

A man and a woman in business attire are looking at a folder together. The man is on the left, wearing a dark suit, white shirt, and dark tie. The woman is on the right, wearing a dark purple blazer and glasses. They are both looking at a yellow folder held by the woman. The background is a blurred office setting.

TEXAS  
WORKFORCE SOLUTIONS

\*\*\*

# New Board Member Orientation Guide

# **NEW BOARD MEMBER ORIENTATION GUIDE**

## **Texas Workforce Commission**

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*Our Vision Statement...*

***Texans will view local workforce development boards, the Texas Workforce Commission and their partners as a quality supplier of workforce solutions.***

*Our Mission Statement...*

***To promote and support an effective workforce system that offers employers, individuals and communities the opportunity to achieve and sustain economic prosperity.***

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# Chapter 1

## The Texas Workforce Solutions

*The Texas Workforce Solutions is a consortium of the Texas Workforce Commission (TWC), local workforce development boards, Workforce Solutions Office operators and other community organizations. The Texas Workforce Solutions is a leader in the nation and continues to make great strides in workforce development compared to other states.*

*The system, strategically linked to and cooperatively engaged with local economic development efforts, provides employers and job seekers access to local workforce solutions and statewide employment and training services through local Workforce Solutions Offices located throughout Texas.*

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### **THE TEXAS WORKFORCE SOLUTIONS**

The purpose of the Texas Workforce Solutions is to provide solutions that meet the workforce needs of area employers. Job seekers receive services that upgrade their occupational skills and improve their job retention capabilities in order to fit the workforce needs of area employers. The Texas Workforce Solutions focuses on providing skilled workers for employers and integrating people into the workforce.

Overall, the system contributes to the quality of the workforce, reduces dependency on public assistance, and enhances the productivity and competitiveness of the local economy.

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**GUIDING  
PRINCIPLES  
OF THE  
WORKFORCE  
SOLUTIONS**

Guiding principles of the workforce Solutions include:

- **Economic Development:** recognizing the critical link between workforce development activities and the growth of the local economy.
- **Demand-Driven Focus:** the system is driven to meet the demands of business and industry, based on the changing requirements of the workplace. Focusing on business needs creates a stronger, interactive role for employers, community stakeholders, and workforce developers
- **One-Stop System:** streamlining the availability of services and information to the community through a One-Stop system (the Texas Workforce Solutions Offices). The keystone of the system is the Workforce Center – physical and virtual locations where all available federal, state, and local workforce services can be integrated.
- **Flexibility:** providing increased state and local flexibility to implement innovative and comprehensive workforce systems. Changes are made regularly to respond quickly in a rapidly changing economic environment.
- **Universal Access:** ensuring universal access to basic workforce services.
- **Customer Choice:** working with employers to identify their workforce needs and empowering job seekers to move rapidly into employment by choosing services that best suit their needs. Customer satisfaction is a specific indicator of success, as measured by the quality, relevance, and responsiveness of services.
- **Accountability:** increasing the accountability of the state, local boards, and contractors for appropriate use of tax dollars toward achieving successful performance outcomes. The system is based on clear, measurable indicators of success. Training providers must meet or exceed state and local board performance standards and results are made public.
- **Customized Training:** training strategies tailored to meet the individual customer’s needs. Workforce solutions tailored to meet a community’s unique needs.

**A DEMAND DRIVEN SYSTEM**

Because all workforce remediation occurs within the context of a regional economy, the system emphasizes a demand-driven model for service delivery. It also underscores the fact that, regardless of where or how preparation takes place, all job seekers must compete within a global labor market for work and wages earned.

This demand-driven model is based on a framework that is responsive to:

- the specific workforce needs of employers
- worker job preparation and retention support needs
- skill upgrading and certification requirements of the workplace
- other workforce issues that individuals, communities, and employers in each regional economy face.

A demand-driven system understands that meeting employer needs is essential to meeting the needs of job seekers. Services that address the changing needs of business and industry help increase a company's productivity and profitability. This includes layoff aversion initiatives, such as directing funds toward retraining current workers through customized training and skill upgrading. Collective efforts promote increased stability and sustainability within the local economy. This effort leads to greater worker self-sufficiency.

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**THE BUSINESS RELATIONSHIP**

Achieving an employer-driven workforce system depends on the local system's ability to establish ongoing relationships with area businesses and training institutions that foster and champion employers' needs for skilled workers and provide job seekers with access to quality education, skills training and jobs.

To build these "quality supplier/purchasing-agent" relationships, the local workforce system must understand the needs of business, work with employers to solve workforce problems, and design solutions that positively affect the employer's "bottom line." The suitability and quality of these solutions will determine whether the relationships flourish.

---

**WORKFORCE  
SERVICES**

The board can be a creative and supportive partner with local business and industry by implementing a flexible workforce system that offers services to **employers** that cover a broad spectrum of needs including:

- matching employers' job openings with qualified applicants
- working with state and local economic development entities to attract new employers
- providing economic and labor market information for a specific area, including wage and salary information that helps existing employers sustain and expand their business
- enabling rapid response to aid companies who are facing or trying to avert layoffs
- recruiting job candidates
- conducting pre-employment assessments for businesses, including new companies moving into the local workforce area
- matching local companies with educational institutions that provide specific employment certificate programs for jobs projected to be in demand in the local area's labor market
- testing and assessing the education, interests, aptitudes and skill levels of an employer's current workforce
- arranging education and skills training for new and current workers, including customized training for individual employers or industries
- assisting in developing or obtaining customized training and associated labor market data
- sponsoring business-focused seminars on topics such as tax credits and local labor market conditions
- providing information and technical assistance on federal and state rules and regulations affecting employment
- providing assistance to employers who are restructuring.

