



**WORK SESSION OF THE
TEXAS WORKFORCE COMMISSION**

DATE

JULY 25, 2023

1 Tuesday, July 25, 2023

2 CHAIRMAN DANIEL: Good afternoon. This work
3 session is called to order. Mr. Trobman, has anybody signed up
4 for public comment?

5 MR. TROBMAN: No, sir.

6 CHAIRMAN DANIEL: Thank you, Mr. Trobman.
7 All right. We've got two goals today. The first part is to
8 discuss initiatives or programs for FY2024 using available
9 statewide reserve balances and then we also want to take a look
10 at some work that in particular the Workforce Division but I
11 think other staff members have worked on reviewing existing
12 initiatives. We'll start with the new initiatives and then we'll
13 wrap things up with the review and discussion of what staff's
14 been working on relative to reviewing existing initiatives. As
15 we get started, I just want to make sure I'm still correct on
16 this. As of yesterday, we've got about 3.1 million in TANF
17 statewide reserve, the commission reserves, about 12.98 million
18 in WIOA, and about 3.61 million in AEL state leadership. That
19 seems about right. That is correct.

20 CHRIS NELSON: That's including the balances
21 in 2023 and our budget balance of 2024. 2023 by August 31st we'll
22 move it [inaudible].

23 CHAIRMAN DANIEL: OK. And that includes
24 balances from FY23 and 24, all of those spent in FY24 which
25 starts in about a month or so. Everybody will recall in the June

1 13th meeting Chris stated to the commission that we should make
2 decisions sooner rather than later and so that we should meet so
3 here we are. I think he was absolutely right about that. I think
4 there's a lot of benefits to looking at our available pots of
5 money and make decisions now about how to use them rather than
6 just sort of bringing one-off projects throughout the year.
7 That's today's discussion. I have proposals for three different
8 components. One of them has multiple projects in it. I'm not
9 totally concerned about dollar amounts until August, get our
10 stuff on the table. So if you don't mind, I'll just move out
11 with mine. I'll lay out what I'm talking about then I definitely
12 want to hear from you guys on your ideas and then we'll sort of
13 figure out where the money rests with that. The first one that I
14 wanted to talk about is related to a rural workforce strategy. I
15 think that when you look at the state, you'll see that the 25
16 largest counties in the state have about 77 percent of the
17 state's population. It stands to reason that the WIOA money, the
18 TANF money, and the formula funds that go out to the boards tend
19 to follow that population in those 25 counties. The flipside to
20 that though is also true. There's about seven million people,
21 which is 23 percent of the state's population that live in the
22 other 229 counties. The formula resources meaning the stuff that
23 just goes to the boards relative to the same formula that we get
24 our money federally, they don't end up providing a lot of money
25 for the people in those 229 counties. It's understandable. It's

1 not where the population is. The seven million people in our
2 rural population is a population that's larger than a lot of
3 state populations. It's still a sizeable group of people and
4 some of these communities have very bona fide economies and a
5 lot of economic development going on, and I think there are
6 times when we see that the workforce development might not even
7 be keeping up with the economic development. So I started
8 thinking about what kind of strategy would I want to see for our
9 rural communities and I committed that to paper here just as a
10 way for us to kind of be on the same page, literally, as to what
11 it is that I'm proposing here. I have several recommendations
12 relative to this. If we just kind of go through those quickly
13 we'll come back and answer any questions if there's something
14 specifically you want to delve into. First and foremost, I would
15 recommend for consideration that we appoint a rural workforce
16 working group that's made up from different groups that have
17 doing a lot of work in this area. I'm thinking about groups like
18 Texas Midwest Community Network, The High Ground, Texas Rural
19 Funders, Texas Forest Country Partnership. There's several
20 groups that have for two decades or more have been really
21 focused on rural issues, and I think that they have a lot of
22 information here and are really trying to help rural communities
23 put together those resources. This rural working group would
24 include maybe some employer groups, maybe some community college
25 groups, maybe some others. But I think that with some support

1 from both OEI and the Workforce Division, I think this working
2 group could really help us understand what's going on in the
3 rural areas and help us pinpoint our resources out to those
4 areas. To kick that off, I would recommend for consideration
5 that we convene a rural summit this fall where we bring together
6 rural stakeholders from across the state and talk through what
7 are the workforce development challenges relative to rural Texas
8 but then also to begin identifying solutions to help address
9 those challenges. And then a couple of specific monetary
10 programs that I think we could put in place that are a little
11 bit copying some things we've done elsewhere and some of these
12 are a couple of hybrids. The first one I would propose would be
13 a training lab that a rural Workforce Board could work in
14 conjunction with other county or rural municipalities of less
15 than 25,000 population or an unincorporated part of a county
16 that had less than 200,000 population, which is a definition
17 that I think TWC should establish for this entire rural
18 initiative. So municipalities less than 25,000, unincorporated
19 parts of a county of less than 200,000. It's just a general
20 rural definition. I got that from statute. The 25,000 is a
21 general government code, part of the statute referring to rural
22 communities. 200,000 seems to what the Department of Agriculture
23 uses for a lot of their programs. That's where those in
24 particular came from. These training labs would allow these
25 partnerships and I would expect that each of the partners in the

