



EVALUATION 2014

ACCOMPLISHMENTS AND OUTCOMES
OF THE TEXAS WORKFORCE SYSTEM

TEXAS WORKFORCE INVESTMENT COUNCIL

The Mission of Texas Workforce Investment Council

Assisting the Governor and the Legislature with strategic planning for and evaluation of the Texas workforce development system to promote the development of a well-educated, highly skilled workforce for Texas.



January 2015

Dear Fellow Texan:

The Texas Workforce Investment Council (Council) is pleased to present the *Evaluation 2014* report on the Texas workforce system. Approved unanimously at the Council's December 5, 2014 meeting, it is the fifth report for *Advancing Texas: Strategic Plan for the Texas Workforce System (FY2010-FY2015) (Advancing Texas)* – documenting accomplishments by system partners during the past year.

State statutes require that the Council evaluate the workforce system and report annually to the Governor and the Legislature. The Council evaluates five components, including:

- ▶ workforce system and program performance based on the Formal and Less Formal measures approved by the Governor;
- ▶ implementation of action plans by partner agencies as directed by the Council's System Integration Technical Advisory Committee;
- ▶ adult education action and achievements;
- ▶ local workforce board activities and alignment with the system strategic plan; and
- ▶ work development programs that focus on welfare to work initiatives.

Through the delivery of over 19 workforce education and training programs, state and local system partners served almost 4.9 million individuals in the last reporting year. Of those participating in workforce system programs and services, over 495,000 individuals completed a degree, certificate, or other measure of educational achievement. Over 1.1 million participants found and started a job and over 946,000 more stayed in a job.

Since peaking in 2010, the system has served fewer individuals annually, largely due to the phasing out of federal recovery relief funding and improved economic conditions. The percentage of participants entering and retaining employment increased again this year, and the attainment of educational outcomes continued to rise.

With the fifth year of implementation complete, I am pleased to report that substantial progress has been made toward achieving the 14 long term objectives contained in *Advancing Texas*. In the coming year, implementation of *Advancing Texas* will continue and the Council will develop a new strategic plan for Texas' workforce system. Our system partners are actively involved in the planning process as we work together to identify those workforce issues that will be of critical significance over the next strategic plan period.

I commend this report to you.

Sincerely,

Wes Jurey, Chair

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Evaluation 2014

Accomplishments and Outcomes of the Texas Workforce System

Texas Workforce Investment Council
December 2014

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INTRODUCTION

The Council and Texas' Workforce System

The Texas Workforce Investment Council (Council) was created in 1993 by the 73rd Texas Legislature. The Council is charged with promoting the development of a highly skilled and well-educated workforce for Texas, and with assisting the Governor and the legislature with strategic planning for and evaluation of the Texas workforce system. The 19-member Council includes representatives from business, labor, education, and community-based organizations.

The workforce system comprises the workforce programs, services, and initiatives administered by eight state agencies and 28 local workforce boards, as well as independent school districts, community and technical colleges, and local adult education providers.

System partners are responsible for the delivery of 24 programs and services focused on education, workforce education, and workforce training for three participant groups: adults, adults with barriers, and youth. The Council collects and disseminates performance data and funding information on 19 workforce programs, as well as five academic education programs at the secondary and postsecondary levels. Information and data from these five programs assist in understanding the scope and effort of program delivery through high schools and community and technical colleges, and these entities' efforts to prepare students to transition to further education or enter the workforce.

Working with system partners, the Council completed a yearlong planning process in September 2009. The result of that process was *Advancing Texas: Strategic Plan for the Texas Workforce System (FY2010-FY2015)* (*Advancing Texas*), which was approved by the Governor on October 23, 2009. The plan was devised on a six-year time frame to align with the Texas Strategic Planning and Performance Budgeting System. It was reviewed and updated in 2012.

Annual Evaluation

The Council is required by Texas Government Code, Chapter 2308, to monitor the state's workforce system. As part of that responsibility, the Council annually reports to the Governor and the legislature on the degree to which the system is achieving state and local workforce goals and objectives. This is the fifth evaluation report for *Advancing Texas*, covering the period September 1, 2013, through August 31, 2014.

Advancing Texas

The workforce system strategy is to provide its customers—employers and current and future workers of Texas—with access to relevant and comprehensive workforce services that span a continuum from career planning and preparation, to career development and enhancement.

Vision

Our world-class workforce system enables Texas to compete successfully in the global market.

Mission

The Texas workforce system creates a globally competitive workforce through collaborative workforce system partner relationships that align, leverage, and integrate system services.

System Partners

- ★ Economic Development and Tourism
- ★ Texas Association of Workforce Boards
- ★ Texas Department of Criminal Justice – Windham School District
- ★ Texas Education Agency
- ★ Texas Health and Human Services Commission – Department of Assistive and Rehabilitative Services
- ★ Texas Higher Education Coordinating Board
- ★ Texas Juvenile Justice Department
- ★ Texas Veterans Commission
- ★ Texas Workforce Commission

The system strategic plan, *Advancing Texas*, and other Council products referenced in this report are posted on the Council's website at:

<http://governor.state.tx.us/twic/>

State statutes require that the Council evaluate five elements in the workforce system:

- ▶ Formal and Less Formal performance measures
- ▶ Implementation of the system strategic plan, *Advancing Texas*
- ▶ Adult education action and achievements
- ▶ Local workforce board activities and alignment
- ▶ Work development programs that focus on welfare to work initiatives

The Council uses a three-tier evaluation hierarchy that is one component of a comprehensive system performance framework, as illustrated in the graphic below. The framework depicts the inputs, outputs, and planning and evaluative components that form the cycle of planning, evaluation, and implementation that the Council engages in with system partners.

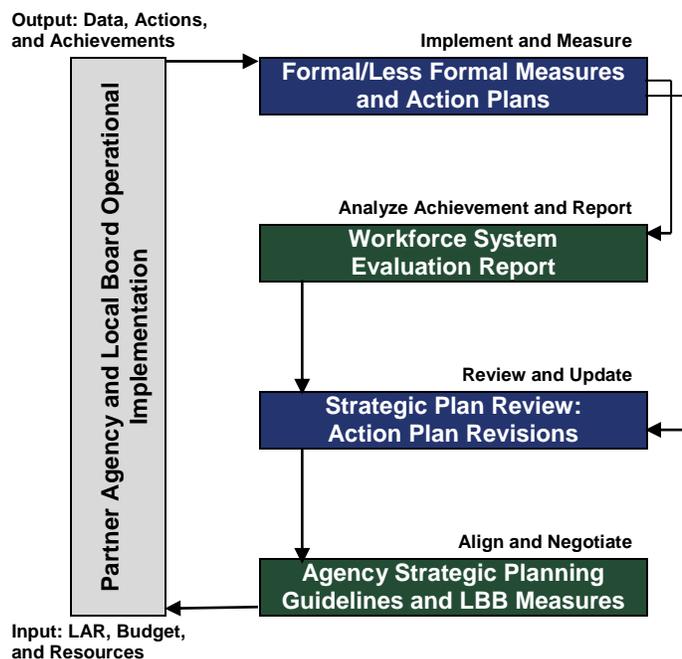
The Implement and Measure box at the top right references the three evaluation tiers, which are composed of metrics designed to evaluate system performance as well as progress toward achieving the long term objectives (LTO) identified in the system strategic plan.

- ▶ Evaluation Tiers 1 and 2 consist of Formal and Less Formal measures, respectively, which are presented in the **Report Card Series** and **Less Formal Measures** sections of this report.
- ▶ The third tier consists of action plans (AP) and progress milestones toward the LTOs, as noted in the **System Accomplishments** section.

Key:

- Grey = delivery/yields
- Green = formal evaluative actions and course correction
- Blue = planning actions and impacts
- LAR = Legislative Appropriation Request
- LBB = Legislative Budget Board

Texas' Workforce System Performance Framework



Issues Identification

System partners operate in a complex, changing economic environment as they strive to provide employers, current workers, and future workers with services that are comprehensive, timely, and relevant. There continues to be increased demand for middle-skills jobs, those that require more than a high school degree but less than a four-year degree. In Texas, future workers will be needed in traditional healthcare, energy, and technology-based jobs, as well as in the growth industries of wind, biofuel, and energy efficiency. In addition, the state's demographic composition is changing, with the workforce projected to include larger proportions of women, Hispanics, and prime-age (i.e., 25 to 54 years of age) workers.

The Council is charged with facilitating the development of a systemic, integrated approach to the delivery of programs and services that meet the needs of employers and individuals. This task is accomplished in part through identifying issues and working with system partners to achieve issue resolution. Over the *Advancing Texas* plan period, issues directly related to the scope as outlined above will be included in the

annual evaluation report. The Council also identifies and works to address issues related to the state's workforce system through a variety of other mechanisms, including:

- ▶ *System Integration Technical Advisory Committee (SITAC)* – Established by the Council Chair in December 2003 to oversee implementation of the system strategic plan, SITAC members represent all partner agencies and the Texas Association of Workforce Boards.
- ▶ *Council Strategy Sessions* – Convened in addition to, or in conjunction with, regular Council meetings in order to identify and address systemic issues.
- ▶ *Issue Briefs and Reports* – Produced periodically to address specific workforce issues.
- ▶ *Stakeholder Roundtables or Surveys* – Conducted periodically to obtain feedback regarding system stakeholder needs and to assess workforce system usage and satisfaction levels.
- ▶ *Listening Sessions* – Designed to increase members' understanding of system partners' goals, barriers, and initiatives related to workforce programs and services, as well as issues that will be critical over the next five-to-eight years.

Measures and Definitions

Three tiers of performance measures are included in *Advancing Texas*:

- ▶ **Tier 1 – Formal** – System measures are outcome oriented. They establish responsibility for end outcomes or outputs that are central to the system's success. Such measures are essentially consistent across workforce programs and consist of the Formal measures found in partner agencies' performance measures for state-based budgeting and reporting. Four Formal measures approved by the Governor in 2003 remain in effect and were incorporated into *Advancing Texas*:
 - *Educational Achievement* – Number and percent of all program participants who obtain a degree, other credential of completion, or complete the level enrolled in either a training or educational program.
 - *Entered Employment* – Number and percent of all program participants who secure employment after exiting a program.
 - *Employment Retention* – Number and percent of all program participants who retain employment at a specified point after exiting a program.
 - *Customers Served* – Number of employers and individuals who received system services, including program participation.
- ▶ **Tier 2 – Less Formal** – Strategy-critical measures are also outcome oriented. These consist of the Less Formal measures that establish responsibility for end outcomes or outputs that are central to system partners' missions. There are six such measures for the current plan:
 - *Vocational ESL Graduates* – Number of vocational English as a Second Language (ESL) graduates (subset of ESL population).
 - *Vocational ESL Employment* – Percent of vocational ESL graduates who obtain employment (subset of ESL population).
 - *Workforce Literacy Graduates* – Number of workforce literacy graduates (subset of Adult Basic Education (ABE) population).

- *Workforce Literacy Employment* – Percent of workforce literacy graduates who obtain employment (subset of ABE population).
 - *CTE Concentrator Graduates* – Percent of Career Technical Education (CTE) concentrators (Code 2 and 3 CTE Participants) who graduate on the recommended or distinguished achievement high school program.
 - *Employer Satisfaction* – Agency-specific measures and definitions are presented in the **Less Formal Measures** section.
- ▶ **Tier 3 – AP Specific** – Capacity-building measures are process oriented and establish responsibility for intermediate outcomes that identify and chart achievement of tasks and milestones. They are specific to a given AP and often require a high degree of collaboration between system partners.

In 2010, definitions and methodologies were negotiated with partner agencies, in consultation with the Governor's Office of Budget, Planning, and Policy and the Legislative Budget Board (LBB). Only the Tier 1 Formal measures are included in agency Legislative Appropriation Requests, and may or may not be specified as key measures¹.

Data Treatment and Limitations

Data for all Formal measures except Customers Served are presented as both an absolute number and as a percentage. All data are from the most recent 12-month reporting period available.

- ▶ *Agency Negotiation* – During 2004 data definition and methodology negotiations, the Council requested that where federal common definitions were relevant, those definitions be used, and that similar program periods also be used. The intent was to lessen the differences between data sets, thereby achieving a higher degree of relatedness and relevance when aggregating data across multiple programs. Undertaken again in 2009 for *Advancing Texas*, there are definitions and program periods that differ slightly from those used during the previous strategic plan period.
 - *Program-Level Reporting* – As required by statute, data are presented by program rather than by agency.
 - *Unduplicated Data* – In most cases, data are unduplicated and conform to reporting definitions and methodologies agreed to by partner agencies. For example, Educational Achievement data may include duplicate data where a participant has outcomes for both education and training programs. Where known, these instances are footnoted on the applicable report card.
- ▶ *Data Revisions* – This year, the Texas Education Agency, the Texas Higher Education Coordinating Board, the Texas Veterans Commission, and the Texas Workforce Commission (TWC) identified the need to submit corrected data for prior reporting cycle(s). Percentage point differences published in the **Report Card Series** for the Change 2013–2014 and Cumulative 2009–2014 and all report narrative reflect the revised data, which are published in the **Data Addendum** to this report.
- ▶ *Change Rates* – Data are presented and tracked longitudinally. This year, each report card includes columns for two rates of change:
 - *Change 2013–2014* – The one-year rate captures the change from the previous year to the current year. Expressed as a percentage, the rate represents the percentage point difference from 2013 to 2014.

¹ Key measures indicate the extent to which a state agency is achieving its goals or objectives and consist of the outcome, output, efficiency, and explanatory measures referenced in the General Appropriations Act for each agency. [LBB, *Performance Reporting – New Key Measures* (November 2013)]

- *Cumulative 2009–2014* – The cumulative rate aggregates the rate of change from 2009 (baseline year) to the current year. Expressed as a percentage, the rate represents the percentage point difference from 2009 to 2014.
- ▶ *Explanation of Variance* –
 - *Variance Range* – Instances where the value in the Change 2013–2014 column was more than 5%, either positive or negative, are addressed within the relevant report card section. This reporting is aligned to LBB performance measures reporting requirements.
 - *Base Values* – Significant changes in numerator and/or denominator values from 2013 to 2014, with no resulting significant rate change, were also reviewed where applicable. Such instances are addressed in the respective report card sections.
- ▶ *Rounding Convention* – A rounding convention has been applied to the Formal and Less Formal measures data: .001 to .004 has been rounded down to .00; .005 to .009 has been rounded up to the next highest hundredth. Rounding rules are applied after completion of all applicable mathematical operation(s) such as division or subtraction.
- ▶ *Data Ownership* – Some partner agencies process their own data, while others have interagency agreements with other partner agencies for data processing. Raw data are confidential records owned by the applicable agency.
- ▶ *Unemployment Insurance Records* –
 - *Time Lag* – There is a significant delay in receiving and analyzing unemployment insurance (UI) wage records for measuring performance. For example, when looking at six-month employment retention, there is a six-month wait to establish the period of data collection, plus four-to-five months for employers to submit the data to the TWC.

This lag continues to pose significant challenges regarding timely performance measurement in other states as well as Texas. The approximate one-year data lag is ongoing because of the UI records delay and the time necessary for agencies to process and report the data to the Council.
 - *Coverage* – An unknown number of program exiters obtain jobs that are not covered by the Texas UI system. For example, the self-employed, those who relocate and become employed in another state, and those who live in Texas but are employed across state lines are not reported in the Texas UI database. This non-coverage results in lower levels of documented employment, reflecting negatively when education and training programs' outcomes are evaluated.

Data sets that are more complete may be available in instances where the agency can use other databases, such as the Wage Record Interchange System, to identify employment with employers who do not file UI wages in Texas.
- ▶ *Project Re-Integration of Offenders (Project RIO)* – Project RIO was not funded for the fiscal years 2012–13 or 2014–15 biennia. However, the TWC continued to submit available data for applicable measures. No data were reported by the TWC since 2012.

Report Cards

The Council believes that the report card series is a useful tool to present overall system performance. System evaluation is complex. Although the four Formal measures are appropriate to provide a system snapshot, they should not be viewed in isolation from other factors. Agencies and programs have different service populations with unique needs and characteristics, which has a large effect on performance data.

Additional limitations of specific significance to a single program are contained within the card footnotes or narrative.

System performance is presented in a series of five report cards that contain data reported by partner agencies for the Formal and Less Formal (Tiers 1 and 2) measures. Aggregate data are presented on the four Formal measures report cards and on the System report card. However, it is important to note that not all data definitions or methodologies are identical. The total should be viewed only as a good approximation of overall system performance. The graphic on page 8 illustrates the relationship of Formal and Less Formal measures to the report card series.

- ▶ *Programs in the Report Card Series* – The 24 programs included in the report card series, along with the short titles used in this report, are:

Programs in the Report Card Series	Short Title
Adult Education Workforce Investment Act II	Adult Education
Adults Workforce Investment Act	Adults WIA I
Apprenticeship Chapter 133	Apprenticeship
Blind Services	Blind Services
Community and Technical College Academic	CTC Academic
Community and Technical College Technical	CTC Technical
Dislocated Workers Workforce Investment Act	Dislocated WIA I
Employment Services - Wagner Peysner	Employment Services
Perkins Secondary Career Technical Education	Secondary CTE
Postsecondary Community and Technical College Corrections	Postsecondary CTC Corrections
Rehabilitation Services	Rehabilitation Services
Senior Community Service Employment Program	SCSEP
Secondary Education	Secondary
Secondary Academic Youth Corrections	Secondary Academic Corrections
Secondary Technical Youth Corrections	Secondary Technical Corrections
Secondary Academic Windham	Secondary Academic Windham
Secondary Technical Windham	Secondary Technical Windham
Self-Sufficiency Fund	Self-Sufficiency
Skills Development Fund	Skills Development
Supplemental Nutrition Assistance Program Employment and Training	SNAP E&T
Trade Adjustment Assistance	Trade Adjustment
Temporary Assistance for Needy Families Choices	TANF Choices
Veterans Employment and Training	Veterans E&T
Youth Workforce Investment Act	Youth WIA I

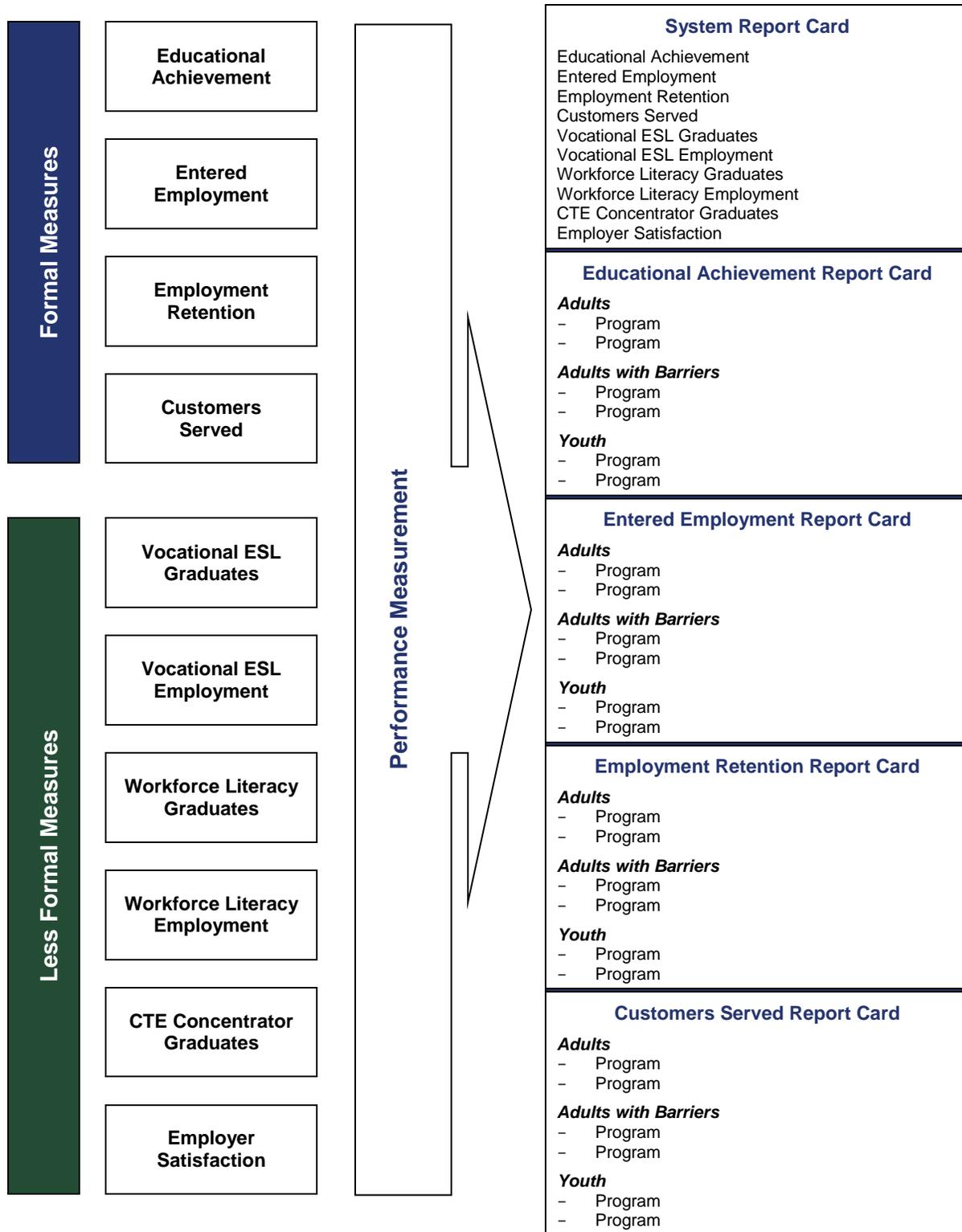
- ▶ *System Report Card* – This report card contains aggregate data for the four Formal measures, with the data sets combined across programs. It also includes data for the Less Formal measures. Since Less Formal measures are specific to a single program, there is no data aggregation.
- ▶ *Formal Measure Report Cards* – Individual report cards with accompanying analysis are included for each of the four Formal measures, with outcome data by program organized into three categories: Adults, Adults with Barriers, and Youth. Each program is assigned to one of the three categories in order to establish the greatest level of outcome equivalency and comparability.

