THURSDAY, JULY 8, 2021

 CHRISTOPHER GRUNNING: Thank you, Chairman Daniel. It’s a pleasure to join you, and Mr. Alvarez, JET Advisory Board and (inaudible) staff today. My name is Christopher Grunning with the TWC Government Relations Department. I’ll be speaking about the actions of the 87th Legislative Session relating to the JET Program. The 87th Texas Legislature filed 7,385 bills and resolutions. The Senate filed 2,400 pieces of legislation. The House roughly about 4,985. On conclusion of the 87th Regular Session, 1,174 bills and resolutions passed legislature with Governor Abbott vetoing 20 bills. In total, the Texas Workforce Commission tracked 1,154 bills with 177 of those making it to the Governor’s desk for final action. Of those 177, 170 bills were signed; six bills were filed without the Governor’s signature, and one bill was vetoed. Six bills were signed into law by Governor Abbott that are TWC initiatives. Separate from the State Budget, which was Senate Bill 1, TWC tracked 33 bills for the Office of Employer Initiatives with five bills impacting the JET Program. Three of those bills passed and were signed by the Governor. Senate Bill 346, House Bill 4279, and House Bill 1525. The text of these bills are available in your workbook. And I will now walk through each bill. Because House Bill 1525 has been resolved, I will save it for the last of the three bills. SB346 is on tab two of your workbook. SB346 by Senator Paxton and sponsor Representative Dutton is relating to the participation of open-enrollment charter schools in the Jobs and Education for JET Grant Program. This bill became effective May 24, 2021. And is immediately effective upon the Governor signing it. SB346 allows if enrolled in charter schools to apply for grants under the JET Grant Program. It will incorporate charter schools into the current allowances and limitations of the JET Program under which individual school districts can be awarded grants. HB4279 is on tab three in your workbook. HB4279 by Representative Dominguez and sponsored by Senator Hinojosa is relating to the eligibility of Windham School District to participate in the JET Grant Program. The bill was effective September 1, 2021. HB4279 allows the Windham School District to apply for grants under the JET Grant Program. As background, Windham School District is a non-geographical Texas State School District that provides educational services to inmates in the custody of the Texas Department of Criminal Justice with a goal of “reducing recidivism by assisting offenders in becoming productive members of society.” Under HB4279, the Windham School District will be allowed to apply for JET Grants for courses or programs that offer new and technical career education opportunities not previously available to their students. Within the bill the Windham School District is classified separately from the independent school districts and is not required to partner with a public junior college, public technical college, public state college, or other entity for eligibility. Next we have the JET-Related Amendment to HB1525, which is on tab four of the workbook. HB1525 by Representative Huberty and sponsored by Senator Taylor is relating public school finance system and public education. Fortunately, this became effective on June 16, 2021, when it was signed by the Governor. All provisions with bill notables with TWC take effect on September 1, 2021. This 66 page bill is a cleanup bill for House Bill 3 from the 86th Legislature in 2019, which made major changes throughout Texas in education and school finance systems. The bill included provisions relating to the local taxation in revenue, charter school funding, change to the career and technology educational allotment in (inaudible) education and early literacy training requirements for teachers and the teacher incentive allotment among other issues. An amendment was added to HB1525 in the Senate requiring the Texas Education Agency to create programs that support school districts and open-enrollment charter schools, implement intensive supports using state discretionary funds under the Coronavirus Response and Release Supplemental Appropriations Act, and American Rescue Plan Act of 2021 to encourage students to perform at grade level and graduate demonstrating college, career, or military readiness. Such programs must provide expanded learning options for P-TECH Programs, the Texas Regional Pathways Network and the TWC administered Jobs in Education for Texas Grant Program. And it also includes supplemental instructional supports in Covid-19 learning acceleration supports. The bill requires TEA to update at least one each quarter to the office of the governor, office of the lieutenant governor, office of the speaker of the house of representatives, and the offices of the committee chairs of the Senate Finance, House Appropriations, Senate Education and Public Education--House Public Education Committees; regarding the implementation of and distribution of funds on certain programs in the bill. Including the aforementioned programs of P-TECH, Regional Pathways, and JET that are identified to try specific expanded learning options to help students overcome of the impact of the Covid-19 Pandemic. Finally, we have Senate Bill 1, which is the state budget. Senate Bill 1 by Senator Nelson and Representative Bonnen is the State Budget for Fiscal Year 2022-2023. This bill was effective September 1, 2021. Included in the budget provision for TWC funding is funding for the JET Program. This funding amounts to $7.52 million per fiscal year for a total of just over $15 million for the biennial. This concludes the explanation of JET-related legislation passed during the recent 87th Regular Legislative Session. Today actually marks the beginning of the first special session with the House and Senate having convened earlier today at 10:00 a.m. None of the issues mentioned on the Governor’s Proclamation involved the JET Program. This concludes my presentation. I’m happy to answer any questions from the Board of Commissioners at this time.

 CHAIRMAN DANIEL: Thank you.

 CHRISTOPHER GRUNNING: And thank you, Mr. Chairman.

 CHAIRMAN DANIEL: Thank you very much. Are there any questions?

 WILL CONLEY: I have a question, Chairman.

 CHAIRMAN DANIEL: Yeah. We have a question right here.

 WILL CONLEY: Thank you for that report. That was good. So, the language in HB1525 does that leave the discretion to the TEA? I mean, I assume that this is gonna allow some grants from the stimulus funds to go to the JET Program, or will that be a legislative decision when they come back in the fall? Or, how is that going to work?

 CHRISTOPHER GRUNNING: So, the JET Team and (inaudible)act of working with TEA and we’re into discussions well to form that relationship for how this is going to work. Within the amendment language itself, it was not entirely clear that JET belongs to TWC. And so everything was within the TEA housing. So, the funding will flow from TEA. It will not be directly allocated to TWC from the legislature or from these funds. But, it should be a discretionary aspect to what we understand.

