

## RURAL CAPITAL AREA BOARD OVERSIGHT CAPACITY RATINGS

**The Texas Workforce Commission's annual evaluation of each Board's oversight capacity. Boards are assigned a rating of Meets Standards or Below Standards for each of the following six categories.**

### **(1) Develop, maintain, and upgrade comprehensive fiscal management systems**

Below

- Does the Board have fiscal management systems in place that include appropriate fiscal controls?
- \* Does the Board, during its regularly scheduled meetings, include a quarterly review of the financial status of the Board and its service provider, for all funding sources it administers?
- Have single audits been free of Material Weaknesses?

### **(2) Hire, train, and retain qualified staff to carry out the Board's oversight activities**

Meets

- Has the Board been certified?
- \* Has the Board hired or retained qualified staff (Executive Director, Chief Financial Officer, Program Director, Contract Management Staff, Monitoring staff) to oversee contractor?

### **(3) Select and oversee local contractors to improve the delivery of workforce services**

Below

- Does the Board have an effective formal procurement process, and has the Board been following this process?
- Does the Board have a certified monitoring function in place to oversee contractor?
- The Board has no disallowed costs exceeding 1% of allocation (non-self-reported).
- The Board has no disallowed costs exceeding 1% which resulted in repaying funds.

### **(4) Oversee and improve the operations of Workforce Solutions Offices in the Board's service area**

Meets

- Does the Board have certified Workforce Solutions Office(s)?
- \* Can the Board provide documentation demonstrating that it has policies in place to address service improvement, such as the initiation of performance improvement or service improvement plans when performance issues are identified with the local contractor?
- \* Has the Board applied its service improvement policy when necessary?

### **(5) Manage the contractors' performance across multiple Board programs**

Meets

- Did the Board meet target on at least 80% of its contracted performance measures?
- Is the Board within 35% of target on all contracted performance measures?
- \* Does the Board hold performance oversight meetings, do performance reviews, or during its regularly scheduled meetings include a review of its status on contracted performance measures at least 4 times throughout the year?

### **(6) Identify and resolve long-standing or severe Board oversight problems and workforce service provider performance issues**

Below

- The Board did not miss target on the same performance measure two years in a row.
- The Board does not have any unresolved material weaknesses discovered through a single audit.
- The Board has not been placed on an Intent to Sanction or a Sanction.

## COMMUNITY IMPACT STATEMENT

**A written statement from each Board summarizing their impact on and relationship with the local community and economy. Specify how the Board's efforts demonstrate and contribute to an effective workforce system by engaging employers, helping workers find jobs, and ensuring good fiscal stewardship.**

Industry: Over the ten years ending in 2017, employment in all industries within the 9-County Area added 82,507 jobs. After adjusting for national growth and industry mix share, the part of this employment change due to local competitiveness was a gain of 75,115 jobs—meaning this industry was more competitive than its national counterpart during this period. In 2017, there were 20,597 establishments an increase from 14,812 establishments from ten years earlier—2007.

The largest industry sector is Retail Trade, employing 48,694 workers. The next-largest sectors in the region are Educational Services (38,458 workers) and Accommodation and Food Services (37,103). High location quotients (LQs) indicate sectors in which a region has high concentrations of employment compared to the national average. The industry sectors with the largest LQs in the region are Construction (LQ = 1.72), Mining, Quarrying, and Oil and Gas Extraction (1.70), and Agriculture, Forestry, Fishing and Hunting (1.65). Industry sectors in the 9-County Area with the highest average wages per worker are Management of Companies and Enterprises (\$152,069), Wholesale Trade (\$95,587), and Manufacturing (\$89,046). Regional industry sectors with the best job growth (or most moderate job losses) over the last 5 years are Construction (+9,777 jobs), Health Care and Social Assistance (+8,679), and Accommodation and Food Services (+8,190).

Overview: The population in the 9-County Area was 911,228. The region has a civilian labor force of 463,626 with a employment participation rate of 65.7%. Of individuals 25 to 64, 34.0% have a bachelor's degree or higher which compares with 31.8% in the nation. The median household income is \$66,712 and the median house value is \$189,456. As of 2018Q3, total employment for the 9-County Area was 345,577 (based on a four-quarter moving average). Over the year ending 2018Q3, employment increased 3.4% in the region.

