

Choices
2002-2003 Exit Cohort
5-Year Longitudinal Study

Methodology

The Labor Market and Career Information (LMCI) department of the Texas Workforce Commission (TWC) used 79,528 archived seed records. This was comprised of Choices participants who exited the program between July 1, 2002 and June 30, 2003.¹

The seed records were linked to TWC Unemployment Insurance (UI) wage records for the 4th quarter of 2003 (4Q2003) to determine employment and earnings (baseline measure, 4Q2003). For the longitudinal snapshot, the seed records were linked to the UI wage records for the 4th quarter of 2007 (4Q2007) to determine delayed or long-term program results. Additional employment and earnings linkages were performed with the U.S. Department of Defense (DOD), the U.S. Office of Personnel Management (OPM), and the U.S. Postal Service (USPS). In the case where participants who were found working had earnings greater than or equal to \$25,000 in any target quarter were identified, these records were excluded from analysis based on the likelihood of inaccurate wage record data and to reduce the possibility of inappropriately skewing the data. Supplemental linkages were conducted with the Texas Bureau of Vital Statistics (TBVS) to determine deaths, as well as the Texas Department of Criminal Justice (TDCJ) to determine incarcerations. Cohort members who were found to be either deceased or incarcerated during the target quarters were excluded from this study. Exclusions from supplemental linkages resulted in 61,618 usable records for 4Q2003, and 78,749 usable records for 4Q2007.

For this report, only post-exit labor market outcomes were compared from the two study periods to ensure that comparable data are being used. For example, the initial snapshot of this cohort (4Q2003) did not include earnings data from the federal agencies to which the records were linked because the earnings data received were not compatible with state measures. For the five-year snapshot, taken at 4Q2007, the earnings data received from federal databases were compatible; however, these data will not be included in this report.

There are two distinct groups of Choices participants, Adults and Teens. Adults are participants who were 20 and above in Program Year 2003 (PY 2003). Teens are below 20 years of age and have less than a high school education. Participants less than 20 years old who possess a high school education or greater are counted as Adults. Table 1 shows a breakdown of the seed records by type of participant unduplicated by SSN. The majority of Choices participants served were Adults.

¹ Please reference the *Choices* chapter of the [ASALFS Final Report 2004](#) for more information regarding the seed records used for this report.

There are two distinct groups of Choices participants, Adults and Teens. Adults are participants who were 20 and above in Program Year 2003 (PY 2003). Teens are below 20 years of age and have less than a high school education. Participants less than 20 years old who possess a high school education or greater are counted as Adults. Table 1 shows a breakdown of the seed records by type of participant unduplicated by SSN. The majority of Choices participants served were Adults.

Table 1. Usable Records by Type of Participant

Type of Participant	4Q2003	4Q2007
Adult	76,033	76,033
Teen	2,716	2,716
Total Participants	78,749	78,749

In both study periods, earnings were summed across unique Social Security Numbers (SSN). The industry sector by 4-digit North American Industry Classification System (NAICS) of the employer that paid the most wages during the target quarter was retained for analysis.

Results

Services under allowable activities for Adults are classified in order of priority. Employment is the top priority. Training is the second priority and Education is the third priority. Teen activities also are classified in priority order with Education being the top priority. Employment is the second priority followed by Training. If a person received multiple allowable services, the record considered the highest priority is kept for analysis.

Adults

Table 2 shows that Adult males had the highest employment in 4Q2003 with 50.7 percent employed. Males had the highest median quarterly earnings with \$3,172. Overall employment for the Adult cohort was 50.5 percent in the 4th quarter of 2003, and overall median quarterly earnings were \$2,164.

In the 4th quarter of 2007, Adult females had the highest employment rate at 52.9 percent. However, male exiters had the highest median earnings in the same time period, with \$4,988. Overall employment for the cohort in the 4th quarter of 2007 (4Q2007) was 52.3 percent, with median quarterly earnings of \$3,339. Overall cohort employment and median quarterly earnings were both up at the five year point.