 WILL CONLEY: And that’s the Education Commissioner’s decision, or that agency’s decision, TEA’s decision, or we don’t know?

 EMILY: So, we’ve met with TEA a couple of times asking about this bill and kind of their thoughts, their ideas. And at this point they really don’t have any information to share with us. So, you know, the only real update we have is regarding the actual bill. But, of course, when we get more information from TEA when they make some decisions we will of course keep you all updated.

 WILL CONLEY: And a follow-up. Are the two acts, the two Federal Appropriations, are all those funds already at TEA; or are they still sitting in the State Treasury waiting to be?

 CHRISTOPHER GRUNNING: There are some funds at TEA currently. But, the specific items referenced with ARPA and Care’s Act funding, That will allocated later on. The Governor has identified during the regular legislative session that he will call legislature back for allocating, I believe it’s about $16 billion worth of Federal funding for--

 WILL CONLEY: So, this includes some of that?

 CHRISTOPHER GRUNNING: It includes some of that. Yes, sir.

 WILL CONLEY: Okay. That’s all I have.

 CHAIRMAN DANIEL: Okay. I don’t want to cut off any other questions. I purposely waited to introduce Commissioner Alvarez because I wanted to lay the Legislative Report out. It was a very in-depth legislative session for TWC. That represents a small--that’s the JET-related legislation that we had. There were a lot of bills that we knew about. There were a lot of bills that we didn’t know about until we saw them. And so it ended up being a very active session. And including the appropriations component of that. And I just--we had a lot of good teamwork here. We were able to really focus on some bills and talk about some things. And all three Commissioners--I don’t think Commissioner Demerson is here. Kimberly was going to be here.

 KIMBERLY: Yeah. I’m here.

 CHAIRMAN DANIEL: Oh, you’re here. There she is, representing his office. All three Commissioners spent quite a bit of time answering questions, providing information, and some things like that. So, I deviated a little bit from my agenda here, but I wanted to lay that out to give you a sense of things we’ve been working on. And just different issues that have been impacting TWC. We’ll talk about some of that here today. But, Commissioner Alvarez, I didn’t know if you had any comments for the group in light of both that legislative agenda and also our TWC agenda here that we’ve been pursuing pretty aggressively.

 COMMISSIONER ALVAREZ: So, first of all, I wanted to welcome new members, or those that I have never seen in person. Like, Jerel, who I hadn’t seen comes from TEA. So, thank you for being here. And my good friend Will. Thanks for being here, buddy. Even though you weren’t on time, but it’s great to be here.

 WILL CONLEY: I got I-35.

 COMMISSIONER ALVAREZ: Thank you and great report. Great report that you just laid out. As you know, I’ve always been a firm believer and a strong supporter as the Chairman referenced on the JET Program. And it’s only as successful as the folks that lead it. So, I’m very grateful to have folks like Matt and, of course, Emily to continue working on this. And, again, just for members of the board and those that are on the committee, they have elevated this program to the next level. And I will tell you that I know the Chairman and Commissioner Demerson have been in full support of the programs and what we’ve done to market this program. And it’s been very successful. And, of course, a lot of it has to do with some of the decisions that have been made in this room. So, I’m just grateful to be a part of the discussion. I think this is the first time I’ve had a chance to be in a meeting like this with Mary York. So, I congratulate her and this is the first time of being part of a JET Program. And being able to see what we do. But, I will tell you, it’s interesting what you guys have laid out. I was just in Baird, Texas. Does anyone know where Baird, Texas is? It’s kind of like La Chona. Where is La Chona? La Chona, I know the Chairman knows. These are small communities. And it’s amazing on some of the things that this committee has done to think outside the box when it comes to serving industry and what the industry’s looking at. Who would have ever thought that we would be using headsets, virtual reality glasses that were purchased in Rio Grande City for welding? So, thank you for that. You’ve changed the lives of many folks. And I just wanted to take this opportunity to thank you. Chairman, thank you for allowing me to say a few words. But, very grateful to be a part of today’s discussion.

 CHAIRMAN DANIEL: Thank you, Commissioner Alvarez.

 KIMBERLY: Commissioner Demerson sends his regards. You know, he has a special affinity for this program having been in the office of employer initiative and the JET Program. And I like to call it the cousins of the JET Program called efficiency. So, you all heard Commissioner say the “secret sauce.” Education, workforce, and economic development. And you guys are a key ingredient to that “secret sauce.” And he wanted me to let you know that he really appreciates your work here and the programs that have come through the JET Program that have been impacted by your work. So, he wishes he could be here, but he had another engagement. So, thank you for your time.

 CHAIRMAN DANIEL: Thank you. Any other questions or comments regarding the Legislative Report, or the Legislative Agenda?

 MATT: Chairman, I’m going to give some background information on those two entities that are then grated eligible. Just a little bit of background, there are over 800 charter school campuses in the State of Texas. They’ve been operating in Texas for over 26 years and impact over 320,000 students statewide. So, that just highlights the scope of the population that’s been added to the program. And then for Windham--Windham’s really neat. They released 56,000 individuals during their schoolyear ’20. So, that went from September of ’19 to August of ’20. Seventy-three percent of that population in some way participated in a Windham School education. And 17,000 of those students completed one or more CTE Course with Windham.

 CHAIRMAN DANIEL: So, a little bit more reach for us.

 MATT: Yes, sir.

 CHAIRMAN DANIEL: Lot more reach for us.

 MATT: Lot more reach more reach. Yes, sir.

 CHAIRMAN DANIEL: A lot of opportunity there. All right. Anything else on Agenda Item 3?

 MARIO LOZOYA: Can I--Mr. Chairman, can I ask something related to the data--

 CHAIRMAN DANIEL: Yes.

