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TRANSCRIPT OF PROCEEDINGS
BEFORE THE
TEXAS WORKFORCE COMMISSION
AUSTIN, TEXAS

PUBLIC MEETING)
FOR THE TEXAS)
WORKFORCE COMMISSION)

COMMISSION MEETING
TUESDAY, JUNE 25, 2019

BE IT REMEMBERED THAT at 9:00 a.m. on
Tuesday, the 25th day of June, 2019, the above-entitled
matter came on for hearing at the Texas Workforce
Commission, TWC Building, 101 East 15th Street, Room 244,
Austin, Texas, before RUTH R. HUGHS, Chair and JULIAN
ALVAREZ, Commissioner.

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P R O C E E D I N G S

TUESDAY, JUNE 25, 2019

(9:00 a.m.)

AGENDA ITEM NO. 1

CHAIR HUGHS: Good morning. This meeting is called to order.

AGENDA ITEM NO. 2

CHAIR HUGHS: Mr. Trobman, has anyone signed up for public comment?

MR. TROBMAN: There's not.

CHAIR HUGHS: All right, thank you.

AGENDA ITEM NO. 3

Discussion, Consideration and Possible Action Regarding Whether to Assume Continuing Jurisdiction on Unemployment Compensation Cases, Wage Claim Cases, and/or Tax Liability Cases and Reconsideration of Unemployment Compensation Cases, Wage Claim Cases, and/or Tax Liability Cases, if Any.

No Discussion.

AGENDA ITEM NO. 4

Discussion, Consideration and Possible Action Regarding Tax Liability Cases Listed on the Texas Workforce Commission Docket.

No cases were heard.

AGENDA ITEM NO. 5

1 Discussion, Consideration and Possible Action
2 Regarding Fair Housing Cases listed on the Texas Workforce
3 Commission Docket.

4 No cases were heard.

5 AGENDA ITEM NO. 6

6 Discussion, Consideration and Possible Action
7 Regarding Higher Level Appeals in Wage Claim Cases Listed on
8 the Texas Workforce Commission Docket 26.

9 The Commission considered and took action on
10 all wage claim cases listed on Docket 26.

11 AGENDA ITEM NO. 7

12 Discussion, Consideration and Possible Action
13 Regarding Higher Level Appeals in Unemployment Compensation
14 Cases Listed on the Texas Workforce Commission Docket 26.

15 The Commission considered and took action on
16 all unemployment compensation cases listed on Docket 26.

17 AGENDA ITEM NO. 8

18 CHAIR HUGHS: Discussion, Consideration and
19 Possible Action Regarding an Order to Adopt Revised Program
20 Year 2018 and Fiscal Year 2019 Funding Allocations to Local
21 Workforce Development Areas for the Workforce Innovation and
22 Opportunity Act (WIOA) Adult and Youth Programs. Good
23 morning.

24

25 MR. TOWNSEND: Good morning, Chair Hughs,

1 Commissioner Alvarez. For the record, Randy Townsend, Chief
2 Financial Officer.

3 Recently the Workforce Commission was
4 notified, as other states were as well, that there were
5 some, what's called, restoration of Department of Labor
6 funds for WIOA, particularly adult and youth. So we have
7 taken a look at that, what that requires us to do in terms
8 of ensuring that the allocations are made at 85 percent of
9 the state's allotment for the -- particularly for the WIOA
10 Adult and WIOA Youth.

11 And so, in your notebook this morning, we've
12 run those allocations with those new amounts. In total
13 we're adding 154,956 to the total allocations for the adult
14 portion and we are adding 197,467 to the youth. And that
15 has been -- allocations have been run based on the formulas
16 for both of those programs and that has been -- will be
17 shared with each of the board areas once this is approved.

18 And so, with that, I'll see if you have any
19 questions or comments this morning regarding these two
20 allocation amounts.

21 COMM. ALVAREZ: No questions, Madam Chair.

22 CHAIR HUGHS: Thank you.

23 MR. TOWNSEND: Okay. And if you'll --

24 CHAIR HUGHS: Are you ready for us to proceed
25 with a vote?

1 MR. TOWNSEND: Ready for -- ready for you to
2 approve that.

3 CHAIR HUGHS: Okay, great. Is there a
4 motion, then?

5 COMM. ALVAREZ: Yes, ma'am. I move that we
6 approve the proposed order revising the Block Grant
7 allocations for Fiscal Year 2019 to Title I WIOA Adult and
8 Youth as described by staff.

