



1 P R O C E E D I N G S

2 TUESDAY, APRIL 27, 2010

3 (9:51 a.m.)

4 CHAIRMAN PAUKEN: All right. Go ahead.

5 MR. TEMPLE: Mr. Chairman,  
6 Commissioners, we have before you today the Strategic  
7 Plan that will begin our -- obviously our budgeting  
8 process for the LAR and provides any amendments,  
9 changes to the -- the mission, the vision, philosophy  
10 of the agency as -- as our long-range planning  
11 document. Of course, the details we fill in during  
12 the year with the policies and things that you -- that  
13 you develop and then through WD letters and -- and  
14 the -- and -- and how we spend the dollars.

15 But Tom McCarty is going to start out  
16 with just kind of a -- a background of -- of -- of  
17 what the -- what the process is and -- and the  
18 deadlines and the time lines and whatnot.

19 Tom.

20 MR. McCARTY: Good morning,  
21 Commissioners.

22 Since '91 the strategic planning process  
23 has been and still is a long-term, future-oriented  
24 process of assessment, goal setting, and  
25 decisionmaking. That includes a multi-year view of

1 objectives, strategies for accomplishment of agency  
2 goals.

3                   The first step is Commission Work  
4 Session, which we are holding today. The work session  
5 provides the Commission a forum for discussion and the  
6 ability to provide guidance to agency staff. Staff  
7 will take -- take the input and guidance received  
8 today and develop the applicable sections of the plan.

9                   Additionally, part of the process, as  
10 Mr. Temple mentioned, is to submit requests to GO --  
11 the Governor's Office of Budget, Policy, and Planning  
12 and the Legislative Budget Board for any changes to  
13 budget structure elements. These could be the goals,  
14 strategies, measures, and various definitions by April  
15 16th.

16                   As you're aware, Adam has already  
17 received your approval on four measure changes. Today  
18 we will have several small budget structure changes.  
19 On a parallel path, staff will develop the various  
20 required exhibits to be included within the Strategic  
21 Plan.

22                   The draft Strategic Plan will then be  
23 developed and -- and briefed and discussed with your  
24 offices individually until we correctly capture the  
25 highlights that you want addressed. We will then post

1 the -- the Strategic Plan for official adoption at a  
2 Commission Meeting in time to meet the July 2nd due  
3 date. Basically, to allow time for printing, we have  
4 agenda dates for May 25th, June 8th, and our last  
5 scheduled meeting is June 22nd.

6 MR. TEMPLE: Okay.

7 And, Commissioners, obviously,  
8 throughout the year we have other plans that -- that  
9 are -- are required of us to submit to the federal  
10 level, TANF, WIA, Child Care and in those plans we'll  
11 reflect the guidance that you -- that you give us  
12 here.

13 CHAIRMAN PAUKEN: Are we going to go  
14 through these?

15 MR. McCARTY: Yes, sir. If you'd like,  
16 we can go ahead and start that. What I was going to  
17 do is just read through these, and where we had  
18 changes highlight those and let -- leave that for  
19 y'all to give us direction.

20 CHAIRMAN PAUKEN: I don't know that you  
21 have to read everything, but just where there are  
22 changes -- oh, just where there are changes.

23 MR. McCARTY: Okay. The -- the first  
24 changes we would have would be within the Benchmark  
25 Section. This is on Page 1 of your outline. There

1 was a -- or has been a suggestion to add under  
2 "Benchmarks" "Percentage of adult education students  
3 who are awarded technical certification."

4 The previous Strategic --

5 CHAIRMAN PAUKEN: Let's see. I don't  
6 guess I have that.

7 COMM. CONGLETON: (Inaudible)

8 (Brief pause)

9 COMM. CONGLETON: I have it.

10 CHAIRMAN PAUKEN: Okay. We're -- I'm --  
11 I'm confused. We're not going -- then we're -- we're  
12 not going by the Strategic Plan language. We're going  
13 by this -- we're addressing this document first?  
14 Okay.

15 COMM. ALCANTAR: I have one.

16 MR. McCARTY: Yes, sir. The -- on  
17 the -- so, on the first page of the outline that we  
18 just handed you in the highlighted portion, the yellow  
19 highlighted portions are the areas that are new  
20 additions to the Strategic Plan. So, in this case,  
21 "Percentage of adult education students who are  
22 awarded technical certification" would be an addition  
23 from last year, if that's acceptable.

24 COMM. ALCANTAR: Well, let me ask a  
25 question, Tom. Aren't these benchmarks adopted and

1 brought forward by the Governor with consultation with  
2 the Leadership offices?

3 MR. McCARTY: Yes, sir. The -- the  
4 Legislative Budget Board and the Governor's Office  
5 developed these in advance, and so this benchmark is  
6 from a list of approved benchmarks within the  
7 Strategic Plan instructions.

8 COMM. ALCANTAR: Okay. So, this -- so,  
9 we're merely proposing to include in our plan  
10 something that's already --

11 MR. TEMPLE: Mirroring those.

12 COMM. ALCANTAR: -- already included in  
13 the statewide benchmarks?

14 MR. McCARTY: Yes, sir.

15 COMM. ALCANTAR: Okay. We're not  
16 proposing a new one?

17 MR. McCARTY: No, just including.

18 COMM. ALCANTAR: All right. Good.

19 Thank you.

20 CHAIRMAN PAUKEN: Okay.

21 MR. McCARTY: Okay.

22 The next one that we would have for you  
23 is on Page 2 of that outline under the Health and  
24 Human Services benchmarks. "Percentage of people  
25 completing vocational rehabilitation services and

1 rehabilitation services and remaining employed" adding  
2 that as an additional benchmark to our plan.