 MARIO LOZOYA: --he just provided? Thank you for that data. And I was actually, on the way over here, wondering the numbers of the charter schools (inaudible). And you mentioned 800 charter schools and 320,000 students. However, I know that some charter schools have students that are not high school aged, right? So, does this reflect all students, or the high school ACT eligible?

 MATT: Great question. So, in the data provided by TEA I was able to sort it and look at the grades that were taught at those specific instructions. And the number was closer to half.

 MARIO LOZOYA: Half of this?

 MATT: Yes, sir.

 MARIO LOZOYA: Okay.

 MATT: So, much closer. I think the actual number I pulled was 410 campuses who would teach high school level.

 MARIO LOZOYA: And were the enrollment numbers around half also, or?

 MATT: I’m sorry?

 MARIO LOZOYA: You mentioned half, which is 400 of the charter schools. But, of the 320,000?

 MATT: I don’t have those numbers handy. I would imagine that it is close to half of those. Yes.

 JEREL BOOKER: My guess is it’s even more. So, once we do high school all the way through the more than the 50 percent of the shared number.

 MARIO LOZOYA: More than 50?

 JEREL BOOKER: Mm-hmm. And there’s about ten charter school districts that are massive districts. I mean, in comparison to traditional public schools. They’re just massive, you know, districts with multiple schools versus one school in one district. So, we’ll see that a lot too.

 MARIO LOZOYA: Thank you for that.

 CHAIRMAN DANIEL: All right. Anything else on Agenda Item 3? We’re ready to move to Agenda Item 4, which is Discussion, Consideration and Possible Action Regarding Grants to Public Junior Colleges, Public Technical Institutes, Public State Colleges, and Independent School Districts.

 EMILY: Thank you, Chairman. If you will turn to tab five in your notebook. This is a JET Application summary. And we will turn to the column of the tentative FY21 numbers. So, for this F21 RFA, there were 56 applications received, 23 from IHE’s and 33 from ISD’s. Out of those, there were 49 that were responsive. And then out of those, 44 met that minimum 50-point threshold. So, 27 ISD’s and 17 IHE’s. So, I will remind you that this year we had more money than we have ever had for an RFA. We had the $8 million of general revenue. Then we also had the $2 million of Federal Perkins Funds from TEA for additional ISD Grants. And then we also had $900--$900,000, excuse me, from IKEA funds for consumables. And so we’ll talk through each of those as well. So, if we turn to tab six, we’re going to look at the ISD’s. So, as you saw from the numbers, there were fewer ISD applications than we’ve ever had in the past. You know, it’s been an interesting year for everyone to say the least. So, you know, of course, officially we don’t know the reason why those numbers were down. In the fall, Matt and I, were able to speak and get in front of all 20 education service centers through virtual meetings and town halls and conferences to make sure that they were aware of the program. And, you know, knowing that it was a tough year, worked really hard to make sure that these institutions knew about the opportunities that we had available for them. So, for this ISD list, as I mentioned, there were 27 applications that met that minimum 50-point threshold. Which, actually, from that ISD list we were able to go down completely and fund every application that met that minimum point threshold with funds still available in that ISD pot. Which I will get to. So, out of these ISD’s--Matt, would you like to touch on--a little bit about some of the trends we saw for these ISD applications.

 MATT: Yeah, absolutely. So, I know we did a data deep dive. I believe it was at the last meeting. I think it was virtual. And so we took some of the questions we received there and applied it to this year. One of the biggest things we noticed with the ISD’s is over two-thirds of the applications, even with the smaller volume, were applying for welding positions or welding equipment. And that’s much higher than we’ve seen in the past. Like, I said, even with the lower amount of ISD applications. I would also note that since we implemented the 50-point threshold versus the 60-point threshold, we were obviously able to fund more applications this year. We were able to fund seven more ISD applications and eight more IHE applications. So, 15 total across the board, which is pretty impactful. And then--I think that’s all I had for ISD’s and then I’ll touch on IHE’s after you get done.

 EMILY: Okay. So, just for reference, the amount--the approximate amount available for ISD’s with the general revenue and the TEA Perkins Funds was $6.8 million. And on the summary page under tab five, the requested amount for those ISD’s that made that 50-point threshold was a little over $6.2 million. Any questions with ISD’s, or I’ll keep moving forward? Okay. So, under tab seven, or behind tab seven, excuse me, we have the IHE document. Which this document, as I mentioned, had--excuse me, 17 applications that met that minimum point threshold. And out of the $4.8--oh, excuse me. Out of the amount of funds requested was $3.9 million. So, in the IHE group, there was more applications than we had funding in that IHE pot. So, when we move forward with the recommendations today, we will move the remaining ISD funds to then fund those additional IHE grants. But, the exciting thing is, then that spends the--obligates the $10 million that we had available for grants during this year.

 WILL CONLEY: Is it just the one IHE fund that didn’t--that we didn’t have? Am I reading this right, Number 17 is the only one that has you under?

 EMILY: That has what, sir?

 WILL CONLEY: That you’re under on the remaining funds?

 EMILY: That’s correct.

 MARIO LOZOYA: Were you deficient by one, by Number 17?

 EMILY: By Number 17.

 WILL CONLEY: Is that the only--is a (inaudible)? Am I reading this right?

 EMILY: I’m gonna defer to Carol. I mean, just to make sure I’m answering this correctly. So, you’re asking about Number 17?

 WILL CONLEY: Well, I’m just saying Number 17 is the only one that’s in the negative on the remaining funds?

 CAROL: (inaudible)

 WILL CONLEY: Okay. So, we didn’t miss it by much is my point.

 EMILY: Correct.

 WILL CONLEY: Thank you.

 EMILY: So, and then in regards to the consumables requested, it was around--there was $900,000 available for consumables. Only about $100,000 was actually requested for consumables. So, those funds will go back to the commission. But, just--so, out of the $10 million available for the JET Grants this year, we were able to obligate the funds with moving the remaining funds from the ISD pot over to the IHE pot. Matt, would you like to go over anything that we saw--

 MATT: Yeah.