**WORKFORCE  
SERVICES**  
**--continued--**

Services to **job seekers** must complement the employers' needs by:

- matching qualified job seekers with the right employer
- providing timely outreach and registration
- offering job search, job referral and placement assistance
- conducting career counseling
- maintaining and providing up-to-date labor market information, including:
  - local, regional and national employment trends
  - job vacancies
  - skills needed for Board-targeted demand occupations
- assessing skills and needs promptly
- assuring the availability of resource rooms (e.g. Internet access, resume writing, job search assistance, etc.)
- disseminating information on available services
- conducting individual job development
- developing and providing job clubs
- creating individual employment plans
- providing short-term prevocational services including progress checks
- offering relevant occupational skills training
- combining workplace training with related instruction to foster a cooperative education
- providing skills upgrading and retraining
- offering job readiness training
- providing entrepreneurial training
- offering adult education and literacy
- providing on-the-job training (OJT)
- offering customized training.

Information on the specific federal and state programs that fund these services are in Appendix E.

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# Chapter 2

## The Workforce Board

*Central to the Texas Workforce Solutions are the local workforce development boards. Using local economic development strategies, each of the 28 workforce boards in Texas (see Appendix A) plans, oversees, and evaluates workforce service delivery in its community. A major role of the boards is strategic planning to meet the employment and training needs of local businesses and industries. The wide variety of organizations represented on each board ensures input from experts throughout the community. Through oversight and evaluation, the boards ensure that their strategic and operational plans are implemented.*

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### **ROLE OF THE BOARD**

Workforce boards assume critical leadership roles in the local workforce system. To ensure a comprehensive workforce system, your local workforce board plans, oversees, and evaluates in order to:

- build links between workforce and economic development and related activities
- convene industry-specific groups and general business organizations to identify occupational skill needs and discuss basic employment skill requirements
- form strategic alliances, negotiate relationships and broker resources
- identify training service providers and require that they meet industry standards
- ensure that training meets business and labor market needs
- designate, certify, and oversee Workforce Solutions Office operators
- create measures of customer satisfaction
- establish systems for gathering and publicizing local employment statistics

**ROLE OF  
THE BOARD**  
**--continued--**

- leverage local donations to secure state and federal matching funds
  - assess effectiveness of local workforce solutions.
- 

**PLANNING**

Planning is the *key responsibility* of a board. Each board orchestrates the design of a local plan, which it submits to TWC for approval. Once approved, the plan is forwarded to the Texas Workforce Investment Council (TWIC) for recommendation to the Governor (see Appendix B). Once approved by the Governor, the plan becomes a state-approved local plan. The plan includes both a strategic and an operational component, with federal law requiring that certain sections of the plan be modified annually. The plan must demonstrate that operations are designed to meet the skill needs of local employers and industry for competitiveness in the marketplace.

A local board must have a Governor-approved plan, a signed contract with TWC, and a completed procurement of at least one service provider to deliver services through a Workforce Solutions Office.

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**STRATEGIC  
PLANNING**

Strategic planning is your board's essential foundation for local workforce development. It is the culmination of long-term goal setting, future-oriented thinking, and sound decision making. The strategic plan establishes a path between the present and a vision for the future.

The goal of strategic planning is to develop a vision and a mission for your board, determine performance indicators for fulfilling that vision and mission, and outline the steps necessary for meeting those performance outcomes.

**STRATEGIC  
PLANNING  
--continued--****Key steps in the strategic planning process**

The following are key steps in the strategic planning process for workforce development:

- setting the local mission, goals, and objectives
- assessing the skill needs and expectations of employers and local elected officials in the workforce area
- assessing the past, present, and future development of job seekers and the workforce in the area
- analyzing regional and local labor markets and influences of state, national, and international economic factors and trends
- analyzing the influences of state and federal law as factors that affect the needs of employers and residents of the workforce area
- identifying the gaps between the skill needs and the workforce development capacity to address those needs
- developing service strategies, identifying and aligning resources
- identifying the performance indicators and measurements to gauge progress and judge success.

These steps serve to implement an employer-driven workforce system that encourages local innovation and community partnerships and supports Texans in their efforts to improve their lives.

**ATTRACTING  
AND INVOLVING  
EMPLOYERS**

Both the U.S. Congress and the Texas Legislature have mandated that employers drive the board's policy direction. It is imperative that the board includes in its planning a process for ensuring that local business and industry are an integral part of the workforce system. Texas' workforce Solutions will be successful only to the extent that it meets the workforce needs of employers. To serve job seekers successfully, the whole system must be fully responsive to employers' needs for skilled workers.

**ATTRACTING  
AND INVOLVING  
EMPLOYERS**  
**--continued--**

By law, workforce boards must be comprised of a majority (51 percent) of area private sector employers, and the board Chair must also represent the private sector. These employer-driven boards are one way to ensure input from the local business community. What are some other ways to encourage employer participation both in planning and accessing workforce services?