3                   COMM. ALCANTAR: That's fine.

4                   MR. McCARTY: On Page 3 we have a --  
5 under "Economic Development" there's a benchmark to  
6 include "Median household income."

7                   CHAIRMAN PAUKEN: Okay.

8                   MR. McCARTY: Okay. We had not included  
9 this previously in the last Strategic Plan but the  
10 Public Safety and Criminal Justice priority goal and  
11 benchmarks that are highlighted before you. The  
12 priority goals: Preventing and reducing terrorism and  
13 crime, securing the Texas/Mexico border -- border from  
14 all threats, achieving an optimum level of state wide  
15 preparedness capable of responding and recovering from  
16 all hazards, and confining, supervising, and  
17 rehabilitating offenders.

18                   Beneath that the benchmark to add would  
19 be a "Number of GED, high school diplomas, and  
20 vocational certifications awarded to offenders."

21                   COMM. ALCANTAR: And that's because of  
22 Project RIO?

23                   MR. McCARTY: Yes, sir.

24                   COMM. ALCANTAR: Okay.

25                   MR. McCARTY: On Page 4 we have another

1 addition to -- to the priority goal and benchmark,  
2 which would be under "Natural Resources and  
3 Agriculture." The benchmark that we would be adding,  
4 in addition to the priority goals, would be the  
5 "Number of jobs created or retained in rural  
6 communities through state investment." If that is  
7 acceptable, we can certainly include that.

8                   COMM. ALCANTAR: (Nodding)

9                   MR. McCARTY: Okay.

10                   All right. Moving on to Page 5 of the  
11 outline is the Texas Workforce Commission's Mission  
12 Statement. We had a -- a suggestion to incorporate  
13 two -- two words to the Mission Statement.  
14 Previously, I gave you just a minute ago a  
15 side-by-side --

16                   CHAIRMAN PAUKEN: Side-by-side, uh-huh.

17                   MR. McCARTY: If you look at the  
18 side-by-side, you can see the original language and  
19 then the alternative language. The alternative  
20 language would read "To promote and support an  
21 effective workforce system that offers employers,  
22 individuals, and communities the opportunity to  
23 achieve and sustain economic prosperity," the two  
24 words -- the two new words being "an effective" -- you  
25 know, adding "an effective workforce."

1                   COMM. ALCANTAR: That's fine.

2                   CHAIRMAN PAUKEN: Okay.

3                   MR. McCARTY: Okay.

4                   Under "Vision Statement," we have  
5 changes as well to where the new -- if this is  
6 acceptable to you, that we would -- the new model  
7 would read: "Texans will view the Texas Workforce  
8 Commission, local workforce development boards, and  
9 their partners as quality provider -- as a quality  
10 provider of workforce solutions that contribute to  
11 economic prosperity."

12                  COMM. ALCANTAR: I like the change.

13                  CHAIRMAN PAUKEN: Okay.

14                  MR. McCARTY: Okay.

15                  Moving on then, under the Philosophy  
16 Statement, we can still use the side-by-side as this.  
17 Under "Our work is guided by the following core  
18 beliefs," we had a number of changes here to make. If  
19 you look at the original bullet where it's "We believe  
20 in collaboration and partnership," there was a -- a  
21 suggestion to include "We believe in collaboration and  
22 partnership centered around local priorities to  
23 maximize effectiveness."

24                  CHAIRMAN PAUKEN: (Nodding) Okay.

25                  MR. McCARTY: And then under, "We

1 believe in conducting business in accordance with high  
2 standards of ethics, accountability, and efficiency,"  
3 to break this off into two additional bullets, one  
4 bullet reading, "We believe in conducting business  
5 with the high standards" --

6                   CHAIRMAN PAUKEN: I don't see why you  
7 need to do that. Why don't you just do what you've  
8 got below that? All you have to do is just change the  
9 "accountability" from a capital to -- I mean, the --  
10 "We believe in conducting business in accordance with  
11 the highest standards of ethics, accountability, and  
12 efficiency."

13                   COMM. ALCANTAR: That would be fine.

14                   CHAIRMAN PAUKEN: You can just drop that  
15 other. I mean, I don't think you need to have two.

16                   COMM. CONGLETON: (Nodding)

17                   MR. McCARTY: Okay. Thank you.

18                   On Page 6 is where we get into the  
19 message from the Commissioners. Staff has identified  
20 a -- a number of the bullets here below -- below the  
21 message from the Commissioners. Under "Developed  
22 innovative programs," we thought we could expand there  
23 with Texas Back to Work and the Texas Veterans  
24 Leadership Program.

25                   COMM. ALCANTAR: I'm sorry. What page

1 are you on?

