State of New Mexico
Workforce Innovation & Opportunity Act
Annual Report - Program Year 2016
Fiscal Year 2017

New Mexico Department of Workforce Solutions
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TABLE OF CONTENTS

INTRODUCTION LETTER ......................... 3
BUILDING WIOA ............................. 4
  Governance and the One-Stop Delivery System 4
  Implementation Progress ..................... 6
  Next Steps ................................ 10
  Performance Accountability ............... 11
WIOA IN ACTION - LOCAL BOARD HIGHLIGHTS 12
  Central Area ................................ 12
  Eastern Area ................................ 13
  Southwestern Area ......................... 14
  Northern Area ................................ 15
APPENDICES ............................... 16

Equal Opportunity is the Law
The New Mexico Department of Workforce Solutions (NMDWS) is an Equal Opportunity Employer. It is against the law for NMDWS to discriminate against any individual on the basis of race, color, religion, sex/gender, national origin, age, disability, political affiliation or belief, or, in the case of any beneficiary of programs financially assisted under Title 1 of the Workforce Innovation and Opportunity Act of 2014 (WIOA), his or her citizenship as a lawfully admitted immigrant authorized to work in the United States or his or her participation in any WIOA Title I-financially assisted program or activity. Auxiliary aids and services are available upon request to individuals with disabilities.
INTRODUCTION LETTER

Each year the New Mexico Department of Workforce Solutions prepares an Annual Report that includes a summary and highlights of key activities and accomplishments related to the efforts of the four workforce development regions. This year our report focuses on strategies necessary to build upon and fully implement the Workforce Innovation and Opportunity Act (WIOA) at the state and regional level. Much of our attention was focused on completing key infrastructure requirements; specifically, the identification and development of One-Stop Operators, review and certification of the local Workforce Connection Centers, and the adoption of key policies and practices necessary to organize and facilitate coordination and partnership with key agencies, such as the Division of Vocational Rehabilitation, Adult Education and Family Literacy, and Post-Secondary and Private Training Providers.

In the following report you will find an update on the local regional offices, their locations, along with the roles and responsibilities for the delivery of services to adults, dislocated workers, youth and individuals with disabilities. The report further highlights implementation progress at both the state and regional levels, along with descriptions of partnership engagement strategies and policy development used to strengthen activities statewide. Finally, the report includes highlights from each of the Local Workforce Development Boards, performance data and an appendix describing New Mexico’s Economic Outlook and State of New Mexico’s Workforce.

As always, we extend our gratitude to the providers and staff who work with job seekers and businesses on a day-to-day basis. We are encouraged by the dedication and commitment from our partners and we press forward with our mission to Educate, Empower, and Employ.

Sincerely,

Celina Bussey, Cabinet Secretary
New Mexico Department of Workforce Solutions

John Rockwell, Chair
State Workforce Development Board
Governance

Susana Martinez, Governor of the State of New Mexico, appointed the State Workforce Development Board to provide strategic direction and vision and to promote alignment of workforce development programs. The State Board includes a diverse representation of members from across New Mexico. The majority of the Board is comprised of private sector business leaders from a wide variety of industries. Also included are state and local elected officials; cabinet-level officials from various agencies that deliver and direct workforce services and programs; and representatives of the workforce itself, including labor organizations and community-based organizations that serve populations with barriers to employment. Current State Board membership was recently certified by the U.S. Department of Labor, a significant accomplishment for the implementation of the Workforce Innovation and Opportunity Act in New Mexico.

The New Mexico Department of Workforce Solutions (NMDWS) is the Governor’s designated State Administrative Entity (SAE) for the administration and implementation of WIOA. As such, NMDWS supports the State Board in achieving the Governor’s vision to transform New Mexico’s workforce into a virtual state of employability, where the workforce system meets the changing needs of employers including private, public, and non-profit organizations by providing a trained and employable workforce.

NMDWS is also the pass-through entity of federal formula funds awarded for WIOA Title I-Adult, Dislocated Worker, and Youth programs. Local workforce areas receive these formula funds through grant agreements that include scopes of work aimed at developing the WIOA local governance structure to carry out workforce activities. The State Administrative Entity is required to monitor activities under these federal awards to assure compliance with applicable WIOA requirements and performance expectations.¹

New Mexico’s Governor designates four local workforce regions with local boards to oversee 21 Workforce Connection Centers across 33 counties. These partners of the American Job Center network provide comprehensive career and training services to jobseekers, as well as outreach and direct services to employers. The four local boards include:

- Workforce Connection of Central New Mexico
- Eastern Area Workforce Development Board
- Northern Area Local Workforce Development Board
- Southwestern Area Workforce Development Board

¹ The SAE has developed a procedural guide for statewide monitoring activities which is available on NMDWS’ website at https://www.dws.state.nm.us/ WIOA-Policy-Plans-Annual-Reports.
One-Stop Service Delivery System

The 21 New Mexico Workforce Connection Centers (WCCs) are facilitated by the four local Workforce Development Boards in partnership with key agencies and partners to promote and align workforce readiness activities for adults, dislocated workers, youth, individuals with disabilities and senior workers. Efforts are focused on strategies to engage local agencies and partners who deliver similar activities and identify opportunities to link these activities within the center. Examples include offering adult education courses in the Workforce Connection Center, coordinating business outreach activities to include vocational rehabilitation, co-locating programs in the Workforce Connection Center, developing integrated case management and referral processes, and co-enrollment of customers across programs.

Roughly one of every 15 people in New Mexico’s labor force received the help they needed through the Workforce Connection Centers located throughout the state. These centers are the cornerstone of the public workforce system. The WCCs offer a broad range of enhanced service delivery through WIOA and partners. Workforce center staff works diligently with target populations to provide career services and job-seeker assistance, reemployment services to unemployment insurance claimants, labor market information, and evaluation and skill assessments. Services to employers include outreach, promoting WCC facilities and services, recruitment, job fair assistance, job orders and listings. Services are universally accessible to all customers, including special and targeted populations, i.e. dislocated workers, low-income individuals, migrant and seasonal farm workers, veterans, and individuals with multiple barriers to employment, including individuals with disabilities, out-of-school youth, individuals with limited English-speaking proficiency and/or basic skills deficiency, and older individuals.

