

TENNESSEE MODIFICATIONS

PYS 2026-2027

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I. WIOA STATE PLAN TYPE AND EXECUTIVE SUMMARY

A. WIOA STATE PLAN TYPE

This is a combined plan

COMBINED PLAN PARTNER PROGRAM(S)

Temporary Assistance for Needy Families program (42 U.S.C. 601 et seq.)

Employment and Training programs under the Supplemental Nutrition Assistance Program (programs authorized under section 6(d)(4) of the Food and Nutrition Act of 2008 (7 U.S.C. 2015(d)(4)))

Jobs for Veterans State Grants Program (programs authorized under 38, U.S.C. 4100 et. seq.)

Unemployment Insurance programs (programs authorized under State unemployment compensation laws in accordance with applicable Federal law)

Senior Community Service Employment program (programs authorized under title V of the Older Americans Act of 1965 (42 U.S.C. 3056 et seq.))

Community Services Block Grant (Employment and training activities carried out under the Community Services Block Grant Act (42 U.S.C. 9901 et seq.

The Strengthening Career and Technical Education for the 21st Century Act (Perkins V)

B. PLAN INTRODUCTION OR EXECUTIVE SUMMARY

This Workforce Innovation and Opportunity Act (WIOA) Combined State Plan reflects Tennessee's vision to build and sustain the nation's premier workforce system- one that is responsive to employers, accessible to jobseekers, and accountable for delivering meaningful economic outcomes. Through these 2026–2027 modifications, the Tennessee Department of Labor and Workforce Development (TDLWD), in partnership with state agencies and workforce system partners, continues to advance a modernized and integrated workforce system designed to meet the evolving needs of Tennessee's economy.

Tennessee's public workforce system is anchored by three primary state workforce agencies: the Departments of Labor and Workforce Development, Human Services, and Education. These agencies work in close coordination with additional key partners, including the Departments of Economic and Community Development and Correction, which have played an important role in the development and coordination of the strategic and operational components reflected in this plan. The strategies contained in this plan are also closely aligned with the State's implementation of the Strengthening Career and Technical Education for the 21st Century Act (Perkins V) to ensure career and technical education, workforce development programs, and employer partnerships operate as an integrated talent development system that prepares Tennesseans for high-demand careers.

As part of this State Plan modification, Tennessee is prioritizing several key areas to strengthen system performance and effectiveness. These priorities include continued workforce system modernization and transformation, implementation of innovative program changes, updates from core and partner

programs, process and system enhancements that improve coordination and service delivery, and the development of additional performance metrics focused on measuring system impact and effectiveness. These efforts reflect Tennessee's commitment to ensuring that public workforce investments generate measurable outcomes for both employers and jobseekers.

Tennessee will continue to leverage the strengths of its local workforce development areas and regional partnerships to attract new businesses, support the expansion of existing employers, and ensure that Tennessee's workforce remains competitive in a rapidly evolving economy. By aligning workforce strategies with economic development priorities and industry needs, the State seeks to strengthen talent pipelines while expanding opportunities for Tennesseans facing barriers to employment. Services provided through the workforce system help individuals enter and advance in the labor market, supporting long-term economic mobility and prosperity across the state.

The State's workforce strategies outlined in this plan align with and support the five federal workforce pillars identified in Executive Order 14278, *America's Talent Strategy: Building the Workforce for the Golden Age*. Tennessee's workforce system will advance strategies that emphasize:

- **Industry-driven workforce strategies** that strengthen employer engagement and align training investments with real labor market demand;
- **Worker mobility**, expanding pathways that enable Tennesseans to access good jobs and advance within and across industries;
- **Integrated workforce systems**, improving coordination across workforce, education, human services, and economic development partners;
- **Accountability and results**, including expanded use of performance metrics and evaluation approaches to measure system impact and effectiveness; and
- **Flexibility and innovation**, enabling the workforce system to respond quickly to emerging economic opportunities and workforce needs.

Consistent with these priorities, the WIOA plan continues to emphasize several strategic focus areas:

- Improving services to new and existing businesses to support business growth, expansion, and effective talent recruitment and retention.
- Expanding access to skills development, credentials, and career pathways through strengthened workforce training and vocational education programs.
- Supporting regional and rural economic development strategies that connect communities to training, employment, and economic opportunity.
- Enhancing services and opportunities for youth, justice-involved individuals and other populations facing barriers to employment.
- Streamlining workforce development support services through stronger collaboration among state agencies, local partners, and community organizations.

As Tennessee looks to the future, the State recognizes the rapid pace of change in technology, workforce demands, and business needs. Emerging skill requirements, shifting labor markets, and evolving employer expectations require a workforce system that is adaptable, innovative, and data-driven. The development of this WIOA plan modification provides an important opportunity to

evaluate the performance of the workforce system, strengthen coordination across programs, and chart a clear path forward.

Through these efforts, Tennessee remains committed to advancing a workforce system that delivers meaningful outcomes for workers, employers, and communities- ensuring the State continues to lead the nation in workforce innovation, talent development, and economic opportunity.

II. STRATEGIC ELEMENTS

A. ECONOMIC, WORKFORCE, AND WORKFORCE DEVELOPMENT ACTIVITIES ANALYSIS

1. ECONOMIC AND WORKFORCE ANALYSIS

The Tennessee Economy in 2024

Nonfarm employment in Tennessee (by place of residence) increased by 1.4 percent from 2023 to 2024, adding over 40,000 jobs over the year (see summary, p. 3). Metropolitan growth (by place of employment) was positive for all but one (Cleveland, -1.1) major metropolitan areas with Clarksville, Morristown, Chattanooga, and Knoxville all showing growth over 2 percent. The Nashville MSA showed a 1.8 percent increase in employment, while Memphis' employment remained unchanged. Employment increased in 52 of the 95 counties. The number of establishments grew by 2.5 percent and nominal total payroll increased by 4.6 percent to 210 billion dollars. The average annual median wage (not adjusted for inflation) also increased by 5.3 percent to \$46,120. The average hourly wage for production workers was \$24.54.

In March 2026 the TDLWD job bank, jobs4tn.gov, listed an average of 0.15 unemployed workers for each job opening, making it more difficult for employers to find workers in the economy. Unemployment rates in Tennessee among veterans, individuals living in poverty, individuals with a disability, and youth all declined from 2022-2023, the latest available data.

Statewide Industry Employment 2024

In Tennessee, total nonfarm employment grew by 1.41 percent from 2023 to 2024. Employment in the goods-producing sector increased by 2.62 percent, driven largely by strong growth in mining, logging, and construction, which expanded by 6.32 percent, while manufacturing grew more modestly at 1.0 percent. Within the private service-providing sector, employment rose by 1.37 percent overall. The largest gains occurred in financial activities (4.62%), other services (3.37%), leisure and hospitality (2.88%), and professional and business services (2.35%), while private education and health services grew slightly at 0.80 percent. In contrast, trade, transportation, and utilities and the information sector experienced declines of 0.60 percent and 1.44 percent, respectively, while government employment increased marginally by 0.24 percent over the year

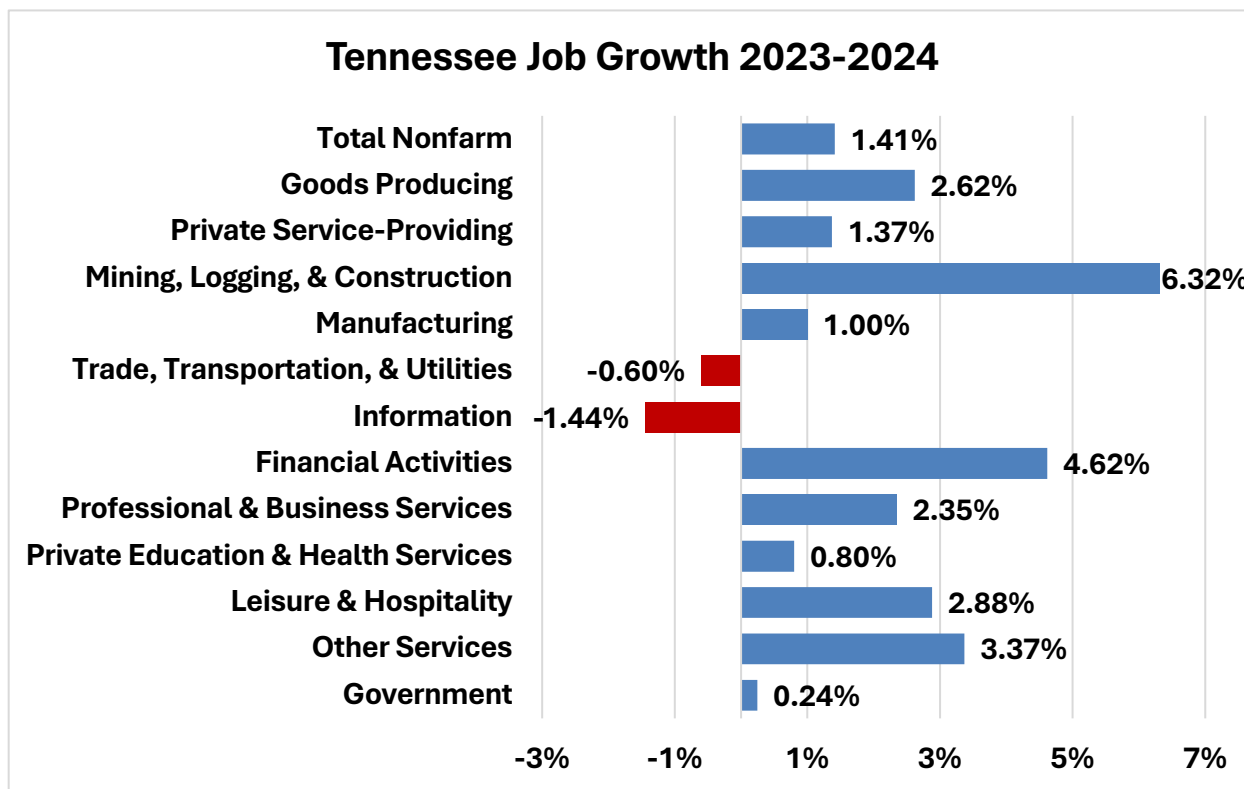


Figure 1.

Manufacturing, trade, transportation and utilities, and health care and social assistance remained the largest sectors in total employment in 2024, followed by professional and business services, leisure and hospitality, and government. Over the five-year period from 2019 to 2024, the industry sectors adding the most jobs were mining, logging, and construction; professional, scientific, and technical services; transportation, warehousing, and utilities.

Other sectors adding more than 20,000 jobs over the last five years were private education and health services (47,300), leisure and hospitality (20,500), and financial activities (14,400). Additional growth occurred in wholesale trade (15,300) and arts, entertainment, and recreation (8,300), while administrative support and waste management services experienced a decline over the period (Table 1).

Tennessee Industry Employment 2019-2024

Industry Employment (in thousands)	2019	2023	2024	2023-2024		2019-2024	
Total Nonfarm	3128.6	3327.1	3374.1	47.0	1.4%	245.5	7.8%
Goods Producing	490.1	519.3	532.9	13.6	2.6%	42.8	8.7%
Mining, Logging, & Construction	134.5	158.3	168.3	10.0	6.3%	33.8	25.1%
Manufacturing	355.6	361	364.6	3.6	1.0%	9.0	2.5%
Durable Goods Manuf.	227.6	232.7	235.1	2.4	1.0%	7.5	3.3%
Non Durable Goods Manufacturing	128	128.3	129.5	1.2	0.9%	1.5	1.2%
Private Service-Providing	2200.9	2355.5	2387.8	32.3	1.4%	186.9	8.5%
Trade, Transportation, & Utilities	634.8	699.1	694.9	-4.2	-0.6%	60.1	9.5%
Wholesale Trade	121.7	135.6	137	1.4	1.0%	15.3	12.6%
Retail Trade	332.2	350.5	345.5	-5.0	-1.4%	13.3	4.0%
Transportation, Warehousing, & Utilities	180.8	213	212.4	-0.6	-0.3%	31.6	17.5%
Information	45.6	55.5	54.7	-0.8	-1.4%	9.1	20.0%
Financial Activities	178.1	184	192.5	8.5	4.6%	14.4	8.1%
Finance & Insurance	136.1	141.3	147.7	6.4	4.5%	11.6	8.5%
Real Estate & Rental & Leasing	42	42.7	44.8	2.1	4.9%	2.8	6.7%
Professional & Business Services	427.7	442.8	453.2	10.4	2.3%	25.5	6.0%
Professional, Scientific & Technical Services	146.1	172.5	178.3	5.8	3.4%	32.2	22.0%
Management of Companies & Enterprises	51.8	56.8	58.1	1.3	2.3%	6.3	12.2%
Administrative & Support & Waste Mgt & Remediation Services	229.8	213.5	216.8	3.3	1.5%	-13.0	-5.7%
Private Education & Health Services	445.4	488.8	492.7	3.9	0.8%	47.3	10.6%
Private Educational Services	61.8	71	68.5	-2.5	-3.5%	6.7	10.8%
Health Care & Social Assistance	383.6	417.8	424.2	6.4	1.5%	40.6	10.6%
Leisure & Hospitality	347.4	357.6	367.9	10.3	2.9%	20.5	5.9%

Arts, Entertainment & Recreation	42.2	44.2	50.5	6.3	14.3%	8.3	19.7%
Accommodation & Food Services	305.1	313.4	317.3	3.9	1.2%	12.2	4.0%
Other Services	121.8	127.7	132	4.3	3.4%	10.2	8.4%
Government	437.6	452.3	453.4	1.1	0.2%	15.8	3.6%
Federal Government	50.1	57.7	58.4	0.7	1.2%	8.3	16.6%
State Government	96.8	100	99.7	-0.3	-0.3%	2.9	3.0%
Local Government	290.7	294.6	295.4	0.8	0.3%	4.7	1.6%

Industry Projections to 2032

Employment in Tennessee is projected to increase steadily between 2022 and 2032, reflecting continued population growth, economic expansion, and rising demand for services across the state. Total employment is expected to reach nearly 3.9 million by 2032, with several large industry sectors accounting for a substantial share of jobs. Among these, health care and social assistance is projected to remain the largest industry, reaching approximately 488,000 jobs by 2032. Other major sectors include manufacturing, retail trade, and accommodation and food services, each employing well over 300,000 workers. Educational services, administrative and support services, transportation and warehousing are also expected to represent large portions of the state's employment base, highlighting the continued importance of both service

industries and logistics-related activities in Tennessee's economy.

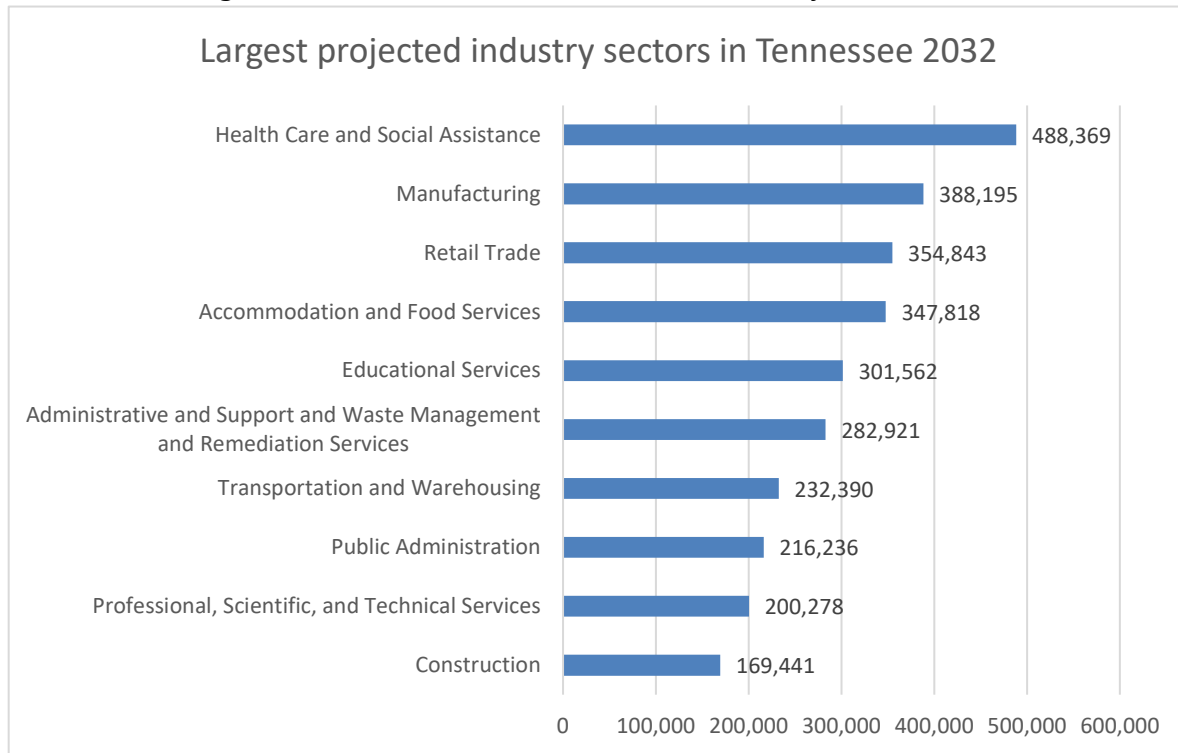


Figure 2

In terms of total job gains, several industries are projected to add a significant number of positions over the decade. Healthcare and social assistance is expected to experience the largest absolute growth, adding more than 81,000 jobs by 2032. Additional large increases are projected in administrative and support and waste management and remediation services, which is expected to add nearly 55,000 jobs, and accommodation and food services, projected to add more than 49,000 jobs. Educational services and professional, scientific, and technical services are also anticipated to expand substantially, reflecting ongoing demand for both education-related employment and specialized professional services. Growth in construction will also contribute to overall employment gains, driven by continued residential, commercial, and infrastructure development across the state.

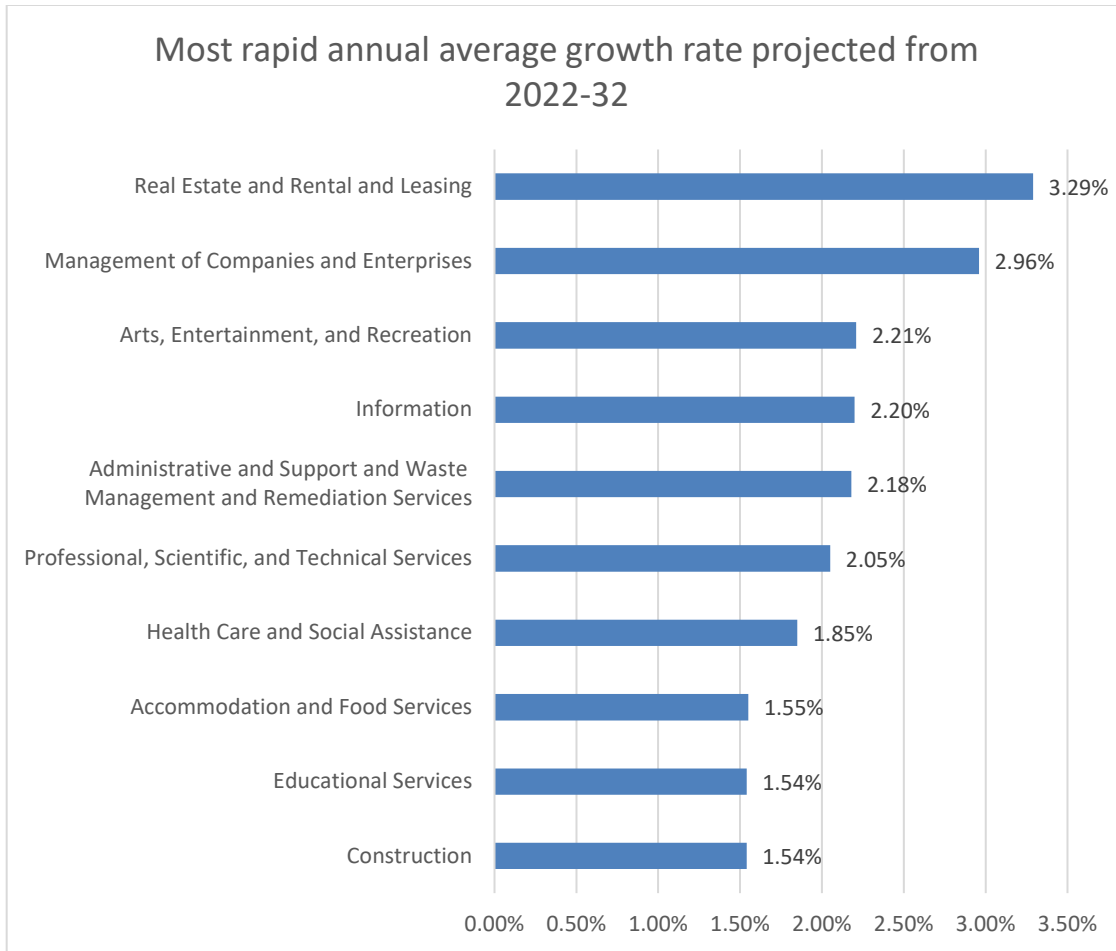


Figure 3

Several industries are also expected to grow at relatively strong annual rates over the projection period. Real estate and rental and leasing is projected to experience one of the fastest growth rates, with an annual increase of 3.29 percent, followed by management of companies and enterprises at 2.96 percent. Other industries projected to grow faster than the statewide average include arts, entertainment, and recreation, information, and administrative and support services, each exceeding two percent annual growth. Together, these trends suggest that while traditional large industries will continue to dominate overall employment levels, faster-growing sectors tied to professional services, corporate management, and real estate activity will play an increasingly important role in shaping Tennessee's labor market through 2032.

TN's Top Industries

In 2023-2024, based on place of work, Tennessee employment continued its steady expansion, with total nonfarm employment reaching 3,374,100 jobs—an increase of 47,000 jobs, or 1.4 percent, from 2023 (Table 1). Growth occurred across most sectors, reflecting ongoing economic recovery and expansion.

The goods-producing sector grew by 2.6 percent, adding 13,600 jobs. Within this sector, mining, logging, and construction led the growth with 10,000 new jobs (6.3%), driven by continued infrastructure development and private investment. Manufacturing also increased, though more modestly, with 3,600 new jobs (1.0%), as both durable and nondurable goods production expanded. Durable goods manufacturing contributed 2,400 new jobs, while nondurable goods added 1,200.

Private service-providing industries added 32,300 jobs, a 1.4 percent increase. Growth was mixed across subsectors. Professional, scientific, and technical services led to new job creation, adding 5,800 jobs (3.4%), while health care and social assistance contributed 6,400 new jobs (1.5%), maintaining its position as one of the largest employment sectors in the state. Leisure and hospitality also expanded, adding 10,300 jobs (2.9%), with arts, entertainment, and recreation experiencing particularly strong growth (6,300 jobs, 14.3%).

Other notable sector trends include trade, transportation, and utilities, which slightly declined overall (-0.6%), largely due to a drop in retail trade (-5,000 jobs, -1.4%). Financial activities, in contrast, grew by 8,500 jobs (4.6%), supported by increases in both finance and insurance and real estate sectors. Professional business services and other services continued to contribute steadily to employment growth, while government added a modest 1,100 jobs (0.2%).

Based on recent growth, employment size, projected trends, and average weekly wages, seven industries are highlighted as key contributors to Tennessee’s labor market:

- **Leisure & hospitality** – Arts, entertainment, and recreation led the sector in growth, while accommodation and food services maintained steady expansion.
- **Health care and social assistance** – Remains a top employer, adding thousands of jobs and sustaining strong workforce demand.
- **Manufacturing** – Durable and nondurable goods production contributed to continued goods-producing sector expansion.
- **Transportation, warehousing, and utilities** – Despite a slight overall decline, the sector remains essential for supporting supply chains and regional commerce.
- **Professional, scientific, and technical services** – One of the fastest-growing private service sectors, reflecting continued demand for specialized skills.
- **Construction** – Growth continues in infrastructure and commercial projects, reinforcing overall employment gains in goods-producing industries.
- **Information** – Employment remained robust, supported by ongoing technology adoption across multiple sectors.

These seven sectors continue to drive employment growth and represent strategic areas for workforce development initiatives in Tennessee for 2024 and beyond.

Tennessee produces data annually on demand occupations for the state and LWDAs, which is published in the Academic Supply and Demand Reports, developed in collaboration with the state Departments of Education (TNDOE), Economic and Community Development (TNECD), Tennessee Higher Education Commission (THEC), and TDLWD. Data used include real-time and statistical labor market data and projections: ratios of annual employer job postings by occupation compared to the number of individuals employed in an occupation, the number of hires related to the number of individuals employed in an occupation, and projected annual job openings compared to occupational employment, which also must meet median wage and occupational employment thresholds. The employer job postings and hires indicate the needs of employers for occupational talent in the state.

Lists of in-demand occupations at the state level by industry clusters can be found in the dashboard <https://www.tn.gov/thec/data-research-reports/reports-studies-pub/supply-and-demand-report.html> (see example below).

Labor and Workforce Reports

In-Demand Occupations							
SOC Code	Occupation	In-Demand TN	In-Demand Total # Regions	Statewide Entry-Level Wage	Typical Entry-Level Education	Key to TNECD Industry	STEM
11.9021	Construction Managers	Yes	9	\$61,214	Bachelor's degree	No	No
17.3022	Civil Engineering Technologists and Technicians	No	1	\$38,792	Associate degree	Yes	Yes
27.1025	Interior Designers	Yes	0	\$31,096	Bachelor's degree	No	No
47.1011	First-Line Supervisors of Construction Trades and Extraction Workers	No	4	\$49,067	High school diploma or equivalent	No	No

For each in-demand occupation, the entry includes soc code and occupation title, whether it is in-demand at the state level, the number of LWDAs in which it is in demand, the statewide entry-level wage and usual education requirement, whether it is within a priority industry for TNECD, and whether it is a STEM occupation. The publication also includes data on the related training programs in the state, with follow-up data from the state data warehouse on the percent of graduates employed in Tennessee and their median entry level wages. The dashboard also shows the apprenticeship programs aligned with the demand occupations in the state.

Listed below are the 111 occupations in demand at the state level as listed in the Labor and Workforce Report (Academic Supply for Occupational Demand 2025):

	Occupations in Demand at the State Level
SOC Code	Occupation Title
11-9021	Construction Managers
11-9051	Food Service Managers
11-9111	Medical and Health Services Managers
11-9141	Property, Real Estate, and Community Association Managers
11-9199	Managers, All Other
13-1051	Cost Estimators
13-1071	Human Resources Specialists
13-1081	Logisticians
13-1111	Management Analysts
13-1121	Meeting, Convention, and Event Planners
13-1161	Market Research Analysts and Marketing Specialists
13-2051	Financial and Investment Analysts
13-2082	Tax Preparers
15-1212	Information Security Analysts
15-1251	Computer Programmers
15-1253	Software Quality Assurance Analysts and Testers
15-1254	Web Developers
15-2051	Data Scientists
17-3023	Electrical and Electronic Engineering Technologists and Technicians
19-4021	Biological Technicians

19-5011	Occupational Health and Safety Specialists
21-1093	Social and Human Service Assistants
23-2011	Paralegals and Legal Assistants
25-1072	Nursing Instructors and Teachers, Postsecondary
25-2011	Preschool Teachers, Except Special Education
25-3021	Self-Enrichment Teachers
25-3041	Tutors
25-3099	Teachers and Instructors, All Other
27-1025	Interior Designers
27-2012	Producers and Directors
27-2042	Musicians and Singers
29-2052	Pharmacy Technicians
29-2057	Ophthalmic Medical Technicians
29-2061	Licensed Practical and Licensed Vocational Nurses
31-2021	Physical Therapist Assistants
31-9091	Dental Assistants
31-9092	Medical Assistants
31-9094	Medical Transcriptionists
31-9096	Veterinary Assistants and Laboratory Animal Caretakers
31-9097	Phlebotomists
31-9099	Healthcare Support Workers, All Other

33-9091	Crossing Guards and Flaggers
35-1011	Chefs and Head Cooks
35-1012	First-Line Supervisors of Food Preparation and Serving Workers
37-1011	First-Line Supervisors of Housekeeping and Janitorial Workers
37-1012	First-Line Supervisors of Landscaping, Lawn Service, and Groundskeeping Workers
37-2021	Pest Control Workers
37-3011	Landscaping and Groundskeeping Workers
37-3013	Tree Trimmers and Pruners
39-1014	First-Line Supervisors of Entertainment and Recreation Workers, Except Gambling Services
39-1022	First-Line Supervisors of Personal Service Workers
39-9031	Exercise Trainers and Group Fitness Instructors
41-1011	First-Line Supervisors of Retail Sales Workers
41-1012	First-Line Supervisors of Non-Retail Sales Workers
41-2022	Parts Salespersons
41-3021	Insurance Sales Agents
41-3091	Sales Representatives of Services, Except Advertising, Insurance, Financial Services, and Travel
41-4011	Sales Representatives, Wholesale and Manufacturing, Technical and Scientific Products
41-9022	Real Estate Sales Agents
41-9099	Sales and Related Workers, All Other
43-3011	Bill and Account Collectors
43-3021	Billing and Posting Clerks

43-3031	Bookkeeping, Accounting, and Auditing Clerks
43-3051	Payroll and Timekeeping Clerks
43-4051	Customer Service Representatives
43-4071	File Clerks
43-4151	Order Clerks
43-4161	Human Resources Assistants, Except Payroll and Timekeeping
43-4199	Information and Record Clerks, All Other
43-5032	Dispatchers, Except Police, Fire, and Ambulance
43-5061	Production, Planning, and Expediting Clerks
43-6011	Executive Secretaries and Executive Administrative Assistants
43-6014	Secretaries and Administrative Assistants, Except Legal, Medical, and Executive
43-9021	Data Entry Keyers
43-9061	Office Clerks, General
47-2021	Brickmasons and Blockmasons
47-2031	Carpenters
47-2061	Construction Laborers
47-2073	Operating Engineers and Other Construction Equipment Operators
47-2121	Glaziers
47-2141	Painters, Construction and Maintenance
47-2152	Plumbers, Pipefitters, and Steamfitters
47-4011	Construction and Building Inspectors

49-2011	Computer, Automated Teller, and Office Machine Repairers
49-2098	Security and Fire Alarm Systems Installers
49-3021	Automotive Body and Related Repairers
49-3023	Automotive Service Technicians and Mechanics
49-3042	Mobile Heavy Equipment Mechanics, Except Engines
49-9021	Heating, Air Conditioning, and Refrigeration Mechanics and Installers
49-9043	Maintenance Workers, Machinery
49-9052	Telecommunications Line Installers and Repairers
49-9098	Helpers--Installation, Maintenance, and Repair Workers
49-9099	Installation, Maintenance, and Repair Workers, All Other
51-2041	Structural Metal Fabricators and Fitters
51-2090	Miscellaneous Assemblers and Fabricators
51-3021	Butchers and Meat Cutters
51-3092	Food Batchmakers
51-3093	Food Cooking Machine Operators and Tenders
51-4034	Lathe and Turning Machine Tool Setters, Operators, and Tenders, Metal and Plastic
51-4121	Welders, Cutters, Solderers, and Brazers
51-7011	Cabinetmakers and Bench Carpenters
51-9061	Inspectors, Testers, Sorters, Samplers, and Weighers
51-9111	Packaging and Filling Machine Operators and Tenders
51-9198	Helpers--Production Workers

51-9199	Production Workers, All Other
53-3032	Heavy and Tractor-Trailer Truck Drivers
53-3033	Light Truck Drivers
53-3052	Bus Drivers, Transit and Intercity
53-7051	Industrial Truck and Tractor Operators
53-7062	Laborers and Freight, Stock, and Material Movers, Hand
53-7081	Refuse and Recyclable Material Collectors
Source: Labor Supply and Demand Reports, THEC, 2025	

Occupations in demand for the Regions and LWDAs can be found in the Tennessee Providers for Demand Occupations dashboard

https://data.tn.gov/t/Public/views/TennesseeProvidersforDemandOccupations/TennesseeProvidersforDemandOccupations?%3AshowAppBanner=false&%3Adisplay_count=n&%3AshowVizHome=n&%3Aorigin=viz_share_link&%3Atoolbar=no&%3Aembed=yes, along with related local training programs by county displaying high school career and technical education (CTE) and apprenticeship completers as well as postsecondary program completers from certificate to postgraduate levels, for both the public and private sectors.

The supply and demand report and dashboard are arranged in fourteen industry- level clusters, which aid in aligning employer needs with occupations in demand and educational programs. The fourteen clusters are listed in the following table with their related NAICS industry codes:

Academic Supply for Occupational Demand Report Clusters	NAICS Industry Code
Agriculture, Food and Natural Resources	11, 21
Architecture and Construction	23
Arts and Communication	51, 71
Business, Finance, Government Management, and Support Services	52,53, 55, 56, 92
Education and Training	61,92
Health Sciences	62
Human Services	81
Leisure and Recreation	72
Information Technology	51
Protective Services and the Law	56,92
Government and Public Administration	92
Manufacturing	31-33

Engineering and Other STEM	Many
Sales and Marketing	54, 44-45
Transportation	42,48-49

In the 2026 report, some changes are being made to align occupations and educational programs more closely with industry demand. For example, most engineering and STEM programs and occupations have been moved to the manufacturing cluster, and there are new digital technology and energy and natural resources clusters. The development of industry-focused clusters with associated occupations and educational programs and their outcomes for use in workforce planning will support the alignment and integration of workforce and economic development in the regions and LWDAs.

USING AMERICA'S TALENT STRATEGY AND REGIONAL INITIATIVES FOR RE-EMPLOYMENT AND CAREER MOBILITY IN ALIGNMENT WITH IN-DEMAND SECTORS

Building the Workforce for the Golden Age proposes shifting the direction of workforce training programs to be more industry-led, with employers playing a broader role in identifying their needs and having greater participation in program design. Flexibility is key, with a variety of credentials to be developed, both short and longer term. The plan especially highlights non-degree credentials, which can include apprenticeships, certificate programs, and licensure. Tennessee includes apprenticeship and certificate programs in its annual supply and demand report, Academic Supply for Occupational Demand, and collects information annually on all state-licensed occupations, including license requirements and the number of active licenses.

The occupations in demand in the Tennessee region were matched with the licensed occupations in the state to determine how many license titles fulfilled the requirements for demand occupations. A total of 73 licensed titles out of 209 (34.9 percent) were related to 45 occupations that were in demand in four or more LWDAs in the state. Of the 45 occupations, 35.6 percent usually require a high school degree or equivalent education, 11.1 percent a postsecondary non degree credential, 28.9 percent a bachelor's degree, and the remainder either an associate's or a master's degree. So nearly half require only a high school or postsecondary non degree credential initially. Of the 45 high-demand occupations with license titles, 13 of the 16 industry clusters were represented (see the following table).

IN-DEMAND APPRENTICESHIP AND LICENSE PROGRAMS BY CLUSTER

Cluster Title	Appren. Programs in Demand %	Licens es in Deman d by SOC %
Agriculture, Food and Natural Resources	0.0%	2.2%
Architecture and Construction	43.6%	8.9%

Arts, A/V Technology, and Communications	0.0%	0.0%
Business, Management, and Administration	2.6%	0.0%
Education and Training	2.6%	4.4%
Finance	0.0%	6.7%
Government and Public Administration	0.0%	4.4%
Health Science	10.3%	26.7%
Hospitality and Tourism	0.0%	4.4%
Human Service	0.0%	11.1%
Information Technology	5.1%	0.0%
Public Safety, Corrections, and Security	0.0%	2.2%
Manufacturing	15.4%	4.4%
Sales and Marketing	0.0%	8.9%
STEM	2.6%	8.9%
Transportation	17.9%	6.7%
(Programs aligned with occupations in demand in 4 or more LWDAS).		

Of the 86 apprenticeship programs for which there were completers in 2023, 79 aligned with occupations that were in-demand in one or more LWDAs. Nearly half (39) were in demand in four or more LWDAs; of these 39, almost three out of four were in occupations with 2024 median pay equal to or greater than the state median wage. The distribution of the in-demand programs across industry clusters can be seen in the table.

Tennessee studied the employment and earnings by industry cluster for up-to-one year certificates and for one-to-two year certificates using data from the Academic Supply for Occupational Demand report for 2025. The analysis included 114 one-year and 93 up-to-two year certificate programs completers. For the one-year certificate program completers, the median percent employed was 63.2 percent; for the up-to two year completers, it was 61.9 percent. For earnings, there were notable differences by industry clusters. For the one-year programs, the lowest median earnings were those in the arts and communications programs; the highest median earnings were for STEM (\$64,576), manufacturing (\$41,469), and public safety, corrections, and security (\$41,096). For the one-to-two year certificate programs, the highest median earnings were in public safety, corrections, and security (\$53,796), STEM (\$51,723) and manufacturing (\$49,746) followed by finance and health sciences. This shows the importance that industry sector makes in certificate wage and employment outcomes. More information is available in the Tennessee's Economy report for 2024-2025 (<https://www.tn.gov/content/dam/tn/workforce/archive/documents/majorpublications/reports-02/Tennessee-Economy-2024-2025-Section-1.pdf>)

Workforce Analysis

Employment and Unemployment

Tennessee's seasonally adjusted unemployment rate was 3.5 percent in June 2025, lower than 4.4 percent in June 2021 and slightly above 3.2 percent in June 2023. The U.S. unemployment rate in June 2025 was 4.1 percent. Tennessee's annual average unemployment rate declined from 8.0 percent in 2012 to 3.6 percent in 2024, reflecting sustained long-term improvement following the pandemic recovery period.

Labor force participation in Tennessee declined from 61.7 percent in 2012 to 60.2 percent in June 2025, though this represents a modest increase from 59.4 percent in 2023. Nationally, labor force participation decreased from 63.7 percent in 2012 to 62.6 percent in June 2025, unchanged from 2023.

Regional Industries and Occupations

West Region

(Greater Memphis, Southwest, and Northwest Local Workforce Development Areas – 21 counties)

Employment and Unemployment

Total employment declined from 701,393 in 2023 to 698,031 in 2024, a loss of 3,362 jobs (0.48 percent), making West Tennessee the only region to experience net job losses during this period. The regional unemployment rate averaged 4.1 percent in December 2025, slightly higher than 4.0 percent in 2022. The labor force also declined over the year, indicating reduced workforce participation alongside employment contraction.

Despite job losses, business establishments increased from 40,876 to 41,721 (2.07 percent), suggesting continued entrepreneurial activity.

The regional labor force participation rate (LFPR) stands at 60.9 percent, below the statewide average of 62.1 percent. Greater Memphis reports the highest participation rate at 63.9 percent, exceeding the state average. Northwest (54.3 percent) and Southwest (55.2 percent) report substantially lower rates, reflecting underutilized labor potential in rural areas.

Poverty levels in West Tennessee (17.21 percent) exceed the state average (13.77 percent), with Southwest Tennessee reporting the highest rate at 18.5 percent. Greater Memphis, at 16.94 percent, remains above the state average, indicating continued economic challenges across the region.

Wages

Wage growth was a positive indicator. The average annual wage increased from \$49,298 in 2023 to \$51,636 in 2024 (4.74 percent). The median wage rose from \$41,053 to \$43,520 (6.01 percent). Production worker hourly wages increased from \$23.68 to \$24.54 (3.63 percent), consistent with statewide trends.

Education and Workforce Characteristics

In West Tennessee, 55.64 percent of adults aged 25 and older have attained some college education or higher, below the statewide average of 58.2 percent. Greater Memphis exceeds both the regional and state averages at 60.95 percent, while Northwest (44.07 percent) and Southwest (45.76 percent) lag significantly.

Unemployment among individuals with disabilities is 14.33 percent in the region, slightly below the state average of 16.04 percent. However, Northwest Tennessee reports a significantly higher rate at 21.36 percent. Additionally, 32.92 percent of individuals not participating in the labor force report a disability, exceeding the state average of 30.90 percent.

Significant Barriers to Employment

Compared to statewide totals, West Tennessee includes:

- 43 percent of individuals exiting TANF within 24 months
- 24 percent of individuals with a disability not in the labor force
- 28 percent of the prison and jail population
- 26 percent of the youth population

Labor Market Trends

The Greater Memphis area remains the economic center of the region, with projected employment exceeding 630,000 jobs by 2032. While some sectors—such as retail and administrative services—are projected to decline, healthcare and transportation are expected to remain strong. By 2032, healthcare is projected to employ more than 92,000 individuals, and transportation and warehousing nearly 81,000. Transportation and material moving occupations are expected to lead job growth, followed by healthcare practitioners and support occupations.

In February 2026, the most requested skills included proficiency in Microsoft Office applications, SQL, forklift operation, cash register systems, and artificial intelligence tools. Healthcare institutions accounted for most top job postings, reflecting continued demand in medical and support occupations.

Middle Region

(Northern Middle, Southern Middle, and Upper Cumberland Local Workforce Development Areas)

Employment and Unemployment

Employment increased from 1,369,675 in 2023 to 1,379,261 in 2024, a gain of 9,586 jobs (0.7 percent). The labor force expanded by 38,543 individuals (2.52 percent), reaching 1,567,919. The

unemployment rate remained stable at 3.5 percent, indicating that job growth kept pace with labor force expansion.

Business establishments grew from 102,956 to 108,858 (5.73 percent), reflecting continued business development.

The regional LFPR is 65.5 percent, above the statewide average of 62.1 percent. Northern Middle reports the highest participation rate at 68.8 percent. Southern Middle (59.5 percent) and Upper Cumberland (54.9 percent) fall below both regional and state averages.

The regional poverty rate is 11.66 percent, below the state average. However, Southern Middle (17.53 percent) and Upper Cumberland (19.07 percent) report substantially higher poverty levels than Northern Middle (10.42 percent).

Wages

The average annual wage increased from \$50,310 to \$53,024 (5.39 percent), while the median wage rose from \$41,523 to \$44,141 (6.31 percent). Production worker hourly wages increased to \$24.54 (3.63 percent). Median wage growth outpacing average wage growth suggests income gains across a broader segment of workers.

Education and Workforce Characteristics

Overall, 61.14 percent of adults aged 25 and older have attained some college education or higher, exceeding the statewide average. Northern Middle leads at 66.91 percent, while Southern Middle (48.80 percent) and Upper Cumberland (47.79 percent) trail behind.

Unemployment among individuals with disabilities is 15.34 percent, slightly below the state average. However, Southern Middle and Upper Cumberland report higher levels of disability-related unemployment and labor force non-participation.

Significant Barriers to Employment

Compared to statewide totals, Middle Tennessee includes:

- 28 percent of individuals exiting TANF within 24 months
- 34 percent of individuals with a disability not in the labor force
- 23 percent of the prison and jail population
- 26 percent of the youth population

Labor Market Trends

Middle Tennessee is projected to experience the strongest job growth statewide, driven largely by the Nashville metropolitan area. Northern Middle is projected to reach nearly 1.45 million jobs by 2032

and add more than 266,000 new positions. Growth is expected to be concentrated in healthcare and social assistance, transportation and warehousing, and education services

East Region

(East, Southeast, and Northeast Local Workforce Development Areas)

Employment and Unemployment

Employment increased from 1,055,216 in 2023 to 1,065,642 in 2024 (0.95 percent growth). Metropolitan growth was led by Chattanooga (2.35 percent) and Knoxville (2.08 percent). Business establishments increased from 70,480 to 73,678 (4.54 percent).

The labor force grew by 16,854 individuals (1.47 percent), reaching 1,163,923. The regional LFPR was 58.79 percent in 2023, below the statewide average. Poverty stands at 14.17 percent, slightly above the state average.

Unemployment among individuals with disabilities reached 18.30 percent, exceeding the state average and reflecting ongoing workforce inclusion challenges in more rural areas.

Wages

The average annual wage increased from \$50,579 to \$52,788 (4.37 percent), and the median wage rose from \$40,490 to \$43,910 (8.45 percent). Production worker hourly wages increased to \$24.54 (3.63 percent).

Education and Workforce Characteristics

In East Tennessee, 56.4 percent of adults aged 25 and older have attained some college education or higher, slightly below the statewide average. Southeast Tennessee reports the highest attainment (58.9 percent), while Northeast lags at 53.18 percent.

Significant Barriers to Employment

Compared to statewide totals, East Tennessee includes:

- 29 percent of individuals exiting TANF within 24 months
- 42 percent of individuals with a disability not in the labor force
- 35 percent of the prison and jail population
- 28 percent of the youth population

Labor Market Trends

Employment in the East Region is projected to grow by 12.94 percent between 2022 and 2032, with more than 1.5 million projected job openings over the decade. Growth is expected across multiple sectors, particularly healthcare and related support occupations.

In February 2026, top requested skills included Microsoft Office proficiency, SQL, forklift operation, and familiarity with artificial intelligence tools. Healthcare institutions accounted for a majority of top job postings, reflecting sustained demand for healthcare practitioners, technical occupations, transportation, management, and support roles.

C. COMPARISON OF ECONOMIC AND WORKFORCE ANALYTICAL CONCLUSION. DESCRIBE AREAS OF OPPORTUNITY FOR MEETING HIRING, EDUCATION, AND SKILLS NEEDS IDENTIFIED IN THE ECONOMY COMPARED TO THE ASSETS AVAILABLE IN THE LABOR FORCE IN THE STATE.

A comparison of the economic and workforce analysis is provided within each section and for multiple areas (state, west, middle and east). While there are some unique differences across the regions, the state will continue to focus on the emerging industries through 2030, as identified in this plan. Additionally, Tennessee's efforts to support the nuclear industry and manufacturing of electric vehicles and batteries will remain areas of focus for both economic and workforce growth across the state. Finally, the infusion of infrastructure funding across the state and the region will continue to present new, currently non-existent workforce needs that the state is proactively researching and coordinating service provision for success.

2. WORKFORCE DEVELOPMENT, EDUCATION AND TRAINING ACTIVITIES ANALYSIS

Activities of the State Workforce Development Board, including strengths and weaknesses and capacity, are detailed further in the Operational Planning Elements of this plan. Some examples include: innovative partnerships with non-core partners for alternative service delivery, co-location of services, and specific business and industry partnerships to meet newly identified needs.

Within the framework established for Tennessee's workforce development ecosystem, the underlying goal centers on activating the various programs in more intentional and integrated ways to support the state's vision to bring forward a multi-agency strategy to better serve Tennesseans. In turn, the opportunity to integrate all workforce programs supports the vision of the State Workforce Board to increase participation and performance in a more integrated manner.

The progress thus far has highlighted how a multi-agency strategy, combined with a value for streamlined program integration, can produce new levels of effectiveness and efficiency. The Re-Employment strategy has provided a space for Title I, Title II, Title III, and Title IV programs begin crafting new procedures, that also incorporate resources from higher education and other public programs.

The ultimate vision is to increase performance for each program individually by adding service capacity collectively through an integrated approach.

Regarding the integration of TANF within the one-stop framework, including collaboration with other agencies, the strategy has integrated TANF and other programs from the Tennessee Department of

Human Services to ensure that all co-enrollment opportunities will be highly leveraged. Also, under the guidance of the State Workforce Board, the new approach to streamlining intake services and overall service delivery, leveraging the co-enrollment model, will include the resources available through TANF for participants to remove as many barriers to employment as possible.

TANF

The Tennessee Department of Human Services (TDHS) Temporary Assistance for Needy Families (TANF) program has Employment and Case Management Services (ECMS) providers either co-located in the AJCS or have developed an electronic process to ensure cross referrals are being made. The ECMS provider role is to conduct an employment and barrier assessment with customers to determine the most appropriate path the customer needs to obtain sustainable income. TDHS has improved its coordination efforts through increased communication, promotion of cross-program knowledge, and cross-training among frontline staff and other one stop partners to enhance the ability of each program to address the customer needs and questions that may cross program lines.

Adult Education

The following is a summary of the Adult Education services available to employers and students. To make these services as effective as possible, the Adult Education program, both from a state- level and locally, will work to align and integrate these program offerings with other WIOA partner programs, including training providers, Vocational Rehabilitation, SNAP E&T, and the Adult, Dislocated Worker, and Youth training programs, to the extent necessary and possible.

Adult Education will also seek to provide enough available instructional services to students with SNAP or TANF benefits, in order to meet their education or training requirements.

Career Pathways

Adult Education Career Pathway System combines rigorous and high-quality education, training, and other services that—

1. Aligns with the skill needs of industries in the economy of the state or regional economy involved
2. Prepares an individual to be successful in any of a full range of secondary or post-secondary education options, including registered apprenticeships
3. Includes counseling to support an individual in achieving the individual's education and career goals
4. Includes, as appropriate, education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster
5. Organizes education, training, and other services to meet the particular needs of an individual in a manner that accelerates the educational and career advancement of the individual
6. Enables an individual to attain a secondary school diploma or its recognized equivalent, and at least one recognized postsecondary credential

7. Helps an individual enter or advance within a specific occupation or occupational cluster

Training Services

Trough alignment and coordination with WIOA partners, training services may include:

- occupational skills training, including training for nontraditional employment
- on-the-job training
- incumbent worker training
- programs that combine workplace training with related instruction, which may include cooperative education programs
- training programs operated by the private sector
- skill upgrading and retraining
- entrepreneurial training
- transitional jobs
- job readiness training provided in combination with the services above
- adult education and literacy activities, including activities of English language acquisition and integrated education and training programs, provided concurrently or in combination with the services above
- customized training conducted with a commitment by an employer or group of employers to employ an individual upon successful completion of the training

Integrated Education and Training

Integrated Education and Training is a service approach that provides adult education and literacy activities concurrently and contextually with workforce preparation activities and workforce training for a specific occupation or occupational cluster for the purpose of educational and career advancement. The articulated career pathway can include short, moderate, or long-term training and education programs to match the ability of different students and include multi-level employment opportunities at different points of certificate or degree attainment.

Integrated Education and Training (IET) for ABE Students

The IET model combines adult education basic skills instruction, workforce training, and workforce preparation activities concurrently and contextually to increase ABE students' educational and career advancement. In an IET service delivery model, a variety of team teaching strategies are used to deliver the curriculum. Upon completion, it is intended that students will have obtained an industry recognized certificate or credential and will be employable or go on to more advanced training in their chosen career pathway.

Integrated English Language and Civics Education (IELCE) for ESOL Students

The IELCE model combines ESOL instruction, civics education, workforce training, and workforce preparation activities concurrently and contextually to increase ESOL students' educational and career advancement. In an IELCE service delivery model, a variety of team teaching strategies are used to deliver the curriculum. Upon completion, it is intended that students will have obtained an industry

recognized certificate or credential and will be employable or go on to more advanced training in their chosen career pathway.

Customized Training

1. designed to meet the specific requirements of an employer (including a group of employers);
2. conducted with a commitment by the employer to employ an individual upon successful completion of the training; and
3. for which the employer pays -
 - a. a significant portion of the cost of training, as determined by the local board involved, taking into account the size of the employer and other factors as the local board determines to be appropriate, which may include the number of employees participating in training, wage and benefit levels of those employees (at present and anticipated upon completion of the training), relation of the training to the competitiveness of a participant, and other employer-provided training and advancement opportunities; and
 - b. in the case of customized training involving an employer located in multiple local areas in the state, a significant portion of the cost of the training

Workforce Preparation Activities

Activities, programs, or services designed to help an individual acquire a combination of basic academic skills, critical thinking skills, digital literacy skills, and self-management skills, including competencies in utilizing resources, using information, working with others, understanding systems, and obtaining skills necessary for successful transition into and completion of postsecondary education.

The Tennessee Department of Education's Division of Postsecondary, Workforce, Career and Technical Education, and Military Readiness (PWCMR) provides workforce preparation through its 14 nationally recognized Career Clusters and 59 programs of study. Students can pursue college credits through dual enrollment offerings in partnership with local Tennessee Colleges of Applied Technology (TCATs), community colleges, and universities. Students are offered the chance to earn industry credentials through their coursework in aligned programs of study.

The Department focuses on four pillars:

- **Seamless Transitions:** Streamlining the journey from high school to postsecondary, workforce, or military service through coordinated policies, programs, and partnerships.
- **Individualized Advising:** Providing personalized guidance to students to align their education and workforce pathways with their unique strengths, interests, and goals.
- **Credentials of Value:** Aligning high school credentials with current labor market needs and relevant postsecondary programs.
- **Work-Based Learning:** Expanding hands-on experiences that connect classroom learning to real-world applications, preparing students with both technical and professional skills.

These pillars work together to create a comprehensive, student-centered framework that ensures the skills developed by students are recognized by employers and directly connect to high-wage, high-demand careers.

Pre-Apprenticeship

Pre-Apprenticeship is designed to prepare individuals to enter and succeed in an Apprenticeship program. These programs promote a diverse and skilled workforce and prepare participants to meet the basic qualifications for entry into an apprenticeship, through:

- An approved training curriculum based on industry standards
- Educational and pre-vocational services
- Hands-on training in a simulated lab experience or through volunteer opportunities
- Assistance in applying to Apprenticeship programs.

Pre-Apprenticeship programs involve formal partnerships with at least one Apprenticeship program sponsor.

Adult Education Workplace

The integration of adult education instruction and workforce training and usually located onsite with location determined by the employer. Adult Education instruction is contextualized for the workplace and skills training.

English as Second Language Workplace

The integration of ESL instruction and workforce training and usually located onsite with location determined by the employer. ESL instruction is contextualized for the workplace and skills training.

In Tennessee, we understand that ensuring cohesiveness and alignment across the complex education and workforce development systems will be critical to our long-term success as a State. Tennessee Governor Bill Lee outlined a strong vision for Tennessee to develop a comprehensive and overarching workforce development system which braids the work of education and workforce development together. Some of the common elements of Tennessee's workforce development ecosystem and the WIOA State Plan which overlap with Career and Technical Education, Vocational Rehabilitation, and Trade are described below.

The Tennessee Department of Education (TDOE) is responsible for the implementation of career and technical education (CTE) and administration of support for CTE through the Perkins V State Plan. TDOE and Tennessee Department of Labor and Workforce Development (TDLWD) partner on multiple CTE initiatives working to establish a clear pipeline and infrastructure from education and training to work. One specific example is with Work-Based Learning (WBL). TDOE, through the Perkins State Plan, has a goal to increase participation to 100% by 2035. TDOE and TDLWD are continuously collaborating on plans to meet this goal and to provide high-quality workplace education and on-the-job training at the secondary and postsecondary levels. Another example is around the Apprenticeship TN program, where TDOE supports TDLWD on expanding registered apprenticeships in Tennessee. Furthermore,

representatives from TDOE and TDLWD also serve on various working groups and advisory councils to ensure CTE implementation is aligned across both departments.

The activities provided by the Trade Adjustment Assistance for Workers (TAA) program offer a critical resource for the state's plans to strengthen the workforce system through a highly integrated approach to service delivery.

The Tennessee Department of Human Services (TDHS) - Vocational Rehabilitation (VR) Services Program works with stakeholder groups and customer advocacy organizations such as, the Council on Developmental Disabilities, The Arc of Tennessee, Disability rights Tennessee, Tennessee Works, and the State Rehabilitation Council to develop and implement programs and services for individuals with disabilities.

VR and TennCare collaborated on the development and implementation of the Employment and Community First CHOICES (ECF) program that offers services for a person with an intellectual or developmental disability. VR works with community rehabilitation providers (CRPs) to provide specialized and employment services for individuals with disabilities such as supported and customized employment services. The VR Services Program works with the Social Security Administration's Work Incentives Planning and Assistance (WIPA), also known as Benefits to Work, and Ticket to Work programs to help individuals with disabilities who want to work explore options and be informed of incentives available when they go to work. VR provides career counseling and information and referral services for individuals working at sub- minimum wage who may want to advance to competitive integrated employment at minimum wage or higher. The VR Services Program works with secondary school systems to provide pre- employment services for students with disabilities to prepare for transitioning to work our post-secondary training.

VR also partners with Tennessee's Employment First Task Force, a collaboration between public and private partners across the state, to align support, leverage resources, and work together to ensure that people with disabilities have access to education and employment opportunities.

Through their strategic plan, the Task Force is aiming to reduce the employment gap for individuals with disabilities by 5% by 2023. Their strategic goals include aligning the service delivery system and strengthening coordination, building a shared commitment to employment first, increasing the number of employers that hire people with disabilities, making Tennessee state government a model employer of people with disabilities, and preparing students for employment and post-secondary success.

As further detailed in the assessment results received on recent program activities, the Tennessee Department of Labor and Workforce Development completed an assessment of American Job Center services and Adult Education program provision. This assessment provided insight into which existing workforce services were effective, highlight gaps in service delivery, and identify services that may no longer be impactful. The outcomes of this evaluation offered the following evaluation of strengths and weaknesses:

1. Strengthen service integration and increase co-enrollment
2. Increase service utilization and awareness among all communities

Weakness: outreach and marketing of AJC services

3. Design and provide intensive, individualized services to enhance employment outcomes

Weakness: poor candidate quality and employer awareness and use of AJC services

4. Identify causes and missing leading practices to enhance efficiency

5. Deepen and track community partnerships and increase access points to customers

Strength: established virtual AJC services

Weakness: low usage of virtual AJC services

6. Focus on staff development, knowledge transferring, and cultural change

Strength: strong institutional knowledge with longevity in program experience

Weakness: poor knowledge transfer and cross training of staff to retain deep institutional knowledge

For those areas of weakness, TDLWD developed recommendations for implementation, organizational changes, reimagined outreach campaigns, and created a comprehensive strategy focused on American Job Center (AJC) Redesign. This AJC Redesign strategy is detailed in the State Strategy Implementation section of this plan.

B. STATE STRATEGIC VISION AND GOALS

1. Vision

Tennessee is committed to building a future-ready, industry-aligned workforce system that enables all Tennesseans to access high-quality employment while ensuring employers have a skilled and competitive talent pipeline to support economic growth. This vision reflects the State's commitment to economic opportunity, system alignment, and long-term competitiveness in a rapidly evolving labor market.

Tennessee's workforce development strategy continues to advance the State's vision of building a future-ready, industry-aligned workforce that empowers every Tennessean to access high-quality employment while ensuring employers have access to the skilled talent necessary to remain competitive in a dynamic economy. As the workforce landscape evolves, Tennessee is aligning its strategic direction with federal priorities, national workforce frameworks, and the State's own economic development goals to ensure the public workforce system remains responsive, integrated, and results-driven.

The 2026–2027 WIOA State Plan Modifications reflect Tennessee's commitment to modernizing the workforce system in response to several key developments shaping workforce policy nationwide, including increased integration between WIOA and Perkins state planning processes, expanded emphasis on apprenticeship, and new federal initiatives aimed at strengthening sector partnerships, advancing digital and artificial intelligence (AI) skills, and increasing access to short-term, high-quality training opportunities. These developments present an opportunity for Tennessee to further strengthen coordination across education, workforce, and economic development systems while expanding pathways to in-demand careers for jobseekers across the state.

To guide this work, Tennessee is incorporating key elements of America’s Talent Strategy, the national framework designed to align workforce systems with the needs of a rapidly changing labor market. This framework centers on five interconnected pillars: Industry-Driven Strategies, Worker Mobility and Participation, Integrated Workforce Systems, Accountability and Outcomes, and Flexibility for Technological Change. Together, these pillars provide a foundation for strengthening employer engagement, expanding access to opportunity, improving system coordination, and ensuring workforce investments deliver measurable results for both jobseekers and businesses.

Through this strategic approach, Tennessee will continue expanding sector-based partnerships, strengthening talent pipelines aligned with high-growth industries, and increasing employer engagement as co-designers of workforce solutions. At the same time, the State is prioritizing efforts to increase labor force participation by addressing barriers faced by underserved and rural populations, improving access to transportation, childcare, and digital connectivity, and expanding opportunities for individuals to earn portable, industry-recognized credentials that support career mobility.

Tennessee is also advancing a more integrated workforce ecosystem by strengthening cross-agency collaboration, improving data sharing, and implementing a “No Wrong Door” approach that allows individuals and employers to navigate services more easily across programs and partners. Enhanced performance measurement and accountability mechanisms- including the development of statewide dashboards and improved outcome tracking- will ensure that workforce investments remain aligned with both federal expectations and Tennessee’s broader economic competitiveness goals.

Finally, Tennessee recognizes that innovation and adaptability are essential in a rapidly evolving labor market. The State will continue leveraging policy flexibilities, pilot initiatives, and strategic waivers to test new approaches and scale successful models. This includes expanding opportunities to build digital skills, supporting employer-driven training models, and preparing workers for emerging technologies such as artificial intelligence.

Together, these strategic elements position Tennessee to continue building a stronger, more inclusive workforce ecosystem—one that expands opportunity for every Tennessean, strengthens regional economies, and ensures employers have the talent they need to grow and compete in the years ahead.

To achieve its strategic vision and goals, Tennessee is implementing a comprehensive, coordinated approach to workforce development that emphasizes system alignment, industry engagement, and innovation. The State’s strategy reflects a shift toward a more integrated and responsive workforce system that is driven by employer demand and focused on improving outcomes for both businesses and job seekers.

Tennessee’s strategy is centered on strengthening alignment across workforce, education, and economic development systems. Through enhanced coordination among core and partner programs, the State is working to streamline service delivery, improve access for participants, and ensure resources are deployed effectively to meet labor market needs.

A key component of this strategy is the expansion of industry and sector partnerships. Tennessee is advancing sector-based approaches that bring together employers, education providers, and community organizations to identify workforce needs, align training programs, and develop career pathways that lead to high-quality employment. These partnerships are supported by the use of real-

time labor market data to inform decision-making and ensure responsiveness to changing economic conditions.

The State is also prioritizing talent development through the expansion of work-based learning opportunities, including apprenticeship, and the alignment of education and training systems with industry demand. Tennessee is supporting the development of short-term, high-quality training options that provide individuals with rapid pathways into in-demand occupations.

Recognizing the growing importance of technology in the workforce, Tennessee is investing in digital skills development and emerging technologies, including artificial intelligence. The State is working to close the digital divide and ensure that both workers and employers are equipped to succeed in an increasingly technology-driven economy.

In addition, Tennessee is focused on improving workforce access and mobility by addressing barriers to employment and expanding opportunities for underserved populations. This includes strengthening supportive services and increasing access to flexible, stackable credentials that support career advancement.

Finally, the State is enhancing governance and accountability by strengthening the role of the State Workforce Development Board, aligning performance metrics with federal frameworks, and using data to drive continuous improvement across the workforce system.

2. Goals

Strategic Goals

Tennessee has established the following strategic goals to guide its workforce system:

The State will advance an industry-driven workforce system by aligning programs and investments with high-growth and in-demand sectors, expanding sector strategies statewide, and ensuring employers play a central role in designing workforce solutions.

The State will increase worker mobility and labor force participation by reducing barriers to employment, expanding access to supportive services, and increasing attainment of portable, industry-recognized credentials, with a focus on rural and underserved populations.

Tennessee will build a fully integrated workforce system that provides seamless access to services through a “no wrong door” approach, improves cross-agency coordination, and reduces duplication across programs.

The State will strengthen accountability and outcomes by aligning performance metrics with federal expectations, improving employment and wage outcomes, and increasing both employer and job seeker satisfaction.

Tennessee will foster innovation and flexibility within the workforce system by leveraging federal waivers, piloting new approaches, and scaling effective practices to meet evolving workforce needs.

Collectively, these goals position Tennessee to expand economic opportunity, increase credential attainment, and enhance the State's overall economic competitiveness.

Operational Goals

Additionally, TDWLD has key operational goals as part of the state's Customer Focused Government accountability program. For 2026, these operational goals are as follows:

- Increase labor force participation rate by increasing workforce training and employment services for Tennesseans
 - Increase labor participation rate
 - Increase workforce training and employment services by 5% versus last year
 - Increase the use of mobile American Job Center (AJC) units by +10% versus last year's participants served.
- Increase labor force participation rate by increasing apprenticeship opportunities and other business engagement strategies
 - Increase new apprenticeship employer partners by 5% over last year.
 - Increase the number of new Certified Pre-Apprenticeship Programs statewide by 10% over last year.
 - Increase statewide business and employer engagement activities by 10% over last year.
- Increase labor force participation rate through workforce engagement strategies with special populations i.e., youth, senior adults, justice-involved, and transitioning military/veterans
 - Increase employment for youth statewide through the Youth Employment Program.
 - Increase 1st payment timeliness of 87% or higher.
 - Increase the number of adult Tennesseans attaining a high school diploma or equivalency by 10%.
 - Increase services for financially and economically disadvantaged veterans by 5% last year.
 - Increase entered employment of justice involved individuals (JII) by 10%
 - Increase in number of tablet priority course completers by 10%.
 - Increase the number of participants receiving services through Supplemental Nutrition Assistance Program (SNAP) Employment & Training by 10% versus last year.
 - Increase the number of new participant enrollments in the Senior Community Service Employment Program (SCSEP) by 25% versus last year.

- Improve safety, regulatory, and labor standard compliance throughout the state
 - Increase the number of safety consultations for Tennessee businesses with less than 250 employees [Tennessee Occupational Safety and Health Administration (TOSHA)].
 - Increase the number of Workplace Regulations and Compliance (WRC) consultation visits for Tennessee businesses.
- Integrate the utilization of Zendesk customer relationship platform and other systems for aligned, coordinated, and improved service delivery
 - Increase customer satisfaction rate.
 - Increase number of realized use cases of Zendesk throughout all Labor Divisions.
 - Implement a streamline referral process connecting unemployed individuals to job training and employment support.
 - Create oversight and governance standards for all divisions, with updated standard operating procedures, improved monitoring guidance and effective technical assistance.

3. Performance Goals

TN Core Program: Title I – Adult Program

TN Core Program: Title I – Adult Program	Program Year 2026 Expected Level	Program Year 2026 Negotiated Level	Program Year 2027 Expected Level	Program Year 2027 Negotiated Level
Employment (Second Quarter after Exit)	87.26%		86.14%	
Employment (Fourth Quarter after Exit)	85.31%		84.70%	
Median Earnings (Second Quarter after Exit)	\$6,851		\$6,994	
Credential Attainment Rate	71.08%		71.68%	

TN Core Program: Title I – Adult Program	Program Year 2026 Expected Level	Program Year 2026 Negotiated Level	Program Year 2027 Expected Level	Program Year 2027 Negotiated Level
Measurable Skill Gains	61.26%		65.15%	

TN Core Program: Title I – Dislocated Worker Program

TN Core Program: Title I – Dislocated Worker Program	Program Year 2026 Expected Level	Program Year 2026 Negotiated Level	Program Year 2027 Expected Level	Program Year 2027 Negotiated Level
Employment (Second Quarter after Exit)	85.25%		83.76%	
Employment (Fourth Quarter after Exit)	85.20%		83.63%	
Median Earnings (Second Quarter after Exit)	\$7,987		\$8,030	
Credential Attainment Rate	66.73%		65.77%	
Measurable Skill Gains	56.98%		61.67%	

TN Core Program: Title I – Youth Program

TN Core Program: Title I – Youth Program	Program Year 2026 Expected Level	Program Year 2026 Negotiated Level	Program Year 2027 Expected Level	Program Year 2027 Negotiated Level
Employment (Second Quarter after Exit)	80.66%		80.68%	
Employment (Fourth Quarter after Exit)	80.20%		79.68%	
Median Earnings (Second Quarter after Exit)	\$3,338		\$3,717	
Credential Attainment Rate	69.39%		67.15%	
Measurable Skill Gains	54.09%		57.31%	

TN Core Program: Title II – Adult Education and Family Literacy Act Program

TN Core Program: Title II – Adult Education and Family Literacy Act Program	PY 2024 Expected Level	PY 2025 Expected Level	PY 2026 Expected Level	PY 2027 Expected Level
Employment (Second Quarter After Exit)	50.0%		51.0%	51.5%
Employment (Fourth Quarter After Exit)	50.0%		51.0%	51.5%
Median Earnings (Second Quarter After Exit)	\$3,950		\$4,050	\$4,100

TN Core Program: Title II – Adult Education and Family Literacy Act Program	PY 2024 Expected Level	PY 2025 Expected Level	PY 2026 Expected Level	PY 2027 Expected Level
Credential Attainment Rate	42.0%	42.5%	43.0%	43.5%
Measurable Skill Gains	40.5%	41.0%	41.5%	42%
Effectiveness in Serving Employers	Not Applicable 1	Not Applicable 1	Not Applicable 1	Not Applicable 1

TN Core Program: Wagner-Peyser Act Employment Service Program

TN Core Program: Wagner-Peyser Act Employment Service Program	Program Year 2026 Expected Level	Program Year 2026 Negotiated Level	Program Year 2027 Expected Level	Program Year 2027 Negotiated Level
Employment (Second Quarter after Exit)	69.64%		66.02%	
Employment (Fourth Quarter after Exit)	70.85%		68.35%	
Median Earnings (Second Quarter after Exit)	\$4,945		\$5,135	
Credential Attainment Rate	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Measurable Skill Gains	Not Applicable	Not Applicable	Not Applicable	Not Applicable

TN Core Program: Vocational Rehabilitation Program

TN Core Program: Vocational Rehabilitation Program	Program Year 2024 Expected Level	Program Year 2024 Negotiated Level	Program Year 2025 Expected Level	Program Year 2025 Negotiated Level
Employment (Second Quarter after Exit)	Baseline	Baseline	Baseline	Baseline
Employment (Fourth Quarter after Exit)	Baseline	Baseline	Baseline	Baseline
Median Earnings (Second Quarter after Exit)	Baseline	Baseline	Baseline	Baseline
Credential Attainment Rate	Baseline	Baseline	Baseline	Baseline
Measurable Skill Gains	20.0%	23.0%	25.0%	26.0%

Additional State Performance Metrics

Tennessee has developed and continuously refined a set of state performance metrics designed to more effectively measure progress toward the objectives of the Workforce Innovation and Opportunity Act (WIOA), as well as key state-led initiatives such as the Tennessee Youth Employment Program. These metrics were established to complement federally required indicators by providing a clearer picture of workforce system impact, service integration, and customer outcomes across programs.

The State's Performance and Reporting team, in close partnership with the Workforce Services team, conducts an annual review of all state-defined metrics to ensure they remain meaningful, actionable, and aligned with the Commissioner's Customer-Focused Plan. As part of this commitment to continuous improvement, Tennessee undertook a significant refinement of its performance framework in Program Year 2024, reducing the total number of metrics from twelve to five. This intentional consolidation allows for greater strategic focus on the measures that most effectively reflect system performance and drive desired outcomes.

Each year, Tennessee establishes statewide performance goals for these metrics based on historical data trends, with corresponding quarterly targets to support ongoing monitoring and accountability. Local Workforce Development Areas are actively engaged in this process through a structured negotiation phase, during which proposed targets are reviewed and, where appropriate, adjusted in

collaboration with state leadership. This approach fosters shared ownership of performance outcomes while ensuring that goals remain both ambitious and achievable.

Tennessee's use of state-defined metrics has demonstrably strengthened system performance. For example, since the introduction of a co-enrollment metric in Program Year 2022, the State has experienced a 39 percent increase in co-enrollment across Title I and Title III programs, with some local areas achieving increases of 70 percent or more. This reflects a broader emphasis on integrated service delivery and improved customer access to workforce programs.

Looking ahead to Program Year 2026, Tennessee is in the process of establishing its next set of performance metrics. The State anticipates continued focus on key indicators such as new enrollments in Title I and Title III programs and co-enrollment across these funding streams. In addition, the State will work collaboratively with Workforce Services to identify emerging priorities and initiatives that may be incorporated into the performance framework.

Through these efforts, Tennessee is reinforcing its commitment to a data-driven, outcomes-oriented workforce system. This approach directly supports the Accountability pillar of America's Talent Strategy by enhancing the State's ability to measure effectiveness, promote transparency, and ensure that workforce investments are delivering meaningful results for both jobseekers and employers.

4. Assessment

AJC Redesign

The Tennessee Department of Labor and Workforce Development (TDLWD), in partnership with KPMG LLP, conducted a comprehensive evaluation of the state's workforce system, including the American Job Center (AJC) and Adult Education (AE) networks. This evaluation was referenced in the state's 2024-2027 plan, with project goals to assess service delivery, identify leading practices, and uncover gaps and opportunities for improvement. Through on-site observations, staff interviews, and program data analysis, KPMG produced a set of actionable recommendations focused on enhancing program quality, improving customer experience, increasing accessibility for priority populations, and streamlining administrative processes. This evaluation has been completed and findings have directly informed Tennessee's American Job Center (AJC) Redesign initiative, which now serves as the State's strategic response to modernize service delivery, strengthen WIOA implementation, and create a more integrated, customer-centered workforce system.

Tennessee is advancing a comprehensive redesign of its AJC system to better align with the realities of a rapidly evolving labor market and to position the workforce system as a driver of economic mobility and employer competitiveness. This modernization effort reflects a strategic shift away from a traditional, center-based and program-siloed model toward an integrated, flexible, and industry-driven system that prioritizes outcomes over activity and emphasizes seamless service delivery for both job seekers and employers.

At the core of this redesign is a recognition that legacy AJC structures are no longer sufficient to meet the needs of today's economy. The state is responding by transforming AJCs into modern workforce hubs that offer expanded access through mobile, virtual, and in-person service delivery. This "no

wrong door” approach ensures that individuals can engage with the workforce system in ways that are most accessible to them, while also enabling more responsive and coordinated service delivery across programs. The introduction of individualized career coaching, streamlined intake and triage processes, and integrated program navigation creates a more efficient and customer-centered experience that accelerates time to employment and improves long-term outcomes.

A key component of the redesign is the intentional alignment of all workforce programs, funding streams, and service strategies to regional, industry-validated demand. By embedding sector subject matter experts (SMEs) within each region, Tennessee is strengthening its capacity to deliver sector-based strategies that are directly informed by employer needs. These SMEs guide the development of career pathways, inform training investments, and support deeper, more strategic employer engagement. This approach shifts employer services from transactional job postings to sustained partnerships focused on talent pipeline development, workforce planning, and measurable hiring outcomes.

The physical and operational transformation of AJCs further reinforces this strategy. Modernized facilities are being designed with dedicated spaces for career coaching, digital access, and employer engagement, including hiring suites that facilitate rapid recruitment and interview coordination. At the same time, the state is implementing a “parallel deployment” model, allowing service improvements to occur alongside facility upgrades to ensure immediate impact. These changes are supported by a strong emphasis on access, including ADA-compliant and trauma-informed design principles, as well as expanded outreach to rural and underserved populations.

Technology plays a central role in enabling this modernization. Tennessee is advancing an integrated digital infrastructure that supports real-time case management, performance tracking, and data-driven decision-making. This includes enhanced visibility into key outcomes such as time-to-placement, employment retention, and wage progression, allowing state and local leaders to continuously refine strategies and improve system effectiveness. The integration of virtual tools with in-person services also ensures continuity of access and supports a more agile, resilient workforce system.

Performance accountability is being redefined through a focused set of key performance indicators that emphasize customer satisfaction, service penetration in rural areas, utilization of mobile and virtual services, and speed of connection to employment. By aligning these metrics with meaningful labor market outcomes, Tennessee is reinforcing a culture of continuous improvement and ensuring that system success is measured by its impact on individuals and businesses.

This AJC system modernization aligns closely with the federal pillars outlined in *America’s Talent Strategy: Building the Workforce for the Golden Age*. The shift to industry-driven, sector-based service delivery directly supports the Employer-Led System pillar by placing businesses at the center of workforce strategy and fostering long-term partnerships. The integration of programs, data systems, and service delivery models advances the Integrated Systems pillar, creating a more coordinated and efficient workforce ecosystem. The emphasis on mobile access, rural service penetration, and individualized career coaching supports the Worker Mobility pillar by reducing barriers to employment and expanding access to opportunity. Additionally, the focus on measurable outcomes, real-time data, and continuous system improvement reflects the principles of a Skills-Based Ecosystem, ensuring that training and services are aligned with in-demand skills and career pathways.

Through this redesign, Tennessee is establishing a forward-looking, high-performing workforce system that is responsive to both job seekers and employers, grounded in data and outcomes, and aligned with national best practices. This effort positions the state as a leader in workforce innovation and creates a scalable model for modernizing service delivery to meet the demands of a dynamic economy.

Workforce Board Assessment & Certification Program

The Tennessee State Workforce Development Board (SWDB) began a Board Excellence Certification Program in 2024 in partnership with the University of Tennessee Center for Industrial Services (UTCIS) and has continued to expand the program through 2025 and 2026. SWDB established the Board Excellence Certification Program as a comprehensive, assessment-based framework designed to promote consistency, professional excellence, and ethical standards among workforce development boards statewide. This program is an integrated system of assessment, feedback, and professional development and is designed to foster and sustain high performing workforce development boards and facilitate effectiveness and innovation in meeting their obligations and leading into the future. Boards that achieve Board Excellence Certification serve as role models of improvement, innovation, and excellence for the rest of the workforce organization. The program provides a structured approach for evaluating and strengthening board performance by defining a recognized body of knowledge, identifying opportunities for professional development, and formally certifying adherence to best practices. Its goal is to ensure that both state and local boards operate as high-performing, strategically focused, and innovative organizations that effectively serve Tennessee's workforce and employers.

Central to the program is an assessment process tailored to the core responsibilities of workforce development boards. The certification process evaluates board policies, procedures, and performance against two nationally recognized frameworks:



- **Baldridge Criteria for Performance Excellence**- developed by the National Institute of Standards and Technology, which represents the nation's highest standard for organizational excellence; and
- **Workforce Innovation and Opportunity Act**- which defines governance, accountability, and performance requirements for workforce development systems.

The assessment identifies both strengths- which can be leveraged as strategic advantages- and opportunities for improvement, which represent areas for innovation and enhanced efficiency. Upon demonstration of competence in these areas, the Board receives formal recognition through the Board Excellence Certification Program, an integrated system of assessment, feedback, and professional development managed by experienced Baldridge examiners.

Achieving Board Excellence Certification acknowledges reliable approaches that lead to many areas of value:

- Creates systematic processes & identifies essential skills.
- Demonstrates credibility & commitment to excellence

- Ensures legal responsibilities of the boards are integrated into board operations
- Promotes accountability
- Recognizes competence and expertise.
- Prepares board for possible new grant funding opportunities

The Program foundation is a set of Elements of Certification that serve as the body of knowledge based on the Baldrige Framework for Excellence criteria and the Workforce Innovation and Opportunity Act (P.L. 113-128). The Elements of Certification address board operations and responsibilities in these key areas:

- Board structure, roles, relationships*
- Board and board member responsibilities*
- Governance system**
- Strategic Insight**
- Performance Management**
- Customer & Partner Engagement**

*Source: Board bylaws, charter, WIOA requirements

**Source: *Baldrige Framework for Performance Excellence*

The Elements of Certification serve as the foundation of the program, focusing on governance, strategy, performance management, and customer and partner engagement. For each element, there are Standards. These Standards are specific to each Element of Certification and identify actions critical to achievement of certification elements. They serve as the basis for the assessment of board performance.

For each Standard, there are incremental Levels of Competence to be demonstrated. These Levels of Competence range from having a process in place, following the process, consistently evaluating the process for effectiveness, to demonstrating the process is effective via measurable results. The Levels of Competence serve as the basis for feedback to the Board that identifies areas of strength, and opportunities for improvement and professional development.

A designation of overall Level of Achievement is determined, considering all elements, standards, and levels of competence. There are three Levels of Achievement:

- Compliant: Practices are in place, accessible, and known by those responsible for their execution.
- Competent: Practices are systematic and consistently followed. Practices are often reviewed, and some indicators or measures are identified.
- Role Model: Practices are evaluated for effectiveness. Practices are determined to be effective.

The State Workforce Development Board was evaluated through a two-phase process and measured against these three levels of achievement. In November 2024, the Tennessee State Workforce Development Board achieved “Competent and Approaching Role Model Status” through this certification process, demonstrating a strong culture of performance excellence and continuous improvement. Building on this success, the Board has continued its partnership with UTCIS in 2025,

and into 2026, to expand the Workforce Board Certification Program to Tennessee’s nine local workforce development boards, supporting a consistent standard of governance, accountability, and innovation across the state’s workforce system. Strong engagement from local board members, excellent collaboration with executive directors and staff

In July 2025, the LWDB Certification Deployment Project advanced significantly by launching assessments of local workforce development boards across Middle, West, and East Tennessee. Each region is participating in a structured four-month assessment cycle that includes conducting the assessment, identifying initial findings and recommendations, capturing best practices, and launching rapid, “Just Do It” improvements. This review cycle will be completed in June 2026.

Early results from the assessment cycles have already produced meaningful quick wins. Boards across the state have begun implementing statewide standardized meeting practices, adopting standardized onboarding and orientation processes, and using targeted, bite-size communications to keep board members engaged between meetings. These improvements support consistency, clarity, and stronger participation statewide.

In addition to immediate improvements, the project has revealed several longer-term enhancement opportunities. Emerging ideas include reassessing the role of local boards within an evolving statewide workforce ecosystem and identifying opportunities to better align system structure while strengthening the advisory capacity of local boards. Another key area of focus is the development of meaningful measures of effectiveness. While the workforce system generates abundant data, many boards still struggle to articulate their true impact. Going forward, the project will prioritize designing and producing frequent, measurable “impact measures” that demonstrate where workforce initiatives are making a difference.

The concept of board certification is becoming a readiness plan—positioning boards not only to meet compliance requirements but to strengthen advisory capacity, shift from oversight to insight, and remain agile in the face of evolving workforce demands. This work lays the foundation for a more consistent and effective statewide workforce system, capable of supporting employers, jobseekers, and communities across Tennessee.

Burning Glass Institute- Stranded Talent Assessment

Tennessee has partnered with the Burning Glass Institute (BGI) to advance a comprehensive, data-driven analysis of workforce outcomes, with a particular focus on identifying and addressing “stranded talent” across the state. This initiative reflects Tennessee’s commitment to strengthening economic mobility by ensuring that workforce investments are aligned with real labor market outcomes and that all individuals have access to pathways leading to sustainable, high-quality employment.

At the core of this partnership is a shared effort to define and measure stranded talent within Tennessee’s workforce. Through this work, stranded individuals are categorized across three primary dimensions: workers experiencing persistently low wages, individuals who are underemployed relative to their education or experience, and those whose careers have stalled, with limited wage growth or advancement over time. This nuanced framework allows the state to move beyond

traditional employment metrics and instead focus on quality of employment and long-term career progression.

Using a combination of datasets- including job postings data, occupational and skills data, and longitudinal worker profiles- the project examines how strandedness varies across demographics, industries, occupations, educational attainment, and geography. This analysis enables Tennessee to better understand which populations are most at risk, including individuals in low-wage roles with limited upward mobility, workers whose credentials are underutilized, and those who have remained in positions without meaningful advancement opportunities over extended periods.

The initiative is structured around two primary focus areas. First, the project seeks to understand the drivers and characteristics of stranded talent, including pathways into and out of strandedness, as well as identifying workers at risk of displacement due to emerging trends such as automation and artificial intelligence. Second, the project examines how workforce systems can more effectively create and scale pathways to upward mobility. This includes evaluating the role of education and training programs, industry-recognized credentials, and career pathways in supporting transitions into higher-quality employment, as well as identifying the factors that distinguish individuals who successfully achieve upward mobility.

Preliminary and ongoing analyses are informing the development of actionable policy recommendations, including strategies to better align training investments with occupations that offer demonstrated wage growth and career progression, improve targeting of services to populations most at risk of becoming stranded, and strengthen career pathway design to ensure clear connections between entry-level roles and advancement opportunities. Additionally, the work is exploring how to proactively support workers in transitioning out of roles vulnerable to technological disruption, ensuring that Tennesseans are equipped to pivot into in-demand occupations before displacement occurs.

This effort directly advances the Worker Mobility pillar of America's Talent Strategy by prioritizing upward mobility, wage progression, and equitable access to opportunity. By focusing on the identification and reduction of stranded talent, Tennessee is working to remove structural barriers that limit career advancement, particularly for individuals in low-wage or underutilized roles. The project supports the expansion of transparent, data-informed career pathways; the scaling of portable, industry-recognized credentials; and the alignment of education and workforce systems with real-time labor market demand.

While this assessment is in the early phases, resulting initiatives will strengthen the state's ability to deliver a more outcomes-driven workforce system- one that not only connects individuals to jobs, but ensures those jobs provide meaningful opportunities for advancement and economic self-sufficiency. This work will position Tennessee as a national leader in using data and evidence to drive workforce strategy and to ensure that all residents have a clear and attainable path to upward mobility.

Tennessee Benefits Cliff Data Analysis

As part of our efforts to increase worker mobility and labor force participation, TDLWD and the State Workforce Development Board (SWDB) have partnered with the Federal Reserve Bank of Atlanta to assess the impact of Benefits Cliffs on Tennessee workers. The goal of this analysis is to better align workforce development efforts with economic reality, ensuring that workers can advance in their careers without suffering financial consequences. By utilizing a new analysis examining “benefits cliffs” for Tennessee families, our partnership has resulted in state-specific data to inform strategies to mitigate cliff impacts unique to our state. Using U.S. Census Bureau data, the analysis measured effective marginal tax rates to assess how increased earnings affect taxes and public assistance benefits.

Findings show that Tennessee families with children face an average effective marginal tax rate of approximately 53 percent. Approximately 15 percent of families lose more than half of additional earnings due to reduced benefits, and roughly 10 percent may experience a true benefits cliff in which increased earnings temporarily reduce overall household income.

The analysis identified SNAP and Medicaid as primary drivers of these cliffs in Tennessee. The findings will inform the SWDB’s pilot program integrating benefits cliff analysis into workforce coaching tools and career planning strategies. As discussed in the Strategy Implementation section of this plan, it will also support a planned state-wide launch into all AJCs Summer 2026.

Additionally, TDLWD and SWDB will continue to work with our local partners, Tennessee Department of Human Services and non-profit Martha O’Bryan Center to provide project data back to the Federal Reserve Bank of Atlanta to inform Benefits Cliff guidance to federal and state policymakers.