- Build ongoing, personal relationships (created with an entrepreneurial spirit) with employers across the local economy in order to develop the capacity and legitimacy to help businesses achieve their goals.
- Connect workforce with economic development efforts, and develop an efficient and effective process for employers to communicate their labor market needs and how those needs are changing.
- Program graduates will be more likely to succeed in the employer's workplace if employers take a more proactive role in defining training standards, and shaping training curricula and program design.
- Encourage employers to take a proactive role in defining training standards and shaping training curriculum and program design so program graduates will be more likely to succeed in the employer's workplace.
- Ensure all employers in your workforce area are made aware of and have access to the workforce-related service available in your community.
- Use the language of business, not the language of bureaucracy.
- Focus on solutions and results, not process and programs.
- Build a positive reputation in the community by operating strategically and making a commitment to ensuring quality services, building a good public image, asking employers in your area who have had a positive experience with the workforce system to spread the word, and using a continuous improvement and evaluation system for your Workforce Solutions Offices (see Appendix C).

**ATTRACTING  
AND INVOLVING  
EMPLOYERS  
--continued--**

A quality system that reliably provides employers with trained and job-ready individuals in a timely manner will generate an ever-widening circle of employers who use the system and provide better job opportunities and careers for job seekers.

The more employers use the system, the better the system becomes. This includes board members themselves who set an example by taking advantage of the services available in the workforce system. board members who use the system increase their insight into the system, which allows them to make more significant suggestions for improvement and contribute more meaningfully to planning, oversight, and evaluation.

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**TARGETING  
INDUSTRY  
CLUSTERS**

The Texas Workforce Commission believes that understanding the skills needed by industries that pay competitive wages enables the workforce system to offer relevant assessment and training to prepare workers for high-paying jobs that exist, thus making the model a win/win for both employers and workers.

To maximize workforce system resources, boards identify and focus attention on business and industry clusters in their local workforce areas that offer the best current and future employment opportunities. The key is creating a pipeline of qualified workers for existing needs that is able to adapt to the employer's future needs. Targeting and outreaching employers by industry cluster is an approach that engages employers not just on a one-on-one basis, but also by leveraging the combined resources of related business associations.

To strengthen competitiveness of key industry clusters, the Economic Development and Tourism Division in the Office of the Governor, with the assistance of the Texas Workforce Commission, is forming state and regional partnerships to foster growth and development in six target clusters including:

**TARGETING  
INDUSTRY  
CLUSTERS  
--continued--**

1. Advanced Technologies and Manufacturing
2. Aerospace and Defense
3. Biotechnology and Life Sciences
4. Information Technology and Computer Technology
5. Energy
6. Petroleum Refining and Chemical Products.

The objective of this initiative is to stimulate long-term sustained growth and focus the allocation of state resources on the key clusters that economists say will be the engine of job creation and economic development for Texas in the 21<sup>st</sup> century.

Board planning, oversight, and evaluation can shape methods to target and outreach employers by industry cluster in order to link employment and training services to the clusters and sectors of firms that drive local economic growth.

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**USING LABOR  
MARKET  
INFORMATION**

A critical component for all workforce planning is the availability and application of labor market information. Labor market information should be used during the planning process and used regularly to reassess and evaluate current labor market conditions when:

- analyzing economic factors and trends
  - conducting needs analyses
  - designing service delivery strategies.
- 

**BUILDING  
STRATEGIC  
PARTNERSHIPS**

To ensure a workforce that meets local needs and encourages the creation of new employment and training opportunities, boards work in partnership with:

- the chief elected officials in the local workforce area, primarily county judges and mayors of large cities or towns in the area
- the business community.

**BUILDING  
STRATEGIC  
PARTNERSHIPS**  
**--continued--**

- industry organizations
- economic development organizations
- local labor organizations
- schools and postsecondary institutions
- community-based and faith-based organizations.

A partnership strategy encourages separate workforce-related entities to coordinate their efforts, directs public attention to immediate and upcoming problems, and encourages innovation in program design. This community-wide plan must necessarily involve the input and cooperation of many local players, including local officials, business and community leaders, and the general public.

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**ALIGNING  
RESOURCES**

Boards must plan a broad strategy that best allocates resources from many sources. Effective planning for the alignment and allocation of local resources is a critical board activity. This means the board must:

- be able to communicate the board's vision -- the board's ability to be effective depends on its reputation as a voice for employers and its standing in the community as a knowledgeable, impartial, and effective body.
  - become comfortable acting in the political arena much as any other public agency or board; the knowledge and influence of the board's members are its greatest asset.
  - pay considerable attention to communications, public relations, and advocacy for its agenda among local business and community leaders and the general public.
  - create a strong, positive public image that encourages participation among employers and community organizations.
-

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**OPERATIONAL  
PLANNING**

Based on the strategic plan, the board makes decisions that impact and shape operations.

The operational plan is a blueprint that should focus on how best to use area resources and deliver services.

TWC's planning guidelines identify key steps in the operational planning process for workforce development.

To complete the operational plan, your local board must analyze and provide a description of how the following are addressed:

- local governance and management structure
- operational goals and objectives
- performance expectations
- local service delivery system
  - employer services and activities
  - method of providing employer services
  - job seeker services and activities
  - method of providing job seeker services
- oversight of Texas Workforce Solutions Offices (see Appendix C) budget.

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**STRATEGIC VERSUS  
OPERATIONAL  
RESPONSIBILITIES**

As you can see, boards are responsible for strategic and operational planning, oversight, and evaluation. Each requires a different approach, but each is equally important to designing and maintaining a quality workforce development system in the local workforce area.

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**OVERSIGHT**

Another *key responsibility* of the board is oversight. Once the board's plan is approved, it is time for the board to move into the oversight role. To ensure efficient management of the system, board members must clearly communicate expectations to board staff, who are there to implement the plan as the board exercises its oversight responsibility.

**OVERSIGHT**  
**--continued--**

Oversight begins with asking critical questions that determine whether the Board is an effective steward of the system and the tax dollars it manages on behalf of its constituents.