Programs in the Adults with Barriers category meet at least one of four criteria as a characteristic of the participant population: economically disadvantaged, educationally disadvantaged, incarcerated, or

physically or mentally impaired and requiring adaptive or rehabilitative services. Data for these programs address the Council's mandate to report on work development programs that focus on welfare to work initiatives.

Report Card Structure for Reporting and Evaluating Measures

- ★ **System Report Card (1)** – Aggregates and weights based on total participant population.
- ★ **Formal Measure Report Cards (4)** – Report by population segment, program, and aggregate.



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REPORT CARD SERIES

The System report card shows the performance of Texas' workforce system and includes totals for each of the four Formal measures that have been aggregated and weighted by the number of program participants. The card also shows the number, percent where applicable, and rates of change for both the Formal and Less Formal measures. In this report, the change columns reflect the increase or decrease between values in the 2013 report and those reported for 2014, and the cumulative change from 2009 to 2014.

Following the System report card, a report card for each Formal measure is presented and discussed. The next section of the report presents the Less Formal measures by goal, definition, benchmark, and data sets.

The Council is required by statute to report program-level data and to provide an overall assessment of implementation of the workforce system strategic plan, *Advancing Texas*. As noted in the Data Treatment and Limitations section on page 4, the aggregate data presented in the report card series should be viewed as an approximation of overall system performance.

System

2014 Workforce System Report Card				
Formal Measures	Actual	Percent	Change 2013–2014	Cumulative 2009–2014
Educational Achievement ²	495,460	81.63%	1.17%	7.22%
Entered Employment ³	1,101,983	72.95%	2.06%	-4.67%
Employment Retention ⁴	946,835	82.68%	0.13%	-0.53%
Customers Served ⁵	4,886,928	N/A	-2.94%	-6.70%
Less Formal Measures⁶				
CTE Concentrator Graduates ^A	117,534	81.17%	1.28%	1.74%
Vocational ESL Graduates ^B	69	N/A	-65.33%	-37.84%
Vocational ESL Employment ^B	18	78.26%	15.95%	22.07%
Employer Satisfaction	<i>Agency-specific data published in Less Formal Measures section.</i>			

The report card series is a useful tool to present overall system performance, but the data presented should be taken in context. Most programs are designed to serve participants that meet specific eligibility criteria and have unique needs. Accordingly, program objectives and desired outcomes vary, and approved data definitions and methodologies are program-specific. Additionally, integrated service delivery strategies may result in duplication of customer counts across programs. The System report card contains aggregate data for all agencies' applicable programs by measure as noted on the Formal measure report cards. Due to known duplicates that cannot be removed from program-level data, adjustments have been calculated at the System level, with unduplicated data footnoted as applicable.

² The aggregate Educational Achievement rate, adjusted to exclude duplicate TWC customers, is 81.60%. The Texas Juvenile Justice Department (TJJD) previously reported that there were significant changes to the methodology for Secondary Technical Corrections. Comparable revised data were not available for the 2009 baseline year; therefore, the revised 2010 data for this program were used when calculating the cumulative change rate. The methodology for the TJJD's Secondary Academic Corrections measure was revised in 2014; however, comparable prior-year data were not available.

³ The aggregate Entered Employment rate, adjusted to exclude duplicate TWC customers, is 72.53%.

⁴ The aggregate Employment Retention rate, adjusted to exclude duplicate TWC customers, is 82.65%.

⁵ The aggregate Customers Served count, adjusted to exclude duplicate TWC customers, is 4,647,987.

⁶ Five of the six Less Formal measures are tied to pilot projects, with data becoming available in different reporting cycles. The workforce literacy pilots ended in June 2013, and pilot data are presented in the **Less Formal Measures** section. Senate Bill 307 (83rd Legislature) mandated transfer of adult education and literacy programs from the TEA to the TWC. The program was transitioned on September 1, 2013. The TWC's request for proposals met the intent of this *Advancing Texas* objective by requiring service providers to implement career pathways programs.

(A) 2010 baseline data were used to calculate the cumulative change rate.

(B) Reporting for the two Vocational ESL measures began in 2012. The 2014 employment rate is based on a partial data set.

Educational Achievement⁷

2014 Educational Achievement Report Card				
	Actual	Percent	Change 2013–2014	Cumulative 2009–2014
Adults				
CTC Academic	18,978	28.18%	-0.08%	1.91%
CTC Technical	8,804	24.52%	1.09%	1.35%
Apprenticeship	3,223	81.66%	1.56%	5.78%
Dislocated WIA I	2,659	94.26%	0.47%	-0.45%
Adults WIA I	3,493	92.09%	0.33%	-1.65%
Adults Total	37,157	32.65%	0.91%	1.06%
Adults with Barriers				
Adult Education ⁸	7,800	73.16%	-1.24%	10.20%
Postsecondary CTC Corrections ⁹	1,293	40.71%	-5.11%	9.56%
Secondary Academic Windham	5,230	82.57%	1.18%	0.38%
Secondary Technical Windham	4,634	77.44%	0.94%	-2.59%
Adults with Barriers Total	18,957	72.48%	-1.01%	8.36%
Youth				
Secondary CTE	139,533	96.30%	-0.12%	7.77%
Secondary	297,775	93.17%	0.51%	5.17%
Youth WIA I	2,714	67.00%	5.97%	14.15%
Secondary Academic Corrections ¹⁰	382	47.51%	6.14%	6.96%
Secondary Technical Corrections ¹¹	235	28.08%	-5.56%	13.87%
Youth Total	440,639	93.72%	0.41%	6.83%
Total	495,460	81.63%	1.17%	7.22%

⁷ Educational achievement includes participant outcomes for both educational and training programs. Data subsets (duplicates) include Postsecondary CTC Corrections. The card total has been adjusted to provide an unduplicated count.

⁸ Senate Bill (SB) 307 (83rd Legislature) mandated transfer of adult education and literacy programs from the Texas Education Agency (TEA) to the Texas Workforce Commission (TWC). The program was transitioned on September 1, 2013, and the four Formal measures for Adult Education were transferred to the TWC for reporting. Methodologies were updated to reflect this change as well as revisions to the federal National Reporting System for Adult Education reporting requirements, as applicable. To ensure comparability across the *Advancing Texas* plan period, the TWC submitted revised data for the four Formal measures for 2009 (baseline year) through 2013. Revised data are presented in the **Data Addendum**.

⁹ As required by SB 1 (83rd Legislature), administrative responsibility for postsecondary education programs transferred from the Windham School District to the Texas Department of Criminal Justice's (TDCJ) Rehabilitation Programs Division on September 1, 2013.

¹⁰ The Texas Juvenile Justice Department (TJJD) reported a methodology change, effective for the 2014 reporting cycle. Revised prior-year data were not available.

¹¹ Due to a definition and methodology change, the TJJD submitted revised data for the 2010 and 2011 reporting cycles in 2012. Revised data were not available for 2009; therefore, 2010 data have been used to calculate the multi-year change rate for this measure.

Educational Achievement Analysis

Educational Achievement –

number and percent of all program participants who obtain a degree, other credential of completion, or complete the level enrolled in either a training or educational program.

The data sets in the Educational Achievement report card are from system programs and services that have the acquisition of knowledge and skills as a significant, intended outcome for participants. Data limitations other than general limitations, such as the time lag of unemployment insurance wage matching, are contained within the card footnotes or narrative.

Data

Adults

The data range for Adults is from 24.52% for CTC Technical programs to 94.26% for Dislocated WIA I. Performance for four of the five programs increased from 2013, with the largest change reported for Apprenticeship (1.56%). Three programs reported performance of greater than 80%. The segment total of 32.65% represents an annual increase of 0.91% and a five-year increase (1.06%) for the group.

No programs reported a one-year increase or decrease that exceeded the 5% variance range. The largest five-year increase was reported for Apprenticeship, up 5.78%, while Adults WIA I (-1.65%) posted the largest decrease.

CTC Academic and Technical program data are based on a starting cohort and total awards earned within a six-year period. The data sets include certificates, associate's degrees, and higher degrees. While these data reflect the success of a specific cohort across time, they do not indicate the educational success of students in a 12-month period as measured by the awarding of certificates or associate degrees. In academic year 2012–13, 93,566 CTC academic and technical credentials were awarded, an increase of 6.88% from 2013 and a five-year increase of 57.95%. The number is more than triple the completions, or graduation rate, reported this year under the longitudinal definition. For this reason, the Council continues to request 12-month credential data from the Texas Higher Education Coordinating Board (THECB) in order to provide a more complete representation of educational achievement in Texas' community and technical colleges. The THECB reported that the number of reverse transfer degrees (i.e., transfer from four-year to two-year institution) has continued to increase rapidly. In addition, technical programs developed as "pathways" matured, resulting in more awarded certificates and degrees. Of the 93,566 credentials awarded:

- ▶ Academic degrees awarded (40,861) increased 6.25% from the prior year and 71.66% over the five-year period.
- ▶ Technical certificates and degrees awarded (52,705) rose 7.39% and 48.73%, respectively, from 2013 and 2009.

Adults with Barriers

The data range for Adults with Barriers is from 40.71% for Postsecondary CTC Corrections, a program that deals with incarcerated adults, to 82.57% for Secondary Academic Windham. An overall decrease of 1.01% was noted for the group, but a five-year rise of 8.36%. Significant five-year increases were reported for Adult Education (10.20%) and Postsecondary CTC Corrections (9.56%).

For Postsecondary CTC Corrections, 1,293 of 3,176 individuals served were awarded a community or technical college postsecondary degree or certificate, up from 1,212 of 2,645 last year, but significantly less than 2,055 of 6,597 in 2009. Over that period, state funding for college programming was significantly reduced, decreasing the number of offenders served and resulting educational outcomes. This year, the TDCJ reported that a new vocational course added during the spring and summer semesters and an additional location for academic courses added during the summer semester

contributed to increased enrollment; however, participants did not have sufficient time to obtain certification or a degree.

Youth

The Youth category includes five programs, with a data range of 28.08% for Secondary Technical Corrections to 96.30% for Secondary CTE. In the Youth segment, 440,639 individuals achieved educational outcomes, an increase of 0.41% from 2013 and 6.83% from 2009.

Three of the five programs reported changes that exceed the 5% variance range, two positive and one negative:

- ▶ *Secondary Academic Corrections* – The largest increase (6.14%) was reported for this TJJD-administered program. The agency reported a methodology change, effective this year, to include TEA-confirmed GEDs that were not included in data received from the University of Texas' Scoring Center. This year's Educational Achievement rate was 47.51%, compared to 41.37% in 2013. However, the impact of the methodology change cannot be accurately estimated as (1) revised prior-year data were not available and (2) data from the automated import of scores from the Scoring Center were only available for part of the reporting period. The TJJD also noted that the GED test series closed out in 2013. Future availability of electronic data from the GED Testing Service is not currently known.
- ▶ *Youth WIA I* – Performance for this program increased 5.97% in 2014, a five-year rise of 14.15%. The TWC reported that, over time, the local boards have achieved a better understanding of the credentials recognized and the data entry required for educational achievement. As a result, the boards have been able to improve performance.
- ▶ *Secondary Technical Corrections* – The largest decrease was reported for Secondary Technical Corrections (-5.56); however, performance over the five-year period rose 13.87%. The TJJD attributed the decline to several factors. At the Evins facility, (1) technology classes were discontinued midway through the year to accommodate core class requirements and the need for a credit recovery lab and (2) the departure of a vocational instructor affected the horticulture and welding classes. With the relocation of vocational programming from the Corsicana to the Mart facility, the culinary arts program was temporarily suspended while a proper instructional environment was outfitted. Finally, the implementation of Career Academy classes (i.e., only youth with GED or diploma may enroll) decreased the availability of six vocational instructors to all youth eligible for postsecondary courses at their respective facilities. While academy students are working toward industry certifications, the class sizes are smaller.

Also of note, Secondary CTE has increased 7.77% since 2009. This year, 139,533 participants achieved an educational outcome, compared to 118,330 in 2009 and 133,513 last year.

Total

The absolute number of individuals with an educational achievement outcome (numerator) increased from 447,195 in 2009 to 495,460 this year. Of the 14 programs, nine had absolute increases this year, compared to two the previous year.

Of the 606,957 program participants, 495,460 (81.63%) achieved an educational outcome, up 1.17% from last year and a five-year rise of 7.22%. Postsecondary CTC Corrections' completion numbers of 1,293 in the Adults with Barriers segment were subtracted from the aggregate of all programs to achieve the unduplicated performance total and percent.

Additional Data

The following data sets were provided by partner agencies so that a more comprehensive picture of educational achievement could be presented, thereby providing important contextual information.

- ▶ Career schools and colleges awarded 95,427 degrees and certificates, a decrease of 9.58% from the prior year but a 46.85% increase from 2009. These awards include certificates reported by the TWC (59,332), as well as certificates and degrees reported by the THECB (36,095). With more career schools and for-profit institutions reporting to the THECB, the number of certificates and degrees awarded increased from 9,994 in 2009 to a high of 40,170 last year, declining to 36,095 in 2014. The 2014 figure includes 18,713 certificates, 8,642 associate's degrees, and 8,740 bachelor's degrees. The THECB previously noted that the number of reporting institutions has increased significantly in recent years; however, 14 institutions closed this year. The agency also noted that changes in federal Pell legislation, affecting the grant program available to undergraduate students, contributed to decreased enrollment and persistence at for-profit institutions.
- ▶ Of Secondary Windham enrollments, 61.69% completed the level in which they were enrolled, based on a revised, more inclusive methodology. Revised data submitted by the TEA are presented in the **Data Addendum**. Based on the revised methodology, 2014 performance decreased 1.11% from the prior year. The new methodology recognizes offenders who (1) advanced to the next literacy level, (2) advanced to the next grade level, (3) passed a state-adopted high school equivalency test, or (4) achieved a specified level of reading or English proficiency.
- ▶ Of the 464,484 enrollments in Secondary and Secondary CTE programs, 41,283 were in Tech Prep, a five-year decrease of 76.79%. Higher enrollment in previous years was partially attributable to the availability of federal funds received under the American Recovery and Reinvestment Act of 2009 and other one-time supplemental appropriations. In addition, Tech Prep education state grants were defunded in federal fiscal year 2011. The TEA has continued to track data for this comprehensive, articulated program that offers participants the opportunity to study in a career program in high school and either gain credit or experience, which will assist them in their transition to higher education. Data reported by the agency represent a subset of career technical education (CTE) concentrators, those students who take two or more CTE courses for three or more credits. The TEA noted that when Congress defunded Tech Prep, states did not have funding to support these activities. While school districts report increasingly fewer Tech Prep students, the number of CTE concentrators is increasing.
- ▶ Adult Education students completed the level in which they were enrolled at a rate of 62.80%, down from last year (-1.75%) but up 10.51% from 2009. In prior years, data have also been reported for the number of adults who (1) enrolled, (2) were assessed, and (3) had the minimum of 12 hours of class time required for inclusion in federal reporting. Under the revised National Reporting System for Adult Education reporting requirements, the methodology duplicates the Customers Served measure for Adult Education.

Entered Employment

2014 Entered Employment Report Card				
	Actual	Percent	Change 2013–2014	Cumulative 2009–2014
Adults				
CTC Academic	29,627	87.05%	0.16%	-2.18%
CTC Technical	32,080	83.74%	-0.38%	-2.93%
Skills Development	481	96.01%	-0.92%	-0.02%
Trade Adjustment	912	75.75%	1.66%	-9.00%
Veterans E&T	30,770	68.30%	0.47%	-7.19%
Employment Services	809,973	72.37%	2.29%	-5.52%
Dislocated WIA I	5,184	83.37%	0.36%	-4.43%
Adults WIA I	15,117	80.13%	2.42%	-4.56%
Adults Total	924,144	73.15%	2.24%	-5.21%
Adults with Barriers				
Blind Services	1,397	79.42%	10.86%	9.26%
Rehabilitation Services	13,230	66.55%	7.42%	9.64%
Adult Education ¹²	5,752	42.84%	2.39%	-3.78%
SNAP E&T	25,373	81.62%	0.04%	-1.81%
Self-Sufficiency	51	78.46%	-1.31%	-6.53%
SCSEP	96	53.63%	11.70%	13.76%
TANF Choices	25,016	82.60%	-0.53%	-4.72%
Adults with Barriers Total	70,915	73.35%	2.43%	-1.24%
Youth				
Secondary CTE	102,653	70.89%	0.16%	-2.17%
Youth WIA I	4,271	74.00%	4.60%	2.50%
Youth Total	106,924	71.01%	0.34%	-1.95%
Total	1,101,983	72.95%	2.06%	-4.67%

¹² Senate Bill 307 (83rd Legislature) mandated transfer of adult education and literacy programs from the Texas Education Agency (TEA) to the TWC. The program was transitioned on September 1, 2013, and the four Formal measures for Adult Education were transferred to the TWC for reporting. Methodologies were updated to reflect this change as well as revisions to the federal National Reporting System for Adult Education reporting requirements, as applicable. To ensure comparability across the *Advancing Texas* plan period, the TWC submitted revised data for the four Formal measures for 2009 (baseline year) through 2013. Revised data are presented in the **Data Addendum**.

Entered Employment Analysis

Entered Employment –

number and percent of all program participants who secure employment after exiting a program.

The data sets in the Entered Employment report card are from workforce system programs and services that have the acquisition of employment as a significant, intended outcome for participants. Data limitations other than general limitations, such as the time lag of unemployment (UI) wage matching, are contained within the card footnotes or narrative.

As noted in the **Introduction**, there is a delay in receiving and analyzing UI wage records for measuring performance such as entered employment. While the programs have different reporting cycles, most data reflect performance for mid-to-late 2012. The effects of the economic recovery were evidenced last year, with that trend continuing this year.

Data

Adults

The data range for Adults is from 68.30% for Veterans E&T to 96.01% for Skills Development. Six of the eight programs reported performance of over 75%. An annual increase of 2.24% was noted for the group, while performance was down 5.21% from 2009.

All eight programs experienced declines in 2010; however, some programs have reported increases annually since then, with six reporting increases this year. The largest gain reported was for Adults WIA I (2.42%). No programs posted significant changes this year; however, significant five-year declines were reported for Trade Adjustment (-9.00%), Veterans E&T (-7.19%), and Employment Services (-5.52%).

The largest absolute change was reported for Employment Services, with 809,973 individuals entering employment (numerator) compared to 848,252 last year. However, the entered employment rate rose 2.29% from 2013, which points to an improved economy.

Of note, the absolute number of individuals entering employment continued to rise for both CTC Academic and CTC Technical.

Adults with Barriers

The data range for this group is from 42.84% for Adult Education to 82.60% for TANF Choices. Of the seven programs, four reported entered employment rates of 78% or higher. Overall performance rose for the third consecutive year (2.43%), representing a five-year decrease of 1.24%.

Five programs reported positive changes this year, with three exceeding the 5% variance range. Two are administered by the Health and Human Services Commission's Department of Assistive and Rehabilitative Services (DARS):

- ▶ *Blind Services* – Blind Services rose 10.86%, up 9.26% since 2009. DARS noted that the Division for Blind Services implemented procedures to increase the entered employment rate. For example, evaluation services before determining eligibility have increased and a management review of cases is conducted prior to unsuccessful closure in an attempt to identify strategies that might result in a successful outcome.
- ▶ *Rehabilitation Services* – Performance increased 7.42% this year, resulting in a five-year rise of 9.64%. DARS reported that the number of eligible customers provided with services is directly related to the number of applications received. The agency noted that target numbers for applications in previous years were below expectations; however, late in the fiscal year the number of applications, consumers served, and eligible consumers began to increase. Additional increases are anticipated in 2015.