C. STATE STRATEGY

Tennessee’s workforce development strategy aligns with the federal framework outlined in *America’s Talent Strategy: Building the Workforce for the Golden Age*. Specifically, Tennessee will advance the following federal pillars through its statewide workforce initiatives:

Industry-Driven Strategies

Tennessee’s workforce initiatives must be shaped by the real skill demands, hiring needs, and evolving priorities of industry. Employers—especially those in Tennessee’s highest-growth and highest-need sectors—should define in-demand competencies, validate training models, and steer investments toward the roles and credentials that lead to secure, well-paying, high-opportunity jobs for Tennesseans.

Tennessee will value initiatives that:

- Prioritize Registered Apprenticeships and other high-quality work-based learning models.
- Align eligible training programs to clear career pathways within regional Tennessee economies.
- Target funding toward employer-led upskilling and reskilling initiatives that address local talent shortages.

- Demonstrate tight industry partnerships and evidence that programs produce workers with skills employers actively need.

Worker Mobility

Tennessee's workforce system must help individuals—whether entering employment, re-entering after time away, or seeking advancement—take tangible steps toward upward mobility and long-term economic independence. Workers must have clear visibility into their skills, their career options, and what it takes to reach better-paying jobs.

Tennessee will value initiatives that:

- Clearly identify and promote credentials of value recognized by Tennessee employers.
- Use AI-powered tools, competency-based assessments, and labor-market intelligence to help workers see their transferable skills and navigate better career options.
- Provide streamlined access to training opportunities that lead to self-sufficiency, especially for disconnected or underrepresented workers.
- Demonstrate strong outcomes in employment, earnings, and advancement over time.

Integrated Systems

Tennessee's workforce system must be unified, navigable, and built around the needs of job seekers, employers, and frontline practitioners. Stakeholders should not have to navigate a maze of programs, agencies, and eligibility rules to access training or talent.

Tennessee will value initiatives that:

- Integrate or braid funding streams to create a seamless experience for Tennesseans.
- Improve service delivery through shared eligibility standards across programs.
- Advance education–workforce alignment, streamlined intake processes, and the use of digital tools that guide individuals to the right services at the right time.
- Strengthen coordination across state, regional, and local partners to reduce duplication and fragmentation.

Accountability

Tennessee's investments must generate measurable, transparent returns for job seekers, employers, and taxpayers. Public dollars should support programs that consistently lead to strong employment outcomes, industry-recognized credentials, and real wage gains.

Tennessee will value initiatives that:

- Tie funding to clear performance outcomes, including the use of pay-for-performance models.
- Identify and eliminate ineffective or duplicative spending, redirecting resources toward high-impact programs.
- Enhance data linkages and reporting systems that provide transparent, reliable insight into outcomes and return on investment.

- Demonstrate strong evidence of closing skill and talent gaps in Tennessee’s priority industries.

Flexibility & Innovation

The federal and state workforce landscape is evolving rapidly- especially with AI reshaping work at unprecedented speed. Tennessee’s workforce system must be adaptable, iterative, and capable of responding quickly to emerging technologies, evolving labor market needs, and local economic priorities.

Tennessee will value initiatives that:

- Leverage existing statutory and regulatory flexibilities to promote innovation at state and local levels.
- Create new models of workforce delivery capable of matching the speed and scale of AI-driven economic change.
- Prioritize AI literacy and digital skills development across the workforce system.
- Launch pilot projects and rapid-reskilling initiatives that strengthen Tennessee’s competitiveness and support an AI-ready workforce.

State Strategy



TN Works: Tennessee’s Unified Workforce Solution

Tennessee has advanced a transformative, employer-centered approach to workforce development through TNWorks, the State’s single, coordinated entry point for business services. Launched in November 2025 and housed within the Tennessee Department of Labor and Workforce Development (TDLWD), TNWorks serves as a centralized hub connecting employers to a full suite of customized, data-driven workforce solutions through a seamless, multi-agency framework.

TNWorks reflects a strategic shift from historically fragmented service delivery to a unified, customer-focused model. By integrating key partners- including the Tennessee Department of Economic and Community Development, Tennessee Higher Education Commission, Tennessee Board of Regents, Tennessee Department of Education, and Tennessee Department of Human Services - the initiative ensures alignment, accountability, and responsiveness across Tennessee’s workforce ecosystem. This

coordinated structure reduces duplication, streamlines employer engagement, and provides businesses with a single point of contact to access workforce services statewide.

Through this centralized business engagement model, TNWorks simplifies how employers interact with the workforce system. Businesses can access support for hiring, training partnerships, incentives, talent pipeline development, and long-term workforce strategy through one coordinated entry point. Services are tailored using real-time labor market data and delivered collaboratively across partner agencies, ensuring timely, consistent, and industry-responsive solutions.

TNWorks supports employers across the full workforce lifecycle—from recruitment and onboarding to upskilling, retention, and expansion. Offerings include customized workforce planning, connections to education and training providers, hiring assistance, access to financial incentives, and ongoing performance tracking. This approach not only improves the employer’s experience but also strengthens alignment between workforce development and economic development, positioning talent as a key driver of business recruitment, retention, and growth.

The initiative directly advances the federal pillars outlined in *America’s Talent Strategy: Building the Workforce for the Golden Age*:

- Integrated Systems Pillar: TNWorks aligns workforce, education, and economic development partners into a single, coordinated system, improving efficiency and reducing administrative burden for employers.
- Worker Mobility Pillar: By connecting employers to training and career pathway programs, TNWorks supports the development of portable skills and expands access to quality employment opportunities.
- Employer Engagement Pillar: TNWorks centers employer needs through a demand-driven model, offering customized solutions and a single point of contact for workforce services.
- Data and Accountability Pillar: The initiative leverages data-informed decision-making and performance tracking to drive continuous improvement and measurable outcomes.

The Tennessee State Workforce Development Board provides strategic guidance and advisory support to ensure TNWorks remains aligned with statewide workforce priorities, federal requirements, and regional labor market needs. Through this role, the Board strengthens coordination across partners, reinforces accountability, and helps guide long-term workforce strategy. Through TNWorks, Tennessee is advancing a modern, integrated workforce system that delivers responsive, data-driven services to employers while strengthening talent pipelines and supporting sustained economic growth.

Regional Sector Strategies

Tennessee implements its regional sector strategies in alignment with TNWorks, the State’s coordinated, employer-centered framework for delivering business services. Such strategies are operationalized by Regional Planning Councils (RPCs) and Local Workforce Development Boards (LWDBs) in a way that aligns statewide priorities with the unique economic conditions, industry strengths, and workforce needs of each region. Business Engagement, driven by TNWorks, serves as the unifying structure that connects regional partners, including RPCs, LWDBs, American Job Centers, economic development organizations, and education and training providers. Within this framework,

regions identify and prioritize high-demand, in-demand, and emerging sectors using labor market intelligence and real-time employer input. This ensures that sector strategies are both data-informed and locally responsive, allowing each region to focus on industries that are most critical to its economic growth.

Tennessee's regional sector strategies are implemented through a coordinated framework that brings to life TDLWD's Operational Business Engagement Plan, ensuring that employer engagement and workforce solutions are both regionally responsive and strategically unified statewide. Together, these efforts create a seamless approach to identifying industry needs, engaging employers, and delivering workforce solutions that drive economic growth. Sector strategies are driven by labor market intelligence and employer demand, with regions prioritizing high-demand, in-demand, and emerging industries based on their unique economic conditions. This regional prioritization is elevated into a shared statewide strategy, ensuring alignment across partners while allowing flexibility in how regions engage and serve their key industries.

TDLWD's Operational Business Engagement Plan reinforces this approach by shifting employer engagement from transactional outreach to a consultative, outcomes-driven model. Business and Workforce Directors, operating within the TNWorks framework, lead sector-focused engagement efforts by conducting employer diagnostics, identifying workforce challenges, and delivering tailored solutions. This includes connecting employers to immediate hiring support as well as long-term strategies such as apprenticeships, work-based learning, and pipeline development. Through coordinated outreach and shared intelligence, employers are engaged as active partners in shaping workforce solutions. Regional teams, supported by TNWorks, conduct targeted sector engagement, facilitate industry partnerships, and provide consultative services that help employers address workforce challenges, from immediate hiring needs to long-term talent pipeline development. The State provides common tools, engagement strategies, and performance expectations, but regions retain the ability to tailor implementation based on local labor markets, industry composition, and employer demand. This approach ensures that sector strategies remain innovative and adaptable while still contributing to a cohesive statewide workforce system. Lastly, performance and accountability are embedded through shared metrics and reporting structures, including sector-aligned engagement targets, outreach impressions, and workforce outcomes.

Regional Planning Councils

To meet the needs of regional employers and align education and training opportunities with targeted industries and occupations, Tennessee's workforce system is divided into three Grand Regions: West, Middle, and East. These Grand Regions were designated as part of a LWDA redesignation effort in 2018 and were intentionally aligned with Tennessee's Economic and Community Development service regions to promote regional workforce and economic alignment. Regional Planning Councils (RPCs) were established to serve as regionally collaborative entities consisting of stakeholders from all three LWDA's within the Grand Planning Region working to create regional workforce system solutions. RPCs must consist of regional representation from each of the local One-Stop System required partners and should also consist of One-Stop additional partners under the local MOU. RPCs also include regional stakeholders from business and industry, labor organizations and sector groups, education and

training institutions, economic development organizations, local workforce boards, and workforce system partner agencies.

The role of the RPC includes the following:

- Conduct regional strategic planning as part of each WIOA planning cycle
- Set regional goals supporting State Plan priorities
- Facilitate industry-led regional sector strategies and initiatives
- Align regional LWDA business outreach and services
- Meet quarterly to advise and recommend action plans for LWDA performance and track progress towards regional planning goals.

Operating in these roles, Tennessee's RPCs have demonstrated their ability to convene stakeholders and advance regional workforce strategies. Regional Planning Councils serve as the primary entities responsible for developing regional workforce strategies and coordinating planning activities across Tennessee's workforce regions.

Local Workforce Development Boards

The State Workforce Development Board (SWDB) prioritizes providing strategic support to Tennessee's nine (9) Local Workforce Development Boards (LWDBs). Through initiatives such as the Local Board Assessment and Certification Program, conducted in partnership with the University of Tennessee Center for Industrial Services (UTCIS) and highlighted within this plan, the SWDB collaborates with local board members and staff to strengthen engagement and deepen strategic understanding of the workforce system. This effort has resulted in quarterly technical assistance and training meetings, the sharing of promising practices, and the development of member engagement resources, all of which contribute to improving LWDB effectiveness and operational efficiency. Additionally, the SWDB Executive Director participates in each LWDB's quarterly meetings to provide guidance, ensure alignment with statewide workforce strategies, and support collaboration on local initiatives.

Each of Tennessee's nine (9) LWDBs are aligned into one of Tennessee's three (3) Grand Regions and are actively engaged with the Regional Planning Council (RPC) within their region. The boards' engagement assists with building regional and local talent pipelines, which is led by the local workforce boards and implemented by the local Business Service Team (BST) members. BST members are tasked with supporting TNWorks implementation in their local area by maintaining relationships with employers for the purpose of placing workers trained through employer-focused workforce development and post-secondary education systems.

Leveraging Data and Partnerships to Inform Strategies and Drive Performance

Tennessee's performance management approach reflects the Accountability pillar by linking workforce investments to measurable employment and wage outcomes. Tennessee uses long term projection data to identify in-demand industries and occupations. P20 Connect TN is the state's longitudinal data system, which contains data across sectors and over time to illustrate the state's progress in education

and workforce development allowing policymakers and practitioners to make fact-based decisions about how best to promote opportunities for all Tennesseans. The Workforce Insights, Research and Reporting Engine Division also known as WIRED continuously produces information collected by Labor Market Information to assist local workforce development areas in determining strategy and drive evidence-based decisions. The state and local workforce boards have access to a broad range of economic and administrative data that can be leveraged to help sector partnerships and activities, coupled with adding employers and regional council inclusion, yields robust data-driven decisions by understanding the needs of the current and future workforce and assist with prioritizing target industries.

More details on the state's apprenticeship strategy are provided later in this plan. Those details support the unique needs and concerns of Tennesseans and business and industry that needs skilled and trained workforce and is willing to collaborate in developing the workforce pipeline.

Career Pathways

Maximizing core program coordination and utilizing career pathways as well as evaluating to ensure that training and education requirements match the state's labor market needs allows Tennessee Workforce Areas an opportunity to lead the nation in K-12 education reform. We have continued that momentum and expanded our focus to include post-secondary education through a pair of innovative initiatives through Tennessee Pathways and the Tennessee Promise.

Tennessee's workforce development areas promote career exploration through career pathways also known as TN Pathways so young people can acquire educational, technical, and social skills that enhance career development. Working with regional councils including the regional pathways coordinators, we have enhanced efforts to improve communication, coordination, and collaboration in preparing youth for post-secondary studies or the world of work. Other strategies include: incorporating career pathways system as a model to better guide young people, incorporating pre-apprenticeship programs to offer young people opportunities to gain technical skills that are best learned on the job, and disseminating information regarding future in-demand labor market needs to young adults when entering the workforce system.

The Tennessee Department of Education (DOE) begins this work in grades K-12 with career exploration in elementary and middle school, followed by rigorous programs of study in high school. Students choose a program of study as their elective focus through the High School and Beyond Plan (HSBP), mandated by the Tennessee State Board of Education (TSBE) through [High School Policy 2.103](#). The HSBP is a personalized academic and career planning tool that evaluates and documents all aspects of a student's path to college and career. It connects students' postsecondary goals with their student readiness and career pathway interests and sets the foundation to equip them with the skills needed to meet these goals. The intention of the plan is to bridge the gap between high school and high-wage, high-skill, in-demand careers in Tennessee.

Tennessee Pathways has created alignment between K-12, postsecondary education, workforce development, and employers so that students have a clear and guided pathway to gain the knowledge and experience needed to move seamlessly into the workforce. We believe that all students deserve access to high-quality careers that provide a living wage and opportunities for advancement.

TN Talent Initiative (TTI)

The State Workforce Development Board and Tennessee Department of Labor & Workforce Development are spearheading a new statewide non-degree credentialing program to develop targeted, short-term certifications for high-demand skills as a collaborative effort involving state agencies, educational institutions, and industry partners. TTI supports development and implementation of short-term, stackable non-degree training programs, especially in response to needs identified by business and industry partners. These credentials focus on skills identified by industry partners to address the evolving needs of the labor market. Executive Order 109, signed in June 2025, expanded the State Workforce Development Board's authority to strengthen workforce strategies and award grants to grow Tennessee's skilled workforce. This helps ensure the micro-credential program aligns with economic needs. A \$6.3 million state investment has been dedicated in the FY25–26 budget to create this program for developing short-term certifications utilizing the following:

- **Credential Impact Framework:** Throughout 2024, the Tennessee SCORE organization developed a framework to help students and education leaders assess the value of degrees and credentials in the workforce. This framework can help guide the development of new micro-credentials that lead to higher earnings and economic independence.
- **Outcomes-Based Funding:** SCORE has recommended streamlining Tennessee's outcomes-based funding formula, beginning in 2025, to prioritize credentials that lead to high wages, job growth, and stackability. This encourages educational institutions to focus on developing and promoting high-impact credentials

TTI is structured through demonstration grants to training programs in Tennessee's target sectors of Healthcare, Nuclear Energy, Advanced Manufacturing, Information Technology/AI, and Hospitality & Tourism. Additionally, competitive grant opportunities are provided to training programs in non-target sectors. In both cases, grant funding is provided for the purpose of building and expanding capacity in short-term training programs.

For the program timeline, demonstration grants began in late 2025 with a kick-off award to Northeast State Community College for investments in culinary programs supporting the hospitality industry. The competitive grant FOA will be issued in Fall 2026 with periods of performance in early 2027.

Workforce Pell Grants Implementation

Tennessee is working to implement Workforce Pell as a strategic component of the state's broader workforce development system. Workforce Pell will complement existing WIOA programs by expanding access to high-quality, short-term training that aligns with the needs of Tennessee employers and the state's priority industry sectors. Through this approach, Tennessee aims to strengthen its talent pipeline, increase labor force participation, and ensure that more Tennesseans can access pathways to family-sustaining careers.

Workforce Pell will support training programs that prepare participants for in-demand, high-skill, and high-wage occupations that are critical to Tennessee's economy. The state will prioritize programs aligned with industry sectors identified through labor market analysis and employer engagement,

including advanced manufacturing, healthcare, information technology, and skilled trades. Examples of training pathways that may be supported include industrial maintenance and mechatronics technicians, registered nursing and allied health occupations, cybersecurity and data analytics roles, and skilled trades such as welding and electrical work. These programs will be selected based on strong labor market demand, employer partnerships, and demonstrated outcomes related to job placement and wage growth.

Tennessee will integrate Workforce Pell into its existing workforce ecosystem by aligning the initiative with WIOA-funded training, the Eligible Training Provider List (ETPL), and the state's workforce and education partners. By coordinating across postsecondary institutions, workforce boards, and employers, the state will ensure that Workforce Pell-supported programs meet both federal requirements and the evolving needs of Tennessee industries. This alignment will also help maximize resources and provide clear pathways for participants to continue their education or advance within their careers.

A central goal of Workforce Pell implementation in Tennessee is to expand access to training opportunities for individuals with barriers to employment. Many Tennesseans—including dislocated workers, individuals with low incomes, justice-involved individuals, and adults without postsecondary credentials—face significant challenges in accessing traditional degree programs due to time, cost, or other barriers. Short-term training programs supported through Workforce Pell will provide these individuals with flexible, accelerated opportunities to gain industry-recognized credentials and quickly transition into good-paying jobs.

By focusing on shorter-term programs that lead directly to employment in high-demand occupations, Workforce Pell will allow participants to build skills and enter the workforce more quickly while maintaining opportunities for continued education and career advancement. These programs can serve as entry points to career pathways, enabling individuals to stack credentials and progress toward higher levels of education and responsibility over time.

As Tennessee implements Workforce Pell, the state will continue to emphasize strong employer engagement, data-driven program selection, and accountability for outcomes. Workforce boards, training providers, and state partners will collaborate to ensure that programs supported through Workforce Pell demonstrate alignment with labor market demand, lead to industry-recognized credentials, and provide clear connections to employment opportunities.

Through this coordinated approach, Workforce Pell will strengthen Tennessee's workforce strategy by expanding access to high-quality training, supporting individuals with barriers to employment, and helping employers meet their growing demand for skilled workers. The initiative will play an important role in ensuring that more Tennesseans can access the skills and credentials needed to succeed in today's economy while supporting the state's continued economic growth and competitiveness.

Digital Equity

Led by the Office of Broadband at the Tennessee Department of Economic and Community Development (TNECD), the findings presented in Tennessee's Digital Opportunity Plan made it evident that Tennesseans require more access to digital skilling and workforce development trainings. As the digital economy continues to shape our society, quality and abundant training opportunities are crucial to ensuring that Tennesseans have access to new types of high-paying and in-demand employment opportunities. One example of TNECD's support of other statewide efforts is, including TDLWD's jail tablets program that provides educational advancement opportunities for incarcerated Tennesseans. Pending funding and program availability and alignment, additional opportunities for collaboration and partnership, specifically related to broadband accessibility, infrastructure and access will continue to be implemented between both departments.

Southeast Industries Workforce Collaborative (formerly Southeast Region Electric Vehicle Industry Collaborative)

In partnership with Department of Labor Employment and Training Administration, Region III (Atlanta), the Southeast Industries Workforce Collaborative (SIWC), the following states collectively are referred to as the Partners: Alabama Department of Labor, Georgia Department of Labor, Kentucky Education and Labor Cabinet, Mississippi Department of Employment Security, North Carolina Department of Commerce & Workforce Solutions, South Carolina Department of Employment and Workforce, and the Tennessee Department of Labor and Workforce.

The SIWC aims to coordinate engagement in the region for state and local workforce agencies, educational institutions, partner organizations, and businesses across growing and emerging sectors (e.g. Nuclear, Defense, Advanced Manufacturing, etc.) and create career-building experiential opportunities for job seekers through identified goals, top priorities, and alignment of strategies throughout this agreement.

Each partner has agreed to the Statement of Work and Guiding Principles which serve as a functional tool for how state Partners will work together to achieve a unified vision to support these sectors across the Southeast Region III. The state Partners agree to establish and maintain a framework of cooperation, collaboration, and communication in establishing pathways to good jobs that include attainable entry-level certifications in the targeted sectors, as well as upskilling credentialed job seekers and helping transition them into these sectors. Employer engagement support and coordination of workforce resources are critical to the success of the Collaborative's mission.

The collaborative has agreed to designated roles and responsibilities as follows:

DOL ETA Region III will serve as the coordinating entity for all workforce development Partners and stakeholders to ensure alignment and effectiveness. The partners in the SIWC agree to work cooperatively to prevent duplication of services and to streamline and coordinate services delivered throughout the workforce ecosystem. The Partners commit to attending meetings and supporting the Collaborative's work.

The SIWC has identified the following goals:

1. Create a Repository Landing Page to house regional “Partner” data which will include the selected top priorities below:
 - a. Sector Engagement Speech
 - b. Identify Core Competencies
 - c. Shared Policies to provide regional alignment
2. Develop a framework on how to engage with employers.
3. Develop Articulation Agreements and Course Equivalencies.
4. Use a regional credentialing system to identify where applicants are on the pathway to better jobs HS / Baseline Certificates, Upskill Certificates, Associate Degree, Bachelor’s Degree.
5. Create outreach tools to identify and target entry certifications and paths to good jobs within a sector or industry.
 - Targeting: high school students, marginalized populations, re-entry program participants, and Veterans.
6. Develop a regional workforce pipeline service plan.

The department looks forward to the continued collaboration and success of each state’s expansion in the SIWC and greatly appreciates the support of the region in coordinating and expanding such partnerships.

III. OPERATIONAL PLANNING ELEMENTS

A. STATE STRATEGY IMPLEMENTATION

1. STATE BOARD FUNCTIONS

The Tennessee Department of Labor and Workforce Development (TDLWD) serves as the administrative entity for all Workforce Innovation and Opportunity Act (WIOA) funds awarded to Tennessee from the US Department of Labor (USDOL). USDOL Region 3, located in Atlanta, Georgia, provides the federal oversight and technical assistance to TDLWD on all programmatic and fiscal matters. Multiple federal agencies have oversight of programs contained in the TN public workforce system including USDOL, the US Department of Education, the US Department of Agriculture, and the US Department of Health and Human Services.

Former Governor Bill Haslam’s Executive Order 46 designated the reconstitution of the State Workforce Development Board (SWDB) in accordance with Section 101 of WIOA. A State Board was appointed by the Governor according to WIOA. The State Board and Tennessee Department of Labor and Workforce Development are responsible for guiding the establishment of a statewide, seamless one-stop delivery system, called the American Job Center system (Workforce System).

Governor Bill Lee's Executive Order 109, signed June 10, 2025, reestablished the State Workforce Development Board as the "central strategic leadership body guiding the state's broader workforce agenda" and expanded their role to be the central strategic leadership body. The SWDB is now charged with guiding Tennessee's broader workforce agenda as the quarterback of the state's collective workforce system. In this elevated capacity, the Board serves as a convener of state, regional, and local workforce system partners by leveraging technology and employer partners to personalize career pathways, drive continuous innovation, and maximize public return on investment. The SWDB is also empowered to lead efforts to ensure workforce programs align with the needs of employers and job seekers, thereby supporting economic growth and promoting a skilled workforce.

Under Executive Order 109, the SWDB is authorized to provide leadership to the state's entire workforce system by leveraging expanded authority granted by the Governor to coordinate all workforce-related programs and funding, rather than focusing solely on WIOA compliance. This whole-system leadership is achieved through strategic alignment, robust collaboration, and oversight of a broader workforce agenda.

The SWDB's is positioned for system-wide leadership through several key functions:

- **Coordinating Workforce Funding and Programs:** Through Executive Order 109, the SWDB has leadership authority to coordinate with agencies across the state on workforce training, programs, and grant funds. This gives the Board influence over non-WIOA funds and programs, ensuring a unified strategy.
- **Advising the Governor on Broad Policy:** The Board advises the Governor on overall workforce policy, strategic plans, and investments in training programs beyond just WIOA mandates. This elevated advisory role helps shape the state's entire labor market competitiveness strategy.
- **Integrating K-12, Post-Secondary, and Industry:** The SWDB works to ensure alignment between the K-12 education system, the Tennessee Board of Regents (TBR) institutions (like TCATs), and the needs of employers. This bridges traditional educational pathways and the workforce system, creating seamless transitions for students and job seekers.
- **Driving Innovation Beyond Compliance:** The SWDB is tasked with overseeing and implementing any workforce-related initiatives the Governor deems necessary to advance the state's economy. This includes innovative programs like the expanded Youth Employment Program (YEP) and rural healthcare initiatives, which demonstrate a focus on strategic outcomes over mere compliance.
- **Aligning Programs with Employer Needs:** By ensuring that employers drive the policy direction, the Board ensures the entire system is responsive to the real-time needs of the business community, using data-driven approaches to identify and fill skills gaps.

The Board carries out Executive Order 109 by utilizing these mechanisms to act as the central strategic leadership body guiding the state's broader workforce agenda, creating a more integrated and effective system that maximizes outcomes for both job seekers and employers

Supporting Executive Order 109, TDLWD received \$4 million in state funds in FY2025 to expand the Board's strategic role. As articulated in the Governor's State of the State Address, these funds support the Board's efforts system leadership in three areas: workforce strategy planning; identification of high-demand industries; and awarding grants to grow Tennessee's skilled workforce. These funds provide full-time administrative support to the Board as well as funding for several priority analysis, chiefly including a comprehensive assessment of the state and local workforce board structure referenced later in this plan. Lastly, these funds will be utilized within the following designated funding categories to support the strategic priorities of each committee:

- System innovation for planning workforce strategies
- Studies and evaluations to identify high-demand industries
- Priority impact projects that grow Tennessee's skilled workforce

The SWDB has an Executive Committee composed of the Chair, Vice Chair, and committee chairs. The Executive Committee shall have supervision of the affairs of the Board between its business meetings and conduct necessary business to ensure compliance with the Workforce Innovation and Opportunity Act (P.L. 113—128) as may be amended from time to time, and applicable State and Federal regulations. The Executive Committee may make recommendations to the Board and perform such other duties as are specified in the bylaws. The Executive Committee shall be subject to the order of the Board, and none of its acts shall conflict with these bylaws or policies of the Board.

There are also three standing committees of the Board, for which the Board Chair appoints a Chair. These individuals are joined by a Vice Chair, Staff Liaison, and other Board members with the opportunity to develop workgroups to include additional partners from higher education, mental health, and community/faith-based organizations to delegate specific tasks or projects to facilitate collaboration, provide specialized expertise, and ensure that diverse perspectives are considered. Additionally, the Committee may request informational reports from existing councils or industry groups to help inform their work while increasing resource allocation and preventing duplication of activities.

The committees convene at least four times per year in advance of the full Board meetings and as needed upon the advisement of the Board Chair. In 2025, the SWDB revised standing committee responsibilities to better align with the Governor's vision for the Board and support its expanded role under Executive Order 109. Additionally, the SWDB revised its Bylaws to expand committee and workgroup perspectives by allowing non-member appointments to inform committee work and shape specific initiatives. Standing Committee responsibilities were updated to the following:

Oversight Committee

The Oversight Committee is tasked to support the Board in ensuring that the workforce system operates with integrity and accountability. The Committee acts as a central point for policy-related matters, providing guidance and recommendations to inform decision-making, and ensuring alignment between policies and the Board's strategies. This Committee also monitors and oversees the Board's financial reporting, internal controls, administrative frameworks, and matters of risk management.

Key Responsibilities

- Advise the Governor on program and policy changes, regularly reviewing policies to ensure

- they remain compliant with federal laws and regulations
- Support policy, administrative framework, and program development for state-funded initiatives, ensuring alignment with the Board's vision and strategic goals
- Review and make recommendations on program funding allocations to alignment with strategic priorities of the Governor and workforce system
- Lead review of statewide workforce system, ensuring efficient and effective use of funding and resources
- Oversee the Board's strategic initiatives, ensuring accountability and monitoring financial implications
- Lead the development, maintenance and modification of State, regional, and local plans
- Review State, regional, and local plan goals and initiatives

Operations Committee:

The Operations Committee assists the Board in fulfilling its responsibilities as a strategic level oversight body, providing guidance and direction on aligned operations of the workforce system. The Committee leads the continuous improvement of workforce programs and activities while coordinating an aligned service delivery system that meets employer and job-seeker needs.

Key Responsibilities

- Recommend operational strategies to support the provision of workforce services and ensure alignment with the Board's vision and strategic goals
- Serve as lead monitor of the state's performance and accountability, ensuring workforce activities are achieving desired outcomes
- Review and recommend improvements to performance reporting, utilizing Labor Market Information to inform decisions
- Oversee special projects and initiatives specifically related to special populations
- Assess employer needs and recommend training programs to support and align with workforce pipeline needs statewide
- Review and revise policies and operational guidance for WIOA service delivery, promoting collaboration and integration with other workforce development programs and aligning activities with broader economic development initiatives
- Support the design and improvement of the One-Stop system, ensuring that job seekers and employers have access to a comprehensive range of services
- Serve as the lead reviewer of service-model strategies in WIOA and other workforce system programs

Innovation Committee:

The Innovation Committee assists the Board with its responsibilities of workforce system oversight by guiding innovation efforts, ensuring they align with the Board's vision and strategic goals. The Committee works to promote a culture that encourages innovation by considering emerging trends, industry best practices, and evolving workforce system needs.

Key Responsibilities

Specifically, the Committee shall:

- Inform the Board's strategic direction by facilitating discussions about emerging workforce trends, sectors, and occupations

- Identify emerging industry training needs and suggest responses for pipeline development through training and resource allocation
- Encourage and initiate new partnerships and workforce system connections
- Identify, evaluate, and share workforce system innovation projects and best practices
- Review state and local board certification and make recommendations for risk management processes and sanctions
- Develop strategies for technology alignment and integration, supporting the leveraging of new technologies and processes across the workforce system
- Oversee the development and implementation of new ideas and initiatives, recommending resource allocations as necessary

In 2025, the State Workforce Development Board established an Education & Training Workgroup to support and inform the work of the Operations Committee. This Workgroup is composed of non-Board members representing higher education institutions and training partners, providing advisory insight into the Board's strategic initiatives, especially Workforce Pell implementation.

Also in 2025, the Board undertook intentional efforts to strengthen collaboration with existing groups and councils to better inform its work, align statewide workforce strategies, and reduce duplication. Notably, the Board enhanced its coordination with the Tennessee Apprenticeship Council (TAC) by providing the Operations Committee members with Executive Summaries of TAC meetings in advance of quarterly sessions, as well as a regular cadence of connection before the committee. These practices ensure committee members are well informed and positioned to make strategic, data-driven decisions.

The Tennessee State Workforce Development Board will continue to evaluate and modernize its operations and service delivery systems in alignment with federal priorities and the Governor's vision for a dynamic, future-ready workforce. Guided by *America's Talent Strategy: Building the Workforce for the Golden Age*, the Board will use the five federal pillars as a strategic framework for action. These priorities will serve as the Board's strategic lens for evaluating, supporting, and investing in workforce initiatives across the state.

SWDB Excellence & Innovation Awards

As part of its leadership role in advancing innovation and strategic implementation across the state's workforce system, the Board established the SWDB Excellence and Innovation Awards, a structured recognition framework designed to elevate high-performing practices and encourage measurable results aligned with the priorities of the State Plan Modifications.

The awards initiative promotes a culture of performance, transparency, and continuous improvement by recognizing outstanding leadership and innovative program design across Tennessee's workforce system. Through this framework, the SWDB highlights effective workforce strategies implemented by employers, Local Workforce Development Boards, American Job Centers, workforce professionals, training providers, and system partners. The initiative reinforces the Board's commitment to advancing integrated service delivery, strengthening partnerships, and supporting initiatives that drive improved outcomes for jobseekers and employers.

The program utilizes a structured, data-informed nomination and review process that begins with submissions from Local Workforce Development Boards and includes documentation of measurable outcomes. Applications undergo a multi-stage evaluation process, including technical eligibility review, standardized scoring by department leadership using a points-based rubric, and final selection by SWDB committees. This process ensures transparency and reinforces the Board's oversight role in recognizing performance and innovation that advance statewide workforce strategies. The awards are aligned with the Board's committee structure to ensure strategic focus across key priority areas. Categories recognize excellence in employer engagement, youth workforce development, apprenticeship expansion, American Job Center operations, system performance, local board leadership, and broader workforce system innovation. By aligning awards with committee oversight, the SWDB strengthens accountability while highlighting initiatives that contribute to the successful implementation of the State Plan.

2. IMPLEMENTATION OF STATE STRATEGY

A. CORE PROGRAM ACTIVITIES TO IMPLEMENT THE STATE'S STRATEGY

Tennessee is operationalizing its workforce strategy through a series of coordinated initiatives, system enhancements, and program innovations designed to drive alignment, improve service delivery, and achieve measurable outcomes.

Central to this effort is the State's focus on workforce system transformation. Tennessee has advanced a number of structural and governance changes, including the implementation of Executive Order 109, updates to State Workforce Development Board bylaws and committee structures, and the introduction of policy changes to strengthen system alignment and accountability. The State has also implemented local board certification and effectiveness assessments to ensure consistent performance across regions and has established processes to evaluate and scale sector strategies statewide.

Tennessee is also advancing innovative program models to expand access to workforce opportunities and improve outcomes. This includes the expansion of State Registered Apprenticeship programs, targeted investments such as rural healthcare workforce initiatives, and enhancements to youth employment strategies, including the Tennessee Youth Employment Program. The State is redesigning the American Job Center system to improve customer experience and service integration, while also expanding pathways to secondary credential attainment and increasing access to non-degree credentials through the TN Talent Initiative. Additional innovations include the implementation of a Benefits Cliff pilot and the development of new approaches to business services delivery.

Tennessee is also aligning partner programs and policies to support a more integrated workforce system. This includes coordination with initiatives such as Future Ready TN and updates to programs like SNAP to better support workforce participation.

In addition, the State is investing in process and system enhancements to improve efficiency and data-driven decision-making. This includes modernization of the Unemployment Insurance benefits system, the development of statewide key performance indicators, and improvements to cross-agency data sharing infrastructure.

Together, these efforts demonstrate Tennessee’s commitment to implementing a coordinated, innovative, and results-driven workforce system that delivers value to both job seekers and employers.

Coordinated Business Services Through TNWorks

As part of its broader workforce system modernization efforts, Tennessee has operationalized a coordinated approach to business services through TNWorks. Rather than functioning as a standalone initiative, TNWorks serves as the delivery mechanism through which workforce, education, and economic development partners align services to meet employer demand in a consistent and strategic manner.

Through TNWorks, the State has established a shared framework for employer engagement that enables partner agencies and local workforce boards to operate with greater cohesion and clarity of roles. This approach ensures that business services—regardless of the entry point—are coordinated, reducing redundancy and improving the timeliness and quality of responses to employers. By organizing services around employer need rather than program structure, Tennessee is strengthening its ability to deliver solutions that are both scalable and regionally responsive.

This coordinated model is supported by a centralized function within the Tennessee Department of Labor and Workforce Development, which facilitates communication across partners, aligns service strategies, and ensures that employers are connected to the appropriate combination of resources. Whether supporting immediate hiring needs or long-term talent pipeline development, TNWorks enables a more strategic deployment of workforce tools and investments.

In practice, TNWorks enhances consistency in how services are delivered across regions while still allowing for flexibility to address local labor market conditions. Regional workforce boards and partners play a critical role in implementing solutions, while benefiting from a unified structure that promotes shared accountability and reduces fragmentation across the system.

TNWorks also strengthens the State’s ability to use data to inform decision-making and coordinate responses to emerging workforce needs. By leveraging labor market information and partner insights, Tennessee can more effectively align training opportunities, support career pathway development, and anticipate employer demand in key industries. This approach reflects Tennessee’s commitment to a demand-driven workforce system that is aligned across programs and partners. By embedding coordination into the structure of service delivery, TNWorks improves the effectiveness of business services while advancing broader goals of system integration, talent development, and economic competitiveness.

Regional Implementation of TNWorks

TNWorks is operationalized at the regional level through Tennessee’s network of local workforce development boards and partner agencies, ensuring that the State’s unified workforce strategy is responsive to the unique economic and labor market conditions across each region. While TNWorks

establishes a consistent, statewide framework for employer engagement, its effectiveness is driven by strong regional implementation and collaboration. Local workforce boards play a central role in executing TNWorks by serving as the primary conveners of regional partners, including education providers, economic development organizations, and community stakeholders. Through this structure, regions are empowered to align workforce strategies with local industry needs while maintaining consistency with statewide priorities. This balance allows Tennessee to deliver customized, place-based solutions without sacrificing system alignment or efficiency.

Regional partners operate within a shared approach to business engagement that emphasizes coordination, communication, and responsiveness. Employers benefit from a seamless experience regardless of location, as regional teams work collaboratively to connect businesses to the appropriate mix of services, including recruitment support, training programs, and talent pipeline development. This coordinated model reduces duplication of effort across partners and ensures that services are delivered in a cohesive and timely manner.

Regional implementation of TNWorks also strengthens relationships with employers by enabling more proactive and strategic engagement. Local teams are positioned to identify emerging workforce needs, respond quickly to changes in regional economies, and support key industries through targeted workforce solutions. At the same time, the centralized TNWorks structure provides regions with access to data, tools, and cross-agency resources that enhance their ability to deliver high-quality services. In addition, TNWorks supports greater alignment between regional workforce activities and broader economic development strategies. By coordinating efforts across partners, regions can better support business recruitment, expansion, and retention, ensuring that talent development efforts are directly connected to economic growth opportunities.

Through this regional approach, TNWorks reinforces a workforce system that is both locally driven and statewide aligned- enabling Tennessee to deliver flexible, data-informed, and employer-responsive solutions that meet the diverse needs of its regions while advancing a unified workforce vision.

Tennessee Youth Employment Program (YEP)

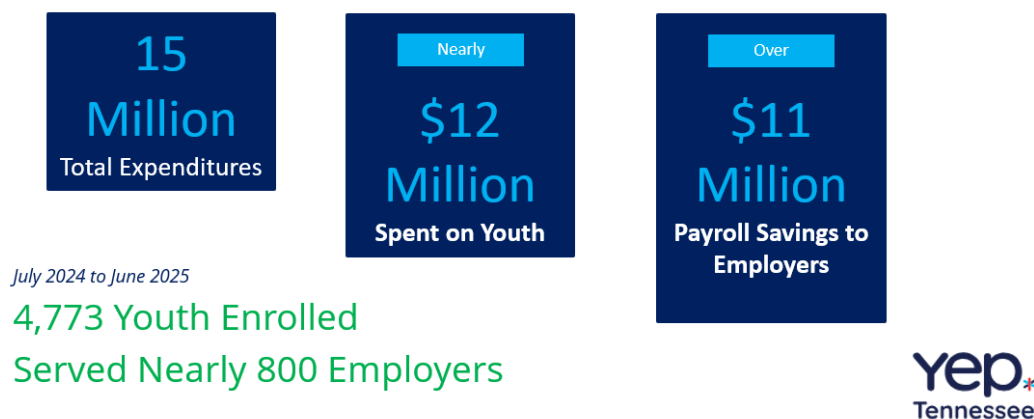
To expand and sustain the focus on youth work experience, the department has created the Tennessee Youth Employment Program (YEP) to serve all youth (including those not WIOA-eligible) between the ages of 14-24. YEP is a state-funded program for individuals aged 14-24 that connects them with employers for paid, hands-on work experience. Participants can earn subsidized wages while gaining career skills, building their resumes, and exploring future jobs, with the state covering the wages for participating employers. The program prioritizes low-income youth and those in foster care but is open to all eligible young people across a wide range of industries. YEP provides youth with paid work experience, which can include summer jobs, internships, and job shadowing. Participants also receive valuable skills like professionalism, teamwork, and financial literacy. Employers can hire young workers at no cost for wages, as the state covers the payroll and insurance. This allows businesses to



build a talent pipeline and mentor future employees while contributing to the community. The program aims to provide valuable work experience, reduce the effects of poverty, and equip young people with the skills for long-term career success.

The Tennessee Youth Employment Program (YEP) has rapidly become one of the state’s most visible workforce successes, demonstrating strong early outcomes during the 2024–2025 period and earning prominent recognition in Governor Bill Lee’s 2025 State of the State Address. Launched in 2024 to provide paid work experience to young Tennesseans, YEP quickly gained traction with employers and communities across the state. Within its first year, the program had connected more than 4,700 youth with job opportunities and provided more than \$11 Million dollars in payroll savings to Tennessee employers- an achievement Governor Lee cited directly when he described YEP as “such a huge success” that it was time to “take it to the next level.” That endorsement marked a turning point, elevating the program from a promising pilot to a central pillar of the state’s long-term workforce strategy.

Youth Employment Program (YEP)



The momentum generated by these early results shaped the Administration’s budget priorities. In mid-2025, building on the Governor’s public commitment, the state announced a \$7 million investment specifically to expand YEP. This additional funding was designed to operate the program year-round, double the number of participants served, and strengthen its reach in underserved communities. The expansion also aligned with broader workforce initiatives—including employer incentives, micro-credentialing, and regional talent development efforts—ensuring YEP sits within a cohesive strategy to prepare Tennessee’s future workforce.

As the program enters its second full year, the newly allocated funding provides an opportunity to deepen and professionalize its operations. Year-round delivery will allow for sustained employer engagement and more consistent support for young workers. With expanded resources, the program can address persistent barriers—such as transportation, limited access to childcare for older youth with caregiving responsibilities, and the need for stronger job-matching tools—to improve retention and outcomes. At the same time, Tennessee has the chance to formalize performance expectations, enhance data reporting, and introduce impact evaluations that will help shape future budget cycles and ensure taxpayer value.

YEP is positioned to become one of Tennessee’s flagship youth opportunity initiatives—one that strengthens employer pipelines, accelerates workforce readiness, and provides thousands more young Tennesseans with the chance to build skills, earn income, and chart a path toward stable careers.

Benefits Cliff Pilot

In 2025, the Tennessee State Workforce Development Board advanced a strategic pilot designed to address one of the most persistent barriers to long-term economic mobility: the benefits cliff. A benefits cliff occurs when a small increase in a worker’s income—often from earning a raise, taking more hours, or accepting a promotion—results in a disproportionate loss of public benefits such as childcare assistance, SNAP, or housing support. Instead of gradually tapering, these benefits can drop off abruptly, leaving individuals financially worse off after increasing their earnings.

This dynamic can discourage workers from pursuing higher-paying jobs, additional training, or full-time employment. Across Tennessee and the nation, benefits cliffs are linked to reduced labor force participation, slower career progression, and challenges for employers who struggle to retain or advance workers afraid of losing critical support. Addressing this issue is essential for strengthening Tennessee’s workforce pipeline and supporting long-term economic self-sufficiency.

To confront this challenge, the State Workforce Development Board recently announced the launch of a Benefits Cliff Pilot in partnership with the Federal Reserve Bank of Atlanta and the Northern Middle Local Workforce Development Board. The pilot integrates the Atlanta Fed’s CLIFF Dashboard into services delivered through Tennessee’s American Job Centers (AJCs), enabling a more transparent, data-informed approach to career planning. The dashboard models how changes in wages, job roles, or hours may affect a participant’s income and eligibility for public benefits, allowing counselors and jobseekers to clearly see and plan for the impacts of wage progression.

The pilot has several core objectives. It equips AJC career counselors with a powerful data-driven tool to support individualized guidance and helps participants strategically navigate benefits loss as they advance in the workforce. It promotes long-term participant stability by identifying career pathways that move individuals toward financial independence rather than short-term earnings gains. The initiative also provides valuable insights to inform statewide workforce programs and policy development. Additionally, employers are engaged to better understand how benefits cliffs influence worker retention and advancement. Serving as a readiness phase for future statewide deployment, the pilot will launch in Davidson County in January 2026 with staff training and process development already underway.

The pilot will be utilized to design a full-scale launch in all Tennessee AJCs by summer 2026, enabling consistent financial modeling using the CLIFF tool statewide. The tool is designed to assist two key populations: individuals currently receiving public assistance, who benefit from increased awareness of cliff risks and strategies for building long-term earning power; and individuals not receiving benefits but unaware of available supports that could help stabilize their career path. In both cases, the pilot strengthens Tennessee’s ability to deliver personalized, outcome-driven career coaching.

The Tennessee State Workforce Development Board is leading the state's efforts to confront benefits cliffs by integrating innovative tools and strengthening career planning within the AJC system. At the same time, the Board is intentionally aligning its work with state agencies, community partners, employers, and national experts already engaged in this space. Consultative support from partners at the TN Department of Human Services and the Martha O'Bryan Center will ensure the pilot is informed by, and builds upon, Tennessee's TANF Demonstration Grants. Through this collaborative, forward-looking approach, the SWDB is helping build a more transparent and supportive workforce system—one that empowers Tennesseans to advance in their careers without risking their financial stability.

Rural Healthcare Initiatives

Tennessee's rural communities continue to face significant challenges in accessing quality healthcare, driven by long travel distances, limited facilities, workforce shortages, and financial barriers. In alignment with Governor Bill Lee's priority to strengthen rural communities, the Tennessee Department of Labor and Workforce Development (TDLWD), with strategic oversight from the Tennessee State Workforce Development Board, is leading a statewide coordinated effort to address critical workforce shortages in nursing, dental hygiene, social work, medical technology, and other high-demand healthcare occupations.

The Rural Healthcare Initiatives (RHI) grant program was launched to expand and modernize Tennessee's healthcare talent pipeline by leveraging existing training systems and scaling evidence-based workforce strategies. RHI strengthens apprenticeship, Workforce Development Initiatives (WDI), and Work-Based Learning (WBL) programs while reducing barriers to participation—such as childcare, transportation, and certification costs—that have historically limited access for rural residents.

The program focuses on building and sustaining a long-term pipeline of healthcare professionals by:

- Strengthening state and local partnerships
- Retaining and upskilling existing workers
- Recruiting new entrants into healthcare careers
- Supporting career changers
- Removing financial and logistical barriers to training

The Rural Healthcare Initiatives grant program began in 2025, with a seed funding period running from February 1 – June 30. The seed funding period supported program planning, infrastructure development, employer engagement, and community outreach. Thirty-seven grantees served 53 counties during this phase. Although participant enrollment was not expected until July 1, several grantees began early implementation, resulting in strong initial outcomes. Early enrollment and reach were positive, with 267 participants from 52 counties, and 31 healthcare occupations represented.

Additionally, during the seed funding period, the following certificates, credentials, and licenses were earned:

- 1 Advanced Burn Life Support Certification

- 3 Phlebotomy Certifications
- 9 Certified Nursing Assistants
- 19 Pharmacy Technicians (Pre-Apprenticeship)
- 25 Patient Care Technicians (Registered Apprenticeship Program)
- 12 EMT – Advanced EMS (Registered Apprenticeship Program)
- 7 Biomedical Equipment Technicians transitioned into RAP
- 17 additional certificates (IV Therapy, Scrub Tech, and others)

The seed funding period also showed strong impact on work-based learning experiences. Nearly 4,980 students were enrolled in healthcare-related WBL experiences and over 7,600 healthcare credits were earned. These early results demonstrate strong demand, rapid adoption by local partners, and meaningful progress in expanding high-quality training and apprenticeship pathways for rural Tennesseans.

Program momentum has continued in 2026 with 1,386 participants currently enrolled, on track to progress toward the 2,000-participant target. Over 90% of FY 2026 funding has been committed to local grantees with multiple healthcare occupations actively supported, and planned expansion into Agriculture & Forestry and Tourism in the next phase of rural initiatives.

The Rural Healthcare Initiatives grant is building a durable and equitable workforce pipeline that supports Tennessee’s rural healthcare systems and strengthens community wellbeing. The strong foundation established during the seed funding period positions the state for continued growth, deeper employer engagement, and long-term impact on the healthcare workforce across rural Tennessee.

Early Childhood Education Apprenticeship Initiative

The Tennessee Department of Labor and Workforce Development partnered with Lipscomb University to launch the *Foundations to Futures Early Childhood Education Teacher Pipeline Program*, an apprenticeship-based model designed to strengthen Tennessee’s early childhood workforce. The program integrates registered apprenticeship with stackable postsecondary credentials, allowing participants to earn industry-recognized certificates and academic degrees while working in the field.

The program includes two U.S. Department of Labor Registered Apprenticeships—Early Childhood Educator and Childcare Development Specialist—aligned with a three-year academic pathway. Participants can earn the Child Development Associate (CDA) credential, additional early childhood certificates, and ultimately pursue an Associate of Science or a Bachelor of Professional Studies in Integrated Early Childhood through Lipscomb University’s online degree programs. This stackable structure enables apprentices to progressively build skills and credentials while remaining employed in early childhood settings.

An Employer Hub serves as the central coordination point connecting participating employers with prospective apprentices. The hub provides a single point of contact for recruitment, employer engagement, and program administration. The inaugural cohort launched in August 2025 with 20

apprentices and five employer partners, with multiple program start dates planned annually to expand access.

To promote accessibility and workforce entry, the program is structured to minimize financial barriers. Participants first access available federal and state financial aid, while additional funding sources cover remaining tuition costs through a “last-dollar” funding approach with the goal of making the degree pathway tuition-free for participants. This model supports the expansion of Tennessee’s early childhood education workforce by creating a sustainable, earn-and-learn pathway that aligns education, employment, and employer demand.

System Coordination

Tennessee’s collective workforce system vision is to increase the competitive position of Tennessee business through the development of a highly skilled workforce. Execution of this comprehensive and cohesive vision accounts for inherent interdependency through a formalized strategy of shared projects, shared processes, and shared metrics under centralized leadership and/or consolidation of functions.

Under the guidance of the State Workforce Development Board (SWDB), the Tennessee Department of Labor & Workforce Development (TDLWD) works to seamlessly integrate service delivery of all programs and improve success outcomes for the Tennesseans that utilize our programs. This primary goal centers on (1) maximizing the co-enrollment opportunity, (2) developing new intake and referral processes across programs, and (3) designing a reporting system to better analyze performance and outcomes.

Connected to the strategy of tighter integration between programs, the State launched a Key Performance Indicator initiative that provides performance and planning resources to the Local Workforce Development Areas (LWDA), across all major programs. Progress thus far has allowed the LWDAs to clearly visualize how federal and state programs can improve performance, as well as conceptualize opportunities to maximize co-enrollment strategies.

Within the framework established for Tennessee’s workforce development ecosystem, the underlying goal centers on activating the various programs in more intentional and integrated ways to support the state’s vision to bring forward a multi-agency strategy to better serve Tennesseans. In turn, the opportunity to integrate all workforce programs supports the vision of the SWDB to increase participation and performance in a more integrated manner.

Tennessee has highlighted how a multi-agency strategy, combined with a value for streamlined program integration, can produce new levels of effectiveness and efficiency. Coordinating services through Title I, Title II, Title III, and Title IV programs by crafting integrated procedures and incorporating resources from higher education and other public programs allows the State to increase performance for each program individually by adding service capacity collectively through an integrated approach.

The Tennessee workforce system has integrated its services to allow all core and non-core partners to work collaboratively and seamlessly in the delivery of services available under multiple workforce service programs. The workforce system strives for a robust implementation of business sector

strategies and service activities through TNWorks, jobseeker universal access to career services, linked assessments and referrals, and targeted training and placements. This is achieved by functionally aligning staff and facilities to simplify customer service delivery, and by capitalizing on the strengths of the staff and/or technology to deliver services, leverage resources, and reduce duplication. This is also achieved through the close integration of Wagner-Peyser, WIOA Adult, Dislocated Worker, and Youth, and other partners within the Tennessee American Job Centers (AJCs) network.



Universal access through Tennessee's workforce system integrates an array of labor exchange services and allows workers, job seekers, and businesses to access these resources either on-site or through automation technology. Each American Job Center (AJC) offers automated labor market information and internet access (including help to use the Jobs4TN online jobs database), on-site workshops as well as job placement, recruitment, and training referral services. The State Workforce Development Board has reinforced functional alignment by implementing Service Integration and One-Stop Delivery System policies. These policies can be found at <https://www.tn.gov/workforce-services-tn/swdb/board-policies-and-guidance.html> and provide operational and functional guidance on the

collaborative service delivery structure at the comprehensive and affiliate AJCs, as well as partner locations.

As the administrator the workforce system in Tennessee, TDLWD has the following roles:

- We are at the center of workforce development in Tennessee. The Department has \$180 million in authorized funding in FY2026 across Workforce Services, Adult Education, and Vocational Rehabilitation. This reflects an approximately \$12 million increase over FY2025, driven by:
 - Increased state appropriations aligned with agency priorities
 - Successful competitive federal grant awards
- We work to connect employers looking for qualified workers (80,000 + job orders in Jobs4TN at any given point)
- We work to connect job seekers with hiring employers (approximately 225,000 engage in services each year looking for employment and training opportunities)
- We prioritize our efforts based on demand occupations and serving people with barriers
- While we have to prioritize our efforts, we serve all companies looking for workers and support potential labor pools in connecting with job opportunities.
- We build the workforce pipeline through training workers to meet in-demand industry needs. In FY2025, TDLWD awarded \$2 million to the nine Local Workforce Development Boards to support Incumbent Worker Training by upskilling full-time employees and addressing documented skills gaps.
- Job orders run the gamut from entry level with no educational priority to high skilled specific discipline
- Job applicants range from no high school equivalency diploma to 16 years of education and beyond

All Tennessee's current policies, guidance, and procedures are designed to ensure that the local development areas and key partners are aligned with the strategic direction of USDOL, the Governor, and the Tennessee Workforce Development Board. Tennessee has fully embraced the key principles of the Workforce Innovation and Opportunity Act to build a statewide network of locally operated workforce centers to achieve integration of WIOA programs. With WIOA TITLE I; Adult Education; Vocational Rehabilitation; Wagner-Peyser, TANF, Jobs for Veterans' State Grant (JVSG) and Trade Act UI services as well as partnerships with SNAP, services are readily available in the AJCs. Within WIOA, specific strategies have been utilized to align the work of core and required partners at both the state and local level. Local Development Boards usually meet on a quarterly basis to provide guidance on specific actions necessary for local services to move forward and to make continuous improvements. MOUs between agencies have been implemented and changes made as needed to support the alignment of efforts and activities.

Core program activities offered through workforce training and case management services in the American Job Centers are as follows:

Wagner Peyser

Tennessee Department of Human Services (TDHS) Vocational Rehabilitation (VR) Services Program as a core partner has staff co-located in all comprehensive American Job Centers (AJC). Where VR staff is co-located, the VR Services Program has committed funding to support AJC infrastructure costs. At the regional level VR staff participate in Local Workforce Development Area partner meetings in planning for local activities, partner collaboration on referrals, services and shared funding, cross informational training, local area plans and AJC funding, employer services and state and local initiatives. At the state level the VR Services Program administrative staff works closely with TN Department of Labor and Workforce Development (TDLWD) and other core partner staff on integrated customer service planning and data sharing. The VR Services Program aligned its regional boundaries with TN Economic Community Development and TDLWD regions to align VR with local economic, program and service provision planning and development and partner representation. The VR Services Program's Business Services Unit will work closely with the Tennessee Department of Labor and Workforce Development and other partners to develop and implement programs and services for employers. The VR Services Program provides accessibility and accommodation surveys for AJCs to ensure that individuals with disabilities have full access to services and programs.

TANF

The Tennessee Department of Human Services (TDHS) Temporary Assistance for Needy Families (TANF) program has Employment and Case Management Services (ECMS) providers either co-located in the AJCs or have developed an electronic process to ensure cross referrals are being made. The ECMS provider role is to conduct employment and barrier assessments with customers to determine the most appropriate path the customer needs to obtain sustainable income. TDHS has improved its coordination efforts through increased communication, promotion of cross-program knowledge, and cross-training among frontline staff and other one stop partners to enhance the ability of each program to address the customer needs and questions that may cross program lines.

Adult Education

Adult Education and Literacy Program (Title II) Tennessee Adult Education programs provide instruction and student support services to adults who lack a high school credential or secondary level skills, or who are not proficient in English.

The following is a summary of the Adult Education services available to employers and students. To make these services as effective as possible, the Adult Education program, both from a state- level and locally, will work to align and integrate these program offerings with other WIOA partner programs, including training providers, Vocational Rehabilitation, SNAP E&T, and the Adult, Dislocated Worker, and Youth training programs, to the extent necessary and possible.

Adult Education will also seek to provide enough available instructional services to students with SNAP or TANF benefits, in order to meet their education or training requirements.

Career Pathways

Adult Education Career Pathway System combines rigorous and high-quality education, training, and other services that—

1. Aligns with the skill needs of industries in the economy of the state or regional economy involved
2. Prepares an individual to be successful in any of a full range of secondary or post-secondary education options, including registered apprenticeships
3. Includes counseling to support an individual in achieving the individual's education and career goals
4. Includes, as appropriate, education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation or occupational cluster
5. Organizes education, training, and other services to meet the particular needs of an individual in a manner that accelerates the educational and career advancement of the individual
6. Enables an individual to attain a secondary school diploma or its recognized equivalent, and at least one recognized postsecondary credential
7. Helps an individual enter or advance within a specific occupation or occupational cluster

Training Services

Training services may include:

- occupational skills training, including training for nontraditional employment
- on-the-job training
- incumbent worker training
- programs that combine workplace training with related instruction, which may include cooperative education programs
- training programs operated by the private sector
- skill upgrading and retraining
- entrepreneurial training
- transitional jobs
- job readiness training provided in combination with the services above
- adult education and literacy activities, including activities of English language acquisition and integrated education and training programs, provided concurrently or in combination with the services above
- customized training conducted with a commitment by an employer or group of employers to employ an individual upon successful completion of the training

Integrated Education and Training

Integrated Education and Training is a service approach that provides adult education and literacy activities concurrently and contextually with workforce preparation activities and workforce training for a specific occupation or occupational cluster for the purpose of educational and career advancement. The articulated career pathway can include short, moderate, or long term training and education programs to match the ability of different students and include multi-level employment opportunities at different points of certificate or degree attainment.

Integrated Education and Training (IET) for ABE Students

The IET model combines adult education basic skills instruction, workforce training, and workforce preparation activities concurrently and contextually to increase ABE students' educational and career advancement. In an IET service delivery model, a variety of team teaching strategies are used to deliver the curriculum. Upon completion, it is intended that students will have obtained an industry recognized certificate or credential and will be employable or go on to more advanced training in their chosen career pathway.

Integrated English Language and Civics Education (IELCE) for ESOL Students

The IELCE model combines ESOL instruction, civics education, workforce training, and workforce preparation activities concurrently and contextually to increase ESOL students' educational and career advancement. In an IELCE service delivery model, a variety of team teaching strategies are used to deliver the curriculum. Upon completion, it is intended that students will have obtained an industry recognized certificate or credential and will be employable or go on to more advanced training in their chosen career pathway.

Customized Training

1. designed to meet the specific requirements of an employer (including a group of employers);
2. conducted with a commitment by the employer to employ an individual upon successful completion of the training; and
3. for which the employer pays -
 - a. a significant portion of the cost of training, as determined by the local board involved, taking into account the size of the employer and other factors as the local board determines to be appropriate, which may include the number of employees participating in training, wage and benefit levels of those employees (at present and anticipated upon completion of the training), relation of the training to the competitiveness of a participant, and other employer-provided training and advancement opportunities; and
 - b. in the case of customized training involving an employer located in multiple local areas in the state, a significant portion of the cost of the training

Workforce Preparation Activities

Activities, programs, or services designed to help an individual acquire a combination of basic academic skills, critical thinking skills, digital literacy skills, and self-management skills, including competencies in utilizing resources, using information, working with others, understanding systems, and obtaining skills necessary for successful transition into and completion of postsecondary education.

Pre-Apprenticeship

Pre-Apprenticeship is designed to prepare individuals to enter and succeed in an Apprenticeship program. These programs promote a diverse and skilled workforce and prepare participants to meet the basic qualifications for entry into an apprenticeship, through:

- An approved training curriculum based on industry standards
- Educational and pre-vocational services
- Hands-on training in a simulated lab experience or through volunteer opportunities
- Assistance in applying to Apprenticeship programs.

Pre Apprenticeship programs involve formal partnerships with at least one Apprenticeship program sponsor.

Adult Education Workplace

The integration of adult education instruction and workforce training and usually located onsite with location determined by the employer. Adult Education instruction is contextualized for the workplace and skills training.

English as Second Language Workplace

The integration of ESL instruction and workforce training and usually located onsite with location determined by the employer. ESL instruction is contextualized for the workplace and skills training.

Additional program activities offered through American Job Centers:

Tennessee Office of Reentry

The Tennessee Office of Reentry (TOOR) was launched in July 2021 with the mission to help people exiting incarceration succeed in the community by removing barriers and improving state-coordinated reentry processes, focusing on employment as a starting point. Housed within the Department of Labor and Workforce Development, TOOR was established by Governor Bill Lee as recognition of the importance that stable employment has on reducing recidivism and focuses on three goals: assist justice involved individuals overcome barriers to employment, increase successful reentry, and reduce recidivism. In partnership with the local American Job Centers, TOOR provides strategic guidance and

state funding (through a competitive grant process) to community-based organizations, local workforce development boards, faith-based organizations, for profit and nonprofit entities that have proven success in supporting justice involved individuals to gain the necessary workforce training and supportive services to successfully gain and retain employment. Additionally, education and engagement of business and industry partners have proven to be a vital piece of the success of TOOR's work, dispelling myths about second chance hiring and connecting other resources within TDLWD (Work Opportunity Tax Credit, Federal Boarding, etc.) to support employers as they recruit and retain justice involved individuals as employees.

Transitioning Military, Veterans and Spouses

Veterans constitute one of Tennessee's most capable and workforce ready talent pools. Military service offers exceptional training, leadership experience, and technical competencies that enable many veterans to transition directly into civilian employment with minimal need for intervention from the workforce system. Their proven ability to perform in complex, mission-driven environments positions veterans to quickly and efficiently meet employer expectations in sectors such as advanced manufacturing, logistics, information technology, healthcare, and public safety.

While the State maintains comprehensive services for veterans who require individualized assistance, Tennessee equally recognizes that most transitioning service members bring transferable skills, strong work habits, and the capacity to quickly integrate into high-demand roles. Through coordinated efforts across JVSG, the American Job Centers, and employer engagement teams, Tennessee ensures that businesses are aware of the advantages of hiring veterans and are connected to this highly skilled workforce in a streamlined and effective manner.

SCSEP

Senior workers are a vital pipeline in workforce development and expansion across Tennessee. The Senior Community Service Employment Program (SCSEP) provides work-based training for seniors 55 and older, who are currently unemployed and in need of updating their skills. There are several job opportunities across the state that are primarily managed by the state program director. As outlined in the federal program requirements, interested participants receive the following services:

- Assessments to determine individual needs for training
- Training consists of upgrading existing skills, developing new skills, limited educational opportunities, job counseling, and assistance in finding and keeping a job
- Placement is closely matched with seniors' personal goals when placed in a position in community service (nonprofit, public, or private sector) for approximately 20 hours per week
- Participants receive the federal minimum wage of \$7.25 per hour

Pending the results of the assessment and development of an employment plan, participants are eligible for the following types of job opportunities:

- Teacher's aides
- Nurse's aides
- Library clerks
- Clerical workers
- Adult and child day care assistants
- Campground recreational coordinators
- Maintenance workers

Engaging more individuals to participate in the state's Apprenticeship, Reentry, Senior Worker and Youth programs will prepare tens of thousands of people to enter or advance within our labor force. Employing sector strategies in our business community will help strengthen partnerships that will grow our economy from Union City to Johnson City.

B. ALIGNMENT WITH ACTIVITIES OUTSIDE THE PLAN

Tennessee recognizes that effective workforce development requires coordinated strategies that extend beyond the programs formally included in the Workforce Innovation and Opportunity Act (WIOA) Combined State Plan. Consistent with the Integrated Systems pillar outlined in *America's Talent Strategy: Building the Workforce for the Golden Age*, Tennessee continues to strengthen cross-agency collaboration to ensure workforce, education, economic development, and human services programs operate as a unified talent development system.

Through sustained interagency partnerships, Tennessee aligns WIOA core and partner programs with complementary initiatives administered by state agencies, including economic and community development, K-12 and postsecondary education, career and technical education under Perkins V, human services programs, and corrections-based reentry initiatives. This coordination enables the state to leverage resources, reduce programmatic silos, and support seamless pathways for individuals to obtain the skills, credentials, and employment opportunities necessary to meet the evolving needs of Tennessee employers.

By advancing shared planning, coordinated service delivery, and aligned performance expectations across these programs, Tennessee continues to strengthen a workforce system that is responsive to both worker and employer needs while maximizing the impact of public investments in talent development.

Ensuring cohesiveness and alignment across the One-Stop Delivery system is critical to our workforce development system across the state. The State Workforce Development Board has adopted policies and/or guidance that drive and support the workforce development system's efforts of developing new and maintaining existing partnerships within the American Job Center Network while ensuring collaboration and alignment of WIOA required and optional one-stop partners. Planning and execution occur at the state, regional, and local levels with all one-stop partner programs to ensure efforts focus

on coordination and reducing the duplication of efforts. Planning is supported by the state policies and/or guidance that include but are not limited to addressing co-enrollment efforts with one-stop partner programs, regional and local planning, MOU/One-stop Service Delivery, One-Stop System Design, One-Stop Certifications, all of which address strategic alignment of partner activities.

One-stop partner meetings are held at the local level, usually on a quarterly basis, to address alignment of workforce services provided by all core, required and optional partners participating in the One-Stop Delivery System. The goal is to increase the alignment and coordination with existing partner programs and to introduce any new partner programs and service delivery coordinative efforts. Strategic discussions include ways to maximize service delivery between Comprehensive, Affiliate, and satellite offices as well as access points, with emphasis placed on co-enrollment and coordination with One-stop required and optional program partners. MOUs outlining the services and funding to be provided by workforce system partners are in place which further support the efforts of not duplicating services.

Tennessee Governor Bill Lee outlined a strong vision for Tennessee to develop a comprehensive and overarching workforce development system which braids the work of education and workforce development together at the state level. This vision supports the work that is being completed at the regional and local level. Some of the common elements of this and the WIOA State Plan which overlap with Career and Technical Education, Vocational Rehabilitation, and Trade are described below.

Tennessee continues to strengthen coordination between WIOA, Perkins V, Adult Education, and economic development partners to support the Integrated Systems pillar. The Tennessee Department of Education (TDOE) is responsible for the implementation of career and technical education (CTE) and administration of support for CTE through the Perkins V State Plan. TDOE and Tennessee Department of Labor and Workforce Development (TDLWD) partner on multiple CTE initiatives working to establish a clear pipeline and infrastructure from education and training to work. One specific example is with Work-Based Learning (WBL). TDOE, through the Perkins State Plan, has a goal to increase WBL participation to 100 percent by 2035. TDOE offers opportunities for students to earn industry credentials, with a state-approved credential list of 285 in 2024-25. In the 2024-25 school year, Tennessee students earned 77,774 industry-recognized credentials. Of this total, 48,434 were Tier 1 Recognized; 13,506 were Tier 2 Valued; and 15,834 were Tier 3 Preferred. TDOE and TDLWD are continuously collaborating on plans to meet this goal and to provide high-quality workplace education and on-the-job training at the secondary and postsecondary levels. Another example is around the Apprenticeship TN program, where TDOE supports TDLWD on expanding registered apprenticeships in Tennessee. Furthermore, representatives from TDOE and TDLWD also serve on various working groups and advisory councils to ensure CTE implementation is aligned across both departments.

The activities provided by the Trade Adjustment Assistance for Workers (TAA) program offer a critical resource for the state's plans to strengthen the workforce system through a highly integrated approach to service delivery.

The Tennessee Department of Human Services (TDHS) - Vocational Rehabilitation (VR) Services Program works with stakeholder groups and customer advocacy organizations such as, the Council on Developmental Disabilities, The Arc of Tennessee, Disability rights Tennessee, Tennessee Works, and

the State Rehabilitation Council to develop and implement programs and services for individuals with disabilities.

VR and TennCare collaborated on the development and implementation of the Employment and Community First CHOICES (ECF) program that offers services for a person with an intellectual or developmental disability. VR works with community rehabilitation providers (CRPs) to provide specialized and employment services for individuals with disabilities such as supported and customized employment services. The VR Services Program works with the Social Security Administration's Work Incentives Planning and Assistance (WIPA), also known as Benefits to Work, and Ticket to Work programs to help individuals with disabilities who want to work explore options and be informed of incentives available when they go to work. VR provides career counseling and information and referral services for individuals working at sub- minimum wage who may want to advance to competitive integrated employment at minimum wage or higher. The VR Services Program works with secondary school systems to provide pre- employment services for students with disabilities to prepare for transitioning to work our post-secondary training.

VR also partners with Tennessee's Employment First Task Force, a collaboration between public and private partners across the state, to align support, leverage resources, and work together to ensure that people with disabilities have access to education and employment opportunities.

Through their strategic plan, the Task Force is aiming to reduce the employment gap for individuals with disabilities. Their strategic goals include aligning the service delivery system and strengthening coordination, building a shared commitment to employment first, increasing the number of employers that hire people with disabilities, making Tennessee state government a model employer of people with disabilities, and preparing students for employment and post-secondary success.

C. COORDINATION, ALIGNMENT AND PROVISION OF SERVICES TO INDIVIDUALS

TDHS improved its coordination efforts through increased communication, promotion of cross-program knowledge, and cross-training among frontline TANF and other one stop partners to enhance the ability of each program to address the customer needs and questions that may cross program lines. This process reduces the passing of customers between programs for answers to basic questions.

The TANF partners are co-located in some of the One Stop Job centers, and a referral process has been established where co-location does not exist. This helps to facilitate a seamless co- enrollment process for TANF customers to ensure customers have access to an extended menu of workforce development and support services.

The Tennessee Department of Human Services (TDHS) - Vocational Rehabilitation (VR) Services Program provides services for eligible individuals with disabilities. Services may include assessments for determining eligibility, training to obtain an educational credential, employment services to assist with obtaining competitive integrated employment that provides economic self-sufficiency and opportunity for advancement and counseling and guidance to facilitate an individual's participation in VR services and in achievement of an employment outcome. Services may also include supported and customized employment, self-employment and specialized services for individuals who are blind or have visual impairments or who are deaf or hard of hearing. VR staff work together with core partners

to provide seamless services for people with disabilities through collaboration on referrals, program eligibility, program planning, available services, and shared funding, when appropriate.

The activities provided by required one-stop partners and other optional one-stop partners are a critical resource for the state's workforce system. The state's workforce vision, embodied in the Tennessee Workforce Development System strategy, relies heavily on the service provision of the one-stop partners. With a primary goal of streamlining intake processes and service delivery to improve participant outcomes, the state has centered most of the activity integration with one-stop partners on co-enrollment opportunities where participants can receive a variety of services from different agencies and partners through one unified process.

Under most circumstances, one-stop partners and other optional one-stop partners are the first point of contact with participants that qualify or need WIOA services. To strengthen the integration with our one stop partners to ensure the effective and efficient provision of co- enrollment services, the Tennessee Department of Labor & Workforce will leverage existing case management system to add any necessary modifications that will better inform one-stop partners of co-enrollment opportunities for participants. Additionally, the agency recently implemented a Key Performance Indicator project which offers Local Workforce Development Agencies vital and timely participant performance information to aid in planning and service improvement. These two approaches to strengthening the partnership with one-stop partners, along with other existing resources, serve as the primary core framework for integrating service delivery in a comprehensive manner.

D. COORDINATION, ALIGNMENT AND PROVISION OF SERVICES TO EMPLOYERS

TNWorks: Tennessee's Unified Strategy for Services to Employers

TNWorks serves as Tennessee's comprehensive, statewide strategy for delivering business services, providing a single, coordinated approach to employer engagement across workforce, education, and economic development systems. Rather than operating through fragmented or program-specific outreach, TNWorks establishes a unified framework that aligns all employer-facing activities to better meet the needs of businesses and support economic growth.

At its core, TNWorks functions as a centralized entry point for employers, ensuring that businesses can access workforce solutions through a streamlined and coordinated system. This approach reduces duplication of effort across agencies and partners, allowing employers to engage with the workforce system through a consistent, customer-focused experience regardless of region or program.

TNWorks brings together key partners- including the Tennessee Department of Labor and Workforce Development, Tennessee Department of Economic and Community Development, Tennessee Board of Regents, Tennessee Department of Education, Tennessee Department of Human Services, and the Tennessee Higher Education Commission - under a shared strategy. Through this alignment, the State ensures that business services are integrated, responsive, and aligned with labor market demand, rather than delivered in silos.

The strategy is hub is housed within TDLWD and provides the structure, tools, and expectations for how employer engagement is conducted across Tennessee. This includes standardized outreach

approaches, consultative engagement methods, and data-driven decision-making processes that guide how staff interact with employers and deliver solutions.

Through TNWorks, employer engagement shifts from transactional interactions to a consultative, solutions-oriented model. Regional teams work directly with employers to assess workforce needs, identify skill gaps, and develop customized strategies. These solutions may include immediate hiring assistance, incumbent worker training, apprenticeships, work-based learning opportunities, and long-term workforce planning.

A key strength of TNWorks is its emphasis on data and performance accountability. Employer engagement is guided by labor market information and real-time employer intelligence, ensuring that resources are directed toward high-demand, in-demand, and emerging industries. Performance metrics—such as business engagements, outreach impressions, and sector alignment—are used to measure effectiveness, drive continuous improvement, and ensure accountability across the system.

TNWorks also enables regional flexibility within a unified statewide strategy. While the framework establishes common goals, tools, and expectations, regional partners tailor implementation to reflect local industry needs, economic conditions, and workforce challenges. This ensures that business services are both consistent and locally responsive.

TDWLD Operational Business Engagement Plan

TDLWD's Business Engagement Plan establishes a comprehensive, statewide operational framework for employer engagement that supports TNWorks and is coordinated, data-driven, and focused on delivering measurable workforce outcomes. The plan is designed to strengthen Tennessee's talent pipelines, address employer workforce challenges, and align workforce investments with the state's broader economic development priorities.

At the center of the strategy is a shift from activity-based outreach to outcome-driven engagement, guided by the principle that every employer interaction should contribute to tangible workforce solutions—whether through immediate hiring support, pipeline development, or long-term workforce planning.

Leadership and implementation are driven by Business and Workforce Directors, who operate as consultative workforce advisors rather than transactional service providers. Through structured quarterly trainings, standardized engagement playbooks, and toolkit-based approaches, staff are equipped to deliver consistent, high-quality services across regions. Internal capacity building emphasizes consultative skills, apprenticeship integration, and the ability to interpret labor market data to inform employer conversations.

The plan prioritizes engagement based on labor market intelligence, targeting employers in high-demand, in-demand, and emerging sectors. High-demand sectors—including healthcare, manufacturing, transportation/logistics, and technology—require sustained, scalable workforce solutions due to persistent hiring needs. In-demand sectors, such as construction and hospitality, are often regionally driven and require targeted interventions to prevent shortages. Emerging sectors,

including advanced energy, cybersecurity, and creative industries, are supported through early pipeline development, upskilling strategies, and credential alignment to prepare for future growth.

Outreach strategies are intentionally structured to maximize impact and employer trust. These include:

- Relationship-based outreach leveraging chambers, economic development partners, and industry associations
- Sector-focused engagement tailored to industry-specific workforce challenges
- Peer-to-peer employer engagement, using business champions to drive participation
- Data-driven messaging that translates labor market information into actionable business insights
- Workforce consultations as an entry point, offering no-cost diagnostics to identify employer needs before introducing programs or funding
- Event-based engagement, including roundtables and workshops focused on workforce risk, retention, and upskilling
- Integrated partner outreach, ensuring alignment across workforce, education, and economic development systems

A strong emphasis is placed on apprenticeships and work-based learning as primary long-term solutions. Employers are guided toward 3–5-year workforce planning strategies that support retention, succession planning, and the development of sustainable talent pipelines, particularly in rural and underserved areas. Consortium models are encouraged to expand access for small and mid-sized businesses.

The plan includes a robust performance management and accountability framework. Key Performance Indicators (KPIs) include:

- 2,200 annual business engagements, defined as meaningful, two-way interactions that lead to action or follow-up
- 5,000 annual impressions, measuring overall outreach reach and visibility
- A requirement that at least 75% of engagements occur within priority sectors

To ensure consistency, the plan establishes standardized definitions and reporting protocols for both engagements and impressions. Engagements must demonstrate active participation, intent, or action, while impressions measure awareness and reach. All activities are tracked through systems such as Zendesk and VOS, enabling transparent, real-time performance monitoring.

The operational model includes a structured employer engagement workflow, beginning with sector and geographic prioritization, followed by employer diagnostics to assess workforce needs, and culminating in tailored solutions that may include hiring support, training, or apprenticeship pathways.

Equity and regional responsiveness are embedded throughout the plan, with targeted strategies to support small businesses, rural communities, and distressed counties. Outreach messaging and service delivery are adapted to meet the unique needs of these employers, ensuring broader access to workforce solutions.

Finally, the plan incorporates a continuous improvement process, using employer feedback collected through surveys, interviews, and advisory groups to refine strategies, tools, and service delivery. Annual updates ensure the plan remains responsive to changing labor market conditions, employer needs, and economic trends.

Coordination of Business Services

There are multiple offices, units, and roles within the Tennessee Department of Labor and Workforce Development (TDLWD) along with other Tennessee state agencies that play an essential role in the delivery of services to businesses.

- The TDLWD will help ensure interagency collaboration between all partners defined below in helping employers find and retain qualified talent according to WIOA Section 108(b)(4)(B) which outlines business services activities that are intended to promote, market, connect, and provide access to initiatives provided within TDLWD.
 - Employer Operations (TDLWD) includes oversight statewide for business services strategy, employer VOS accounts, field support and Zen Desk tickets, On-the-job and Incumbent Worker Training grants, online training portal, and virtual job fair application.
 - Business and Workforce Directors (TDLWD) positioned in each of the local workforce areas serve as the connecting point between TDLWD and each local workforce board. Business and Workforce Directors have a pulse on labor market trends and assist in identifying employer staffing challenges.
 - WFS Division Program Directors and Grants Managers for employer-facing services to include:
 - Apprenticeship TN
 - Work Opportunity Tax Credit
 - Federal Bonding
 - Reentry
 - Local Veterans' Employment Representative
 - One-Stop Service Delivery System and One-Stop Operators (OSO) are charged with enhancing the range and quality of workforce development services available to businesses through a coordinated approach among partner agencies including helping businesses find skilled workers and access other services such as training for their current workforce.

- American Job Center (AJC) cross functional teams based at each Comprehensive American Job Center (to include affiliates and specialty centers) works under the direction of the OSO through the guidance, and authority of the local workforce board (WIOA 361.430(a)(4)(ii) and (a) (6) Team members vary by LWDA/American Job Center and may include Wagner-Peyser staff (Team Lead, Career Specialist), Local Veterans' Employment Representatives, Adult and Education representatives.
 - LWDA Business Services Staff responsibilities vary by area, but typically include, Rapid Response and Layoff Aversion, local area business engagement and coordination with American Job Center Business Services Team members. (Note, not all 9 local boards have a designated team member to carry out the business services functions.
- In addition to Tennessee Department of Labor and Workforce Development, six other state agencies work in tandem to create a pipeline that can supply a qualified and trained workforce for Tennessee employers. These agencies are:
 - Tennessee Department of Human Services (TDHS) - Vocational Rehabilitation (VR) Services Program Business Services Unit (BSU), formed in 2016, partners with stakeholders in the workforce system to meet the current and projected workforce needs of employers. To serve employers in achieving their industry and sector goals in the state, the VR BSU partners with the Department of Labor and Workforce Development's American Job Centers and their regional Business Service Teams. Consultants from the VR BSU partner with employment specialists from the Department of Corrections, Local Veterans' Employment Representatives, training and educational institutions, and members from local Chambers of Commerce to align efforts for supplying a skilled and talented workforce in local communities. Through their involvement in the regional Business Service Teams across the state, the Consultants of the VR BSU can work collaboratively with partners from across WIOA core programs and beyond to identify opportunities for meeting the workforce demands of local employers and industry sectors. The VR BSU is in the process of reorganizing and expanding their capacity to optimally serve rural and urban customers.
 - Tennessee Board of Regents
 - Tennessee Department of Corrections
 - Tennessee Department of Economic and Community Development
 - Tennessee Department of Education
 - Tennessee Higher Education Commission

E. PARTNER ENGAGEMENT WITH EDUCATIONAL INSTITUTIONS AND OTHER EDUCATION AND TRAINING PROVIDERS.

PARTNER ENGAGEMENT WITH EDUCATIONAL INSTITUTIONS

As part of its partner engagement with educational institutions, The Tennessee Department of Labor and Workforce Development (TDLWD) is involved in collaboration with the Tennessee Higher Education Commission (THEC), Tennessee Department of Education (TDOE) and the Tennessee Board of Regents (TBR) to focus on career and technical education, work-based learning and career pathways. Each of these entities works closely with the State and local workforce development boards to develop training and support for emerging workforce demographics through our 27 Tennessee Colleges of Applied Technology (TCAT) and 13 Community Colleges across the State. The entities work to assist in recruiting industries, retraining displaced workers, assisting with plant closings, and introducing youth to post-secondary career options/program to meet the States workforce needs. The pipeline to serve our clients and better meet the industry needs is maintained through constant communication. Another program that cooperatively increases alignment and promotes job-driven education is the workforce 360 program; which can bring workforce, education, and employers under one roof to discuss achievable strategies.

Tennessee is also expanding programs of study that bring together a sequence of career-focused courses that start in high school and extend through college and have grown in their availability and connectivity to emerging occupations. Similarly, Tennessee Pathways is another program that provides multiple pathways to high skill/high wage employment for high school students to earn “dual credits” for both high school and college for easy transfer to two-year or four-year institutions.

Governor Lee’s Goal 4: Clear Data/Reporting, II Pipeline Development, and III Integration with Economic Development, is guiding the WIRED Division in its development and enhancement of labor market information for the workforce partners and the public. Annually WIRED provides information on the top statewide demand occupations, skill gaps, and programs of study with a surplus of completers to THEC for the Academic Supply and Occupational Demand report due to the Tennessee legislature on January 15. The Tennessee Department of Economic and Community Development (ECD) provided some additional regional information on demand occupations for the report to THEC. With a goal of working toward common measures and greater visualization of employer requirements and student outcomes, THEC, ECD, and TDLWD WIRED Division staff met in the spring of 2019 to review measures developed by ECD and WIRED. Both ECD and WIRED continue to adjust their measures to use more local and real time data sets.

The Governor’s GIVE program received more than 60 grant applications from community college, Tennessee College of Applied Technology, local education agency, and employer teams who applied for up to \$1 million in funding to enhance and collaborate on career and technical education programs in their communities. Extra points were received in grant scoring if designated distressed or at-risk counties were included in the collaborations. TDLWD WIRED staff participated in the scoring of applications which included metrics on best use of labor market information (LMI) from the Academic Supply and Occupational Demand report, jobs4tn.gov LMI, and other credible LMI sources. In the grants, educational institutions described ways they planned to recruit students into programs of study where data indicated skill gaps exist in their communities.

In May 2023, Governor Lee and the Tennessee General Assembly awarded \$560 million across 137 public school districts and 45 public charter schools to invest in students and their success in Career

and Technical Education (CTE) through the Innovative School Model (ISM) grant. Through a statewide application process, grant recipients received \$1 million per high school, \$500,000 per middle school, and \$200,000 for schools serving less than 200 students. The grant application process, spanning four years, required applicants to outline their plans for reimagining time, space, and learning experiences for their students. This allowed school districts to build intentional middle school career exploration, high school-based enterprises, work-based learning experiences, and numerous innovative approaches and creative opportunities in CTE.

TDLWD continues to work with THEC on enhanced LMI measures and visualizations for the Academic Supply and Occupational Demand product for the public and legislators. Also, the Tennessee Department of Education, Postsecondary, Workforce, Career and Technical Education (CTE), and Military Readiness (PWCMR), is a rich source of information on industry certifications matched to their programs of study. They provide this information to their local education agencies and are researching the availability of additional data from certifying agencies. TDLWD is providing their information on “Tennessee Promoted Industry Certifications” to the local workforce boards through the workforce planning process. TDLWD LMI previously provided data on apprenticeship completers in the state to TDOE which allowed them to successfully compete for funding in this area. TDLWD also assisted in designing record layouts so TDOE career and technical completer data could be added to the P-20 data warehouse and allow their student data to be matched to wage records for follow-up information.

PARTNER ENGAGEMENT WITH OTHER EDUCATION AND TRAINING PROVIDERS

The State is regularly working on the strategies to engage with other education and training providers, especially the statewide Eligible Training Provider List (ETPL) which is a program providing choices to WIOA participants. The local boards in each workforce area are working with providers to ensure that they have the correct training programs developed and approved to meet the needs of employers. The Local area is helpful in identifying Eligible Training Providers (ETPs) for skills panels that will work to analyze skill gaps and identify resources for growth in localized industrial clusters.

Tennessee will integrate Workforce Pell into its existing workforce ecosystem by aligning the initiative with WIOA-funded training, the Eligible Training Provider List (ETPL), and the state’s workforce and education partners. By coordinating across postsecondary institutions, workforce boards, and employers, the state will ensure that Workforce Pell-supported programs meet both federal requirements and the evolving needs of Tennessee industries. This alignment will also help maximize resources and provide clear pathways for participants to continue their education or advance within their careers.

Another way the state is engaging with other Education and training providers is by promoting the role of the Community and Technical Colleges in the growth of our economy. For instance, to meet the workforce training needs, these 40 colleges provide short term and long-term training programs and have developed innovative strategies with the local, regional and State employers. Additionally, Adult Education, Vocational Rehabilitation, and Career & Training Education (CTE) are training programs that continuously providing beneficial services to participants with significant barriers to education, training, and employment. Through continued collaboration, the educational partners can offer

workforce development programs and provide training for industries and small businesses. The following are the partners that the colleges work closely with to fulfill the state's goals:

- Tennessee Department of Labor & Workforce Development
- Tennessee Department of Economic & Community Development
- Tennessee Small Business Development Center Tennessee Department of Tourist Development
- Tennessee Department of Education

LEVERAGING RESOURCES TO INCREASE EDUCATIONAL ACCESS

Describe how the State's strategies will enable the State to leverage other Federal, State, and local investments that have enhanced access to workforce development programs at the above institutions, described in section (E).