1 partnership, county or municipal government, community college
2 or technical school, and Workforce Boards for that area would
3 each contribute something to the learning lab. So for example,
4 we would make money available that the Workforce Board could
5 defray some costs, maybe the county government offers up a
6 building, maybe the community college says we've got a mobile
7 welding unit we can bring over there. Those are the types of
8 partnerships that I'm thinking of. In addition to that, I would
9 encourage us to consider providing some kind of priority scoring
10 in the Upskill Texas program that we've been successfully
11 operating for these rural communities to maybe advance their
12 particular applications relative to training possibilities for
13 employers. I don't necessarily have the best idea for that. I
14 just—it's worth considering if we want to do rural triggers.
15 Similarly, but slightly different and somewhat in between these
16 two, I'd say we would want to consider increasing the available
17 funding for the high-demand job training program, and in doing
18 that, I would also offer the option to eliminate for boards
19 qualifying as a rural board under that definition, that we get
20 rid of the per-board award cap and that we allow training in any
21 field on that board or TWC's in-demand job list as long as it's
22 in a rural community. Basically, not limiting them to the number
23 of these they can do if they want to focus on rural communities.
24 A last one relative to money would be to establish a fund to pay
25 for costs associated with credentials issued as a result of CTE

1 coursework. I've seen a lot of dual credit training in rural
2 high schools. Community colleges are doing that. I think we do a
3 lot of training but we don't always see that through to the
4 available sort of certificate that they might need or some
5 particular state credential that they're trying to get. I think
6 if we could supplement that effort, I really think that we could
7 capitalize on what's going on relative to and high schools both
8 at the high school CTE level and dual credit CTE, maybe even
9 something going on at the community college. There's seven parts
10 of this, the seventh part is simply just the right kind of
11 outreach for these initiatives in the rural areas. Those are the
12 seven things relative to the rural initiative. This document
13 pretty well summarizes them all and gives us an opportunity to
14 see what those are. I have two more sort of broad proposals that
15 I'll put out there and commissioners, if we could get your ideas
16 on the table, I think a mass discussion about those is probably
17 well warranted at this point. This is a follow up on our middle
18 skills gap initiative. Still a large issue, I think something
19 like 270,000 of the job postings in the state in June would
20 qualify as middle skills, that's like half the jobs that are on
21 the list. Middle skills jobs still very good. I think our
22 Upskill Texas program, that pilot project, has performed very
23 well. My understanding is there's about for every four dollars
24 in applications, we've got about one dollar of available
25 funding, so it's like four to one, 20 to five, I think if you

1 look at our proportions. I think, as a pilot program, I do think
2 there's still some things that we want to know about that before
3 we go all in and try to figure out what that funding level is,
4 but I did want to make sure it was part of the discussion, and I
5 could definitely see if there's available funds and no competing
6 interests that we do consider some plan to increase funding for
7 Upskill Texas. The critical occupations apprenticeship has also
8 performed well and I think I could see a path to getting
9 additional funding for that. There's been some issues with the
10 funding just because it comes from multiple funding streams.
11 There may be a need to even shore that up in the short term and
12 we can ask some questions about that. Again, I think middle
13 skills, much like the rural initiative, and certainly there's
14 some overlap, both WIOA statewide and TANF funding could be used
15 to pay for either exams for licensure credential assistance for
16 people who are getting some critical training out there. And
17 then, I might ask staff really to take a look at this depending
18 on what we do here today, but I think boards particularly, with
19 regard to middle skills, I think they're in a position to really
20 take and match up people who have these newly acquired
21 credentials with the open jobs that are out there, and I could
22 definitely see us making some statewide reserve funds available
23 to boards to do even more matchmaking with folks that come into
24 the out door and hopefully some more outreach to get some more
25 folks through the door. Those four items on middle skills gap