Board members must regularly evaluate the board's and its contractors' expenditures and progress toward meeting performance goals. The board directs board staff to develop a process to ensure performance goals are achieved, and staff performance is evaluated on the outcome. Oversight must be an ongoing, continuous process.

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**TWC EVALUATION OF  
BOARD OVERSIGHT  
CAPACITY**

In addition, state law directs the Texas Workforce Commission to evaluate your board's capacity to oversee and manage local funds and the delivery of workforce services. The Commission evaluates each board's performance and its compliance with:

- applicable laws and regulations
  - provisions of contracts and board plans
  - official directives.
- 

**ACCOUNTABILITY**

Board and board staff are responsible and accountable for:

- meeting board-specific and statewide performance standards
  - monitoring contractors and subcontractors (see Appendix D)
  - meeting any additional benchmarks set for your workforce area
  - ensuring high quality service delivery in the Workforce Solutions Offices (see Appendix C).
-

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**PERFORMANCE  
STANDARDS**

TWC annually allocates funds to workforce areas and assigns related performance targets. Boards receive allocated funds to provide workforce training and services. However, with those funds come the responsibility to meet performance standards. The standards vary depending upon the services provided and their funding source. Some standards are set biennially by the Texas Legislature in the General Appropriations Act. Other standards are established by federal law, federal agency, or TWC, and may change slightly from year to year.

While many measures are tied to funding streams now, there are efforts to evaluate the overall impact of workforce services in the community.

The Department of Labor developed "common measures" that share the definitions of program participants across workforce programs and agencies. The common measures took effect on July 1, 2005.

TWC provides information on allocations and performance targets to each board's Chair and Executive Director. The information is also widely disseminated to public officials.

---

**PERFORMANCE  
MEASURES**

Performance Measures indicate progress in our efforts to serve employers and offer employment and training resources and transition and retention resources that enable job seekers to become self-sufficient.

TWC includes contracted performance targets in each board contract. Most contracts are based on the board Contract Year (BCY) – October 1 through September 30. The WIOA contract is based on a Federal Program Year (PY) of July 1 to June 30.

As an agency serving employers and job seekers, TWC organizes measures by type of customer affected, but many performance measures demonstrate success for both sets of customers.

Further detail of the performance measures TWC tracks are in Appendix D.

---

**BOARD-DEFINED  
STANDARDS**

Besides required performance standards, your board should set its own additional standards, allowing you to measure the success of your staff and contractors, and determine the impact of all the workforce services provided in your community. Superior customer service, higher training-related placements, or lower dropout rates represent just a few examples of board-defined standards.

---

**BOARD  
PERFORMANCE**

Boards and their staff are responsible for:

- maintaining comprehensive fiscal systems
- complying with the rules governing administration of grants and agreements
- meeting TWC-contracted performance measures
- complying with all applicable state and federal statutes and regulations.

Boards may direct their staff to provide reports on these activities and to run monthly performance reports that provide detailed and timely information about board performance on a wide range of services and measures.

Boards should look for answers to questions such as:

- Are services shaped by the demands of local business and industry?
  - Are services customized and flexible enough to respond to the ever-changing needs of the local business community?
  - Are we bringing more employers into the system?
  - Are we meeting our performance targets?
  - Do job seekers who go to work retain employment and meet the employers' skill needs?
  - Are we getting the greatest value for our dollar from the agreements and contracts made?
  - Do we deliver ever-improving value to customers, resulting in marketplace success?
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## **EVALUATION**

Another *key responsibility* for boards is evaluation. Evaluation is critical for ensuring positive outcomes. Boards must conduct periodic performance reviews of its contractors and all workforce services delivered in the area, to ensure that proactive steps are taken to identify what is working well and what needs improvement. State law directs boards to evaluate *all* workforce services delivered in the area, such as Adult Education and Apprenticeship Services, whether or not the services are funded by the board. This ensures that the workforce development system, including the educational system, has the ability to meet the needs of local employers.

Effective evaluation should include questions such as:

- Are we meeting the needs of our customers, both employers and job seekers?
- Is the plan, as implemented, accomplishing what is intended?
- Are we making progress toward the goals set in our plan?
- What improvements need to be made, and what steps are required?
- Are there continuous improvements to streamline processes?
- Are there provisions that provide a systematic way to eliminate unnecessary parts?
- Are there tools used to analyze and understand processes and problems?
- Do we gather experts who actually work within the process?

Based on evaluation and quality assurance reviews, the board's workforce plan should be revised and refined to improve services if:

- the objectives are not being met, or
- the value of services provided is not satisfactory.

**EVALUATION**  
**--continued--**

TWC monitors service delivery based on statutes, regulations, and the board's approved workforce plan.

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**SANCTIONS**

An effective statewide system is vital to the success of Texas' workforce initiatives. State performance accountability to the federal government is dependent on local Boards meeting each performance requirement. The Texas Workforce Commission is responsible for oversight of Board activities and for identifying difficulties in or failures to meet contracted performance levels or noncompliance with applicable statutes and regulations.

The purpose of a board sanction is to correct deficiencies at the earliest possible time to ensure that services are appropriately delivered to the employers and residents in the area.

Sanctions encompass the assignment of sanction status and assessment of penalties. Penalties may be assessed on a case-by-case review of the circumstances surrounding the sanctionable acts. TWC will consider the steps necessary to ensure successful service delivery outcomes, customer needs, and accountability for contract management of services and activities provided by a board.