Table 2. Employment and Earnings by Gender

All Working in 4Q2003				
Gender	N	N Working	% Working	Median Earnings
Male	9,863	4,999	50.7	\$3,172
Female	66,170	33,422	50.5	\$2,053
Total	76,033	38,421	50.5	\$2,164
All Working in 4Q2007				
Gender	N	N Working	% Working	Median Earnings
Male	9,863	4,761	48.3	\$4,988
Female	66,170	35,007	52.9	\$3,162
Total	76,033	39,768	52.3	\$3,339

In 2003, Blacks had the highest employment at 52.4 percent, followed by Hispanics with 51.7 percent employed (Table 3). Asians had the highest median quarterly earnings at \$3,155 followed by Native Americans with \$2,401.

Blacks had the highest employment in 4Q2007 at 57.2 percent, followed by Hispanics with 52.6 percent employment. Asians again posted the highest median quarterly earnings in 4Q2007 at \$4,286 while Native Americans showed the second highest median earnings at \$3,842.

Table 3. Employment and Earnings by Ethnicity

All Working in 4Q2003				
Ethnicity	N	N Working	% Working	Median Earnings
Unknown	182	93	51.1	\$1,719
Native American	229	105	45.9	\$2,401
Asian	338	114	33.7	\$3,155
White	17,767	8,201	46.2	\$2,256
Black	24,082	12,624	52.4	\$2,054
Hispanic	33,435	17,284	51.7	\$2,196
Total	76,033	38,421	50.5	\$2,164
All Working in 4Q2007				
Ethnicity	N	N Working	% Working	Median Earnings
Unknown	182	104	57.1	\$3,685
Native American	229	94	41.1	\$3,842
Asian	338	109	32.3	\$4,286
White	17,767	8,114	45.7	\$3,507
Black	24,082	13,762	57.2	\$3,234
Hispanic	33,435	17,585	52.6	\$3,333
Total	76,033	39,768	52.3	\$3,339

Table 4 shows employment and earnings for Choices adults by activity for 4Q2003 and 4Q2007. In 2003, adults in the Training activity had the highest employment with 54.6 percent employed. Participants in the Training activity also had the highest median quarterly earnings with \$2,298.

Adults in the Training activity had the highest employment percentage in 4Q2007 at 57.0 percent, as well as the highest median quarterly earnings at \$3,619. All activity groups experienced greater earnings at the five-year mark, which may be anecdotal evidence of the wage premium associated with staying employed over time.

Table 4. Employment and Earnings by Activity

All Working in 4Q2003				
Activity	N	N Working	% Working	Median Earnings
Education	3,270	1,525	46.6	\$1,678
Training	11,193	6,115	54.6	\$2,298
Employment	61,570	30,781	50.0	\$2,169
Total	76,033	38,421	50.5	\$2,164
All Working in 4Q2007				
Activity	N	N Working	% Working	Median Earnings
Education	3,270	1,748	53.5	\$2,696
Training	11,193	6,382	57.0	\$3,619
Employment	61,570	31,638	51.4	\$3,326
Total	76,033	39,768	52.3	\$3,339

Table 5 shows the number of Adult Choices participants involved in Core, Non-Core, and Core (with Limit) activities. The majority of Choices participants were involved in Core activities. Choices Core activities include job-search assistance, unsubsidized and subsidized employment, on-the-job training, and work experience. Non-core activities are limited. They include job-skills training, educational services leading toward a GED certificate, and parental skills training (Texas Administrative Code §811.25). Those participating in Core activities had the highest employment and earnings in the 4th quarter of 2003 at 58.0 percent, as well as having the highest median quarterly earnings at \$2,334. In 4Q2007, Core service recipients again had the highest employment with 56.7 percent working with median quarterly earnings of \$3,498. Core activities seem to be correlated to higher employment and earnings in the adult cohort.