9 CHAIR HUGHS: And I second that motion.
10 We're unanimous.

11 AGENDA ITEM NO. 9

12 CHAIR HUGHS: That brings us to Item 9,
13 Discussion, Consideration and Possible Action Regarding the
14 Fiscal Year 2020 Initial Budget Entries for the Workforce,
15 Reporting, Accounting and Procurement System.

16 MR. TOWNSEND: Good morning again, Chair
17 Hughs and Commissioner Alvarez. Again, for the record,
18 Randy Townsend, Chief Financial Officer.

19 Presenting this 2020 Initial Budget, which is
20 also considered to be the General Appropriation Act amounts
21 that have been approved for the Workforce Commission's 2020
22 budget, we will spend some more time later this summer
23 working through any operational budget changes that might be
24 appropriate, but this morning this would -- presenting for
25 you the amounts that would be included in our accounting

1 system so that we can move forward through the summer with
2 work that's necessary to begin the state fiscal year on
3 September 1st.

4 So just by way of recap, I will highlight the
5 amounts that are included in our 2020 Initial Budget. The
6 total of the budget would be 1,934,161,456. Of that total,
7 about 84 percent of that is made up of federal funds, a
8 little over 1.6-billion. General Revenue constitutes about
9 10 percent of the total budget, about 195-million, and then
10 the other amounts are from inter-agency contract receipts or
11 General Revenue dedicated amounts for the remaining 6
12 percent of the budget.

13 Most of the General Revenue that's
14 appropriated to the agency is for General Revenue match our
15 maintenance of effort. That amount represents close to 78
16 percent of the General Revenue of the 195-million of General
17 Revenue.

18 Predominately the funding is actually,
19 there's about 69 percent that is made available through
20 grant pass-through funds. Almost 1 -- a little over 1.3-
21 billion of the 1.9. Salaries make up about 240-million of
22 the budget as proposed this morning, and 12 percent of the
23 total budget, and then client services, mostly in our Voc.
24 Rehab Program, are estimated at about 168-million, or almost
25 9 percent of the budget.

1 There is a Capital Budget section in here,
2 and I'll bring that to your attention on exhibit 4, I
3 believe, exhibit 4 for the Capital Budget, which is a total
4 capital budget for the -- for the 2020 year of 100 -- almost
5 108-million. Most of that is federally funded, 98 percent.

6 On that schedule I lay out for you, within
7 each of the Capital Budget appropriation items, the amounts
8 that are made up with our -- identified with our, what we
9 call, a track number. A particular project within that
10 Capital Budget. What you might notice on that page, I've
11 highlighted for you the Capital Budget items that were
12 approved as our exceptional item requests from this past
13 year, past session; 40-million for the UI replacement, 18.8-
14 million for the Workforce case management, and then the
15 eligible training provider, or career school database, at
16 just under 1.2-million.

17 I will note that on the repair on rows 10
18 through 18 of that page, exhibit 4, repair and rehab of
19 buildings, that was our preliminary listing of projects that
20 were identified by facilities' staff. I will tell you,
21 talking with Glenn Neal about this, I know he's going
22 through a detailed review of all our building needs, and so
23 some of this may -- the priorities may shift on this as we
24 develop the operating budget. So I did want to just give
25 you that heads-up that there could be some future

1 modifications to those amounts.

2 And I believe with that -- there's several
3 schedules included in it, so you can look at the additional
4 information I highlighted for you this morning. But this
5 will, I think, get us started for what we're needing for the
6 2020 year. And with that I'll see if you have any questions
7 or comments.

8 CHAIR HUGHS: Thank you. Commissioner
9 Alvarez?

10 COMM. ALVAREZ: No comments.

11 CHAIR HUGHS: Okay. Thank you for putting
12 this together. I know we're trying to get ahead of the end
13 of the year and that we'll have more thorough, robust
14 discussions on some of the items that we look at for future
15 approval. But I think that all this makes a lot of sense,
16 and certainly support the effort. Is there a motion?