2 MR. McCARTY: Page 6.

3 COMM. ALCANTAR: I only have three pages  
4 on my document.

5 CHAIRMAN PAUKEN: On this one.

6 MR. McCARTY: It should be on the --

7 COMM. ALCANTAR: Oh.

8 MR. McCARTY: -- the larger outline.

9 COMM. ALCANTAR: All right. Sorry.

10 MR. McCARTY: So, on Page 6 we go back  
11 to -- under "Developing initiative (sic) programs," we  
12 would highlight under that Texas Back to Work and  
13 Texas Veterans Leadership Program. We had not -- the  
14 last time we did the Strategic Plan, the Texas  
15 Veterans Leadership Program had not been in place.  
16 So, we'd be able to promote that in that location.

17 (Discussion off the record)

18 MR. McCARTY: Oh, did I skip?

19 MR. CRUMP: Yeah, you skipped.

20 MR. McCARTY: Oh.

21 I'm sorry, Commissioners. If we can  
22 back up just for a minute. Under philosophies --

23 CHAIRMAN PAUKEN: Yeah, are you -- are  
24 you -- you've got two things. One is a side-by-side  
25 that's back -- yeah, that's earlier, actually. Right?

1                   MR. McCARTY: Yes, sir. I actually  
2 jumped ahead, and I apologize for that.

3                   If we go back to the Philosophy, if you  
4 go to Page 2 of the side-by-sides, that will finish  
5 out the Philosophy section there. There are two  
6 recommendations that we have for you under the --  
7 under "Our success will be based on the following  
8 organizational values." The original read: "We are  
9 committed to becoming an entrepreneurial, flexible,  
10 and learning organization." We have a recommendation  
11 to say, "We are committed to service as an  
12 entrepreneurial, flexible, and learning organization,"  
13 or "We are committed to becoming a creative, flexible,  
14 and learning organization."

15                   CHAIRMAN PAUKEN: Why don't you say  
16 Number 1, unless my --

17                   COMM. CONGLETON: Well, I don't see --

18                   CHAIRMAN PAUKEN: What do you think?

19                   COMM. CONGLETON: -- that we're that  
20 entrepreneurial, so --

21                   CHAIRMAN PAUKEN: Huh?

22                   COMM. CONGLETON: I don't know that  
23 we're that entrepreneurial as an agency, but that's --

24                   CHAIRMAN PAUKEN: Well, that's a good  
25 point, but that's -- they're taking the language that

1 was already there. You know, they're just -- it's  
2 just -- in effect, committed to service, as opposed to  
3 becoming --

4                   COMM. ALCANTAR: I like Number 1.

5                   CHAIRMAN PAUKEN: I mean -- I mean, I  
6 don't -- I understand where you're coming from,  
7 Commissioner Congleton.

8                   COMM. CONGLETON: That's fine. If you  
9 both agree on 1, that's fine with me.

10                  CHAIRMAN PAUKEN: "Committed to  
11 service"?

12                  COMM. CONGLETON: "Committed to being an  
13 entrepreneurial service" --

14                  CHAIRMAN PAUKEN: "We're committed to  
15 service as an entrepreneurial, flexible, and learning  
16 organization." And -- and I think Commissioner  
17 Congleton's raising the question "How are we  
18 entrepreneurial," which is a very good question, but I  
19 guess that's been in the previous Mission Statement?

20                  COMM. ALCANTAR: Well, we can take it  
21 out. Do you want to take it out?

22                  CHAIRMAN PAUKEN: Well, it's just -- I  
23 mean, it's -- it's -- is that -- is that real -- is  
24 that the reality? Is that the reality?

25                  COMM. CONGLETON: It's not a real

1 headache for me. It's just kind of glitz, and I don't  
2 see --

3 CHAIRMAN PAUKEN: Yeah.

4 COMM. CONGLETON: -- it as --

5 CHAIRMAN PAUKEN: I -- I -- I hear --

6 COMM. CONGLETON: -- beneficial. But if  
7 you like it, fine.

8 CHAIRMAN PAUKEN: Well, I didn't -- it  
9 was already there, and the question is, do we leave it  
10 there?

11 MR. TEMPLE: Well, could we just say,  
12 "Committed to a service as -- as a creative, flexible,  
13 and learning organization" and just drop  
14 "entrepreneurial" and replace it with the "creative"?

15 COMM. CONGLETON: Well, Option 2?

16 MR. TEMPLE: Option 2 --

17 CHAIRMAN PAUKEN: Creative --

18 MR. TEMPLE: -- but "committed to  
19 service."

20 COMM. CONGLETON: It's up to y'all.

21 MR. TEMPLE: Just drop

22 "entrepreneurial" --

23 CHAIRMAN PAUKEN: You know, we -- we do  
24 have -- you know, I mean, what we've got is public --  
25 private partnerships, which are effective where we're

1 working with, you know, everything from businesses to  
2 trade unions to community colleges. And in a sense,  
3 that's entrepreneurial, I mean, if you're doing it the  
4 right way. You know, there's the term -- a social  
5 entrepreneur, so --

6 COMM. ALCANTAR: How about --

7 CHAIRMAN PAUKEN: Go ahead.

8 COMM. ALCANTAR: -- your comments took  
9 me to the word "innovative," because we're -- we're  
10 always innovating and creating new approaches to grow  
11 more engineers, grow enhanced curriculum, develop  
12 partnerships that make sense in terms of workforce  
13 development. So, I think that -- that word might  
14 work, innovative.

