

**TEXAS WORKFORCE DEVELOPMENT BOARD
PLAN MODIFICATIONS
GUIDELINES**

A. Background

In developing the Texas Workforce Development Board (Board) planning guidelines for the Fiscal Years 2007–2008 (FY'07–'08) two-year planning cycle, the Texas Workforce Commission (Commission) challenged Boards to position themselves to influence the direction of all workforce activities in their local workforce development areas (workforce areas)—regardless of the funding source or services provided. In this way, Boards would achieve their objectives by leveraging their limited resources with those of their partners and move closer to a market-driven system. To accomplish this, Boards have become involved with their communities, and regions have moved beyond the boundaries of their workforce areas.

B. FY'07–FY'08 Board Plans

FY'08, the second year of the two-year planning cycle, covers the period from October 1, 2007, to September 30, 2008. Boards must submit a plan modification to update information in the FY'07–'08 plan and to respond to any new direction for local implementation adopted by the Commission. Based on Commission guidance at the November 15, 2006, meeting, the plan modifications must consider regional economic conditions and local industry cluster initiatives in the development of a high-priority occupations list to target training resources.

In the past year, Boards were required to increase meaningful contact with employers as well as enhance engagement of employers, economic development organizations, and industry associations. Through their employer contacts, Boards now should be able to determine the projected level of demand for skilled workers in the regional high-priority occupations. Further, Boards should be honing their ability to identify the transferable skills possessed by workers in waning occupations for the purpose of placement with other local employers or retraining in other occupations with significant impact on the regional economy. In the plan modifications, Boards must focus on perfecting these skills in preparation for fully addressing each issue as a requirement for the FY'09–'10 planning cycle, which will focus on aligning available education, training, and lifelong learning opportunities with employer needs in the regional economy.

The plan modifications guidelines set forth the criteria by which Board plans will be reviewed and recommended for approval to the Governor. Through the plan modifications, Boards are encouraged to update or revise information in any section of their plans—including providing information on their progress and success in programs and activities set forth in the FY'07–'08 plans. At a minimum, the plan modifications must include an updated list of high-priority occupations based on regional economic analysis. Boards located in the workforce areas designated for unified regional planning must submit a joint regional plan, in accordance with the requirements in these guidelines. Boards also may submit additional information in various formats such as charts or lists, as needed.

C. Regional Planning

The impetus for regional planning through resource sharing and joint service provision is based on anticipated efficiencies, elimination of duplication, the threat of diminishing resources, and the potential reduction in service delivery and administrative costs.

At its November 15, 2006, meeting, the Commission directed Boards in designated regions of the state to collaborate on the development of a single, unified, regional planning agreement and plan that dedicates local resources to the regional mission, goals, and objectives.

The following are the three designated regions, which share labor markets or similar economic development areas with other contiguous workforce areas.

1. Cameron County workforce area (consisting of Cameron County)
Lower Rio Grande workforce area (consisting of Hidalgo, Starr, and Willacy counties)
2. Capital Area workforce area (consisting of Travis County)
Rural Capital workforce area (consisting of Bastrop, Blanco, Burnet, Caldwell, Fayette, Hays, Lee, Llano, and Williamson counties)
3. Dallas County workforce area (consisting of Dallas County)
Tarrant County workforce area (consisting of Tarrant County)
North Central Texas workforce area (consisting of Collin, Denton, Ellis, Erath, Hood, Hunt, Johnson, Kaufman, Navarro, Palo Pinto, Parker, Rockwall, Somervell, and Wise counties)

For FY'08, each designated region is required to submit a regional plan as Appendix 8, which must be prepared collaboratively by all Boards in each region and submitted by each Board—*in addition* to the Board's plan modification.

D. Submission Requirements

Plans modifications are due no later than July 6, 2007.

Boards must submit the plan modifications as follows:

- E-mail the plan modifications, consisting of a narrative section and appendices, to: Board.Plans@twc.state.tx.us;
- Scan and submit Appendix 7, Memoranda of Understanding, in Adobe PDF format; and
- Complete and submit Appendix 9 indicating the page number of all new information as well as any revisions or additions to the existing narrative. (New information in Appendix 9 is *italicized*.)

Boards may submit the plan modifications in Microsoft Word or PDF format. (It is recommended that Boards submit the plan as a single PDF document created in Adobe Acrobat 6.0 or higher, thereby avoiding potential layout, font, and other format compatibility issues.)