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**FISCAL  
RESPONSIBILITY  
AND LIABILITY****CEO Responsibility**

While local boards are primarily responsible and accountable to the Commission for the management administration of grant funds allocated to the local area; ultimately, the chief elected officials (CEOs) are liable to the state for any misuse of the grant funds.

To help administer funds, the CEOs and the board must designate in the partnership agreement a fiscal agent to receive and be accountable for block grant funds. The fiscal agent, often the board itself, shall be liable to the board and the CEOs for any misuse of funds. Such a designation does not release the local board or the CEOs from the liability for misused grant funds.

**FISCAL  
RESPONSIBILITY  
AND LIABILITY**  
**--continued--**

**Board Liability**

The local workforce boards are accountable for proper management of workforce funds received on behalf of the workforce areas. The state is ultimately responsible for all workforce funds received on behalf of the workforce areas. In the event that TWC determines funds are expended in an inappropriate manner and are deemed disallowed:

- the disallowed costs are the liability of the local workforce board, even if a board subcontractor made the improper expenditure;
- the board should contractually hold a subcontractor liable for disallowed costs; and
- repayment of disallowed costs must be from local funds.

Examples of allowable and disallowed costs can be found in Appendix F.

**BOARD AND FUNDS  
MANAGEMENT**

As the steward of the workforce funds allocated to the workforce area, the board is fundamentally, as well as contractually, responsible for ensuring such resources are efficiently and effectively used to achieve the intended results.

Each board has a responsibility, which originates from the State General Appropriations Act, to manage the funds it receives. A board must file an itemized budget, covering the operation of that fiscal year, with the Governor's Office of Budget and Planning, the Legislative Budget Board, the Comptroller of Public Accounts, and the Legislative Reference Library on or before November 1 each year. These budgets include detailed estimated expenditures and revenue data.

The General Appropriations Act requires Boards to file an annual financial report within 90 days following the close of the fiscal year. This annual report is not required to be an audited statement at the time it is submitted.

**BOARD AND FUNDS  
MANAGEMENT**  
**--continued--**

The boards, consistent with their strategic plan, oversight, and evaluation, use competitive procurement to determine the best methods for disbursing funds for workforce employment and training services.

Services are funded through different state and federal resources, and that funding comes with rules regarding expenditure and performance expectations. Boards must ensure that contractors comply with all applicable rules regarding funding and service provision and that they meet performance standards. Funding is tied to performance targets set by the federal government and the Texas Legislature in the General Appropriations Act.

TWC has a total appropriation of approximately \$1 billion per year, with about 85 percent federally funded. Nearly 70 percent of the TWC appropriation is block grant allocated to local workforce development areas for Boards to deliver workforce services and provide support services.

The largest TWC federal-funded program is Child Care Services, which provides child care and child care subsidies to low-income families with parents who are employed or attending workforce training or education.

Other major TWC federally-funded programs include:

- The Workforce Innovation and Opportunity Act (WIOA)
- Temporary Assistance for Needy Families (TANF)
- Employment Services (ES)
- Texas Department of Family and Protective Services (DFPS) child care services (funding passed through to workforce Boards)
- Supplemental Nutrition Assistance Program (SNAP)
- Trade Act Assistance (TAA).

Most of these programs are formula funded, based on need.

Different funding streams have different contract lengths. For example, WIOA funds are available to Boards for a two-year period, while SNAP funds are available for only a one-year period.

**BOARD AND FUNDS  
MANAGEMENT**  
**--continued--**

In addition, each funding stream has its own eligibility rules and allowable expenditures. Each funding stream must be tracked separately. In some instances, if funds are not being used in the local area, the funds may be deobligated by TWC and reallocated to another area with greater need. Each funding stream has a specific limitation on how much can be used for administrative purposes, i.e., non-program costs.

If you have specific funding questions regarding your workforce area, please contact your Board chair or executive director.

**BOARD  
COORDINATION  
IN POLICY  
DEVELOPMENT**

State law requires each board to be responsive to the goals, objectives, and performance standards established by the Governor. Although TWC has authority for statewide development of rules and policies relating to workforce services, the Commission recognizes that coordination with local workforce Boards improves the quality and implementation of these rules and policies. Under the statewide policy objectives, local boards must, therefore, give utmost attention to setting priority and policy formulation within their area.

In fact, by implementing the responsibilities and duties given to local boards by state law, boards can develop effective strategic initiatives. Local boards serve as the point of contact for assessing the skills of businesses and are entrusted to influence the direction of workforce programs through local strategic planning. Likewise, local boards, in their comprehensive evaluation of workforce services, must also monitor the overall effectiveness of one-stop centers and related workforce programs. All of these activities represent the local board's strategic role in workforce development.

**BOARD  
COORDINATION  
IN POLICY  
DEVELOPMENT  
--continued--**

Additionally, in 2003 the Texas Legislature created the TWC Local Workforce Development Board Advisory Committee (TWC Advisory Committee) to advise the Commission on program policies and rules affecting local workforce operations and the local workforce delivery system. The TWC Advisory Committee serves as the communication focal point for local board chairs, local board members, and executive directors in discussions with the Commission on policy issues that may serve as a basis for rules adopted by the Commission. TWC Advisory Committee members by law are appointed by the executive officers of the Texas Association of Workforce Boards.

The Commission works with the TWC Advisory Committee in developing statewide workforce solutions.