15 COMM. CONGLETON: I'm fine with it.

16 CHAIRMAN PAUKEN: Okay. All right.

17 COMM. ALCANTAR: So, "innovative"  
18 instead of "entrepreneurial" on Recommendation 1. Is  
19 that correct?

20 CHAIRMAN PAUKEN: Okay.

21 COMM. CONGLETON: That's correct.

22 MR. McCARTY: So, to summarize, we'll --  
23 we'll replace that with "We are committed to service  
24 as an innovative, flexible, and learning  
25 organization"?

1                   COMM. ALCANTAR: That's right.

2                   MR. McCARTY: Okay. Thank you.

3                   If we can move back to the -- the  
4 outline document, away from the side-by-side  
5 temporarily, we can go back to talking about the  
6 message from the Commissioners --

7                   MR. TEMPLE: On Page 6.

8                   MR. McCARTY: -- on Page 6. I believe I  
9 left off with the -- we would add "Texas Back to Work,  
10 Veterans Leadership Program" under the "Developed --  
11 Developed innovative programs." And then we had a  
12 suggestion the third bullet from the bottom to say,  
13 that instead of "Supporting job growth in renewable  
14 energy and emerging industries," that we would replace  
15 that with "Supporting job growth in emerging and high  
16 demand industries including the Governor's Industry  
17 Clusters."

18                   CHAIRMAN PAUKEN: That's fine with me.

19                   COMM. CONGLETON: I don't have a problem  
20 with that.

21                   COMM. ALCANTAR: Which includes  
22 renewables and everything else?

23                   CHAIRMAN PAUKEN: Huh?

24                   COMM. ALCANTAR: Which includes  
25 "renewables."

1 CHAIRMAN PAUKEN: Right.

2 COMM. CONGLETON: It says, "renewables"  
3 in mine. Is that right?

4 MR. McCARTY: Well, the grayed out area  
5 of "renewables" would be deletions --

6 COMM. CONGLETON: Okay.

7 MR. McCARTY: -- so -- and since the  
8 industry -- since the industry clusters do cover the  
9 renewables, as well as other areas, we can broaden  
10 that out a little bit more.

11 COMM. CONGLETON: That's fine.

12 CHAIRMAN PAUKEN: Okay. Fine.

13 COMM. ALCANTAR: Tom, Mr. Chairman,  
14 Commissioner Congleton, on the "Skills Development  
15 Fund to support employers and workers," I think in the  
16 message from the Commissioners this is a good place to  
17 talk about the importance of our partnership with our  
18 institutions of higher education, the community  
19 colleges, and -- and the technical schools and the  
20 importance that they play. I think it would be nice  
21 for us to speak to that in our message.

22 COMM. CONGLETON: That's fine with me.

23 CHAIRMAN PAUKEN: Partnering with --

24 COMM. ALCANTAR: Yeah.

25 MR. TEMPLE: Would you want to add that

1 to, say, the Bullet 2, "By providing customized job  
2 training through" and then --

3 (Simultaneous discussion)

4 COMM. ALCANTAR: Just a -- just a whole  
5 paragraph just -- this is basically going to be a --  
6 couple of pages or three, and let's have a paragraph  
7 about the importance of that partnership and the  
8 things that we want to highlight relative to that  
9 partnership and what we're trying to accomplish in  
10 terms of work -- workforce development strategy.

11 MR. McCARTY: Okay. Certainly we can  
12 add that.

13 COMM. ALCANTAR: Okay.

14 MR. McCARTY: If there are no other  
15 suggestions for this section, we can move on to  
16 Service Populations on Page 7. Under "Service  
17 Populations," when we visited with your offices last  
18 week we initially had "Employers, Job Seekers,  
19 Workers, Communities, and Students and their parents."  
20 There was a suggestion to add "Veterans" to the  
21 "Service Population" as well.

22 COMM. CONGLETON: I agree.

23 CHAIRMAN PAUKEN: Uh-huh. That's fine.

24 MR. McCARTY: Okay. Moving on then will  
25 be the "External Assessment." Probably for easier

1 digesting of this one, if we can move back to the  
2 side-by-side document on Page 2 at the bottom is the  
3 "External Assessment." We can kind of work through  
4 that language for a minute.

5                   The original language read that "The  
6 Texas workforce system must respond to significant  
7 external influences over the next five years.  
8 Recovery from the effects of the national recession  
9 will demand tremendous focus and efforts. Shifts in  
10 the industry workforce demands and changing  
11 demographics also will drive TWC's responsiveness to  
12 workforce needs."

13                   The new language would be that "The  
14 Texas workforce system will respond to significant  
15 external influences over the next five years. TWC  
16 stands ready to continue its focus on the reemployment  
17 efforts during the recovery from the national  
18 recession and remains committed to responding to the  
19 inevitable shifts in industry workforce demands and  
20 changing demographics in a competitive, evolving  
21 global economy. TWC also is committed to innovative  
22 partnership to help our customers complete -- to  
23 complete successfully in this very dynamic  
24 environment."

25                   CHAIRMAN PAUKEN: I'm -- I'm not at all

1 comfortable with the language here.