 EMILY: --as far as IHE’s.

 MATT: And just real quick, Emily mentioned that we had 25--or, excuse me, 27 responsive ISD’s. That was all 27 of those applicants met the 50-point--

 MARIO LOZOYA: They’re not IHE’s.

 EMILY: ISD’s.

 MATT: ISD’s met the 50-point threshold.

 MARIO LOZOYA: Okay. They met. Yeah.

 MATT: And then out of the 22 IHE applications, 17 of them met that 50-point threshold. As far as occupation, we didn’t see very much difference in the previous years. With registered nursing and welding taking the top spots with three apiece. After that were auto mechanic, bus mechanic, and petroleum pump system operators, with two apiece. And I will also note at the very bottom you can see total applications funded. Even with the additional funding this year we were only able to fund one more project. So, we looked at the mean request for all the applicants. For 2021, the IHE and ISD mean numbers looked right around 230,000 compared to the previous year where they were both right around 200,000. So, we did see an increase in the amount of money requested.

 EMILY: Any questions regarding either list?

 MARIO LOZOYA: No questions. But, I have a comment if, Mr. Chairman, that’s okay?

 CHAIRMAN DANIEL: Yes.

 MARIO LOZOYA: I think I’m probably the “old” JET board member of this. But, I think I’ve seen the change from when we first started. When we first moved the monies from--what agency was it before? Wasn’t it AG?

 EMILY: Controllers Office.

 MARIO LOZOYA: Right, Controllers Office. Right. And then we moved over here. And I’ve seen the different--the change and really I think from the beginning we were wondering what was demand? What’s the demand like? Are we meeting the demand? And obviously we’ve gotten much closer to that point, right? And I appreciate Matt’s posture in providing the data. ‘Cause that’s really important for us to make our decisions. Very clear to me that the JET has been more and more effective as the years have progressed. And that’s a big deal. I mean, I’ve seen the changes in these school districts in these little communities that--they weren’t getting this kind of money before. And when the economic developers are trying to entertain projects in these areas. Workforce is their number one request, right? And I think JET has mitigated that gap in a big way in the last five years at least that I’ve seen. And congratulations to everybody involved in that space. Really helps Texas in a big way.

 EMILY: Thank you, Mario.

 MARIO LOZOYA: Thank you.

 CHAIRMAN DANIEL: Other questions, other comments? (Inaudible) All right. What do you need us to do?

 EMILY: So, to make this easy we have language that we could give to you all for then for a recommendation to the Commission.

 CHAIRMAN DANIEL: Okay.

 EMILY: So, I will read it. It says, to recommend to the Commission to direct staff to move forward with awarding grants based on the final evaluation score with ability to move down the list 50-points and above. As recapture funds become available during the contracting phase and to utilize remaining ISD funds to fund additional IHE Grants.

 WILL CONLEY: Mr. Chairman, I’ll make a motion based off staff’s recommendation.

 MALE: Second.

 CHAIRMAN DANIEL: It’s been moved and seconded to do what Emily just said. Actually, what she said was to move forward with awarding grants based on the final evaluation score. So, we’re going to do three things. That’s the first thing. With the ability to move down the list for anything that’s 50 points and higher as the recapture funds become available during the contracting phase. And the third thing will be to utilize remaining ISD funds to fund additional IHE Grants. It’s been moved and seconded. Is there any objection? Hearing no objection. The motion passes. All right.

 MARIO LOZOYA: Congratulations.

 CHAIRMAN DANIEL: Yeah. Good one.

 WILL CONLEY: That’s good work.

 CHAIRMAN DANIEL: Moving to Agenda Item 5. Discussion, Consideration and Possible Action on Program Parameters for Jet Grants to Public Junior Colleges, Public Technical Institutes, Public State Colleges, Open-Enrollment Charter Schools and School Districts.

 MATT: And, Board, if you could flip behind tab eight. We’re gonna be looking at the FY22 JET RFA Program Parameters. And as you can see at the top there is a motion language. We’ll move that the board recommend the FY22 RFA Program parameters to the Commission for considerations as follows. First, we’ll be talking about funding allocation. In FY21 we split that funding 40 percent IHE’s, 60 percent ISD’s. And looking at FY22, I will note that that includes open-enrollment charter schools and Windham School District.

 EMILY: And, Matt, I will add in. any recommendation that’s made regarding the funding allocation will come with the understanding that if there are any remaining funds from one “pot of funds” it will be moved over to the other to make sure that we’re not leaving any funds on the table.

 WILL CONLEY: And Windham goes into the school district side, not our--

 EMILY: In fact, the legislation, where it used to say Independent School Districts, Independent was struck out.

 WILL CONLEY: Yeah. To include Windham.

 EMILY: To include.

 WILL CONLEY: Okay.

 CHAIRMAN DANIEL: So, ISD’s is going to include ISD’s, Windham School District, and then all the charter schools?

 MATT: Yes, sir.

 CHAIRMAN DANIEL: No changes to higher ed?

 MATT: No, sir.

 EMILY: No.

 MARIO LOZOYA: Just to clarify, so you’re saying that the legislation already provides that definition change, right?

 EMILY: Of school district?

 MARIO LOZOYA: Right? You said that no longer does it say ISD. Just the language includes ISD’s, Windham, and charters. So, nothing from the board here to discuss that I conduct. So, that’s not for us to--

 EMILY: Correct. That’s legislative.

 MARIO LOZOYA: --work on. So, then that means that the amount of--my guess is, the amount of applicants for the next JET window would be greater probably. Because now you’re including Windham and charters. And, hypothetically, then the IHE’s will probably be around the same as it has been historically, right? So, we’re looking at--we’re expecting a change on the ISD side; which includes charters and Windham, right?

