wide range of programs and services that provide education, workforce education, and workforce training.

The new system strategic plan emphasizes three key system imperatives: customer service and satisfaction, data-driven program improvement, and continuous improvement and innovation. These overarching strategic imperatives are core competencies that must be embedded in all system elements to develop the workforce system capacity to respond to changing market conditions and the needs of workforce system customers.

Under the new workforce system strategic plan, the Council delegates the design and management of action plans to its agency partners. However, the plan envisions an elevated level of system integration to advance these system imperatives through a series of strategic system-level initiatives. Given the longer timeline of this plan and the environment in which system partners must effectively operate, system initiatives are not intended to occur concurrently, or any single initiative to run throughout the life of the plan. New initiatives may be identified and launched. Some initiatives will require active participation and leadership by all system partners; others will not.

Project Management Approach

The project management approach proposes a method for managing a variety of system initiatives through a series of phases. It provides flexibility in the initiation, scheduling, and management of each phase of any system initiative based upon the maturity of pre-existing partner activity, resources, and other factors that influence the implementation of the initiative. In particular, it allows variation in the composition and activity of any task group charged to implement the initiative. There is no standing technical advisory committee. Task groups provide the strategic focus, operational insight, and agency-specific leadership to complete the deliverables required in order to effectively implement the initiatives that the Council has endorsed.

Representation across the initiatives is elevated to the Council. System initiative task groups will make periodic presentations to the Council for discussion and feedback or for approval and leadership where appropriate. The flexibility of the approach allows the Council to introduce new initiatives or adapt, merge, and scale promising practices into system-level initiatives over the course of the strategic plan period while ensuring consistency in the management and performance of initiatives that remain in progress.

Process

Illustrated in attachment 1, the draft project management approach emphasizes preparation and planning from research-based concept development to collaboration with agency partners in developing detailed project plans as the foundation for execution of the initiatives. It is structured around six phases in the life cycle of a system initiative:

- Research – environmental system scan of workforce development research and best practices and issue-based research that informs the development of a preliminary concept for a system initiative
- Initiate and Launch – task group is given charge by the Council, based on a concept paper and scope statement related to previously presented research findings that informed consideration of a specific strategic initiative

- Proof of Concept – gap analysis of agency partner resources and capabilities relative to the identified system requirement(s) in preparation for planning the implementation
- Plan – detailed project work plan that clearly defines the work requirements for each agency partner through specific deliverables that achieve the objectives of the initiative
- Execute and Monitor – execution of the work plan supported by collaboration among the agency partners through the task group and management of the detailed work activity to ensure that project deliverables are on schedule and achieving the intended results
- Institutionalize – integration and alignment of system requirements of the initiative into the activities of agency partners

Core elements within each of the six phases direct the agency partner task groups through the expectations of each phase in the life cycle:

- Goal(s) – primary objective during a single phase of development of a system initiative
- Project Management – functional role that is most active during a particular phase
- Key Steps – high-level view of the activity required to meet the goal of a particular phase
- Tasks – detailed activities that must be completed during a particular phase
- Assignment – driver of the project during a particular phase
- Inputs – deliverables and work products that support the work during a particular phase
- Outcomes – deliverables and objectives met during a particular phase
- Primary Deliverable – an output from the work activity to inform and solicit feedback from the Council to ensure that the Council’s high-level objectives are met
- Milestone – a specific event within the initiative’s schedule through which something has been completed, delivered, or reviewed

The project management approach is additionally supported by six project management functions that are active during different phases of each initiative:

- Propose – coordinate with Council staff and director on the presentation of findings from the workforce system scan that suggest a possible need for further Council engagement
- Initiate – coordinate with Council research staff and director to develop the scope statement based upon the research findings and identify the task group
- Plan – facilitate task group development of the operational project plan
- Execute – manage task group collaboration and communication to ensure timely execution of the operational project plan
- Monitor – track and review project status, facilitate plan revisions
- Report – prepare task group briefings and reports for the Council

Council members will be engaged in the process through periodic presentations and status reports that solicit feedback from members as appropriate to the objectives of the specific initiative. Results from any strategic initiative will be reported to the Governor and the Legislature through the Council’s annual workforce system evaluation report.

Recommendation

It is recommended that the Council note the project management approach for system initiatives that will support the implementation of the system strategic plan and further alignment of the Texas workforce system.

This page intentionally left blank.

Strategic Initiative Project Management Framework

PHASES	PHASE 0—Research	PHASE 1—Initiate and Launch	PHASE 2—Proof of Concept	PHASE 3—Plan	PHASE 4—Execute and Monitor	PHASE 5—Institutionalize
Goal	A preliminary concept based on a system scan, issue research approach, and proposed composition of a partner agency task group	A system initiative concept with primary system objectives and task group charged to implement	Gap analysis of partner agency resources and capabilities and development of a cross-agency task group	Operational project plan for implementation across all required system partners	Effective execution, continuous improvement, and effective communication to complete deliverables	Institutionalization of best practice programs, processes, and services across all relevant system partners
Project Management	Propose Initiate Plan Execute Monitor Close Report	Propose Initiate Plan Execute Monitor Close Report	Propose Initiate Plan Execute Monitor Close Report	Propose Initiate Plan Execute Monitor Close Report	Propose Initiate Plan Execute Monitor Close Report	Propose Initiate Plan Execute Monitor Close Report
Key Steps	Educate / Consider / Feedback	Scope / Charge / Launch	Gap Analysis / Initial Plan	Deliverables / Activities / Metrics	Implement / Innovate / Test	Institutionalize / Close
Tasks	System Scan Issue Research Council Education Rationale Research Approach Concept Development Task Group Identification	Conduct Research Initiate Task Group Develop the Charge Concept Definition / Scope Project Concept Briefing	Complete Agency Assessment - Research, objective, scope - Resources, assets, barriers Develop the Charge - Implementation plan design - Scope and timeline - Key system deliverables - Known risks Plan Communications (internal)	Create Work Breakdown Structure - Deliverables Develop the Detailed Project Plan - Assumptions - Constraints / issues - Contingencies - Accountabilities - Metrics - Scheduling Change Management Process	Plan Communications (external) Track Project Status Measure results Address Issues and Threats Manage Change Requests Manage Communications Identify Best Practices Develop Training	Complete Activities Provide Final Documentation - Develop standard operating procedures - Identify outstanding issues - Share lessons learned Plan Next Steps Close
Assignment	<i>Staff</i>	<i>Staff</i>	<i>Task Group</i>	<i>Task Group</i>	<i>Task Group</i>	<i>Agency Partners</i>
Inputs	System scan Research approach Alignment to strategic pillars Project sponsor identified Research staff assigned	Issue research brief System initiative concept Task group (invited)	Council charges for task group Scope statement Primary system objectives	Project Plan Key deliverables Agency assessment Initial timeline Key considerations from Council	Project plan	All deliverables complete Post-implementation review held Status reports
Outcomes	Council education / familiarization Task group composition System initiative concept (prelim)	Task group charged System initiative concept System initiative scope Primary system objectives	Assessment of resources System initiative charter Key deliverables Project plan Process Advice	Work breakdown structure Change management process Task Group communications plan Project plan	Manage scope and deliverables Status reporting Change management Communications plan Training and replication	Outcomes report approved Partners assume responsibility Council next steps identified
	MILESTONE 1	MILESTONE 2	MILESTONE 3	MILESTONE 4	MILESTONE 5	MILESTONE 6
Primary Deliverable	System Initiative Concept	System Initiative Scope Statement	Gap Analysis / Project Charter	Detailed Operational Plan	Communications and Training Plan / Status Report	Post-Implementation Report
	<i>Concept / Process Advice</i>	<i>Approval / Process Advice</i>	<i>Process Advice</i>	<i>Council Review / Process Advice</i>	<i>Council Review / Process Advice</i>	<i>Approve Closure</i>

This page intentionally left blank.

**TWIC BRIEFING ITEM
MEMORANDUM**

REF: LLP.twic.II8.020516

TO Council Members

SUBJECT Proposed New Evaluation Framework

Introduction

Each December, the Texas Workforce Investment Council (Council) considers for approval an annual evaluative report on the Texas workforce system. Statute specifies that this report inform the Governor and the legislature on the implementation of the system strategic plan and on the programs and performance of the workforce system.

Background

Texas Government Code, Section 2308.104, specifies that the Council will prepare an annual report on implementation of the strategic plan, including an analysis of system performance based upon the Formal and Less Formal performance measures approved by the Governor. The Council is also required to report on local workforce board and adult education activities, as well as work development programs that focus on welfare to work initiatives.

A new evaluation framework will be developed for use during *The Texas Workforce System Strategic Plan FY 2016–FY 2023* strategic plan period. An overview of the framework will be presented to the Council in June 2016.

Attachments

1. *The Texas Workforce System Strategic Plan FY 2016–FY 2023: Annual Evaluation Report* (graphic)
2. *The Texas Workforce System Strategic Plan FY 2016–FY 2023: Partner Agency Action Plan* (sample)

DiscussionStatutory Requirements

The annual evaluation report is the Council's key strategy for fulfilling the statutory responsibilities outlined below. It does not duplicate reports that are required by the Legislative Budget Board (LBB) or other federal or state agencies with funding or oversight responsibility for a given workforce system program(s).

As in prior years, the report will provide information on five components that the Council is required by statute to address: [see Attachment 1]

- ▶ Texas Government Code, Section 2308.104, requires the Council to report annually to the Governor and the legislature on the implementation of the workforce system strategic plan, *The Texas Workforce System Strategic Plan FY 2016–FY 2023*. This plan, and the system partner strategies contained within it, was developed by the Executive Committee in its capacity as the Council's strategic planning committee, and representatives from all system partners. It was approved by the Council in September 2015, with final approval by the Governor.

- ▶ Texas Government Code, Section 2308.104, requires the Council to report annually on Formal and Less Formal measures. Statute specifies that Formal measures are those that are essentially consistent across all workforce programs and that Less Formal measures provide information essential to implementation of the workforce system strategic plan. The measures were negotiated with partner agencies before approval by the Council in September 2015 and final approval by the Governor.
- ▶ Texas Government Code, Section 2308.1016, mandates that the Council facilitate the efficient delivery of integrated adult education services in Texas, in part by evaluating the adult education and literacy services administered by the Texas Workforce Commission.
- ▶ Texas Government Code, Section 2308.304(b)(4), specifies that local board plans must include a strategic component that sets broad goals and objectives for local workforce programs that are consistent with statewide goals, objectives, and performance standards.
- ▶ Texas Government Code, Section 2308.101(14), requires the Council to report annually on work development programs that focus on welfare to work initiatives.

Texas Government Code, Section 2308.104, also specifies that each agency administering a workforce program use the system strategic plan in developing the agency's operational plan. Agency plans submitted in even-numbered years are reviewed against the Council's requirements for documenting alignment. Under the previous system strategic plan, information on the review process and results was included in the Council's annual evaluation report. A determination will be made for 2016-forward.

System Plan Structure

The FY 2016–FY 2023 workforce system strategic plan focuses on the vision of the current and future system and the issues that must be addressed to strengthen that system, as articulated by the Council, its agency partners, and employers. The plan is structured around four goal areas that address cross-agency, high-priority issues:

- ▶ focus on employers,
- ▶ engage in partnerships,
- ▶ align system elements, and
- ▶ improve and integrate programs.

Each goal area includes multiple system partner action plans that outline the partner strategy, activities, timelines, and performance measures tied to the plan's system objectives—the high-priority outcomes and actions necessary at the system level to achieve system goals. [see sample, Attachment 2]

Measures Review and Development

Both Formal and Less Formal performance measures are included in the system strategic plan. They meet the statutory requirement for the Council to conduct performance measurement by developing and maintaining a comprehensive system of data gathering and reporting.

Performance measure definitions and methodologies for both types of measures are being negotiated with partner agencies, with the goal of reaching agreement in March 2016. Attachment 1 provides an overview of performance reporting under the new system strategic plan, based on the approved Formal and Less Formal measures that will serve as key performance indicators.

Evaluation Framework

The 2016 evaluation report will be the initial evaluation report for *The Texas Workforce System Strategic Plan FY 2016–FY 2023* strategic plan period. It will be developed based on a new evaluation framework to be presented to the Council in June 2016.

In general, an *evaluation framework* provides an overall framework for evaluations across different programs or different evaluations of a single program (e.g., process evaluation, impact evaluation).¹ In this context, the term refers to a plan and structure for development of the Council's overall evaluation strategy, including preparation of the Council's annual evaluation report to the Governor and legislature.

Under the new plan, a *balanced scorecard* framework will be developed. In general, a balanced scorecard is an organizational framework for implementing and managing strategy by linking objectives, measures, and initiatives to the strategy. With the balanced scorecard, objectives address what is needed for strategies to be successful while performance indicators address the measuring and controlling of progress to ensure that everything stays on track to deliver the desired outcomes. Measures may be quantitative (e.g., number, percent) or qualitative in nature—providing an assessment of the degree of implementation against a scale (e.g., not started/minimal progress $\leftarrow \rightarrow$ in progress $\leftarrow \rightarrow$ achieved/implemented).

Scorecards can be used to graphically display objectives, desired outcomes or targets, and current progress. Traditionally, a balanced scorecard framework considers four areas of focus or perspectives: financial, customer, internal business process, and learning and growth.² For a public sector organization or system—such as Texas' workforce system—the areas contributing to success may vary. One scenario for measuring progress toward and achievement of the plan's vision would center around five key areas to compose a balanced scorecard:

- ▶ *Formal performance measures (scorecard 1)*. Formal measures are essentially consistent across all workforce programs. Under the new plan, reporting will continue for four Formal measures: Educational Achievement, Entered Employment, Employment Retention, and Customers Served. This will allow continued tracking of aggregate trends across programs.

Under this scenario, performance trend data and higher-level explanatory information would be presented, replacing the series of four performance measure report cards that served as a focal point under the last two workforce system strategic plans. Data are currently available for 2004–2015 and will continue to be submitted to the Council by seven partner agencies for 24 programs and services focused on education, workforce, and workforce training services.

- ▶ *Goal areas (scorecards 2-5)*. Four scorecards could be developed based on the plan's goal areas, with quantitative data and qualitative information to become available as implementation progresses. As noted above, development of the associated Less Formal measures is in progress.

Under this scenario, the annual evaluation report format would be modified and would include data and descriptive information obtained through agencies' annual performance reporting, agencies' strategic plans (even-numbered years) documenting alignment with the system strategic plan, limited information requests, and publicly available information and data.

Recommendation

It is recommended that the Council note the information contained in this memorandum.

¹ http://betterevaluation.org/plan/manage/develop_framework/.

² Intrafocus, *Balanced Scorecard: What is the Balanced Scorecard?* (January 2014).

This page intentionally left blank.

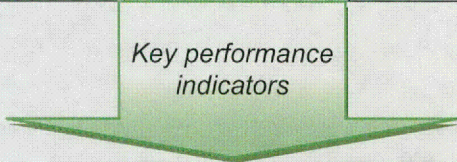
The Texas Workforce System Strategic Plan FY 2016–FY 2023

Annual Evaluation Report

A **new evaluation framework** will be developed. It will:

- ★ reflect new workforce system strategic plan structure and elements;
- ★ continue to address multiple statutory requirements; and
- ★ not duplicate reports required by the Legislative Budget Board or other federal or state agencies.

Statutory Requirements					
System Strategic Plan Implementation	Performance Analysis <ul style="list-style-type: none"> ★ Formal measures ★ Less Formal measures 	Adult Education and Literacy Activities	Local Workforce Board Plan Alignment	Welfare-to-Work Initiatives	Partner Agency Plan Alignment [TBD]



Formal Measures
<p>4 Formal measures continue:</p> <ul style="list-style-type: none"> ★ Educational Achievement ★ Entered Employment ★ Employment Retention ★ Customers Served <p><i>Of note:</i></p> <ul style="list-style-type: none"> ✓ 7 partner agencies report for 24 workforce programs ✓ essentially consistent across workforce programs ✓ continued tracking of performance trend information
Less Formal Measures
<p>25 Less Formal measures – 31 data sets*</p> <p><i>Of note:</i></p> <ul style="list-style-type: none"> ✓ designed to provide data on implementation of agencies' actions to accomplish strategies outlined in new workforce system strategic plan ✓ five agencies will report 1-2 measures related to industry-based certification ✓ five agencies will report new action plan-specific measures ✓ two agencies will continue to report employer satisfaction rate <p><i>*additional measure related to adult education referral system to be developed, with reporting by two agencies</i></p>

This page intentionally left blank.

