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# GOVERNOR'S COORDINATION AND SPECIAL SERVICES PLAN—MODIFICATION

For The Program Period: July 1, 1990 to June 30, 1992

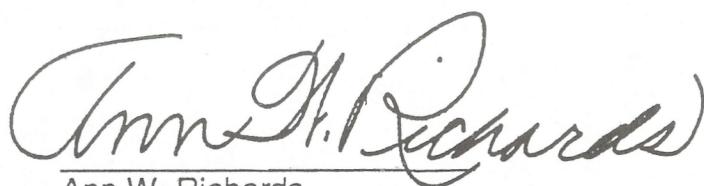
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In accordance with Public Law 97-300, Section 121, the PY90-PY91 modified Governor's Coordination and Special Services Plan for the State of Texas is provided for submission to the Secretary of Labor.

A handwritten signature in cursive script, reading "Ann W. Richards". The signature is written in black ink and is positioned above a horizontal line.

Ann W. Richards  
Governor  
State of Texas

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## I. INTRODUCTION

## I. INTRODUCTION

### A. PURPOSE OF GOVERNOR'S TWO-YEAR PLAN

In accordance with Section 121 of the Job Training Partnership Act (JTPA), the Governor is required to submit a Governor's Coordination and Special Services Plan (Plan) to the U.S. Secretary of Labor, U.S. Department of Labor (DOL). This Plan must be for the two-year program period ending June 30, 1992, and must describe (1) the use of all resources provided to the State and its service delivery areas (SDAs), and (2) criteria for coordinating activities at the state and local levels, prior to receipt of funding. In addition, the Plan must provide an evaluation of activities conducted over the preceding two years. The purposes of the Plan are:

- To articulate the state and organizational structure that exists to administer and implement JTPA;
- To establish the mission, goals, and objectives for job training and placement programs in Texas;
- To establish coordination criteria;
- To describe the projected use of JTPA resources in Texas;
- To provide for and justify adjustments in performance standards for Texas' programs;
- To establish policy initiatives which address statewide management systems; and
- To evaluate activities conducted over the preceding two years.

This modification to the Governor's Coordination and Special Services Plan reflects specific changes which have occurred with the election of a new Governor and appointment of a new State Job Training Coordinating Council (SJTCC). Since this change of administration occurred as the JTPA system was in the planning phase for the second year of the PY90-91 cycle, the Council and the Governor have acted only in those areas necessary to ensure continued flow of funds and continuity of services for PY91 or to make policy modifications or adjustments necessary for effective operation of programs. Specifically, policies in regard to 8% Education and Coordination programs and the Economic Dislocation and Worker Adjustment Assistance (EDWAA) 40% reserve were modified to promote improved performance and efficiency of these two programs. Thus, the majority of systems and operations described in this modification are carried over from PY90. During PY91, the SJTCC and the Governor will set new goals and objectives for the PY92-93 period as appropriate and review all policies and systems for consistency with these goals.

### B. JTPA IMPLEMENTATION IN TEXAS

#### 1. Partnerships in Planning

The Job Training Partnership Act stresses interagency collaboration and public-private partnerships. Thus JTPA provides a medium for Texas to focus investments in human capital for economic development and to achieve the broad goals of the entire system.

Both state and local entities have an active role in planning. The Governor's Coordination and Special Services Plan reflects statewide policy. It is intended to provide guidance to the local public-private partnerships which have full responsibility for program design, operation, and management within their respective communities. It further serves to direct certain state agency activities to improve the coordination and effectiveness of job training, economic development, and other human service programs.



## 2. Organizational Structure

### a. State Partnerships

#### *The Governor*

Under JTPA, ultimate responsibility for employment and training programs rests with the Governor. Further, federal and state legislation authorizes the Governor's responsibility for effective coordination of JTPA programs with other education, training, employment and economic development programs operated through various state agencies.

The Governor's role in the operation, funding, and planning of employment and training programs was enacted at the state level by passage of the Texas JTPA (House Bill 2251) during the 68th Legislature, 1983. The Texas Act established the Joint Legislative Oversight Committee to monitor the state's progress in implementing JTPA. Concerns and directives are communicated to the SJTCC through the Governor's Office.

The Governor has made it clear that her number one goal is to lay out a blueprint for a training system that is centered on the client and makes its first priority the dignity and development of each individual worker.

#### *The State Job Training Coordinating Council*

The Governor carries out her responsibilities on the advice and recommendations of the 40-member SJTCC. The primary responsibility of the Council is to provide oversight of JTPA programs and policy recommendations to the Governor. Under the authority established by P.L. 97-300, the Governor has established an independent staff for the Council housed at the Texas Department of Commerce. In addition to these responsibilities, the Legislature, through House Concurrent Resolution 26, has designated a broader role for the Council to create an integrated service delivery system aimed at building a quality work force.

#### *The Texas Department of Commerce*

The Texas Department of Commerce was created by the 70th Texas Legislature, 1987, through the passage of House Bill 4. The agency was created to build partnerships that create economic opportunity and prosperity for all Texans. House Bill 4 also designated administrative responsibilities for JTPA to Commerce.

The Work Force Development Division of Commerce has primary responsibility for administration and management of the JTPA program. In addition, Commerce performs such other economic development and employment functions and duties relating to JTPA as may be required by law or assigned by the Governor.

### b. Local Partnerships

#### *Service Delivery Areas*

In accordance with Section 101 of the federal JTPA, the Governor has designated 35 Service Delivery Areas (SDAs) to promote effective delivery of job training services (Appendix A). Each SDA is of such size as to receive an allocation of funds sufficient to plan and operate an effective local program, as determined by the Governor. For programs under Title III, the Governor has designated 33 substate areas (Appendix B). The state maintains a close relationship with local program officials through the Texas Association of SDA Administrators.

### *Private Industry Councils*

The 35 Private Industry Councils (PICs) and the Chief Elected Officials (CEOs) of Texas' cities and counties form the most important partnerships at the local level. The PICs, certified by the Governor, determine procedures for the development of the job training plans, select a grant recipient to administer the plan, and provide oversight to local programs. The membership of the PIC, composed primarily of private sector representatives, is also representative of educational and human service agencies, organized labor, rehabilitation agencies, community-based organizations, economic development agencies, and the public employment service. This representation ensures private sector involvement and effective coordination within the SDA. Texas has emphasized this partnership by working closely with the Texas Association of Private Industry Councils (TAPIC), a private, non-profit association charged with providing assistance to the PICs to enable them to maintain a strong influence on local programs.

## **C. DOL GUIDANCE FOR PLAN DEVELOPMENT**

New and emerging jobs are requiring higher levels of training and stronger basic skills. A national consensus exists which confirms that the declining quality of the American work force is a serious barrier to remaining competitive in a global economy. In 1987, DOL issued *Workforce 2000*, a report documenting the forces shaping the U.S. economy. The trends discussed in *Workforce 2000* and other reports call for rethinking state and national policies to design programs aimed at developing a work force capable of succeeding in an advanced economy.

Congress introduced proposed amendments to JTPA during the last program year. This legislative initiative calls for prudent investments in skills training as a crucial component of the Nation's economic development policies. As the legislative process continues, the direction of the proposed amendments offers general guidance for plan development, whether or not the amendments are ultimately enacted into law. The Texas response to DOL's specific areas of concern is outlined in this plan.

## **D. PLAN HIGHLIGHTS**

On behalf of the JTPA system in Texas, the state has developed a comprehensive response to the current legislative agenda. Texas has conceptualized a Human Investment System (HIS) which captures the essence of *Workforce 2000*. HIS is characterized by multi-agency involvement, joint planning, and integrated service delivery. Public investments in human capital under JTPA and related work force preparation programs provide a unique opportunity to link economic and social goals.

Following are some highlights of HIS. These highlights represent the strategical foundation for moving the work force preparation system toward attainment of Texas' mission, goals, and objectives which are outlined at greater length further in the document.

### **1. Coordination Efforts**

The JTPA system is seeking out and encouraging new productive working arrangements within the state and its Service Delivery Areas to expand and improve the quality of service to the target population.

- **Human Investment System:** Central to this effort will be the establishment of a coalition of state leaders, representing all facets of work force preparation, to develop a Human Investment System. As envisioned by the SJTCC, a Human Investment system would result in a seamless education and job training delivery system that is accessible and user-friendly; accountable; demand-driven; based on outcome rather than process; and policy responsive, while resource efficient. The essence of the Human Investment System is captured in the SJTCC's Mission, Goals and Objectives for PY90-PY91 (see outline) which frame the core strategies for implementation.
- **Interagency Planning:** Development of a coherent interagency policy base for the Human Investment System will be facilitated through interagency meetings, coordination conferences, establishment of interagency agreements, and development of joint proposals and publications.
- **State Agency Plan Review:** A formalized state agency plan review system will be the basis for developing joint policy and establishing a planning framework among various programs and systems. The review system will determine how each state agency can play a role and better channel federal and state resources toward a common target population.
- **JTPA and JOBS:** During this program period the Job Opportunities and Basic Skills Training (JOBS) program will be instituted. Of particular concern to the state is effective coordination of JTPA with JOBS programs. Commerce participates in an interagency task group to plan and implement the program.

## 2. Effective Training

The state is committed to the objective that program resources include effective basic and occupational skills training which will lead to employment opportunities in the local community.

- **Quality Work Force Planning:** The passage of state legislation to implement regional planning for occupational education and job training in 24 regions will link education and training with the needs of business and industry. The ultimate goal of quality work force planning is to increase the efficiency and cost effectiveness of matching and delivering training for jobs that are and will be available.
- **Interagency Agreements:** Interagency agreements will be developed to ensure that programs share the mission of supplying enough skilled workers for increasing numbers of highly skilled jobs. A blueprint for action will include exploring new ways to keep youth in an appropriate learning environment, either in or out of school (i.e., competency-based systems), and providing accreditation for alternative programs.

## 3. Targeting the At-Risk Population

JTPA programs will be designed to serve the more at-risk among the disadvantaged. Scarce resources will be directed to resolve the employment deficiencies of these adults and youth.

- **8% Policy:** The state recommends that the 8% policy (as outlined in this document) be continued. Efforts thus far have resulted in substantial improvements in services to at-risk youth and hard-to-serve adults (which include dropouts, welfare recipients, and ex-offenders). With the continued national and state focus on welfare reform, dropout prevention, and the need for a skilled, literate work force, continuation of the current policy is essential if Texas is to meet the challenges inherent in each of these issues.

- Exemplary Programs: The state will promote special efforts to expand opportunities for youth and adults who are at risk of failing to achieve their full potential. Creative research initiatives, demonstrations, and other special projects will be developed that target the at-risk and hard-to-serve.

#### 4. Assessment

JTPA programs under Title IIA, Title IIB, and Title III will include effective assessment components designed to identify the skills and services needed by each participant.

- Texas recognizes the importance of good assessment and will provide training and technical assistance to SDAs to develop effective assessment components for programs under Title IIA, Title IIB, and Title III.

#### 5. Enhanced Program Quality

The state will examine its administrative arrangements and requirements, and those at the SDA level, to ensure the integrity of the JTPA system.

The state has developed a model approach to identify and analyze quality SDA programs and program components. A Management Guide for Program Quality will be developed to review the SDAs' management systems, service delivery, and exemplary practices and systems. This information will be disseminated within the state's JTPA system to facilitate replication of successful programs and program components.

JTPA services will be individualized and substantially intensified. All participants must be assessed to determine the services needed and desired. Basic and occupational skills training must be made available when determined necessary. Youth will have the opportunity to participate in programs year-round. Support services are expected to be enhanced to better enable participants to successfully complete longer-term training.

#### 6. Drug-Free Workplace

The state is committed to fostering a drug-free workplace. The state will facilitate and expand the promotion of drug awareness and education efforts among JTPA participants.

#### 7. Reconfiguration of Service Delivery Areas

In PY90 there will be 35 SDAs in Texas (as shown in Appendix A), reflecting redesignation requested by local officials and approved by the Governor.

## **II. MISSION, GOALS, AND OBJECTIVES**

## II. MISSION, GOALS, AND OBJECTIVES

### A. INTRODUCTION

It is the responsibility of the Governor to establish and promote policy for implementing the provisions of JTPA. The Governor and the SJTCC first decide upon the mission and goals for JTPA in Texas, which provide a framework for planning job training programs in the state. For Program Years 1990 and 1991, emphasis is placed on planning and design of program services that enhance the quality of the Texas work force by improving the pre-program status of the participant. The process of state-level planning forms a partnership in which objectives and performance are adjusted over time to achieve the broad goals of the entire system. The Governor:

- Sets the direction for programs operated through an annual statement of statewide mission, goals, and objectives;
- Shapes the state/local planning process through the issuance of SDA job training planning guidelines, the establishment of coordination criteria, and the approval/disapproval of plans;
- Allocates funds; and
- Influences the performance of the programs through the implementation of program performance standards and the provision of incentive grants and/or technical assistance.

Within the framework set by the Governor, the responsibilities for additional policy making and program operation are at the SDA level under the control of the local partnership formed by the PIC and its CEOs. The partnership and/or its representatives:

- Plan job training programs through the determination of local goals and objectives;
- Determine participant and program mix, including the choice of training strategies and program delivery systems, based on participant employment barriers to be addressed;
- Implement programs for adults and youth; and
- Maintain program and fiscal accountability standards.

The local partnerships prepare plans on the basis of the needs of the local area, the outcomes to be achieved, targeted occupations, and planned services and activities which respond to the needs of the local area. Only at the local level can program design be molded to meet the needs of participants and employers.

For the first time in Texas, the State Job Training Coordinating Council has set forth two separate missions that will shape the future of JTPA over the next two years. The first mission relates to the role of the Council itself in promoting an integrated Human Investment System in Texas. The second mission relates to the development of quality training and employment programs in Texas through specific goals and objectives.

## **B. STATE JOB TRAINING COORDINATING COUNCIL MISSION, GOAL, OBJECTIVES AND STRATEGIES**

### **SJTCC Mission**

In the thirty or so years that employment and training has been regarded as a field of government activity, dozens of programs have been created by state and federal legislative bodies. Often, the legislation creating programs imposes conflicting definitions, rules and administrative procedures on programs. There are seventeen autonomous state agencies in Texas which provide health and human services, each with its own board or commission. There are more than 1,000 independent school districts, a myriad of alternative education and training programs and a wide array of community colleges and universities throughout the state. The result is often policy incoherence, administrative confusion, and service delivery fragmentation.

In recognizing that JTPA alone cannot address the multiple barriers faced by disadvantaged Texans in becoming productive members of the work force, the SJTCC has decided to take a lead role in promoting a coordinated planning framework for the state agencies involved with training, education, and employment programs and services. The Council, therefore, has accepted the following as its mission:

**“To provide the leadership which will result in an Integrated Human Investment System leading to a quality work force.”**

In promoting the establishment of an integrated Human Investment System, the SJTCC has developed a goal, objectives, and strategies that respond to the following issues:

- How can each agency involved in education, training, and human services contribute to enhancing work force quality in Texas?
- What resources are available and how are they used?
- What barriers exist in creating an accessible, accountable and demand-driven system, and how can the barriers be overcome?

### **SJTCC Goal**

To establish an integrated education and job training delivery system involving education, employment and job training and human resource agencies and programs to benefit all Texans.

### **SJTCC Objectives:**

- a. To establish a coalition of agency executive officers and others to set in motion the strategy for creating an Integrated Human Investment System through appropriate action by the Governor or a legislative mandate.
- b. To develop an interagency plan review system as a basis for gathering information, formulating policy recommendations, and ensuring the accountability of programs.
- c. To develop a seamless delivery system based on the following design criteria: accessible, user friendly, demand- or outcome-driven; accountable; policy responsive and resource efficient; and based on outcomes rather than process.

### **SJTCC Strategies:**

- To develop an annual review system across agencies which has clearly defined outcome measures applicable to all state- and federally-funded human investment programs and which provides cross-program evaluation of results and costs.
- To establish policies with emphasis on a demand- or outcome driven delivery system (rather than process-driven) of education and training programs which respond to the individual employer and employee.
- To develop a common, computerized system of intake, assessment, and eligibility which issues an identification card at any of the intake centers of the various agencies involved.
- To establish an effective communications system among education, employment, and training institutions which would provide consistent and accurate information on programs and resources available to employers and individuals seeking training.
- To establish a statewide labor market information system to ensure that the entire education, employment and training system focuses on jobs that exist and/or are projected to exist when training is complete.
- To establish uniform geographical boundaries for delivery of services for all programs.

### **C. JTPA MISSION, GOALS, AND OBJECTIVES**

#### **JTPA Mission**

The mission of job training and employment programs in the State of Texas was developed by the SJTCC and the Governor with several factors in mind. The findings of the *Work Force 2000* report and the Governor's goals and objectives for quality education and training recognize that economic strength and productivity depend on the capacity to build and maintain a quality work force.

To support this premise, the Strategic Economic Policy Commission, in its report to the 71st Texas Legislature, pointed out that deficiencies in the Texas work force are a serious barrier to the future growth of the Texas economy. High drop out rates and fragmented education and training systems account for a poorly prepared Texas work force. The Commission report concludes that a high quality work force is critical to the survival and future growth of the Texas economy.

Therefore, the SJTCC set forth the following mission for job training and employment programs in the State of Texas:

**"To provide for the development of a skilled, productive and competitive work force through training, retraining, and increasing the education, literacy levels and job skills of disadvantaged Texans."**

#### **JTPA Program Goals and Objectives**

For Program Years 1990 and 1991, the JTPA program goals and objectives focus on enhancing the delivery of quality programs and the establishment of a cost-effective, accountable, and efficient JTPA system.



The Governor has determined that the attainment of the performance standards alone does not necessarily address all of the quality issues related to JTPA. Thus, unlike previous years, progress in meeting program goals and objectives will not be measured solely through the performance standards.

Qualitative issues and factors that must be considered in the development of local programs include the following:

- Relating outcomes to the needs of the target population and the needs/requirements of the employer;
- Promoting the ability of the target population to access both immediate job openings and longer-term upward mobility opportunities;
- Determining the capabilities and capacities of the local service delivery system—existing and potential—to provide specific services;
- Overcoming logistical constraints in providing specific services or mix of services;
- Identifying specific barriers and skills development objectives to be addressed in the design and implementation of individual program activities; and
- Developing customized expectations, standards, and motivators for each program component, consistent with the planned contribution of the component to achieving the overall goals and objectives defined in the plan.

**Goal 1:** To enhance the delivery of quality programs through a system of rewards and sanctions.

#### **Program Objectives**

- a. Increase the total number of participants.
- b. Increase the functioning level of JTPA participants to a minimum of eighth grade level.
- c. Increase the number of Aid to Families with Dependent Children (AFDC)/Welfare recipients placed in jobs.
- d. Significantly increase the percentage of high school dropouts enrolled in diploma, Graduate Equivalency Diploma (GED), or alternative learning programs.
- e. Establish a comprehensive and effective retraining program for dislocated workers.
- f. Significantly reduce the dropout rate through cooperative efforts with educational institutions (including junior colleges, community colleges, and independent school districts).
- g. Reduce the number of welfare recipients, at a reasonable cost.
- l. Develop and implement a system for identifying and rewarding state and local quality programs.
- i. Develop and implement a state and local system which addresses deficient programs and violations of the Act by requiring corrective action or elimination of sub-standard or non-performing programs.

- j. Assure performance standards require qualitative outcomes measuring long-term productive employment and competencies attained by youth and adults.
- k. Increase the earned income levels of JTPA participants.

**Goal 2:** To establish a cost-effective, accountable, and efficient JTPA system in Texas.

**Program Objectives**

- a. Institute accounting procedures to establish a clear audit trail and compliance requirements for all funds expended by the JTPA.
- b. Implement a more understandable financial reporting system for SJTCC reports.
- c. Effectively invest all available funds in JTPA's priority programs by the end of each program year.
- d. Establish management systems which reduce paperwork and increase efficiency throughout the system.
- e. Effectively utilize both fiscal and program monitoring in a uniform manner to improve program performance.
- f. Establish state and local marketing and communication systems which increase information sharing and cooperation.

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### III. COORDINATION CRITERIA

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### III. COORDINATION CRITERIA

#### A. NEED FOR COORDINATION

The Texas JTPA (House Bill 2251) mandates that all available resources from federal, state and local governments, business, labor, and community-based organizations be coordinated to promote a cost-beneficial and equitable employment and training system. The major objectives of these policies are to promote the development and delivery of quality JTPA programs to achieve program performance standards, and to promote coordination of employment and training activities at the state and local levels.

The SJTCC's mission of developing an integrated Human Investment System will require enhanced coordination efforts and systems integration throughout the JTPA system. In its March 1989 report, the JTPA National Advisory Committee recommended that : "Renewed emphasis should be placed on strengthening the local role (PICs and Local Elected Officials) in planning and fostering integrated service delivery to meet local labor market needs."

The Committee went on to propose the following strategies for promoting the efficient targeting and leveraging of limited JTPA resources:

"Create expanded public-private partnership arrangements to achieve linkages between JTPA and other human resources programs in order to serve a larger proportion of the eligible population more effectively with a broader range of services...We believe that the JTPA system can bring together local human service agencies and organizations and serve as a catalyst in developing a more cohesive service delivery system at the local level."

Texas has adopted these recommendations as the philosophical foundation for developing coordination criteria to build toward systems integration.

#### B. COORDINATION GOAL AND CRITERION

The SJTCC has established a comprehensive coordination goal and criterion that requires each SDA to demonstrate through documentation that coordination takes place at the local level and that participant needs are addressed in a uniform and consistent manner.

For PY90 and PY91, the coordination goal and criterion are as follows:

**Goal:** To coordinate JTPA with key related governmental agencies and the private sector.

**Criterion:**

Part A: Require that the SDA Plan give specific evidence of coordination with the Texas Department of Human Services, Texas Education Agency, Texas Employment Commission, Independent School Districts, community colleges, Texas State Technical Institute, the Texas Youth Commission, other agencies and the private sector.

AND

Part B: Require to the extent possible, that SDAs document whether participant needs are addressed in a uniform and consistent manner by all agencies involved in the provision of services.

Part A of the criterion relates to coordination at the system level. Part B relates to the impact of coordination on meeting the service needs of each participant.