The Workforce Connection Centers also adopted a new logo that included “A Proud Partner of the American Job Center Network” reminding customers and businesses the services available are linked to requirements established through the U.S. Department of Labor and are consistent with the activities of workforce centers across the country.

The state hosts an online portal, the New Mexico Workforce Connection On-Line System, that provides virtual job matching services, labor market information, employment resources, career development information, access to the Unemployment Insurance system, and more, with system availability online 24/7, at no cost to users. Additionally, the Career Solutions System, sponsored by the Department of Workforce Solutions, is a website that allows individuals to explore careers, connecting students, employers, experienced professionals and educators for career pathway planning.

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1 The state’s employment website and workforce development system, known as New Mexico Workforce Connection On-Line System (NMWCOS), an online portal located at: https://www.jobs.state.nm.us/.
The state has made significant progress in the continued implementation of WIOA, particularly in the areas of strategic planning, partner engagement, and policy development.

**Strategic Planning**

New Mexico’s WIOA Combined State Plan Program Years 2016-2019 was approved by the U.S. Department of Labor during Program Year (PY) 2016, and can be located on the DWS website.\(^4\) The SAE has also approved the local plans of each of the four Local Workforce Development Boards (LWDBs). These plans were developed according to the Act, regulations, and state guidelines, to ensure alignment with the State Plan. New Mexico’s state and local plans outline strategies for streamlining and strengthening the workforce system, as-well-as improving transparency, accountability and partnerships.

**Partnership Engagement**

The state has made significant strides in partner engagement and development, as WIOA challenges states to align and leverage resources to effectively and efficiently serve customers. New Mexico’s core workforce system partners include the following.

- Title I, WIOA Adult, Dislocated Worker, and Youth
- Title II, Adult Education and Family Literacy
- Title III, Wagner-Peyser Employment Service
- Title IV, Vocational Rehabilitation Programs
- New Mexico Higher Education Department (Adult and Post-secondary Education)
- New Mexico Public Education Department (Vocational Rehabilitation and Carl Perkins)
- Commission for the Blind (Vocational Rehabilitation)
- Human Services Department (Temporary Assistance for Needy Families)
- Aging and Long-term Services Department (Senior Community Service Employment)

The purpose of these partnership meetings is to work to align statewide efforts across programs and collaborate on areas of mutual interest to be responsive to workforce needs and better serve individuals and businesses. The goal is to deliver a unified voice in service delivery and support to the local boards. This collaboration allows LWDBs to address areas of concern such as infrastructure, one-stop centers, state performance systems, unique identifiers, alignment of tools and resources, identification of best and promising practices and many other topics.

All partners have been working to grasp the concept, “We are WIOA,” and this collaborative partnership has resulted in notable successes, as described on the following page.

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\(^4\) Access to New Mexico’s State Plan available at New Mexico Department of Workforce Solutions, State Administrative Entity website located at [https://www.dws.state.nm.us/WIOA-Policy-Plans-Annual-Reports](https://www.dws.state.nm.us/WIOA-Policy-Plans-Annual-Reports).
The New Mexico Higher Education Department, Career Technical Education (CTE) Division, and New Mexico Department of Workforce Solutions hosted a series of training opportunities for regional liaisons and the LWDBs to improve career pathways and align resources and actions between agencies. Resulting action items included a plan to pilot the use of aligned resources within each of the state’s four regional areas. The goal of this partnership is to enhance career readiness for young people by making much needed resources and tools readily available to schools and youth-serving organizations. The goal is to align Carl Perkins funding for state community colleges with regional in-demand occupations to ensure training programs offered lead to employment.

These interactions have revealed that partner programs often share the same customers, businesses, and many of the same service deliverables. For instance, the New Mexico Public Education Department (PED) hosts the Programs of Study website to connect high school students to postsecondary education and career services. Another tool presented by PED is the New Mexico Career Clusters Guide for students, parents, and career counselors. The guide organizes careers with core skills and educational requirements to inform decision making and discussion about employment interests and opportunities. Similarly, as mentioned earlier, NMDWS hosts the Career Solutions website to help individuals explore and identify careers that align with work interests, values and assessments. Partnership meetings resulted in strategy discussions of how to use these tools across the state with implementation activities underway in each region.

Partnering between the WIOA programs and the vocational rehabilitation program at New Mexico’s Division of Vocational Rehabilitation (DVR) has worked to enhance and assist efforts to better serve individuals with disabilities. For instance, DVR is actively negotiating co-locating with New Mexico’s Workforce Connection Centers, and developing referral processes. Additionally, Workforce Solutions, along with representatives from the Workforce Connection Center of Albuquerque, presented information at a statewide conference on workforce tools, resources and services which were given to the entire DVR staff. This partnership has resulted in strengthened referral and follow-up processes as well as increased awareness and capacity at the Workforce Connection Centers to serve individuals with disabilities.

A two-day workshop entitled, “Connecting Career Services to the New Mexico Workforce” was also organized in partnership with NM Higher Education Department – Adult Education Division and the New Mexico SUNPATH Consortium. The goal was to expand and strengthen capacity at community colleges and adult education programs to link students to workforce tools and resources, as well as to share expertise in areas related to resume preparation, work readiness skill development and workforce literacy. The highlight of this workshop was hands-on training on the NM Workforce Connection On-Line System. Career counselors and adult educators complemented the system overall and immediately identified strategies to implement as part of their program.

Perhaps the most difficult work for partners is the development of the required WIOA Memoranda of Understanding and Infrastructure Funding Agreements. These efforts require the LWDBs to engage with key agencies at regional level and commit to creating mechanisms to enable greater collaboration that leads not only to an improved system, but also an agreement to share in the overall funding structure. Discussions are focused on the identification of relevant benefits received by customers across agencies and identification of resources (cash or in-kind contribution) necessary to fund strategies. These discussions broaden the notion of “We are WIOA” and underscore the significant role and responsibility every agency plays in preparing New Mexico’s workforce.