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# Chapter 3

## The Workforce Board Member

*Board members play a critical role in ensuring the success of workforce development in their local workforce area. Board members are carefully selected based on their willingness to commit time and energy to the board. You can have an immediate impact on workforce issues in the community by making every effort to use the services offered by your board, attending meetings regularly, and serving on committees as needed. One of the most important goals of a Board member is outreaching the business community, inviting them to participate in the workforce development process and taking their workforce issues back to the Board. You are an advocate for the employers and job seekers in your community.*

*Various entities work together to successfully plan, implement, oversee, and evaluate the Texas Workforce Solutions within your community. You must be engaged in the vision and strategic planning of the board. The board staff will see that your strategic plan is implemented, and they will oversee the day-to-day activities of board operations. Board members must review performance regularly.*

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### **AREAS OF RESPONSIBILITY**

Areas of responsibility for board members include, but are not limited to:

- understanding and communicating employer needs
- maintaining a strategic focus on workforce issues in the community
- building a plan based on the Governor's goals and objectives to meet the skill needs of local employers
- taking a leadership role in setting local workforce policy
- designing the area's workforce solutions
- utilizing the services of workforce solutions
- identifying employers who will hire trained workers
- developing expectations of performance outcomes and customer satisfaction

**AREAS OF  
RESPONSIBILITY**  
**--continued--**

- setting performance measures for the local workforce system that incorporate the Governor’s goals and objectives
  - monitoring and evaluating the effectiveness of the area’s service providers
  - directing Board staff to make adjustments, as appropriate, to ensure quality of services and attainment of goals
  - designing solutions to assist job seekers in meeting the hiring needs of employers.
- 

**THE APPOINTMENT  
PROCESS**

The Chief Elected Officials (CEOs) of a workforce area nominate members to the workforce board. The CEOs receive names of potential nominees from organizations to be represented on the board. CEOs select individuals who:

- possess substantial policy-making authority within the entities they represent
- utilize the workforce system
- represent the highest standards of leadership and expertise in their respective categories
- are actively engaged in the organization, enterprise, or field which they are nominated to represent
- have an existing relationship with the local workforce area through residence or employment
- reflect the gender, ethnic, and geographic diversity of the workforce area
- are willing to accept significant fiduciary responsibilities
- meet the composition requirements of the Board.

**Private Sector Representatives**

Private sector representatives lead the local board. They must advocate the needs and interests of local employers.

- Private sector representatives must constitute a majority of the board.
- The Chair of the board must be a private sector representative.

**THE APPOINTMENT  
PROCESS**  
**--continued--**

- Private sector representatives must represent the area's industrial and demographic composition of local employers.
- Private sector representatives must be owners of business concerns, chief executives, or chief operating officers of nongovernmental employers, or other private executives who have substantial management or policy responsibility.
- At least 51 percent of a private sector representative's annual income must be from private sector sources.
- Private sector membership should include representatives of the region's larger employers and emerging growth industries.
- Not less than one-half of the private sector representatives must be, if possible, representatives of small businesses, including minority businesses.

The nomination of board members is a significant responsibility for CEOs and must be undertaken with great thought and care. These appointments determine the success of workforce solutions. The strength of a board lies in the quality of its membership.

Local area organizations first submit potential board nominees to the lead CEO. The lead CEO then nominates an individual and forwards documentation to the Texas Workforce Commission (TWC) for review and final approval, and appointment of the member to the board.

Factors the Commission may consider when reviewing nominations include, but are not limited to:

- whether the nominee is an employer and uses services provided by the Texas Workforce Solutions
- whether the nominee has substantial authority in relation to the management or general business operations of the organization as a whole

**THE APPOINTMENT  
PROCESS**  
**--continued--**

- the number of workers for which the nominee has authority to hire, fire and promote
  - whether the nominee meets board composition requirements, including ethnic, geographic and gender diversity of the workforce area.
-

**LOCAL WORKFORCE DEVELOPMENT BOARD MEMBERSHIP**

*This is an example of a board with the minimum required membership composition. Boards can be larger.*

| <b>Categories</b>   | <b>Statutory Requirements</b>                                  | <b>*Minimum Number of Representatives</b> |
|---|--|---|
| Private sector employers  | must constitute a majority                                     | 13  |
| Organized labor and community-based organizations   | must constitute not less than 15% of the total                 | 4   |
| Educational agencies, including:<br>(a) secondary practitioners representing vocational education, and<br>(b) postsecondary practitioners representing vocational education | one or more representatives<br><br>one or more representatives | 1<br><br>1                                |
| Economic development agencies   | one or more representatives                                    | 1   |
| Public assistance agencies  | one or more representatives                                    | 1   |
| Vocational rehabilitation agencies  | one or more representatives                                    | 1   |
| Public employment service   | one or more representatives                                    | 1   |
| Local literacy councils   | one or more representatives                                    | 1   |
| Adult basic and continuing education organizations  | one or more representatives                                    | 1   |
| <b>TOTAL</b>  |  | <b>25</b>                                 |

\*Among the members, at least one must also be a veteran who is engaged in veterans activities to serve as a veteran's representative. Additionally, at least one member must have expertise in child care or early childhood development.

**KEY  
CHARACTERISTICS  
OF A SUCCESSFUL  
WORKFORCE  
BOARD MEMBER**

Successful workforce board members:

- bring their expertise, knowledge and goals to the table
  - communicate the board’s purpose to the community at large and advocate the use of workforce solutions
  - focus on strategic planning and setting goals and direction; insist on positive outcomes
  - stay abreast of local labor market and economic conditions; know emerging employer trends and important skill development needs
  - share expectations with other board members and staff
  - work toward consensus to ensure support and advocacy from all members
  - make informed decisions
  - actively participate and serve on committees
  - avoid involvement in administrative and day-to-day operational details
  - attend meetings regularly.
- 

**NETWORKING**

Individual members bring their experience and existing networks to the board. Many board members serve on other important business or community councils, committees, and boards. These entities may have discussions about employment and training issues that you can take back to your workforce board. These contacts can also be used to share positive information about your workforce board.