As described above, the State will continue to use the workforce development system partnerships to ensure all resources are leveraged successfully for participants in attaining their educational goals.

In the 2025-2035 Tennessee Higher Education Commission (THEC) Master Plan, the Drive to 55 initiative is being succeeded by a focus on sustainability, emphasizing a "decade of decision" to shift from initial access to sustained, high-quality completion. Drive to 55 was established in 2015 to ensure that at least 55 percent of Tennesseans obtain a college degree or certificate by 2025, expanding access to career opportunities across communities statewide. Building on this foundation, several key initiatives have emerged and continue to evolve. The Expanded College Access and Outreach Strategy, announced by THEC in June 2025, focuses on reaching students earlier, providing consistent support, and strengthening alignment with workforce needs through the deployment of regional coordinators. Tennessee Promise offers a last-dollar scholarship covering two years of tuition at community or technical colleges, while Tennessee Reconnect extends similar support to adult learners seeking to attend community college tuition-free. Additionally, Early Postsecondary Opportunities (EPSOs) have been expanded to increase participation in dual enrollment and dual credit programs, with a goal of raising participation by 10 percentage points. Complementary efforts such as TN LEAP emphasize aligning student skill development with workforce demands, and Prior Learning Assessment (PLA) initiatives are being enhanced to improve usability for college credit, accelerating degree and credential completion.

In addition to the above initiatives, Tennessee will work across agencies to provide a wide range of supportive programs targeted to enhance access to educational institutions and their occupational and vocational training programs. Examples of such programs include:

- Administering the Carl D. Perkins Career and Technical Education grant for Tennessee. Educational institutions can request Perkins program improvement funding for activities to prepare special populations for high skill, wage, or demand occupations that will lead to self-sufficiency. Each Perkins-eligible district receives a basic allocation and can apply for additional funds through competitive Perkins Reserve grants for special projects.

- High school seniors in Tennessee may apply for the Tennessee Promise scholarship, which will provide two years of tuition-free attendance at a community or technical college in Tennessee. Tennessee Promise is a last-dollar scholarship, meaning it will cover the cost of tuition and mandatory fees not met by Pell, Hope, or the Tennessee Student Assistance Award. As part of the program, students will be paired with a partnering organization, provided with a mentor who will support them during the college application process, and complete the community service requirement.
- Implementation of the Tennessee Reconnect Grant may also be used at Tennessee community colleges and some four-year institutions to pay for tuition while earning a two-year associate degree. This grant pays the remaining balance after other state financial aid and Pell Grants have been applied towards tuition and mandatory fees at the community college. At a four-year institution, the Tennessee Reconnect Grant will not be last-dollar, meaning it will not cover all tuition and fees. The amount of funding you may receive will be based on the average amount of tuition and fees at a community college.
- The Tennessee Department of Correction (TDOC) educational system is fully accredited by the Tennessee Department of Education to ensure the highest level of education. TDOC provides an array of academic and career technical programs, as well as library services at each of the state correctional facilities. A team of dedicated, highly qualified teachers who hold valid Tennessee teacher's licenses, some of whom are also certified and licensed by the National Center for Construction Education and Research (NCCER), provide instruction for incarcerated offenders in Adult Basic Education (ABE) and Career and Technical Education (CTE). TDOC partners with Tennessee Higher Education Initiative (THEI) and Lipscomb University to offer classes at two male facilities and one female facility leading to a general education certificate, associate's degree, bachelor's degree, or master's degree. TDOC also partners with the Tennessee Department of Labor and Workforce Development (TDLWD) to provide high school equivalency testing for incarcerated individuals. The goal is to provide incarcerated individuals with education and career training as part of the broader effort to increase public safety and reduce recidivism.
- Work-based learning (WBL) is a proactive approach to bridging the gap between high school and high-demand, high-skill careers, providing students with the needed skills that are difficult to learn solely through classroom-based instruction. WBL activities begin by helping students develop a broad understanding and awareness of industries and possible careers that are available to them. Over time, these experiences narrow in focus as students find careers of interest, learn what postsecondary education is necessary for success, and practice the technical, transferable 21st century skills, and social and personal skills to enter those careers later in life. Collaboration between private and public institutions ensures relevant skill development and clear pathways to student success. Work-based learning is a methodology that can support learning for all students through various strategies. Successfully braiding the components of school and work and providing work-based learning opportunities for all students requires a vision and commitment shared by stakeholders including educators, employers, communities, parents, and the students themselves. The Tennessee Department of Education's policies support WBL programs that prepare students for success in local high-

wage, high-demand, and high-skill careers through rigorous, relevant WBL experiences driven in partnership by the business community and schools. These experiences may begin with broad exploratory activities as early as elementary school, when students are first becoming aware of what adults do in the world around them. Over time, these experiences become more customized and specific to the interests and needs of the students. Ultimately, more students will have the opportunity to participate in and benefit from high-level, capstone WBL experiences such as internships and apprenticeships that prepare students for postsecondary degrees and employment.

- The state's Apprenticeship and Pre-Apprenticeships strategy will be kicking off with full implementation in January 2020. Labor and Workforce Development is partnering with Tennessee Board of Regents to increase sponsors of Apprenticeships programs at both the Tennessee Colleges of Applied Technology (TCATs) and Tennessee's 13 Community Colleges Across the state. By growing Apprenticeship programs throughout the state, in both traditional and non-traditional occupations, individuals are given the opportunity to earn while they learn. These programs ensure individuals living wages while they progress through the educational components of their certifications and/or degree program. Not only do apprenticeship programs provide access to education they enable individuals to achieve an education without the accumulation of debt.

Strong collaboration and engagement across agencies is critical to achieving those goals, and there is a shared commitment within state agencies, the Governor's office, and the state legislature to ensure collaboration works to achieve the best outcomes for Tennesseans.

Governor Lee's GIVE grants funded by the state legislature which designate priority points for distressed and at-risk counties are awarded to educational institutions. Local workforce agencies are collaborating on advisory and governance committees in several areas applying for these grants and can assist in leveraging these funds, as well as ECD LEAP grants, with other workforce services. They also can assist in working with the educational institutions, employers, and others in the related industry sectors to insure sustainability of GIVE grants in future years, and recruit populations with barriers into these programs.

F. IMPROVING ACCESS TO POSTSECONDARY CREDENTIALS

The state will continue to work to improve access to postsecondary credentials by focusing on high school diploma or equivalency attainment. This will be accomplished by ensuring that participants who lack a high school diploma are referred to Adult Basic Education (ABE) for services. This will enable many participants to be introduced or reconnected to the education system and improve their access to postsecondary credentials. In addition, the state will utilize a demand-driven system to identify which training programs lead to credentials that are essential to business' needs. This includes providing interested employers with information about the Apprenticeship Assistance Training Grant to help with the Registered Apprenticeship certifications across the State. Each of these activities will improve access to postsecondary credentials in the State. Industry certifications can be stackable credentials such as Microsoft Office Suite certifications as identified with the Office Management program of study. Another method of discerning which certificates and licenses are demand-driven is to identify those which are related to occupations in demand using the Department of Labor and

Workforce's supply and demand analysis. These initiatives advance the Industry-Driven Strategies pillar of the federal Talent Strategy by ensuring workforce investments respond directly to employer demand.

Additionally, the Department of Education has an industry credential review and tiering process, supported by state agency partners, including TDLWD, THEC, TBR, ECD and the Department of Agriculture, who assist in evaluating submitted credentials for consideration on the approved list. These credentials should be attainable by students while they progress through their program of study in one of 14 career clusters. The approach taken to align industry certification is designed to ensure that students are presented with viable seamless learning pathways. This designed approach contains three main goals:

- An increase in student attainment of department-approved industry certifications
- An increase in student transference of department-approved industry certifications to meaningful postsecondary and workforce opportunities following high school graduation
- Provision to ensure consistency in the promotion of all department-approved industry certifications with various stakeholders.

Tennessee will promote the attainment of postsecondary credentials in a number of ways and through partnering with WIOA boards to secure funding. Examples include:

- Tennessee recognizes apprenticeships are a proven work-based learning strategy connecting individuals to a career pathway. In July 2019 Tennessee was awarded the ApprenticeshipUSA State Expansion Grant (\$1.4M). Funding from this grant provides the means to build an infrastructure to support the expansion of apprenticeships in Tennessee with the overall purpose to grow and expand apprenticeships throughout the state which in turn leads to a nationally- recognized industry credential that is both portable and stackable. Tennessee's strategy is focused on building apprenticeships in both traditional and non-traditional fields. With the grant funding Tennessee will launch the ApprenticeshipTN website which will serve as an avenue to connect established registered apprenticeship programs to individuals seeking employment. In addition, Tennessee will educate employers on building registered programs and the benefits of apprenticeship programs. The resources under this initiative will work with employers, educational institutions, and training providers in unique ways to accomplish increases in both the number of registered apprenticeship programs in the state as well as the number of apprentices into new or already established programs.
- In an effort to continue to expand and market Registered Apprenticeship as a post-secondary option for students, the Labor and Workforce Development will partner with another state agency to support pre-apprenticeships in the high school sector. This effort focuses on the development and readiness for high school graduates to enter a registered apprenticeship program. In addition, in some cases, it will allow a high school student to earn post-secondary credentials at the same time as earning their high school diploma.
- The vision of FutureReadyTN aligns K-12 education, postsecondary institutions, and industry partners to create clear and connected pathways for student success. Grounded in the four

pillars of Credentials of Value, Individualized Advising, Seamless Transitions, and Work-Based Learning, this approach creates a cohesive and student-centered pathway aligned to high-skill, high-wage, and in-demand careers. Through strong district leadership and cross-sector collaboration, individualized advising connects students to aligned credentials of value, and meaningful Work-Based Learning experiences that reinforce career exploration and preparation. When these efforts are coordinated, students are equipped to make informed decisions, persist through high school, and seamlessly transition into postsecondary education, the workforce, or military service. By investing in and advancing these pillars, districts play a critical role in supporting postsecondary, workforce, and military readiness and preparing students to contribute to Tennessee's long-term economic strength and community success.

- All training providers will be encouraged to seek inclusion on the State Eligible Training Provider List which will require them to describe the credential(s) to be earned.

Tennessee Reconnect helps adults enter higher education so that they may gain new skills, advance in the workplace, and fulfill lifelong dreams of completing a degree or credential. As part of Tennessee Reconnect, all TANF providers are encouraging customer enrollment in one of our twenty-seven (27) Tennessee Colleges of Applied Technology (TCATs) to obtain and/or finish their degree or certificate. TANF partners assist customers in filling out applications to educational entities and Free Application for Federal Student Aid (FASFA) applications. The TANF provider staff have been trained on how to assist customers in navigate the financial aid opportunities with Tennessee Reconnect. TANF providers also have staff that work with customers to assist them in mapping out a plan that best suits their end goal desires.

The Tennessee Department Human Services (TDHS) - Vocational Rehabilitation (VR) Services Program is aligning career pathway services with other partners to help individuals with disabilities enter or advance within a specific occupation or occupational cluster through registered apprenticeships. The VR Services Program's Business Services Unit will work closely with the Tennessee Department of Labor and Workforce Development and other partner subject matter experts to assess and identify apprenticeship programs across the state in order to identify potential VR customers who can participate in apprenticeship training that will lead to economic self-sufficiency.

The Tennessee Department Human Services (TDHS) - Vocational Rehabilitation (VR) Services Program operates the Tennessee Rehabilitation Center (TRC) – Smyrna, a comprehensive vocational rehabilitation training center. On July 22, 2019, the TRC - Smyrna transitioned from a program-based model to a new Career and Technical Education (CTE) design to enhance the overall service delivery process and better align the Center with the WIOA Primary Indicators of Performance in the areas of Credentialing and Skills Gains. As a result of the Center's transformation, students are no longer required to participate in a specific program with designated beginning and end dates. Students now choose an Area of Study with classes offered based on an individualized schedule. On a quarterly basis, students attend day and/or evening classes and can enroll in prerequisite, required, or elective classes based on their interests, skill development needs, and Area of Study requirements. All curriculums have also been enriched to have a greater emphasis on work-based learning and community integration through required volunteer, practicum, and internship opportunities with business and

industry. Upon completion of all courses, students receive a certificate of completion and have the option to take an exam to receive a national credential in their Area of Study.

TRC Smyrna offers 9 Areas of Study that provide opportunities to obtain national certifications and licenses that are industry-recognized, portable, and/or stackable. In addition, students can enroll in an Entrepreneurship Area of Study to learn how to start and operate their own business after obtaining their certification. The Center is completing the final year of a 3-year strategic plan that includes objectives and action steps to improve access to and increase enrollment in apprenticeship programs and is currently working with one of its national partners, CVS, to develop pre-apprentice programs that could lead to registered apprenticeship certificates for TRC students. The following provides a brief overview of the Areas of Study and associated credentials where applicable:

Automotive Detailing Technician

The Automotive Detailing Technician Area of Study prepares students for employment in the automotive services industry. Students are trained from the I-Car curriculum which includes courses in paint correction, buffing, polishing, and refinishing of body panels. Upon completion of all courses, students can obtain a nationally recognized credential in Auto collision and Repair.

Automotive Maintenance & Lubrication Technician

The Automotive Maintenance Area of Study prepares students for employment in Fast Lube Businesses, Automobile Dealerships, Rental Car Outlets, Large & Small Automobile Garages, Tire Companies, and Vehicle Manufacturers. The Automotive Service Excellence (ASE) curriculum is used to teach skills in oil and filter replacement, four-wheel alignments, wheel balancing services, brake service, repair tire servicing, and light engine and transmission work. Students may take an exam to obtain certification from the National Institute for Automotive Service Excellence (ASE) upon graduation.

Business Education Technology

The Business Education Technology Area of Study introduces students to professional clerical and office opportunities. Students are trained in specific office tasks and office procedures, and skills positions in a broad range of clerical and office related positions, including receptionist, office clerk, secretary, and administrative assistant. Graduating students can obtain a national certification as a Microsoft Office Specialist and receive additional certifications through Office Proficiency Assessment & Certification (OPAC).

Certified Logistics Associate/Technician

The Certified Logistics Associate/Technician Area of Study is designed to prepare students with skills and knowledge for a career in the logistics work environment. Students will be prepared for employment with companies that have implemented a team-oriented design, safety principles, lean principles, supply chain logistics, and sustainable practices within the manufacturing environment. Upon completion of this area, students will be able to explore job opportunities in this industry, including shipping and receiving clerk, conveyor work, and quality standards examination in warehouses and manufacturing plants. Students can obtain national certification as a Logistics

Associate and an advanced Logistics Technician certification as a stackable credential through the Manufacturers Skills Standards Council (MSSC).

Certified Production Technician

The Certified Production Technician area of study will offer students an introduction to Safety, Quality, Manufacturing Operations and Maintenance Awareness, as these topics relate to employment in the manufacturing industry. This credential will prepare students for positions in manufacturing including Production Helper, Production Technician, Machine Operator and Assembler. Students who demonstrate mastery of the core competencies of advanced manufacturing production can obtain credentials as a Certified Production Technician through the Manufacturers Skills Standards Council (MSSC).

Customer Care

The Customer Care Area of Study trains students to obtain a position in a variety of customer service settings and jobs. Students will learn skills including product handling, stocking, ordering, inventory, money handling and operating point-of-sale equipment, creating displays, and customer service. This training will prepare students for positions in customer service, including call center representative, information clerk, customer service representative, and/or retail associate and greeter. Students who qualify can take the National Retail Federation Foundation Certification exam.

Food Service

The Food Service Area of Study will offer students an introduction to the professional food service industry. Students will be introduced to workplace safety as well as sanitation & hygiene in a food service establishment. Upon completion in this area, students will be able to display skills applicable to this area such as safety, dining area work tasks, dishwashing operation, food identification, food preparation, and bakery operations. Students can obtain the certification administered by the National Restaurant Association as a ServSafe Manager.

Power Equipment

The Power Equipment Area of Study will introduce students to workplace and equipment safety on the Forklift, Stock Picker, and Power Pallet Jack. Upon completion of this Area of Study, students can obtain OSHA Forklift Certification and will be able to explore job opportunities in this industry including warehouses, lumber yards, manufacturing plants, farm supply stores, and food outlets.

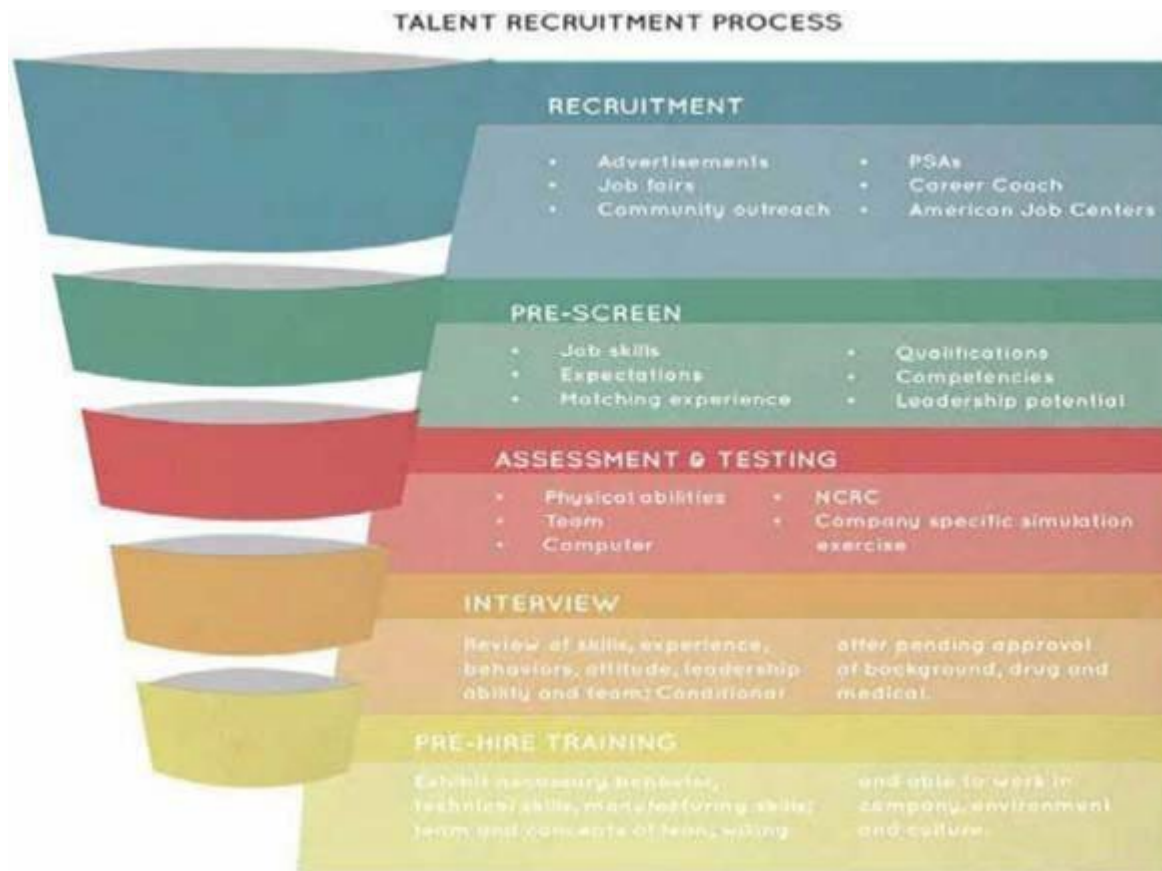
Pharmacy Technician

The Pharmacy Technician Area of Study trains students to assist licensed pharmacists in providing medication, medical devices or products, and customer service to patients. Pharmacy Technicians may also perform tasks related to preparing or compounding medications, communicating with physician offices or insurance companies, and other administrative pharmaceutical duties. Jobs can be found in retail, hospitals, mail order, and specialty pharmacies. Key skills gained include insurance verification, payment processing, inventory tracking, ordering, prescription filling, quality control, medical data entry, and coding. Upon completion of this Area of Study students can take the exam to become a Certified Pharmacy Technician (CPhT).

Tennessee has a reverse referral process in which individuals that are enrolled in TCATs and community colleges can be referred to the SNAP E&T program. This will allow SNAP recipients to gain the necessary skills and credentials to obtain self-sustaining wages. E&T education activities directly enhance the employability of the participants; there is a direct link between education activities and job-readiness.

G. COORDINATING WITH ECONOMIC DEVELOPMENT STRATEGIES

The strategic realignment of the workforce development regional directors in accord with the TNECD Job Base Camps creates a seamless connection of economic and workforce development activities. In addition, the partnership through Workforce 360 encourages alignment and coordination of recruitment, training and placement of qualified candidates. The talent recruitment process continues with pre-screening, assessment and testing, interviewing, and pre-hire training. Tennessee American Job Centers aid with the following services:



Each department has defined and relevant roles in stimulating growth across the state, however, it is in the transformed partnerships that TDLWD and TNECD have found renewed success. The State Workforce Development Board and several other aforementioned committees and initiatives coordinate labor and economic development entities, strategies and activities on both the State and local level.

Additional economic development activities and services include:

Business Enterprise Resource Office

Under the auspice of TNECD, the Business Enterprise Resource Office (BERO) serves as a voice for and advocate of economic inclusion for Tennessee's disadvantaged businesses (DBE). The office is tasked to analyze, disseminate and promote best practices and access to capital for DBEs to service providers. It also reports on the status of DBEs across the State. For the purposes of BERO, DBE refers to businesses owned by women, minorities, Veterans and persons with disabilities and businesses operating in remote or rural areas of Tennessee.

With the launch of a new website in 2015, BERO now has an updates platform and its website that allows easy access to BERO's target audience to present: policy and procurement information for DBEs and small businesses; topics for youth entrepreneurship; information on grants; and information about general resources for service providers.

One featured section of the new website is "Topics for Economic Inclusion", which highlights various policy and procurement information for DBEs. Such information can be:

- Entrepreneurs with Disabilities: Programs and Resources
- Minority Business Enterprises, Women Business Enterprises; Veteran Business Enterprises:

Policy and Procurement

- Rural Businesses: Policy and Financing
- Youth Entrepreneurship: Programs and Opportunities

Additional resource links provide information about State and Federal resources, grant opportunities and services providers (businesses and communities). The two following resources are:

1. *Tennessee Smart Start Guide*

The TN Smart Start Guide, a startup and small business guide, is published and distributed along with a paired postcard in both digital and hard copy formats. The guide gives an overview of a broad base of relevant topics from legal structure to financing to procurement.

The guide is distributed through TNECD's nine regions and its resource partners and stakeholders. These include but are not limited to, elected officials, chambers of commerce, development districts, state agencies (such as the Office of the Small Business Advocate, Revenue, Secretary of State, Human Services and Labor and Workforce Development), UT-CIS, TN Small Business Development Centers, the US Small Business Administration, USDA Rural Development, SCORE, AEO, the Federal Reserve Banks of Atlanta and St. Louis, business incubators and accelerators, and many others. Averaging 1,700 page views per week, the guide has been recognized nationally as a best practice resource.

2. *How to Start a Business*

This portion of the website provides a simplified step-by-step guide to registering a business in Tennessee and is part of a larger push to make registering a business in the state easier. A general checklist for business registration includes the following steps, 1) choosing a name, 2) determining a legal structure, 3) taxes, 4) hiring employees, 5) licensure requirements, 6) key resources, and 7) links to the TN Smart Start Guide and the PDF of the flowchart.

Main Street: Business Promotion and Technical Assistance

The Tennessee Main Street Program serves as a statewide resource for communities seeking to revitalize and manage their traditional downtowns. In partnership with the National Trust for Historic Preservation's National Main Street Center, this program serves the 28 designated Main Street Communities across Tennessee. In 2014, these 28 communities reported reinvestment statistics that included 1,565 net new jobs, 171 net new businesses and a combined public/private investment of \$95.5 million within their program districts.

A list of additional TNECD Affiliated Programs follows:

Regional Entrepreneurial Accelerators

The State's Launch TN accelerator program is designed to assist promising entrepreneurs with the resources necessary to propel their companies along the spectrum of business growth and job creation. Accelerators are located throughout the State with the goal for them to become foundational components in each region's economic development strategy; conjunction with creating a network of partnerships and mentors within the local business community, the statewide investor base, higher education, non-profits and government. The grant funding is a combination of State and Federal dollars and is contingent on each accelerator providing local matching support. Regional accelerators have hosted over 475 entrepreneurial events, engaged over 400 mentors and accelerated over 122 companies statewide.

Tennessee Rural Opportunity Fund, Small Business Jobs Opportunity Fund and Energy Efficiency Loan Programs

The Tennessee Rural Opportunity Fund (ROF), a rural economic development fund, was launched in 2008; and in 2010 the Small Business Jobs Opportunity Fund (SBJOF) was launched. The funds were created through a partnership between the State of Tennessee, the Tennessee Bankers Association and Pathway Lending, a not-for-profit community development financial institution, also referred to as a CDFI. ROF provides loans and technical assistance to small, disadvantaged and early-stage businesses in rural Tennessee and the SBJOF provides loans of up to \$2.5 million to small businesses statewide. The Tennessee General Assembly approved a \$1.25 million appropriation directed through TNECD; \$10 million for ROF; \$10 million for the \$25 million SBJOF.

B. STATE OPERATING SYSTEMS AND POLICIES

1. THE STATE OPERATING SYSTEMS THAT WILL SUPPORT THE IMPLEMENTATION OF THE STATE'S STRATEGIES. THIS MUST INCLUDE A DESCRIPTION OF–
 1. STATE OPERATING SYSTEMS THAT SUPPORT COORDINATED IMPLEMENTATION OF STATE STRATEGIES (E.G., LABOR MARKET INFORMATION SYSTEMS, DATA SYSTEMS, COMMUNICATION SYSTEMS, CASE-MANAGEMENT SYSTEMS, JOB BANKS, ETC.)

In Tennessee our WIOA required core and combined partners have oversight over multiple data systems that support and help carry out WIOA reporting requirements. We work together as partners sharing data across systems so that we can best provide our services to Tennesseans depending on their needs.

Tennessee's web-based Virtual One-Stop System (VOS) is the most advanced and comprehensive statewide workforce development information and reporting system available today. Using a set of core proprietary software components created by Geographic Solutions Inc., the department and its partners (Title 1 WIOA Adult, Dislocated Worker Youth, Title 2 Adult Education, and Title 3 Wagner Peyer, Apprenticeship, TAA, SNAP E&T and JVSG have modernized and integrated workforce services into a single computing platform referred to as Jobs4TN. This system will allow for a coordinated implementation of our state strategies. Having data integrated in the same system allows for better program communication which leads to better reporting and customer service.

One of the main objectives of Tennessee's Workforce System is to connect workforce development with job creation and growth; so a major tool intended to achieve and maintain this relationship is our data and case management system. For this reason, TDLWD launched Jobs4TN in December 2014. Developed by Geographic Solutions, Inc., this system is user- friendly and extremely helpful for the general public and our staff. The major functionalities of Jobs4TN are:

- Self-Service for Job Seekers
- Self-Service for Employers
- Labor Market Information
- Mediated Labor Exchange
- Case Management through Virtual One-Stop System (VOS)
- Performance Reporting and Flexible Ad Hoc Reports
- Individual Fund Tracking

These functions provide integrated and secure, web-based applications hosted by Geographic Solutions, Inc. They are also password protected and have role-based security for local and state level staff. They provide, in addition, full, statewide metrics and streamlined participant data as well as performance reports just for the unique local areas and all AJCs.

In addition to the multi-level functionality of Jobs4TN, Workforce One-Touch streamlines the agility and connectivity of business management and customer service ticketing systems utilized by TDLWD. This system exists with the following goal, strategy, and objectives in mind,

- GOAL: collect real-time customer data upon which evidence-based TDLWD policies can be structured and continuously improved while measuring customer performance and accountability.
- STRATEGY: develop multi-agency collaboration and accountability for the effective delivery of services reflective of State workforce and education customer service outcomes.

- OBJECTIVE: increase customer service data sharing across State agencies through an agreed-to standardized process that includes the creation of standardized customer profiles and ticket forms.

Workforce One-touch has revolutionized Workforce System communication and management resulting in transformational results across Tennessee. Below are some highlights of the success of the system:

A major feature of Workforce One-Touch is Zendesk, a multi-channel customer service tool that streamlines communications throughout the Department. This system allows TDLWD to store all support questions and requests in one place for staff assistance and reference. Within assigned groups or divisions in the system, staff can quickly respond to businesses and customer requests for assistance or easily assign the request to the appropriate staff member. The ease in sharing such requests allows the Department to render quicker, better customer service. It also provides a record of progress for various communications to increase collaboration and streamline all responses. Finally, this system provides customer service and satisfaction metrics to support workflow improvements and increase efficiencies across the board.

In addition to coordinated request responses, Zendesk also includes a live-chat feature, Zendesk Chat. Advantages of this feature include:

- Proactive engagement - initiate a chat with a customer who may need help
- Customer convenience - chat is a fast way to provide customer service in real time
- Agent productivity - reach more customers by easily managing multiple chats. Zendesk Chat also offers helpful features including:
 - Triggers that automatically send out a chat or message to visitors on specific pages of the Department's website.
 - Agent-to-agent chat for team collaboration in real time
 - Automatic translations of chat conversations
 - Shortcuts that speed up chat conversations
 - The ability to route chats to specialists

The Tennessee Department of Human Services Title IV (TDHS) – Vocational Rehabilitation (VR) is under contract with Alliance Enterprises, Inc. and has replaced their new system, Aware, that is federally compliant and supports the changes required by WIOA. The new system is providing staff with a more efficient, user-friendly system that supports WIOA reporting requirements and a variety of vocational rehabilitation program case types, including traditional VR cases, Independent Living (IL) cases, Independent Living Older Blind (ILOB) cases, Potentially Eligible (PE) cases, and allows for staff of Community Tennessee Rehabilitation Centers (CTRCs) and TRC Smyrna to access and store essential case information in one comprehensive case management system.

The Tennessee Department of Human Services – Temporary Assistance for Needy Families has recently launched a new case management called EBMS in 2023. This new system has allowed better case management for participants and allowed better sharing data for other systems.

2. DATA-COLLECTION AND REPORTING PROCESSES USED FOR ALL PROGRAMS AND ACTIVITIES, INCLUDING THOSE PRESENT IN ONE-STOP CENTERS

Data-collection and reporting processes used for all programs and activities, including those present in one-stop centers.¹⁰

1. For the PY 2016 state plan, descriptions of data collection and reporting processes need only include currently known indicators.

Our goal is to carry out all data-collection and reporting processes under this plan for Title I, II and III using a virtual system, specifically, the Jobs4TN system which is being deployed by Geographic Solutions, Inc., TDLWD's system of record for workforce data across all core programs. And to the extent possible, recognizing cost and infrastructure limitations, also to be deployed for certain mandatory and optional partners as WIOA take shape in the future.

The department's web-based Virtual One-Stop System (VOS) is the most advanced and comprehensive statewide workforce development information and reporting system available today. Using a set of core proprietary software components created by Geographic Solutions Inc., the department and its partners have modernized and integrated workforce services into a single computing platform referred to as Jobs4TN. Working from the WIOA statutes, we have moved forward with establishing needed data points in our systems and continually work with our vendor to collect required data as the reporting requirements continually change. *The system was created to collect participant level data that is needed to create the federal reporting file called the PIRL (Participant Individual Record Layout). As participants receive services from our system they are entered into the jobs4tn system where that information is housed in certain individual record tables. Once we have collected the social security number of a participant that was a participant of a program that social security number is then matched with wages from our Tennessee state unemployment wage records and also combined with SWIS wage records and then stored into the system. Every quarter we pull an extract of the participants that were served for that rolling 4 quarter period and submit a SIRS file to the US Department of Labor. That file then goes through numerous edit checks and validation to ensure accuracy of the report.*

The VOS component library as implemented in Tennessee is modular in design and new or existing Web components will be easily added or modified. For example, the system incorporates robust modules for:

- Job Seeker and Employer Self Service
- Title I, Title II, Title III, Title IV (in December 2016), as well as Trade, SNAP, and RESEA Case Management Modules.
- Unemployment Insurance
- Virtual Recruiter for Employers
- Labor Market Information, including Demand Occupations by LWDAs

- Labor Force Information by County, Region, and Statistical Area
- Tennessee Training Providers
- Adult Education

The system also creates and deploys expansive, workforce administrator and manager tools and virtual functionalities such as:

- Accountability and Dashboard Modules for Management
- Fund Management Tracking and Reporting
- Managed Employment Services
- Statewide and Partner Case Management
- Follow-Up and Outcomes Tracking
- National Data Sharing Interfaces
- Trade-Affected Worker Module
- Rapid Response to Layoff Module

VOS also enhances user practical knowledge by making available state-of-the-art, online assessments, as well as outcome tracking of Aptitude and Basic Skills tests, which are easily recorded for search and viewing by authorized staff and employers. Paperless case management and source document management and data validation modules position department and contractor staff for further deployment of business efficiencies through managed upgrades and modifications to the system.

VOS is a robust web-based computing system with strengths in ease of use and in its partnerships with internal units such as Unemployment Insurance, Adult Education, and potentially scalable interfaces and partnerships with other agencies in state government.

The Tennessee Department of Human Services (TDHS) – Vocational Rehabilitation (VR) is in the process of implementing a new case management system called Aware. The system is scheduled to go live in June 2021. The new system will simplify data collection and report generation for staff, allowing for greater transparency and access to program-related data. The system was chosen in part because it is scalable and agile enough to implement changes to data collection and reporting in a timely manner and is designed to identify and easily collect all data field required by the VR Service Programs federal partners, the Rehabilitation Services Administration (RSA). The system also permits budgeting, facilitates fiscal transactions through external systems, and provides statistical and management report generation in accordance with the applicable state and federal regulations, particularly WIOA. It also has the capability of accepting and storing program documentation and generation of all federal reports, as well as division-specific reports, allowing the VR Program the opportunity to collect and accurately report on crucial program data.

2. THE STATE POLICIES THAT WILL SUPPORT THE IMPLEMENTATION OF THE STATE'S STRATEGIES (FOR EXAMPLE. CO-ENROLLMENT POLICIES AND UNIVERSAL INTAKE PROCESSES WHERE

APPROPRIATE). IN ADDITION, PROVIDE THE STATE'S GUIDELINES FOR STATE-ADMINISTERED ONE-STOP PARTNER PROGRAMS' CONTRIBUTIONS TO A ONE-STOP DELIVERY SYSTEM AND ANY ADDITIONAL GUIDANCE FOR ONE-STOP PARTNER CONTRIBUTIONS.

The Tennessee Department of Human Services (TDHS) - Vocational Rehabilitation (VR) Services Program considers an individual to have applied for VR services when the individual or, as appropriate, the individual's representative has completed and signed a common intake form at an American Job Center and has been referred to a VR Counselor.

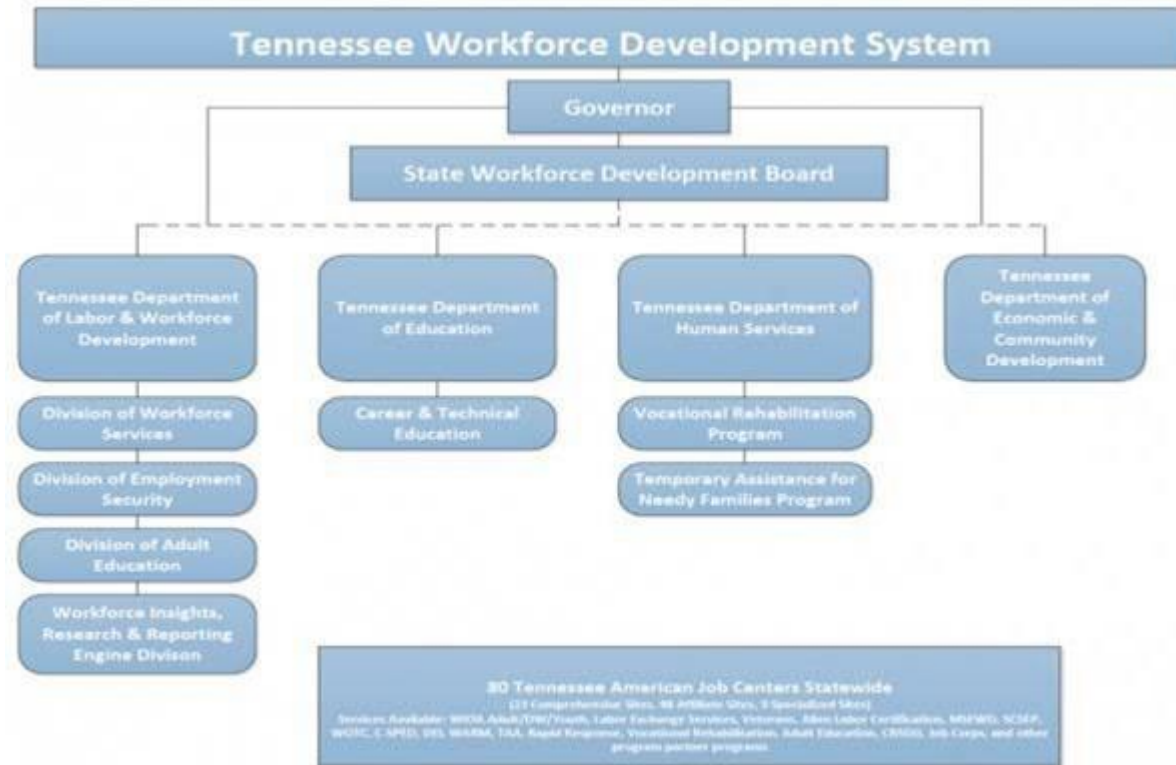
The Tennessee Department of Human Services (TDHS) - Vocational Rehabilitation (VR) Services Program refers individuals who are not eligible for VR services or are not seeking employment or whose case is closed unsuccessful to a local American Job Center to address their employment needs.

The State Workforce Development Board (SWDB) has three policies regarding the provision and oversight of services and partners within the American Job Center (AJC). The first policy is labeled WFS Policy- Local Governance. This policy lays out the requirements and duties of the Local Workforce Development Board (LWDB) to include the responsibility of setting policy, providing direction and monitoring those activities. The second policy is labeled WFS Policy- One Stop System Design. This policy lays out the specifics on the roles of all partners within the AJC system, the coordination amongst partners, the One-Stop Operator's responsibility to manage staff and promote coordination, and the development of functional teams. The third policy is labeled WFS Policy- Co-enrollment and this policy lays out the process for enrolling participants into multiple programs. These policies, along with the development of a Memorandum of Understanding (MOU) and Infrastructure Funding Agreement (IFA) at the LWDB level amongst partners, ensures the coordination between core, required and community partners to provide the needed services in each Local Workforce Development Area (LWDA). The WFS policies can be located at the SWDB website: <https://www.tn.gov/workforce-services-tn/swdb/board-policies-and-guidance.html>

To address the handling of One-Stop partners' contributions the state has a policy labeled One-Stop Infrastructure Governor's Guidance and guidance developed on the creation of local IFAs and MOUs labeled MOU/One Stop Service Delivery and Infrastructure Funding Agreement. These policies can be located at the SWDB Website: <https://www.tn.gov/workforce-services-tn/swdb/board-policies-and-guidance.html>

3. STATE PROGRAM AND STATE BOARD OVERVIEW

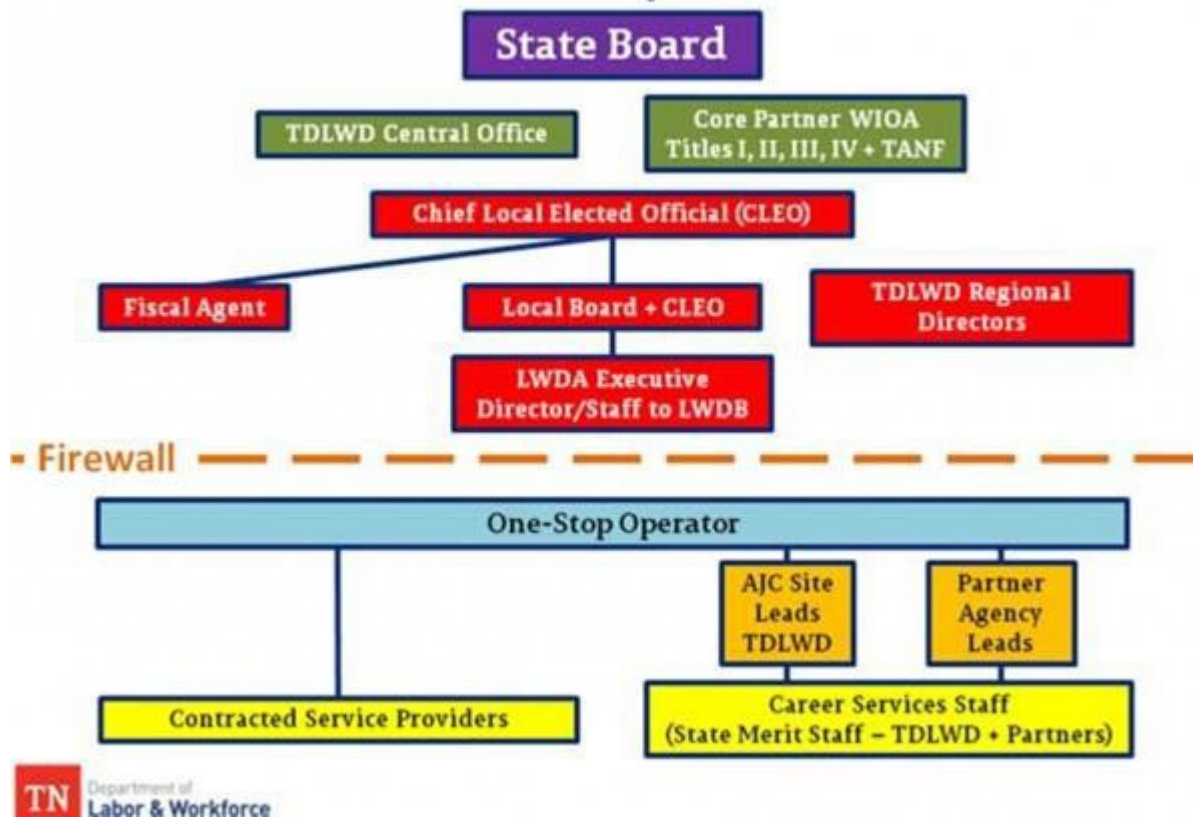
A. STATE AGENCY ORGANIZATION



Division of Workforce Insights, Research and Reporting Engine (WIRED) – provides the labor market information statistics and data to help all the above divisions to make data driven decisions. The data includes the Workforce Information database (WID), State and Local industry and employment projections, Annual State Economic Analysis, Presentations, etc.

Under the oversight and direction of Governor Bill Lee, the Tennessee State Workforce Development Board is comprised of 33 members who carry out the state’s workforce functions and activities in accordance with section 101 of WIOA. The activities within the Tennessee Workforce System cannot be carried out without the collaboration of multiple departments of the State of Tennessee including the Local Workforce Development areas.

State Workforce System Structure



The Tennessee Department of Labor and Workforce Development (TDLWD) is authorized as the signatory entity designated to receive funds under WIOA. Within the context of WIOA, TDLWD administers services through the following:

- Division of Workforce Services - manages Title I and III funds as well as ensure workforce, job-training, and employment-related activities are provided in accordance to WIOA.
 - The Division of Workforce Services also provides oversight of programs and activities within the American Job Centers (AJC) which provides training and educational services as well as workforce development to Tennesseans across Tennessee. The AJCs have been positioned within their area to allow for physical and programmatic access to services and resources. In essence, the AJC is the face of the Tennessee Workforce System.
- Division of Employment Security - administers Tennessee's Unemployment Insurance program and collects, analyzes, and disseminates Tennessee's Labor Market Information.
- Division of Adult Education - manages the Title II, Adult Education, and Family Literacy Act program which delivers educational services to adults.

The Local Workforce System under the guidance of the State Workforce Board has formed its own structure which includes a Chief Elected Official, a Local Board, a fiscal agent, and TDLWD Regional Directors. One of the responsibilities of the State Workforce Board is guiding the local workforce board

through policy directives and overseeing the activities and services statewide. The role of the TDLWD central office (Workforce Service) staff along with the core partners is to assist the State Workforce Board. Staff support includes the development of policies, planning, evaluating program outcomes, monitoring the delivery system, allocating funds to the local areas, and the overall management of the workforce system.

The Chief Local Elected Official (CLEO) serves a crucial role on behalf of each unit of government in the workforce system because the CLEO is responsible for: selecting the local board; ensuring the local board is representative of the local area; being liable for the funding and the distribution of funds to the local area; designating the fiscal agent; and approving the budgets the area will use to operate the workforce system. Additionally, CLEO responsibilities include the developing the Memorandum of Understanding, overseeing the AJCs, and requesting the designation and certification of the Local Boards.

The Local Board is made up of selected individuals in the local area based on the criteria established in WIOA Section (107(c) (1). The Local Board along with the Chief Elected Official is responsible for the following activities: planning; procuring OSOs; selecting eligible service providers for training services; overseeing activities of the AJCs; developing local board policies; negotiating the local performance measures; and procuring youth service providers. If the Local Board is selected by the CLEO as the fiscal agent, the responsibility will extend to

The Fiscal Agent is an entity designated by the Chief Local Elected official (CLEO) and is responsible for the receipt, disbursement, accounting, auditing, monitoring, and reporting of all WIOA funds given by the TDLWD. The CLEO responsibility is to ensure that this agent has a clearly defined role and responsibility which are limited to accounting and funds management. The CLEO also has an understanding that the designation of a Fiscal Agent does not relieve the CLEO or Governor of liability for the misuse of grant funds.

TDLWD Regional Business and Workforce Directors represent the TDLWD as a part of the board as required in (20 CFR 652.201). By representing the State on Local Boards, Regional Directors are responsible for overseeing the TNWorks strategy of coordinating business engagement and economic development responses within their region. The Regional Directors must work in conjunction with LWDA/Local Board Executive Staff to ensure local Business Services Staff are aligned with TNWorks.

B. STATE BOARD

Under the oversight and direction of Governor Bill Lee, the Tennessee State Workforce Development Board is comprised of 33 members who carry out the state's workforce functions and activities in accordance with section 101 of WIOA. The activities within the Tennessee Workforce System cannot be carried out without the collaboration of multiple departments of the State of Tennessee including the Local Workforce Development areas.

	Department	TN Labor and Workforce Development
	Board	State Workforce Development Board
	Date	March 12, 2026
	Industry Qualifications	Member Name
	Governor	

1	Governor's Designee	Michael Hendrix
	Representatives of Business	
2	Business and Industry	Jacky Akbari
3	Business and Industry	Natalie Alvarez
4	Business and Industry	Martha Axford
5	Business and Industry	Joe Baker
6	Business and Industry	Tim Berry
7	Business and Industry	Lynda Botsch
8	Business and Industry	Josh Brown
9	Business and Industry	Ben Ferguson
10	Business and Industry	Max Goldberg
11	Business and Industry	Marshall Graves
12	Business and Industry	J. Paul Jackson
13	Business and Industry	Sandra Long
14	Business and Industry	Kelly North
15	Business and Industry	Stuart Price
16	Business and Industry	Lee Sloan
17	Business and Industry	David Stansell
	Representatives of Workforce	
18	Apprenticeship/Training	Jason Bates
19	Community Based Org	David Jordan
20	Community Based Org	Ron Wade
21	Organized Labor	Billy Dycus
22	Organized Labor	Will Trumm
23	Organized Labor	Jeffrey Vance
	Representatives of State Legislature	
24	Legislature- House	State Representative Clark Boyd
25	Legislature- Senate	State Senator Paul Bailey
	Representatives of TN Government	
26	TDLWD - WIOA Title I and Title III	Commissioner Deniece Thomas
27	TDLWD - WIOA Title II (AE)	Assistant Commissioner Jay Baker
28	DHS - WIOA Title IV (VR)	Assistant Commissioner (Vacant) Amy Howell, Interim
29	DHS - SNAP and TANF	Commissioner Clarence Carter
30	ECD	Commissioner Stuart McWhorter
31	DOE	Commissioner Lizzette Reynolds
32	Chief Elected Official - City	Mayor Tim Kelly
33	Chief Elected Official - County	Mayor Mike Pogreba

Table 22: Revised Tennessee State Workforce Development Board Membership Roster

BOARD ACTIVITIES

Provide a description of the activities that will assist State Board members and staff in carrying out State Board functions effectively.

As discussed in the State Board section of this plan, the Tennessee State Workforce Development Board (SWDB) is a high-performing board overseeing the state's workforce development system. Serving as a convener of state, regional, and local workforce system partners, the SWDB helps to ensure workforce programs align with the needs of employers and job seekers, thereby supporting economic growth and promoting a skilled workforce. The board's main functions include:

- **Oversight of Workforce Strategies:** Providing guidance to the Governor and the Tennessee Department of Labor (TDLWD) on workforce policy, strategic plans, and investments in training and skills development programs. This includes overseeing federal and state workforce funding programs, such as those under the Workforce Innovation and Opportunity Act (WIOA).
- **Partnerships and Collaboration:** Working with local workforce development boards, employers, educational institutions, and other stakeholders to create opportunities for individuals to gain skills and secure sustainable employment.
- **Education and Industry Alignment:** Ensuring that the workforce system aligns with the state's educational institutions and business sectors, particularly in terms of skills training and career readiness.
- **Accountability:** Monitoring and evaluating the effectiveness of workforce programs and funding allocations, ensuring that they meet performance standards and produce tangible results for both job seekers and employers.
- **Economic Growth through Workforce Development:** Encouraging initiatives to support the development of Tennessee's workforce and economic growth by building a workforce that matches the evolving needs of the state's industries, particularly in priority sectors.

The role of the TDLWD central office (Workforce Service) staff along with the core partners is to assist the State Workforce Board staff. Staff support includes the development of policies, planning, evaluating program outcomes, monitoring the delivery system, allocating funds to the local areas and the overall management of the workforce system.

In 2025, the Board revised its Bylaws to support their expanded role under Executive Order 109. As identified in Tennessee's updated bylaws the Board's function are:

- The primary responsibility of the Board is to advise the Governor on all matters of workforce development strategy for the state of Tennessee. All recommendations by the Board shall be subject to approval by the Governor.
- In the absence of statutory prohibition, the Board may also carry out the duties and functions of other existing State councils as described under laws relating to federal and state workforce development programs where the Governor and Commissioner of the State department responsible for the administration of such program jointly agree to include the program within the jurisdiction of the Board.

- The Board shall identify the workforce development needs of the State, access and implement any workforce related policy, program initiative, or practice the Governor deems necessary to advance labor market competitiveness for the State of Tennessee, and make recommendations toward improving statewide policies, goals, and guidelines for the coordination of all workforce education, employment, and training programs. Such recommendations should transcend traditional organizations and program boundaries and focus rather on providing quality services to those citizens who use such services, and on the needs of the employers who increasingly depend upon the workforce development system to secure qualified workers. The Board shall advise the Governor on these matters and attend to those specific tasks which may be delegated to the board from time to time by the Governor.
- The Board shall coordinate and direct all workforce related training, programs, and grant funds for workforce development activities in the State of Tennessee. The Board shall determine which programs and entities shall receive workforce funding in the State of Tennessee.
- The Board shall review the provision of services and the use of funds and resources under applicable Federal workforce development programs and advise the Governor on methods of improving and coordinating the use of such funds and resources. Where necessary, the Board shall develop and implement appropriate State and local performance measures to ensure that such resources and funds are being used effectively.
- The Board shall make an annual report to the Governor which shall be a public document. It shall issue such other studies, reports, or documents as it deems advisable to assist in improving the delivery of workforce development services and in carrying out the purposes of the State Workforce Development System.
- The Board shall identify the employment and training and vocational education needs throughout the state; assess the extent to which employment and training, vocational education, rehabilitation services, economic development, temporary assistance for needy families, and other federal, state, and local programs and services represent a consistent, integrated, and coordinated approach to meeting such needs.
- The Board shall review plans of all state agencies providing employment, training, and related services, and provide comments and recommendations to the Governor, the state legislature, the state agencies, and the appropriate federal agencies on the relevancy and effectiveness of employment and training, and related service delivery systems in the state.

4. ASSESSMENT AND EVALUATION OF PROGRAMS AND ONE-STOP PROGRAM PARTNERS

A. ASSESSMENT OF CORE AND ONE-STOP PROGRAM PARTNER PROGRAMS.

1. ASSESSMENT OF CORE PROGRAMS

Describe how the core programs will be assessed each year based on State performance accountability measures described in section 116(b) of WIOA. This State assessment must include the quality, effectiveness, and improvement of programs broken down by local area or provider. Such state assessments should take into account local and regional planning goals.

Performance reporting is led by the Tennessee Department of Labor and Workforce Development, Workforce Services Division and partner agencies regularly report progress on the core performance indicators identified in section 116(b) of WIOA. The quality and effectiveness of state partner programs are measured by their ability to meet or exceed their agency's target.

The Workforce Services Division and Workforce Insights Research and Reporting Engine (WIR2ED) divisions provide reports in Jobs4tn (integrated case management system) that enables co-enrollment across programs to the LWDA's that can be run prior to each quarterly PIRL submission. These reports include Title 1- Adult, Dislocated Worker, Youth, National Dislocated Worker Grant, Title 3- Wagner Peyser, JVSG, and TAA. Each local area reviews and monitors each of their area's performance outcomes. The divisions also track on spreadsheets the percent of target for each of the LWDA. These reports are to track whether the respective LWDA is meeting the 90% threshold. If an area is falling below a 90% of their respective negotiated target, this is coded yellow or red and the information is shared with Workforce Services' management.

Technical assistance is then provided from the respective program subject matter expert to the respective LWDA(s) in order to improve that specific outcome for the next quarter. In addition, each LWDA area provides monitoring throughout the year on active and exited cases. This allows the areas to find issues and make corrections to the data ensuring that we have quality data in our system. The department also continues to conduct our annual data validation process after the end of each program year as required in TEGL 7-18. Key performance indicators have been set for all partners so that we ensure we are serving participants from each barrier categories. We have hired an independent firm to conduct a process improvement analysis in order to improve the customer experience.

Additionally, each state VR agency is required to perform a comprehensive statewide needs assessment (CSNA) every three years. The CSNA is required as part of the Rehabilitation Act of 1973 as amended by the Workforce Innovation and Opportunities Act (WIOA). The CSNA serves as the basis for state plan goals, objectives, and strategies and is used as a tool for informing the public and enhancing community awareness about the VR program.

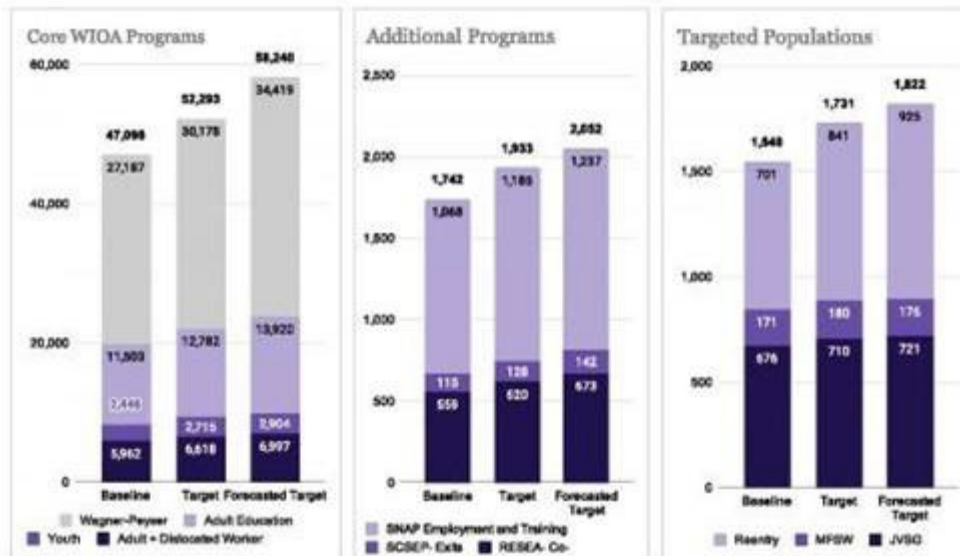
2. ASSESSMENT OF ONE-STOP PARTNER PROGRAMS

Describe how other one-stop delivery system partner program services and Combined State Plan partner programs included in the plan will be assessed each year. Such state assessments should take into account local and regional planning goals.

Performance reporting is led by the Tennessee Department of Labor and Workforce Development, Workforce Services Division and partner agencies regularly report progress on the core performance indicators identified in section 116(b) of WIOA. The quality and effectiveness of state partner programs are measured by their ability to meet or exceed their agency's target.

In addition to the programs that are assessed for quality, effectiveness, and need for improvement, the Workforce Services Division is continuing the process of developing State, regional and local performance measures (locally and regionally referred to as Key Performance Indicators or KPIs). These KPIs consist of measures including but not limited to new enrollments, co-enrollments, exits, as well as new classifications and span across the Governor's priorities in addition to the core and required partners under WIOA (Title I Adult, Dislocated Worker, and Youth; Adult Education, Wagner-Peyser, Vocational Rehabilitation, Senior Community Service Employment Program, Reemployment and Eligibility Assessments, Trade Adjustment Assistance, Temporary Assistance for Needy Families, Youthbuild, Supplemental Nutrition Assistance Program Employment and Training, Jobs for Veterans State Grants, Migrant and Seasonal Farm Workers, Reentry, and Distressed Counties). Progress towards achieving these negotiated targets, now in its pilot year, is reported to our State Workforce Development Board on a quarterly basis. These KPIs are analyzed for best practices and areas for improvement with the goal of increasing the impact of Tennessee's public workforce system in order to make Tennessee "the best public workforce system in the nation." Areas of needed improvement are addressed by respective subject matter experts through review of these KPIs by program, then technical assistance is provided with all partners involved with the respective KPIs. (Please refer to the following KPI Enrollments November 2019 for example.)

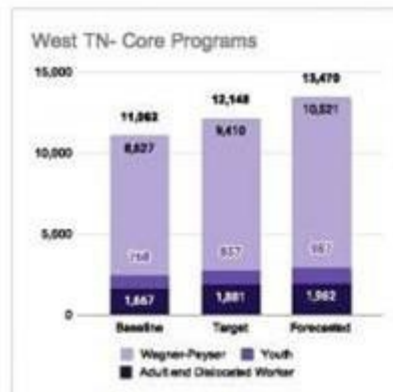
State Targets- TN



Core Programs	Target	Baseline	Forecasted Target	Measures	Geography	Historical Trend
WIOA Title I- Adult and Dislocated Worker	6,618	5,962	6,997	New Enrollment	Region	↓
Youth	2,715	2,445	2,994	New Enrollment	Region	—
WIOA Title II- Adult Education	12,782	11,503	13,920	New Enrollment	Provider	↓
WIOA Title III- Wagner-Peyser	30,178	27,187	34,419	New Enrollment	Region	↓
WIOA Title IV- Vocational Rehabilitation	X	5,298	X	X	X	↓

Additional Programs	Target	Baseline	Forecasted Target	Measures	Geography	Historical Trend
Reemployment and Eligibility Assessments	735	559	819	Co-Enrollment	Region	↓
Senior Community Service Employment Program	128	115	142	Exts	Provider	↓
SNAP- Employment and Training	1,499	1,350	1,581	New Enrollment	Region	↑
Trade Adjustment Assistance	34.5%	19.6%	50.0%	Co-Enrollment w/ Title I	LWDA	—
Temporary Assistance for Needy Families- Families First	X	X	X	X	X	X
Youthbuild	X	X	X	X	X	X

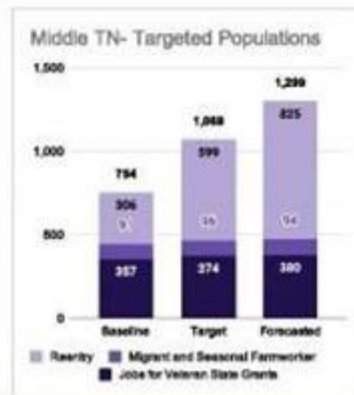
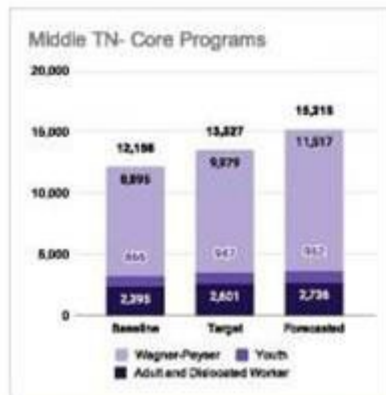
Targeted Populations	Target	Baseline	Forecasted Target	Measures	Geography	Historical Trend
Distressed Counties	X	X	X	X	X	X
Jobs for Veteran State Grants	710	676	721	New Enrollment	Region	↑
Migrant and Seasonal Farmworker	180	171	176	New Enrollment	Region	↓
Reentry	9,000	701	3,000	New Enrollment	Region	↑



Core Programs	Baseline	Target	Forecasted Target	Measure	Methodology	Historical Trend
Adult and Dislocated Worker	1,667	1,881	1,962	New Enrollment	Regional Baseline + (State Increase x proportion of allocation)	—
Youth	768	857	987	New Enrollment	Regional Baseline + (State Increase x proportion of allocation)	↓
Adult Education	NA	NA	NA	NA	Provider Specific	↓
Wagner-Peyser	8,827	9,410	10,521	New Enrollment	Regional Baseline + (State Increase x proportion of working poor)	↓
Vocational Rehabilitation	1,616	X	X	X	X	↑

Additional Programs	Baseline	Target	Forecasted Target	Measure	Methodology	Historical Trend
Reemployment and Eligibility Assessments	35	170	192	Co-Enrollment	State Target x Proportion of UI Claimants Selected	↓
Senior Community Service Employment Program	NA	NA	NA	NA	Provider Specific	NA
SNAP- Employment and Training	295	315	343	New Enrollment	Relative SNAP Participants	↑
Trade Adjustment Assistance	X	33.0%	50.0%	Co-Enrollment w/ Title I	Federal Mandate	—
Temporary Assistance for Needy Families- Families First	X	X	X	X	X	X
Youthbuild	X	X	X	X	X	X

Targeted Populations	Baseline	Target	Forecasted Target	Measure	Methodology	Historical Trend
Distressed Counties	X	X	X	X	X	X
Jobs for Veteran State Grants	95	100	102	New Enrollment	Regional Baseline + (State Increase x proportion of staff)	↑
Migrant and Seasonal Farmworker	37	39	41	New Enrollment	Regional Baseline + (Regional Baseline x State targeted growth rate)	↑
Reentry	273	707	1,042	New Enrollment	Regional Baseline + (State Increase x Relative Potential to Serve)	↑



Core Programs	Baseline	Target	Forecasted Target	Measure	Methodology	Historical Trend
Adult and Dislocated Worker	2,395	2,601	2,796	New Enrollment	Regional Baseline + (State Increase x proportion of allocation)	↓
Youth	666	947	962	New Enrollment	Regional Baseline + (State Increase x proportion of allocation)	↑
Adult Education	NA	NA	NA	NA	Provider Specific	↓
Wagner-Peyser	8,895	9,979	11,317	New Enrollment	Regional Baseline + (State Increase x proportion of working poor)	↓
Vocational Rehabilitation	2,124	X	X	X	X	↑

Additional Programs	Baseline	Target	Forecasted Target	Measure	Methodology	Historical Trend
Reemployment and Eligibility Assessments	299	325	332	Co-Enrollment	Regional Baseline + (11% increase x Proportion of UI Claimants Selected)	↓
Senior Community Service Employment Program	NA	NA	NA	NA	Provider Specific	NA
SNAP- Employment and Training	407	452	476	New Enrollment	Relative SNAP Participants	↑
Trade Adjustment Assistance	X	35.0%	50.0%	Co-Enrollment w/ Title I	Federal Mandate	—
Temporary Assistance for Needy Families- Families First	X	X	X	X	X	X
Youthbuild	X	X	X	X	X	X

Targeted Populations	Baseline	Target	Forecasted Target	Measure	Methodology	Historical Trend
Distressed Counties	X	X	X	X	X	X
Jobs for Veteran State Grants	357	374	380	New Enrollment	Regional Baseline + (State Increase x proportion of staff)	↑
Migrant and Seasonal Farmworker	91	96	94	New Enrollment	Regional Baseline + (Regional Baseline x State targeted growth rate)	↓
Reentry	306	399	425	New Enrollment	Regional Baseline + (State Increase x Relative Potential to Serve)	↑



Core Programs	Baseline	Target	Forecasted Target	Measure	Methodology	Historical Trend
Adult and Dislocated Worker	1,901	2,141	2,300	New Enrollment	Regional Baseline + (State Increase x proportion of allocation)	—
Youth	82	941	934	New Enrollment	Regional Baseline + (State Increase x proportion of allocation)	↑
Adult Education	NA	NA	NA	NA	Provider Specific	↓
Wagner-Peyser	9,665	10,788	12,381	New Enrollment	Regional Baseline + (State Increase x proportion of working poor)	↓
Vocational Rehabilitation	2,000	X	X	X	X	—

Additional Programs	Baseline	Target	Forecasted Target	Measure	Methodology	Historical Trend
Reemployment and Eligibility Assessments	225	244	281	Co-Enrollment	Regional Baseline + (11% Increase x Proportion of UI Claimants Selected)	↓
Senior Community Service Employment Program	NA	NA	NA	NA	Provider Specific	NA
SNAP- Employment and Training	678	731	761	New Enrollment	Relative SNAP Participants	↑
Trade Adjustment Assistance	X	35.0%	50.0%	Co-Enrollment w/ Title I	Federal Mandate	—
Temporary Assistance for Needy Families- Families First	X	X	X	X	X	X
Youthbuild	X	X	X	X	X	X

Targeted Populations	Baseline	Target	Forecasted Target	Measure	Methodology	Historical Trend
Distressed Counties	X	X	X	X	X	X
Jobs for Veterans State Grants	225	236	240	New Enrollment	Regional Baseline + (State Increase x proportion of staff)	↑
Migrant and Seasonal Farmworker	43	45	40	New Enrollment	Regional Baseline + (Regional Baseline x State targeted growth rate)	↓
Reentry	122	694	1,134	New Enrollment	Regional Baseline + (State Increase x Relative Potential to Serve)	↑

The State Workforce Development Board's (SWDB) Certification Standards established and communicated clear expectations and minimum requirements for American Job Centers (AJC). They measure the effectiveness of system management and services to job seekers and employers and is one of the ways that core, mandatory and non-traditional partner programs are assessed each year. As

required by WIOA, the State initiated the evaluation process in 2017 and the Local Workforce Development Boards (LWDB) will re-evaluate every three years thereafter.

B. PREVIOUS ASSESSMENT RESULTS

In 2023, the Tennessee Department of Labor and Workforce Development (TDLWD), in partnership with KPMG LLP, conducted a comprehensive evaluation of the state's workforce system, including the American Job Center (AJC) and Adult Education (AE) networks, to assess service delivery, identify leading practices, and uncover gaps and opportunities for improvement. Through on-site observations, staff interviews, and program data analysis, KPMG produced a set of actionable recommendations focused on enhancing program quality, improving customer experience, increasing accessibility for priority populations, and streamlining administrative processes.

To complete the evaluation, the State leveraged multiple data instruments to gather input from key stakeholders who interact with the State's workforce ecosystem, including staff, business partners, workforce leaders, employers, and residents. The evaluation team assessed the customer experience of employers and job seekers by analyzing program-level data and conducting stakeholder interviews, a workforce assessment workshop, online focus groups, open surveys, and mystery shopping visits. This range of data collection methods provided a holistic view of the existing job placement services, training programs offered, and the populations served. Using the information from these efforts, the evaluation team recommended program and management strategies to improve service delivery and outcomes for job seekers and employers.

The six recommendations were as follows:

1. Strengthen service integration and increase co-enrollment
2. Increase service utilization and awareness among all communities
3. Design and provide intensive, individualized services to enhance employment outcomes
4. Identify causes and missing leading practices to enhance efficiency
5. Deepen and track community partnerships and increase access points to customers
6. Focus on staff development, knowledge transferring and cultural change

These findings have directly informed Tennessee's American Job Center (AJC) Redesign initiative, which as discussed in the State Strategies sections of this plan, serves as the State's strategic response to modernize service delivery, strengthen WIOA implementation, and create a more integrated, customer-centered workforce system.

Tennessee is now in the process of advancing this comprehensive AJC Redesign strategy to better align with the realities of a rapidly evolving labor market and to position the workforce system as a driver of economic mobility and employer competitiveness. This modernization effort reflects a strategic shift away from a traditional, center-based and program-siloed model toward an integrated, flexible, and

industry-driven system that prioritizes outcomes over activity and emphasizes seamless service delivery for both job seekers and employers.

C. EVALUATION

Workforce Board Assessment & Certification Program

The Tennessee State Workforce Development Board (SWDB) began a Board Excellence Certification Program in 2024 in partnership with the University of Tennessee Center for Industrial Services (UTCIS) and has continued to expand the program through 2025 and 2026. SWDB established the Board Excellence Certification Program as a comprehensive, assessment-based framework designed to promote consistency, professional excellence, and ethical standards among workforce development boards statewide. This program is an integrated system of assessment, feedback, and professional development and is designed to foster and sustain high performing workforce development boards and facilitate effectiveness and innovation in meeting their obligations and leading into the future. Boards that achieve Board Excellence Certification serve as role models of improvement, innovation, and excellence for the rest of the workforce organization. The program provides a structured approach for evaluating and strengthening board performance by defining a recognized body of knowledge, identifying opportunities for professional development, and formally certifying adherence to best practices. Its goal is to ensure that both state and local boards operate as high-performing, strategically focused, and innovative organizations that effectively serve Tennessee's workforce and employers.

Central to the program is an assessment process tailored to the core responsibilities of workforce development boards. The certification process evaluates board policies, procedures, and performance against two nationally recognized frameworks:



- **Baldridge Criteria for Performance Excellence**- developed by the National Institute of Standards and Technology, which represents the nation's highest standard for organizational excellence; and
- **Workforce Innovation and Opportunity Act**- which defines governance, accountability, and performance requirements for workforce development systems.

The assessment identifies both strengths- which can be leveraged as strategic advantages- and opportunities for improvement, which represent areas for innovation and enhanced efficiency. Upon demonstration of competence in these areas, the Board receives formal recognition through the Board Excellence Certification Program, an integrated system of assessment, feedback, and professional development managed by experienced Baldridge examiners.

Achieving Board Excellence Certification acknowledges reliable approaches that lead to many areas of value:

- Creates systematic processes & identifies essential skills.

- Demonstrates credibility & commitment to excellence
- Ensures legal responsibilities of the boards are integrated into board operations
- Promotes accountability
- Recognizes competence and expertise.
- Prepares board for possible new grant funding opportunities

The Program foundation is a set of Elements of Certification that serve as the body of knowledge based on the Baldrige Framework for Excellence criteria and the Workforce Innovation and Opportunity Act (P.L. 113-128). The Elements of Certification address board operations and responsibilities in these key areas:

- Board structure, roles, relationships*
- Board and board member responsibilities*
- Governance system**
- Strategic Insight**
- Performance Management**
- Customer & Partner Engagement**

*Source: Board bylaws, charter, WIOA requirements

**Source: *Baldrige Framework for Performance Excellence*

The Elements of Certification serve as the foundation of the program, focusing on governance, strategy, performance management, and customer and partner engagement. For each element, there are Standards. These Standards are specific to each Element of Certification and identify actions critical to achievement of certification elements. They serve as the basis for the assessment of board performance.

For each Standard, there are incremental Levels of Competence to be demonstrated. These Levels of Competence range from having a process in place, following the process consistently, evaluation the process for effectiveness, to demonstrating the process is effective via measurable results. The Levels of Competence serve as the basis for feedback to the Board that identifies areas of strength, and opportunities for improvement and professional development.

A designation of overall Level of Achievement is determined, taking into account all elements, standards, and levels of competence. There are three Levels of Achievement:

- Compliant: Practices are in place, accessible, and known by those responsible for their execution.
- Competent: Practices are systematic and consistently followed. Practices are often reviewed, and some indicators or measures are identified.
- Role Model: Practices are evaluated for effectiveness. Practices are determined to be effective.

The State Workforce Development Board was evaluated through a two-phase process and measured against these three levels of achievement. In November 2024, the Tennessee State Workforce Development Board achieved “Competent and Approaching Role Model Status” through this certification process, demonstrating a strong culture of performance excellence and continuous

improvement. Building on this success, the Board has continued its partnership with UTCIS in 2025, and into 2026, to expand the Workforce Board Certification Program to Tennessee’s nine local workforce development boards, supporting a consistent standard of governance, accountability, and innovation across the state’s workforce system. Strong engagement from local board members, excellent collaboration with executive directors and staff

In July, 2025, the LWDB Certification Deployment Project advanced significantly by launching assessments of local workforce development boards across Middle, West, and East Tennessee. Each region is participating in a structured four-month assessment cycle that includes conducting the assessment, identifying initial findings and recommendations, capturing best practices, and launching rapid, “Just Do It” improvements. This review cycle will be completed in June 2026.

Early results from the assessment cycles have already produced meaningful quick wins. Boards across the state have begun implementing statewide standardized meeting practices, adopting standardized onboarding and orientation processes, and using targeted, bite-size communications to keep board members engaged between meetings. These improvements support consistency, clarity, and stronger participation statewide.

In addition to immediate improvements, the project has surfaced several longer-term enhancement opportunities. Emerging ideas include reassessing the role of local boards within an evolving statewide workforce ecosystem and identifying opportunities to better align system structure while strengthening the advisory capacity of local boards. Another key area of focus is the development of meaningful measures of effectiveness. While the workforce system generates abundant data, many boards still struggle to articulate their true impact. Going forward, the project will prioritize designing and producing frequent, measurable “impact measures” that demonstrate where workforce initiatives are making a difference.

The concept of board certification is becoming a readiness plan—positioning boards not only to meet compliance requirements but to strengthen advisory capacity, shift from oversight to insight, and remain agile in the face of evolving workforce demands. This work lays the foundation for a more consistent and effective statewide workforce system, capable of supporting employers, jobseekers, and communities across Tennessee.

Additional Assessments

Additional assessment of the workforce system will continue to take place through Quarterly and Annual monitoring of the LWDAs to include feedback from leadership from each of the 9 LWDAs. Those monitoring reviews will allow the State to determine the capacity of each LWDA and provide opportunities to determine their current service level and areas that will need improvement. Evaluation of specific programs will also take place such as an official evaluation of the Re-Employment Services and Eligibility Assessment (RESEA) program per UIPL 07-19.

5. DISTRIBUTION OF FUNDS FOR CORE PROGRAMS

A. FOR TITLE I PROGRAMS

I. YOUTH ACTIVITIES IN ACCORDANCE WITH WIOA SECTION 128(B)(2) OR (B)(3)

TN Allocation Formula for WIOA Youth, Adult and Dislocated Worker Programs

WIOA Youth Activities in Accordance with WIOA Section 128(B)(2) or (B)(3)

Formula:

1/3: Local area relative share of total unemployed in areas of substantial unemployment (ASU) (average 12 months ending 6/30) 1/3: Local area relative share of excess unemployed (average 12 months ending 6/30)

1/3: Local area relative share of disadvantaged youth. A youth aged 16-21 whose income, or whose family income was below the poverty level or below 70% of the poverty lower living standard. (American Community Survey 2016-2020)

For further details regarding the TDLWD's methods and factors used to distribute Title I funds to local areas, please refer to Workforce Services Policy - Title I Formula Allocation Methodology located on TDLWD technical assistance web page at TN.gov/workforce.

LWDA	Youth	Adult	Dislocated Worker	TOTAL
NE	\$826,025.29	\$832,931.93	\$599,656.62	\$2,258,613.84
ET	\$1,698,466.60	\$1,680,959.44	\$1,705,087.60	\$5,084,513.64
SE	\$1,062,118.13	\$1,011,275.55	\$1,246,882.69	\$3,320,276.37
SM	\$669,851.09	\$696,764.42	\$702,713.47	\$2,069,328.98
UC	\$563,813.57	\$581,607.51	\$430,209.64	\$1,575,630.71
NM	\$2,510,336.98	\$2,414,840.44	\$2,914,669.11	\$7,839,846.53
SW	\$514,724.81	\$520,076.02	\$356,251.49	\$1,391,052.31
NW	\$531,546.34	\$538,968.22	\$379,128.59	\$1,449,643.15
GM	\$3,640,902.19	\$3,498,148.47	\$2,251,702.79	\$9,390,753.46
TOTAL	\$12,017,785.00	\$11,775,572.00	\$10,586,302.00	\$34,379,659.00
Regional PY 2023-2024 Allocations				
East	\$3,586,610.02	\$3,525,166.92	\$3,551,626.91	\$10,663,403.85
Middle	\$3,744,001.64	\$3,693,212.37	\$4,047,592.22	\$11,484,806.23

LWDA	Youth	Adult	Dislocated Worker	TOTAL
West	\$4,687,173.34	\$4,557,192.71	\$2,987,082.87	\$12,231,448.92

Table: Program Year (PY) 2023 WIOA Title I Adult, Dislocated Worker and Youth Activities Program Allotments

II. ADULT AND TRAINING ACTIVITIES IN ACCORDANCE WITH WIOA SECTION 133(B)(2) OR (B)(3)

TN Allocation Formula for WIOA Youth, Adult and Dislocated Worker Programs

WIOA Youth Activities in Accordance with WIOA Section 128(B)(2) or (B)(3)

Formula:

1/3: Local area relative share of total unemployed in areas of substantial unemployment (ASU) (average 12 months ending 6/30) 1/3: Local area relative share of excess unemployed (average 12 months ending 6/30)

1/3: Local area relative share of disadvantaged youth. A youth aged 16-21 whose income, or whose family income was below the poverty level or below 70% of the poverty lower living standard. (American Community Survey 2016-2020)

WIOA Adult Activities in Accordance with WIOA Section 133(B)(2) or (B)(3)

Same as Youth Activities, except Formula uses disadvantaged ADULTS instead of YOUTH. An adult aged 22-72 whose income, or whose family income was below the poverty level or below 70% of the poverty lower living standard.

For further details regarding the TDLWD's methods and factors used to distribute Title I funds to local areas, please refer to Workforce Services Policy - Title I Formula Allocation Methodology located on TDLWD technical assistance web page at TN.gov/workforce.

LWDA	Youth	Adult	Dislocated Worker	TOTAL
NE	\$826,025.29	\$832,931.93	\$599,656.62	\$2,258,613.84
ET	\$1,698,466.60	\$1,680,959.44	\$1,705,087.60	\$5,084,513.64
SE	\$1,062,118.13	\$1,011,275.55	\$1,246,882.69	\$3,320,276.37
SM	\$669,851.09	\$696,764.42	\$702,713.47	\$2,069,328.98
UC	\$563,813.57	\$581,607.51	\$430,209.64	\$1,575,630.71
NM	\$2,510,336.98	\$2,414,840.44	\$2,914,669.11	\$7,839,846.53
SW	\$514,724.81	\$520,076.02	\$356,251.49	\$1,391,052.31
NW	\$531,546.34	\$538,968.22	\$379,128.59	\$1,449,643.15
GM	\$3,640,902.19	\$3,498,148.47	\$2,251,702.79	\$9,390,753.46

LWDA	Youth	Adult	Dislocated Worker	TOTAL
TOTAL	\$12,017,785.00	\$11,775,572.00	\$10,586,302.00	\$34,379,659.00
Regional PY 2023-2024 Allocations				
East	\$3,586,610.02	\$3,525,166.92	\$3,551,626.91	\$10,663,403.85
Middle	\$3,744,001.64	\$3,693,212.37	\$4,047,592.22	\$11,484,806.23
West	\$4,687,173.34	\$4,557,192.71	\$2,987,082.87	\$12,231,448.92

Table: Program Year (PY) 2023 WIOA Title I Adult, Dislocated Worker and Youth Activities Program Allotments

III. DISLOCATED WORKER EMPLOYMENT AND TRAINING ACTIVITIES IN ACCORDANCE WITH WIOA SECTION 133(B)(2) AND BASED ON DATA AND WEIGHTS ASSIGNED

WIOA Dislocated Workers in Accordance with WIOA Section 133 (B)(2) and Based on Data and Weights Assigned

Formula:

Funds to local areas must be allocated based on a formula created by the Governor using the following 6 data factors:

- Insured unemployment data; 33%
- Unemployment concentrations; 33%
- Plant closing and mass layoff data; 3%
- Declining industries data; 14%
- Long-term unemployment data; 17%

For further details regarding the TDLWD's methods and factors used to distribute Title I funds to local areas, please refer to Workforce Services Policy - Title I Formula Allocation Methodology located on TDLWD technical assistance web page at TN.gov/workforce.

LWDA	Youth	Adult	Dislocated Worker	TOTAL
NE	\$826,025.29	\$832,931.93	\$599,656.62	\$2,258,613.84
ET	\$1,698,466.60	\$1,680,959.44	\$1,705,087.60	\$5,084,513.64
SE	\$1,062,118.13	\$1,011,275.55	\$1,246,882.69	\$3,320,276.37
SM	\$669,851.09	\$696,764.42	\$702,713.47	\$2,069,328.98

LWDA	Youth	Adult	Dislocated Worker	TOTAL
UC	\$563,813.57	\$581,607.51	\$430,209.64	\$1,575,630.71
NM	\$2,510,336.98	\$2,414,840.44	\$2,914,669.11	\$7,839,846.53
SW	\$514,724.81	\$520,076.02	\$356,251.49	\$1,391,052.31
NW	\$531,546.34	\$538,968.22	\$379,128.59	\$1,449,643.15
GM	\$3,640,902.19	\$3,498,148.47	\$2,251,702.79	\$9,390,753.46
TOTAL	\$12,017,785.00	\$11,775,572.00	\$10,586,302.00	\$34,379,659.00

Regional PY 2023-2024 Allocations

East	\$3,586,610.02	\$3,525,166.92	\$3,551,626.91	\$10,663,403.85
Middle	\$3,744,001.64	\$3,693,212.37	\$4,047,592.22	\$11,484,806.23
West	\$4,687,173.34	\$4,557,192.71	\$2,987,082.87	\$12,231,448.92

Program Year (PY) 2023 WIOA Title I Adult, Dislocated Worker and Youth Activities Program Allotments

B. FOR TITLE II

I. DESCRIBE THE METHODS AND FACTORS THE ELIGIBLE AGENCY WILL USE TO DISTRIBUTE TITLE II FUNDS.

In program years 2024-25 through 2026-27, TDLWD will distribute WIOA Title II funds in alignment with the methodology established in its 2023 grant competition and subsequent 2023-24 program year. The 2023 competition was designed to ensure statewide coverage of Adult Basic Education services (i.e., awarding local providers to cover all 95 counties). It was also designed to award Integrated English Literacy and Civics Education grants (which are far more limited in funds) to the state's five metro areas with the largest population of immigrants. The 2023 competition resulted in 17 funded local AE providers. Applicants were encouraged to propose funding amounts based on the potential-to-serve population of their proposed service area (by county), as established by annual census data (American Community Survey). The specific data we used, and will use in the coming years, include 5-Year Estimate Data for "Sex by Age by Nativity and Citizenship Status" (includes individuals aged 18 years and over identifying as non-U.S. citizens), and 5-Year Estimate Data for "Educational Attainment" (includes individuals aged 18-64 without a high school diploma).

TDLWD will determine each year's total budget for local grants based on the Federal award from the U.S. Department of Education and funds appropriated for Adult Education in the Tennessee state budget. We will budget at least 82.5% of its Federal award for Adult Basic Education local grants, in accordance with WIOA Section 222. We plan to budget 100% of the Federal award for Integrated English Literacy and Civics Education (WIOA Section 243 funds) for local grants. We will allocate the funding to the 17 local providers largely in alignment with the amounts awarded in the 2023-24 year,

with slight adjustments made each subsequent year based on the prior year's local provider performance and spending.

In the spring of 2027, TDLWD will conduct another grant competition to determine local providers and associated grants for subsequent years. We anticipate using similar methodology to what was used for the 2023 competition.

II. DESCRIBE HOW THE ELIGIBLE AGENCY WILL ENSURE DIRECT AND EQUITABLE ACCESS TO ALL ELIGIBLE PROVIDERS TO APPLY AND COMPETE FOR FUNDS AND HOW THE ELIGIBLE AGENCY WILL ENSURE THAT IT IS USING THE SAME GRANT OR CONTRACT ANNOUNCEMENT AND APPLICATION PROCEDURE FOR ALL ELIGIBLE PROVIDERS.

Opportunities for funding will be posted utilizing different media outlets including the internet, General Services posting services, email notification, and word of mouth. The RFP information will be available to all those interested in applying for grant funding, including transcripts of questions and answers. All information will be available despite the method of posting or communication. The information will remain static in all modes of communication, and will not add or take away from the integrity of the RFP information.

The Division will have RFP opportunities posted on the Department's website, allowing access to RFP documents to any party accessing website.

Notification of the RFP opportunity will also be sent out to organizations that operate in the educational sphere and local officials in order to spur interests in the program. This communication will also help with word of mouth notification of the funding opportunity.

The process outlined above is the same process used for announcing Adult Education grant opportunities and application procedures to all eligible agencies in the state. The Division ensures that this process is public and statewide in scope; this ensures that the same procedure is followed for all interested, eligible parties.

C. VOCATIONAL REHABILITATION PROGRAM

The Tennessee Department Human Services (TDHS) - Vocational Rehabilitation (VR) Services Program is a combined state agency

6. PROGRAM DATA

A. DATA ALIGNMENT AND INTEGRATION

Tennessee's web-based Virtual One-Stop System (VOS) is the most advanced and comprehensive statewide workforce development information and reporting system available today. Using a set of core proprietary software components created by Geographic Solutions Inc., the department and its partners have modernized and integrated workforce services into a single computing platform referred to as Jobs4TN.