Procedures for implementing the coordination requirements are presented in Section III.D. of this document.

### **C. STATE-LEVEL COORDINATION EFFORTS**

In response to the need for an integrated education, training and human service system and to assume their broader coordination role, the SJTCC, with the approval of the Governor, developed goals and objectives for the SJTCC to take a leadership role in establishing an integrated Human Investment System in Texas. As a basis for developing joint policy and establishing a planning framework among the various programs and systems, the Council will:

“Develop an interagency plan review system as a basis for gathering information, formulating policy recommendations and ensuring the accountability of programs.”

AND

“Develop an annual review system across agencies which has clearly defined outcome measures applicable to all state and federally funded human investment programs and which provides cross-program evaluation of results and costs.”

Through the development of a formalized state agency plan review system, the SJTCC will identify the various resources and programs within the state and make recommendations to the Governor, state legislature, and state agencies for future policy to improve linkage and coordination.

Table 1, (pages 23-24), “State-Level Coordination Efforts,” has been updated to include PY90 and PY91 planned activities. General areas that will continue to receive high priority in Texas are identified in this Table.

### **D. SUB-STATE (SDA) COORDINATION EFFORTS**

Within the framework set by the SJTCC and the Governor, the responsibilities for additional policy making and program operation are at the SDA level under the control of the local partnership formed by the PIC and the CEOs. The Coordination goal and criterion described in Section III.B. meets the statutory requirement for coordination at both the state and local levels, and ensures coordination and implementation of training and employment programs consistent with statewide goals and objectives.

The local partnerships outline plans for services and activities on the basis of the needs of the local area, the outcomes to be achieved and targeted occupations. Section 104(b)(7) of the Act requires that the plan delineate specific methods to meet criteria for coordination of services and activities at the local level in compliance with the coordination goal and criterion. The state is responsible for reviewing local plans for responsiveness to the state's goals, objectives and planning guidelines. Section 105 (b)(1)(D) of the Act states that the Governor shall approve the job training plan unless she finds that the plan does not comply with the coordination goal and criterion.

The coordination goal and criterion established by the SJTCC and the Governor requires that each SDA give specific evidence of coordination with key local agencies. The Agency Profile Worksheet, developed by the state as a tool to assist SDAs in the local coordination process, must be completed for each of the following agencies or organizations:

Texas Department of Human Services (Must include reference to the new Job Opportunities and Basic Skills (JOBS) program, and implementation of the new joint AFDC/Food Stamp/JTPA referral process)

Texas Employment Commission

Regional Planning Entity

Independent School Districts

Community Colleges

Texas State Technical Institute

Texas Rehabilitation Commission

Texas Youth Commission

Private Sector Organizations

Other appropriate agencies/organizations in the local region

In order to begin building toward the long-term goal of the integration of systems among different agencies and organizations, SDAs must categorize their current and planned coordination activities within the following five general areas:

- Planning System

Collaborative planning among agencies is conducted for the purpose of reducing duplication and increasing resource efficiency, policy responsiveness and program performance. Joint planning functions/activities include the development of interagency agreements which identify shared service arrangements, shared staff, joint funding and programming. The development of guidelines, policies, and program designs to achieve common goals should be an on-going process.

- Referral/Intake/Assessment System

A key purpose in coordination is to design a system that increases the participant's access to programs while reducing the confusion caused by conflicting eligibility requirements. Moving in the direction of common intake application and referral procedures, a central point for intake, and the development of shared assessment tools increases service accessibility and efficiency.

- Data Systems

Developing data systems focused on common client groups, common outcomes and compatible reporting requirements are key management components. Common data systems assist in establishing an orderly approach to implementing program coordination and monitoring service effectiveness. Shared data includes: labor market information, participant characteristics, program activities, program performance/outcomes.

- **Client Management Systems**

The level of intervention, provision of services, and/or the involvement of other service agencies are all determined by the individual's needs and the particular mix of available services in the local area. Case management is an approach which assists clients and families to engage problem-solving to:

- 1) identify needs and goals;
- 2) explore possible solutions and action plans, and;
- 3) mobilize informal as well as formal support systems to achieve increased independence.

A client management approach to services has been recommended by the JTPA National Advisory Council as a way to promote the delivery of quality services to participants particularly those with multiple barriers to employment. The National Advisory Council states that, "Greater emphasis should be given to individualized assessment and case management to ensure that appropriate services are provided."

- **Systems Evaluation of Results**

Establishing a system whereby local programs/agencies report their program results to the local Private Industry Council is an important step in coordination. Jointly setting standards for increased skills, employment, earned income and reduced welfare gives real meaning to coordination and provides a means of measuring the results of coordination.

The coordination criterion requires that, to the extent possible, SDAs document whether participant needs are addressed in a uniform and consistent manner by all agencies involved in the provision of services. In order to meet this requirement, the specific barriers for each participant will be clearly identified through a comprehensive assessment. His/her goals and objectives must be specified. The services needed to meet these goals are identified in the areas of support services, basic education, employment and job training, and placement.

While the Agency Profile Work Sheet represents the plan for how the SDA will enhance coordination efforts with each key agency in the local area, the degree to which the SDA is able to implement these planned activities will be described in the SDA's Annual Report to the Governor for PY90 and PY91.

TABLE 1

STATE LEVEL COORDINATION EFFORTS

AGENCY	COMPLETED AND ONGOING COORDINATION ACTIVITIES	PLANNED COORDINATION ACTIVITIES
Texas Education Agency	<ul style="list-style-type: none"> <li>• Joint At-Risk Youth Policy</li> <li>• Information Sharing</li> <li>• Interagency Council on At-Risk Youth</li> <li>• Dropout Prevention and Recovery</li> <li>• 8% Programs</li> <li>• State Carl D. Perkins Plan Review</li> <li>• Joint Literacy Initiatives</li> <li>• Development of Alternative Education System</li> <li>• Technical Assistance Guides</li> </ul>	<ul style="list-style-type: none"> <li>• Initiate Interagency Agreement</li> <li>• Participation in Joint Conferences</li> <li>• Joint Clearinghouses on At-Risk Youth</li> <li>• Joint Planning of JTPA/Adult Education Projects</li> <li>• Accreditation of Alternative Education Curriculum</li> <li>• Academic Credit for Training</li> <li>• Literacy Initiatives</li> </ul>
Texas Department of Human Services	<ul style="list-style-type: none"> <li>• Joint Pilot Projects on JTPA/AFDC Services</li> <li>• Interagency Planning Group for REFOCUS and JOBS</li> <li>• AFDC/Food Stamp/JTPA Referral Form</li> <li>• Joint Issuances</li> <li>• Universal Eligibility/Referrals</li> <li>• State Level Interagency Agreement</li> </ul>	<ul style="list-style-type: none"> <li>• Continuation of Current Projects</li> <li>• Joint Local Meetings</li> <li>• Model Projects Expansion</li> <li>• Interagency Agreements at Regional Level</li> <li>• Joint Issuances, as required</li> <li>• Joint Employability Assessments</li> <li>• Joint training for JOBS Implementation</li> <li>• Literacy Activities/State Literacy Council</li> </ul>
Texas Employment Commission	<ul style="list-style-type: none"> <li>• Veterans Title IVC Match</li> <li>• Project RIO</li> <li>• AFDC Enhancement Projects</li> <li>• Unemployment Insurance Wage Record Follow-Up System</li> <li>• Statewide Immigration Assistance</li> <li>• Labor Market Information (LMI)</li> <li>• Trade Assistance Programs</li> <li>• Dislocated Worker Programs</li> <li>• Job Services</li> </ul>	<ul style="list-style-type: none"> <li>• Continuation of Current Activities</li> <li>• Coordination with Child Care Clearinghouse</li> <li>• Literacy Initiatives</li> <li>• Employability Assessment</li> <li>• Communities in Schools</li> </ul>
Texas Rehabilitation Commission	<ul style="list-style-type: none"> <li>• Cooperative Agreement</li> </ul>	<ul style="list-style-type: none"> <li>• Literacy Initiatives</li> </ul>



TABLE 1 (continued)

STATE LEVEL COORDINATION EFFORTS

AGENCY	COMPLETED AND ONGOING COORDINATION ACTIVITIES	PLANNED COORDINATION ACTIVITIES
Texas Department of Criminal Justice Criminal Justice Policy Council	<ul style="list-style-type: none"> <li>• Reading to Reduce Recidivism (3-Rs) Project</li> </ul>	<ul style="list-style-type: none"> <li>• Computer-assisted Instructional Models</li> </ul>
Texas Department of Agriculture	<ul style="list-style-type: none"> <li>• Dislocated Farmer Programs</li> </ul>	<ul style="list-style-type: none"> <li>• Agricultural Workers/Immigration Programs</li> </ul>
Texas Higher Education Coordinating Board	<ul style="list-style-type: none"> <li>• Regional Planning Pilot Projects</li> <li>• Joint Planning</li> <li>• Labor Market Information Sharing</li> <li>• Youth Opportunities Unlimited</li> </ul>	<ul style="list-style-type: none"> <li>• Literacy Initiatives</li> <li>• Joint Conferences</li> <li>• Expansion of Regional Planning in Texas</li> <li>• School-to-Work Transition</li> </ul>
Texas Department of Commerce	<ul style="list-style-type: none"> <li>• Community Development Block Grant Programs</li> <li>• Small Business Assistance</li> </ul>	<ul style="list-style-type: none"> <li>• Development of a Plan to Coordinate JTPA with Other Commerce Divisions</li> <li>• Continuation of Current Activities</li> </ul>
Texas Youth Commission	<ul style="list-style-type: none"> <li>• Interagency Taskforce on At-Risk Youth</li> </ul>	<ul style="list-style-type: none"> <li>• Continuation of Current Activities</li> </ul>
"Integrated Human Investment System" (HIS) SJTCC/Multi-Agency Initiative	<ul style="list-style-type: none"> <li>• Concept Document/Booklet</li> <li>• Interagency Meetings</li> <li>• SJTCC Orientation</li> <li>• Planning Structure</li> </ul>	<ul style="list-style-type: none"> <li>• Continue Interagency Meetings</li> <li>• Identification of Barriers to Integration</li> <li>• Development of Tools for Integration</li> <li>• Initiation of Local Pilot Design</li> <li>• Development of Evaluation of Pilots</li> </ul>
Other	<ul style="list-style-type: none"> <li>• Identify appropriate agencies that provide homeless assistance and alcohol and drug abuse awareness</li> </ul>	<ul style="list-style-type: none"> <li>• Coordinate with appropriate agencies and disseminate information on exemplary programs</li> <li>• Identify training needs for homeless and alcohol and drug abuse awareness</li> </ul>

#### **IV. ANALYSIS OF THE TEXAS LABOR MARKET**

## PROFILE OF TEXAS EMPLOYMENT OPPORTUNITIES

### A. EXECUTIVE SUMMARY: A VIEW OF THE TEXAS ECONOMY

"In truth, there is no way to predict what Texas' growth industries will be in the early 2000s because the technological change and international market forces are altering comparative advantages at almost breakneck speed." This quote from Southern Methodist University (SMU) economist, Bernard Weinstein flashes a pragmatic light to those persons trying to envision the Texas economy in 15 years. The 1990s will most likely present a job market of unprecedented volatility: more limited job security but considerable opportunity. Certainly much of our past industry growth can be attributed to the tremendous natural resources abundant in Texas and yet the time has come where Texans will have to work harder and smarter if they hope to enjoy continued economic growth. Although we cannot know with certainty where tomorrow's jobs will be, there are specific economic and demographic phenomena affecting Texas and the Nation which will provide some good indications.

The State Comptroller has predicted that growth during the next two decades will be slower but steadier than the recent past. He also sees a broader group of industries providing the catalyst. Based on some significant structural changes taking place in both the Texas and National economies, almost three out of every four new Texas jobs will come in service-producing industries. More specifically, business services, health services and eating and drinking places are expected to lead employment growth. Business services includes mostly small businesses, many of which are filling niches for services which have historically been performed by departments within a larger firm. Health services will maintain its steady growth rate as our population ages and requires more medical care as well as continues to become more health and fitness conscious. Much of the employment expansion will come in more efficient alternative medical treatment centers and nursing care facilities. Higher levels of personal income and increasing consumer preference for dining out will lead to greater employment in eating and drinking places, even though this industry is dominated by part time workers.

The Texas economy has historically ebbed and flowed with the price of oil. Oil prices are expected to range between \$15 and \$25 a barrel through 1991. Most experts agree that the bottom of the 1986 collapse is past but many factors can still play havoc with oil prices including Organization of Petroleum Exporting Companies (OPEC) decisions, federal legislation, international currency fluctuation and catastrophic events. The State Comptroller predicts oil prices to trend slowly upward through the year 2000. Although the number of oil and gas production/extraction jobs will continue to decline as a percentage of total employment, Texas will remain a world energy center and serve as a technical and financial hub—especially in the area of oil and gas services. Many economists agree with Houston oil independent Marvin Zeid, quoted here from the April 1987 issue of *Texas Business*, "... the energy industry recovery will take two to five years and will never pack the kind of wealth-creating punch Texas was used to in terms of bountiful high-paying job opportunities, state and local revenues or bankable expectations."

Changing technology in the form of revamped production processes, new products and changing skill requirements will have an effect on the types of occupations which will be associated with each industry sector. Current employment patterns, however, will continue to be reflective of the vast majority of potential near term job opportunities. Employers will continue to stress enhanced basic skills training at the secondary level and increased technical and scientific background from college graduates.

Although there is some disagreement on the projected structure of both the Texas and National labor markets, it is clear that proliferation of automation/computer applications will both create need for additional skills (robotics/automation repair technicians, engineers/engineering technicians) and reduce the need for others (bank tellers, production/assembly workers). It is uncertain what the net effects will be over the long term. It seems likely, however, that the 1990s will bring growing demand disparity for occupations at both ends of the skill spectrum—large numbers of service-oriented occupations in direct public contact (with lower relative wages and training requirements) and like numbers of highly skilled technicians, managers and scientists holding high paying jobs with extensive skill requirements. As traditional career ladders between these groups disappear, the need for career reorientation, ongoing and additional skill training should increase markedly.

## **B. BACKGROUND: A MORE SERVICE-ORIENTED ECONOMY**

The extent of occupational job opportunities is in large part determined by those industries which are expanding. Industrial growth will dictate the number of net new jobs created, while labor turnover will create additional openings. The types of skills (occupations) which will be in demand will be determined by those sectors which exhibit the greatest growth and replacement demand.

There has been considerable attention focused on the transition of the national economy away from a goods producing base and becoming more service oriented. This trend has been occurring nationally since 1945 when 45.5 percent of employment was in goods production and 54.5 percent in services. Table 1 documents the emerging employment significance of the service sector. Since 1970 both the U.S. and Texas have shown a steady percent increase in service employment. The U.S. reached 76.05 percent concentration in 1989 and Texas has risen from 70.3 percent in 1970 to 77.97 percent by 1989.

TABLE 2

COMPARISON OF GOODS PRODUCING VS. SERVICES EMPLOYMENT  
OF THE U.S. AND TEXAS FOR 1970 THROUGH 1988

UNITED STATES			TEXAS		
	PERCENT GOODS- PRODUCING	PERCENT SERVICE- PRODUCING		PERCENT GOODS- PRODUCING	PERCENT SERVICE- PRODUCING
1970	33.26%	66.74%	1970	29.70%	70.30%
1971	32.21%	67.79%	1971	28.66%	71.34%
1972	32.12%	67.88%	1972	28.36%	71.64%
1973	32.42%	67.58%	1973	28.55%	71.45%
1974	31.68%	68.32%	1974	28.78%	71.22%
1975	29.37%	70.63%	1975	27.76%	72.24%
1976	29.42%	70.58%	1976	28.24%	71.76%
1977	29.52%	70.48%	1977	28.50%	71.50%
1978	29.51%	70.49%	1978	28.97%	71.03%
1979	29.46%	70.54%	1979	29.30%	70.70%
1980	29.38%	71.62%	1980	29.42%	70.58%
1981	27.97%	72.03%	1981	29.78%	70.22%
1982	26.59%	73.41%	1982	28.41%	71.59%
1983	25.87%	74.13%	1983	26.65%	73.35%
1984	26.17%	73.83%	1984	26.49%	73.51%
1985	25.49%	74.51%	1985	25.54%	74.46%
1986	24.68%	75.32%	1986	23.77%	76.23%
1987	24.22%	75.78%	1987	22.39%	77.61%
1988	24.11%	75.89%	1988	22.13%	77.87%
1989	23.94%	76.05%	1989	22.03%	77.97%

SERVICE-PRODUCING = TRANSPORTATION, WHOLESALE/RETAIL TRADE, FINANCE,  
INSURANCE, REAL ESTATE, SERVICES, AND GOVERNMENT  
GOODS-PRODUCING = CONSTRUCTION, MINING AND MANUFACTURING

Although the invention of new technologies and productivity growth in manufacturing and agriculture have been the major drivers of national economic growth over the past two centuries, an expanding service sector is a natural progression of a mature economy. It should be remembered that everything that happens to a product after it has been manufactured falls into the service sector. This includes handling and transportation, marketing, wholesale and retail distribution, financing and a host of other activities. Moreover, the maintenance of our population in terms of health care, entertainment, insurance, sanitation, etc. all fall under "service" activities. The *ECONOMIST* magazine once defined services as "anything sold in trade that could not be dropped on your foot" and indeed the scope of personal business services in Texas is very broad and diverse.

### C. FIRM SIZE AND TEXAS EMPLOYMENT

There were roughly 285,712 Texas firms employing over 6.6 million workers in the first Quarter 1989. Over half of these firms had fewer than four employees, while the 757 firms with 1,000 or more persons employed over a third of the Texas work force. The following chart shows the breakdown of Texas firms by employment size class.

#### EMPLOYMENT BY SIZE CLASS

Employment Size Class	Number of Firms	Percent of Total	Total Employment	Percent of Total
1-4	154,636	54.12%	327,795	4.92%
5-9	57,742	20.21%	378,210	5.68%
10-19	34,276	12.00%	461,107	6.92%
20-49	22,534	7.89%	683,625	10.26%
50-99	8,076	2.83%	555,983	8.34%
10-249	5,049	1.77%	767,505	11.52%
250-499	1,782	.62%	615,684	9.24%
500-999	860	.30%	600,767	9.02%
1,000 & More	757	.26%	2,273,170	34.11%
TOTAL	285,712	100.00%	6,663,846	100.00%

Source: TEC—Covered Wages and Employment, 1st QTR 1989.

Although national research indicates that the majority of job growth will come in smaller firms, the Texas recession of 1986-87 took its toll on small businesses. The firms which have shown employment expansion in the past two years have been the medium sized firms from 100-999 employees. There is some new research which indicates that most small businesses do not grow on their own but rather acquire other companies to expand their scope of activities. This growth is not job creating but "reshuffling" of already employed people. The quality of jobs created by small business, especially in the service sector, has also come into question.

It is expected, however, that Texas trends will look more like those of the nation by the early 1990s with small firms accounting for a greater percent of net new job growth. This complicates the job search process for individuals because more contacts are required at the many smaller firms to identify the same number of job openings that a single large employer might otherwise provide. Moreover, smaller firms tend to have less well-defined occupational responsibilities so an individual may be required, for example, to do marketing, accounting and bookkeeping all within one job title. On the positive side, smaller firms have smaller bureaucracies and therefore greater opportunity for personal growth and promotion.

### D. LABOR FORCE TRENDS

Unemployment rates in Texas have been trending downward from a 1986 annual average high of 8.9 percent to 6.7 percent for calendar 1989. Table 3 shows annual average unemployment rates for each Texas SDA from 1985 through 1989. Three border SDAs, Hidalgo-Willacy, Middle Rio Grande and South Texas once again had the highest rates for 1989 – each area with rates more than twice the state average. The lowest rates belonged to the suburban SDAs surrounding Dallas, Tarrant, and Harris counties. Also among the lower rates were the three panhandle region SDAs.

TABLE 3

UNEMPLOYMENT RATES FOR TEXAS SERVICE DELIVERY AREAS  
1985-1989

TEXAS SDAs	ANNUAL AVERAGE UNEMPLOYMENT RATES (PERCENT)				
	1985	1986	1987	1988	1989
TEXAS	7.0	8.9	8.4	7.3	6.7
ALAMO	5.7	7.1	7.7	7.5	7.1
BRAZOS VALLEY	5.5	7.4	6.7	5.4	4.9
CAMERON COUNTY	14.5	15.9	14.4	13.3	12.0
CAPITAL AREA	3.7	5.5	6.2	6.1	5.4
CENTRAL TEXAS	6.5	7.7	7.6	7.4	7.2
COASTAL BEND	8.1	13.3	11.7	9.4	8.2
CONCHO VALLEY	5.1	7.7	6.5	5.8	6.3
BAL. OF DALLAS CO	3.8	4.6	5.1	4.7	4.4
CITY OF DALLAS	4.7	5.7	7.2	6.7	6.3
DEEP EAST TEXAS	8.7	10.7	9.2	7.8	7.1
EAST TEXAS	7.6	10.0	9.2	7.8	7.4
FT. WORTH CONSORT.	5.1	6.6	7.6	6.9	6.2
GOLDEN CRESCENT	6.4	9.5	8.3	6.7	5.8
GULF COAST	8.1	10.4	9.4	7.4	6.5
BAL. OF HARRIS CO.	6.8	9.0	7.8	6.0	5.1
HEART OF TEXAS	5.7	7.6	7.8	6.8	5.8
HIDALGO-WILLACY	18.7	19.5	17.9	16.9	16.6
CITY OF HOUSTON	7.8	10.3	9.6	7.3	6.3
LUBBOCK/GARZA	6.1	6.9	6.3	5.4	5.1
MIDDLE RIO GRANDE	18.1	19.9	17.4	16.9	16.4
BAL. OF NORTH CENTRAL	4.7	6.0	6.4	5.7	5.3
NORTH EAST TEXAS	8.5	11.3	10.0	8.4	8.2
NORTH TEXAS	5.3	7.9	7.1	5.8	5.5
NUECES COUNTY	9.1	11.7	11.3	9.2	8.1
PANHANDLE	5.8	7.1	6.2	5.6	5.2
PERMIAN BASIN	5.8	12.2	9.8	7.0	7.1
SOUTH EAST TEXAS	13.5	14.4	12.5	10.4	9.0
SOUTH PLAINS	5.8	9.2	7.1	5.4	5.2
SOUTH TEXAS	18.2	21.4	19.9	17.9	16.7
BAL. OF TARRANT CO.	4.1	5.3	5.6	5.1	4.6
TEXOMA	6.6	7.6	7.8	6.7	6.2
AUSTIN/TRAVIS CO.	4.3	5.7	6.5	6.0	5.4
UPPER RIO GRANDE	10.6	11.3	10.6	10.6	10.2
WEST CENTRAL TEXAS	5.4	8.7	8.0	6.4	6.4

Source: Unemployment Rates are produced by the Texas Employment Commission/  
Economic Research and Analysis Section.