Table 5. Employment and Earnings by Service Type

All Working in 4Q2003				
Type of Service	N	N Working	% Working	Median Earnings
Non Core	2,767	1,314	47.5	\$1,930
Core (with Limit)	33,170	13,858	41.8	\$1,891
Core	40,096	23,249	58.0	\$2,334
Total	76,033	38,421	50.5	\$2,164
All Working in 4Q2007				
Type of Service	N	N Working	% Working	Median Earnings
Non Core	2,767	1,466	53.0	\$3,130
Core (with Limit)	33,170	15,558	46.9	\$3,130
Core	40,096	22,744	56.7	\$3,498
Total	76,033	39,768	52.3	\$3,339

Table 6 shows employment and earnings by Local Workforce Development Area (LWDA). South Plains LWDA showed the highest employment in 4Q2003 with 60.3 percent employed, as well as 4Q2007 with 59.4 percent employed. Rural Capital LWDA has the highest median quarterly earnings in 4Q2003 with \$2,602. Rural Capital LWDA again had the highest median quarterly earnings in 4Q2007 at \$4,031.

Table 6. Employment and Earnings by LWDA

LWDA	N	All Working in 4Q2003			All Working in 4Q2007			
		N Working	% Working	Median Earnings	N	N Working	% Working	Median Earnings
Alamo	5,823	2,947	50.6	\$1,888	5,823	2,982	51.2	\$3,068
Brazos Valley	1,043	535	51.3	\$1,919	1,043	571	54.8	\$3,330
Cameron County	2,355	1,204	51.1	\$2,110	2,355	1,240	52.7	\$3,097
Capital Area	2,099	1,136	54.1	\$2,345	2,099	1,192	56.8	\$3,918
Central Texas	1,334	692	51.9	\$2,021	1,334	633	47.5	\$3,522
Coastal Bend	3,196	1,727	54.0	\$1,974	3,196	1,717	53.7	\$3,004
Concho Valley	528	275	52.1	\$1,875	528	276	52.3	\$2,876
Dallas	7,200	3,518	48.9	\$2,546	7,200	3,934	54.6	\$3,910
Deep East Texas	1,819	851	46.8	\$2,016	1,819	893	49.1	\$2,954
East Texas	2,965	1,536	51.8	\$2,110	2,965	1,612	54.4	\$3,190
Golden Crescent	701	398	56.8	\$2,003	701	408	58.2	\$3,171
Gulf Coast	12,829	6,139	47.9	\$2,265	12,829	6,722	52.4	\$3,537
Heart of Texas	1,460	776	53.2	\$1,875	1,460	816	55.9	\$3,196
Lower Rio Grande Valley	6,406	3,163	49.4	\$2,123	6,406	3,255	50.8	\$3,379
Middle Rio Grande	1,314	605	46.0	\$1,854	1,314	667	50.8	\$2,747
North Central	2,615	1,313	50.2	\$2,505	2,615	1,337	51.1	\$3,573
North East Texas	1,263	615	48.7	\$1,911	1,263	622	49.3	\$2,930
North Texas	832	441	53.0	\$1,800	832	409	49.2	\$3,109
Panhandle	1,442	761	52.8	\$2,266	1,442	768	53.3	\$2,986
Permian Basin	1,817	936	51.5	\$2,217	1,817	969	53.3	\$3,443
Rural Capital	1,248	649	52.0	\$2,602	1,248	651	52.2	\$4,031
South East Texas	1,779	930	52.3	\$1,712	1,779	956	53.7	\$2,815
South Plains	1,971	1,188	60.3	\$1,988	1,971	1,171	59.4	\$3,082
South Texas	1,409	733	52.0	\$2,197	1,409	707	50.2	\$3,324
Tarrant County	4,208	2,249	53.5	\$2,499	4,208	2,228	53.0	\$3,669
Texoma	531	238	44.8	\$2,313	531	236	44.4	\$3,370
Upper Rio Grande	4,442	2,116	47.6	\$2,228	4,442	2,042	46.0	\$3,226
West Central	1,404	750	53.4	\$1,913	1,404	754	53.7	\$3,035
Total	76,033	38,421	50.5	\$2,164	76,033	39,768	52.3	\$3,339

Table 7 shows the top ten industries of employment in 4Q2003 by 4-digit NAICS code. We see that Limited-Service Eating Places was the most common industry sector of employment in 4Q2003. Those participants working in the Nursing Care Facilities sector posted the highest median quarterly earnings in 4Q2003 at \$2,457.