E. Fiscal Years 2007–2008 Texas Workforce Development Board Strategic and Operational Planning Guidelines

Section E sets out the new information required in Appendices 1 through 5 of the plan modifications. In addition to the required information, Boards also may use the plan modifications to update or revise their FY'07–'08 Board plans.

Negotiating performance targets is a separate process from preparation of the plan. Performance target information will be included in the plan modifications by reference.

The FY'08 allocations will be transmitted to the Boards through a Workforce Development (WD) Letter and included in the plan modifications by reference.

Appendix 1. Elements of System Operation

WD Letter 15-06, issued March 23, 2006, and entitled "Texas Workforce Development Board Planning Guidelines for Fiscal Years 2007–2008," sets forth the required information for the FY'07–'08 Board plans.

Boards are not required to respond to Question a.2 in Appendix 1, Elements of System Operation.

For the plan modifications, Boards also must provide responses to the following additional questions for inclusion in Appendix 1.

Child Care

- Describe how the Board integrates the delivery of child care services with other workforce services [§809.12(a)].
- Briefly describe the Board's coordination efforts with the following entities in developing the plan modification and policies for the design and management of child care services [§809.14(a)]:
 - Federal, state, and local child care and early development programs
 - Representatives of local governments
- Briefly describe the Board's efforts to coordinate with the following entities regarding the availability of full-day, full-year child care [§809.14(b)]:
 - School districts
 - Head Start and Early Head Start program providers

Training Funds

What percentage of the Board's total Workforce Investment Act (WIA) allocation will be devoted to training costs?

Structure

- Describe the Board's workforce service delivery contracting structure. Include the management structure and contracting model or method. Reference compliance with WD Letter 02-07, issued January 22, 2007, and entitled "Procurement of Workforce Services," in your response.
- Indicate whether the Board or the workforce service contractors use a staff leasing company or professional employer organization. If so, describe the arrangement in detail, including whether the entities are licensed by the Texas Department of Licensing and Regulation.
- Describe how the Board ensures separate staffing between the Board and the staff of the workforce service contractors.

Reprocurement

- Indicate whether the Board will reprocure for delivery of workforce services based on WD Letter 02-07.
- If so, state when the reprocurement took place or will take place. State whether this time frame is the renewal option point or the end of the current contract.
- State the term of the Board's contracts for workforce services.

Employer Involvement

- Provide a list of the local economic development entities, chambers of commerce, and industry/employer associations that are actively engaged in the workforce system.
 - Describe the relationships and types of interactions these partners have within the workforce system.
 - Provide a brief description of any model projects or best practices the Board is implementing in collaboration with local economic development entities, chambers of commerce, and industry/employer associations.
- Describe the Board's role in local and regional economic development efforts.
- Provide a detailed, but brief, summary of any economic development or labor market projects in which the Board may be participating during the plan modification time frame.

Appendix 2. List of High-Priority Occupations Identified through Direct Employer Input and Labor Market Analysis

The following information must be included in Appendix 2 (Attachment 2 to this WD Letter).

1. A list of high-priority occupations *for which WIA-funded training will be made available* and their corresponding O*NET codes, as identified through the Board's labor market analysis and based on employer validation and local wisdom.
 - Sufficient justification must be provided for each occupation included on the high-priority occupation list. The justification may include:
 - Governor's Industry Cluster Initiative;
 - TWC/LMCI Industry Clusters
(<http://www.texasindustryprofiles.com/PDF/twcClusterReports/TWCLMCISectorsCrosswalkby4DigitNAICS.xls>);
 - local cluster study of the regional labor market;
 - locally determined high-growth, high-demand occupations;
 - locally determined emerging occupations; or
 - businesses and industries that are not included in any categories listed above but that have a significant impact on the local economy. (The significant impact must be explained.)
 - For each occupation on the high-priority occupation list, the Board must provide the level of projected demand for skilled workers expressed in terms of the total number of current and projected job openings during FY'08. This number must be an aggregate total of the job demand data for specific occupations collected from local employers as they participated in validating the labor market information.
2. A narrative explanation of how the Board identifies the transferable skills possessed by workers in occupations that are in decline in the regional labor market for the purposes of placement with other local employers and retraining in another occupation with significant impact on the regional economy. Explain how this information is provided to and used by the Business Services Unit.