The Jobs4TN system is modular in design and new or existing web components can be easily added or modified. For example, the system incorporates robust modules for:

- Job Seeker and Employer Self Service

- Title I (Adult, Dislocated Worker, Youth)
- Title II (Adult Education)
- Title III (Wagner- Peyser)
- Trade Adjustment Assistance
- SNAP Employment and Training
- Reemployment Services and Eligibility Assessment Case Management Modules
- Unemployment Insurance Module
- Virtual Recruiter for Employers
- Labor Market Information including Labor Force Information by County, Region, and Statistical Area
- Tennessee Training Providers with Demand Occupations
- Adult Education Module
- WARN/ Rapid Response to Layoff Module
- Apprentice tracking Module (coming spring 2020)

The system also creates and deploys expansive, workforce administrator and manager tools and virtual functionalities such as:

- Accountability and Dashboard Modules for Management
 - Fund Management Tracking and Reporting
 - Managed Employment Services
 - Statewide Case Management
 - Follow-Up and Outcomes Tracking

VOS also enhances user practical knowledge by making available state-of-the-art, online assessments, as well as outcome tracking of Aptitude and Basic Skills tests, which are easily recorded for search and viewing by authorized staff and employers. Paperless case management, source document management and data validation features position the department and contractor staff for further deployment of business efficiencies through managed upgrades and modifications to the system. The system produces all the quarterly and annual federal reports. VOS is a robust web-based computing system with strengths in ease for its end users. The system also allows for scalable interfaces with other agencies in state government which will further align data systems.

The State is aware that Section 116(i)(1) of WIOA requires the core programs, local boards, and chief elected officials to establish and operate a fiscal and management accountability information system based on guidelines established by the Secretaries of Labor and Education. Financial systems across the State meet the requirements set forth in the Uniform Administrative Requirements (2CFR §

200.302). In recognizing the need to continuously improve upon the accounting systems and reporting capabilities from LWDAs statewide, the Division of Workforces Services of the Tennessee Department of Labor and Workforce Development will look to implement an electronic Grants Management System (GMS). The grants management system project will utilize Software as a Service (SaaS) delivering the relevant applications over the Internet. The application will be a full lifecycle grants- management system that is web-based and configurable to a specific client's needs. The integration of the grants management system will assist greatly in the following:

- providing continuous improvement in operational efficiency;
- providing a single system capable of supporting a full range of programs and services with limited customization required to roll-out future programs;
- increasing visibility and providing actionable data to staff; and
- increasing productivity and faster response time due to streamlined processes.

Being tightly aligned with the Governor's fiscal priority to make State government more customer-focused, efficient and effective, GMS allows for enhanced service delivery by enabling automated workflows, tracking of grant funding, expenditure reporting, procurement, and inventory/asset management.

The department's web-based Virtual One-Stop System (VOS) is the most advanced and comprehensive statewide workforce development information and reporting system available today. Using a set of core proprietary software components created by Geographic Solutions Inc., the department and its partners have modernized and integrated workforce services into a single computing platform referred to as Jobs4TN. Working from the WIOA statutes, we have moved forward with establishing needed data points in our systems and continually work with our vendor to collect required data as the reporting requirements continually change.

VOS is a robust web-based computing system with strengths in ease of use and in its potential for future partnerships with internal units such as Unemployment Insurance, Adult Education, and potentially scalable interfaces with other agencies in state government.

Reporting across the six core programs will be led by the Tennessee Department of Labor and Workforce Development, Workforce Services Division. This combined plan outlines reporting under the common measures for all core partners. Extract file creation and the processes needed for submittal of WIOA reports for Titles I and III already are in place. The partnership existing between Titles I and IV has identified the accountability requirements and data infrastructure of the Title IV program reporting, with the objective of having rehabilitation services extraction files mostly ready for upload in the first quarter of WIOA reporting under the common measures. However, we reserve the right to modify these data collection and reporting plans based on future publications of final rules or changes in reporting requirements.

Tennessee has adopted a Virtual One Stop Data Collection system (VOS) referred to as Jobs4TN that provides an integrated solution for all federal workforce programs in the AJCs. This virtual recruitment tool allows employers to browse the profiles of prospective candidates or post job openings. Through this online portal, a company can search for résumés or receive notices for submitted résumés that

best match the criteria of the job post. Employers can even specify how often they would like to receive updates concerning submissions (e.g. once a day, once a week, etc.).

The development and implementation of this technology-based data and case management system has transformed the way information is collected and shared across programs. The system fully integrates Adults, Dislocated Workers, Youth, Jobs for Veterans' State Grant (JVSG), Wagner- Peyser, SNAP E& T, TAA, RESEA, labor market information, Adult Education and Unemployment Insurance programs under one system. The system uses a common intake or registration section which prepopulates information for participants when applying for other programs in the jobs4tn system.

Tennessee has worked diligently to build on the Governor's launch of Jobs4TN.gov; improvements include the addition of modules and components to move to a real-time system of data collection, allowing identification of trends and quicker response to the customers being served. The public Workforce System is well served to encourage both job seekers and business to utilize the resources provided within Jobs4TN.gov. This trend has been strong over the last several years as more customers use technology to seek employment; Tennessee is well positioned through this platform to quickly identify, respond to, and enhance the customer's experience engaging in job searches and training. As such, the strategy for data integration was to build a central data warehouse which will be used for a common intake of the participant's individual record that could be pulled as needed by each core partner as soon as all the core partners are on board resulting in participant data access for each core partner staff.

Tennessee continues to look at ways different technologies that can be used to integrate systems to enhance the customer experience. The department has launched a customer service ticketing system which takes all kinds of requests such as emails, phone calls and work tickets to create a customer profile for each customer. This system allows TDLWD to store all support questions and requests in one place for staff assistance and reference. Within assigned groups or divisions in the system, staff can quickly respond to businesses and customer requests for assistance or easily assign the request to the appropriate staff member. The ease in sharing such requests allows the Department to render quicker, better customer service. It also provides a record of progress for various communications to increase collaboration and streamline all responses. This system provides customer service and satisfaction metrics that create workflow improvements and increase efficiencies across the department. In addition to coordinated request responses, Zendesk also includes a live-chat feature which provides the following benefits:

- Proactive engagement -initiate a chat with a customer who may need help
- Customer convenience -chat is a fast way to provide customer service in real time
- Agent productivity -reach more customers by easily managing multiple chats Zendesk Chat also offers helpful features including:
- Automatic chat triggers that message visitors on specific pages of the Department's website.
- Agent-to-agent chat for team collaboration in real time
- Automatic translations of chat conversations

- Shortcuts that speed up chat conversations
- The ability to route chats to specialists

The Department of Labor and Workforce Development is now able to leverage these systems to conduct proactive outreach. Through a statewide outreach program known as the Virtual American Job Center, agents are able to identify and engage with job seekers to provide a channel of direct personal contact to a career specialist in the user's local area. It is with this technology that our department is assisting to meet the Governor's rural initiative.

In order to have the most efficient and effective workforce system the department transitioned to paperless record keeping by using an electronic document imaging and storage system.

TDLWD elected to utilize electronic documents and requires electronic verification of eligibility requirements. Electronic records allow for remote auditing and organized files. Jobs4TN allows internal and external access to provide service partners the means to efficiently administer services to their participants. The Jobs4TN system eliminates the need for paper applications for registration and ensures that all Local Workforce Development Boards (LWDBs) are using identical criteria to determine participant eligibility. Customers will receive the same high- quality, efficient service regardless of the local area in which they reside. In order to case manage participants; LWDBs and the American Job Center (AJC) System are using Jobs4TN to:

- Create participant applications
- Record provided services
- Upload supporting documentation to verify eligibility
- Provide case notes regarding interactions with participants
- Deliver labor market information

As stated above, three of the core partners have adopted Jobs4TN as their management data collection system to support the workforce development activities. The Integrated data system is used to develop a streamlined universal intake and assessment process to align the service delivery and track participation across all programs. Each partner agency will be able to conduct analysis, evaluate data, engage service providers and prepare data for internal and state uses, as well as meet its unique reporting requirements for their corresponding federal agencies. In addition, to ensure the One-Stop Service Delivery system operates effectively, parties to the MOU are required to provide performance information from Jobs4TN that supports the achievement of performance goals. Data must be consistent with the requirements of the law. All parties must agree to work cooperatively, to share data to the extent necessary - and as permitted or required -by applicable statute or regulation, and enter into data sharing agreements as required in Jobs4TN. All mandatory Partners must agree to meet data collection and reporting needs of WIOA via utilization of Jobs4TN. Collection of data in Jobs4TN includes the addition of activities to participants' files to ensure that all services to participants are documented, as well as the use of VOS Greeter to track the number of participants using the AJCs.

Each agency's case management system could then build upon the common data program specific information. The data from these case management systems necessary for reporting would then be merged and matched for analysis, evaluation, and reporting on the WIOA program as a whole.

In addition, to ensure the One-Stop Service Delivery system operates effectively, parties to the MOU are required to provide performance information from Jobs4TN that supports the achievement of performance goals.

The state board will continue to look at ways to meet the Governor's goal of aligning technology and data systems across partner programs. Under the state workforce board's committee structure is the innovation committee. One of the roles as a sitting member of this committee is to continue to look at ways to align systems improving service delivery and providing good data to make informed decision making. Over the past few years Tennessee has been a leader among other states having a fully integrated system. As an example, as a participant files their claim for unemployment insurance they are at the same time providing the information to register them as a Wagner Peyser participant. Having the two programs in the same system removes the need to interface with other systems and removes the risk the information not transferring correctly.

Information on how the State board will assist with technology alignment and data systems is included in the response to question 1 in this section.

Reporting across the six core programs will be led by the Tennessee Department of Labor and Workforce Development, Workforce Services Division. The Tennessee combined plan outlines reporting under the common performance measures for all core partners. Extract file creation and the processes needed for submittal of WIOA reports for Titles I, II and III will be done in the jobs4tn system. The state has developed a process where extract files for each program are downloaded each night to a secure location through an ftp secure file transfer at the state. After the state does an initial review of the file for correctness it is then uploaded to the federal WIPS system where it has to pass all the federal logical and valid edit checks.

In an effort to meet the all WIOA performance requirement Tennessee has successfully implemented the SWIS data sharing agreement. This agreement and process will provide core partners with the out of state wage information necessary to meet the federal reporting requirements. TN Department of Labor will process SWIS wages and provide them to Vocational Rehabilitation and Adult Education each quarter which will be combined with wage data and then be inserted into their extract files that will be used in the calculation of the performance outcomes.

Information about the State's plans to develop and produce required reports is included in the response to question 1 in this section.

Section 116 of WIOA establishes performance accountability indicators and performance reporting requirements to assess the effectiveness of States and local areas in achieving positive outcomes for individuals served by the workforce development system's six core programs. The performance accountability guidelines require state departments to establish data validation guidelines to ensure the information contained in program reports is valid and reliable. The VR Services Program is currently working to develop internal data validation procedures consistent with these guidelines. These procedures will cover the ongoing collection and documentation of all required data, an

assessment of previous and current case documentation, a description of the process for identifying and correcting errors or missing data, annual training for program staff, and will establish a system for ongoing monitoring and regular assessment of the effectiveness of the data validation process.

B. ASSESSMENT OF PARTICIPANTS' POST-PROGRAM SUCCESS

The Departments of Labor & Workforce Development, Education, Economic & Community Development, Human Services/TANF, Adult Education, and Vocational Rehabilitation are poised to offer educational and employment transitional services. Much of the progress of participants will be tracked through the state's P-20 system, a longitudinal database which increasingly will incorporate workforce data to help to identify, assess, and certify skills for successful careers, and help to promote economic development by connecting workforce development with job creation and growth. Further, the Drive to 55 initiative will increase employer engagement with the workforce development system and expand programs of study that bring together a sequence of career-focused courses that start in high school and extend through college. The Tennessee Department of Education, Division of Career and Technical Education will follow up on youth completers with the emphasis toward continuing competency models in STEM fields; Adult Education will focus on the making sure that they are increasing literacy among adults so that they can achieve their educational goals. Having them prepared to enter into postsecondary education and providing the employers with the talented workforce they need. Vocational Rehabilitation Services, a division of the Tennessee Department of Human Services, is offering full transitional services to youth and adults to help to prevent individuals from dropping out of the programs at crucial times in their education and work life. Tennessee will utilize the Performance Reporting and flexible Ad Hoc Reports module within Jobs4TN to track participants who are exiting from core programs, completing postsecondary education, or entering employment in accordance to the Common Measures under WIOA.

In addition to participant performance data, TDLWD WIRED has worked with staff at the P-20 project to produce a report by each of the approximately 200 programs of study of the number and percent of high school CTE completers, community college, TCATS, four-year colleges and universities who are employed two quarters after completing their educational programs.

Individuals continuing on to another level of education are excluded. The report also provides earnings information by degree level for these programs of study. This is the second year the information has been available; discussions will take place on reviewing and sharing these student outcome data. It would be enhanced by the ability to include wage data from other states as well.

The Tennessee Department Human Services (TDHS) - Vocational Rehabilitation (VR) Services Program currently tracks wage data and credential attainment for four quarters after an individual exits the program. This data is used to assess the progress of individuals receiving VR services who have successfully achieved an employment outcome. VR is currently in a baseline year for wage and credential attainment data.

C. USE OF UNEMPLOYMENT INSURANCE (UI) WAGE RECORD DATA

Accurate wage record data is the gold standard for assessing participant progress (WIOA 116(i)(2)) and accurate performance outcomes. As the regulations make clear the requirement that states use the confidential UC quarterly wage record data to prepare and submit performance reports. Tennessee's

plan to utilize wage record data, which includes SSNs, wages, and employer information such as the FEIN, is founded in compliance with confidentiality provisions in 20 CFR Section 603, as well as in accordance with the requirements of the SWIS (State Wage Interchange System) data sharing agreement. Tennessee was one of the early states to sign and implement the SWIS data share agreement on 8/19/2019 which will take the place of the WRIS and WRIS 2 agreements. This agreement will allow all the core partner programs the ability to receive out of state wage records for the purpose of performance reporting for our core partner programs.

The Tennessee Department Human Services (TDHS) - Vocational Rehabilitation (VR) Services Program has a data sharing agreement in place with the Department of Labor that provides the opportunity to access quarterly state UI wages record data for the individuals receiving DRS services. VR also completed the SWIS agreement which allows the VR Services Program to track the wages of individuals who gain employment outside the state of Tennessee. The SWIS agreement provides VR with access to wage data from all states outside of Tennessee that have also agreed to share this information.

By receiving this data, the VR Services Program will be able to assess wage progress for individuals who successfully achieved an employment outcome after they are no longer receiving services from VR.

D. PRIVACY SAFEGUARDS

Tennessee has updated the Privacy Policy to adapt to new technology and any changes in accordance with WIOA. The Privacy Policy will also incorporate the https://www.tn.gov/assets/entities/finance/oir/attachments/PUBLIC-Enterprise-Information-Security-Policies-v2.0_1.pdf as provided by the State of Tennessee, Department of Finance and Administration Office of Information Resources.

This information is as follows:

Objective: To provide management direction and support for information security in accordance with agency business requirements and relevant state and federal statute and regulations for the State of Tennessee's computing environments.

OIR Information Security Management will initiate and control an enterprise information security architecture that includes, but is not limited to, a policy framework, an organizational and communication framework and a security technology framework.

Agencies may develop agency-specific policy documents as required by the agency or regulatory requirement provided the minimum requirements set forth in this document are met.

Agencies are responsible for communicating this policy document throughout their respective agencies.

7. PRIORITY OF SERVICE FOR VETERANS.

A. DESCRIBE HOW THE STATE WILL IMPLEMENT THE PRIORITY OF SERVICE PROVISIONS FOR COVERED PERSONS IN ACCORDANCE WITH THE REQUIREMENTS OF THE JOBS FOR VETERANS ACT, CODIFIED AT SECTION 4215 OF 38 U.S.C., WHICH APPLIES TO ALL EMPLOYMENT AND TRAINING PROGRAMS FUNDED IN WHOLE OR IN PART BY THE DEPARTMENT OF LABOR.

B. DESCRIBE HOW THE STATE WILL MONITOR PRIORITY OF SERVICE PROVISIONS FOR VETERANS.

C. DESCRIBE THE TRIAGE AND REFERRAL PROCESS FOR ELIGIBLE VETERANS AND OTHER POPULATIONS DETERMINED ELIGIBLE TO RECEIVE SERVICES FROM THE JOBS FOR VETERANS STATE GRANTS (JVSG) PROGRAM'S DISABLED VETERANS' OUTREACH PROGRAM (DVOP) SPECIALIST/CONSOLIDATED POSITION.

Veterans and other eligible persons, defined as covered persons, are ensured Priority of Service (POS) upon entering the Workforce System with the implementation of the following services:

- Identified at the point of entry to programs & services
- Made aware of priority of service
- Made aware of full array of programs and services available to them
- Take precedence over non-covered person in accessing and obtaining services Covered person means any of the following individuals:

1. A veteran is a person who has served at least one (1) day of active duty in the military, naval, or air service, and who was discharged or released under conditions other than dishonorable, as specified in 38 U.S.C. 101(2). Active service includes full-time Federal service in the National Guard or a Reserve component. This definition of "active-service" does not include full-time duty performed strictly for training purposes.

2. Eligible Spouse as defined at section 2(a) of the JVA (38 U.S.C. 4215[a]) means the spouse of any of the following individuals:

- a. Any veteran who died of a service-connected disability;
- b. Any member of the Armed Forces serving on active duty who, at the time of application for the priority, is listed in one or more of the following categories and has been so listed for a total of more than 90 days:
 - i. Missing in action;
 - ii. Captured in line of duty by hostile force; or
 - iii. Forcibly detained or interned in line of duty by a foreign government or power;
- c. Any veteran who has a total disability resulting from a service-connected disability, as evaluated by the Department of Veterans Affairs; or
- d. Any veteran who died while a disability was in existence. A spouse whose eligibility is derived from a living veteran or service member (i.e., categories b. or c. above) would lose his or her eligibility if the veteran or service member were to lose the status that is the basis for the eligibility (e.g. if a veteran with a total service-connected disability were to receive a revised disability rating at a lower level). Similarly, for a spouse whose eligibility is derived from a living veteran or service member, that eligibility would be lost upon divorce from the veteran or service member.

POS is defined as:

- The right to take precedence over non-covered persons –taking precedence may mean:
 - Covered person gains access to services or resources earlier or instead of non-covered persons
 - Priority of Service applies to every qualified job training program funded, in whole or in part, by the Department of Labor

All covered persons are to receive POS at any “point of entry”, which includes physical locations, such as AJCs, as well as websites and other virtual service delivery resources. They must also have access to adult and dislocated worker programs.

POS is the responsibility of each staff member within the AJC with oversight and compliance provided by the One-Stop Operator. Reports and on-site reviews ensure adherence to mandated legislative requirements.

JVSG staff work closely with all WIOA partners providing training on current issues that affect Veterans and other eligible persons. The spirit of assisting Veterans and providing priority of service is primarily a legal requirement, but also a moral imperative and meaningful way of doing business.

Priority of Service is monitored by the State Veterans Services Coordinator, who examines Local Board policies and procedures, reviews reports produced through Jobs4TN, conduct on-site monitoring and checks all websites developed with funding from impacted programs or grants to ensure priority of service is provided to veterans.

WIOA Title I Adult program provides priority services for public assistance recipients, other low-income individuals, or individuals who are basic skills deficient. These participants would receive first-priority for services in the order below:

- First, to veterans and eligible spouses who also are included in the groups given statutory priority for WIOA adult formula funds. This means that veterans and eligible spouses who also are recipients of public assistance, other low-income individuals, or individuals who are basic skills deficient would receive priority for services provided with WIOA adult formula funds.
- Second, to non-covered persons (individuals who are not veterans or eligible spouses) who are included in the groups given priority for WIOA adult formula funds.
- Third, to veterans and eligible spouses who are not included in WIOA’s priority groups.
- Fourth, to any other populations identified by the Governor or Local Board for priority. Lastly, to non-covered persons outside the groups given priority under WIOA.
- Lastly, to non-covered persons outside the groups given priority under WIOA.

Tennessee has developed a standardized process for referring veterans and other eligible persons with qualifying employment barriers (QEB) to a DVOP. This screening approach begins at the point of entry into the American Job Center (AJC). Screening is conducted either in-person or telephonically by front desk (intake) staff asking a series of questions to determine eligibility for the various AJC programs, **QEBs**, and services desired. Tennessee also offers assistance through a virtual AJC where veterans and eligible persons can identify what services are needed, and the system will match them with the appropriate AJC partner.

As part of the screening process, customers are asked if they have served in the military. If they answer "YES" to the question, the veteran/eligible person is given a copy of the most current approved "DVOP Eligibility Screening Tool", with instructions on how to complete the form and return it to the intake person. The intake person will review the form and assess the questionnaire responses.

Veterans and eligible persons who are identified as having a QEB through the initial intake process at the AJC, and need specific Individualized Career Services, may be referred to, and depending upon the visit reason, the appropriate Wagner Peyser, DVOP/ Consolidated Position (CP) staff for assistance as required.

In the absence of DVOP staff, or if the Veteran/eligible person does not meet the criteria for DVOP services, the AJC Assistant Director (AD), or other Wagner-Peyser staff assumes responsibility for the career assessment of the individual and assures that appropriate referrals and services are provided. DVOPs are a supplement to the AJC staff and should not be a substitute for providing services.

8. ADDRESSING THE ACCESSIBILITY OF THE ONE-STOP DELIVERY SYSTEM FOR INDIVIDUALS WITH DISABILITIES

Reasonable accommodations are provided for all aspects of a customer's experience in the American Job Center (AJC), such as during application/registration for, and provision of, aid, benefits, services, and training. The AJC takes appropriate steps to ensure people with disabilities, including persons who are deaf, hard of hearing, or blind, or who have other sensory or manual impairments, have an equal opportunity to participate in our services, activities, programs, and other benefits. Availability of auxiliary aids and services are promoted through notices and printed materials. Sign language interpreters can be scheduled, and the AJC utilizes relay services for external telephone with TTY users through the state relay service, or using text, email, etc. Persons who are blind or visually impaired may be read to by staff. Staff may also assist customers with difficulty manipulating print materials by holding materials and turning pages as needed, or by providing one or more of the following: note-takers, speaker phones, or other effective methods to ensure effective communication by individuals with manual impairments. During Certification of our AJCs, we partnered with the Department of Human Services Division of Vocational Rehabilitation (VR) to provide on-site ADA reviews of all facilities, Comprehensive, Affiliate and Specialized Centers to ensure services were accessible to individuals with disabilities; staff was ready to accommodate individuals with disabilities; signage was posted to make individuals aware of accommodations for individuals with disabilities. VR made recommendations and provided follow up visits, if recommendations were required. AJCs ensure materials are available in alternative formats, adjustable computer work stations are accessible in the resource room, computers are equipped with Windows Ease of Access features which include magnification, narration, and on-screen keyboards and/or EVAS computer system which is specifically designed for the visual, physical, hearing or learning disabled. Some AJCs have installed the Purple Software for persons who are hearing impaired with a Web-Cam available for video/visual interpreter assistance. All AJCs have access to the AVAZA Language Line and Interpreting: HIPAA, ADA and Title VI compliant; a great solution for LEP and/or Deaf and Hard of Hearing Community; has trained medical interpreter available for on demand or scheduled sessions 24/7/365 access.

Accommodations are made according to individual need in order to ensure the customer receives equal benefits from the program or activity, and will be able to compete fairly. Auxiliary aids and services are available upon request to individuals with disabilities. The AJC staff participates in annual trainings related to providing service to customers with disabilities. The Local Workforce Development Board coordinates with the broader community, including transportation agencies and existing public and private sector service providers including Social Security Administration's Employment Network for the Ticket2Work program, to ensure that the AJC and services are accessible to all customers, including those with disabilities.

The Tennessee Department Human Services (TDHS) - Vocational Rehabilitation (VR) Services Program provides on-going assistance to the Local Workforce Development Boards for the American Job Center (AJC) certification process by conducting accessibility and accommodation surveys to ensure that physical and programmatic accessibility of facilities, programs and services accommodates people with disabilities.

Physical accessibility includes an examination of external and internal barriers. External accessibility factors include topography, accessible parking, travel routes to the entrance and entrance accessibility. Internal physical accessibility factors include: travel and facility use barriers in reception areas, resource rooms, hallways, class and conference rooms, offices, rest rooms and drinking fountains; appropriate room identification signage; and emergency alarms and egress planning.

Programmatic accessibility includes an examination of accommodations, and notifications of accommodations, for individuals with physical or sensory disabilities for computers, written or visual communication, and training. Accommodations may include screen readers and magnifiers, larger monitors, alternative key boards, track ball mouse, Brailled or large print documents, sign language interpreters, adjustable computer work stations, text or video phones, closed captioning and FM assistive listening systems.

The VR Services Program provides: training on disability awareness; consultation on assessing and employing people with disabilities, employer engagement and education, assistive technology, benefits planning, tax incentives and Ticket-to-Work; and assistance with obtaining Brailled documents and scheduling sign language interpreters.

The VR Services Program provides AJCs electronic and face-to-face links to the VR program statewide. VR ensures that all affiliate and comprehensive AJCs are aware of how to contact VR and make referrals of people with disabilities. Co-located VR staff at comprehensive AJCs work together with all co-located partners to provide seamless services for people with disabilities through collaboration on referrals, program eligibility, program planning, available services and shared funding, when appropriate.

9. ADDRESSING THE ACCESSIBILITY OF THE ONE-STOP DELIVERY SYSTEM FOR INDIVIDUALS WHO ARE ENGLISH LANGUAGE LEARNERS

Basic Career Services are made available, such as Initial assessment of skill levels (including literacy, numeracy, and English language proficiency), aptitudes, abilities (including skills gaps), and supportive service needs, Labor exchange services, including job search and placement assistance, career counseling, provision of information on in-demand industry sectors and occupations, provision of information on nontraditional employment. Improved availability, a welcoming atmosphere, inclusive settings, and high quality customer service benefit all customers. This extends services and outreach not just to individuals who walk in the door, but also to those who have become disengaged in the labor force. Integrated, quality services are provided to all customers within the center and via technology through online or phone access. Principles of universal design are considered when designs have inclusive space and materials available to individuals regardless of their range of abilities, mobility, age, language, learning style, intelligence, or educational level. Individualized Career Services include Comprehensive and specialized evaluation to Identify barriers to employment and employment goals, Individual Counseling, Internships and work experiences, Development of

Individualized Employment Plan (IEP), Career/Vocational Planning, Workforce preparation activities, Financial literacy services, follow up services, English language acquisition and integrated education and training programs. Additional individualized career services also include HiSET testing on site, Mock Interview, Dress for Success and Resume assistance workshops.

All AJCs have access to the AVAZA Language Line and Interpreting: HIPAA, ADA and Title VI compliant; a great solution for LEP and/or Deaf and Hard of Hearing Community; has trained medical interpreter available for on demand or scheduled sessions 24/7/365 access.

Procedures:

Adult Education services available in comprehensive American Job Centers will include providing initial math, reading, and English language proficiency assessments to WIOA customers. For English language learners, this assessment is the CASAS, which provides a screening of the learners' English language oral, reading, and writing skills, and a comprehensive analysis of their reading and listening skills.

Customers who desire to improve their English language skills will be referred by American Job Center staff to a local Adult Education English-as-a-Second-Language (ESL) program. Some areas of the state will also have Integrated English Language and Civics Education programs available for students; these programs will help students learn about American civics, rights, and responsibilities, provide integrated education and occupational training opportunities, as well as provide ESL instruction. Adult Education program staff will also coordinate with other WIOA partner programs at the American Job Centers to ensure English language learners have access to wraparound services, and are referred to other programs that could improve their workforce preparation and career opportunities.

Staff Training:

American Job Center staff who will have initial interactions with English language learners will be trained on basic intake procedures, including ensuring that the learners are given the appropriate intake screening and CASAS assessments. Staff members who administer screening and CASAS assessments will be trained in accordance with the state's Adult Education Assessment Policy in order to ensure reliable and customer-focused practices. Adult Education staff members who instruct English language learners in ESL activities must meet the state's minimum qualifications, in accordance with the Adult Education Instructor Qualifications Policy. These qualifications include holding a minimum of a bachelor's degree, and having active educator licensure or TESL/TEFL certification. For instructors who do not meet these qualifications, a waiver process will be offered to allow prospective instructors to do basic training in ESL and adult learning.

Resources:

The Adult Education program will ensure that program materials are made available at all American Job Centers and are translated and made available in some of the more common native languages spoken by local English language learners.

The Tennessee Department Human Services (TDHS) - Vocational Rehabilitation (VR) Services Program provides on-going assistance to the Local Workforce Development Boards and the American Job Center (AJC) by conducting accessibility and accommodation surveys to ensure that physical and

programmatic accessibility of facilities, programs and services accommodates people with disabilities, including English language learners. Additionally, VR partners with Tennessee Disability Pathfinder to provide free information, resources, support, and referrals to Tennesseans with disabilities of all ages, all types of disabilities, and all languages spoken. To address the needs of Tennessee's growing multicultural population, Tennessee Disability Pathfinder provides cultural awareness, education, training, and one-on-one help. Regardless of nationality or language spoken, free assistance for individuals with disabilities and their families is just a phone call away.

Tennessee Disability Pathfinder also includes a state-wide online database catering to the Spanish-speaking population, which covers disability issues, and mental health and social services. It offers information about agencies and its bilingual staff (English and Spanish). By linking individuals directly to culturally competent Spanish-speaking providers, obtaining resources becomes much easier. Lastly, Tennessee Disability Pathfinder provides assistance to non-profit agencies striving to serve more culturally diverse populations.

IV. COORDINATION WITH STATE PLAN PROGRAMS

Joint planning and coordination, when applicable, are a part of normal business practices for core programs. Details regarding program-specific coordination is provided in the following sections for core programs. The State Workforce Development Board continues to provide strategic oversight and governance for the core programs while the leadership teams at the Tennessee Department of Labor and Workforce Development and the Tennessee Department of Human Services provide operational oversight and continuity of services in alignment with the respective program parameters and SWDB's strategy.

V. COMMON ASSURANCES (FOR ALL CORE PROGRAMS)

The State Plan must include	Include
1. The State has established a policy identifying circumstances that may present a conflict of interest for a State Board or local board member, or the entity or class of officials that the member represents, and procedures to resolve such conflicts;	Yes
2. The State has established a policy to provide to the public (including individuals with disabilities) access to meetings of State Boards and local boards, and information regarding activities of State Boards and local boards, such as data on board membership and minutes;	Yes
3. The lead State agencies with optimal policy-making authority and responsibility for the	Yes

The State Plan must include	Include
administration of core programs reviewed and commented on the appropriate operational planning elements of the Unified or Combined State Plan, and approved the elements as serving the needs of the populations served by such programs;	
4. (a) The State obtained input into the development of the Unified or Combined State Plan and provided an opportunity for comment on the plan by representatives of local boards and chief elected officials, businesses, labor organizations, institutions of higher education, the entities responsible for planning or administering the core programs, required one-stop partners and the other Combined Plan programs (if included in the State Plan), other primary stakeholders, including other organizations that provide services to individuals with barriers to employment, and the general public, and that the Unified or Combined State Plan is available and accessible to the general public; (b) The State provided an opportunity for review and comment on the plan by the State Board, including State agency official(s) for the Unemployment Insurance Agency if such official(s) is a member of the State Board;	Yes
5. The State has established, in accordance with WIOA section 116(i), fiscal control and fund accounting procedures that may be necessary to ensure the proper disbursement of, and accounting for, funds paid to the State through allotments made for the core programs to carry out workforce development activities;	Yes
6. The State has taken appropriate action to secure compliance with uniform administrative requirements in this Act, including that the State will annually monitor local areas to ensure compliance and otherwise take appropriate action to secure compliance with the uniform	Yes

The State Plan must include	Include
administrative requirements under WIOA section 184(a)(3);	
7. The State has taken the appropriate action to be in compliance with WIOA section 188, Nondiscrimination, as applicable;	Yes
8. The Federal funds received to carry out a core program will not be expended for any purpose other than for activities authorized with respect to such funds under that core program;	Yes
9. The State will pay an appropriate share (as defined by the State board) of the costs of carrying out section 116, from funds made available through each of the core programs;	Yes
10. The State has a one-stop certification policy that ensures the physical and programmatic accessibility of all one-stop centers with the Americans with Disabilities Act of 1990 (ADA);	Yes
11. Service providers have a referral process in place for directing Veterans with Significant Barriers to Employment (SBE) to DVOP services, when appropriate; and	Yes
12. Priority of service for veterans and eligible spouses is provided in accordance with 38 USC 4215 in all workforce preparation, development or delivery of programs or services funded directly, in whole or in part, by the Department of Labor.	Yes

VI. PROGRAM-SPECIFIC REQUIREMENTS FOR CORE PROGRAMS

PROGRAM-SPECIFIC REQUIREMENTS FOR ADULT, DISLOCATED WORKER, AND YOUTH ACTIVITIES UNDER TITLE I-B

A. GENERAL REQUIREMENTS

1. REGIONS AND LOCAL WORKFORCE DEVELOPMENT AREAS

Tennessee has nine (9) local workforce development areas and three grand regions - East, Middle, and West as identified in State Workforce Development Board Policy- One-Stop System Design. The map below depicts the designations across the State. LWDAs Northeast, Southeast, and East comprise the

East Region, LWDA Upper Cumberland, Northern Middle, Southern Middle comprise the Middle Region, and LWDA Southwest, Northwest, and Greater Memphis comprise the West Region.



The State Workforce Development Board (SWDB) elected in February 2018 to review the alignment of Tennessee’s Local Workforce Development Areas (LWDA). The decision to review the alignment partially arose from a local government requesting to change LWDA to better align their resources with Tennessee’s Economic Development regions.

During the time from February 2018 up to the SWDB quarterly meeting on May 11, 2018, the SWDB completed an extensive analysis of our workforce development areas, federal and state resources, and labor market data. Furthermore, the SWDB reviewed Tennessee’s capacity to serve citizens in the areas of workforce development, economic development, and access to higher education and training services. As part of this analysis, input was sought from local county mayors, local workforce development board chairs, and community leaders across the state. The public meetings focused on aligning LWDA with the ECD Base Camps and also demonstrated how the shift would coincide with the adult education and career pathways regions. The parties were also informed of the analysis and considerations being made by the SWDB in terms of labor market analysis and workforce trends. The major takeaway from each of these meetings was that Tennessee needs to further enhance its regional development capacities and optimize opportunities to share and leverage resources in the areas of workforce development partnerships while continuing to create access to services and opportunities in rural areas.

Upon completion of this analysis, at their May 11th SWDB meeting, the board elected to recommend realignment of the current thirteen LWDA's with the nine ECD Base Camps supporting the state vision of regional service delivery/alignment.

Workforce Services publishes a monitoring guide annually that describes the monitoring procedures to determine LWDB performance and fiscal integrity. That monitoring guide is posted on the State Workforce Development Board policy website: <https://www.tn.gov/workforce/contact-the-department0/boards---commissions/boards---commissions-redirect/state-workforce-development-board/wioatechnicalassistance.html>. The current year monitoring guide is located at: <https://www.tn.gov/content/dam/tn/workforce/documents/wfs/2023-2024-WFS-Monitoring-Guide.pdf>.

Each area is assessed annually for both programmatic and fiscal integrity to determine that the Local Workforce Development Areas area performing the required responsibilities within compliance. Any activities that are not in compliance are addressed through corrective action. If any actions are considered egregious, then further sanctions are applied as identified in the State Workforce Development Board Policy - Sanctions for Failure to Meet Federal and State Standards. The following link is to the referenced sanctions policy: https://www.tn.gov/content/dam/tn/workforce/documents/ProgramManagement/WFS_Policy-Sanctions_for_Failure_to_Meet_Federal_and_State_Standards-08-27-2021_s.pdf

The letter below was signed by Governor Bill Haslam on May 24, 2018 to realign the LWDAs.



May 24, 2018

To: Tennessee County Mayors

CC: Local Workforce Development Board Chairs
Burns Phillips III, Commissioner of Labor and Workforce Development
State Workforce Development Board Members

Re: Realignment of Local Workforce Development Board Areas

As I outlined in my State of the State address in January 2018, Tennessee has experienced great success in education, workforce development, and job growth. We are on a pathway to meet our Drive to 55 goal two years early, which means 55 percent of Tennesseans will have a postsecondary degree by 2023. Tennessee has a job growth rate greater than 17 percent, far above the national average, with nearly 400,000 net new private sector jobs created since 2011. Last year, more Tennesseans had a job than at any other point in state history. Additionally, we ranked first in the nation for new jobs resulting from foreign direct investment. And, during 2017 alone, 45 percent of Tennessee's new job commitments were located in our rural communities. However, in order to continue to build upon this success for future generations, there is still much work to be done.

In February 2018, the State Workforce Development Board (SWDB) elected to review the alignment of Tennessee's Local Workforce Development Areas (LWDAs). The impetus for looking at statewide realignment partially arose from a local government, Grundy County, requesting to change its LWDA in order to better align its resources with Tennessee's Economic Development Job Base Camps (ECD Base Camps). After recommending that Grundy County shift from LWDA 6 to LWDA 5 to better serve its citizens, it was apparent that we needed to conduct a comprehensive alignment analysis of all our LWDAs.

During the time period from February 2018 to the SWDB quarterly meeting on May 11, 2018, the SWDB staff completed an extensive analysis of the state's workforce development areas, federal and state resources, and labor market data. Furthermore, the SWDB reviewed Tennessee's capacity to serve our citizens in the areas of workforce development, economic development, and access to higher education and training services. As part of this analysis, leadership from Tennessee's Department of Labor and Workforce Development sought input from local county mayors, local workforce development board chairs, and community leaders across the state. The meetings focused on aligning LWDAs with the ECD Base Camps and also demonstrated how the shift would coincide with the adult education and career pathways regions. The parties were also informed of the analysis and considerations being made by the SWDB and Workforce Services staff in terms of labor market analysis and workforce trends. The major takeaway from each of these meetings was that Tennessee needs to further enhance its regional development capacities and optimize opportunities to share and leverage resources in the areas of

workforce development partnerships while continuing to create access to services and opportunities in rural areas.

Upon completion of this analysis, at its May 11 SWDB meeting, the board elected to recommend realignment of the current thirteen LWDAs with the nine ECD Base Camps supporting my vision of streamlining and aligning regional service delivery. Upon careful consideration and deliberation with our state agencies, partners, and local leaders, I have moved to adopt the recommendation of the SWDB to realign the current thirteen LWDAs to align with the nine ECD Base Camps effective July 1, 2018. We must align our resources to allow for a more efficient and effective government and bring forth innovation and best practices that will help Tennessee lead the nation in jobs, education, and government efficiency.

I am confident that through this realignment of the LWDAs, our local leaders and partners will be better able to work together in the areas of workforce, education, and economic development. The realignment will also continue to increase access to higher education and training opportunities, while enhancing services for citizens in rural areas. The realignment enables our agencies to deliver services and manage public resources in a sound, fiscally conservative manner. The principles of working together, exploring innovation, living within our fiscal means—while providing opportunities to our citizens—have led to Tennessee's recent successes. As we move into the future—and face a rapidly changing world in technology, workforce, and business—these principles will be vital to Tennessee's future successes. Tennessee can and will lead in the area of workforce development.

In the event of any dissent with this realignment, you may file an appeal pursuant to the Workforce Innovation and Opportunity Act (29 U.S.C. § 3121). Such appeal must be in writing and directed to Todd Skelton, Deputy Counsel to the Governor, via email at Todd.Skelton@tn.gov within 14 calendar days of the date of this letter.

Thank you for your continued commitment to promoting the economic and workforce development of communities across the state.

Sincerely,



Bill Haslam
Governor

State Policy information regarding this full process can be found in DESIGNATION OF LOCAL WORKFORCE DEVELOPMENT AREA TN-WIOA (15-1). The content of this policy is as follows:

The Workforce Innovation and Opportunity Act (WIOA) require the Governor, in partnership with the State Board and in consultation with the Chief Elected Officials (CEOs), to develop a policy for initial designation of the Local Workforce Development Areas. WIOA requires that existing federally recognized workforce areas are designated during the first two program years; this designation is referred to as Initial Designation. The WIOA states that a unit of general local government (including a combination of such units) or a grant recipient that requests but are not granted designation of an area as a local area, may submit an appeal to the State board under the appeal process established in this policy. The public comment period must offer adequate time for public comment prior to designation of the local workforce development area and it must provide an opportunity for representatives of

interested business, education, and labor organizations to have input into the development of the formation of the local area.

Appeals Process

The State Workforce Development Board (SWDB) has created a process to appeal decisions made by the SWDB through the State Workforce Development Board Policy- Sanctions for Failure to Meet Federal and State Standards. This policy describes the process to appeal decisions to the SWDB as well as appeal processes to the Secretary for the US Department of Labor. That policy and process can be located at:

https://www.tn.gov/content/dam/tn/workforce/documents/ProgramManagement/WFS_Policy-Sanctions_for_Failure_to_Meet_Federal_and_State_Standards-08-27-2021_s.pdf

The One-Stop Infrastructure Governor's Guidance describes the appeals process for Infrastructure Funding as follows:

1. The Governor, through assistance of the State Workforce Development Board, will make the final determination of each required partner's proportionate share of statewide infrastructure costs under the State funding mechanism.
2. Any required partner may appeal the Governor's determination on the basis of a claim that:
 - a. The Governor's determination is inconsistent with the proportionate share requirements of 20 CFR 678.735(a) or;
 - b. The Governor's determination is inconsistent with the cost contribution caps described in 20 CFR 678.735(c) and 678.738.
3. The process will ensure resolution of the appeal in order to ensure the funds are distributed in a timely manner, consistent with the requirements of 20 CFR 683.630.
4. An appeal must be made within 21 days of the Governor's determination and must be submitted formally, in writing, by registered mail no later than the 21st day from the date of receipt of the notice of denial or revocation.

2. STATEWIDE ACTIVITIES

Through the oversight of the State of Tennessee's State Workforce Development Board (SWDB), State policies are implemented to provide guidance on the make-up of the workforce system under WIOA. The SWDB votes on and approves policies that help guide the structure of the workforce system to include how each Local Workforce Development Board (LWDB) governs and how they are to utilize allocated workforce system funding. These policies are updated as necessary, with new or amended policies determined by the SWDB and uploaded on the State website for the public and LWDBs to review. The policy that specifically address the use of State funds for workforce investment activities is labeled "Requesting Additional WIOA Funds" and can be located along with all other SWDB policies at: <https://www.tn.gov/workforce-services-tn/swdb/board-policies-and-guidance.html>.

The majority of the WIOA 15 percent set-aside supports Economic and Community Development employer initiatives, as well as:

- Consolidated Business Grants – supporting work based learning (OJT, IWT, Apprenticeship, Customized Training, etc.)
- Youth Initiatives – Summer Youth Employment Programs
- Monitoring and Single Audit Reviews
- Program Evaluations – KPMG TN workforce development evaluation. The Tennessee Department of Labor and Workforce Development (TDLWD), in partnership with KPMG LLP, evaluated the state workforce system and supporting infrastructure for the American Job Center (AJC) and Adult Education (AE) network to identify leading practices, service gaps, and opportunities for improvement. The findings and insights from this effort will help TDLWD shape how it delivers essential workforce services across the State of Tennessee (the State). This includes improvements to the overall customer experience and strategies to strengthen the implementation of reforms introduced by the Workforce Innovation and Opportunity Act (WIOA).
- Duns & Bradstreet EconoVue Platform (Employment Services) – purchase of D & B software with Wagner Peyser 10 percent set aside
 - This platform is being utilized to evaluate small, medium, and large employers in the state to determine potential needs for serving businesses in their respective business life cycles. This platform will support our efforts to better case manage employers as we have outlined in our Business Engagement Plan.
- Case Management RFP - TDLWD is currently working with our Central Procurement Office and Strategic Technology Solutions to procure a new Case Management system within this 4-year planning cycle. This new system will replace a system that has been in place for the past 10 years.
- Economic development projects via customized training and on-the-job training opportunities
- Expansion of innovative services for youth, re-entry, underemployed adults, etc.
- Potential change in AJC structure (especially brick and mortar)
 - Offsetting costs for non-traditional work sties (local courthouse, library, school, etc.)
- Support of pilot projects that will lead to expansion of serving individuals “where they are” in the communities to include: provide AJC staff in housing and development areas, community colleges, and other highly populated areas that may include potentially eligible job seekers.
- State Board Certification – TDWLD is working with a state partner to deploy a State Workforce Development Board (SWDB) Certification Program for the Tennessee Department of Labor and Workforce Development (TNLWD). Utilizing the Baldrige criteria, the partner will measure success through measuring compliance standards (including WIOA governance requirements and Baldrige Criteria elements), demonstration of board competence, and levels of strategic achievement. This project will initially focus on what is learned at the state level to deploy

board certification at the local level, share best practices across the state, and providing related professional development.

- Other Selected Initiatives – new learning management system, incentive/performance based awards, and rural counties specific funding.

The Rapid Response set aside in the first year is used to support layoff aversions and provide assistance to workers impacted by layoffs, plant closures, or natural disasters. After the first years, any unobligated funds are used to support the aforementioned statewide activities.

The TN Rapid Response Program is designed to respond to layoffs and closures quickly and effectively. The State has one State Rapid Response Coordinator who processes WARNs and oversees the program.

The State has decentralized the role of response to the layoff/closure to our Local Workforce Development Boards (LWDB). The State makes available Rapid Response funds to the local areas to provide Rapid Response services to closures and layoffs in their Local Workforce Development Areas (LWDA).

Each of the nine (9) LWDBs shall designate a Local Rapid Response Coordinator (RRC) who is responsible for responding to WARNs and any other closures or layoffs in the area. The Local Rapid Response Coordinators lead a core group of partners on the Rapid Response team. The team consists of, but is not limited to, the Coordinator, Unemployment Insurance, the One-Stop Operator, the Career Service Provider, the State Wagner-Peyser staff, and other partner staff as needed.

This team works with the company to conduct the mass meeting of the affected employees on one site when at all possible. The Coordinator, with assistance from other partners, presents information about benefits and programs the workers will be entitled to as Dislocated Workers.

This decentralized structure allows for local control to meet local needs. This also allows for quicker response times due to the coordinators being locally stationed and not centrally located in the State capitol. Additionally, this structure allows for a stronger connection between the local business and the LWDB in hopes of avoiding a layoff in the future.

Rapid Response

The Tennessee Rapid Response Program is designed to quickly and effectively respond to layoffs and closures. The State has one full-time state Rapid Response Coordinator who processes Worker Adjustment and Retraining Notifications (WARN) and oversees the program.

Rapid Response activities have been decentralized to our Local Workforce Development Boards (LWDB). Tennessee has established nine designated local workforce areas across the state. Each area has a full-time local Rapid Response Coordinator (RRC) who is responsible for responding to WARNs and any other company closure or layoff located in their area. The local RRC leads a core group of partners on the Rapid Response team that consists of, but is not limited to, Unemployment Insurance, the One-Stop Operator, the Career Service Provider, state Wagner-Peyser staff, other partner staff as needed, and the Mobile American Job Center units.

Subject to funds availability, Rapid Response funds are made accessible from the state to the local areas to provide Rapid Response services for company closures and layoffs in the Local Workforce Development Areas (LWDA). These funds may also be used to assist with technological expenses such as Jobs4TN, the mobile AJC units, materials, and staff time associated with Rapid Response activities.

The specific technology features of Jobs4TN can be found with the creation of an online WARN to help employers easily access Rapid Response services when a layoff or closure occurs. This effort enhances supportive service offerings to people who need it most in these situations.

Upon receipt of an official WARN, the State Dislocated Workers Unit (DWU) will create a WARN notice in Jobs4TN. If an official WARN notice is not received but layoff information is obtained, local LWDA representatives will work with the company to provide services to the affected employees. Once this WARN has been created, the DWU Rapid Response staff will notify the appropriate Rapid Response Coordinator (RRC). Activities and strategies are initiated to address dislocation events that ensure rapid response access to the broad range of allowable assistance in conjunction with:

- appropriate federal, state, and local service agencies and officials;
- employer associations;
- technical or other business councils; and
- labor organizations.

The DWU serves as the central WARN contact. E-mail WARN notices are sent to local Rapid Response coordinators and appropriate partners within 24 -48 hours of receipt. The DWU works with the LWDAs to coordinate outreach efforts ensuring a comprehensive level of service to assist the participants. When Notification of WARN Information from the DWU is received, the Local Rapid Response Coordinator makes immediate contact (attempt contact within 48 hours) with the employer to offer rapid response services to the company and employees. This initial contact should result in the scheduling of a planning meeting and begin the information gathering process for the Rapid Response Company Information Report. The initial planning meeting should include an overview of information that will be delivered during an employee mass meeting, scheduling the mass meeting, and gathering of information about the impacted workers.

The mobile units, also known as Mobile American Job Centers, are equipped with computers that provide internet access, Microsoft Office applications, and copy and fax capabilities for job seekers. These units allow for a comprehensive, on-site delivery of Rapid Response services. Mobile teams coordinate activities designed to connect employees affected by layoffs or business closures with new employment opportunities, helping to reduce the length of time they may need unemployment insurance assistance.

In addition to connecting dislocated workers to employment, Rapid Response teams provide eligible participants with training opportunities through WIOA and partner programs including the higher education system. Rapid Response teams will also work with the AJCs to connect participants to apprenticeships, on-the-job trainings, and other dislocated worker re-employment activities as their needs dictate.

Layoff Aversion

As part of the State's lay-off aversion strategy, the Business Services Teams within the LWDA's are conducting direct outreach to businesses to determine the workforce needs of employers, providing solutions, such as training opportunities and apprenticeship programs that can increase their efficiencies and help them avoid a possible layoff.

This direct approach has proven successful in building relationships with employers and provides opportunities for them to increase the skills level of their workers to prevent temporary, or permanent, shutdown.

The State-level Director of Employer Services works with multiple partner agencies, including Adult Education and Vocational Rehabilitation in the LWDA's, both locally and regionally, to deliver coordinated and effective services to employers. Adult Education provides help to those workers who have been identified as educationally deficient through remedial instruction and testing. Vocational Rehabilitation assists those who have disabilities that may hinder their efficiencies on the job as well as provide a pool of well-qualified individuals who can fill job openings as needed. As partners, we focus on strategies that build relationships and deliver comprehensive solutions for businesses, trade associations, community, civic, and non-profits organizations. We seek to better understand the needs of employers and provide awareness of available services and resources.

In situations where a layoff or closure cannot be averted, basic career services are delivered to dislocated workers, enabling them to transition quickly into new employment. Eligible dislocated workers may also receive training and/or education through the WIOA Title I Adult and Dislocated Worker programs or the Trade Adjustment Assistance (TAA) program.

Services Following a Disaster

If the Federal Emergency Management Agency (FEMA) organizes services for disaster victims, the Department's FEMA contact will assess the need for an NDWG within 24 hours. The State will contact FEMA to secure a list of job orders required to assist disaster victims and to begin the cleanup afterward.

FEMA will set up Disaster Centers. These centers will include a career center, unemployment insurance, and WIOA job training programs. Other agencies and programs typically represented are American Red Cross, Internal Revenue Service, Tennessee Attorney General, Tennessee Emergency Management Agency (TEMA), local law enforcement, Salvation Army, Small Business Administration, Social and Rehabilitation Services and other appropriate local service organizations.

If FEMA is not involved in a local disaster, the DWU and LWDA will contact the following to organize services for disaster victims: chamber of commerce, city clerk and/or administrator, city mayor, Red Cross, Salvation Army and employers affected by the disaster. Once these contacts are made, the information regarding the services available to assist those who lost their jobs due to the disaster should be provided. A temporary office in the area may be set up to provide these services. Workers who have lost their jobs due to the disaster may be offered the following additional services:

- Classroom training

- Daycare
- Jobs at work sites, including wages and benefits
- Mileage
- On-the-job training
- Out-of-area job search and relocation
- Outreach and communications
- Tools needed for the job
- Work-related physical exams and medical exams

TDLWD has Mobile American Job Centers stationed across the state. In the event of a disaster, TDLWD will coordinate with TEMA, FEMA, and the LWDAs to mobilize the units to set up information and command centers in local communities to providing DWU and Rapid Response services.

Local Rapid Response Coordinators ensure those impacted by Trade receive assistance as early as possible. Rapid Response Coordinators receive notification of mass layoffs, closures, and Trade Adjustment Assistance (TAA) petition filings/certifications within 24 hours of official notification receipt. (WIOA Sect 134 (a)). TAA has been decommissioned as of July 1, 2022. Since its termination, workers who were certified and separated before this date can still access benefits and services. There are no new petitions being certified at this time.

Mass meetings in response to layoffs or closures with the potential to be Trade impacted receive information related to Trade Adjustment Assistance services. Trade-impacted workers will be provided with information regarding their eligible services and benefits.

Rapid Response funds will be used to carry out the statewide Rapid Response activities in conjunction with TAA funds to serve workers who established eligibility for the program prior to the effective date of the termination provisions. When a company is Trade impacted or potentially Trade impacted, a representative will attend the mass meeting to supply information, using TAA funding. This will allow for the braiding of TAA funds and Rapid Response funds to serve potential TAA-impacted workers.

B. ADULT AND DISLOCATED WORKERS PROGRAM REQUIREMENTS

1. WORK-BASED TRAINING MODELS

As part of the Governor's priority on work-based learning (WBL), the Tennessee Department of Labor & Workforce Development will continue using the current work-based training (WBT) strategy consisting of on-the-job training (OJT), incumbent worker training (IWT), apprenticeships, Individual Training Accounts (ITA), and other WBL opportunities as the base method of delivering services centered on the needs of both the participant and the employer. This strategy emphasizes a process that involves a hands-on work component that provides not only the necessary educational component required but also results in job performance outcomes [1].

A top priority is investing in our youth, and utilization of these WBL methods will be used for all WIOA Title I Programs, whenever possible, to provide the most effective environment and outcome for the student. Additionally, the Trade Adjustment Assistance program, that in the past has not utilized WBL programs, will now leverage the use of this type of instruction for eligible trade-impacted participants.

Work-based learning programs complement all apprenticeship models, including pre- apprenticeships and youth apprenticeships. The TDLWD's Apprenticeship Director is working collaboratively with the Tennessee Department of Education, High School Career and Technical Education (CTE) Departments, and the Office of Adult Education to identify employers that need to increase their talent pipeline and wish to build a WBL program. This approach will especially benefit all in-school youth participants including those enrolled in a Youth Apprenticeship program for high school CTE students aged 16 and 17. Additional program-specific details regarding the integration of apprenticeship models in Tennessee are provided below.

Out-of-school youth participants also benefit from this comprehensive strategy for work-based learning. The State Youth program has created a new framework within a Youth Strategic plan for forging stronger partnerships with area nonprofits, other state departments, and external stakeholders to develop services that allow out-of-school youth to have access to meaningful work-based learning activities. Given the barriers that impact successful employment outcomes for this population, work-based learning solutions offer the most efficient means for self-sustainability and long-term employment success. More details regarding in-school and out-of-school youth services, include work-based learning, are provided later in the Youth Services section of this plan.

2. REGISTERED APPRENTICESHIP

Tennessee's Registered Apprenticeship system, coordinated through Apprenticeship TN, continued strong expansion in 2024–2025. The key to growing Registered Apprenticeship programs in Tennessee continues to be providing knowledge and communication. This outreach is a multi-layered approach and includes several audiences – AJC staff, business and industry (employers), apprentices (existing and new hire employees). Under the Apprenticeship State Expansion grant, the Office of Apprenticeship will be launching a training program for all state functions that engage with employers and individual job seekers including but not limited to Regional and Executive Directors, American Job Center employees, Business Services personnel, Tennessee College System Workforce Development employees, and Economic and Community Development Regional employees. This training will provide an overview of Apprenticeships and what is required for a program to become registered as well as intensive training related to how to engage and communicate with employers regarding Apprenticeships. In addition, the Office of Apprenticeships will actively collaborate and keep an open dialog with partnering state agencies to ensure that information related to current apprenticeships, new programs and availability of training stays fluid.

Along with increasing staff members' knowledge of Apprenticeship programs and their benefits to employers, information-sharing materials with Office of Apprenticeship contact information are being developed for reference and are provided to employers as handouts. The Office of Apprenticeship will be working with the T.O.S.S. and Communications offices to develop additional informational and

outreach tools, including videos, that agency staff can share with employers and workers seeking employment opportunities. These materials will be readily available for all staff members in all locations.

The state recorded 9,981 active registered apprentices in FY 2024, up from 8,432 in FY 2023- a 18% year-over-year increase and more than double the number of apprentices a decade earlier. Growth has been supported by increased employer participation, stronger state coordination, and expanded institutional partnerships with community colleges, technical colleges, and universities.

While construction and manufacturing remain the largest sectors, apprenticeship offerings have broadened into public administration, education, and utilities. A major driver of diversification is Tennessee's nationally recognized Grow Your Own (GYO) Teacher Apprenticeship Initiative, launched in 2022 as the first federally registered K-12 teacher-apprenticeship pathway.

During Program Year 2024, the Tennessee Department of Labor and Workforce Development, Tennessee State Apprenticeship Agency, and Local Workforce Development Boards leveraged Workforce Innovation and Opportunity Act (WIOA) funding to significantly expand and enhance local Registered Apprenticeship (RA) program offerings. Tennessee prioritized integrating RA opportunities into the service delivery system to provide a proven "earn and learn" model for job seekers and upskill the local workforce.

In Tennessee, Registered Apprenticeship Programs (RAPs) remain a vital component of the state's sector strategy. RAPs also help advance consumer choice for participants in the Adult, Dislocated Worker, and Youth programs who access training programs on the State's Eligible Training Provider List (ETPL). In PY 2024, 41 sponsors operating a total of 59 RAPs were included on the State's ETPL.

A notable achievement includes a workforce development partnership with the Tennessee Titans, where the Northern Middle Local Workforce Development Area received \$251,000 to invest in various construction equipment and supplies. This investment enabled the placement of 65 participants in a state-certified pre-apprenticeship program who assisted with the construction of the new Tennessee Titans Stadium. The program is designed to offer a hands-on learning experience in construction sciences and is a collaborative effort among the Tennessee Builders Alliance and the Tennessee Titans Community Foundation. Pre-apprentices enrolled in the program can transition into official apprenticeships upon completing their studies. The program equips participants with both the practical skills and the educational credentials needed to succeed in the construction industry, thereby providing them with a solid foundation for a sustainable career.

Through strong partnerships and innovative strategies, the state's Apprenticeship TN initiative has achieved the following results during the 2024-25 program year:

- **Total Apprentices Served:** Tennessee enrolled a total of 12,145 participants in Registered Apprenticeship Programs.
- **Employer Partnerships:** The state established new RA partnerships with 52 employers, representing growth in the education, healthcare, advanced manufacturing, and construction sectors. TN SAA retained 100% of existing employer partners and saw a 72% increase in employer partnerships by June 2025.

- **Completion and Retention:** Tennessee registered apprentices demonstrated strong outcomes, with 1,371 completing their programs and earning a nationally recognized credential.
- **Wage Data:** The average completion wage for RA participants was \$29.28, demonstrating the effectiveness of this earn-and-learn model in securing living-wage employment.

Tennessee implemented several key strategies to maximize the impact of the Registered Apprenticeship programs:

- **Sector Strategies:** Tennessee concentrated its resources on high-growth sectors, such as education and healthcare, where there is a clear demand for skilled workers. This involved collaborating with local employers and industry intermediaries to design and implement RA programs that directly address their talent needs.
- **Enhanced Outreach:** The state intensified outreach efforts to ensure individuals were aware of RA pathways. This included partnerships with industry associations, high schools, and American Job Centers to connect potential candidates with information and support services. Tennessee continues to engage with community-based organizations and explore collaborations, including those with the Tennessee Youth Employment Program and the Tennessee Department of Correction, Rehabilitation, Adult Education, and Reentry, to reach individuals with barriers to employment and underrepresented populations.
- **Pre-Apprenticeship Programs:** Tennessee successfully utilized WIOA youth funds to support pre-apprenticeships, preparing targeted participants with the foundational skills necessary to enter a full apprenticeship program. To date, the state has 157 certified pre-apprenticeship programs, with 47% being related to high school CTE curricula.

Apprenticeship outreach and recruitment strategies focused on ensuring equitable access for WIOA's target populations. The following data highlights the participation and outcomes among these key groups:

- **Women:** Tennessee has increased women's participation in registered apprenticeships through statewide initiatives and by leveraging federal grants. While women have traditionally been underrepresented in these programs, recent efforts have focused on expanding access, particularly in historically male-dominated fields.
- **Youth (Ages 16–24):** Tennessee actively targeted youth, especially out-of-school youth and foster youth, to provide structured career pathways. The number of youth apprentices increased from 5,219 in 2023 to 5,835 in 2024. Youth in registered apprenticeships made up 48% of the active apprentices in PY 2024.
- **Individuals with Disabilities:** The state provided accommodation and supportive services to ensure accessibility and success for individuals with disabilities. In 2024, the participation rate was steady at 1.32 percent, above the national average of 0.99 percent.

- **Justice-Involved Individuals:** Recognizing the barriers to employment for this group, the state partnered with the Office of Reentry, local jails, and National Reentry Workforce Collaborative (NRWC) to provide RA pathways.
- **Veterans:** The state collaborated with the Tennessee Higher Education Commission and local Veterans' service organizations to connect veterans with RA opportunities, including the utilization of GI Bill benefits. Tennessee's veteran participation rate was 5.9 percent, just above the national average of 5.25 percent.

Finally, to ensure engagement and alignment with business and industry, Tennessee's Apprenticeship Council was established by the State Legislature in 2021 and is composed of eleven (11) individuals appointed by the governor. Ex-officio council members are leaders of state employment and educational agencies (or their designees). The remaining members are individuals representing public and private sector employer and employee organizations and one knowledgeable public representative familiar with apprenticeships and apprenticeable occupations. In addition to advising Tennessee's Office of Apprenticeship regarding duties set forth by Tennessee's legislation, the committee is also charged with providing community outreach and education regarding the benefits of apprenticeship. The Apprenticeship Council meets quarterly and features presentation from industry leaders, review applications for new register apprenticeships across the state and advise on changes and improvements for apprenticeship opportunities across the state.

3. TRAINING PROVIDER ELIGIBILITY PROCEDURE

Initial Eligibility

Training providers who wish to be placed on the statewide Eligible Training Provider List (ETPL) must be initiated by completing an online New Provider Application. The Initial eligibility procedures apply to all training providers except for registered apprenticeships. After the training providers have completed their application, the local workforce development area (LWDA) that is closest to the primary location will verify the information to determine the provider's eligibility to be placed on the list of approved providers. Initial eligibility is based on the following:

- Meeting state minimum performance criteria, as approved by the State Board.
- Information concerning whether a provider is in a partnership with a business.
- Evidence that the program successfully leads to an ETPL Qualifying Credential.
- Information addressing the alignment of training with in-demand industry sectors and occupations, to the extent possible.
- Providers must provide evidence of accreditation and licensure with the appropriate state or other governing entity to have their programs listed on the ETPL.

Upon approval, the provider then enters select programs to be reviewed and approved by the Local Workforce Development Board (LWDB). Additionally, Eligible Training Providers (ETPs) must provide the following for initial eligibility:

- Description of each program of training services to be offered;
- Evidence that the program successfully leads to an ETPL Qualifying Credential:
 - ETPL Qualifying Credential is defined in Section 2 of the State Workforce Services Policy Eligible Training Provider. See below for an excerpt:
 - Programs may be delivered in person, online, or via a blended approach and must lead to at least one ETPL Qualifying Credential defined as:
 - A. An industry-recognized certificate or certification, a certificate of completion of a registered apprenticeship, a license recognized by the State of Tennessee or federal government;
 - B. A postsecondary credential, including an associate or baccalaureate degree;
 - C. A secondary school diploma or its equivalent;
 - D. Employment, or
 - E. Measurable skills gains toward a recognized postsecondary or secondary school diploma or its equivalent credential.
- Cost information, including tuition and fees
- Information that addresses alignment of the training services with in-demand industry sectors and occupations, to the extent possible;
- Information related to one of the indicators of performance, which include for all students Workforce Innovation & Opportunity Act (WIOA) performance indicators (employment 2nd & 4th Quarter after exit, median earnings 2nd Quarter after exit, or credential attainment)

After the LWDB votes on the ETP's application, written notification must be submitted to the State within ten (10) business days of the decision to add, postpone, or deny the training provider placement on the ETPL. This applies to in-state and out-of-state training providers with training programs.

- Local workforce boards may require supplemental information and may set additional eligibility criteria in their local policy.
- New training provider program applications may be submitted on any day of the year.

Continued Eligibility:

- The State Workforce Services Policy Eligible Training Provider details the concerns with Continued Eligibility. Section 4(B)(1)(g) states: *"ETP's ability to offer quality training services leading to an ETPL Qualifying Credential."*

- Based on the definition in the policy for qualifying credential, that one section addresses the three bullet points that are needed for continued eligibility.
- The State Workforce Services Policy Eligible Training Provider references that RAPs can opt-in to the ETPL in Section 5. Our State Workforce Development Board Guidance- ETPL Registered Apprenticeship Programs under section 2.1 provides the procedures to opt-in. See the below excerpt:
 - *“Registered Apprenticeship program sponsors are automatically eligible for placement on the statewide ETPL. The TN Office of Apprenticeship informs RAP sponsors of their automatic eligibility for the ETPL and encourages interested program sponsors to opt-in by contacting WFS.ETPL@tn.gov.”*

Approved training providers receive initial eligibility for one fiscal year for a particular program. After the initial eligibility expires, training providers are subject to application procedures for continued program eligibility every two years. Also, the US. Department of Labor requires the Tennessee Department of Labor and Workforce Development (TDLWD) to report on the performance of providers annually, including Tennessee's ETPL. This data-driven method ensures that all parties strive to provide prepare workers for high quality jobs. Thus, the information submitted by the providers to TDLWD will be used as criteria for assessing a program's requirement for continued ETPL eligibility.

The state minimum performance standard measures are as follows:

- WIOA student completion rate for each program must be $\geq 40\%$.
- All student completion rates for each program must be $\geq 60\%$
- WIOA student placement rate for each program must be $\geq 40\%$.
- All student placement rates for each program must be $\geq 60\%$.

As subsequent eligibility determinations are made, any program that fails to meet the minimum performance standards as established by the State will be removed from the ETPL for a minimum period of one (1) program year.

Additional continued eligibility requirements include:

- Whether the providers timely and accurately submitted all the information required for completion of eligible training provider performance reports required under WIOA 116(d)(4) and all the information required for initial and continued eligibility.
- ETP performance on WIOA performance indicators: Unsubsidized Employment 2nd Quarter or 4th Quarter after exit, median earnings, credential attainment.
- Access to training services throughout the state, including rural areas and through technology use.
- Information reported to state agencies on federal and state training programs other than WIOA Title I-B programs.

- The degree to which training programs relate to in-demand industry sectors and occupations in the state.
- State licensure requirements of training providers, and licensing status of providers of training services, if applicable.
- ETP's ability to offer quality training services leading to an ETPL Qualifying Credential.
- ETP's ability to provide trainings that are physically and programmatically accessible for individuals who are employed and individuals with barriers to employment, including individuals with disabilities.
- ETP's ability to provide training services to individuals who are employed and individuals with barriers to employment.

Providers who substantially violate the requirement to timely and accurately submit all required information for completion of the ETP performance reports required under WIOA Section 116(d)(4) and all the information required for initial and continued eligibility must be removed from the ETPL. Substantial violations include but are not limited to:

- Failure to submit annual performance reports by the deadline.
- Failure to keep current the eligible training provider and program demographic information displayed on the ETPL.
- Failure to respond to a State request for a data validation visit.
- Poor performance during a data validation visit.
- Failure to submit corrections needed following yearly report validation by the specified deadline.
- Failure to comply with State requests for information.

Any time after the initial program approval by the LWDB, the ETP - including registered apprenticeship programs - can request to have a program removed from the ETPL.

- Training providers must be made aware that specific programs may be approved for some local areas and denied for others.

Appeal Process:

If a local workforce development board denies an ETP's initial application for listing on the ETPL, the LWDB must, within thirty (30) days from the date of determination, inform the training provider in writing, including the specific reason(s) for the denial and complete information on the appeal process as established on the ETPL Policy.

A training provider wishing to appeal a decision by the LWDB must submit an appeal to the LWDB within thirty (30) days of the issuance of the denial notice. Similarly, a training provider may appeal to the State after they have exhausted the appeal process of an LWDB and are dissatisfied with the LWDB's final decision.

Upon receipt of an appeal, the State will notify the associated LWDB as well as the appealing ETP that the appeal request has been received. The ETPL state appeals review process is completed within (60) business days upon receipt of appeal. Documentary evidence will be collected from both parties and submitted to impartial members of the ETPL State Appeals Committee for review. The LWDB and the appealing ETP will receive an explanation of the committee's ruling in writing. The LWDB enacts the committee's ruling within (10) business days.

Registered Apprenticeship:

Registered Apprenticeship programs (RAP) are not subject to the same application and performance information requirements or a period of initial or continued ETPL eligibility as other training providers. To be included on the ETPL, RAPs must express interest by opting-in. Local areas must add them without applying any additional eligibility requirements that applies to other types of training providers.

RAPs must provide information necessary to verify the registration status for the RAP by providing certification of registration available in RAPIDS 2.0. The ETP coordinator may work with the state office of apprenticeship to facilitate the process, enabling these programs to be placed on the statewide ETPL with minimal burden.

RAP sponsors who wish to be included on the ETPL can access the provider application through Jobs4TN.gov or by emailing Apprenticeship.TN@tn.gov or ETPL Coordinator/general mailbox.

RAPs must provide the following basic information:

- Occupations included within the RAP
- Name and address of the RAP sponsor
- Name and address(es) of the related technical instruction provider(s) and the locations(s) of instruction if different from the program sponsor's address
- Cost of the instruction, if the provider of the Related Technical Instruction is different from the program sponsor
- Method and length of instruction
- Number of active apprentices

RAPs will remain on the list as long as the program is registered or until the program sponsor notifies the TDLWD that it no longer wants to be included on Tennessee's ETPL (TEGL 8-19).

RAPs are maintained on the ETPL until:

- They are deregistered
- The RAP notifies the State that it no longer wants to be included
- The RAP is determined to have intentionally supplied inaccurate information or to have substantially violated any provision of Title I WIOA or the WIOA regulations, including 29 CFR Part 38.

RAPs are exempt from performance reporting requirements in WIOA § 116(d)(4) and 122 but are encouraged to voluntarily report performance outcomes when possible.

4. DESCRIBE HOW THE STATE WILL IMPLEMENT AND MONITOR FOR THE ADULT PRIORITY OF SERVICE REQUIREMENT IN WIOA SECTION 134 (C)(3)(E) THAT REQUIRES AMERICAN JOB CENTER STAFF, WHEN USING WIOA ADULT PROGRAM FUNDS TO PROVIDE INDIVIDUALIZED CAREER SERVICES AND TRAINING SERVICES, TO GIVE PRIORITY OF SERVICE TO RECIPIENTS OF PUBLIC ASSISTANCE, LOW-INCOME INDIVIDUALS, AND INDIVIDUALS WHO ARE BASIC SKILLS DEFICIENT (INCLUDING ENGLISH LANGUAGE LEARNERS).

The monitoring of priority of services is carried out through our on-site monitoring visits of programs and governance. The monitoring of these and other required services are guided by the State's monitoring review guide updated annually to describe the methods of how monitoring activities will be conducted. A Priority of Service guidance has been provided to Local Workforce Development Boards (LWDBs) to instruct how to carry out the priority of service of the adult and veteran populations. The guidance also instructs the LWDBs to create a policy on how this will be carried out within their respective area.

The guidance can be located at:

<https://www.tn.gov/workforce/contact-the-department0/boards---commissions/boards---commissions-redirect/state-workforce-development-board/wioatechnicalassistance.html>

Flags for the priority populations required under WIOA already exist in TN's Virtual One Stop (VOS) case management system, and our staff user guides emphasize edit-checked methods of intake, determinations of eligibility, and we prepared for transition through system generated extract files which listed the frequencies of priority enrollments by region and local areas. Then using WIOA eligibility business rules, we migrated enrollments eligible for priority of service into VOS. Our system user guides, and digital training guides prepared local and partner staff in the points of priority of service. Our system reports available to all, and prepared in accordance with WIOA statutory requirements, have been put in place.

Adult Education will coordinate with the adult and dislocated worker programs in order to provide assessment, adult education and literacy activities, and training opportunities where possible. When determining if individuals are eligible for the training services under WIOA

§134, adult education will rely on the determination of the adult and dislocated worker program. If individuals are determined to be eligible under those programs, adult education can be assistive in the provision of services.

If adult and dislocated participants need to be assessed to determine education, Adult Education can be assistive in proctoring TABE or CASAS assessments. When a participant is determined to need basic skills education/remediation, Adult Education can enroll the participant in classes to provide instruction for basic skills improvement. in the event that the participant(s) are in an area where a local provider has established training opportunities, the participant(s) could qualify for training services under integrated education and training (and supportive services if necessary).

5. DESCRIBE THE STATE'S CRITERIA REGARDING LOCAL AREA TRANSFER OF FUNDS BETWEEN THE ADULT AND DISLOCATED WORKER PROGRAMS

WIOA sec. 133(b)(4) provides the authority for local workforce areas, with approval of the Governor, to transfer up to 100 percent of the Adult Activities funds for expenditure on Dislocated Worker Activities, and up to 100 percent of Dislocated Worker Activities funds for expenditure on Adult Activities. States and local workforce areas do not have the authority to transfer funds to or from the Youth Activities program. For further details on TDLWD's criteria on the above referenced transfer authority, please refer to Workforce Services Policy – Transfer Authority.

https://www.tn.gov/content/dam/tn/workforce/documents/ProgramManagement/Completed_WFS_Policy_-_Transfer_Authority_-_WIOA.PDF

6. DESCRIBE THE STATE'S POLICY ON WIOA AND TAA CO-ENROLLMENT AND WHETHER AND HOW OFTEN THIS POLICY IS DISSEMINATED TO THE LOCAL WORKFORCE DEVELOPMENT BOARDS AND REQUIRED ONE-STOP PARTNERS. TRADE ACT SEC. 239(F), SEC. 235, 20 CFR 618.325, 20 CFR 618.824(A)(3)(I).

TAA Co-enrollment memorandum was established in January 1, 2023 to mandate the co-enrollment of TAA participants into Title I DW. This memorandum further defines the process of co-enrollment and how to case manage these individuals. The requirement for co-enrollment is further enhanced through annual KPIs requiring 100% co-enrollment of eligible participants. Below is the "State Workforce Development Board Memorandum for Trade Adjustment Assistance Co-Enrollment" for reference:

https://www.tn.gov/content/dam/tn/workforce/documents/wfs/WFS_Memo_Trade_Adjustment_Assistance_Co-Enrollment.pdf

7. DESCRIBE THE STATE'S FORMAL STRATEGY TO ENSURE THAT WIOA AND TAA CO-ENROLLED PARTICIPANTS RECEIVE NECESSARY FUNDED BENEFITS AND SERVICES. TRADE ACT SEC. 239(F), SEC. 235, 20 CFR 618.816(C)

Section 4 in the "State Workforce Development Board Memorandum for Trade Adjustment Assistance Co-Enrollment" covers the state's strategy for ensuring co-enrollment between WIOA and TAA participants. The language reads as following:

TAA co-enrollment requirement does not require use of DW funds. The primary purpose of co-enrollment with DW is to promote access to DW program services, including career decision making and career guidance services, individualized occupational exploration, how to conduct labor market research and find local information, exploration of training options, training readiness, participation in dislocated professionals support groups, workshops offered by the DW program and even employment retention and career ladder guidance for A/RTAA participants that won't result in direct participant cost obligations.

There may be instances where a need for direct supportive services that cannot be funded by the TAA program are required. In these situations, funding for eligible supportive service such as travel/transportation, childcare, etc. would be covered through DW funds as part of co-enrollment.

On-site monitoring occurs for each Comprehensive AJC where TAA central office are located, and technical assistance is provided for new and existing staff that require training regarding co-enrollment.

8. DESCRIBE THE STATE'S PROCESS FOR FAMILIARIZING ONE-STOP STAFF WITH THE TAA PROGRAM. 20 CFR 618.804(J), 20 CFR 618.305

TAA staff receive a copy of the TAA Manual referenced below:

https://www.tn.gov/content/dam/tn/workforce/documents/ProgramManagement/TAA_Manual.pdf

Specifically, in the TAA Manual, it is noted that for TAA Participation, establishing participation in the TAA program starts with setting up an Initial Assessment activity in Jobs4TN (VOS). All TAA workers must have specific activities offered to them as part of core and intensive services. Initial Assessment is always the first service offered to the adversely affected worker - followed by these activities (not necessarily in this order):

- IEP – Individual Employment Plan (VOS activity code 205) must be developed on all TAA participants
- LMI – Labor Market Information (VOS activity code 107) that will assist with reemployment
- Job Search (VOS activity code 125) Suitable employment search required prior to requesting training
- Referral to AE – Assessment (TABE/CASAS testing) (VOS activity code 138)
- Referral to Title 1 (VOS activity code 134) - required for co-enrollment with the Dislocated Worker program
- Rapid Response (VOS activity code 110) adversely affected worker attended a rapid response meeting
- There may be other activities that you include on the adversely affected worker, but the list above is required on all TAA workers that are looking at occupational training.

Implementation of the above reference manual, and annual on-site monitoring of each Comprehensive AJC where TAA central office staff assess AJC staff on their understanding of program requirements, provide for opportunities where staff may lack any understanding and require subsequent training.

C. YOUTH PROGRAM REQUIREMENTS.

1. IDENTIFY THE STATE-DEVELOPED CRITERIA TO BE USED BY LOCAL BOARDS IN AWARDING GRANTS OR CONTRACTS FOR YOUTH WORKFORCE INVESTMENT ACTIVITIES AND DESCRIBE HOW THE LOCAL BOARDS WILL TAKE INTO CONSIDERATION THE ABILITY OF THE PROVIDERS TO MEET PERFORMANCE ACCOUNTABILITY MEASURES BASED ON PRIMARY INDICATORS OF PERFORMANCE FOR THE YOUTH PROGRAM AS DESCRIBED IN SECTION 116(B)(2)(A)(II) OF WIOA.¹¹ FURTHER, INCLUDE A DESCRIPTION OF HOW THE STATE ASSISTS LOCAL AREAS IN DETERMINING WHETHER TO CONTRACT FOR SERVICES OR TO PROVIDE SOME OR ALL OF THE PROGRAM ELEMENTS DIRECTLY.

The local boards will adhere to the procurement policy issued by the TN Department of Labor & Workforce Development – Workforce Services Division that outlines competitive procurement through a request for proposal (RFP) process for one-stop operators, career service providers, and youth providers.

The local workforce development board (LWDB) must identify eligible youth providers for the local workforce development area (LWDA) by awarding grants or contracts on a competitive basis based on the recommendation of the LWDB. Youth standing committee members must disclose any and all conflicts of interest with bidder's staff, including, but not limited to, family ties (spouse, child, parent, sibling) fiduciary roles, employment or ownership interests in common.

- State Workforce Development Board Policy- One-Stop Operator and Service Provider Procurement includes language on procurement requirements for Youth Service Providers that the LWDBs must follow. Section II has the following requirements:
 - *“Bidders must demonstrate the ability to successfully meet Federal and State performance accountability measures to include performance indicators established by ETA and Key Performance Indicators (KPIs) set by the SWDB in their delivery of services. Bidders must also commit to successful outcomes for all contracted services. In all cases, the LWDBs must ensure that all sub-recipients and contractors are monitored for quality of services and achievement of the above performance standards.”*

When awarding grants or contracts to youth service providers, the local boards must follow, at minimum, the following criteria:

1. Proposals must include a detailed outline of how the bidder will execute youth elements identified in the RFP;
2. Proposals must demonstrate the bidder's ability to deliver services to the targeted population in accordance with locally established guidelines;
3. Proposals must demonstrate whether the organization leverages community-based resources, including partnerships with organizations that provide leadership development, mentoring services and private sector employment involvement
4. Proposals must highlight the bidder's experience in engaging at risk youth in similar activities; and
5. Proposals must illustrate the understanding of and commitment to meeting goals and objectives established by local board.

WIOA requires an inclusive comprehensive service delivery through executed MOUs and agreements. TDLWD, through partner engagement meetings, have created a team of agencies to review local and regional plans for alignment and gap identification- TDLWD will include core partners in the evaluation and monitoring of career services providers to ensure all Tennesseans are receiving adequate high-quality linkage to the workforce system, and supportive services to achieve completion.

2. EXPLAIN HOW THE STATE ASSISTS LOCAL WORKFORCE BOARDS IN ACHIEVING EQUITABLE RESULTS FOR OUT-OF-SCHOOL AND IN-SCHOOL YOUTH. DESCRIBE PROMISING PRACTICES OR

PARTNERSHIP MODELS THAT LOCAL AREAS ARE IMPLEMENTING AND THE STATE'S ROLE IN SUPPORTING AND SCALING THOSE MODELS WITHIN THE STATE FOR BOTH IN-SCHOOL AND OUT-OF-SCHOOL YOUTH.

The State recognizes as a top priority investing in youth, and as it specifically pertains to out-of-school youth, individual service plans will identify the participants' needs and interests and seek to coordinate the optimum blend of services and funding to achieve the participant's goals for success. This success plan can include, but is not limited to, the indication of a work experience opportunity, career pathway program of study, and any of the other 14 program elements. This model is an integrated structure of programs and services intended to:

- develop basic, technical and employability skills;
- provide continuous education and training; and
- offer work supports that lead to high-demand job opportunities in targeted sectors

The State recognizes the importance of strategic partnerships and will continue to collaborate with partner agencies and organization to develop a program design that fosters alignment of services and streamlines services for all youth entering the workforce and seeking to continue their education.

Also, the State intends to expand funding opportunities to nonprofits and other entities that are currently serving at-risk youth and have established programs and services that align with one or more of the 14 youth program elements. The State will produce a comprehensive youth program framework that local boards and entities will use to construct program design and delivery from a local perspective. These combined efforts will contribute to improved outcomes for the growing number of out-of-school youth participants.

Tennessee will utilize multiple strategies for improving the outcomes for the out-of-school youth population. This includes utilizing a common WIOA intake process that will collect demographic participant information for the four core programs and additional partners. The State will review opportunities for implementing a common referral system that allows all partners and additional organizations the ability to refer participants into the WIOA system. Being able to utilize one referral portal will increase access to programs and foster co-enrollment amongst programs.

The State will continue to hold monthly partner meetings to ensure all partners, core and required, are aware of program operations and fostering alignment across program enrollment and service delivery. These meetings will also serve as a collaborative report-out on local youth activities, partner program engagement, sharing best practices and exploring potential expansion in partnership with non-core partners.

To expand and sustain the focus on youth work experience, the department has created the Tennessee Youth Employment Program (TYEP) to serve all youth (including those not WIOA-eligible) between the ages of 14-24. The Tennessee Youth Employment Program (YEP) is a state-funded program for individuals aged 14-24 that connects them with employers for paid, hands-on work experience. Participants can earn subsidized wages while gaining career skills, building their resumes, and exploring future jobs, with the state covering the wages for participating employers. The program prioritizes low-



income youth and those in foster care but is open to all eligible young people across a wide range of industries. YEP provides youth with paid work experience, which can include summer jobs, internships, and job shadowing. Participants also receive valuable skills like professionalism, teamwork, and financial literacy. Employers can hire young workers at no cost for wages, as the state covers the payroll and insurance. This allows businesses to build a talent pipeline and mentor future employees while contributing to the community. The program aims to provide valuable work experience, reduce the effects of poverty, and equip young people with the skills for long-term career success.

The Tennessee Youth Employment Program (YEP) has rapidly become one of the state's most visible workforce successes, demonstrating strong early outcomes during the 2024–2025 period and earning prominent recognition in Governor Bill Lee's February 2025 State of the State Address. Launched in 2024 to provide paid work experience to young Tennesseans, YEP quickly gained traction with employers and communities across the state. Within its first year, the program had connected more than 4,700 youth with job opportunities—an achievement Governor Lee cited directly when he described YEP as “such a huge success” that it was time to “take it to the next level.” That endorsement marked a turning point, elevating the program from a promising pilot to a central pillar of the state's long-term workforce strategy.

The momentum generated by these early results shaped the Administration's budget priorities. In mid-2025, building on the Governor's public commitment, the state announced a \$7 million investment specifically to expand YEP. This additional funding was designed to operate the program year-round, double the number of participants served, and strengthen its reach in underserved communities. The expansion also aligned with broader workforce initiatives—including employer incentives, micro-credentialing, and regional talent development efforts—ensuring YEP sits within a cohesive strategy to prepare Tennessee's future workforce.

As the program enters its second full year, the newly allocated funding provides an opportunity to deepen and professionalize its operations. Year-round delivery will allow for sustained employer engagement and more consistent support for young workers. With expanded resources, the program can address persistent barriers—such as transportation, limited access to childcare for older youth with caregiving responsibilities, and the need for stronger job-matching tools—to improve retention and outcomes. At the same time, Tennessee has the chance to formalize performance expectations, enhance data reporting, and introduce impact evaluations that will help shape future budget cycles and ensure taxpayer value.

This program provides opportunities for work experience in all fields of employment and include the involvement of local workforce boards as well as community organizations across the state. With the first round of funding being available in FY23, there was a “soft launch” of the program held for summer 2023, including community partners such as Peer Power in Memphis and the Urban League, and Big Brothers & Big Sisters across multiple cities in the state, followed by a full launch in April 2024. The program is now in its second full program year and has evolved by utilizing more community partners throughout the State, leveraging additional funds from Vocational Rehabilitation to specifically serve youth with disabilities, and expanding to serve additional youth every year. Taken together, the 2024–2025 period represents the foundational phase of YEP's statewide growth. The

program has proven its ability to produce rapid, meaningful results and has secured the support necessary for long-term scale. As YEP continues to expand, TDLWD has utilized a marketing agency and internal communication teams to implement a statewide advertising campaign for YEP, including advertisements on radio, TV, and social media targeting youth, employers, and parents. Additionally, a communications toolkit was developed and distributed to local areas and participating partner agencies.