Table 7. Top 10 Industries of Employment for Adults Working in 4Q2003

Industry Sector	N Working	Median Earnings	NAICS Code
Limited-Service Eating Places	3,903	\$1,521	7222
Employment Services	3,235	\$1,504	5613
Home Health Care Services	2,763	\$1,287	6216
Nursing Care Facilities	1,743	\$2,457	6231
Full-Service Restaurants	1,573	\$1,538	7221
Other General Merchandise Stores	1,567	\$2,453	4529
Elementary and Secondary Schools	1,380	\$2,355	6111
Business Support Services	1,267	\$2,133	5614
Gasoline Stations	968	\$2,229	4471
Child Day Care Services	963	\$2,169	6244

Table 8 shows the top ten industries of employment for Adults working in 4Q2007. Replacing Limited-Service Eating Places at the top of the list was Employment Services, the second most common industry sector for those employed in 4Q2003. Elementary and Secondary Schools had the highest median quarterly earnings in 4Q2007 at \$3,746.

Table 8. Top 10 Industries of Employment for Adults Working in 4Q2007

Industry Sector	N Working	Median Earnings	NAICS Code
Employment Services	3,445	\$2,275	5613
Limited-Service Eating Places	3,282	\$2,082	7222
Home Health Care Services	3,090	\$1,744	6216
Elementary and Secondary Schools	1,741	\$3,746	6111
Nursing Care Facilities	1,740	\$3,567	6231
Other General Merchandise Stores	1,533	\$3,425	4529
Full-Service Restaurants	1,419	\$2,069	7221
Business Support Services	960	\$3,712	5614
Grocery Stores	933	\$2,814	4451
Gasoline Stations	932	\$3,009	4471

Teens

In the Choices program, adults and teens are counted separately. Table 9 shows employment and earnings by gender for Teen Choices participants during the study period. Females make up a large percentage of the teen cohort. Males had the higher employment percentage in 4Q2007 at 57.0 percent, and both groups showed a positive change in employment percentage between 4Q2003 and 4Q2007. Males had higher median earnings in the 4th quarter of 2007 at \$4,191 both genders showed earnings gains over the study period. Overall, teens had 41.4 percent employment in 4Q2003 with median quarterly earnings of \$1,241 and 51.6 percent employment in 4Q2007 with median earnings of \$2,361.

Table 9. Employment and Earnings for Teens by Gender

All Working in 4Q2003				
Gender	N	N Working	% Working	Median Earnings
Male	235	105	44.7	\$1,648
Female	2,481	1,018	41.0	\$1,191
Total	2,716	1,123	41.4	\$1,241
All Working in 4Q2007				
Gender	N	N Working	% Working	Median Earnings
Male	235	134	57.0	\$4,191
Female	2,481	1,268	51.1	\$2,240
Total	2,716	1,402	51.6	\$2,361

Table 10 shows employment and earnings by ethnicity. In 4Q2003, Whites had the highest employment at 45.1 percent, excluding unknowns. Blacks had the next highest employment at 44.0 percent. Native Americans had the highest median quarterly earnings at \$1,858 in 4Q2003.

Excluding unknowns, Blacks had the highest employment in 4Q2007 at 57.7 percent, and Hispanics had the highest median quarterly earnings in 4Q2007 at \$2,556. Care must be taken in generalizing from these results because the numbers in some cells are too small to yield statistically significant inferences about the groups from which they come.

Table 10. Employment and Earnings for Teens by Ethnicity

All Working in 4Q2003				
Ethnicity	N	N Working	% Working	Median Earnings
Asian	n/a	n/a	n/a	n/a
Native American	6	n/a	33.3	\$1,858
Unknown	11	5	45.5	\$953
White	463	209	45.1	\$1,241
Black	770	339	44.0	\$1,180
Hispanic	1,465	568	38.8	\$1,277
Total	2,716	1,123	41.4	\$1,241
All Working in 4Q2007				
Ethnicity	N	N Working	% Working	Median Earnings
Asian	n/a	n/a	n/a	n/a
Native American	6	n/a	33.3	\$2,417
Unknown	11	5	45.5	\$4,690
White	463	219	47.3	\$2,254
Black	770	444	57.7	\$1,923
Hispanic	1,465	732	50.0	\$2,556
Total	2,716	1,402	51.6	\$2,361
Note: Cells with values smaller than 5 are marked "n/a" to protect the privacy of cohort members.				

