

## Board Contract Year 2010 Performance Targets

**Background** – On June 2, 2009, the Texas Workforce Commission (Commission) approved the set of performance measures to be formally contracted for Board Contract Year 2010 (BCY 2010) and approved targets for three siloed Workforce Investment Act (WIA) Common Measures. On August 18, 2009, the Commission approved performance targets on the remaining non-WIA measures. The following discusses target development and identifies the approved Local Workforce Development Board (Board) targets.

### Target Development

- 1) **Project Reintegration of Offenders (Project RIO)** – Board efforts to increase Project RIO Customers Served in line with the increase in funding provided by the Texas Legislature starting in State Fiscal Year 2008 (SFY 2008) have been successful, and the system should meet or exceed the goal of serving 48,000 Project RIO-eligible ex-offenders for SFY 2009. Now that Board efforts to outreach and serve ex-offenders are more mature and most Boards are able to meet their targets, the Commission used a “flat” target-setting process. Board targets are based on a flat percentage of the total Project RIO-eligibles expected to be in their local workforce development areas.

The Legislative Budget Board (LBB) has indicated that parolee numbers for 2010 should be similar to 2009. Therefore, the target methodology used the average Project RIO-eligible counts for four recent rolling 12-month periods to set the assumed numbers for next year. Board targets were then set at 46.4% of the assumed number of eligibles. The 46.4% figure was used because that allows Board performance to aggregate up to the 48,000 LBB target once duplication between Boards is accounted for.

- 2) **Reemployment and Employer Engagement Measures (REEMs)** – The following describes the method used to develop targets on each measure:
  - Claimant Reemployment and Claimant Reemployment within 10 Weeks – The Commission previously indicated the importance of keeping the goals for claimant reemployment high, particularly in this difficult economic period. Also, American Recovery and Reinvestment Act of 2009 is providing funding for an additional 350 temporary Employment Services staff in the field to assist with reemployment, and the system will have additional funds to provide reemployment incentives to employers in the Rider 31 money. As such, BCY 2010 targets were set at the same level as the BCY 2009 targets.
  - Staff Created Job Openings Filled and Market Share – For BCY 2009 targets, the Commission set a minimum “goal” for performance in BCY 2010 (floor) as well as a target maximum (ceiling). These minimums and maximums were used to set BCY 2010 targets according to the following method:
    - Determined 95% of recent performance<sup>1</sup>.
    - If 95% of recent performance was below the floor, set target at the floor<sup>2</sup>.
    - If 95% of recent performance was above the ceiling, set target at the ceiling<sup>3</sup>.
    - Otherwise, the target was set at 95% of recent performance.
- 3) **Child Care** – Targets for Average Children Served Per Day were set based on the previously approved Target Setting Methodology<sup>4</sup> and the approved Child Care allocations:

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<sup>1</sup> As published in the June 2009 Monthly Performance Report

<sup>2</sup> Staff Created Job Openings Filled floor is 65%. Market Share floor is 25%.

<sup>3</sup> Staff Created Job Openings Filled ceiling is 75%. Market Share floor is 35%.

<sup>4</sup> WD Letter 30-09 provides additional detail on the target setting methodology for Child Care.

- 1) Determine Admin/Ops Set Aside – This step involves how much of the allocation should be assumed to be needed for Administrative and Operations Expenditures.
- 2) Determine Amount Minimally Available for Direct Care – This is the allocation minus the Admin/Ops Set Aside.
- 3) Determine the Avg Max Direct Care Cost – This is the amount that Boards would pay on average for a unit of Child Care next year given their Maximum Reimbursement Rates, Average Copay Amounts, and Expected Case Mix.
- 4) Determine the Affordable Target – Amount Minimally Available for Direct Care divided by the Avg Max Direct Care Cost divided by the number of Child Care Days in the contract period (261).
- 5) Set Final Targets – Affordable Targets for Boards that had significant improvement in Admin/Ops<sup>5</sup> are reduced until the sum of all targets reach the LBB target (110,765).

#### 4) Choices

- Single Parent Texas-Mandatory Participation Rate – This measure focuses solely on Choices cases that Texas law and Texas Health and Human Services Commission (HHSC) rules classify as being subject to work requirements. The target of 50% is based on the Temporary Assistance for Needy Families (TANF) Reauthorization standard.
- Single Parent NON-Mandatory Participation Rate – This measure includes those single-parent cases that federal regulations consider to be subject to work requirements but that Texas law and/or HHSC rules exclude from work requirements. In addition, this measure includes those single-parent cases that are exempt from work requirements under federal regulations but who choose to participate. The target for BCY 2010 was set at the BCY 2009 level of 10%.
- Two Parent Participation Rate – Because of the method by which Texas funds its two-parent program, two-parent families are not subject to the TANF Reauthorization standard of 95%. As such, the target was set at the LBB level of 55%. This is a reduction from BCY 2009 because the LBB target is lower next year.

#### 5) Integrated Common Measures

- Staff Assisted Entered Employment – This measure does not have an LBB or U.S. Department of Labor (DOL) target. Targets were set at 80%, which is the level at which the targets have been for several years.
- At Risk Employment Retention – Targets were set at the LBB level of 76%.
- Educational Achievement – Targets were set at the LBB level of 80%. This is a reduction from BCY 2009 because the LBB target is lower next year.

- 6) **WIA Youth-specific Common Measures** – Targets on Placement in Employment/Education, Attainment of Degree/Certificate, and Literacy/Numeracy Gains were set at the DOL target levels of 58%, 53%, and 35% respectively.

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<sup>5</sup> A Board is considered to have “significant improvement” in Admin/Ops % if the average of the last four rolling 12-month periods is less than 95% of the prior year-end Admin/Ops %.