 EMILY: Yeah. I mean, that pool definitely got--

 MARIO LOZOYA: Because the pool has grown.

 EMILY: --a little bigger.

 MATT: We would imagine that applications would increase.

 WILL CONLEY: We increase the number of plates, but they didn’t make the pie any bigger, so.

 EMILY: Sold.

 MARIO LOZOYA: So, understanding that, I mean, we don’t have--we don’t know that number right?

 EMILY: Mm-hmm.

 MARIO LOZOYA: And understanding that is the item on the table here for us to consider a change at that percent, a 60/40 to a new number, or--

 CHAIRMAN DANIEL: Yes.

 MARIO LOZOYA: --what is the item? Is that it?

 CHAIRMAN DANIEL: Yeah. For sure that. Now, let me just remind myself and everybody else. So, we actually ended up with needing a little more money to fund some more IHE applications after all the ISD’s were funded. But, something altered the math if I’m not mistaken. There was more money for ISD’s that came in from another source.

 EMILY: Correct. So, yes, sir.

 CHAIRMAN DANIEL: TEA.

 EMILY: Mm-hmm.

 CHAIRMAN DANIEL: Is that money going to be available next time, or are we back to our JET allocation?

 EMILY: As of right now, we’re back to our JET allocation.

 CHAIRMAN DANIEL: Right. So, I just want to make sure everybody’s aware while we’re making this decision that we had more money available for school districts this time because we had a little bit of money we weren’t counting on. Now, we’re back to balancing out among our JET appropriation, which is $7 million and some change.

 MARIO LOZOYA: $7.52 million.

 CHAIRMAN DANIEL: $7.5 million and some change. And Mario makes an excellent point, which is there are more people that need a slice of pie from the same pie. And so as we sort of make this breakdown, I think we probably want to stay aware of that. We just very suddenly made another change, though, that I think is important for us to note here. We’ve explored the notion of funding on the split; so, 60/40 last time. And then once that’s funded if there’s money left in the column, just move it over to the other column. So, it’s always going to be--I think that’s always going to be an option that’s available to this board and to the commission as well. And so I think that both of those things have a factor here determining how you want to split this out. It’s been 50/50 in the past, it’s been 60/40. But, the truth of the matter is, it’s frankly sort of however this board--

 SCOTT NORMAL: Kind of self-balances.

 CHAIRMAN DANIEL: --wants to recommend it. Yeah. But, I think there’s a self-balancing mechanism at the end.

 SCOTT NORMAN: No question, Mr. Chairman. Does staff think also that the applications obviously were down because of Covid and shutdown?

 MATT: Hundred percent.

 SCOTT NORMAN: So, can’t we expect those to probably go up too significantly?

 MARIO LOZOYA: So, point of fabrication here. So, the point of when there’s excess funds from the ISD, for them to rollover to fund IHE’s; is that standard policy now, or does the board need to vote on that to make it policy?

 EMILY: Yes. And that’s why in the language that was just made for the recommendation, we included that in the language.

 MARIO LOZOYA: ‘Cause it seems like there’s two different things here. Seems like--

 EMILY: Well, and that--

 MARIO LOZOYA: --that would be one item. Then the percent funding would be a separate. Seems to me that’s sort of two different things.

 MARY: I think whenever you move and vote on this particular item, you can allow staff the flexibility to move those funds as part of the same motion. And so instead of having to do sort of the cleanup, sort of feat on the backend, like we just did in this last round; you can grant that flexibility up front. So, when applications are brought forward at the end of the RFA cycle next time, it’ll just be explained how that allocation was broken down without needing another motion to reallocate the funds.

 MARIO LOZOYA: I understand that. I guess I was asking in terms of JET policy. You know, for it to be from here on, there on after that it’s understand that leftover dollars could rollover, you know.

 EMILY: And I think that that is for you all to make that recommendation that that is how we move forward. Make that recommendation to commission and then staff would act on the commission’s directive. And I will point out to the Chairman’s comment about, sort of, the “size of the pie.” I think the one thing we don’t know about the “size of the pie” is how HB1525 will ultimately add more “pie” I guess.

 EMILY: Larger “pie.”

 MARY: Or, a second “pie.” So, I think that will be the undermined factor. But, based upon the idea that we could shift funds as those needs become available. And as one initial allocation is funded, then that would, I think, still self-balance as indicated.

 MATT: Mr. Chairman?

 CHAIRMAN DANIEL: Yes.

 MATT: May I make a comment?

 CHAIRMAN DANIEL: Please.

 MATT: So, I think I want a few comments to make. Number one, I echo Scott’s comment about not moving forward based on purely the applications we received from last year, knowing that Covid impacted a whole lot. Now, I did notice that the people who did apply, did a much better job applying this time. And so there was less “chaff and more wheat,” so to speak in those applications. Where we ended up having a similar qualifying number across the board. That’s good news, even during Covid, I think. But, making a firm decision based on last year’s numbers, I think I would be reticent to do. That’s number one. Number two, I think with regard to charter schools there’s a whole lot of unknowns. There are--the vast majority of charter schools are single-campus charter schools. They’re not networks like KIPP or IDEA, or the larger folks who might have the capacity to make larger asks. There’s also a whole lot of geographic spread among charter (inaudible), charter management organizations. In the sense that, like, KIPP has campuses all across the state. IDEA has campuses in San Antonio. They also have a campus in Donna, right in the valley. And so I wonder about the practicality of--especially given the Workforce Commission’s regional focuses. And the--and we’ve talked about this at many former meetings about how each--the TWC equivalent of the regional service centers for TEA have different priority fields. And so I wonder for applications, charter networks like IDEA. San Antonio’s priority field may be different that Donna, Texas’ priority field. And so I wonder how we’re gonna as an allocation committee here balance those asks. If it is the larger entity applying, are they going to need to allocate the schools that would then be receiving the proceeds? I think those are just a few of the many uncertainties, or unknowns, that I have. And this is just from thinking about it for 15 minutes. About the charter school networks that are applying. On the flip side, I also have questions whether single-campus charter schools have the capacity to deploy $250,000 hardware grants. Whether it is the highest and best use of the JET money to fund welding infrastructure, just as an example, at a single-campus entity. At the exclusion perhaps of a district-wide facility that would benefit 55,000 kids instead of 300 kids. I’m not expressing an opinion about any of this. It’s just these are questions that I have that I think that our committee and the larger commission needs to discuss as we bring charter networks into the fold. And so my initial thought with regard to the allocations is before we do that perhaps there needs to be some noodling about rule making. Like, internal TWC rule making with regard to what type of charter schools can apply, should apply, are encouraged to apply? And then whether the maximum allocation for those charter schools is dependent--or the maximum ask that they can make is dependent upon, let’s say, their enrollment. So, that a single-campus charter can’t apply for $250,000 of welding material that San Antonio ISD with 50,000 kids would also be applying for.