Table 11 shows employment and earnings for teens by activity for 4Q2003 and 4Q2007. In 2003, teens in the Training activity had the highest employment at 53.9 percent, and the highest median quarterly earnings at \$1,453. Teens in the Employment activity had the highest employment percentage at 51.7 percent, while teens in the training activity had the highest median quarterly earnings in 4Q2007 at \$4,209 (Table 11). Participants in all activities experienced increased earnings over the study period.

Table 11. Employment and Earnings for Teens by Activity

All Working in 4Q2003				
Activity	N	N Working	% Working	Median Earnings
Training	13	7	53.9	\$1,453
Education	976	385	39.5	\$1,130
Employment	1,727	731	42.3	\$1,287
Total	2,716	1,123	41.4	\$1,241
All Working in 4Q2007				
Activity	N	N Working	% Working	Median Earnings
Training	13	6	46.2	\$4,209
Education	976	504	51.6	\$2,250
Employment	1,727	892	51.7	\$2,417
Total	2,716	1,402	51.6	\$2,361

Table 12 shows the number of Teen Choices participants involved in Core, Non-Core, and Core (with Limit) activities. A slightly higher percentage of Teen participants from this cohort were involved in Core activities. Those participating in Core activities had the highest employment in the 4th quarters of 2003 and 2007, with 53.1 percent and 56.4 percent working, respectively. Participants receiving Core services had the highest median quarterly earnings in 4Q2003 and 4Q2007, with \$1,536 and \$2,890. Core activities seem to be related to high employment and earnings in the teen portion of the cohort as well.

Table 12. Employment and Earnings for Teens by Service Type

All Working in 4Q2003				
Type of Service	N	N Working	% Working	Median Earnings
Core	700	372	53.1	\$1,536
Non Core	977	386	39.5	\$1,127
Core (with Limit)	1,039	365	35.1	\$1,092
Total	2,716	1,123	41.4	\$1,241
All Working in 4Q2007				
Type of Service	N	N Working	% Working	Median Earnings
Core	700	395	56.4	\$2,890
Non Core	977	504	51.6	\$2,250
Core (with Limit)	1,039	503	48.4	\$2,168
Total	2,716	1,402	51.6	\$2,361

Table 13 shows employment and earnings for teens by LWDA. In 4Q2003, Texoma LWDA had the highest employment at 65.2 percent. Rural Capital LWDA had the highest median quarterly earnings with \$2,488. Brazos Valley LWDA showed the highest employment in 4Q2007 at 76.7 percent. Rural Capital LWDA had the highest median quarterly earnings in 4Q2007 at \$4,091 followed by Texoma LWDA at \$3,486.