1 that I'd like for us to consider. And then one last major
2 category, this is having to do with workforce development,
3 economic development, and where they overlap. I'm still
4 convinced based on all my experience that we are probably not
5 positioned as well as a lot of people would like to see us
6 positioned in the conversation about both economic development
7 and workforce development and how those kind of overlap in the
8 state. There's a lot of people have said workforce development
9 is economic development and vice versa and I would actually
10 agree with them, but I think there's a lot of iterations of this
11 depending on what community you're in. So three things I just
12 wanted to get on the table for discussion here relative to this.
13 My understanding is that boards use a lot of tools relative to
14 data and other things that supplement our LMCI data from here.
15 Our LMCI data from here is very good. But developers and
16 consultants that are consulting for site selection, they use a
17 lot of different tools and we need to be able to use those tools
18 and [inaudible]. It doesn't seem cost effective to me for 28
19 boards to try to figure out those technological solutions. What
20 I'm recommending here in my first recommendation is that TWC
21 figure out what are the most common tools, how those tools are
22 best used, TWC acquire those tools and acquire whatever is
23 necessary so that boards can use those tools. These are the
24 types of reports that consultants and others use to make those
25 types of decisions, particularly where workforce demographics

1 are involved and particularly where various training levels are
2 involved. I think we can do a very good job of helping boards
3 have the types of things that will get them and keep them in the
4 conversation. This will help us position our Workforce Solutions
5 network as one of the leading experts on labor market insights.
6 There are a lot of people paying money outside our system to get
7 the same types of insights that we would deliver to them for no
8 extra charge. They just pay for them and they move on. It's just
9 the cost of doing business and I think we offer all of what
10 they're paying for but I think we have insights that they can't
11 pay for because we have those and we can definitely deliver
12 those. The third recommendation with regard to this one would be
13 on a targeted service delivery model so that we are really
14 focusing on the issues that are plaguing employers from hiring
15 the people that they might need to hire. In other words, if
16 you're a hospital and you're trying to hire nurses, like why?
17 Are there not enough educators in your area? We can do more to
18 help them solve local problems. I think we're doing good here,
19 but I think we have an opportunity to move to great and I'd like
20 for TWC to zero in on what is that targeted service delivery
21 model so that those employers who have chronic workforce
22 shortages, we can help them find a solution that's sustainable
23 for them. Again, like most things, a last thing I recommend is
24 just that TWC staff should develop the type of outreach plan
25 that would let this be successful. That's a lot. I just poured a

1 lot out. I'm happy to answer any questions. I'm actually really
2 interested in hearing, Commissioner Demerson and Commissioner
3 Treviño, what your ideas are and then I'm really looking forward
4 to a healthy conversation about those, so I'm happy to answer
5 any questions. Otherwise, I'm going to turn it over to
6 Commissioner Demerson to lay out any ideas he might have and get
7 those on the table so then we can hear from Commissioner
8 Treviño.

9 COMMISSIONER DEMERSON: Thank you, Mr.
10 Chairman. A couple of things. I don't have any discussion papers
11 but I want to—I have staff working on a few items so a couple of
12 things that I'll be working on with the new commission reserve
13 dollars. There's something to the Make It Movement that's out
14 there. You guys have probably heard about that but that's
15 something that I want staff to start looking into. That's
16 actually allowing opportunities for high school students to go
17 into career opportunities and so the Make It Movement is
18 something of interest to me. I know they're piloting something
19 in the Central Texas area and will probably be trying to take
20 that statewide and then probably across America at some point
21 but they'll start here in Texas. Secondly, there's a mobile unit
22 initiative called Be Pro Be Proud that's out there. Some of the
23 boards in the Dallas area I believe are looking at this model,
24 and I'll probably want a discussion paper centered around that
25 to see if there's a role for us to play not only in the vehicle

1 but maybe the programs that are centered around such a vehicle
2 as such again driving opportunities for employers here in Texas
3 to gain a valuable workforce and so that's adventurous as well.
4 The internship initiative that I'll be willing to double down. I
5 think we've had about two and a half years of good, solid work
6 in that space and there's a lot more that can be done so I want
7 a deeper dive around that, our Texas Interns Unite! initiative,
8 our Texas internship challenge initiative, and the like, and
9 again employers feeding into that space would be something that
10 I'll want to work on. Lastly, two or three other items. ESports,
11 I've talking with the governor's office on some of their
12 initiatives, they have a Family Music Office and a gaming
13 division I believe that you, chairman, may have ran at one point
14 as well over in that work but that's becoming very prominent in
15 the world but Texas has an opportunity to really lead in that
16 space, and I think the agency has done some things in the
17 eSports arena at one point. I want to see what that is, see some
18 of the results of that and make sure that we're not missing the
19 mark or missing the boat around that, and so eSports would be
20 something of interest [inaudible] and then rounding it off with
21 Second Chance GRACE conference, different things along those
22 lines to your point of employers needing access to workforce,
23 people with credentials, and I this past weekend had an
24 opportunity to be with the guys in Lockhart, Texas, at one of
25 the minimal facilities, women, 1,000 women inmates there, about