The Texas Employment Commission notes that although the 1989 statewide unemployment rate of 6.7 percent was the lowest in Texas since 1984, it remains almost one and a half percentage points above the national rate. Although through much of recent history the Texas rate has been well below the national rate, Texas has failed to pick up much ground since that situation reversed itself beginning in 1986.

Because the unemployment rates are largely a function of the level of civilian labor force, this indicator lends additional insight into the Texas labor market. The South Texas and Cameron County SDAs had the highest percentage increase in their labor force from January 1988 through January 1990. Despite the outstanding percentage increase in wage and salary jobs in these areas, clearly the lower border region is experiencing labor force growth in excess of its ability to absorb new workers.

The Texas labor force grew at just under 2 percent for the January 1988 – January 1990 period, considerably below the national rate of 2.97 percent over the same period. Of the 34 Texas SDAs, fifteen experienced new losses in their labor force totals. The city of Dallas suffered the greatest new decline of 16,786, while the Alamo area lost a net 9,244 and the Balance of Dallas County lost another 9,140. On the other side of the balance sheet, the city of Houston gained a net 50,753 over the period, followed by North Central Texas and the Balance of Harris County with gains of 26,177 and 25,951 respectively. Well after the initial shocks of the 1986 oil price plunge, the West Texas trio of Permian Basin, Concho Valley and West Texas lost a combined 5,495 net labor force participants or 1.5 percent over the 2 year period.

## **E. EMPLOYMENT TRENDS**

Clearly, the greatest percentage increase in wage and salary employment between the first quarter 1988 and the first quarter 1989 took place in the three border SDAs of South Texas, Cameron County and Hidalgo-Willacy. Table 4, sorted by percent increase during this period, also shows employment declines in the South Plains, Permian Basin, Nueces County and eight other Texas SDAs. Overall, Texas added 167,049 jobs between the 2 first quarter periods, representing a fairly robust 2.6 percent. Harris County (including the city of Houston), with a net increase of 62,721 was far and away the job growth leader in the state – a trend which has continued through the first three quarters of 1989. Despite a relatively weak growth period during PY88, Dallas County has rebounded during calendar 1989 adding 23,883 jobs during the first three quarters of 1989. Despite a strong expansion during the PY88 period, Hidalgo-Willacy has shown a marked decline from the first quarter 1989 through the third quarter 1989 – a phenomenon more attributable to seasonal variability in that economy than deteriorating economic conditions. According to the Comptroller, the valley area is expected to continue its growth in retail activity and Maquiladora manufacturing, though at a somewhat reduced rate of expansion.





## F. RECENT AND HISTORICAL EMPLOYMENT CHANGE: WINNERS AND LOSERS

At the aggregate level, recent and historical changes in Texas employment show the devastating effect of the first Quarter 1986 oil price plunge in conjunction with a declining construction sector due to overbuilding.

Table 5 shows that Texas lost a net -97,189 jobs during the first Quarter 1986 through the first Quarter 1988 period, a time which can be characterized as a Texas recession.

**TABLE 5**  
**RECENT AND HISTORICAL CHANGES IN TEXAS EMPLOYMENT**

	1st Qtr 86-1st Qtr 88		1st Qtr 88-1st Qtr 89	
	Absolute Change	Percent Change	Absolute Change	Percent Change
Texas Total (Incl. Govt.)	(97,189)	-1.49%	174,221	2.70%
Goods-Producing	(167,247)	-9.81%	(14,271)	-0.93%
Agriculture	14,192	21.85%	2,146	2.74%
Construction	(103,281)	-24.24%	(14,543)	-4.51%
Mining	(54,073)	-22.53%	(16,906)	-9.10%
Manufacturing	(24,085)	-2.47%	15,032	1.58%
Service-Producing	70,058	1.45%	188,492	3.84%
Trans/Public Utilities	7,305	2.06%	13,680	3.79%
Wholesale Trade	(31,080)	-7.07%	17,103	4.17%
Retail Trade	(28,821)	-2.32%	31,319	2.59%
Finance, Insurance & Real Estate	(11,480)	-2.66%	(2,942)	-0.70%
Services	87,909	7.06%	96,127	7.17%
Government	46,225	4.11%	33,205	2.84%

Source: Texas Employment Commission, Covered Wages and Employment

The Texas recession was further characterized by an unemployment rate that climbed from 6.9 percent in January 1986 to 8.4 percent in January 1988, reaching a peak in June 1986 at 11.1 percent. Every area in the state showed an improvement, however, in their 1988 annual average unemployment rate over the 1987 annual average rate. The Texas 1988 annual average rate was 7.3 percent.

From an industrial viewpoint, the total decline experienced in construction, mining (oil and gas) and manufacturing was offset somewhat by small growth in the service-producing sector. Although agricultural employment expanded by 14,192 jobs during the 1986-1988 period, over 43 percent of that number came in agricultural services such as crop services and farm labor management. As the first quarter 1988 signalled the bottom of the recession, most sectors showed improvement along with the aggregate economy. Though mining and construction activity continue to lag the overall economy by losing a combined 31,449 jobs between the first quarter 1988 and the first quarter 1989, total manufacturing employment grew by 15,032 jobs over the same period. Leading the way however was the service producing sector which expanded by a robust 3.8 percent from the first quarter of 1988 to first quarter 1989. Every major industry in this sector showed growth except for the finance, insurance and real estate category which continued to suffer from a depressed real estate market and a restructuring of savings and loans offices.

In addition to health services and business services topping the employment growth chart from first quarter 1988 to first 1989, wholesale and retail trade had five detailed industries in the top ten (10) expanding sectors led by general merchandise stores and eating and drinking places. On the negative side, oil and gas extraction continued its slump, followed by construction and several construction related industries. Also experiencing employment decline were all sectors in the finance community except commercial banking which added 3,300 workers over the period. In the manufacturing sector, employment change was a mixed bag with transportation equipment and electronic equipment leading the way but printing and publishing, petroleum refining, lumber and apparel all experiencing declines. Expected decreases in federal defense spending and stagnant demand for computer chips will likely affect employment growth prospects for 1989 and 1990 in the transportation equipment and electronics industries respectively. State and local government continue to expand at a 3.3 percent rate.

At a more detailed level, business services and health services topped the list of employment gainers during both the first quarter 1986-first quarter 1988 period and during the first quarter 1988 through first quarter 1989 period. Other industry sectors which have shown outstanding performance are represented in Table 6 titled "Texas Standout Industries 1984-1988."

TABLE 6

**TEXAS "STANDOUT" INDUSTRIES 1984-1988\*\*  
PRIVATE SECTOR (EXCLUDING GOVERNMENT)**

SIC	Industry Name	Employment			1st Qtr 88 Average Annual Wage	1st Qtr 88 Index to Statewide Average	Percent Change 1984- 1988	Percent Change 1986- 1988
		January 1984	January 1986	January 1988				
	STATE TOTAL	5,430,834	5,767,092	5,242,458	\$21,066	1.000	-3.47%	-9.10%
252	Office Furniture	1,430	1,523	1,919	\$21,530	1.022	34.20%	26.00%
272	Periodical/ Magazine Publishing	2,518	2,870	3,067	\$26,356	1.251	21.80%	6.86%
273	Book Publishing and Printing	2,606	2,101	3,098	\$23,620	1.121	18.88%	47.45%
283	Drugs Manufacture	3,473	4,242	4,852	\$30,892	1.466	39.71%	14.38%
322	Glass/Glassware, Pressed or Blown	2,933	3,493	3,637	\$28,823	1.368	24.00%	4.12%
372	Aircraft and Parts Manufacture	37,915	43,345	54,577	\$32,760	1.555	43.95%	25.91%
374	Railroad Equipment Manufacture	1,548	1,874	2,387	\$24,060	1.142	54.20%	27.37%
451	Certified Air Transportation	27,321	36,824	42,817	\$35,983	1.708	56.72%	16.27%
452	Noncertified Air Transportation	2,632	4,106	4,549	\$26,200	1.244	72.83%	10.79%
471	Freight Forwarding	4,750	5,117	5,536	\$22,341	1.061	16.55%	8.19%
495	Sanitary Services	3,810	4,655	5,115	\$28,584	1.357	34.25%	9.88%
605	Functions Related to Banking	1,404	1,797	2,043	\$29,842	1.417	45.51%	13.69%
616	Mortgage Bankers and Brokers	11,001	13,317	13,976	\$27,793	1.319	27.04%	4.95%

\*\* Standout Criteria: Must meet all the following conditions:

- (A) 1,000 or more employment
- (B) Growth of 16% or more from 1984-1988
- (C) Growth of 4% or more from 1986-1988
- (D) Annual average wage greater than the state average

TABLE 6 (CONTINUED)

TEXAS "STANDOUT" INDUSTRIES 1984-1988\*\*  
PRIVATE SECTOR (EXCLUDING GOVERNMENT)

SIC	Industry Name	Employment			1st Qtr 88 Average Annual Wage	1st Qtr 88 Index to Statewide Average	Percent Change 1984- 1988	Percent Change 1986- 1988
		January 1984	January 1986	January 1988				
621	Security Brokers and Dealers	11,369	12,854	14,974	\$77,011	3.656	31.71%	16.49%
632	Medical Service/Health Insurance	6,129	7,584	8,251	\$24,806	1.178	34.62%	8.79%
641	Insurance Agents, Brokers, Services	36,338	40,078	42,596	\$25,755	1.223	17.22%	6.28%
672	Investment Offices	674	992	1,802	\$51,858	2.462	167.36%	81.65%
673	Trusts/ Foundations Management	1,105	1,914	2,413	\$21,153	1.004	118.37%	26.07%
801	Offices of Physicians	55,351	61,533	67,344	\$39,828	1.891	21.67%	9.44%
807	Medical and Dental Laboratories	6,915	7,295	8,518	\$26,531	1.259	23.18%	16.76%
811	Legal Services, Total	37,559	45,625	53,122	\$37,750	1.792	41.44%	16.43%
862	Professional Membership Organizations	1,662	2,611	2,848	\$21,326	1.012	71.36%	9.08%
892	Non-Profit Research Organizations	2,008	2,592	2,964	\$26,663	1.266	47.61%	14.35%
893	Accounting, Auditing, & Bookkeeping Services	28,403	32,068	33,351	\$25,537	1.212	17.42%	4.00%
	"Standout" Totals	290,854	340,410	385,756	\$737,002	1.458	32.63%	13.32%
	Percent of Statewide	5.36%	5.90%	7.36%				

\*\* Standout Criteria: Must meet all the following conditions:

- (A) 1,000 or more employment
- (B) Growth of 16% or more from 1984-1988
- (C) Growth of 4% or more from 1986-1988
- (D) Annual average wage greater than the state average

These industries all met the criteria of 1,000 or more employment, average wage greater than the state average and minimum growth of 16 percent between 1984-1988 and four percent from 1986-1988. On Table 3 are several industries related to banking and finance which, although prosperous during the January 1984-1988 period, have suffered significant employment losses throughout 1988 and are projected to remain depressed through 1989.

## G. INDUSTRY AVERAGE WAGES: IT DOES MAKE A DIFFERENCE

There are a number of factors which determine the average wages for any particular industry. Among these are the rates of productivity growth, the degree of unionization, the level of capital investment per employee, percentage of part-time workers and the relative skill requirements. For example, since about one-third of all those employed in the legal services industry are lawyers, which is a highly skilled occupation, the average industry wage will be relatively high. As another example, labor costs are such a small part of total costs in industries such as petroleum refining that firms tend to want a highly stable and dependable work force to keep the equipment in operation. They are willing to pay a higher wage to keep employees from becoming disgruntled, walking out and idling the huge investment the firm has in capital equipment. This is equally true of deep sea transportation and airline industries whose very well-paid captains and pilots have among the strongest collective bargaining positions in the economy. On the other end of the scale, industries such as child care services, characterized by large numbers of part-time and comparatively lower skilled workers, have a lower average weekly wage.

**TABLE 7**  
**HIGHEST AND LOWEST PAYING INDUSTRIES IN TEXAS**

SIC Code	Industry Name	1st Qtr 88 Average Annual Wage	1st Qtr 88 Index To Statewide Average	1st Qtr 88 Average Weekly Wage
TEXAS STATE AVERAGE		\$21,066	1.000	\$405
20 HIGHEST PAYING INDUSTRIES				
794	Commercial Sports Promoters	\$87,325	4.145	\$1,679
623	Stock and Commodity Exchanges	\$83,663	3.972	\$1,609
628	Stock/Commodity Financial Services	\$79,642	3.781	\$1,532
621	Security Brokers and Dealers	\$77,011	3.656	\$1,481
622	Commodity Contracts Brokers/ Dealers	\$75,309	3.575	\$1,448
671	Bank Holding Companies (Finance)	\$61,651	2.927	\$1,186
672	Management Investment Offices	\$51,858	2.462	\$997
639	Insurance Carriers/Underwriters	\$50,618	2.403	\$973
108	Metal Mining Services	\$49,325	2.341	\$949
132	Natural Gas Liquids (Mining)	\$46,788	2.221	\$900
131	Crude Petroleum/Nat. Gas Extraction	\$46,530	2.209	\$895
104	Gold and Silver Ore Mining	\$46,516	2.208	\$895
604	Trust Companies, Non-deposit	\$46,476	2.206	\$894
286	Industrial Organic Chemicals (Manuf)	\$46,366	2.201	\$892
282	Plastic/Synthetic Materials (Manuf)	\$44,216	2.099	\$850
291	Petroleum Refining	\$42,680	2.026	\$821
263	Paperboard Mills (Manufacturing)	\$42,628	2.024	\$820
461	Pipe Line Operators, Ex. Natural Gas	\$41,783	1.983	\$804
615	Business Credit Institutions	\$41,317	1.961	\$795
441	Deep Sea Foreign Transportation	\$41,073	1.950	\$790

Source: TEC/ERA, Covered Wages and Employment

**TABLE 7 (CONTINUED)**  
**HIGHEST AND LOWEST PAYING INDUSTRIES IN TEXAS**

SIC Code	Industry Name	1st Qtr 88 Average Annual Wage	1st Qtr 88 Index To Statewide Average	1st Qtr 88 Average Weekly Wage
20 LOWEST PAYING INDUSTRIES				
562	Women's Ready-To-Wear Stores (Retail)	\$9,199	0.437	\$177
533	Variety Merchandise Stores (Retail)	\$8,903	0.423	\$171
805	Nursing and Personal Care Facilities	\$8,782	0.417	\$169
793	Bowling Alleys/Billiard-Pool Halls	\$8,773	0.416	\$169
881	Private Households (Individuals)	\$8,446	0.401	\$162
734	Services to Dwellings/Other Buildings	\$8,227	0.391	\$158
581	Eating and Drinking Places	\$7,886	0.374	\$152
016	Vegetables/Melons Farms (Agriculture)	\$7,850	0.373	\$151
546	Retail Bakeries (Retail)	\$7,626	0.362	\$147
702	Rooming and Boarding Houses	\$7,508	0.356	\$144
835	Child Day Care Services	\$7,499	0.356	\$144
564	Children's/Infants' Wear Stores (Retail)	\$7,446	0.353	\$143
783	Motion Picture Theaters	\$6,885	0.327	\$132
809	Non-classified Health & Allied Services	\$6,754	0.321	\$130
082	Forest Nurseries/Seed Gathering	\$6,497	0.308	\$125
415	Operation of School Buses (Private)	\$6,433	0.305	\$124
791	Dance Halls, Dance Studios, and Schools	\$6,416	0.305	\$123
544	Candy, Nut, Confectionery Stores (Retail)	\$6,068	0.288	\$117
076	Farm Labor/Management Services	\$4,098	0.195	\$79
545	Dairy Products Stores (Retail)	\$4,001	0.190	\$77

Source: TEC/ERA, Covered Wages and Employment

Table 7 shows the average weekly wages for both the 20 highest paying industries and the 20 lowest paying industries as of the first quarter 1988. The average wage for all industries in Texas was \$405 per week in the first quarter 1988 with service-producing industries averaging \$365 per week and goods producing industries averaging \$494. As Table 7 demonstrates however, many service-producing industries, such as financial securities brokers, have very high average weekly wages. Some manufacturing sectors, such as leather goods have relatively low average wages. Many of the retail trade industries which have a high proportion of younger workers and part-time workers appear in the 20 lowest paid industries.

## H. INDUSTRY PROJECTIONS: A GLIMPSE AT THE FUTURE

Most analysts believe the economy has a bright future as Texas takes a more diversified economic base into the 1990s. As long as the national economy continues to grow in the 2-2.5 percent range, Texas should grow slightly above that average. Although the banking and financial community has had a difficult 1988 and will continue, in the aggregate, to suffer through 1990, other sectors of the economy will buoy Texas growth. The real estate and residential construction sectors will be slow to recover through 1991 with some localized expansion in specific areas of the state being the exception. A positive note for real estate recovery is that depressed property values make Texas a good bargain for investment and several major firms have already begun to take advantage of their values. Because of the changing industry mix, investment capital coming into Texas will be essential for sustained growth.

The Texas Employment Commission has recently unveiled industry projections to 1995 for Texas in the publication *Texas Jobs 1995*. Table 8 displays those sectors projected to have the greatest absolute number of jobs through 1995 and Table 9 shows those with the greatest percentage increase. The reader is reminded that these projections are likely based on historical trends. On a year to year basis there will likely be greater fluctuation than straight line change. These data, however, do not account for the cyclical fluctuations in the economy. Similarly, they do not reflect unanticipated economic factors, such as plant relocations, which occur after the analysis is complete.



**TABLE 8**

**TEXAS INDUSTRY EMPLOYMENT PROJECTIONS 1985-1995:  
ABSOLUTE JOB GROWTH**

SIC Code	Industry Name	Annual Average Employment 1985	1995	Change in Employment 85-95	Annual Growth Rate
TEXAS STATEWIDE TOTALS		6,767,503	8,653,726	1,541,223	2.28%
Top 20 Industries By Absolute Job Growth					
82	EDUCATIONAL SERVICES	581,400	766,050	184,650	3.18%
80	HEALTH SERVICES	440,950	607,050	166,100	3.77%
58	EATING AND DRINKING PLACES	407,300	525,750	118,450	2.91%
73	BUSINESS SERVICES	342,250	453,600	111,350	3.25%
50	WHOLESALE TRADE, DURABLES	263,077	312,839	49,762	0.19%
93	LOCAL GOVERNMENT EX. EDUC.	227,100	273,250	46,150	2.03%
54	FOOD STORES (RETAIL)	238,900	275,600	36,700	1.54%
36	ELECTRIC/ELECTRONIC EQUIPMENT	116,500	149,400	32,900	2.82%
53	GENERAL MERCHANDISE STORES	159,850	191,800	31,950	2.00%
17	SPECIAL TRADE CONTRACTORS	258,800	290,400	31,600	1.22%
51	WHOLESALE TRADE, NON-DURABLES	165,526	196,837	31,311	0.19%
59	MISCELLANEOUS RETAIL STORES	178,400	208,900	30,500	1.71%
89	MISCELLANEOUS SERVICES	128,850	156,650	27,800	2.16%
55	AUTO DEALERS/RECREATIONAL VEHICLES	160,900	188,350	27,450	1.71%
48	COMMUNICATIONS (UTILITIES)	90,200	116,700	26,500	2.94%
83	SOCIAL SERVICES	88,400	114,700	26,300	2.98%
86	MEMBERSHIP ORGANIZATIONS	87,500	113,250	25,750	2.94%
72	PERSONAL SERVICES	109,150	134,700	25,550	2.34%
27	PRINTING AND PUBLISHING	79,350	103,150	23,800	3.00%
42	TRUCKING AND WAREHOUSING	107,750	131,250	23,500	2.18%
ABSOLUTE GROWTH TOTALS		4,232,153	5,310,226	1,078,073	2.55%
PERCENT OF TEXAS TOTALS		62.54%	61.36%	69.95%	

Source: TEC/ERA, Texas Jobs 1995

**TABLE 9**

**TEXAS INDUSTRY EMPLOYMENT PROJECTIONS 1985-1995:  
PERCENTAGE JOB GROWTH**

SIC Code	Industry Name	Annual Average Employment 1985	1995	Change in Employment 85-95	Annual Growth Rate
TEXAS STATEWIDE TOTALS		6,767,503	8,653,726	1,541,223	2.28%
Top 20 Industries By Percentage Growth					
78	MOTION PICTURES	9,600	13,350	3,750	3.91%
45	AIR TRANSPORTATION	46,400	64,150	17,750	3.83%
80	HEALTH SERVICES	440,950	607,050	166,100	3.77%
73	BUSINESS SERVICES	342,250	453,600	111,350	3.25%
81	LEGAL SERVICES	44,000	58,050	14,050	3.19%
82	EDUCATIONAL SERVICES	581,400	766,050	184,650	3.18%
84	MUSEUMS, ART GALLERIES, AND ZOOS	2,050	2,700	650	3.17%
39	MISC. MANUFACTURED GOODS	14,450	18,950	4,500	3.11%
27	PRINTING AND PUBLISHING	79,350	103,150	23,800	3.00%
83	SOCIAL SERVICES	88,400	114,700	26,300	2.98%
86	MEMBERSHIP ORGANIZATIONS	87,500	113,250	25,750	2.94%
48	COMMUNICATIONS (UTILITIES)	90,200	116,700	26,500	2.94%
37	TRANSPORTATION EQUIPMENT (MANUF)	79,600	102,850	23,250	2.92%
58	EATING AND DRINKING PLACES	407,300	525,750	118,450	2.91%
62	SECURITY/COMMODITY BROKERS-DEALERS	16,200	20,850	4,650	2.87%
36	ELECTRIC/ELECTRONIC EQUIPMENT	116,500	149,400	32,900	2.82%
41	LOCAL AND INTERURBAN TRANSIT	9,200	11,750	2,550	2.77%
66	COMBINED REAL ESTATE, INSURANCE, ETC.	550	700	150	2.73%
67	HOLDING & OTHER INVESTMENT OFFICES, TOTAL	17,150	21,800	4,650	2.71%
61	CREDIT AGENCIES, OTHER THAN BANKS	62,300	78,700	16,400	2.63%
PERCENT GROWTH TOTALS		2,535,350	3,343,500	808,150	3.19%
PERCENT OF TEXAS TOTALS		37.46%	38.64%	52.44%	

Source: TEC/ERA, Texas Jobs 1995

Each table lists the top 20 industries expected to have the greatest amount of growth. Nine industries appear on both the absolute growth and percentage growth tables. Topping the state in absolute growth was educational services (both public and private at all levels), followed by health services, eating and drinking places and business services. These same four industries also appear on the percent growth table which is led by motion picture theaters, airline transportation, health services and business services.