Appendix 3: Local Workforce Development Board Strategic Planning Alignment with Texas Workforce System Strategic Plan

The Texas Workforce Investment Council (Council) is charged under both state and federal law with the responsibility to recommend Board plans and plan modifications to the Governor for approval. The Council reviews each plan to ensure that the local goals and objectives are consistent with the statewide long-term objectives (LTOs) in the state strategic plan – *Destination 2010: FY 2004-FY 2009 Strategic Plan for the Texas Workforce Development System*. In addition, the Council reviews the previous year’s accomplishments to assess the degree to which Boards are effective in achieving state and local goals and objectives.

Each Board shall submit information required in the three parts of this Appendix. There are 21 Long-Term Objectives (LTOs) contained in *Destination 2010*; currently Boards are required to report on six LTOs (5 system long-term objectives and 1 program long-term objective); 15 LTOs (5 system and 10 program long-term objectives) are optional for reporting.

INSTRUCTIONS

Part 1. Results of the 2006 Survey of Texas Employers revealed several themes consistent with those raised in previous employer surveys. In Part I, the Council requests information on Local Board innovations, activities and strategies that address these recurrent themes.

Part 2. In the first year of the two-year planning cycle (FY 2007), Boards included information in the local plan about strategies and activities that address the System/Program LTOs listed as **Required (R)** in the matrix. In Part 2, Boards referred to the page numbers in the plan that contained the information corresponding to the each required LTO.

For FY 2008, the second year of the planning cycle, Boards will **note one of two responses** next to each required LTO and next to any optional LTOs that the Board addressed in year one:

1. If the FY 2008 plan includes no changes to the information referenced in Part 2 in FY 2007, the Board will indicate “**no change**” on the matrix.
2. If the FY 2008 plan includes changes to the information referenced in Part 2 in FY 2007, the Board will summarize the changes on the matrix and include the page numbers of the modified plan sections.

Part 3. Next to the System/Program LTOs listed as **Required (R)** in the matrix the Board will include a brief description of annual performance from the effective date of the current local plan. The Board will include actual performance numbers and rates where appropriate and available.

REPORTING REQUIREMENTS

Part 1. The Council is required under Texas Government Code, Section 2308.101(10), to monitor the operation of the state’s workforce development system to assess the degree to which the system is effective in achieving state and local goals and objectives, thereby meeting the needs of its customers.

In 2006 the Council conducted its fourth survey of Texas employers. The survey assessed employer satisfaction with workforce development system programs and services and identified how important those programs and services are to employers. Previous employer surveys were conducted in 2001, 2002, and 2004.

Two **Required** LTOs in *Destination 2010* focus on customer satisfaction and specifically relate to the employer survey. LTO CU1.0 targets an increase in the number of Texas employers using workforce programs and services as evidenced by an increase in customers served. LTO CU2.0 focuses on increasing employer awareness of, use and satisfaction with, workforce products and services. This LTO targets an increase in employer satisfaction as demonstrated through the Council's employer survey.

Results of the 2006 Survey of Texas Employers revealed several themes consistent with those raised in previous employer surveys. In Part I, the Council requests information on Local Board innovations, activities and strategies that address these recurrent themes. Provide a brief narrative description of the activities that your Board is implementing or plans to implement regarding:

- 1. Efforts to increase employer use of and satisfaction with screening and placement services, including strategies to increase the quality of referrals to employers.**
- 2. Local or regional initiatives and activities to facilitate employers' access to customized training.**
- 3. Local or regional initiatives and activities that address employers' concerns about the lack of employability skills (teamwork, problem-solving, dependability) in the workforce.**

See the workforce system strategic plan at <http://www.governor.state.tx.us/divisions/twic/mandate/view>

Parts 2 and 3:

Destination 2010: FY2004-FY2009 Strategic Plan for the Texas Workforce Development System (TWDS) Long-Term Objectives				
Required	LTO ID#	SYSTEM LONG-TERM OBJECTIVES	Part 2: If unchanged from FY 2007 submission, indicate “no change” on the matrix. If modified from FY 2007 submission, summarize changes on matrix and include page number(s) of the modified plan sections	Part 3: Briefly describe annual performance from the effective date of the current local plan. Include actual performance numbers and rates where appropriate and available.
	SI2.0	All system partners and associated workforce service providers will participate in the scope and development of a system-wide universal information gateway designed to provide a consistent and universal framework for all system customers and provider information on system projects, services and solutions.	NA	NA
R	CU1.0	Increase system-wide, the number of employers using TWDS products and services.		
R	CU2.0	Employer Customer Satisfaction levels in system programs and services will increase as determined by the combined satisfactory and above satisfactory categories in the Council’s System Employer Survey.		
	CU3.0	Increase the percentage of adult education students completing the level enrolled.		
	SC1.0	Achieve job growth increases.		
	SC2.0	Develop, approve, fund and implement a strategic alliance business model that targets a minimum of three strategic industry clusters that hold long-term strategic relevance to the State.		