YEP is positioned to become one of Tennessee's flagship youth opportunity initiatives—one that strengthens employer pipelines, accelerates workforce readiness, and provides thousands more young Tennesseans with the chance to build skills, earn income, and chart a path toward stable careers.

While work experience has been a historical program element under WIOA youth services, this addition of state funding allows the department to maximize WIOA funds for other services needed by out-of-school youth with minimal restrictions. The program design allows for the participants wages and other liabilities to be covered by the grant while the employer focuses on providing quality work experience training, soft skills training and real-life experience on their work site. This program will help the State learn best practices to implement for the WIOA Youth program and expand resources to support businesses who employ youth. This funding has also allowed American Job Centers to be a “no wrong door” entry point if a youth is looking for work experience, with WIOA-eligible youth being served through Title I and those not eligible for federal services still being served utilizing state funding.

Tennessee's longitudinal data system tracks data across all core programs, as well as additional information related to education, child services, and human services. This system facilitates collaboration across the core programs and partner organizations, which has resulted in improved planning and strategy development. The reports produced from the longitudinal system assist with federal and state reporting. Currently, multiple state agencies and higher education systems are engaged in a study to better understand the social and economic outcomes of Tennesseans that would qualify as WIOA Youth.

The State Workforce Board has established a key priority for collaborative engagement and cross-training of service provider staff. The goal of this effort is to simplify the intake process for participants, regardless of the service entry point, which in turn provides an efficient delivery of comprehensive services for citizens with multiple barriers to employment.

To complement our strategies and initiatives for out-of-school youth, as well as proactively mitigate the risk of a growing youth population, the state has placed an emphasis on serving in-school youth. Studies have demonstrated the long-term impacts – positive – on youth and young adults when they are engaged in meaningful work experiences or related activities. Additionally, Tennessee has made aggressive steps toward improving access to postsecondary opportunities, as well as work-based learning activities. To expand the partnership strategy to core program partners and other stakeholders, the state has launched the Tennessee Youth Employment Program (TYEP) for in-school and out-of-school youth that (1) clarify career pathways in their respective regions, (2) engage multiple agencies to merge resources to increase program success, and (3) foster local collaboration with relevant stakeholders. The Tennessee partners have also set a goal to establish specialized American Job Centers located in high schools to provide services to youth as well as their families.

Tennessee Department of Education (TDOE) (Carl D. Perkins Vocational and Technical Education) and Tennessee Department of Labor and Workforce Development share a common vision that all students should have the opportunity to high quality, and rigorous programs of study aligned to industry and employer needs. Currently career and technical education in Tennessee is comprised of fourteen (14) Career Clusters or industry sectors:

- Advanced Manufacturing
- Agriculture
- Arts, Entertainment and Design
- Civics, Public Service, & Safety
- Construction
- Digital Technology
- Education
- Energy and Sustainable Resources
- Financial Services
- Healthcare and Human Services
- Hospitality
- Management & Entrepreneurship
- Marketing & Sales
- Supply Chain & Transportation

These programs of study are designed to lay a strong foundation that prepares the student to enter the aligned career field or progress into a postsecondary program for advanced training. At the postsecondary level, these programs are designed to provide advanced training and offer the credentials an individual need to prosper under the economic and workforce demands of Tennessee. Furthermore, the FutureReadyTN initiative aligns K–12 education, postsecondary institutions, and industry partners to create clear, student-centered pathways to high-skill, high-wage, and in-demand careers. Grounded in four pillars—Credentials of Value, Individualized Advising, Seamless Transitions, and Work-Based Learning—this initiatives aims to equips students to make informed decisions and transition successfully to postsecondary education, the workforce, or military service.

3. DESCRIBE HOW THE STATE ASSISTS LOCAL WORKFORCE BOARDS IN IMPLEMENTING INNOVATIVE MODELS FOR DELIVERING YOUTH WORKFORCE INVESTMENT ACTIVITIES, INCLUDING EFFECTIVE WAYS LOCAL WORKFORCE BOARDS CAN MAKE AVAILABLE THE 14 PROGRAM ELEMENTS DESCRIBED IN WIOA SECTION 129(C)(2); AND EXPLAIN HOW LOCAL AREAS CAN ENSURE WORK EXPERIENCE, INCLUDING QUALITY PRE-APPRENTICESHIP AND REGISTERED

APPRENTICESHIP, IS PRIORITIZED AS A KEY ELEMENT WITHIN A BROADER CAREER PATHWAYS STRATEGY.

The State has a policy Workforce Services Policy- Youth Program Service Design and Framework that defines a programmatic framework for all WIOA-funded youth programs, which went into effect on June 5, 2020. Under this policy, an orientation is required to be conducted with each eligible youth participant that includes information on the 14 program elements within the Title I youth program (including pre-apprenticeship programs), and which entity administers each element within the Local Workforce Development Area (LWDA). The State also works closely with the Local Workforce Development Board (LWDB) through frequent technical assistance calls, in-person monitoring, and case file reviews to ensure that work experience is prioritized within a broader career pathways strategy and to share best practices across the state.

The State will conduct annual monitoring as outlined in State's most current monitoring guide. Regular quarterly desktop reviews of Youth enrollments will also continue, with results and Technical Assistance (if necessary) communicated to each local area. Utilizing the WIOA Youth Supplement Core Monitoring Guide and other tools deemed applicable, staff will evaluate the local areas implementation of the program to include processes that inform and make available all 14 program elements. Additional details on pre-apprenticeship programs are provided in the section above related to Registered Apprenticeships and connections to the K-12 system.

TDLWD understands that WIOA cannot be the only solution in ensuring seamless industry alignment and opportunities for all Tennesseans. TDLWD will explore opportunities to deepen our partnership and service delivery through other agencies such as; Mental Health and Substance Abuse, Department of Children Services, and Department of Education by executing interagency agreements and memorandum of understandings to leverage/support existing programs for specific underserved populations.

4. PROVIDE THE LANGUAGE CONTAINED IN THE STATE POLICY FOR "REQUIRING ADDITIONAL ASSISTANCE TO ENTER OR COMPLETE AN EDUCATIONAL PROGRAM, OR TO SECURE AND HOLD EMPLOYMENT" CRITERION FOR OUT-OF-SCHOOL YOUTH SPECIFIED IN WIOA SECTION 129(A)(1)(B)(III)(VIII) AND FOR "REQUIRING ADDITIONAL ASSISTANCE TO COMPLETE AN EDUCATION PROGRAM, OR TO SECURE AND HOLD EMPLOYMENT" CRITERION FOR IN-SCHOOL YOUTH SPECIFIED IN WIOA SECTION 129(A)(1)(C)(IV)(VII). IF THE STATE DOES NOT HAVE A POLICY, DESCRIBE HOW THE STATE WILL ENSURE THAT LOCAL AREAS WILL HAVE A POLICY FOR THESE CRITERIA.

Through observation and input from local areas, the State will not be defining in the State Plan or policy the definition of "requiring additional assistance to enter or complete an educational program, or to secure and hold employment" criterion. Instead, it will be outlined in State policy for local areas to ensure there is a definition for this criterion in local youth policy. Local areas must also outline required documentation for this criterion. This will help the local areas address specific employment and educational barriers that are unique to the youth of the local area.

- TDLWD Program Integrity staff, along with the Youth Director and Youth program staff, monitor Title I Youth procedures and policies on an annual basis to ensure compliance with the

Title I Youth program. This monitoring includes a review of the required policies the Local Workforce Development Boards (LWDB) must have implemented. The requirement of defining additional assistance was placed on the LWDBs on June 5, 2020, and has been effective since that requirement was issued.

The state will issue guidance, submission instructions and additional resources to assist local areas in identifying and determining community and regional needs. The State will also support local areas in creating meaningful partnerships with non-traditional/mandated partners to assist in identifying the population identified and the tools/resources needed to remove barriers.

D. SINGLE-AREA STATE REQUIREMENTS

1. ANY COMMENTS FROM THE PUBLIC COMMENT PERIOD THAT REPRESENT DISAGREEMENT WITH THE PLAN. (WIOA SECTION 108(D)(3).)

2. THE ENTITY RESPONSIBLE FOR THE DISBURSAL OF GRANT FUNDS, AS DETERMINED BY THE GOVERNOR, IF DIFFERENT FROM THAT FOR THE STATE. (WIOA SECTION 108(B)(15).)

3. A DESCRIPTION OF THE TYPE AND AVAILABILITY OF WIOA TITLE I YOUTH ACTIVITIES AND SUCCESSFUL MODELS, INCLUDING FOR YOUTH WITH DISABILITIES. (WIOA SECTION 108(B)(9).)

Not applicable

4. A DESCRIPTION OF THE ROLES AND RESOURCE CONTRIBUTIONS OF THE ONE-STOP PARTNERS.

Not applicable

5. THE COMPETITIVE PROCESS USED TO AWARD THE SUBGRANTS AND CONTRACTS FOR TITLE I ACTIVITIES.

Not applicable

6. HOW TRAINING SERVICES OUTLINED IN SECTION 134 WILL BE PROVIDED THROUGH INDIVIDUAL TRAINING ACCOUNTS AND/OR THROUGH CONTRACTS, AND HOW SUCH TRAINING APPROACHES WILL BE COORDINATED. DESCRIBE HOW THE STATE WILL MEET INFORMED CUSTOMER CHOICE REQUIREMENTS REGARDLESS OF TRAINING APPROACH.

Not applicable

7. HOW THE STATE BOARD, IN FULFILLING LOCAL BOARD FUNCTIONS, WILL COORDINATE TITLE I ACTIVITIES WITH THOSE ACTIVITIES UNDER TITLE II. DESCRIBE HOW THE STATE BOARD WILL CARRY OUT THE REVIEW OF LOCAL APPLICATIONS SUBMITTED UNDER TITLE II CONSISTENT WITH WIOA SECS. 107(D)(11)(A) AND (B)(I) AND WIOA SEC. 232.

Not applicable.

8. COPIES OF EXECUTED COOPERATIVE AGREEMENTS WHICH DEFINE HOW ALL LOCAL SERVICE PROVIDERS WILL CARRY OUT THE REQUIREMENTS FOR INTEGRATION OF AND ACCESS TO THE ENTIRE SET OF SERVICES AVAILABLE IN THE ONE-STOP DELIVERY SYSTEM, INCLUDING COOPERATIVE AGREEMENTS WITH ENTITIES ADMINISTERING REHABILITATION ACT PROGRAMS AND SERVICES.

Not applicable.

E. WAIVER REQUESTS (OPTIONAL)

Tennessee will request to leverage WIOA waiver authority to advance the flexibility and innovation pillar of *America's Talent Strategy: Building the Workforce for the Golden Age*. The following are Tennessee's proposed waiver requests- implementation is pending USDOL approval.

For PYs 2025, 2026, and 2027, Tennessee requests the following waivers organized by impacting programs, systems, performance and structure:

A. Waivers impacting Tennessee Workforce Programs:

1. Waiver of the requirements found at WIOA § 128(a)(2) to allow increased flexibility in the use of funds reserved by the Governor to provide alternative service delivery to Tennessee Youth who do not meet the eligibility requirements for WIOA Title 1 Youth Services.
2. Waiver from the OSY expenditure requirements found at WIOA § 129(a)(4)(A) to reduce or remove the 75% Out of School Youth (OSY) expenditure mandate, allowing local areas more flexibility to allocate Youth funds across ISY and OSY populations based on local needs, labor-market realities, and programmatic capacity.

B. Waivers impacting Tennessee Workforce System:

3. Waiver of the reallocation provisions set forth by WIOA § 128(c)(3) and 133(c), to allow Tennessee to develop different criteria than those required by statute for the reallocation of recaptured funds among local workforce areas.
4. Waiver of discretionary formula allocation requirements set forth by 20 CFR 683.120 to allow greater discretion and flexibility in addressing specific local workforce needs.
5. Waiver of WIOA § 134(d)(2) and 20 CFR 680.910 to allow greater flexibility in the use of supportive services for eligible WIOA participants who have exited the program and are recipients of public assistance, when such services are specifically designed to mitigate benefit cliffs and support sustained employment and earnings progression.
6. Waiver of WIOA § 134(c)(3)(F)(i) and (G) and 20 CFR 680.320(a) and 680.340(a) to allow training contracts to be utilized as the primary delivery mechanism for WIOA Title I training.
7. Waiver of the business services provisions found at 20 CFR 678.435(b), in order to expand the scope of allowable business services to include providing certain standardized assessment and skill validation activities, such as the National Career Readiness Certificate (NCRC) and similar employer-recognized assessments, even when individuals receiving the assessment are not enrolled participants under WIOA Title I.
8. Waiver to modify the alternative entity requirements set forth by WIOA § 107(i)(1)(B) to allow Tennessee to designate Regional Planning Councils (RPCs) to serve as the entities responsible for carrying out the functions assigned to Local Workforce Development Boards.

C. Waivers impacting Tennessee Workforce Performance:

9. Waiver in relation to the performance accountability provisions outlined in WIOA § 116(b)(2)(B) to allow the State to incorporate state-determined key performance indicators (KPIs) and

supplemental workforce system evaluations when assessing the effectiveness of local workforce development areas.

10. Waiver of WIOA § 116(b) performance accountability provisions and associated regulations at 20 CFR Part 677 and 20 CFR 679.560–679.570 to allow the temporary exclusion of certain Supplemental Nutrition Assistance Program (SNAP) participants from WIOA Title I performance accountability calculations.

D. Waivers impacting Tennessee Workforce Structure:

11. Waiver of the requirements relating to the competitive procurement of One Stop Operators set forth by WIOA § 121(d)(2)(A), 20 CFR 678.605(b) and 20 CFR 678.610, granting Tennessee the authority to select qualified One Stop Operators, independent of any non-competitive procurement requirements set forth by WIOA and OMB Uniform Guidance, resulting in a faster and more efficient selection process.
12. Waiver of the requirements at WIOA § 121(e)(1) and 20 CFR 678.300(c) to establish and maintain a comprehensive American Job Center (AJC) in each of the State's local workforce development areas.
13. Waiver of the requirements at WIOA Section 121(h) and associated federal regulations, allowing Tennessee to implement a transformational state-directed, integrated American Job Center (AJC) funding model.

WAIVER REQUEST 1:

Waiver of the requirements found at WIOA § 128(a)(2) and 20 CFR 683.120 to allow increased flexibility in the use of funds reserved by the Governor to provide alternative service delivery to Tennessee youth who do not meet the eligibility requirements for WIOA Title 1 Youth Services.

The statutory and/or regulatory requirements the State would like to waive

Tennessee is seeking a waiver of the requirements found at WIOA § 128(a)(2) and 20 CFR 683.120 to allow flexibility in the use of funds reserved by the Governor.

WIOA § 128(a)(2) confines Governors in using state reserve funds for:

1. Statewide activities under [WIOA](#) § 129(b), and
2. Statewide employment and training activities under [WIOA](#) § 134(a)

Tennessee is specifically requesting a waiver to modify and expand the permitted use of state reserve funds to include providing alternative service delivery to Tennessee youth who do not meet statutory eligibility requirements for WIOA Title 1 Youth Services.

Actions the state has undertaken to remove state or local statutory or regulatory barriers

There are no state or local statutory or regulatory barriers that would impede implementation of the requested waiver.

A description of the state's strategic goal(s)

Reason for the Request:

Under the leadership of Governor Bill Lee, Tennessee seeks to lead the nation in workforce development by utilizing innovative strategies to meet the needs of the state's dynamic and growing labor market. In furtherance of this vision, one of the key operational goals set forth in Tennessee's Combined State Plan is to strengthen the state's labor force through engagement strategies with Tennessee's Youth population. Investing in work-based learning opportunities for Tennessee Youth provides these individuals with meaningful work experience and skills, which improves talent pipelines for employers and results in a stronger overall Tennessee workforce.

Tennessee continues to successfully serve many of its youth through its WIOA Title 1 Youth Service Programs. Tennessee Department of Labor and Workforce Development's (TDLWD) data system indicates that an average of over 3,700 participants received Title 1 Youth Services during PY 2024.

Tennessee has also taken great strides at the state level to reinforce its strategic focus on engaging more youth in Tennessee's workforce system. One example of this is demonstrated by Tennessee's innovative creation and implementation of its Youth Employment Program (YEP). Launched in April 2024, Tennessee's YEP is a state-funded youth employment program, which uses funds to cover the costs of wages or wage reimbursement for employers. Under this initiative, any youth ages 14-24 can apply and earn up to \$3,500. And in alignment with the state's goals, this program allows these youth to develop valuable workforce skills, including a mix of practical, interpersonal, and professional skills. This program also benefits employers by allowing them to build their talent pipelines and provide targeted skills training, while the state covers wage costs. In its first year of implementation, the program served over 4,000 youth who were employed by more than 1,200 employers statewide.

While Tennessee remains committed to investing in its youth population through both WIOA Title 1 Youth Service Programs, and through innovative state initiatives, such as YEP, Tennessee has identified several barriers that serve to undermine its strategic focus on increasing access to youth work experience and participation. Primarily, due to the low-income threshold for In-School Youth and Out-of-School Youth set forth in 20 CFR 681.250, a significant percentage of Tennessee youth, who might otherwise benefit from workforce programs and training, are automatically disqualified for WIOA Youth Services. And while innovative state programs, such as YEP, have been designed to bridge this gap, thousands of work-ready youths are still unable to participate in these programs due to limited state funding. For example, there is currently a wait list of over 2,300 youth who wish to participate in Tennessee's YEP.

Consequently, Tennessee envisions this proposed waiver as a viable solution in reducing these barriers. This waiver will provide Tennessee with the flexibility to expand alternative service delivery access to a greater percentage of Tennessee youth, regardless of their income classification or other limiting eligibility conditions. This additional flexibility in use of funds would also allow Tennessee to continue investing in innovative youth workforce initiatives, such as YEP, which would ultimately result in more pathways for Tennessee Youth to connect with employers and increase the state's labor force participation rate.

Alignment with federal policy priorities:

1. This waiver will support employer engagement by promoting service-delivery designs that are based on employer and participant needs.
2. This waiver aligns with the Industry Driven Strategies pillar set forth in the Comprehensive Worker Investment and Development Strategy developed under President Trump's Executive Order 14278 (Preparing Americans for High-Paying Skilled Trade Jobs of the Future).
3. This waiver also aligns with the Flexibility and Innovation strategic pillar set forth in the Comprehensive Worker Investment and Development Strategy developed under President Trump's Executive Order 14278 (Preparing Americans for High-Paying Skilled Trade Jobs of the Future).

WIOA focuses on serving individuals with barriers to employment and seeks to ensure access to quality services for these populations. This waiver aligns with this goal by providing more disadvantaged youth with opportunities to obtain valuable work-based experience. Throughout Tennessee's Combine Plan are examples of initiatives demonstrating the importance of ensuring career and work readiness at all levels and how the state is moving toward strategies that tie investment in youth employment to workforce development. Increasing access for participation in innovative state workforce programs, such as YEP, will also allow more youth to become better informed of potential careers that match their interest, and prepare them for future employment and success.

On April 23, 2025, President Trump issued Executive Order 14278 titled Preparing Americans for High-Paying Skilled Trade Jobs of the Future. Under the Comprehensive Worker Investment and Development Strategy developed under this executive order, the Administration set forth five strategic pillars for America's workforce system which include: Industry-Driven Strategies, Worker Mobility, Integrated Systems, Accountability, and Flexibility and Innovation. This waiver would align with the Industry-Driven Strategies pillar by prioritizing the needs of local employers while simultaneously benefiting a key sector of Tennessee's workforce: Tennessee youth. The flexibility provided by the waiver would help employers steer investments toward the roles and credentials that propel an even larger percentage of Tennessee youth into secure, well-paying, and high-demand jobs.

This waiver would also support the Flexibility and Innovation pillar by providing Tennessee and its local communities with more control to tailor solutions to existing workforce participation barriers without being constrained by outdated or unnecessarily burdensome program rules or processes.

Projected outcomes following waiver implementation

Approval of this waiver request would improve outcomes and provide other tangible benefits for Tennessee youth and employers as follows:

1. Increase in the number of youths that enter the workforce.
 - a. TDLWD was able to provide work experience to 4,800 youth in 2024 and would expect that number to increase if waiver is approved.
 - b. TDLWD anticipates the addition of at least 2,300 additional youth entering the workforce as evidenced by current YEP waitlist metrics
 - c. TDLWD currently has a target number for Q3 FY 2025 of serving 3,750 youth.
2. Increase the labor force participation rate among teens.
 - a. In 2023, the labor force participation rate for teens was 41.3%

3. Increase investment in innovative strategies and work-based learning opportunities for Tennessee youth.
 - a. By connecting young people with real-world opportunities, youth work experience programs can ease staffing challenges in industries facing labor shortages — creating a stronger, more prepared future workforce.

Individuals, groups, or populations benefitting, or otherwise impacted by the waiver from the waiver

Tennessee intends for this waiver to benefit any job-seeking youth, as it will provide a greater percentage of Tennessee youth access to work based experience and employment opportunities, which they may not otherwise be eligible for. This includes justice involved youth, homeless youth, youth with disabilities, and youth transitioning from foster care. Furthermore, it will benefit employers by allowing them to build their future talent pipelines and will also ensure the likelihood of a more qualified and skilled state workforce.

How the state plans to monitor waiver implementation, including collection of measurable waiver outcome information

TDLWD will continuously monitor implementation of this waiver on a quarterly basis, analyzing the ability of the State to achieve its strategic goals.

As part of the monitoring and performance accountability process, TDLWD will collect data on waiver outcomes which will be included in the Tennessee WIOA Annual Report. Any waiver renewal requests will include the most recent available outcomes data.

Assurance of state posting of the request for public comment (including the dates that the state made the draft request available for public comment) and notification to affected local workforce development boards

Tennessee assures transparency by posting this waiver request for 30-day public comment on the Tennessee Department of Labor and Workforce Development's website. In addition, electronic copies of the waiver were sent via email to all strategic partners.

WAIVER REQUEST 2:

Waiver of the OSY expenditure requirements found at WIOA § 129(a)(4)(A) to reduce or remove the 75% Out of School Youth (OSY) expenditure mandate, allowing local areas more flexibility to allocate Youth funds across ISY and OSY populations based on local needs, labor-market realities, and programmatic capacity.

The statutory and/or regulatory requirements the State would like to waive

Tennessee is seeking a waiver of the OSY expenditure requirements found at WIOA § 129(a)(4)(A) and 20 CFR 681.410.

WIOA § 129(a)(4)(A) requires:

1. States and local areas to expend a minimum of 75 percent of WIOA Youth funds on direct services to Out-of-School Youth.

Tennessee is specifically requesting a waiver to reduce or remove the 75% OSY expenditure requirement in order to provide local areas more flexibility in allocating Youth funds across ISY and OSY populations based on local needs and conditions.

Actions the state has undertaken to remove state or local statutory or regulatory barriers

There are no state or local statutory or regulatory barriers that would impede implementation of the requested waiver.

A description of the state's strategic goal(s)

Reason for the Request:

Under the leadership of Governor Bill Lee, Tennessee continues to emphasize the importance of strengthening its labor force through engagement strategies with Tennessee's Youth population. Investing in work-based learning opportunities for Tennessee Youth provides these individuals with meaningful work experience and skills, which improves talent pipelines for employers and results in a stronger overall Tennessee workforce.

Tennessee continues to successfully serve many of its youth through its WIOA Title 1 Youth Service Programs. Tennessee Department of Labor and Workforce Development's (TDLWD) data system indicates that an average of over 3,700 participants received Title 1 Youth Services during PY 2024.

While WIOA Title 1 Youth funding is instrumental in providing valuable work opportunities and experiences for Tennessee's Youth, the minimum 75% expenditure requirement for OSY has prevented Tennessee from being able to fully utilize this resource by limiting the way LWDA's can respond to local youth needs and labor market realities.

In order to better serve their youth populations, local areas have long expressed a particular need for more flexibility in the application of their youth funds due to the already difficult nature of youth participation. For example, local youth program participation is often periodic, sporadic, and highly variable due to a variety of circumstances, such as varying seasonal and school-year patterns; competing programs, activities, and services available through community partners; enrollment fluctuations tied to transportation, housing instability, and family situations; and differences in labor-market demand for young workers across rural, suburban, and urban regions. These conditions often create a mismatch between the rigid OSY funding requirements and actual local service needs.

Tennessee has also identified several issues with the current OSY expenditure requirement:

1. Limits the ability of LWDA's to serve In-School Youth who may be at risk of dropout, disengagement, or becoming OSY in the near future;
2. Reduces program responsiveness during times when OSY recruitment is lower or when ISY engagement opportunities arise;
3. Constrains strategic co-enrollment efforts with Perkins V, Adult Education, TANF, community-based programs, and school-based initiatives; and
4. Forces local areas to prioritize compliance over the most effective youth service strategies.

As a result, Tennessee is specifically requesting a waiver to reduce or remove the 75% Out of School Youth (OSY) expenditure requirement. By waiving this requirement, local areas will be granted additional flexibility to allocate Youth funds across ISY and OSY populations based on local needs, labor-market realities, and programmatic capacity. This will help direct resources to youth participants with the greatest need and help ensure the success and growth of Tennessee's Youth workforce.

Alignment with federal policy priorities:

1. This waiver aligns with the Industry Driven Strategies pillar set forth in the Comprehensive Worker Investment and Development Strategy developed under President Trump's Executive Order 14278.
2. This waiver also aligns with the Flexibility and Innovation strategic pillar set forth in the Comprehensive Worker Investment and Development Strategy developed under President Trump's Executive Order 14278.

If approved, this waiver would be in alignment with the Industry-Driven Strategies pillar. As pointed out in a recent federal plan drafted by multiple federal agencies, "the workforce system must transform into a reliable pipeline of American talent led by industry and aligned with America's economic priorities...The current system is not positioned to prioritize industry needs and align federal workforce programs with private sector training investments and evolving skill demands." (See *America's Talent Strategy: Building the Workforce for the Golden Age*). Presently, the existing OSY funding requirements do not allow local areas to provide the most effective service delivery to Tennessee Youth. In many cases, these existing requirements can even potentially hinder the service delivery process and detract from participant and local needs. As a result, Tennessee believes the flexibility afforded by this waiver will allow for its LWDAs to better serve its youth population, consistent with their unique demographic and economic characteristics.

This waiver would also support the Flexibility and Innovation pillar by providing Tennessee and its local communities with more control to tailor solutions to existing workforce participation barriers without being constrained by outdated or unnecessarily burdensome program rules or processes (TEGL 05-25).

Projected outcomes following waiver implementation

Approval of this waiver request would improve outcomes and provide other tangible benefits for Tennessee Youth as follows:

1. Improve Youth Service Outreach
 - a. Allow local areas to serve both ISY and OSY populations more effectively based on actual local needs.
2. Promote ISY Early Intervention
 - a. Enable local areas to invest in In-School Youth interventions that prevent future disconnection and support long-term career pathways.
3. Enhance Local Innovation
 - a. Facilitate partnerships with K-12 systems, CTE programs, community-based organizations, and employers by removing funding barriers.
4. Increase Overall Enrollment and Performance
 - a. A more flexible funding structure will lead to:
 - i. Increased youth participation

- ii. More successful measurable skill gains and credential attainment
 - iii. Stronger employment and education outcomes
5. Increase investment in innovative strategies and work-based learning opportunities for Tennessee youth.

Individuals, groups, or populations benefitting, or otherwise impacted by the waiver from the waiver

Approval of this waiver will benefit local area staff by providing them with the flexibility to implement a more responsive youth funding structure, which would subsequently help local areas address specific local workforce needs.

In addition, this waiver would improve outcomes and provide multiple benefits for Tennessee Youth by increasing opportunities and funding for work-based learning programs and initiatives.

Other potential groups benefiting from this waiver include:

- 1. ISY at risk of disengagement who currently cannot be served at scale.
- 2. OSY who will continue receiving services based on proportional local need.
- 3. Local Workforce Development Boards seeking to design responsive youth strategies.
- 4. Community partners wishing to braid services without expenditure constraints.

How the state plans to monitor waiver implementation, including collection of measurable waiver outcome information

TDLWD will continuously monitor implementation of this waiver on a quarterly basis, analyzing the ability of the State to achieve its strategic goals. This includes tracking and reporting youth outcomes disaggregated by ISY/OSY status.

As part of the monitoring and performance accountability process, TDLWD will collect data on waiver outcomes which will be included in the Tennessee WIOA Annual Report. Any waiver renewal requests will include the most recent available outcomes data.

Assurance of state posting of the request for public comment (including the dates that the state made the draft request available for public comment) and notification to affected local workforce development boards

Tennessee assures transparency by posting this waiver request for 30-day public comment on the Tennessee Department of Labor and Workforce Development's website. In addition, electronic copies of the waiver were sent via email to all strategic partners.

WAIVER REQUEST 3:

Waiver to modify the requirements set forth by WIOA § 128(c)(3) and 133(c), relating to the reallocation of funds among local workforce development areas.

The statutory and/or regulatory requirements the State would like to waive

Tennessee is seeking a waiver of the requirements found at WIOA § 128(c)(3) and 133(c), and 20 CFR 683.140 to modify the criteria governing the recapture and reallocation of youth, adult, or dislocated worker funds among local workforce development areas.

20 CFR 683.140 currently restricts states to using the following reallocation procedures:

1. For the youth, adult and dislocated worker programs, the amount to be recaptured from each local area for purposes of reallocation, if any, must be based on the amount by which the prior year's unobligated balance of allocated funds exceeds 20 percent of that year's allocation for the program, less any amount reserved (up to 10 percent) for the costs of administration. Unobligated balances must be determined based on allocations adjusted for any allowable transfer between funding streams. The amount to be recaptured, if any, must be separately determined for each funding stream. The term "obligation" is defined at 2 CFR 200.71.
2. To be eligible to receive youth, adult or dislocated worker funds under the reallocation procedures, a local area must have obligated at least 80 percent of the prior program year's allocation, less any amount reserved (up to 10 percent) for the costs of administration, for youth, adult, or dislocated worker activities, as separately determined. A local area's eligibility to receive a reallocation must be separately determined for each funding stream.

A description of the state's strategic goal(s)

Reason for the Request:

Tennessee is requesting this waiver to support the State's goal of ensuring that funds are effectively recaptured and reallocated to local areas most in need. Tennessee believes that this waiver will grant it additional flexibility in efficiently reallocating funds to local areas, which will further promote maximum service provision and program performance.

If this waiver is approved, Tennessee will utilize a new methodology for recapturing funds from local areas that will consider factors in addition to the obligations that meet the definition in 2 Code of Federal Regulations (CFR) 200.1, such as:

1. Funds that have been earmarked for anticipated Individual Training Account (ITA) expenditures; and
2. Funds that local workforce development boards (LWDBs) must retain for training services provided through ITAs where successful job placement triggers the final payment to training providers of at least 10 percent.

This waiver will also allow Tennessee to consider when one or more of the following circumstances may warrant an exception to the states decision to recapture funds:

1. The LWDB was impacted by a natural disaster or other emergency that resulted in a reduced demand for workforce services;
2. The LWDB received non-WIOA funds that impacted the utilization of WIOA formula funds;
3. There were significant issues that impacted the local economy;
4. The LWDB was a direct provider of workforce services and, therefore, was unable to meet obligation requirements due to a lack of contractual obligations.

By redistributing recaptured funds based on the reallocation procedures established in 20 CFR 683.140, as well as factors established by TDLWD, Tennessee will ensure that funds are reallocated to local areas with the greatest need. As part of this process, Tennessee will determine the amounts to be redistributed to local areas based on factors such as:

1. Requested amount;
2. Demonstrated need for and ability to use additional funds to serve low-income individuals, public assistance recipients, dislocated workers, and unemployment insurance claimants;
3. Demonstrated capacity to expend the formula funds; and
4. Performance in the current and prior program year.

Further, this will allow Tennessee to redistribute WIOA funds to local areas that have not only achieved targeted obligation and expenditure levels, but who have also successfully established performance targets. The redistribution of funds based solely on whether a workforce area achieves its expenditure target does not address performance issues, such as whether the workforce area has met employers' needs for a highly skilled and job-ready workforce.

Alignment with federal policy priorities:

1. This waiver would help provide more efficient and greater access to quality service delivery.
2. This waiver aligns with the Flexibility and Innovation pillar set forth in the Comprehensive Worker Investment and Development Strategy developed under President Trump's Executive Order 14278 (Preparing Americans for High-Paying Skilled Trade Jobs of the Future).

WIOA focuses on serving individuals with barriers to employment and seeks to ensure access to quality services for these populations. This waiver request aligns with this focus by ensuring the State has an effective mechanism for recapturing and reallocating funds to local areas most in need for the specific purpose of serving low-income individuals, public assistance recipients, dislocated workers, and unemployment insurance claimants.

If approved, this waiver would also support the Flexibility and Innovation strategic pillar since it would provide Tennessee and its local communities with more control to tailor solutions to existing workforce participation barriers without being constrained by outdated or unnecessarily burdensome program rules or processes.

Projected outcomes following waiver implementation

The State expects to achieve the following goals and programmatic outcomes as a result of this waiver:

1. Ensure the State has an effective methodology for recapturing and reallocating funds;
2. Ensure funds will be more effectively and efficiently managed for maximum service provision and program performance; and
3. Enhance the quality of services in those local areas that have demonstrated consistent performance outcomes.

While approval of this waiver request may not result in significantly higher performance outcomes, it will provide the opportunity for recaptured funds to be redistributed to local areas where the greatest

potential impact may be realized. Further, it will grant the State the flexibility to consider extenuating circumstances faced by LWDBs that may impact the recapture or reallocation of funds.

If TDLWD applied the federal requirements for reallocating WIOA funds for PY 2024, of the nine (9) local boards:

1. Adult funds would have been recaptured from two local boards.
 - a. 2 of 9 local boards serve as direct providers of workforce services.
 - b. 7 of 9 local boards would be eligible to be reallocated Adult funds.
2. Dislocated worker (DW) funds would have been recaptured from two local boards.
 - a. 2 of 9 local boards serve as direct providers of workforce services.
 - b. 7 of 9 local boards would be eligible to be reallocated DW funds.
3. Youth funds would have been recaptured from one local board.
 - a. 1 of 9 local boards serve as direct providers of workforce services.
 - b. 8 of 9 local boards would be eligible to be reallocated Youth funds.

Individuals, groups, or populations benefitting, or otherwise impacted by the waiver from the waiver

Workforce areas that provide quality services will have access to additional resources to meet the needs of employers, job seekers, and incumbent workers.

Additionally, the waiver will allow TDLWD to continue to promote the cost benefits of improved administrative efficiencies, encouraging Boards to further leverage resources within the workforce areas. As a result, TDLWD will increase services provision for disadvantaged populations and individuals with multiple barriers to employment.

Other individuals, groups, or populations affected by this waiver include:

1. Low-income individuals
2. Public assistance recipients
3. Dislocated workers
4. Reemployment Assistance claimants

How the state plans to monitor waiver implementation, including collection of measurable waiver outcome information

Upon USDOL's approval of this waiver request, TDLWD, in coordination with the State Workforce Development Board, will establish and communicate an administrative policy for recapturing and reallocating funds. TDLWD will monitor progress under this waiver by monitoring the obligation and expenditure levels of LWDBs no less than monthly, providing technical assistance to LWDBs with obligations and expenditures that are trending low, hosting regularly scheduled calls with LWDB executive directors, and using TDLWD's monitoring and performance accountability system. TDLWD will report waiver outcomes in the State's WIOA Annual Report.

Assurance of state posting of the request for public comment (including the dates that the state made the draft request available for public comment) and notification to affected local workforce development boards

Tennessee assures transparency by posting this waiver request for 30-day public comment on the Tennessee Department of Labor and Workforce Development's website. In addition, electronic copies of the waiver were sent via email to all strategic partners.

WAIVER REQUEST 4:

Waiver to modify both the adult and youth discretionary formula allocation requirements set forth by 20 CFR 683.120 to allow greater discretion and flexibility in addressing specific local workforce needs.

The statutory and/or regulatory requirements the State would like to waive

Tennessee is seeking a waiver to modify both the adult discretionary allocation formula requirements found at 20 CFR 683.120(d)(2) and the youth discretionary allocation formula requirements found at 20 CFR 683.120(c)(2), to allow for increased flexibility in how it allocates its funding to local areas.

Pursuant to 20 CFR 683.120, both the adult and youth discretionary allocation formulas restrict states to establishing alternative formulas that only incorporate additional factors relating to:

1. Excess (youth) poverty in urban, rural and suburban local areas; and
2. Excess unemployment above the State average in urban, rural and suburban local areas.

Tennessee is specifically requesting a waiver to modify these requirements so that it would be able to develop discretionary formulas that incorporate additional factors not limited solely to excess poverty and excess unemployment.

Actions the state has undertaken to remove state or local statutory or regulatory barriers

There are no state or local statutory or regulatory barriers that would impede implementation of the requested waiver.

A description of the state's strategic goal(s)

Reason for the Request:

Tennessee is requesting a waiver of the current statutory adult and youth discretionary formula requirements set forth by 20 CFR 683.120. If approved, this waiver would allow for greater discretion and flexibility in addressing specific local workforce needs and ensure that funding is more efficiently tailored to better serve target populations.

This waiver will also assist Tennessee in one of its key operational goals: increasing the labor force participation rate. Under Governor Lee, Tennessee aims to increase labor force participation rates among all populations, including the justice involved, individuals with barriers, and the economically disadvantaged. Granting the state the flexibility to consider additional criteria when developing its discretionary formula would allow for funding to benefit more programs, initiatives, and participants which may fall outside the scope of the current discretionary funding formula requirements. And in turn, these programs and initiatives could help add more individuals to the labor force.

Alignment with federal policy priorities:

1. This waiver will support employer engagement by promoting service-delivery designs that are based on employer and participant needs.
2. This waiver will help strengthen the workforce system and increase the labor force participation rate.
3. This waiver aligns with the Industry Driven Strategies pillar set forth in the Comprehensive Worker Investment and Development Strategy developed under President Trump's Executive Order 14278.
4. This waiver also aligns with the Flexibility and Innovation strategic pillar set forth in the Comprehensive Worker Investment and Development Strategy developed under President Trump's Executive Order 14278.

WIOA focuses on serving individuals with barriers to employment and seeks to ensure access to quality services for these populations. By allowing flexibility in Tennessee's discretionary funding allocation formula, the state can better address the unique needs of various local communities. This approach not only targets traditional job seekers but also focuses on underrepresented groups, including those involved in the justice system, individuals facing barriers to employment, and economically disadvantaged populations.

This waiver would also reinforce USDOL's emphasis on improving labor force participation rates. The ability to modify the discretionary funding allocation formula would allow Tennessee to serve a broader target population, ensuring that more individuals can access vital resources and training that lead to sustainable employment. Overall, this strategy supports a key goal of increasing labor force participation, reflecting a commitment to both economic growth and community development.

This waiver would align with the Industry-Driven Strategies pillar. As outlined in TEGL 05-25, "the public workforce system can support this (Industry-Driven Strategies) pillar by prioritizing Registered Apprenticeships and other high-quality work-based learning models and aligning eligible training programs to career pathways within the state or regional economy." If approved, the flexibility in funding allocation allowed by this waiver would align with the same goals of this strategic pillar by creating more opportunities that would support initiatives, such as apprenticeships, re-entry programs, and other in-demand training opportunities. This waiver would also contribute to an increase in career upskilling and ensure that more workers are equipped for secure, well-paying, and in demand American jobs.

Finally, this waiver would align Flexibility and Innovation pillar by providing Tennessee and its local communities with more control to tailor solutions to existing workforce participation barriers without being constrained by outdated or unnecessarily burdensome program rules or processes.

Projected outcomes following waiver implementation

The State expects to achieve the following goals and programmatic outcomes as a result of this waiver:

1. Ensure the State has an effective discretionary formula for allocating funds;
2. Increase the labor force participation rate; and
3. Ensure funds will be more effectively and efficiently managed for maximum service provision and program performance.

While approval of this waiver request may not result in significantly higher performance outcomes, it will provide the opportunity for funds to be allocated to local areas where the greatest potential impact may be realized.

Individuals, groups, or populations benefiting, or otherwise impacted by the waiver from the waiver

Approval of this waiver will allow the state the flexibility to implement a more responsive discretionary funding allocation formula, which would subsequently help address specific local workforce needs.

In addition, this waiver would improve outcomes and provide multiple benefits for Tennessee workers and employers by increasing opportunities for work-based learning programs and initiatives.

How the state plans to monitor waiver implementation, including collection of measurable waiver outcome information

TDLWD will continuously monitor implementation of this waiver on a quarterly basis, analyzing the ability of the State to achieve its strategic goals.

As part of the monitoring and performance accountability process, TDLWD will collect data on waiver outcomes which will be included in the Tennessee WIOA Annual Report. Any waiver renewal requests will include the most recent available outcomes data.

Assurance of state posting of the request for public comment (including the dates that the state made the draft request available for public comment) and notification to affected local workforce development boards

Tennessee assures transparency by posting this waiver request for 30-day public comment on the Tennessee Department of Labor and Workforce Development's website. In addition, electronic copies of the waiver were sent via email to all strategic partners.

WAIVER REQUEST 5:

Waiver of WIOA § 134(d)(2) and 20 CFR 680.910 to allow flexibility in the provision of targeted supportive services to eligible WIOA participants who have exited the program and are recipients of public assistance, when such services are specifically designed to mitigate benefit cliffs and support sustained employment and earnings progression.

The statutory and/or regulatory requirements the State would like to waive

Tennessee is seeking a waiver of the requirements found at WIOA § 134(d)(2) and 20 CFR 680.910 to allow flexibility in the provision of supportive services.

WIOA § 134(d)(2) restricts supportive services to participants who are:

1. Participating in career or training services as defined in [WIOA](#) § 134(c)(2) and (3), and
2. Unable to obtain supportive services through other programs providing such services.

Tennessee is specifically requesting a waiver to modify and expand the permitted use of supportive services to eligible WIOA participants who have exited the program and are recipients of public assistance, when such services are specifically designed to mitigate benefit cliffs and support sustained employment and earnings progression.

Actions the state has undertaken to remove state or local statutory or regulatory barriers

There are no state or local statutory or regulatory barriers that would impede implementation of the requested waiver.

A description of the state's strategic goal(s)

Reason for the Request:

Tennessee's workforce system has made great strides in assisting individuals secure employment. However, many participants experience a temporary financial destabilization upon program exit as earned income increases and public assistance benefits are reduced or lost before wages are fully realized. This benefit cliff, where modest increases in earnings trigger abrupt losses of public assistance, can undermine job retention, limit advancement, and discourage continued participation in the workforce—particularly for individuals transitioning into higher-wage employment with variable hours or delayed pay cycles.

Research indicates that a significant share of low-wage workers receiving public benefits experience benefit cliffs, and in some cases the effective marginal tax rate on additional earnings exceeds 100 percent, leaving individuals financially worse off despite increased wages. These impacts are most acute immediately following program exit, when earnings may be delayed, variable, or insufficient to fully replace lost benefits. According to a recent Needs Assessment survey conducted by the Tennessee Alliance for Economic Mobility in partnership with the Martha O'Bryan Center, 85 percent of surveyed families in Middle Tennessee reported experiencing the benefits cliff. Survey results indicate that benefit loss concerns directly influenced employment and education decisions, including limiting work hours (63 percent), declining higher-paying employment (50 percent), postponing postsecondary education (33 percent), and refusing pay increases (25 percent).

Under this waiver, Tennessee proposes to provide time-limited, targeted supportive services to exited WIOA participants who are recipients of public assistance, when such services are necessary to temporarily replace lost benefits and support the individual's adjustment to employment and earnings cadence. These supportive services would be directly tied to employment retention and may include, but are not limited to, transportation assistance, temporary living expenses, and childcare support.

Supportive services provided under this waiver would be narrowly tailored, time-bound, and conditioned on demonstrated need related to benefit loss resulting from increased earnings. This process would involve participant-centered coaching, ideally coordinated through the same staff that

had worked previously with the individual, paired with resource navigation and technical assistance following a participant's WIOA exit.

Services would not constitute ongoing income support, but rather a short-term bridge to stabilize employment outcomes, reduce the risk of job loss, and promote long-term self-sufficiency. Tennessee envisions implementing a type of phasedown benefit approach that would help offset the loss of assistance for individuals entering high demand industries and exiting public assistance. This approach would be informed by a front-end analysis of target career pathways to ensure that resources will be adequate and properly timed to enable an individual to successfully move up the ladder within an allotted timeframe.

Approval of this waiver will also allow TDLWD to advance several of its own state goals and initiatives:

TN Benefits Cliff Pilot

In 2025, the Tennessee State Workforce Development Board advanced a strategic pilot designed to address the obstacles imposed by benefits cliffs. To confront this challenge, the State Workforce Development Board recently announced the launch of a Benefits Cliff Pilot in partnership with the Federal Reserve Bank of Atlanta and the Northern Middle Local Workforce Development Board. The pilot integrates the Atlanta Fed's CLIFF Dashboard into services delivered through Tennessee's American Job Centers (AJCs), enabling a more transparent, data-informed approach to career planning. The dashboard models how changes in wages, job roles, or hours may affect a participant's income and eligibility for public benefits, allowing counselors and jobseekers to clearly see and plan for the impacts of wage progression.

The pilot has several core objectives. It equips AJC career counselors with a powerful data-driven tool to support individualized guidance and helps participants strategically navigate benefits loss as they advance in the workforce. It promotes long-term participant stability by identifying career pathways that move individuals toward financial independence rather than short-term earnings gains. The initiative also provides valuable insights to inform statewide workforce programs and policy development. Additionally, employers are engaged to better understand how benefits cliffs influence worker retention and advancement. Serving as a readiness phase for future statewide deployment, the pilot will launch in Davidson County in January 2026 with staff training and process development already underway.

The pilot will be utilized to design a full-scale launch in all Tennessee AJCs by summer 2026, enabling consistent financial modeling using the CLIFF tool statewide. The tool is designed to assist two key populations: individuals currently receiving public assistance, who benefit from increased awareness of cliff risks and strategies for building long-term earning power; and individuals not receiving benefits but unaware of available supports that could help stabilize their career path. In both cases, the pilot strengthens Tennessee's ability to deliver personalized, outcome-driven career coaching.

The Tennessee State Workforce Development Board is leading the state's efforts to confront benefits cliffs by integrating innovative tools and strengthening career planning within the AJC system. At the same time, the Board is intentionally aligning its work with state agencies, community partners, employers, and national experts already engaged in this space. Consultative support from partners at the TN Department of Human Services and the Martha O'Bryan Center will ensure the pilot is informed

by, and builds upon, Tennessee’s TANF Demonstration Grants. Through this collaborative, forward-looking approach, the SWDB is helping build a more transparent and supportive workforce system—one that empowers Tennesseans to advance in their careers without risking their financial stability.

Alignment with federal policy priorities:

1. This waiver aligns with the Worker Mobility strategic pillar set forth in the Comprehensive Worker Investment and Development Strategy developed under President Trump’s Executive Order 14278.
2. This waiver also aligns with the Flexibility and Innovation pillar set forth in the Comprehensive Worker Investment and Development Strategy developed under President Trump’s Executive Order 14278.

Allowing targeted, time-limited supportive services for WIOA participants after exit directly advances the statutory purposes of WIOA as set forth in section 2(b) of the Act (29 U.S.C. § 3101), including helping individuals obtain and retain employment, increase earnings, and achieve economic self-sufficiency, while meeting the skill needs of employers.

If approved, this waiver would also support the Worker Mobility strategic pillar. The premise behind this strategic pillar is summarized by TEGL 05-25 (Maximizing Innovation in Workforce Innovation and Opportunity Act Programs), which states that, “individuals returning to the workforce or seeking better career opportunities should be able to take tangible steps that lead to upward mobility and long-term economic independence.” In alignment with that goal, by expanding the use of supportive services to help mitigate the benefit cliffs faced by recent program exiters, Tennessee would ultimately be supporting and strengthening the employment retention and long-term economic independence of its workforce.

If approved, this waiver would also support the Flexibility and Innovation strategic pillar since it would provide Tennessee with more control to tailor solutions to existing workforce participation barriers without being constrained by outdated or unnecessarily burdensome program rules or processes.

Projected outcomes following waiver implementation

Approval of this waiver request would improve outcomes and provide other tangible benefits for more Tennessee workers, including transportation assistance, temporary living expenses, and childcare support.

Expanding the use of supportive services would also help Tennessee better align WIOA services with real-world employment transitions, strengthen employment retention outcomes, and support WIOA’s core purpose of helping individuals advance in the labor market while reducing reliance on public assistance over time.

Individuals, groups, or populations benefiting, or otherwise impacted by the waiver from the waiver

This waiver is intended to benefit all recent WIOA program exiters who may be currently facing the challenges imposed by benefit cliffs. By expanding their eligibility and access to the supportive services

offered under WIOA, these individuals will be better equipped to handle these hurdles, ultimately resulting in higher employment retention and sustained labor force attachment and career progression.

How the state plans to monitor waiver implementation, including collection of measurable waiver outcome information

Upon approval of this request, Tennessee will evaluate the effectiveness of this waiver using WIOA primary indicators of performance under section 116(b)(2)(A) (29 U.S.C. § 3141(b)(2)(A)) and corresponding ETA reporting requirements. Specifically, Tennessee will assess outcomes related to employment in the second quarter after exit, employment in the fourth quarter after exit, median earnings in the second quarter after exit, and credential attainment, where applicable.

The State will also examine rates of employment retention and wage progression and monitor re-entry into public assistance programs as a supplemental outcome measure. These metrics will be compared to outcomes for similarly situated participants who do not receive transitional support to determine whether the waiver improves sustained employment and earnings while reducing long-term reliance on public assistance.

As part of the monitoring and performance accountability process, TDLWD will collect data on waiver outcomes which will be included in the Tennessee WIOA Annual Report. Any waiver renewal requests will include the most recent available outcomes data.

Assurance of state posting of the request for public comment (including the dates that the state made the draft request available for public comment) and notification to affected local workforce development boards

Tennessee assures transparency by posting this waiver request for 30-day public comment on the Tennessee Department of Labor and Workforce Development's website. In addition, electronic copies of the waiver were sent via email to all strategic partners.

WAIVER REQUEST 6:

Waiver of WIOA § 134(c)(3)(F)(i) and (G) and 20 CFR 680.320(a) and 680.340(a) to allow training contracts to be utilized as the primary delivery mechanism for WIOA Title I training.

The statutory and/or regulatory requirements the State would like to waive

Tennessee is seeking a waiver of the requirements found at WIOA § 134(c)(3)(F)(i) and (G) and 20 CFR 680.320(a) and 680.340(a) to allow flexibility in the delivery mechanism for WIOA Title 1 training.

WIOA § 134(c)(3)(F) and (G) currently requires that all Title 1 training services must be provided through the use of individual training accounts (ITAs), after an eligible participant, in consultation with a career planner, selects an eligible provider from the Eligible Training Provider List (ETPL).

Further, 20 CFR 680.320(a) only allows contracts for services to be used in lieu of ITAs when one or more of the following five exceptions apply, and the local area has fulfilled the consumer choice requirements of § 680.340:

1. When the services provided are on-the-job-training (OJT), customized training, incumbent worker training, or transitional jobs.
2. When the Local WDB determines that there are an insufficient number of eligible training providers in the local area to accomplish the purpose of a system of ITAs. The determination process must include a public comment period for interested providers of at least 30 days, and be described in the Local Plan.
3. When the Local WDB determines that there is a training services program of demonstrated effectiveness offered in the area by a community-based organization or another private organization to serve individuals with barriers to employment, as described in paragraph (b) of this section. The Local WDB must develop criteria to be used in determining demonstrated effectiveness, particularly as it applies to the individuals with barriers to employment to be served.
4. When the Local WDB determines that it would be most appropriate to contract with an institution of higher education (*see* WIOA sec. 3(28)) or other provider of training services in order to facilitate the training of multiple individuals in in-demand industry sectors or occupations, provided that the contract does not limit consumer choice.
5. When the Local WDB is considering entering into a Pay-for-Performance contract, and the Local WDB ensures that the contract is consistent with § 683.510 of this chapter.

Tennessee is specifically requesting a waiver to permit states and local areas to deliver training services primarily through outcome-based training contracts rather than through the Individual Training Accounts and the Eligible Training Provider List framework.

Tennessee believes this approach will improve system effectiveness, reduce administrative burden, strengthen employer engagement, and ensure training investments result in employment, credential attainment, and wage progression in high-demand occupations. Approval of this waiver will also help Tennessee target several of its strategic workforce goals.

Actions the state has undertaken to remove state or local statutory or regulatory barriers

There are no state or local statutory or regulatory barriers that would impede implementation of the requested waiver.

A description of the state's strategic goal(s)

Reason for the Request:

Tennessee's workforce strategy prioritizes demand-driven training aligned with clearly defined career pathways in industries critical to the state's economic growth, including nuclear energy, information technology, advanced manufacturing, and healthcare. While the ITA and ETPL framework supports broad consumer choice, Tennessee has also identified several flaws with the current delivery model. For one, the ITA model disperses limited training resources across a large and fragmented inventory of programs. With more than 2,000 approved programs statewide, the current structure limits the state's and local areas' ability to concentrate investments in pathways with demonstrated employer demand, hiring commitments, and wage potential. Furthermore, because of the variances in quality of training programs on state eligible training provider lists across different regions, the current ITA model often hinders effective service delivery and quality training. Second, due in part to its rigid rules and

requirements, the ITA model results in heavy administrative burdens for local boards, staff, and participants. In addition, these rigid requirements (funding caps, exclusion of supportive services, strict performance metrics) often stifle innovation and restrict how flexible Tennessee can adapt to changing industry needs. Finally, the current ITA model can contribute to limited economic mobility for participants. Because of its emphasis on short-term labor market attachment, the ITA model succeeds in helping participants secure employment but often fails to account for long term indicators of success, such as career advancement.

In contrast, this waiver will allow Tennessee to intentionally curate and invest in a targeted portfolio of training programs through contracts that:

1. Are aligned with state and local priority industries and career pathways,
2. Are validated by employers or industry partnerships,
3. Include defined performance expectations, such as credential attainment, placement, retention, or wage benchmarks, and
4. Integrate classroom, cohort-based, and work-based training approaches as appropriate.

Under this waiver, local workforce development areas would use training contracts as the primary mechanism for delivering training services to WIOA Adult, Dislocated Worker, and eligible Youth participants. Contracts may be used to support a range of training modalities, including occupational skills training, cohort-based instruction, pre-apprenticeship, registered apprenticeship, on-the-job training, customized training, and incumbent worker training.

Training contracts will be structured to ensure transparency, equity, and accountability through:

- Clear eligibility criteria for participants and training providers
- Defined training objectives and skill outcomes
- Documented employer engagement and hiring commitments, where applicable
- Fiscal and programmatic monitoring to ensure reasonable costs and performance outcomes

Participants will continue to receive individualized career services, assessment, and counseling to ensure appropriate placement within priority training pathways aligned to their skills, interests, and labor market opportunities.

Thus, by shifting from a predominantly voucher-based model to a contract-driven model, Tennessee will be better positioned to deploy training resources strategically, scale sector partnerships, and ensure training leads directly to employment outcomes.

Alignment with Workforce Pell Grant Implementation

The State of Tennessee intends to align implementation of this waiver with the forthcoming Workforce Pell Grant to create a coordinated, braided funding approach that maximizes federal investments while avoiding duplication of costs.

Workforce Pell expands access to short-term, workforce-relevant credential programs by enabling eligible participants to use federal student aid to cover tuition and instructional costs. This waiver complements Workforce Pell by allowing Tennessee to deploy WIOA Title I funds through training

contracts that focus on completion, work-based learning, and employment outcomes rather than duplicating tuition payments that may be covered by Pell.

Under this approach:

1. Workforce Pell will serve as the primary funding source for tuition and required instructional costs for eligible credentials.
2. WIOA Title I training contracts will be used to support:
 - a. Employer engagement and pathway design
 - b. Cohort coordination and contextualized instruction enhancements
 - c. Supportive services, navigation, and placement activities
 - d. Work-based learning components, including on-the-job and customized training and pre-apprenticeships and registered apprenticeships
3. Training contracts will include clear cost-allocation requirements to ensure WIOA funds are used only for allowable, non-duplicative expenses and to maintain fiscal integrity.

This braided model will allow Tennessee to align education and workforce funding within employer-validated career pathways while preserving participant access to education through Pell and strengthening accountability for employment outcomes through WIOA contracts.

By integrating Workforce Pell with a contract-based WIOA training delivery system, Tennessee will reduce administrative complexity, increase return on federal investment, and ensure that workforce training leads directly to credential attainment, employment, and wage progression in high-demand occupations.

Alignment with federal policy priorities:

1. This waiver aligns with the Industry Driven Strategies pillar set forth in the Comprehensive Worker Investment and Development Strategy developed under President Trump's Executive Order 14278.
2. This waiver aligns with the Worker Mobility strategic pillar set forth in President Trump's Executive Order 14278.
3. This waiver also aligns with the Flexibility and Innovation pillar set forth in the Comprehensive Worker Investment and Development Strategy developed under President Trump's Executive Order 14278.

This waiver would align with Executive Order 14278's Industry-Driven Strategies pillar. As pointed out in a recent federal plan drafted by multiple federal agencies, "the workforce system must transform into a reliable pipeline of American talent led by industry and aligned with America's economic priorities...The current system is not positioned to prioritize industry needs and align federal workforce programs with private sector training investments and evolving skill demands." (See *America's Talent Strategy: Building the Workforce for the Golden Age*). As previously highlighted, the current ITA model does not always result in the most effective service delivery for participants. However, Tennessee believes that switching to a contract-driven service delivery model will improve system effectiveness, reduce administrative burden, strengthen employer engagement, and ensure training investments result in employment, credential attainment, and wage progression in high-demand occupations.

In addition, this waiver would support the Worker Mobility strategic pillar. The premise behind this strategic pillar is summarized by TEGL 05-25 (Maximizing Innovation in Workforce Innovation and Opportunity Act Programs), which states that, “individuals returning to the workforce or seeking better career opportunities should be able to take tangible steps that lead to upward mobility and long-term economic independence.” In alignment with that goal, switching to a contract-driven service delivery model with more flexible performance measures would provide more Tennesseans with the opportunity for career upskilling and advancement, which could ultimately result in better paying and more fulfilling jobs.

Finally, this waiver would align with the Flexibility and Innovation pillar by providing Tennessee and its local communities with more control to tailor solutions to existing workforce participation barriers without being constrained by outdated or unnecessarily burdensome program rules or processes (TEGL 05-25).

Projected outcomes following waiver implementation

Tennessee expects the waiver to result in improved alignment between training investments and labor market demand, leading to measurable improvements in WIOA performance outcomes, including:

1. Increased credential attainment and measurable skill gains through pathway-aligned training
2. Higher employment and retention rates due to training tied directly to employer needs
3. Increased median earnings as participants enter higher-wage, in-demand occupations
4. Expanded use of work-based training strategies integrated into structured career pathways

The state also anticipates improved system efficiency through reduced administrative complexity, clearer training pathways for participants, and stronger accountability for training providers and employer partners.

Individuals, groups, or populations benefiting, or otherwise impacted by the waiver from the waiver

Tennessee intends for this waiver to benefit state and local workforce area staff, who will be able to utilize this waiver to implement more efficient service delivery system. Tennessee also expects both employers and job seekers to benefit from this waiver, since it will encourage and promote service delivery designs that focus on customer and employer needs.

How the state plans to monitor waiver implementation, including collection of measurable waiver outcome information

Upon approval of this request, Tennessee will evaluate the effectiveness of this waiver through a combination of data analysis, fiscal oversight, and programmatic review.

Monitoring and Reporting

State staff will monitor implementation of this waiver through:

- Monthly tracking of Adult, Dislocated Worker, and Youth training expenditures.
- Quarterly monitoring utilization of training contracts and work-based training strategies through the statewide data management system.

- Quarterly review of participant outcomes related to credentials, employment, and wages.

Programmatic and Fiscal Oversight

Annual WIOA on-site and remote programmatic reviews will include evaluation of:

- How local areas are utilizing the waiver to support priority industries and career pathways.
- Alignment of training contracts with employer demand and documented hiring outcomes.
- Progress toward achieving performance and participation targets.

Continuous Improvement

Monitoring results will inform technical assistance, policy guidance, and continuous improvement efforts. The state will use performance data to assess the effectiveness of the waiver and make adjustments as needed to ensure alignment with WIOA requirements and USDOL expectations.

TDLWD will continuously monitor implementation of this waiver on a quarterly basis, analyzing the ability of the State to achieve its strategic goals.

As part of the monitoring and performance accountability process, TDLWD will collect data on waiver outcomes which will be included in the Tennessee WIOA Annual Report. Any waiver renewal requests will include the most recent available outcomes data.

Assurance of state posting of the request for public comment (including the dates that the state made the draft request available for public comment) and notification to affected local workforce development boards

Tennessee assures transparency by posting this waiver request for 30-day public comment on the Tennessee Department of Labor and Workforce Development's website. In addition, electronic copies of the waiver were sent via email to all strategic partners.

WAIVER REQUEST 7:

Waiver to modify business services provisions found at 20 CFR 678.435, in order to classify certain standardized assessment and skill validation activities, such as the National Career Readiness Certificate (NCRC) and similar employer-recognized assessments, as business services, even when individuals receiving the assessment are not enrolled participants under WIOA Title I.

The statutory and/or regulatory requirements the State would like to waive

Tennessee is seeking a waiver to expand the scope of business services pursuant to 20 CFR 678.435.

20 CFR 678.435 requires that certain career services must be made available to local employers and provides a non-exhaustive list of potential customized business services that may be provided to employers, employer associations, or other such organizations.

Tennessee is specifically requesting a waiver to expand the scope of business services to include certain standardized assessment and skill validation activities, such as the National Career Readiness Certificate

(NCRC) and similar employer-recognized assessments, even when individuals receiving the assessment are not enrolled participants under WIOA Title I.

Actions the state has undertaken to remove state or local statutory or regulatory barriers

There are no state or local statutory or regulatory barriers that would impede implementation of the requested waiver.

A description of the state's strategic goal(s)

Reason for the Request:

Standardized assessment and skill validation activities, such as the National Career Readiness Certificate (NCRC), are widely recognized industry tools used to systematically measure and assess an individual's abilities through objective methods like performance-based tasks (simulations, work samples, coding challenges), knowledge tests, 360-degree feedback, and KPI analysis. These methods focus on job-relevant competencies to identify gaps, guide development, and ensure accuracy for hiring, training, or credentialing.

These activities can provide significant benefits to prospective employers by allowing them to identify skill gaps of prospective job applicants, reduce bias in hiring, guide targeted training and career pathing, and ensure that they hire applicants with skills that best align with their business needs.

Current statutory interpretation requires these services to be treated as individualized career services, limiting access to only Title I eligible individuals. However, if approved, this waiver would allow Local Workforce Development Boards (LWDBs) and American Job Centers (AJCs) to classify these assessments as business services and provide them more broadly when they are delivered to meet documented employer demand, support sector strategies, or address regional workforce needs.

If this waiver is approved, the State of Tennessee will take several actions to ensure waiver implementation is aligned with industry and employer needs. These actions include:

- Issuing statewide policy guidance identifying eligible assessment and skill validation activities that may be provided as business services.
- Requiring that such services be tied to employer engagement, recruitment, or sector-based workforce strategies.
- Establishing parameters to ensure fiscal accountability and consistent service delivery across Local Workforce Development Areas.
- Monitoring implementation through existing oversight and reporting mechanisms.

Approval of this waiver will also help Tennessee target several of its strategic workforce goals. These include:

1. **Establishing innovative solutions to workforce participation barriers tailored to employer needs:** Expanding the scope of business services to encompass standardized assessment and skill validation activities will benefit employers by providing them with greater access to effective tools used for hiring and advancement. It will also increase the capabilities of AJCs to respond to hard-to-fill occupations and regional labor market needs.

2. Supporting Program Participation and Employer Engagement: This waiver will help Strengthen the one-stop delivery system's value proposition to employers by allowing greater flexibility in service design. It will also enhance service delivery access for jobseekers who are not yet WIOA-enrolled but are actively seeking employment.

Alignment with federal policy priorities:

1. This waiver aligns with the Flexibility and Innovation Strategies pillar set forth in the Comprehensive Worker Investment and Development Strategy developed under President Trump's Executive Order 14278.

This waiver would support the Flexibility and Innovation pillar by providing Tennessee and its local communities with more control to design a new workforce delivery system to address existing workforce participation barriers without being constrained by outdated or unnecessarily burdensome program rules or processes.

Projected outcomes following waiver implementation

If approved, Tennessee anticipates this waiver will result in:

1. Increased employer utilization of AJCs.
2. Expanded access to skill validation tools for jobseekers.
3. Improved alignment between workforce services and regional economic development strategies.
4. More efficient talent matching and hiring outcomes.

Individuals, groups, or populations benefiting, or otherwise impacted by the waiver from the waiver

Tennessee intends for this waiver to benefit Tennessee employers since it will provide them with greater access to tools which allow for more effective hiring of qualified candidates with validated skills.

This waiver will also indirectly benefit Tennessee job seekers since it will expand access to assessment services for jobseekers, including individuals who may not meet WIOA eligibility requirements but are needed to fill employer demand.

How the state plans to monitor waiver implementation, including collection of measurable waiver outcome information

TDLWD will continuously monitor implementation of this waiver on a quarterly basis, analyzing the ability of the State to achieve its strategic goals.

As part of the monitoring and performance accountability process, TDLWD will collect data on waiver outcomes which will be included in the Tennessee WIOA Annual Report. Any waiver renewal requests will include the most recent available outcomes data.

Assurance of state posting of the request for public comment (including the dates that the state made the draft request available for public comment) and notification to affected local workforce development boards

Tennessee assures transparency by posting this waiver request for 30-day public comment on the Tennessee Department of Labor and Workforce Development's website. In addition, electronic copies of the waiver were sent via email to all strategic partners.

WAIVER REQUEST 8:

Waiver to modify the alternative entity requirements set forth by WIOA § 107(i)(1)(B) to allow Tennessee to designate Regional Planning Councils (RPCs) to serve as the entities responsible for carrying out the functions assigned to Local Workforce Development Boards.

The statutory and/or regulatory requirements the State would like to waive

Tennessee respectfully requests a waiver of the requirement contained in WIOA Section 107(i)(1)(B) that an alternative entity used to perform Local Workforce Development Board (LWDB) functions must have "been in existence on the day before August 7, 1998."

In accordance with WIOA § 107(i), a Governor may designate an alternative entity to carry out the functions of a Local Workforce Development Board if the entity:

1. Is established to serve the local area or service delivery area that most closely corresponds to the local area;
2. Was in existence on the day before August 7, 1998; and
3. Includes representatives of business, labor organizations, or other employee representatives in the local area.

Tennessee is specifically seeking to waive only the requirement contained in Section 107(i)(1)(B) regarding the entity's existence prior to August 7, 1998. All other statutory requirements for an alternative entity under Section 107(i) will continue to be met.

In waiving this requirement, Tennessee will have the ability to designate Regional Planning Councils (RPCs) to serve as the entities responsible for carrying out the statutory functions assigned to Local Workforce Development Boards under WIOA.

Actions the state has undertaken to remove state or local statutory or regulatory barriers

There are no state or local statutory or regulatory barriers that would impede implementation of the requested waiver.

A description of the state's strategic goal(s)

Reason for the Request:

The statutory requirement that an alternative entity must have existed prior to August 7, 1998 is reflective of a grandfather clause originally intended to preserve governance structures that existed under the Workforce Investment Act (WIA). However, workforce systems and labor markets have evolved significantly since that time. One key aspect of that evolution is that modern labor markets often

function at a regional level, with employers recruiting across multi-county labor sheds. As a result, workforce development strategies have increasingly centered around regional industry clusters.

Although it was established with past labor market realities in mind, the requirement that alternative entities be in existence before 1998 unintentionally restricts Tennessee's ability to modernize its governance structure in a manner consistent with WIOA's emphasis on regional planning, sector partnerships, and industry-aligned workforce strategies.

Specifically, if this waiver is approved, it would allow Tennessee to designate Regional Planning Councils (RPCs) to serve as the entities responsible for carrying out the statutory functions assigned to Local Workforce Development Boards under WIOA. In short, this will allow Tennessee to implement a governance model that more effectively advances the goals of WIOA by aligning workforce decision-making with regional labor markets and economic development strategies.

Tennessee's Regional Planning Councils currently meet all other existing statutory requirements to be classified as an alternative entity, including the requirements that it have:

- representation from business
- representation from labor or worker organizations
- representation from workforce partners
- alignment with regional workforce service areas

In accordance with WIOA Section 107(i), references in WIOA to LWDBs would include references to the alternate entity. Therefore, under the proposed governance structure:

- Regional Planning Councils will perform the statutory responsibilities currently assigned to Local Workforce Development Boards.
- Existing Local Workforce Development Boards would transition into regional advisory councils that provide local insight, stakeholder engagement, and strategic input into regional workforce priorities.

By implementing this mode, Tennessee would be able to preserve local engagement while strengthening regional governance and coordination of its workforce strategies.

Waiver Rationale:

Tennessee's *State Workforce Development Board One-Stop System Design Policy* divides Tennessee's workforce system into three Grand Regions: West, Middle, and East. These Grand Regions were designated as part of a LWDA redesignation effort and were intentionally aligned with Tennessee's Economic and Community Development service regions to promote regional workforce and economic alignment. Within the policy, Regional Planning Councils (RPCs) were established to serve as "regionally collaborative entities consisting of stakeholders from all three LWDA's within the Grand Planning Region working to create regional workforce system solutions." Per Tennessee's policy, RPCs must consist of regional representation from each of the local One-Stop System required partners and should also consist of One-Stop additional partners under the local MOU." RPCs also include regional stakeholders from business and industry, labor organizations and sector groups, education and training institutions, economic development organizations, local workforce boards, and workforce system partner agencies.

Tennessee's *One-Stop System Design Policy* defines the roles and responsibilities of the RPC, which include the following:

- Conduct regional strategic planning as part of each WIOA planning cycle
- Set regional goals supporting State Plan priorities
- Facilitate industry-led regional sector strategies and initiatives
- Align regional LWDA business outreach and services
- Meet quarterly to advise and recommend action plans for LWDA performance and track progress towards regional planning goals.

Operating in these roles, Tennessee's RPCs have demonstrated their ability to convene stakeholders and advance regional workforce strategies. Regional Planning Councils already serve as the primary entities responsible for developing regional workforce strategies and coordinating planning activities across Tennessee's workforce regions. Expanding their role to include governance responsibilities represents a logical evolution of Tennessee's workforce system and reflects the increasing importance of regional labor markets in workforce development strategy.

Further, the only statutory requirement that Tennessee's RPCs do not meet is the requirement that the entity must have existed prior to 1998. As previously provided, Tennessee's Regional Planning Councils currently meet all other existing statutory requirements to be classified as an alternative entity.

This waiver request is consistent USDOL's waiver authority because:

- it does not eliminate required stakeholder representation
- it does not reduce accountability or oversight
- it does not limit access to workforce services
- it maintains all other statutory requirements for alternative entities.

In short, the waiver would simply remove a historical grandfather provision that currently serves as hurdle for states to implement modern governance structures aligned with regional labor markets. Approval of this waiver would fall squarely within the Secretary's authority to approve waivers that promote innovation, efficiency, and improved workforce outcomes. Approval of this waiver would allow Tennessee to demonstrate how regional workforce governance can strengthen industry alignment, improve workforce outcomes, and enhance system efficiency, while maintaining all required stakeholder representation and accountability.

Alignment with federal policy priorities:

- 1. Employer-Driven Workforce Systems:**

Regional Planning Councils align workforce governance with regional industry clusters and employer needs.

- 2. Skills-Based Talent Development:**

Regional coordination strengthens partnerships between employers, workforce programs, and training providers to build industry-recognized credential pathways.

3. **Worker Mobility and Opportunity:**

Regional workforce strategies support worker mobility across labor sheds and increase access to training and employment opportunities.

4. **Data-Driven Workforce System Performance**

Regional governance allows Tennessee to leverage labor market information and performance data to guide workforce investments and measure system impact

5. **Alignment with the Flexibility and Innovation strategic pillar:**

This waiver would also support the Flexibility and Innovation pillar by providing Tennessee the ability to modernize its workforce governance structure so it can better reflect the realities of regional labor markets.

Projected outcomes following waiver implementation

The primary goal of this waiver is to help Tennessee modernize its workforce system to align workforce governance with regional labor markets and industry ecosystems.

Expected programmatic outcomes include:

1. Stronger alignment between training investments and industry workforce needs
2. Expanded sector-based workforce partnerships
3. More consistent policies for Individual Training Accounts (ITAs) and supportive services across regions
4. Improved employer engagement through regionally coordinated workforce strategies.

Regional governance will also allow Tennessee to implement standardized employer engagement models, including:

1. Regional On-the-Job Training (OJT) agreements
2. Regional Incumbent Worker Training (IWT) programs
3. Coordinated sector partnership initiatives.

Individuals, groups, or populations benefiting, or otherwise impacted by the waiver from the waiver

Tennessee intends for this waiver to benefit job seekers through improved access to regional career pathways, more consistent workforce services across counties, and training aligned with regional industry demand.

This waiver will also benefit employers through streamlined engagement with workforce programs, simplified training agreements across multiple counties, and regionally coordinated workforce strategies.

How the state plans to monitor waiver implementation, including collection of measurable waiver outcome information

TDLWD, in conjunction with the Tennessee State Workforce Development Board, will continuously monitor implementation of this waiver on a quarterly basis, analyzing the ability of the State to achieve

its strategic goals. Additionally, the SWDB will conduct quarterly reviews of regional workforce strategies and sector partnerships and monitor workforce outcomes and employer engagement.

As part of the monitoring and performance accountability process, TDLWD will collect data on waiver outcomes which will be included in the Tennessee WIOA Annual Report. Any waiver renewal requests will include the most recent available outcomes data.

Assurance of state posting of the request for public comment (including the dates that the state made the draft request available for public comment) and notification to affected local workforce development boards

Tennessee assures transparency by posting this waiver request for 30-day public comment on the Tennessee Department of Labor and Workforce Development's website. In addition, electronic copies of the waiver were sent via email to all strategic partners.

WAIVER REQUEST 9:

Waiver in relation to the performance accountability provisions outlined in WIOA § 116(b)(2)(B) to allow the State to incorporate state-determined key performance indicators (KPIs) and supplemental workforce system evaluations when assessing the effectiveness of local workforce development areas.

The statutory and/or regulatory requirements the State would like to waive

Tennessee requests a waiver in relation to the provisions of WIOA § 116(b)(2)(B) to allow the State to incorporate state-determined key performance indicators (KPIs) and supplemental workforce system evaluations when assessing the effectiveness of local workforce development areas.

Under this waiver, Tennessee will continue to fully implement, report, and negotiate all federally required primary indicators of performance under WIOA. However, the State seeks flexibility to supplement those indicators with additional evaluations and state-determined performance measures when the Governor considers the designation or redesignation of local workforce development areas.

This approach will allow Tennessee to maintain federal accountability requirements while also assessing whether local workforce strategies are producing meaningful economic and workforce system outcomes.

Actions the state has undertaken to remove state or local statutory or regulatory barriers

There are no state or local statutory or regulatory barriers that would impede implementation of the requested waiver.

A description of the state's strategic goal(s)

Reason for the Request:

Tennessee has consistently met or exceeded federal WIOA performance indicators and has implemented additional state-level metrics to assess the performance of local workforce development boards.

However, the Tennessee State Workforce Development Board recently conducted a comprehensive year-long assessment of local board performance and regional workforce outcomes in partnership with the University of Tennessee Center for Industrial Services. The findings revealed a critical insight: while local workforce development boards consistently met federal and state performance indicator metrics, these indicators did not sufficiently measure whether workforce strategies were producing measurable economic impact in regional labor markets.

All local boards reviewed had achieved required performance levels—such as employment or credential attainment rates—yet struggled to demonstrate how their strategies were meaningfully improving labor force participation, addressing employer talent shortages, or shifting regional workforce outcomes. For the Tennessee Department of Labor and Workforce Development and the State Workforce Development Board, this assessment highlighted a strategic limitation in relying solely on performance indicator metrics, which measure outputs and short-term outcomes but do not determine whether workforce interventions are causing meaningful change in the regional workforce system.

To address this gap, Tennessee seeks flexibility to supplement required performance metrics with targeted evaluations of workforce system impact and effectiveness. As part of Tennessee’s WIOA Combined State Plan modifications, the Tennessee Department of Labor and Workforce Development and the State Workforce Development Board have prioritized workforce system innovation, industry alignment, and economic impact.

Shifting from a compliance-driven model to a results-driven framework that aligns workforce investments with regional economic outcomes supports Tennessee’s modernization efforts. Allowing the State to incorporate impact-focused evaluations and state-determined KPIs when the Governor considers designation or redesignation of local workforce development areas will strengthen statewide accountability while preserving federal performance reporting requirements.

Proposed Use of the Waiver

Under this waiver, Tennessee will maintain all federally required primary indicators of performance while implementing supplemental evaluations and state-determined key performance indicators designed to assess the broader effectiveness of local workforce systems.

These evaluations may assess:

- Regional labor force participation trends
- Workforce pipeline development in high-demand industries
- Impact of workforce initiatives on employer hiring outcomes
- Wage progression and job retention attributable to workforce services
- Effectiveness of sector partnerships and employer engagement strategies
- Reduction of workforce participation barriers among target populations

These evaluations will provide additional insight into whether workforce investments are generating measurable improvements in regional economic outcomes, not simply meeting required output targets.

In addition to providing the Governor with a broader analysis when considering local area designation or redesignations, the Tennessee State Workforce Development Board could also utilize these supplemental evaluations to:

- Evaluate the effectiveness of local workforce development strategies
- Inform statewide workforce policy decisions
- Support pay-for-performance contracting models

This enhanced framework ensures that workforce investments are aligned with measurable economic impact and regional workforce needs while maintaining full compliance with federal performance accountability requirements.

Implementation Plan:

Upon approval of this waiver, Tennessee will implement a phased approach to incorporating supplemental workforce system evaluations and state-determined KPIs into local workforce system oversight. Implementation will include:

- Development of standardized evaluation frameworks and methodologies
- Integration of evaluation measures into existing state monitoring processes
- Training and technical assistance for local workforce development boards
- Use of labor market and workforce system data to support evidence-based evaluation

The State will work closely with local workforce development boards to ensure that evaluation criteria are transparent, consistent, and aligned with regional economic priorities. This approach will allow Tennessee to strengthen accountability while continuing to meet all federal performance reporting requirements.

Alignment with state strategic priorities:

Supplementing federally required performance metrics with state-determined indicators and evaluations will significantly strengthen workforce system effectiveness in Tennessee.

This approach will:

- Improve strategic decision-making using data-driven analysis
- Increase accountability for workforce investments
- Encourage innovation among local workforce development boards
- Strengthen employer engagement and workforce pipeline development
- Provide policymakers with deeper insight into regional workforce dynamics

Most importantly, this approach will ensure that the workforce system is evaluated not only on whether services are delivered, but also on whether those services are producing meaningful economic results.

Alignment with federal policy priorities:

This waiver directly supports the priorities outlined in America's Talent Strategy: Building the Workforce for the Golden Age, which calls for modernizing workforce systems to better align with economic growth and employer demand.

Specifically, the waiver advances the strategy's pillars by:

1. **Strengthening Employer-Driven Talent Pipelines:** Impact evaluations will measure how effectively workforce programs are addressing employer skill shortages.
2. **Modernizing Workforce System Accountability:** Supplemental evaluations will improve transparency and accountability by measuring workforce system effectiveness and return on investment.
3. **Increasing Workforce Participation:** Evaluations will assess whether workforce strategies are successfully expanding participation among individuals facing barriers to employment.
4. **Advancing Data-Driven Workforce Governance:** Evidence-based evaluations will provide policymakers with deeper insights into workforce system outcomes.
5. **Strengthening Cross-System Coordination:** Impact evaluations will examine how effectively workforce, education, and economic development partners are collaborating to achieve regional workforce goals.

Projected outcomes following waiver implementation

The waiver will support improved statewide workforce outcomes through several measurable objectives, including:

- Increased workforce participation across Tennessee regions
- Improved alignment between workforce training programs and employer workforce needs
- Stronger sector partnership outcomes and industry-led workforce strategies
- Enhanced regional talent pipeline development in high-demand industries
- Reduction in skill shortages

By evaluating workforce system impact alongside federal performance indicators, the State will be able to identify high-performing strategies and scale successful workforce models across different regions.

Individuals, groups, or populations benefiting, or otherwise impacted by the waiver from the waiver

Tennessee intends for this waiver to benefit state and local workforce area staff, who will be able to utilize this waiver to implement more efficient, accurate, and accessible workforce system. Tennessee also expects both employers and job seekers to benefit from this waiver, since it will encourage and promote service delivery designs that focus on customer and employer needs.

How the state plans to monitor waiver implementation, including collection of measurable waiver outcome information

Oversight of the supplemental evaluation framework will be led by the Tennessee State Workforce Development Board in coordination with TDLWD.

Monitoring activities will include:

- Quarterly and Annual review of local workforce system impact evaluations
- Integration of evaluation findings into state oversight reviews
- Continuous technical assistance to local workforce development boards

The State will maintain all federal reporting requirements and negotiated performance levels. Supplemental evaluations will not replace federal WIOA performance indicators, but will provide

additional analysis to support statewide accountability and informed decision-making regarding local workforce system effectiveness.

As part of the monitoring and performance accountability process, TDLWD will collect data on waiver outcomes which will be included in the Tennessee WIOA Annual Report. Any waiver renewal requests will include the most recent available outcomes data.

Assurance of state posting of the request for public comment (including the dates that the state made the draft request available for public comment) and notification to affected local workforce development boards

Tennessee assures transparency by posting this waiver request for 30-day public comment on the Tennessee Department of Labor and Workforce Development's website. In addition, electronic copies of the waiver were sent via email to all strategic partners.

WAIVER REQUEST 10:

Waiver of WIOA § 116(b) performance accountability provisions and associated regulations at 20 CFR Part 677 and 20 CFR 679.560–679.570 to allow the temporary exclusion of certain Supplemental Nutrition Assistance Program (SNAP) participants from WIOA Title I performance accountability calculations.

The statutory and/or regulatory requirements the State would like to waive

Tennessee is requesting a waiver from WIOA § 116(b) performance accountability provisions and associated regulations at 20 CFR Part 677 and 20 CFR 679.560–679.570 to allow the temporary exclusion of a defined cohort of participants from inclusion in the primary indicators of performance calculations under WIOA Title I Adult and Dislocated Worker programs.

Specifically, the State seeks authority to exclude from performance calculations individuals who:

1. Are co-enrolled in SNAP Employment & Training (E&T);
2. Are participating in Title I services to meet newly expanded SNAP federal work requirements

The waiver does not request modification or waiver of SNAP statutes or regulations, which is administered under separate federal authority. This waiver solely addresses how WIOA performance accountability is to be calculated and applied in relation to WIOA participants who are concurrently subject to federally mandated participation requirements under SNAP. This exclusion waiver is only meant to apply to WIOA performance reporting calculations for PY 26, and would not alter service eligibility, priority of service requirements, or reporting obligations to USDA Food and Nutrition Service (FNS).

Alternatively, if a waiver to temporarily exclude this specific population from performance calculations is not granted, Tennessee would respectfully request a waiver granting increased flexibility in how WIOA performance accountability requirements are applied to this population.

Actions the state has undertaken to remove state or local statutory or regulatory barriers

There are no state or local statutory or regulatory barriers that would impede implementation of the requested waiver.

A description of the state's strategic goal(s)

Reason for the Request:

Recent modifications to SNAP federal work requirements have led to an increase in the number of individuals required to engage in qualifying work or training activities, including participation in SNAP E&T. As a result of these changes, Tennessee anticipates a substantial influx in participant referrals with respect to WIOA Title I Adult services, which could subsequently impact WIOA performance reporting.

Tennessee has identified several potential challenges that these new changes may pose. For one, many of the participants that fall into this category will likely have multiple barriers to employment. Further, many of these individuals will likely require extended engagement before employment outcomes are realized. Consequently, immediate inclusion of this population into calculations relating to WIOA primary indicators of performance (employment rate Q2/Q4, median earnings, credential attainment, measurable skill gains, and effectiveness in serving employers) could materially distort statewide and local performance outcomes.

This waiver would allow a one-year demonstration period to:

1. Quantify performance impacts;
2. Evaluate service design adjustments;
3. Inform future performance negotiations under WIOA Section 116(b)(3)(A).

Goals and Objectives:

The goals of this waiver are to:

1. Maintain the integrity and stability of negotiated WIOA performance levels during a significant federal policy transition.
2. Allow the State and Local Workforce Development Areas (LWDAs) time to design and implement appropriate service strategies for the anticipated influx of SNAP-mandated participants.
3. Conduct a one-year demonstration period to evaluate performance impacts and inform future negotiations with USDOL.
4. Ensure continued high-quality services to individuals with substantial barriers to employment without creating unintended performance penalties for workforce areas.

Implementation Plan:

If approved, Tennessee will:

1. Modify state performance reporting systems to track this cohort separately.

2. Provide technical assistance to LWDAs on tracking and documentation.
3. Continue to report required participant-level data to USDOL.
4. Collect and analyze outcome data for excluded participants during the waiver period

The waiver will be implemented statewide and applied consistently across all Local Workforce Development Areas.

Alignment with federal policy priorities:

1. This waiver aligns with the Accountability strategic pillar set forth in the Comprehensive Worker Investment and Development Strategy developed under President Trump's Executive Order 14278.
2. This waiver aligns with the Flexibility and Innovation Strategies pillar set forth in the Comprehensive Worker Investment and Development Strategy developed under President Trump's Executive Order 14278.