The largest gain was reported for SCSEP, up 11.70% from 2013 and 13.76% from 2009. Administered by the TWC, SCSEP provides training and employment services to help low-income Texans 55 or older gain the skills needed to get jobs and become financially self-sufficient. SCSEP participants provide valuable community services while working approximately 20 hours a week for nonprofit organizations, school districts, or government offices. Eligible participants earn minimum wage at their work-based training assignments. The TWC reported that the increase was largely due to field staff changes made in summer 2013. The agency's SCSEP subcontractor replaced two underperforming staff with previous program enrollees who were familiar with the program and highly motivated.

Youth

The Youth category includes two programs, with the segment rising 0.34% from 2013, but falling 1.95% over the five-year period. Secondary CTE rose slightly (0.16%), resulting in a 2.17% decrease from 2009. Youth WIA I rose 4.60% from 2013, representing a 2.50% increase over the five-year period.

Total

Of the 1,510,609 program participants, 1,101,983 (72.95%) entered employment. This figure represents an increase of 2.06% from 2013 but a five-year decrease of 4.67%. Thirteen of 17 programs showed one-year percentage increases. Two programs posted one-year double-digit percentage changes: SCSEP (11.70%) and Blind Services (10.86%). One program had a double-digit change for the five-year period: SCSEP (13.76%).

After rising in 2010 and 2011, the absolute number of individuals served fell again this year, and the number entering employment decreased for the fourth year. The number of program participants (denominator) was 1,510,609, down from the 2011 high of 1,901,523. The number entering employment (numerator) decreased from 1,132,961 last year to 1,101,983; however, nine of 17 programs reported absolute increases.

For most programs, data reported in 2010 reflected participants exiting during the recession. Performance declines were expected to continue in 2011 and possibly 2012 given the delay in UI wage reporting. However, gains reported by many programs over the last four years reflect continued economic improvement.

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Employment Retention

2014 Employment Retention Report Card

	Actual	Percent	Change 2013–2014	Cumulative 2009–2014
Adults				
CTC Academic	18,153	86.04%	0.01%	-0.93%
CTC Technical	26,570	91.67%	0.08%	-0.37%
Skills Development	18,142	95.89%	-0.04%	2.03%
Trade Adjustment	1,066	89.88%	-1.29%	-2.91%
Veterans E&T	30,957	84.08%	-0.44%	-2.85%
Employment Services	769,225	82.94%	0.09%	-0.46%
Dislocated WIA I	4,794	89.51%	0.22%	-0.69%
Adults WIA I	12,982	79.73%	-3.55%	-5.52%
Adults Total	881,889	83.51%	-0.04%	-0.60%
Adults with Barriers				
Blind Services	667	87.19%	-0.43%	0.48%
Rehabilitation Services	8,857	87.76%	1.20%	1.86%
Adult Education ¹³	18,347	55.27%	2.41%	-5.12%
SNAP E&T	17,141	87.49%	-0.66%	4.90%
Self-Sufficiency	71	88.75%	13.75%	4.87%
TANF Choices	17,052	79.13%	0.63%	1.77%
Adults with Barriers Total	62,135	72.87%	2.36%	-0.29%
Youth				
Youth WIA I	2,811	73.01%	-1.21%	-1.15%
Youth Total	2,811	73.01%	-1.21%	-1.15%
Total	946,835	82.68%	0.13%	-0.53%

¹³ Senate Bill 307 (83rd Legislature) mandated transfer of adult education and literacy programs from the Texas Education Agency to the TWC. The program was transitioned on September 1, 2013, and the four Formal measures for Adult Education were transferred to the TWC for reporting. Methodologies were updated to reflect this change as well as revisions to the federal National Reporting System for Adult Education reporting requirements, as applicable. To ensure comparability across the *Advancing Texas* plan period, the TWC submitted revised data for the four Formal measures for 2009 (baseline year) through 2013. Revised data are presented in the **Data Addendum**.

Employment Retention Analysis

Employment Retention –

number and percent of all program participants who retain employment at a specified point after exiting a program.

As with Entered Employment, the data sets in the Employment Retention report card are from workforce system programs and services that have the acquisition and maintenance of employment as a significant, intended outcome for participants. Data limitations other than general limitations, such as the time lag of unemployment insurance (UI) wage matching, are contained within the card footnotes or narrative.

There is a significant delay in receiving and analyzing UI wage records for measuring retention. The programs have different reporting cycles, with some reported measures reflecting the effects of the economic recession later than others. Despite expectations that the recession would be a significant factor in 2011 and possibly 2012, improved outcomes have been reported for the last four years.

Data

Adults

The data range for Adults is from 79.73% for Adults WIA I to 95.89% for Skills Development. Overall, this segment decreased slightly (-0.04%) from last year and over the five-year period (-0.60%).

No programs reported an increase or decrease that exceeded the 5% variance range. Four of the eight programs reported increases this year. The largest increase was posted for Dislocated WIA I (0.22%), while Adults WIA I fell 3.55%. The only five-year increase was reported for Skills Development, up 2.03%, while Adults WIA I (-5.52%) posted the largest decrease.

Adults with Barriers

The data range for Adults with Barriers is from 55.27% for Adult Education to 88.75% for Self-Sufficiency, with five of six programs reporting retention of over 79%. Overall, performance increased 2.36% from 2013, but fell 0.29% over the five-year period. Four programs posted positive changes from the prior year.

Only one program reported a change that exceeded the 5% variance range. Self-Sufficiency increased 13.75% from the prior year. The TWC reported that the improvement was primarily due to a project with Cedar Valley College, with training to be provided to up to 145 participants. The project's business partners have been engaged and committed up front to hiring successful trainees.

A significant five-year decrease was posted for Adult Education (-5.12%), while the greatest increases were reported for SNAP E&T (4.90%) and Self-Sufficiency (4.87%).

Youth

The Youth category includes only one program. Performance for Youth WIA I fell 1.21% from 2013 and 1.15% over the five-year period.

Total

Of the 1,145,172 program participants who entered employment, 946,835 (82.68%) retained employment. This represents an increase of 0.13% from 2013 but a five-year decrease of 0.53%.

The absolute number of individuals entering employment and the number retaining employment fell this year. The number of individuals finding employment (denominator) was 1,145,172, compared to 1,192,180 in 2013. The number retaining employment (numerator) decreased from 984,140 to 946,835. The decreases are largely attributable to the Employment Services program, with lower service numbers expected as the economy continued to improve.

In 2010, data reported for most programs reflected individuals who exited during the recession. That accounted for the performance declines experienced by programs with positive trends during the last

strategic plan period, which includes all programs in the Adults category. That trend was expected to continue in the 2011 and 2012 reporting cycles; however, the overall percentage of individuals retaining employment has risen annually the last four years.

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Customers Served¹⁴

2014 Customers Served Report Card			
	Actual	Change 2013–2014	Cumulative 2009–2014
Adults			
CTC Academic	447,746	-2.63%	18.14%
CTC Technical	189,837	0.16%	17.00%
Apprenticeship	4,306	9.10%	5.57%
Skills Development	12,938	-36.92%	-53.04%
Trade Adjustment	3,837	28.54%	-40.53%
Veterans E&T	48,212	-17.76%	-47.77%
Employment Services	1,273,304	-10.23%	-29.61%
Dislocated WIA I	8,352	-16.70%	-50.62%
Adults WIA I	28,998	-3.18%	-6.27%
Adults Total	2,017,530	-8.04%	-20.21%
Adults with Barriers			
Blind Services	10,574	5.05%	4.24%
Rehabilitation Services	70,261	1.52%	-2.31%
Adult Education ^A	76,942	-9.89%	-15.89%
SNAP E&T	41,545	-15.28%	43.45%
Self-Sufficiency	190	50.79%	-75.23%
SCSEP	986	-14.85%	-33.56%
TANF Choices	40,980	-18.08%	-32.40%
Postsecondary CTC Corrections ^A	3,176	20.08%	-51.86%
Secondary Academic Windham	54,500	-2.30%	-26.45%
Secondary Technical Windham	9,188	-2.02%	-18.62%
Adults with Barriers Total	308,342	-7.35%	-13.71%
Youth			
Secondary CTE	1,141,341	2.67%	12.69%
Secondary	1,410,004	1.73%	8.18%
Youth WIA I	9,591	-4.78%	-72.97%
Secondary Academic Corrections	1,965	-3.25%	-47.60%
Secondary Technical Corrections	1,331	4.64%	-59.18%
Youth Total	2,564,232	2.12%	8.72%
Total	4,886,928	-2.94%	-6.70%

¹⁴ Data subsets (duplicates) include Postsecondary CTC Corrections. The card total has been adjusted to provide an unduplicated count.

^A Administrative responsibility changed effective September 1, 2013. Additional information provided in report narrative.

Customers Served Analysis

Customers Served –

number of employers and individuals who received system services, including program participation.

As with all other Formal measures, the data sets in the Customers Served report card are from Texas' workforce system programs and services. Data limitations other than general limitations addressed in the **Introduction** are contained within the card footnotes or narrative.

While Customers Served is typically defined and treated as a lag measure, it was recommended for inclusion as a Formal measure for two reasons:

- ▶ Customers Served may be used as a lead measure for the purpose of system strategic planning given its tie to program infrastructure usage and capacity; and
- ▶ Total Customers Served indicates the number of individuals served by system programs and services. It should be noted that a given individual might receive services from one or more programs, either concurrently or at different points in time. Thus, the absolute number of individuals served is typically less than the total presented on the Customers Served report card as it represents aggregate, program-level participation counts. While known duplicates cannot be removed from program-level data, adjustments have been calculated at the System report card level, footnoted as a point of reference on page 11.

As stated on the previous page (note A), administrative responsibility for two programs changed this year:

- ▶ *Adult Education* – As required by Senate Bill (SB) 307 (83rd Legislature), administrative responsibility for adult education and literacy programs transferred from the Texas Education Agency (TEA) to the TWC. The program was transitioned on September 1, 2013, and the four Formal measures for Adult Education were transferred to the TWC for reporting. Methodologies were updated to reflect this change as well as revisions to the federal National Reporting System for Adult Education reporting requirements, as applicable. Prior to 2014, data were reported for all students; however, students must now have 12 contact hours and a baseline assessment. To ensure comparability across the *Advancing Texas* plan period, the TWC submitted revised data for the four Formal measures for 2009 (baseline year) through 2013. Revised prior-year data, published in the **Data Addendum**, have been used for all calculations.
- ▶ *Postsecondary CTC Corrections* – As required by SB 1 (83rd Legislature), administrative responsibility for postsecondary education programs transferred from the Windham School District (Windham) to the Texas Department of Criminal Justice's (TDCJ) Rehabilitation Programs Division, effective September 1, 2013.

Program data submitted this year reflect participation from August/September 2013 through August 2014. The beginning effects of the recession were evidenced by several programs in *Evaluation 2009*, with that trend continuing in 2010 and to a lesser degree in 2011. In many cases, significant decreases in service levels reported in 2011 were due to the expiration of supplemental funding such as that provided under the American Recovery and Reinvestment Act (ARRA) of 2009. While some decreases are attributable to reduced federal or state funding levels, in large part the 2012 through 2014 results reflect the improved economy. Notably, many reported decreases were for programs that typically have higher enrollment during adverse economic conditions.

Data

Adults

The data range for Adults is from 3,837 customers served by Trade Adjustment programs to 1,273,304 served by Employment Services through local boards' workforce centers and WorkInTexas.com. The nine

programs in this segment reported serving 2,017,530 individuals, down 8.04% from last year and 20.21% from 2009.

Veterans E&T (-17.76%) decreased again this year, with a five-year decrease of 47.77%. Previously, the Texas Veterans Commission (TVC) attributed declining performance to the U.S. Department of Labor's (DOL) issuance of Priority of Service guidelines (June 2010) that transferred more basic employment service functions to non-TVC workforce center staff. This transfer allows the TVC staff to provide more one-on-one intensive services to those most difficult to serve who are identified through a comprehensive assessment process. These veterans often receive assistance overcoming numerous, serious barriers to employment. On April 10, 2014, the DOL issued new guidelines restricting the roles of disabled veterans' outreach program specialists and local veterans' employment representatives staff. The guidance was meant to limit the number of eligible veterans and eligible spouses served by the disabled specialists by requiring a focus on individuals with one or more of six specified, significant barriers to employment (e.g., disabled, homeless, recently released offender). The local employment representatives are to perform only those duties related to outreach to the employer community and facilitation within the state's employment service delivery system.

Two TWC programs posted increases that exceeded the 5% variance range, while significant decreases were reported for three TWC programs:

- ▶ *Trade Adjustment* – The number served was up 28.54% this year, but fell 40.53% over the five-year period. For this program, the number served is based on qualifying layoffs affecting workers, and as noted by the TWC, the number of qualifying layoffs or clients cannot be accurately projected. This year, the number of clients served was higher than estimated, with 3,837 individuals receiving services.
- ▶ *Apprenticeship* – The TWC reported an increase in the number of apprentices being trained in fiscal year (FY) 2014, rising to 4,306. This represents a gain of 9.10% from 2013 and 5.57% since 2009. In one occupation, electrician, the increase from FY 2013 to FY 2014 was 333 apprentices. Additionally, the agency continues to experience higher participation from new training programs, with three new training programs generating an additional 112 apprentices in FY 2014.
- ▶ *Skills Development* – The TWC attributed the 36.92% decrease to late-starting contracts and to the number of projects still in the process of being approved late in the year. The agency noted that several contracts were extended, with customers expected to be served over multiple FYs.
- ▶ *Dislocated WIA I* – The significant increase (18.02%) reported for Dislocated WIA I in 2010 reflected the economic recession and the growing number of unemployed individuals. After serving almost 20,000 individuals that year, the number served has fallen annually, reaching a low of 8,352 this year. This represents a 16.70% decrease from the prior year and a five-year decrease of 50.62%. The TWC noted that the number of Dislocated WIA I customers served tends to follow trends in the larger unemployment insurance (UI) program. As the number of UI claims drops, the number of Dislocated WIA I customers enrolled drops as well. In addition, to ensure that they could continue serving existing participants, many local boards reduced enrollment during the period of uncertainty regarding the potential impact of federal shutdown.
- ▶ *Employment Services* – After increasing to a high of 1,842,531 in 2010, the number served has declined, falling 10.23% from 2013 and 29.61% over the five-year period. The TWC reported that the agency serves three types of job seekers: (1) mandatory – required to participate in programs such as TANF Choices or SNAP E&T; (2) involuntary – involuntary job loss, often UI insurance claimants; and (3) voluntary – employed but want to improve their employment situation. As the economy has improved, the number of Health and Human Services Commission's (HHSC) caseloads declined and fewer layoffs occurred, resulting in few mandatory and involuntary job seekers. In general, the number served through Employment Services rises when economic conditions are very positive or negative, and falls during periods of improvement. However, the number of voluntary customers has not risen significantly. The agency also noted that current workers interested in searching for new

employment have more job search options available, including social networking and job posting sites, particularly those catering to specific occupations and industries.

Adults with Barriers

The data range for Adults with Barriers is 190 customers served by the Self-Sufficiency program to 76,942 customers served by Adult Education and literacy programs. The 10 programs in this segment reported serving 308,342 individuals, representing a decrease of 7.35% from last year and 13.71% from 2009.

One TWC program posted a significant increase this year, with decreases reported for four:

- ▶ *Self-Sufficiency* – This program assists businesses by designing, financing, and implementing customized job training programs in partnership with public community and technical colleges, a higher education extension service, and community-based organizations, for the creation of new jobs and/or the retraining of the existing workforce. With 190 individuals served, performance rose 50.79% this year, but had a five-year decrease of 75.23%. In September, the TWC reported that several projects were recently put into place for which training has just begun or is ongoing, with more total projects than the previous FY.
- ▶ *TANF Choices* – The Choices program assists applicants, recipients, nonrecipient parents, and former recipients of TANF cash assistance to transition from welfare to work through participation in work-related activities, including job search, job readiness classes, basic skills training, education, vocational training, and support services. The number served declined 18.08% this year, a five-year decrease of 32.40%. The TWC reported that TANF caseloads continue to decline, noting that a comparison between the third quarters of 2013 and 2014 showed a 13.22% decline. However, the proportion of state and federal exemptions is up and the local boards continue to focus on employment outcomes and work with exempt individuals who voluntarily participate.
- ▶ *SNAP E&T* – After rising in 2010 and 2011, the number of SNAP E&T participants has declined over each of the last three years, posting a decrease of 15.28% in 2013 that resulted in a five-year gain of 43.45%. SNAP assists participants in obtaining employment through participation in work programs and education and training activities. The TWC attributed the 2010 and 2011 gains to the weaker economy that resulted in increased caseloads. Since 2011, the number of new mandatory work registrants eligible for SNAP E&T and referred by the HHSC has declined and the TWC previously reported that the local boards have continued to reach out to and engage the General Population mandatory work registrants to maintain service levels.¹⁵ The agency noted that performance early in the year was affected by funding uncertainty caused by the federal government shutdown and a delay in congressional approval of the budget and states' receipt of funds.
- ▶ *SCSEP* – The availability of ARRA and DOL bonus funding made available through the Consolidated Appropriations Act, 2010, allowed more low-income, older job seekers to receive paid, on-the-job training and employment services in 2010. Enrollments declined 33.56% since 2009, partly due to the expiration of ARRA funding and a reduction in SCSEP grants. While the number served was down 14.85% this year, it should be noted that SCSEP is a slot-based program. This year, the TWC reported that more individuals were actively being served at any given time during the year; however, due to a slowdown in exits the unduplicated count of people served during the year was lower.
- ▶ *Adult Education* – Adult Education declined 9.89% this year, a 15.89% decrease from 2009. This year, the TWC changed the measure definition and calculation methodology to be consistent with revised federal requirements. Revised data, published in the **Data Addendum**, were submitted to enable historic comparisons from the 2009 baseline. However, FY 2013 and FY 2014 were also transitional years for the state's adult education and literacy programs as administrative responsibility

¹⁵ SNAP recipients ages 16 to 59 who are not employed or are employed fewer than 30 hours per week, are considered SNAP E&T General Population mandatory work registrants, and are required to participate in SNAP E&T. ABAWDs (i.e., Able-Bodied Adults Without Dependents–SNAP recipients who are at least 18 but less than 50 years of age and are not employed or are employed less than 20 hours per week) are considered mandatory work registrants and are required to participate in SNAP E&T.

transitioned from the TEA to the TWC. For FY 2015, the TWC issued a request for proposals for service delivery and negotiated aggressive increases in the number of customers to be served. Increases are expected to be reflected in next year's performance data.

The Postsecondary CTC Corrections program, transferred from Windham to the TDCJ last year, served 3,176 this year, up 20.08% from last year but down 51.86% over the five-year period. State funding for this program has been significantly reduced in recent years. Windham attributed the 2013 increase to enhanced use of an electronic eligibility database that allowed for more aggressive recruiting and enrollment. This year, the TDCJ attributed increased enrollment to a new vocational course added during the spring and summer semesters and an additional location for academic courses added during summer semester.

Blind Services rose 5.05%, a five-year increase of 4.24%. The HHSC's Department of Assistive and Rehabilitative Services cited the state's population growth as a contributing factor.

Youth

The data range for the Youth category is 1,331 customers served through Secondary Technical Corrections programs administered by the Texas Juvenile Justice Department to 1,410,004 customers served by Secondary programs. The five programs in this segment served 2,564,232 individuals, up 2.12% from the prior year and 8.72% from 2009.

No programs reported one-year changes that exceeded the 5% variance range. However, significant five-year changes were reported for all five programs, ranging from an increase of 12.69% for Secondary CTE to a decrease of 72.97% for Youth WIA I.

Total

Partners in Texas' workforce system served 4,886,928 individuals, representing decreases of 2.94% from last year and 6.70% from 2009. Of the 24 programs, service levels rose for 10 this year.

The TWC reported that 83,783 employers received services, down 1.28% from last year and 45.58% from 2009. In 2012, the agency noted that at the beginning of FY 2012, local boards were asked to focus on providing employers with more assistance related to hiring, such as through job postings and job fairs. The boards previously provided extensive labor market information (LMI) to employers, raising the question as to whether the employers were using the information. With the shift in focus, employers now obtain LMI assistance only upon request, thus reducing the number served but increasing the emphasis on hiring assistance.

In many cases, the higher participation rates reported in 2010 reflected service levels, and receipt of additional program funding, during the recession. This measure is not affected by the reporting delays inherent in post-program measures, such as entered and retained employment. Therefore, the effects of the economic downturn that began prior to 2009 were most evident in the data reported in 2010 for this measure.

While some 2012 decreases were attributable to reduced federal or state funding levels, in large part the 2013 and 2014 results are indicative of economic recovery. Programs associated with negative economic conditions and layoffs, such as Dislocated WIA I that saw significant increases in 2010, have fallen to lower levels since that time. Postsecondary enrollment fell slightly again this year, but continued enrollment increases in some academic and skills-based programs such as Apprenticeship and Secondary CTE indicate increased efforts by system partners to provide individuals who are qualified or who are in preparation for shifting skill needs to meet the growing demand for middle-skills jobs.