2                   First of all, just like our own labor  
3 market economists have pointed out, you may have a  
4 recovery in terms of the financial sector -- sector in  
5 the market, but there's no indication yet we have a  
6 recovery in terms of -- of unemployment levels. And  
7 they could be persistent for a period of time, and --  
8 and our emphasis needs to be on putting people back to  
9 work rather than all this language about the --  
10 everything's fine with this wonderful global economy.  
11 So, I'm just not comfortable with -- with that  
12 language, and I don't know whether we go back to the  
13 drawing board or I'd like to -- I don't want to  
14 approve something like this today, personally.

15                   COMM. ALCANTAR: No, that's fine. I  
16 think the -- the External Assessment is something we  
17 do need to take a look at the whole thing to have the  
18 total thing drafted out and we can always come back  
19 and modify that, because I do think we need the  
20 additional bullets that come after this in order to  
21 assess the -- the -- the message in terms of how on  
22 point it is.

23                   CHAIRMAN PAUKEN: Well -- and also  
24 you've got -- I mean, you're completely ignoring  
25 national economic policy, which impacts Texas and

1 it's --

2 COMM. ALCANTAR: I --

3 (Simultaneous discussion)

4 CHAIRMAN PAUKEN: -- and it's -- it's --

5 it's the most significant impact --

6 COMM. ALCANTAR: Well, I --

7 CHAIRMAN PAUKEN: -- when you really

8 reward debt and discourage savings and investment.

9 It's -- it's an impediment to private sector job

10 creation here. So, I just think we need to take a

11 hard look at this, and I'm not at all comfortable with

12 the -- the language or approach here.

13 COMM. ALCANTAR: Could you look at -- I

14 guess let's talk about the bullets on Page -- do you

15 want to go to Page 7? Is that where --

16 MR. McCARTY: Page 7 on the bullets.

17 COMM. ALCANTAR: Are those the bullets

18 that you want to talk about?

19 CHAIRMAN PAUKEN: Well, I think you

20 can -- we can add some. I mean, I just -- you know,

21 it -- it is -- you know, I -- I -- I think we ought

22 to -- I mean, you know, we can't do anything about it.

23 But at the very least we need to understand that we're

24 impacted by economic policies that may have an effect

25 of shipping jobs overseas. So, it's not just global

1 economy. It's the -- it's our economic policy here.

2                   So, let's just -- I don't -- we don't  
3 have to -- when -- what's the deadline on this thing,  
4 yesterday?

5                   COMM. ALCANTAR: July 2nd.

6                   MR. CRUMP: Oh, no, sir. You have  
7 plenty of time, but basically, Commissioners, this is  
8 your opportunity to tell us what you would like to say  
9 in the External Assessment. Like, Mr. Chairman, we  
10 certainly heard you want us to reference the national  
11 economic policy --

12                   (Simultaneous discussion)

13                   CHAIRMAN PAUKEN: Yeah. And I think  
14 that our -- yeah, what we're trying to do is put  
15 Texans back to work, and that's our -- and -- and but  
16 I -- the idea that we're out of this -- we're into a  
17 recovery, I -- you know, economists strongly differ.  
18 And I look at this stuff every day, and I have real --  
19 I mean, we have one kind of recovery. But I don't see  
20 any evidence that we have a recovery for people who've  
21 lost their jobs, so --

22                   MR. TEMPLE: We -- we have the first  
23 come back to you scheduled for May the 25th meeting,  
24 so we can --

25                   (Simultaneous discussion)

1                   CHAIRMAN PAUKEN:   Okay.

2                   MR. TEMPLE:   -- to you between now and  
3 then.

4                   CHAIRMAN PAUKEN:   All right.

5                   MR. CRUMP:   Well, actually,  
6 Commissioners, what we'll do is we'll -- we'll --

7                   (Simultaneous discussion)

8                   CHAIRMAN PAUKEN:   Yeah, I --

9                   MR. CRUMP:   -- the thoughts you give us  
10 today and come back around to the offices.  But the  
11 earliest we can come back for an official adoption  
12 would be the 25th.

13                   CHAIRMAN PAUKEN:   Okay.  Well, I just  
14 think we need to really --

15                   COMM. ALCANTAR:   So, you really want to  
16 highlight the -- the first bullet after that  
17 paragraph, the economic challenges caused by the  
18 national recession?  I mean, that's really -- that's  
19 what you're saying --

20                   CHAIRMAN PAUKEN:   Yeah.  And then -- and  
21 then I think you've got to at least say that --  
22 something about it's not just global economy, it's  
23 also nationally, impact of national economy.  I mean,  
24 national economic policy and its impact on -- on  
25 American jobs.  I mean, you know -- so --

1                   COMM. ALCANTAR: Yeah, I agree.

2                   CHAIRMAN PAUKEN: -- I just -- I think  
3 that, you know, we need to just at least point that  
4 out. So, let's just -- we'll -- we'll have some  
5 thoughts on it.

6                   MR. McCARTY: Okay.

7                   CHAIRMAN PAUKEN: Okay.

8                   MR. McCARTY: We'll move on then to Page  
9 8, Effects of Federal and State Law.

10                  CHAIRMAN PAUKEN: (Laughter) I see we  
11 have additional -- is -- additional collaborations,  
12 now that the Comptroller has her bag of money, huh?