 CHAIRMAN DANIEL: Yeah.

 MATT: So, anyway. So, that’s a lot of words I just threw out there. But, I would be reticent I think today before we saw some proposed rules with regard to these charter schools. And frankly with Windham?

 EMILY: Mm-hmm.

 MATT: Windham, as well, I don’t think I have enough knowledge about how Windham serves its kids. What the size of the grant could be? And also how geographically spread out? I imagine it’s at all prisons across the state. And so if they would be applying, would they be applying for one particular prison? Would they be applying for the prison system at large?

 WILL CONLEY: That raises some questions. That’s another state agency. You know, this funding is funding another--‘cause that’s all funded from TDCJ’s appropriation, isn’t it?

 CHAIRMAN DANIEL: Mm-hmm.

 WILL CONLEY: Those were a few questions that came up during the legislative process. It didn’t get a lot of discussion. But, it’s a whole different “ball of wax.”

 MATT: Right. Right. And so perhaps the prudent decision for this committee would be instead of deliberating and voting upon this today, we have a kind of special called interim meeting before the next allocations are being proposed by staff. Where we can wrestle with these questions. And we can see, maybe, some proposed rules. And be a little bit more informed about the who, what, when, how and where of charters and Windham. Excuse all the lengthy comments, but--

 WILL CONLEY: I think some staff homework would be good. I mean, do we have a feel two things. One, are the applications campus specific, currently the application process?

 EMILY: Correct. They have to identify the location of where the--

 WILL CONLEY: And so the number of students--

 CHAIRMAN DANIEL: Hold on. Hold on. The location of what?

 EMILY: The primary location of the equipment.

 WILL CONLEY: Like, where the stuff that’s getting bought--

 MARY: Which high school and (inaudible)

 WILL CONLEY: --is going to go.

 CHAIRMAN DANIEL: Okay. So, it specifies the high school that it’s in.

 WILL CONLEY: And then it also says how many kids or students--

 EMILY: Mm-hmm.

 WILL CONLEY: --are going to be served as part of that application process?

 MATT: Yep.

 EMILY: Yes.

 WILL CONLEY: So, some of that--

 MATT: Okay.

 WILL CONLEY: --is addressed, especially charter. But, do we--I know this is all brand new and it got put in the legislation at the end of session. Do we have a feel, I certainly don’t, of how many charters are in the CTE space? ‘Cause when I think of--

 MATT: Right.

 WILL CONLEY: --most charters, I don’t think they’re doing CTE type--

 MATT: Right.

 WILL CONLEY: --education, correct? I’m sure some do. But, that’s something and, you know, we’re probably not gonna know until we start getting applications in on this.

 EMILY: And I’m working with TEA to get those numbers. I know they are just now issuing a new tool.

 WILL CONLEY: I would assume most charters don’t do CTE. It’s more traditional.

 MATT: But, I know also TEA is trying to provide “carrots,” right, to get them to start focusing on CTE programs.

 WILL CONLEY: Well, and this is certainly one.

 MATT: Right. And this probably.

 EMILY: Right.

 MARIO LOZOYA: Yeah. I reckon out of that the TEA’s interest is to meet the CCR--what is it? (Multiple speakers) College, career and military readiness is here.

 MALE: CCRM.

 MARIO LOZOYA: (inaudible) So, that’s starting to put that “carrot” in front of charters to get in line for aligning with that. And for those concerns that are expressed, I think maybe the staff can share--I think those checks and balances can be addressed in the application process with the point system, with the rubric. Right? And to prevent some ineffectiveness. But, I too am wondering what are the numbers? You know, I don’t know what they look like.

 WILL CONLEY: In the flip of the charter, Windham is heavy in CTE.

 MALE: Very.

 WILL CONLEY: Obviously, they are really big on trade certifications.

 MARIO LOZOYA: And Windham only has one campus.

 WILL CONLEY: Oh, they do. It isn’t the--the courses that are offered at the various prisons are not under Windham?

 MARIO LOZOYA: Windham is its own standalone campus.

 WILL CONLEY: In Huntsville?

 MARIO LOZOYA: In Huntsville. Yes, sir.

 MALE: And how long is commitment?

 MARIO LOZOYA: I’ve been there.

 MALE: I didn’t know that.

 MATT: I do want to note, they are headquartered. They have campuses for schools on 89 different sites across the state.

 MALE: That’s cool.

 CHAIRMAN DANIEL: Which one?

 EMILY: Windham.

 MATT: Windham.

 CHAIRMAN DANIEL: Eighty-nine campuses? MATT: Eighty-nine. Yes.

 CHAIRMAN DANIEL: Are they all high schools? Don’t know?

 WILL CONLEY: I think they offer all kinds of degrees.

 MARY: Now, I will note that the way that the program has been operated thus far, is whenever there is an eligible entity, so a school district that has, you know, say multiple high schools or TSTC that has multiple locations throughout the state they are--their first application is the one that counts. So, they can only submit--

 WILL CONLEY: And they say it’s for this campus at this location?