17 COMM. ALVAREZ: Yes, ma'am. I move that we
18 allow finance to move forward with loading the Fiscal Year
19 2020 Initial Budget into the accounting system as described
20 by staff.

21 CHAIR HUGHS: And I second the motion. We're
22 unanimous. Thank you. And apologies to everyone. I'm
23 suffering from allergies this morning. So, if I look a
24 mess, it's why. Anyway, there is nothing for Items 10 and
25 11.

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AGENDA ITEM NO. 12

CHAIR HUGHS: Item 12, Discussion,
Consideration and Possible Action Regarding Approval of
Local Workforce Development Board Nominees.

MR. WESNER: Good morning Chair Hughs,
Commissioner Alvarez and Mr. Serna. For the record, Richard
Wesner, Workforce Development Division.

Before you for your consideration and
approval are Workforce Development Board Nominees for
Workforce Solutions Capital Area, Tarrant County, Lower Rio
Grande Valley, Southeast Texas, and Texoma.

CHAIR HUGHS: Thank you. Commissioner
Alvarez?

COMM. ALVAREZ: Yes, ma'am. I move that we
approve the board nominees for Capital Area, Tarrant County,
Lower Rio Grande Valley, Southeast Texas, and Texoma.

CHAIR HUGHS: And I second the motion. We
are unanimous. Thank you.

MR. WESNER: Thank you.

CHAIR HUGHS: There is -- sorry. Hang on a
second look. All right. There's nothing for Item 13.

AGENDA ITEM NO. 14

CHAIR HUGHS: Ed, do we have any updates?

MR. SERNA: Yes, ma'am. Just one quick
thing. Good morning commissioners.

1 CHAIR HUGHS: Mr. Serna.

2 MR. SERNA: That's fine, ma'am. That's fine.
3 Just want to give you a heads-up that we have a new auditor
4 for the Single Audit of Federal Programs. It's Clifton
5 Larson Allen. This is their first year auditing the program
6 here at TWC.

7 We'll have our entrance conference this
8 afternoon. That's just staff, nothing for the
9 commissioners. But I did want to give the commissioners a
10 heads-up that they would like to meet with the
11 commissioners, and we'll probably schedule separate times to
12 do that. So make sure that you're aware of that.

13 And also, I'm very pleased to report that I
14 had no resignations or retirements of directors to report
15 this week. So, with that, that's all I have.

16 COMM. ALVAREZ: Everybody's looking at Glen.

17 CHAIR HUGHS: We appreciate that.

18 Commissioner Alvarez, did you have anything else?

19 COMM. ALVAREZ: Yes. Yes, ma'am. On Agenda
20 Item 14 it's proper that I bring this up to Ed's attention.
21 As you know, during the last legislative session we heard
22 that we weren't doing enough for childcare to educated
23 providers and childcare staff, as we needed to do more than
24 just one conference.

25 I would like staff to look at, perhaps,

1 hosting a second childcare conference in another part of the
2 state. I would like for staff to bring forth a cost
3 estimate for the second childcare conference.

4 MR. SERNA: Yes, sir. We'll do that. It's a
5 good time to do that with us doing budget and everything.

6 CHAIR HUGHS: Thank you. Anything else?

7 COMM. ALVAREZ: No, ma'am.

8 AGENDA ITEM NO. 15

9 CHAIR HUGHS: Okay. Is there a motion to
10 adjourn?

11 COMM. ALVAREZ: Yes, ma'am. I move that we
12 adjourn.

13 CHAIR HUGHS: And I second the motion. We
14 are adjourned. Thank you.

15

16 (Proceedings concluded at 9:10:43 a.m.)

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C E R T I F I C A T E

STATE OF TEXAS)
COUNTY OF HARRIS)

I, Kimberly C. McCright, Certified Vendor and Notary in and for the State of Texas, do hereby certify that the above-mentioned matter occurred as hereinbefore set out.

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

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 27th day of June, 2019.

/s/ Kimberly C. McCright
Kimberly C. McCright
Certified Vendor and Notary Public

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