## I. TEXAS OCCUPATIONAL EMPLOYMENT: GROWTH AND DECLINE

Job opportunities by occupation can be viewed two ways; (1) those occupations with the largest percentage growth, and (2) those occupations which will offer the greatest absolute number of jobs. Table 10 and 11 show the top 50 occupations for both of these categories.

**TABLE 10**  
**TOP 50 OCCUPATIONS IN TEXAS RANKED BY**  
**PROJECTED ABSOLUTE EMPLOYMENT GROWTH**

New OES Code	Occupational Title	Absolute Job Growth 1985-95	New OES Code	Occupational Title	Absolute Job Growth 1985-95
1. 49023	Cashiers	50,200	26. 63047	Security Guards	11,500
2. 49011	Salespersons, Retail	39,550	27. 68038	Child Care Workers	11,250
3. 97101	Truck Driver, All	37,950	28. 65026	Cooks, Restaurant	10,800
4. 32502	Registered Nurses	35,550	29. 25102	Systems Analyst, EDP	10,750
5. 19005	General Managers	34,350	30. 13002	Financial Managers	10,450
6. 67005	Janitors and Cleaners	31,050	31. 31302	Preschool Teachers	10,400
7. 65008	Waiters and Waitresses	27,400	32. 87102	Carpenters	9,450
8. 31308	Secondary Teachers	25,400	33. 49021	Stock Clerks, Sales Floor	8,950
9. 55347	General Office Clerks	24,550	34. 22505	Electric Engine Technicians	8,850
10. 31305	Elementary Teachers	23,700	35. 53905	Teacher Aides/Assistants	8,450
11. 66008	Nursing Aides/Orderlies	21,650	36. 85302	Auto Mechanics	8,150
12. 21114	Accountants/Auditors	20,300	37. 43002	Insurance Sales Agents	8,050
13. 85132	Main Repairers, General	19,900	38. 65005	Bartenders	7,450
14. 65038	Food Preparation Workers	19,250	39. 31521	Teacher Aides	7,300
15. 51002	First Line Super, Clerical	15,600	40. 66011	Home Health Aides	7,250
16. 32505	Licensed Practical Nurses	14,800	41. 79014	Gardeners/Groundskeepers	7,200
17. 41002	Sales Supervisors	14,050	42. 55305	Receptionist	7,050
18. 49008	Sales Rep, Wholesale	13,750	43. 81002	Supervisors, Mechanics	7,000
19. 22126	Electrical Engineer	13,050	44. 65017	Counter Attendants	6,850
20. 25104	Computer Programmer/Aide	12,900	45. 93956	Assembler/Fabricator	6,750
21. 55338	Bookkeeping Clerks	12,450	46. 97111	Bus Driver, School	6,450
22. 65032	Cooks, Fast-Food/Short Order	12,150	47. 28108	Lawyers	6,400
23. 67002	Maids and Housecleaners	12,100	48. 49005	Sales Rep, Scientific	6,100
24. 65028	Cooks, Institution	11,850	49. 87202	Electricians	6,050
25. 68005	Hairstylist/Cosmetologist	11,650	50. 31311	Special Ed Teachers	6,000

Source: TEC/ERA, Texas Jobs 1995 Publication

**TABLE 11**

**TOP 50 OCCUPATIONS IN TEXAS RANKED BY  
PROJECTED PERCENT EMPLOYMENT GROWTH**

New OES Code	Occupational Title	Percent Job Growth 1985-95	New OES Code	Occupational Title	Percent Job Growth 1985- 95
1. 28305	Paralegal Personnel	63.01%	26. 97114	Taxi Drivers/Chauffeurs	41.67%
2. 66005	Medical Assistants	54.39%	27. 31317	Non Voc-Ed Instructors	41.49%
3. 66011	Home Health Aides	53.90%	28. 53908	Advertising Clerks	41.38%
4. 32502	Registered Nurses	52.16%	29. 53905	Teacher Aides/Assistant	41.12%
5. 32911	Medical Records Technicians	50.00%	30. 32305	Occupational Therapist	40.74%
6. 22305	Marine Architects	50.00%	31. 22102	Aeronautical Engineers	40.30%
7. 92714	Textile Bleaching Operator	50.00%	32. 43104	Securities Sales Agents	40.15%
8. 87941	Continuous Mining Mach Op	50.00%	33. 25102	Systems Analyst, EDP	40.11%
9. 34032	Film Editors	50.00%	34. 32914	Nuclear Medicine Technician	40.00%
10. 85951	Bicycle Repairers	50.00%	35. 97702	Aircraft Pilots/Engineer	39.46%
11. 67011	Elevator Operators	50.00%	36. 63017	Correction Officers	39.27%
12. 68035	Welfare Service Aides	49.35%	37. 32916	Radiological Technologists	39.19%
13. 32926	Electrocardiograph Techs	47.06%	38. 85502	PBX Installers/Repairer	39.08%
14. 25313	Actuaries	46.67%	39. 93102	Aircraft Assemblers	38.24%
15. 22126	Electrical Engineers	45.63%	40. 31111	Lecturers	38.10%
16. 68026	Flight Attendants	45.59%	41. 85908	Electro-medical Equip Repair	37.50%
17. 32302	Respiratory Therapist	45.35%	42. 32908	Dental Hygienist	36.99%
18. 32928	Surgical Technician	45.24%	43. 22505	Electric Engine Technician	36.80%
19. 25104	Computer Programmer/Aide	45.18%	44. 91711	Solder/Brazing Mach Operator	36.36%
20. 68021	Ushers/Lobby Attendants	43.75%	45. 34011	Reporters/Correspondents	36.36%
21. 32308	Physical Therapist	43.06%	46. 34047	Music Directors	36.36%
22. 97111	Bus Driver, School	43.00%	47. 34026	Camera Operators	36.36%
23. 32923	EEG Technicians	42.86%	48. 66002	Dental Assistants	36.05%
24. 24311	Medical Scientist	42.86%	49. 66026	Pharmacy Assistant	35.94%
25. 53805	Reservation Agents	42.58%	50. 34008	Public Relations Specialist	35.88%

Source: TEC/ERA, Texas Jobs 1995 Publication

It is important to remember the distinction between percent growth and absolute growth when analyzing the Texas economy. For example, para-legal personnel is expected to grow 63.01 percent between 1985 and 1995 but this represents only 428 annual average openings. Cashiers, on the other hand, are expected to grow 31.57 percent over the same period but average 9,805 openings per year. The fifty occupations listed on Table 10 represent slightly less than 50 percent of the total job growth expected through 1995.

Future job prospects are best identified by those occupations appearing on both lists. These high demand occupations are registered nurse, computer programmers, systems analyst EDP, electronic engineering technicians, home health aids and school bus drivers. Significantly, 15 of the top 50 fastest growing occupations in Texas are in the health services industry. This is consistent with national projections which show twelve of the twenty fastest growing occupations providing health services. On the negative employment side, almost one third of the occupations in decline are closely related to the oil and gas sector which is not expected to reach 1985 employment peaks again. Changes in technology and its application (e.g. computers, fiber optics, electronic switching), business practices, production processes and the increased use of imported products will cause some traditional occupations to decline.

## J. OCCUPATIONAL WAGES: HOW MUCH DOES IT PAY!

One of the major concerns of students and other job seekers is how much money is involved with the job. Table 12 represents the 20 highest hourly paying and the 20 lowest hourly paying occupations in Texas.

**TABLE 12**  
**OCCUPATIONAL HOURLY WAGE RATES IN TEXAS:**  
**WAGE AND SALARY EMPLOYMENT**

20 HIGHEST PAYING OCCUPATIONS IN TEXAS				20 LOWEST PAYING OCCUPATIONS IN TEXAS			
New OES Code	Occupational Title	1986 Average Wage		New OES Code	Occupational Title	1986 Average Wage	
1. 31206	Physics Teachers	\$21.88	11.	31222	Engineering Teacher	\$18.84	
2. 22117	Nuclear Engineer	\$20.63	12.	22114	Chemical Engineer	\$18.03	
3. 22111	Petroleum Engineer	\$20.37	13.	22102	Aeronautical Engineer	\$17.70	
4. 32102	Physicians/Surgeons	\$19.30	14.	22123	Agricultural Engineer	\$17.63	
5. 28105	Judicial Reviewers	\$19.18	15.	22126	Electrical Engineer	\$17.60	
6. 28108	Lawyers	\$19.18	16.	27102	Economist	\$17.60	
7. 22138	Marine Engineer	\$19.06	17.	19002	Public Admin. Executives	\$17.55	
8. 32108	Optometrist	\$18.88	18.	24102	Physicist/Astronomer	\$17.45	
9. 25313	Actuaries	\$18.87	19.	28102	Judge/Magistrate	\$17.40	
10. 97702	Aircraft Pilots	\$18.35	20.	22135	Mechanical Engineer	\$17.18	
1.	62041	Child Care Worker (Private)	\$2.69	11.	65038	Food Preparation Worker	\$4.15
2.	68032	Locker Room Attendants	\$3.35	12.	68023	Baggage Porter/Bellhops	\$4.21
3.	53908	Advertising Clerks	\$3.63	13.	49032	Product Demonstrators	\$4.28
4.	68041	Funeral Attendants	\$3.70	14.	65011	Food Server, Outside	\$4.30
5.	65017	Counter Attendants	\$3.85	15.	65008	Waiter/Waitress	\$4.30
6.	61008	Housekeepers/Cleaners	\$3.90	16.	56005	Duplicating Machine Operator	\$4.40
7.	62031	Butler/Servants (Private)	\$3.90	17.	65032	Cook, Short Order	\$4.44
8.	89908	Layout Worker/Cutter	\$4.01	18.	93935	Cannery Worker	\$4.47
9.	65014	Dining Room Attendants	\$4.10	19.	92721	Sewing Machine Operator	\$4.48
10.	65002	Host/Hostess	\$4.10	20.	49023	Cashiers	\$4.53

Source: TEC/ERA, Texas Jobs 1995 Publication

The wage rates in Table 12 are for wage and salary employees and therefore do not reflect average wages for self-employed persons or persons who are paid whole or in part by commission or tips (gratuity). Salary levels for occupations such as physician, lawyer, architect, etc., with large numbers of self-employed, tend to be understated in these figures. Similarly, sales representatives, whose earnings are largely based on commission and can be quite varied, are not clearly reflected by these levels. Although an occupation may have a high or low wage rate, the salary for any specific job may vary widely for many reasons. Among these reasons for wage differences are the:

- difference between entry level wage and the average or prevailing wage. Newly employed persons generally make less.
- amount of union activity associated with a particular job. Union wages tend to be higher than non-union.
- number of part-time persons in an occupation which tends to lower the average wage. Part-time persons generally receive fewer benefits as well.
- differences between regions. Texas has areas which have both a higher and lower overall wage structure than the national average.
- differences among industry sectors where there are both high paying industries and lower paying industries in the aggregate.
- availability of trained persons to fill a job. If there is a shortage of trained persons employers are willing to pay more to attract qualified persons.
- differences in actual job duties/job skills even within the same occupational category.

The occupations on Table 12 reflect the importance of education on earnings. Each of the highest paying occupations, on average, requires at least a four-year college degree. The lowest paying occupations require minimal education or training past the high school level.

The data displayed in Table 13 further substantiates the strong relationship between education and earnings. As each level of training increases so does the average wage for all occupations requiring that level of training. Table 13 also shows the large number of job openings with a training level of one to three months and an even larger number of openings for jobs with two to four years of education and training. The average hourly wage for the lower training level jobs is less than 70 percent of the higher trained group. Data from a national survey in income shows that for all persons receiving bachelor degrees, bachelor degrees in engineering had the highest monthly earnings, followed by economics, business and the physical sciences. Those with the lowest average monthly earnings were home economics, liberal arts, English and psychology.

**TABLE 13**

**RELATIONSHIP BETWEEN TRAINING AND WAGES FOR TEXAS**

SUMMARY OF EMPLOYMENT AND WAGES FOR TEXAS OCCUPATIONS  
USING DICTIONARY OF OCCUPATIONAL TITLES SVPT EDUCATION LEVELS

	Annual Average Openings	Pct. of Total Openings	1995 Employment	Pct. of 1995 Employment	1986 Average Wage
LEVEL 1	396	0.11%	9,270	0.10%	\$5.36
LEVEL 2	39,920	10.66%	945,700	10.47%	\$6.36
LEVEL 3	76,485	20.43%	1,805,990	19.99%	\$7.03
LEVEL 4	48,897	13.06%	1,167,070	12.92%	\$7.61
LEVEL 5	28,303	7.56%	761,070	8.42%	\$8.31
LEVEL 6	54,071	14.44%	1,254,574	13.89%	\$8.24
LEVEL 7	84,433	22.55%	2,073,770	22.96%	\$10.72
LEVEL 8	41,761	11.15%	1,013,570	11.22%	\$14.02
LEVEL 9	110	0.03%	2,660	0.03%	\$17.40
<b>TOTALS</b>	<b>374,376</b>	<b>100.00%</b>	<b>9,033,674</b>	<b>100.00%</b>	<b>\$8.96</b>

SPECIFIC VOCATIONAL PREPARATION TRAINING LEVELS (SVPT):

- LEVEL 1 SHORT DEMONSTRATION
- LEVEL 2 ANYTHING BEYOND SHORT DEMO UP TO/INCL. 30 DAYS
- LEVEL 3 OVER 30 DAYS UP TO AND INCLUDING 3 MONTHS
- LEVEL 4 OVER 3 MONTHS UP TO AND INCLUDING 6 MONTHS
- LEVEL 5 OVER 6 MONTHS UP TO AND INCLUDING 1 YEAR
- LEVEL 6 OVER 1 YEAR UP TO AND INCLUDING 2 YEARS
- LEVEL 7 OVER 2 YEARS UP TO AND INCLUDING 4 YEARS
- LEVEL 8 OVER 4 YEARS UP TO AND INCLUDING 10 YEARS
- LEVEL 9 OVER 10 YEARS

**K. TRENDS IN EDUCATION AND THE LABOR MARKET**

In addition to the strong positive relationship between training and earnings, national studies show that persons completing high school have much greater work activity (unemployed less often) than dropouts. Persons with an associated degree or higher were unemployed less than half as long as high school dropouts. College graduates had an unemployment rate only one-sixth that of high school dropouts. The overall trend is toward declining opportunities for people who do not finish high school.

If you look at Texas job openings projections through 1995 sorted by the average education required for those jobs it appears there will be large numbers of jobs on both ends of the spectrum with fewer in between. This means there will be a greater number of openings for the college educated and for jobs requiring three-months or less training but fewer in the 6 months to 24 months categories. Given the relationship of education and earnings, this trend could lead to a widening income gap based on an investment in education. Many typical career ladders that allowed a worker to move from "the mail room to the boardroom" will not be available without an investment in training. Declining numbers of new labor force entrants (especially youths), many of whom begin their work life in jobs requiring minimal training, will probably cause wages for these jobs to rise somewhat.

Individual firms have begun to experience these labor shortages in some skilled and many unskilled positions. There is a growing noticeable lack of basic education skills from new labor force entrants. Many firms are promoting renewed emphasis on basic education and some have begun to take up the slack with their own in-house education programs. Most new jobs, especially those in the fastest growing categories will require higher language, math and reasoning skills. Even those lower skilled occupations will demand persons with greater basic skills of reading, understanding instructions, simple mathematics and oral communication. Introduction of an increased minimum wage may help with an anticipated labor shortage by attracting older workers back to the economy, but the demographics or declining labor force entrants will still present a challenge to the U.S. economy.

Moreover, the labor market will require continual flexibility and intermittent re-training. This will change the traditional life cycle of education leading to work leading to retirement. This process will be punctuated by more frequent education and retrain during the working years. The need to retrain will be dictated by changing firm structure and new business formation. More persons will find themselves working for smaller firms, many of which may not survive. Workers will be increasingly forced to change jobs, perhaps careers, which may require different hiring requirements and skills. National trends point toward greater entrepreneurial spirit as more persons will seek their niche in the economy and start their own business.

There are several other emerging trends predicted for the workplace of the 1990s. The 1988 edition of the National Occupational Information Coordinating Committee (NOICC) Improved Career Decision Making curriculum singles out the following situations:

- Individuals accustomed to working with facts in a structured environment will find themselves involved in group brainstorming activities where they are expected to be creative and intuitive.
- Workers who thought they had "completed their education" and could concentrate on making a living are faced with the necessity of lifelong learning.
- Individuals who "did all the right things" may find that their chosen occupation no longer exists or the work environment to which they were accustomed has become significantly altered.
- Managers who became successful by focusing continuously on the "bottom line" will be asked to emphasize **service** in value driven enterprises and to articulate publicly their visions of the future.

Students and job seekers planning a career must remember to look ahead, for at least the period of training. In the case of a four-year college education, someone entering school in 1989 will be entering the labor market in 1993. This is when the results of career planning become important. According to the National Science Foundation, for example, despite the growing need for workers with college degrees in the sciences and engineering, over the past 30 years the proportion of college graduates in America in these disciplines has remained within the 3.7 percent to 4.3 percent range. If this percentage does not increase over the historic four percent level, there will be a projected 400,000 shortfall nationally of science and engineering graduates by 2000. This is especially significant given the decreasing number of new labor force entrants through 2000.

Opportunities of the future, both for individuals and America are rooted in education. U.S. News and World Report summarizes this point in its article, "Best Jobs for the Future." They state, "Better educated workers who can adapt to new technologies will discover many new jobs awaiting them in the next decade. Poorly educated workers unwilling or unable to learn new skills will find little that will pay enough to support a family." The inference is that those people who have learned "how to learn" on a continuing education basis will become more widely differentiated from those who cannot, or will not, learn. The State of Texas, with large increasing numbers of minority labor force entrants and high dropout rates, is faced with a significant challenge to better educate its work force—both young and old. The prosperity of Texas for the year 2000 and beyond will depend on it.



**V. SELECTION OF PROGRAM PARTICIPANTS/SIGNIFICANT  
SEGMENTS**

## V. SELECTION OF PROGRAM PARTICIPANTS/SIGNIFICANT SEGMENTS

### A. SELECTION OF PROGRAM PARTICIPANTS

Section 141(a) of the Job Training Partnership Act specifies that services shall be provided to those who are most in need of employment and training programs and such services shall be provided equitably among substantial segments of the eligible population. Section 203 further defines the eligible population as economically disadvantaged. The selection of JTPA program participants encompasses both regulatory requirements and identification of those individuals with significant barriers to employment.

Who will be targeted for services is the most important planning decision to be made because it defines how the SDA interprets the needs of the local area. The answer to this question has several dimensions:

- Targeting of specific demographic characteristics (e.g., age, sex, race) and social-economic characteristics (e.g., welfare recipient, educational level, ex-offender) based on relative incidence in the eligible population;
- Targeting of specific groups based on generalized problems regarding employability (e.g., long-term unemployed, displaced homemakers, Vietnam era veterans);
- Targeting based on incidence and severity of barriers to gainful employment (e.g. limited skills, educational deficiencies, limited or variable work history, high dependency support requirements).

All of these dimensions are important because these planning decisions will determine not only who gets into the program, but also what employment-related barriers will need to be addressed.

The following factors help determine the appropriate focus of the local job training program and should be considered:

- legislated eligibility requirements;
- policy mandates regarding proportional incidence and minimum service levels to specific groups in the eligible population;
- labor market and program information identifying the employment barriers and needs of specific target groups;
- availability of resources to address employability barriers for specific groups;
- historical capability and willingness of available service providers to serve specific groups; and
- the impact of interagency coordination arrangements (e.g., TEC, TDHS, TRC, TEA) on target groups.

In planning quality JTPA programs, the decision of who will be targeted for services should be based on the incidence and severity of barriers to gainful employment as a criterion for targeting. The designation of groups to be served and employment barriers to be addressed will influence the range of feasible options in other decision areas. For example: (1) the entry requirements for some occupations will simply be beyond the range of trainable skills for the majority of members of certain target groups; and (2) the activity and service mix will need to be structured to address the scope and severity of employment barriers. Also, the JTPA performance standards model uses participant characteristics as one major input in computing the applicable performance standards for the SDA.

## **B. SIGNIFICANT SEGMENTS**

The selection of individuals to be served is further defined by the requirement to serve those who can most benefit from and are most in need of training, by specific requirements for service levels to recipients of Aid to Families with Dependent Children (AFDC) and school dropouts ages 16 and older, and by required rates of service to youth ages 16-21.

State policy for equitable services to "substantial segments" (i.e., significant segments) of the eligible population [Section 141 (a)] continues to be based on identifying the rates of incidence of population groups (based on race and sex) in the poverty population ages 16-55, compared to rates of incidence in the total population, ages 16-55. Those eligible individuals identified as significant segments on a statewide basis are females, Hispanics, and Blacks with a living standard below the poverty level. Accordingly, SDA Administrative Entities must determine rates for service to significant segments, using available census data, and are required to serve these population groups at a rate no less than the group's incidence in the eligible population, as a percent of total terminations. This methodology is the first step in determining those eligible individuals who are "most in need" of JTPA services.