 MARY: Yes, correct.

 WILL CONLEY: So, that’s good.

 MARY: So, if they were to submit multiple applications, let’s say for TSTC, only the first one received would be considered. The others would be deemed ineligible.

 MARIO LOZOYA: That changes the game. So, you’re saying that TSTC only gets one grant per cycle, or per year? Cycle?

 EMILY: The way it is now it’s one application per eligible offer.

 WILL CONLEY: So, theoretically, Windham would get one as well under those current rules. Well, that doesn’t make the impact near as drastic.

 CHAIRMAN DANIEL: And then remind me, a charter school is its own school district?

 MARY: It’s its own school district.

 CHAIRMAN DANIEL: So, one per charter school regardless of the number of campuses.

 MARIO LOZOYA: One idea.

 MATT: Exactly.

 CHAIRMAN DANIEL: One kit.

 MARIO LOZOYA: One kit.

 MATT: Yep.

 MARY: Yeah. So, I think that would be based on the charter. So, an entity receives a charter, but can have multiple locations.

 WILL CONLEY: Based upon those restrictions, I think our current balance is okay. And we can just see how this goes going forward. It’s not going to be that much drastic. I mean, you could have a lot of charters apply. But, I think until we get a feel on how many charters are wanting to do CTE type education.

 JEREL BOOKER: I mean just to see the quality of the applications. Charter schools at the higher level, the bigger ones are skilled grant writers.

 EMILY: Mm-hmm.

 JEREL BOOKER: That’s how they, you know, make their living. But, even the size of the grants here, what do we have? It was $40,000 I think was the--

 MATT: That was the minimum.

 JEREL BOOKER: --minimum. Okay. I was just--I thought what you said was right on point about, you know, these single-member districts. How much energy they put in for that amount of money versus the other ones. But, as long as they’re--if it’s one per charter, that makes a big difference. And I’d be curious, I don’t even know the Windham’s, the confinement, how long it is? Like, you know, when you’re in the school district we expect them to be x-amount of time. But--

 EMILY: That’s a good point.

 JEREL BOOKER: --for Windham I’m always curious about how long their confinement is and how long they actually--you know, when they say x-number of students how many is that really serving if my time--

 WILL CONLEY: And then some have a lot of time.

 JEREL BOOKER: Some have a lot. That’s right. Some will be there--well.

 MARY: And they would have to demonstrate that in the application. How many students they would train during that period, during the grant period.

 WILL CONLEY: Well, I know there’s a national trend. And we’ve been in some of those discussions in the construction trades trying to train, you know, formerly incarcerated coming out. For those that aren’t--you know, even some more violent offenders as long as they’re not interfacing public and that sort of thing. I think there’s an opportunity there and there’s a lot of talk about that. So, I think it’s a good thing. I’m looking to forward to seeing where this goes.

 EMILY: Well, and previously in years, Lee College purchased a CDL simulator for--and they put it in the prison system there in Huntsville. And I had the opportunity to go see this equipment and meet the students. And it was just incredible to see how these courses and programs are changing lives. And the students themselves telling me how excited they were to get this training. And so--yeah. It’s exciting to see that that can continue.

 WILL CONLEY: In a former life when I worked in the legislature, we got to tour a lot of the facilities in Huntsville. And they have such restrictions on the inmates that can participate. It’s a part of their disciplinary--

 EMILY: Yes.

 WILL CONLEY: --if they are acting up at all they are out of the education program. And so the ones there are highly motivated, want to stay there. And they are some of the most enthusiastic. I’ve witnessed the same thing.

 JEREL BOOKER: So, we still--we need a percentage?

 CHAIRMAN DANIEL: Mm-hmm.

 EMILY: Yes. Yes. And the way we were thinking to organize this is the three sections you see; funding allocation, min/max grant amount, and point minimum/point threshold, we would decide on all of these. And then at the end make one motion for recommendation. Which you see that sample language at the top.

 WILL CONLEY: I’ll make the motion that we copy the FY21 all the way down. So--

 MARY: Allowing staff the--

 EMILY: For all three?

 MARY: Allowing staff the flexibility--

 WILL CONLEY: Yeah. Including the--

 MARY: --to shift.

 WILL CONLEY: --yes. Ability to rollover if once that’s not met. So, 40/60, $40,000 to $350,000, and the 50 points to just get the discussion started.

 JEREL BOOKER: I second.

 CHAIRMAN DANIEL: It’s been moved and seconded. Is there any discussion?

 MATT: Just one clarification question, if I could. We would have the chance to reevaluate this, like, should 150 charter networks apply for grants, right? To use an extreme example. And they score because, well, it was pointed out. Like, these are professional grant writers, right? Should the--let’s say the charter networks score the highest, get all of the money, pushing ISD’s to nothing. Right? Would we as a committee have a change to reevaluate these percentage allocation to maybe cap the charter percentages if we vote on this today?

 MARY: Once the RFA is open and those parameters are in place, then the agency needs to abide by the parameters laid out in the competitive process. So, once we determine that the allocation is the allocation. And that those are the parameters, then we would move forward with that scoring.

 MATT: So, it would be more like a sub-allocation though in my mind. It would be like, you know, K12 schools generally are allowed the 60 percent, right? And so the scoring happens based on the K12. What I’m thinking is then, would we as a committee be able to come in and make a sub-allocation that says the allocation to charter schools are capped at 50 percent of the 60 percent, kind of retroactive?

 CAROL:(no microphone)(inaudible)

 MARY: That’s a good point.

 EMILY: The economic impact.

 CAROL: Yes. Economic impact. So--

 MARIO LOZOYA: Mr. Chairman, is there an opportunity for this motion to pass with the understanding that it is for the purpose of a baseline creation so that we can better understand what the next window is going to look like. So, we can learn from it and then maybe make a change after?