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1 New Mexico Public Education Department College and Career Readiness Bureau, hosts New Mexico Programs of Study, which educates high school students and their parents about postsecondary education and career services. Go to: http://www.nmprogramsofstudy.org/.
Although these discussions have not always been easy, they are resulting in greater awareness of shared goals, common missions and values and mutual interests in growing and supporting a ready workforce.

**Policy Development**

Since the implementation of WIOA, NMDWS has issued a number of Workforce Guidance Letters to guide the work of the local boards. With state board direction, the SAE issued these guidance letters to better inform local board polices. Based on the Act and federal regulations, these comprehensive guidance letters establish objective criteria and procedures for local workforce development boards to deliver and meet key implementation dates and processes. The following highlights the key state policies developed and actions taken in PY 2016 to guide WIOA implementation activities at the local level.

**One-Stop Operator**

The role of the One-Stop Operator is equivalent to a managing partner of the workforce system. In this role, the Operator facilitates the identification of opportunities, challenges and issues to be addressed at the local level to ensure effective and quality service delivery. The Operator works with all partners working with the Workforce Connection Centers to coordinate effective strategies and systems necessary to build and sustain a cohesive, seamless service delivery system that engages all agencies and organizations at a systems level. The SAE provided information, criteria, and guidance to the LWDBs to obtain One-Stop Operators. All four LWDBs issued a Request for Proposal as required. In New Mexico, two local areas struggled with securing one-stop operators, as the RFPs issued in accordance with State procurement requirements did not receive any responses. Both local areas petitioned the SAE to name the local board as the appointed One-Stop Operators. These appointments were approved following technical assistance to local areas to ensure the establishment of stringent firewalls. The SAE will work closely with local boards to provide technical assistance for future competitive processes and the development of appropriate firewall processes. Competitive procurement for the One-Stop Operator is required every four years.

**One-Stop Certification**

The one-stop delivery system brings together partner agencies and organizations to collaboratively implement a seamless, customer-focused approach to delivering workforce development, educational, and other human resource programs. Together these partners determine strategies to best meet this mission, such as through co-location, shared case management, coordinated and integrated communications and information, training and educational activities, business services, and other means. The State Workforce Board set criteria for the development of local policy for one-stop certification. The SAE issued guidance, process, and deadlines for the certification of the one-stop centers and the LWDBs conducted on-site reviews of each center. One-Stop Certification criteria addressed effectiveness, physical and program accessibility and continuous quality improvement. New Mexico’s certifications follow federal guidelines and require LWDBs to evaluate their WCCs once every three years. Local areas were deemed compliant with the required policies, noting several areas requiring improvement and technical assistance. Ongoing technical assistance will be delivered to the LWDBs on continuous quality improvement and activities necessary to improve accessibility. The SAE will also revisit the One-Stop Certification guidance and reissue guidance to strengthen overall reporting elements.

**Local Governance**

LWDBs serve as strategic conveners to promote and broker effective relationships between the chief local elected officials, and economic, education, and workforce partners throughout the local area. The local board is responsible for developing a strategy to continuously improve and strengthen the workforce development system through innovation, alignment and improvement of, employment, training, and education programs to promote economic growth. The SAE provided guidance on the appointment of local boards and outlined the roles, responsibilities and authority of the chief elected officials and the local boards regarding the local workforce system. As such, the SAE conducted monitoring reviews of local board WIOA structures, and deemed most membership requirements as compliant, noting several deficiencies requiring changes, and provided technical assistance.
Eligible Training Providers
New Mexico’s Eligible Training Provider (ETP) System is undergoing transformation of system administration to enforce WIOA requirements. Only providers the state determines to be eligible may receive training funds under WIOA. The SAE provided LWDBs with information, criteria, and procedures that inform the local workforce development boards, local administrative entities and workforce system partners of changes to the Eligible Training Provider system. The SAE administers the ETP List (ETPL), aligning resources with NMDWS Information Technology Division (including the use of wage records), Higher Education Department, and the State Apprenticeship Agency. This is a year-long project that will result in more robust data with which to gauge and report on provider and program performance and help pinpoint areas for continuous quality improvement. Currently, the ETPL contains 72 eligible training providers, with 928 eligible training programs, serving 648 training participants.

One-Stop Common Identifier
NMDWS adopted the tag line phrase, “A Proud Partner of the American Job Center Network,” for the Workforce Connection Centers in New Mexico. Specifically, NMDWS required the replacement of existing New Mexico Workforce Connection Center logos with the revised logo where appropriate. This includes updates to web pages and documents accessed through the New Mexico Workforce Connection Online System and other related sites. In addition, all printed materials that are copied and distributed for specific events and meetings, and all related publications and handouts which include references to the New Mexico Workforce Connection Center logo must also include the revised logo and adhere to the branding guidelines. The goal of the proposed logo adoption is to provide an easy way for job seekers and employers to locate, recognize, and access workforce development services. The adoption of the new brand also provides a consistent identity of our network of Workforce Connection Centers across the state.

Infrastructure Funding
WIOA establishes ambitious goals for the integration of workforce service programs. These goals are intended to maximize the value and benefits to customers of services available to them under federally-funded workforce development programs. Planning and coordinating services among all federally-funded workforce development programs is necessary to achieve delivery of integrated services at the level required by WIOA. This means that all federally-funded workforce programs must work in partnership to optimize the quality of services provided. WIOA requires all partners to contribute to infrastructure funding, which includes both facility and shared costs as required to maintain operations of the center(s). The SAE issued guidelines to LWDBs for negotiating cost sharing, service access, service delivery and other matters essential to the establishment of effective local workforce development services. Successful integration is directly related to coordinated and joint use of resources.
As the New Mexico workforce partners move forward, focus will turn to three important areas: ongoing system improvement; development of training programs and providers; and, increasing the number of participants receiving services and supports at the Workforce Connection Centers statewide. The work moving forward requires a commitment to reviewing processes both internal and external; state and regional; as well as, locally and centrally with a willingness to promote the need for objective data to analyze and improve processes. NMDWS is committed to creating an environment in which the LWDBs and partners are using data to guide and inform the quality of the experience for job seekers and employers as they engage with the Workforce Connection Centers. Technical assistance on continuous quality improvement includes guidance on how to successfully implement processes to evaluate the effectiveness of activities throughout the process, with commitment to strengthening referral and follow-up; and review of customer satisfaction and feedback to drive change. LWDBs and partners will be challenged to look for opportunities to become innovative and to adopt practices that ultimately result in greater outcomes. The SAE envisions adoption of data-driven practices to inform practice and policy at both the state and regional level.