The Texas Workforce System Strategic Plan FY 2016–FY 2023
Partner Agency Action Plan [sample]

System Objective

Expand licensure and industry certification.

Strategy

Use third-party, industry-based certifications where relevant as an education or training outcome to connect graduate competencies to job skill requirements.

Partner Agency

Texas Veterans Commission

Action

Start Date

End Date

Work with regulatory agencies to use the Texas Department of Licensure and Regulation's primer for developing service credit for occupational licensing as a guide for accurately evaluating military service credit by developing standardized training for other regulatory agencies to adopt and tailor for their specific agency.

Ongoing

FY 2019

Work with regulatory agencies to establish a process for a military service member or veteran to submit an application for a license or apprenticeship and to obtain credit for verified military experience, service, training, or education.

Ongoing

FY 2019

Work with regulatory agencies to post those Military Occupational Standard classifications or designators that correspond to licensed occupations to establish a clear support system to ensure as many veterans as possible are aware of job options.

Ongoing

FY 2019

Performance Measure

- Type and number of third-party, industry-based certifications successfully completed by program participants

This page intentionally left blank.

**TWIC BRIEFING ITEM
MEMORANDUM**

REF: AMD.twic.II9.020516

TO Council Members

SUBJECT Texas Skill Standards Based Recognized Programs

Introduction

Under House Bill 1606, the 84th Texas Legislature transferred the powers and duties of the Texas Skill Standards Board to the Texas Workforce Investment Council (Council). Those statutory changes were codified in Section 2308.109 of Texas Government Code, effective September 1, 2015. This briefing item will provide a status update on one initiative to fulfill those mandates: Texas skill standards based recognized programs.

Background

In Texas Government Code, Section 2308.109, the Council is charged with maintaining the statewide system of skill standards, which includes four specific mandates. The first of those mandates specifies that skill standards “guide curriculum development, training, assessment, and certification of workforce skills.” To fulfill that mandate, the Council adopted the *Guidelines for Texas Skill Standards Based Program Recognition* at its December 2015 meeting. Those guidelines specify the policies that govern program recognition implementation including initial application, term, and renewal requirements.

At its December meeting, the Council also adopted the policy document, *Guidelines for Skill Standards Development, Recognition, and Usage*, which defines the skill standards elements that are incorporated into recognized programs. Those elements include the following:

- Critical work functions – the principal responsibilities of an occupational area
- Key activities – the major clusters of tasks required to perform each critical work function
- Performance criteria – the standard or proficiency level to which the key activity must be performed
- Academic knowledge and skills – traditional subjects of math, science, reading, and writing
- Employability knowledge and skills – transferable, cross-functional competencies
- Occupational skills, knowledge, and conditions – job-specific skills and knowledge and the related tools, resources, and equipment
- Statements of assessment – the industry’s recommendation of how to evaluate or measure competency in the critical work function

Discussion**Program Recognition Policy**

The *Guidelines for Texas Skill Standards Based Program Recognition* specify the Council’s policy to recognize community and technical college workforce education programs that have skill standards competencies integrated into the curriculum. The intent of program recognition is to indicate to employers that a technical program is teaching the competencies, skills, and knowledge as defined by industry in the skill standards. All community and technical colleges requesting program recognition must meet specific criteria to be considered for approval. Recognition for all approved programs must be renewed every three years.

New Program Recognition Requirements

To receive recognition for a workforce education program, community and technical colleges must meet the following requirements:

- Incorporate all elements of the skill standards into the curriculum or program
- Teach the key activities defined in the standards as learning outcomes in the program, and assess students' performance on the basis of those activities and related performance criteria, skills, and knowledge
- Complete, submit, and receive approval for its application for program recognition, which consists of the following documentation:
 - ▶ Notification of intent to apply for program recognition
 - ▶ Application cover page
 - ▶ Key activities-to-courses matrix – indicating in which courses the key activities will be taught as learning outcomes
 - ▶ Syllabi for each course in the matrix listing the key activities as learning outcomes
 - ▶ Signed statement of assurances indicating the college's willingness to collaborate, when possible, with other colleges on a skill standards-based technical core curriculum for the program area

Initial Renewal Requirements

Program recognition expires at the end of the third calendar year after the program was recognized, at which time it must be renewed. To renew its program recognition, a college must meet the following requirements:

- Have developed and be using assessments to measure students' mastery of all the key activities (or equivalent element) and related criteria, skills and knowledge
- Through a signed statement, indicate commitment to continue to teach and assess the key activities, as documented on the key activities-to-courses matrix
- Complete, submit, and receive approval for its application for program recognition renewal, which consists of the following documentation:
 - ▶ Renewal application cover
 - ▶ Renewal application form
 - ▶ Revised key activities-to-courses matrix – as needed, to reflect changes since the program was originally recognized
 - ▶ Syllabi corresponding to the matrix changes, as needed
 - ▶ Illustrative examples of at least three assessments, with the agreement that all assessments will be available for review if requested

Subsequent Renewal Requirements

A college may be eligible to submit an abbreviated renewal application at the end of the second and subsequent three-year periods. That application consists of a statement of assurances attesting that the college's assessments evaluate student mastery of the skill standards and that the courses integrated with key activities have not changed since the last renewal. The statement must be signed by a program representative (such as the chair or lead faculty member), the dean overseeing the program, and the college president or vice president of instruction/academic affairs. If the curriculum or skill standards has changed, the college must submit sample assessments, as in the initial renewal.

Status of Applications for Program Recognition

New Program Recognition Applications

No colleges applied for new program recognition during the last quarter.

Initial Renewal Applications

At the end of 2015, the recognition of six programs that were eligible for initial renewal were due to expire. Initial renewal applications were received for all six programs (listed below) by the deadline. Staff reviewed and evaluated the applications per the program recognition policy. To date, two of the programs have met all the recognition requirements and been granted renewal of the program recognition. The other four applicants are in the process of revising their applications to fully comply with the program recognition requirements, in response to staff comments. The application status is indicated parenthetically in the list below.

- Brookhaven College – Computer Information Technology-Web Production and Design Associate of Applied Science (AAS) (complete)
- Texas State Technical College (TSTC) Harlingen – Tool and Die Technology AAS (in process)
- TSTC Marshall – (all below in process):
 - Biomedical Equipment Technology AAS
 - Electrical Lineworker Technology AAS
 - Process Technology AAS
- Victoria College – Process Technology AAS (complete)

Subsequent Renewal Applications

At the end of 2015, the recognition of nine programs eligible for subsequent renewal were due to expire. One of those programs' recognition was not renewed because the program had been discontinued. All eight of the other applicants completed the requirements per the program recognition policy and were renewed for another three years. Those programs include the following:

- Alvin Community College – Process Technology AAS
- Brookhaven College –
 - Geographic Information Systems Technology AAS
 - Visual Communications-Communication Design AAS
 - Visual Communications-Web Design and Development Level Two Certificate
- Lone Star College-North Harris – Visual Communications-Multimedia AAS
- San Jacinto College-Central – Instrumentation Technology AAS
- Temple College – Biotechnology AAS
- Texas State Technical College Waco – Solar Energy Technology AAS

Recommendation

It is recommended that members note the information in this briefing item.

This page intentionally left blank.



**TWIC BRIEFING ITEM
MEMORANDUM**

TO Council Members

SUBJECT Registered Apprenticeship in Texas

REF: KM.twic.II10.020516

Introduction

This briefing item will inform the Texas Workforce Investment Council (Council) on registered apprenticeship in Texas. The attached report provides an overview of registered apprenticeship and presents information on eligibility requirements, benefits gained for both apprentices and employers, apprenticeship partnerships, the funding process, and program outcomes.

Background

The Texas Legislature appropriates General Revenue funds for apprenticeship training programs authorized under Texas Education Code, Chapter 133. The Council is responsible for recommending funding rates for contact hours, instructor training, and new programs to the Texas Workforce Commission.

Attachment

1. *Registered Apprenticeship in Texas*

Discussion

The report, *Registered Apprenticeship in Texas*, provides insight to the registered apprenticeship training programs in Texas funded under the Texas Education Code, Chapter 133. At the February 5, 2016, quarterly meeting, the Council will hear a presentation on registered apprenticeship.

Introduction

Registered apprenticeship is a training program that produces highly skilled workers to meet the demands of employers competing in a global economy. Registered apprenticeship programs can improve the skills of workers by training qualified individuals for lifelong careers. As a type of postsecondary training that teaches industry-based skills and standards, registered apprenticeships offer a sequence of classroom instruction and on-the-job training where workers learn academic and practical aspects of an occupation. Apprentices are full-time, paid employees who earn while they learn. This type of postsecondary training produces highly skilled workers that are also trained in employer-specific processes and culture.

Employers and Apprenticeship Programs

Establishing an apprenticeship program can be beneficial for employers that require and are willing to train workers in the latest skills and competencies. These employers have less employee turnover and better employer/employee relations. By providing employment and training opportunities for residents in their communities, employers are often recognized as local industry leaders.

Benefits for Apprentices

Apprentices receive on-the-job training and classroom instruction that provides the technical knowledge required to competently perform in various industries. Apprentices who have marketable skills for in-demand occupations are able to effectively compete in the labor market.

Benefits for Employers

Employers who sponsor apprentices gain a skilled workforce and benefit from reduced turnover and improved quality of work overall. Apprenticeship programs help businesses address any critical or expected shortages of skilled labor, while training future workers. Employers help integrate apprentices into the organizational culture and tend to generate long-term loyalty. Businesses can train workers for current positions, as well as plan for future retirements or business expansions.

Training Providers

Training providers work with apprentices and employers to determine training needs, deliver training, assess participants through examination, and issue certificates upon successful completion of training classes. Apprentices receive instruction and supplemental training that complements their on-the-job training. Instruction may offer related academic, technical, or workforce knowledge relevant to specific jobs. Several options exist for disseminating relevant training and instruction to apprentices.

Apprenticeship Partners

Apprenticeships are administered through a coordinated effort between several partners that include the Office of Apprenticeship, which is a branch of the Department of Labor, the Texas Workforce Commission, local education agencies, apprenticeship committees, and apprenticeship program instructors. Through these partnerships, issues including the needs of high-growth, high-demand industries; the efforts to support a competitive workforce; and the unique demands facing our workforce are addressed.

State Funding

The state legislature appropriates general revenue funds for apprenticeship programs authorized under Texas Education Code, Chapter 133. As provided in the Texas Education Code, Chapter 133, the Texas Workforce Commission allocates funds to the local education agencies. These local education agencies are fiscal agents for Chapter 133 funds. The local education agency subcontracts with the local apprenticeship training committee of each apprenticeship program to provide funds for conducting classroom instruction. The local apprenticeship programs conduct the related classroom instruction.

Conclusion

Apprenticeship programs create pathways to well-paying jobs and improve worker outcomes while helping businesses meet their demand for skilled workers. Apprenticeship programs are a highly effective method of training and education that offers a return on investment to employers and apprentices. Apprenticeship programs connect job seekers interested in learning marketable skills using structured, on-the-job training with employers seeking highly qualified workers. This results in a workforce that is industry driven and provides employers with a competitive edge.

Recommendation

It is recommended that the Council note the information contained in this briefing item and in the *Registered Apprenticeship in Texas* report.

Texas Workforce Investment Council

Registered Apprenticeship In Texas

Contents

Introduction	2
History	2
Eligibility and Qualifications.....	3
Employers and Apprenticeship Programs.....	3
Benefits for Apprentices	4
Benefits for Businesses.....	4
Barriers	5
Promotion through the Workforce Innovation and Opportunity Act.....	5
Training Providers	5
Apprenticeship Partners.....	6
Office of Apprenticeship	6
Texas Workforce Commission	6
Local Education Agency.....	7
Apprenticeship Committee	7
Apprenticeship Program Instructors	7
State Funding.....	7
Apprenticeship Program Funding Process.....	8
Apprenticeship Program Outcomes	9
Advisory Committees	9
Federal.....	9
State	10
Case Studies.....	10
Community Health Worker	10
Apprenticeship Carolina	11
MAT2	11
Vermont HITEC	12
Washington State SEIU Healthcare NW Training Partnership.....	12
Concluding Comments	13
Appendix 1: Texas Average Wages & Increases.....	14
Appendix 3: Top 25 National Occupations for Active Apprentices ranked by Total (as of July 15, 2015)	18
Appendix 4: Laws & Regulations.....	19
The National Apprenticeship Act – 29 USC §50.....	19
Labor Standards for the Registration of Apprenticeship Programs – 29 CFR Part 29	19
Equal Employment Opportunity in Apprenticeship and Training – 29 CFR Part 30	19
Texas Education Code – Chapter 133, Apprenticeship System of Adult Career and Technology Education	19
Texas Workforce Commission Apprenticeship Training Program Rules – 40 TAC, Chapter 837	19
Appendix 5: Myths	20

Introduction

Registered apprenticeship is a training program that produces highly skilled workers to meet the demands of employers competing in a global economy. Registered apprenticeship programs can improve the skills of workers by training qualified individuals for lifelong careers. As a type of postsecondary training that teaches industry-based skills and standards, registered apprenticeships offer a sequence of classroom instruction and on-the-job training where workers learn academic and practical aspects of an occupation. Apprentices are full-time, paid employees who earn while they learn. This type of postsecondary training produces highly skilled workers that are also trained in employer-specific processes and culture.

Registered apprenticeship programs are typically conducted by an employer, a group of employers, or a group of employers in cooperation with labor, through a local apprenticeship training committee. The local apprenticeship training committee is an independent local group that runs the registered apprenticeship program for a particular craft or occupation.

Registered apprenticeship programs can be a progression of activities:

- Pre-apprentice: classes that are preparatory, lasting six months or less that teach the basic skills required for an individual to comply with the terms of the individual's registered apprenticeship training program agreement;
- Apprenticeship: classes that consist of organized, off-the-job instruction in theoretical subjects that complement the on-the-job training required for the completion of a registered apprenticeship program for a particular apprenticeable trade; and
- Journeyworker: classes that consist of instruction designed to provide new skills, or upgrade current skills, for persons employed as journeyworkers in apprenticeable trades.

Registered apprenticeship programs operate within traditional industries, such as, construction, manufacturing, healthcare, information technology, energy, and telecommunications. Registered apprenticeship programs are described as:

- industry driven;
- operated by both private and public sector sponsors;
- beneficial to employers in providing skilled workers with industry-specific training and hands-on experience; and
- customizable to match the current and future demands of employers.

The length of a registered apprenticeship program depends on the complexity of the occupation and the type of program. Registered apprenticeship programs range from one year to six years, but the majority are four years in length. For each year of the registered apprenticeship program, the apprentice will receive approximately 2,000 hours of on-the-job training and a recommended minimum of 144 hours of related classroom instruction. Upon program completion, an apprentice receives an industry-recognized certification which is a portable credential.

History

Wisconsin created the first state apprenticeship training program in 1911, and in 1937 Congress passed the National Apprenticeship Act to regulate apprenticeship and on-the-job training programs. This law

enacted new work standards and brought together employers and labor for the establishment of apprenticeship.

Following the passage of the National Apprenticeship Act, apprenticeship training programs operated mainly in the manufacturing, construction, and utilities industries. After World War II, new programs emerged to train emergency responders, police, firefighters, and health and safety workers.

Current regulations acknowledge the role of state agencies to register and oversee apprenticeship training programs. The Office of Apprenticeship, a branch of the Department of Labor's Employment and Training Administration, oversees and works in partnership with 26 state apprenticeship agencies.

Eligibility and Qualifications

Minimum qualifications are required for age, education, and physical ability:

- must be at least 18 years of age to be an apprentice in hazardous occupations,
- must have a high school diploma or GED credential, unless otherwise specified by the minimum requirements set by the apprenticeship program, and
- may require both physical strength and endurance. Where necessary, apprentices must be able to work in a physically demanding environment for extended periods of time and in all weather conditions.

Employers and Apprenticeship Programs

Establishing an apprenticeship program can be beneficial for employers that require and are willing to train workers in the latest skills and competencies. Employer sponsors have less employee turnover and better employer/employee relations. By providing employment and training opportunities for residents in their communities, employers are often recognized as local industry leaders.