1 47 of them receiving credentials in collaboration with the
2 program that's at ACC, and they were receiving credentials
3 associated with logistics, with welding, all of those things,
4 and this is a valuable workforce for employers if fitting the
5 right way, and so there's an interest to me along those lines
6 and making sure that employers are aware of both the tax
7 opportunities as well as the workforce that's coming from that
8 space is of interest. And then last on the small business side,
9 I'm not sure exactly what I want to crystallize here but working
10 with the governor's office and the small business programs they
11 have, small business employers as it relates to internship
12 opportunities as it relates to making sure that they're trained
13 up, getting solid in that area is something of interest, and it
14 kind of ties in with some of the rural initiatives that you
15 talked about, Mr. Chairman, around the rural communities. I've
16 had a session with rural employers and so I've—we had rural
17 employer—internship opportunities for rural employers, game
18 changing type of discussions. When you look at the rural
19 community, when you have a kid in a position to come home for
20 the summer and make \$20 an hour where the company will spend
21 about \$10 when you use the program that the Higher Education
22 Coordinating Board has as Texas Works so we have game changing
23 opportunities that creates win-win situations for those
24 businesses and those individuals, both the employer and
25 employee, and just continuing to work on making sure that we're

1 bringing the worlds of workforce, economic development, and
2 education together as best as possible to keep moving the ball
3 but those are the five or six, one, two, three, four, five, six
4 items that are of interest to me in that space.

5 CHAIRMAN DANIEL: All right.

6 COMMISSIONER TREVIÑO: I have a couple of
7 discussion papers but it's dealing with the same—dealing with
8 the foster youth. In my prior job in law enforcement, I always
9 saw the need for help with foster youth, and I don't think it's
10 still been focused as it should be or it could be. DFPS have
11 reported in June 2023 that 10,850 children were in foster care,
12 2,368 who were in foster care are ages between 14 and 17. Foster
13 youth and former foster youth especially find it difficult to
14 identifying services and assistance that they are eligible for.
15 The Texas Veterans Network is extremely successful in helping
16 veterans with advanced training and referral and finding those
17 jobs, and we want to kind of use that model to do something for
18 the foster youth that are getting ready to transition out and
19 hit that cliff as they say. So about 1,500 network-building
20 events—this is the Texas Veterans Network, they have 1,500
21 network-building events over 250 training options and workshops,
22 and over 84,000 referrals with 48,000 duplicated vets served. We
23 want to kind of replicate that to reach the—have a reach service
24 for foster youth. I didn't know we were talking about money but
25 I put that in there so you all can just see it but this is what

1 I would like to propose. We would like for staff to bring
2 forward the formal initiative for Texas Foster Youth Network
3 designed to support the development of a statewide network as
4 described in the discussion paper presented today. Once that
5 initiative is brought back to the commission for consideration,
6 and then you all can just see—I didn't mean to throw that in
7 there right now but that's—didn't want to get ahead of everybody
8 but that's what it is so everybody can see that and then we can
9 discuss that. The second one dealing also with the foster youth
10 is to have a Texas conference for foster youth. Again, same
11 statistics from DFPS that reported in June of 2023 that 2,368
12 youth are in foster care ages 14 to 17, and not including
13 [inaudible] care. Only 51 percent of the former foster youth
14 completed high school or got a GED so the other ones never
15 completed high school or got a GED. So it is important to reach
16 the foster care youth before they exit so that they can receive
17 guidance and helping navigate the challenges and barriers
18 because they don't really know what they need to do or they go
19 to do that so I'm proposing for a pilot conference for foster
20 youth to have maybe 200 attendees. It will be a full day with
21 keynote speakers, workshops, and have student panels, service
22 expos to highlight the services that they are eligible for, and
23 again I'm sorry I put a cost but that's anticipating about
24 65,000 using WIOA state funds, and probably within the next
25 school year of 2023 to present this. I would just like to bring

1 that, the Texas conference foster youth pilot initiative as
2 described in the discussion paper—to have that proposed here so
3 that we can discuss that and maybe bring it up at the next
4 meeting or whatever you all see fit but those are the only two
5 papers I have.

6 CHAIRMAN DANIEL: All right. Courtney, does
7 your crew have anything relative to 2024 new initiatives?

8 COURTNEY ARBOUR: I think you all have
9 provided us with a lot to think about.

10 CHAIRMAN DANIEL: All right, perfect. I
11 just—lots going on. OK, so what I came prepared to do today was
12 to kind of hash out the dollars and try to figure out how much
13 money to put toward everything and ask staff to move out with
14 that. I have some dollar amounts for mine that are—is what I
15 really kind of think that they would cost. I'm happy to share
16 with staff. Commissioner Demerson, do you have a dollar idea in
17 mind for these ideas that you had? Here's what I'm thinking
18 because we brought this, we should have, Mr. Trobman, proof that
19 we do not collaborate outside the communities we brought, just
20 some three to four ways—write that down somewhere for somebody
21 to see. We brought this information in three different ways and
22 we can spend the next little bit deliberating through those,
23 asking questions, asking for dollar amounts, and we can cobble
24 something together but it does occur to me—which is what I
25 probably would be inclined to do but it occurs to me sitting