Attention will also be given to strengthening the network of available training providers and programs, ensuring compliance with requirements for certification on the State Eligible Training Provider List, as well as capacity to demonstrate and report outcomes for participants. Goals include ensuring providers and training programs are designed to meet labor market needs and are successfully conferring degrees, licenses and certificates that lead to employment. Attention will be given to strengthening partnerships with colleges and universities with LWDBs in the development of training programs, with a goal of ensuring strong communication and collaboration to ensure alignment with local market demands and the needs of employers.

Finally, efforts will address participant eligibility across all regions to determine opportunities to leverage funds and activities that can lead to an increase in the total number of participants receiving subsidies with WIOA funds for training and other workforce development supports. During this reporting period a total of 65,153 individuals received assistance at the Workforce Connection Centers. While the overall participation seems low, without review of data and processes, it is difficult to understand the opportunities or challenges to increase this target. An immediate area of concern is increasing the number of dislocated workers entering the program. We do know our overall targets are low. New Mexico has one of the highest unemployment rates nationally and we know there is room for improvement. Many dislocated workers do come through the program and it is likely we are not capturing the data correctly to demonstrate impact. Nonetheless, there is commitment from our LWDBs, our partners and providers to give special attention to addressing ways we can increase impact and outcomes statewide.
The SAE negotiated state and local levels of performance in PY 2016 and implemented performance accountability measures to deliver better accountability of federal funds. The SAE has also convened a workgroup to implement the required unique identifier, required by USDOL, to be shared across all core partner programs. This project will not only inform performance across programs, it also will inform co-enrollment activities and ultimately enhance case management for job seekers and coordinate business outreach. Performance for Program Year 2016 consists of individuals served in the program and individuals who exited the program. The SAE continues to track these individuals and will report further outcomes as the data becomes available.

During Program Year 2016, New Mexico’s Workforce Connection Centers served a total of 65,153 individuals. Individuals between the ages of 25 and 45 were the primary age demographic served. Males comprised 46 percent and females made up 54 percent of the population served. The majority of the individuals served, 62,205, received career services designed to connect jobseekers to employers. The remaining 2,948 individuals, were provided more targeted training services to increase their skill levels, particularly among individuals with barriers to obtaining competitive employment. Targeted services included on-the-job training, training provided through individual training accounts, or training provided by employers through customized training contracts in which employers agreed to employ or retain the individual(s) being trained. These training services were provided at an average cost of $3,103 per individual. The Workforce Innovation and Opportunity Act requires priority for training services to be given to individuals with specific barriers. As such, the priority population for PY 2016 included 5,112 individuals with low-income, 3,308 individuals with a disclosed disability, 920 individuals with low levels of literacy, and 144 justice-involved individuals.
Depicted below are regional highlights of WIOA activities summarized from local board annual narrative reports. Each report is available via an electronic access link on their respective websites and each narrative is provided in accordance with §677.205 of WIOA regulations.

Central Area Highlights

Workforce Connection of Central New Mexico (WCCNM) is the largest workforce development region in terms of population served and number of job openings. Comprised of four counties which make up almost half of the state’s total population, the Central Region local workforce development board serves Bernalillo, Sandoval, Valencia and Torrance counties. The PY16-17 total funding for the area was $5,898,799 with an unemployment rate of 6.0% as of May 2017, down from 6.1% in May of 2016.

The WCCNM in partnership with New Mexico Workforce Connection Centers continues to pursue innovative approaches that produce long-term performance in the workforce system and to provide cost-effective outcomes for job seekers and businesses while supporting the local economy.

Highlights for the Adult and Dislocated Worker Programs include the co-location of the Division of Vocational Rehabilitation to the Bernalillo County comprehensive Workforce Connection Center, the addition of the popular “Career Master Series” which includes job hunting methods outside of the traditional job search methods, and delivery of enhanced employment services through the Reemployment Services and Eligibility Assessment (RESEA) program which aids dislocated workers qualified for WIOA funded training. Overall, 1,011 individuals received WIOA training services in the Central Region and over 10,155 job seekers and 1,054 employers participated in 502 job fairs and industry-specific hiring events for program year 2016.

WCCNM’s Youth Program saw successes with an increase in outreach and recruitment efforts through their Youth Build program and youth were offered activities such as high school and community college education, work experience, occupational skills training, on-the-job training and mentorship opportunities. A total of 354 youth received training services and were placed in employment with an additional 369 youth receiving supportive services to enhance their current and future endeavors.

A particular bright spot was the award of a Department of Labor H-1B TechHire Partnership Grant to WCCNM which created the four-year TechHire New Mexico program designed to provide innovative, paid Information Technology (IT) job training and placement for 450 eligible young adults ages 17-29 with barriers to training and employment. Working in partnership with Central NM Community College, NM Technology Council, Innovate+Educate/Talent ABQ and local employers, the TechHire NM program will increase the pipeline for in-demand IT talent and provide individuals high paying IT jobs critical to the regional economy.