Equitable levels of service to high school dropouts is defined as rates of service no less than the ratio of dropouts ages 16-24 to total persons ages 16-24 in the area, based on census data. Equitable levels of service to AFDC Recipients is based on the incidence of caretakers in the poverty population or the SDA's service level to this population during PY88, which ever is greater.

Required service levels to youth ages 14-21 are defined in Section 203(b) of the Act as a minimum expenditure of Title IIA funds available for the program year. These service levels are adjusted for each SDA by taking into account the ratio of economically disadvantaged adults to economically disadvantaged youth compared to the same ratio nationally.

Beyond the required levels of service identified above, SDA Administrative Entities and Private Industry Councils must address the goal of providing quality JTPA programs by further identification of the barriers to employment faced by eligible individuals. Amelioration of these barriers will help determine program activities to be provided during the program year and program outcomes to be achieved by participants as they complete JTPA activities.

Continued coordination of service to school dropouts and AFDC recipients will be enhanced through Commerce's coordination agreement with the Texas Education Agency and through local coordination efforts with the Texas Department of Human Services as it continues to implement the Job Opportunities and Basic Skills program during Program Year 91.

## **VI. RESOURCE UTILIZATION**

## VI. RESOURCE UTILIZATION

### A. RESOURCES AVAILABLE

The Secretary of Labor has provided the Governor with funding allocations for PY91 JTPA activities and services in Texas. Approximately \$237,690,781 has been allocated to the State of Texas under JTPA Titles IIA, IIB and III for PY91. In addition, the State will apply to the Secretary of Labor for Title IVC Veterans Programs funds. Table 14, "PY91 JTPA Funding," provides these program year appropriations by title and subpart.

### B. PROJECTED RESOURCE UTILIZATION

JTPA programs are planned and implemented in the context of the overall mission, goals, and objectives adopted by the State Job Training Coordinating Council as well as program objectives developed for each major program area. These goals and objectives were discussed in Section II of this document.

The use of resources received from the major funding Titles are discussed in the following narrative:

#### 1. Title IIA Adult and Youth Programs

There are two parts to the Title IIA funds: the 78% funds allocated directly to the SDAs by formula; and the 22% funds, which remain at the state level, earmarked for specific uses and/or target populations.

##### a. Training for Youth and Adults (78%)

The 78% fund is the largest single block of money available to the state. Funds are allocated directly to the SDA level for program services and activities for eligible adult and youth participants. Under the Act, the Private Industry Councils, in partnership with local Chief Elected Officials, plan and determine the participant and service/activity mix for the funds allocated to the SDA by formula, based on employment and demographic data. This plan is guided by statewide goals and objectives, coordination criteria, and performance standards established by the Governor.

At least 40% of the funds must be spent on eligible youth, subject to adjustment for variations in the relative size of the youth population in each local area. At least 90% of the participants must be economically disadvantaged. In addition, to target the limited resources and assure equity in service delivery, the state has adopted the policy that priority of service will be given to significant segments of the population. The statewide significant segments, identified using family income and unemployment analysis, include: unemployed females; Hispanics and Blacks below the poverty level; and economically disadvantaged youth.

The list of allowable activities and services for these funds is provided in Section 204 of the Act. These activities include occupational skills training, basic education skills training (reading and math), on-the-job training, youth employability enhancement programs and supportive services during training.

A number of cost limitations are applicable to Title IIA funds. A maximum of 15% of the funds allocated to each SDA may be used for administrative costs. A maximum of 30% of the funds allocated may be used for administrative costs and services combined. A minimum of 70% of the funds allocated must be used for training. The state will allow a waiver of expenditures in excess of the limitation on support services if a Service Delivery Area meets the criteria stipulated in JTPA Section 108(c), which allow increased supportive service expenditures under certain conditions. The state has issued a policy for deobligation/reobligation of excess carryover funds to ensure that any unexpended funds will be available to SDAs which can use them.

**TABLE 14**  
**PY91 JTPA FUNDING**

**Title IIA:**

78% (SDA Allocation)	\$111,637,095
8% (Education and Coordination)	\$11,449,959
3% (Older Workers)	\$4,293,734
6% (Performance/Training and Tech.Assist.)	\$8,587,469
5% (Administration)	\$7,156,224

**Title IIA Total \$143,124,481**

**Title IIB (Summer Youth) \$55,412,026**

**Title III  
(Worker Readjustment/Dislocated Worker) \$38,638,274**

**Title IVC (Veterans)(planned) \$504,000**

**TOTAL JTPA FUNDS \$237,678,781**

**Wagner-Peyser Funds Total \$52,089,448**

Wagner-Peyser 10%  
(Governor's Discretionary Funds) \$5,208,944

**GRAND TOTAL \$ 289,768,229**

**b. State Level Funds (22 percent)**

State-level funds (22 percent) include four distinct programs:

- Education and Coordination Programs (8 percent)
- Older Workers Programs (3 percent)
- Performance Incentives/Technical Assistance and Training (TAT) (6 percent)
- Administration (5 percent)

c. Education and Coordination (8%)

Section 202(b)(1) of the Job Training Partnership Act (JTPA) sets aside 8 percent of each state's Title IIA allocation for the provision of programs coordinated with state and local education agencies.

The 8% policy for PY91 was approved by the State Job Training Coordinating Council (SJTCC) for recommendation to the Governor in May 1991. The policy continues and expands the 8% policy utilized from PY85-PY89. The PY91 program focuses 8 percent policy and programs on the following statewide goal:

"To enable and empower at-risk youth and adults with significant barriers to employment to fully participate in and contribute to the workplace of the future."

This capacity-building function suggests direct provision of services through model approaches, as well as the building of:

- 1) joint planning capability between education and employment and training systems;
- 2) competency systems developed jointly by JTPA and education;
- 3) development of an integrated education and training system for Texas in support of the Human Investment System concept;
- 4) Continuation of the interagency initiative to implement statewide regional planning for occupational education and training in Texas;
- 5) JTPA support of comprehensive dropout prevention and recovery programs and services in Texas to support school-to-work transition initiatives;
- 6) awareness of illiteracy and its effects;
- 7) knowledge bases and research efforts to describe target populations;
- 8) design of appropriate program models to meet participant needs; and
- 9) an evaluation process to determine what works best for whom in JTPA-funded programs.

*20 Percent Funds*

For PY91 SJTCC has reviewed and recommended to the Governor that 20 percent of the 8 percent funds be utilized in a "capacity-building" manner to continue existing programs or develop new program initiatives consistent with, and in support of, the four policy areas listed below:

- Quality Work Force Planning: Coordinated activities which improve the capacity of education/training institutions and employers to provide quality preparation for work and quality preparation for work and quality jobs to individuals with significant barriers to employment.

- Dropout Prevention and Recovery: Coordinated activities which contribute to:
  - 1) higher retention rates for in-school youth; and
  - 2) GED completion or award of high school diploma for dropout youth.
- School-to-Work Transition: Coordinated activities which contribute to the successful transition of youth and adult students to meaningful, long-term employment in high demand occupations.
- Interventions to Improve and Increase Employability for Populations with Significant Barriers to Employment: Coordinated activities which contribute to successful employment or re-employment of individuals who are chronically unemployed or underemployed due to significant barriers to successful employment.

The above goal serve to focus "capacity building activities" on the target populations and to "test" any project idea for the extent to which it address the overall goal. The four policy areas were selected because:

- 1) these are appropriate activities under the law;
- 2) these are areas of greatest need in the JTPA and education system; and
- 3) these are areas in which JTPA funds can have the most impact.

The PY91 policy provides that 80 percent funds would continue to focus on participant serving activities through formula allocation to SDAs and special initiatives for Literacy, Communities-in-Schools, and programs for ex-offenders. The 20 percent funds are retained at the state level. These funds are directed toward state-level interagency coordination to increase the capacity for Quality Work Force Planning, dropout prevention and recovery, school-to-work transition, and interventions to improve and increase employability for populations with significant barriers to employment.

#### *80 Percent Funds*

To operate 80 percent projects, SDAs in Texas will be allocated between \$100,000 and \$400,000 for PY91. SDAs will continue to design projects that focus on the improvement of the quality and level of services to at-risk youth in addition to advancing the basic skills and job readiness of hard-to-serve adults. To meet their local objectives, local education advisory subcommittees, composed of representatives of adult, secondary, and post-secondary institutions, will recommend projects to the respective Private Industry Council (PIC), which makes the final decisions on projects. Title IIA performance standards will not apply to 8 percent participants, unless the SDA chooses to co-enroll them in Title IIA and 8 percent. Under Part A, Section 203(a)(2) and at PIC's discretion, the 10 percent window is now designated to serve participants who are not economically disadvantaged but have encountered barriers to employment. SDAs are required to contract funds with TEA-certified institutions for training activities except in special cases where the Education Advisory Subcommittee to the PIC recommends an institution proven to be more effective in serving at risk-groups.



d. Older Workers (3%)

Section 124 of the Act provides for training programs for economically disadvantaged workers ages 55 or older. For PY91, the state was allocated \$4,293,734 for the provision of training and employment services to older workers. On March 1991, the state issued a statewide Request for Proposals (RFP) soliciting bidders for contracting.

The proposals were then ranked, based on total points received. The final recommendation for funding is based on:

- 1) ranking;
- 2) proposed service levels and costs;
- 3) demonstrated effectiveness in related service areas; and
- 4) responsiveness to the RFP (e.g., following instructions, inclusion of all pertinent data, and exactness).

Services available to older workers through these contracts include, but are not limited to: classroom training; on the job training; job search; job club; remedial education; and supportive services such as medical screening.

e. Performance Incentives/Technical Assistance and Training (TAT (6%))

PY91 six percent funds will be used to award incentive grants to SDAs based on PY90 performance against standards established for JTPA Title IIA programs. In addition, SDAs may be eligible to receive "bonus" incentive funds based on their service levels to AFDC recipients and high school dropouts. Additionally, SDAs may be eligible for "bonus" incentives for exceeding the State Adult Skills Training Completion Rate Standard. The criteria for awarding incentive grants and bonus amounts is contained in the PY90 Incentive Grant System Policy which is summarized as follows:

The six core performance standards established by DOL as the basis for consideration in making awards and imposing reorganization are the Adult Follow-up Weekly Earnings, Adult Welfare Follow-up Employment Rate, Adult Follow-up Employment Rate, Youth Entered Employment Rate, and Youth Employability Enhancement Rate.

SDAs may also receive additional awards for exceeding the Adult Skills Training Completion Rate Standard and for service levels to AFDC recipients (age 16 and above) at rates above their incidence in the poverty population and for services to high school dropouts (adults and youth).

To be eligible for an incentive award, SDAs must meet or exceed at least four of the six performance standards. If an SDA fails to meet a given core performance standard for two consecutive years, it will be subject to a reorganization plan to be imposed by the Governor and will be precluded from eligibility for incentive grants based on performance during the second Program Year that the given standard was not met. For PY90, performance above the upper confidence interval of the adjusted standard is considered to have exceeded the standard, whereas performance below the lower confidence interval of the adjusted standard is considered to have failed to meet the standard.

Additionally, management development grants are provided to SDAs to develop and implement an annual training and technical assistance plan to address SDA performance enhancements, to include PIC/staff travel and participation in state, regional and national JTPA-related training. Management development planning guidelines are provided to the SDAs. Management development plans are reviewed for consistency with these guidelines and to ensure proposed training activities are focused on enhancing SDA performance issues. For SDAs that have experienced previous performance failure, management development plans must contain activities to address these performance failures.

A portion of the six percent funds is set aside for Commerce staff who provide direct technical assistance to the SDAs in the areas of performance, program operation, compliance, federal regulations and state policy.

f. Administration (5%)

The 5 percent funds for administration will be used to support Commerce administrative and management functions. The Texas Department of Commerce, Work Force Development Division, has the primary responsibility for policy development, strategic planning, program oversight, program implementation, monitoring, operational planning, and provision of technical assistance to SDAs.

2. Title IIB Summer Youth Programs

The purpose of Title IIB is to enhance the basic educational skills of youth, encourage school completion or enrollment in supplementary alternative school programs, and to provide eligible youth with exposure to work.

Texas has been allocated \$55,412,026 in Title IIB funds for the operation of the CY91 summer program. The entire allocation is formula allocated to the SDAs. There is a 15 percent cap on expenditures for administration. The remainder of each SDA's IIB allocation may be expended on program activities and supportive services. Expenditures for program activities and services to participants may only be made during the summer months (i.e., the period between school years). Contracts with SDAs are written for a 12 month period to allow for planning activities during the fall, winter and spring.

The Title IIB plan, developed by SDAs and approved by the PIC and Chief Elected Official, describes the programs operated in each SDA. For the most part the major activities are basic skills remediation for those participants assessed as needing such training, pre-employment skills training activities, and useful work experience. In addition, the plan contains measurable objectives by which PICs are able to assess IIB programs. These objectives focus on demonstrated coordination with other community services, improvement in participant employability skills, enhancement of academic performance, and school retention and completion.

3. Title III/EDWAA Worker Readjustment/Dislocated Worker Programs

The following is a summary of the Title III/EDWAA State Plan. The comprehensive Title III State Plan including coordination criteria was submitted separately in accordance with DOL Training and Employment Guidance Letter No. 2-89.

a. Purpose

The PY91 Title III Planning Guidelines and State Plan, as well as officially promulgated directives, set forth policy structure within JTPA. The Title III Dislocated Worker Assistance Program is developed, implemented, and administered in Texas. Programs operating in the state address dislocated workers' training needs and provide support services to enhance their ability to re-enter the ranks of the employed, at minimal wage loss.

b. Guiding Principles

The primary mission of job training and employment programs in the State of Texas is "to ensure a skilled and productive work force to meet the needs of a changing Texas economy". To this end, the principal goal of the Title III program is that of providing effective and productive quality job training and employment services to persons experiencing employment dislocation because of downturns in local labor market conditions and/or structural shifts in the general economy.

The objectives are to:

- assist dislocated workers in overcoming the hardships of job loss by providing or arranging personal, career, and financial counseling or other supportive services as needed;
- place dislocated workers in stable, productive jobs having high growth and upward mobility potential;
- encourage economic development in the state by providing skilled employees to meet current and future needs of business and industry in Texas;
- avoid duplication of services and maximize training and employment effectiveness through coordination and utilization of community resources; and
- ensure active private sector participation in planning, implementing, and evaluating the needs of dislocated workers through the formation of a Worker Readjustment Committee in each Substate Area (SSA).

c. Eligible Population

Section 301 of the Act, as amended by the Economic Dislocation and Worker Adjustment Assistance Act (EDWAA) of the Omnibus Trade and Competitiveness Act (OTCA) of 1988, provides that the state may serve any eligible individuals without regard to the residence of such individuals who:

- have been terminated or laid off or who have received a notice of termination or layoff from employment, are eligible for or have exhausted their entitlement for unemployment compensation, and are unlikely to return to their previous industry or occupation;
- have been terminated or have received a notice of termination of employment as a result of any permanent closure of, or any substantial layoff at, a plant, facility, or enterprise;
- are long-term unemployed and have limited opportunities for employment or re-employment in the same or a similar occupation in the area in which such individuals reside, including older individuals, who may have substantial barriers to employment by reason of age; or
- were self-employed (including farmers and ranchers) and are unemployed as a result of general economic conditions in the community in which they reside or because of natural disasters, subject to regulations prescribed by the Secretary of Labor.

The Act and Regulations also provide for the provision of Title III services to "farm and ranch hands" and displaced homemakers. [Section 631.3(d)(3) of the Regulations references farm and ranch hands whereas Sections 4(29) and 301(a)(2) of the Act and 631.3(f) of the Regulations reference displaced homemakers]. For PY91, the high number of dislocated workers and the critical level of the state will not allow provision of services to displaced homemakers because of the demand for Title III services.

d. Resource Allocation

*Substate 60 percent Funds*

For PY91, Texas received a federal allocation of \$38,638,274 in Title III/EDWAA Program formula funds. The state formula allocated 60 percent \$23,182,964 of these funds to the substate grantees based on six data factors mandated by the Economic Dislocation and Worker Adjustment Assistance Act of August 1988. These data factors are as follows:

- Insured unemployment data;
- Unemployment concentration data;
- Plant closing and mass layoff data;
- Declining industry data;
- Long-term unemployment data.

Because these factors are data categories rather than actual delineated variables which can be used in a formula, the state has the option to select specific variables, as well as determine appropriate weights, for each variable within the model. The variables and weights selected by Commerce staff, with assistance from SOICC and representatives of the SDA Director's Association, are listed below according to the specific data factor to which they pertain:

	<b>DATA FACTOR</b>	<b>VARIABLE</b>	<b>WEIGHT</b>
1.	Insured Unemployment	Annual average insured unemployed by percent of Texas total;	19.998 percent
2.	Unemployment concentrations	Share of excess 4.5% unemployment	19.998 percent
3.	Plant closings and mass layoffs (PCML)	Number of PCML claims by percent of Texas total (based on WARN Notices);	19.998 percent
4.	Declining industries	Employment change in Texas' declining industries by percent of Texas total;	19.998 percent
5.	Farmer-rancher economic hardship	Change in farm employment 1984-86 by percent of Texas total;	0.010 percent
6.	Long-term unemployment	Long-term unemployed and UI exhaustees as a percent of Texas total;	19.998 percent

The selected data variables and weights were chosen based on the following considerations:

- Assurance of statewide coverage relative to the program and agency coordination requirements noted in the Act;
- Assurance of statewide coverage relative to the availability and/or provision of dislocated worker services; and
- Assurance that each substate area receive an equitable, cost-effective minimum funding level for the development of a substate area plan and/or provision of local area dislocated worker services to persons experiencing employment dislocation.

**TABLE 15**  
**TITLE III PY91 FORMULA ALLOCATIONS**

<u>SDA</u>	<u>TITLE III</u>
San Antonio (Alamo)	\$2,181,308
Austin/Travis County	404,578
Brazos Valley	191,034
Cameron County	633,358
Central Texas	331,461
Collin County	245,856
Concho Valley	299,581
Corpus Christi/Nueces County	443,884
Dallas City	1,652,401
Dallas County	1,054,804
Deep East Texas	354,351
East Texas	1,064,899
City of Fort Worth	815,133
Golden Crescent	191,903
* Houston-Galveston	3,219,961
Heart of Texas	451,954
Hidalgo/Willacy Counties	1,679,053
Lubbock/Garza Counties	261,265
Middle Rio Grande	493,723
North Central Texas	1,391,645
ARK-TEX (North East Texas)	641,059
North Texas	404,958
Panhandle	322,939
Permian Basin	437,271
Rural Capital Area	259,906
Rural Coastal Bend	295,037
South East Texas	532,830
South Plains	190,459
South Texas	516,763
Tarrant County	314,459
Texoma	273,111
Upper Rio Grande	1,224,870
West Central Texas	407,149
<b>TEXAS</b>	<b>\$23,182,963</b>

\* Includes Gulf Coast, Harris County, and City of Houston SDAs.

*40 percent State Reserve Funds*

The purpose of the forty percent (40%) policy is to achieve an equitable distribution of limited funds to address needs which exceed the total funds available. It is proposed that forty percent (40%) funds shall be used in accordance with the following distribution:

A.	10%	\$1,545,535	State Administration and Rapid Response Activities (based upon historical budget figures)
B.	25%	\$3,863,828	State Emergency Reserve for Response to Large Dislocations and/or Military Base Closings (based upon amounts required for largest layoffs in PY90 prior to submission of application for Secretary's National Reserve funds)
C.	65%	\$10,045,951	Substate Area (SSA) Assistance which will be provided in accordance with strengthened criteria for requesting 40% reserve funds. These funds shall be for specific layoffs occurring since April 1, 1991.
		<hr/>	
	100%	\$15,455,314	

The criteria for Substate Area receipt of funds set-aside under the 65% provision of the 40% policy are as follows:

1. Each request must be submitted for a specific layoff or layoffs which have occurred since April 1, 1991 and not for services to dislocated workers in general;
2. demonstrated coordination with other area resources;
3. documentation of a specific increase in the number of dislocated workers in the SSA and demonstrated financial need as evidenced by information regarding total expenditures and obligations versus total available resources. The SSA must also demonstrate that their 60% formula allocation does not cover the additional need identified and must specify the amount of the 60% funds which are being used to cover training costs of participants carried over from PY90 and/or actively enrolled in long-term training activities which span two program years (PY90-91); and
4. a narrative project design which describes, in detail, the needs assessment which was used to identify the types of services to be made available, the results of such assessment, the program delivery system, an explanation of how these services are appropriate to the characteristics of the affected workers, accompanied by a Participant Planning Summary, and the JTPA Financial Form 1000E. This would become the basis for the plan amendment upon receipt of approval of the request.

## D. Other Policy Provisions

### 1. Coordination

Additionally, the 40% policy strongly emphasizes the need for coordination of services and resources at both the state and local levels for the efficient and effective delivery of program services. This includes the use of inter-agency agreements for shared client services as well as possible screening for eligibility under all titles of the Act and referral as appropriate.

### 2. Assessment

The Act mandates that services be made available to persons who are "most in need" and who "may benefit from" those services. SSAs, therefore, are encouraged to provide comprehensive assessment to applicants in order to determine both potential need and benefit. SSAs are advised to maintain policies and procedures which outline objective participant selection criteria as well as justification for training.

#### *Organization of the DWU*

The Governor designated the Texas Department of Commerce as the Dislocated Worker Unit (DWU). The regulatory functions of the DWU are performed in the Work Force Development Division of Commerce.