The seasonally adjusted unemployment rate was 3.0% as of October 2018. The regional unemployment rate was lower than the national rate of 3.9%. One year earlier, in October 2017, the unemployment rate in the 9-County Area was 3.1%. The average worker in the 9-County Area earned annual wages of \$47,492 as of 2018Q3. Average annual wages per worker increased 4.3% in the region over the preceding four quarters. For comparison purposes, annual average wages were \$55,994 in the nation as of 2018Q3. Over the next 5 years, employment is projected to expand by 47,928 jobs.

The fastest growing sector in the region is expected to be Health Care and Social Assistance with a +3.6% year-over-year rate of growth. The strongest forecast by number of jobs over this period is expected for Health Care and Social Assistance (+6,936 jobs), Retail Trade (+6,066), and Accommodation and Food Services (+5,362). The largest major occupation group in the 9-County Area is Office and Administrative Support Occupations, employing 49,551 workers. The next-largest occupation groups in the region are Sales and Related Occupations (42,760 workers) and Food Preparation and Serving Related Occupations (36,170). High location quotients (LQs) indicate occupation groups in which a region has high concentrations of employment compared to the national average. The major groups with the largest LQs in the region are Construction and Extraction Occupations (LQ = 1.57), Education, Training, and Library Occupations (1.33), and Food Preparation and Serving Related Occupations (1.22).

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Occupation groups in the 9-County Area with the highest average wages per worker are Management Occupations (\$108,100), Legal Occupations (\$87,700), and Architecture and Engineering Occupations (\$82,900). The unemployment rate in the region varied among the major groups from 1.1% among Legal Occupations to 5.4% among Food Preparation and Serving Related Occupations. Over the next 5 years, the fastest growing occupation group in the 9-County Area is expected to be Healthcare Support Occupations with a +3.8% year-over-year rate of growth. The strongest forecast by number of jobs over this period is expected for Office and Administrative Support Occupations (+5,382 jobs) and Food Preparation and Serving Related Occupations (+5,350). Over the same period, the highest separation demand (occupation demand due to retirements and workers moving from one occupation to another) is expected in Food Preparation and Serving Related Occupations (35,137 jobs) and Sales and Related Occupations (32,425).

Services: The Board, through our center management contractor, provides a continuum of employment, training, adult education, vocational rehabilitation, and veterans services to help individuals improve their workplace skills, obtain employment, succeed in the workplace, and to help employers secure a skilled workforce. Services may include: Occupation-specific training (including, but not limited to—vocational certification, apprenticeships and formal higher education opportunities); literacy; GED, and adult basic education; English as a Second Language (ESL) classes; job readiness and job search and job placement assistance; and related instruction, coaching, or counseling leading to employment and earnings gain. For employers: Grant application assistance to train their workforce; recruiting and hiring resources; apprenticeships and on-the-job training; preventing and managing layoffs; and labor market information.

Challenges:

- The incarcerated and the formally incarcerated: Providing employment services for individuals with a criminal record is very challenging. They face significant barriers to employment primarily from background checks that identify their past record and the laws that bar them from employment in many industries and occupations.
- Disconnected Youth: 16 to 24-year-olds who are disconnected from school and/or work are very difficult to find! Those that are not reengaged with the workforce system miss out on educational and employment experiences and are at an increased risk for negative outcomes including long-term unemployment, poverty, and involvement with the criminal justice system.
- Non-English Speaking or Speak English less than "very well" Foreign Born Residents: Unemployment is not the challenge but they have limited access to education and training which limits their opportunity to advance to higher-Community Partners:
- Community Action Inc: Provide federally funded adult education (WIOA Title II)—GED, ESL, and Job Training
- Literacy Coalition of Williamson County: Provide high quality (often voluntary) literacy services including adult basic education, family literacy, workplace literacy, health literacy, and literacy for speakers of other languages.

- ✓ = Meets Standards
- X = Below Standards
- \* = Board Attestation