LESS FORMAL MEASURES AND BENCHMARKS

Action Plans

Approved by the Governor in October 2009, the six new Less Formal measures were derived from action plans (AP) contained in the three key performance areas (KPA) of *Advancing Texas*. These strategy-critical measures establish responsibility for end outcomes or outputs that are central to system partners' missions and linked directly to programmatic long term objectives (LTO).

Actions and Outcomes

Five of the six Less Formal measures are tied to pilot projects, with data becoming available in different reporting cycles. For each measure, the first year of data availability (baseline year) establishes the benchmark. The measures and related LTOs are presented below, grouped by KPA. Additional details on AP implementation are provided in the **System Accomplishments** section.

KPA: Systems, Operations, Competencies, and Integration

LTO – By 2013, Texas will decrease high school dropout rates by implementing rigorous career technical education (CTE) as a part of the recommended or advanced high school graduation program.

LTO Measure:

CTE Concentrator Graduates – Percent of CTE concentrators (Code 2 and 3 CTE Participants) who graduate on the recommended or distinguished achievement high school program.

Benchmark (established by data submitted for the 2010 report): 79.43%

CTE Concentrator percentage: 81.17%

Data: 117,534 graduates from a population of 144,807

Change from data reported in 2013: 1.28%

Cumulative change 2010–2014: 1.74%

KPA: Customer Outcomes

LTO – By 2013, design and implement integrated Adult Education and workforce skills training programs to enhance employment outcomes for the English language learner population.

Reporting for both Less Formal measures began in 2012. Prior to 2014, the Texas Education Agency (TEA) was the reporting agency for pilot projects operated under this AP. The Texas Higher Education Coordinating Board (THECB), as the funding and managing agency for the projects, provided data to the TEA for review, confirmation, and submission to the Council. Effective this year, the THECB is directly responsible for reporting to the Council.

LTO Measure 1:

Vocational ESL Graduates – Number of vocational English as a Second Language (ESL) graduates (subset of ESL population).

Benchmark (established by revised data submitted for the 2012 report): 111

Data: 69

Change from data reported in 2013: -65.33%

Cumulative change 2012–2014: -37.84%

Explanatory Information: Data represent the number of vocational ESL completers (subset of Adult Basic Education Innovation Grant (ABE-IG) participants). It is possible for a student to earn more than one certificate (level 1, state, or national) during the reporting period; however, data reflect an unduplicated count.

Due to delays in data certification, revised data were submitted for 2013. The agency noted that the number of students decreased due to the end of funding. Institutions are only required to report data for students funded under the grant, and funding extensions were approved for only three of eight pilot sites.

LTO Measure 2:

Vocational ESL Employment – Percent of vocational ESL graduates who obtain employment (subset of ESL population).

Benchmark (established by revised data submitted for the 2012 report): 56.19%

Employment percentage: 78.26%

Data: 18 counted as entering employment from a population of 23

Change from data reported in 2013: 15.95%

Cumulative change 2012–2014: 22.07%

Explanatory Information: Data represent the percent of vocational ESL program completers in the ABE-IG program who obtain employment after exiting a program (subset of ABE-IG participants).

Revised 2013 data submitted this year yielded an increased, revised 2013 rate of 62.31%. The 2014 rate of 78.26% represents a 15.95% increase from last year. The THECB noted that the economic recovery made it easier for graduates to find jobs. However, several factors should

be considered: (1) due to the unavailability of workforce data, only individuals who completed by December 31, 2013 (five months of the 12-month reporting period), were included; (2) the number of students decreased due to the end of funding; (3) funding for the extension of the programs was approved for only three of eight pilot sites; and (4) institutions are only required to report data for students funded under the grant.

LTO – By 2013, design and implement targeted Adult Basic Education (ABE) programs to enhance employment outcomes for populations requiring workplace literacy skills.

The TEA began reporting both Less Formal measures in 2012. Senate Bill 307 (83rd Legislature) mandated transfer of adult education and literacy programs from the TEA to the Texas Workforce Commission (TWC), and the program was transitioned on September 1, 2013. The TWC's request for proposals met the AP's intent by requiring service providers to implement career pathways programs.

Related performance reporting by the TWC will reflect this program requirement; therefore, the two Less Formal measures associated with the pilot programs were not transferred to the TWC. Data submitted by the TEA in 2012 and 2013 constitute final reporting for the pilots required under the AP. In 2013, the TEA also submitted other data for the two-year pilot period, including:

- ▶ Fast-track GED instruction integrated with career readiness was offered by adult education providers, with services available at 36 sites in 103 classes.
- ▶ Services were provided to 969 students, with 302 obtaining their GED.
- ▶ The average hours of instruction over a six-to-eight week period was 69.02, and 267 participants received extended class time via distance learning.

LTO Measure 1:

Workforce Literacy Graduates – Number of workforce literacy graduates (subset of ABE population).

Benchmark (established by data submitted for the 2012 report): 482

Final data (2013): 506

Change from data reported in 2012: 4.98%

LTO Measure 2:

Workforce Literacy Employment – Percent of workforce literacy graduates who obtain employment (subset of ABE population).

Benchmark (established by data submitted for the 2013 report): 37.50%

Final data (2013): 3 counted as entering employment from a population of 8

Explanatory Information: In 2012, reporting for this measure was deferred. Data submitted in 2013 were for a partial program period only, representing outcomes for the initial year of the two-year pilot period. Given transfer of the program to the TWC, revised data were not requested or received in 2014.

KPA: Programs, Products, and Services

LTO – Partner agencies will gather data from employer customers at appropriate intervals to determine employer needs and satisfaction.

Five system partners have projects that address measurement of employer satisfaction with system products and services. Two projects owned by the THECB and the Texas Youth Commission were completed in 2011 and closed in conjunction with approval of the *2012 Update* to the system strategic plan, *Advancing Texas*. For the three active projects, agency-specific measures and definitions were developed during the *2012 Update* review process, with reporting beginning in 2012.

LTO Measure – Health and Human Services Commission-Department of Assistive and Rehabilitative Services (DARS):

Employer Satisfaction – Percent of Vocational Rehabilitation business partners satisfied with services provided.

Benchmark (established by data submitted for the 2012 report): 83.02%

Satisfaction rate: 78.57%

Data: 33 counted as satisfied from a population of 42 survey respondents

Change from data reported in 2013: -10.00%

Cumulative change 2012–2014: -4.45%

Survey Response Rate: 29.37%

Explanatory Information: DARS is evaluating the decrease in employer satisfaction with services provided by the agency, and plans to develop a strategy to address the change.

LTO Measure – Texas Veterans Commission (TVC)

Employer Satisfaction – Percent of veterans business representative (VBR) employer customers satisfied with services provided.

Benchmark (established by data submitted for the 2012 report): 92.31%

Satisfaction rate: 88.06%

Data: 59 counted as satisfied from a population of 67 survey respondents

Change from data reported in 2013: 13.06%

Cumulative change 2012–2014: -4.25%

Survey Response Rate: 43.00%

Explanatory Information: This year, the TVC completed two employer satisfaction surveys and plans to continue the process as part of the agency's efforts to increase employer outreach and partnerships.

LTO Measure – Windham School District (Windham)

Employer Satisfaction – Percent of employers satisfied with services provided.

Benchmark (established by data submitted for the 2012 report): 96.43%

Satisfaction rate: 100.00%

Data: 29 counted as satisfied from a population of 29 survey respondents

Change from data reported in 2013: 18.18%

Cumulative change 2012–2014: 3.57%

Survey Response Rate: n/a

Explanatory Information: Fifty-seven employer surveys were submitted. Of those, 29 included responses specific to calculation of the employer satisfaction measure. Windham noted the increase in the employer satisfaction rate may be attributed to incorporating additional soft skills in academic and technical education and training services. The response rate cannot be calculated as the base sample size is not known for each survey strategy. Aggregate data were reported for three survey distribution strategies, with the number of total employers responding for each presented below:

<i>Method 1: Distribution by Texas Department of Criminal Justice Parole Division/metro areas</i>	<i>0</i>
<i>Method 2: Distribution by Windham staff at workforce centers, job fairs, and to other stakeholders</i>	<i>37</i>
<i>Method 3: Distribution by Windham staff to employers that work closely with CTE instructors</i>	<i>20</i>

SYSTEM ACCOMPLISHMENTS

Action Plans

Action plans (AP) are the high-level plans that identify the major tasks, milestones, time frames, and performance measures necessary for achieving the 14 long term objectives (LTO) and/or system goals outlined in *Advancing Texas*. Typically, APs span multiple years and assign accountability to a system partner(s) for each major task or milestone. They are driven by the plan's overall mission, strategy statements, LTOs, and critical success factors.

Two types of APs are included in *Advancing Texas*:

- ▶ *System APs* affect the system as a whole, include multiple partners at various times, and are directly linked to the system LTOs.
- ▶ *Partner APs* affect a specific partner and are usually linked to a programmatic LTO of a specific agency.

Key Outcomes

Outcomes for the 14 LTOs are presented below, grouped by the plan's three key performance areas (KPA). During the development of *Advancing Texas*, the KPAs were determined by examining similarities between the critical business issues and by identifying where those issues affect the state's workforce system.

KPA: Systems, Operations, Competencies, and Integration

This KPA includes four APs that address system issues, such as the need for current supply-demand information and several projects related to career technical education (CTE).

LTO – Produce each biennium, commencing in 2010, a report that documents an assessment of the number and type of postsecondary education and training credentials (certificate, level two certificate, associate, bachelor's and advanced degrees) required to match the demand for a skilled and educated workforce. The assessment will include the number of forecast net job openings by occupation at each level of postsecondary education and training and the number of credentials needed to match that forecast.

... effectively integrating planning initiatives that require partner coordination to ensure alignment.

This LTO addresses an integrated planning initiative that requires partner coordination. Work has been completed by the Texas Higher Education Coordinating Board (THECB) and the Texas Workforce Commission (TWC) to create a supply and demand database. Readily available supply-demand reports will provide data needed for education and training providers to plan and better align their programs to industry needs as customers can access local data and produce customized reports.

The TWC's Strategic Workforce Assessment Program (SWAP) provides pre-defined occupational subsets for local workforce area target occupations; AchieveTexas career clusters; and science, technology, engineering, and mathematics (STEM) occupations. Within SWAP, an occupations-to-programs crosswalk validated by the TWC uses the Standard Occupational Classification system and the

Classification of Instructional Programs. New features, reports, data items, and analytical tools are in continuous development, dependent on user needs and available funding.

The TWC developed a *SWAP User's Guide* to introduce stakeholders to SWAP's analysis tools. The agency later opted to create an interactive format to better guide users in developing reports and allow for continued evolution of online tools. User scenarios that pose hypothetical education or workforce planning issues were completed in 2013 to demonstrate how SWAP can be used to provide appropriate data and analysis to address the issue.

The TWC planned to work through the local boards' planning departments to introduce SWAP to its education partners and to obtain feedback on whether the project met user needs. This plan was modified, and the TWC opted to communicate directly with the community and technical colleges (CTC). In August 2013, letters introducing SWAP were sent to all CTC presidents and to each school's Skills Development Fund program contact.

The TWC also planned to conduct a statistically valid user survey to assess interest in the product. While a survey was not conducted, the agency studied use of the tool by counting "hits" to the SWAP web pages. Analysis through January indicated usage varied month-to-month. A more in-depth analysis (e.g., user session, page views) was not possible since SWAP is housed as a module on another website.

The TWC has also worked with the Texas Education Agency (TEA) in support of House Bill (HB) 809 (83rd Legislature) which requires dissemination of information regarding employment opportunities to secondary school students. The TWC provides the TEA a quarterly update of job postings data received through the WorkInTexas labor exchange system. These data provide both a snapshot and time series of occupations for which employers are seeking qualified workers.

The TWC and the THECB have worked independently and together on several related reports and online applications. Efforts will continue, with emphasis on products designed to facilitate informed choices by individuals interested in pursuing postsecondary education. Through such efforts, labor market data are being used as part of the continuous improvement process at the individual student and institutional levels.

LTO – By 2013, Texas will decrease high school dropout rates by implementing rigorous career technical education as a part of the recommended or advanced high school graduation program.

... college and career readiness will be achieved by the availability of both academic courses and rigorous career technical education courses.

CTE programs provide valuable skills training, and often lessen the risk of students dropping out. Texas needs enhanced and more effective integration of academic and CTE options at both the secondary and postsecondary levels in order to increase graduation rates and assist with student transition to further education or into the workforce. This LTO focuses on college and career readiness, with the intent of increasing the availability of both academic and rigorous CTE courses to support students through a range of choices including two- and four-year degrees, apprenticeship, and the military.

Several of the AP's tasks were affected by passage of HB 5 (83rd Legislature) which requires changes to public school accountability, including to assessment and graduation requirements. The bill allows the education commissioner to join a multi-state consortium for developing CTE courses in high-demand career areas and allows school districts to develop CTE courses or career training programs. It also requires the TEA, in collaboration with the THECB and the TWC, to evaluate the changes to the curriculum requirements mandated by the bill.

The TEA continues to make progress on the AP's tasks, including:

- ▶ CTE Texas Essential Knowledge and Skills (TEKS, the state-mandated curriculum), incorporating the College and Career Readiness Standards, were adopted by the State Board of Education (State Board) and implemented in 2010–2011. The TEA reviews corresponding TEKS courses in an effort to ensure secondary/postsecondary alignment. In addition, the THECB reviews the *Workforce Education Course Manual* on a periodic schedule to ensure course currency. The State Board is currently in the process of reviewing and revising the CTE TEKS, having convened review committees this summer. The board-appointed committees include representatives from secondary education, postsecondary education, professional associations, and business and industry. Additional meetings and adoption of the revised TEKS are scheduled for fiscal year (FY) 2015.
- ▶ The TEA previously reported that over 190 new CTE courses have been developed and adopted by the State Board. Courses were organized around the 16 national career clusters, and included multiple courses that met graduation requirements for fourth-year science or math as well as one option each for English, fine arts, and speech. However, HB 5 (83rd Legislature) requires significant changes to the high school graduation program/requirements, establishing the Foundation High School Program for all students entering high school beginning in 2014–2015.

Under the Foundation High School Program rules adopted by the State Board, CTE courses may satisfy the third mathematics credit (four courses), the fourth mathematics credit (two courses), and the third and fourth science credits (12 courses). During the CTE TEKS revision, additional CTE courses will be considered for math and science credit. HB 5 also requires that the State Board adopt at least six advanced CTE and technology education courses, including personal financial literacy and statistics courses, to satisfy the fourth mathematics credit. Course development is under way as part of the CTE TEKS revision.

- ▶ Professional development addressing the CTE TEKS has been under way for teachers since 2010. Initially, training was scheduled and facilitated through the state's Education Service Centers and courses are now available online through Project Share. This internet portal was designed to provide professional development resources for teachers across the state and to build professional learning communities where educators can collaborate and participate in online learning opportunities. The

ninth and final CTE professional development course was deployed during the 2013–2014 school year. All nine courses are monitored and updated as needed and there are currently no plans to develop additional courses.

- ▶ The TEA is working with the THECB to design, develop, and coordinate policies and processes related to dual credit courses and credit transfer. *Study of Early Assessment and Early Intervention Models*, prepared by Jobs for the Future, was published in 2012. It fulfills the requirements of HB 3468 (82nd Legislature) which required the TEA, in consultation with the THECB, to conduct a study of best practices and existing programs offering early assessments of high school students to determine college readiness, identify any deficiencies in college readiness, and provide intervention to address any deficiencies before high school graduation.
- ▶ The TEA continues to develop and deploy early college high schools (ECHS). These schools are located on or in proximity to a college campus to allow students in historically underrepresented college-going populations the opportunity to earn a high school diploma and an associate's degree or up to 60 hours of college credit over four years. The designation process is required for all current ECHSs, as well as applicants seeking designation. Schools may be provisionally designated, designated, or denied and all first-time designations are provisional for at least two years. Forty-two new ECHS campuses were designated in FY 2014 and as of August 2014, there were 110, including seven Texas Science, Technology, Engineering, and Math (T-STEM) academies.

The TEA entered into a memorandum of understanding with the TWC and the THECB to fund and operate a grant program that encourages the development and creation of CTE-focused ECHSs. Six campuses were approved through four grantees. Two were expected to open in the 2014–2015 school year, and four are scheduled to open next year.

- ▶ Criteria were being developed for the Campus Distinction Designations for the 21st Century Workforce Development program as required by HB 3 (81st Legislature); however, the 83rd Legislature discontinued this project.
- ▶ End of course (EOC) exams are being phased in beginning with 2011–12 ninth-grade students; successive grades are being added annually through 2014–15. HB 5 (83rd Legislature) reduced the number of EOCs from 15 to five, which will require changes related to cumulative scores and related issues that may impact data availability.

LTO – By 2013, education and training partners will have the infrastructure necessary (policies, procedures, data processes, rules, and capabilities) to facilitate the effective and efficient transfer of academic and technical dual credit courses from high schools to community colleges and four-year institutions.

... clear and aligned educational policy and regulations for secondary and postsecondary transitions will improve the efficiency and effectiveness of educational outcomes.

More coordinated and integrated planning efforts are needed to improve programs and initiatives to ensure seamless education and career transitions. As noted above, HB 5 (83rd Legislature) requires changes to public school accountability, including to assessment and graduation requirements that directly affect several *Advancing Texas* APs.

Work on this LTO focuses on the processes for transferring dual credit from high schools to postsecondary institutions. Dual credit enrollment at all Texas higher education institutions has risen significantly since record keeping began in 1999, reaching a high of 107,598 in 2013 (fall enrollment). Students enrolled in technical semester credit-hour courses at Texas CTCs constituted 12.3% (fall 2013), 13.3% (spring 2014), and 4.9% (summer 2014) of total dual credit students.¹⁶

The TEA and the THECB continue to work together on all aspects of the infrastructure for transferring academic and technical dual credit courses from high schools to community colleges and four-year institutions. Related research and publications include:

- ▶ *Study of the Intersection of Dual Credit Course Policies and End of Course Requirements Authorized by HB 3, 81st Texas Legislature* (January 2011) – Prepared by the TEA and Shapley Research Associates, the study addressed the HB 3 (81st Legislature) requirement for the commissioners of Education and Higher Education to study the feasibility of allowing students to satisfy EOC requirements by successfully completing a dual credit course through a higher education institution, and to make recommendations to the legislature based on that study.
- ▶ *Research Study of Texas Dual Credit Programs and Courses* (March 2011) – The TEA, in collaboration with the THECB, contracted with American Institutes for Research and Gibson Consulting Group Inc. to conduct the study.
- ▶ *Dual Credit Report* (March 2012) – Published by the THECB, this report fulfills the requirements of Rider 33, HB 1 (82nd Legislature).
- ▶ *Study of Early Assessment and Early Intervention Models* (November 2012) – As noted in the previous AP report, this study was prepared by Jobs for the Future to fulfill the requirements of HB 3468 (82nd Legislature).

Key actions include:

- ▶ As noted in the LTO report above, EOC exams are being phased in beginning with 2011–12 ninth-grade students, with successive grades being added annually through 2014–15. However, action

¹⁶ The THECB defines dual credit as a process by which a high school junior or senior enrolls in a course and receives simultaneous credit from both the college and the high school.

taken during the 83rd Legislative Session reduced the number of EOCs required for graduation from 15 to five, resulting in the likelihood that most students will take all but one EOC prior to grade 11.

- ▶ Beginning fall 2011, the THECB data systems have allowed the tracking of students from dual credit into college-level courses with associated course grades included. This change provides greater opportunities to evaluate the preparedness level of students who take courses as dual credit versus as a traditional college course, as well as the success that each group has in successive college courses. Data analysis will be limited to the number of cohorts included in the system, beginning with the FY 2012 cohort.

The TEA implemented the Texas Student Data System as an alternative system. Early adopters began using the new system in the 2013–14 school year. The system is being rolled out to the remaining local educational agencies in Texas in three phases, ending in 2016–17.

The Texas Public Education Information Resource website (www.texaseducationinfo.org/) generates dual credit enrollment and outcome reports. The TEA and the THECB are currently designing a report on the number of students, including CTE students, who have participated and earned college credit while in high school.

- ▶ The THECB continues to work with CTC and university faculty to develop explicit learning outcomes that will be consistent across academic courses taught statewide. The learning outcomes are distributed to all faculty in the discipline at the institutions for comment, with final recommendations made to the *Academic Course Guide Manual (ACGM)* committee for adoption. Based on the semester credit hours generated by CTCs from academic courses in the ACGM, learning outcomes have been developed for over 7.2 million semester credit hours from the fall 2013 and spring 2014 semesters. This represents 77% of the total hours taken by students in academic disciplines.

In addition to expanding learning outcomes in ACGM courses, the THECB is in the planning stage for developing programs of study for technical courses. The programs of study align courses within a specific discipline, serving as the blueprint for students to follow as they pursue their studies. Development and timely program review cycles—incorporating input from business and industry, as well as applicable licensing and/or certification entities—are essential to ensuring programs of study meet current market demands and provide a skilled workforce to meet employers' evolving needs.