Destination 2010: FY2004-FY2009 Strategic Plan for the Texas Workforce Development System (TWIC) Long-Term Objectives

Required	LTO ID#	PROGRAM LONG-TERM OBJECTIVES	Part 2: If unchanged from FY 2007 submission, indicate “no change” on the matrix. If modified from FY 2007 submission, summarize changes on matrix and include page number(s) of the modified plan sections	Part 3: Briefly describe annual performance from the effective date of the current local plan. Include actual performance numbers and rates where appropriate and available.
	SC3.0	Expand existing program or create a new program that enables employers to directly, readily and accountably access funds for new hire or incumbent worker training.		
R	SC4.0	Design and implement a methodology and system for identifying and assessing employer needs.		
R	SC5.0	Develop system to review workforce education programs and make recommendations to revise or retire them as appropriate to the current and future workforce needs identified in coordination with employers.		
R	SC6.0	Increase the awareness; access rates, participation, and relevance of services to small and mid-size businesses throughout the State.		
	CU3.1	Increase the percentage of adult education students receiving a high school diploma or GED.		
	CU3.2	Increase job placements as a result of STEP mature worker programs and services.		

Destination 2010: FY2004-FY2009 Strategic Plan for the Texas Workforce Development System (TWIC) Long-Term Objectives

Required	LTO ID#	PROGRAM LONG-TERM OBJECTIVES	Part 2: If unchanged from FY 2007 submission, indicate “no change” on the matrix. If modified from FY 2007 submission, summarize changes on matrix and include page number(s) of the modified plan sections	Part 3: Briefly describe annual performance from the effective date of the current local plan. Include actual performance numbers and rates where appropriate and available.
	CU3.3	Increase academic and future workplace success of youth by increasing the HS graduation and/or certification (GED) rates.		
	CU3.4	Reduce the percentage of student dropouts from public schools between grades 7 and 12.		
	CU3.5	Increase the percentage of exiting secondary students pursuing academic and/or workforce education.		
	CU3.6	Increase TX higher education participation rate.		
	CU3.7	Increase the number of certificates, associates and bachelors degrees awarded annually.		
	CU3.8	Sustain job placements for students exiting post secondary programs.		
	CU3.9	Decrease number of TANF recipients cycling on and off TANF.		

Destination 2010: FY2004-FY2009 Strategic Plan for the Texas Workforce Development System (TWIC) Long-Term Objectives

Required	LTO ID#	PROGRAM LONG-TERM OBJECTIVES	Part 2: If unchanged from FY 2007 submission, indicate “no change” on the matrix. If modified from FY 2007 submission, summarize changes on matrix and include page number(s) of the modified plan sections	Part 3: Briefly describe annual performance from the effective date of the current local plan. Include actual performance numbers and rates where appropriate and available.
	CU4.0	Increase the percentage of adult offenders placed in jobs prior to release. Increase constructive activity rate for youthful offenders.		
R	CU5.0	Increase the percentage of persons receiving vocational rehabilitation services from the Department of Assistive and Rehabilitative Services (DARS) who remain employed after exiting the program.		

Appendix 4. Process Elements

a. Public Comment

General Information

Boards must provide local entities and the general public with an opportunity to review and comment on their plan modifications as follows:

- Boards must publish an announcement, at a minimum, via the local news media that the proposed plan modification is available for public comment. Boards are encouraged to post the announcement on their Web sites as well. The announcement must specify the location where the proposed plan modification can be reviewed.
- Boards must make a draft of the proposed plan modification available for a *minimum of 30 days*. It is recommended that Boards publish the proposed plan modification as early as possible to allow ample time to receive and respond to public comments. **(Note: The plan modifications are due to the Commission no later than July 6, 2007.)**
- Boards must outreach local entities and the general public—including representatives of business, labor, economic development, and education—and ensure that they receive an appropriate opportunity to comment on the plan modification and are allowed to submit written comments to the Board.