In order to become apprenticeship eligible, employer sponsors must adhere to government rules regarding length of training, safety, wage, quality, and equal employment protections for apprentices. Individual or group employer sponsors design, organize, manage, and finance training programs under a set of locally approved apprenticeship training program standards. These standards are registered and must be kept current with the Office of Apprenticeship. Several training program standards are required, including policies, curriculum, and operating procedures.

A well-planned and properly administered apprenticeship program can:

- attract highly qualified applicants,
- reduce absenteeism,
- diminish turnover,
- reduce consulting services and recruitment tools,
- produce a pool of skilled workers,
- improve employer/employee relations,
- increase productivity, and
- address an industry's need to remain competitive.

The Office of Apprenticeship must approve any classroom-related curriculum developed by an apprenticeship program. Classroom-related instruction is characterized as an organized and systematic

method designed to provide an apprentice with occupation-specific theoretical and technical knowledge. This type of instruction is conducted outside of regular work hours and typically requires a minimum number of hours each year.

Benefits for Apprentices

Apprentices receive on-the-job training and classroom instruction that provides the technical knowledge required to competently perform in various industries. Apprentices who have marketable skills for in-demand occupations are able to effectively compete in the labor market.

Those who complete apprenticeship programs generally earn higher wages during their working years when compared to individuals working in similar occupations that do not participate in an apprenticeship program. Wage increases occur with satisfactory progress in both classroom instruction and on-the-job training. Texas apprentices earn an average starting wage of \$17.20 an hour. Fourth-year apprentices earn an average wage of \$18.91 an hour, while fifth-year apprentices earn \$22.83 an hour (see Appendix 1 for Texas wages).

Apprentices can receive an education while incurring little or no debt. In many cases, programs may offer dual accreditation through postsecondary institutions that apply credit for program completion toward an associate's degree or college credit for future degrees. Apprenticeship programs also offer an alternative to classroom-based education. Much of the learning occurs on the job rather than in the classroom.

Apprenticeship programs receive an industry certification that is portable and valuable anywhere in the nation, ensuring that their skills are transferable to other companies and industries. The certificate, one of the oldest and most highly portable industry credentials in use today, is issued by a federally approved state apprenticeship council, or by the Office of Apprenticeship.

Benefits for Businesses

Employers who sponsor apprentices gain a skilled workforce, and benefit from reduced turnover and improved quality of work overall. Apprenticeship programs help businesses address any critical or expected shortages of skilled labor, while training future workers. Employers help integrate apprentices into the organizational culture and tend to generate long-term loyalty. Businesses can train workers for current positions, as well as plan for future retirements or business expansions.

While employers take on significant costs to sponsor apprentices, they also benefit from paying lower wages to workers during their apprenticeship program. Additionally, because of the required emphasis on safety training, employers see lower workers' compensation costs.

Apprenticeship programs can help address workforce needs. Additional advantages for employers who sponsor apprentices include:

- aligning the skill sets of the unemployed and the types of jobs available,
- filling positions that require multiple or unique skills,
- providing solutions focused on addressing long-term needs as limited talent in the external market is projected to continue in the future, and
- providing a viable solution to the growing shortage of technical skills.

Barriers

A number of barriers present challenges in the process of establishing a strong apprenticeship program. The biggest challenge is the misperception of the benefits of an apprenticeship program.

Some businesses believe that apprenticeship programs are limited only to unionized workforces and must be involved with organized labor. From the passage of the National Apprenticeship Act in 1937 until 1969, participants in an apprenticeship program had to be a member of a union. However, in 1969, the Department of Labor changed these regulations to allow anyone to participate, regardless of their union affiliation. Many businesses and workers share the perception that apprenticeship training programs are only suitable for the construction trades and other manual labor occupations. The model of an apprenticeship program is applicable to a wide range of occupations, including traditionally white-collar and healthcare fields.

Students perceive that apprenticeship programs rarely require the completion of a college degree, and therefore do not lead to well-paying, middle-class careers. Four year colleges will remain a good choice for many high school graduates, yet apprenticeship programs can open doors to career pathways that may be a positive option for other students. Apprenticeship programs combine on-the-job training with classroom-based education that contribute toward an associate's or bachelor's degree.

Promotion through the Workforce Innovation and Opportunity Act

The Workforce Innovation and Opportunity Act of 2014 (WIOA, Public Law 113-128) was enacted on July 22, 2014. The WIOA authorizes federal employment and training programs. The WIOA contributes to economic growth and business expansion by ensuring the workforce system is job-driven, matching employers with skilled individuals. Additionally, the law emphasizes opportunities with employers such as on-the-job training and apprenticeship programs as paths to employment.

The new law contains flexibility for education and training services to help individuals acquire the knowledge and skills necessary to compete in today's economy. The new law also increases the ability to use apprenticeship programs to meet employers' needs.

The WIOA capitalizes on the relationship between education and career pathways by emphasizing activities that will increase an individual's ability to transition to postsecondary education and obtain employment. The WIOA also strengthens alignment between postsecondary education options, such as apprenticeship programs, and employers by preparing individuals with the skills and knowledge needed to succeed in the workforce.

Training Providers

Training providers work with apprentices and employers to determine training needs, deliver training, assess participants through examination, and issue certificates upon successful completion of training classes.

Apprentices receive instruction and supplemental training that complements their on-the-job training. Instruction may offer related academic, technical, or workforce knowledge relevant to specific jobs. Several options exist for disseminating relevant training and instruction to apprentices. Instruction and

training may be conducted and completed through educational institutions, on-the-job, or on-line. Instruction may also take place during or after work hours. This instruction may be provided by a community college, technical school, apprenticeship program school, or through a specific business.

Education partners collaborate with businesses to develop curriculum based on skills and knowledge that apprentices will need. All partners collaborate to identify costs and funding sources related to instruction, including expenses incurred by employers.

Training components can be arranged in different ways to develop a model that works for both businesses and apprentices. The traditional apprenticeship program model allows apprentices to receive both related instruction and on-the-job training concurrently. The “front-loaded” model requires apprentices to complete some related instruction (which may be through an employer or partner, such as, a community college or other institution) before starting a job in order to learn critical skills required for the first day of work. Programs can also be built using a “segmented” model in which apprentices alternate between related instruction and on-the-job training. Pre-apprenticeship components can also be incorporated into training programs. Pre-apprenticeships provide individuals an opportunity to acquire basic skills before they are accepted into an apprenticeship program.

All apprenticeship programs that are registered with the Office of Apprenticeship, or a recognized State apprenticeship agency, are automatically eligible as training providers.

In Texas, there are 110 registered apprenticeship program occupations registered through the Department of Labor. Appendix 2 displays the number of enrolled apprentices, the hourly wage, and the annual wage for each occupation.

Appendix 3 displays the top 25 national occupations for active apprentices. The occupations are ranked by the total number of enrolled apprentices. Appendix 3 also displays the hourly wage and the annual wage for each occupation.

Apprenticeship Partners

Office of Apprenticeship

The Office of Apprenticeship is a branch of the Department of Labor. In Texas, they work closely with the Texas Workforce Commission under the Texas Education Code, Chapter 133, Apprenticeship System of Adult Career and Technology Education. The Office of Apprenticeship is responsible for the administration of the national apprenticeship program standards. Additionally, the Office of Apprenticeship is responsible for certifying the registration of apprentices and the number of approved job-related, classroom instruction hours per year, according to locally approved apprenticeship program standards.

Texas Workforce Commission

The Texas Workforce Commission administers the apprenticeship program to help providers pay for the costs of classroom instruction. The Texas Workforce Commission distributes apprenticeship program funds through a contracting process with the local education agency. These funds assist with training-related instructional and administrative costs for programs around the state.

The Texas Workforce Commission is responsible for distributing state funds for the support of apprenticeship programs that meet specific criteria, as outlined in Texas Education Code, Chapter 133. The Texas Workforce Commission is also responsible for:

- developing and maintaining a sufficient audit trail of all funds appropriated for apprenticeship program;
- adopting formulas, rules, and administrative procedures for the distribution of available funds; and
- providing technical assistance.

Local Education Agency

A local education agency is a public school district or state postsecondary institution that serves as a sponsor for an apprenticeship program. The local education agency ensures the apprenticeship program is approved and registered with the Office of Apprenticeship. The local education agency verifies that an apprenticeship committee performs its duties and that all required program information is provided to the Texas Workforce Commission related to Chapter 133 of the Texas Education Code for apprenticeship program funding.

Apprenticeship Committee

Apprenticeship committees are designated for each apprenticeship program to establish instruction standards and goals for specific occupations. Additionally, committees' interview and select applicants, and monitor programs and apprentices.

Apprenticeship Program Instructors

Program instructors ensure that training is relevant and current for industry needs. Instructors often serve as mentors as an apprentice learns necessary skills while benefitting from working under the supervision of experienced journeyworkers. Local apprenticeship training committees recommend instructors to the local education agency. Instructors generally have extensive experience as journeyworkers in their respective industries. In many programs, instructors must be certified or have attended approved instructor training classes.

State Funding

The state legislature appropriates general revenue funds for apprenticeship programs authorized under Texas Education Code, Chapter 133.

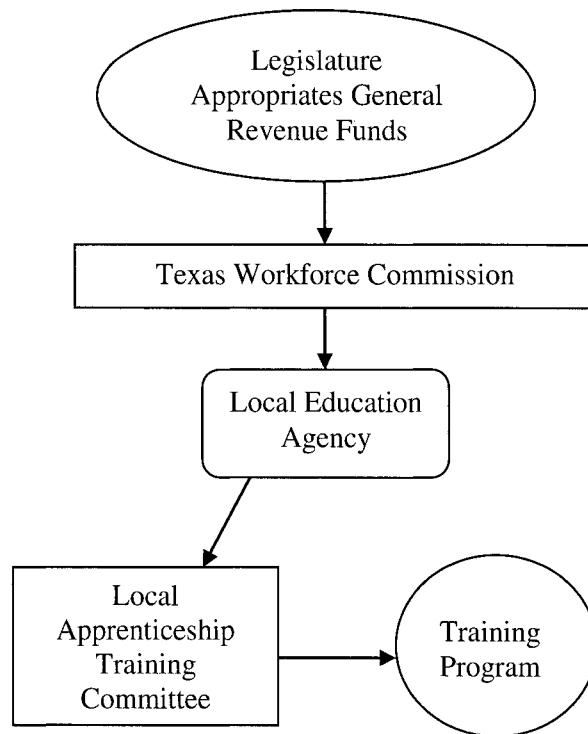
To qualify for funds, apprenticeship training programs and apprentices must be registered with the Office of Apprenticeship. The purpose of program registration is to ensure that employer sponsors and apprentices understand the training content and the procedures that are in place to expand the quality of the training program.

All apprenticeship programs eligible for approval and registration by the Office of Apprenticeship must have program standards explaining the terms and conditions of employment, training, and supervision of apprentices in an apprenticeable occupation.

As provided in the Texas Education Code, Chapter 133, the Texas Workforce Commission allocates funds to the local education agencies. These local education agencies are fiscal agents for Chapter 133 funds. The local education agency subcontracts with the local apprenticeship training committee of each

apprenticeship program to provide funds for conducting classroom instruction. The local apprenticeship programs conduct the related classroom instruction.

Apprenticeship Program Funding Process



The state funds help pay a portion of the costs related to the classroom instruction, expenses for instructor salaries, materials, equipment, and instructional supplies of qualified apprenticeship programs.

State funds may be accessed from either the Texas Workforce Commission or the Texas Higher Education Coordinating Board. Through Chapter 133 of the Texas Education Code, the Texas Workforce Commission helps fund a portion of the required classroom instruction component of some apprenticeship programs. The Texas Higher Education Coordinating Board also provides similar funding through an agency legislative appropriations request. The local education agency is responsible for ensuring that the apprenticeship programs it supports receives funding from the Texas Workforce Commission or The Higher Education Coordinating Board.

Funding under Chapter 133 of the Education Code is:

- available to all apprenticeship programs;
- based on the number of programs and apprentices in each training program;
- determined by the approved number of classroom instruction hours not to exceed 220 hours in any one year of funding;
- determined annually, due to fluctuations in programs being added and removed;
- provided to the program and governed by an annual written contract between the Texas Workforce Commission and the local education agency;
- administered by the local education agency; and
- planned, in partnership with the training program, for appropriate funding expenditures.

Apprenticeship programs participating in Chapter 133 funding are monitored to assure use of approved apprenticeship program standards.

Apprenticeship Program Outcomes

The chart below indicates various program outcomes for apprenticeship programs for both FY 14 and FY 15 in Texas. The chart also indicates the number of active apprentices and the number of active programs through the Department of Labor.

Apprenticeship Program – Chapter 133 (FY 15)	
Amount of apprenticeship funds awarded	\$2,868,472
Total number of local education agency contractors	22
Apprenticeship programs receiving Chapter 133 funds	55
Apprenticeship Program – Chapter 133 (FY 14)	
Total number of Chapter 133 apprenticeship programs	62
Total number of employers	1,015
Total number of trained apprentices	4,291
Total number of occupations apprentices were trained in	29
Average hourly beginning wage for apprentices	\$17.50
Average hourly wage for fourth year apprentices	\$18.91
Average hourly wage for fifth year apprentices	\$22.83
Completion rate for apprentices	80.94%
Apprenticeship Program – Department of Labor (as of July 15, 2015)	
Total number of active apprentices	11,454
Total number of active programs	363

Advisory Committees

Overseeing the apprenticeship program are two advisory committees at the federal and state level. Both committees serve to strengthen and maximize the success of the apprenticeship program.

Federal

The federal Advisory Committee on Apprenticeship is a discretionary committee established by the Secretary of Labor, in accordance with the provisions of the Federal Advisory Committee Act and is authorized by the National Apprenticeship Act. The responsibility of the Advisory Committee on

Apprenticeship is to advise the Secretary of Labor on critical matters related to the national apprenticeship system.

The Advisory Committee on Apprenticeship is charged with providing advice and recommendations in five strategic areas of the national apprenticeship system, which include:

- develop and implement policy, legislation, and regulations;
- formulate and promote strategies to expand the use of the apprenticeship training program model for in-demand occupations;
- partner with the public workforce system to leverage apprenticeship as a valued postsecondary credential;
- develop career pathways and sustained employment for new, under-utilized, and disadvantaged populations; and
- address efforts to improve the performance, quality and oversight, recognition, and utilization.

The Advisory Committee on Apprenticeship is made up of 30 individuals appointed by the Secretary of Labor. The membership includes 10 representatives from employers, 10 representatives from public, and 10 representatives from labor. They are appointed for one or two year terms.

State

In 1993, The Texas Workforce Investment Council (Council) was created by Senate Bill 642, 73rd Legislature, as a state agency serving as a Human Resource Investment Council authorized under the Federal Job Training Partnership Act Reform Amendments of 1992. The Council assumed the responsibilities formerly held by the state apprenticeship and training advisory committee.

To carry out these functions, the Council created a subcommittee, named the Apprenticeship and Training Advisory Committee (ATAC). The ATAC is charged with providing advice and recommendations to the Council regarding the apprenticeship program in Texas. Responsibilities of this committee include making annual recommendations to the Council on forms, formulas, and administrative procedures for the distribution of funds to apprenticeship programs under Chapter 133 of the Texas Education Code.

There are currently 15 members on the ATAC. The Council Chair appoints a chair and vice-chair for the ATAC from the organized labor representatives on the Council. The Council Chair may also appoint additional Council members to serve on the ATAC, along with other individuals that represent employers, bargaining agents, training directors, and education administrators. All members of the ATAC are appointed for a period established by the Council Chair; currently three-year, staggered terms.

Case Studies

Community Health Worker

Area Health Education Centers (AHEC) are regionally focused academic and community partnerships working to develop a quality health workforce and provide access to healthcare in underserved areas. The Texas AHEC East Coastal Region (Coastal Region) implemented apprenticeship as a means of creating a replicable training model for Community Health Workers (CHW). Coastal Region served as the lead agency as a training partner for the CHW project. This AHEC is certified by the Texas Department of State Health Services (DSHS) as a training institution. The center provides the required 160-hour CHW curriculum and continuing education for both CHWs and instructors. Participants work in the field while in training, and are classified as trainees until completing the required curriculum and receiving their certification.

