

TEXAS WORKFORCE COMMISSION

Local Board Governance Structure

Local Board Roles and Responsibilities:

The primary functions of a local workforce development board are planning, oversight, and evaluation over all workforce development activities in the local workforce development area. A local workforce development board may hire staff to carry out these functions, or it may procure another entity to provide them.

Under H.B. 1863, a Board's staff must be employed separately and independently of any entity that provides workforce training, services, and education unless the Board arranges for independent evaluation of any other workforce services provided by the staffing organization *and* obtains a waiver. A Board is also prohibited from directly providing workforce training, services, and education unless a waiver is obtained.

Definitions:

Local workforce boards, in partnership with local chief elected officials, shall designate a grant recipient/fiscal agent and administrative entity, which may be the same or separate entity.

- Grant Recipient/Fiscal Agent (interpreted to be one and the same) - the entity designated to receive and disburse workforce development funds under contract directly from the Texas Workforce Commission. It is responsible and accountable for the management of all workforce development funds made available to the local workforce development area. It may also procure, negotiate, and manage contracts. The grant recipient/fiscal agent may be the local workforce board, a unit of general local government in the local workforce development area, or an agency thereof, a non-profit private organization or corporation, or any other agreed upon entity.
- Administrative Entity - the entity designated to administer a local workforce plan. The administrative entity is generally responsible for the allocation of funds, performance measured against meeting the objectives of the programs, programmatic decision making, program compliance, ensuring workforce funds are spent in accordance with applicable law, and operation/management of career development centers. The administrative entity may be the local workforce board, a unit of general local government in the local workforce development area, or an agency thereof, a non-profit private organization or corporation, or any other agreed upon entity.

Note that while a local workforce board may be designated as an administrative entity, it is prohibited from directly providing workforce training and services, unless a waiver is obtained. It is also possible to designate an entity, other than the Board, as

the administrative entity. The designated administrative entity must competitively procure a provider(s) for all workforce training and services.

- Provider of Workforce Training and Services – the entity or entities selected through competitive procurement to operate and manage career development centers. Responsible for the direct provision of services which may include, but are not limited to outreach, intake, eligibility determination, counseling and case management, assessment, job search, job placement and referral to other services including occupational skills training. An entity which operates/manages a career development center is prohibited from providing developmental services, unless a waiver is obtained.

In all of the following examples, all workforce training and services must be competitively procured, unless a waiver is obtained. All procurement must be compliant with applicable federal and state laws and regulations. In accordance with existing Commission rules, workforce training and services include, among other things, determining the eligibility of participants enrolled in the local workforce development area's employment and training programs.

Sample Governance Models:

Four sample governance models are provided below. While variations may be applied to the models, the principles of a separate and independent Board staff and competitive procurement of workforce training and services must be followed.

Model A

- Board employs its own staff directly.
- Board serves as the designated grant recipient/fiscal agent and receives funds under contract directly from TWC. The Board must be accountable for the management and disbursement of all workforce development funds.
- Board serves as the designated administrative entity, but must contract out all workforce training and services to another entity, unless a waiver is obtained.

Model B

- Board employs its own staff directly.
- Board serves as the designated grant recipient/fiscal agent and receives funds under contract directly from TWC. The Board must be accountable for the management and disbursement of all workforce development funds.
- Board designates another organization as the administrative entity.

Model C

- Board designates a separate organization as both the grant recipient/fiscal agent and administrative entity.
- Staffing of the Board is provided by the organization designated grant recipient/fiscal agent and administrative entity.
- As grant recipient/fiscal agent, the organization receives funds under contract directly from TWC. It is accountable for the management and disbursement of all workforce development funds.
- As administrative entity, the organization must contract out for all workforce training and services, unless a waiver is obtained. Procurement for all workforce training and services is required because: 1) the administrative entity also provides staffing to the Board; and 2) while the designated administrative entity for JTPA may provide services under that program without competitive procurement, H.B. 1863 requires all other workforce development programs be procured.

Model D

- Board designates a separate organization as the grant recipient/fiscal agent. This organization receives funds under contract directly from TWC. It is accountable for the management and disbursement of all workforce development funds.
- The designated grant recipient/fiscal agent provides staffing to the Board.
- Board designates a third organization as the administrative entity.
- The administrative entity must contract out all workforce training and services. While the designated administrative entity for JTPA may provide services under that program without procurement, H.B. 1863 requires that all other workforce development programs be procured.