If this waiver is approved, it would align with the Accountability pillar set out by America's Talent Strategy: Building the Workforce for the Golden Age. Specifically, this waiver would enable Tennessee's workforce systems to sustain participant engagement in employment and training activities aligned with employer demand, without unintended performance impacts arising from external federal participation requirements. By ensuring that WIOA performance accountability accurately reflects real engagement, states are better positioned to prioritize services that respond to industry needs and support employer-driven talent pipelines.

This waiver would also support the Flexibility and Innovation pillar set forth by America's Talent Strategy: Building the Workforce for the Golden Age, by granting Tennessee the authority to address performance accountability challenges that arise in integrated service environments.

Projected outcomes following waiver implementation

During the one-year demonstration period, the State expects to:

1. Quantify the measurable impact of SNAP-mandated enrollment increases on WIOA performance indicators.
2. Develop enhanced service strategies tailored to this population.
3. Strengthen interagency coordination between SNAP E&T and WIOA Title I programs.
4. Inform future performance negotiations with empirical data.

Individuals, groups, or populations benefiting, or otherwise impacted by the waiver from the waiver

Tennessee anticipates that this waiver would have a potential impact on the following groups:

- SNAP E&T participants referred due to expanded federal work requirements;
- Local Workforce Development Areas experiencing increased enrollment volume;
- Workforce staff responsible for performance management.

Participants will continue receiving full access to WIOA services. The waiver only affects performance cohort calculations.

The waiver will not reduce access to services for veterans or other priority populations.

How the state plans to monitor waiver implementation, including collection of measurable waiver outcome information

TDLWD will continuously monitor implementation of this waiver on a quarterly basis, analyzing the ability of the State to achieve its strategic goals.

As part of the monitoring and performance accountability process, TDLWD will collect data on waiver outcomes which will be included in the Tennessee WIOA Annual Report. Any waiver renewal requests will include the most recent available outcomes data.

Alternative Request:

Alternatively, if a waiver to temporarily exclude this specific population from performance calculations is not granted, Tennessee would respectfully request a waiver granting increased flexibility in how WIOA performance accountability requirements are applied to this population.

In accordance with this waiver, states would be permitted to apply WIOA performance accountability requirements with flexibility for participants concurrently enrolled in SNAP including, but not limited to, the following areas:

1. Participation Timing and Attribution: Flexibility in how participation periods, sequencing, and exit timing are interpreted for performance purposes when engagement patterns are influenced by federally required participation under another program.
2. Recognition of Allowable Engagement: Ability to recognize certain allowable employment, education, or training activities required or verified under SNAP as evidence of WIOA engagement for performance accountability purposes, where consistent with WIOA regulations.
3. Fair Application of Performance Indicators: Flexibility in the application or interpretation of performance indicators to ensure outcomes accurately reflect participant engagement when individuals are navigating multiple federally mandated participation frameworks.
4. Prevention of Performance Disincentives: Protection against unintended adverse performance impacts that may otherwise discourage workforce programs from fully serving individuals who are concurrently enrolled in SNAP.
5. Streamlined Documentation: Allowance for shared or cross-program documentation to satisfy WIOA performance reporting requirements when participation or engagement has already been verified under another federal program.
6. Performance Reporting Flexibility: Flexibility in performance reporting methods or clarifications to better reflect integrated service delivery without changing statutory performance indicators or negotiated performance levels.

Assurance of state posting of the request for public comment (including the dates that the state made the draft request available for public comment) and notification to affected local workforce development boards

Tennessee assures transparency by posting this waiver request for 30-day public comment on the Tennessee Department of Labor and Workforce Development's website. In addition, electronic copies of the waiver were sent via email to all strategic partners.

WAIVER REQUEST 11:

Waiver to modify the requirements relating to the competitive procurement of One Stop Operators set forth by WIOA Section 121(d)(2)(A), 20 CFR 678.605(b) and 20 CFR 678.610, granting Tennessee the authority to select qualified One Stop Operators, independent of any non-competitive procurement requirements set forth by WIOA and OMB Uniform Guidance, resulting in a faster and more efficient selection process.

The statutory and/or regulatory requirements the State would like to waive

Tennessee is seeking a waiver of the requirements relating to the state's ability to procure One Stop Operators (OSO) set forth by WIOA Section 121(d)(2)(A), 20 CFR 678.605(b) and 20 CFR Part 678.610.

Pursuant to 20 CFR Part 678.610, the following requirements apply to a state's procurement of an OSO:

1. States may select a one-stop operator through sole source selection when allowed under the same policies and procedures used for competitive procurement with non-Federal funds, while other non-Federal entities including subrecipients of a State (such as local areas) may select a one-stop operator through sole selection when consistent with local procurement policies and procedures and the Uniform Guidance set out at 2 CFR 200.320.
2. In the event that sole source procurement is determined necessary and reasonable, in accordance with § 678.605(c), written documentation must be prepared and maintained concerning the entire process of making such a selection.
3. Such sole source procurement must include appropriate conflict of interest policies and procedures. These policies and procedures must conform to the specifications in § 679.430 of this chapter for demonstrating internal controls and preventing conflict of interest.
4. A Local WDB may be selected as a one-stop operator through sole source procurement only with agreement of the chief elected official in the local area and the Governor. The Local WDB must establish sufficient conflict of interest policies and procedures, and these policies and procedures must be approved by the Governor.

Although states have statutory authority to select OSOs on behalf of local areas, their authority is restricted by the non-competitive procurement requirements found at 20 CFR 678.605(b) and 20 CFR 200.320. As such, states are confined to a rigid and limited set of circumstances for which they can noncompetitively procure one stop operators. However, this waiver would expand Tennessee's ability to select one stop operators outside of these limited scenarios, which would ultimately result in a quicker, more efficient, and better informed selection process of capable one stop operators.

Tennessee is specifically requesting to waive these non-competitive procurement provisions restricting a state's ability to select an OSO, which would subsequently allow Tennessee the authority to designate qualified OSOs through a faster, more efficient selection process.

Actions the state has undertaken to remove state or local statutory or regulatory barriers

There are no state or local statutory or regulatory barriers that would impede implementation of the requested waiver.

A description of the state's strategic goal(s)

Reason for the Request:

WIOA requires each local area or state to competitively procure a one stop operator to oversee and carry out a state's one stop delivery system. While this model is no doubt intended to promote accountability and strengthen service delivery, Tennessee has identified several obstacles imposed by the current procurement process. For one, this process has led to an increase in administrative burdens and fiscal strain placed on local areas required to conduct these formal one stop operator procurements every four years. This process detracts from the resources and time that local areas could otherwise be committing to increasing service delivery in their respective areas. Second, Tennessee has identified a wide discrepancy in the quality, capacity, and consistency across different local operator entities. As a result, Tennessee has noticed a rise in operational fragmentation resulting from external vendors operating independently from state-employed WIOA leadership.

To address these issues, Tennessee believes that in certain situations, the state is in the most optimal position to ensure the selection of qualified one stop operators. Tennessee has both the knowledge and expertise to determine which entities are most likely to succeed. Tennessee also is better equipped to select one stop operators that will ensure local areas are aligned with Tennessee's strategic workforce goals.

If this waiver is approved, and Tennessee is granted the authority to select qualified one stop operators free from any of the burdens imposed by the current procurement and sole source requirements, Tennessee believes that this will result in improvements in regional governance, partner alignment, program integration, and accountability systems.

Should this waiver request be granted, Tennessee shall:

1. Eliminate the requirement for Local Workforce Development Boards to competitively procure a One-Stop Operator.
2. Establish a written process for TDLWD when determining the selection of qualified One-Stop Operators.

In addition, if approved, Tennessee would assure the following:

1. All services will comply with WIOA Section 188 and 29 CFR Part 38.
2. Accountability, reporting, and monitoring systems will remain intact and state-managed.
3. The waiver will not reduce service quality, access, or availability in any community.

Approval of this waiver request will allow TDLWD to meet the following state strategic goals:

1. Streamline One-Stop governance by replacing the burdensome local procurement of One-Stop Operators with informed state appointed One-Stop Operators.
2. Enhance consistency in service delivery, policy implementation, partner integration, and compliance across all regions.
3. Reduce administrative and procurement burden on Local Boards.
4. Improve accountability by placing system coordination under direct State supervision.
5. Align operational leadership with Tennessee's statewide workforce strategy, priorities, and performance goals.

Alignment with federal policy priorities:

1. This waiver aligns with the Integrated Systems Strategies pillar set forth in the Comprehensive Worker Investment and Development Strategy developed under President Trump's Executive Order 14278.
2. This waiver aligns with the Accountability Strategies pillar set forth in the Comprehensive Worker Investment and Development Strategy developed under President Trump's Executive Order 14278.
3. This waiver aligns with the Flexibility and Innovation Strategies pillar set forth in the Comprehensive Worker Investment and Development Strategy developed under President Trump's Executive Order 14278.

If approved, this waiver would support Executive Order 14278's Integrated Systems Strategies pillar. Pursuant to TEGL 05-25, "the workforce system must be unified, navigable, and built around the needs of its users... the public workforce system can support this pillar by working to integrate disparate funding streams; improve service delivery through shared eligibility standards across programs..." This waiver aligns with the purpose of this pillar by creating a streamlined One Stop Operator state selection process to reduce administrative burdens on local areas while simultaneously enhancing consistency in service delivery.

In addition, this waiver would align with the Accountability pillar, which emphasizes the importance of enhancing data linkages to produce valid and transparent data that assesses efficient return on investment. In accordance with TEGL 05-25, the public workforce system can support this pillar by identifying and eliminating ineffective spending and performance models, such as removing ineffective providers. As previously pointed out, under the current system, Tennessee has identified a wide discrepancy in the quality, capacity, and consistency across different local One Stop Operators. This system has also led to a rise in operational fragmentation resulting from external vendors operating independently from state-employed WIOA leadership. By streamlining the selection of One Stop Operators, Tennessee would be effectively supporting this pillar since it would result in improvements in both regional governance and accountability systems (functional and performance oversight).

Finally, this waiver would also support the Flexibility and Innovation pillar by providing Tennessee and its local communities with more control to tailor solutions to existing workforce participation barriers without being constrained by outdated or unnecessarily burdensome program rules or processes.

Projected outcomes following waiver implementation

Approval of this waiver request would improve outcomes and provide other benefits for Tennessee workers, employers, and One Stop staff as follows:

1. More consistent application of policy and service delivery across local areas.
2. Improved integration of Title I, Title III (Wagner-Peyser), and partner services.
3. Increased efficiency in oversight, performance management, and monitoring.
4. Reduced administrative costs associated with procurement and contract management.
5. Stronger alignment between State, regional, and local workforce strategies.
6. Enhanced customer experience through unified system management.

This request is for a waiver that is administrative, rather than programmatic. While TDLWD believes that WIOA participants will benefit from this waiver, the benefit is indirect; therefore, specific programmatic outcomes cannot be identified.

Individuals, groups, or populations benefiting, or otherwise impacted by the waiver from the waiver

This waiver is intended to benefit:

1. Jobseekers, through consistent service delivery statewide.
2. Employers, through more coordinated business services.
3. Rural and underserved communities, which will receive more equitable service quality.
4. Local Workforce Development Boards, by eliminating costly and complex operator procurement cycles.
5. Required partner programs, through strengthened integration and shared accountability.

How the state plans to monitor waiver implementation, including collection of measurable waiver outcome information

TDLWD will continuously monitor implementation of this waiver on a quarterly basis, analyzing the ability of the State to achieve its strategic goals.

As part of the monitoring and performance accountability process, TDLWD will collect data on waiver outcomes which will be included in the Tennessee WIOA Annual Report. Any waiver renewal requests will include the most recent available outcomes data.

Assurance of state posting of the request for public comment (including the dates that the state made the draft request available for public comment) and notification to affected local workforce development boards

Tennessee assures transparency by posting this waiver request for 30-day public comment on the Tennessee Department of Labor and Workforce Development's website. In addition, electronic copies of the waiver were sent via email to all strategic partners.

WAIVER REQUEST 12:

Waiver of the requirements at WIOA Section 121(e)(1) and 20 CFR 678.300(c) to establish and maintain a comprehensive American Job Center (AJC) in each of the State's local workforce development areas.

The statutory and/or regulatory requirements the State would like to waive

Tennessee is requesting to waive the requirements outlined in WIOA sec. 121 (e)(1) and 20 CFR 678.300 (c) to establish a comprehensive one-stop delivery system.

Tennessee is specifically asking to remove the requirement that each local workforce development area maintain at least one physical comprehensive one-stop center. This waiver is intended to provide Tennessee with increased flexibility to modernize and restructure its workforce delivery model by

transitioning to a more agile system of virtual access points, mobile service units, and regional centers. If this waiver is approved, it will allow Tennessee to significantly reduce its infrastructure costs, and reallocate those resources more efficiently towards service delivery for both participants and employers.

Actions the state has undertaken to remove state or local statutory or regulatory barriers

There are no state or local statutory or regulatory barriers that would impede implementation of the requested waiver.

A description of the state's strategic goal(s)

Reason for the Request:

As Tennessee hopes to transition to a more regionally focused one stop model, maintaining rigid requirements for physical comprehensive AJCs presents operational and strategic challenges that limit flexibility, increase administrative burdens, and constrain employer-focused service delivery.

The cost factors associated with the infrastructure maintenance and co-location requirements for numerous comprehensive AJCs often creates barriers to effective service delivery by taking away from the already limited pool of federal funding. Further, it is often shown that more cost-effective alternative delivery methods, such as virtual/mobile AJCs or a network of affiliated sites, can just as adequately provide the workforce needs that would be expected of a physical comprehensive AJC. In many regions, particularly rural areas, the maintenance of a full-scale comprehensive center is an inefficient use of resources that prioritizes physical facility-based compliance rather than a streamlined customer experience.

If this waiver is approved, Tennessee believes that removing these requirements will lead to more optimal outcomes, such as reducing infrastructure and maintenance costs, reducing annual overhead costs, and allowing Tennessee to redirect these resources toward direct service delivery to employers and participants.

This waiver will also assist Tennessee as it moves towards a regionally anchored, functionally integrated service delivery model. By waiving this requirement, the State can develop additional physical and virtual access points to the one-stop system that allow participants to access all six core programs. This model will emphasize service availability, quality, and outcomes rather than facility-based compliance.

Alignment with federal policy priorities:

1. This waiver aligns with the Accountability strategic pillar set forth in the Comprehensive Worker Investment and Development Strategy developed under President Trump's Executive Order 14278.
2. This waiver aligns with the Flexibility and Innovation Strategies pillar set forth in the Comprehensive Worker Investment and Development Strategy developed under President Trump's Executive Order 14278.

This waiver would align with the Accountability pillar, by ensuring that spending on direct training and worker mobility initiatives is prioritized over high overhead costs associated with underutilized physical

facilities. A more flexible delivery model allows the State to ensure that infrastructure funding is used to support an efficient workforce development system.

In addition, this waiver would also support the Flexibility and Innovation pillar by providing Tennessee and its local communities with more control to design a new workforce delivery system to address existing workforce participation barriers without being constrained by outdated or unnecessarily burdensome or costly program rules or processes.

Alignment with state strategic goals:

This waiver supports Tennessee's strategic goals by allowing it to modernize its workforce system and align service delivery with the realities of a high-technology, rapidly changing economy. If this waiver is approved, Tennessee gains flexibility to deploy virtual platforms, mobile service units, and regional based hubs, expanding access to services while reducing costly and underutilized infrastructure. The waiver allows Tennessee to redirect resources from facility maintenance to direct participant services, such as skills training, credential attainment, and career advancement in high-wage, in-demand industries. It also supports statewide goals related to innovation, efficiency, and equitable access, ensuring services reach individuals where they live and work while strengthening the system's ability to respond to employer needs and evolving labor market demands.

Actions taken to remove barriers:

Tennessee is currently in the process of conducting a statewide assessment of its one-stop network to identify locations where virtual or mobile service delivery would better serve the community than a fixed physical center. Furthermore, the State is developing standardized intake and case management protocols that ensure there is no loss of service quality during this transition.

Projected outcomes following waiver implementation

Approval of this waiver is expected to:

1. Strengthen employer engagement and satisfaction at the regional level.
2. Improve alignment between workforce services and regional economic priorities.
3. Reduce administrative and facility-related costs and expenditures.
4. Expand access through flexible, technology-enabled service delivery.
5. Improve performance outcomes under WIOA primary indicators.

Individuals, groups, or populations benefiting, or otherwise impacted by the waiver from the waiver

Tennessee intends for this waiver to benefit state and local workforce area staff, who will be able to utilize this waiver to implement a more efficient service delivery system. Tennessee also expects both employers and job seekers to benefit from this waiver, since it will lead to an increase in federal funds being redirected to service delivery.

How the state plans to monitor waiver implementation, including collection of measurable waiver outcome information

TDLWD will continuously monitor implementation of this waiver on a quarterly basis, analyzing the ability of the State to achieve its strategic goals.

As part of the monitoring and performance accountability process, TDLWD will collect data on waiver outcomes which will be included in the Tennessee WIOA Annual Report. Any waiver renewal requests will include the most recent available outcomes data.

Assurance of state posting of the request for public comment (including the dates that the state made the draft request available for public comment) and notification to affected local workforce development boards

Tennessee assures transparency by posting this waiver request for 30-day public comment on the Tennessee Department of Labor and Workforce Development's website. In addition, electronic copies of the waiver were sent via email to all strategic partners.

WAIVER REQUEST 13:

Waiver of the requirements at WIOA Section 121(h) and associated federal regulations, allowing Tennessee to implement a transformational state-directed, integrated American Job Center (AJC) funding model.

The statutory and/or regulatory requirements the State would like to waive

Tennessee is requesting to waive the Infrastructure Funding Agreement (IFA) requirements outlined in WIOA sec. 121 (h) and associated regulations at 20 CFR 678.700-678.755.

These provisions require that the State Funding Mechanism (SFM) may only be used when local partners fail to reach an agreement on the methods of sufficiently funding the infrastructure costs of one-stop centers.

This waiver would allow the State to move directly to a state-governed allocation model for these costs, regardless of whether a local impasse has occurred. In short, Tennessee will be able to utilize the SFM regardless of whether local WDBs, local one-stop partners, and CEO(s) are able to reach a consensus on methods of sufficiently funding a one-stop center's infrastructure costs.

Through this request, Tennessee seeks authority to:

- Replace the local consensus-based IFA negotiation framework with a state-directed infrastructure funding methodology.
- Implement a unified, statewide American Job Center (AJC) funding structure.
- Designate Title I and Title III funds as primary drivers of AJC infrastructure sustainability, where allowable.
- Establish predictable and equitable infrastructure contributions that protect partner programs operating under strict administrative caps, including Titles II and IV.
- Streamline or where appropriate, eliminate annual local IFA renegotiations in lieu of a state-administered model.

Together, these changes would allow Tennessee to transition from a fragmented, negotiation-heavy cost-sharing model to a more efficient, integrated, state-governed infrastructure system aligned with modern workforce delivery principles.

Actions the state has undertaken to remove state or local statutory or regulatory barriers

There are no state or local statutory or regulatory barriers that would impede implementation of the requested waiver. The constraints addressed in this request arise solely from federal statutory and regulatory requirements governing infrastructure funding agreements.

A description of the state's strategic goal(s)

Reason for the Request:

Tennessee is in the midst of a comprehensive modernization and transformation of its workforce system. The goal of this transformative redesign is to establish a unified, regionally aligned, and industry-driven service delivery model that responds to today's economic realities.

While the current IFA framework was designed to promote shared responsibility among required partners, its practical application has revealed persistent challenges. In Tennessee's experience, the existing structure:

- Requires repetitive and resource-intensive local negotiations.
- Diverts leadership focus from system performance to cost allocation debates.
- Creates structural instability across regions.
- Places disproportionate financial strain on required partners subject to federal administrative caps.
- Undermines full-service integration in co-located environments.

Under the current statutory requirements, the State and local areas spend months in complex negotiations that often result in inconsistent funding levels across different regions.

In addition, Titles II (Adult Education) and IV (Vocational Rehabilitation) operate under federally imposed administrative cost limitations. When these programs must contribute to infrastructure costs through rigid local negotiation processes, their ability to provide direct services to participants can be diminished.

In short, the current IFA structure is not only administratively burdensome but also compliance-driven rather than performance-driven. It measures agreement on cost distribution not system effectiveness.

Tennessee therefore seeks not just incremental adjustment to the current funding model, but actual transformational and structural reform. Tennessee's objective is not merely administrative relief, but long-term system alignment. The State proposes to fundamentally redesign how AJCs are funded and governed by transitioning to a state-directed infrastructure model that:

- Stabilizes funding across all regions.
- Prioritizes direct service delivery over administrative negotiation.
- Aligns infrastructure investment with statewide workforce strategy.
- Enables integrated staffing and operational models.

- Protects the integrity of partner programs.
- Advances measurable workforce outcomes.

By allowing Tennessee the flexibility to transition to a unified state-directed model, the negotiation heavy nature of the current funding model is eliminated and replaced with a transparent, more efficient funding framework.

This waiver request supports Tennessee's strategic goals of maximizing Service Delivery Integration and Financial Integration. By waiving the existing funding model requirements, Tennessee will be able to modernize its funding structure to reflect contemporary workforce realities. Ultimately, this modernization effort will allow Tennessee to invest more resources into optimizing service delivery.

Implementation of the Waiver

If approved, Tennessee will establish and implement a state-directed integrated funding model built on four core components:

1. Statewide Infrastructure Governance
 - a. The Tennessee Department of Labor and Workforce Development (TDLWD) will establish and administer a uniform statewide infrastructure allocation methodology to ensure:
 - i. Consistency across all local workforce development areas.
 - ii. Fiscal transparency.
 - iii. Predictable annual cost structures.
 - iv. Direct alignment with statewide strategic workforce priorities.
 - b. This centralized model will replace fragmented local negotiations with a coherent, performance-aligned funding structure.
2. Strategic Deployment of Title I and Title III Funds
 - a. Title I (Adult, Dislocated Worker, Youth) and Title III (Wagner-Peyser) funds will serve as primary infrastructure stabilizers, where allowable and appropriate.
 - b. These funds will support:
 - i. Shared facility costs.
 - ii. Integrated intake and navigation systems.
 - iii. Unified staffing structures.
 - iv. Operational continuity in rural and underserved areas.
 - v. Employer engagement hubs.
 - c. All expenditures will remain fully compliant with federal cost principles under 2 CFR Part 200.
3. Protection of Partner Service Capacity
 - a. Infrastructure contributions from Titles II and IV will be structured to:
 - i. Avoid erosion of direct service capacity.
 - ii. Respect federal administrative caps.
 - iii. Prevent disproportionate fiscal burdens.
 - b. The intent is to balance shared responsibility without compromising program integrity.
4. Elimination of Redundant Negotiation Cycles

- a. Where a state-directed methodology is implemented, annual local IFA renegotiations will be streamlined or eliminated. This change alone will significantly reduce administrative overhead and redirect energy toward service delivery and system improvement.

Alignment with federal policy priorities:

1. This waiver aligns with the Integrated Systems Strategies pillar set forth in the Comprehensive Worker Investment and Development Strategy developed under President Trump's Executive Order 14278.
2. This waiver aligns with the Accountability Strategies pillar set forth in the Comprehensive Worker Investment and Development Strategy developed under President Trump's Executive Order 14278.
3. This waiver aligns with the Flexibility and Innovation Strategies pillar set forth in the Comprehensive Worker Investment and Development Strategy developed under President Trump's Executive Order 14278.

If approved, this waiver would support the Integrated Systems Strategies pillar. Pursuant to TEGL 05-25, "the workforce system must be unified, navigable, and built around the needs of its users... the public workforce system can support this pillar by working to integrate disparate funding streams; improve service delivery through shared eligibility standards across programs..." This waiver aligns with the purpose of this pillar by creating a streamlined funding stream that is tied to system-wide performance rather than local negotiation outcomes. The current Local Funding Mechanism (LFM) creates a local area level cost allocation approach, in which partners frequently only provide minimal support. Therefore, this waiver would allow Tennessee to transition from this fragmented and poorly funded system to a more efficient unified statewide funding framework.

In addition, this waiver would align with the Accountability pillar. Under current law, the LFM is the only tool for enforcing one-stop certification standards. Institutionalizing the SFM statewide provides the State with the opportunity to ensure consistent standards and customer service quality are embedded in one-stop centers and the system overall. In addition, this waiver would allow Tennessee to centralize oversight to improve fiscal transparency and align infrastructure spending with performance outcomes.

Finally, this waiver would also support the Flexibility and Innovation pillar by providing Tennessee and its local communities with more control to tailor solutions to existing workforce participation barriers without being constrained by outdated or unnecessarily burdensome program rules or processes. Specifically, this waiver would allow Tennessee to modernize its funding structure to reflect contemporary workforce realities.

Projected outcomes following waiver implementation

Implementation of this waiver is expected to yield measurable system improvements, including:

1. A reduction in administrative time devoted to IFA negotiations.
2. Increased staff capacity for direct service delivery and employer engagement.
3. Stabilized AJC operations across all regions.
4. Improved sustainability of co-located service models.
5. Increased integrated service delivery metrics.

6. Greater fiscal predictability for partner programs.
7. Strengthened rural service access.
8. Improved participant navigation across programs.

Over time, Tennessee anticipates broader system benefits as well, such as:

1. Stronger employment outcomes.
2. Improved participant retention.
3. Greater employer satisfaction.
4. Enhanced system-wide accountability.

This waiver represents a deliberate shift from compliance-focused cost allocation to performance-focused system design.

Individuals, groups, or populations benefitting, or otherwise impacted by the waiver from the waiver

Tennessee intends for this waiver to benefit state and local workforce area staff, who will be able to utilize this waiver to reduce time and resources required to manage fiscal negotiations. This waiver is also intended to impact employers and job seekers by creating a more reliable and unified service delivery system.

Other groups benefiting from this waiver include:

- Jobseekers, through uninterrupted access to fully integrated services.
- Employers, through consistent and coordinated workforce engagement.
- Rural and underserved communities, through stabilized service infrastructure.
- Adult Education and Vocational Rehabilitation participants, through preserved direct service funding.
- Workforce staff, through simplified and predictable funding structures.
- Local Workforce Development Boards, through reduced administrative burden and strengthened strategic alignment.

How the state plans to monitor waiver implementation, including collection of measurable waiver outcome information

TDLWD will continuously monitor implementation of this waiver on a quarterly basis, analyzing the ability of the State to achieve its strategic goals.

TDLWD will implement a comprehensive oversight framework to ensure responsible implementation and continuous improvement. This framework will include:

- An annual statewide infrastructure cost review.
- Fiscal audits to ensure cost allowability and allocability.
- Tracking of administrative cost ratios.
- Measurement of integrated service delivery indicators.
- Evaluation of co-location stability.
- Employer engagement metrics.

- Participant access metrics in rural and high-barrier regions.

As part of the monitoring and performance accountability process, TDLWD will collect data on waiver outcomes which will be included in the Tennessee WIOA Annual Report. Any waiver renewal requests will include the most recent available outcomes data.

Assurance of state posting of the request for public comment (including the dates that the state made the draft request available for public comment) and notification to affected local workforce development boards

Tennessee assures transparency by posting this waiver request for 30-day public comment on the Tennessee Department of Labor and Workforce Development's website. In addition, electronic copies of the waiver were sent via email to all strategic partners.

TITLE I-B ASSURANCES

The State Plan must include	Include
1. The State has implemented a policy to ensure Adult program funds provide a priority in the delivery of training services and individualized career services to individuals who are low income, public assistance recipients and basic skills deficient;	Yes
2. The State has implemented a policy to ensure local areas have a process in place for referring veterans with significant barriers to employment to career services provided by the JVSG program's Disabled Veterans' Outreach Program (DVOP) specialist;	Yes
3. The State established a written policy and procedure that set forth criteria to be used by chief elected officials for the appointment of local workforce investment board members;	Yes
4. The State established written policy and procedures to ensure local workforce investment boards are certified by the governor every two years in accordance with WIOA section 107(c)(2);	Yes
5. Where an alternative entity takes the place of a State Board, the State has written policy and procedures to ensure the alternative entity meets	Yes

The State Plan must include	Include
the definition under WIOA section 101(e) and the legal requirements for membership;	
6. The State established a written policy and procedure for how the individuals and entities represented on the State Workforce Development Board help to determine the methods and factors of distribution, and how the State consults with chief elected officials in local areas throughout the State in determining the distributions;	Yes
7. The State will not use funds received under WIOA Title I to assist, promote, or deter union organizing in accordance with WIOA section 181(b)(7);	Yes
8. The State distributes adult and youth funds received under WIOA equitably throughout the State, and no local area suffers significant shifts in funding from year-to-year during the period covered by this plan;	Yes
9. If a State Workforce Development Board, department, or agency administers State laws for vocational rehabilitation of persons with disabilities, that board, department, or agency cooperates with the agency that administers Wagner-Peyser services, Adult and Dislocated Worker programs and Youth Programs under Title I;	Yes
10. The State agrees to report on the impact and outcomes of its approved waivers in its WIOA Annual Report.	Yes
11. The State has taken appropriate action to secure compliance with the Uniform Guidance at 2 CFR 200 and 2 CFR 2900, including that the State will annually monitor local areas to ensure compliance and otherwise take appropriate action to secure compliance with the Uniform Guidance under section WIOA 184(a)(3);	Yes

ADULT PROGRAM PERFORMANCE INDICATORS

Performance Indicators	PY 2026 Expected Level	PY 2026 Negotiated Level	PY 2027 Expected Level	PY 2027 Negotiated Level
Employment (Second Quarter After Exit)	87.26%		86.14%	
Employment (Fourth Quarter After Exit)	85.31%		84.70%	
Median Earnings (Second Quarter After Exit)	\$6,851		\$6,994	
Credential Attainment Rate	71.08%		71.68%	
Measurable Skill Gains	61.26%		65.15%	
Effectiveness in Serving Employers	Not Applicable ¹	Not Applicable ¹	Not Applicable ¹	Not Applicable ¹

¹

The Departments have not issued the final rule defining Effectiveness in Serving Employers. As a result, states will not submit expected levels of performance for this indicator and the Departments will not establish negotiated levels of performance for PYs 2024 and 2025.

DISLOCATED PROGRAM PERFORMANCE INDICATORS

Performance Indicators	Program Year 2026 Expected Level	Program Year 2026 Negotiated Level	Program Year 2027 Expected Level	Program Year 2027 Negotiated Level
Employment (Second Quarter After Exit)	85.25%		83.76%	
Employment (Fourth Quarter After Exit)	85.20%		83.63%	
Median Earnings (Second Quarter After Exit)	\$7,987		\$8,030	

Performance Indicators	Program Year 2026 Expected Level	Program Year 2026 Negotiated Level	Program Year 2027 Expected Level	Program Year 2027 Negotiated Level
Credential Attainment Rate	66.73%		65.77%	
Measurable Skill Gains	56.98%		61.67%	
Effectiveness in Serving Employers	Not Applicable ¹	Not Applicable ¹	Not Applicable ¹	Not Applicable ¹

¹

The Departments have not issued the final rule defining Effectiveness in Serving Employers. As a result, states will not submit expected levels of performance for this indicator and the Departments will not establish negotiated levels of performance for PYs 2024 and 2025.

YOUTH PROGRAM PERFORMANCE INDICATORS

Performance Indicators	Program Year 2026 Expected Level	Program Year 2026 Negotiated Level	Program Year 2027 Expected Level	Program Year 2027 Negotiated Level
Employment (Second Quarter After Exit)	80.66%		80.68%	
Employment (Fourth Quarter After Exit)	80.20%		79.68%	
Median Earnings (Second Quarter After Exit)	\$3,338		\$3,717	
Credential Attainment Rate	69.39%		67.15%	
Measurable Skill Gains	54.09%		57.31%	
Effectiveness in Serving Employers	Not Applicable ¹	Not Applicable ¹	Not Applicable ¹	Not Applicable ¹

¹

The Departments have not issued the final rule defining Effectiveness in Serving Employers. As a result, states will not submit expected levels of performance for this indicator and the Departments will not establish negotiated levels of performance for PYs 2024 and 2025.

PROGRAM-SPECIFIC REQUIREMENTS FOR WAGNER-PEYSER PROGRAM (EMPLOYMENT SERVICES)

A. EMPLOYMENT SERVICE STAFF

1. DESCRIBE HOW THE STATE WILL STAFF THE PROVISION OF LABOR EXCHANGE SERVICES UNDER THE WAGNER-PEYSER ACT, SUCH AS THROUGH STATE EMPLOYEES, INCLUDING BUT NOT LIMITED TO STATE MERIT STAFF EMPLOYEES, STAFF OF A SUBRECIPIENT, OR SOME COMBINATION THEREOF.

The State will continue to use merit staff to carry out labor exchange.

2. DESCRIBE HOW THE STATE WILL UTILIZE PROFESSIONAL DEVELOPMENT ACTIVITIES FOR EMPLOYMENT SERVICE STAFF TO ENSURE STAFF IS ABLE TO PROVIDE HIGH QUALITY SERVICES TO BOTH JOBSEEKERS AND EMPLOYERS

Staff from all partner programs in the center are cross-trained regarding the specifics of each partner program in order to make meaningful referrals for participants and to avoid duplication of services, in entering activities that are required when they provide any assistance to an individual and in the use of Labor Market Information that is provided in Jobs4TN to assist participants with career path choices. Staff is aware of how to refer a customer to a job posting as well as how to result in the outcome of that referral if the information is obtained. Case noting is used to give an account of interactions between staff and customers. Staff participates in professional training at a minimum of once per quarter. This is designed to develop and strengthen proficiency in career assessment and advising for job seekers. It provides needed insights into the use of discernible labor market data to better equip job seekers in selecting a viable in demand career that offers high quality wages. Included are partner staff from all core programs. The training also includes strategies to better assist employers in recruitment and retention services at a local and regional level.

3. DESCRIBE STRATEGIES DEVELOPED TO SUPPORT TRAINING AND AWARENESS ACROSS CORE PROGRAMS AND THE UNEMPLOYMENT INSURANCE (UI) PROGRAM AND THE TRAINING PROVIDED FOR EMPLOYMENT SERVICES AND WIOA STAFF ON IDENTIFICATION OF UI ELIGIBILITY ISSUES AND REFERRAL TO UI STAFF FOR ADJUDICATION

Through the RESEA selection process, AJC staff can work with the claimant, assisting with job searches and providing referrals to partner programs that can provide necessary education and/or training to get the claimant back to work.

AJC staff can see the active status of a current UI claimant in the VOS system. However, they do not have access to any additional information. In the event, a claimant is experiencing issues with their UI claim AJC staff are trained to alert the UI representative within the AJC or route the claimant's

information to UI Assistance through Workforce OneTouch (Zopin Chat or Zendesk) or call the UI Assistance Team.

The Tennessee Department of Labor & Workforce Development, in partnership with other agencies and critical stakeholders, provides a series of regional and statewide training activities to cover important topics that involve multiple programs. This serves as the primary means by which training is delivered collectively with the state's various programs. These opportunities offer training and awareness capacity for the staff responsible for leading the state's Reemployment Services and Eligibility Assessment (RESEA) program.

The RESEA program serves as the primary connection between core programs and the Unemployment Insurance (UI) program. Training and awareness strategies for the RESEA team, in addition to the mentioned training activities, center on policy review, technical training, and ongoing communications with the UI program. All issuances of Unemployment Insurance Program Letters (UIPL) are reviewed and distributed across the RESEA management team, as well as key staff members in other core programs. Through the state's virtual one-stop system (VOS), RESEA staff have the ability to efficiently collaborate with UI program staff to address UI eligibility issues. Ongoing communications provide the capacity for learning to occur across the programs. When eligibility issues are detected, a dedicated UI adjudication agent deals specifically with RESEA customers.

B. EXPLAIN HOW THE STATE WILL PROVIDE INFORMATION AND MEANINGFUL ASSISTANCE TO INDIVIDUALS REQUESTING ASSISTANCE IN FILING A CLAIM FOR UNEMPLOYMENT COMPENSATION THROUGH ONE-STOP CENTERS, AS REQUIRED BY WIOA AS A CAREER SERVICE

The Unemployment Insurance division has partnered with Workforce Services with the goal, when positions and funding allow, of placing a UI presence back in each American Job Center ("AJC") across the State. We understand that many of our customers require hands-on assistance in filing an unemployment insurance assistance claim or weekly certification. This strategic partnership also enhances supportive service offerings for the customer. This helps to drive the customer to the AJC, where additional Workforce Services programs can be provided if applicable. This is a multi-year project. The first goal is to place a presence back into each of the nine (9) regions of the State, again when positions and funding allow. The second goal of this project will be to place a UI presence in each comprehensive AJC in the State. Once this is fulfilled, we will work to place a presence in each affiliate AJC within the State.

Currently UI is assisting by other means such as virtual meetings pilot, attending rapid response meetings, and the AJC question/issue list that go to a dedicated team within Claims Operations.

C. DESCRIBE THE STATE'S STRATEGY FOR PROVIDING REEMPLOYMENT ASSISTANCE TO UI CLAIMANTS AND OTHER UNEMPLOYED INDIVIDUALS

Unemployed individuals receive multiple services from all the required programs located within the American Job Center (AJC). For those programs that do not have staff physically present within the AJC, referral systems are in place to ensure that customers receive assistance with wrap-around services that they may need to obtain self-sustaining employment. The State of Tennessee is also in the process of putting into place a Virtual AJC for customers, which will allow services to be provided to customers virtually.

The State of Tennessee provides Reemployment Services and Eligibility Assessment (RESEA) assistance to claimants who are determined to be most likely to exhaust their Unemployment Insurance (UI) benefits, providing more intensive assistance to those who are selected to participate. RESEA is designed to reduce UI duration, strengthen UI program integrity, and establish an entry point to other workforce system partners. This program will be going through an evaluation in the upcoming months to determine if some changes to the way the program works will result in increased success for claimants in obtaining employment, as well as shorten the length of time that claimants are receiving unemployment benefits.

The State of Tennessee is currently reviewing data to determine claimant characteristics that may indicate repeated claims filing. Those that they are identified as “high risk” will be provide employment rapid assessment, training, and career services to alleviate chronic job dislocation The data sharing from the UI team to local one stop centers helps in creating a proactive service offering to those most in need.

D. DESCRIBE HOW THE STATE WILL USE W-P FUNDS TO SUPPORT UI CLAIMANTS, AND THE COMMUNICATION BETWEEN W-P AND UI, AS APPROPRIATE INCLUDING THE FOLLOWING:

Coordination of and provision of labor exchange services for UI claimants includes the Welcome Function, Skills Development, and the Business Services Function.

Welcome Function and Basic Career Services - a shared function between all AJC partners must include the Virtual OneStop greeter (VOS greeter) kiosk as part of the point of entry. The kiosk must display the VOS greeter. Participants must be checked in via the VOS greeter to determine priority of service, reasons for the visit, service needs, and to track customer flow; greet all customers and create a positive first impression. Services associated with the welcome function include the resource room, self-directed activities, and staff-assisted services with few staff members involved. Job seekers are encouraged to register in VOS. Other functions include the following:

- Eligibility determination for WIOA
- Outreach, intake, and orientation to inform applicants and participants of all One-Stop services
- Initial assessment of program participants
- Labor exchange services
- Provision of labor market information, access to the resource room, access and information concerning other programs and services
- Labor market employment statistics
- Information and direct referrals to supportive services and assistance
- Information on performance and program costs on eligible providers of training services by program and type of provider
- Assistance in establishing eligibility of programs for financial assistance for training and education not provided by WIOA

Skills/Career Development Function and Individualized Career Services- Staff serving in skills and career development capacity will provide access to education and training for those with barriers to employment, including those with disabilities. Follow-up services must be provided, as appropriate, for participants who are placed in unsubsidized employment after the first day of employment. AJC staff serving in the skills/career development function:

- Determine eligibility during outreach and intake
- Perform skills assessments on program participants
- Determine skill levels and service needs for adults and dislocated workers
- Provide labor exchange services
- Develop individual employment plans
- Arrange for case management
- Identify support needs, group and/or individual counseling and mentoring, short-term pre-vocational services, internships, and employment opportunities
- Arrange for soft skills training, internships, and work experiences which are linked to careers, workforce preparation activities, financial literacy services, out-of-area job search assistance, English language acquisition, and integrated education and training programs

Business Services Function - The AJC staff involved in the business services function:

- Build positive relationships with employers
- Identify opportunities to address the human resource needs of employers
- Design services and products to assist employers in meeting their employment needs.

This function is the bridge between business and job candidates and coordinates AJC staff members to actively recruit and refer qualified job candidates based on the needs of business. Activities associated with the business services function include:

Business outreach and development:

- Standard and customized recruitment and referrals for job vacancies, primarily for targeted business and industry
- Job candidate qualification review
- Provision of economic, business, and workforce trends
- On-the-job training, contracting, and work experience
- Referral to community services

LWDBs may conduct business services or contract these services to a separate entity, or a combination of both. Regardless of whether a LWDB chooses to provide business services or contract these responsibilities, the plan concerning how business services are conducted must be clearly outlined in a local plan. Shared information and data agreements may be used to support access to information and to support information sharing between the partners, as permitted by authorizing laws and regulations.

Unemployment staff are not located in all American Job Centers, but Welcome Function staff in the AJC provide meaningful assistance to participants if needed.

Non-program participants who enter the job center strictly to use the self-service options available in the center are all self service activities and do not result in an active Wagner Peyser application.

Job placement services include referral to employers, customized recruitments, job fairs, sharing job leads, setting up interviews for customers, coordinating with business services teams to fill openings, and other activities connecting customers to employment opportunities. Job placement efforts focus on the locally approved target wage and/or jobs with meaningful career and wage growth opportunities.

In the State of Tennessee, customers file a claim for unemployment benefits using the Jobs4TN landing page. Filing a claim online creates a partial WP application in the system as required by State law. Those claimants selected for RESEA services or receiving intensive services in the AJC will have the partial WP application completed and participation created by the staff.

With the use of the Virtual One Stop, claimants are required to answer weekly questions during their certifications that would identify any potential eligibility issues that UI adjudication would need to address. Additionally, the system allows claimants to conduct their job searches online through the Jobs4tn.gov website in order to remain compliant with UI requirements for work searches.

The Virtual AJC will facilitate providing job finding and placement services for those claimants who do not come into the AJC. AJC business services staff and career specialist staff work together to facilitate job seekers' access to available positions, as well as employers' access to qualified candidates for employment.

The creation of the virtual AJC system will facilitate the provision of comprehensive career services for all job seekers, to include UI claimants. The State of Tennessee AJCs provide services to include WIOA program enrollment for assistance with training, referrals to appropriate partners and programs, providing assessments, career guidance and planning, work-based learning, workshops on job-related topics, job searches, and placement. Additionally, AJC staff members provide business services to employers, to include work-based learning opportunities, as well as matching job seekers to businesses' needs.

AJC staff are knowledgeable regarding the appropriate training program(s) for career pathways. Systems are in place in each AJC for referrals to be made and results of these referrals to be tracked when customers are determined to need training assistance and education programs through partner programs.

E. AGRICULTURAL OUTREACH PLAN (AOP). EACH STATE AGENCY MUST DEVELOP AN AOP EVERY FOUR YEARS AS PART OF THE UNIFIED OR COMBINED STATE PLAN REQUIRED UNDER SECTIONS

102 OR 103 OF WIOA. THE AOP MUST INCLUDE AN ASSESSMENT OF NEED. AN ASSESSMENT NEED DESCRIBES THE UNIQUE NEEDS OF FARMWORKERS IN THE AREA BASED ON PAST AND PROJECTED AGRICULTURAL AND FARMWORKER ACTIVITY IN THE STATE. SUCH NEEDS MAY INCLUDE BUT ARE NOT LIMITED TO: EMPLOYMENT, TRAINING, AND HOUSING.

1. ASSESSMENT OF NEED. PROVIDE AN ASSESSMENT OF THE UNIQUE NEEDS OF FARMWORKERS IN THE AREA BASED ON PAST AND PROJECTED AGRICULTURAL AND FARMWORKER ACTIVITY IN THE STATE. SUCH NEEDS MAY INCLUDE BUT ARE NOT LIMITED TO: EMPLOYMENT, TRAINING, AND HOUSING.

Tennessee is considered a non-significant state for Migrant Seasonal Farm Workers (MSFW) as defined by the Department of Labor. This means that the state is not considered to have a large MSFW population, nor any significant local offices. Consistent with previous years, H2A job order have increased. In 2021, employers job orders increased to 551, requesting a total of 6,579 H2-A workers. In 2022 agricultural employers placed 591 job orders, requesting a total of 6,648 H2-A visa holders.

Tennessee's strategy for serving Migrant and Seasonal Farmworkers (MSFWs) under Wagner-Peyser is implemented through this Agricultural Outreach Plan (AOP), developed in accordance with 20 CFR 653.107. This AOP serves as the operational framework for outreach, service delivery, partnership coordination, complaint system access, and ongoing monitoring of equity and adequacy of services to MSFWs across the State.

The State Monitor Advocate collaborates with our National Farmworkers Jobs Program (NFJP) Tennessee Opportunity Program (TOPS). The advocates cover all three grand regions of Tennessee. The main crops throughout the regions range from, tobacco, soybeans, hay, corn, cotton, wheat. Agricultural activity significantly does not change from previous years or across regions. Throughout the state a common thread relates the basic needs of farm laborers as those dealing with chronic unemployment at times due to weather, lack of work due to seasonal produce and a desire to obtain secondary training to further their education. A continued need for workers is present on family farms throughout the state especially when productivity depends on the weather. Agriculture has evolved to high maintenance equipment with modern training needed. The need is present for training on and off the farm. With the cost of training including cost of books, supplies, loss of employment due to attending class, the need for monetary assistance is great along with obtaining certification in skilled training for job placement. Agriculture has evolved into the use of highly sophisticated equipment using the latest in GPS technology as well as the use of drone technology.

In addition to collaboration with NFJP partners, the State Monitor Advocate provides independent oversight of MSFW service delivery, including review of outreach activities, complaint trends, apparent violations, service equity, and compliance with applicable federal requirements under 20 CFR Parts 653 and 658. The State Monitor Advocate also reviews implementation of the AOP and works with agency leadership and partners to address identified gaps or needed corrective actions.

Training still is a large part of the agricultural industry. However, over the years those needs have changed from mostly maintenance of farm equipment to the integration of farming technology.

On the intake with the client, a career assessment is completed for direction with the client's training needs. Tennessee Opportunity Program has a long-standing relationship with the Tennessee Colleges of Applied Technology (TCAT) throughout the state, which offer training classes that can be completed in less than a year. The training does not require much travel to a local TCAT, which offers flexibility to the farmworker and limited loss of productivity to the employer. TOPS offers a stipend to pay to those that are eligible for the MSFW program while in training.

Tennessee has a thriving H2A visa program that continues to increase annually, which account for more than 6,648 MSFWs in Tennessee. The H2A visa holders do a vast array of job duties while on a farm. Some operate agricultural equipment, some plant and harvest row crop, while others work in agricultural construction to name a few. However, the need for qualified labor is still there, therefore, job advertisements are posted on our state website jobs4tn.gov.

Tennessee recognizes that agricultural workforce activity includes both U.S.-based MSFW populations and workers employed through the H-2A program. While H-2A workers are a distinct population for certain regulatory purposes, the State monitors agricultural workforce trends broadly in order to identify service needs, outreach opportunities, and potential barriers affecting farmworkers and agricultural employers.

Not only is training a valid need by MSFWs in all regions so is career services, youth services, and other related services. The Tennessee Department of Labor & Workforce Development assisted in awarding grant opportunities through Governor Lee's Governors Investment in Vocational Education (GIVE) Act. These grants provide promising partnerships and career pathways in agricultural industries for youth to include MSFW youth. Below is a list of information we provide to each enrollee. This information provides participants with the basic understanding of applicable services in our program, as well as programs in other organizations.

- **Career Services** – skills assessment, outreach, job search (JOBS4TN), placement assistance, short term vocational training.
- **Training Services** – occupational skills, work experience, on-the-job training, skills upgrading, and retraining.
- **Youth Services** – tutoring, paid and unpaid work experiences needed, occupational skills training, financial literacy training, and guidance/counseling.
- **Related Assistance Services** – short- term direct assistance that helps the MSFW and their family members retain their agricultural employment or to participate in intensive training services

Employer Needs:

In partnership with other units within the Tennessee Department of Labor & Workforce Development, along with other agencies, the MSFW unit engages in conversations regarding changing demands for skills in the agriculture industry. Currently, there are several innovative efforts being led by new employers in the agriculture technology industry, which have called on the agency to provide guidance and strategy on cultivating a workforce with the skills to addressing a growing reliance on technology, data, and even drone devices.

While the new needs in the agriculture industry are in the early adoption stage, the collaboration across the various workforce programs, such as apprenticeships, are providing new solutions for employers in the agriculture industry.

Housing Needs: The largest percent of farm labors within our state can return home at the end of the day without being housed on farm property. However, if housing needs arise for the MSFWs, TOPS has referrals options in place to assist with housing needs or emergency services. TOPS housing programs provide assistance with completing paperwork for housing loans, finding homes for farmworkers only, and assistance with utilities.

MSFWs often have immediate need for employment. TOPS help with on-the-job training and work experiences for current job placement. Each client at intake for training or immediate job replacement receives referrals to the local American Job Center for possible assistance and information on the Supplemental Nutrition Assistance Program (SNAP), along with local food banks.

The availability and quality of farmworker housing supports better economic outcomes for MSFWs and their families. This includes direct payments for emergency and temporary housing and for direct investments in housing assistance for MSFWs at their permanent residence. Indirect services assistance includes leveraging services to increase or maintain housing stock available to farmworkers and housing development designed to improve living conditions for underserved farmworkers.

Other Needs:

Due to the closing of small area hospitals in rural regions of the state, there is a shortage of healthcare access and options for many MSFWs. This has been addressed by TOPS' case managers in all three grand regions. The limited access also applies to emergency care.

Food and utility assistance are often an issue dealt with for farm labors. Participation in SNAP is encouraged, and referrals to apply are often given at intake of information which then offers partnerships and co-enrollment with SNAP Employment and Training for services and opportunities.

2. AN ASSESSMENT OF THE AGRICULTURAL ACTIVITY IN THE STATE MEANS: 1) IDENTIFYING THE TOP FIVE LABOR-INTENSIVE CROPS, THE MONTHS OF HEAVY ACTIVITY, AND THE GEOGRAPHIC AREA OF PRIME ACTIVITY; 2) SUMMARIZE THE AGRICULTURAL EMPLOYERS' NEEDS IN THE STATE (I.E. ARE THEY PREDOMINANTLY HIRING LOCAL OR FOREIGN WORKERS, ARE THEY EXPRESSING THAT THERE IS A SCARCITY IN THE AGRICULTURAL WORKFORCE); AND 3) IDENTIFYING ANY ECONOMIC, NATURAL, OR OTHER FACTORS THAT ARE AFFECTING AGRICULTURE IN THE STATE OR ANY PROJECTED FACTORS THAT WILL AFFECT AGRICULTURE IN THE STATE

In Tennessee our five main labor-intensive crops currently are soybean, tobacco, cotton, wheat and hay, with livestock fast becoming one of the five. Many farms exist within our state, however, most are geographically located beginning in Northwest, TN, extending into Southeast, TN. The livestock industry saw U.S. beef exports from January through August 2023 decrease 12.3% compared to 2022. Total beef export value over the first eight months of 2023 totaled \$6.69 billion, a decrease of 18.8% compared to 2022. Pork exports during the first eight months of 2023 were 10.6% higher than 2022 with export values totaling \$5.32 billion, an increase of 8.3% compared to 2022.

“Cattle prices are expected to plateau in 2024 but remain strong relative to recent years,” said livestock specialist Andrew Griffith, also in the UTIA Department of Agricultural and Resource Economics. “Red meat demand should support beef and pork prices, as demand has remained strong and total production will moderate.

According to the UT Institute of Agricultural, A Total 2023 U.S. agricultural and related exports were down 9% when compared to 2022 due to lower volumes and lower prices, decreasing the value of U.S. exports. The factors affecting exports at the national level also affected Tennessee. Although the state’s agricultural and related exports were \$3 billion, up \$337 million or 13% when compared to the previous fiscal year, Tennessee experienced decreases in all major categories, except for consumer-oriented agriculture, which was up \$437 million or 34%. The overall increase in exports this fiscal year was due to exports of distilled spirits. Key exports for the state included distilled spirits at \$1.2 billion and cotton at \$846 million, which increased by \$477 million and decreased by \$37 million, respectively. Exports of bulk agricultural commodities, which include cotton, tobacco, and soybeans, totaled \$956 million, down \$6 million or 1%; exports of intermediate products such as soybean meal and oil and other feeds totaled \$177 million, down 23%; and related-product exports, which are mostly forest products, totaled \$158 million, down 21%. Tennessee continues to be a leading exporter of forest products at \$156 million, despite the 21% decline compared to the previous fiscal year.

The highest priority for employers/farmers is to have a consistent reliable workforce. Most all agricultural labor is completed by foreign labor. There is now, was and will be an issue with find reliable local farm labor. If it were not for the H2A visa program and those of a similar nature, Tennessee’s agricultural economy would suffer greatly. A need that farmers are expressing is one of streamlining the H2A visa process to reduce the paperwork, timeframes and time spent petitioning for visa status.

3. AN ASSESSMENT OF THE UNIQUE NEEDS OF FARMWORKERS MEANS SUMMARIZING MIGRANT AND SEASONAL FARM WORKER (MSFW) CHARACTERISTICS (INCLUDING IF THEY ARE PREDOMINANTLY FROM CERTAIN COUNTRIES, WHAT LANGUAGE(S) THEY SPEAK, THE APPROXIMATE NUMBER OF MSFWS IN THE STATE DURING PEAK SEASON AND DURING LOW SEASON, AND WHETHER THEY TEND TO BE MIGRANT, SEASONAL, OR YEAR-ROUND FARMWORKERS). THIS INFORMATION MUST TAKE INTO ACCOUNT DATA SUPPLIED BY WIOA SECTION 167 NATIONAL FARMWORKER JOBS PROGRAM (NFJP) GRANTEES, OTHER MSFW ORGANIZATIONS, EMPLOYER ORGANIZATIONS, AND STATE AND/OR FEDERAL AGENCY DATA SOURCES SUCH AS THE U.S. DEPARTMENT OF AGRICULTURE AND THE U.S. DEPARTMENT OF LABOR (DOL) EMPLOYMENT AND TRAINING ADMINISTRATION

Tennessee is considered a non-significant state for Migrant Seasonal Farm Workers (MSFW) as defined by the Department of Labor. This means that the state is not considered to have a large MSFW population, nor any significant local offices. Though several factors contributed to limiting the number of MSFW workers, a prominent one was the increase in H2-A holders. PY2021, 551 job orders were completed and 6,579 H2A visa holders were granted enter into the country. PY2022 591 job orders were completed and 6,648 H2A visa holders were granted entry. Tennessee’s MSFW population are predominately from Mexico and speak Spanish. Our MSFW population is mostly comprised of H2A farm workers here for seasonal work. Once, the contract time expires, they will return to their home

country to await the next growing season. Tennessee's MSFW annual peak season is from February 1 to September 30, which is traditionally our growing season. During peak season, approximately 6,000 MSFW live on farms where they are employed. The remaining time is considered non-peak season, October 1 to January 31. According to our National Farmworker Job Program (NFJP) partner, TOPs, approximately 157 MSFWs are present during non-peak season. Like H2A workers, these are Spanish speaking seasonal workers from Mexico. However, unlike H2A workers, these workers remain in the U.S. migrating from state to state.

4. OUTREACH ACTIVITIES

The local offices outreach activities must be designed to meet the needs of MSFWs in the State and to locate and contact MSFWs who are not being reached through normal intake activities. Describe the State agency's proposed strategies for:

As a non-significant MSFW State, Tennessee does not receive the same level of dedicated outreach resources as significant MSFW States. Nevertheless, TDLWD remains responsible for ensuring that MSFWs receive outreach and services that are qualitatively equivalent and quantitatively proportionate to those provided to non-MSFW customers. Tennessee therefore coordinates outreach efforts through state merit staff, the State Monitor Advocate, American Job Centers, and the Tennessee Opportunity Program (TOPS), the State's NFJP grantee.

- The SWA will coordinate with the Outreach Specialist and the local AJC Offices to continue training and explanation of services offered.
- The Outreach Specialists will case manage and reach out to farm communities to identify prospective candidates for the TOPS.
- Once farm workers are identified, and they demonstrate a compelling interest to obtain new skills and pursue different and more productive career tracks, intake applicants are completed.
- Eligibility documents are sought – including birth certificates, selective service registration documents, drivers' licenses, work visa, etc.
- Interviews are held, eligibility is confirmed and skill needs along with TABE and other service needs are identified. Furthermore interviews are conducted and testing of cognitive skills is established. Next an IEP is developed, then training & services are secured.
- Core services are cooperatively arranged and training providers as well as service providers are identified.

TOPS also helps MSFWs with housing, transportation, and financial emergencies, so some of their services to MSFWs are not exclusive to reeducation, skills training, and obtaining jobs. In the third quarter of 2022-2023 TOPs served 60 new MSFW which totaled 133. Of which 22 entered employment. During the same quarter 91 days, 683 hours of time was spent performing outreach. We have found that MSFWs are concentrated in specific locations with some scattered throughout the state. The Outreach workers in East, West, and Middle Tennessee will locate and outreach to the MSFW populations not reached by normal methods.

If additional services are needed that are beyond the scope of TOPS training and employment and supportive services, the clients are given referrals to other programs such as Vocational Rehabilitation, Veterans Services, or Senior Corps Programs. TDLWD's staff plans to coordinate with TOPS Directors and case managers to register MSFWs with the goal of notifying MSFWs of the services provided by AJCs. The SWA will also coordinate with TOPS to use the mobile career coach units to bring AJC services to MSFWs in their home communities.

The Outreach Specialist responsibilities and activities include but are not limited to:

- Coordinate with SWA's/One Stop Offices to continue training and explanation of services offered.
- Coordination with the SMA quarterly meeting with staff and case workers
- Case managers reach out to farm communities to identify potential candidates.
- Once MSFW's are identified, and they demonstrate an interest to obtain new skills and more productive career paths, intake/pre-applications are completed.
- Required eligibility documents are needed, birth certificates, selective service registration, driver's licenses, work visas.
- Interview of potential applicant, TABE test, barriers listed, then eligibility confirmed, and an Individual Employment Plan is developed for the training or services needed.
- Core services, training providers, service providers are identified.
- Meeting at community gathering areas for MSFW.
- Networking with businesses in the area that use MSFW labor.
- Networking with religious organizations in the MSFW communities.
- Being present at job fairs and non-profit centers.

A. CONTACTING FARMWORKERS WHO ARE NOT BEING REACHED BY THE NORMAL INTAKE ACTIVITIES CONDUCTED BY THE EMPLOYMENT SERVICE OFFICES

Tennessee will continue to collaborate with existing partners, stakeholders, and education organizations in an attempt to reach MSFW's in other ways than normal. Additionally, the State Monitor Advocate (SMA) and the NFJP will begin to share referral information from outreach activities conducted in the field.

During outreach contacts, staff and partners will inform MSFWs of the Employment Service and Employment-Related Law Complaint System, including how to file complaints at the local, state, or federal level as appropriate under 20 CFR Part 658, Subpart E. Outreach efforts will also include identification and referral of apparent violations when observed or reported.

When an MSFW is hired through an agricultural job order listed in the Agricultural Recruitment System (ARS), state staff, TOPS staff, or both may conduct follow-up field visits, as appropriate, to verify that workers are aware of available services, understand the complaint system, and have access

to needed employment-related information and referrals. After employment is confirmed state staff with the Tennessee Opportunity Program will set a date for onsite field visit.

Examples included but not limited to:

- Call the farmer or farm before visiting. Ideally lunch times or the end of the day are better options;
- Outreach visits can consist of day field visits, housing facilities, service fairs, churches/religious activities;
- No political activities do not enter work areas or housing areas without permission;
- Visits can consist of educating their rights as workers such as wage/hour rights, field

sanitation, free from discrimination, right to written contracts; housing complies with state, federal, and local health codes; and

- Staff involved in outreach will also be trained to document and elevate potential apparent violations involving wages, working conditions, housing, field sanitation, transportation, disclosure, or other employment-related matters to the appropriate agency or internal review point in accordance with established state procedures.

When the SWA places workers on a clearance order, the employer is notified in writing that the SWA, must conduct random, unannounced field checks to determine and document whether wages, hours, working, and housing conditions are being provided. The State Monitor Advocate will be notified of said placement at which point an unannounced field visit to the employer's place of business will be completed. During the field check the SMA will meet with project managers, crew leaders and employees to go over the full range of Tennessee's employment services, supportive services, and other MSFW related employment programs.

Outreach staff will be trained and provide technical assistance in a multitude of ways. This includes but not limited to:

- Training on the AJC policies.
- Shadowing career specialist on procedures, benefits, and employment services afforded to MSFWs.
- Outreach staff will be provided training on farmworker rights.

- To help identify problematic areas when outreaching, trainings will also be conducted on human trafficking, heat illness, pesticide training, assault, sexual harassment, sex trafficking, and coercion.
- Additionally, outreach staff will be trained on the Employment Service and Employment-Related Law Complaint System by ES staff.
- Also, throughout the year, the SWA will give single topic trainings on topics like referrals, career services, employment opportunities and supportive services.
- Training opportunities such as: shadowing preoccupancy inspections, shadowing career services staff in AJC and Collaboration with TOPs our NFJP.
- Conferences: SETA, Workforce GPS, and NASWA.
- Moreover, outreach staff, schedule permitting, will be given the chance to attend any agricultural conferences, seminars, meetings, and virtual calls.
- Outreach workers will be presented with the other organizations the state currently collaborates with to better serve the MSFW community too. ES staff will help with the coordination in meeting these organizations.
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1. INCLUDING THE UNEMPLOYMENT INSURANCE (UI) PROGRAM AND THE TRAINING ON IDENTIFICATION OF UI ELIGIBILITY ISSUES

The Unemployment Insurance division is a partner in the AJC. AJC staff have been trained on UI procedures and policies. If procedures or policies change, notification and training is provided to the AJC staff by UI staff. UI has a new Benefits and Appeals system called IRIS. AJC staff have been provided training on how to provide meaningful assistance to UI claimants. The training consisted on how to complete a claim, submit weekly certifications as well as new self-service options that are available to them. New AJC staff and Outreach workers will receive the same training as the AJC staff Trainings on core partners and programs are provided to include Title I, Title II Title III, Title IV, and Title V, and SNAP E&T and other workforce programs such as RESEA, TAA, JVSG, Apprenticeship, Reentry.

Tennessee is in the process of putting an Unemployment staff presence back in each Comprehensive AJC across the State. We understand that many of our customers require a hands on approach to assist with filing an unemployment insurance claim or weekly certification. This strategic partnership will provide an opportunity for enhanced supportive service offerings for the claimant. This opportunity will help to drive customers to the AJC, where additional Workforce Services and partner programs can be provided, if applicable. This is a multi-year project.

Currently UI is assisting by other means such as virtual meeting with One Stop Operators and AJC staff, attending rapid response meeting, creating and disbursing a monthly informational newsletter, and an AJC/UI concerns/issue lists. If a claimant comes into an AJC with questions and the staff is unable to answer the question, a concern/issue spreadsheet is used and forwarded to UI staff for answers. The UI staff resolve the question and notify the claimant personally. Additionally, customers who contact the UI division via phone or live chat for assistance will be directed to the nearest AJC with a UI presence if the customer needs additional assistance that cannot be provided over the phone or live chat.

All current UI issues pertaining to worker training and core programs within the Department of Labor and Workforce Development are handled through referrals in Workforce One Touch and addressed by the Division of Employment Security, which has oversight of the Unemployment Insurance program.

Technical assistance is provided on an annual basis to all staff across the State for services and resources available to MSFW. Staff members are also provided with annual training on how to handle complaint issues within the AJC.

Tennessee has posted three full time outreach positions, for West, Middle and East Tennessee. The SWA will make available different professional developments platforms available to the Merit Outreach Workers. These include but are not limited to Allison, Coursera, Workforce GPS, etc. Additionally, quarterly trainings will be conducted with state merit staff to review and provide updates on the employment services Tennessee has to offer the MSFW populations. Furthermore, outreach works will be included on invitations to attend H2A, NFJP, and national MSFWs meetings, conferences or seminars

are taking place to continue their professional education and enhance their ability to provide services to both jobseekers and employers.

For hands-on experience, the SWA will coordinate with NFJP and TOPs to schedule ongoing shadowing and joint outreach activities of their case workers while in the field. During shadowing opportunities, outreach workers will be able to nurture meaningful relationships with other case workers and ensure outreach workers have an opportunity to share information the employment services Tennessee has to offer with MSFWs. These professional development activities will ensure outreach workers provide high quality services to both jobseekers and employers.

Due to the non-significant status of the state, the majority of outreach is completed by the NFJP grantees.

An MOU is currently in place between both agencies. Needs of MSFW's in the American Job Centers are addressed by helping those individuals register as well as identification and explaining other services to MSFW's. Those services include Vocational Rehab, Adult Education, Supplemental Nutrition Assistance Program and others. Additionally, to meet the needs of MSFW's in Tennessee, collaboration with agricultural organizations (previously stated) both public and private is ongoing. Furthermore, the State Monitor Advocate (SMA) collaborates with agricultural organizations throughout the state concerning training events, outreach efforts, and data sharing.

Tennessee will develop a contact list of various MSFW agencies and organizations like Telamon, TN, Department of Education - MSFW, Southern Migrant Legal Services, and other nonprofit farmworker organizations.

TOPs and the State Monitor Advocate meets quarterly with case workers to discuss many topics, one being, creating ways of out reaching. One way that was created is one state staff person while completing H2A housing inspection would provide service information to the employer as well as the MSFW if one does in fact exists on the farm.

The SMA and TOPs share MSFW geographical and demographical information. This helps TOPs to expand outreach specifically into areas of high migrant populations. Additionally, we share referral information with one another if we can offer services the other doesn't. The SMA has outreached to MSFW non-profits (included in previous answer) and other stakeholders to build working relationship. By creating numerous relationships, we are able to more effectively the MSFW population.

Tennessee is increasing outreach efforts by hiring three outreach positions throughout the state, resulting in reaching all MSFW service areas. Outreach workers will be year-round full time during peak and non-peak seasons. Outreach workers will coordinate with the NFJP, TOPs, on a regular basis. The SMA, will also conduct quarterly meetings with TOPs. Furthermore, outreach workers will schedule ongoing shadowing of their case workers to enhance outreach activities. The outreach workers will visit living, working, and gathering areas for MSFWs to explain Tennessee's employment services. As well as to outreach to MSFWs organizations, non-profit and businesses to explain what

business services Tennessee has to offer. Another possibility of collaboration would be the sharing with TOPs referrals and MSFW data gathered in jobs4tn.gov.

5. SERVICES PROVIDED TO FARMWORKERS AND AGRICULTURAL EMPLOYERS THROUGH THE ONE-STOP DELIVERY SYSTEM

Tennessee American Job Centers will offer migrant and seasonal farmworkers (MSFW) the full range of employment services, benefits, and protections, including counseling, testing, job training, and referral services. MSFW, on a proportionate basis, shall not receive fewer services than non-MSFW. AJC staff will consider the preferences, needs, and skills of individual MSFW and the availability of job and training opportunities. All office staff will make job order information clear and available to MSFWs in all local offices. This information will include Job Bank information in AJCs where it is available. Such information will be made available either by a computer, hard copy or by any other equally effective means. Each significant MSFW local office will provide adequate staff assistance to each MSFW to use job order information effectively. In those offices designated as significant MSFW bilingual offices, such assistance will be provided to MSFW in Spanish and English, wherever requested or necessary, during any period of substantial MSFW activity. The Workforce System provides labor market information, seminars on legislative changes, job-order service that helps companies fill vacant positions, new employee assessment and screening services, job fairs, and transition services for employees of plants that are closing, and more. The Workforce System will build on the department's success through increased coordination, leveraged funds, seamless customer service delivery, and functional alignment of services redefined throughout this integrated plan. For example, the Regional Business Service Team located in each LWDA is a collaboration of WIOA Adult/Dislocated Worker, Wagner- Peyser Labor Exchange, TNECD, Vocational Rehabilitation, Adult Education and all partners of the AJC; all of these ensure that the needs of business and industry are met. Local Business Service Teams have been developed within the AJCs to work collaboratively to reduce duplication and further streamline service delivery for employers. Tennessee is expanding Business Engagement in the AJCs to include the following:

- Sector convening to clarify and articulate the education and training pathways into high demand and emerging occupations;
- Identifying systemic opportunities for improved service delivery so that more youth and adults access and complete the programs; and
- Connecting both youth and adults with educational and training opportunities to acquire skills and earn credentials required for success in the state's labor market.

In an effort to further support these efforts the state is working on identifying "capacity" which is a significant priority. By convening functional best practices workgroups regionally, across American Job Centers and across state and local agencies we will continue to work to ensure that all partners have state of the art information and are developing and sharing practices that benefit job seeker, business,

partners and community customers of our systems. A recent business services forum brought together stakeholders to discuss the viability of current business services strategy.

Currently, the SWA works with agents that represent the employers to train them on how to use JOBS4TN. In addition, any job seeker is referred to the site has support to create a profile, navigate the website, complete job applications, create and post resumes and search for jobs meeting the job seeker's skill set.

Majority of the current marketing of the compliant system is by traditional ways. This includes posting of pamphlet material and "one pager" paper poster that each employment service agency posts in lobby. Additional methods include referrals to U.S. Department of Labor Employment and Training Administration (<https://www.dol.gov/agencies/eta/agriculture/monitor-advocate-system/services>), our State website (<https://www.tn.gov/health/health-professionals/hcf-main/filing-a-complaint.html>) or word of mouth, while hosting quarterly meetings, out reaching to stakeholders, and by electronic means when appropriate .

Tennessee American Job Centers, Tennessee Colleges of Applied Technology (TCAT), and the mobile Career Coaches actively promote the availability of agricultural openings and encourage

U.S. workers to apply for these positions. Agricultural Job orders are posted on the state website JOBS4TN to meet the recruitment needs of employers. TDLWD provides education and training on agency services to agricultural employers' caseworkers to meet the needs of MSFW's in Tennessee.

Tennessee WIOA Grievance and Complaint Resolution Procedures are currently post on our state website TN.GOV (https://www.tn.gov/content/dam/tn/workforce/documents/ProgramManagement/WIOA_Grievance_and_Complaint_Resolution_Procedures_Guidance.pdf)

To help increase and improve publicity of the complaint system additional guidance is given to our National Farmworkers Job Program through trainings with case workers. Training materials used include electronic means such as PowerPoint and Word Documents. Moreover, Tennessee Opportunity Program regularly distributes their Migrant and Seasonal Farm Workers materials promoting the complaint resolution process. Our American Job Centers display posters to highlight the compliant resolution process for Migrant and Seasonal Farm Workers. These posters are also displayed at every agricultural employer's migrant housing.

In addition to our previous submitted answer the State Monitor Advocate (SMA) in conjunction with State Work Force Agency's (SWA) will promote our Agriculture Recruiting System JOB4TN.GOV to employers, which includes but not limited to:

- word of mouth
- referrals
- electronic methods (internet, email, fax etc.)
- onsite handing of ARS promotional materials to employers; such as flyers and pamphlets during H2A inspections

6. OTHER REQUIREMENTS

A. COLLABORATION

Describe any collaborative agreements the state workforce agency (SWA) has with other MSFW service providers including NFJP grantees and other service providers. Describe how the SWA intends to build upon/increase collaboration with existing partners and in establishing new partners over the next four years (including any approximate timelines for establishing agreements or building upon existing agreements).

Per the Memorandum of Understanding between Tennessee Department of Labor and Workforce Development and the Tennessee Opportunity Programs, NFJP grantee, the parties mutually agree to collaborate and complete the following activities:

- Outreach efforts to the MSFW population will be coordinated between TOPS and their case managers. Case manager's efforts include but are not limited to reporting outreach activities, providing information for all services available to MSFW and reporting MSFW complaints to the appropriate organizations. Outreach plans will be shared between the parties to better serve and implement new outreach strategies.
- To reach MSFW's in areas where outreach doesn't occur the parties will develop strategies to ensure those areas are served. Developing those strategies may include the use of technology and other innovative outreach plans, as well as collaboration with other state/local agricultural organizations.
- Participants will be entered into Tennessee's job exchange system, Jobs4tn.com, otherwise known as the Virtual One-stop System (VOS) or its successor.
- When possible, the participants will be co-enrolled. The parties will collaborate on how to create strategies to avoid the duplication of services and maximize each other's effectiveness in meeting MSFW needs.
- The parties agree to the sharing of information regarding, including but not limited to, outreach activities, outreach contacts made, number of participants enrolled, number of referrals made, services provided, labor market and wage information and services available.
- Coordinate Emergency Assistance needs for MSFWs
- The parties agree to meet quarterly (July-September, October-December, January March and April-June) either in person or by other communication means.
- The parties will ensure that all and any confidential information shared through the implementations of this MOU is to be protected and only seen by staff. Such information will only be used in conjunction as to a legitimate business purpose as determined by the respective party.

In addition to continuing the collaboration with TOPs, Tennessee works with the Southern Migrant Legal Services and Conexion Americas, and establishing relationships with state agencies and nonprofits that provide services to MSFWs.

B. REVIEW AND PUBLIC COMMENT

There were no comments received on the AOP, however, information and suggestions were solicited from:

- - Core and Partner Program State Departments
 - Local Workforce Development Boards
 - Tennessee Opportunities Programs (TOPS)
 - NFP grantees

C. DATA ASSESSMENT

Although Tennessee is a non-significant state, we are still tasked with meeting the Equity Ratio Indicators (ERI). In jobs4tn.gov, when an MSFW identifies as an MSFW that information is captured. This information includes the ERI's quarterly and captured data creates individual reports showing which ERIs are met, and which ones are not. The state has reviewed the Monitor Advocate Report and Tennessee has not consistently met all ERIs. The state believes this is due to lack of adequate staffing of the outreach position. The current efforts to hire and train three outreach workers will increase the overall capacity for fulfilling all program requirements, including meeting all the ERIs. The state anticipates all ERIs will increase with the fully staffed team and with extensive, regular training, all performance requirements will be met. The SMA will review the Monitor Advocate Report as part of their ongoing monitoring responsibilities, ensuring there is regular review of the information and continuous improvement practices put in place timely.

D. ASSESSMENT OF PROGRESS

The State believes that all goals were reached as laid out in the previous year's AOP. The State used TOPS to outreach to farm communities to identify prospective candidates. After those MSFW the one-stop centers would try to pursue different and productive career tracks for those MSFW. Testing of cognitive abilities was achieved as well as placing the MSFW with the best opportunity for employment. Core services were identified and training was arranged with different providers as needed. Furthermore, if there were additional services needed beyond the scope of what could be offered, the clients were referred to other programs such as Vocational Rehabilitation, Veterans Services, or Senior Corps Programs. Not achieved, and how the State intends to remedy the gaps of achievement in the coming year.

E. STATE MONITOR ADVOCATE

The Tennessee State Monitor advocate has reviewed and approved the AOP for Tennessee.

WAGNER-PEYSER ASSURANCES

The State Plan must include	Include
1. The Wagner-Peyser Act Employment Service is co-located with one-stop centers or a plan and timeline has been developed to comply with this requirement within a reasonable amount of time (sec 121(e)(3));	Yes
2. If the State has significant MSFW one-stop centers, the State agency is complying with the requirements under 20 CFR 653.111, State Workforce Agency staffing requirements;	Yes
3. If a State Workforce Development Board, department, or agency administers State laws for vocational rehabilitation of persons with disabilities, that board, department, or agency cooperates with the agency that administers Wagner-Peyser Act services, Adult and Dislocated Worker programs and Youth Programs under Title I; and	Yes
4. SWA officials: 1) Initiate the discontinuation of services; 2) Make the determination that services need to be discontinued; 3) Make the determination to reinstate services after the services have been discontinued; 4) Approve corrective action plans; 5) Approve the removal of an employer's clearance orders from interstate or intrastate clearance if the employer was granted conditional access to ARS and did not come into compliance within 5 calendar days; 6) Enter into agreements with State and Federal enforcement agencies for enforcement-agency staff to conduct field checks on the SWAs' behalf (if the SWA so chooses); and 7) Decide whether to consent to the withdrawal of complaints if a party who requested a hearing wishes to withdraw its request for hearing in writing before the hearing.	Yes
5. The SWA has established and maintains a self-appraisal system for ES operations to determine	Yes

The State Plan must include	Include
success in reaching goals and to correct deficiencies in performance (20 CFR 658.601).	

WAGNER PEYSER PROGRAM PERFORMANCE INDICATORS

Performance Indicators	Program Year 2026 Expected Level	Program Year 2026 Negotiated Level	Program Year 2027 Expected Level	Program Year 2027 Negotiated Level
Employment (Second Quarter After Exit)	69.64%		66.02%	
Employment (Fourth Quarter After Exit)	70.85%		68.35%	
Median Earnings (Second Quarter After Exit)	\$4,945		\$5,135	
Credential Attainment Rate	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Measurable Skill Gains	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Effectiveness in Serving Employers	Not Applicable ¹	Not Applicable ¹	Not Applicable ¹	Not Applicable ¹

The Departments have not issued the final rule defining Effectiveness in Serving Employers. As a result, states will not submit expected levels of performance for this indicator and the Departments will not establish negotiated levels of performance for PYs 2024 and 2025.

PROGRAM-SPECIFIC REQUIREMENTS FOR ADULT EDUCATION AND FAMILY LITERACY ACT PROGRAMS

A. ALIGNING OF CONTENT STANDARDS

The Tennessee Department of Labor and Workforce Development (TDLWD) Adult Education (AE) Division has worked over the past several years to implement the College and Career Readiness Standards (CCRS) and English Language Proficiency Standards (ELPS) for Adult Education. TDLWD has led trainings across the state to help local providers with standards-based instruction implementation. While the CCR standards have been implemented in Tennessee in a basic sense, refining our guidance and ensuring practitioners are implementing them properly in the classroom will be the focus of the

next several years. TDLWD plans to refine and expound CCR standards in several ways, including formalizing and virtualizing training for instructors, creating standardized lesson plans that align to content standards, and using specialized staff to facilitate training and technical assistance activities to improve standards-based instruction statewide.

In the years ahead, TDLWD plans to scale up the usage of distance learning technology, including providing access to quality online training for teachers, and recommending guidance and resources for providing virtual instruction to students. Currently, many local providers develop their own methods of training teachers and determining what curriculum materials are most suitable for instruction. While there is value in some local autonomy, utilizing a statewide training platform to deliver and track training will lead to a coordinated and consistent effort in instructional delivery, and will ensure a standards-based approach is infused across the state. TDLWD curriculum and instruction staff members will focus on the development of teacher CCRS- and ELPS-based resources such as lesson plans, curriculum, and assessments. They will also develop standards training and oversee standards-based curriculum implementation.

B. LOCAL ACTIVITIES

ADULT EDUCATION AND LITERACY ACTIVITIES (SECTION 203 OF WIOA)

In 2023, TDLWD conducted an Adult Education grant competition per WIOA's requirements. In the early months of 2027, we will conduct an Adult Base Education (ABE) grant competition in accordance with 34 CFR 463 subpart C. This new grant cycle will begin with the 2027-2028 program year, and likely last through the 2031-2032 program year. The grant competition will be announced via a request for applications (RFA), accompanying RFAs for a corrections education grant and Integrated English Literacy and Civics Education (IELCE) grant. The ABE-specific competition will award the 82.5% of grant funds designated under Section 231—less the corrections education grant amount (which will be 20% or less of the 82.5%)—to eligible providers. Grant contracts with eligible providers will require that local administrative costs are capped at 5% of their award (unless they negotiate a higher rate with TDLWD).

TDLWD will ensure that all eligible providers have direct and equitable access to apply and compete for grant contracts. We will use the same grant announcement and application process for all eligible providers in the State. To ensure direct and equitable access and the same announcement and application process, we will publish the RFA on TDLWD's website and Tennessee State Government's General Services website, and we will announce the RFA to our directory of current and potential stakeholders (including current local adult education providers, WIOA partners, state and local workforce board members, the TN Department of Education, local education agencies, the system of community and technical colleges, and county mayors).

Applicants will be required to demonstrate past effectiveness by providing performance data on their record of improving the skills of eligible individuals, particularly eligible individuals who have low levels of literacy, in the content domains of reading, writing, mathematics, and English language acquisition. Applicants must also provide information regarding their outcomes for participants related to employment, attainment of high school diploma or equivalency, and transition to postsecondary education and training. "Demonstrated effectiveness" will not be a scored part of the

application, but it will be required to determine if an applicant is an eligible provider. Prior to an application being reviewed and scored, TDLWD will evaluate applicants for their demonstrated effectiveness. Applicants who do not establish demonstrated effectiveness will not have their applications reviewed, scored, or considered for funding. We will make this requirement explicitly clear in the RFA. Applicants' past performance data will also be evaluated as one of the criteria in scoring applications and considering funding awards.

In the RFA, TDLWD will require that eligible providers' applications include the following:

1.
 - a. A description of how funds awarded will be spent consistent with AEFLA.
 - b. A description of cooperative arrangements they have with other organizations for adult education service delivery.
 - c. A description of how they will provide services in alignment with the local workforce development plan (including how they will promote concurrent enrollment with WIOA Title I programs).
 - d. A description of how they will meet State-adjusted levels of performance and how they will collect data to report on performance.
 - e. A description of how they will fulfill required one-stop responsibilities.
 - f. A description of how they will provide services in a manner that meets the needs of eligible individuals.
 - g. Information that addresses the 13 considerations listed in 34 CFR 463 subpart C.

TDLWD will fulfill the requirement that grant applications are submitted to the appropriate Local Boards for review by sending the applications directly to the Local Boards and then considering any review comments they provide.

TDLWD will incorporate the above-listed application requirements and the 13 considerations from 34 CFR 463 subpart C into a scoring rubric that will be used for evaluating applications and determining funding awards.

Through the grant competition, TDLWD will fund eligible providers to establish or operate ABE programs that can include the following ABE activities:

- Adult education
- Literacy
- Workplace adult education and literacy activities
- English language acquisition activities
- Integrated English literacy and civics education
- Workforce preparation activities

- Integrated education and training

It is our imperative in Tennessee to ensure that, at a minimum, basic adult education and literacy services are offered in each of the state's 95 counties. The ABE RFA will reflect this with designated service areas that encompass all counties. The specific service delivery area designation will be determined based on an evaluation of the labor market and the needs of Tennesseans. AE services provided will include basic math, reading, writing, and high school equivalency preparation instruction. ABE services will also include career pathways activities. These include workforce preparation activities and career advisement services to help students dual enroll in or transition to postsecondary or training opportunities.

The grant will also require applicants to consider the populations of English language learners (ELLs) in a given service area, and grantees will be required to provide English language activities as part of their AE service offerings when there is a sizeable ELL population. In sum, ABE grantees will be required to provide a large suite of AE services concurrently: basic adult education and literacy, high school equivalency preparation, English language acquisition (if applicable), workforce preparation activities, and transition services.

Because the scope of this suite of services is so large, TDLWD staff will focus much of its time and resources providing technical assistance to grantees to support them in their various service offerings. The core value we will continue to instill in grantees is to focus on individual students' needs. Students who come to a program who are high level and need to pass the high school equivalency exam will receive high school equivalency prep instruction. Students who come to a program with limited English language skills will receive English language instruction appropriate for their skill level. In all cases, local providers will be encouraged to design learning pathways for each student, which will be informed by the student's education and career goals. The learning pathway will define which skills and knowledge a student needs and the classes or activities the student must complete to attain those skills and knowledge. Students' learning pathways will be designed for the ultimate goal of attaining a high school equivalency diploma and/or transitioning to postsecondary education/training or employment.

Grantees will be encouraged to do regular analysis of their service areas and student populations to determine the most efficient and effective structuring of service offerings. Grantees will regularly consider and adjust their class structure—multi-level classes offering all academic subjects, high school equivalency prep, and workforce preparation at one end of the spectrum, and single-level classes that focus on only one subject at the other end. Grantees will also regularly consider and adjust class locations and times, including virtual/remote offerings, to ensure adequate service offerings.

The specific structure of AE services from any given ABE grantee will be dependent on that agency's structure and capacity. TDLWD will use the competition process and regular technical assistance processes to ensure the organization and scope of services is as effective as possible in every service area.

The IELCE grant is narrower in funding and scope and will be designated for specific areas in Tennessee that have the largest immigrant populations. The grant will require local providers to establish and provide all required IELCE services in their designated area: English language

acquisition, civics instruction, workforce preparation activities, and integrated education and training. As with ABE services, IELCE grantees will be expected to meet the individual needs of students and provide learning pathways that help students continuously improve and meet their education and career goals.

We began a strategic focus in recent years that we call “workforce development initiatives” (WDIs). A WDI is defined as any of the following programs:

- Integrated Education and Training
- Pre-apprenticeship
- Workplace AE and literacy
- Postsecondary preparation
- Postsecondary learning support

The expectation is for all AE grantees to always be implementing and offering at least one WDI to students in their program—especially to students who are higher level in their academic skills and knowledge (ABE 4-6 and ESL 4-6). To ensure that planned WDIs meet regulatory requirements, are based on LMI data and local industry needs, and involve necessary system partners (such as training providers, employers, and WIOA Title I/III staff), grantees will be required to submit WDI applications to TDLWD before implementation.

In addition to WDIs, we have been pushing for more intentional incorporation of workforce preparation activities from all grantees. We specifically have encouraged each grantee to provide digital literacy and soft skills instruction to students. We plan to continue the focus of WDIs and workforce preparation activities in the coming years. We will continue to provide ongoing training and technical assistance to grantees to continuously expand and improve these offerings.

To support local providers in this effort, TDLWD has staff members dedicated to helping local providers design, implement, and expand WDI’s and student career pathways. In the coming years, we will make the WDI planning and implementation process more robust by increasing the collaboration among system partners. We will work with state-level WIOA partners to plan and provide system training to local partners across the state, and ensure they are aware of each other’s programs and resources. We will train them to think about participants holistically, and to design career pathways for individuals that are grounded in LMI data and draw on all of the partners’ resources.