The project team created a CHW training model for consistent quality instruction, coupled with on-the-job learning. CHWs are frontline public health workers who serve as liaisons between underserved communities and healthcare and social service providers. The program was approved as an apprenticeship occupation in July 2010 and includes 2,000 to 2,200 hours of on-the-job learning and up to 300 hours of classroom instruction. The classroom instruction includes 160 hours focusing on eight core competencies required by DSHS and 140 hours of supplemental training that allow for movement into other healthcare fields or additional specializations.

Apprenticeship Carolina

Founded in 2007, Apprenticeship Carolina was developed after a 2001 state-issued report highlighted the state's growing skills gap and a 2002 South Carolina Chamber of Commerce study found that the state was underutilizing apprenticeship as a workplace training tool. Since then, South Carolina has seen a 680 percent increase in the number of employers sponsoring apprentices.

Apprenticeship Carolina promotes direct engagement with employers across the state, especially those outside the trade industries typically known for apprenticeship. To incentivize participation, the state created a \$1,000 tax credit, good for up to four years, for every apprentice that a business hires. At no cost to the employer, Apprenticeship Carolina also provides consultants to assist prospective businesses through each step of the apprenticeship process. This includes coordinating resources and assisting businesses in the drafting of apprenticeship program standards, as well as facilitating collaboration with various stakeholders.

These efforts and incentives have allowed Apprenticeship Carolina to register an average of one new company per week. Furthermore, apprenticeship programs can be found in a range of nontraditional industries, including agribusiness, biofuels, health care, information technology, advanced manufacturing, and tourism.

MAT2

In Michigan, the MAT2 apprenticeship program aims to meet the demand for skilled manufacturing workers by offering an apprenticeship program in mechatronics, technical product design, and information technology. To help the MAT2 program get started, the state covered the administrative costs. Participating companies financed tuition at participating community colleges and any program training costs.

A three-year program, MAT2 apprentices rotate between periods of on-the-job training and classroom instruction at the community colleges. Apprentices spend six or seven weeks in the classroom, studying a specialized curriculum tailored to the high-level skills required by advanced manufacturers. Companies assign qualified, veteran employees to work with apprentices during each of the nine-week periods of on-the-job training.

Participating companies pay the apprentices' tuition and a stipend for the time apprentices spend in classes and/or labs. Apprentices also earn an hourly wage that increases over time while completing the on-the-job training. In exchange for the companies' investment in their education and training, students commit to work for the sponsoring company for at least two years after completing the program. Upon graduation, apprentices will receive an associate's degree from the community college and a Department of Labor apprenticeship program certificate of completion.

The program has proven popular. It launched in 2013 with the participation of two community colleges and 11 companies, most of them headquartered in Germany. Today, the program includes four

community colleges and 30 companies, including a mix of European, Asian, and U.S.-based firms. In its first year alone, MAT2 received 200 applications for just 30 apprenticeship program openings.

Vermont HITEC

Vermont HITEC has educated and placed more than 1,200 workers into apprenticeships with companies over the last 14 years due to the unique structuring of their apprenticeship program. Apprentices complete an accredited 10-week classroom component that is frontloaded before joining a company as a full-time, paid apprentice.

In 2013, after being unable to hire enough medical coders, Dartmouth-Hitchcock Medical Center (DHMC) partnered with Vermont HITEC. While DHMC guaranteed jobs and agreed to a predefined wage, Vermont HITEC developed the parameters of the apprenticeship program. Vermont HITEC and DHMC collaborated in writing the job specifications, identified the required technical and behavioral competencies, and determined graduation requirements.

Four hundred candidates were evaluated on the basis of technical skills, technical aptitude, and soft skills such as work ethic, attitude, communication skills, and willingness to accept criticism. After reviewing Vermont HITEC's prescreened applicant pool, DHMC selected 14 candidates to sponsor as apprentices.

Students were in class nine hours per day for five days per week and had more than four hours of homework each weekday evening and eight hours of homework on weekends. At the end of 10 weeks, all 14 students met the technical and behavioral competency requirements for the job and graduated with college credit. Although grants funded all of the coursework and materials for the 10-week education program, students did not earn a wage while enrolled.

The students were immediately employed for one year as paid medical coder apprentices with DHMC. Vermont HITEC supported and mentored the apprentices with on-the-job training over the course of the apprenticeship program. The apprentices' performances were tracked and reviewed on a monthly basis and based on their performance received a merit wage increase every six months.

After one year, DHMC's medical coder apprentices completed the program and received a Department of Labor apprenticeship program certificate of completion and academic credits from the Vermont State College System, which can be applied to either an associate's or a bachelor's degree at one of the state's colleges. The apprentices also received a DHMC employer-sponsored credential in the form of a certificate and certification as a certified professional coder from the American Academy of Professional Coders.

Washington State SEIU Healthcare NW Training Partnership

In 2013, the SEIU training partnership enrolled the nation's first class of home care aide registered apprentices in a pilot program.

The program's home care aide apprentices are either employed by a participating home care agency or are individual providers employed by the state of Washington. To graduate from the program, an apprentice must complete 75 hours of basic classroom training and an additional 70 hours of advanced training. Over 24 hours of on-the-job training is provided through peer mentoring from an experienced home care aide.

SEIU Healthcare NW pays for training, and apprentices earn their regular wages while completing the first 75 hours of basic classroom instruction. The second 70 hours of advanced training are not paid. Upon completing the program, apprentices must pass a state exam. Apprentices then receive a \$0.50 per hour

pay increase and a Department of Labor apprenticeship program certification of completion. Over the next five years, the training partnership plans to expand to reach more than 3,000 apprentices annually.

Concluding Comments

Apprenticeship programs create pathways to well-paying jobs and improves worker outcomes, while helping businesses meet their demand for skilled workers.

Apprenticeship programs are a highly effective method of training and education that offers a return on investment to employers and apprentices. Apprenticeship programs connect job seekers interested in learning marketable skills using structured, on-the-job training with employers seeking highly qualified workers. This results in a workforce that is industry driven and provides employers with a global competitive edge.

Appendix 1: Texas Average Wages & Increases

Below is a chart that displays the average wages for an apprentice beginning in year 1 through year 5. As the chart illustrates, average wages increased from year to year.

FY 14 Chapter 133 Average Wages by Year of Apprenticeship Program					
Year 1	Year 2	Year 3	Year 4	Year 5	Overall
\$12.50	\$14.80	\$16.96	\$18.91	\$22.83	\$17.20
Percentage of Increase from Year 1					
Years		Variance/Hour		Percent Increase	
Year 1 to Year 2		\$2.30		18.40%	
Year 2 to Year 3		\$4.46		35.68%	
Year 3 to Year 4		\$6.41		51.28%	
Year 4 to Year 5		\$10.33		82.64%	

FY 13 Chapter 133 Average Wages by Year of Apprenticeship Program					
Year 1	Year 2	Year 3	Year 4	Year 5	Overall
\$12.69	\$14.47	\$16.17	\$18.11	\$20.67	\$16.42
Percentage of Increase from Year 1					
Years		Variance/Hour		Percent Increase	
Year 1 to Year 2		\$1.78		14.03%	
Year 2 to Year 3		\$3.48		27.42%	
Year 3 to Year 4		\$5.42		42.71%	
Year 4 to Year 5		\$7.98		62.88%	

Appendix 2: Apprenticeship Occupations in Texas Registered Through the Department of Labor

The chart below indicates the Texas registered apprenticeship occupations that are registered through the Department of Labor as of July 15, 2015. The wages are estimated averages for each occupation.

Rank	Occupation	Total Enrolled	Hourly Wage	Annual Wage
1	Electrician	4,423	\$26.21	\$54,520
2	Plumber	1,161	\$26.26	\$54,620
3	Pipe Fitter (construction)	839	\$26.26	\$54,620
4	Structural Steel / Ironworker	597	\$25.55	\$53,140
5	Elevator Constructor Mechanic	427	\$36.78	\$76,490
6	Line Installer Repairer	387	\$31.24	\$64,990
7	Sheet Metal Worker	345	\$23.42	\$48,700
8	Millwright	290	\$24.77	\$51,520
9	Carpenter	253	\$21.92	\$45,590
10	Chemical Operator	250	\$27.01	\$56,170
11	Operating Engineer	196	\$23.09	\$48,020
12	Refinery Operator	142	\$30.37	\$63,160
13	Glazier	137	\$21.26	\$44,220
14	Sheet Metal Worker (hybrid)	130	\$23.42	\$48,700
15	Boiler Maker	129	\$28.93	\$60,170
16	Line Maintainer	120	\$31.24	\$64,990
17	Line Erector	110	\$31.24	\$64,990
18	Electrician (Substation)	108	\$33.71	\$70,110
19	Fire Fighter	102	\$23.44	\$48,750
20	Displayer / Merchandiser	94	\$14.20	\$29,530
21	Pipe Fitter / Sprinkler Fitter	88	\$26.26	\$54,620
22	Insulation Worker	74	\$18.05	\$37,540
23	Heating & Air Conditioning – Installation & Service	73	\$22.54	\$46,880
24	Telecommunications Technician	59	\$26.26	\$54,630
25	Structural Steel / Ironworker (hybrid)	53	\$25.55	\$53,140
26	Painter (construction)	52	\$19.13	\$39,780
27	Maintenance Mechanic (any industry)	49	\$19.42	\$40,400
28	Refrigeration Mechanic (any industry)	43	\$22.54	\$46,880
29	Machinist	41	\$19.97	\$41,540
30	Dry Wall Applicator	40	\$21.07	\$43,820
31	Bricklayer (construction)	37	\$24.76	\$51,500
32	Laboratory Technician	37	\$19.59	\$40,750
33	Electrician (maintenance)	36	\$26.74	\$55,610
34	Cement Mason	30	\$19.70	\$40,970
35	Screw Machinist Set-Up Operator	29	\$19.97	\$41,540

36	Millwright (hybrid)	28	\$24.77	\$51,520
37	Instrumentation Technician	24	\$25.06	\$52,120
38	Carpenter (hybrid)	20	\$21.92	\$45,590
39	Industrial Machine System Technician	17	\$24.25	\$50,440
40	Roofer	17	\$19.04	\$39,600
41	Automotive Technician Specialist (combination)	16	\$19.22	\$39,980
42	Dental Assistant	16	\$17.43	\$36,260
43	Hazardous Waste Material Technician	16	\$20.54	\$42,730
44	Material Coordinator	14	\$23.55	\$48,980
45	Millwright	14	\$24.77	\$51,520
46	Electronic Systems Technician	13	\$26.65	\$55,430
47	Electrical Instrument Repairer	13	\$25.06	\$52,120
48	Cable Installer Repairer	13	\$26.17	\$54,430
49	Protective Signal Installer	11	\$26.65	\$55,430
50	Assembly Technician	11	\$24.43	\$50,810
51	Stationary Engineer	10	\$27.92	\$58,070
52	Welder (combination)	10	\$19.25	\$40,040
53	Cable Splicer	10	\$19.25	\$40,040
54	Community Health Worker (hybrid)	9	\$18.35	\$38,180
55	Motor Grader Operator	8	\$10.73	\$22,320
56	Taper	8	\$24.76	\$51,490
57	Insulation Worker	7	\$18.05	\$37,540
58	Meter Repairer (any industry)	7	\$18.46	\$38,390
59	Teacher Aide	7		\$26,000
60	Nurse Assistant	6	\$12.62	\$26,250
61	Heating Ventilation Air Conditioning and Refrigeration	6	\$22.54	\$46,880
62	Electronic Utility Worker	6	\$26.74	\$55,610
63	Plasterer	5	\$20.67	\$43,000
64	Tile Setter	5	\$21.23	\$44,160
65	Construction Craft Laborer (hybrid)	5	\$17.19	\$35,750
66	Gas Utility Worker	5	\$19.22	\$39,970
67	Substation Operator	5	\$33.28	\$69,220
68	Quality Control Technician	5	\$30.35	\$63,140
69	Machine Set Up Operator	5	\$23.49	\$48,870
70	Cook (hotel & restaurant)	5	\$22.06	\$45,880
71	Paramedic	5	\$16.88	\$35,110
72	Safety Inspector Technician	5	\$24.65	\$51,270
73	Machinist (combination)	4	\$19.97	\$41,540
74	Maintenance Repairer (buildings)	4	\$18.46	\$38,390
75	Landscape Management Technician	4	\$12.85	\$26,720
76	Electric Meter Repairer	4	\$29.01	\$60,330

77	Automobile Mechanic	4	\$19.22	\$39,980
78	Electromechanical Technician	4	\$26.73	\$55,600
79	Floor Layer	4	\$19.56	\$40,690
80	Operating Engineer (hybrid)	4	\$23.09	\$48,020
81	Carpenter (maintenance)	4	\$21.92	\$45,590
82	Cook (any industry)	3	\$22.06	\$45,880
83	Electric Meter Tester	3	\$29.01	\$60,330
84	Soft Tile Setter (construction)	3	\$21.23	\$44,160
85	Dispatcher (service)	3	\$19.09	\$39,710
86	Painter (professional & kindred)	3	\$19.13	\$39,780
87	Tool and Die Maker	3	\$24.08	\$50,090
88	Cabinet Maker	2	\$16.11	\$33,500
89	Pipe Fitter (hybrid)	2	\$26.26	\$54,620
90	Relay Tester	2	\$33.71	\$70,110
91	Transformer Repairer	2	\$26.74	\$55,610
92	Power Plant Mechanic	2	\$33.28	\$69,220
93	Maintenance Machinist	2	\$21.18	\$44,050
94	Cosmetologist	2	\$13.43	\$27,940
95	Refrigeration & Air Conditioning Maintenance	2	\$22.54	\$46,880
96	Cement Mason Concrete Finisher	2	\$19.70	\$40,970
97	Housekeeper	1	\$10.82	\$22,500
98	Electric Meter Installer	1	\$29.01	\$60,330
99	Acoustical Carpenter	1	\$21.92	\$45,590
100	Bricklayer, Firebrick & Refractory	1	\$24.76	\$51,500
101	Dental Laboratory Technician	1	\$19.30	\$41,140
102	Instrument Mechanic (any industry)	1	\$25.06	\$52,120
103	Fire Apparatus Engineer	1	\$23.44	\$48,750
104	Drafter, Architectural	1	\$25.23	\$52,480
105	Metal Fabricator	1	\$18.35	\$38,160
106	Power Plant Operator	1	\$33.28	\$69,220
107	Small Engine Mechanic	1	\$16.22	\$30,730
108	Automated Equipment Engineer Technician	1	\$30.35	\$63,140
109	Cabinetmaker (hybrid)	1	\$16.11	\$33,500
110	Gas Regulator Repairer	1	\$30.37	\$63,160
	Total	11,454		

Appendix 3: Top 25 National Occupations for Active Apprentices ranked by Total (as of July 15, 2015)

The chart below indicates the top 25 national occupations for active apprentices. The wages are estimated averages for each occupations.

Rank	Occupation	Total Enrolled	Hourly Wage	Annual Wage
1	Electrician	40,283	\$21.70	\$45,130
2	Carpenter	14,557	\$16.38	\$34,070
3	Plumber	12,880	\$21.49	\$44,690
4	Construction Craft Laborer	10,400	\$13.59	\$28,270
5	Pipe Fitter (construction)	8,878	\$21.49	\$44,690
6	Sheet Metal Worker	7,146	\$18.37	\$38,210
7	Structural Steel / Iron Worker	5,722	\$19.79	\$41,170
8	Roofer	4,730	\$14.28	\$29,700
9	Carpenter (hybrid)	4,377	\$16.38	\$34,070
10	Operating Engineer	3,899	\$18.62	\$38,730
11	Line Maintainer	3,540	\$26.19	\$54,470
12	Pipe Fitter – Sprinkler Fitter	3,474	\$21.49	\$44,690
13	Mill Wright	3,453	\$21.83	\$45,410
14	Painter (construction)	2,868	\$15.60	\$32,450
15	Line Erector	2,808	\$26.10	\$54,470
16	Boilermaker	2,605	\$26.97	\$56,100
17	Heating & Air Conditioning – Installation & Service	2,603	\$20.28	\$42,180
18	Elevator Constructor Mechanic	2,506	\$32.61	\$67,840
19	Maintenance Tech Municipal	2,455	\$18.02	\$37,490
20	Correction Officer	2,453	\$17.84	\$37,110
21	Dry Wall Applicator	2,268	\$15.33	\$31,890
22	Cook (any industry)	2,192	\$21.22	\$44,140
23	Chief, Cook (water transportation)	1,910	\$21.22	\$44,140
24	Cement Mason	1,866	\$14.84	\$30,870
25	Insulation Worker	1,821	\$15.40	\$32,020
	Total	151,694		

Appendix 4: Laws & Regulations

The laws and regulations listed below are the governing statutes of the registered apprenticeship training program.