**Board Targets –**

| <b>Individual Board Targets</b> |                         |                     |  |                              |  |   |                   |
|---------------------------------|-------------------------|---------------------|--|------------------------------|--|---|-------------------|
| <b>Project RIO</b>              |                         | <b>REEMs</b>        |  |                              |  |   | <b>Child Care</b> |
|                                 | <b>Customers Served</b> | <b>Market Share</b> | <b>Staff-Created Job Openings Filled</b> | <b>Claimant Reemployment</b> | <b>Claimant Reemployment within 10 Weeks</b> | <b>Average # of Children Served Per Day</b> |                   |
| 1                               | Panhandle               | 1,026               | 26.00%                                   | 70.00%                       | 67.00%                                       | 60.00%                                      | 1,939             |
| 2                               | South Plains            | 1,275               | 29.00%                                   | 75.00%                       | 67.00%                                       | 60.00%                                      | 2,002             |
| 3                               | North Texas             | 418                 | 25.00%                                   | 67.00%                       | 65.30%                                       | 60.00%                                      | 844               |
| 4                               | North Central           | 2,641               | 28.00%                                   | 71.00%                       | 67.00%                                       | 56.60%                                      | 6,316             |
| 5                               | Tarrant County          | 3,817               | 25.00%                                   | 75.00%                       | 66.40%                                       | 50.00%                                      | 5,716             |
| 6                               | Dallas                  | 5,984               | 25.00%                                   | 75.00%                       | 66.90%                                       | 54.00%                                      | 10,491            |
| 7                               | North East              | 810                 | 29.00%                                   | 75.00%                       | 67.00%                                       | 52.30%                                      | 1,491             |
| 8                               | East Texas              | 2,334               | 25.00%                                   | 75.00%                       | 67.00%                                       | 60.00%                                      | 3,184             |
| 9                               | West Central            | 749                 | 25.00%                                   | 75.00%                       | 67.00%                                       | 60.00%                                      | 1,595             |
| 10                              | Upper Rio Grande        | 1,153               | 34.00%                                   | 65.00%                       | 63.80%                                       | 50.00%                                      | 5,847             |
| 11                              | Permian Basin           | 1,102               | 25.00%                                   | 75.00%                       | 67.00%                                       | 60.00%                                      | 2,270             |
| 12                              | Concho Valley           | 448                 | 35.00%                                   | 65.00%                       | 66.80%                                       | 60.00%                                      | 708               |
| 13                              | Heart of Texas          | 935                 | 28.00%                                   | 65.00%                       | 67.00%                                       | 60.00%                                      | 1,630             |
| 14                              | Capital Area            | 2,262               | 25.00%                                   | 65.00%                       | 67.00%                                       | 60.00%                                      | 3,074             |
| 15                              | Rural Capital           | 758                 | 25.00%                                   | 75.00%                       | 67.00%                                       | 57.20%                                      | 2,250             |
| 16                              | Brazos Valley           | 806                 | 26.00%                                   | 75.00%                       | 67.00%                                       | 58.30%                                      | 1,161             |
| 17                              | Deep East Texas         | 862                 | 34.00%                                   | 69.00%                       | 67.00%                                       | 60.00%                                      | 1,750             |
| 18                              | Southeast Texas         | 1,553               | 28.00%                                   | 75.00%                       | 67.00%                                       | 60.00%                                      | 1,536             |
| 19                              | Golden Crescent         | 542                 | 25.00%                                   | 65.00%                       | 67.00%                                       | 60.00%                                      | 1,002             |
| 20                              | Alamo                   | 3,765               | 30.00%                                   | 75.00%                       | 67.00%                                       | 60.00%                                      | 8,181             |
| 21                              | South Texas             | 222                 | 35.00%                                   | 73.00%                       | 67.00%                                       | 56.70%                                      | 2,487             |
| 22                              | Coastal Bend            | 1,163               | 25.00%                                   | 66.00%                       | 67.00%                                       | 60.00%                                      | 2,600             |
| 23                              | Lower Rio Grande        | 996                 | 29.00%                                   | 65.00%                       | 67.00%                                       | 50.00%                                      | 9,311             |
| 24                              | Cameron County          | 528                 | 32.00%                                   | 65.00%                       | 67.00%                                       | 53.50%                                      | 4,268             |
| 25                              | Texoma                  | 431                 | 33.00%                                   | 75.00%                       | 67.00%                                       | 58.10%                                      | 604               |
| 26                              | Central Texas           | 876                 | 26.00%                                   | 65.00%                       | 64.30%                                       | 59.10%                                      | 1,915             |
| 27                              | Middle Rio Grande       | 177                 | 35.00%                                   | 75.00%                       | 67.00%                                       | 54.10%                                      | 1,409             |
| 28                              | Gulf Coast              | 12,895              | 27.00%                                   | 69.00%                       | 67.00%                                       | 53.70%                                      | 25,183            |
|                                 | Statewide               | 48,001              | 25.10%                                   | 70.30%                       | Unset by DOL                                 | 55.20%                                      | 110,764           |

| <b>Common Board Targets</b>                    |     |                                   |     |                                   |     |
|--|-----|-----------------------------------|-----|-----------------------------------|-----|
| Single Parent Mandatory Participation Rate     | 50% | Staff-Assisted Entered Employment | 80% | Placement in Employment/Education | 58% |
| Single Parent Non-Mandatory Participation Rate | 10% | At Risk Employment Retention      | 76% | Attainment of Degree/Certificate  | 53% |
| Two Parent Participation Rate                  | 55% | Educational Achievement           | 80% | Literacy/ Numeracy Gains          | 35% |