1 here watching three people that I admire greatly, really four if
2 you count Chris, scribbling furiously all this information that
3 they're getting. It might be better that we kind of let the pros
4 try to figure out what these program parameters might look like,
5 what's the most appropriate fund for the money to come from, let
6 the chief financial guy say how much money is available so that
7 we don't make a decision that we have to just go back and amend
8 later so not necessarily what I thought we might come out of
9 here with today but I'm not in any way bothered by the result so
10 what I'm proposing is that we would let staff take the
11 information that they just received which will require me to
12 kind of read into the record the dollar amounts that I had
13 envisioned for what I was thinking about, let staff crunch
14 through those keeping in mind available dollar resources,
15 available staffing resources, what the timelines look like for
16 getting some things done, and then come back to us quickly—not
17 today but quickly with a—what's the word for that? Where they've
18 taken and put it all together in one place, a comprehensive list
19 of what that's going to look like and how those dollar amounts
20 fit, and then bring that to us in a commission meeting and we
21 can go through that and consider that. So I'm thinking that's
22 the best way to get this tied up in an orderly way. If you
23 disagree, like let's disagree. You won't offend me. We can
24 pursue this any way you want to but it just occurs to me that if
25 Workforce and OEI staff can look at this, understand how they

1 would staff it, understand how much dollars we've been spending,
2 they can put that together in a complete and comprehensive
3 package and bring that back for us. We can move some dollar
4 amounts around then if we want to. It's always our prerogative
5 but I want to have a really good discussion about this and I
6 thought all three of us did a good job of laying out what we
7 were interested in. Does that seem reasonable or did you have
8 another expectation today?

9 COMMISSIONER TREVIÑO: As far as I'm
10 concerned, no, I mean I didn't really have any expectation
11 because this is my first time but I wanted to make sure that we
12 got the discussion out.

13 CHAIRMAN DANIEL: Absolutely.

14 COMMISSIONER TREVIÑO: So I'm happy about
15 that so as long as we can continue that, I'm good with that.

16 CHAIRMAN DANIEL: I think that would be the
17 plan, is for us to let them flesh this out, tell us how they
18 would implement it. I mean I've given some broad guidelines
19 here. You've done the same. By the way I'd be remiss if I didn't
20 say the Texas Veterans Network does work exceedingly well and
21 it's a smart one to copy. I really think that program's done
22 very well but let them tell us how they would operate it and
23 give us some reasonable expectation on cash. Commissioner
24 Demerson, does that sound OK to you?

25

1 COMMISSIONER DEMERSON: Yeah, it makes
2 sense. The items that I've mentioned here are ones that will go
3 with Courtney's team, Workforce Division and the team work on
4 the discussion paper around it from our offices and the like,
5 and so then come up with the dollar amounts around it makes
6 sense and then we'll be told what you can and can't do
7 [inaudible] make sense and short of the money that's outlaid or
8 outlined, if the requests do not come in to a point where we're
9 bumping each other with this is the dollar amount I want and
10 there's not anything left over, that's where we need to kind of
11 talk through from that standpoint to make sure that we're—we
12 don't have to but if we want to try to support the programs that
13 we think are worthwhile, then kind of having that conversation
14 makes sense to me.

15 CHAIRMAN DANIEL: All right, so my
16 description of the programs that I have recommended are in the
17 three papers that I submitted. Commissioner Treviño submitted
18 two papers that were very clear to me of what his interests were
19 here. Commissioner Demerson is going to work with staff to flesh
20 out his ideas. Clearly you have a concept of what you want to do
21 and so I think you can flesh that out. I'm doing this just so
22 it's on the transcript later. Commissioner Treviño has suggested
23 that he wants \$4,000,000 to be a starting place for his foster
24 youth network. He has also suggested \$65,000 for his foster
25 youth conference. I'm going to read off a list of dollar amounts

1 that I had thought about relative to the different programs that
2 I outlined for the purpose of the discussion. On the rural
3 initiative, the rural strategy working group and summit, \$75,000
4 would be my recommendation on that. Again, staff is going to
5 have to work through these. They're going to have to make all
6 this fit. The rural strategy training labs, \$1,000,000. The
7 rural strategy high-demand job training increase, \$1,000,000.
8 The rural strategy CTE credentials, \$250,000. The rural strategy
9 outreach effort, I put \$100,000. I think there's other ways to
10 get to that. An increase for Upskill Texas, I had put in as a
11 recommendation of \$5,000,000. Critical occupations
12 apprenticeship, \$2,000,000. The skills licensing credentials
13 effort, \$250,000, and then on the middle skills board
14 connections, the economic development labor market data
15 technology enhancements, the enhanced projections for boards and
16 the in-demand training, specialized employer outreach and
17 training relative to the economic development initiative, staff
18 is just going to have to tell us what those things would cost so
19 particularly those board connections and those technology
20 things, I would just ask you to make a recommendation. So those
21 were where I was envisioning for those programs so Commissioner
22 Demerson, when he's working with you will give you I think some
23 idea of what he was thinking so when all this comes back, bring
24 us all these initiatives with some idea of how they would
25 operate, and then your best estimate for a dollar amount for