The National Apprenticeship Act – 29 USC §50

The National Apprenticeship Act, 29 United States Code §50, enables and authorizes the Department of Labor to develop and promote the progression of labor standards needed to secure the success of apprentices, to ensure the inclusion of those standards in apprenticeship contracts, and to bring together employers and labor for the agencies engaged in the development and promotion of apprenticeships.

Labor Standards for the Registration of Apprenticeship Programs – 29 CFR Part 29

This aspect of the federal regulations apply to policies and procedures regarding the recruitment and selection of apprentices, and to all conditions of employment and training during apprenticeship. The procedures established provide for the administrative review of apprenticeship programs, for registering programs, processing complaints, and for deregistering noncomplying apprenticeship programs.

Equal Employment Opportunity in Apprenticeship and Training – 29 CFR Part 30

This regulation component promotes equality of opportunity in apprenticeship programs by prohibiting discrimination based on race, color, religion, national origin, or sex, by requiring affirmative action to provide equal opportunity in such apprenticeship programs, and by coordinating with other equal opportunity programs.

Texas Education Code – Chapter 133, Apprenticeship System of Adult Career and Technology Education

The general provisions of Chapter 133 relates to apprenticeship training programs. The state statute outlines the specific criteria for apprenticeship training programs, outlines the duties of apprenticeship committees, and governs the appropriations and distribution of funds.

Texas Workforce Commission Apprenticeship Training Program Rules – 40 TAC, Chapter 837

The purpose of these rules is to implement the provisions of the Texas Education Code, Chapter 133. These rules authorize TWC to grant funds to local public educational institutions to support the costs of related classroom instruction in registered apprenticeship training programs.

Appendix 5: Myths

A cloud of uncertainty about the value of apprenticeship programs as an alternative to postsecondary education and training through a university remains a challenge to the expansion of these programs, and a number of myths hinder students when it comes to apprenticeship programs as a career option.

Myth	Truth
Apprenticeship programs are not for top students.	<p>Apprenticeship programs are an alternative to the university route to employment. Students who demonstrate that they are career focused are accepted into apprenticeship programs.</p> <p>Apprenticeship programs is not a one-size fits all approach. There are a variety of different programs available.</p>
Apprenticeship programs are at a disadvantage because they do not have a degree.	There are many apprenticeship programs offering credits toward a two-year and four-year degrees. The training programs offer a variety of different qualification requirements and training options.
Apprenticeship programs are only available for traditional, blue collar jobs.	Apprenticeship programs are offered in both white collar and blue collar jobs. There are more than 250 different types of apprenticeship programs available offering over 1,400 job roles. These range from accountancy to textile to engineering.
University students have better career prospects.	The success rate for obtaining an apprenticeship program position is currently higher than a graduate position.
University graduates earn more money than apprentices.	Graduates typically begin employment after school at a higher wage, keeping in mind any debt that must be repaid is not included. Many apprentices begin earning the moment they begin the program and do not typically require loans for the training. Apprenticeship programs are seen as an investment in future career opportunities and earnings as wages often increase with skills development.

This page intentionally left blank.



**TWIC INFORMATION ITEM
MEMORANDUM**

REF: KM.twic.III1.020516

TO Council Members**SUBJECT** Workforce Innovation and Opportunity Act: A Compendium

Introduction

The Texas Workforce Investment Council (Council) is the state workforce investment board under federal workforce law. As the state board, the Council operated under the Workforce Investment Act (WIA) of 1998 since Texas was an early implementation state in 1999. At its last four meetings, the Council was provided information on the new Workforce Innovation and Opportunity Act and specific requirements of that act related to planning and cost allocation. This memorandum provides members with a brief synopsis of those requirements. Previous information provided to members has been combined into a compendium for reference.

Background

The Workforce Innovation and Opportunity Act of 2014 (WIOA, Public Law 113-128) was enacted on July 22, 2014. This legislation passed Congress with a bipartisan majority and is designed to help job seekers access employment, education, and training in order to achieve success in the workforce.

Attachment

1. Workforce Innovation and Opportunity Act: A Compendium

DiscussionProgram Overview

Despite many attempts to reauthorize the WIA in the past several years, no introduced legislation was able to garner support in both chambers of Congress. In the summer of 2014, Republican and Democratic leaders in the House and Senate negotiated a compromise between the House-passed SKILLS Act and the Senate HELP Committee's legislation. While some portions of the new Workforce Innovation and Opportunity Act were to be immediately implemented, the majority of the law became effective July 1, 2015.

The WIOA's legislative provisions are designed to help job seekers access employment, education, and support services. Enhancements include program coordination, streamlined service delivery, and alignment of programs across common goals with increased accountability and transparency.

While emphasizing integrated services and seamless pathways for job seekers, the new law is also designed to improve services to employers by emphasizing the use of career pathways and promoting work-based training and employment focused on in-demand occupations. This emphasis helps to strengthen connections with employers, identify the skills employers need most, assist workers in acquiring those skills, and match employers with the skilled workers.

The key highlights of the WIOA include the following:

- requires states to strategically align workforce development programs
- promotes accountability and transparency
- fosters regional collaboration
- improves the American job center system
- improves services to employers and promotes work-based training
- provides access to high quality training
- enhances workforce services for the unemployed and other job seekers
- improves services to individuals with disabilities
- makes key investments in serving disconnected youth and other at-risk populations
- enhances connections with the Registered Apprenticeship program
- streamlines and strengthens the strategic roles of workforce development boards

Texas is fortunate to have a mature workforce system already in place. In 1995, Texas House Bill 1863 consolidated Texas' workforce programs into a single, integrated delivery system: a workforce system developed in Texas that is employer-driven, locally controlled, and offers integrated services to employers, job seekers, and communities throughout the state.

Requirement for a State Combined Plan

The WIOA requires the Governor to submit a state plan to the U.S. Department of Labor that will outline a four-year plan for the workforce investment system. It is anticipated that Texas will submit a combined plan and that the Texas Workforce Commission will be the lead agency in developing that plan. Attachment 1 contains a summary of the requirements for a combined plan.

The WIOA statute identifies the structure required for the combined state plan. The plan must be comprised of strategic and operational planning elements. The strategic plan should describe the state's vision, goals, and strategies for preparing an educated and skilled workforce to close the skills gap and meet employer needs. The operational planning elements in the combined state plan must describe each program and the operating systems and policies that support implementation of the strategies.

One of the first actions required under the WIOA is to engage in a state planning process. In order to make the plan and state vision actionable, the combined state plan should articulate how different programs, agencies, and stakeholders will work together. As the work on the state plan begins, a comprehensive planning process should be used to create a state plan structured around a vision of a workforce system that will help a wide range of job seekers and employers prosper.

Requirement for Regional Planning

The new legislation charges the workforce development boards and chief elected officials to design the system regionally, aligning workforce policies and services with regional economies that support the service delivery strategies and needs. States are required to establish regions to ensure that training and employment services support economic growth and that employment opportunities are meeting the skill competency requirements of the regions.

The coordination required for regional planning allows for the workforce development areas to identify areas of efficiency, coordinate effective practices, and streamline service delivery. Although regional planning is a new requirement in the federal workforce act, Texas workforce areas have engaged in regional planning since their inception. Workforce development areas in Texas have a demonstrated history of promoting, collaborating, leveraging, and ensuring that services are delivered efficiently and effectively to job seekers and employers beyond the designated workforce areas. The 28 workforce

boards and the Texas Workforce Commission are working together to determine how the requirements of the act will be implemented in Texas.

Infrastructure Funding

Infrastructure costs are intended to:

- maintain the one-stop delivery system to meet the needs of the local areas;
- reduce duplication by improving program effectiveness through the sharing of services, resources, and technologies among partners;
- reduce overhead by streamlining and sharing financial, procurement, and facilities costs;
- encourage efficient use of information technology to include where possible the use of machine readable forms and shared management systems;
- ensure services provided by the one-stop partners increase financial efficiency under the partners' program; and
- ensure that costs are appropriately shared by one-stop partners by basing contributions on proportionate share of use and requiring that all funds are spent solely for allowable purchases.

Infrastructure costs can be funded through either a local funding mechanism or through a state funding mechanism. Both methods, through authorizing legislation and statutes, utilize the funds for one-stop partners. Memoranda of understanding are executed in relation to the operation of the one-stop delivery system within each local workforce area to facilitate the implementation of infrastructure funding.

Recommendation

It is recommended that the Council note the information contained in this memorandum and its attachment.

This page intentionally left blank.



Texas Workforce Investment Council

Workforce Innovation and Opportunity Act:

A Compendium

Table of Contents

Program Overview	2
Core Programs	2
Key Highlights of the WIOA	3
Grandfather Provisions	4
Job-Driven Action Plan.....	5
Services to Job Seekers	5
Adults and Dislocated Workers	5
Youth.....	6
Services to Employers.....	6
Eligible Training Providers.....	6
Requirement for a State Unified Plan	7
The Planning Process	7
The Structure of the Plan	7
Sector Partnerships.....	7
Career Pathways.....	7
Performance Measurement	8
Job-Driven Training.....	8
Approval Process	8
Requirement for Regional Planning	9
Background	9
Expectations of the Regional Plan	9
Coordination of the Regional Plan.....	10
Infrastructure Funding	11
The Workforce Development System.....	11
Objectives of Infrastructure Costs	11
Infrastructure Costs	11
Funding of Infrastructure Costs	11
Local Infrastructure Funding Mechanism.....	12
State Infrastructure Funding Mechanism.....	12
The Memorandum of Understanding (MOU).....	13
Role of Vocational Rehabilitation with the One-Stop System	13

Program Overview

In the early 1990s, workforce development in Texas was a patchwork of programs and services across many state agencies. These programs were often inefficient and disjointed. Recognizing the critical need for a workforce development system responsive to employers, job seekers, and economic development, state leaders examined the structure and determined to consolidate workforce administration and programs. In 1995, through House Bill 1863, 28 workforce programs were merged. The goal of consolidation was the development of a system that was employer-driven and locally controlled, and which offered integrated services to employers, job seekers, and communities throughout the state.

This consolidation positioned Texas to become one of the first states to implement the federal Workforce Investment Act of 1998 (WIA, Public Law 105-220), which replaced the workforce system requirements that operated under the Job Training Partnership Act. This far-reaching legislation envisioned an integrated workforce delivery system composed of one-stop career centers administered by the local workforce boards. The federal law, in large part, reflected the Texas model.

The Workforce Innovation and Opportunity Act of 2014 (WIOA, Public Law 113-128) was enacted on July 22, 2014. This legislation passed Congress with a bipartisan majority and is designed to help job seekers access employment, education, and training in order to achieve success in the workforce. It repeals the WIA and is the new federal law for workforce program and service delivery.

Texas is fortunate to have a mature workforce system already in place. Texas House Bill 1863 consolidated the state's workforce programs into a single, integrated delivery system. Texas has implemented an employer-driven, locally controlled workforce system offering integrated services to employers, job seekers, and communities throughout the state for well over a decade. Because Texas has already laid a strong foundation for the implementation of WIOA, the focus can remain on the provision of programs and services and continuous improvements, rather than—as is the case in many other states—building a new, consolidated system.

Most provisions of the WIOA take effect July 1, 2015—the first full program year after enactment. The WIOA state unified and local plans and the WIOA performance and accountability provisions take effect on July 1, 2016.

Core Programs

The WIA made significant accomplishments in assisting job seekers acquire new skills to increase employment, job retention, and earnings. The WIOA continues to promote better alignment and strengthen collaboration with the core programs:

Title I – Workforce Development Activities

- authorizes the one-stop delivery system with which state and local workforce development training and employment activities must be coordinated
- integrates adult education and vocational rehabilitation programs that assist individuals with disabilities in obtaining employment as key partners in system planning

Title II – Adult Education and Literacy

- authorizes education services for basic skills, secondary education, literacy activities, and English language training to assist adults in improving their skills

Title III – Wagner-Peyser Act of 1933

- authorizes the public employment-related services and the employment statistics system
- provides job search and job matching assistance to unemployed individuals through the one-stop system

Title IV – Rehabilitation Act of 1973

- provides employment-related services to individuals with disabilities

Key Highlights of the WIOA

The WIOA maintains the basic structure of the WIA in many ways. From summaries made available by the DOL, the key highlights of the WIOA include the following:

- *Requires States to Strategically Align Workforce Development Programs*
The WIOA ensures that employment and training services provided by the core programs are matched to job seekers to enable them to acquire skills and credentials that meet employers' needs. Texas is now required to produce one unified strategic plan that describes how training, employment services, adult education, and vocation rehabilitation will be provided through a coordinated, comprehensive system.
- *Promotes Accountability and Transparency*
The WIOA ensures that federal investments in employment and training programs are evidence-based and data-driven, and accountable to participants and taxpayers.

Programs are now required to report on a set of common performance indicators that will provide key information such as the number of job seekers that entered and retained employment, median wages, skill gains, and the number of participants who attained a credential.
- *Fosters Regional Collaboration*
The WIOA promotes alignment of workforce development programs with regional economic development strategies to increase the agility of the state and local board areas and to position local boards to best meet local and regional employers' workforce needs.
- *Improves the American Job Center System*
The WIOA increases the quality and accessibility of services that job seekers and employers receive at their local American job center. Services include access to quality training, integrated intake, case management, and other strategies to improve services that lead job seekers into in-demand occupations.
- *Improves Services to Employers and Promotes Work-Based Training*
The WIOA contributes to economic growth and business expansion by ensuring the workforce system is job-driven by matching employers with skilled individuals. Additionally, the law offers opportunities with employers that include on-the-job training, internships, and apprenticeship as training paths to employment.
- *Provides Access to High Quality Training*
The WIOA helps job seekers acquire industry-recognized credentials for in-demand jobs. Strategies used are focused on job seekers' educational and career advancement.

- *Enhances Workforce Services for the Unemployed and Other Job Seekers*
The WIOA ensures that job seekers have access to high-quality workforce services. There is no longer a required sequence of services, which makes training enrollment more comprehensive and services readily available.
- *Improves Services to Individuals with Disabilities*
The WIOA increases access to high-quality workforce services for individuals with disabilities and prepares them for competitive, integrated employment.
- *Makes Key Investments in Serving Disconnected Youth and Other At-Risk Populations*
The WIOA increases the use of work experience activities such as on-the-job training and internships to prepare in-school and out-of-school youth for successful employment.
- *Enhances Connections With the Registered Apprenticeship Program*
The WIOA promotes the use of apprenticeship, a proven model that provides workers with career pathways and opportunities to earn while they learn.
- *Streamlines and Strengthens the Strategic Roles of Workforce Development Boards*
The WIOA increases the agility of state and local workforce boards and positions them to meet local and regional employers' workforce needs.

Grandfather Provisions

Like the WIA that preceded it, the WIOA includes grandfather provisions that allow the state to continue operating under current state law while remaining consistent with federal law:

State Workforce Development Boards (Section 101)

- authorizes Texas to maintain the current structure and membership of the Texas Workforce Investment Council

Local Workforce Development Boards (Section 107)

- authorizes local workforce development boards to maintain their current structure and membership
- retains alternative entity provision that allows local entities established to serve the local area to serve as a local board, pursuant to state law

Secretarial Administrative Authorities and Responsibilities (Section 189)

- specifies that a service delivery area designated for the delivery of workforce services may continue to be used
- permits the state to use the state law that sanctions local areas for failure to meet performance accountability measures

Continuation of State Activities and Policies (Section 193)

- authorizes the state to allocate or disburse funds within the state, in accordance with the allocation formula and disbursement procedure followed under prior state law
- authorizes a local board to allocate or disburse funds within the local area in accordance with the disbursement procedure under prior state law

- authorizes local areas to use fiscal agents selected with a process under prior state law
- authorizes local boards to designate the one-stop partner and one-stop operators under prior state law
- authorizes the state to carry out a procedure in which the persons responsible for selecting eligible providers are not selected to provide both intake and training services in effect under prior state law
- authorizes a state to designate a state board to assign functions and roles in accordance with prior state laws
- specifies that local boards may use and carry out a local plan that includes assigning functions and roles that were developed under prior state law

Job-Driven Action Plan

The WIOA is built from the strong foundation and proven practices of the WIA. The new legislative provisions are designed to help job seekers access employment, education, and support services. Additionally, they are designed to further enhance program coordination, streamline service delivery, align programs across common goals, and increase accountability and transparency.