Starting this year, visitors to the local Workforce Connection Centers can get assistance from a Graduate! Albuquerque (Graduate ABQ) coach who will help prospective students take the first steps toward a college degree or certificate. “We know how powerful a college credential is for individuals in our community and to our community,” explains Dan Mendelsohn, Mission: Graduate Education Transition Specialist, “we’re here to make it easier for students to get help applying, finding support systems on campus, and figuring out how to pay for college.” A recent success story is Britnee, a 17-year-old individual who sought out WIOA programs for help with her future. Unsure about a career path, she was placed into a local municipal job and quickly excelled, developing a good work ethics. She received her high school diploma and met with the Youth Development Practitioner to discuss her concerns and doubts of post-secondary education. Britnee credits “consistent guidance and mentorship” from her practitioner with her decision to continue her education and enroll in a dental assistance program. Britnee completed the classroom instruction and was placed with a local employer, Comfort Dental, to complete her clinical hours. She was referred to the WIOA

7 To view the full annual report narrative for the central area, and the Workforce Connection of Central New Mexico (WCCNM) go to https://www.mrcog-nm.gov/workforce/about-us.
Adult program for on-the-job training through co-enrollment and received her Dental Assistance Certification and then full-time, permanent employment with Comfort Dental. “I am not sure what I would be doing if I did not enroll in WIOA. This program has motivated and guided me to a bright future where I want to continue my education to be a Dental Hygienist. I love my career,” Britnee says with a huge smile.

Eastern Area Highlights

The Eastern Area Workforce Development Board (EAWDB) covers the whole eastern half of the state of New Mexico, serving twelve counties with a total population of approximately 366,000 people.8 A largely rural area, economic growth is based on agriculture, cattle ranching, health and service jobs, as well as the oil and gas industry. Total PY16-17 funding for the area was $1,899,212 with unemployment rates ranging from a high of 7.4% in the oilfields to a low of 3.9% in a sparsely populated rural county.

The EAWDB has accomplished a lot during PY 2016 under WIOA implementation and counts as success the adoption of a “No Wrong Door” policy with the help of its new One Stop Operator, as well as improved, richer, partnerships working to strengthen the workforce development system.

A new shared common platform for making and tracking referrals between partners has enhanced collaboration and reduced duplication by giving all partner staff a means to securely assess and refer individuals, as well as create employment plans and follow the progress an individual receives in the New Mexico Workforce Connection Centers. Additionally, the adult and dislocated worker service provider has been using social media to help increase outreach and information available in rural areas by partnering with local libraries to provide venues for individuals to access services there.

To fulfill the board’s over arching mission to develop a more highly skilled workforce and increase regional economic growth, local workforce staff are working with employers to help fill open positions by the increased use of posting job openings and recruitment activities using social media such as Twitter, LinkedIn, Facebook and Instagram. Employers are offered interview space in NM Workforce Connection Centers, as well as provided a pre-screening service of applicants and referrals of the most qualified applicants to save time and money during the hiring process.

The Eastern region continues to suffer from the downturn in oil and gas prices which has resulted in high unemployment in impacted counties. Additionally, Holloman Air Force base in Alamogordo lost a lucrative contract resulting in contraction of civilian jobs on the base. A new contract awarded for an F-16 training squadron should lead to more hires in PY 2017. Most growth in business and employment has been in retail, hospitality and service industries. Health care positions continue to grow but not enough to offset the loss of high paying oil and gas jobs. There has been progress with new, planned projects like wind farms, a beef processing plant and an aircraft parts supplier coming on line but those projects will not start hiring until PY 2017 and into PY 2018.

Increased outreach in the areas of adult and dislocated workers has been heavily prioritized resulting in a 22% increase in the number of adult and dislocated workers being served. The higher participant level has resulted in an increase in Title I expenditures, with 62% of total funds being spent directly on participant training. Increased employer outreach has also resulted in more on-the-job-training contracts - an increase of 37.5% more contracts from the previous program year.

The youth service provider for EAWDB has completed PY 2016 with an expenditure rate of 83% for out-of-school youth and met the 20% work activity expenditure requirement. An outcome of the work activity effort was the Emerging Technology Ventures (ETV), a partnership between an agriculture employer using drones, the AUSC (a small business administration supported regional innovation cluster focused on the start-up and growth of small businesses developing autonomous and unmanned system technologies.

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8 To view the full annual report narrative for the eastern area, and the Eastern Area Workforce Development Board (EAWDB) go to http://eawdb.org/docs/EAWDB%20PY%202016%20Annual%20Report.pdf.
in Southeastern New Mexico) and high school students in Alamogordo working with the WIOA Youth Program. One success was Jordon who was able to graduate high school and fulfill his work experience through ETV and “loved every minute of it.” The program helped him grow from a shy youth to a responsible young man who has plans to go to college and continue pursuing his recent experience and interest in software engineering.

**Southwestern Area Highlights**

The Southwestern Area Workforce Development Board (SAWDB) provides workforce services to seven counties, including Catron, Doña Ana, Grant, Hidalgo, Luna, Sierra, and Socorro. The state’s second largest MSA is located in Las Cruces, New Mexico. The Workforce Connection Centers in the region include one comprehensive, and four affiliate centers, as well as one other Workforce Center that is being developed for Doña Ana Community College.

In 2016, the average unemployment rate for the Southwest regional area was 7.8%, although it was much higher in some of the more rural counties. Funding for PY 2016 was $5,337,433 and a total of 545 adults, dislocated workers and youth sought services and training through the WIOA program. Growing employment industries in the Southwest region are health care and social services, accommodation and food services, retail trade, construction and agriculture.

The SAWDB created a four year strategic plan in 2016 as part of their WIOA implementation, procured a new Adult and Dislocated Worker provider, and awarded a contract for a new One-Stop Operator for the region’s workforce system.

Other highlights of PY 2016 include SAWDB and its workforce partners developing a strong working relationship with the Workforce Solutions Borderplex in El Paso, Texas. Jointly, the boards, along with their workforce partners hosted the 2016 Annual Agricultural Employer Conference. The successful collaboration is planning to expand in 2017 and will include more agricultural associations such as the Chile Association, Farm to Table Organic Farming, New Mexico wineries and El Paso area community farms.

Business outreach efforts include hiring events held monthly in the Workforce Connection Center in Las Cruces, as well in conjunction with local chambers of commerce in other counties. The Alamo Navajo School Board, Inc. provides WIOA Youth Services on the Alamo Navajo Reservation in Socorro County and hosted a College and Career Fair for their high school students in October 2016. Hidalgo County held a Business Expo in Lordsburg and a Youth Career Fair in Animas. Luna County held a Business Expo and Veteran’s Resource Fair. Also, Grant County held a Veterans’ Resource Fair. Additionally, in an effort to expand services to an underserved community, the WIOA Adult and Dislocated Worker provider and Youth provider visited the Village of Reserve in Catron County for an Outreach Blitz. Two training contracts came out of that visit.