1 that initiative, probably want to tell us why, and use up all
2 the money because it occurs to me looking at this, AEL, there
3 may be things about that I don't understand or know and those
4 funds may be available for something I wasn't even thinking
5 about so I think that's why this is a good thing. So you'll
6 bring back all the initiatives outlined today, how they'll
7 operationalize with a staff-recommended dollar amount, bring
8 that to a commission meeting, commission will take that up as an
9 item. I suspect there will be additional discussion. There could
10 even be amendments but that will be a good starting place for
11 us. Does that--is there any objection to us moving out in that
12 manner?

13 COMMISSIONER DEMERSON: Mr. Chairman, what
14 was the total amount? Do you know what your total--

15 CHAIRMAN DANIEL: My total amount is
16 \$9,775,000.

17 COMMISSIONER DEMERSON: So 13, and so
18 Commissioner Treviño's is about 4.6, four million so 13. Chris,
19 the numbers that we have over here, WIOA statewide has
20 \$12,000,000 commission reserve, and we have about \$13,000,000
21 there, and then \$3,000,000 in TANF, and then 3.6 in AEL state
22 leadership but again I like the chairman will need to kind of
23 figure out what plays in that space as well so it sounds like
24 about \$13,000,000 in kind of requests that's out there and
25 enough to fund some things here.

1 CHRIS NELSON: Correct. As staff go back and
2 look at—we'll have to see which can be funded—

3 COMMISSIONER DEMERSON: Which area, yeah.

4 CHRIS NELSON: We have to treat the dollar
5 when—we have to treat the dollars discretely to like a pie so
6 what activities you can do with them is more like a Venn
7 diagram, maybe able to spend one activity can be funded with
8 both programs possibly, or it could be one activity could only
9 be funded with one [inaudible].

10 COMMISSIONER DEMERSON: OK, all right.

11 CHAIRMAN DANIEL: So if there's no
12 objection—Mr. Serna. I found you in the crowd finally. That's
13 what we're asking staff to do. Chris was very clear with the
14 commission that he wants us to make these decisions sooner
15 rather than later so we'll keep that timeline in mind. Have I
16 overplayed that yet? [Inaudible]. So soon, whenever that is. I
17 know we've got a lot going on. All right, gentlemen, the second
18 part to today's work session, I have, since I arrived here at
19 TWC been asking all executive staff that I come in contact with
20 for a lot of information about performance of their programs,
21 individual performance of their programs, and I will tell you
22 from the time period of 2019 through the end of 2021, I've got
23 very little information back from anybody at this agency
24 regarding the performance of our programs. I have to honestly
25 say we asked for a report again on really a review of all of our

1 programs and how they work, and I was honestly so impressed with
2 the product that came back, I actually had to call people and
3 tell them I was impressed with the product that came back. This
4 is a very good piece of staff work. It was very thorough with
5 some things. There are some things that can't be done right now
6 that have to be done in the future, and it's very clear as to
7 why and so let me just open this next part of this discussion
8 with my compliments to staff for being very much a good steward
9 of all the resources that TWC has been given, and taking time to
10 do an absolutely phenomenal job in getting us started down a
11 road where we can truly measure the impacts of our programs.
12 Barring any comment from the other commissioners, I'll turn it
13 over to you and your crew to kind of go through this with us,
14 tell us what we're looking at, and tell us where things are
15 headed but before that, Commissioner Demerson, do you have any
16 comments?

17 COMMISSIONER DEMERSON: I was going to echo
18 your sentiments exactly and I shared that with the staff as well
19 the work that they put into this and the work that the document
20 gets done. I said thank you to the team over and over for this
21 [inaudible] to work.

22 COMMISSIONER TREVIÑO: Exactly, it's a
23 professional organization as you know that's moving very well so
24 I'm very happy to be here.