Table 13. Employment and Earnings for Teens by LWDA

LWDA	N	All Working in 4Q2003			All Working in 4Q2007			
		N Working	% Working	Median Earnings	N	N Working	% Working	Median Earnings
Alamo	208	92	44.2	\$1,148	208	92	44.2	\$2,339
Brazos Valley	43	19	44.2	\$1,172	43	33	76.7	\$1,600
Cameron County	116	43	37.1	\$1,737	116	56	48.3	\$2,544
Capital Area	87	35	40.2	\$1,103	87	58	66.7	\$2,276
Central Texas	33	14	42.4	\$1,732	33	17	51.5	\$2,702
Coastal Bend	136	56	41.2	\$1,331	136	66	48.5	\$1,876
Concho Valley	34	16	47.1	\$2,028	34	18	52.9	\$2,762
Dallas	229	86	37.6	\$984	229	121	52.8	\$1,931
Deep East Texas	55	27	49.1	\$1,123	55	30	54.6	\$1,480
East Texas	114	59	51.8	\$1,321	114	61	53.5	\$2,001
Golden Crescent	19	10	52.6	\$1,122	19	12	63.2	\$2,406
Gulf Coast	330	135	40.9	\$1,628	330	172	52.1	\$2,872
Heart of Texas	62	22	35.5	\$756	62	33	53.2	\$2,392
Lower Rio Grande Valley	353	122	34.6	\$1,085	353	165	46.7	\$2,804
Middle Rio Grande	63	17	27.0	\$1,488	63	27	42.9	\$2,690
North Central	82	40	48.8	\$984	82	42	51.2	\$2,223
North East Texas	50	23	46.0	\$1,353	50	25	50.0	\$2,498
North Texas	37	19	51.4	\$1,086	37	18	48.7	\$1,693
Panhandle	35	19	54.3	\$1,092	35	22	62.9	\$1,544
Permian Basin	78	33	42.3	\$1,162	78	42	53.9	\$2,439
Rural Capital	26	11	42.3	\$2,488	26	15	57.7	\$4,091
South East Texas	55	24	43.6	\$585	55	24	43.6	\$1,335
South Plains	91	42	46.2	\$943	91	57	62.6	\$2,344
South Texas	49	25	51.0	\$1,076	49	25	51.0	\$2,377
Tarrant County	127	52	40.9	\$1,404	127	67	52.8	\$2,426
Texoma	23	15	65.2	\$1,496	23	12	52.2	\$3,486
Upper Rio Grande	134	39	29.1	\$1,599	134	67	50.0	\$2,362
West Central	47	28	59.6	\$730	47	25	53.2	\$1,662
Total	2,716	1,123	41.4	\$1,241	2,716	1,402	51.6	\$2,361

Note: Cells with values smaller than 5 are marked "n/a" to protect the privacy of cohort members.

Table 14 shows the top ten industries of employment for teens in 4Q2003. Limited-Service Eating Places was the most common industry sector of employment with median earnings of \$1,227. Those working in the Other General Merchandise Stores sector posted the highest median quarterly earnings at \$1,766.

Table 14. Top 10 Industries of Employment for Teens Working in 4Q2003

Industry Sector	N Working	Median Earnings	NAICS Code
Limited-Service Eating Places	273	\$1,227	7222
Full-Service Restaurants	77	\$924	7221
Employment Services	68	\$1,009	5613
Other General Merchandise Stores	59	\$1,766	4529
Business Support Services	55	\$917	5614
Grocery Stores	47	\$1,469	4451
Home Health Care Services	39	\$770	6216
Gasoline Stations	31	\$1,260	4471
Nursing Care Facilities	30	\$1,701	6231
Department Stores	26	\$989	4521

Limited-Service Eating Places remained the top industry sector five years later at the longitudinal snapshot, with median earnings of \$1,575 (Table 15). Those working in the Business Support Services sector had the highest median quarterly earnings in 4Q2007 at \$2,818.

Table 15. Top 10 Industries of Employment for Teens Working in 4Q2007

Industry Sector	N Working	Median Earnings	NAICS Code
Limited-Service Eating Places	190	\$1,575	7222
Employment Services	124	\$1,480	5613
Other General Merchandise Stores	81	\$2,316	4529
Home Health Care Services	74	\$1,284	6216
Full-Service Restaurants	67	\$1,553	7221
Nursing Care Facilities	46	\$2,477	6231
Gasoline Stations	45	\$2,444	4471
Business Support Services	39	\$2,818	5614
Grocery Stores	38	\$1,722	4451
Clothing Stores	33	\$662	4481

References

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Temporary Assistance for Needy Families Employment and Training.
<http://www.twc.state.tx.us/welref/wrchoices.html>

Temporary Assistance for Needy Families Employment and Training (Choices)
Guidelines and Rules. <http://www.twc.state.tx.us/welref/wrchoices.html#rules>

Texas TANF Work Verification Plan. http://www.twc.state.tx.us/welref/tanf_workver_plan.pdf

United States Department of Health and Human Services. <http://www.hhs.gov/>