13                  MR. McCARTY: Yes. Under  
14 "Collaborations with other Texas state agencies," we  
15 had some additions for additional agencies. Texas  
16 Education Agency, Higher Education Coordinating Board,  
17 Texas State Technical College, the Texas Engineering  
18 Extension Services, and Community Colleges, the  
19 Comptroller, and then moving over the Page 9 we also  
20 have listed Veterans Commission, the Workforce  
21 Investment Council, and the Department of Housing and  
22 Community Affairs.

23                  COMM. ALCANTAR: Yeah, I think, clearly,  
24 Workforce Investment Council, we -- we sit -- we sit  
25 on the council and participate there. The

1 relationships with TEA and the Coordinating Board are  
2 so important in terms of our overall workforce  
3 development strategies. The Comptroller and Housing,  
4 we are to coordinate with them as part of the  
5 Appropriations Bill and other requirements in the  
6 areas of renewables and energy efficiency, among other  
7 things.

8 MR. TEMPLE: Correct.

9 COMM. ALCANTAR: Correct?

10 MR. TEMPLE: Yes.

11 Commissioners, if I may suggest we don't  
12 have the P-16 Council, although TEA and Higher Ed are  
13 there, but we are a statutory member of that and  
14 certainly work with them on issues of post-secondary  
15 and dropout and those type of things. So, I would --  
16 if it's okay, we will add the P-16 Council.

17 COMM. ALCANTAR: Yeah, I think you can  
18 include that as part of discussion under the  
19 Coordinating Board are separate, since they're not  
20 really a state agency.

21 MR. TEMPLE: Correct, yeah.

22 COMM. ALCANTAR: Chairman.

23 CHAIRMAN PAUKEN: Yeah, that's fine.

24 COMM. CONGLETON: I'm fine with it.

25 MR. McCARTY: Okay. If we move under

1 Texas Workforce System Background, Internal  
2 Assessment, we can go back to Page 3 of the  
3 side-by-side, which will show you the -- the  
4 difference between the language. The original  
5 language was "In assessing the internal factors that  
6 affect TWC's ability to build and oversee a  
7 market-driven workforce system, the agency's structure  
8 and leadership deliver workforce services unmatched by  
9 other workforce agency in -- agency in the nation.  
10 TWC's own workforce represents diversity and skill.  
11 TWC dedicates efforts to maximizing technology to  
12 improve efficiency and satisfy customer's needs."

13                   The alternative was T -- "The TWC  
14 delivers workforce services unmatched by any other  
15 workforce agency in the nation. The agency's  
16 structure and leadership is" --

17                   CHAIRMAN PAUKEN: Who -- who says?

18                   MR. McCARTY: Under the alternative --

19                   CHAIRMAN PAUKEN: Is this a Strategic --  
20 is this a Strategic Plan, or is this a -- you know,  
21 a -- an auditory statement? I mean, I -- I have real  
22 reservations about both the original and alternative,  
23 I mean, in a sense of -- I mean, I think -- I -- I  
24 think our goal is -- you know, our goal ought to be to  
25 deliver but, you know, I -- I just think it's a little

1 presumptuous for us to -- to -- to put that in.

2 That's my own thoughts.

3                   COMM. CONGLETON: Well, I don't disagree  
4 with you, although I think you're unmatched in the  
5 nation.

6                   (Laughter)

7                   CHAIRMAN PAUKEN: So are you,  
8 Commissioner Congleton, but I don't know what that  
9 says for either of the two of us --

10                   (Laughter)

11                   COMM. CONGLETON: You know, although I  
12 think we do a good job --

13                   CHAIRMAN PAUKEN: No, I do, but I think  
14 it's --

15                   (Simultaneous discussion)

16                   COMM. CONGLETON: -- I'm not sure --

17                   CHAIRMAN PAUKEN: Yeah, I think it's a  
18 little presumptuous.

19                   COMM. CONGLETON: If we want to brag a  
20 little, this is Texas.

21                   COMM. ALCANTAR: Well, you know, it's --  
22 it is the Internal Assessment. I do think that we are  
23 the best -- the best in class, but we can -- we can --

24                   CHAIRMAN PAUKEN: Can we -- can we say,  
25 "Our goal is"? I mean, I just think it's a little

1 presumptuous. Let's just --

2 COMM. ALCANTAR: That's fine.

3 CHAIRMAN PAUKEN: -- let's just take a  
4 look. Let's revisit that and see if we can be a  
5 little -- sometimes humility is -- is appropriate.

6 (Laughter)

7 CHAIRMAN PAUKEN: And sometimes you can  
8 overpromise, and guess what? Then people say, "Well,  
9 here they say they're the best in the whole nation and  
10 guess what they -- how they screwed this thing up."

11 (Laughter) You know, journalist sometimes do that.  
12 Have you ever noticed that?

13 MR. TEMPLE: We're proud of our  
14 humility.

15 (Laughter)

16 CHAIRMAN PAUKEN: Pride cometh before  
17 the fall, Mr. Temple.

18 (Laughter)

19 CHAIRMAN PAUKEN: All right. Let's just  
20 take a -- take a look at that --

21 COMM. ALCANTAR: Soften that up.

22 CHAIRMAN PAUKEN: -- see if we can clean  
23 that up a little bit. "Our goal is to," perhaps -- I  
24 would say, "Our goal is to be the best in the nation,"  
25 you know?