25 CHAIRMAN DANIEL: Courtney.

1 COURTNEY ARBOUR: Thank you for that
2 acknowledgement. Our current case management system does not
3 track any of the statewide initiatives so staff in this room
4 have been for years gathering information in a relatively
5 archaic way and putting it together. The new case management
6 system has modules for non-board grantees to be able to track
7 that which will automate a lot of this but I appreciate Leslie
8 and the team. There's a lot of good stuff, shouldn't say names,
9 in pulling this level of detail so that you can have quarterly
10 updates on any grant you would like to see, and then for budget,
11 the budget process every year to be a lot more streamlined.
12 Posted today in the notebook and what has been briefed to you
13 all is a summary document that I think will be helpful. Your
14 staff have all been briefed with probably a hundred different
15 pages with a level of granularity on each of these initiatives
16 grouped by type, the type of deliverables that we've written
17 into each of the grants, the outcomes that we've seen so far,
18 the budgeted amount, the expenditures. For the purposes of this
19 exercise and this work group, the team looked at all of the
20 existing initiatives, and we did like maybe a three-year look
21 back and looked at a number of things that we thought were going
22 to be priority. Leslie, I'm going to summarize these and I'll
23 hand it off to you to high level go over some of the findings of
24 our research. We looked at these from a number of different
25 angles to see what we thought would be of value to the

1 commission and to us as we administer these grants and the
2 outcomes that we expect to see. Number one, is it required by
3 statute? If so, we need to keep improving it but we need to make
4 sure that we either go to our legislators or find a change that
5 we could make. Does it still address a relevant issue? Do the
6 activities reflect the needs of the target populations that we
7 know that our workforce system is intended to serve? Do we
8 provide grant funds for other similar initiatives? How can we
9 combine those? You all have been supportive of us trying to look
10 at different youth initiatives for instance and find ways to
11 procure those differently so that we're not doing smaller grant
12 awards for a number of different initiatives when we could lump
13 those together differently. Are other organizations or agencies
14 providing the same or similar programming? If so, how can we
15 leverage that, maybe change the way we're operating? What are
16 some of the negative consequences associated with eliminating an
17 initiative in which case we look to change those. What are the
18 achievements, feedback, pre and post survey, pre and post
19 surveys on the deliverable outcomes we've seen in the grants and
20 how should that inform our future discussions, and is this still
21 considered to be high priority and high value based on what
22 we're seeing in the Texas workforce? Of course, everybody in
23 this room is in touch with some part of the Texas workforce, and
24 we're all collaboratively listening. Mary and I talk a lot about
25 what she's seeing from employers, what we're hearing on the job

1 seeker side or from boards, and so those are the questions that
2 we asked ourselves as we went through the analysis. We
3 categorized a few of these and we can go over that to give you
4 an idea of what we will be doing as we prepare the next round of
5 funds and we present a budget to you in the future for these
6 initiatives.

7 LESLIE KRUSE: So based on the nine
8 questions that are in the executive summary along with the
9 historical expenditures and the performance data, staff made
10 recommendations in seven categories, and Courtney has mentioned
11 those to you today. I just want to briefly do a high level of
12 each category and hit some of the initiatives that we looked at.
13 The first category is to continue the initiative as is. When we
14 did the analysis on these, there's not a recommendation from
15 staff to change anything, and the next category is further
16 analysis required. There are nine initiatives in here. The first
17 six are youth initiatives, and our recommendation, we would like
18 to evaluate the merits of consolidating our current youth
19 initiatives and also adding any new initiatives that would
20 create one large initiative. We envision it to exist in
21 potentially one or two RFAs under which the funding, the
22 eligibility periods, the performance, performance measures, and
23 also reporting will be made uniform. Those initiatives are the
24 Texas Science and Engineering Fair, Governor's Science Champions
25 Academy, Governor's Summer Merit Program, Youth Robotics, Camp

1 Code, and then eSports is listed there. There is also a note
2 that it is a pilot and it's a new pilot for us so we currently
3 do not have the data to do the analysis for that one. The next
4 category is to revise the initiative. There are three in this
5 category, externship for teachers as the commission earlier
6 approved this year. We'll be expanding this to include AEL
7 providers and also institutes of higher education. For foster
8 youth transition centers, this is one that we would like to take
9 a look at. We have 18 entities. We would like to look at the
10 program and involve greater employer engagement for our foster
11 youth participants, and also have stronger work connections
12 during transition which goes along the lines of Commissioner
13 Treviño and what he's proposed. We also have pre-apprenticeship
14 bridge, and we would like to consider a joint strategy with
15 Texas Apprenticeship Division to develop DOL, TWC, and AEL
16 quality pre-apprenticeship models across the board service
17 areas. The next category is to amend the initiative budget. We
18 reviewed the historical expenditures for College Credit for
19 Heroes and based on the demand, this initiative supports a
20 budget of 700,000. The budget is currently at 1.4 million. If we
21 did make any recommendations and that was later approved, this
22 would be reflected in the FY25 budget. We Hire Vets campaign,
23 this was amended for the 2024 budget to be reduced \$50,000. The
24 next category is discontinue the initiative. We have the Virtual
25 Reality Career Exploration pilot. This was a one-time initiative