While emphasizing seamless pathways for job seekers, the new law is also designed to improve services to employers through career pathways, work-based training, and employment services focused on in-demand occupations. These enhanced services requirements will help strengthen connections with employers enabling providers to better identify the skills employers need most, assist workers in acquiring those skills, and match employers with skilled workers.

Services to Job Seekers

The WIOA continues to advance access to employment and training services that enable job seekers to succeed in the labor market. The following changes to adult and dislocated workers, and youth population program funds will enhance access to workforce services:

Adults and Dislocated Workers

- Local workforce boards can transfer up to 100 percent of funds between adult and dislocated worker programs to more effectively serve job seekers.
- Service categories of core and intensive services are streamlined into “career services.” The elimination of the required sequence of services enables job seekers to access training immediately.
- Local workforce boards can use up to 20 percent of their adult and dislocated worker program funds for incumbent worker training programs.
- Local workforce boards may use up to 10 percent of grant funds to provide transitional jobs that are time-limited subsidized work experiences in the public, private, or nonprofit sector for individuals with barriers to employment.

- Under the dislocated worker formula, no state receives less than 90 percent or greater than 130 percent of the allotment for the preceding year (beginning in FY 2016).
- Priority of services are provided to job seekers who are basic skills deficient, or who are low-income individuals.

Youth

- Out-of-school youth is now prioritized. The focus is on career pathways for youth, dropout recovery efforts, and education and training that lead to the attainment of a high school diploma and a recognized postsecondary credential.
- Local workforce development areas must increase the percentage of youth formula funds to serve out-of-school youth from 30 percent under the WIA to 75 percent.
- Local workforce development areas must spend at least 20 percent of youth formula funds on work-based learning for both in-school and out-of-school youth. Work-based learning activities include summer jobs, pre-apprenticeship, on-the-job training, job shadowing, and internships.
- Eligibility criteria have changed for the youth formula program:
 - in-school youth are ages 14–21,
 - out-of-school youth are ages 16–24.

Services to Employers

The WIOA contributes to economic growth and business expansion by ensuring the workforce system is job-driven and matching employers with skilled individuals for in-demand occupations. The following are changes that will enhance services designed to assist employers:

- Opportunities to assist employers in providing work-based learning experiences in apprenticeships, on-the-job training, internships, and customized training are available.
- New performance indicators have been added for services to employers.
- Enhanced program coordination efforts and alignment of programs support a vision of well-connected partnerships between local workforce boards and employers that develop strong, job-driven training programs.

Eligible Training Providers

The WIOA mandates that the Governor establish eligibility criteria and procedures for training providers.

The U.S. Department of Labor (DOL) will no longer issue state plan waivers that allow a state to extend the period of initial eligibility for training providers under the WIOA. Consequently, training providers are now required to report employment and earnings outcome data for all the students they serve, not just the participants whose training costs were funded by the WIOA.

Requirement for a State Unified Plan

The Planning Process

The WIOA requires the Governor to submit a state plan to the U.S. Department of Labor that will outline a four-year plan for the workforce investment system. The due date for the plan submission is March 1, 2016.

There are two types of state plans—a unified state plan or a combined state plan. A unified plan includes the strategic and the operational elements for the WIOA's four titles. A combined plan also includes operational elements that are required by federal agencies for other programs such as Supplemental Nutrition Assistance Program Employment and Training (SNAP E&T) and Temporary Assistance for Needy Families (TANF). It is anticipated that Texas will submit a unified plan.

The WIOA instructs the state workforce board to assist the Governor in developing the unified state plan. The Governor must ensure the planning process is completed in a transparent manner, and in consultation with a variety of workforce partners that include local workforce boards, business representatives, adult education providers, and postsecondary institutions. The state workforce board should play a significant role in developing the unified state plan.

The Structure of the Plan

The WIOA statute identifies the structure required for the unified state plan. The plan must be composed of strategic and operational planning elements. The strategic elements plan should describe the state's vision, goals, and strategies for preparing an educated and skilled workforce to close the skills gap and meet employer needs. The operational planning elements in the unified state plan must describe each program and the operating systems and policies that support the program and implementation strategies.

The WIOA highlights the use of sector partnerships, career pathways, performance measurement, and job-driven training. The intent is that these four concepts will help in developing strategies for an effective and meaningful unified state plan.

Sector Partnerships

The WIOA emphasizes the use of sector partnerships as a key strategy in meeting the needs of job seekers and employers. Sector partnerships can help organize multiple employers and stakeholders in the same industry cluster into a group that focuses on shared goals and human resources needs.

Under the WIOA statute, the unified state plan must include a description of how employers will be engaged, including how sector partnerships will be used. Unified state plans should emphasize and describe the state's criteria for local or regional sector partnerships and explain how the partnership will be supported.

Career Pathways

The WIOA advocates career pathways as an essential workforce development strategy. Career pathways align and integrate education, job training, counseling, and support services to create accelerated pathways to postsecondary education credentials and employment in in-demand occupations.

As outlined in the WIOA, state and local boards are tasked with developing career pathways. The unified state plan may describe strategies for aligning the core programs and describe how the sector partners will collaborate with one another in order to create career pathways as defined by the WIOA. Under the WIOA, it is essential the state programs collaborate with one another.

Performance Measurement

One of the major achievements of the WIOA is the establishment of the performance measures that apply to each of the four WIOA titles funded by the WIOA.

The unified state plan requires a description of how the performance measures will be used in measuring the success of the programs in the WIOA. Additionally, the unified state plan should explain the steps that will be taken to create a dashboard to display performance results.

The unified state plan should also identify a comprehensive system for linking data across workforce and education agencies so that the measuring of performance outcomes may be achieved.

Job-Driven Training

Middle-skill jobs account for the largest share of jobs in the labor market, yet there aren't enough job seekers trained at the middle-skill level. Ideally, investment in education and training should reflect current and future jobs in the state.

The unified state plan requires an analysis of both job seekers' and employers' skill needs. The analysis should include how well the state's investments in education and training satisfy those needs. Additionally, the unified plan should indicate how Texas will invest education and training dollars in middle-skill programs that will help close skills gaps and support job-driven strategies.

The WIOA emphasizes training that is directly connected to jobs, such as incumbent worker training, on-the-job training, apprenticeship, and other types of work-based learning. By definition, sector partnerships and career pathways are also job-driven. The unified state plan should identify how job-driven training will be part of Texas' strategy to close any skills gaps.

Approval Process

The state plan is subject to the approval of both the secretary of labor and the secretary of education, after approval of the commissioner of the Rehabilitation Services Administration. The plan is considered to be approved at the end of the 90-day period beginning on the day the plan is submitted, unless the secretary of labor or the secretary of education makes a written determination that the plan is inconsistent with the statute provisions during the 90-day period.

Requirement for Regional Planning

Background

The Texas Workforce and Economic Competitiveness Act, adopted in 1993, established a Human Resource Investment Council as authorized under the Job Training Partnership Reform Amendments of 1992. The Texas Workforce Investment Council (Council) began operations in September 1993 as the state's Human Resource Investment Council.

The federal Workforce Investment Act of 1998 (WIA) replaced the Job Training Partnership Act and required the governor of each state to establish a state workforce investment board.

The WIA provided for a number of grandfather provisions. As the Human Resources Investment Council was in existence prior to the enactment of the WIA, the legislation also allowed Texas to retain its system of local workforce delivery as established under prior consistent state law, including one statutory requirement, specific to the designation or redesignation of workforce development areas for the local planning and delivery of workforce development. The WIA also allowed for Texas to retain the Council as the state workforce investment board.

Expectations of the Regional Plan

States are required to establish regions to ensure that training and employment services support the economic growth and that employment opportunities are meeting the skill competency requirements of the regions. Regional partnerships help facilitate the alignment of workforce development activities with regional economic development activities, and better support the execution and implementation of sector strategies and career pathways. Cooperation between regions can also lower costs and increase the effectiveness of service delivery to businesses and job-seekers through the coordination of shared services, processes, and operations.

The regional plan is the primary vehicle for communicating the vision of a region, collectively with its workforce development area. The plan provides the service delivery model for that area and ensures that the workforce system is job-driven and matches employers with skilled individuals.

The WIOA outlines the activities for the development of a regional plan. Initial designation is effective for two years. Local plans within regions must be incorporated in the regional plan and the regional plan must include a description of all coordinated activities.

Under the WIOA, regional planning requires local elected officials and workforce development areas to engage in a regional planning process resulting in:

- A. the preparation of a regional plan, which includes local plans for each workforce development area in the planning region;
- B. the establishment of regional service strategies, including cooperative service delivery agreements;
- C. the development and implementation of sector initiatives for in-demand industry sectors or occupations for the region;
- D. the collection and analysis of regional labor market data;
- E. the establishment of administrative cost arrangements, including the pooling of funds for administrative costs, as appropriate, for the region;
- F. the coordination of transportation and other supportive services, as appropriate, for the region;
- G. the coordination of services with regional economic development services and providers; and

- H. the establishment of an agreement concerning how the planning region will collectively negotiate and reach agreement with the governor on local levels of performance, as well as report on the performance accountability measures for the workforce development area or the planning region.

Coordination of the Regional Plan

The coordination required for regional planning allows for the workforce development areas to identify areas of efficiency, coordinate effective practices, and streamline service delivery. The workforce development area must submit the regional plan to the governor for approval.

The workforce development area must review the regional plan every two years and submit a modification based on significant changes in labor market and economic conditions. This requirement will help ensure that planning regions use their plans to drive economic development and customer-focused service delivery strategies.

Texas' workforce development areas have collaborated and developed strong partnerships long before the WIOA statutory requirement. Examples include:

- meeting the needs of industries through the collaboration of businesses
- supporting the needs of the oil and gas industry
- participating in a multi-state grant-funded consortium that helps low-income, low-skill job seekers earn the skills and credentials needed to obtain in-demand occupations
- establishing a multiregional coordinated strategy to recruit and train for the needs of businesses
- meeting the needs of employers and job seekers through skills training and the creation and credential of a work-ready workforce

Texas is requesting that the U.S. Department of Labor allow states the flexibility to structure regional planning efforts. This will allow for the workforce development areas to maintain their operations as currently structured so that they may continue promoting, collaborating, leveraging, and ensuring that services are delivered efficiently and effectively to job seekers and employers. This is critical to the success of a workforce system.

In the spring of 2015, a regional identification workgroup composed of staff from the Texas Workforce Commission (TWC) and representatives from workforce development areas met several times. The group provided feedback and recommendations on planning strategies and regional identification to TWC staff. Those comments and recommendations became the basis for a concept paper that articulates the rationale for determining regions in Texas. The concept paper will be considered by the TWC commissioners as the agency begins the implementation of the WIOA.

Regions must be identified in the WIOA state plan, which is being developed by the TWC. This plan will be considered by the Council in February 2016. Following approval by the governor, the state plan must be submitted to the U.S. Department of Labor no later than March 1, 2016.

Infrastructure Funding

The Workforce Development System

In 1995, the Texas Legislature passed House Bill 1863. This act changed the planning and delivery of workforce services to meet the needs of Texas businesses, workers, and communities through an integrated, locally controlled delivery system.

The Texas Workforce Commission (TWC), is partnered with 28 local workforce boards that make up the Texas Workforce Solutions network. Through one-stop centers across the state and in collaboration with workforce partners, Texas Workforce Solutions provides essential workforce development tools and innovative services to support employers and workers.

The primary functions of a local workforce board are planning, oversight, and evaluation for all workforce development activities in the local workforce area. A local workforce board may hire staff to carry out these functions, or it may procure another entity to provide them.

Because of the various workforce partners, each local workforce board is charged with coming to an agreement regarding the infrastructure costs that must be shared by all of the required partners in the system. These agreements are captured in a memorandum of understanding (MOU).

Objectives of Infrastructure Costs

Infrastructure costs are intended to:

- maintain the one-stop delivery system to meet the needs of the local areas;
- reduce duplication by improving program effectiveness through the sharing of services, resources, and technologies among partners;
- reduce overhead by streamlining and sharing financial, procurement, and facilities costs;
- encourage efficient use of information technology to include where possible the use of machine readable forms and shared management systems;
- ensure that costs are appropriately shared by one-stop partners by basing contributions on proportionate share of use, and requiring that all funds are spent solely for allowable purchases; and
- ensure services provided by the one-stop partners increase financial efficiency under the partner's program.

Infrastructure Costs

Infrastructure costs represent the non-personnel costs that are necessary for the general operation of the one-stop center that include:

- facility rentals,
- utilities and maintenance,
- equipment (including skills assessment-related products and assistive technology for individuals with disabilities), and
- technology to facilitate access to the one-stop center, including the center's planning and outreach activities.

Funding of Infrastructure Costs

Infrastructure costs can be funded through either a local funding mechanism or through a state funding mechanism. Both methods, through authorizing legislation and statutes, utilize the funds for one-stop partners.

Federal funds are distributed from a federal agency to a state. The state then allocates the money to the local workforce boards who then allocate funds to the one-stop centers. Under both the local and state funding mechanisms, each one-stop partner must contribute a proportional share of the funding toward infrastructure costs.

Funds for infrastructure costs must come from the administrative funds associated with each respective program. Limitations are also placed on how much each partner can contribute to infrastructure costs. These limitations are as follows, by program:

- Adult, dislocated worker and youth: must not exceed three percent of the federal funds provided to the state
- Vocational rehabilitation: must not exceed 0.75 percent of the federal funds provided to the state in the second full program year; 1 percent of the federal funds provided to the state in the third full program year; 1.25 percent of the federal funds provided to the state in the fourth full program year; 1.5 percent of the federal funds provided to the state in the fifth full program year and in each succeeding year
- Other partners: must not exceed 1.5 percent of the federal funds provided to the state

Local Infrastructure Funding Mechanism

In the local infrastructure funding mechanism, partner programs determine the funds they will use, but these funds must still meet the requirements of the program's relevant statutes and regulations. Under the WIOA, one-stop partners work together to administer the partner programs and other activities as efficiently and effectively as possible.

The local one-stop funding mechanism must meet all of the following requirements:

- Partner infrastructure costs must be funded through cash and in-kind partner contributions to provide a stable and equitable funding stream for ongoing one-stop delivery system operations.
- Partner contributions must be negotiated between one-stop partners, elected officials, and the local workforce board and the amount contributed must be included in the MOU.
- Partner's share of funding must be calculated upon a reasonable cost allocation methodology where infrastructure costs are charged to each partner in proportion to relative benefits received.
- Partner infrastructure costs must be allowable, reasonable, necessary, and allocable.
- Partner shares must be periodically reviewed and reconciled against actual costs incurred.

One-stop partner programs are able to determine the funds they will use for infrastructure costs in a local infrastructure mechanism as long as they are within authorizing statutes and regulations. One-stop partners are not capped on the amount or percent of funding that may be contributed to fund infrastructure costs under the local funding mechanism.

Under the WIOA, if a consensus is not met on methods of adequately funding infrastructure costs through the local infrastructure funding mechanism, the local workforce board must notify the governor and the governor will develop the requirements for funding through the state one-stop funding mechanism.

State Infrastructure Funding Mechanism

In the state infrastructure funding mechanism, the governor determines the amount each partner will contribute for the infrastructure costs. The governor determines partner contributions, based upon a methodology where infrastructure costs are charged to each partner in proportion to relative benefits received and consistent with the partner program's authorizing laws and regulations.