1                   COMM. ALCANTAR:  Yeah, I think that's  
2 right.

3                   MR. McCARTY:  Certainly, Commissioners,  
4 we will circle back around with your offices --

5                   CHAIRMAN PAUKEN:  Okay.

6                   MR. McCARTY:  -- and work that out  
7 between now and the next meeting.

8                   CHAIRMAN PAUKEN:  All right.

9                   MR. McCARTY:  On Page 10, under  
10 "Challenges" at the bottom of the larger document, we  
11 had a request to add "federal" before "reduced  
12 funding," so "Training for current and future workers  
13 is limited by reduced federal funding and restrictive  
14 funding streams that hinder an integrated service  
15 delivery system."  So, the "federal" and the word  
16 "service" would be the two --

17                   CHAIRMAN PAUKEN:  Is this -- is this the  
18 current language, I mean, that was already there  
19 before you just add -- "reduced funding"?  Is that  
20 the -- is that -- I mean, the challenges, is this the  
21 language with just those two words?

22                   MR. TEMPLE:  I think we added -- I think  
23 we added "federal" --

24                   CHAIRMAN PAUKEN:  In other words, did  
25 you add "federal" and "service," and the rest of the

1 language is there previously?

2 MR. McCARTY: "Federal" and "service"  
3 was added between the last time we sent out the e-mail  
4 to y'all with this and when we --

5 CHAIRMAN PAUKEN: No, but what I guess  
6 I'm saying, was this -- the challenges, this language,  
7 is this what was put in the previous Strategic Plan  
8 versus new?

9 MR. McCARTY: The -- the entire language  
10 is all new.

11 CHAIRMAN PAUKEN: Okay. Let me -- let  
12 me tell you what I -- and I just -- I was just in  
13 Corpus Christi speaking to a -- a group on workforce  
14 development. One of the new members of the board came  
15 up to me afterwards, and he was a bit taken aback.

16 And I have to be -- I have to say coming  
17 back in government after being gone for a long time, I  
18 was really taken aback by the incredible mandates. I  
19 mean, in some -- in so many respects, we're almost  
20 like a pass-through agency with the money being -- the  
21 decisions being made in -- in Washington is to -- you  
22 know, here's what you do everywhere in the state. And  
23 I -- I think we ought to have some language about  
24 the -- the increased levels of -- of mandates coming  
25 out of -- at the federal level, which I think it -- I

1 think it makes it tougher for the flexibility at the  
2 state and local level to address concerns.

3                   Anyway, I just think that is a  
4 challenge. I guess that is -- that has been one of  
5 the biggest surprises I've seen is how much in the way  
6 of decisionmaking is -- is -- is determined in  
7 Washington and then everybody has to sort of try to  
8 maneuver to be able to -- to do some things  
9 differently in Texas or differently at the local  
10 level. So, I would like to see us at least address  
11 that issue, if we could.

12                   MR. McCARTY: Sure.

13                   CHAIRMAN PAUKEN: Is that okay?

14                   COMM. CONGLETON: Good luck.

15                   CHAIRMAN PAUKEN: Well, in terms of  
16 mentioning it as a challenge.

17                   COMM. CONGLETON: Oh.

18                   CHAIRMAN PAUKEN: That's all I'm saying.

19                   COMM. ALCANTAR: No, I -- I think that  
20 is a -- an issue that needs to be covered. I would  
21 also suggest here, since this is probably as good a  
22 place as any, in talking about the challenges and the  
23 opportunities that follow, you know, I do believe that  
24 we oversee a -- a system, a network of partners that  
25 involve -- that involves a lot of local planning in a

1 local -- local strategy setting that has great --  
2 great input mechanisms. And I believe we need to take  
3 advantage and -- in defining some of these challenges  
4 and opportunities that we face moving forward.

5 I think it would be a good idea to sit  
6 down with our board members, our EDs, and some of our  
7 education partners in some work sessions to better  
8 frame some of these challenges and opportunities that  
9 we face as a system moving forward.

10 CHAIRMAN PAUKEN: Okay. All right.  
11 Well, I think those -- this is an area that we're --  
12 want to kind of -- why don't you give your thoughts to  
13 that and then maybe visit with some of the local folks  
14 as well?

15 COMM. ALCANTAR: Well, I -- I guess what  
16 I was going to suggest is trying to -- asking staff to  
17 put together some work sessions for us over the next  
18 month or so, next month and a half, to really get some  
19 input. And I think we have potentially an opportunity  
20 to do that through the -- through the next quarterly  
21 meetings of TAWB or -- or through our next quarterly  
22 forum. I'm not sure what those dates are but --

23 MR. TEMPLE: We have those.

24 MR. McCARTY: The next TAWB meeting is  
25 scheduled for May 17th. The next quarterly forum is

1 August 23rd, is when that will start, and then there's  
2 another TAWB meeting on August 9th.

3                   CHAIRMAN PAUKEN: Well, there's also a  
4 way to just communicate and let them know that we'd  
5 like to have their -- their thoughts on this. I'm not  
6 sure -- I mean, maybe at the May meeting some  
7 additional people could be invited or that could be  
8 put on the -- on the plate for discussion.

9                   COMM. ALCANTAR: Yeah, I -- then, with  
10 your approval, I'll ask staff to work with Chair Dietz  
11 to see if we can modify the agenda slightly for that  
12 portion of the agenda that typically includes a  
13 discussion with the Commissioners to have it broadened  
14 to focus on -- on this portion of our work.