- ▶ The TEA continues to deploy ECHSs. As noted in the LTO report above, there are currently 110, including seven T-STEM academies and two CTE ECHS campuses that were established as a result of the grant program jointly sponsored by the TEA, the THECB, and the TWC. The agency has implemented an annual application process for schools seeking initial or renewed ECHS designation. To operate as an approved ECHS, a district or charter

school must partner with an institution of higher education and apply to the TEA. To receive the ECHS designation, a school must implement the ECHS Blueprint which has been researched and designed to target, enroll, and serve students who may not otherwise consider attending college.

The TEA also continues to work with public high schools to meet the Texas Education Code, Section 28.009, mandate to offer all students at least 12 hours of college credit. School districts have local authority over which methods to use, with options including dual credit, advanced placement, international baccalaureate, and advanced technical credit courses, as well as locally articulated courses. HB 5 (83rd Legislature) provides options for a performance acknowledgement on a student's diploma and transcript, including outstanding performance in a dual credit course.

LTO – By 2013, design and implement a demonstration program targeted to improve perception of career options that career technical education (CTE) programs enable.

... career and technical education provides preparation for desirable career options.

Career information and awareness may facilitate more effective transitions to further education or the workforce. This LTO focuses on increasing awareness of CTE as preparation for either. CTE options are increasingly important, as over the next 20 years many high-skill, high-wage jobs critical to Texas' economy will require some postsecondary education, but less than a four-year degree.

During *Advancing Texas'* development, the Council elected to be responsible for this AP, with the Executive Committee providing oversight. This role is consistent with the Council's charge in Texas Government Code (TGC), Section 2308.101(8), to encourage, support, or develop research and demonstration projects designed to develop new programs and approaches to service delivery.

To accomplish the AP's objective, the Council researched, identified, and validated best practices for providing information to improve understanding of educational pathways to careers. The Council published *Research Findings: Raising Awareness of Career Technical Education in Texas Schools* (September 2010) and in 2011 convened a workgroup to develop a model based on findings in the report. The resulting guide, *Career Awareness Model: A Guide to a Sequential, Cohort-Based Approach* (June 2013), details the model developed using the Council's best practices research. Posted on the Council's website (<http://governor.state.tx.us/twic/work/>), the guide includes:

- ▶ an introduction stating the importance of understanding the career options available to students after high school and college and the educational requirements of these options,
- ▶ a short description of how the model was designed by a stakeholder team using the results from the Council's research study, and
- ▶ a detailed description of program components and implementation standards.

This fall, Council staff coordinated with the Career and Technology Association of Texas to request feedback on the guide and model. The association's listserv members were asked to indicate if they have used the guide or implemented elements of the model or plan to do so in the future, and to provide comments on the outcomes, both positive and negative. Information obtained through this effort will be published in the *Evaluation 2015* report.

KPA: Customer Outcomes

To meet the growing and changing demands of Texas' employers, everyone must be part of the critical pool of potential employees. *Advancing Texas* identifies four target populations, addressed by the four LTOs outlined below.

LTO – By 2013, the blind and disabled populations will achieve additional employment outcomes.

... with focused assistance the blind and disabled can achieve enhanced employment outcomes.

The Health and Human Services Commission's Department of Assistive and Rehabilitative Services (DARS) is responsible for developing system capabilities, including transition technologies, designed to ensure employment outcomes for workers with disabilities or who are blind or visually impaired.

For several years, DARS has been involved in successful, innovative models that have created and facilitated partnerships between business/industry and rehabilitation providers. DARS has also used an embedded training model when working with medium and large businesses in a variety of industries. DARS developed a template for fee-based embedded training and accompanying policies that went into effect on August 1, 2012. Cost reimbursement contracts were completed and replaced with ongoing, fee-based arrangements with community rehabilitation providers and businesses.

In FY 2014, DARS closed out all contract activities related to the embedded training model. Based on guidance from the federal Rehabilitation Services Administration, implementation of a revised model was deferred until issuance of a technical assistance circular about the use of work-based learning models. In the interim, DARS continues to work with consumers and employers to provide on-the-job training, as well as work adjustment training and job placement, through its contracts with community rehabilitation providers. For current contracts, renewal or re-contracting decisions are generally based on an evaluation of factors such as the contractor's accomplishment of or progress toward measurable goals and the presence and resolution of monitoring findings. At the end of FY 2014, the number of fee-for-service contracts for employment-related services totaled 413 and 94, respectively, for the general and the blind vocational rehabilitation programs.

In 2012, the Texas Council for Development Disabilities awarded DARS-Division for Rehabilitation Services (DRS) a five-year, \$1.25 million grant. Project HIRE partners include South Texas College, the University of Texas Pan American, Access Granted Technology Services, Communication Access Ability Group of South Texas, the local workforce board, DARS-Division for Blind Services (DBS), and an advisory committee drawn from the local disability, business, and

education communities. The grant will assist 50 individuals with developmental disabilities in Hidalgo County who are 18- to 35-years old to attend South Texas College. The intended outcome for each participant is a continuing education certificate, vocational certificate or degree, and ultimately, employment.

The Project HIRE grant also supports work with local businesses to mentor and support the students, including opportunities for job shadowing and on-the-job-training. The agency is supplementing its vocational rehabilitation program with one-on-one assistance such as educational coaches, individual and family support, and both college and employment readiness. Now in year three, 43 students have participated, including two who completed South Texas College certificate programs this year. Another pilot site planned for El Paso will assist DARS in evaluating this supported education model. Additional replication strategies will be identified and implemented based on DARS' initial findings, as well as the pilot evaluation planned for the final year of the grant.

In FY 2014, the DBS launched the Work Matters initiative to identify higher wage employment opportunities for consumers and to align division operations to maximize those opportunities. The DRS joined the initiative, enabling the divisions to work together to improve consumers' employment opportunities. The initiative has two projects: (1) strengthening business and partner relationships with federal contractors, state agencies, private industry, and local workforce boards and centers; and (2) increasing the use of data to help consumers define optimal vocational opportunities, and incorporating the data, tools, and strategies into counseling and guidance processes used by vocational rehabilitation counselors.

In May, DARS, the U.S. Department of Labor's (DOL) Office of Federal Contract Compliance Programs, the U.S. Department of Veterans Affairs, the Alamo Area Disability Alliance, and the Alamo local board hosted AHEAD: Alliances Helping Employers Achieve Diversity symposium and job fair. The event was designed to increase employment opportunities for veterans and other individuals with disabilities while helping employers, particularly federal contractors and subcontractors, diversify their workforce. The event is part of a DARS strategy to assist employers who are subject to recent changes to Section 503 of the Rehabilitation Act of 1973, as amended, which established a nationwide utilization goal (7%) for qualified individuals with disabilities. DARS plans to continue its partnership with this DOL office and to collaborate with workforce system partners to develop and implement a statewide strategy to connect contractors with qualified applicants. Similar events are planned for Austin, Houston, and El Paso.

LTO – By 2013, the veteran population will achieve additional employment outcomes.

... veterans with a wide range of disabilities receive training, referral, and placement services and return to the civilian workforce.

This LTO specifies that the Texas Veterans Commission (TVC) will work to ensure state and leveraged federal services provide veterans with the programs, products, and services necessary to accommodate their needs and to enable them to enter the workforce successfully.

In 2009, the TVC launched a statewide initiative by hiring a dedicated business outreach coordinator to work more closely with employers, the TWC, and local workforce boards to leverage more training and placement services for veterans. The TVC expanded this successful initiative, with veterans business representatives strategically located in central Texas, the Dallas/Ft. Worth area, San Antonio, and Houston. At no cost, the representatives assist employers by providing personalized services and assessing employers' needs in order to match the skills, abilities, and experiences of veteran job candidates.

Senate Bill (SB) 1796 (82nd Legislature) established the Texas Coordinating Council for Veterans Services to coordinate activities of state agencies that assist veterans, coordinate outreach efforts, and facilitate relationships among state, federal, and local agencies to identify and address issues affecting veterans. SB 1892 (83rd Legislature) expanded the group's membership and simplified workgroup structure to allow more flexibility. Chaired by the TVC, the group's first biennial report to the legislature (October 2012) included recommendations in six areas including employment and higher education, with the next report to be submitted in fall 2014.

The Veteran Entrepreneur Program was formally created by SB 1476 (83rd Legislature). Based on a pilot project launched in 2012, the program fosters and promotes veteran business ownership and entrepreneurship throughout Texas. Eight seminars were provided this year, with more planned for 2015. In addition, a business training course and a government-contracting event will be offered.

Last year, the TVC and the TWC partnered on the State of Texas Soldier Employment Initiative. Funded by the DOL, the initiative was part of a \$750,000 pilot project to help returning U.S. Army veterans find employment prior to separating from the service, particularly in growth industries such as the medical, energy, and technology fields. Texas was one of four states chosen for the project due to the high population of Army veterans and its history of collaboration with the DOL and the Army to improve veterans' employment access. Initiative representatives, all veterans themselves, were located in four local workforce areas that provide services to communities near Fort Hood in Killeen, Fort Bliss in El Paso, Camp Mabry in Austin, and Ellington Air Field in Houston. The pilot ended June 30, 2014; however, the TVC requested and received a no-cost extension from the DOL. Remaining grant funds will support ongoing activities for Forts Hood and Bliss through June 2015.

Other ongoing actions include:

- ▶ *REALifelines* – Working with the U.S. Department of Defense and the Veterans Administration, the TVC provided individualized job training, counseling, and reemployment services to assist severely

injured veterans in returning to civilian life. *REALifelines* counselors were located at Brooke Army Medical Center, Fort Bliss, and Fort Hood. In December 2012, the TVC was notified that the program would no longer be funded as a special initiative. The agency was able to retain the counselors as disabled veterans outreach program specialists. After the program was discontinued in December 2013, the TVC consulted with the DOL's Veterans' Employment and Training Service (DOLVETS) and requested special initiative funding to support three disabled veterans outreach program specialists to provide employment services at military treatment facilities.

- ▶ *Transition Assistance Program* – The TVC previously coordinated with the DOL to facilitate seminars to provide job search and related services to military personnel within 180 days of separation or retirement. The number of seminars and participants increased with the military drawdown and enactment of the VOW to Hire Heroes Act of 2011, which made participation mandatory for most service members. As required by the VOW act, the program is now administered by contracted facilitators; however, the TVC assists with some sessions.
- ▶ *Local Services* – Veterans employment representatives are located at local workforce board offices across Texas. They offer one-on-one assistance to veterans, focusing on recently separated veterans, and also establish and facilitate contact with employers. The TVC continues to work with employers through outreach and hiring events. In response to new DOLVETS' guidelines, employment representatives will be integrated with local boards' business service units and focus primarily on employer outreach. The TVC also works with the TWC on the annual statewide Hiring Red, White & You! hiring fair.
- ▶ *Employer Recognition* – The TVC recognizes employers that are committed to hiring veterans. An *Employer Spotlight* section is included on the agency's website and Employers of the Year are honored annually. The 2014 award categories included large, medium, small, disabled veteran, local workforce center, local workforce board, and extra mile award.
- ▶ *Outreach* – Previously, the TVC launched a series of public service announcements and the Texas Veterans Portal¹⁷ that provides state and federal benefits information for veterans, active duty service members, spouses, and dependents. Outreach to major corporations is ongoing through the veterans business representative initiative.

¹⁷ Housed on the Texas.gov website at <http://veterans.portal.texas.gov/en/pages/default.aspx>.

LTO – By 2013, design and implement integrated Adult Education and workforce skills training programs to enhance employment outcomes for the English language learner population.

... providing the growing population of English language learners with additional skills for workforce-related success.

This LTO required the TEA and the TWC to develop new and enhance existing methods, programs, and processes for programs targeted at the over 17 English language learner (ELL) population that address both language and occupational skill acquisition. The ELL population that is the focus of this AP consists of individuals who have a high school diploma or postsecondary credential in their native country but for whom English is not their first language. This rapidly growing population requires additional skills for workforce-related success.

The Council collaborated with the state demographer, and in 2010 published the first companion paper to *A Primer on Adult Education in Texas* that included information on the nativity, education, and working age of Texas' population. Data showed that over 3.8 million individuals qualified for adult education services, with that number expected to double by 2040. Of the 3.8 million, almost 1.7 million were in the ELL population, with over 500,000 of those in the target population for this AP.

In 2010, a work group was formed to design and develop a pilot model to be executed through the CTCs and local boards. The group, assisting with this LTO and one focused on workplace literacy included representatives from the TEA, the TWC, the THECB, the CTCs, local boards, adult education providers, and Council staff.

The THECB supported the effort under Riders 45 and 56, SB 1 (81st Legislature), and was added as a participant on this AP in conjunction with the *2012 Update to Advancing Texas*. A request for applications was issued then later revised and reissued to allow the projects to be more flexible yet still focus on intended outcomes for integrated basic education and skills training.

Since 2010, the THECB and the TWC have partnered with 21 colleges to establish and support the Accelerate TX (ATX, previously ABE-Innovation Grant) initiative, designed to engage Texas CTCs to implement integrated pathways for advancing lower-skilled adult learners into high-demand occupations. Of the 21, eight participated in the pilot that began in fall 2011 and ran through August 2013: Alamo Colleges, Amarillo Community College, El Centro College, Hill College, South Texas College, Tyler Junior College, and Wharton County Junior College. A previously funded program at El Paso Community College was also monitored as a pilot.

Performance reporting for the pilots began in 2012, with data published in the **Less Formal Measures** section. Seven of the pilot colleges were awarded funding to support student completion and data entry through FY 2014. One college did not have any students enrolled in certificate programs after the grant ended, so no additional funding for data submission was provided. The THECB reported there were fewer students during this period as the schools were tracking completers and only three colleges had new students.

A descriptive analysis of the ATX programs was completed by Texas State University in November 2013. While the report did not focus

solely on the pilot colleges, it provided information on barriers encountered and lessons learned. In addition, Texas A&M University's Public Policy Research Institute is conducting an ongoing evaluation of the ATX programs, including the mentor colleges. A cross-site evaluation, scheduled for completion in October 2014, included only Alamo of the original pilot colleges. Alamo, Amarillo, and South Texas, the remaining pilot colleges with continued funding, will be evaluated by the institute in fall 2014.

Alamo, Amarillo, and South Texas built sustainable ATX models on their college campuses and within their districts. In FY 2013, they were identified as mentor colleges and will continue to support newly funded ATX colleges in the design and implementation of their integrated programs through FY 2015.

Key lessons learned include:

- ▶ Two barriers identified by some of the mentoring colleges regarding their mentees: (1) identification of adult education and literacy providers to conduct the basic skills portion of the integrated pathway and (2) changes in contracted providers. For example, all colleges do not have a provider on their campuses or a strong relationship with one in their region. In some cases, grant funds have been used for a basic skills instructor.
- ▶ Colleges with a higher level of integration between workforce training programs and adult education or basic skills support staff and faculty had a greater likelihood of sustaining and scaling the model beyond the second year of funding.
- ▶ Funding the technical training portion of the integrated pathway has been a challenge, including for the mentor colleges. They are identifying a variety of funding streams (e.g., grants, scholarships, self-pay) to support tuition and fees for students who are working on their GED and concurrently in technical training. Local boards may assist with child care or transportation, but few support tuition and fees for students who do not have a GED.

The 2015–2017 ATX request for applications requires that colleges offering an integrated pathway offer 75% of their workforce training certificates as Marketable Skills Achievement awards (minimum nine semester credit hours or 144 contact hours) or level 1 certificates (minimum 15 semester credit hours or 360 contact hours). Of the certifications, 25% can be local, portable certificates (minimum six semester credit hours or 96 contact hours) which require passing an industry, state, or national examination to work in that field.

Under the request for applications, colleges can apply as a single college or as a mentor college. Single colleges will be supported by a mentor college during the first two years of funding. If successful in sustaining the program with non-grant funds, the school will be eligible to be a lead, or mentor, college. The mentor approach to support scaling the model will continue.

LTO – By 2013, design and implement targeted Adult Basic Education (ABE) programs to enhance employment outcomes for populations requiring workplace literacy skills.

... assisting those with low literacy levels through targeted literacy programs to gain or maintain employment.

This LTO specifies that the TEA and the TWC are responsible for developing new and enhancing existing methods, programs, and processes for programs that address workplace literacy acquisition targeted at the workforce literacy population over age 17. Workforce literacy skills are the basic and soft skills considered necessary to perform in entry-level occupations or the skills needed to adapt to technological advances in the workplace.

A nationally recognized career awareness curriculum, previously offered by some Texas sites with successful results, was selected for the pilot projects. The career exploration awareness component focused on workplace literacy skills designed to facilitate the transition from adult education to workforce training.

In 2010, the TWC completed an assessment that identified the Alamo, Capital Area, and Gulf Coast local workforce boards as pilot program candidates based on their strong relationships with adult education providers. The work group described in the previous LTO report designed a model of program outreach and delivery that fit within existing adult education funding, program offerings, and initiatives, and that could be offered concurrently with adult education levels 4 through 6 as defined by the National Reporting System.

The TEA committed \$400,000 in Adult Education State Leadership funds for the pilots, which were negotiated with multiple adult education providers in the three regions. Launched in July 2011, the pilots were extended for an additional year and ran through June 2013. Local workforce literacy resource teams assisted with service delivery design, as well as identification of partner roles and responsibilities and obstacles to success.

To increase enrollment, adult education programs recruited from existing classes and accepted students below levels 4 through 6. Transition counselors/coordinators were hired to assist learners in making wise choices and successful transitions to postsecondary education, training, and employment.

In August 2013, Texas LEARNS completed a toolkit containing deliverables developed by the participating programs. Available performance data are published in the **Less Formal Measures** section.

Council staff was charged with evaluating the pilots to determine strengths and weaknesses, and to make recommendations for improvement. A logic model and evaluation plan were presented to the Council in June 2013; however, a structured evaluation was not able to be conducted due to the lack of vigorous data collection.

SB 307 (83rd Legislature) mandated transfer of adult education and literacy programs from the TEA to the TWC, and the program was transitioned on September 1, 2013. The TWC's initial request for proposals (April 2014) incorporated key elements of the model by requiring service providers to implement career pathways programs.

The commission's goal is to incrementally increase the proportion of students who exit workforce services ready for work, or who are enrolled or co-enrolled in college and career training. This model will provide opportunities for literacy and basic educational development and ensure these services link students at all academic and English levels with employment, training, and college opportunities.

KPA: Programs, Products, and Services

The six LTOs included in this KPA address issues ranging from the need for middle-skilled workers to increasing employer satisfaction with system products and services.

LTO – Community and technical colleges will plan and execute education and training programs to address workforce skills gaps in their regions, as identified by local needs assessments or the biennial supply-demand report produced by the THECB and TWC.

... integrate and expand middle-skills training to meet current and future employer demand.

Middle-skill jobs require education and/or training beyond high school, but less than a four-year degree. Such jobs currently account for nearly half the jobs in the U.S. and in Texas, with that number projected to grow. However, given its success in job creation, Texas is facing an increasing need for workers with appropriate middle skills.

Texas' CTCs serve a vital role in training individuals for middle-skill jobs. Better aligning customer needs with program development and delivery will help ensure the availability of a population with the skills needed to meet current and future employer needs.

The tasks outlined for this LTO are dependent on delivery of the biennial supply-demand report required under another LTO. In 2011, the TWC and the THECB proposed a modified approach for the supply-demand analysis that centered on development of a web-based system to allow customers such as the CTCs to access their own local data and produce customized reports.

To support use of the online system, the TWC created user scenarios that pose hypothetical education or workforce planning issues, including several with applicability for higher education users. Letters introducing the products were sent to all CTC presidents and to each school's Skills Development Fund program contact. These tools provide a reference for determining how closely aligned the CTC programs are to local workforce needs and for identifying gaps that require colleges to adjust program offerings.

In 2011, the THECB partnered with the Council to survey the CTCs to collect information on their strategies for determining employer satisfaction and using that information in institutional planning processes to improve program delivery. Blinn College and Lone Star College System were selected as models of promising practices and were formally recognized by the Council in December 2011. Sharing and possible replication of promising practices should result in opportunities for institutions to improve workforce training and employer satisfaction.

When developing new or expanding existing programs for emerging high-skill occupations, the CTCs consider program delivery

methodologies and structures in an effort to increase both effectiveness and cost efficiency. Such efforts are ongoing, and include work accomplished by South Texas College, Southwest Texas Junior College, and the Texas State Technical Colleges.

This year, the Council contracted with the University of Texas' Ray Marshall Center to assess the availability and capabilities of supply and demand planning tools used in Texas and other states. The July 2014 report noted that there is a significant demand for better "gap analysis"—supply/demand reports that can generate current labor supply and projected labor demand and determine the differences in a regional area. The Council will take the report's findings into consideration during development of the next workforce system strategic plan and in its future work.

LTO – By 2012, design, develop, and implement a pilot program to demonstrate flexibility of the 'earn while you learn' model of traditional apprenticeship programs. Where appropriate, expand and replicate into new occupational areas by 2015.