In addition, we have implemented a new and innovative initiative concerning the expansion of options for earning high school equivalency (HSE) credentials. Rather than having only one pathway for earning a HSE diploma from 2016-2024, the HiSET exam was the only pathway --Tennessee now offers multiple pathways. These include additional assessments approved by the Tennessee State Board of Education, including: GED, TABE, CASAS, and ACT WorkKeys. If a student demonstrates competency through a passing score on an approved math, reading, writing, science, and social studies exam, they will earn a HSE diploma.

The goal of expanding HSE diploma options in Tennessee was to provide more opportunities for success to our student population. This credential is critical in order for a person to access additional

education, training, and employment opportunities. This is a vital workforce initiative for the state—with a struggling labor force participation rate, it is critical to develop strategies that get more Tennesseans off the sidelines and into the workforce. Allowing more options for earning a HSE diploma will continue to help more Tennesseans to achieve this education milestone and thereby have more opportunities to engage in the workforce.

C. CORRECTIONS EDUCATION AND OTHER EDUCATION OF INSTITUTIONALIZED INDIVIDUALS

In 2023, TDLWD conducted an Adult Education grant competition per WIOA's requirements. In the early months of 2027, we will conduct a corrections education grant competition in accordance with 34 CFR 463 subpart C. This new grant cycle will begin with the 2027-2028 program year, and likely last through the 2031-2032 program year. The grant competition will be announced via a request for applications (RFA), accompanying RFAs for an Adult Basic Education (ABE) grant and Integrated English Literacy and Civics Education (IELCE) grant. The corrections-specific competition will award 20% or less of the 82.5% of grant funds designated under Section 231 to eligible providers. Grant contracts with eligible providers will require that local administrative costs are capped at 5% of their award (unless they negotiate a higher rate with TDLWD).

TDLWD will ensure that all eligible providers have direct and equitable access to apply and compete for grant contracts. We will use the same grant announcement and application process for all eligible providers in the State. To ensure direct and equitable access and the same announcement and application process, we will publish the RFA on TDLWD's website and Tennessee State Government's General Services website, and we will announce the RFA to our directory of current and potential stakeholders (including current local adult education providers, WIOA partners, state and local workforce board members, the TN Department of Education, local education agencies, the system of community and technical colleges, and county mayors).

Applicants will be required to demonstrate past effectiveness by providing performance data on their record of improving the skills of eligible individuals, particularly eligible individuals who have low levels of literacy, in the content domains of reading, writing, mathematics, and English language acquisition. Applicants must also provide information regarding their outcomes for participants related to employment, attainment of high school diploma or equivalency, and transition to postsecondary education and training. "Demonstrated effectiveness" will not be a scored part of the application, but it will be required to determine if an applicant is an eligible provider. Prior to an application being reviewed and scored, TDLWD will evaluate applicants for their demonstrated effectiveness. Applicants who do not establish demonstrated effectiveness will not have their applications reviewed, scored, or considered for funding. We will make this requirement explicitly clear in the RFA. Applicants' past performance data will also be evaluated as one of the criteria in scoring applications and considering funding awards.

In the RFA, TDLWD will require that eligible providers' applications include the following:

1.
 - a. A description of how funds awarded will be spent consistent with AEFLA.

- b. A description of cooperative arrangements they have with other organizations for adult education service delivery.
- c. A description of how they will provide services in alignment with the local workforce development plan (including how they will promote concurrent enrollment with WIOA Title I programs).
- d. A description of how they will meet State-adjusted levels of performance and how they will collect data to report on performance.
- e. A description of how they will fulfill required one-stop responsibilities.
- f. A description of how they will provide services in a manner that meets the needs of eligible individuals.
- g. Information that addresses the 13 considerations listed in 34 CFR 463 subpart C.

TDLWD will fulfill the requirement that grant applications are submitted to the appropriate Local Boards for review by sending the applications directly to the Local Boards and then considering any review comments they provide.

TDLWD will incorporate the above-listed application requirements and the 13 considerations from 34 CFR 463 subpart C into a scoring rubric that will be used for evaluating applications and determining funding awards.

Grant contracts and/or policies with eligible providers will direct that the providers must give priority to serving individuals who are likely to leave the correctional institution within 5 years of participation in the program. TDLWD plans to fund the following corrections education activities in accordance with 34 CFR 463 subpart F:

- 1. Adult education and literacy activities
- 2. Integrated education and training
- 3. Career pathways
- 4. Concurrent enrollment
- 5. Transition to re-entry initiatives and other post-release services with the goal of reducing recidivism

The grant will require grantees to make connections with the local and county jail staff in their given service area, and to establish AE programs and services for the individuals incarcerated in those facilities as feasible.

Historically, we have not offered programs specific to English language learners (ELLs) in Tennessee's local and county jails. We have completed an analysis of the jail populations to determine where there are populations of ELLs, and we plan to work with the grantees in those areas to design and implement ELL-focused adult education programs in those facilities.

In addition, we plan to begin a strategic focus on implementing workforce development initiatives (WDIs) with corrections students; we already have WDIs in place in several jails and will scale this up in the future. These initiatives include establishing career goals and pathways with students, and working with system partners to provide pre-apprenticeships, integrated education and training programs, and work release opportunities.

Concerning state-level partnering and plans in the coming years, we intend to work more closely with the TDLWD Office of Reentry, the TN Board of Regents Corrections Education Initiative, the TN Higher Education Initiative nonprofit, the TN Office of Criminal Justice Programs, and the TN Department of Correction to design and implement comprehensive education-workforce pathways for incarcerated individuals. This will include robust systems and processes for referring and tracking students through their participation in various programs and through the reentry process. We have already made great progress in connecting with these various partners, and we will prioritize being more intentional about collaborative goals, initiatives, and trainings as we go forward.

Finally, in the coming years, we will continue to expand the jail tablets program in county jails across the state. These tablets provide safe and secure access for incarcerated individuals to work on adult education coursework, workforce training programs, and rehabilitative programs, with in-person or virtual instruction from teachers. This a system-wide initiative that will positively impact the tens of thousands of individuals incarcerated in Tennessee. As we expand the project, we will develop comprehensive training plans, key performance indicators, and reports to ensure the project's success and sustainability. WIOA funds will not be used to pay for the tablets, but our local providers will be expected to use staff time and resources to teach corrections education students via the tablets.

D. INTEGRATED ENGLISH LITERACY AND CIVICS EDUCATION PROGRAM

In 2023, TDLWD conducted an Adult Education grant competition per WIOA's requirements. In the early months of 2027, we will conduct an Integrated English Literacy and Civics Education (IELCE) grant competition in accordance with 34 CFR 463 subpart C. This new grant cycle will begin with the 2027-2028 program year, and likely last through the 2031-2032 program year. The grant competition will be announced via a request for applications (RFA), accompanying RFAs for an Adult Base Education (ABE) grant and corrections education grant. The IELCE-specific competition will award the grant funds designated under WIOA Section 243. Grant contracts with eligible providers will require that local administrative costs are capped at 5% of their award (unless they negotiate a higher rate with TDLWD).

TDLWD will ensure that all eligible providers have direct and equitable access to apply and compete for grant contracts. We will use the same grant announcement and application process for all eligible providers in the State. To ensure direct and equitable access and the same announcement and application process, we will publish the RFA on TDLWD's website and Tennessee State Government's General Services website, and we will announce the RFA to our directory of current and potential stakeholders (including current local adult education providers, WIOA partners, state and local workforce board members, the TN Department of Education, local education agencies, the system of community and technical colleges, and county mayors).

Applicants will be required to demonstrate past effectiveness by providing performance data on their record of improving the skills of eligible individuals, particularly eligible individuals who have low levels of literacy, in the content domains of reading, writing, mathematics, and English language acquisition. Applicants must also provide information regarding their outcomes for participants related to employment, attainment of high school diploma or equivalency, and transition to postsecondary education and training. “Demonstrated effectiveness” will not be a scored part of the application, but it will be required to determine if an applicant is an eligible provider. Prior to an application being reviewed and scored, TDLWD will evaluate applicants for their demonstrated effectiveness. Applicants who do not establish demonstrated effectiveness will not have their applications reviewed, scored, or considered for funding. We will make this requirement explicitly clear in the RFA. Applicants’ past performance data will also be evaluated as one of the criteria in scoring applications and considering funding awards.

In the RFA, TDLWD will require that eligible providers’ applications include the following:

1.
 - a. A description of how funds awarded will be spent consistent with AEFLA.
 - b. A description of cooperative arrangements they have with other organizations for adult education service delivery.
 - c. A description of how they will provide services in alignment with the local workforce development plan (including how they will promote concurrent enrollment with WIOA Title I programs).
 - d. A description of how they will meet State-adjusted levels of performance and how they will collect data to report on performance.
 - e. A description of how they will fulfill required one-stop responsibilities.
 - f. A description of how they will provide services in a manner that meets the needs of eligible individuals.
 - g. Information that addresses the 13 considerations listed in 34 CFR 463 subpart C.

TDLWD will fulfill the requirement that grant applications are submitted to the appropriate Local Boards for review by sending the applications directly to the Local Boards and then considering any review comments they provide.

TDLWD will incorporate the above-listed application requirements and the 13 considerations from 34 CFR 463 subpart C into a scoring rubric that will be used for evaluating applications and determining funding awards.

Through the grant competition, TDLWD will fund eligible providers to establish or operate IELCE programs that will include the following activities, in accordance with 34 CFR 463 subpart D:

1. Literacy
2. English language acquisition

3. Instruction on the rights and responsibilities of citizenship and civic participation
4. Integrated education and training

Because the IELCE grant is limited in funding, it will be designated for specific areas in Tennessee that have the largest immigrant populations. The grant will require local providers to establish and provide all required IELCE services in their designated area. These services will be provided to eligible individuals who are English language learners, including professionals with degrees and credentials in their native country. Services will be focused on expediting workforce training and employment opportunities for IELCE students, especially considering students who have work experience, degrees, and credentials in their native country. IELCE services include: English language acquisition, civics instruction, workforce preparation activities, and integrated education and training, all provided in a concurrent and integrated model. IELCE grantees will be expected to meet the individual needs of students and provide learning and career pathways that help students continuously improve and meet their education and career goals.

To ensure IELCE students are being prepared for employment in in-demand industries with livable wage jobs, we will require IELCE programs to design, implement, and offer integrated education and training (IET) programs to students. To ensure that planned IET programs meet regulatory requirements, are based on LMI data and local industry needs, and involve necessary system partners (such as training providers, employers, and WIOA Title I/III staff), IELCE grantees will be required to submit IET applications to TDLWD before implementation.

A critical component of an IELCE IET program, and for helping students become more employable, is the inclusion of workforce preparation activities. We will ensure IELCE grantees are incorporating these activities into their instruction, including digital literacy and soft skills. We will purchase or recommend curriculum products, such as Worldwide Interactive Network (WIN) Learning soft skills and Northstar digital literacy, and provide training to local providers on how to use these tools with students. We also plan to recommend or procure curriculum such as BurlingtonEnglish to help IELCE students become more employable, especially through utilizing the career-contextualized English language learning materials within the curriculum.

We currently incorporate expectations for IELCE programs to provide IET programming and workforce preparations, and will continue to do so in the coming years. We will provide ongoing training and technical assistance to IELCE grantees to continuously expand and improve these offerings.

To support local providers in this effort, TDLWD has staff members dedicated to helping local providers design, implement, and expand IET programs and student career pathways. In the coming years, these staff members will work specifically with IELCE grantees to ensure the various component of the IET programs and workforce preparation activities are effective and leading to positive student employment and training outcomes.

In the years ahead, we will increase our efforts on advocating among state-level partners and with local system partners for the IELCE programs and their services. We will ensure that these programs are considered in the local workforce development partnerships and plans. We will ensure that our IELCE providers' interests are advocated for by the Adult Education representative on each local board. To do

this, TDLWD AE staff will review local workforce plans to ensure the IELCE program and students are included in the plan. We will advocate for strong WIOA partnerships at the local level, including through developing postsecondary/training pathways for IELCE students, and through establishing relationships with local employers from in-demand industries to encourage employment opportunities for IELCE students. Our staff will guide local IELCE program leaders in participating in local board meetings and ensuring their students are advocated for and included in the local workforce strategy.

E. STATE LEADERSHIP

1. DESCRIBE HOW THE STATE WILL USE THE FUNDS TO CARRY OUT THE REQUIRED STATE LEADERSHIP ACTIVITIES UNDER SECTION 223 OF WIOA

TDLWD will utilize funds through various methods in order to carry out required State Leadership activities. These methods are addressed individually below.

Aligning Adult Education with Core Programs and One-stop Partners

To support local providers in aligning with core programs and one-stop partners, TDLWD has staff members who will work with local AE providers. These staff members will conduct extensive planning and training activities with local AE providers, and will work at the state level and locally with system partners to design a more holistic and aligned workforce system. They will also review local plans to ensure AE interests are advocated for. They will review local workforce plans to ensure the AE program and students are included in the plan. We will advocate for strong WIOA partnerships at the local level, including through developing postsecondary/training pathways for AE students, and through establishing relationships with local employers from in-demand industries to encourage employment opportunities for AE students. Our staff will guide local AE program leaders in participating in local board meetings and ensuring their students are advocated for and included in the local workforce strategy and operations within the American Job Center (AJC) delivery system. They will also ensure AE providers have guidance concerning sharing in the AJC infrastructure costs. Lastly, we will provide regular technical assistance and guidance to local AE providers concerning their processes for informing students of the various AJC service offerings, their effectiveness at co-enrolling students in other WIOA programs and supportive services, and their processes for transitioning students to postsecondary education, training, and employment opportunities.

Professional Development

TDLWD will continue to provide AE grantees with professional development opportunities to improve program administration and instruction to students. We will utilize state leadership funds to continue to fund our “curriculum and instruction” team of staff members. Further, we will use state leadership funds to maintain a training and professional development platform. We plan to use this platform extensively for teachers’ professional development opportunities. Additionally, we will use state leadership funds to provide regular regional trainings, webinars, and conferences for local staff professional development. Where necessary and feasible, we also plan to use these funds to bring in third-party experts to provide targeted professional development in various subjects to teachers, such as math instruction, literacy instruction, and leveraging technology for teaching and learning.

TDLWD plans to provide an annual “new local program director” training conference each August or September. This training will focus on helping new local program directors understand critical policies and practices associated with program administration, including the following topics: fiscal management; NRS, assessment policy, and data management; student eligibility; program design and operations.

TDLWD plans to provide semi-monthly “local leadership webinars” in which local leaders are provide training and information on relevant topics, such as new initiatives in workforce development or curriculum and instruction, and to discuss policies or best practices in program design and operations.

TDLWD plans to conduct monthly virtual trainings or “office hours” for various local staff groups, such as career coaches, teachers, or data entry staff, to provide professional development on understanding policies and best practices for effective service delivery.

TDLWD also plans to conduct an annual or bi-annual “Tennessee Adult Education Conference” to bring all local staff together (either in-person or virtually). This conference will be to reflect on past performance, cast the vision for future performance and goals, and to provide professional development to all staff on topics relevant to their specific roles.

TDLWD will also provide targeted professional development to new or struggling local providers; we will go onsite to observe their practices and give focused training on aspects of their programming that need improvement.

Technical Assistance

TDLWD plans to use state leadership funds to provide technical assistance to local providers in the areas of (1) instructional and programmatic practices, (2) one-stop partnership roles, and (3) the use of technology. We will fund technical assistance primarily through TDLWD AE personnel costs. These staff members will plan and carry out technical assistance to local providers.

Instructional and Programmatic Practices

TDLWD personnel who will conduct technical assistance for instructional practices include the curriculum and instruction team. These individuals will be at the forefront of researching best practices for AE instruction. They will also observe and gather best practices from local instructors. They will build out our training and professional development platform to house and disseminate these best practices.

Similarly, we will use funds for personnel who focus on technical assistance related to general program development and operations. These staff members will analyze local provider performance and provide targeted technical assistance to improve program design, operations, and service delivery strategies for the providers struggling the most. The staff will provide guidance concerning program development best practices and conduct trainings to facilitate discussions about best practices among local program leaders.

One-Stop Partnership Roles

TDLWD personnel who will conduct technical assistance for one-stop partnership roles who will work with local AE providers in collaboration with other system partners, to plan and carry out training and

technical assistance to help local providers understand their responsibilities as one-stop partners. They will also make training available on our online platform. Staff will update and disseminate our “WIOA Partnership” guidance document and conduct discussions with local program staff to ensure they understand and follow the requirements laid out in the guidance.

TDLWD staff will also conduct local monitoring, during which we will interview local staff about their one-stop practices, and observe local American Job Centers to determine the extent to which the AE program is meeting its responsibilities. We will provide technical assistance to buoy up areas where the one-stop responsibilities are falling short. In addition, we will work with state-level WIOA partners to plan and provide system training to local partners across the state, and ensure they are aware of each other’s programs and resources.

Use of Technology

TDLWD will continue to use the state’s fiscal and grants management software, SmartSimple, to process local fiscal activities, such as submitting invoices for reimbursement. TDLWD staff will do system troubleshooting and testing to ensure it meets the needs of local AE programs and will plan and conduct training and technical assistance to the local programs.

TDLWD procured a new student data management system (LACES) and a new learning management system (Absorb) in 2025, and TDLWD staff will continue to provide training and technical assistance to local staff on how to effectively use these systems.

Our jail tablets initiative for corrections education students will need continuous support with ongoing maintenance and software renewals. TDLWD staff members will oversee this, in addition to planning and conducting regular training of local program staff on how to access and utilize the tablets and programs to maximize student usage and outcomes.

Monitoring and Evaluation

TDLWD plans to use state leadership funds to conduct monitoring and evaluation of the statewide AE program. We will fund monitoring and evaluation, and dissemination of best practices, primarily through TDLWD AE personnel costs. We will conduct regular, overarching monitoring and evaluation activities as well as in-depth monitoring of specific local providers.

TDLWD staff will regularly analyze program data to determine areas of strength and areas in need of improvement. We will develop quarterly local program report cards for “desktop monitoring” that will inform state and local staff of how local providers are performing. We will use the data from these report cards to determine which local providers need more or urgent technical assistance and training in various program areas (such as curriculum and instruction, workforce development initiatives, fiscal management, or data management).

TDLWD will develop an annual “monitoring plan” that will use a risk assessment to determine which local providers need to have in-depth, in-person, formal monitoring each program year. The risk assessment will include indicators such as how experienced local staff are, student performance in the prior year, student enrollment levels in the prior year, how many fiscal-related errors program staff

commit, and prior audit findings or monitoring findings. We will use a “monitoring guide” that specifies which elements of the local program should be monitored and how state staff should acquire evidence to support findings or best practices in those elements. The formal monitoring visits will result in a monitoring report that TDLWD drafts and sends to the local provider. The local provider will then be required to develop (and have TDLWD approve) a corrective action plan to address the findings of the monitoring report and make program improvements. TDLWD will follow up at intervals after receiving the corrective action plan to ensure the local provider is making necessary progress toward resolving the findings.

2. DESCRIBE HOW THE STATE WILL USE THE FUNDS TO CARRY OUT PERMISSIBLE STATE LEADERSHIP ACTIVITIES UNDER SECTION 223 OF WIOA, IF APPLICABLE

Permissible Activities

TDLWD will utilize state leadership funding to carry out several additional permissible activities. We will fund personnel who will focus on developing resources for instructional use, and we will provide guidance curriculum resources (including software for distance learning) that can be used by local providers across the state. We will fund personnel who will focus on developing systems, process, and training related to transitioning students from AE services to postsecondary or training. Similarly, we will fund personnel who focus on improving and increasing local providers’ collaborative activities with employers, training, providers and WIOA partners. We will fund personnel who develop content and models for integrated education and training programs, workplace learning programs, and career pathways. We will fund personnel who will focus on expanding occupational skills training for integrated English literacy and civics education students. We will also use state leadership funds for outreach resources and activities to help recruit more students into the statewide AE program.

F. ASSESSING QUALITY

To assess the quality of local AE providers, TDLWD staff will conduct regular monitoring activities with specific local providers. These will include a quarterly report card analysis (or “desktop monitoring”) of each local provider, as well as formal, in-person monitoring of the specific local providers identified by our annual “monitoring plan” and risk assessment. We will also seek various forms of stakeholder feedback (including from local provider staff and students) that will provide insight on the effectiveness of various components of the statewide program (such as new initiatives that have been instituted, barriers to successful outcomes, state-level changes needed, additional resources needed, etc.).

In addition, TDLWD leadership will conduct monthly strategy meetings to look at performance metrics resulting from various initiatives that we have instituted, and to plan necessary changes that will help to improve outcomes. Based on monitoring, “desktop monitoring”, and stakeholder feedback, we will develop and conduct regular training events and develop and disseminate guidance to improve program quality in various program areas (such as curriculum and instruction, workforce development initiatives, fiscal management, or data management).

We will provide this training and guidance through monthly leadership meetings, annual conferences, regional trainings, and local provider-specific activities. If we determine that many local providers need to improve quality in the same area, we will view this as a systemic issue and provide statewide

training and guidance. If a quality issue appears to be specific to a local provider, we will provide focused training and guidance to that provider. The planning of these activities and costs associated with them will be funded with the state leadership funds.

In addition, based on the evaluation of the various data (i.e., desktop monitoring and in-person, formal monitoring, and stakeholder feedback), TDLWD will identify the local providers most in need of quality improvement, and will work with the local program leaders to draft a program improvement plan which will outline suggested changes for the program, goals and targets to achieve, and specific training activities that the local program staff should complete. We will follow up with the local program on a continuous schedule to adjust their program improvement plan as needed and to offer additional support. After the prescribed period of time, we will re-assess how the program is performing and determine if their program improvement plan needs to continue, or if their quality has improved to a satisfactory point.

Lastly, in 2023-24, TDLWD invested in a third-party evaluation of local AE providers and the American Job Center system in general. The evaluation was conducted by the organization “KPMG”. Their assessment included observations and interviews with local staff and an analysis of AE program data. KPMG provided a “Program Evaluation” report which offered recommendations for program quality improvement. We will work to integrate these recommendations into our training and guidance in the coming years, including making AE services more accessible to student populations, focusing on demographic groups that have barriers (e.g., English language learners and individuals with disabilities), streamlining administrative tasks, developing outcome-focused strategies, and focusing on customer satisfaction.

ADULT EDUCATION AND FAMILY LITERACY ACT PROGRAM CERTIFICATIONS

The State Plan must include	Include
1. The plan is submitted by the State agency that is eligible to submit the plan;	Yes
2. The State agency has authority under State law to perform the functions of the State under the program;	Yes
3. The State legally may carry out each provision of the plan;	Yes
4. All provisions of the plan are consistent with State law;	Yes
5. A State officer, specified by title in the certification, has authority under State law to receive, hold, and disburse Federal funds made available under the plan;	Yes

The State Plan must include	Include
6. The State officer who is submitting the plan, specified by the title in the certification, has authority to submit the plan;	Yes
7. The agency that is submitting the plan has adopted or otherwise formally approved the plan; and	Yes
8. The plan is the basis for State operation and administration of the program;	Yes

ADULT EDUCATION AND FAMILY LITERACY ACT PROGRAM ASSURANCES

The State Plan must include	Include
1. The eligible agency will expend funds appropriated to carry out title II of the Workforce Innovation and Opportunity Act (WIOA) only in a manner consistent with fiscal requirements under section 241(a) of WIOA (regarding the supplement-not-supplant requirement);	Yes
2. The eligible agency will ensure that there is at least one eligible provider serving each local area, as defined in section 3(32) of WIOA;	Yes
3. The eligible agency will not use any funds made available under title II of WIOA for the purpose of supporting or providing programs, services, or activities for individuals who are not "eligible individuals" within the meaning of section 203(4) of WIOA, unless it is providing programs, services or activities related to family literacy activities, as defined in section 203(9) of WIOA;	Yes
4. Using funds made available under title II of WIOA to carry out a program for criminal offenders within a correctional institution, the eligible agency will give priority to serving individuals who are likely to leave the correctional institution within five years of participation in the program.	Yes

The State Plan must include	Include
5. The eligible agency agrees that in expending funds made available under Title II of WIOA, the eligible agency will comply with sections 8301 through 8303 of the Buy American Act (41 U.S.C. 8301-8303).	Yes

AUTHORIZING OR CERTIFYING REPRESENTATIVE

APPLICANT'S ORGANIZATION	Enter information in this column
Applicant's Organization	Tennessee Department of Labor and Workforce Development
PRINTED NAME AND TITLE OF AUTHORIZED REPRESENTATIVE	Enter information in this column
First Name	Jay
Last Name	Baker
Title	Assistant Commissioner of Adult Education
Email	jay.baker@tn.gov

SECTION 427 OF THE GENERAL EDUCATION PROVISIONS ACT (GEPA)

1. DESCRIBE HOW YOUR ENTITY'S EXISTING MISSION, POLICIES, OR COMMITMENTS ENSURE EQUITABLE ACCESS TO, AND EQUITABLE PARTICIPATION IN, THE PROPOSED PROJECT OR ACTIVITY.

The mission of the Tennessee Department of Labor and Workforce Development (TDLWD) is to advance workforce development and improve workplace safety. TDLWD works to ensure that there is equitable access to and participation in all Adult Education activities and services across the state. To advance workforce development in the state, TDLWD is committed to improving adult education and literacy outcomes, particularly for disadvantaged communities. TDLWD has invested heavily in reentry and corrections education for the purpose of improving education and workforce outcomes of justice-involved individuals. TDLWD also focuses efforts among rural communities and immigrant communities to provide services that help these populations access greater education and economic opportunities.

2. BASED ON YOUR PROPOSED PROJECT OR ACTIVITY, WHAT BARRIERS MAY IMPEDE EQUITABLE ACCESS AND PARTICIPATION OF STUDENTS, EDUCATORS, OR OTHER BENEFICIARIES?

Because we seek to provide Adult Education services to immigrant communities, English language skills are a barrier. Because we seek to provide services to justice-involved individuals, their criminal record can be a barrier. Because we generally serve minority and undereducated communities, they may have additional barriers to participation, including transportation and child care needs.

3. BASED ON THE BARRIERS IDENTIFIED, WHAT STEPS WILL YOU TAKE TO ADDRESS SUCH BARRIERS TO EQUITABLE ACCESS AND PARTICIPATION IN THE PROPOSED PROJECT OR ACTIVITY?

TDLWD will work to ensure that there is equitable access to and participation in all Adult Education activities and services across the state. The steps TDLWD will take include:

1. Training, technical assistance, and professional development activities will be made available to all local program staff, in accordance with their roles in the program.
2. Critical program information and public outreach messages will be offered via a variety of media and communication tools and will be translated into other common languages in Tennessee such as Spanish and Arabic.
3. Professional development opportunities will be made available to all state staff members, in accordance with their roles.
4. For hiring practices, equal employment opportunity rules will be followed, job postings will be announced broadly.
5. During local program monitoring activities, TDLWD staff will conduct observations and interviews to ensure equitable access to services, Title VI non-discrimination rules are being followed, ADA rules are being followed, and teaching and learning accommodations for students with disabilities are being provided.
6. For local AE grant competitions, TDLWD will ensure applicants provide information to meet the requirements of Section 427 of GEPA.

4. WHAT IS YOUR TIMELINE, INCLUDING TARGETED MILESTONES, FOR ADDRESSING THESE IDENTIFIED BARRIERS?

In the summer of each year, beginning in 2024, TDLWD will develop training and professional development plans for training local Adult Education staff that will include how to help them address students' barriers and ensure equitable access.

In September of each year, beginning September 2024, TDLWD will develop a program monitoring plan that identifies which local Adult Education providers will be formally monitored, and which will include a monitoring guide. The guide will address how locals are to ensure Title VI and nondiscrimination rules are being followed, and that ADA rules are being followed.

In TDLWD's next Adult Education grant competition, to be conducted in the spring of 2027, we will ensure that local grant applicants address GEPA Section 427 requirements as part of the grant application components.

ADULT EDUCATION AND LITERACY PROGRAM PERFORMANCE INDICATORS

1

The Departments have not issued the final rule defining Effectiveness in Serving Employers. As a result, states will not submit expected levels of performance for this indicator and the Departments will not establish negotiated levels of performance for PYs 2024 and 2025.

Performance Indicators	PY 2026 Expected	PY 2027 Expected
Employment (Second Quarter After Exit)	41%	41.50%
Employment (Fourth Quarter After Exit)	41%	41.50%
Median Earnings (Second Quarter After Exit)	\$5,900	\$6,000
Credential Attainment Rate	28.50%	29%
Measurable Skill Gains	61.50%	62%
Effectiveness in Serving Employers	Not Applicable	Not Applicable

PROGRAM-SPECIFIC REQUIREMENTS FOR STATE VOCATIONAL REHABILITATION (COMBINED OR GENERAL)

The Vocational Rehabilitation (VR) Services Portion of the Unified or Combined State Plan must include the following descriptions and estimates, as required by sections 101(a) and 606 of the Rehabilitation Act of 1973, as amended by title IV of WIOA.

A. STATE REHABILITATION COUNCIL.

1. ALL VR AGENCIES, EXCEPT FOR THOSE THAT HAVE AN INDEPENDENT CONSUMER-CONTROLLED COMMISSION, MUST HAVE A STATE REHABILITATION COUNCIL (COUNCIL OR SRC) THAT MEETS THE CRITERIA IN SECTION 105 OF THE REHABILITATION ACT. THE DESIGNATED STATE AGENCY OR DESIGNATED STATE UNIT, AS APPLICABLE, HAS:

Select A or B:

(A) is an independent State commission

(B) has established a State Rehabilitation Council

(B) has established a State Rehabilitation Council

2. IN ACCORDANCE WITH ASSURANCE (A)(1)(B), IF SELECTED, PLEASE PROVIDE INFORMATION ON THE CURRENT COMPOSITION OF THE COUNCIL BY REPRESENTATIVE TYPE, INCLUDING THE TERM NUMBER OF THE REPRESENTATIVE, AS APPLICABLE, AND ANY VACANCIES, AS WELL AS THE BEGINNING DATES OF EACH REPRESENTATIVE'S TERM.

Select 'Edit' to edit the narrative.

Note, please do not edit the table header or formatting. Only edit the table contents.

If you accidentally edit the table headers and structure, open this link to the blank table. You can copy and paste the table into the narrative field and start over if needed.

Council Representative	Current Term Number/Vacant	Beginning Date of Term Mo./Yr.
Statewide Independent Living Council (SILC)	2 nd Term	04/2025
Parent Training and Information Center	2 nd Term	03/2024
Client Assistance Program	1 st Term	10/2024
Qualified Vocational Rehabilitation (VR) Counselor (Ex Officio if Employed by the VR Agency)	2 nd Term	10/2023
Community Rehabilitation Program Service Provider	1 st Term	10/2024
Business, Industry, and Labor	1 st Term	04/2024
Business, Industry, and Labor	1 st Term	04/2025
Business, Industry, and Labor	Vacant	
Business, Industry, and Labor	Vacant	
Disability Advocacy Groups	1 st Term	10/2024
Current or Former Applicants for, or Recipients of, VR services	2 nd Term	04/2024
Section 121 Project Directors in the State (as applicable)		
State Educational Agency Responsible for Students with Disabilities Eligible to Receive Services under Part B of the	1 st Term	10/2024

Council Representative	Current Term Number/Vacant	Beginning Date of Term Mo./Yr.
Individuals with Disabilities Education Act (IDEA)		
State Workforce Development Board	1st Term	10/2023
VR Agency Director (Ex Officio)	1st Term	10/2025
Representative of Disability Group	Vacant	
Representative of Disability Group	Vacant	

3. IF THE SRC IS NOT MEETING THE COMPOSITION REQUIREMENTS IN SECTION 105(B) OF THE REHABILITATION ACT AND/OR IS NOT MEETING QUARTERLY AS REQUIRED IN SECTION 105(F) OF THE REHABILITATION ACT, PROVIDE THE STEPS THAT THE VR AGENCY IS TAKING TO ENSURE IT MEETS THOSE REQUIREMENTS.

Please note in the previous section: While these members are fully participating on the council, some may be pending approval from the Governor's office.

Meetings are being conducted quarterly. All Selections have been made to the Governor's Office and two are pending appointment.

4. IN ACCORDANCE WITH THE REQUIREMENTS IN SECTION 101(A)(21)(A)(II)(III) OF THE REHABILITATION ACT, INCLUDE A SUMMARY OF THE COUNCIL'S INPUT (INCLUDING HOW IT WAS OBTAINED) INTO THE STATE PLAN AND ANY STATE PLAN REVISIONS, INCLUDING RECOMMENDATIONS FROM THE COUNCIL'S ANNUAL REPORTS, THE REVIEW AND ANALYSIS OF CONSUMER SATISFACTION AND OTHER COUNCIL REPORTS.

The SRC is engaged continuously throughout the year regarding the activities, initiatives, and goals of the Tennessee VR agency. The SRC provides feedback to the VR agency at each quarterly meeting and as needed throughout the year. For the State Plan, the SRC was engaged at the beginning of the process and worked together with the VR agency to formulate their responses. The SRC identifies areas they want to focus on based on comprehensive statewide needs assessment and relevant topics that arise throughout the year. The SRC continuously heard from the Blind community about the quality and availability of services to help them achieve their career goals. Therefore, the SRC engaged the VR agency and requested a comprehensive review take place. Another important topic for the SRC is the accessibility of service providers to assist VR customers in achieving their career goals. In order to make sure VR customers have access to the best providers, the SRC requested the VR agency review the current fee structure. Another topic area the SRC finds critical is online/virtual accessibility to the TN VR program. Similarly, the SRC recommends the TN VR agency create customer journey maps to help VR customers navigate their VR journeys from start to finish. The SRC is committed to ensuring that all individuals, regardless of background or circumstance, have meaningful opportunities to

achieve their employment goals. Through the work of the Participation, Access, Trust, and Humanity (PATH) Ad Hoc Committee, the SRC promotes an environment that values mutual respect, understanding, and inclusion across all VR programs and workplaces.

5. PROVIDE THE VR AGENCY'S RESPONSE TO THE COUNCIL'S INPUT AND RECOMMENDATIONS, INCLUDING AN EXPLANATION FOR THE REJECTION OF ANY INPUT AND RECOMMENDATIONS.

List each recommendation/input followed by the VR agency response

- The SRC recommended training for all VR employees to support fair and equitable service delivery. The VR agency supported this recommendation and continues to provide required HR training, along with disability-specific training and professional development opportunities that promote awareness, respect, accessibility, and consistency in service delivery. DRS remains committed to ensuring that all individuals are treated fairly and have equal opportunity to participate in and benefit from the VR program. These principles guide how the agency delivers services and supports staff development.
- The SRC recommended a review of the Blind Services offered through VR. VR agency supported this recommendation and contracted with a third party to complete an analysis of blind services and assist with the creation of a comprehensive strategic plan to enhance blind services in TN VR.
- The SRC recommended a review of the CRP fee structure. VR agency supported this recommendation and is conducting an analysis to determine if TN VR needs to make adjustments to the current CRP fee structure. Also, the TN VR agency has established a process to continuously review CRP fee structures to ensure equitable pay for service provisions occurs.
- The SRC recommended a review and update to the VR website. VR agency supported this recommendation and updated the VR website. The VR agency created a QR code for the SRC to utilize when sharing information with the public. The VR agency continuously reviews and updates, as appropriate, the VR and SRC websites.
- The SRC recommended the VR agency create common VR journey maps customers might take to help them understand and better participate throughout their VR journey to employment. VR agency supports this recommendation and will be working to create these with input from the SRC.

B. COMPREHENSIVE STATEWIDE NEEDS ASSESSMENT (CSNA).

Section 101(a)(15), (17), and (23) of the Rehabilitation Act require VR agencies to provide an assessment of:

1. THE VR SERVICES NEEDS OF INDIVIDUALS WITH DISABILITIES RESIDING WITHIN THE STATE, INCLUDING:

A. INDIVIDUALS WITH THE MOST SIGNIFICANT DISABILITIES AND THEIR NEED FOR SUPPORTED EMPLOYMENT;

In 2025, in collaboration with external and internal partners. The Tennessee Division of Rehabilitation Services (DRS) conducted several assessments and relied upon State and national data to capture a comprehensive picture of the state's needs. DRS consulted with the Tennessee State Rehabilitation Council (SRC) and contracted with the University of Tennessee Synergy Evaluation Institute. Synergy developed eight surveys to focus on five stakeholder groups: pre-ETS customers, Adult Customers, Providers, Workforce Investment and Opportunities Act (WIOA) Partners, Staff and Employers. Each group provided valuable feedback on the strengths and opportunities for vocational rehabilitation in Tennessee.

Summary of Needs for Most Significantly Disabled Customers

While significance of disabilities is not available for the state, one estimate of complexity is the number of self-reported disabilities. In the ACS, Tennesseans reported up to 6 disabilities. The employment rates vary by complexity (as measured by number of disabilities). For all age groups, the percentage of people unemployed increased with the number of self-reported disabilities. This pattern suggests that as the number of disabilities increases, the greater the chance of unemployment.

Based on VR records, during the reporting period the program served 16,828 customers designated as having most significant disabilities. When considering needs based on supports provided for these customers, vocational rehabilitation counseling (11k), assessment (7k), job readiness (4k), and supported employment services (4k) emerge as the most frequently provided services

B. INDIVIDUALS WITH DISABILITIES WHO ARE MINORITIES AND INDIVIDUALS WITH DISABILITIES WHO HAVE BEEN UNSERVED OR UNDERSERVED BY THE VR PROGRAM;

Summary of Needs by Race

There are 10,298 youth (aged 16-21) and 110,132 adult Tennesseans with disabilities (TWD) who are Hispanic or Black/African American (as reported in the ACS). In 2023, 44% (1,544) of Hispanic youth and 61% (4,104) of Black/African American youth with disabilities were not employed. For adults, 29% (7,004) of Hispanic and 54% (46,551) of Black/African Americans with disabilities were not employed.

The VR Program served 15,701 TWD who are racial minorities (i.e., American Indian, Asian, Black/African American, or Native Hawaiian) from July 1, 2022 - August 1, 2025; 292 of these customers are also Hispanic. According to VR records, the needs of Pre-ETS customers identified as racial minorities are similar to all customers: job exploration counseling, self-advocacy instruction, workplace readiness training, and counseling on post-secondary education.

The following chart depicts the race/ethnicity of VR customers accessing the VR program compared to the race/ethnicity of Tennessee residents according to the US Census Bureau.

Race	Percentage of VR Customers	TN 2020 Census Data
American Indian or Alaskan Native	1.22%	2.3%
Asian	1.24%	2.6%
Black or African American	28.26%	17.3%
Native Hawaiian or Other Pacific Islander	0.33%	0.2%
White	70.26%	77.8%
Does not wish to self-identify	1.05%	-
Blank	0.38%	-
2 or more races	2.75%	6.0%

Ethnicity	Percentage of VR Customers	TN 2020 Census Data

Hispanic	3.5%	2.3%

The following chart depicts the race/ethnicity of VR customers exiting the VR program with competitive, integrated employment compared to the race/ethnicity of Tennessee residents according to the 2024 ACS Census data.

Race	Percentage of VR Customers	TN 2024 ACS Census Data
American Indian or Alaskan Native	1.4%	0.4%
Asian	1.1%	2.0%
Black or African American	23.4%	15%
Native Hawaiian or Other Pacific Islander	0.4%	0%
White	75.9%	72%
Does not wish to self-identify	0.7%	-
Some other Race	0%	-
2 or more races	3%	7.7%

Ethnicity	Percentage of VR Customers	TN 2024 ACS Census Data
Hispanic	3.2%	7.8%

C. INDIVIDUALS WITH DISABILITIES SERVED THROUGH OTHER COMPONENTS OF THE WORKFORCE DEVELOPMENT SYSTEM; AND

Respondents reported on the services and/or resources they have received, indicating they worked with the services on average for eight (8) months. The highest percentage of adult customers (53%) reported additional support was needed in the area of readiness, placement, and success on the job. These customers described the top three challenges they faced while trying to find a job, keep a job, or advance in their career as transportation, poor job market or a lack of opportunities, and limited work experience. These three top challenges indicate that customers are restricted by external conditions and personal circumstances, highlighting opportunities to address structural, economic, and personal challenges for customers to meet their service and resource needs.

D. YOUTH WITH DISABILITIES, INCLUDING STUDENTS WITH DISABILITIES AND THEIR NEED FOR PRE-EMPLOYMENT TRANSITION SERVICES. INCLUDE AN ASSESSMENT OF THE NEEDS OF INDIVIDUALS WITH DISABILITIES FOR TRANSITION CAREER SERVICES AND PRE-EMPLOYMENT TRANSITION SERVICES, AND THE EXTENT TO WHICH SUCH SERVICES ARE COORDINATED WITH TRANSITION SERVICES PROVIDED UNDER IDEA.

Responding Pre-ETS customers reported their participation in services for exploring jobs, getting work experience, further education beyond high school, learning skills to be successful at work, and making choices, setting goals, and self-advocacy at work. Overall, Pre-ETS customers reported the highest need for additional support with exploring jobs (37%). Similar levels of need were reported in other areas, including getting work experience (29%), furthering their education beyond high school (29%), and making choices, setting goals, and self-advocacy at work (27%; see Table 10 for the detailed breakdown on Pre-ETS customers' need for additional support.

Tennessee VR coordinates transition services with the state education agency (SEA) and local education agencies (LEAs) through a collaborative process aimed at supporting students with disabilities as they prepare for employment or post-school education. This is accomplished by the following:

- **Interagency Agreement:** VR and the Tennessee Department of Education (TDOE) recently updated the interagency agreement for the provision of Pre-ETS that outlines each parties' responsibilities in creating a collaborative approach to providing transition services.
- **LEA Contracts:** VR contracts with over 55 LEAs for the provision of Pre-ETS. The contracts specify which transition services are allowable through the VR program, and that transition

services required under IDEA are not to be supplanted. The contract also requires coordination in the development of individual education programs (IEP), including transition services.

- Transition Leadership Team: VR and TDOE jointly share the lead in hosting quarterly Transition Leadership Team meetings, as well as leading a team of transition experts and stakeholders at the National Technical Assistance Center on Transition: The Collaborative's (NTACT: C) annual Capacity Building Institute (CBI).
- Data Sharing and Shared Goals: VR and TDOE regularly share programmatic data and outcome data through the Transition Leadership Team and Employment First Task Force and have a shared goal for increasing work-based learning (WBL) for students with disabilities, outlined in the Employment First Task Force's strategic plan which is updated quarterly and is reported annually to the Governor through the Expect Employment report.

Overall, VR coordinates transition services through a collaborative, person-centered approach that focuses on supporting students with disabilities in achieving their employment and educational goals.

2. IDENTIFY THE NEED TO ESTABLISH, DEVELOP, OR IMPROVE COMMUNITY REHABILITATION PROGRAMS WITHIN THE STATE.

When services are not provided by VR staff, VR engages with various for and not-for-profit partners, commonly referred to as Community Rehabilitation Providers or CRPs, to deliver individualized and specialized services to customers. These services can include supported employment, job readiness and placement, and other services that provide training in preparation for competitive, integrated employment. Community Rehabilitation Provider partnerships are typically carried out through contractual relationships or by Delegated Authority and allow the VR program the flexibility to provide a comprehensive array of highly individualized services while clearly communicating service level expectations and provider accountability. In fiscal year 2025, VR worked with over 100 CRPs and other entities across the state to deliver specialized services to individuals participating in the VR program. Of these, TN contracted with 20 CRPs to provide Pre-ETS specific services to students statewide.

In addition, the state has partnered with Vanderbilt University and the Vanderbilt Kennedy Center to develop a portal on the Transition Tennessee website (<https://transitiontn.org/>) that focuses specifically on Pre-Employment Transition Services. This site expands the state's capacity to provide high-quality, evidence-based pre-employment transition services that lead to successful post-secondary and employment outcomes for students with disabilities. In addition to having resources for students and families, the Transition Tennessee Pre-ETS Blueprint serves as an online hub for professional development and resources for educators, providers, and other professionals. Each course in the portal features free video modules, downloadable resources, webcasts, and information about upcoming conferences and training.

Based on open ended information provided by staff and focus groups for community members as part of the CSNA, a need to understand the community rehabilitation provider network and whether it is adequate for providing VR services in Tennessee was identified as an area for improvement. Similarly, specific to respondents with visual impairments, aligning VR services more closely with individual employment and training goals and improving and expanding services for the blind at the

comprehensive training center in Smyrna is necessary to serve customers with low or no vision preferring to receive services in a comprehensive or residential setting.

3

C. GOALS, PRIORITIES, AND STRATEGIES

Section 101(a)(15) and (23) of the Rehabilitation Act require VR agencies to describe the goals and priorities of the State in carrying out the VR and Supported Employment programs. The goals and priorities are based on (1) the most recent CSNA, including any updates; (2) the State's performance under the performance accountability measures of Section 116 of WIOA; and (3) other available information on the operation and effectiveness of the VR program, including any reports received from the SRC and findings and recommendations from monitoring activities conducted under Section 107 of the Rehabilitation Act. VR agencies must—

1. DESCRIBE HOW THE SRC AND THE VR AGENCY JOINTLY DEVELOPED AND AGREED TO THE GOALS AND PRIORITIES AND ANY REVISIONS; AND

VR meets with the SRC on a quarterly basis and engages in additional conversations throughout the year. During these meetings performance outcomes are shared, as well as successes and challenges. Additionally, the SRC consists of a subcommittee specifically dedicated to the CSNA. The subcommittee is responsible for partnering with VR to develop the survey questions, target participants, inform the community about the survey, and determine the distribution methodology. Beginning in February 2025, VR met with the SRC to begin working on the CSNA and review previous goals, analyze CSNA results, and to identify goals and priorities on a quarterly basis. On May 1, 2025, the SRC received the list of proposed questions to be used for the 2025 CSNA surveys and provided their feedback. On September 26, 2025, the full SRC committee to review the compiled CSNA report and provide feedback on the recommendations and goals. The SRC submitted their feedback to VR and approved the recommendations presented on September 26, 2025.

2. IDENTIFY MEASURABLE GOALS AND PRIORITIES IN CARRYING OUT THE VR AND SUPPORTED EMPLOYMENT PROGRAMS AND THE BASIS FOR SELECTING THE GOALS AND PRIORITIES (E.G., CSNA, PERFORMANCE ACCOUNTABILITY MEASURES, SRC RECOMMENDATIONS, MONITORING, OTHER INFORMATION). AS REQUIRED IN SECTION 101(A)(15)(D), (18), AND (23), DESCRIBE UNDER EACH GOAL OR PRIORITY, THE STRATEGIES OR METHODS USED TO ACHIEVE THE GOAL OR PRIORITY, INCLUDING AS APPLICABLE, DESCRIPTION OF STRATEGIES OR METHODS THAT—

A. SUPPORT INNOVATION AND EXPANSION ACTIVITIES;

B. OVERCOME BARRIERS TO ACCESSING VR AND SUPPORTED EMPLOYMENT SERVICES;

C. IMPROVE AND EXPAND VR SERVICES FOR STUDENTS WITH DISABILITIES, INCLUDING THE COORDINATION OF SERVICES DESIGNED TO FACILITATE THE TRANSITION OF SUCH STUDENTS FROM SCHOOL TO POSTSECONDARY LIFE (INCLUDING THE RECEIPT OF VR SERVICES, POST-SECONDARY EDUCATION, EMPLOYMENT, AND PRE-EMPLOYMENT TRANSITION SERVICES); AND

D. IMPROVE THE PERFORMANCE OF THE VR AND SUPPORTED EMPLOYMENT PROGRAMS IN ASSISTING INDIVIDUALS WITH DISABILITIES TO ACHIEVE QUALITY EMPLOYMENT OUTCOMES.

List and number each goal/priority, noting the basis, and under each goal/priority, list and number the strategies to achieve the goal/priority

As a result of the 2022 Comprehensive Needs Assessment, the VR program, in collaboration with the SRC, identified specific priorities for focusing energy and resources, and associated actions for VR to take in the upcoming year.

Key Priorities Identified

1. **Talent Management** – Talent Management was selected as a priority to ensure the VR program has a qualified, knowledgeable, and well-trained workforce serving individuals with disabilities throughout their employment journey. This includes staff hiring, training, and retention efforts, as well as addressing adequate compensation to improve recruitment and retention of master’s-level vocational rehabilitation counselors and other critical VR staff. In addition to existing strategies, the VR Director is conducting listening sessions across every job role within the agency to assess workforce needs, identify internal interest in advancement opportunities, and gather input that may inform movement toward a counselor-tier structure in Tennessee. These listening sessions, combined with coordinated discussions with other state VR agencies about their tiered career pathways—from bachelor-level entry points to master’s-level counselor roles—will guide evaluation of whether a structured pipeline or “grow-your-own” model would strengthen recruitment, retention, and long-term talent development within the VR program.
 - a. Continue to improve and expand training opportunities for staff through the development and deployment of role specific training and ongoing professional learning and development plans.
 - b. Incorporate an employee suggestion mechanism that provides an opportunity for employees to share with decision-making leaders, comments and recommendations for an improved workplace.
 - c. Develop and create a position dedicated to coordinating training opportunities.
 - d. Dedicated training coordinator will be using resources made available through surveys, contracts, shared resources, and staff feedback to develop, track and monitor training and professional development.
 - e. To assist with retention the VR program plans to incorporate Stay Interviews and is exploring other options in hiring techniques. Peer mentoring has been added to aid in the area of retention. Hiring techniques can include virtual career fairs and posting positions on social media platforms such as Handshake and LinkedIn. In addition, we will be filming day in the life videos of hard to fill positions and advertise those to show prospective employees what a career in VR looks like.

- f. Conduct listening sessions across all job roles and explore counselor-tier career pathways by engaging staff and consulting with other state VR agencies to inform hiring pipelines and support long-term talent development.
- 2. The 2025 Comprehensive Statewide Needs Assessment identified a priority: the need to diagnose the root cause of delays in both initiating contact with customers and successfully closing cases. Addressing these delays is essential to improving service delivery and achieving timely, effective outcome for individuals served.
 - a. **Communication and Responsiveness** – This priority was selected to develop strong relationships and expand awareness of VR services. The agency seeks to enhance communication and responsiveness within VR and with customers, Community Resource Providers (CRPs), partners, and the public. Enhance the *Aware* case management system to include a vendor portal, which will allow CRPs to easily submit payment requests, inquiries, and other correspondence to VR in a secure and efficient method and a Pre-ETS provider portal for documenting actual services. (a)
 - b. VR is developing a tool to measure the effectiveness of the vendor portal by using surveys and/or reviews of timely service provisions and payments to CRPs.
 - c. Implement a modernized, omnichannel customer support model that fields customer inquiries across 4 channels: phone, live chat, email, and web-based forms. Create a web-based VR referral form so the public can complete and submit a referral to the VR Program for themselves or for someone else. (a)(b)
 - d. Omnichannel reports are being utilized to track how customers are reaching out to the VR program as well as the reason for contact. This is used to ensure customers are receiving timely and accessible information and responses from the VR Program. This also allows the customer to choose preferred methods of communication.
 - e. Explore strategies to strengthen collaboration with CRPs, including opportunities for enhanced communication, additional training, improved vendor forums, possible development of a service-quality monitoring tool, and potential joint VR/CRP training initiatives.
 - f. Explore opportunities to enhance internal communication across VR by reviewing potential methods, structures, and tools that could support more consistent information-sharing, transparency, and timely feedback between staff and leadership. This effort may include examining approaches that promote collaborative problem-solving, increase access to agency updates, and strengthen connections across units and regions.

From the 2025 Comprehensive Statewide Needs Assessment- Enhance Communication Clarity and Timeliness - both customers and staff emphasized the need for clearer and more timely communication throughout the VR process.

Improve Access to Accurate Information - Customers identified delays and inconsistencies in receiving accurate information, highlighting the need for more reliable and responsive communication channels.

Explore Technical and Process-Based Solutions- TN VR Will prioritize evaluating and implementing technical or procedural improvements to streamline communication and ensure timely, accurate information delivery.

3. **Customer Engagement** – This priority was selected to focus on engaging customers throughout the VR process to ensure customers are empowered to practice informed choice throughout their person-centered journey with VR and to increase successful employment outcomes for VR customers.
 - a. Review online assets including webpages, appearance on partner’s websites, social media platforms, and print materials and identify any that need to be updated, modified, removed, or created to assure adequate public and cultural awareness of VR Program, eligibility, and services offered as well as full accessibility. Develop a prioritization of changes identified with action plans, resources needed, and timelines. (a)(b)
 - b. Facilitate customer journey mapping exercises that result in a web-based journey mapping tool that outlines the process, timelines, and specific touchpoints throughout the journey to employment to increase customer awareness, understanding, and engagement. (a)(b)
 - c. Collaborate and work with workforce partners to create training and employment opportunities for youth with disabilities. VR Program monitors success through case management reviews and employment outcomes.
 - d. Explore options to modernize the informed choice process by reviewing methods for providers to offer accessible, customer-friendly overviews of their services—such as brief videos, brochures, QR codes, or web-based profiles—that VR counselors can use to help customers make informed decisions about their preferred providers.

As a result of these efforts, the number of IPEs developed for youth aged 14-22 have increased each year over the past three-year period. The number of IPEs developed for youth with disabilities was 1,666 in PY2022, 1,765 in PY 2023 and 2,330 in PY 2024.

4. **Community Partners and Resources** – The priority ensures investing time in educating and informing the public, community partners, staff, and customers to ensure communities have a clearer understanding of the services available through Vocational Rehabilitation, and other community agencies.
 - a. Develop a public outreach strategy that assures reach and understanding of VR services. Including Pre-Employment transition services as a potential eligible and eligible customer with an individualized plan for employment. (a)(b)
 - b. VR Program is gaging the success of methods used to educate customers, providers, and community about VR services through various methods such as surveys, in person

vendor forums, and partner meetings. In 2024, VR conducted quarterly in person and virtual vendor forums to provide guidance and training to CRPs statewide.

- c. In partnership with the Department of Mental Health and Substance Abuse Services (DMHSAS), continue to expand the delivery of Individual Placement and Support (IPS) supported employment services with an intentional focus on TN distressed counties. By 2028 reach all 95 counties in TN. (a)(b)(d)
 - d. Work with the TN Council for Deaf, Deaf Blind and Hard of Hearing to strengthen the relationship between VR and the Deaf Community and create a strategy for improving VR services for individuals who are Deaf and Hard of Hearing.
 - e. Annual review of CRP rates to ensure rates are commensurate with quality service provision.
5. A need was identified to better understand and evaluate the adequacy of the Community Rehabilitation Provider (CRP) network in TN to ensure it can effectively meet service demands across the state. Additionally, for individuals with visual impairments, there is a priority to align VR service more closely with each person's employment and training goals. This includes organizing a workforce that specializes in blind services and assessing current Transition Services for the Blind at the comprehensive training center in Smyrna to better support customers who are blind or have low vision and prefer a comprehensive or residential service model.
6. **Training** – Continue to enhance opportunities for customer that allow for achievement toward employment goals through IPE development. This priority focuses on expanding opportunities such as apprenticeships, internships, and post-secondary counseling to support progress toward CIE. Tennessee VR will also begin considering future service needs related to emerging technologies, including artificial intelligence, and will review evolving apprenticeship and credential pathways to ensure customers have access to relevant training options.
- a. Expand youth with disabilities knowledge of in demand careers with labor market information. VR Program collaborates with partners to share open job opportunities to include apprenticeships and career information sessions.
 - b. Provide information to encourage CIE through self-employment opportunities. VR Program collaborates with community partners to offer assistance with business plan development and implementation.
 - c. Explore the emerging impact of artificial intelligence on VR services by assessing training needs for VR staff and customers, including how AI may influence job readiness instruction, job development and placement strategies, and employer hiring practices that utilize AI-driven screening and interview tools. Tennessee VR will also examine how AI may shape future employment opportunities and identify ways to prepare customers for this evolving landscape.
 - d. Evaluate the feasibility of creating a specialized team focused on pre-apprenticeships, apprenticeships, and micro-certifications to determine which options align with Tennessee's labor market needs and offer the greatest potential for VR customers. This

effort will involve identifying emerging pathways, strengthening partnerships, and informing strategies that expand customer access to high-quality skill-building and employment pipelines.

In addition to priorities created VR established additional objectives based on various inputs such as the priorities and goals developed through the CSNA in collaboration with the SRC, an assessment of funding availability, review of program performance metrics, and technical assistance received from RSA. These objectives include review and exploration of the following:

- Policy revisions to Financial Need Assessments (FNA)
- Priority category definitions
- Closed priority categories
- Serving individuals in a closed priority category
- Elimination of Order of Selection
- Consider a mobile or regionalized support unit for caseloads in crisis
- Evaluate the use of intelligent case support tools (SARA Works)
- Reassess existing policies to reflect evolving VR needs
- Explore virtual or hybrid service delivery expansion

Finally, beginning July 1, 2023 the VR program established a customer focused operational goal to increase the number of signed Individualized Plans for Employment (IPE)s by 7% by June 30, 2024.

The Tennessee Vocational Rehabilitation program increased the number of signed IPEs by 56.6% from 3,638 in PY 2022 to 5,697 in PY 2024.

Through these efforts, the Tennessee Vocational Rehabilitation program, together with our community partners and stakeholders, including the State Rehabilitation Council, are transforming the VR program to better meet the needs of the individuals we serve, the businesses we rely on, and the communities we live in.

A priority identified from the 2025 Comprehensive Needs Assessment is Mission Driven Business Process and Data-Driven Decisions. TN VR will need to review how current systems and procedures align with the overall goals and values in order to identify what is working well and not getting in the way of effective work. It is important to have clear, consistent and easy to follow processes for staff. These should include opportunities for staff to give input before decisions are made. VR will create a process map for key roles with clear responsibilities and information flow which can support positive changes. To make the most of the data being collected will explore having support from a larger data team to track progress across different regions.

D. EVALUATION AND REPORTS OF PROGRESS: VR AND SUPPORTED EMPLOYMENT GOALS

For the most recently completed program year, provide an evaluation and report of progress for the goals or priorities, including progress on the strategies under each goal or priority, applicable to that

program year. Sections 101(a)(15) and 101(a)(23) of the Rehabilitation Act require VR agencies to describe—

1. PROGRESS IN ACHIEVING THE GOALS AND PRIORITIES IDENTIFIED FOR THE VR AND SUPPORTED EMPLOYMENT PROGRAMS;

List the goals/priorities and discuss the progress or completion of each goal/priority and related strategies

- **Key Priority 1 Talent Management:** Progress has been demonstrated in the area of talent management with several priorities being accomplished. First, two modules were added to the TN VR onboarding training curriculum CORE (Connecting Opportunities, Resources, and Education). These modules are specific to the roles and duties of certain positions with a focus on service delivery and customer engagement throughout a customer's VR journey. To ensure clarity and consistency in execution, additional trainings have been implemented to support key process steps for Aware. Additionally, talent management improvements include a new survey available for staff to provide feedback and suggestions for policy, training, professional development, and process improvement. The survey is available anytime and results are pulled monthly with action taken in addressing feedback received and outcomes are communicated to submitters. This tool has proven to be a good method in obtaining information from the field. Finally, to demonstrate VR's commitment to improve talent management, a training coordinator position was created to research, coordinate, and communicate professional development and educational opportunities, and ensure a work environment that helps employees develop their skills, fosters career advancement, and promotes programs and resources. The training coordinator position has been instrumental position to ensure TN has a well-established and trained staff. Intentional focus is now given to the training needs of all staff. Stay Interviews were conducted in 2025, and the insights gathered aligned closely with current key priorities.
- **Key Priority 2 Communication and Responsiveness:** To enhance communication and responsiveness, the Aware Vendor Portal was designed, developed and tested, and was launched July 2023. This new portal was designed specifically for vendors and provides secure, remote access to VR's case management system via a web-based interfaced. VR business processes and operational processes have been built around the use of the Aware Vendor Portal, creating a positive impact on process efficiency as well as workflow. Additionally, Pre-ETS actual services will soon be captured in Aware with a targeted go live date of October 2025. The vendor portal actual services have not been implemented due to internal requirements that need to be updated prior to implementation. Also, a cross-program contact center which fields customer inquiries across multiple supported channels was implemented August 2023. The model supports 4 communication channels: phone, live chat, email and web-based forms. Customers, providers, and partners can reach VR using any of these communication channels. The contact center continues to operate effectively, consistently meeting the needs of all customers. Staff provide immediate responses to general inquiries or

efficiently route questions to the appropriate personnel. To enhance service delivery, next steps include reviewing call routing protocols to ensure efficient transfers, providing additional training to contact center staff on common VR-related topics to address more inquiries at the first point of contact. Implementing a feedback mechanism to capture caller satisfaction and identify areas for continuous improvement. There is now the ability to refer an individual to the VR Program using a web-based form located on the VR website. Referrals can be received by phone, in-person, email, or webforms. The implementation of web-based referrals has significantly improved the intake process. Staff are readily available to enter referral information into the cse management system, ensuring timely and accurate data entry. Individuals who submit a webform are promptly contacted to verify and complete any missing information. This streamlined approach has enabled the Tennessee team to ensure that all referrals are captured, followed up on, and prepared for the application process, enhancing both responsiveness and service continuity.

- **Key Priority 3 Customer Engagement** Progress has been made to improve customer engagement. Webpages have been updated to provide customers, providers, and community members information on the purpose of VR and provide information to prepare customers for the VR journey toward competitive integrated employment. A VR Orientation Handbook is currently being developed to help guide customers through the process and set clear expectations. The Communication and Marketing Manager has played a key role in promoting success stories through social media. All printed materials are being reviewed and updated before distribution. Additionally, the department is actively reviewing all materials and forms to ensure full ADA compliance. In 2025, VR worked with the Department of Labor and Workforce Development to create an interagency agreement to support students and youth with disabilities aged 14-24 in gaining work experience through the Tennessee Youth Employment Program. Leaderships from both agencies provided training to field staff and community partners in September 2025 and began service delivery in October 2025.
- **Key Priority 4 Community Partners and Resources** have been a priority this year. A third-party consultant completed an assessment and provided guidance in completing a strategic plan to improve services for individuals with low and now vision. Within the strategic plan key results have been identified and implementation of plan will start July 2024. Also, presentations are available to staff when sharing information on the VR program to Committees, Councils, and Boards.

Presentations have been developed and made available in a centralized location for staff to easily access and reference. In addition, staff have access to Aware Tableau reports, which can be used to update presentations specific to their areas.

A complete review was completed of CRP rates in July of 2024. Rates were adjusted from the research that was conducted. To support continuous improvement, rates will be assessed and updated as needed on a two-year cycle. VR continues to work with the SRC, Community and Advocates to identify a network of Community Rehabilitation Providers, particularly in rural areas of the state, by holding discussions during SRC quarterly meetings and presenting to the Tennessee Community Organization's committee on employment. These discussions and

presentations helped inform VR of the need to continuously review CRP rate structures and identify opportunities for partnering with new providers.

- **Other objectives** identified through technical assistance with maximizing the federal award have resulted in specific services being removed from the list of services requiring FNA, the income level for financial participation being changed from 2009 LIHEAP to 138% above the 2023 federal poverty level, and all individuals in closed priority status being moved to active status to begin receiving VR services. Finally, Order of Selection will be eliminated in early 2024.
- As part of efforts to expand self-employment opportunities, VR has begun the process to hire an instructor with a focus on entrepreneurship training. This role will support customers interested in pursuing business ownership by providing targeted instruction and guidance.

2. PERFORMANCE ON THE PERFORMANCE ACCOUNTABILITY INDICATORS UNDER SECTION 116 OF WIOA FOR THE MOST RECENTLY COMPLETED PROGRAM YEAR, REFLECTING ACTUAL AND NEGOTIATED LEVELS OF PERFORMANCE. EXPLAIN ANY DISCREPANCIES IN THE ACTUAL AND NEGOTIATED LEVELS; AND

PY 2022

- MSG Rate – Negotiated Target: 55% / Actual: 57.6%
 - With a rate of 57.6%, the TN VR Program met and exceeded both the negotiated target (55%) and national average (49%). Tennessee made the most progress in the nation, moving from 40th in the fourth quartile to 12th in the first quartile.
- Employment 2nd Quarter After Exit – Negotiated Target: 47% / Actual: 60.2%
 - With a rate of 60.2%, the TN VR Program met and exceeded both the negotiated target (47%) and national average (56%).
- Employment 4th Quarter After Exit – Negotiated Target: 46% / Actual: 54.5%
 - With a rate of 54.5%, the TN VR Program met and exceeded both the negotiated target (46%) and national average (53%).
- Median Earnings – Negotiated Target: \$3,950 / Actual: \$4,193
 - With a median earnings amount of \$4,193, the TN VR Program met and exceeded the negotiated target (\$3,950).
- Credential Rate – Negotiated Target: 30% / Actual: 22.5%
 - The TN VR Program did not meet the Credential Rate negotiated target of 30% for PY 2022. The main factor preventing TN DRS from achieving the target is the lack of access to credential information for customers after they exit the VR program. To improve on this metric, TN DRS is developing a Credential Guide for staff to assist with understanding how to capture and report in the case management system. Additionally, TN DRS released an RFI in November 2023 to explore the

possibility of contracting with an organization to conduct customer surveys to collect credential information post-exit.

PY 2023

- MSG Rate – Negotiated Target: 56% / Actual: 66.5%
 - With a rate of 66.5%, the TN VR Program met and exceeded the negotiated target (56%) and national average (52.1%).
- Employment 2nd Quarter After Exit – Negotiated Target: 49% / Actual: 57.8%
 - With a rate of 57.8%, the TN VR Program met and exceeded both the negotiated target (49%) and national average (55.9%).
- Employment 4th Quarter After Exit – Negotiated Target: 47.3% / Actual: 31.9%
 - With a rate of 31.9%, the TN VR Program did not meet the negotiated target (47.3%) and fell below the national average (52.6%).
- Median Earnings – Negotiated Target: \$4,148 / Actual: \$4,333
 - With a median earnings amount of \$4,333, the TN VR Program met and exceeded the negotiated target (\$4,148) while falling below the national average (\$5,513).
- Credential Rate – Negotiated Target: 31% / Actual: 32.5%
 - The TN VR Program met and exceeded the negotiated target (31%) while falling below the national average (40.7%).

PY 2024

- MSG Rate – Negotiated Target: 63.0% / Actual: 73.7%
 - With a rate of 73.7%, the TN VR Program met and exceeded the negotiated target (63.0%) and national average (52.2%).
- Employment 2nd Quarter After Exit – Negotiated Target: 65.0% / Actual: 53.3%
 - With a rate of 53.3%, the TN VR Program did not meet the negotiated target (65.0%) and fell below the national average (53.8%).
- Employment 4th Quarter After Exit – Negotiated Target: 59.0% / Actual: 51.7%
 - With a rate of 51.7%, the TN VR Program did not meet the negotiated target (59.0%) and fell below the national average (51.9%).
 - To address not meeting the target for 2nd and 4th quarters, we will
 - To improve in this area, Vocational Rehabilitation has actively supported the Tennessee Department of Labor Workforce Development and impacted companies following WARN (Worker Adjustment and Retraining Notification) notices. For nearly every layoff or closure event since June 2025, VR regional teams coordinated with local workforce boards to ensure displaced workers had access to reemployment and vocational rehabilitation resources.

- o Key engagement activities included:
 - o - Participation in Rapid Response meetings with employers and local AJCs.
 - o - Direct outreach to affected employees for career counseling, retraining, and VR placement services.
 - o To remove barriers, VR provided training to counselors on the topic of career counseling and retention services. VR revised policy to be able to serve more Tennesseans with disabilities by being more inclusive of various disabilities and limitations. VR removed VR customers' obligations for financial participation in services such as assistive technology, wardrobe/uniforms, and books and supplies.
- Median Earnings – Negotiated Target: \$4,400 / Actual: \$4,964
 - o With a median earnings amount of \$4,964, the TN VR Program met and exceeded the negotiated target (\$4,400) while falling below the national average (\$5,331).
- Credential Rate – Negotiated Target: 30% / Actual: 42.6%
 - o With a rate of 42.6%, the TN VR Program met and exceeded the negotiated target (30.0%) and national average (38.0%).

3. THE USE OF FUNDS RESERVED FOR INNOVATION AND EXPANSION ACTIVITIES (SECTIONS 101(A)(18) AND 101(A)(23) OF THE REHABILITATION ACT) (E.G., SRC, SILC).

VR would like to incorporate the use of digital training platforms and simulated reality options such as virtual reality into the customers' options for career exploration activities as potentially eligible students during Pre-ETS and as an eligible VR student/ customer. Additionally, the VR agency is interested in increasing the use of technology such as virtual reality into employment training opportunities for customers.

VR recently purchased a Workforce Virtual Reality Training Solution that offers career awareness, career exploration, career preparation, and career training. This virtual reality program will be implemented across Pre-ETS and with eligible VR students/customers to enhance engagement and skill development. Furthermore, VR has expanded opportunities for all VR customers to explore and utilize *Cognitopia*, a web-based self-management and executive functioning software. Cognitopia serves as a virtual job coach that supports individuals in real-time, promoting independence and success in the workplace.

Tennessee VR will explore opportunities to pilot the use of artificial intelligence within the agency's case management system to support efficiency and service delivery, while reviewing national evidence-based research to ensure alignment with current findings and best practices. The agency will also engage in internal discussions to determine how customers can be informed about the role of AI in the job search process, including AI-driven interviews, résumé screening, and employer hiring practices. TN VR seeks to proactively plan how customers will be educated on the appropriate use of these tools and how to request accommodation when encountering AI-based employment technologies.

In partnership with the Department of Mental Health and Substance Abuse Services (DMHSAS) and our network of shared community providers, VR is dedicated to ensuring all Tennesseans who need

services through the Individual Placement and Support (IPS) Supported Employment model have access to these services. Therefore, our goal is to continue to expand the delivery of IPS supported employment services with an intentional focus on TN distressed counties. Additionally, by -2029 we hope to reach 95% of all counties in TN, including all identified distressed counties.

Funding has been used to expand SRC activities such as an annual retreat in addition to quarterly meetings. Quarterly meetings are hosted in different areas of the state with the availability for SRC members to visit local business and LEAs that demonstrate VR partnerships and impact to employment outcomes.

E. SUPPORTED EMPLOYMENT SERVICES, DISTRIBUTION OF TITLE VI FUNDS, AND ARRANGEMENTS AND COOPERATIVE AGREEMENTS FOR THE PROVISION OF SUPPORTED EMPLOYMENT SERVICES.

1. ACCEPTANCE OF TITLE VI FUNDS:

(A) VR agency requests to receive title VI funds.

2. IF THE VR AGENCY HAS ELECTED TO RECEIVE TITLE VI FUNDS, SECTION 606(B)(3) OF THE REHABILITATION ACT REQUIRES VR AGENCIES TO INCLUDE SPECIFIC GOALS AND PRIORITIES WITH RESPECT TO THE DISTRIBUTION OF TITLE VI FUNDS RECEIVED UNDER SECTION 603 OF THE REHABILITATION ACT FOR THE PROVISION OF SUPPORTED EMPLOYMENT SERVICES. DESCRIBE THE USE OF TITLE VI FUNDS AND HOW THEY WILL BE USED IN MEETING THE GOALS AND PRIORITIES OF THE SUPPORTED EMPLOYMENT PROGRAM.

The VR Program assures that funds made available for SE will only be used to provide SE services to individuals who are eligible to receive such services. Currently TN VR utilizes the full amount of title VI funds for supported employment. The goal for the next federal fiscal year is to serve 3,617 for a cost of approximately \$6,540,00. The following priorities have been established to support this goal:

1. Expand IPS Services for individuals with disabilities who require supported employment services to include youth and adults.
2. Increasing CRPs across the state to meet the need of individuals with disabilities that require support employment and are interested in post-secondary education.
3. To increase qualified providers of supported employment services VR program is partnering with DDA in the development of Employment first and Accreditation Program.

3. SUPPORTED EMPLOYMENT SERVICES MAY BE PROVIDED WITH TITLE 1 OR TITLE VI FUNDS FOLLOWING PLACEMENT OF INDIVIDUALS WITH THE MOST SIGNIFICANT DISABILITIES IN EMPLOYMENT. IN ACCORDANCE WITH SECTION 101(A)(22) AND SECTION 606(B)(3) OF THE REHABILITATION ACT, DESCRIBE THE QUALITY, SCOPE, AND EXTENT OF SUPPORTED EMPLOYMENT SERVICES TO BE PROVIDED TO INDIVIDUALS WITH THE MOST SIGNIFICANT DISABILITIES, INCLUDING YOUTH WITH THE MOST SIGNIFICANT DISABILITIES; AND THE TIMING OF TRANSITION TO EXTENDED SERVICES.

An individualized plan for employment identifies the supported employment services to be provided by VR and the expected extended services that are needed, including the source of extended services. The IPE provides for periodic monitoring to ensure that the individual is making satisfactory progress toward meeting the weekly work requirement established by the time of transition to extended services. It also provides for the coordination of services when services are available from other Federal or State programs. To the extent that job skills training is provided, VR captures if training is onsite, and placement in an integrated setting for the maximum number of hours possible based on the unique strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice of individuals with the most significant disabilities.

Supported employment services means ongoing support services, that may include customized employment placement services, and other appropriate services needed to support and maintain an individual with a most significant disability, including a youth with a most significant disability, in supported employment that are:

- Organized and made available, singly or in combination, in such a way as to assist an eligible individual to achieve competitive integrated employment;
- Based on a determination of the needs of an eligible individual, as specified in an individualized plan for employment;
- Provided for a period of time not to exceed 24 months, unless under special circumstances the eligible individual and the rehabilitation counselor jointly agree to extend the time to achieve the employment outcome identified in the individualized plan for employment; and Following transition, as post-employment services that are unavailable from an extended services provider and that are necessary to maintain or regain the job placement or advance in employment.

Supported employment services are provided by appropriately trained Community Rehabilitation Providers in accordance with VR program requirements. The scope of supported employment services may include but is not limited to:

- A consultation meeting with the service provider prior to IPE development to determine the individual's service needs and specific employment objective.
- Career development by the service provider following completion of the IPE and placement services provided in Service Status.
- When warranted, Customized Employment placement services.
- Career stabilization (training) and maintenance (ongoing supports) provided in Service Status and Employed Status by skilled employment specialists and job coaches.
- Other services, beyond routine services, that are required because of the individual's intensive support needs.
- On-the-job training services when it is determined by appropriate stakeholders that training provided by the employer is necessary to learn the job skills.

- Post-employment services when it is determined by appropriate stakeholders that the individual is unable to continue in the job and requires additional limited services for re-placement.
- Individual Placement and Support (IPS) for individuals with mental illness.
- An extended services plan that identifies an individual's ongoing support needs, the strategy to address the support needs, and the responsible party that provides the extended services.

Extended services funded by other sources or by VR under certain circumstances for youth no older than age twenty-four (24) to maintain employment stability. The VR program provides supported employment services and service providers for the purpose of placing and training individuals with the most significant disabilities improves employment outcomes in competitive integrated employment.

4. SECTIONS 101(A)(22) AND 606(B)(4) OF THE REHABILITATION ACT REQUIRE THE VR AGENCY TO DESCRIBE EFFORTS TO IDENTIFY AND ARRANGE, INCLUDING ENTERING INTO COOPERATIVE AGREEMENTS, WITH OTHER STATE AGENCIES AND OTHER APPROPRIATE ENTITIES IN ORDER TO PROVIDE SUPPORTED EMPLOYMENT SERVICES. THE DESCRIPTION MUST INCLUDE EXTENDED SERVICES, AS APPLICABLE, TO INDIVIDUALS WITH THE MOST SIGNIFICANT DISABILITIES, INCLUDING THE PROVISION OF EXTENDED SERVICES TO YOUTH WITH THE MOST SIGNIFICANT DISABILITIES IN ACCORDANCE WITH 34 C.F.R. § 363.4(A) AND 34 C.F.R. § 361.5(C)(19)(V).

The VR Program has interagency arrangements and coordination with the following entities for the provision of supported employment services and extended services:

- The Department of Disabilities and Aging, (DDA), refers individuals with intellectual and developmental disabilities to the Vocational Rehabilitation program for Supported Employment Services.
- The Department of Mental Health and Substance Abuse Services (TDMHSAS) works with the Division to employ an evidence based Individual Placement and Support (IPS) model of supported employment for individuals with mental illness and substance related disorders.
- University of Tennessee, Center for Literacy Education and Employment provides staff training, professional development, and consultation services for community supported employment service providers.
- University of Tennessee, Synergy Evaluation Institute providing assessment, customer survey, and evaluation services to ensure customer needs are being met, and a focus on improvement in quality and access to services is maintained.
- Tennessee's Medicaid program, TennCare, partners with the Division for the provision of Supported Employment services for individuals enrolled in Employment and Community First CHOICES. ECF CHOICES serves individuals with intellectual and developmental disabilities who are receiving home and community-based services such as a Medicaid Long Term Service and Support.

- The Tennessee Department of Education (DOE) for the provision of Pre-Employment Transition Services, transition services, and other VR services provided by VR to students with disabilities in order to support an efficient transition from secondary school to post-school employment and related activities leading to competitive integrated employment.
- The Division is a party to the Interagency agreement between DOE, DDA, the Tennessee Department of Health, TDMHSAS, the Tennessee Department of Correction, and TennCare to fulfill the requirements of Part B and Part C of the Individuals with Disabilities Education Act (IDEA). The partner agencies strive to ensure that individuals and youth with disabilities are prepared for competitive integrated employment with access to necessary support services.

The VR Program has encouraged the establishment and development of Community Rehabilitation Providers (CRPs) to improve and expand services through grant and fee-for-service contracts in a joint effort of improving and expanding supported employment and extended services for individuals with disabilities. The Division currently has 89 active registered CRPs for supported employment services. The Division continues its' efforts to increase Supported Employment service providers and anticipates the numbers of providers will increase. VR is actively pursuing several other providers for underserved areas across the state.

F. ANNUAL ESTIMATES

Sections 101(a)(15) and 101(a)(23) of the Rehabilitation Act require all VR agencies to annually conduct a full assessment of their resources and ability to serve all eligible individuals before the start of the Federal fiscal year. In accordance with 34 C.F.R. § 361.29(b), annual estimates must include the following projections:

1. ESTIMATES FOR NEXT FEDERAL FISCAL YEAR—

A. VR PROGRAM; AND

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Note, please do not edit the table header or formatting. Only edit the table contents.

If you accidentally edit the table headers and structure, open this link to the blank table. You can copy and paste the table into the narrative field and start over if needed.

ESTIMATE FOR FFY 2026

Priority Category (if applicable)	No. of Individuals Eligible for Services	No. of Eligible Individuals Expected to Receive Services under VR Program	Costs of Services using Title I Funds	No. of Eligible Individuals Not Receiving Services (if applicable)
PC1	10,915	10,915	\$16,935,994.96	N/A
PC2	3,864	3,864	\$5,995,030.68	N/A

Priority Category (if applicable)	No. of Individuals Eligible for Services	No. of Eligible Individuals Expected to Receive Services under VR Program	Costs of Services using Title I Funds	No. of Eligible Individuals Not Receiving Services (if applicable)
PC3	220	220	\$341,369.61	N/A
PC4	63	63	\$97,290.34	N/A
TOTAL	15,061	15,061	\$23,369,685.59	

B. SUPPORTED EMPLOYMENT PROGRAM.

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ESTIMATE FOR FFY 2026

Priority Category (if applicable)	No. of Individuals Eligible for Services	No. of Eligible Individuals Expected to Receive Services under Supported Employment Program	Costs of Services using Title I and Title VI Funds	No. of Eligible Individuals Not Receiving Services (if applicable)
PC1	3,078	3,078	\$4,896,901.39	N/A
PC2	1,090	1,090	\$1,733,413.02	N/A
TOTAL	4,168	4,168	\$6,630,314.41	N/A

G. ORDER OF SELECTION

1. PURSUANT TO SECTION 101(A)(5) OF THE REHABILITATION ACT, THIS DESCRIPTION MUST BE AMENDED WHEN THE VR AGENCY DETERMINES, BASED ON THE ANNUAL ESTIMATES DESCRIBED IN DESCRIPTION (F), THAT VR SERVICES CANNOT BE PROVIDED TO ALL ELIGIBLE INDIVIDUALS WITH DISABILITIES IN THE STATE WHO APPLY FOR AND ARE DETERMINED ELIGIBLE FOR SERVICES.

* VR agencies may maintain an order of selection policy and priority of eligible individuals without implementing or continuing to implement an order of selection.

The VR agency is not implementing an order of selection, and all eligible individuals will be served.

2. FOR VR AGENCIES THAT HAVE DEFINED PRIORITY CATEGORIES DESCRIBE—

A. THE JUSTIFICATION FOR THE ORDER

Tennessee is no longer operating in an order of selection.

B. THE ORDER (PRIORITY CATEGORIES) TO BE FOLLOWED IN SELECTING ELIGIBLE INDIVIDUALS TO BE PROVIDED VR SERVICES ENSURING THAT INDIVIDUALS WITH THE MOST SIGNIFICANT DISABILITIES ARE SELECTED FOR SERVICES BEFORE ALL OTHER INDIVIDUALS WITH DISABILITIES;
AND

Tennessee is no longer operating in an order of selection.

C. THE VR AGENCY'S GOALS FOR SERVING INDIVIDUALS IN EACH PRIORITY CATEGORY, INCLUDING HOW THE AGENCY WILL ASSIST ELIGIBLE INDIVIDUALS ASSIGNED TO CLOSED PRIORITY CATEGORIES WITH INFORMATION AND REFERRAL, THE METHOD IN WHICH THE VR AGENCY WILL MANAGE WAITING LISTS, AND THE PROJECTED TIMELINES FOR OPENING PRIORITY CATEGORIES. NOTE: PRIORITY CATEGORIES ARE CONSIDERED OPEN WHEN ALL INDIVIDUALS IN THE PRIORITY CATEGORY MAY BE SERVED.

Tennessee is no longer operating in an order of selection.

3. HAS THE VR AGENCY ELECTED TO SERVE ELIGIBLE INDIVIDUALS OUTSIDE OF THE ORDER OF SELECTION WHO REQUIRE SPECIFIC SERVICES OR EQUIPMENT TO MAINTAIN EMPLOYMENT?

Tennessee is no longer operating in an order of selection.

H. WAIVER OF STATEWIDENESS.

The State plan shall be in effect in all political subdivisions of the State, however, the Commissioner of the Rehabilitation Services Administration (Commissioner) may waive compliance with this requirement in accordance with Section 101(a)(4) of the Rehabilitation Act and the implementing regulations in 34 C.F.R. § 361.26. If the VR agency is requesting a waiver of statewideness or has a previously approved waiver of statewideness, describe the types of services and the local entities providing such services under the waiver of statewideness and how the agency has complied with the requirements in 34 C.F.R. § 361.26. If the VR agency is not requesting or does not have an approved waiver of statewideness, please indicate "not applicable."

Not Applicable

I. COMPREHENSIVE SYSTEM OF PERSONNEL DEVELOPMENT.

In accordance with the requirements in Section 101(a)(7) of the Rehabilitation Act, the VR agency must develop and maintain annually a description (consistent with the purposes of the Rehabilitation Act) of the VR agency's comprehensive system of personnel development, which shall include a description of

the procedures and activities the State VR agency will undertake to ensure it has an adequate supply of qualified State rehabilitation professionals and paraprofessionals that provides the following:

1. ANALYSIS OF CURRENT PERSONNEL AND PROJECTED PERSONNEL NEEDS INCLUDING—
 - A. THE NUMBER OF PERSONNEL CURRENTLY NEEDED BY THE VR AGENCY TO PROVIDE VR SERVICES, BROKEN DOWN BY PERSONNEL CATEGORY; AND
 - B. THE NUMBER AND TYPE OF PERSONNEL THAT ARE EMPLOYED BY THE VR AGENCY IN THE PROVISION OF VOCATIONAL REHABILITATION SERVICES, INCLUDING RATIOS OF QUALIFIED VOCATIONAL REHABILITATION COUNSELORS TO CLIENTS;
 - C. PROJECTIONS OF THE NUMBER OF PERSONNEL, BROKEN DOWN BY PERSONNEL CATEGORY, WHO WILL BE NEEDED BY THE VR AGENCY TO PROVIDE VR SERVICES IN 5 YEARS BASED ON PROJECTIONS OF THE NUMBER OF INDIVIDUALS TO BE SERVED, INCLUDING INDIVIDUALS WITH SIGNIFICANT DISABILITIES, THE NUMBER OF PERSONNEL EXPECTED TO RETIRE OR LEAVE THE FIELD, AND OTHER RELEVANT FACTORS.

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Personnel Category	No. of Personnel Employed	No. of Personnel Currently Needed	Projected No. of Personnel Needed in 5 Years
Administration	21	22	28
Clerical	63	68	85
Rehabilitation Assistants	8	9	11
Supervisors	82	89	111
Support	22	27	34
Instructor	19	25	31
VR Direct Client Services	204	258	322
Medical	12	15	18
BEP Specialist/Consultant	12	17	21

D. RATIO OF QUALIFIED VR COUNSELORS TO CLIENTS:

In PY 2022, a total of 11,703 VR customers were served. This number includes all customers who completed a VR application. These customers were served by a total of 91 counselor positions, 7 of which are currently vacant. The ratio of counselors to clients is 1:139.

The total number of VR customers served, including customers who completed an application, has increased from PY 2022. The total number of customers served in PY 2024 increased to 16,232. These customers were served by a total of 91 counselor positions, 10 of which are currently vacant. The current ratio of counselors to clients is 1:200.

E. PROJECTED NUMBER OF INDIVIDUALS TO BE SERVED IN 5 YEARS:

The VR Program previously projected a 25% increase in customers served for a total of 14,629 in 2029. The VR Program reassesses and updates the projection. The total number of customers served has increased by approximately 16% for each of the last two program years. Applying a 10% annual growth rate, which reflects positive momentum but accounts for potential slowdowns or resource constraints, the VR Program is projecting a total of 30,368 customers served in PY 2029.