#### *Functions of DWU*

The Overall functions of the Texas DWU are comprised of the following activities:

- Make appropriate retraining and basic readjustment services available through rapid response, substate grantees and other appropriate organizations. Ensure that substate grantees are quickly made aware of dislocations in order to participate in the development and provision of services;
- Work with employers and labor organizations or employee representatives to promote labor-management cooperation to address worker dislocation;
- Work with economic development and other appropriate agencies to assist in efforts to avert worker dislocation. Assist local communities in obtaining access to other economic development assistance;
- Assist local communities in developing their own coordinated response to plant closings and mass layoffs (local community task forces);
- Arrange for the receipt and processing of notices of plant closings and mass layoffs;
- Promote voluntary notices of plant closings and mass layoffs in situations where mandatory notice is not required;
- Operate separate monitoring, reporting and management systems for DWU activities;
- Provide technical assistance and advice to substate grantees, including PICs and community task forces involved with Rapid Response activities;



- Collect, disseminate, and exchange information and coordinate programs with state and other programs to assist dislocated workers;
- Provide other assistance as deemed appropriate by the Dislocated Worker Unit/Rapid Response (DWU/RR) Staff, within the parameters of EDWAA. In addition, the DWU will work with a standing interagency Worker Dislocation Task Force including, but not limited to, staff from the Governor's Office, the DWU (Commerce), the Texas Employment Commission, the Texas Department of Human Services, the Texas Education Agency, and the Texas Higher Education Coordinating Board. At the discretion of the Governor, the task force can be expanded on an ad hoc basis, depending upon the nature of the worker dislocation. The task force can be activated to serve natural disasters or major layoffs involving 200 or more workers.

The efforts of the DWU will be strengthened through the activation of interagency agreements at the state and local levels.

#### 4. Title IVC Veterans Employment and Training Programs

Section 441 of JTPA gives the Secretary of Labor the authority to provide programs to meet the employment and training needs of the following categories of veterans:

- Vietnam Era Veterans
- Service Connected Disabled
- Recently separated (within 48 months from time of application to the IVC service)

Since PY83, the state has applied for and received Title IVC funds. The match for these funds is provided through the use of Wagner-Peyser 7(b) funds. Since PY88 the Governor has directed that the 7(b) match be awarded directly to the sub-contractor in an effort to increase services in the field.

DOL allocated \$504,000 for PY91 (September 1, 1991 to August 31, 1992) for veteran's programs in the State. Funds are made available from the Secretary of Labor through a Solicitation for Grant Applications (SGA) process open to the states.

The Office of the Governor and Commerce prepared a grant application to obtain Title IVC funds at the state level to provide labor exchange services, training activities and support services to eligible veterans. The funds are matched from Governor's Discretionary Funds under the Wagner-Peyser Act Section 7(b) as amended. The State is presently contracting with two service deliverers (American G. I. Forum and the Texas Association of Developing Colleges), to implement veteran's employment and training programs statewide with certification being accomplished by Disabled Veterans Outreach Program Representatives (DVOP), assigned by the Texas Employment Commission, through a Memorandum of Understanding (MOU). Greater emphasis has been placed on providing long-term, quality training for eligible veterans.

#### 5. Wagner-Peyser Activity

The State Employment Service Plan is submitted by the Governor to the Secretary of Labor, in accordance with Title V of the Act. Employment Service Plans for the Job Service local offices are developed jointly with the appropriate PICs and CEOs. The local plans are submitted to the Governor as a component of each SDA plan. The Wagner-Peyser allocation for PY90 is \$52,089,448.

Ninety percent of the Wagner-Peyser funding is used to provide basic labor exchange services. Substate allocations are formulated using five separate factors, one of which is a local office service activity, based on the total number of job applications (of individuals seeking work) processed. The remaining factors are based on established productivity standards and include the number of individuals placed, total placements, individuals entered employment, and total entered employment per staff year worked, by local office. Each of the factors is given a weight in the allocation formula. The service activity factor, the productivity standards of individuals placed, and total placements per staff year worked factors, each carry a formula weight of 30%. The two remaining factors carry a weight of 5% each. A minimum funding level of 80% of the previous year's share of the allocation (hold-harmless) is also included in the formula. This formula serves to maintain stability and takes into account the degree to which employment services are needed and used in respective locations throughout Texas.

The remaining 10% of the Wagner-Peyser allocation is used at the Governor's discretion to provide performance incentives for Employment Service offices, services for groups with special needs, and the extra costs of exemplary models for basic labor exchange services.

### **C. NON-DISCRIMINATION**

All programs and activities funded, or otherwise financially assisted in whole or in part under the Act, are considered to be programs and activities receiving federal financial assistance. In accordance with Section 167 of the Act, the state must establish adequate methods of administration to ensure equal opportunity and treatment for all JTPA participants and employees of SDAs and subcontractors irrespective of race, color, religion, national origin, sex, handicap, veteran status, age, or status as a JTPA participant. Accordingly, all personnel, consistent with the law, must be afforded equal opportunity and just treatment when considered for employment, appointment, discipline, professional improvement, career progression, retention, and termination. This will be accomplished through development and dissemination of improved policy guidance and increased monitoring efforts. The specifics of this philosophy may be found in Chapter 9 of the Commerce, Work Force Development Division, JTPA Issuance Manual.

### **D. DESIGNATION OF LABOR MARKET INFORMATION (LMI) SYSTEM COORDINATOR**

The State Occupational Information Coordinating Committee is responsible for oversight, management, and coordination of the comprehensive labor market information system. SOICC provides quarterly reports and recommendations on the development of the state LMI plan to the State Job Training Coordinating Council, and assists in developing the Governor's Coordination and Special Services Plan.

## VII. ADMINISTRATION AND MANAGEMENT

## **VII. ADMINISTRATION AND MANAGEMENT**

### **A. MANAGEMENT RESPONSIBILITIES**

The Texas Department of Commerce, (the agency designated responsible for implementation and management of the job training program) through the Work Force Development Division, carries out the following duties:

- conducts operational planning and program design;
- develops planning guidelines;
- designs, develops, manages, and evaluates demonstration projects;
- develops performance standards and labor market information;
- conducts program monitoring and assessment and presents corrective action;
- evaluates programs and long-term outcomes;
- develops and implements financial management information and participant information systems;
- performs document control of grants and contracts;
- provides technical assistance and training;
- manages JTPA programs;
- maintains management systems adequate to meet goals and objectives; and
- compiles and submits reports to the U.S. Department of Labor, the Governor, and the State Job Training Coordinating Council.

### **B. MANAGEMENT SYSTEMS**

The Commerce Work Force Development Division is presently revising the Strategic Management Plan which will further develop various management systems required for the state's oversight of JTPA programs. A revised organizational structure is in place and administered by Barbara Cigainero, Division Director.

Program operations are carried out through the functions of seven sections within the division:

#### **Division Director's Office**

The Director of the Work Force Development Division is under the general supervision of the Executive Director of the Texas Department of Commerce (Commerce). The Director is responsible for the administration of all Job Training Partnership Act (JTPA) programs, the State Work Force Development Incentive Program, and support to the State Job Training Coordinating Council (SJTCC) as directed by the Governor. The director supervises the activities of the following sections:

This Division Director's Office is responsible for implementation, coordination, and monitoring of the JTPA grievance procedure and provides coordination/technical assistance for special projects within JTPA such as Selective Service System Registration, Drug-Free Work Place, Debarment and Suspension, and JTPA Program Accessibility.

### **Administrative and Program Support Section**

This section is organized through a Procurement and Contracting Services Unit, Fiscal Management Services Unit, Information Services Unit, and a Support Services Unit. It is responsible for coordinating overall administrative and program-related support services and for facilitating communications, systems management, and operations of the Work Force Development Division (WFDD). The Section provides: JTPA financial and contracts/grants systems management; JTPA program budget control; information/data processing services; publication coordination services; WFDD computer systems support; records management system support; issuance control system coordination/implementation; Private Industry Council certification coordination services; WFDD material and logistical support services; administrative, and program policies and procedures coordination; a JTPA Resource Center/Library, travel and purchasing processing, record keeping and reporting; and the State JTPA participant tracking system.

### **Strategic Planning and Coordination Section**

This section is responsible for devising long-range planning goals, tracking work force trends, and spearheading interagency linkages to create a dynamic human investment system through an integrated, needs-driven job training and occupational education system. The Strategic Planning and Coordination Section works closely with the SJTCC staff to formulate a strategic approach to address work force issues for the next 20 years and the state's critical need to develop a skilled and competitive work force. Examples of work include coordination with the Texas Education Agency (TEA) and Texas Higher Education Coordinating Board (THECB) to implement regional planning for occupational education and job training in 24 regions, with the Texas Department of Human Services on service delivery to AFDC Job Opportunities and Basic Skills (JOBS) clients, and with TEA on dropout prevention programs.

### **Operational Planning and Evaluation Section**

The Operational Planning Section focuses on the JTPA core systems to develop and review JTPA program planning guidelines; evaluate and analyze performance evaluation data; and allocate and track all JTPA resources. This Section also plays a major role in developing JTPA at-risk youth policy, youth competencies and model projects, and in coordinating with TEA to provide services to the 14 to 21 year old population.

### **Program Operations Section**

This section is responsible for providing technical assistance to JTPA program contractors. The Technical Assistance/Program Representatives Section sends staff to the field to review local Service Delivery Area (SDA) operations, and plans and recommends methods to improve program efficiency.

This section is also responsible for overseeing the Dislocated Worker program, funded under the Title III Economic Dislocation and Worker Adjustment Assistance Act (EDWAA), including the Rapid Response Team which responds to unanticipated plant closings and mass layoffs around the state, providing technical assistance and facilitating coordination among local service providers, labor representatives and management. The Work Force Development Incentive Program is operated by this section with approximately \$2 million in state general revenues to provide funds for industry-specific job training for new and expanding industries that create jobs in Texas.

### **Program Compliance and Resolution Section**

This section is responsible for monitoring the programmatic operations of JTPA programs throughout Texas. It reviews JTPA contracting and operating procedures and practices to ensure that they are in compliance with federal law and state program policies. Those administrative entities found not to be in compliance are advised to write a corrective action. Those entities which repeatedly fail to come into compliance are subject to the withholding of JTPA funds.

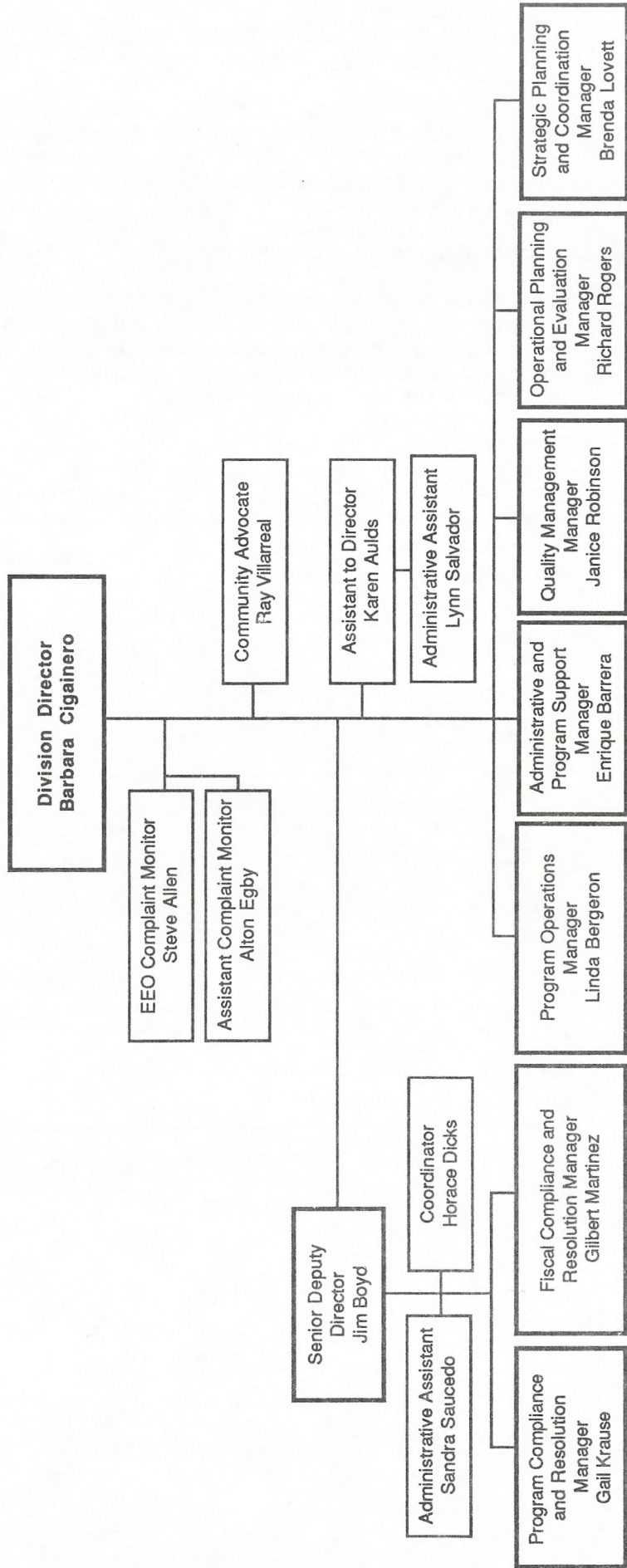
### **Fiscal Compliance and Resolution Section**

This section is responsible for monitoring the financial operations of JTPA programs throughout Texas. It reviews JTPA contracting and operating procedures and practices to ensure that they are in compliance with federal law and state program policies. Those administrative entities found not to be in compliance are advised to write a corrective action. Those entities which repeatedly fail to come into compliance are subject to the withholding of JTPA funds.

### **Quality Management Section**

This Section is responsible for all training activities including planning and implementing the statewide Management Development program for the SDAs and Commerce JTPA professional staff development.

**Texas Department of Commerce  
Work Force Development Division**



## C. PERFORMANCE STANDARDS

### 1. Title IIA Standards

Section 106 of JTPA gives the Secretary of Labor the responsibility for establishing performance standards for Title IIA programs. These standards can only be changed every two years. For PY90 and PY91, DOL has proposed the following six core standards:

**Adult Follow-up Employment Rate:** The number of adult respondents who were employed during the 13th week after termination divided by the total number of adult respondents,

**Adult Follow-up Weekly Earnings:** The total weekly earnings for all adult respondents employed during the 13th week after termination, divided by the total number of adult respondents employed at the time of follow-up,

**Adult Welfare Follow-up Employment Rate:** The number of adult welfare respondents who were employed during the 13th week after termination divided by the total number of adult welfare respondents,

**Adult Welfare Follow-up Weekly Earnings:** The total weekly earnings for all adult welfare respondents who were employed during the 13th week after termination divided by the total number of adult welfare respondents employed at the time of follow-up,

**Youth Entered Employment Rate:** The total number of youth who entered employment at termination divided by the total number of youth who terminated excluding those who remained in school, and high school dropouts who returned to full-time school, and

**Youth Employability Enhancement Rate:** The total number of youth who attained one of the employability enhancements at termination, whether or not they also obtained a job, divided by the total number of youth who terminated.

Under DOL rules, performance against the six core standards would determine which SDAs are eligible for an incentive award and which SDAs would be subject to reorganization; however, the Governor can designate additional standards which could influence the amount of the incentive award. In this regard, Commerce developed a state Adult Skills Training Completion Rate Standard for use in PY90.

### 2. Performance Standards Adjustment

DOL adjustment methodology will be used to determine predicted SDA performance for the six core standards. SDA performance against the non-core DOL performance measures will be tracked for data purposes only. Any adjustments to SDA performance standards will be made in accordance with SJTCC policy and the DOL technical assistance guide for performance standards adjustments.



### 3. PY90 Incentive Grant System

For PY90 and PY91, the Secretary of Labor established national performance standards which focus on quality of training and placement. For adult clients, these standards emphasize quality by measuring program outcomes in terms of employment status and earnings 13 weeks after completion of JTPA participation. For youth, DOL has established both an employment standard and an employability enhancement standard and has expanded the definition of employability enhancement to include recognizing the retention in school of potential dropouts as a positive program outcome.

Since PY88, state policy has included Governor's adjustments to performance standards which are designed to remove disincentives associated with serving adult clients who need basic education training.

The six percent incentive policy for PY90 emphasizes the importance of service to AFDC recipients and youth:

- 1) by placing 40% of the incentive funds on welfare standards and 40% on youth standards; and
- 2) by retaining a bonus incentive for service levels to AFDC and adding a bonus incentive for service levels to dropouts.

For PY90, state policy includes an Adult Skills Training Completion Rate Standard which provides a bonus for SDAs with higher than average completion rates for adults (including AFDC recipients and high school dropouts) in occupational skills training and basic education training.

For PY91, Commerce will continue to study the state's performance standards and incentive systems as a component of a broader, long-range evaluation effort. This evaluation will specifically address the qualitative dimension of program results through the use of UI wage records from the Texas employment Commission to assess outcomes in terms of long-term employment and earnings. In this regard, Commerce is currently participating in a National Commission for Employment Policy study which in part will assess the feasibility of using UI records to evaluate JTPA.

Policy recommendations to the SJTCC for PY91 will be developed with the advise of the Performance Standards Work Group, an advisory committee consisting of representatives from SDAs, the Texas Association of Private Industry Councils, the Texas SDA Directors Association, and the Texas Employment Commission. The Department of Human Resources has also been invited to participate in the Performance Standards Work Group meetings relating to AFDC issues. These recommendations will be presented to the SJTCC as an action item at the May 1991 meeting.

### 4. Follow-up

The purpose of JTPA follow-up surveys is to collect post-program information through telephone interviews with JTPA terminees. The follow-up information includes:

- DOL required information;
- Detailed work history during the 13-week period;
- Job benefits information;
- Labor force status;

- Education/training information;
- JTPA program evaluation;
- Welfare information; and
- Update contact information for future follow-up activities.

Data collected through the participant follow-up system serves as a major component of several state and local work functions, including:

- Development of a database for use in planning and evaluation;
- Compilation of a series of management evaluation reports based on post-program information;
- Development and application of mechanisms for awarding performance-based incentive grants;
- Identification of problem areas for the development of technical assistance and training efforts; and
- Refinement of a system designed to support long-term research and evaluation efforts.

The state conducts JTPA follow-up surveys on participants of all 35 SDAs. The follow-up client groups include: Title IIA adult, Title IIA youth, Title IIA adult welfare, Title III, and Older Worker program terminees. A statewide JTPA follow-up contractor is selected through a competitive process. Currently the follow-up contractor is Texas A&M University. In contract year 1988, i.e., from September 1, 1988 through August 31, 1989, more than 37,000 surveys were conducted. SDAs' roles in the follow-up process include collecting contact information of JTPA participants and assisting the state follow-up contractor in locating follow-up respondents.

Beginning in PY86, states were required to collect and report post-program data to the U.S. Department of Labor. In program years 1988 and 1989 four of the twelve national performance standards were post-program measures.

JTPA follow-up has become more important since DOL unveiled its proposed new Title IIA performance standards for program years 1990 and 1991. The proposed performance standards will replace adult termination-based (short-term) measures with JTPA 13-week follow-up (long-term) measures.

The state will continue to conduct statewide follow-up surveys through a reliable contractor.

##### 5. Title III Performance Standards

For PY91, the Governor is required by DOL to set an entered employment rate standard for Title III funded programs and is encouraged to establish an average wage at placement goal. An entered employment rate of 64 percent is the Secretary of Labor's national standard for PY91. Therefore, the state shall use 64 percent as the departure point from which each substate area's entered employment rate performance standards will be adjusted.

The Governor has also elected to establish an average wage at placement goal. The departure point for adjusting substate average wage at placement will be \$9.08 per hour. The adjusted average wage at placement is the benchmark which will be used for assessing, evaluating, and monitoring contractor performance under this measure.

Finally, in addition to the performance measures above, the Governor has prescribed an 85 percent minimum expenditure rate for the PY91 Title III Formula program and an employment Rate at Follow-Up goal which the state will begin to track in PY91. Substate employment rates at follow-up will be adjusted using 80 percent as the departure point. This represents the PY89 statewide average. Thus, the performance measures for PY91 are as follows:

<u>PY91 Performance Measures</u>	<u>Departure Point and Rate</u>
Average Wage at Placement Goal	\$9.08 Departure Point
Entered Employment Rate Standard	64 percent Departure Point
Minimum Expenditure Rate Standard	85 percent
Employment Rate at Follow-Up Goal	80 percent Departure Point

#### **D. TECHNICAL ASSISTANCE/TRAINING**

##### **1. Background**

The use of 6 percent funds is prescribed in Section 202(b)(3) of the Act. These funds are set aside to grant incentives to those SDAs performing at a level that exceeds performance standards established by the Secretary of Labor, DOL. In addition, any remaining funds become available for statewide technical assistance to SDAs to:

- assist in the achievement of performance standards;
- identify and take corrective action to solve compliance and management problems; and
- clarify state policies regarding program operations.

Originally, the SDAs that received six percent funds, other than incentive grants, were those that did not meet their performance standards. However, the JTPA amendments (1986) expanded the use of funds available for technical assistance under Section 202(b)(3) to permit technical assistance to all SDAs rather than to confine it to those failing to meet performance standards. With this change, the definition of technical assistance expanded to include preventive technical assistance. The rationale was to allow states an opportunity to anticipate program deficiencies and take corrective action prior to failure of performance standards.

##### **2. Allocation of PY91 Six Percent Funds**

PY91 six percent funds will be used to award incentive grants to SDAs based on PY90 performance against standards established for JTPA Title IIA programs, for management development grants and to provide technical assistance to the SDAs. In addition, SDAs may be eligible to receive "bonus" incentive funds based on their service levels to AFDC recipients.

Management development grants are provided to SDAs to develop and implement an annual training and technical assistance plan to address management issues and SDA staff development and training. Management development planning guidelines are provided to the SDAs and management development plans are reviewed for consistency with these guidelines. For SDAs that have experienced previous performance failure, management development plans must contain activities to address these performance failures.

A portion of the six percent funds is set aside for Commerce staff who provide direct technical assistance to the SDAs in the areas of performance, program operation, compliance, federal regulations and state policy.

Texas will receive \$8,587,469 in six percent funds which have been budgeted as follows:

1.	Incentive Awards for PY89 Performance	\$7,041,725.00	82%
2.	PY90 Management Development Grants	1,030,496.00	12%
3.	Technical Assistance Staff	515,248.00	6%
	Total PY91 Six Percent	\$8,587,469.00	100%

Funds not needed for incentives and bonus grants may be used for incentives to SDAs for serving hard-to-serve individuals, State technical assistance and training activities, and additional management development grants to enhance performance.

### 3. Training

The Texas Department of Commerce JTPA Quality Management Section utilizes the following system in planning and implementing its statewide Management Development program.