... expand the earn while you learn model for deployment into middle-skills areas.

Under the Council's leadership, this LTO requires expansion of the earn-while-you-learn model to address employer demand for skilled workers. The Council Chair assigned the Executive Committee the responsibility of overseeing implementation and reporting to the full Council. A project leadership team, including members from system partners—the THECB, the TVC, and the TWC—was created in 2010 and charged with identifying and recommending potential projects. The team reviewed projects in the following target industries: allied healthcare, health information technology, energy, aviation, and logistics and distribution.

The team then recommended, and the Executive Committee approved, six projects. Four remained active through the Council's pilot period or the end of their federal grant period, as applicable.

- ▶ *Pilots—defined as a partnership formed to develop a registered apprenticeship program in an occupational area that has not traditionally used apprenticeship as a means to train its workforce:*
 - Community Health Worker—Coastal Area Health Education Center
 - Health Information Technology—Dallas-Fort Worth Hospital Council Education and Research Foundation
- ▶ *Demonstrations—defined as a partnership formed to adapt an existing registered apprenticeship program to meet emerging industry demand:*
 - Comprehensive-National Electrician Solar Training—Austin Electrical Joint Apprenticeship Training Committee, ImagineSolar, and the Capital Area local workforce board [grant ended in July 2012; final report released in March 2013]
 - Distance Learning, Pre-Apprenticeship, and Outreach to Underserved Populations—Independent Electrical Contractors of Texas

The Council worked with the DOL and pilot project staff to develop action plans with major tasks and timelines for development and implementation of the new programs. The leadership team continued to: provide support and technical assistance, help identify funding and other resources, and monitor progress through quarterly written and verbal reports. In March 2012, the team and Executive Committee met in a joint session and heard updates from all projects, and regular reports were provided via conference call through August 2013.

Challenges were encountered as the projects began during the recession and implementation continued during the economic recovery. However, many lessons were learned, including the awareness and willingness to adapt in response to changing needs, by both employers and current and potential participants. *Registered Apprenticeship as a Strategy to Meet Employer Demand for Skilled Workers* (December 2013), the Council's final report, includes documentation of promising practices.

LTO – The Council will produce a data set whereby system stakeholders can ascertain Texas' position relative to key indicators of competitiveness.

... data are required to ensure that system initiatives will be developed and executed to strategically position Texas in the global marketplace.

Data are required to ensure that system initiatives will be developed and executed to strategically position Texas in the global marketplace. Data must be available to benchmark Texas against other states and countries in the most significant and strategic education, workforce, and market outcomes. Since 2005, the Council has compiled data and published the *Texas Index*, with the final version released in 2013.

The *2013 Texas Index (2013 Index)* research report compiled data for 38 indicators organized into four domains, based on the value proposition that skilled and well-educated people create innovations that result in products and services that are sold in the marketplace. This continuum generates economic activity that builds wealth for the state, and increases the level of wealth for Texans. In support of the proposition, data in the report focused on four critical, interrelated elements: intellectual capital, human capital, financial capital, and standard of living.

The *2013 Index* included 10-year trend data, as well as national and international comparative data. The report also contained a report card that indicated how Texas was performing across the four domains, thus identifying achievement as well as areas for improvement.

Results in the *2013 Index* showed that Texas was doing comparatively well, and continued to invest in the future of its residents. Texas successfully attracted businesses and created jobs through both the recession and recovery periods, with a competitive advantage over other states in areas such as labor productivity, gross state product per capita, and exports. The unemployment rate remained slightly elevated due to natural growth in the workforce and the return of previously discouraged job seekers to those counted as unemployed. However, the Texas unemployment rate was still more than one percent lower than the U.S. average.

There is room for improvement in the areas of educational and workforce educational achievement. Strategies that increase

enrollment and completion of postsecondary education, particularly supporting employment in middle-skill occupations, continue to be important. Skilled workers in these occupations are sought highly by employers. Higher education concentration in science, technology, engineering, and math disciplines increased, and Texas produced the second greatest number of patents of any state, indicating a strong focus on innovation.

The *2013 Index* displayed a comprehensive view of the state's recovery from the recession, with signs of an economy in full recovery prevalent in the data over the reporting cycle. Areas in training and education, research and development, and market composition were thriving, as the majority of indicators in these domains reflected a positive change. In addition, participant access indicators showed progress, indicating that prosperity in the state was on the rise. Data showed significant progress in recent years, and based on trends, more progress is expected for the state.

Since the Council first produced the index in 2005, other state entities have increasingly collected and disseminated similar data and information. Of particular interest, the THECB is examining how to benchmark Texas' education data to other states and nations. The Council for Continuous Improvement and Innovation in Higher Education is charged with developing a culture of continuous improvement in Texas higher education and a higher education system that is internationally competitive.

The Comptroller's Office provides information on state revenue and budget, technology, jobs and education, and the economy. Specialized websites include: www.thetexasconomy.org with economic indicators and financial trends; and <http://texasahead.org> with key economic indicators, forecasts, and in-depth reports. In addition, the TexasEDGE Data Center (<http://texasahead.org/texasedge/>) enables users to create custom reports using interactive maps and tools.

LTO – Local boards will align with and support the workforce system strategic plan through their planning processes and related initiatives. This will be documented in board plans and plan modifications, which are submitted to the Council for approval.

... local boards must understand and meet the needs of their local communities by offering relevant workforce programs and services.

As the system's frontline partners, local boards must continue to enhance planning and collaborative efforts across workforce system components to meet employer and community needs. This LTO addresses local planning requirements and their relationship to the Council and the system strategic plan.

Title 1, Section 118, of the federal Workforce Investment Act (WIA) requires that each local board develop and submit to the Governor a comprehensive five-year local plan. TGC, Section 2308.304(b), also requires each board to develop a local plan that must have goals and objectives that are consistent with statewide goals, objectives, and performance standards.

Both state and federal law require the Council to review local plans and modifications and make recommendations to the Governor for approval. Planning guidelines issued by the TWC typically include an appendix that specifies the Council's request for information and data

that will demonstrate alignment with the system strategic plan. While boards develop new local plans approximately every five years, plan modifications are generally required annually to update information and implement new state and local initiatives.

Given Congress' intent to reauthorize WIA and the DOL Employment and Training Administration's revisions to state planning guidance, the DOL extended all WIA Title I state plans in 2011 and in 2012. In early 2012, the DOL issued guidance requiring states to submit a new five-year state plan for WIA Title I and the Wagner-Peyser Act.

In September 2012, the Council endorsed, and the Governor approved, the new state plan. The TWC then extended the local plans through March 2013 to allow time for boards to develop new five-year plans. In December 2012, the TWC further extended the local plans through June 2013, enabling boards to use the most recent labor market data in determining target occupations and industries and to provide adequate time for public comment.

The TWC issued Program Years 2013–2018 planning requirements for local boards, including instructions for documenting alignment with *Advancing Texas*, in December 2012. Boards documented strategies designed to meet the needs of three populations and to facilitate their entry into the workforce: (1) veterans, (2) the blind or disabled, and (3) those with low literacy or English language skills. In their plans, boards also described an innovative strategy that includes collaboration with two or more system partners.

The TWC and Council staff conducted a joint plan review process, and the 28 board plans were approved by the TWC commissioners at the May 21, 2013, docket. The Council endorsed all 28 plans at its June 2013 meeting, and the Governor approved them later that month. The *Evaluation 2013* report included detailed examples of local board strategies and ongoing activities that align with *Advancing Texas*. This year, local boards were not required to submit new local plans or modifications. Now in year five of the six-year *Advancing Texas* plan period, implementation continued and work began to prepare for development of the next system strategic plan. In anticipation of the strategic planning process, formally launched in September, the Council focused on better understanding issues related to system partners' workforce programs and services. Several actions were taken to obtain local board input, with additional information provided in the **Local Workforce Board Alignment** section.

LTO – Partner agencies will gather data from employer customers at appropriate intervals to determine employer needs and satisfaction.

LTO – Partner agencies will use the employment data/outcomes of their programs to understand and improve those programs.

... assessing employer needs and satisfaction ...

... and using employment data and outcomes to assist with program improvement efforts.

The Council and system partners recognize employers as a primary customer of the state's workforce system. Data gaps regarding their needs and satisfaction hinder the ability to assess whether existing programs and services adequately meet customer requirements. To be effective, programs and services must address and adapt to changing employer needs. During the previous strategic plan period, several partner agencies increased their efforts to become more familiar with employers' awareness and perception of existing services and to gather information about projected hiring and training needs.

These two LTOs incorporated five and three agency projects, respectively, that were continued from the previous system strategic plan. Two projects associated with determining employer satisfaction—one implemented by the THECB and one by the Texas Youth Commission (TYC)—were completed and closed in conjunction with approval of the *2012 Update to Advancing Texas*:

THECB—After developing an online survey system, the THECB worked with the TWC to notify employers of its availability. The agency also informed the Texas Association of Community Colleges and local workforce boards in an effort to increase awareness and participation. Survey responses were not sufficient to permit statistical analysis of the programs or employers' satisfaction.

The THECB considered new options to meet the plan's intent, and in 2011 partnered with the Council to survey the CTCs. A two-phase survey process was used to collect information on the CTCs' strategies for determining employer satisfaction and using that information in institutional planning processes to improve program delivery. Blinn College and Lone Star College System were selected as models of promising practices and were formally recognized by the Council in December 2011.

Texas Juvenile Justice Department [formerly TYC]—In prior years, the TYC administered an annual survey during the state assessment process for Prison Industry Enhancement programs, a process instituted under the previous system strategic plan. No data have been collected since 2010 as there were no programs in operation.

An additional survey was developed and piloted for employers that work with youth on parole, with plans to implement it on a larger scale, and to shift from a paper-based to an electronic format. Due to an agency-wide reduction in force, implementation of this survey was deferred.

With all major tasks completed, the project was closed in 2012. The agency plans to conduct employer satisfaction surveys when budget and staff are available.

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Agencies use employer data and information collected through web-based, telephone, and in-person surveys to (1) measure satisfaction; (2) identify training and service needs; (3) identify modifications to current programs and services to better suit workforce requirements; and (4) serve as a resource for agency strategic plan development and in preparation for future legislative sessions. Tasks associated with the two LTOs complement and support each other.

Performance data for the three active projects are published in the **Less Formal Measures** section. Project updates for all active projects are presented below:

DARS—DARS' divisions continue to work on two employer-related projects. An online survey was developed to collect employer feedback upon service completion and/or after successful job placements. Survey data are used to assess employer satisfaction with DARS services and to identify opportunities for program and service improvements.

This year, the DRS and the DBS launched a joint effort to establish a consolidated DARS business relations team, with a goal of leveraging resources and increasing business partnerships and consumer placement opportunities. A cross-divisional workgroup was charged with developing an implementation plan and coordinating implementation activities through FY 2015. The plan will also incorporate the Sunset Advisory Commission's August 2014 recommendations related to a consolidated business relations approach and closer coordination with local workforce boards and centers.

Business relations specialists are now assigned to a region rather than operating as a separate unit at the central office. This structure enables the specialists to provide ongoing and in-depth training and support to the field staff by focusing on the regional needs of the staff and businesses.

Since 2011, DARS' business relations unit has conducted "SWAT immersions" with field units. The sessions provided units assistance with business relations strategy development and implementation, and using key data on businesses, labor demands, job-ready consumers, and market trends. SWATs continued this year in response to identified business needs and opportunities. For FY 2015, SWAT training has been replaced by regionally focused training and support. The unified approach to business relations will result in training efforts similar to SWAT training, but revised to align with the agency's new approach. Business relations and employment assistance staff also continue their outreach through statewide initiatives with large and mid-sized companies, and through ongoing activities with employers, local boards and centers, and other community partners in each region.

In 2012, DARS received a grant from the University of Massachusetts to work on strategic planning related to vocational rehabilitation processes and services. Following work sessions conducted through the grant, DRS staff reviewed existing policies and procedures to

assess opportunities for clarification, change, or development of additional policies or procedures necessary to support effective program operations. Substantial policy revisions began in FY 2014, as did efforts to increase alignment between strategic and operational planning and to establish business processes to support achievement of the agency's strategic objectives.

DARS previously reported implementing a customized cloud-based site as a data system for business relations and a mechanism to create a link between job-ready consumers and employers. This year, system expansion was suspended pending implementation of the joint business relations strategy and establishment of a consolidated business relations team. DARS plans to reassess system needs and explore options that will enable staff to more efficiently track and report business outreach activities and outcomes as envisioned for the new team, and as required to implement the agency's Sunset recommendations and the federal Workforce Innovation and Opportunity Act of 2014 [PL 113-128]. The assessment will be completed in FY 2015 and will inform development of interim and long-term plans, as necessary, to implement a new or revised system or tool.

DARS continued to use SurveyMonkey to conduct the employer satisfaction survey, which became available through the online employer portal in June 2013. Selective use of SurveyMonkey will continue as DARS works to align business systems and operations with the Sunset recommendations.

TVC—In 2009, the TVC launched a statewide initiative focused on placing veterans into employment by hiring a dedicated business outreach coordinator. The successful effort was expanded, with four business representatives now strategically located across the state. The coordinators work to establish partnerships with regional employers and to market the employment services of the TVC. Due to recent guidance from the DOLVETS, the business outreach representatives have been integrated with the local veterans employment representatives.

This year, the TVC completed two employer satisfaction surveys and plans to continue the process as part of the agency's efforts to increase employer outreach and partnerships. Previously, Veterans Employment Services field staff was also surveyed. Based on data analysis, a Disabled Veterans Outreach Program focus group was convened and several changes were implemented to improve effectiveness and efficiency.

In addition, staff reviews data from monthly performance reports provided by the TWC and conducts annual trend analyses in order to evaluate service delivery models and make adjustments where appropriate. This year, the trend analysis was used to forecast 2015 staffing needs and for the 2015–2019 Jobs for Veterans State Grant application that was submitted to the DOLVETS for approval. Data were also used in preparing for career fairs and hiring events.

Data review and analysis also facilitate communication of best practices to state, regional, and local staff, and to other stakeholders

such as the DOLVETS. At the annual TVC conference, best practices were communicated through training and panel discussions and employer satisfaction data and comments were incorporated in staff training.

Annual employer awards are presented at the agency's fall conference. In addition, employers are featured on the agency's website and in their publications.

Texas Department of Criminal Justice (TDCJ)–Windham School District (Windham)–In 2011, Windham administered an electronic employer survey but encountered low response rates, incomplete responses, and data issues. For example, contact information derived from unemployment insurance wage records was used, but many of the contacts were unfamiliar with the program or unaware that employees were ex-offenders.

Since 2012, Windham has conducted the survey using several methods, including distribution (1) through the TDCJ's Parole Division in Dallas, Houston, and San Antonio metro areas; (2) at job fairs, workforce centers, and to various stakeholders; and (3) directly to employers. Windham has added a website link to the survey, and continues to review data to determine employer satisfaction and to plan program and management initiatives.

Windham also gathers information on targeted and high-demand occupations, emerging trends, and nontraditional careers identified by the 28 local boards and industry stakeholders. Windham staff meets annually with local board and industry representatives to tour job sites to keep abreast of new industry trends and to discuss career opportunities for ex-offenders.

Employer survey data are also used to assess satisfaction with the job knowledge and skills of program participants. Survey data and data collected from local board and industry representatives are used to evaluate training programs for alignment with current employer demand and suitability for ex-offenders. Based on the review, program modifications may be made. For example, to address the current demand in the manufacturing industry, Windham will begin offering welding, machining fundamentals, and CNC machining for female offenders.

ADULT EDUCATION AND LITERACY

Mandate and Background

Under Texas Government Code (TGC), Section 2308.1016, the Texas Workforce Investment Council (Council) is responsible for facilitating the efficient delivery of integrated adult education and literacy services in Texas. The Council is also charged with evaluating the adult education and literacy programs formerly administered by the Texas Education Agency (TEA). Senate Bill 307 (83rd Legislature) mandated transfer of the adult education and literacy program from the TEA to the Texas Workforce Commission (TWC). The program was transitioned on September 1, 2013. The Council's role is to identify duplicative planning efforts, lack of adequate client information sharing, or other challenges that adversely affect program delivery.

TGC, Section 2308.104, specifies that the Council will develop a single strategic plan for the workforce system that includes goals, objectives, and performance measures. It also states that the agencies administering a workforce program will use the system strategic plan in developing their operational plans. The Texas Higher Education Coordinating Board (THECB) and the TWC are now accountable for the adult education English language learner and workforce skills training objective in the workforce system strategic plan, *Advancing Texas*, and the TWC is accountable for the workplace literacy for adults with low literacy objective.

The outcomes for both plan objectives focus on the identification and implementation of strategies that ensure an increasing number of students are prepared to attain some postsecondary credential. The Council supports partner agency implementation of the objectives in *Advancing Texas*.

In 2011, House Bill (HB) 1244 (82nd Legislature), mandated adjustments be made to the Texas Success Initiative (TSI) to improve the academic preparedness of students enrolling in Texas higher education. The legislation authorized the THECB to prescribe a single standard for assessment of college readiness and set a single threshold for enrollment across all Texas public institutions of higher education, effective with the 2013–2014 academic year. This year, Council staff participated with the THECB and the TWC in a series of collaborative meetings to support the development of the TSI assessment implementation plan.

Key Outcomes

Texas public community and technical colleges (CTC) were created to expand access to higher education. Open admissions policies that facilitate broad access and emphasize enrollment have resulted in institutions enrolling many students who may not be adequately prepared for college-level coursework. These underprepared students face significant barriers to completing college, and many do not complete. Since 1987, the legislature has guided a series of reforms that determine readiness for college-level coursework, including aligning public education and higher education through clearly defined college and career readiness standards, improving developmental education, and establishing a single threshold for measuring college readiness.

Developmental education courses are designed to help underprepared students transition into college-level coursework. However, data demonstrate that developmental education program delivery has not always been effective. Among students who are not college ready in reading and writing, fewer than 35% complete their first college-level course. In mathematics, fewer than 16% of underprepared students complete their first course. Students placed in the lowest levels of developmental education are the least likely to progress into advanced coursework or complete the desired level of attainment. Students that test at higher levels of developmental education may be required to repeat content that has already been mastered—wasting valuable time and effort. When a student's primary goal is employment, such delays become significant barriers to postsecondary completion.

Establishing a Standard College Readiness Measure

A key component of the alignment effort between secondary and postsecondary education was the establishment of a college readiness measure based on the Texas College and Career Readiness Standards (CCRS). However, institutions used one or more of four different assessments to determine whether students met this college readiness standard, and each institution could set a passing standard above the THECB's minimum standard. These discrepancies result in vast inconsistencies between institutions in student advising and placement. Some of the students were not adequately prepared to succeed in the program, while other students were capable of advancing more quickly through courses than the developmental education programs were designed to allow.

As a result of these multiple barriers to the improvement of college readiness assessment and instructional models statewide, HB 1244 gave the THECB the authority to prescribe a single standard or set of standards for assessment that each public institution must use to assess the readiness of students to perform college-level academic coursework. The legislation also repealed the authority of institutions of higher education to adopt more stringent standards than those set by the THECB, effective with the 2013–2014 academic year. To address the requirements, the THECB has collaborated with the Council, the TEA, and the TWC in monthly discussions to consider the populations served, challenges, best practices, and opportunities to improve student outcomes and benefit the workforce system. The workgroup also worked to align efforts with the transition of adult education from the TEA to the TWC in order to ensure efficiency and eliminate duplication of services.

In 2012, the THECB began the process of determining and setting a single standard for assessment, as well as a single threshold for readiness and enrollment that would meet faculty expectations across institutions of higher education and that could be integrated into Texas public high schools. Contributing review teams included faculty leaders, assessment experts, and other stakeholders who were selected based on several criteria: institution type (i.e., 19 universities, 45 community colleges, and eight other education groups including independent school districts), geographic location, instructional experience, knowledge of Texas CCRS, courses taught (i.e., credit bearing, developmental education, adult basic education, high school), gender, and ethnicity. The process included a review of standards and gap analyses, meetings with faculty members, and item development and field-testing. The THECB board approved the proposed standard and assessments in the spring of 2013.

Differentiating Student Needs—Texas Success Initiative and Assessment

Under the original TSI created in 2003, students attending Texas public institutions of higher education were required to comply with the TSI (Texas Education Code, Section 51.3062(f)) in order to enroll in public institutions of higher education. Presently, the majority of students are exempt from the TSI Assessment (TSIA), based on an ACT/SAT college readiness score, military service, enrollment as non-degree and non-certificate seekers, and other exemptions. The TSI is intended to support completion among students who face more significant challenges to postsecondary attainment.

Prior to 2013–2014 and the implementation of the new TSI assessment, the four original testing instruments allowable for TSI purposes were designed to classify students as college ready or not college ready. Typically, students who did not meet the minimum passing standard of the exam, in any one or all three of the content areas, were placed into the same developmental education program. The HB 1244 requirement for a single assessment offered an opportunity to include a diagnostic component that would support identifying and remediating gaps between secondary and postsecondary learning. In the summer of 2012, the THECB met with review teams and conducted content and field-testing for a new TSIA. The assessment was designed to align with the CCRS and the national adult education standards and to differentiate student needs, allowing for more individualized methods of remediation tailored to gaps in a student's learning.