The state board is responsible for developing an allocation formula to be used by the governor to allocate funds to any local workforce boards that did not successfully use the local funding mechanism. The allocation formula must take into account the number of one-stop centers in a local area, the population served by such centers, the services provided by such centers, and other factors relating to the performance of such centers that the state board determines are appropriate and that are consistent with federal cost principles. Amounts will be calculated based on the proportionate use of the one-stop centers by each partner. The governor will consider the statutory requirements and each partner's ability to fulfill such requirements.

The Memorandum of Understanding (MOU)

The WIOA seeks to create a seamless service delivery system by aligning local workforce boards and one-stop partners through the use of MOUs. MOUs are executed in relation to the operation of the one-stop delivery system within the local workforce area to facilitate the implementation of infrastructure funding.

The MOU must contain the following information whether the local areas use either the local one-stop or the state one-stop infrastructure funding method:

- the services to be provided through the one-stop delivery system,
- the costs of such services and the operating costs,
- the methods of referral of individuals between the one-stop operator and the one-stop partners for appropriate services and activities,
- the methods to ensure the needs of workers and youth, and individuals with barriers to employment, including individuals with disabilities, are addressed in the provision of necessary and appropriate access to services, including access to technology and materials, made available through the one-stop delivery system, and
- the duration of the memorandum and the procedures for amending the memorandum during the duration of the memorandum, and assurances that such memorandum must be reviewed not less than once every 3 year period to ensure appropriate funding and delivery of services.

The MOU must include the final plan, or an interim plan if needed, on how the costs of the services and the operating costs of the one-stop system will be funded. Shared operating costs may include shared costs of the local workforce board. Local workforce boards and one-stop partners may develop a single umbrella MOU that applies to all partners, or develop separate agreements between the local workforce board and each partner or groups of partners.

Role of Vocational Rehabilitation with the One-Stop System

Previously, under WIA, one-stop partners were represented on the state and local workforce boards. Under the WIOA, not all partners have seats on these boards. The WIOA designates certain programs as core programs in the workforce development system. Vocational Rehabilitation (VR) is among those designated as a core program and serves as a mandatory member of the state and local workforce boards. The other core programs include adult, dislocated worker, and youth programs, the state employment services (Wagner-Peyser), and the adult education and literacy program.

TEXAS DEMOGRAPHICS

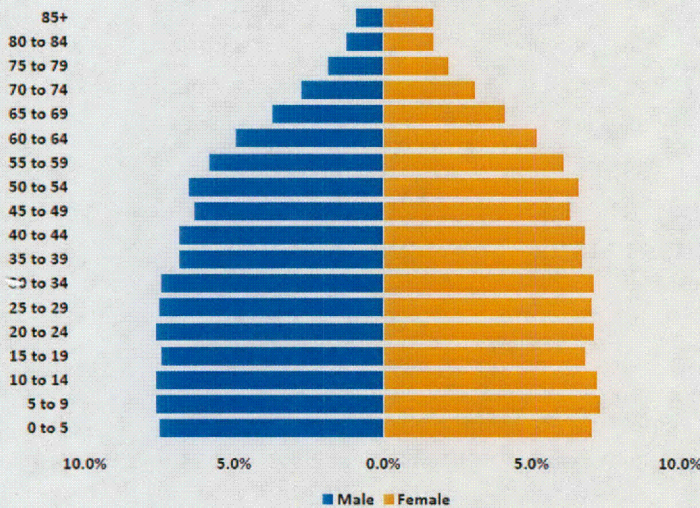
American Community Survey 2014

The Texas Workforce Investment Council (Council) assists the Governor and the Legislature with strategic planning, research, and evaluation for the Texas workforce system. Understanding the composition of the Texas workforce is an important component of planning and policy development. The Texas workforce is young, growing, and diverse, which provides important advantages in the global market. The following selected data from the 2014 American Community Survey (ACS), the U.S. Census Bureau, and the Texas State Data Center illustrate current and projected demographic characteristics of the state.

Texas Population Characteristics

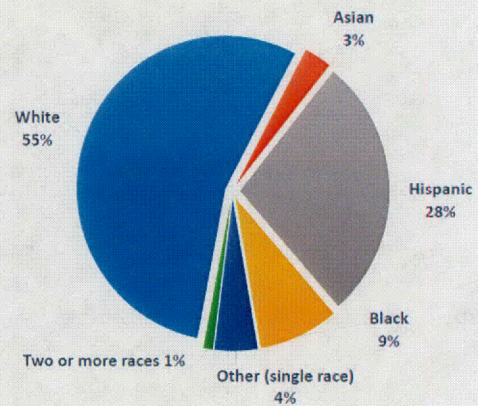
- The population of Texas is 26,956,958. Approximately 83.2 percent of the population is native born and 16.8 percent is foreign born.
- The population is 49.7 percent male (13,384,317) and 50.3 percent (13,572,641) is female.
- The median age in Texas is 34.3 years old, compared to 37.7 nationally.
- Texas has a civilian labor force of 13,210,842, the second largest of all the states.

Texas Population Percentage Pyramid



Source: U.S. Census Bureau, 2014 ACS 1-Year Estimates.

Racial and Ethnic Composition of Texas

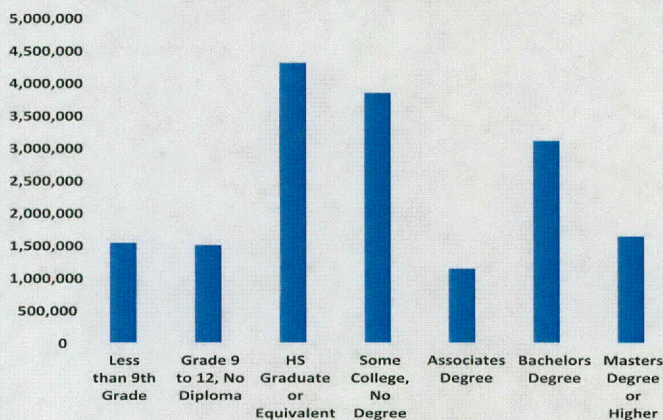


Source: U.S. Census Bureau, 2014 ACS 1-Year Estimates. Rounding affects totals.

Educational Characteristics

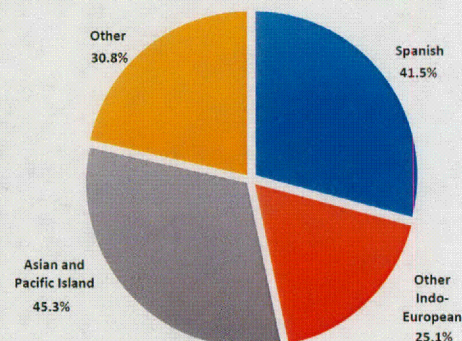
- Approximately 82 percent of the population over age 25 in Texas (14,046,244) has at least a high school diploma.
- Approximately eight percent of the population over age five in Texas (1,949,085) speaks English “not well” or “not at all.”

Educational Attainment, Age 25+



Source: U.S. Census Bureau, 2014 ACS 1-Year Estimates.

Languages Spoken at Home in Texas in Homes Where English is Spoken less than “Very Well” (Age Five+)



Source: U.S. Census Bureau, 2014 ACS 1-Year Estimates. Rounding affects totals. Percentages do not total 100 due to overlap.

Regional Population Distribution

- During the past decade, urbanized metropolitan areas in Texas have been growing dramatically, while many rural counties are experiencing slow growth or are losing population.
- According to estimates by the U.S. Census Bureau, approximately 74 percent of the state's population lives in the six largest metropolitan statistical areas (MSAs).
- The 10 largest counties in Texas (Harris, Dallas, Tarrant, Bexar, Travis, Collin, El Paso, Hidalgo, Denton, and Fort Bend) contain 58.6 percent of the state's population.



The Six Largest MSAs in Texas

MSA Name	2014 Population Estimate	Percent of State's Population	Change from 2010 to 2014
Dallas-Fort Worth-Arlington	6,954,330	26.65%	+501,605
Houston-Sugar Land-Baytown	6,490,180	24.87%	+541,104
San Antonio-New Braunfels	2,328,652	8.92%	+175,397
Austin-Round Rock-San Marcos	1,943,299	7.45%	+215,556
El Paso	836,698	3.21%	+29,600
McAllen-Edinburg-Mission	831,073	3.19%	+51,879
Total	18,210,132	74.29%	+1,515,141

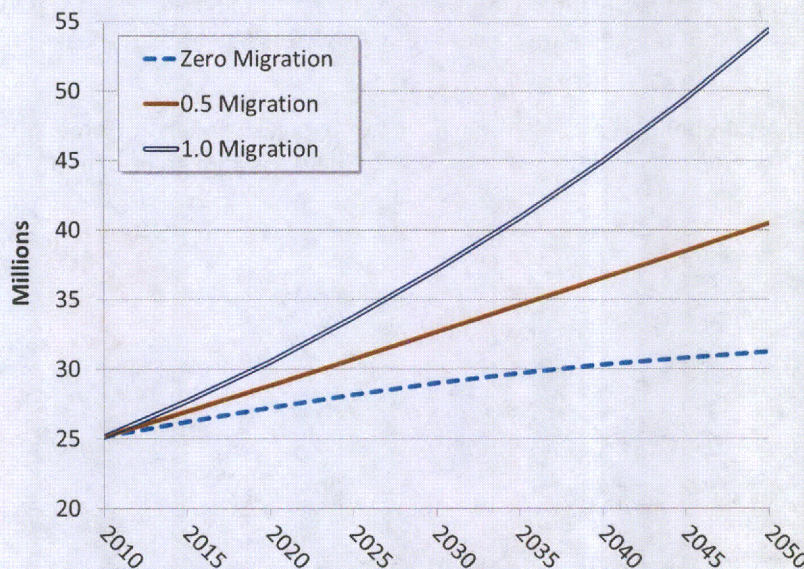
Source: U.S. Census estimates. The Texas population is 26,956,958.

Texas Population Trends and Projections

According to the Texas State Data Center:

- The projected population in 2050 will be 40,502,749, under the 0.5 migration scenario.
- By 2050, the non-Hispanic other category, comprised of mostly Asian Americans, is expected to be the fastest growing segment of the Texas population.
- The age category including Texans over the age of 65 is projected to more than triple in size from 2010 to 2050.
- The Hispanic population will likely surpass the Anglo population by 2020 and make up the majority of the state by 2042.

Projected Population in Texas, 2010 to 2050



Source: Texas State Data Center



Texas Workforce Investment Council

Policy News Highlights

Issue 32, Quarter 4, December 2015

Policy News Highlights is a quarterly review of selected reports relevant to the policy and research functions of the Texas Workforce Investment Council (Council). Federal and state agency websites, in addition to numerous public policy and educational databases, are scanned monthly for relevant and emerging issues. Reports are catalogued and stored electronically in the Council's Information Repository (IR).

The IR is divided into 10 topic areas that correspond to priority issues supporting the Council's current strategic plan. They are: adult education, apprenticeship, career and college readiness, career and technical education, clusters and sector strategies, competitiveness, data, disabilities, supply-demand, and training. Not every topic area is addressed each quarter.

Policy News Highlights is organized as an annotated bibliography with short summaries of recent articles grouped according to their topic area.

Adult Education

Renewing the Promise of the Higher Education November 2015, New America, November 2015

The Higher Education Act, passed in 1965, has provided opportunities to many students who may have otherwise been unable to afford college. However, since its passage, the economy and society have changed greatly. Specifically, postsecondary education has become the new minimum, and by the year 2022, it's estimated that two-thirds of all new jobs will require some form of postsecondary education and training beyond high school, but not necessarily a four-year degree. This includes jobs requiring associates degrees, apprenticeship, certificates, and other industry-recognized credentials. As traditional concepts of the needs of postsecondary students evolve, the transition from school to work has become more difficult. The challenges are exacerbated by the cost of college, which has risen dramatically. This brief explains how the education system can better serve a broad and more diverse group of students in order to prepare them for a changing economy.

www.businessroundtable.org/sites/default/files/news-releases/HEA11.2.pdf

Apprenticeship

Proposal 7: Expanding Apprenticeship Opportunities in the United States, The Hamilton Project, November 2015

Apprenticeship is a training system that produces a highly cost-effective mechanism to prepare skilled workers and reduce youth unemployment. Apprenticeship training is effective not only because it upgrades skills, raises wages, and increases productivity, but apprenticeships provide positive returns for both employers and workers using limited federal resources. While apprenticeships can result in positive outcomes, there are challenges. Apprentices today make up only two-tenths of a percent of the United States labor force. Many employers are unaware of apprenticeship programs. New approaches in the expansion of apprenticeship programs include developing high-level and firm-based marketing initiatives, building on youth apprenticeship programs, extending the use of current postsecondary and training subsidies to apprenticeship, designating best practice occupational standards for apprenticeships, and developing a solid infrastructure of information, peer support, and research.

www.brookings.edu/~media/research/files/papers/2014/06/19_hamilton_policies_addressing_poverty/expand_apprenticeships_united_states_lerman.pdf

The United Services Military Apprenticeship Program: Implementation Study and Feasibility of an Impact Study, The Urban Institute, November 2015

Between 2011 and 2016, more than one million veterans will leave the military and begin civilian life. Military personnel can potentially bridge the gap between military experience and civilian job requirements by gaining valuable credentials through military apprenticeships that are recognized by civilian employers. The Office of Apprenticeship with the U.S. Department of Labor oversees the occupational training with the registered apprenticeship system from the United Services Military Apprenticeship Program (USMAP). The USMAP registers various occupational programs partly by submitting work processes that describe the skills apprentices will learn on and off the jobs. Documenting the work processes helps translate the skills learned in the military into a civilian context. USMAP can help service members make successful transitions to civilian careers by increasing skills that are commonly required for civilian occupations.

[www.dol.gov/asp/evaluation/completed-studies/The_United_Services_Military_Apprenticeship_Program_\(USMAP\).pdf](http://www.dol.gov/asp/evaluation/completed-studies/The_United_Services_Military_Apprenticeship_Program_(USMAP).pdf)

Career and College Readiness

Flipping the Paradigm: Why We Need Training-Based Pathways to the Bachelor's Degree and How to Build Them, New America, November 2015

This research paper explains challenges in the education system for students who need to begin their careers before completing a four-year degree. While students can find secondary education programs that will train them for specific occupations, transferring that learning toward a bachelor's degree is difficult. Without a bachelor's degree, these workers can struggle to advance in their careers. Several states and educational institutions have developed pathways to four-year degrees that begin with a career training program. Some programs include putting two years of general education on top of two years of technical training. Other programs have developed a new applied bachelor's degree that enables students to build on and broaden technical expertise. This research examines how our education system needs to rethink and redevelop how students can most effectively and efficiently apply credit for prior learning toward a bachelor's degree.

[//static.newamerica.org/attachments/11652-flipping-the-paradigm/Flipping-the-Paradigm.0f26409a95ec4052987af5d3084d477f.pdf](http://static.newamerica.org/attachments/11652-flipping-the-paradigm/Flipping-the-Paradigm.0f26409a95ec4052987af5d3084d477f.pdf)

Learning While Earning: The New Normal, Georgetown University Center on Education and the Workforce, November 2015

For decades the definition of the traditional college student has been the full-time student who attends a four-year university directly out of high school. Those students remain but are now outnumbered by working students who balance attending college and earning a paycheck. This report examines individuals who work while attending some type of postsecondary institution. Findings include: 1) more students are working and working full-time while in college; 2) going to college and working simultaneously results in higher success rates than going straight to work after high school; 3) one-third of working learners are 30 years of age or older; and 4) students are taking out more loans to pay for college. However, findings also reveal that working while attending college hurts disadvantaged students. To prosper in the labor market, working learners need effective advising to pursue the most effective postsecondary career pathway.

[//cew.georgetown.edu/wp-content/uploads/Working-Learners-Report.pdf](http://cew.georgetown.edu/wp-content/uploads/Working-Learners-Report.pdf)

Locked Out: Improving Educational and Vocational Outcomes for Incarcerated Youth, The Council of State Governments Justice Center, November 2015

Incarcerated youth are in great need of access to quality education and experience to address barriers to competency and completion. While the data is limited, studies show that at least one in three incarcerated youth is identified as needing special education services. More than half have reading and math skills significantly below their grade level, and approximately 60 percent have repeated a grade. A 2015 electronic survey of all state juvenile correctional agencies revealed that the majority of incarcerated youth do not have access to the same educational and vocational services or the same curriculum and performance requirements as traditional public schools. Most states do not collect or report student outcomes for incarcerated youth. The policies and practices employed during incarceration make it challenging for youth to effectively transition to community-based educational or vocational settings once released. Recommendations include requiring facility schools to provide the same educational and vocational services as traditional public schools; to receive national accreditation for education programs; and to track and analyze data on key student outcome indicators. Lastly, the author suggests that states designate a single agency to ensure that youth successfully transition to a community-based educational or vocational setting after being released.