Inputs to the Management Development system:

- SDA Management Development plans
- Texas Department of Commerce Work Force Development Division management inputs
- Department of Labor guidance
- JTPA monitoring reports
- JTPA participant ideas and feedback
- Curriculum research into JTPA staff competency requirements

Planning process:

- Determine resources available for Management Development
- Determine priority performance issues impacting all SDAs
- Provide for core curriculum to all JTPA professionals statewide
- Target special needs of Commerce JTPA staff
- Provide staff time to respond to individual SDA technical assistance needs
- Provide resources for SDAs to sponsor Management Development events

#### Outputs of the Management Development system:

- Statewide priority courses, conferences, and responsive training/technical assistance
- JTPA core curriculum
- Commerce JTPA staff development
- Technical assistance to SDAs
- SDA-sponsored Management Development activities

For the period of Program Years 90 and 91 the Management Development system outputs are provided in the five tracks described below:

#### a. Statewide Priority Courses, Conferences, and Responsive Training

These courses and conferences are scheduled to address issues which are currently impacting performance or threaten to do so during the program year. Examples include performance-based contracting, legislative amendments to JTPA and financial management of JTPA programs.

In light of probable changes to JTPA legislation and the movement toward a more comprehensive case management program strategy, efforts will target improved coordination within the state human service system. For the program year 91, one priority as determined by the Department of Labor is Drug and Alcohol Awareness, where the state will initiate and expand the promotion of drug awareness and education efforts among JTPA participants. These activities will be directed both to the employees of the Texas Department of Commerce as well as to the SDAs to sponsor for their JTPA participants.

#### b. JTPA Core Curriculum

The development and offering of the JTPA Core Curriculum has been in progress for many years in Texas. The curriculum originated early in the history of JTPA in Texas with a research study conducted by an outside management consulting firm which was followed by the development of core courses to be offered statewide. The Core Curriculum includes competency areas of program management, financial management, planning and coordination, participant services, management information systems, monitoring, and professional development. The development and delivery of core courses will continue during program years 90 and 91.

#### c. Texas Department of Commerce JTPA Staff Development

Texas Department of Commerce JTPA staff require special training in addition to that offered to JTPA professionals statewide. An assessment of those needs is currently being conducted and a plan being developed to address the specific, identified needs. Commerce staff may attend the statewide JTPA courses and also non-JTPA courses offered to all Commerce staff. This includes drug and alcohol awareness training.

#### d. Technical Assistance to SDAs

Training and Professional Development staff assist the program representatives in responding to specific performance needs of the SDAs. Activities include assistance with assessing the underlying causes of performance failure and planning corrective actions to be taken by the SDA staff.

e. SDA-Sponsored Management Development Activities

All SDAs are provided with guidelines for developing an SDA Management Development plan for each program year. Guidelines direct SDA planners to address performance standard failure as a top priority. Those SDA which have not failed any performance standards are directed to develop plans which will enhance performance. Categories of management development activities include staff development, PIC/CEO development, and local initiatives. In the Management Development Guidelines, SDA planners are encouraged to assess the needs of frontlines and to plan appropriate training for those personnel.

During program years 90 and 91, SDAs will be asked to provide training in drug and alcohol awareness training for program participants.

## VIII. EVALUATION OF JTPA IN TEXAS

## VIII. EVALUATION OF JTPA IN TEXAS

Program evaluation is the systematic collection, analysis and reporting of information on a particular set of program activities and outcomes. In most cases, evaluation seeks to determine the efficiency and effectiveness of a given program. Effectiveness concerns the extent to which a program, through various treatments or service interventions, has met its intended goals. Efficiency means how well a program has used available resources to achieve its intended goals.

A good evaluation system provides useful information which permits decision-makers to make judgments about the value of JTPA programs. In addition, the evaluation information could serve as a major component of several state and local work functions such as:

- a mechanism for accountability;
- a planning and management tool;
- a policy tool;
- an educative process; and
- a tool for moving beyond performance standards.

The state is in the progress of conducting an evaluation of efforts by the JTPA system to coordinate with the Department of Human Services in serving AFDC recipients in need of job training. The results will provide recommendations for enhancing the program design and improving coordination between the Department of Human Services, Department of Commerce, and other agencies implementing the Family Support Act's JOBS program in Texas.

The following is a summary of JTPA program performance for PY87, PY88, and PY89.

### A. TITLE IIA

#### 1. PY87

The number of participants, terminations, and placements increased slightly from PY86 to PY87. More than 63,000 people participated in JTPA Title IIA programs during PY87 (i.e., from July 1, 1987 through June 30, 1988). About 28,000 Title IIA participants completed their training programs and entered unsubsidized employment. Over 16,000 Title IIA youth participants completed their training programs and obtained positive outcomes.

The characteristics of PY87 terminees were about the same as that of PY86, with the difference less than 5 percentage points. About 19 percent of the terminees were welfare recipients. More than a quarter of the terminees were high school dropouts. High school graduates (or above) consisted of 54 percent of the terminees. About 20 percent of the terminees were single head of households. About 47 percent of the terminees were youth and about 56 percent of the terminees were female. Finally, handicapped terminees represented 9 percent of the total terminations, as did ex-offenders.

The Youth Positive Termination Rate remained the most difficult performance standard for SDAs to meet, with only 28 SDAs exceeding their predicted standard (the same as PY86) while, Adult Average Wage at Placement was the only standard met or exceeded by all 34 SDAs. Table 16 summarizes Title IIA performance and characteristics of terminees during PY87.



**TABLE 16**  
**TITLE IIA PERFORMANCE REPORT**  
**PY87 VS PY88**

**Statewide Summary**

	<u>PY87<sup>1</sup></u>	<u>PY88<sup>2</sup></u>	<u>% Change<sup>3</sup></u>
Total Participants	63,224	73,809	16.7%
Total Terminations	46,993	54,879	16.8%
Total Entered Employment	28,063	30,564	8.9%
Youth Positive Terminations	16,635	20,157	21.2%
Percent of Funds Expended	88.9%	86.9% <sup>4</sup>	-2.2%
<b>Adult</b>			
Entered Employment Rate	72.7%	70.6%	-2.9%
Welfare Entered Emp. Rate	67.6%	60.2%	-10.9%
Average Wage at Placement	\$4.77	\$4.98	4.4%
Follow-up Employment Rate	NA <sup>5</sup>	63.1%	NA
Cost per Entered Employment	\$3,085	\$3,461	12.2%
<b>Youth</b>			
Positive Termination Rate	76.2%	76.8%	0.8%
Employability Enhancement Rate	NA	40.4%	NA
Entered Employment Rate	44.7%	NA	NA
Cost per Positive Termination	\$2,915	\$2,923	0.3%

**Characteristics of Terminees**

Welfare Recipient (Total)	8,755	(18.6%) <sup>6</sup>	9,655	(17.6%)	10.3%
• Adult (AFDC)	4,876	(10.4%)	5,205	(9.5%)	6.7%
(GA/RA)	52	(0.1%)	62	(0.1%)	19.2%
• Youth (AFDC)	3,810	(8.1%)	4,375	(8.0%)	14.8%
(GA/RA)	17	(0.0%)	13	(0.0%)	-23.5%
Dropout	13,411	(28.5%)	14,653	(26.7%)	9.3%
High School Grad. and above	25,306	(53.9%)	27,854	(50.8%)	10.1%
Single Head of Household	9,587	(20.4%)	10,904	(19.9%)	13.7%
Youth	21,828	(46.5%)	26,232	(47.8%)	20.2%
Female	26,144	(55.6%)	30,702	(55.9%)	17.4%
Handicapped	4,022	(8.6%)	4,674	(8.5%)	16.2%
Offenders	4,401	(9.4%)	4,890	(8.9%)	11.1%

<sup>1</sup> The information is based on the MIS performance report as of August 5, 1988 (Report # 1891Z).

<sup>2</sup> The information is based on the MIS performance report as of August 5, 1989 (Report # 2740T).

<sup>3</sup> % change =  $\{(PY88-PY87)/PY87\} \times 100$ .

<sup>4</sup> Percent of Funds Expended =  $(\text{Total Expenditures} / \text{Contract Amount}) \times 100$ .

<sup>5</sup> Not applicable.

<sup>6</sup> The percentage stands for the proportion of total terminations.

## 2. PY88

There was a significant increase in the number of participants, terminations, and placements from PY87 to PY88. More than 73,000 people participated in JTPA Title IIA programs during PY88 (i.e., from July 1, 1988 through June 30, 1989), which represents an approximately 17 percent increase from PY87. Over 30,000 Title IIA participants completed their training programs and entered unsubsidized employment, a 9 percent increase from PY87. The number of Title IIA youth participants who completed their training programs and obtained positive outcomes during PY88 was 20,157 people, a 21 percent increase from PY87.

The performance standards in PY88 were slightly different from those of PY87. One PY87 standard, Youth Entered Employment Rate, was removed and two new standards were added. For PY88, the Governor designated the following eight performance standards for evaluating Title IIA programs:

- Adult Entered Employment Rate
- Adult Welfare Entered Employment Rate
- Adult Average Wage at Placement
- Adult Follow-up Employment Rate (New)
- Adult Cost per Entered Employment
- Youth Positive Termination Rate
- Youth Employability Enhancement Rate (New)
- Youth Cost per Positive Termination

For each of the eight performance measures, the majority of SDAs exceeded the standard. Sixteen SDAs exceeded all eight performance standards, and 26 SDAs exceeded at least six of the eight standards. While most of the outcomes of the performance standards remained the same in PY87 and PY88, the Adult Welfare Entered Employment Rate decreased by 11 percent from PY87 and the Adult Cost per Entered Employment increased by 12 percent from PY87.

Reasons cited by SDAs for the lower entered employment rates include:

- Problems associated with transition from one administrative entity to another;
- Understaffing and staff turnover;
- Excessive use of work experience and limited work experience;
- Clients choosing to continue their education rather than seek immediate employment;
- Lack of available on-site vocational training facilities and lack of dependable transportation; and
- Training for occupations which do not, at the entry level, pay sufficient wages to offset the combined welfare benefits.

The outcomes of PY88 JTPA Title IIA program performance, with comparison to PY87 performance, are illustrated in Tables 16 and 17.

**TABLE 17**

**NUMBER OF SDAS MET/EXCEEDED PERFORMANCE STANDARDS**

	<u>PY87</u>	<u>PY88</u>	<u>% Change</u> <sup>1</sup>
<b>Adult</b>			
Entered Employment Rate	32(94.1%) <sup>2</sup>	26(76.5%)	-18.8%
Welfare Entered Employment Rate	31(91.2%)	25(73.5%)	-19.4%
Average Wage at Placement	34(100.0%)	34(100.0%)	0.0%
Follow-up Employment Rate	NA <sup>3</sup>	30(88.2%)	NA
Cost per Entered Employment	30(88.2%)	25(73.5%)	-16.7%
<b>Youth</b>			
Positive Termination Rate	28(82.4%)	26(76.5%)	- 7.1%
Employability Enhancement Rate	NA	27(79.4%)	NA
Entered Employment Rate	30(88.2%)	NA	NA
Cost per Positive Termination	31(91.2%)	34(100.0%)	9.7%

**3. PY89**

JTPA Title IIA programs continue to grow steadily in Texas. During PY89, Title IIA programs (78% funds) served over 75,000 participants. More than 54,000 participants completed the program with 77 percent receiving positive outcomes. Of those who completed the program:

- 8,997 or 17% were welfare recipients.
- 15,094 or 28% were high school dropouts.
- 18,552 or 34% had reading skills below the 7th grade level.
- 10,634 or 20% were single heads of households.
- 25,831 or 48% were youths.
- 30,220 or 56% were female.
- 15,006 or 28% were Blacks.
- 23,010 or 43 % were Hispanics.
- 4,760 or 9% were handicapped.
- 4,661 or 9% were Offenders.

1 % change = {(PY88-PY87)/PY87} X 100  
 2 Percent of total SDAs  
 3 Not applicable

The Performance standards in PY89 were the same as those of PY88. The majority of SDAs (26) exceeded/met all eight performance standards, and 32 SDAs exceeded/met at least six of the eight standards. The outcomes of adult performance standards in PY89 showed that there was improvement in all five adult standards. While the Adult Cost per Entered Employment was about the same as that of PY88, both the Adult and Adult Welfare Entered Employment Rates had a 5 percent increase. In addition, the Adult Average Wage at Placement and Adult Follow-Up Employment Rate also had a 5 percent increase in PY89.

The outcomes of youth performance standards showed an increase in both performance and cost in PY89. The Youth Positive Termination Rate increased 4 percent, and the Youth Employability Enhancement Rate had a significant 14 percent increase. The Cost per Positive Youth Termination increased 12 percent in PY89. The outcomes of PY89, in comparison to the performance of PY88, are illustrated in Tables 18 and 19.

**TABLE 18**  
**TITLE IIA PERFORMANCE REPORT**  
**FOURTH QUARTER PY88 VS SECOND QUARTER PY89**

Statewide Summary

	<u>PY88<sup>1</sup></u>	<u>PY89<sup>2</sup></u>	<u>% Change<sup>3</sup></u>
Total Participants	73,809	75,054	1.7%
Total Terminations	54,879	54,052	-1.5%
Total Entered Employment	30,564	30,684	0.4%
Youth Positive Terminations	20,157	20,592	2.2%
Percent of Funds Expended	86.9%	87.7%	0.9%
<b>Adult Performance Standards:</b>			
Entered Employment Rate	70.6%	73.9%	4.7%
Welfare Entered Emp. Rate	60.2%	63.4%	5.3%
Average Wage at Placement	\$4.98	\$5.24	5.2%
Follow-up Employment Rate	63.1%	66.5%	5.4%
Cost per Entered Employment	\$3,461	\$3,442	-0.5%
<b>Youth Performance Standards:</b>			
Positive Termination Rate	76.8%	79.7%	3.8%
Employability Enhancement Rate	40.4%	46.0%	13.9%
Cost per Entered Employment	\$2,923	\$3,276	12.1%

Characteristics of Terminees

Welfare Recipient (Total)	9,655	(17.4%) <sup>4</sup>	3,075	(15.4%)	4.0%
• Adult (AFDC)	5,205	(10.4%)	1,679	(8.4%)	-5.4%
• Youth (GA/RA)	62	(0.1%)	10	(0.0%)	-52.4%
• Youth (GA/RA)	4,375	(6.8%)	1,385	(6.9%)	19.6%
Dropout	13	(0.0%)	1	(0.0%)	-75.0%
High School Grad. and above	14,653	(25.8%)	5,841	(29.3%)	32.9%
Single Head of Household with Dependent <18	27,854	(60.0%)	11,128	(55.8%)	9.7%
Youth	3,769	(22.2%)	4,275	(21.4%)	13.4%
Female	6,992	(41.1%)	8,139	(40.8%)	16.4%
Black	9,691	(57.0%)	11,147	(55.9%)	15.0%
Hispanic					
Handicapped	1,256	(7.4%)	1,478	(7.4%)	17.7%
Offenders					
Limited English Speaking Skills					
Reading Skill Below 7th Grade	1,671	(9.8%)	1,699	(8.5%)	1.7%

<sup>1</sup> The information is based on the MIS performance report as of January 20, 1989.

<sup>2</sup> The information is based on the MIS performance report as of January 26, 1990.

<sup>3</sup> % change =  $\{(PY89-PY88)/PY88\} \times 100$ .

<sup>4</sup> The percentage stands for the proportion of total terminations.

#### 4. Older Worker Programs (3%)

Three percent of JTPA Title II funds are set-aside for providing training to economically disadvantaged individuals age 55 years and older. Older Worker programs are contracted through a request-for-proposal process. The following is a summary of program performance based on the latest available MIS data.

##### PY87 Fourth Quarter Performance Report

Number of Programs	16
Number of Participants	3,131
Number of Terminations	3,083
Number of Participants Entered Employment	1,812
Enter Employment Rate	58.8%

##### PY88 Fourth Quarter Performance Report

Number of Programs	16
Number of Participants	3,391
Number of Terminations	3,191
Number of Participants Entered Employment	1,919
Enter Employment Rate	60.1%

##### PY89 Second Quarter Performance Report

Number of Programs	18
Number of Participants	2,023
Number of Terminations	1,026
Number of Participants Entered Employment	756
Enter Employment Rate	73.7%

#### 5. Education and Coordination Programs (8 Percent)

From 1985 to the present, Texas has focused 8% policy on a comprehensive approach to link JTPA and education programs and services to improve performance and services to at risk groups. Special attention has been paid to promote the establishment of jointly funded dropout prevention and recovery programs in each SDA which would improve JTPA's overall ability to serve youth. PY85 (July 1, 1985-June 30, 1986) was a capacity-building year for increasing performance and services to at-risk youth and hard-to-serve adults. SDAs were encouraged to develop self-paced, open-entry/open exit computer-assisted instruction programs for the remediation of basic skills for these groups. SDAs were also encouraged to develop "competency systems" to benchmark participant performance in three categories:

- 1) pre-employment/work maturity;
- 2) basic skills; and
- 3) job-specific skills.

Eight percent funds were also used to support research, development, and evaluation activities. Eighty percent and twenty percent monies were designated for demonstration and capacity-building projects. Eight percent policy guidelines required PICs/SDAs to establish Education Advisory Subcommittees (EAS) to advise each PIC on JTPA/Education Coordination in the development of basic education services for JTPA participants. The EAS in each SDA was required to include representation from secondary, post-secondary, and adult education to advise the PIC on how to improve JTPA youth performance through innovative and cooperative programs. Significant to this capacity-building effort was the state's PY85 6 percent corrective action policy and the corrective action plans for SDA's. The 13 corrective action plans, based on PY85 policy, focused primarily on the implementation of youth competency systems and assessment of youth competency programs in order to improve overall Title IIA youth performance.

In addition to the regular 8 percent programs at the SDA level, Texas issued a \$1.1 million RFP for Special Programs for At-Risk Youth that began in PY87 and continued through PY88. The state also contracted with an outside agency to conduct a formative evaluation of the state-funded projects to identify implementation requirements and problem areas in order to develop technical assistance guidelines for SDAs to improve services to at-risk youth.

Restructuring JTPA and education services to provide basic education for the most difficult groups is a slow, systematic process. During PY90, local SDA competency systems will continue to be refined and linkages between JTPA and education at the state and local levels expanded to support coordination of multi-service models for at-risk youth. Eight percent funds will be used to continue JTPA resource assistance contracts with other agency systems to support Special Programs for At-Risk Youth, and encourage development of multi-service, computer-assisted basic skills remediation programs at the local level.

The following is a summary of program performance for the 8% programs during program year 1989, i.e., from July 1, 1989 through June 30, 1990. During PY89 the 8% programs served 12,786 participants. 9,386 participants completed the program with 66.7 percent receiving positive outcomes. Of the 5,801 adult participants served during PY89:

- 4,141 or 71 percent were female.
- 4,895 or 84 percent were high school dropouts.
- 2,236 or 39 percent were single head of household with dependent less than 18 years old.
- 4,696 or 81 percent were minority.
- 868 or 15 percent had limited English speaking skill.
- 380 or 7 percent were handicapped.
- 821 or 14 percent were offenders.
- 3,422 or 59 percent had reading skills below the 7th grade level.
- 1,845 or 32 percent were AFDC recipients. Of those, 1,320 were long-term AFDC recipients.

In terms of training provided to adult participants:

- 71 or 1 percent received occupational skills training in a classroom environment.
- 5,491 or 95 percent received classroom training other than occupational skills training.
- 76 or 1 percent received job search assistance.

(Some participants only received services from JTPA.)

Of the 3,901 adults who terminated the 8% programs during PY89, 269 or 7 percent entered employment, and 2,062 or 53 percent attained project objectives.

Of the 6,985 youth participants served during PY89:

- 3,674 or 53 percent were female.
- 1,115 or 16 percent were age 14-15.
- 2,227 or 32 percent were high school dropouts.
- 4,602 or 66 percent were high school students.
- 470 or 7 percent were single head of household with dependent less than 18 years old.
- 5,357 or 77 percent were minority.
- 147 or 2 percent had limited English speaking skill.
- 662 or 10 percent were handicapped.
- 473 or 7 percent were offenders.
- 3,264 or 47 percent had reading skills below the 7th grade level.
- 1,211 or 17 percent were AFDC recipients. Of those, 703 were long-term AFDC recipients.

In terms of training provided to youth participants:

- 23 or 0.3 percent received occupational skills training in a classroom environment.
- 5,404 or 77 percent received classroom training other than occupational skills training.
- only 2 received on-the-job training.
- 125 or 2 percent received work experience training.



- 1,371 or 20 percent enrolled in exemplary youth programs. Of those, 43 received education for employment, and 1,328 received pre-employment skills training.
- 51 or 1 percent received job search assistance.

Of the 5,485 youth participants who terminated the 8% programs during PY89, 2,879 or 53 percent attained project objective, 167 or 3 percent entered employment, and 882 or 16 percent received employability enhancements. Of those who received employability enhancements:

- 4 entered non-Title IIA training.
- 388 returned to full-time school.
- 92 were age 14-15 completed program objectives.
- 363 completed major level of education.
- 35 attained youth competencies.

A comparison of the 8% program performance for PY88 and PY89 shows that the number of participants significantly increased by 36 percent, from 9,403 to 12,786. The number of youth participants was up by 26 percent, from 5,549 to 6,985. The number of adult participants was up by 51 percent, from 3,854 to 5,801. The number of terminations in PY89 also increased by 14 percent, from 8,273 to 9,386. The number of youth terminations was up by 10 percent, from 4,972 to 5,485. The number of adult terminations was up by 18 percent, from 3,301 to 3,901. The positive termination rate was up by 21 percent, from 55.3 percent to 66.7 percent. The outcomes of PY89, with comparison to the performance of PY88, are illustrated in Table 20.