15                   CHAIRMAN PAUKEN: The challenges? Okay.  
16 Sounds fine.

17                   All right. I take it everything else --  
18 the only other issue is Number -- Page 13?

19                   MR. McCARTY: Yes, sir. Page 13, one --  
20 the first one is rename the "Alien Labor  
21 Certification" strategy to "Foreign Labor  
22 Certification." This will align better with the  
23 newly-created Office of Foreign Labor Certification by  
24 the U.S. Department of Labor.

25                   CHAIRMAN PAUKEN: Okay.

1                   MR. McCARTY: And then the second one  
2 would be replace the "Number of Delinquent Employer  
3 Wage and Tax Reports Secured" measure with a "Percent  
4 of Wage and Tax Reports Timely Secured."

5                   COMM. CONGLETON: What's the purpose of  
6 changing that language?

7                   MR. McCARTY: If I can defer to Adam to  
8 respond to that.

9                   MR. LEONARD: Commissioners, this was  
10 brought to me by the UI Department, who pointed out  
11 that, when you're dealing with a number measure like  
12 number of -- of these records, which are delinquent  
13 records which are secured timely, that over time, of  
14 course, you've got increasing numbers of employers or  
15 decreasing numbers of employers. And so the measure  
16 doesn't necessarily scale very well with it. So, if  
17 the number of delinquent records secured in a year is  
18 higher than a previous year, is that because there's  
19 more delinquency, or is that because there are more  
20 employers filing?

21                   And so just the relative percent that  
22 are delinquent remains the same. But simply because  
23 there's more employers and more employees, we've got  
24 late records that are being filed. So, it was felt  
25 that using a percentile-based measure would allow it

1 to scale up and down over time and make it the -- the  
2 trend information on it more meaningful.

3 COMM. CONGLETON: What did he say?

4 (Laughter)

5 COMM. CONGLETON: That's fine.

6 CHAIRMAN PAUKEN: Okay. All right.

7 Well, we'll take a look at that.

8 All right. Anything else?

9 MR. TEMPLE: I think that's all.

10 CHAIRMAN PAUKEN: Okay. All right.

11 Thank you much.

12 MR. McCARTY: Thank you.

13 CHAIRMAN PAUKEN: Let's see here.

14 (Discussion off the record)

15 MR. CRUMP: Mr. Chairman, Commissioners,

16 in terms of that recommendation that we just made  
17 regarding the -- the measure, we really do -- that's  
18 probably the only -- those two last items are the only  
19 items we need decisions on today so we can move  
20 forward to the Legislative Budget Board. So, if you  
21 would like to make that measure change --

22 CHAIRMAN PAUKEN: All right. Let's --

23 that's fine with me. I don't think there's any

24 objection.

25 COMM. ALCANTAR: What was that, Gene?

1 I'm sorry.

2 CHAIRMAN PAUKEN: He was just giving  
3 Adam a hard time.

4 MR. CRUMP: I -- I was saying, sir, for  
5 those two items, changing --

6 CHAIRMAN PAUKEN: Need a decision today.

7 MR. CRUMP: -- to the Foreign Labor  
8 Certification, the measures, we needed those today.  
9 All the other items we'll certainly --

10 COMM. ALCANTAR: Okay.

11 MR. CRUMP: -- flesh out and bring back.

12 COMM. ALCANTAR: Okay.

13 CHAIRMAN PAUKEN: That's fine.

14 COMM. CONGLETON: I really do like the  
15 term "delinquent employer."

16 CHAIRMAN PAUKEN: I know you -- I could  
17 tell. I knew --

18 (Laughter)

19 COMM. CONGLETON: It says a lot.

20 (Laughter)

21 CHAIRMAN PAUKEN: He also likes "Alien"  
22 rather than "Foreign," too, I bet. Right?

23 COMM. CONGLETON: Well, you know, both  
24 are --

25 (Laughter)

1                   CHAIRMAN PAUKEN:   Okay.  All right.

2                   COMM. ALCANTAR:   But -- but we do have  
3 plenty of time to refine the --

4                   CHAIRMAN PAUKEN:   The other -- some of  
5 the other --

6                   COMM. ALCANTAR:   -- Internal  
7 Assessment --

8                   CHAIRMAN PAUKEN:   Right.

9                   COMM. ALCANTAR:   -- and I think the  
10 Chairman's comments need to be reflected, definitely,  
11 in terms of the External Assessment and so forth --

12                   MR. TEMPLE:   We'll have -- we'll --  
13 we'll circle back in the next week so to get that  
14 language to you and have that -- that particular  
15 language ready for when we do the May 25th at TAWB.

16                   CHAIRMAN PAUKEN:   Okay.  Sounds good.  
17 Thank you.

18                   (Proceedings concluded:  10:28 a.m.)

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C E R T I F I C A T E

STATE OF TEXAS )  
COUNTY OF TRAVIS )

I, JANIS SIMON, a Certified Shorthand Reporter in and for the State of Texas, do hereby certify that the above-mentioned matter occurred as hereinbefore set out.

I FURTHER CERTIFY THAT the proceedings of such were reported by me or under my supervision, later reduced to typewritten form under my supervision and control and that the foregoing pages are a full, true, and correct transcription of the original notes.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this            day of            , 2010.

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