The TSIA launched last fall and informational sessions for higher education institutions were conducted statewide. The results of the assessment for this year are currently under study. The TSIA was administered along with the previous assessment tests, and some duplication is expected.

Texas is the only state that aligns its assessment to the National Reporting System (NRS) standards for adult education and literacy and provides a diagnostic for students assessed with skills below secondary school level in one, two, or all three skill areas. The new TSIA classifies student performance in three skill levels: college ready, developmental education (students whose skill levels are within secondary school ranges), and adult basic education (ABE, students whose skill levels fall below secondary school) in order to diagnose accurate placement. This classification enables institutions to accelerate students through options designed to meet their academic and career training goals.

Developing a Referral System

In Texas, the CTCs continue to provide open access to any student and to develop programs and processes that help more students attain some postsecondary credential. In some cases, the students require specialized services or access to programs and services. These are provided through partnerships with the postsecondary institution's credit or non-credit workforce training and/or continuing education department and adult education services, social service agencies, local workforce offices, credit recovery programs, and employer-based training programs.

Throughout development of the TSIA, stakeholders considered the needs of students assessed at skill levels that fall significantly below the knowledge and skills required for success in college-level courses. These students require more extensive assistance, as well as a different type of assistance, than students who are better prepared for success in college. To help the colleges more effectively serve students assessed at NRS levels 1 through 4 on the TSIA ABE Diagnostic, the THECB, in consultation with the cross-agency workgroup, developed a series of recommendations for Texas and its public institutions of higher education. Recommendations in the *TSIA Operational Plan for Serving Lower-Skilled Learners* (April 2014) emphasize professional development, college counseling, and online referrals to ease student transitions into programs that prepare them for postsecondary success.

Most postsecondary institutions do not have the resources to address the instructional needs of students assessed at the lowest levels of adult education (NRS levels 1 through 3); therefore, institutions are advised to refer these students to appropriate options, including to continuing education on campus or to appropriate agencies or organizations that serve this population (e.g., TWC's federally funded adult education program, Department of Assistive and Rehabilitative Services, community-based organizations).

Next Steps

Approved by the THECB in April 2014, the *TSIA Operational Plan for Serving Lower-Skilled Learners* proposes phased implementation, beginning in fall 2014, and close monitoring of outcomes to make informed adjustments. A formal validity study is expected to be complete by March 2015. During the first phase (fall 2014), the THECB will identify and select qualified colleges to spearhead regional professional development to support best and promising practices for serving students assessed at low adult education skill levels. In the next phase (fall 2015), all colleges will be required to implement at least one initiative to serve these students.

Through the collaboration with the Council, the TWC, and the TEA, the THECB will review and build on existing resources and determine the need to establish a statewide online resource and referral system for use by institutions of higher education, adult education providers, and other appropriate organizations. These resources will be developed to create stronger connections between adult education providers and higher education institutions in order to promote the transition of adult education students through postsecondary education and training and more efficiently remediate academically underprepared students through a more individualized developmental education system.

Local Workforce Board Alignment with *Advancing Texas*

Mandate and Background

The Texas Workforce Investment Council (Council) is charged in both state and federal law with recommending to the Governor approval of local workforce development board plan modifications as required under Title I of the Workforce Investment Act (WIA) of 1998, the Wagner-Peyser Act, and other applicable statutes. WIA, Section 118(a), requires that each board develop and submit to the Governor a comprehensive local plan consistent with the WIA state plan. WIA, Section 111, states that the Council, as the designated State Workforce Investment Board, shall assist the Governor in the review of board plans.

Texas Government Code (TGC), Section 2308.101(a)(5), requires the Council to review local plans for workforce development and make recommendations to the Governor for approval. In addition, TGC, Section 2308.304(b)(4), specifies that local plans must include a strategic component that sets broad goals and objectives for local workforce programs, and that outcomes must be consistent with statewide goals, objectives, and performance standards. *Advancing Texas* established these statewide goals and objectives through fiscal year (FY) 2015. The plan contains 14 long term objectives with associated action plans to guide implementation. Each of the 28 local boards must develop a local plan with goals and objectives that align with *Advancing Texas*.

Given the continued intent to reauthorize WIA and the Department of Labor's Employment and Training Administration's (DOLETA) revisions to state planning guidance, the DOLETA extended all WIA Title I state plans in 2011 and in 2012. In early 2012, the DOLETA issued the final planning guidance to states, which required the Texas Workforce Commission (TWC) to develop a new WIA Title I state plan for submission to the DOLETA by September 17, 2012.

In September 2012, the Council endorsed and the Governor approved the new state plan. The TWC then extended the local plans through March 2013 to allow time for boards to develop new five-year plans. In December 2012, the TWC further extended the local plans through June 2013, to enable boards to use the most recent labor market data in determining target occupations and industries, and to provide adequate time for public comment.

The new local board plans cover the five-year period of FY 2013–2018. In September 2012, the TWC initiated the planning process with the release of *Texas Workforce Development Board Planning Guidelines for Fiscal Years 2013–2018* [WD Letter 25-12, September 7, 2012; Change 1, December 19, 2012]. The guidelines provided instruction on required content, including documentation of alignment with local goals and objectives and the relevant statewide goals and objectives in *Advancing Texas*. They also outlined the Council's request for information and data to demonstrate alignment.

The TWC and Council staff conducted a joint review process for the board plans. The TWC reviewed plans for compliance with planning guidelines and requirements. Council staff reviewed each plan for alignment with the current state strategic plan, *Advancing Texas*. Following review and evaluation, all 28 local plans were determined to meet the Council's requirements for demonstrating alignment with *Advancing Texas*. The 28 plans were approved by the TWC commissioners at the May 21, 2013, docket. The Council endorsed all 28 plans at its quarterly meeting on June 7, 2013, and the Governor approved them later that month.

The *Evaluation 2013* report included detailed examples of local board strategies and ongoing activities that align with *Advancing Texas*. It provided information on strategies and related performance measures/targets, if applicable, designed to meet the needs and facilitate workforce entry of three groups: veterans, Texans with low literacy or poor English language proficiency, and blind or disabled Texans. In addition, the report highlighted innovative strategies that include collaboration with two or more system

partners by describing the rationale for the strategy, intended outcomes, and how the strategy's process and outcomes would be evaluated to determine success over time.

Key Outcomes

This year, local boards were not required to submit new local plans or modifications. When local plans or modifications are not required in a given year, the TWC has previously worked with Council staff to obtain local board information documenting alignment with the system strategic plan.

In year five of the six-year *Advancing Texas* plan period, implementation has continued and work to prepare for development of the next workforce system strategic plan has begun. To prepare for the strategic planning process, which formally launched in September, the Council focused on better understanding issues related to system partner workforce programs and services. Several actions were taken to obtain input from local boards, including:

- ▶ *Regional Strategic Meetings* – The TWC held a series of regional strategic meetings with participation by the commissioners and agency staff. The Council Chair and director attended three meetings to gather information for consideration in the strategic planning process. Each board led two panel discussions focusing on:
 - key industry priorities and what the board is doing to address their needs, including their work with chambers of commerce, economic development organizations, or other industry officials; and
 - any other key area the board has been working on locally (e.g., youth services, linkages with independent school districts/career technical education, child care, adult education).

In addition, each board presented local challenges and opportunities, including ideas for moving the system forward over the next five years. At the conclusion of all board presentations at a given meeting, discussions were held with the commissioners and agency staff on local opportunities, challenges, and ideas for moving the system forward over that time frame.

- ▶ *Texas Association of Workforce Boards (TAWB)* – In August, the Council director attended a TAWB meeting to provide an update on the Council's planning activities and obtain input on the group's related questions and strategic issues.
- ▶ *System Integration Technical Advisory Committee (SITAC)* – The TAWB is represented on SITAC by the North Central board's executive director. Strategic priorities identified by system partners were presented at the June and September committee meetings, with TAWB information provided in September. Through facilitated sessions, SITAC discussed potential strategies for addressing partners' priorities, possible constraints, and opportunities for collaboration. Members then reviewed the priorities reframed from a system-level perspective. A rank-ordered list was prepared for submission to the Council's Executive Committee, which has been designated by the Council Chair as the strategic planning committee.

Next Steps

Following a 15-month consultation process, and subsequent 12-month plan development process, the Council is scheduled to consider the plan for recommendation to the Governor in September 2015. During the yearlong strategic planning period, SITAC will be invited to participate in joint sessions with the Council to assist with development of (1) proposed mission and vision statements and (2) actions to achieve each plan objective recommended by the Executive Committee.

As frontline partners in the workforce system, local boards must continue to enhance planning and collaborative efforts across workforce system components to meet employer and community needs. Their

experience in creating innovative services to address regional demand, support economic growth, and improve local service delivery enables them to provide a valuable operational perspective as the new system plan is developed.

AGENCY STRATEGIC PLAN REVIEW

Texas has a strategic planning process for all state agencies housed within the executive branch of government, as required by Texas Government Code (TGC), Chapter 2056. Agencies may also be subject to other state planning requirements such as those specified for workforce system partner agencies. As specified in TGC, Section 2308.104, the Texas Workforce Investment Council (Council) develops a single strategic plan for the state's workforce system. This strategic plan must include goals, objectives, and performance measures for the system and the state agencies that administer workforce programs.

The code further mandates that, upon approval of the system strategic plan by the Governor, each agency administering a workforce program use the system plan when developing that agency's operational plan. Agency plans should align with the long term objectives (LTO) outlined in the current system plan as well as with the Formal performance measures negotiated with the Council and approved by the Governor.

The system strategic plan, *Advancing Texas*, is a guide for system partners that deliver workforce programs and services; however, it does not duplicate agency strategic plans. It identifies eight critical business issues for the workforce system that are the basis for 14 objectives to be addressed by system partners over the plan period. *Advancing Texas* was developed for a six-year time frame, in part, to align with Texas' Strategic Planning and Performance Budgeting System. Under this system, state agencies are required to submit strategic plans to the Governor's Office of Budget, Planning, and Policy (GOBPP) and the Legislative Budget Board (LBB) on a biennial basis. As a part of the Office of the Governor, the division of Economic Development and Tourism is not subject to this requirement. However, seven of the Council's eight partner agencies are required to submit agency strategic plans:

- ▶ Health and Human Services Commission–Department of Assistive and Rehabilitative Services (HHSC-DARS)
- ▶ Texas Department of Criminal Justice–Windham School District (TDCJ-Windham)
- ▶ Texas Education Agency (TEA)
- ▶ Texas Higher Education Coordinating Board (THECB)
- ▶ Texas Juvenile Justice Department (TJJJD)
- ▶ Texas Veterans Commission (TVC)
- ▶ Texas Workforce Commission (TWC)

Agency strategic planning instructions are issued by the GOBPP and the LBB, typically in March of even-numbered years. Each biennium Council staff develops an appendix for inclusion in the instructions, to be used by agencies as a template in documenting and submitting the requested information. Agency strategic plans are evaluated for alignment with system goals and objectives, as well as for the incorporation of action plan accountabilities. This year, three components were assessed, with key findings for each noted below:

LTO Accountability

The Council's requirements included a matrix listing the *Advancing Texas* objectives for which one or more partner agencies are responsible. For each applicable objective, agencies were asked to outline key actions, strategies, and anticipated outcomes for the strategic plan period. The level of detail provided by the agencies varied; however, all outlined the key actions, strategies, and anticipated outcomes to be achieved during the plan period and addressed all of their required objectives. Review results are presented in table 1. Complete LTO language and agency actions taken this year are presented in the **System Accomplishments** section.

Table 1: Advancing Texas – Long Term Objective Agency Accountability Matrix

No.	Long Term Objective	HHSC-DARS	TDCJ-Windham	TEA	THECB	TJJD	TVC	TWC
S1	Assess Workforce Supply/Demand							Yes
S2	Career Technical Education			Yes				
S3	Dual Credit Transfer			Yes	Yes			
C1	Blind/Disabled Employment	Yes						
C2	Veteran Employment						Yes	
C3	English Language Learner Integrated Language and Skills Training				Yes			
P5	Employer Needs/Satisfaction	Yes	Yes				Yes	
P6	Use of Employment Data for Program Improvement	Yes	Yes				Yes	

Formal Measures

As previously noted, Formal performance measures were negotiated with agencies and subsequently approved by the Governor. These measures are then reported to the Council each year. Measure definitions and methodologies are expected to mirror those agreed to by the Council and partner agencies, and are submitted by the Council to the GOBPP and the LBB. Review results are presented in table 2 below.

Table 2: Partner Agency Strategic Plans 2015–2019: Formal Measures by Agency

Program	Administrative Agency	Educational Achievement Rate	Entered Employment Rate	Employment Retention Rate	Customers Served
Blind Services	HHSC-DARS		Yes	Yes	Yes
Rehabilitation Services	HHSC-DARS		Yes	Yes	Yes
Postsecondary CTC Corrections	TDCJ	Yes			Yes
Secondary CTE	TEA	Yes	Yes		No ^C
Secondary	TEA	Yes			Yes
Secondary Academic Windham	TEA	Yes			Yes
Secondary Technical Windham	TEA	Yes			Yes
CTC Academic	THECB	Yes ^A	No ^B	No ^B	No ^B
CTC Technical	THECB	Yes ^A	Yes	Yes	No ^B
Secondary Academic Corrections	TJJD	Yes			No ^C
Secondary Technical Corrections	TJJD	Yes			No ^C
Veterans E&T	TVC		Yes	Yes	No ^B
Adult Education	TWC	Yes			Yes
Apprenticeship	TWC	Yes			Yes
SNAP E&T	TWC		Yes	Yes	Yes
SCSEP	TWC		Yes		Yes
Self-Sufficiency	TWC		Yes	Yes	Yes
Skills Development	TWC		Yes	Yes	Yes
Trade Adjustment	TWC		Yes	Yes	Yes
TANF Choices	TWC		Yes	Yes	Yes
Employment Services	TWC		Yes	Yes	Yes
Adults WIA I	TWC	Yes	Yes	Yes	Yes
Dislocated WIA I	TWC	Yes	Yes	Yes	Yes
Youth WIA I	TWC	Yes	Yes	Yes	Yes

NOTES:

A–These were included, combined into one definition, but continue to be reported to the Council separately.

B–While these Formal measures were not included, the agency has continued to report them to the Council as previously agreed.

C–The LBB specifically marked these Formal measures for deletion from this plan. However, the agency continues to report them to the Council as previously agreed.

Partner Agency Issues and Opportunities

Agencies were asked to address the following:

Provide a list and detailed descriptions of the top three issues that are most likely to have a significant impact on agency workforce programs, activities, or initiatives over the next five years. Provide information on strategies that the agency plans to implement to overcome the identified issues in order to ensure participant outcomes and employment success. Provide a list and detailed descriptions of the top three opportunities that the agency can take advantage of and leverage to increase workforce outcomes over the next five years.

HHSC-DARS

Issues

- ▶ The HHSC-DARS is making a new effort to identify veterans with disabilities as a distinct consumer demographic and to develop methods to more effectively serve this population.
- ▶ Texans with developmental or intellectual impairments, neurodevelopmental disorders, and mental health disorders have previously been underserved and the HHSC-DARS is committed to improving service delivery to these populations.
- ▶ The HHSC-DARS is partnering with other stakeholders to improve service delivery and to increase entered employment results for transition-age youth.

Opportunities

- ▶ The HHSC-DARS is finding new ways of collaborating with workforce partners to improve employment and wage outcomes.
- ▶ The HHSC-DARS' business satisfaction and applicant hiring and retention satisfaction surveys provide increased insight into employer customer satisfaction and are very useful in improving business relationship development.
- ▶ Using survey feedback, the HHSC-DARS can identify strengths, weaknesses, and other trends in service delivery and staff training, enabling the agency to focus resources more efficiently and target fixes to service delivery.

TDCJ-Windham

Issues

- ▶ To overcome employers' negative attitudes toward hiring ex-offenders, Windham staff will educate employers on the quality of programming and the benefits of hiring ex-offenders.
- ▶ Windham will educate employers on the quality of programming and the benefits of hiring ex-offenders as a way to address employers' possible failure to self-disclose that they approve of hiring ex-offenders or exclude ex-offenders from consideration.
- ▶ In an effort to increase partnerships, Windham will continue to focus resources on the geographical areas where the majority of ex-offenders seek employment.

Opportunities

- ▶ Increased contact with employers provides a better understanding of the skills and tools needed for employability, allowing for strengthened career and technical education (CTE) staff and curriculum development.
- ▶ To expand opportunities for industry certifications in CTE courses, Windham is partnering with industries to identify and implement the most in-demand certifications possible.
- ▶ There is increased emphasis on, and use of, the Windham website to connect employers with students. Employers can now post job openings at no cost on the Windham website.

TEA

Issues

- ▶ There is a shortage of qualified and appropriately certified CTE teachers. The agency is reviewing certification-related rules to make recommendations to the State Board for Educator Certification and reviewing certification-related procedures to increase flexibility and meet district needs.
- ▶ At the secondary level, there is insufficient focus on industry licensure and certification. The TEA intends to implement steps to help establish a more consistent understanding of licensures and certifications. This should enable districts to be better able to identify meaningful licensures and certifications that follow a substantial course of study and/or end-of-program knowledge and skills; include an industry-recognized examination or series of examinations or demonstrated proficiency through documented, supervised field experience; and represent substantial knowledge and multiple skills needed for successful entry into high-skill, high-wage, high-demand occupations.
- ▶ To address the shortage of CTE offerings for students, districts will be encouraged to develop strategic partnerships with community colleges and local business in order to obtain resources necessary to teach quality CTE courses. Additionally, the agency will foster collaboration between districts to build consortia and partnerships to expand course offerings.

Opportunities

- ▶ To increase workforce outcomes over the next five years, the TEA will leverage relationships with the THECB and the TWC to support development of additional CTE-focused early college high schools (ECHS) throughout the state.
- ▶ The agency will increase CTE courses within the Texas Virtual School Network statewide course catalog to support a school district's or charter school's ability to make a wide variety of CTE courses available.
- ▶ As a member of a multi-state consortium, the TEA can provide access to curriculum, assessments, and teacher training that have been developed by consortium members. This will help provide students with relevant, challenging CTE courses in high-skill, high-wage, and high-demand career fields.

THECB

Issues

- ▶ Senate Bill (SB) 215 (83rd Legislature) limited the maximum number of semester credit hours required to complete an associate degree to the minimum number of hours required by the Southern Association of Colleges and Schools Commission on Colleges. This change requires a significant effort, either to revise programs or submit a proposal to exceed this limit, especially for applied science degree programs.
- ▶ Reauthorization of the Carl D. Perkins Career and Technical Education Act of 2006, the primary federal legislation that provides CTE funding to community and technical colleges (CTC), is under discussion. Any significant changes to these rules could have a major impact on the THECB's business, as the THECB staff currently manages 71 separate grant projects that are funded under this act.
- ▶ In response to House Bill 5 (83rd Legislature), the THECB developed a request for applications for CTE-focused ECHSs. Of 21 applications, four projects were selected for funding. Development of these projects will require significant staff time and resources.

Opportunities

- ▶ The THECB proposes aligning fields of study and programs of study for CTC CTE programs with business and industry standards, and to periodically review these alignments. New developments in CTE-specific fields of study and programs of study can shorten the time-to-degree, improve degree

completion rates, and strengthen bridges that guide students from high school to college and to the workforce. Aligning these pathways properly can attract more students to in-demand, middle-skill careers, improving employment outcomes.

- ▶ The THECB sees a series of new models designed to accelerate the path to degrees gaining increased traction. To the extent that these models transform the way that colleges function, the THECB's oversight of higher education will also be transformed. Some models include prior learning assessment, micro-credentialing and badges, and competency-based education.
- ▶ States are increasingly exploring a greater role for community colleges in baccalaureate-level education. SB 414 (83rd Legislature) mandated a study to consider further expanding community college baccalaureate degrees in Texas. The THECB asked the RAND Corporation to partner with the Texas Higher Education Policy Institute to conduct the study. The completed study was forwarded to the legislature in July 2014. If CTCs are granted additional baccalaureate-degree-granting authority, additional degree program submissions will be a significant responsibility for the THECB.

TJJD

Issues

- ▶ Closure of secure facilities has caused a reduction in the number of instructors and available programs. Vocational instruction is not considered when closure decisions are made, so particularly valuable or innovative programs can be, and have been, lost.
- ▶ In coming years, a particularly high number of TJJD instructional staff will be eligible for retirement. The TJJD continues to have difficulty recruiting qualified vocational instructors.
- ▶ The TJJD currently has insufficient workforce development assistance staff to support paroled and transition youth in all major metropolitan areas. This insufficiency leads to a significant lack of coverage in rural areas.