[//csgjusticecenter.org/wp-content/uploads/2015/11/LOCKED_OUT_Improving_Educational_and_Vocational_Outcomes_for_Incarcerated_Youth.pdf](http://csgjusticecenter.org/wp-content/uploads/2015/11/LOCKED_OUT_Improving_Educational_and_Vocational_Outcomes_for_Incarcerated_Youth.pdf)

Career Pathways Initiatives, College & Career Readiness & Success, September 2015

The Perkins Act of 2006 provides states with federal funding for education. In order to receive these funds, states must create career and technical education programs of study or career pathways that prepare students to make successful transitions into education and the workforce. Several states have designed and implemented multiple career pathways that align career courses with education and workforce efforts and implement common definitions and measures. The Advanced Career Pathways model is designed to allow students to take integrated courses by sequence during high school. The courses are designed for students to meet college and career readiness standards. Students leave prepared for an entry-level job in the career area or for further education without a need for remediation. The course sequence includes two foundational courses and two advanced courses. The objective is for the courses developed in one state to be transferrable to another state.

www.ccrscenter.org/sites/default/files/AskCCRS_CareerPathways.pdf

The Impact of Co-locating American Job Centers on Community College Campuses in North Carolina, The Center for Analysis of Postsecondary Education and Employment, September 2015

Community colleges are critical to workforce development for the array of programs offered that prepare individuals for jobs and for the established partnerships that provide ongoing support within the workforce system. This research report examined the co-location of job centers on community college campuses. The objective of co-locating a job center on a community college campus is to provide students with job search, career counseling, and job placement services in hopes of helping to improve student outcomes, particularly with employment and earnings. However, based on this analysis, the presence of job centers on college campuses appears to have little effect on the student outcomes.

[//ccrc.tc.columbia.edu/media/k2/attachments/capsee-american-job-centers.pdf](http://ccrc.tc.columbia.edu/media/k2/attachments/capsee-american-job-centers.pdf)

The Condition of STEM 2015, National ACT, July 2015

This National ACT report reviews various aspects of the ACT-tested 2015 graduating class, including an interest inventory that allows analysis in the context of science, technology, engineering, and math, all STEM-related fields. This report explains that of the 1.9 million graduates who took the ACT, 49 percent are interested in STEM majors or careers. While five-year trends have increased by two percent in computer science and mathematics majors, the medical and health majors have seen a three percent decrease. Students are measured against a rigorous entry-level college course ACT STEM college readiness benchmark. Forty-nine percent of students who meet the STEM benchmark have a chance of attaining a STEM degree. Only 17 percent of students fall below the benchmark. The students who expressed interest in STEM outperformed their peers in college readiness. The report points out that while students may not be able to articulate interest in STEM early on in their academic study, an introduction to STEM majors and occupations at an early age supports college readiness as well as interest in STEM.

www.act.org/stemcondition/15/pdf/National-STEM-Report-2015.pdf

Career and Technical Education

Building A Strong Relationship Between Competency-Based Pathways and Career Technical Education, Achieve, November 2015

The nation is shifting away from the standard K-12 education model where students follow an annual progression of grade level courses and graduate from high school prepared for college and careers. Several states are exploring a competency-based pathway, also known as a student-centered approach, where students progress based on proficiency demonstrated in the content area versus an established standard of classroom hours. This brief explains how using competency-based elements from career technical education can help integrate the competency-based pathway. This integration would provide new ways for students to demonstrate mastery of college and career ready standards and competencies. Integration leverage points include: contextualized learning, self-directed pathways, experiential learning opportunities, project-based learning, and CBP assessment systems.

www.achieve.org/files/AchieveCBPCTEConnections.pdf

Attracting the Next Generation Workforce, The Role of Career and Technical Education, Manufacturing Institute, Educational Research Center of America, and Skills USA, October 2015

This report discusses the findings of a survey produced to help identify a variety of characteristics that influence student career choices. Intended to inspire dialogue between parents, educators, counselors, and students, the goal of the survey is to better align the needs and experiences of students in preparation for careers. A large number of students identified personal experiences as having the greatest influence on their career decisions. For example, many students experience manufacturing and gain familiarity with industry through a career and technical student organization. The organization

provides a hands-on, project-based learning opportunity in a technical field, and often teams from regional and state schools participate in competitions. This survey found that 31 percent of students enrolled in career and technical education courses participate in these activities, and students engaged in this type of organization are nearly 50 percent more likely to pursue a technical career.

www.themanufacturinginstitute.org/~media/313BCA4C3721444CA8C48F7304F32027.ashx

Clusters and Sector Strategies

Managing the Talent Pipeline: A New Approach to Closing the Skills Gap, U.S. Chamber of Commerce Foundation, November 2015

As the workforce and education systems face challenges to keep up with the changing needs of the economy and employers struggle to find skilled workers, this report discusses a new vision for employer engagement using talent pipeline management. This approach helps employers apply lessons learned from supply chain management to close the skills gap. Talent pipelines drive a competitive advantage, build collaborative networks that create shared value, and align end-to-end performance and incentives. This type of practice positions the employer as the end customer. This type of practice also forges new relationships between employers, educators, and workforce providers that produce better outcomes for students.

www.uschamberfoundation.org/sites/default/files/Managing%20the%20Talent%20Pipeline.pdf

Minding the Gap: Investing in a Skilled Manufacturing Workforce, Jobs for the Future, November 2015

According to this report, the skills gap is more apparent within the manufacturing sector. The manufacturing sector is in need of responsible and ready-to-work individuals with strong reading and math skills trained to work as machinists, welders, and maintenance technicians. While graduation rates and college enrollments are at their highest, the skills gap still remains. Industries, workforce agencies, and educators are collaborating and developing solutions to address worker shortages, but not at the scale to meet the demand. Issues and challenges in the manufacturing industry include an aging workforce, the growing demand for higher skills, and the need for stronger partnerships across business, education, and workforce agencies. This report finds that the best way to fill the manufacturing pipeline includes exposing high school students to employers, partnering with community colleges, building business talent, and providing career advancement opportunities within manufacturing businesses.

www.jff.org/sites/default/files/publications/materials/Manufacturing-Summit-092915.pdf

Work and Learn in Action: Successful Strategies for Employers, National Network: Connecting, Learning, and Work, November 2015

Hands-on work opportunities help students make a connection between what they learn in school and what they need to learn to be successful in their careers. Jobs today require workers to have more technical skills. Workers must have the ability to be responsive to the changing expectations and skill requirements of the occupation. The demographics of workers are also changing, and generations X and Y are increasingly filling leadership roles. But more critically, the rapid changes in technology are driving workers to update and acquire new skills. The work-and-learn program partnerships provide real-world experience on the job while in training. The work-and-learn program connects theory-based classroom instruction with career development and work experience. This approach allows businesses to implement work-and-learn models to address specific workforce needs while building a pipeline for the future. The workers gain and exhibit the hands-on competencies and other common employability skills required for workplace attainment.

www.nationalnetwork.org/walguidebook.pdf

Initial Report on Skills, Talents and Employment Opportunities: Texas' Water and Water Technology Cluster, AccelerateH2O Texas Water Technology Accelerator, October 2015

Funded through the Texas Workforce Commission under a Wagner-Peyser federal grant and in partnership with Alamo Colleges of Greater San Antonio, AccelerateH2O has conducted an initial data collection, assessment, and a general analysis of employment, occupation, and skills scenarios for the water and water technology sector. Texas has approximately 1.4 million workers employed in water-related industries. This level of employment places water and water technology among the top five economic and workforce clusters in Texas. AccelerateH2O captured data at a micro-level on businesses and institutions and began live mapping of academic, industry, utility, and related sub-sector localized clusters. Occupations run the gamut in terms of the educational attainment required, from high-school graduates in operator certified positions to post-graduate PhDs and engineers with masters.

www.texasedc.org/sites/default/files/files/Newsletters/AccelerateH2O%20Report.pdf

Data

Mastering the Blueprint: State Progress on Workforce Data, Workforce Data Quality Campaign, November 2015

The Workforce Data Quality Campaign (WDQC), a broad coalition of national organizations, state leaders, and technical experts, developed a 13-point state blueprint identifying key features of a data system featuring aligned, inclusive, and market-relevant state data. In order to gauge each states' progress against the blueprint, WDQC surveyed all 50 states. The elements of the WDQC blueprint consist of including all students and pathways; counting industry-recognized credentials; assessing employment outcomes; expanding the use of labor market information; and ensuring data access and appropriate use. Crucial discoveries include that 41 states are building cross-agency councils to oversee statewide data collection and reporting. Forty-two states have improved data collection, analysis, and dissemination, and 36 states surveyed share employment data with other states though the data are limited.

www.workforcedqc.org/sites/default/files/images/11%2019%20NSCblueprint_FNL.pdf

Workforce Information Council Skills Initiative, LMI Institute, November 2015

The Workforce Information Council's Skills Initiative created a study group to engage various stakeholders in a dialogue around skills and meeting employer demands. The new Workforce Innovation and Opportunity Act requires data-driven decisions around skills and workplace readiness; however, there is little guidance on the definition of skills. This summary report examines the broad definition of soft skills and hard skills and considers goals when creating a useful data set, including: creating a common language for skills; obtaining the most effective ways to train local workers for top occupations in an area; and encouraging an inclusive workforce intelligence system. The authors recommend establishing a formal structure around the concept to benefit the labor market information community.

www.lmiontheweb.org/download/2015-11/WIC_Skills_Initiative_Summary_Report_-_November_2015.pdf

Workforce Innovation and Opportunity Act: Performance Reporting and Related Challenges, U.S. Government Accountability Office, November 2015

In July 2014, the Workforce Innovation and Opportunity Act brought changes to the nation's employment and training system. The WIOA requires the U.S. Department of Labor and the U.S. Department of Education to collaborate and develop a common performance accountability system for

six core programs that include Adult, Dislocated Worker, Youth, the Wagner-Peyser Employment Services programs, the Adult Education and Family Literacy Act, and the State Vocational Rehabilitation Services programs. The issues addressed in this report include previously reported and anticipated challenges for performance reporting and how federal and state agencies are currently reporting on Workforce Investment Act performance measures for core job training programs.

www.gao.gov/assets/680/672690.pdf

Using Post-College Labor Market Outcomes: Policy Challenges and Choices, CLASP, October 2015

This report discusses the growing need for more data on former students' labor market outcomes, such as post-college employment and earnings. For the first time, the U.S. Department of Education's college scorecard includes median earnings for former students from specific institutions. Additionally, an increasing number of states have websites that display the earnings and outcomes of students who complete particular programs and degree levels. On the policy side, federal legislation has been introduced that would track student-level data including employment and earnings. As this student-level data becomes more available, lawmakers may be tempted to hold institutions accountable for the results at either the state level through outcome-based funding or at the federal level. This report provides recommendations from education practitioners that policymakers should consider before using labor market outcomes data for accountability purposes.

www.clasp.org/resources-and-publications/publication-1/Using-Post-College-Labor-Market-Outcomes.pdf

Engaging Employers in Workforce Data, Workforce Data Quality Campaign, August 2015

For two years, the Workforce Data Quality Campaign worked at engaging stakeholders to create, maintain, and use data systems designed to help businesses, workers, educators, and students make better decisions in relation to career choices, education, and training opportunities. Quality data can be used to determine education pipelines, credentials, and career pathways, as well as where skills gaps exist or if they may emerge. Mississippi and Alabama are two states where employers have taken the lead in data governance. Mississippi Life Tracks, the state's data system, began in 1999. The system has proven to be fundamental to the state's efforts in working with employers and creating an economic development engine. Alabama's system is still in the works. While it would not require additional data, the newly implemented system would connect existing data to evaluate education and workforce trends.

www.workforcedqc.org/sites/default/files/files/WDQC_EmployerEngagement.pdf

Disabilities

One Size Does Not Fit All: A New Look at the Labor Force Participation of People with Disabilities, American Institutes for Research, September 2015

Beginning in the 1970s, policy makers transitioned the objectives of policy for people with disabilities from income support to policies designed to promote labor participation and employment. Some of these policy reforms included the Workforce Investment Act, the Ticket to Work Incentive, The Americans with Disabilities Act Amendments Act of 2008, and the Workforce Innovation and Opportunity Act of 2014. Millions of disabled working-age adults are willing to work but do not have jobs or count as being unemployed. Thirty-two percent of individuals not looking for a job and therefore not included in unemployment figures are reported as being disabled. The number of individuals with disabilities in the workforce has dropped from 25 percent in 2001 to 16 percent in 2014. Several states have introduced the federal initiative Employment First to implement policies and programs designed to

improve the workforce system and increase participation and employment opportunities for people with disabilities. The objective is to remove any barriers to employment and be able to provide safeguards and incentives that meet the needs of the workforce and this population.

www.air.org/sites/default/files/downloads/report/Labor-Force-Participation-People-with-Disabilities-Yin-Sept-2015.pdf

Supply Demand

Sector Partnership Policy Toolkit, National Skills Coalition, October 2015

The National Skills Coalition (NSC) developed a toolkit to help states develop policies that will support local sector partnerships. These partnerships include employers with education and training providers, labor, community-based organizations, and others to address industry skill needs. Sector partnerships are a requirement of the Workforce Innovation and Opportunity Act, and the NSC believes the partnerships should be promoted as a key component of a state's workforce development system. The toolkit developed by NSC provides a guide on key elements for state sector partnership policies, a legislative template for a state sector partnership policy, and case studies on policies in Colorado, Maryland, and Massachusetts.

www.nationalskillscoalition.org/resources/publications/file/Final-Sector-Partnership-Policy-Toolkit-1.pdf

TEXAS WORKFORCE INVESTMENT COUNCIL

Fiscal Year 2016 Expenditure Report

As of January 7, 2016

Description	Budgeted Amount	Expended	Remaining Budget Balance	Percent Expended
Salaries	\$ 787,716.67	\$ 225,812.74	\$ 561,903.93	29%
Professional Fees & Services	6,900.00	\$5,150.00	\$ 1,750.00	75%
Supplies	2,566.00	692.72	\$ 1,873.28	27%
Rent - Machine & Other	8,315.37	7,767.36	\$ 548.01	93%
Rental of Space	9,600.00	\$2,400.00	\$ 7,200.00	25%
Travel - Out of State	7,600.00	\$0.00	\$ 7,600.00	0%
Travel - In State	34,000.00	8,803.54	\$ 25,196.46	26%
Operating Costs	201,089.95	24,172.38	\$ 176,917.57	12%
Total	\$ 1,057,787.99	\$ 274,798.74	\$ 782,989.25	26%

Note: Budget reflects reconciliation through the TWC as of November 2015 (most recent report provided by agency).

This page intentionally left blank.

**Texas Workforce Investment Council
1100 San Jacinto, Suite 1.100 (78701)
Post Office Box 2241
Austin, Texas 78768-2241**

**Voice: 512/936-8100
Fax: 512/936-8118**

Staff Roster

Lee Rector	Director	<i>lee.rector@gov.texas.gov</i>
Raul Ortiz	Deputy Director	<i>raul.ortiz@gov.texas.gov</i>
Anne Dorsey	Program Specialist	<i>anne.dorsey@gov.texas.gov</i>
Denise Curtis	Administrative Assistant	<i>denise.curtis@gov.texas.gov</i>
Kaki Leyens	Program Specialist	<i>kaki.leyens@gov.texas.gov</i>
David Mass	Research Specialist	<i>david.mass@gov.texas.gov</i>
Leslie McCormick	Editor	<i>leslie.mccormick@gov.texas.gov</i>
Kristin McEntyre	Planner	<i>kristin.mcentyre@gov.texas.gov</i>
Laura Pittman	Planner	<i>laura.pittman@gov.texas.gov</i>
Mary LaRue	Executive Assistant	<i>mary.larue@gov.texas.gov</i>
Royce Wu	Research Specialist	<i>royce.wu@gov.texas.gov</i>