SAWDB set aside funding for a new Summer Youth Initiative and participants gained work experience by job shadowing in different positions from entry-level to senior management. Participants received 30 hours of paid work experience and mentoring per week and were paid a $10 per hour salary. The initiative provided work experience for 19 youth across four counties.

While layoffs are never pleasant, a success story for a participant needing WIOA help occurred recently when Ms. Kraul and all her co-workers were given notice of a company-wide lay off at Sunspot Solar Energy in Las Cruces. Workforce Connection Center staff made a Rapid Response visit to Sunspot Solar to offer services to all the employees, where Ms. Kraul first heard about WIOA services. A month later Ms. Kraul was able to get an interview at Torres Welding and was able to qualify for on-the-job training, something her new employer did not know existed until contacted by Workforce Connection Center staff. Ms. Torres, owner of Torres welding had hired Ms. Kraul for her own merit, but felt like she “benefited from more efficient recruiting and

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targeted training” for her new employee because of her experience with WIOA and the Workforce Connection Center system. Ultimately, Ms. Kraul was able to increase her annual earnings in her new position.

Northern Area Highlights

The Northern Area Local Workforce Development Board (NALWDB) is comprised of ten very diverse counties ranging from some of the state’s highest income earners at Los Alamos National Labs to counties with almost no economic development and high rates of poverty. The geographically large NALWDB workforce area is made up of the counties of Santa Fe (Santa Fe MSA), San Miguel, Mora, Colfax, Taos, Rio Arriba, San Juan (Farmington MSA), McKinley, and Cibola. Unemployment rates in PY 2016 ranged from a high of 10.3% in Mora County to a low of 4.2% in Los Alamos. Six of the counties in that area; Mora, McKinley, San Juan (Farmington MSA), Cibola, Taos and San Miguel have the highest unemployment rates of the state’s thirty-three counties. The San Juan Basin, an oil, gas and coal mining boom area, has gone bust due to the decline of oil prices and the pending closing of the coal-fired San Juan Power station resulting in the loss of many high paying jobs.

The region faces a lot of workforce development challenges, and although the rural nature of most of the counties has always remained an obstacle in delivering services, the board, their providers and partners in education, business and economic development are working together to develop system-wide innovations and new efficiencies under WIOA implementation.

The NALWDB and its adult service provider, SER-Jobs for Progress, Inc. continues to take an innovative approach to service provision that assures quality customer service and performance achievement while supporting local economies. After each customer is thoroughly assessed, identified barriers are addressed internally or through resource sharing with partner programs to remove obstacles to success. One innovative technique applied is having a customer develop a “white paper” which helps them to organize and focus their thoughts on training needs, costs, timelines, and plans for newly acquired skills should they enroll in WIOA programs. This practice helps the customer put their needs into perspective, thereby understanding the career pathway goals, and has been cited as a best practice by state and federal monitors. The NALWDB staff works with each eligible participant to develop a comprehensive Individual Employment Plan (IEP) and that process leads to positive outcomes for customers.

The Farmington area has experienced the most dislocation and need for Rapid Response services due to the downturn in the oil drilling activity. NALWDB has worked with the New Mexico Department of Workforce Solutions and other partners to attend Rapid Response events and present all services available to dislocated workers in order to get affected workers re-trained and back to work as quickly as possible.

An example of those efforts was Ellison, a field service technician living in Farmington, NM who was laid off due to downsizing. He needed a way to provide for his family and was looking for training in an in-demand field. Ellison loved the open road so decided to pursue his Commercial Driver’s License (CDL). Ellison was praised as one of the most able students and upon completion of the training and licensure, he was hired by Schneider Trucking Company in Phoenix, AZ. He did very well during his training period and was offered a position as a regional driver. He called the New Mexico Workforce Connection Farmington Office and thanked them for his experience in the WIOA program. He is grateful for the opportunity to see the country and earn a salary which supports his family.

NALWDB’s Youth provider in PY 2016 was HELP-NM, Inc. Their effective delivery of service activities was centered on their ability to leverage funding through other in-house HELP-NM programs and making available the 14 Youth program elements. They met their goals for PY2016 though lost their contract for 2017 to a new youth provider.

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New Mexico has an estimated 2,081,015 population, experiencing flat population growth in 2016, with a 0.03 percent growth rate or 700 people, which makes it the tenth slowest growth in the nation. The central area accounts for more than 43 percent of New Mexico residents. Jobseeker and business customers are dispersed throughout thirty-three counties, covering 121,298.2 square mile radius, or 17.2 residents per square mile. In addition, New Mexico is racially and ethnically unique, with large Hispanic/Latino and Native American populations and related heritage. New Mexico’s high unemployment rate, poverty, and economic challenges are but a few reasons the NM Department of Workforce Solutions is committed to building a stronger workforce system.

**Labor Force Participation**

In 2016, New Mexico’s labor force participation rate was 58.2 percent, 4.9 percentage points lower than the national average of 63.1 percent. New Mexico’s rate was lower than the rates of all its neighboring states and nearly every other state in the country (it tied for fifth-lowest with Florida). Labor force participation rates nationwide have been falling since the late 1990s. From 2012, New Mexico’s labor force participation rate fell by 1.9 percentage points, the largest decline in the region.

The state’s labor force participation measures the civilian population age 16 and older in the labor force (i.e., persons who are either employed or unemployed but actively looking for work). Poverty levels, demographics, educational

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Appendix I - New Mexico Economic Outlook

State of New Mexico’s Workforce

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>UT</td>
<td>CO</td>
</tr>
<tr>
<td>68.6%</td>
<td>68.2%</td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau, American Community Survey, 2012 and 2016 1-Year Estimates, Table S2301: Employment Status

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11 The Economic Research and Analysis Bureau (ER&A) provides statistical data, collects, develops, analyzes, and publishes labor market information for New Mexico and USDOL. It operates five statistical programs producing information about trends in industry employment, skill needs, unemployment, occupations in demand, and a range of labor market information used by employers, educators, workers, students, economic developers, and policy makers at all levels.
attainment, and business climate are just a few variables that impact labor force participation. While stronger labor markets and job opportunities usually lead to higher rates, labor force participation should always be evaluated alongside unemployment to get a full picture of the variables that can cause increases or decreases in the rate and whether those variables point toward a weakening or just an evolving economy.