Opportunities

- ▶ In an effort to increase high tech education, the TJJD is currently facilitating cooperation between the education and IT divisions to create secure, technology-rich environments for delivering instruction.
- ▶ The agency is developing partnerships with Texas State Technical College to allow provision of dual credit in specific CTE courses.
- ▶ The TJJD is partnering with the TEA to develop career academies, which give post-high school students an opportunity to earn industry certifications.

TVC

Issues

- ▶ Hiring authorities can sometimes find it difficult to navigate the plethora of available hiring resources for veterans.
- ▶ High numbers of veterans separating from the military and coming to Texas, combined with the number of veterans already seeking work in Texas, demonstrate the need for increased employment opportunities for veterans.
- ▶ Employment for women veterans is lagging in comparison to employment for male veterans.

Opportunities

- ▶ Increased rapport and confidence between veterans employment representatives and employers through the representatives' provision of quality hires and continual collection of feedback helps the TVC perform its mission more effectively.

- ▶ Expansion of outreach programs assists employers, especially state agencies, in matching the skill sets of veterans to needs in the civilian workforce.
- ▶ Programs that provide links between veterans and employers at every level, and that help employers understand how veterans contribute to the economy and society overall, help to increase employment opportunities for veterans.

TWC

Issues

- ▶ As the number of returning veterans increases, Texas must prepare to translate training and experience obtained by veterans into credentials that demonstrate a skilled workforce.
- ▶ The Department of Labor's Veterans' Employment and Training Services issued guidance regarding services provided by staff. Implementation will require significant coordination between the TWC and the TVC to ensure that veterans receive needed employment services.
- ▶ Career pathway models are not widely adopted nor well understood by people in the adult education and literacy field. The TWC will provide technical assistance and support related to implementation models and will monitor career pathway implementation.
- ▶ Texas employers often struggle to find workers that meet the skill requirements of current and emerging jobs. The TWC will support the development of career pathway programs that are in demand by Texas employers.
- ▶ Community colleges and other higher education institutions have limited experience integrating the English language learner population into career pathways. The TWC will work with the THECB and community colleges to implement best practice models and recommended curriculum enhancements.
- ▶ Job opportunities are out of sync with occupational titles, as the federal Standard Occupation Classification (SOC) job titles are a poor barometer of employer skill needs. To overcome this challenge, the TWC created the Detailed Work Activities Common Language project. One objective is to define not just the federal occupation titles but any actual job description in terms of required skills. Using the tools being developed, the TWC is working to better facilitate individual and regional labor market skill development and create efficiencies in the labor market exchange process.
- ▶ The lack of connections between educational programs and labor market demand invalidates traditional relationships between formal educational programs classified by the Classification of Instructional Programs (CIP) and employer skill requirements. The heart of most systems is the ability to connect occupational demand to specific education and training. The crosswalk tool provided by the U.S. Departments of Education and Labor is a SOC-to-CIP relationship table. This tool is quite helpful for specific technical programs where there is a direct relationship between an occupation, such as registered nurse, and educational program, such as nursing. However, for the majority of higher education programs there are inexact connections between occupations and programs. As the labor market becomes more skill-centric, these crosswalks generate imprecise relationships between the occupations and educational programs. To overcome this issue, the TWC is working with the Texas State Technical College to create alignment tools at the skill-to-competency, detailed work activity-level to ensure that program offerings match labor market skill and knowledge demands.
- ▶ Industry certifications are becoming a more important type of credential to Texas business, especially in the disciplines of IT and healthcare. However, there is no centralized database or repository tracking the number of persons receiving an industry certification that is acquired outside of the formal Texas college system. This lack of tracking makes it impossible to assess the degree to which there are imbalances in the supply of various credentials. To overcome this challenge, the TWC has purchased a database from a proprietary vendor that shows the industry certifications that are generally associated with each SOC occupation. However, this catalog of potential certifications by occupation does not provide information on how many certifications were issued; thus, it is not useful in supply-side calculations. There are currently no other strategies in place.

Opportunities

- ▶ To raise awareness of the College Credit for Heroes project, the TWC can increase outreach to veterans, higher education institutions, and service providers.
- ▶ To better connect employers and veterans, the TWC can continue to develop and identify resources that will assist veterans' ability to effectively articulate their military training and experience for potential employers.
- ▶ The English language learner population represents one of the fastest growing groups in Texas and the largest segment of adult education and literacy students. Career pathway implementation will help the state continue to attract new businesses and will support the economic health of Texas.
- ▶ Career pathway implementation will support the workforce development system's ability to provide Texas employers with skilled workers.

CONCLUDING COMMENTS

This report is the fifth evaluation for the six-year strategic plan, *Advancing Texas*. This year, progress was made in many areas reflecting the efforts of system partners, the Council, and its System Integration Technical Advisory Committee (SITAC). SITAC plays a vital leadership role as partner representatives work individually and collaboratively on ongoing projects and new initiatives.

Each year, the Council and SITAC work with system partners to address critical issues identified in the system strategic plan and to identify issues that may require action in the coming year. These include issues that directly relate to the report's scope as outlined in the **Introduction**. Two such issues were identified this year, addressing adult education and literacy programs, and system strategic plan implementation and reporting.

Adult Education and Literacy Services

This year, changes were implemented that significantly affect the delivery of adult education and literacy services in Texas. These include the transfer of adult education from the Texas Education Agency (TEA) to the Texas Workforce Commission (TWC) and the implementation of the Texas Success Initiative Assessment (TSIA).

Program Transfer and Redirection

Senate Bill (SB) 307 (83rd Legislature) mandated transfer of adult education from the TEA to the TWC. The program was transitioned on September 1, 2013. In 2014, program rules were finalized and over \$60 million in state and federal funds were awarded to a network of 35 education, workforce, and nonprofit entities to deliver enhanced adult education services statewide. As noted earlier in this report, the TWC's initial request for proposals (April 2014) incorporated key elements of the pilot model developed in response to one *Advancing Texas* action plan by requiring service providers to implement career pathways programs.

The adult education program funded by the TWC provides English language, math, reading, and writing instruction to help students acquire the skills needed to succeed in the workforce, earn a high school equivalency, or enter college or career training. Rules adopted by the commission on February 4, 2014, positioned the agency to reestablish and prioritize services around current and future education demands and workforce development needs in order to implement the intent and objectives outlined in SB 307, as well as federal guidance, direction provided by the commission, and stakeholder input.

As stated in the rule¹⁸ preamble and the TWC's request for proposals, the commission's goal is to incrementally increase the proportion of students who exit workforce services ready for work, or who are enrolled or co-enrolled in college and career training. This model is expected to provide opportunities for literacy and basic educational development and to ensure these services link students at all academic and English levels with employment, training, and college opportunities.

During the rule comment period, concerns were raised that the approach might have unintended consequences (e.g., serving higher-functioning students to the detriment of lower-functioning students, becoming less accessible to immigrants and individuals who are not legal citizens). However, as the TWC indicated, there are strategies in place and in development, often using interagency collaborations, which should allow the program to develop increased employment and workforce training outcomes over time, while serving more students regardless of functional level. One example cited was the Texas Higher Education Coordinating Board's (THECB) Accelerate TEXAS initiative that provides students with lower skills or limited English with access to career and technical training.

¹⁸ Texas Administrative Code, Title 40, Part 20, Chapter 805—Adult Education and Literacy.

Texas Success Initiative Assessment

House Bill 1244 (82nd Legislature), mandated adjustments be made to the Texas Success Initiative to improve the academic preparedness of students enrolling in higher education. The THECB was authorized to prescribe a single standard for assessment of college readiness and set a single threshold for enrollment across Texas public institutions of higher education, effective with the 2013–2014 academic year.

With implementation beginning last fall, the new TSIA aligns with developmental education reform efforts. The assessment produces a diagnostic profile designed to help determine if an individual is academically ready for college-level course work or if the individual requires developmental education or additional remediation. The TSIA Adult Basic Education (ABE) Diagnostic distinguishes between:¹⁹

- ▶ students whose skill levels are within secondary school ranges, i.e., developmental education students assessed at National Reporting System (NRS) levels 5-6; and
- ▶ students whose skill levels fall below high school, i.e., students scoring at NRS levels 1 through 4.

As noted in the **Adult Education and Literacy** section, Council staff participated with the THECB and the TWC in a series of collaborative meetings to support development of the TSI implementation plan. The *TSI Operational Plan for Serving Lower Skilled Learners*, adopted by the THECB on April 24, 2014, focuses solely on the role of community colleges, as the institutions that have the highest percentage and number of students testing at or below developmental education levels. It includes 10 recommendations for more effectively serving students assessed at NRS levels 1 through 4 on the TSIA ABE Diagnostic.

One recommendation calls for advising and referring students assessed in levels 1 and 2 in all three content areas—reading, writing, and math. Options include continuing education on campus or an appropriate agency/organization (e.g., the TWC, the Department of Assistive and Rehabilitative Services, community-based organizations). The plan notes that, outside of the English language learner population, the disabled and learning disabled are two of the largest groups testing at these levels, and would be better served through evaluation or vocational rehabilitation offered outside the college or through continuing education.

Another recommendation addresses the development of a statewide referral system. In collaboration with partner agencies, the THECB would review and build on existing resources and determine the need to establish a statewide online resource and referral system for use by institutions of higher education, adult education providers, and other appropriate organizations to optimize the services provided to those assessed in NRS levels 1 and 2.

Implications and Related Issues

The state's adult education and literacy system has long been considered to be underfunded, and often operates at capacity. The new TSI requirements, accompanied by a more directed focus on individuals assessed at higher levels, may result in a service gap for individuals at lower literacy levels or who desire to access adult education for personal or family literacy purposes.

Both the THECB and the TWC included related funding items in their legislative appropriations requests for the upcoming session, including these exceptional items:

- ▶ One THECB request called for restoration of developmental education funding to the original fiscal years (FY) 2012–13 level of \$2.4 million. This funding would allow the THECB to address the goals

¹⁹ Developmental education includes courses/interventions that address students who are assessed by the Developmental Education Diagnostic or who are assessed at levels 5 through 6 on the TSIA ABE Diagnostic. Basic Academic Skills Education (BASE) refers to the newly developed non-course competency-based options that address students with a high school diploma who assess within levels 3 through 4 on the TSIA ABE Diagnostic.

and objectives outlined in the *2012–2017 Statewide Developmental Education Plan*, including the changes that have occurred as the result of the new TSIA and the operational plan.²⁰

- ▶ The TWC requested \$20 million for FY 2016–17 to enable Accelerate TEXAS to serve 5,600 students. The TWC, through the program, will work with employers to identify high-demand occupations in different regions of the state and will partner with colleges and technical schools to provide credentials that reflect occupational demand in the oil and gas, petrochemical, construction, advanced manufacturing, healthcare, and other industries. The TWC will coordinate with the THECB and other key stakeholders in the issuance of grants.²¹

Due to the large number of eligible Texans seeking enrollment in adult education programs, wait lists are common with providers.²² If the TSIA results in additional individuals being directed to these providers, the state's adult education system will need to find additional capacity through additional funding, lower costs, and/or delivery efficiencies, to meet the needs of a larger population in need of services.

Several related, or compounding, issues were noted in the operational plan, including:

- ▶ The THECB does not have complete data on the numbers, nature, or location of the lower-skilled student population at community colleges. Prior to the TSIA launch, the College Board—the contractor responsible for developing the TSIA—estimated that between four and 40% of test takers might be diagnosed as ABE students. Sufficient data for a formal validity study will not be available until after fall 2014; the study is expected to be completed by the College Board by March 2015.
- ▶ Students who have not completed a high school credential are ineligible for federal financial aid (e.g., Pell grant, loans, work-study). However, they are included in the population prioritized by federally funded adult education programs.
- ▶ Public community colleges have legislative mandates requiring the provision of adult literacy and other basic skills programs for adults.²³ While there are currently programs available at some community college campuses designed to address this need, such programs are not found on all campuses.
- ▶ Additional funding for support services (e.g., day care, tuition assistance) would also be beneficial. Many students cannot afford the amount of time and money necessary to achieve a high school diploma or GED, much less a postsecondary credential.

The availability of a well-educated and skilled workforce is essential for competing in today's global economy. Adult education, combined with skills training required by employers, is a strategy for meeting this need. The Council will continue to monitor system partners' efforts to increase access to, referral between, and outcomes of adult education in Texas.

System Strategic Plan Implementation and Reporting

As noted in the **Introduction**, state statutes require that the Council evaluate five elements in the workforce system, including (1) system strategic plan implementation and (2) Formal and Less Formal performance measures. Statute requires that the report include program-level data, which creates challenges related to the submission and presentation of aggregate versus unduplicated data. It is essential that comparable data sets be reported by agencies, per approved definitions and methodologies, for longitudinal tracking and analysis.

²⁰ THECB, *Legislative Appropriations Request for Fiscal Years 2016 and 2017* (June 28, 2014).

²¹ TWC, *Legislative Appropriations Request for Fiscal Years 2016 and 2017* (August 18, 2014).

²² Texas Workforce Investment Council, *Results of the 2012 Research and Survey of Adult Education Providers in Texas* (June 2012).

²³ Texas Education Code, Section 130.003(e)(8).

Under both the previous system strategic plan—*Destination 2010*—and *Advancing Texas*, the Council worked with agencies and the Legislative Budget Board (LBB) to establish measures definitions that, where possible, align with existing federal common definitions, as well as LBB performance measures. In addition, established protocols (e.g., LBB ‘5% Variance’) and standard rounding conventions are used.

The Council and partner agencies have worked to identify and implement process improvements for all work phases associated with preparation of the annual evaluation report. For example, the submission of agency action plan information and performance data is facilitated through the use of customized requests and reporting forms.

When agencies have identified the need to revise prior-year data, the Council publishes the data in a report addendum and uses the revised figures in applicable calculations. Similarly, if a measure methodology is modified (e.g., legislation, data source availability), revised prior-year data are requested and treated in the same manner.

However, reporting is greatly facilitated for both parties when agencies notify the Council in a timely manner of potential changes required by federal or state legislation or by the issuance of new federal regulations or guidance. In addition, it is incumbent on partner agencies to communicate reporting requirements to appropriate staff and to ensure that data and information are submitted on a timely basis and meet agreed-to specifications.

Over the last 10 years, strides have been made with regard to plan implementation, quarterly reporting to SITAC, and annual performance reporting. However, such functions remain a more adjunct process for some partner agencies, while more fully integrated by others. Lack of full integration may be appropriate for pilot projects; however, reporting for projects being scaled or for mainstream programs should be incorporated in the agency’s standard business practices. Over the coming year and under the new system plan, the Council will continue to work with system partners to build upon process improvements made to date in an effort to more fully systematize these processes.



FY 2015 brings the final year of implementation under *Advancing Texas*, concurrent with development of the new strategic plan for the Texas workforce system. The *2012 Update to Advancing Texas*, signed by the Governor in May 2012, will continue to serve as the foundation of system partner actions and to guide implementation of *Advancing Texas*.

DATA ADDENDUM TO EVALUATION 2013

This year, four agencies identified the need to submit corrected data for prior reporting cycle(s): the Texas Education Agency (TEA), the Texas Higher Education Coordinating Board (THECB), the Texas Veterans Commission (TVC), and the Texas Workforce Commission (TWC). Percentage point differences published in the **Report Card Series** for Change 2013–2014 and Cumulative 2009–2014, as well as all report narrative, reflect the revised data submitted by the agencies.

Texas Education Agency Revised Data

Due to a methodology revision, the TEA submitted revised data for the supplemental Windham Completing Level Enrolled measure. A full data set was not available for 2010. Revised data for the 2009, 2011, 2012, and 2013 reporting cycles:

Evaluation Cycle	Number Completing	Rate
2009	15,756	60.69%
2010	<i>Not available</i>	<i>Not available</i>
2011	14,973	60.46%
2012	13,222	61.66%
2013	13,460	62.80%

Texas Higher Education Coordinating Board Agency Revised Data

This year, the THECB submitted revised Less Formal measure data for 2013, noting a delay in final data certification. Revised 2013 data:

Program	Number Graduating	Number Employed	Rate
Vocational ESL	199	124	62.31%

Texas Veterans Commission Revised Data

The TVC reported that revisions were due to data updates following further data entry by local boards, clarifications in federal/state reporting specifications, or improvements in coding. The TWC provides data to the TVC for review and verification.

Revised Formal measure data for the 2013 reporting cycle:

Program	Number Employed	Rate	Retained Employment	Rate	Number Served
Veterans E&T	32,694	67.83%	32,722	84.52%	58,621

Texas Workforce Commission Revised Data

With the exception of Adult Education, the TWC reported that revisions were due to data updates following further data entry by local boards, clarifications in federal/state reporting specifications, or improvements in coding.

As required by Senate Bill 307 (83rd Legislature), administrative responsibility for adult education and literacy programs transferred from the TEA to the TWC. The program was transitioned on September 1, 2013, and the Formal and supplemental measures for Adult Education were transferred to the TWC for reporting. Methodologies were updated to reflect the administrative change as well as the revisions to the federal National Reporting System for Adult Education reporting requirements, as applicable. Prior to 2014, Customers Served data were reported for all students. Effective 2014, students must have 12 hours of contact hours and a baseline assessment to be included. To ensure comparability across the *Advancing Texas* plan period, the TWC submitted revised data for the four Formal measures for 2009 (baseline year) through 2013.

Revised Formal measures data for the 2009 reporting cycle:

Program	Education Achieved	Rate	Number Employed	Rate	Retained Employment	Rate	Number Served
Adult Education	7,426	62.96%	5,712	46.62%	22,111	60.39%	91,473

Revised Formal measures data for the 2010 reporting cycle:

Program	Education Achieved	Rate	Number Employed	Rate	Retained Employment	Rate	Number Served
Adult Education	7,308	65.23%	4,876	38.81%	19,129	56.20%	93,975

Revised Formal measures data for the 2011 reporting cycle:

Program	Education Achieved	Rate	Number Employed	Rate	Retained Employment	Rate	Number Served
Adult Education	7,613	69.54%	5,968	38.32%	18,227	52.98%	92,899

Revised Formal measures data for the 2012 reporting cycle:

Program	Education Achieved	Rate	Number Employed	Rate	Retained Employment	Rate	Number Served
Adult Education	7,534	73.07%	7,041	38.80%	19,410	52.59%	87,770

Revised data for ABE – Adults Completing Level Enrolled for the 2009–2013 reporting cycles:

Evaluation Cycle	Number Served	Rate
2009	47,835	52.29%
2010	50,500	53.74%
2011	56,167	60.46%
2012	53,409	60.85%
2013	55,118	64.55%

Revised Formal measures data for the 2013 reporting cycle:

Program	Education Achieved	Rate	Number Employed	Rate	Retained Employment	Rate	Number Served
Adult Education	7,092	74.40%	6,591	40.45%	20,060	52.85%	85,389
Adults WIA I	3,053	91.76%	8,804	77.71%	6,344	83.28%	29,950
Dislocated WIA I	2,733	93.79%	5,002	83.01%	5,225	89.29%	10,026
Employment Services	-	-	848,252	70.08%	805,844	82.85%	1,418,427
SCSEP	-	-	52	41.94%	-	-	1,158
Self-Sufficiency	-	-	-	-	-	-	126
Skills Development	-	-	-	-	-	-	20,512
SNAP E&T	-	-	25,855	81.58%	16,173	88.15%	49,039
TANF Choices	-	-	27,714	83.13%	17,785	78.50%	50,024
Trade Adjustment	-	-	1,318	74.09%	1,725	91.17%	2,985
Youth WIA I	2,512	61.03%	3,990	69.39%	2,569	74.23%	10,072

Revised data for Employer Customers Served for the 2013 reporting cycle:

Evaluation Cycle	Number Served
2013	84,869

Revised Formal – Unduplicated data for the 2013 reporting cycle:²⁴

Evaluation Cycle	Education Achieved	Rate	Number Employed	Rate	Retained Employment	Rate	Number Served
2013	9,285	77.90%	859,913	70.10%	839,716	83.23%	1,558,515

²⁴ As noted in the **Report Card Series** section, the series is a useful tool to present overall system performance, but the data presented should be taken in context. The System report card contains aggregate data for all agencies' applicable programs by measure as noted on the Formal measure report cards. Due to known duplicates that cannot be removed from program-level data, adjustments are calculated annually at the System level, with unduplicated data footnoted as applicable. The data are not used to calculate or publish change rates.

Texas Workforce Investment Council

System Partners

*Economic Development and Tourism
Texas Department of Criminal Justice
Texas Education Agency
Texas Health and Human Services Commission*

*Texas Higher Education Coordinating Board
Texas Juvenile Justice Department
Texas Veterans Commission
Texas Workforce Commission*

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Thomas Halbouty, Pioneer Natural Resources
Matthew Maxfield, Seton Medical Center Harker Heights
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Larry Jeffus, Educational Consultant and Author
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Kyle Janek, Texas Health and Human Services
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Robert Cross, Houston Area Plumbing JAC
Richard Hatfield, Airline Pilots Association (Retired)
Robert Hawkins, United Association of Plumbers and
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Paul Jones, Texas Carpenters and Millwrights
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