 MARY: We could use this year as a year to gauge what that participation level is.

 BOARD: Right. Mm-hmm.

 MARY: And how the addition of Windham and charter schools change the dynamics of the program presumably as we move into a more, sort of, “normal” schoolyear. And have an opportunity to see what the interest is in the program. Then coming into FY23, then you would have the ability to update parameters moving forward based upon that information that’s received.

 WILL CONLEY: Well, I think we’re gonna have a lot of decisions to make after this to see what happens.

 MATT: Yes, sir.

 WILL CONLEY: I mean this is a--this is two big changes for the program. So--

 EMILY: Absolutely.

 WILL CONLEY: --but, I think we--in my opinion, we need to wait and see what comes forward.

 MARIO LOZOYA: Yeah.

 MARY: And I would like to just go ahead and commend staff on the outreach that they have done regarding this program. It’s going to continue and hopefully again--

 EMILY: Get back out there.

 MARY: --increase. A lot more getting ou there--

 MATT: In person.

 MARY: --in person. And so hopefully that is going to influence those numbers as well. And we are going to ensure that there is equity in that outreach to ensure that we are talking to all eligible entities.

 WILL CONLEY: Would it be beneficial, Mr. Chairman, to invite someone from the Windham District to come address this group at a future meeting? Just because it’s so different than what most of us--

 CHAIRMAN DANIEL: I think definitely to understand more about their CTE offerings, I do.

 BOARD MEMBER: Yeah.

 CHAIRMAN DANIEL: I do think that’s a good idea.

 JEREL BOOKER: Do you want the charter network also?

 BOARD MEMBER: Yeah. Yeah, to the extent--yeah. I’d like to know--

 JEREL BOOKER: Okay.

 BOARD MEMBER: --is there a one-charter organization--

 MARY: There’s a Charter School Association.

 BOARD MEMBER: I’d love to hear about what their CTE presence is.

 EMILY: Absolutely. Absolutely. And, Mary, to piggyback off the outreach. We’re excited that things are getting back in person and one of those things will be check presentations. I know in the past, we’ve emailed you all those opportunities to attend and to celebrate. And so we are very excited to pick that back up. So, just know that we will be reaching out to you all with those opportunities to get see the equipment in person. Hopefully, not some Sim Moms. Mario, I know that--

 MARIO LOZOYA: No.

 EMILY: --that was not your favorite, but--

 MARIO LOZOYA: Yeah. I didn’t make that one very well.

 EMILY: But, we’re excited about those opportunities.

 WILL CONLEY: Keep the invites coming.

 EMILY: Absolutely, will do.

 CHAIRMAN DANIEL: All right. Discussion on the motion. So, with the motion just to remind everyone, for Fiscal ’22, 40 percent IHE, 60 percent open-enrollment charter; minimum and maximum grant amount range $40,000 to $350,000; minimum point threshold 50 points. This motion also comes with a caveat to allow staff the latitude to distribute money across the columns, assuming one column fills up and there’s money left at the end of that column. That’s the motion before us. Are we ready to vote? Is there any further--

 WILL CONLEY: And any additional allocations that come from the stimulus funds--

 CHAIRMAN DANIEL: Correct.

 WILL CONLEY: --these parameters would apply as well?

 CHAIRMAN DANIEL: Correct.

 WILL CONLEY: Okay.

 CHAIRMAN DANIEL: Any further discussion? Hearing none. Is there any objection to the motion? Hearing no objection. Motion passes. Future meetings is Agenda Item Number 6.

 MATT: And I know Emily just touched on that. As we prepare and get a date for the next RFA, we will certainly keep you posted and then as we’re out doing these public check presentations or in your areas, we’ll certainly keep you posted.

 MARIO LOZOYA: Please.

 CHAIRMAN DANIEL: All right. Is there any other order of business to come before the Advisory Board today? Well, let me just say thank you everybody for making time to come. It’s good to see everybody in person. I’ve been holed up in this building for what seems like an eternity. I’m just glad to meet other people. Ed told me there were other people in the outside world, but I didn’t believe him until today. So, appreciate all of your time and effort. I know on these advisory committees the pay is great and the hours are better. And I appreciate everything that you guys are doing. We really benefit from having expertise that you bring and the enthusiasm of what you bring is very impressive. It’s just an absolute joy to be able to work with you.

 EMILY: Chairman?

 CHAIRMAN DANIEL: Any other items to discuss?

 EMILY: Mr. Chairman? I would also like to take the opportunity to thank Carol and Mary (inaudible), and Sandra. They’re, as you see these notebooks and all of the spreadsheets and everything, there are hours and hours of blood, sweat, and tears poured into this program.

 MARY: And lots of tears.

 EMILY: Well, lots of tears. So, just wanted to--and Mike, I thank you all so much for all of your hard work. This program would not be what it is without these folks.

 MARIO LOZOYA: I do have a comment to the staff, in my time at Toyota I learned about change-point management. And this is a big change point, guys. It’s not--this is not easy. It’s a big change point. It’s a big change point for a lot of potential impact with students, which hopefully is the workforce of tomorrow for Texas, right? And I say this to the staff mainly ‘cause you guys are the guys that are going to manage the change point, right? And you’re going to see all the numbers. You’re gonna have to kind of make the decisions. And I’ve seen this staff work. It’s a really good staff. I’m confident that they’re gonna manage that change point. It’s a big deal. I just want to make that point that we don’t take something like this lightly. It’s a big change point and it couldn’t be handled or managed by a better group. So, thank you for your work. (Applause)

 CHAIRMAN DANIEL: All right. Hearing no other order of business, do we have a motion to adjourn?

 MALE: (inaudible)

 MALE: Second.

 CHAIRMAN DANIEL: It's been moved and seconded to adjourn. Is there any opposition to adjourning? Hearing no objections. We are adjourned.