**Unemployment Growth**

New Mexico’s unemployment rate was similar to those of neighboring states and lower than the nation’s before and during the Great Recession, but recovery has been muted in the state since then. The unemployment rate is one of the most closely watched economic indicators. While New Mexico’s rate has fallen since the end of the Great Recession, it has stagnated at around 6.6/6.7 percent in the last three years (2014–2016), remaining well above the rates of its neighboring states. Unemployment rates were relatively high throughout the country in 2012, with the national average reaching 8.1 percent.

New Mexico’s unemployment rate was 1.0 percentage point lower than the nation’s, ranking the state fourth of the six states in the region. Joblessness decreased in 2013, with the national unemployment rate falling to 7.4 percent. New Mexico’s rate decreased only 0.1 percentage point, leaving its rate lower than only Arizona’s in the region. In 2014, unemployment continued its downward trend, with the national rate decreasing to 6.2 percent.

Regional rates continued to fall. In New Mexico, the rate dropped 0.3 of a percentage point to 6.7 percent, leaving the rate fifth out of six in the region and higher than the national rate. Joblessness in New Mexico was essentially unchanged in 2015, dropping only 0.1 percentage points. The downward trend in unemployment continued across the nation and in neighboring states, with Arizona’s rate decreasing 0.8 percentage points to 6.0 percent, making New Mexico’s rate the highest in the region. In 2016, the national rate dropped to 4.9 percent, with New Mexico’s rate ticking upward by 0.1 percentage points, 1.4 percentage points higher than the next-highest level in the region in Arizona.

**Unemployment Rates**

New Mexico & Regions, 2012–2016

Source: NMDWS calculations based on U.S. Bureau of Labor Statistics estimates
Poverty

High poverty levels continue to be a challenge for New Mexico, with the percentage of the population living in poverty reaching nearly 20 percent of the total population as of 2016. The percentage of people living below the poverty level in New Mexico in 2016 was 19.8 percent, down from 21.3 percent in 2014 and 20.4 percent in 2015. The 2016 rate exceeded those of all neighboring states and was 5.8 percentage points higher than the national average (14.0 percent). Poverty is an incredibly complex issue, influencing and influenced by an interconnecting web of social and historical issues impacting the lives of many New Mexicans both directly and indirectly. Stimulating economic growth and supporting paths out of poverty are necessary steps to reduce the state’s poverty level and ultimately improve the economy and economic well-being of New Mexicans.

Employment in New Mexico’s Industries

The health care industry continues to be the largest employing industry in New Mexico. While the mining industry experienced fast and steady growth between 2011 and 2015, recent employment losses related to worldwide drops in oil prices have changed the industry’s growth trajectory. The largest employing industry in New Mexico in 2016 was health care and social assistance, comprising 17.3 percent of total employment. The six largest industries, including health care and social assistance, were retail trade (11.6 percent), accommodation and food services (11.3 percent), educational services (9.4 percent), public administration (7.6 percent), and professional and technical services (6.8 percent). These are all service industries, and their combined employment made up 64.1 percent of total employment in the state.

Overall, employment increased by 2.8 percent, representing about 22,000 jobs, from 2012 to 2016. The largest absolute increase occurred in health care and social assistance, with the industry adding 12,840 jobs. As the largest industry in the state, this represented a 10.1 percent increase, second among all industry growth rates. The largest percentage increase in employment occurred in accommodation and food services, with a gain of 8,599 jobs translating to a 10.4 percent increase. Accommodation and food services ranked second in terms of absolute growth. Construction ranked third in terms of absolute growth (2,321 jobs) and fifth in percentage growth (5.2 percent). Management of companies and enterprises and finance and insurance ranked third and fourth in terms of percentage growth, with employment increasing by 6.5 percent and 6.4 percent, respectively.

The greatest absolute loss of jobs occurred in mining. The impacts of the downturn in the oil and gas extraction subsector fully registered in 2016. Employment decreased by 4,175 jobs, or 17.4 percent. Manufacturing saw the second-largest absolute and percentage decreases, at 2,826 jobs, or 9.5 percent. Other sectors that shrunk include educational services, information, other services, and public administration. Losses ranged between 385 and 1,294 jobs and 0.6 and 4.5 percent in the four industries.
Appendices
Appendix I - New Mexico Economic Outlook
State of NEw MExico’s Workforce

Industry Employment Growth
New Mexico, 2012–2016

<table>
<thead>
<tr>
<th>NUMERIC CHANGE</th>
<th>PERCENT CHANGE</th>
</tr>
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<tbody>
<tr>
<td>Health Care &amp; Social Assistance</td>
<td>12,840</td>
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<tr>
<td>Accommodation &amp; Food Services</td>
<td>8,599</td>
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<tr>
<td>Construction</td>
<td>2,321</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>2,119</td>
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<tr>
<td>Professional &amp; Technical Services</td>
<td>1,929</td>
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<tr>
<td>Finance &amp; Insurance</td>
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<tr>
<td>Administrative &amp; Waste Services</td>
<td>884</td>
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<tr>
<td>Transportation &amp; Warehousing</td>
<td>481</td>
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<tr>
<td>Agriculture, Forestry, Fishing &amp; Hunting</td>
<td>371</td>
</tr>
<tr>
<td>Real Estate &amp; Rental &amp; Leasing</td>
<td>330</td>
</tr>
<tr>
<td>Mgmt. of Companies &amp; Enterprises</td>
<td>323</td>
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<tr>
<td>Arts, Entertainment &amp; Recreation</td>
<td>213</td>
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<tr>
<td>Utilities</td>
<td>160</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>41</td>
</tr>
<tr>
<td>Public Administration</td>
<td>-385</td>
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<tr>
<td>Other Services, Ex. Public Admin</td>
<td>-572</td>
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<tr>
<td>Information</td>
<td>-658</td>
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<tr>
<td>Educational Services</td>
<td>-1,294</td>
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<tr>
<td>Manufacturing</td>
<td>-2,826</td>
</tr>
<tr>
<td>Mining</td>
<td>-4,175</td>
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</table>