**TABLE 19**  
**PY88-PY89 8% PERFORMANCE**

Statewide Summary

	<u>1988</u>	<u>1989</u>	<u>% Change</u>
Total Participants	9340	12786	36.9%
Total Terminations	8155	9386	15.1%
Entered Unsubsidized Employment	446	436	-2.2%
Attained Youth Employment Enhancement	1135	219	-80.7%
Other Terminations	6574	1425	-78.3%
<u>Participant Characteristics (Percent of Total)</u>			
Hispanic	53.8%	52.0%	-3.3%
Black	21.0%	25.6%	21.9%
School Dropouts	64.0%	62.0%	-3.1%
Students	29.2%	32.8%	12.3%
Single Head of Household with Dependent Children	21.2%	24.1%	NA
<u>Participant Barriers (Percent of Total)</u>			
Limited English	7.3%	7.1%	-2.7%
Handicapped	9.6%	8.6%	-10.4%
Ex-Offender	12.1%	9.3%	-23.1%
Reading-Skill Below 7th Grade	43.0%	51.8%	20.5%
Long-Term AFDC Recipient	16.4%	20.0%	22.0%

TABLE 20

## PY88-PY89 8% PROGRAM PERFORMANCE

<u>8% Education Coordination Program</u>	<u>PY88</u>		<u>PY89</u>		<u>% CHANGE</u>
Number of Participants	9,343		12,786		36.0%
Number of Terminations	8,273		9,386		13.5%
Number Placed at Termination	483	5.8%	436	4.6%	-9.7%
Number Entered Non-Title IIA Training	9	0.1%	4	0.0%	-55.6%
Number Entered to Full-Time School	321	3.9%	388	4.1%	20.9%
Age 14-15 Completed Program Objective	211	2.6%	92	1.0%	-56.4%
Completed Major Level of Education	317	3.8%	363	3.9%	14.5%
Number Attained Youth Competencies	275	3.3%	35	0.4%	-87.3%
Number Attained Program Objective	2,961	35.8%	4,941	52.6%	66.9%
Total Positive Outcomes	4,577	55.3%	6,259	66.7%	36.7%
Other Outcomes	3,696	44.7%	3,127	33.3%	-15.4%
Positive Termination Rate		55.3%		66.7%	20.5%
<u>Characteristics of Participants</u>					
Female	5,688	60.5%	7,815	61.1%	37.4%
Youth	5,549	59.0%	6,985	54.6%	25.9%
Age 14-15	580	6.2%	1,115	8.7%	92.2%
School Dropout	5,955	63.3%	7,122	55.7%	19.6%
Student	2,729	29.0%	4,749	37.1%	74.0%
Single Head of Household with Dependent <18	1,979	21.0%	2,706	21.2%	36.7%
Minority	7,077	75.3%	10,053	78.6%	42.1%
Limited English-Speaking Skill	674	7.2%	1,015	7.9%	50.6%
Handicapped	891	9.5%	1,042	8.1%	16.9%
Offender	1,195	12.7%	1,294	10.1%	8.3%
Reading Skill Below 7th Grade	4,007	42.6%	6,686	52.3%	66.9%
Long-Term AFDC Recipient	1,533	16.3%	2,023	15.8%	32.0%
AFDC Recipient	2,397	25.5%	3,056	23.9%	27.5%
<u>Program Activity Participation</u>					
1. CRT—Occupational Skills	505	5.4%	94	0.7%	-81.4%
2. CRT—Other	7,832	83.3%	10,895	85.2%	39.1%
3. On-the-Job Training	51	0.5%	2	0.0%	-96.1%
4. Limited Work Experience	1	0.0%	0	0.0%	-100.0%
5. Work Experience	204	2.2%	125	1.0%	-38.7%
6. CRT—Occupational Skills	767	8.2%	1,371	10.7%	78.7%
A. Education for Employment	141	1.5%	43	0.3%	-69.5%
B. Pre-Employment Skills Training	626	6.7%	1,328	10.4%	112.1%
C. Entry Employment Experience					
D. School to Work Experience					
7. Job Search Assistance	123	1.3%	127	1.0%	3.3%
8. Relocation Assistance					
Services	6,741	71.7%	8,868	69.4%	31.6%

## B. TITLE IIB SUMMER YOUTH PROGRAMS

The CY90 Title IIB Summer youth program served 36,582 youth, ages 14 to 21 years. Of these, 18,403 were female, 14,617 were Black, and 17,371 were Hispanic. Students made up 40,500 of the total number of participants. Over 16,217 Title IIB participants had reading levels below the seventh grade. Work experience was the primary activity with 26,823 enrollments. Basic skills remediation was provided to 20,452 participants, including participants served by Communities-In-Schools, a statewide dropout prevention program. Exemplary youth program activities were provided to 1,044 participants.

Youth Opportunities Unlimited (YOU), a state-wide youth program for at-risk 14 and 15 year-olds, served 1,858 students at 20 university campuses during CY90. Of the 1,641 students successfully completing the program, 1,568 received academic credit for reading and math course work completed during YOU participation. Documented achievement in grade level gain (California Achievement Test) overall was 4 months for the summer period.

## C. TITLE III/EDWAA WORKER READJUSTMENT/DISLOCATED WORKER PROGRAMS

### 1. PY88 Title III Dislocated Worker Programs

JTPA Title III funds were used to provide training for individuals who had been terminated or laid off due to plant closings and/or industry wide declines. A portion (60%) of Title III funds were contracted to Service Delivery Areas where worker dislocation was evident. The remainder was reserved at the state-level to be used by the Rapid Response Team to assist workers laid off due to individual plant closings as they occurred.

Additionally, the Secretary of Labor reserved 25 percent discretionary funds for services to individuals affected by mass layoffs, natural disasters, federal government actions, or who reside in areas of high unemployment. This report includes discretionary programs which served: (1) laid off oil/gas or steel workers, (2) laid off Safeway workers, (3) drought-affected migrant/seasonal farm workers, and (4) residents of the City of Saragosa (natural disaster).

Number of participants	11,391
Number of terminations	8,700
Number of participants entered employment	5,741
Entered Employment Rate	66.0%
Average Wage at placement	\$8.13

Title III Formula Funds were allocated to twenty-eight SDAs with \$17,568,039 under contract and expenditures of \$11,701,731. Title III Discretionary Funds were contracted to seven SDAs with total contracts of \$2,800,000 and expenditures of \$2,536,768.

### 2. PY89 Title III/EDWAA Second Quarter Performance Report

The following is a summary of Title III/EDWAA Program Performance and expenditures from July 1, 1989 through June 30, 1990.

The Economic Dislocation and Worker Adjustment Assistance (EDWAA) Act revised Title III of the Job Training Partnership Act (JTPA). The goals of the worker adjustment program are to adequately prepare workers for re-employment and to ensure their continued employability through a broad range of quality retraining, services, and participant support. The data presented below includes the outcomes of formula and discretionary programs.

Number of programs	32
Number of participants	18,835
Number of terminations	11,521
Number of terminees entered unsubsidized employment:	
from retraining	4,733
from basic readjustment services only	3,110
Total number of terminees entered employment	7,843
Entered Employment Rate	68.1%
Average Wage at Placement	\$8.96

In PY89, there are 32 Title III formula fund contracts operating across the state with a combined budget of \$14,999,960 and expenditures of 94% through the end of the program year. Additional 40% funds in the amount of \$14,245,093 were contracted to 18 SSAs in response to increased demand for services to dislocated workers as the result of mass layoffs and plant closures. The Secretary's National Reserve Funds (discretionary) in the amount of \$2,980,000 were allocated to five SSAs in the the South Texas Natural Disaster Project (Freeze, Dec. 89).

### 3. Expenditure/Deobligation-Reobligation of Funds

In regard to program expenditures, steps have been taken to increase the delivery of quality training services through clarification of state policy, management and operational system modifications, and better program coordination at both the state and local levels. It is projected that such systematic and program operational adjustments will have a positive impact on service delivery (increasing the number of persons served), which in turn increases the effective and efficient expenditure of the funds available.

In order to maximize the use of available program funds, as well as to avoid under-expenditure of state of Texas funds which would result in a forfeiture of funds for reallocation among other states, the State has developed procedures for the involuntary and voluntary deobligation of substate allocated funds. Substate Grantees not expending their Title III (EDWAA) allocations will be deobligated so that funds can be reobligated to substate grantees expending their allocation at a satisfactory rate. These procedures were effectively implemented during PY90. [Section 303(d) of the Act]

## D. TITLE IVC VETERANS EMPLOYMENT AND TRAINING PROGRAM

Texas contracts with DOL to operate Title IVC programs which provide training opportunities specifically targeted to veterans. Funds are provided to contractors through a competitive request-for-proposal process. The following is a summary of program performance based on the latest available MIS data.

### PY87 Fourth Quarter Performance Report

Number of Programs	4
Number of Participants	3,926
Number of Terminations	3,390
Number of Participants Entered Employment	2,285
Enter Employment Rate	67.4%

PY88 Fourth Quarter Performance Report

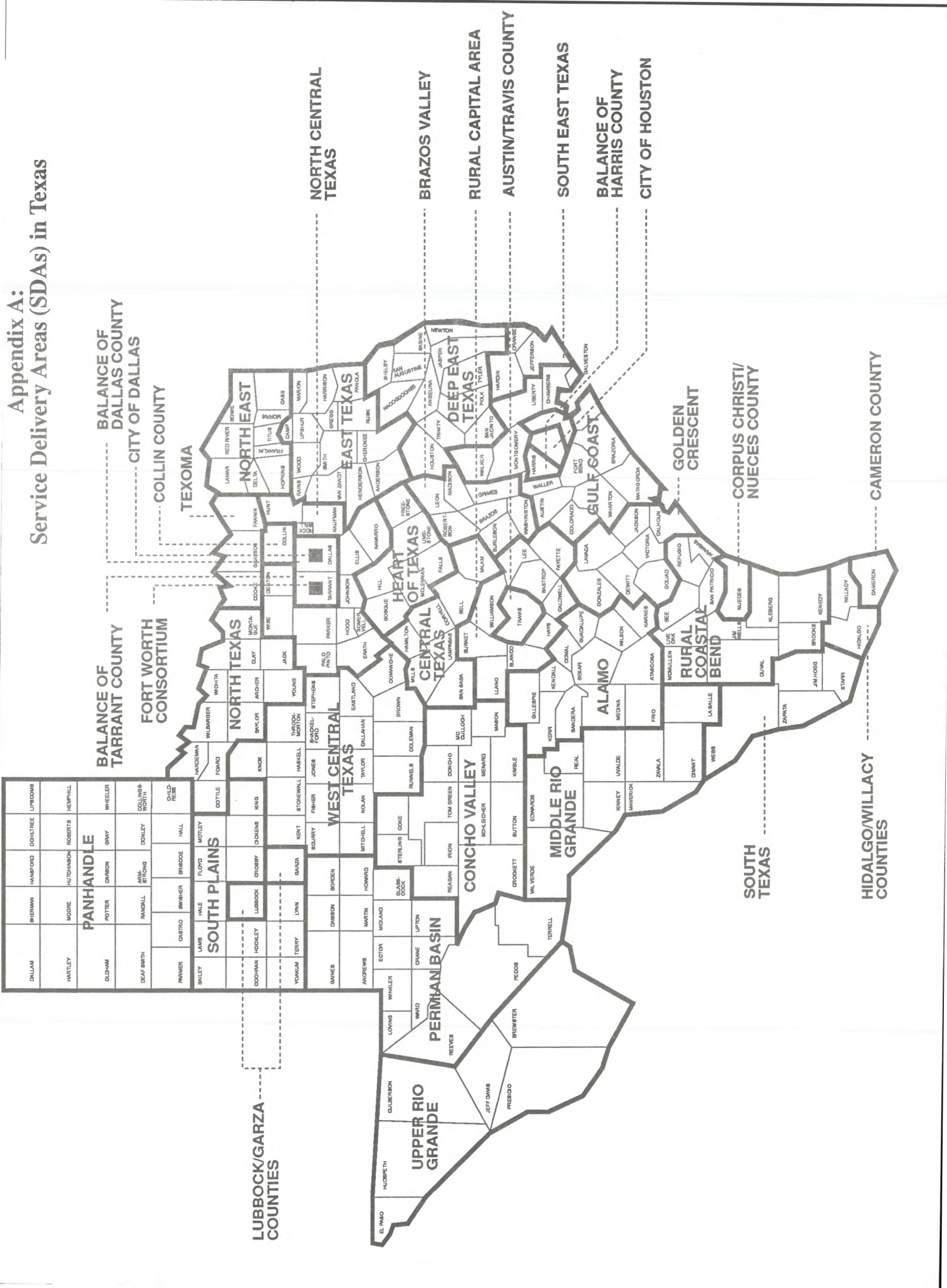
Number of Programs	5
Number of Participants	3,853
Number of Terminations	3,257
Number of Participants Entered Employment	2,559
Enter Employment Rate	78.6%

PY89 Second Quarter Performance Report

Number of Programs	2
Number of Participants	68
Number of Terminations	15
Number of Participants Entered Employment	11
Enter Employment Rate	73.3%

## **IX. APPENDICES**

# Appendix A: Service Delivery Areas (SDAs) in Texas



DALLAM	BIENMAN	HAMFORD	ODHETTE	UPDEGRO
HARTLEY	MOORE	HUTCHINSON	ROBERTS	HEMPHILL
<b>PANHANDLE</b>				
OLDHAM	POTTER	DIMON	GRAY	WHEELER
DEAF SMITH	RAMOALL	ARMSTRONG	DONLEY	COLLINGS WORTH
FRISNER	CARTRO	FRANKLIN	BRIDGE	CHILDRESS
<b>SOUTH PLAINS</b>				
BAILEY	LAMB	HALE	FLOYD	MOTLEY
COCHRAN	HODDLEY	LUBBOCK	OTISBY	DICKENS
YOUNG	TERRY	LYNN	DAZZA	KENT
<b>WEST CENTRAL TEXAS</b>				
BAKER	DIMON	BOUDEN	HOWARD	MARTIN
ANDREWS	EGGOT	MIDLAND	UPTON	WINKLER
<b>PERMAN BASIN</b>				
LOVING	WINKLER	WIND	UPTON	REEDER
<b>CONCHO VALLEY</b>				
REEDER	WINKLER	WIND	UPTON	REEDER
<b>MIDDLE RIO GRANDE</b>				
TERRELL	REEDER	WINKLER	WIND	UPTON
<b>ALAMO</b>				
TERRELL	REEDER	WINKLER	WIND	UPTON
<b>GULF COAST</b>				
TERRELL	REEDER	WINKLER	WIND	UPTON
<b>DEEP EAST TEXAS</b>				
TERRELL	REEDER	WINKLER	WIND	UPTON
<b>HEART OF TEXAS</b>				
TERRELL	REEDER	WINKLER	WIND	UPTON
<b>CENTRAL TEXAS</b>				
TERRELL	REEDER	WINKLER	WIND	UPTON
<b>NORTH TEXAS</b>				
TERRELL	REEDER	WINKLER	WIND	UPTON
<b>NORTH EAST</b>				
TERRELL	REEDER	WINKLER	WIND	UPTON
<b>EAST TEXAS</b>				
TERRELL	REEDER	WINKLER	WIND	UPTON

**LUBBOCK/GARZA  
COUNTIES**

**UPPER RIO  
GRANDE**

**PERMAN BASIN**

**CONCHO VALLEY**

**MIDDLE RIO  
GRANDE**

**ALAMO**

**RURAL  
COASTAL  
BEND**

**GOLDEN  
CRESCENT**

**SOUTH  
TEXAS**

**HIDALGO/WILLACY  
COUNTIES**

**BALANCE OF  
DALLAS COUNTY  
CITY OF DALLAS**

**COLLIN COUNTY  
TEXOMA**

**BALANCE OF  
TARRANT COUNTY  
FORT WORTH  
CONSORTIUM**

**NORTH  
EAST**

**NORTH CENTRAL  
TEXAS**

**BRAZOS VALLEY**

**RURAL CAPITAL AREA**

**AUSTIN/TRAVIS COUNTY**

**SOUTH EAST TEXAS**

**BALANCE OF  
HARRIS COUNTY**

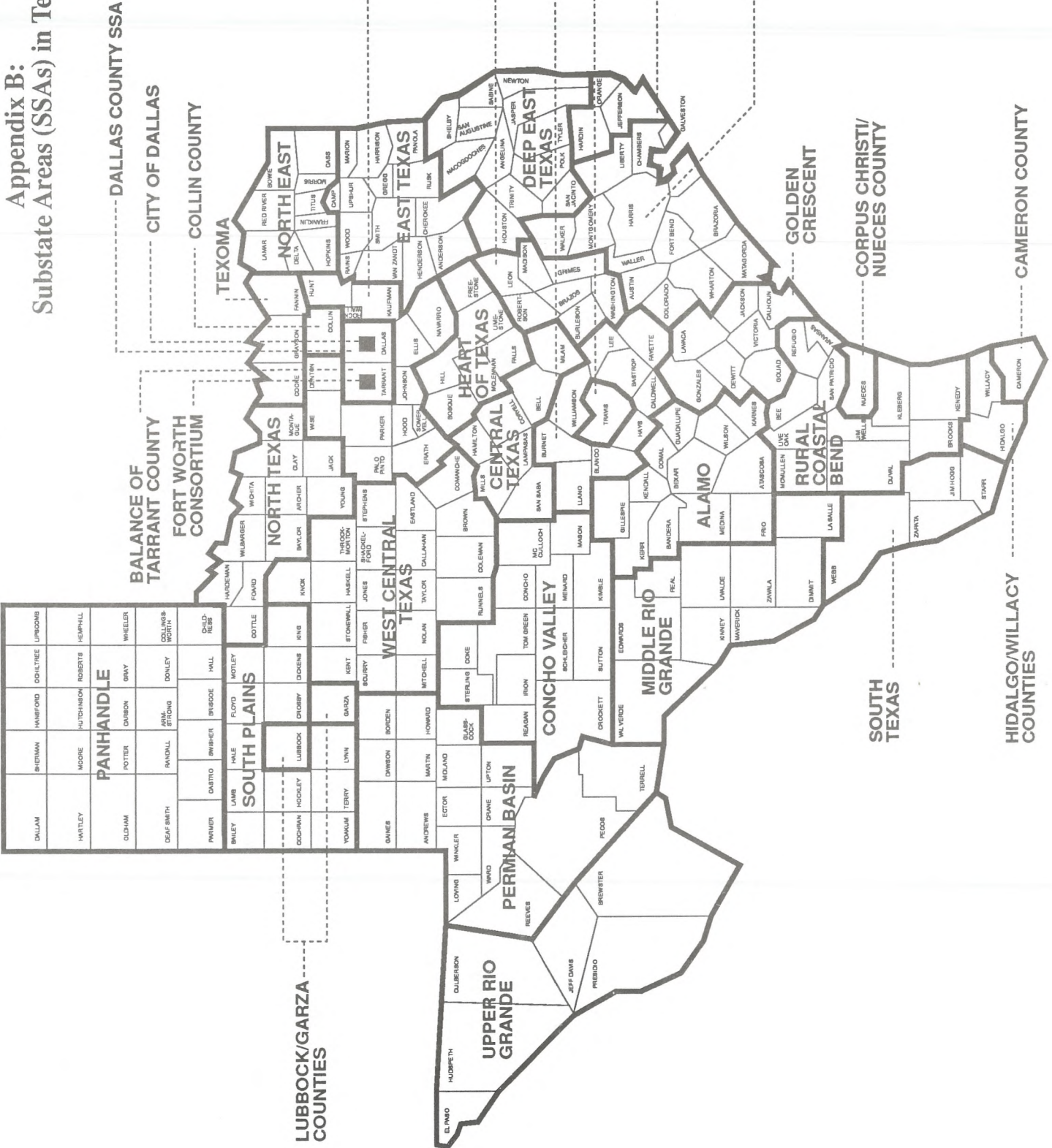
**CITY OF HOUSTON**

**CORPUS CHRISTI/  
NUECES COUNTY**

**CAMERON COUNTY**



# Appendix B: Substate Areas (SSAs) in Texas



## APPENDIX C

### GOVERNOR'S COORDINATION AND SPECIAL SERVICES PLAN LIST OF ACRONYMS

ABE	Adult Basic Education
AFDC	Aid to Families with Dependent Children Program
CAI	Career Assessment Inventory
CCE	Certificates of Continuing Eligibility
CEO	Chief Elected Official
CIS	Communities In Schools
Commerce	Texas Department of Commerce
Council	State Job Training Coordinating Council
DOL	U. S. Department of Labor
DVOP	Disabled Veterans Outreach Program
DWU	Dislocated Worker Unit
EAS	Education Advisory Subcommittees
EDP	Employment Development Plan
EDWAA	Economic Dislocation and Worker Adjustment Assistance program
EDWAAA	Economic Dislocation and Worker Adjustment Assistance Act
ESL	English-as-a-Second Language
GA	General Assistance Program
GATB	General Aptitude Test Battery
GED	General Educational Development
GED	Graduate Equivalency Diploma
JOBS	Job Opportunities and Basic Skills
JTPA	Job Training Partnership Act
LEA	Local Education Agency
LMC	Labor Management Committee
LMI	Labor Market Information
MIS	Management Information System
MOU	Memorandum of Understanding
NOICC	National Occupational Information Coordinating Committee
OIG	Office of the Inspector General
OPEC	Organization of Petroleum Exporting Companies
OTCA	Omnibus Trade and Competitiveness Act of 1988
PEIMS	Public Education Information Management System
PIC	Private Industry Council
PPS	Participant Planning Summary
PY	Program Year
RCA	Refugee Cash Assistance Program
RFP	Request for Proposals
RR	Rapid Response
SDA	Service Delivery Area
SDS	Self-Directed Search
SGA	Solicitation for Grant Applications
SJTCC	State Job Training Coordinating Council
SOICC	State Occupational Coordinating Committee
SSA	Substate Area
SVPT	Specific Vocational Preparation Training Area
TAA	Trade Adjustment Assistance
TABE	Test of Adult Basic Education
TAPIC	Texas Association of Private Industry Councils
TAT	Technical Assistance and Training
TDC	Texas Department of Corrections
TDCA	Texas Department of Community Affairs

TDHS Texas Department of Human Services  
TEA Texas Education Agency  
TEC Texas Employment Commission  
THECB Texas Higher Education Coordinating Board  
TRA Trade Readjustment Allowance  
TRC Texas Rehabilitation Commission  
UC Unemployment Compensation  
UI Unemployment Insurance  
WAC Worker Adjustment Committee  
WARN Worker Adjustment and Retraining Notification Act  
WIN Work Incentive Program  
WNAI Word and Number Assessment Inventory  
WRAT Wide Range Achievement Test  
YOU Youth Opportunities Unlimited