Instructions

1. Provide a written description of how the Board's plan modification was made available for public comment. The description must include:
 - a. date of publication;
 - b. final date of the 30-day comment period;
 - c. name and address of the publication(s) used; and
 - d. date of any public hearings.
2. Provide a written summary of any negative comments about the Board's plan modification received from Board members, local entities, and the general public. If no negative comments were received, include a statement to that effect.

b. Fiscal Agent

(See WD Letter 15-06, Attachment 1 for instructions)

c. Priority of Service

(See WD Letter 15-06, Attachment 1 for instructions)

Appendix 5. Signature Page

(See WD Letter 15-06, Attachment 1 for instructions)

Appendix 6. Assurances

(See WD Letter 15-06, Attachment 1 for instructions)

Appendix 7. Memoranda of Understanding

(See WD Letter 15-06, Attachment 1 for instructions)

Appendix 8. Regional Plans

In February 2006, the U.S. Department of Labor launched the Workforce Innovation in Regional Economic Development (WIRED) initiative. WIRED focuses on the role of talent development in support of regional economic competitiveness, increased job growth, and new opportunities for all American workers. In January 2007, DOL updated its national strategic direction to incorporate regional planning in all workforce areas. This new national philosophy is based on the WIRED pilot programs and includes the concepts of creating increased flexibility, efficiencies, integration, and access to higher education.

As detailed in Section C of this attachment, the Commission has designated three regions sharing labor markets or similar economic development areas that are required to submit a regional plan as Appendix 8 of their Board plans.

The regional plan must include the following information:

1. Regional mission
2. Regional goals and objectives
3. Regional planning agreement signed by each Board Chair within the designated region.
4. A description of how the Boards conducted the regional needs/gap analysis.
5. A description of the following:
 - Regional strategies to identify emerging issues and develop solutions;
 - Regional labor market analysis to include regional strengths, weaknesses, opportunities, and threats (SWOT);
 - Identification of regional clusters;
 - Amount and type of resources dedicated to regional activities, including attainment of the regional mission, goals, and objectives;
 - Joint planning to meet employer needs, including employment statistics, employment opportunities, and trends; and
 - Regional employer involvement.

6. A description of how the Boards in the designated regions worked together to develop shared labor market information, including a consolidated list of regional high-priority occupations and how these occupations were validated by employers on a regional basis.
7. A list of the regional high-priority occupations, including O*NET codes and the level of projected demand for skilled workers expressed in terms of the total number of current and projected job openings during FY'08. This number should be an aggregate total of the data representing the need for specific occupations collected from local employers as they have participated in validating the labor market information.
8. A description of the integrated program aspects and activities throughout the region. Boards within the designated regions must provide a commitment to align training programs and examine program consolidation opportunities. The following are examples of activities that Boards may wish to integrate regionally:
 - Shared training providers
 - Joint procurement
 - Coordinated transportation, child care, or support services
 - Coordinated business services process to develop common-criteria performance standards, and application procedures across Boards to ensure easy program access by businesses
 - Coordinated management of Texas Workforce Centers
9. A description of how each Board determined the extent and kinds of resources to devote to the regional efforts.
10. The outcomes that should be used to benchmark success, based on the regional goals and objectives.

Resources

The following information is provided to assist Boards in developing their plans. These useful tools are recommended but not required.

1. WIA State Plan: http://www.twc.state.tx.us/boards/wia/state_plan/state_plan.html
2. The State Training Inventory is a compilation of Texas education and workforce training providers, their programs, contact information, labor market information, enrollment, and graduation data where available:
<http://www.texasindustryprofiles.com/apps/sti/index.asp>

3. Guidance on conducting a labor market analysis and identifying high-growth, high-demand occupations:
http://www.twc.state.tx.us/boards/board_plan/integratedplan.html
4. Guidance on conducting a clusters approach to regional workforce and economic development: LMCI Publication, *Getting Down to Business: A Practitioners Guide to Understanding and Operationalizing a Clusters Approach to Regional Workforce and Economic Development*.
5. TWC/LMCI Industry Clusters: each industry found in Texas is assigned to one of the eighteen TWC/LMCI employment sectors. The chart at <http://www.texasindustryprofiles.com/PDF/twcClusterReports/TWCLMCIsectorsCrosswalkby4DigitNAICS.xls> includes the four-digit North American Industry Classification System (NAICS) codes for each industry included in each cluster.