1 for the purchase of goggles. That was successfully completed and
2 therefore we would not have further distributions to the boards.
3 The IT registered apprenticeship, this is a commission
4 initiative that's funded with WIOA statewide and apprenticeship
5 expansion funding. Currently there are no apprenticeship
6 expansion funds available, and the IT industry needs may be
7 addressed with other existing funds. The AEL employer
8 engagement, because these services can be provided by AEL
9 grantees under the four AEL funding in a five-year cycle, it is
10 recommended to terminate this initiative due to the short
11 timeline from startup to the grant end. And then the last one in
12 this category is family math literacy. This initiative concludes
13 in October of '23 and there are no plans to renew. The next
14 category is new initiatives to be evaluated. We currently have
15 five in this category, and also, I would include eSports. These
16 are initiatives that have recently started in FY23, therefore
17 there is no performance data at this time. This includes
18 critical occupations apprenticeship, health care registered
19 apprenticeship, the training in-demand employment supplies, and
20 rapid incumbent worker training. The last category is key
21 initiatives that are required by statute, and there are nine
22 listed there. This just means that there's a requirement. Either
23 there could be a dollar amount or a requirement that it has to
24 be done. [Inaudible].

25

1 CHAIRMAN DANIEL: With the exception of the
2 six new initiatives that are under evaluation, has an FY24
3 funding decision been made for everything else on this list?
4 There's a couple that we discontinued because we always intended
5 to discontinue. All the rest of them had a funding decision made
6 for FY [inaudible], so anything you do relative to a change
7 would really be geared toward FY25?

8 COURTNEY ARBOUR: Yes.

9 CHAIRMAN DANIEL: OK. Any other questions or
10 comments?

11 COMMISSIONER DEMERSON: None from me.

12 COMMISSIONER TREVIÑO: No.

13 CHAIRMAN DANIEL: All right. Anything else
14 you'd like to express here today?

15 COMMISSIONER TREVIÑO: I was going to—on the
16 further analysis required which was included the Texas Science
17 Engineering, the Governor's Science Academy, Governor's Summit,
18 will that funding be awarded first come, first serve for
19 qualified applicants or will it be like a score-based type
20 program so that enough funding—we would know if enough funding
21 would remain throughout the year, for later in the year?

22 LESLIE KRUSE: So for the [inaudible]
23 initiative, the commission had approved to put all the new
24 funding into one budget line item, and currently the way we have
25 it set up is that each initiative has a baseline amount based on

1 the previous year's funding, and then our—or the previous years'
2 expenditures, I'm sorry, and based on that, that's what we would
3 set the goal for when an RFA is published. If we end up getting
4 less applicants and we don't award the full budget, that money
5 would basically go back into the line item, and then we would
6 continue going through each of those RFAs for all the
7 [inaudible] that we have. We typically will place those that
8 have—that historically have not been awarded the whole amount,
9 they're at the beginning of the schedule for the fiscal year,
10 and those that typically have more applications than what we
11 have budget for are scheduled for the end of the year. So as
12 money is left over, we're able to send more funds at the end of
13 the year like for example, youth robotics, we know we always
14 have more applications than we have funding so we're able to
15 spend those dollars towards that. We consider that in each
16 initiative done through the RFA schedule.

17 COMMISSIONER TREVIÑO: So then I guess my
18 next question would be would there be like a deadline to submit
19 it for an RFA for the different programs or what would be the
20 timeline for receiving the process or processing for the RFA?

21 LESLIE KRUSE: Under what we're talking
22 about—

23 COMMISSIONER TREVIÑO: Correct. Yes, with
24 one initiative.

25

1 LESLIE KRUSE: It would really depend on
2 logistics. We haven't looked at that completely yet and how that
3 would work. What we envision is essentially doing one RFA and
4 laying out different tracks for applicants to apply for so there
5 is the potential that we would get everything at one time
6 depending on how the RFA fared so we'd make those decisions
7 based on that.

8 COMMISSIONER TREVIÑO: OK, so we could
9 probably get like—the offices could get like a quarterly
10 reporting done when—to see if the funds were sufficient
11 throughout the year then, right?

12 LESLIE KRUSE: Correct, and currently
13 [inaudible] on doing the quarterly report for all grants
14 [inaudible], but still, you'll be seeing that [inaudible].

15 COMMISSIONER TREVIÑO: Thank you, Leslie.
16 That's all.

17 CHAIRMAN DANIEL: OK. Anyone else? I'll
18 entertain a motion to adjourn.

19 COMMISSIONER DEMERSON: So moved.

20 COMMISSIONER TREVIÑO: Seconded.

21 CHAIRMAN DANIEL: It's been moved and
22 seconded that we adjourn the work session, and it is adjourned.
23 Thank you.

24

25