Source: NMDWS, Quarterly Census of Employment & Wages program

Occupational Employment

New Mexico’s occupational composition is similar to that of the nation. Employment in three of the 22 major occupational groups—office and administrative support, sales and related, and food preparation and serving related—represented about 35 percent of all employment in the state and in the nation as of 2016. In 2016, administrative and sales positions made up about one-quarter of all New Mexico jobs. Positions within the largest major occupational group, office and administrative support, made up 15.3 percent of jobs in New Mexico. Employment within each of sales and related occupations and food preparation and serving occupations made up about 10 percent of employment statewide. Almost half of all employment in the state (47.8 percent) fell into the five largest major occupational groups. The other half was divided among the remaining 17 groups.
Occupational Distribution
New Mexico, 2016

Source: NMDWS, Occupational Employment Statistics program
The mean wage of all New Mexico occupations was $44,160 in 2016. Of the five groups with the most employment, only education, training, and library had a mean wage higher than the state average. The top three occupational groups with the most jobs were all related to sales and service. Food preparation and serving was not only the lowest-paying occupational group of the three, but also the lowest-paying of all 22 groups. Its mean wage was $21,470 in 2016, less than half of the state average.

There were nine occupational groups with mean wages above the state average, and their employment accounted for 29.2 percent of total employment statewide. Management was the highest-paying occupational group, with a mean wage of $93,310 and employment representing 4.8 percent of total employment in New Mexico. Management was followed by architecture and engineering, with an average wage of $90,030 and employment representing 2.6 percent of total employment. Education, training, and library had the highest share of employment for a group that had a mean wage above the state average. Its employment accounted for 6.5 percent of total employment, and it had a mean wage of $50,690.

<table>
<thead>
<tr>
<th>Occupational Group</th>
<th>Mean Wage</th>
</tr>
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<tbody>
<tr>
<td>Management</td>
<td>$93,310</td>
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<tr>
<td>Architecture &amp; Engineering</td>
<td>$90,030</td>
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<tr>
<td>Life, Physical &amp; Social Science</td>
<td>$81,750</td>
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<tr>
<td>Computer &amp; Mathematical</td>
<td>$77,460</td>
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<tr>
<td>Healthcare Practitioners &amp; Technical</td>
<td>$77,450</td>
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<tr>
<td>Legal</td>
<td>$73,730</td>
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<tr>
<td>Business &amp; Financial Operations</td>
<td>$63,330</td>
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<tr>
<td>Education, Training &amp; Library</td>
<td>$50,690</td>
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<tr>
<td>Arts, Design, Entertainment, Sports &amp; Media</td>
<td>$50,170</td>
</tr>
<tr>
<td><strong>Total All Occupations</strong></td>
<td><strong>$44,160</strong></td>
</tr>
<tr>
<td>Community &amp; Social Service</td>
<td>$43,520</td>
</tr>
<tr>
<td>Installation, Maintenance &amp; Repair</td>
<td>$43,490</td>
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<tr>
<td>Construction &amp; Extraction</td>
<td>$41,780</td>
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<tr>
<td>Protective Service</td>
<td>$41,210</td>
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<tr>
<td>Production</td>
<td>$38,030</td>
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<tr>
<td>Transportation &amp; Material Moving</td>
<td>$35,880</td>
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<tr>
<td>Office &amp; Administrative Support</td>
<td>$34,050</td>
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<tr>
<td>Sales &amp; Related</td>
<td>$32,430</td>
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<tr>
<td>Healthcare Support</td>
<td>$28,110</td>
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<tr>
<td>Farming, Fishing &amp; Forestry</td>
<td>$25,120</td>
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<tr>
<td>Building &amp; Grounds Cleaning &amp; Maintenance</td>
<td>$23,740</td>
</tr>
<tr>
<td>Personal Care &amp; Service</td>
<td>$22,580</td>
</tr>
<tr>
<td>Food Preparation &amp; Serving Related</td>
<td>$21,470</td>
</tr>
</tbody>
</table>

Source: NMDWS, Occupational Employment Statistics program

Gray-colored categories represent those with a wage above the all-occupation average.

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While New Mexico’s occupational composition is very similar to that of the nation, there are a few occupational groups in which the share of employment in New Mexico is notably greater than the share in the nation. These groups include life, physical, and social science; construction and extraction; personal care and service; and architecture and engineering occupations. Occupational groups that have comparatively smaller shares of employment include production; computer and mathematical; and transportation and material moving occupations.

**Employment Growth**

New Mexico’s over-the-year employment growth rate ranged between -0.3 percent and 0.4 percent between 2012 and 2016, with expansions in employment often lagging growth reported in neighboring states. After a slow recovery from the Great Recession, the national rate of over-the-year employment growth reached 1.3 percent in 2012. New Mexico’s rate was 0.2 percent. Employment growth slowed in the country as a whole in 2013, with a national rate of 1.0 percent. That same year, New Mexico’s employment contracted by 0.3 percent, while employment expansions in neighboring states ranged from 0.1 percent in Oklahoma to 3.5 percent in Utah. New Mexico’s employment grew in 2014, though at a slow rate of 0.1 percent. In contrast, the rates of growth in all other neighboring states outperformed the national average of 1.7 percent. While Colorado continued to lead the region in employment growth in 2015, with a rate that was the same as in 2014 and that exceeded the national average of 1.5 percent, New Mexico was last in the region, with an employment growth rate of 0.4 percent. Employment growth continued to be slight, but positive (0.2 percent), in New Mexico in 2016. The nation’s rate of 1.6 percent was exceeded by the rates of almost all of New Mexico’s neighboring states.

**Employment Growth Rates**

*New Mexico & Neighboring States, 2012–2016*

*Source: NMDWS calculations based on U.S. Bureau of Labor Statistics estimates*