**Council/Committee Integration**

Your board should take a leadership role in convening as many representatives as possible from these various councils, committees and boards in order to gain from their knowledge and expertise, and possibly leverage resources.

**NETWORKING**  
**--continued--**

Facilitating collaboration among these entities encourages total community commitment and involvement, while enabling your board to better address and meet the needs of the community. Further, it contributes to creating the alignment of strategies and resources to accomplish common goals.

**Ability to Network**

It is imperative that all of your customers are aware of the workforce services available in the local workforce area. It is your responsibility as a board member to network throughout the community. This provides you the opportunity to:

- understand the skill needs of local employers
- bring workforce issues from the community to the workforce board
- promote the workforce services available to employers and job seekers
- contribute to the development of a quality workforce in your community.

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**CONFLICT OF INTEREST**

Because boards must maintain the public trust, individual members are directly accountable to the public. It is the intent of Congress, the Department of Labor, the Texas Legislature and the TWC to strengthen the public's confidence in the workforce system.

Boards are responsible for administering hundreds of millions of dollars in public funds. Consequently, board members must avoid *even the appearance* of allowing personal interests to affect decisions involving the use of public funds. Board members must avoid all conflicts of interest or any appearance of a conflict.

State law and TWC rules provide guidance concerning conflict of interest, and each federally funded program has specific requirements concerning conflict of interest.

**CONFLICT OF INTEREST**  
**--continued--**

With extremely limited exceptions, local Boards may not contract with the following persons or entities for workforce services:

- a board member
- a business, organization or institution that a board member represents on the board
- a board member's business, organization, or institution in which a Board member has a substantial financial interest, or
- a board employee.

Board members are, however, not only encouraged but also expected to use workforce system services as a customer of the board's contractors. Board members may not vote on any matter that would provide direct financial benefit to the member or the member's immediate family.<sup>1</sup>

Prior to taking office, and periodically thereafter, board members must provide the board Chair with a written declaration of all substantial business interests or relationships that they or their immediate family have with all businesses or organizations that have received or are likely to receive contracts or funding from the board. Generally, the written declaration contains potential conflicts of interest.

The board appoints an individual to review the disclosure information and advise the board Chair and appropriate members of potential conflicts.

Board members may not participate in any decision in which the member has a direct or indirect interest that is in substantial conflict with the member's duties on the board.

When a matter comes before the board in which the member or the member's immediate family has a real or apparent conflict of interest,<sup>2</sup> he or she *must*:

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<sup>1</sup> Immediate family is defined as any person related within the first degree of affinity (marriage) or consanguinity (blood) to the person involved.

<sup>2</sup> A conflict of interest may arise whenever there is a substantial interest in, or relationship to, a business or entity that would be affected by the board decision, or whenever board members believe that a conflict may exist (real or perceived).

**CONFLICT OF INTEREST**  
**--continued--**

- disclose the conflict and remove himself or herself from discussions
  - refrain from influencing the decisions of others, and
  - abstain from voting on the matter.
- 

**BOARD POLICY ON CONFLICT OF INTEREST**

Each board must have a conflict of interest policy that includes the minimum requirements of state and federal laws and regulations. However, the board's conflict of interest policy may be even more restrictive than state and federal requirements.

All boards are required to maintain and enforce this policy. Board members must become familiar with the local policy.

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**TEXAS PUBLIC INFORMATION ACT and OPEN MEETINGS ACT**

“The people, in delegating authority, do not give their public servants the right to decide what is good for the people to know and what is not good for them to know. The people insist on remaining informed so that they may retain control over the instruments they have created.”

This quotation, taken from the preamble of the Texas Public Information Act (Texas Government Code Section 552.001), describes one of the purposes of the law as enacted by the Texas Legislature.

It is crucial that board members familiarize themselves and comply with the Texas Open Meetings Act (Texas Government Code Section 551.001-.146) and the Texas Public Information Act (Texas Government Code Section 552.001-.353).

**TEXAS PUBLIC  
INFORMATION  
ACT and OPEN  
MEETINGS ACT  
--continued--**

### **Open Meetings**

The Texas Open Meetings Act provides that meetings of governmental bodies must be open to the public, except in limited circumstances for expressly authorized closed sessions. Workforce development boards are covered under the Open Meetings Act and must comply with its provisions.

Boards must:

- give public notice of the date, time, place and subject matter of meetings, and
- post, in a place readily accessible to the general public, notice of all regular, special or called meetings. Local boards must generally post notice at least 72 hours before the meeting.

When deciding how tax dollars are utilized, the public's perception of the local board's conduct of public business is paramount. Local boards must take great care to uphold the integrity of the workforce system through proper attention to Open Meetings compliance.

For example, when a quorum of the members of a governmental body assembles in an informal setting, such as a social function, the board is subject to the requirements of the Open Meetings Act *if Board members engage in a verbal exchange about public business or policy*. A deliberation of public business outside of an Open Meeting should be avoided. Even if the conversation is purely social, it can be perceived as a business discussion.

### **Executive Session**

A local board may gather in a closed session only in extremely limited circumstances specifically enumerated in the statute. For a governmental body to hold a closed session that complies with the Act:

- a quorum of the governmental body must be assembled in the meeting room;
- the meeting must be convened as an Open Meeting pursuant to proper notice;

**TEXAS PUBLIC  
INFORMATION  
ACT and OPEN  
MEETINGS ACT  
--continued--**

- the presiding officer must announce that a closed session will be held, and must identify the sections of the law authorizing the closed session; and
- any action on the item that was discussed in closed session must be taken in the Open Meeting.

You may contact the Office of the Attorney General at [www.oag.state.tx.us](http://www.oag.state.tx.us) or 1-800-252-8011 to order the *Open Meetings Handbook* for more details.

**Public Information**

The Texas Public Information Act provides that all information collected, assembled or maintained under law by or for a governmental body is public information. Public information must be promptly released upon request.

Information may be withheld only when a specific exception to disclosure applies to the information, and the governmental body has sought a decision and received permission from the Attorney General to withhold it. Consequently, any information created by a local Board member related to board business may be subject to disclosure under the Public Information Act.

You may contact the Office of the Attorney General at [www.oag.state.tx.us](http://www.oag.state.tx.us) or 1-800-252-8011 to order the *Public Information Handbook* for more details.

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**LIABILITY****Board Member Liability**

Texas laws protect board members and former board members from individual liability unless their acts are deemed to be:

- official misconduct,
- willful disregard of the laws, or
- gross negligence.

**LIABILITY**  
**--continued--**

**Board Liability as an Entity to its Employees**

Under the Texas Tort Claims Act, a Board’s liability depends on whether the court classifies Boards as state government, local government, or municipality. This addresses liability for:

- injury caused by an employee’s use of publicly owned motor-driven vehicle;
- injury arising from a condition or use of tangible personal or real property; and
- claims arising from premises defects.

**Workers’ Compensation Issues**

Under the Texas Tort Claims Act, governmental entities are entitled to the protections of the Texas workers’ compensation laws.

The State of Texas is the responsible entity for workers’ compensation for state employees, and a state employee is limited to the State’s workers’ compensation program, unless the employee has opted out of workers’ compensation. Texas workers’ compensation law does not recognize co-employment; thus, for TWC employees, TWC is the sole employer of record, and is responsible for all workers’ compensation claims related to employment.

**Provision of Services**

Texas law prohibits board entities and board staff from providing direct workforce training and services; therefore, they cannot be involved in the daily operation of Workforce Solutions Offices. Boards maintain a “distance” through the contracting of these services, and it is the contractors who are responsible for the daily operations of the centers including provision of services.

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**BOARD STAFF**

A board may employ professional, technical, and support staff as necessary to carry out its planning, oversight, and evaluation functions. However, board staff must be separate from and independent of any organization providing workforce education or workforce training and services in the workforce development area. In fact, board staff may not direct or control the staffing of any entity providing workforce services.

Neither the board nor board staff may operate as a service provider. Thus, the board is prohibited from directly providing workforce training or one-stop workforce services. This prohibition applies even when the board is acting as a fiscal agent for a service provider.

Through the board's guidance and direction, board staff responsibilities include, but are not necessarily limited to:

- carrying out the board's decisions and ensuring implementation of the plan by the service provider(s)
- devising methods for reaching out to various industry sectors and business organizations
- informing the board about labor market trends and current job skills requirements of area employers and the skills of the area labor force
- developing plans and budgets
- negotiating, processing, and managing contracts and agreements
- scoring, awarding, and examining contracts for workforce services
- measuring performance and analyzing outcomes
- reporting information to the board and the state, such as status of services, programs, agreements, expenditures and performance measures
- ensuring training provider curriculum aligns with skills requirements for local business and industry
- recommending service improvement options.

**BOARD STAFF**  
**--continued--**

It is important that board members ensure that board staff fully understand:

- the board’s vision, goals, and objectives
  - the board’s focus on employer needs
  - the board’s strategic plan
  - board expectations and staff responsibilities
  - reporting timeframes and requirements such as type of reports and level of detail.
- 

**SERVICE PROVIDERS**

Neither board members nor board staff can accomplish the board goals and objectives alone. Boards contract with service providers to operate the Workforce Solutions Offices and to deliver training and other services. Examples of service providers include:

- businesses and employers
- universities and colleges
- community colleges
- Texas state technical college
- apprenticeship training organizations
- career schools and colleges
- public/private schools
- nonprofit organizations, faith-based organizations, and for-profit organizations
- private career transition firms.

Boards must ensure that these providers:

- have fiscal integrity
- have sufficient insurance, bonding, and liability coverage for the overall financial security of one-stop workforce services funds and operations
- comply with standards of conduct regulations

**SERVICE  
PROVIDERS  
--continued--**

- avoid conflicts of interest or any appearances of conflicts of interest
  - disclose conflicts of interest or any appearances of conflicts of interest
  - do not use nonpublic information to obtain financial gain
  - do not employ former board staff in decision-making positions within 12 months after their employment with the board or from compensating former board staff to work on a particular matter that the staff member worked on while employed by the Board.
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**IN CONCLUSION**

Board members are customers, visionaries, catalysts for change, and guardians of the local workforce development system.

By maintaining a strategic focus on the overall system instead of the operational details, boards can concentrate on workforce issues that will have long term impact on the economic development and the well being of their communities. Decide what you want to do and how much it's going to cost, direct staff to implement the plan, examine the return on investment, and adjust accordingly.

By ensuring that you and the organization you represent on the Board continue to utilize workforce services, you effectively keep your fingers on the pulse of the system in your area.

Every board member should be an articulate voice and advocate for the employers and job seekers in their area. You have the opportunity to make a difference in people's lives.

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