2. DATA AND INFORMATION ON PERSONNEL PREPARATION AND DEVELOPMENT, RECRUITMENT AND RETENTION, AND STAFF DEVELOPMENT, INCLUDING THE FOLLOWING:

A. A LIST OF THE INSTITUTIONS OF HIGHER EDUCATION IN THE STATE THAT ARE PREPARING VR PROFESSIONALS, BY TYPE OF PROGRAM; THE NUMBER OF STUDENTS ENROLLED AT EACH OF THOSE INSTITUTIONS, BROKEN DOWN BY TYPE OF PROGRAM; AND THE NUMBER OF STUDENTS WHO GRADUATED DURING THE PRIOR YEAR FROM EACH OF THOSE INSTITUTIONS WITH CERTIFICATION OR LICENSURE, OR WITH THE CREDENTIALS FOR CERTIFICATION OR LICENSURE, BROKEN DOWN BY THE PERSONNEL CATEGORY FOR WHICH THEY HAVE RECEIVED, OR HAVE THE CREDENTIALS TO RECEIVE, CERTIFICATION OR LICENSURE.

Select 'Edit' to edit the narrative.

Note, please do not edit the table header or formatting. Only edit the table contents.

If you accidentally edit the table headers and structure, open this link to the blank table. You can copy and paste the table into the narrative field and start over if needed.

Institute of Higher Education	Type of Program	No. of Students Enrolled	No. of Prior Year Graduates
The University of Memphis	Clinical Rehabilitation Counseling	9	1
The University of Memphis	Vocational Rehabilitation	3	1

B. THE VR AGENCY'S PLAN FOR RECRUITMENT, PREPARATION AND RETENTION OF QUALIFIED PERSONNEL, WHICH ADDRESSES THE CURRENT AND PROJECTED NEEDS FOR QUALIFIED PERSONNEL; AND THE COORDINATION AND FACILITATION OF EFFORTS BETWEEN THE VR AGENCY AND INSTITUTIONS OF HIGHER EDUCATION AND PROFESSIONAL ASSOCIATIONS TO RECRUIT,

PREPARE, AND RETAIN PERSONNEL WHO ARE QUALIFIED, INCLUDING PERSONNEL FROM MINORITY BACKGROUNDS AND PERSONNEL WHO ARE INDIVIDUALS WITH DISABILITIES.

Within The Department of Human Services, the Division of Rehabilitation works closely with People Operations Learning & Organization Development units. This unit ensures that TDHS can attract, recruit, select, develop, engage, and retain staff. There are specific services provided by HR that include a new employee orientation, employee relations, employee performance management and other employee-related services. The Learning and Organizational Development team within People Operations plays a vital role in culture of continuous learning, and focuses on enhancing employees' knowledge, skills, and capabilities. The primary goal is to ensure the employees have the necessary competencies to perform their job effectively, adapt to changing demands, and contribute to the overall success of the organizations. Opportunities for training include leadership development, professional growth, and development.

A new addition to the Division of Rehabilitation Services is our communications and marketing manager, who serves as a liaison between DRS and the People Operations unit. The communications and marketing manager helps to ensure that messaging, resources, and initiatives are clearly communicated, consistently branded, and effectively shared with staff across the division, supporting both employee engagement and organizational alignment. Higher Institutions are notified of open positions and assist with the recruitment of counselors which includes individuals with disabilities and individuals who are minorities. Also, external partners, councils and hiring platforms are utilized to recruit for all positions. A few examples of this would be NCSAB, Community Rehabilitation Providers, Universities (handshake), LinkedIn and indeed. To aid in recruitment there are supplemental postings that are more specific to positions and provide information to the mission and vision of the agency.

An entry level position has been created that assist Master level counselors with workloads. This position has created a pipeline for the counselor level position for those that are interested. Job descriptions were reviewed for professional staff as to the level of degree needed and experience were taken into consideration. Duties were updated to reflect the current job role of professional positions.

To aid in the preparation and retention all personnel participate in introductory modules (first two modules) DRS CORE (Connecting Opportunities, Resources and Education). CORE offers a series of modules for staff, each increasing knowledge and awareness of the VR program, while always connecting back to the Division's core beliefs. These first two modules offer a broad foundation of VR for all personnel, incorporating our transformation into onboarding, and aligning with and reinforcing the person-centered philosophy. Orientation and Person-Centered thinking are a session where all personnel meet program directors and provide an overview of the variety of support options available to our customers. The focus is to demonstrate person-centered thinking in all that we do. The customer journey is a session that focuses on service standards and showing respect for our customers at each touch point on their journey to competitive integrated employment. The remaining Modules are specifically for VR Counselors, diving into the inner work of a VR case and offering training and assistance on how to assist customers in achievement of employment goals. Additional modules have been created that are specific to Pre-Employment Transition Specialist (Pre-ETS) which consist of four self-directed, online modules covering the background of Transition services, the job role of a pre-ETS

specialist and the pre-ETS toolbox. Modules to be implemented soon are for Supervisors and Business Services Unit.

In the preparation and retention efforts TN VR looks for ways to enhance the employee's ability to fulfill the Department's mission in Strengthen Tennessee by Strengthening Tennesseans. Personnel are encouraged to participate and attend training sessions, conferences, and events. Opportunities are provided that enhance the DHS employees' job skills and prepare staff to evolve in a successful upward progression in their profession.

In May 2024, the University of Memphis, in collaboration with the Tennessee Division of Rehabilitation Services/Vocational Rehabilitation Program, created a 30-credit asynchronous online master's degree program in Vocational Rehabilitation. The degree targets current VR counselors who do not have a master's in rehabilitation counseling and bachelor's level state employees interested in earning a master's degree. The program admits students in August and January and is classified as a UMGlobel Program.

C. DESCRIPTION OF STAFF DEVELOPMENT POLICIES, PROCEDURES, AND ACTIVITIES THAT ENSURE ALL PERSONNEL EMPLOYED BY THE VR AGENCY RECEIVE APPROPRIATE AND ADEQUATE TRAINING AND CONTINUING EDUCATION FOR PROFESSIONALS AND PARAPROFESSIONALS:

I. PARTICULARLY WITH RESPECT TO ASSESSMENT, VOCATIONAL COUNSELING, JOB PLACEMENT, AND REHABILITATION TECHNOLOGY, INCLUDING TRAINING IMPLEMENTED IN COORDINATION WITH ENTITIES CARRYING OUT STATE PROGRAMS UNDER SECTION 4 OF THE ASSISTIVE TECHNOLOGY ACT OF 1998; AND

II. PROCEDURES FOR THE ACQUISITION AND DISSEMINATION OF SIGNIFICANT KNOWLEDGE FROM RESEARCH AND OTHER SOURCES TO VR AGENCY PROFESSIONALS AND PARAPROFESSIONALS AND FOR PROVIDING TRAINING REGARDING THE AMENDMENTS TO THE REHABILITATION ACT MADE BY THE WORKFORCE INNOVATION AND OPPORTUNITY ACT.

TN VR has implemented specific onboarding and professional development training for all staff. There are modules within CORE that provide direction and guidance to positions as to responsibilities and duties. For VR Counselors, modules are diving into the innerworkings of a VR case and offering training and assistance on how to assist customers in achievement of employment goals. Additional modules have been created that are specific to Pre-Employment Transition Specialist (Pre-ETS) which consist of four self-directed, online modules covering the background of Transition services, the job role of a pre-ETS specialist and the pre-ETS toolbox. Modules to be implemented soon are for Supervisors and Business Services Unit. Personnel are encouraged to participate and attend training courses, conferences, and events.

TN staff utilize YesLMS, LinkedIn, and HR training for onboarding purposes as well as for professional development. Trainings are also available to all staff through regional/unit meetings, one on one with policy and UTCLEE. TN program has a training coordinator position to ensure all staff have access to training and to provide an intentional focus on training opportunities. Policy coordinators are available to each region to provide policy training as requested based on trends that have been identified. Trainings are conducted in person, by webinars and/or recorded online.

For onboarding practices TN has reviewed current practices and will be expanding curriculum for all field positions. The onboarding process will allow sufficient time in training and getting to know the program prior to working independently. With the goal being to increase confidence of new staff in current position as well retain.

There is a strong partnership with the University of Memphis. This has proven to be very beneficial to those counselors who are hired without a degree in Rehabilitation Counseling. There are specifically three virtual courses providing the foundations of Rehabilitation Counseling.

3. DESCRIPTION OF VR AGENCY POLICIES AND PROCEDURES FOR THE ESTABLISHMENT AND MAINTENANCE OF PERSONNEL STANDARDS CONSISTENT WITH SECTION 101(A)(7)(B) TO ENSURE THAT VR AGENCY PROFESSIONAL AND PARAPROFESSIONAL PERSONNEL ARE ADEQUATELY TRAINED AND PREPARED, INCLUDING—

A. STANDARDS THAT ARE CONSISTENT WITH ANY NATIONAL OR STATE-APPROVED OR -RECOGNIZED CERTIFICATION, LICENSING, REGISTRATION, OR OTHER COMPARABLE REQUIREMENTS THAT APPLY TO THE PROFESSION OR DISCIPLINE IN WHICH SUCH PERSONNEL ARE PROVIDING VR SERVICES; AND

B. THE ESTABLISHMENT AND MAINTENANCE OF EDUCATION AND EXPERIENCE REQUIREMENTS, IN ACCORDANCE WITH SECTION 101(A)(7)(B)(II) OF THE REHABILITATION ACT, TO ENSURE THAT THE PERSONNEL HAVE A 21ST CENTURY UNDERSTANDING OF THE EVOLVING LABOR FORCE AND THE NEEDS OF INDIVIDUALS WITH DISABILITIES.

With the addition of a training coordinator position TN VR has been able to focus on training needs of all staff. This has ensured there is a skill set of assisting individuals with disabilities toward competitive integrated employment. Trainings include are in customer service, medical aspects, ethics, and competitive integrated employment to name a few. The Business Services unit is available to provide trainings on laborer market information and disability etiquette. This past year TN VR has worked to ensure that there is the opportunity for CRC hours to accompany trainings for those who hold this certification.

TN holds an annual ResouceABILITY Fair that allows all staff to learn more about assistive technology with meeting with vendors and getting a hands-on view of new technology. This fair also provides trainings that incorporates how to deliver services that enhance a customer's opportunities for employment. The event is hosted in partnership with the stat's AT Act Program, the Tennessee Technology Access Program (TTAP). Each year VR staff participate with The Department of Labor with convening sessions held across the state to share labor market information and best practices in serving customers. Staff within the VR program are co located at the American job centers and attend quarterly training on services available at each center as well as updates to the laborer market to their geographic area. The American job centers have a business services unit, and the VR business employment consultant participates with this unit in identifying employment opportunities.

VRCM Minimum Qualifications

Education and Experience: Master's degree in Rehabilitation Counseling

OR

- Master's or doctoral degree in a related field of study with course content that emphasizes rehabilitation, counseling, disability, therapy, health, employment, wellness, or human development

AND

- Within 90 days of hire, must submit an educational plan for approval and apply for admission to an accredited university for enrollment of additional required courses. Within six months of hire must enroll, at their own expense, in the following courses: Professional Orientation & Ethics in Rehabilitation Counseling, Medical & Psychosocial Aspects of Disabilities, Theories & Techniques of Counseling and satisfactorily complete all within thirty-six months from the date of hire.

OR

- Within 90 days of hire, submit a request for a pre-review, at their own expense, to the Commission on Rehabilitation Counselor Certification (CRCC) that results in confirmation that they meet the eligibility criteria to test for the Certified Rehab Counselor Certification and provide official notification from the CRCC.

OR

- Have an active Certified Rehab Counselor Certification from the CRCC

The position of VR Support Coordinator was created for collaboration with VR Counselors. VR Support Coordinators engage with multiple colleagues across disciplines to ensure successful customer experience. Education and Experience for this position is Graduation from an accredited college or university with a bachelor's degree and one year of full-time professional-level experience in a social science, social service, or related field. The intent is for this position to also create a pipeline for those that are interested in pursuing a degree in Rehabilitation Counseling and wanting to become a VR Counselor.

4. METHOD(S) THE VR AGENCY USES TO ENSURE THAT PERSONNEL ARE ABLE TO COMMUNICATE IN APPROPRIATE MODES OF COMMUNICATION WITH OR IN THE NATIVE LANGUAGE OF APPLICANTS OR ELIGIBLE INDIVIDUALS WHO HAVE LIMITED ENGLISH SPEAKING ABILITY.

The Tennessee Department of Human Services (TDHS) takes reasonable steps to ensure that persons with Limited English Proficiency have meaningful access and an equal opportunity to inquire, apply for and participate in Agency-offered services, including VR services, activities, programs and other benefits. All interpreters, translators, and other aids needed to comply with this policy shall be provided without cost to the person seeking services.

The Division of Rehabilitation Services has policies and procedures to ensure that it includes among its personnel, or has readily available, the services of (1) Individuals able to communicate in the native languages of applicants and eligible individuals who have limited English proficiency through Avaza Language Services, Linguistica International, or TransPerfect; and (2) Individuals able to communicate with applicants or eligible individuals in appropriate modes of communication. Over the phone interpreting may be accomplished by setting up a conference call with a translator. DHS contracts with Avaza Language Services Corporation. Refer to the VR Resource Manual for the Step-by-Step Guide to accessing Avaza services and go to Avaza for more information about Avaza services. If a face-

to-face foreign language translator or interpreter is requested and justified by an individual, contact the nearest DHS office for a list of approved local translators or contact the University of Tennessee Language Center .

During staff orientation, New Counselor Training, annual Title VI training and other training activities, Division staff members are informed of specific procedures to be followed to ensure effective communication with limited English-speaking individuals. Telephonic translation services are available through Avaza Language Services, Linguistica International, or TransPerfect. The Tennessee Language Center is also available for written translation and in person interpretation. All regions have received training for all staff in the use of these services.

The Division continues to recognize its responsibility for employing or obtaining the services of sign language interpreters, which fall within the definition of appropriate modes of communication in (34 CFR § 361.5(b) (5)), to the extent necessary to meet the communication needs of individuals who are Deaf, Hard of Hearing or Deaf-Blind. The Division's policy addresses the (1) significance of such services, (2) the selection of service providers, (3) the scheduling and payment for services, and (4) an evaluation process for such services.

5. AS APPROPRIATE, DESCRIBE THE PROCEDURES AND ACTIVITIES TO COORDINATE THE DESIGNATED STATE UNIT'S COMPREHENSIVE SYSTEM OF PERSONNEL DEVELOPMENT WITH PERSONNEL DEVELOPMENT UNDER THE INDIVIDUALS WITH DISABILITIES EDUCATION ACT.

In 2015, the TDOE partnered with Vanderbilt University to create an online and in-person professional development system called Transition Tennessee (www.transitiontn.org). Transition Tennessee was originally intended to be a one-stop shop for educators to have immediate access to all things related to transition planning in the school system through an online portal. It began with an initial set of online professional development courses and expanded into establishing regional communities of practice, local technical assistance sites, monthly webcasts, and much more. The courses offered under the educator blueprint are:

- Guiding Principles
- Age-Appropriate Transition Assessments
- Developing a High-Quality Transition Plan
- Pathways to Employment
- Pathways to Community Life
- Pathways to Self-Determination
- Pathways to Postsecondary Education
- Supports and Partnerships

This new online resource was presented across the state to teachers, but also to vocational rehabilitation staff. To continue and expand the State's collective impact, VR also entered into a partnership with Transition Tennessee to create a Pre-ETS Blueprint portal that would also be housed

on www.transitionTN.org. As of Jan. 2022, there are eight courses available within the Pre-ETS Blueprint and two more being developed.

- Power of Early Work Experiences
- An Overview of WIOA and Pre-ETS
- Connecting with Employers and Families
- Instruction in Self-Advocacy
- Work-Based Learning
- Job Exploration Counseling
- Developing Strong Partnerships
- Strategies for Effective Instruction
- Workplace Readiness Training (2022)
- Counseling on Postsecondary Education Opportunities (2022)

An ever-evolving student portal has also been created where students can receive free training on tips for going to work or continuing their education. This student can also be leveraged by providers to be used as an instructional tool, complete with resources, handouts, notes, and guided lessons.

This partnership between the TDOE, VR, and Vanderbilt to create and expand Transition Tennessee has also resulted in hosting a pre-conference in addition to the TDOE's Partners in Education Conference. The pre-conference is called Passport to the Future and has reached capacity of 450 during the first two years and over 500 in January of 2020. Passport to the Future brings together both education and VR staff for the sole purpose of improving the knowledge, skills, and abilities for the partners who help build a seamless pathway to postsecondary. A virtual option was also provided in 2021, but there is not an option for a Passport to the Future conference in 2022 as part of the TDOEs' Partners in Education Conference, as the conference is no longer occurring. More information about Passport to the Future or other training opportunities can be found here: <https://transitiontn.org/conferences>.

J. COORDINATION WITH EDUCATION OFFICIALS.

In accordance with the requirements in Section 101(a)(11)(D) of the Rehabilitation Act—

1. DESCRIBE PLANS, POLICIES, AND PROCEDURES FOR COORDINATION BETWEEN THE DESIGNATED STATE AGENCY AND EDUCATION OFFICIALS RESPONSIBLE FOR THE PUBLIC EDUCATION OF STUDENTS WITH DISABILITIES, THAT ARE DESIGNED TO FACILITATE THE TRANSITION OF THE STUDENTS WITH DISABILITIES FROM THE RECEIPT OF EDUCATIONAL SERVICES IN SCHOOL TO THE RECEIPT OF VOCATIONAL REHABILITATION SERVICES, INCLUDING PRE-EMPLOYMENT TRANSITION SERVICES.

The VR Program has chosen to provide Pre-ETS through Transition School to Work agreements with Local Education Agencies (LEAs) for interagency transfer, Pre-ETS contracts through Community

Rehab Providers (CRPs), Pre-ETS Summer Camps, and direct staff contact. In addition, VR staff collaborate to provide information VR sessions to students while in high school who may benefit from further VR services and seek to acquire additional VR referrals through this process.

The VR Program employs 23 Pre-Employment Transition Specialists and four Pre-Employment Transition Supervisors to coordinate services provided in their areas, identify Local Education Agencies (LEAs) who have a need for Pre-ETS, and recruit CRPs. They match interested schools and willing CRPs and/or provide services where there are students with disabilities who need the service.

The Pre-Employment Transition Specialists work with the schools to identify students who are of working age who want to become VR customers and make referrals to the VR Counselor assigned to the school.

As of PY23, there are 20 Pre-Employment Transition Community Rehabilitation Providers and 60 LEAs contracted to provide services.

Transition Tennessee

An important feature that helped to operationalize the interagency agreement between the VR Program and the Department of Education is the continued development of TransitionTN.org. This online professional development and resource hub is funded by both the Tennessee Department of Education and Tennessee Vocational Rehabilitation. The site provides portals into an educator blueprint and a provider blueprint where users can participate in asynchronous professional development and get acquainted with a host of resources. For example, there is a Transition Framework, age-appropriate transition assessment database, searchable curriculum database, and so much more. While much of the content was targeted towards a specific target audience, the content in both the educator and provider portals provide cross training opportunities.

Tennessee VR continues to work with the Vanderbilt Kennedy Center and Transition TN to update and develop new content and resources for Pre-ETS providers. In addition, we are now offering content directly to students to receive Pre-ETS in a self-paced manner or through the use of an instructor-led online session. We have now identified and began training the first model demonstration site that will highlight best practices and to be used as a training resource for other school districts and provider agencies. Lastly, more in-person training for Pre-ETS providers and educators has been identified and planned for upcoming years of the Transition Tennessee contract.

Policy

The VR Program has policies and procedures governing Pre-employment Transition Services (Pre-ETS). These policies and procedures are designed to support field staff in providing quality services and resources to students with disabilities in Tennessee and encourage collaboration between school personnel, contractors, and VR staff. The Pre-ETS policy also explains the process if the student desires to apply for VR services. The goal of the policies and procedures is to offer experiences that can assist transition students to a more positive and encouraging competitive employment outcome.

2. DESCRIBE THE CURRENT STATUS AND SCOPE OF THE FORMAL INTERAGENCY AGREEMENT BETWEEN THE VR AGENCY AND THE STATE EDUCATIONAL AGENCY. CONSISTENT WITH THE

REQUIREMENTS OF THE FORMAL INTERAGENCY AGREEMENT PURSUANT TO 34 C.F.R. § 361.22(B), PROVIDE, AT A MINIMUM, THE FOLLOWING INFORMATION ABOUT THE AGREEMENT:

A. CONSULTATION AND TECHNICAL ASSISTANCE, WHICH MAY BE PROVIDED USING ALTERNATIVE MEANS FOR MEETING PARTICIPATION (SUCH AS VIDEO CONFERENCES AND CONFERENCE CALLS), TO ASSIST EDUCATIONAL AGENCIES IN PLANNING FOR THE TRANSITION OF STUDENTS WITH DISABILITIES FROM SCHOOL TO POST-SCHOOL ACTIVITIES, INCLUDING PRE-EMPLOYMENT TRANSITION SERVICES AND OTHER VOCATIONAL REHABILITATION SERVICES;

B. TRANSITION PLANNING BY PERSONNEL OF THE DESIGNATED STATE AGENCY AND EDUCATIONAL AGENCY PERSONNEL FOR STUDENTS WITH DISABILITIES THAT FACILITATES THE DEVELOPMENT AND IMPLEMENTATION OF THEIR INDIVIDUALIZED EDUCATION PROGRAMS (IEPS) UNDER SECTION 614(D) OF THE INDIVIDUALS WITH DISABILITIES EDUCATION ACT;

C. THE ROLES AND RESPONSIBILITIES, INCLUDING FINANCIAL RESPONSIBILITIES, OF EACH AGENCY, INCLUDING PROVISIONS FOR DETERMINING STATE LEAD AGENCIES AND QUALIFIED PERSONNEL RESPONSIBLE FOR TRANSITION SERVICES AND PRE-EMPLOYMENT TRANSITION SERVICES;

D. PROCEDURES FOR OUTREACH TO AND IDENTIFICATION OF STUDENTS WITH DISABILITIES WHO NEED TRANSITION SERVICES AND PRE-EMPLOYMENT TRANSITION SERVICES. OUTREACH TO THESE STUDENTS SHOULD OCCUR AS EARLY AS POSSIBLE DURING THE TRANSITION PLANNING PROCESS AND MUST INCLUDE, AT A MINIMUM, A DESCRIPTION OF THE PURPOSE OF THE VOCATIONAL REHABILITATION PROGRAM, ELIGIBILITY REQUIREMENTS, APPLICATION PROCEDURES, AND SCOPE OF SERVICES THAT MAY BE PROVIDED TO ELIGIBLE INDIVIDUALS;

E. COORDINATION NECESSARY TO SATISFY DOCUMENTATION REQUIREMENTS SET FORTH IN 34 C.F.R. PART 397 REGARDING STUDENTS AND YOUTH WITH DISABILITIES WHO ARE SEEKING SUBMINIMUM WAGE EMPLOYMENT; AND

F. ASSURANCE THAT, IN ACCORDANCE WITH 34 C.F.R. § 397.31, NEITHER THE SEA NOR THE LOCAL EDUCATIONAL AGENCY WILL ENTER INTO A CONTRACT OR OTHER ARRANGEMENT WITH AN ENTITY, AS DEFINED IN 34 C.F.R. § 397.5(D), FOR THE PURPOSE OF OPERATING A PROGRAM UNDER WHICH YOUTH WITH A DISABILITY IS ENGAGED IN WORK COMPENSATED AT A SUBMINIMUM WAGE.

A. The VR Program initially signed an exclusive agreement with the Tennessee Department of Education (TDOE) in October 2017 to provide pre-employment transition services (Pre-ETS). This agreement was updated on April 1, 2023. The agreement outlines its purpose, the responsibilities of Vocational Rehabilitation (VR), the responsibilities of the Department of Education (DOE), and shared responsibilities.

In the summers of 2022 and 2023, transition academies were created to provide comprehensive training to school-based transition coordinators, teachers, and Pre-ETS providers. Moreover, these training opportunities are now offered annually, covering transition planning for students with disabilities, including Pre-ETS and VR services. These training sessions are shared with various transition stakeholders, such as VR staff, Community Rehabilitation Providers (CRPs), and Local Education Agency (LEA) staff. Annually, the training sessions will be updated to include relevant

content requested by stakeholders. Additionally, as part of the jointly funded project Transition Tennessee, the first Pre-ETS model demonstration site in Middle Tennessee LEA has been completed. The results of this model demonstration site and two others will be used to create evidence based best practices that can be shared across the state with providers and LEAs when implementing Pre-ETS

Tennessee VR employs 21 Pre-Employment Transition Specialists to offer guidance and technical assistance to educational agencies. Each county and local school district has an assigned Pre-ETS Specialist responsible for providing continuous support, coaching, and technical assistance. Additionally, Tennessee VR designed one Pre-Employment Transition Specialist to serve as the subject matter expert for students with vision loss. This position is housed within the Blind Services Division within the VR program. All specialists also complete ongoing VR referrals to facilitate a seamless transition for potentially eligible students receiving Pre-ETS to VR referral, application, and, if eligible, VR customer status.

Tennessee VR collaborates with the Tennessee DOE in multiple state-level task forces aimed at promoting shared responsibilities and visions for transition planning and services. These groups include, but are not limited to, the TDOE Transition Leadership Team, Employment Roundtable, TNWorks Partnership, and the Governor's Employment First Task Force. Participating in these roles enables Tennessee VR to maintain a strong working relationship at the state level with the state education agency. This results in joint planning for state-level initiatives, consistent messaging to local school districts, and a deeper understanding of the interplay between the two entities.

B. When a student who is eligible based on the Individuals with Disabilities Education Improvement Act (IDEIA) standards reaches the age of fourteen (14), the Individualized Education Program (IEP) team, as defined by 34 CFR § 300.344, formulates a statement of transition service needs as a component of the IEP. The VR Program staff are invited and to the extent possible participates in these IEP meetings.

To ensure each LEA is aware of the involvement VR staff can have on a student and customer's journey, the DSU has ensured each LEA has appropriate coverage from a multitude of VR staff. VR staff are charged with ensuring all schools are visited, in-person or virtual each year, conducting outreach and engagement activities, including, but not limited to job fairs, transition fairs, resource fairs, community events, parent/teacher conferences, and back to school nights.

C & D. A no cost interagency agreement between the Tennessee Department of Education (TDOE) and the Division describes the roles and responsibilities of each to ensure that individuals who are IDEIA eligible and meet the VR Program's eligibility requirements and will receive VR Services through a comprehensive and coordinated effort. The agreement negotiated between both agencies is very specific in defining the specific responsibilities for each.

For the VR Program, VR is responsible for various aspects of making its services available to students with disabilities, including the five (5) required Pre-ETS through VR staff, contracted CRPs and LEAs. While not a comprehensive list, some of the specific responsibilities of the VR Program include: providing Pre-ETS on an individual or group basis; providing materials and information regarding the VR process and services; accepting referral of students with disabilities who choose to pursue VR services beyond Pre-ETS; consulting with LEAs on transition planning to prepare a student

to move from school to work or postsecondary education; providing information to parents and/or guardians, students/clients; and informing teachers, students, parents and legal guardians of the Rehabilitation Act requirements and implementing regulations.

The Tennessee Department of Education has accepted responsibility for helping the VR Program encourage participation of Tennessee's over 130 independent LEAs in the provision of Pre-ETS and helping assure that parents, students and teachers are aware of and have access to Pre-ETS through multiple delivery methodologies including, but not limited to: encouraging LEAs to distribute the Pre-ETS materials to students, family members, guardians, or their representatives; emphasize transition best practices with all LEAs; expand existing technical assistance, training and transition reference materials to include information regarding WIOA to LEAs and other stakeholders, including encouraging the Tennessee Parent Training and Information Center to share information with parents, families, guardians and students relating to the provision of Pre-ETS; develop active communication and outreach efforts to make parents and students aware of coordinated Pre-ETS activities; and provide VR and stakeholders regarding TDOEs adopted written policies and guidelines regarding compliance with WIOA including the coordinated provision of Pre-ETS.

Similar to the agreement between the Division and TDOE, the VR Program constructs contracts with CRPs and agreements with LEAs as referenced in section d.1 above with very specific terms for each respectively that include CRP or LEA terms that outline expected deliverables, timelines, reporting, outcomes and reimbursement procedures. Those scope and general terms are similar regardless of which procurement method is used and include: provision of the Pre-ETS activities for students with disabilities ages 14-22 in accordance with the Public Law 113-128, Workforce Innovation and Opportunity Act of 2014 (WIOA), Section 422, and Code of Federal Regulations, Title 34, Part 361, as amended; assure that only staff meet minimum qualifications detailed in the agreement provide services; accommodate the needs of students with disabilities in compliance with state and federal law, including without limitation the Americans with Disabilities Act; obtain written permission from the student's parent or guardian for demographic information and disability certification; and provide monthly fiscal and program reports of its Pre-ETS activities that document details of services provided.

The LEA is responsible for the educational costs related to the provision of special education and related services for the individual attending school. The agreement states that if another public agency is obligated under federal or state law or assigned responsibility under state policy to provide or pay for any services that are considered special education or related services and are necessary for ensuring a free appropriate public education (FAPE) to students who are IDEIA eligible, the public agency shall fulfill that obligation or responsibility, directly, through contract or by another arrangement. However, failure of that public agency to pay for that service does not relieve the LEA of its obligation to provide that service to an individual with a disability in a timely manner.

The VR Program is responsible for all costs necessary for eligibility determination and provision of services under an IPE. The VR Program must consider comparable services and benefits [34 CFR § 361.53 (c) (1)], available under any other program that does not interrupt or delay the progress of the individual toward achieving the employment outcome identified in the IPE.

The Pre-ETS interagency agreement identifies the financial responsibility of the Department of Education (DOE) to ensure that individuals who are IDEIA eligible receive a FAPE in the least

restrictive environment. A free appropriate public education means regular and special education and related services which:

- Are provided at public expense, under public supervision and direction, and without charge to the parent;
- Meet the standards established by state law, including the requirements of IDEIA Part B and the Rules, Regulations and Minimum Standards for the Governance of Tennessee Public Schools, issued by DOE;
- Include preschool, elementary school, and secondary school (including appropriate vocational, career or work experience education); and
- Are provided in conformity with an IEP.

E. In complying with the documentation requirements in 34 CFR 397 for youth with disabilities and with section 511 of the Rehabilitation Act, the VR Program has contracted with the University of Tennessee, Center for Literacy, Education, and Employment (UTCLEE) to coordinate with local education agencies to provide career counseling and information and referral services for youth with disabilities who are seeking subminimum wage employment and including referral information providing self-advocacy, self-determination and peer mentoring training. UTCLEE maintains and submits to VR documentation of services including verification for each youth who was contacted and received the requisite services or who was contacted and refused such services. For youth employed at subminimum wage UTCLEE complies with the requirements to provide the requisite services once every six (6) months for the first year of the eligible youth's employment and annually thereafter for the duration of such employment.

F. To ensure clear understanding and compliance with the subminimum wage provisions of the Workforce Innovation and Opportunity Act (WIOA), the following term has been included in the interagency agreement and all Pre-ETS provider contracts, involving the Division, TDOE, and LEAs: "The Department of Education (DOE) and any Local Education Agency (LEA) in Tennessee are prohibited from engaging with an organization that holds a special wage certificate under section 14(c) of the Fair Labor Standards Act for the purpose of having students with disabilities work at subminimum wages. Both parties are obligated to follow the documentation requirements outlined in Section 511 of the Workforce Innovation and Opportunity Act (WIOA) when students with disabilities seek subminimum wage employment.

K. COORDINATION WITH EMPLOYERS

In accordance with the requirements in Section 101(a)(11)(E) of the Rehabilitation Act, describe how the VR agency will work with employers to identify competitive integrated employment and career exploration opportunities in order to facilitate the provision of VR services; and transition services for youth and students with disabilities, including pre-employment transition services for students with disabilities.

The Vocational Rehabilitation Business Service Unit (BSU), in collaboration with the VR Community Service Unit, and Pre-ETS staff, works with employers to promote competitive integrated work opportunities and career exploration for customers through job search and placement services,

combined service provision with WIOA core partners and stakeholders, and facilitation of work-based learning opportunities and employer-based training and employment programming.

VR customers can work with Community Service Unit staff or a Business Employment Consultant (BEC) from BSU to explore career opportunities aligning with their occupational goals and desired geographical location of residence. Together, the VR team members and VR customers can search for local employment opportunities of interest, apply for opportunities, conduct interview preparation, and execute final placement. The success of BECs is measured by their successful service delivery to enhance competitive integrated employment outcomes for customers, focusing on outcomes with competitive wages, employer benefit offerings, and alignment of the outcome with the customer stated occupational goal.

The BSU also provides services directly to the business community, focusing on the needs of Tennessee employers, large and small. As employers across the state seek to recruit and retain individuals with disabilities, the BSU is a resource for consultation and assistance regarding services such as: Work Opportunity Tax Credit, Person-Centered Trainings, Workplace Accessibility, Workplace Accommodations, and more. In 2023, 12 BECs across the state were certified Windmills trainers and approximately 50 Windmills trainings have been provided annually. If a Tennessee employer is facing a challenge regarding the recruitment and retention of individuals with disabilities to their workforce, the BSU will assist in developing customer-centered solutions for that business.

Vocational Rehabilitation's Business Service Unit works with partners from state agencies such as the Department of Intellectual and Developmental Disabilities, Department of Labor and Workforce Development, Department of Economic and Community Development, and Department of Corrections to align efforts in serving business customers and agency customers. Through participation in the Department of Labor and Workforce Development's local Business Service Teams, the VR Business Service Unit's BECs provide education and outreach services to employers offering competitive integrated work environments, enabling VR customers to have an expanded horizon of opportunity with Tennessee employers. Last, the VR BSU, in collaboration with the Community Service Unit and the Pre-ETS team, is leveraged for developing work-based learning sites across the state to promote career exploration for individuals with disabilities receiving services through the Division. Employer-based training and employment programs across the state enable customers to engage in meaningful work in a variety of industries through an integrated setting where compensation and benefit eligibility for full-time employees is competitive with the local labor market and equally available for VR customers.

The Tennessee Rehabilitation Center (TRC) – Smyrna continues to develop new partnerships and maintains the relationships with its current partners. This ensures that a work-based training experience is available for students in all Areas of Study. The Center has agreements with employers to provide internship opportunities and new agreements are being signed on a regular basis. TRC Smyrna continues to offer customized training in partnership with Schwan Cosmetics and CVS Health and maintains a Business Employment Consultant on campus to assist students in job placement upon graduation. To ensure a greater focus is placed on building employer relationships, TRC Smyrna maintains a designated position to develop new internship opportunities to meet the needs of the increasing student enrollment. This position also conducts follow-up to ensure that students are applying skills learned and employers are evaluating the students and the overall internship

process. In addition, employers interested in offering internships and/or employment to TRC students are always invited to tour the campus, meet the instructors, and observe classroom instruction prior to signing a partnership agreement.

The VR Community Service Unit has team members strategically located throughout the state to provide opportunities for engagement with business to identify competitive integrated employment and career exploration opportunities unique to the local communities where the CSU centers are located. CSU services include training, career assessment, and career readiness to prepare individuals for employment. CSU staff engage with local businesses to educate on the benefits of hiring people with disabilities, the services available by the center, and to secure training opportunities for VR customers. Since the CSU moved from facility-based training to community-based training, there have been additional opportunities to engage with business which include internships, externships, tours to teach customers about local employers and the skills needed for their jobs, job shadowing and mentoring. Additionally, the CSU has local Advisory Boards which consists of members of the local community (business leaders, representatives from the local education agency, civic leaders, non-profit members etc.) The area managers can leverage these relationships to spread the word about VR, and the training and support services available in the CSU that lead to competitive integrated employment for VR customers.

As noted above, the Division is working with employers to provide transition services, including pre-employment transition services for students and youth with disabilities. In addition to the work done through coordination with community rehabilitation providers, the division works with employers through its partnership with the Business Services Unit and Community Service Unit, which helps Pre-ETS staff and students coordinate with employers by utilizing business relationships that the BSU and CSU have developed in order to achieve specific goals reliant on partnerships with the business community. BSU and CSU staff serve as a liaison for the Pre-ETS teams as they seek to identify opportunities with the business community such as: Career-Exploration Initiatives, Work-Based Learning Opportunities, Community-Based Training Opportunities, business representation on local and state advisory boards, and more. BSU and SCU teams serve as a resource for the VR team to access the opportunities that exist within the business community for serving youth and adults with disabilities at varying stages of their customer journey to long-term competitive integrated employment.

As previously mentioned, the Division works with employers through Transition School to Work grants, and the Project SEARCH® sites. In partnership with ten local education agencies and the Council on Developmental Disabilities, the Division operates 13 High School Transition Project SEARCH® Sites through local employers. Those employers include:

- Erlanger Baroness Hospital – Hamilton County Schools Embassy Suites – Rutherford County Schools
- Embassy Suites – Metro Nashville Public Schools
- Le Bonheur Children’s Hospital – Shelby County Schools
- Fort Sanders Regional Medical Center – Knox County Schools

- Gaylord Opryland Resort & Convention Center – Metro Nashville Public Schools
- Hilton Airport Hotel – Blount County Schools
- Johnson City Medical Center and Niswonger Children’s Hospital – Johnson City Schools
- Knox County Schools – Knox County Schools
- Methodist North Hospital – Shelby County Schools
- Parkwest Medical Center – Knox County Schools
- Nike Distribution Center – Shelby County Schools
- Tennova – Clarksville-Montgomery County Schools
- The Peabody – Shelby County Schools
- Welch College – Sumner County Schools
- West TN Healthcare – Jackson-Madison County Schools
- Wilderness in the Smokies – Sevier County Schools

For the student-intern cohort years of 2021-22, 2022-23, and 2023-24, there have been 279 students enrolled in one of the 14 transition-model Project SEARCH programs. For the 2021-22 intern cohort, 84 students enrolled in Project SEARCH and 70 completed the program. Of those 70 graduates, 65 interns had job records, which was a 93% employment rate and 87% met the Project SEARCH employment criteria for competitive, integrated employment. For the 2022-23 intern cohort, 101 students enrolled, and 73 interns have been reported as completing the program. As of November of 2023, 58 graduates currently have a job record. Project SEARCH sites have until February of the following year to enter their outcome data, so this number will continue to rise. The 2023-24 intern cohort is currently actively in the Project SEARCH program with 94 students entering the program. For the most recent complete intern cohort data from 2021-22, out of the 48 states and 10 countries who provide Project SEARCH programs, Tennessee ranks in the top 5. Over the past decade, Project SEARCH has proven to be one of the VR programs more successfully job training programs with 647 completed the program and 85% securing employment.

Since September 2015 through May 2021, a total of 382 students have enrolled in the Project SEARCH® Program. The Project SEARCH® Program has a success rate of 92%, with 353 out of 382 students completing the program in Tennessee to date. Tennessee currently has 9 Community Rehabilitation Providers participating as Project SEARCH® Providers. The program operates from 17 different business sites across Tennessee and during the 2021-12 school year has 65 interns participated in the program. Project SEARCH® has proven to be one of TN VR’s more successful job training programs, with a >75% employment rate.

L. INTERAGENCY COOPERATION WITH OTHER AGENCIES

In accordance with the requirements in Section 101(a)(11)(C) and (K), describe interagency cooperation with and utilization of the services and facilities of agencies and programs that are not

carrying out activities through the statewide workforce development system to develop opportunities for community-based employment in integrated settings, to the greatest extent practicable for the following:

1. STATE PROGRAMS (DESIGNATE LEAD AGENCY(IES) AND IMPLEMENTING ENTITY(IES)) CARRIED OUT UNDER SECTION 4 OF THE ASSISTIVE TECHNOLOGY ACT OF 1998;

Tennessee Technology Access Program (TTAP) that increases access to, and acquisition of, assistive technology devices and services. Through its four core programs: Funding Assistance, Device Demonstration, Device Loan and Device Reutilization.

The TTAP Executive Director assists with management of the contracted statewide assistive technology services provider for VR customers. The contracted VR assistive technology partner is also one of the TTAP partners. This along with the close connection to the other TTAP partner allows for easy access to devices, support, and information. The relationships enhance the expertise and amount of assistive technology devices available for VR customers. Loaner devices may be provided to VR customers when available to assist with training or employment needs while awaiting approval and arrival of equipment purchased by VR. Through the reutilization program, VR customers may receive assistive technology devices for permanent use at no cost when items meeting their needs are available. Items provided through the reutilization program can extend to devices beyond those specific to employment tasks, such as durable medical equipment. While all areas of assistive technology need and interest may not fall within the scope of employment goals, VR customers can engage with TTAP partners for demonstrations related to all areas of life. TTAP assists customers in locating potential funding sources for assistive technology devices and services that may not fall within the realm of VR services. The TTAP Director lends expertise to aspects of the Vehicle Modification process for VR. The Director collaborates with the customer, VR Counselor, and vendor in ensuring services provided meet the customer's employment needs.

2. PROGRAMS CARRIED OUT BY THE UNDER SECRETARY FOR RURAL DEVELOPMENT OF THE DEPARTMENT OF AGRICULTURE;

Tennessee AgrAbility program for professions in agriculture production. This is a cooperative effort of the University of Tennessee Agricultural Extension Service, Tennessee State University Cooperative Extension Program, and Easter Seals in Tennessee and the division's State Grant for Assistive Technology program, the Tennessee Technology Access Program (TTAP) and their network of technology centers.

3. NON-EDUCATIONAL AGENCIES SERVING OUT-OF-SCHOOL YOUTH;

Tennessee Works for employment partnerships and collaborative efforts to increase access to meaningful work and internet-based information for students with disabilities.

4. STATE USE CONTRACTING PROGRAMS;

The Division is a party to the Interagency agreement between DOE, DIDD, the Tennessee Department of Health, TDMHSAS, the Tennessee Department of Correction, and TennCare to fulfill the

requirements of Part B and Part C of the Individuals with Disabilities Education Act (IDEA). The partner agencies strive to ensure that individuals and youth with disabilities are prepared for competitive integrated employment with access to necessary support services.

5. STATE AGENCY RESPONSIBLE FOR ADMINISTERING THE STATE MEDICAID PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT (42 U.S.C. 1396 ET SEQ.);

Tennessee Department of Finance and Administration, Division of TennCare.

6. STATE AGENCY RESPONSIBLE FOR PROVIDING SERVICES FOR INDIVIDUALS WITH DEVELOPMENTAL DISABILITIES;

The Department of Intellectual and Department of Disability and Aging refer individuals with intellectual and developmental disabilities to the Vocational Rehabilitation program.

7. STATE AGENCY RESPONSIBLE FOR PROVIDING MENTAL HEALTH SERVICES; AND

The Department of Mental Health and Substance Abuse Services (TDMHSAS) works with the Division to employ an evidence based Individual Placement and Support (IPS) model of supported employment for individuals with mental illness and substance abuse disorders.

8. OTHER FEDERAL, STATE, AND LOCAL AGENCIES AND PROGRAMS OUTSIDE THE WORKFORCE DEVELOPMENT SYSTEM.

The Tennessee Employment Consortium, which is an independent association of community rehabilitation providers and state agencies developed jointly by the Division, the Department of Disability and Aging, and the Tennessee Council on Developmental Disabilities, was established to provide a forum for all stakeholders to review and discuss state policies and share best practices. University of Tennessee, Center for Literacy Education and Employment provides staff training and development and consultation services for community supported employment service providers.

9. OTHER PRIVATE NONPROFIT ORGANIZATIONS.

Statewide Independent Living Council to advance advocacy and independence for Tennesseans with disabilities by collaborating with all interested parties. Tennessee Centers for Independent Living that operate in six local communities are operated primarily by persons with disabilities and provide a variety of independent living services.

VOCATIONAL REHABILITATION PROGRAM PERFORMANCE INDICATORS

Each State VR program must submit expected levels of performance in its Unified or Combined State Plan and in the two-year modification of that plan. Expected levels of performance for the first two years of a state plan must be submitted in the initial submission of the Unified or Combined State Plan and in the initial submission of the two-year modification of that Plan, for years three and four, as described in 34 CFR § 361.170(a). Expected levels of performance must be stated to the nearest tenth of a percent (XX.X %) or to the nearest whole dollar for median earnings. State VR programs are reminded that the expected levels of performance must be published for public comment prior to plan submission in accordance with state law, regulation, and policy.

After the Unified or Combined State Plan submission, each State VR program must reach agreement with RSA on the negotiated levels of performance for the indicators for each of the first two years of the Unified or Combined State Plan (or for the third and fourth years of the Unified or Combined State Plan during the required two-year modification process) in accordance with WIOA section 116(b)(3)(A)(iv).

RSA will use its statistical adjustment model to derive pre-program year estimated levels of performance for each indicator. Each State VR program and RSA will consider the negotiation factors outlined in WIOA section 116(b)(3)(A)(v) during the negotiation process. Once negotiated levels of performance are agreed upon, each State VR program must incorporate the negotiated levels of performance into the Unified or Combined State Plan and the two-year modification of that plan prior to the plan's approval (section 116(b)(3)(A)(iv) of WIOA).

Effectiveness in Serving Employers

In the final rule implementing WIOA, the Departments indicated that they would initially implement this indicator in the form of a pilot to test the feasibility and rigor of three proposed approaches. During Program Year (PY) 2022, the Departments initiated the rulemaking process to establish a standard definition of Effectiveness in Serving Employers. States will continue to report two of three proposed approaches until the Departments issue the final rule and implement the indicator.¹

Performance Indicators	PY 2026 Expected Level	PY 2026 Negotiated Level	PY 2027 Expected Level	PY 2027 Negotiated Level
Employment (Second Quarter After Exit)	60.0%		65.0%	
Employment (Fourth Quarter After Exit)	59.0%		61.0%	
Median Earnings (Second Quarter After Exit)	\$5,212		\$5,316	
Credential Attainment Rate	47.0%		49.0%	
Measurable Skill Gains	78.0%		80.0%	
Effectiveness in Serving Employers	Not Applicable ¹		Not Applicable ¹	

The Departments have not issued the final rule defining Effectiveness in Serving Employers. As a result, states will not submit expected levels of performance for this indicator and the Departments will not establish negotiated levels of performance for PYs 2024 and 2025.

GEPA 427 FORM INSTRUCTIONS FOR APPLICATION PACKAGE - VOCATIONAL REHABILITATION EQUITY FOR STUDENTS, EDUCATORS, AND OTHER PROGRAM BENEFICIARIES

OMB Control Number 1894-0005 Expiration 02/28/2026

Section 427 of the General Education Provisions Act (GEPA) (20 U.S.C. 1228a) applies to a State applicant submitting a state plan for a formula grant from the US Department of Education. The State applicant is responsible for completing the GEPA Section 427 form that provides a description of the steps the State proposes to take to ensure all program beneficiaries have equitable access to, and participation in, its Federally funded, State-level project or activity.

GEPA Section 427 Form Instructions for State Applicants

State applicants must respond to the following four questions:

1. Describe how your entity's existing mission, policies, or commitments ensure equitable access to, and equitable participation in, the proposed project or activity.
 2. Based on your proposed project or activity, what barriers may impede equitable access and participation of students, educators, or other beneficiaries?
 3. Based on the barriers identified, what steps will you take to address such barriers to equitable access and participation in the proposed project or activity?
 4. What is your timeline, including targeted milestones, for addressing these identified barriers?
- Applicants identify any barriers that may impede equitable access and participation in the proposed project or activity, including, but not limited to, barriers based on economic disadvantage, gender, race, ethnicity, color, national origin, disability, age, language, migrant status, rural status, homeless status or housing insecurity, pregnancy, parenting, or caregiving status, and sexual orientation.
 - Applicants use the associated text box to respond to each question. However, applicants might have already included some or all this required information in the narrative sections of their applications or their State Plans. In responding to this requirement, for each question, applicants may provide a cross-reference to the section(s) in their State Plans that includes the information responsive to that question on this form or may restate that information on this form.
 - Applicants are not required to have mission statements or policies that align with equity to apply.
 - Applicants that have already undertaken steps to address barriers must still provide an explanation and/or description of the steps already taken in each text box, as appropriate, to satisfy the GEPA Section 427 requirement.
 - Applicants that believe no barriers exist must still provide an explanation and/or description to each question to validate that perception, as appropriate, to satisfy the GEPA Section 427 requirement.

Please refer to GEPA 427 - Form Instructions for Application Package

1. DESCRIBE HOW YOUR ENTITY'S EXISTING MISSION, POLICIES, OR COMMITMENTS ENSURE EQUITABLE ACCESS TO, AND EQUITABLE PARTICIPATION IN, THE PROPOSED PROJECT OR ACTIVITY.

Section 427 of the General Education Provisions Act (GEPA) (20 U.S.C. 1228a) applies to a State applicant submitting a state plan for a formula grant from the US Department of Education. The State applicant is responsible for completing the GEPA Section 427 form that provides a description of the steps the State proposes to take to ensure all program beneficiaries have equitable access to, and participation in, its Federally funded, State-level project or activity.

GEPA 427 - Form Instructions for Application Package

State applicants must respond to four questions.

The first of four questions is:

Describe how your entity's existing mission, policies, or commitments ensure equitable access to, and equitable participation in, the proposed project or activity.

The following policies ensure equitable access to, and equitable participation in the Vocational Rehabilitation Program:

DHS Policy 1.04 Effective: November 15, 2019

- The Tennessee Department of Human Services (TDHS) will take reasonable steps to ensure that persons with Limited English Proficiency have meaningful access and an equal opportunity to inquire, apply for and participate in its services, activities, programs, and other benefits. All interpreters, translators, and other aids needed to comply with this policy shall be provided without cost to the person seeking services. The purpose of this policy is to ensure meaningful communication with persons that experience Limited English Proficiency and their authorized representatives. This policy also provides for communication of information contained in vital documents, including but not limited to, applications for benefits, client release forms, and civil rights complaint forms. AVAZA Interpreter services are used for LEP needs available online for all employees is the language identifier tool and Step-by-Step Guide to Accessing AVAZA Interpreter Services.

DHS Policy 1.05 Effective: February 1, 2019

- The Tennessee Department of Human Services (TDHS) will adhere to all applicable federal and state laws, regulations, and guidelines with respect to making reasonable modifications in policies, practices, or procedures, as necessary, to afford individuals with disabilities an equal opportunity to participate in Department programs and services. The Tennessee Department of Human Services (TDHS) recognizes that in order to have equally effective opportunities and access to benefits, individuals with disabilities may need reasonable modifications to policies and procedures. The purpose of this policy is to provide procedures and guidelines to ensure that TDHS allows for equal and effective opportunities and access to Department programs, services, and activities to all members of the public with disabilities.

Contracts

- **Nondiscrimination.** The Grantee hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Grant Contract or in the employment practices of the Grantee on the grounds of handicap or disability, age, race, color, religion, sex, national origin, or any other classification protected by federal, Tennessee state constitutional, or statutory law. The Grantee shall, upon request, show proof of nondiscrimination and shall post in conspicuous places.

2. BASED ON YOUR PROPOSED PROJECT OR ACTIVITY, WHAT BARRIERS MAY IMPEDE EQUITABLE ACCESS AND PARTICIPATION OF STUDENTS, EDUCATORS, OR OTHER BENEFICIARIES?

Section 427 of the General Education Provisions Act (GEPA) (20 U.S.C. 1228a) applies to a State applicant submitting a state plan for a formula grant from the US Department of Education. The State applicant is responsible for completing the GEPA Section 427 form that provides a description of the steps the State proposes to take to ensure all program beneficiaries have equitable access to, and participation in, its Federally funded, State-level project or activity.

GEPA 427 - Form Instructions for Application Package

State applicants must respond to four questions.

The second of four questions is:

Based on your proposed project or activity, what barriers may impede equitable access and participation of students, educators, or other beneficiaries?

Economic disadvantage, gender, race, ethnicity, color, national origin, veteran status, disability, age, language, education, rural status, homeless status, housing insecurity, pregnancy, weight, sexual orientation.

3. BASED ON THE BARRIERS IDENTIFIED, WHAT STEPS WILL YOU TAKE TO ADDRESS SUCH BARRIERS TO EQUITABLE ACCESS AND PARTICIPATION IN THE PROPOSED PROJECT OR ACTIVITY?

Section 427 of the General Education Provisions Act (GEPA) (20 U.S.C. 1228a) applies to a State applicant submitting a state plan for a formula grant from the US Department of Education. The State applicant is responsible for completing the GEPA Section 427 form that provides a description of the steps the State proposes to take to ensure all program beneficiaries have equitable access to, and participation in, its Federally funded, State-level project or activity.

GEPA 427 - Form Instructions for Application Package

State applicants must respond to four questions.

The third of four questions is:

Based on the barriers identified, what steps will you take to address such barriers to equitable access and participation in the proposed project or activity?

Understand what barriers exist and their prevalence. Determine and implement possible mitigators for highest occurring barriers. Increase cultural competence and response of employees and providers.

4. WHAT IS YOUR TIMELINE, INCLUDING TARGETED MILESTONES, FOR ADDRESSING THESE IDENTIFIED BARRIERS?

Section 427 of the General Education Provisions Act (GEPA) (20 U.S.C. 1228a) applies to a State applicant submitting a state plan for a formula grant from the US Department of Education. The State applicant is responsible for completing the GEPA Section 427 form that provides a description of the steps the State proposes to take to ensure all program beneficiaries have equitable access to, and participation in, its Federally funded, State-level project or activity.

GEPA 427 - Form Instructions for Application Package

State applicants must respond to four questions.

The final of four questions is:

What is your timeline, including targeted milestones, for addressing these identified barriers?

Increase cultural competence and response of employees and providers through training and resource sharing. Begin within the next year.

Conduct surveys, meet with advocacy groups representing underserved populations, and hold focus group meetings to understand what barriers exist and their prevalence. Begin within the next 1-2 years.

Determine and implement possible mitigators for highest occurring barriers. Begin within first year following data and information gathering.

GEPA 427 FORM INSTRUCTIONS FOR APPLICATION PACKAGE - SUPPORTED EMPLOYMENT

EQUITY FOR STUDENTS, EDUCATORS, AND OTHER PROGRAM BENEFICIARIES

OMB Control Number 1894-0005 Expiration 02/28/2026

Section 427 of the General Education Provisions Act (GEPA) (20 U.S.C. 1228a) applies to a State applicant submitting a state plan for a formula grant from the US Department of Education. The State applicant is responsible for completing the GEPA Section 427 form that provides a description of the steps the State proposes to take to ensure all program beneficiaries have equitable access to, and participation in, its Federally funded, State-level project or activity.

GEPA Section 427 Form Instructions for State Applicants

State applicants must respond to the following four questions:

1. Describe how your entity's existing mission, policies, or commitments ensure equitable access to, and equitable participation in, the proposed project or activity.

2. Based on your proposed project or activity, what barriers may impede equitable access and participation of students, educators, or other beneficiaries?

3. Based on the barriers identified, what steps will you take to address such barriers to equitable access and participation in the proposed project or activity?

4. What is your timeline, including targeted milestones, for addressing these identified barriers?

- Applicants identify any barriers that may impede equitable access and participation in the proposed project or activity, including, but not limited to, barriers based on economic disadvantage, gender, race, ethnicity, color, national origin, disability, age, language, migrant status, rural status, homeless status or housing insecurity, pregnancy, parenting, or caregiving status, and sexual orientation.
- Applicants use the associated text box to respond to each question. However, applicants might have already included some or all this required information in the narrative sections of their applications or their State Plans. In responding to this requirement, for each question, applicants may provide a cross-reference to the section(s) in their State Plans that includes the information responsive to that question on this form or may restate that information on this form.
- Applicants are not required to have mission statements or policies that align with equity to apply.
- Applicants that have already undertaken steps to address barriers must still provide an explanation and/or description of the steps already taken in each text box, as appropriate, to satisfy the GEPA Section 427 requirement.
- Applicants that believe no barriers exist must still provide an explanation and/or description to each question to validate that perception, as appropriate, to satisfy the GEPA Section 427 requirement.

Please refer to GEPA 427 - Form Instructions for Application Package

1. DESCRIBE HOW YOUR ENTITY'S EXISTING MISSION, POLICIES, OR COMMITMENTS ENSURE EQUITABLE ACCESS TO, AND EQUITABLE PARTICIPATION IN, THE PROPOSED PROJECT OR ACTIVITY.

Section 427 of the General Education Provisions Act (GEPA) (20 U.S.C. 1228a) applies to a State applicant submitting a state plan for a formula grant from the US Department of Education. The State applicant is responsible for completing the GEPA Section 427 form that provides a description of the steps the State proposes to take to ensure all program beneficiaries have equitable access to, and participation in, its Federally funded, State-level project or activity.

GEPA 427 - Form Instructions for Application Package

State applicants must respond to four questions.

The first of four questions is:

Describe how your entity's existing mission, policies, or commitments ensure equitable access to, and equitable participation in, the proposed project or activity.

The following policies ensure equitable access to, and equitable participation in Supported Employment:

DHS Policy 1.04 Effective: November 15, 2019

- The Tennessee Department of Human Services (TDHS) will take reasonable steps to ensure that persons with Limited English Proficiency have meaningful access and an equal opportunity

to inquire, apply for and participate in its services, activities, programs, and other benefits. All interpreters, translators, and other aids needed to comply with this policy shall be provided without cost to the person seeking services. The purpose of this policy is to ensure meaningful communication with persons that experience Limited English Proficiency and their authorized representatives. This policy also provides for communication of information contained in vital documents, including but not limited to, applications for benefits, client release forms, and civil rights complaint forms. AVAZA Interpreter services are used for LEP needs available online for all employees is the language identifier tool and Step-by-Step Guide to Accessing AVAZA Interpreter Services.

DHS Policy 1.05 Effective: February 1, 2019

- The Tennessee Department of Human Services (TDHS) will adhere to all applicable federal and state laws, regulations, and guidelines with respect to making reasonable modifications in policies, practices, or procedures, as necessary, to afford individuals with disabilities an equal opportunity to participate in Department programs and services. The Tennessee Department of Human Services (TDHS) recognizes that in order to have equally effective opportunities and access to benefits, individuals with disabilities may need reasonable modifications to policies and procedures. The purpose of this policy is to provide procedures and guidelines to ensure that TDHS allows for equal and effective opportunities and access to Department programs, services, and activities to all members of the public with disabilities.

Contracts

- Nondiscrimination. The Grantee hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Grant Contract or in the employment practices of the Grantee on the ground of handicap or disability, age, race, color, religion, sex, national origin, or any other classification protected by federal, Tennessee state constitutional, or statutory law. The Grantee shall, upon request, show proof of nondiscrimination and shall post in conspicuous places.

2. BASED ON YOUR PROPOSED PROJECT OR ACTIVITY, WHAT BARRIERS MAY IMPEDE EQUITABLE ACCESS AND PARTICIPATION OF STUDENTS, EDUCATORS, OR OTHER BENEFICIARIES?

Section 427 of the General Education Provisions Act (GEPA) (20 U.S.C. 1228a) applies to a State applicant submitting a state plan for a formula grant from the US Department of Education. The State applicant is responsible for completing the GEPA Section 427 form that provides a description of the steps the State proposes to take to ensure all program beneficiaries have equitable access to, and participation in, its Federally funded, State-level project or activity.

GEPA 427 - Form Instructions for Application Package

State applicants must respond to four questions.

The second of four questions is:

Based on your proposed project or activity, what barriers may impede equitable access and participation of students, educators, or other beneficiaries?

Economic disadvantage, gender, race, ethnicity, color, national origin, veteran status, disability, age, language, education, rural status, homeless status, housing insecurity, pregnancy, weight, sexual orientation.

3. BASED ON THE BARRIERS IDENTIFIED, WHAT STEPS WILL YOU TAKE TO ADDRESS SUCH BARRIERS TO EQUITABLE ACCESS AND PARTICIPATION IN THE PROPOSED PROJECT OR ACTIVITY?

Section 427 of the General Education Provisions Act (GEPA) (20 U.S.C. 1228a) applies to a State applicant submitting a state plan for a formula grant from the US Department of Education. The State applicant is responsible for completing the GEPA Section 427 form that provides a description of the steps the State proposes to take to ensure all program beneficiaries have equitable access to, and participation in, its Federally funded, State-level project or activity.

GEPA 427 - Form Instructions for Application Package

State applicants must respond to four questions.

The third of four questions is:*Based on the barriers identified, what steps will you take to address such barriers to equitable access and participation in the proposed project or activity?*

Understand what barriers exist and their prevalence. Determine and implement possible mitigators for highest occurring barriers. Increase cultural competence and response of employees and providers.

4. WHAT IS YOUR TIMELINE, INCLUDING TARGETED MILESTONES, FOR ADDRESSING THESE IDENTIFIED BARRIERS?

Section 427 of the General Education Provisions Act (GEPA) (20 U.S.C. 1228a) applies to a State applicant submitting a state plan for a formula grant from the US Department of Education. The State applicant is responsible for completing the GEPA Section 427 form that provides a description of the steps the State proposes to take to ensure all program beneficiaries have equitable access to, and participation in, its Federally funded, State-level project or activity.

GEPA 427 - Form Instructions for Application Package

State applicants must respond to four questions.

The final of four questions is:

What is your timeline, including targeted milestones, for addressing these identified barriers?

Increase cultural competence and response of employees and providers through training and resource sharing. Begin within the next year.

Conduct surveys, meet with advocacy groups representing underserved populations, and hold focus group meetings to understand what barriers exist and their prevalence. Begin within the next 1-2 years.

Determine and implement possible mitigators for highest occurring barriers. Begin within first year following data and information gathering.

VII. PROGRAM-SPECIFIC REQUIREMENTS FOR COMBINED STATE PLAN PARTNER PROGRAMS

TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF)

A. CONDUCT A PROGRAM DESIGNED TO SERVE ALL POLITICAL SUBDIVISIONS IN THE STATE (NOT NECESSARILY IN A UNIFORM MANNER) THAT PROVIDES ASSISTANCE TO NEEDY FAMILIES WITH (OR EXPECTING) CHILDREN AND PROVIDES PARENTS WITH JOB PREPARATION, WORK, AND SUPPORT SERVICES TO ENABLE THEM TO LEAVE THE PROGRAM, SPECIFICALLY CASH ASSISTANCE, AND BECOME SELF-SUFFICIENT (SECTION 402(A)(1)(A)(I) OF THE SOCIAL SECURITY ACT)

In conformity with Section 402 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193), the Tennessee Department of Human Services (TDHS) shall administer and supervise the Temporary Assistance for Needy Families (TANF) Program, known as the Families First (FF) Program in Tennessee.

This plan shall become effective July 1, 2026.

Cash assistance payments are made on a monthly basis for all Families First/TANF eligible assistance groups using a standardized budgeting and payment method per assistance group size. TDHS has a gross income test, a consolidated standard of need, and a maximum standard payment amount per assistance group size. The gross income standard is based on one hundred eight-five (185%) percent of the Consolidated Need Standard (CNS), which is calculated annually by a contract agency. Some assistance groups receive a higher differential maximum payment amount, based on caretaker work exemptions. Disregards include a two hundred fifty dollars (\$250.00) earned income disregard, a mandatory household member and income disregard for a three (3)-month period beginning with the month following the month of marriage for new spouses (marriage during receipt policy), and child care disregards of two hundred dollars (\$200.00) per month for children under two (2) years of age and one hundred seventy-five dollars (\$175.00) per month for children two (2) years of age or older, for parents who choose a deduction rather than having their child care paid directly to the provider by TDHS.

Non-assistance benefits, services or activities aimed to achieve the goals of TANF may be provided to TANF eligible families or other low-income families at risk of receiving TANF.

TDHS will continue to use fill-the-gap budgeting. Current month child support will be paid to the caretaker using the fill-the-gap budgeting method as permitted in Section 302 (e) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

Families First/TANF payments shall be made through Tennessee's Electronic Benefit Transfer (EBT) system to the caretaker, alternate payee, or protective payee. The payment will be made

available on the first (1st) of each month for continuously eligible cases. Payments are made from the date the signed Families First/ TANF application is received in the local office for all eligible applicants. Auxiliary payments will be issued to all assistance groups that have been underpaid.

ELIGIBILITY

Eligibility for Families First/TANF cash assistance benefits are determined based on the following criteria:

- The Assistance Unit (AU) lives in Tennessee.
- The AU includes either:
 - A child under age eighteen (18);
 - A child under age nineteen (19) who is expected to complete high school or an equivalent vocational/technical training on or before his/her nineteenth (19th) birthday;
 - A pregnant woman in her last trimester; or
 - The otherwise eligible parents or caretakers of a child receiving SSI.
- The children live in the home of a parent or a relative, within the specified degree of relationship, who maintains care and control of the child.
- All members of the AU are citizens or qualified aliens and have provided a Social Security Number.
- Households meet income eligibility, including an income test and a resource test.

All AUs will be subject to a sixty (60)-month lifetime limit of Families First/TANF cash assistance. Months of Families First/TANF funded assistance received in other States will count toward the lifetime limit. Those AUs that reach their sixty (60)-month limit and are exempt from the Families First/TANF work requirement and otherwise eligible may be considered for an extension. No more than twenty percent (20%) of the caseload can be on an extension at any given time.

(A) REQUIRE A PARENT OR CARETAKER RECEIVING ASSISTANCE TO ENGAGE IN WORK (DEFINED BY THE STATE) ONCE THE STATE DETERMINES THE PARENT OR CARETAKER IS READY TO ENGAGE IN WORK, OR ONCE HE OR SHE HAS RECEIVED 24 MONTHS OF ASSISTANCE, WHICHEVER IS EARLIER, CONSISTENT WITH THE CHILD CARE EXCEPTION AT 407(E)(2) (SECTION 402(A)(1)(A)(II) OF THE SOCIAL SECURITY ACT)

Families First/TANF AUs with eligible adults who are not exempt must engage in a minimum of thirty (30) hours a week of countable work or training activities.

Transitional Cash Assistance (TCA) AUs with eligible adults, who are not exempt, must engage in thirty (30) hours a week of countable work or training activities (or a combined 55 hours

for two parent households receiving federally funded childcare). Although this exceeds the minimum federal requirements, this ensures that the minimum hours are being met and that we have the opportunity to work with each individual and assist them in achieving self-sufficiency.

An exception to the thirty (30) hours work requirement will be granted to those individuals who require a reduction in activity hours due to an Americans with Disabilities Act (ADA) modification.

The federally countable work activities being utilized in Tennessee are:

- Unsubsidized employment;
- Subsidized employment in the public or private sector when funding is available;
- Job Search and job readiness assistance;
- Community Service;
- Work Experience;
- Vocational Education Training;
- Job skills training directly related to employment;
- Adult Education (education directly related to employment); and
- Vocational Rehabilitation

Families First/TANF uses the federal definitions for the countable work activities. AUs with a work requirement will receive cash assistance as long as they comply with program requirements or meet the sixty (60)-month time limit.

All provisions of the Fair Labor Standards Act (FLSA) will apply to Work Experience and Community Service activities, including a maximum number of hours and displacement safeguards. Work Experience is limited to six (6) months and Community Services is limited to three (3) months in a calendar year, with some exceptions.

Effective July 1, 2019, the State aligned the workforce services and support areas with the Tennessee Department of Labor and Workforce Development and the Tennessee Department of Economic and Community Development into nine (9) regional areas that cover all ninety-five (95) counties across the State. After Eligibility is determined by the TDHS Eligibility Counselor, a referral is sent to the TDHS TANF Case Managers (TCM) to complete an orientation with the customer. The TCM explains the work requirements and develops a Personal Responsibility Plan (PRP) with the customer. The TCM completes an assessment and works with the customer to develop an Individual Opportunity Plan (IOP). The IOP outlines the individuals' specific work activities according to federally countable work activities and identifies supportive services, if needed. TDHS utilizes an approved contractor to disperse supportive services to eligible customers. Effective October 15, 2024, the State contracted out the work placement and monitoring piece of the work activity requirements. The Work Placement and Monitoring (WAPM) providers receive referrals for customers from TCM's. Families First/TANF customers determined to be ready to engage in part or full-time employment will be referred to the WAPM provider to be placed in work or work-related activities for up to thirty (30) hours per week. The WAPM will monitor the customer for attendance in the assigned work activity. Families First customers are required to engage in work activities after twenty-four (24) months of cash assistance, if they are not already engaged. This excludes a single custodial parent caring for a child under the age of six (6) who refuses to engage in work requirements and is able to demonstrate an inability to obtain needed child care.

Certain AUs will be exempt from the work requirement based on the following criteria:

- The caretaker is sixty-five (65) years old or older;
- The caretaker is disabled;
- The caretaker is caring for an in-home disabled relative;
- The single parent caretaker is caring for an infant less than one (1) year of age; or
- The two (2)-parent household is caring for an infant less than sixteen (16) weeks of age.

(B) ENSURE THAT PARENTS AND CARETAKERS RECEIVING ASSISTANCE ENGAGE IN WORK IN ACCORDANCE WITH SECTION 407 (SECTION 402(A)(1)(A)(III) OF THE SOCIAL SECURITY ACT)

Families First/TANF employs the following strategies to ensure customers are working towards self- sufficiency:

- Adoption of a whole-family approach that intentionally focuses on creating services for the parent and child together, to harness the family's full potential and to put them on a permanent path to economic security. This approach is consistently applied when engaging our customers in all aspects of case management and service delivery.
- Families First/TANF customers will have goal-oriented time-limited Individual Opportunity Plan (IOP) that carry them through logical and productive steps to self-sufficiency;
- Sanctions will be imposed when a family fails to comply with the IOP without good cause;
- Cash benefits will be limited to sixty (60) months of eligibility in a lifetime, with some limited exceptions; and
- Families First/TANF customers who become employed and lose cash benefits may qualify to receive transitional childcare assistance, transitional cash assistance, and/or transitional Supplemental Nutrition Assistance Program (SNAP) benefits.

Once the goals are established and the customer is assigned to work or work-related activities that support those goals, TDHS TCM will ensure that customers receive the appropriate support services while the customer is in the program. Although the Families First/TANF program does not establish a target goal set for transitioning customers off of assistance, the TCM will work with the customer to establish timeframes for the achievement of goals during the sixty (60)-month time limit.

The Secretary of State was sent a notification from the Governor of Tennessee opting out of the provision to require a Families First/TANF parent or caretaker receiving assistance for two (2) months who is not exempt and who is not employed to participate in community service activity. The State plan requires all non-exempt Families First/TANF customers to have an Individual Opportunity Plan (IOP).

TRANSITIONAL CASH ASSISTANCE

Effective December 1, 2018, Transitional Cash Assistance (TCA) is available to an AU with an increase in earned income that exceeds the maximum threshold for their household size. The AU may be eligible for up to six (6) months of the maximum grant allotment for all

eligible AU members at the time of TCA approval if the household remains in compliance with TCA eligibility requirements during the six (6) month TCA period.

TCA Eligibility:

- Become financially ineligible for Families First due to an increase in the AU's earned income;
- Meet all other Families First eligibility criteria, as defined in section A; and
- Be working at least thirty (30) hours per week (OR a combined fifty-five (55) hours for two- parent households receiving federally funded childcare.

Note: TCA is an incentive to the Families First/TANF households designed to address the fiscal cliff families often encounter. TCA differs from Families First/TANF when 100% of the earned income is excluded for six (6) months which allows the household to continue receiving cash assistance.

TCA Work Requirements/Sanctions:

The AU will be monitored by the TCM during the TCA period. If the AU fails to provide proof of ongoing employment that meets the required work hours, the AU will be referred for case closure. If the AU falls below the required hours during the TCA period and fails to engage in additional activities, the cash assistance will be closed.

The customer will be eligible to receive supportive services during the TCA period. The supportive services include childcare, transportation, as well as other supportive services facilitated by the approved supportive services contractor.

Once the TCA period ends, the customer may be eligible to receive eighteen (18) months of transitional childcare.

All TCA cases will be counted in the work participation rate and will be reported as an open Families First case.

DIVERSION PROGRAM

Tennessee will operate a Diversion program to serve families who are not receiving the Families First/TANF cash assistance but could achieve self-sufficiency and economic security through a lump- sum payment.

An Assistance Unit (AU) must meet all of the following criteria to receive a Diversion payment:

- Families First/TANF program eligibility criteria;
- The Assistance Unit has demonstrated residency in Tennessee for six (6) months;
- The primary caretaker has a recent job history;
- The Assistance Unit does not face any major barriers to employment, such as drug/alcohol abuse;
- The primary caretaker has at least a high school diploma or equivalent; and
- The household is facing a one-time financial need, and the Diversion payment would prevent the ongoing need for Families First/TANF cash assistance. The funds can be used for housing, transportation, childcare, or job needs.

The Diversion payment will reduce the temporary cash assistance lifetime limit of sixty (60) months eligibility by the number of months the applicant receives a Diversion payment.

Those who accept the Diversion payment will be ineligible to receive another Diversion payment or Families First/TANF cash assistance during the diversion months of assistance. Employed Diversion recipients may be eligible for twelve (12) months of subsidized childcare.

SANCTIONS

Sanctions shall be applied to all Families First/TANF cases that are not in compliance with their Personal Responsibility Plans. Total assistance group ineligibility will be applied if the family fails to cooperate with child support or comply with their Individual Opportunity Plan (IOP) activities without good cause, which is determined by TDHS.

OTHER POLICIES

Families First/TANF AUs have access to childcare. AUs with an eligible adult can access Families First/TANF Child Care if they are engaged in countable work and/or training activities and require childcare in order to comply with the program's work requirements. In addition, customers who are exempt from a work requirement but wish to volunteer for work/training activities may have access to childcare. There is no co-pay fee for childcare.

Certain child-only Families First/TANF cases are eligible for At-Risk Child Only (ARCO) childcare if funding is available.

Former Families First/TANF or Transitional Cash Assistance (TCA) customers who are employed or participating in an approved work and/or educational activity at least thirty (30) hours a week can receive up to eighteen (18) months of Transitional Child Care (TCC) after their Families First/TANF case is closed. The eligibility period for TCC begins the first (1st) day of the month after the Families First/TANF cash assistance ends. There is a co-pay fee for ARCO and TCC.

Families First/TANF AUs will be reviewed annually for continued eligibility.

If a single parent marries during the receipt of Families First/TANF cash assistance, he/she may choose to exclude the new spouse from the AU for three (3) full months, regardless of income. Following the three (3) months, the AU must meet Families First/TANF program eligibility requirements to continue to receive cash assistance.

Other Programs

Families First Community Grant Programs

The Tennessee Department of Human Services (TDHS) addresses poverty from a whole-family centered approach that focuses equally and intentionally on services and opportunities for the child and the caregiver in their lives. This approach builds on four (4) components (i.e., education: early childhood and postsecondary, economic assets, health and well-being, social capital) to create a legacy of economic security that can positively impact the next generation and those to follow. Specifically, TDHS is committed to working with internal and external partners to provide coordinated services and achieve the following goals: (1) Focus on reducing poverty among children and families using a whole-family approach; (2) Cross-agency collaborations that promote partnerships and systems change at the state level; (3) Create effective pathways to economic opportunity, including access to mainstream education, training and individualized services for those with barriers to employment; (4) Provide training that promotes a whole-

family approach and help human services staff at all levels of the department serve families more effectively and efficiently; (5) Ensure that families have access to economic and social supports to support upward mobility, while also assuring healthy child development; (6) Help families build social capital that can support both resilience and upward mobility; and (7) Engage and listen to the voices of the families.

TDHS focuses on being innovative and increasing community collaboration in a way that moves children and their parent/caregiver towards educational success, economic stability, strong social capital, and health and well-being. Through this foundational framework, the Department has established several community and state government partnerships across Tennessee to deliver services in a manner that improves economic security and well-being for low-income families. The Families First Community Grant partnerships promotes one (1) or more of the four (4) statutory purposes of the TANF program, and two (2) of those being:

1) Provide assistance to needy families so that children can be cared for in their own homes; and 2) Reduce the dependency of needy parents on government benefits by promoting job preparation, work, and marriage.

The TDHS' Families First Community Grant programs collectively offer a myriad of health and human services and/or family economic stability services directly or through referral linkage. Services include:

- Non-medical, wraparound substance abuse and mental health resources to those individuals experiencing and families impacted by opioid addiction/crisis;
- Increase the provision of early-intervention home visiting services and supports to mother at pregnancy or at birth, up to age five of the child to improve the health, development, and well-being of children and parent;
- Legal Counseling to assist the families with any immediate civil legal issues such as existing family law issues (i.e., child support and alimony arrangements, violence in the home). Identification of special education issues that households are facing and provide in-school advocacy to increase services to children. Legal education sessions/workshops to increase advocacy skills. Screening for eligibility for Social Security disability or SSI benefits;
- Early steps to school success by providing parents with support groups, resources, and knowledge to support their children and fosters strong home/school connections to ensure a smooth transition to school. Provide social emotional enhancements to both families and children on handling toxic stress to reduce ACE's; therefore, decreasing psychological distress by improving health and wellbeing.
- Employment training, life skills classes, parenting skills, enrollment in post-secondary opportunities, transportation assistance, enrollment in career certificate programs for training and development, employment opportunities, GED/HISET services,

financial planning and management skills, and housing support prevention intervention services; and

- Comprehensive case management to connect families to childcare, financial support, job training, transportation, nutrition services, and other social services.

Non-Custodial Programs

Child Support has been determined to be an important foundation in assisting families achieve self-sufficiency and preventing them from relying on additional government assistance. In October 2018, Tennessee established partnerships with agencies throughout the State to assist non-custodial parents' ability to find employment and pay their child support obligations. These partnerships are geared toward improving the parenting and communication skills of non-custodians by allowing them to become a greater part of their child's life. Some of the services provided are access to visitation, assisting noncustodial parents re-entering the workforce, assisting parents who cannot pay child support find employment, and other family centered services.

Eligibility:

For a family receiving services through either of these programs, they must meet the State's low-income eligibility criteria. A family is defined as a parent/legal guardian with child(ren) under the age of 18. "Low-Income Families" means families living at or below the Federal Poverty Level, are eligible for Medicaid; are recipient of or eligible for public benefits such as Families First or Supplemental Nutrition Assistance Program (SNAP); unemployed or zero income verification; live in Section 8 housing or low rent public housing; or eligible for National School Lunch Program: free or reduced lunch.

Pregnant women who are in their third (3rd) trimester are eligible to participate and receive services under these programs.

Minor parents who meet the above eligibility requirements are eligible to participate and receive services under these programs.

Customers must be a US citizen or meet one of the three (3) eligibility criteria listed below:

- Refugees and asylees are considered eligible until five years after the date:
 - A non-citizen is admitted to the United States as a refugee under section 207 of the Immigration and Nationality Act;
 - A non-citizen is granted asylum under section 208 of such Act;
 - A non-citizen's deportation is withheld under section 243(h) of such Act (as in effect immediately before the effective date of section 307 of division C of Public Law 104-208) or section 241(b)(3) of such Act (as amended by section 305(a) of division C of Public Law 104-208);
 - A non-citizen is granted status as a Cuban and Haitian entrant (as defined in section 501(e) of the Refugee Education Assistance Act of 1980); or
 - A non-citizen [is] admitted to the United States as an Amerasian immigrant as described in subsection (a)(2)(A)(i)(V) until 5 years after the date of such non- 317 citizen's entry into the United States.
 - a. Subsection (a)(2)(A)(i)(V) states; "an alien is admitted to the United States as an Amerasian immigrant pursuant to section 584 of the Foreign

Operations, Export Financing, and Related Programs Appropriates Act, 1988 (as contained in section 101(e) of Public Law 100-202 and amended by the 9th proviso under Migration and Refugee Assistance in title II of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1989, Public Law 100-461, as amended)”

- Permanent residents if:
 - Are lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act; and
 - (1) Have worked forty (40) qualifying quarters of coverage as defined under title II of the Social Security Act or can be credited with such qualifying quarters as provided under section 1645 of this title, and (II) in the case of such qualifying quarter creditable for any period beginning after December 31, 1996, did not receive any Federal means-tested public benefits (as provided under 1643 of this title) during any such period.
- Veterans and active-duty non-citizens are considered eligible if:
 - A veteran (as defined in section 101, 1101, or 1301, or as described in section 107 of Title 38) with a discharge characterized as an honorable discharge and not on account of alienage and who fulfills the minimum active-duty service requirements of section 5303A(d) of Title 38;
 - On active duty (other than active duty for training) in the Armed Forces of the United States; or
 - The spouse or unmarried dependent child of an individual described in clause (i) or (ii) or the unremarried surviving spouse of an individual described in clause (i) or (ii) who is deceased if the marriage fulfills the requirements of section 1304 of Title 38.

Family Focused Solutions

Family Focused Solutions (FFS) provides short term counseling services such as mental health services and non-medical substance use treatment services to family members with barriers to employment and self-sufficiency.

Emergency Cash Assistance

Effective March 2020, the state may elect to operate an Emergency Cash Assistance (ECA) program in the event of a state and/or federal emergency declaration as a result of natural disaster or public health emergency. This benefit will be available for current TANF participants as well as non-TANF participants.

Eligibility for ECA due to natural disasters:

- Applicant must live and/or work in the area declared a disaster; Families must include a dependent child under the age of eighteen (18) or a pregnant woman (regardless of trimester);
- The applicant must be a resident of Tennessee;
- The applicant must be a U.S. citizen or qualified non-citizen;
- The applicant and household members must have valid social security numbers;
- The applicant's resources must not exceed \$2,000 (this can be waived at

- the state's discretion depending on severity of disaster);
- Applicant must be unable to live in the home due to the disaster, or the home requires significant repairs, or work in place of employment due to damage/destruction; and
- Other eligibility factors dependent on the nature of the emergency determined by the Department (Examples: residency and verification requirements).

Eligibility for ECA due to public health emergency:

- Applicant must live in the area affected by the public health emergency;
- Families must include a dependent child under the age of eighteen (18) or a pregnant woman (regardless of trimester);
- The applicant must be a resident of Tennessee;
- The applicant must be a U.S. citizen or qualified non-citizen;
- The applicant and household members must have valid social security numbers;
- The applicant's resources must not exceed \$2,000 (This can be waived at the state's discretion depending on severity of emergency); and
- Applicant must experience a temporarily loss of income or reduction in hours by at least 50% due to the public health emergency; and other eligibility factors dependent on the emergency as determined by the Department.

Additional ECA requirements:

ECA will be short term benefits, not to exceed four (4) months.

The applicant's gross household income must not exceed 85% of the State's median income. The sixty (60) month time limit will not apply to applicants of ECA.

The 30-hour work requirement will not apply to applicants of ECA.

Child support cooperation is not a requirement for those eligible for ECA.

The standard allotment amount for household sizes will be determined based on the availability of funds, and benefits will be made available to families via the Electronic Benefit Card (EBT).

Families who are participating in the TANF program are eligible for ECA, however, they must continue to meet the eligibility requirements stated in sections A and B of this plan to remain open for TANF.

All Emergency Cash Assistance applicants receive information that explains the right to Appeal and to a Fair Hearing as described in section K of the plan.

One-Time Cash Payments:

The State may elect to issue an extra one-time cash payment to families receiving Families

First/TANF to assist customers in overcoming temporary hurdles. These payments will be distributed to customers, as determined by TDHS. The one-time cash payment will be added to the customers' existing Electronic Benefit Transfer (EBT) card.

Families First Subsidized Employment Program

TDHS implemented the subsidized employment program on April 15, 2025. TDHS created ninety-five (95) interim Eligibility Clerk positions housed within the local TDHS county offices in an effort to help eligible participants gain work experience to assist them in moving forward in their goals of self-sufficiency. The interim positions will not exceed twelve (12) months.

Eligibility for the Families First Subsidized Employment Program

TDHS will determine an individual's eligibility for the subsidized employment program based on household circumstances at the time of application. Applicants must meet the following eligibility requirements and qualifications to be considered for placement:

- Be a parent or relative caregiver to at least one (1) child under the age of eighteen (18);
- Be a US Citizen or a qualified non-citizen
- Meet the definition of "low income family" as defined below;
 - Living at or below the Federal Poverty Level;
 - Eligible for Medicaid;
 - Recipient of or eligible for public benefits, such as TANF/Families First or Supplemental Nutrition Assistance Program (SNAP);
 - Unemployed or zero income verification;
 - Live in Section 8 housing or low-rent public housing; or
 - Eligible for the National School Lunch Program; free or reduced lunch.
- Possess the following qualifications:
 - High school diploma or equivalent.
 - Be able to pass a background check.
 - Basic computer and communication skills.
 - Customer Service skills.
 - Time management and organizational skills.

ASSISTANCE UNDER THE PROGRAM ATTRIBUTABLE TO FUNDS PROVIDED BY THE
FEDERAL GOVERNMENT (SECTION 402(A)(1)(A)(IV) OF THE SOCIAL
SECURITY ACT)

Privacy Provisions

The rules of the cash assistance programs regarding the use and disclosure of information about customers and families receiving assistance are consistent with the rules that guided the program under Title IV-A of the Social Security Act prior to the enactment of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, thus protecting the rights of individuals and permitting the release of information to programs operating in connection with these programs; i.e., federally funded or federally assisted programs providing cash assistance on the basis of need, appropriate audit, and appropriate local, State, and federal law enforcement officials.

All TDHS staff will have mandatory requirements to participate in the Data Security Awareness Training every year. This training discusses the safeguarding of confidential case file information. Each staff member will be required to view an interactive training presentation, complete a short quiz regarding the training material, and sign an agreement to abide by the rules and protocols as described in the training material. Failure to participate in the training will result in the user being revoked access. If the TDHS staff does not abide by the confidentiality agreement, they will face disciplinary action.

E) ESTABLISH GOALS AND TAKE ACTION TO PREVENT AND REDUCE OUT-
OF- WEDLOCK PREGNANCIES, WITH SPECIAL EMPHASIS ON TEENAGE
PREGNANCIES (SECTION 402(A)(1)(A)(V) OF THE SOCIAL SECURITY ACT)

Efforts to Reduce Out-of-Wedlock Pregnancies

“What’s the Rush?” is a statewide initiative of the Tennessee District Attorneys (DA) General Conference aimed at raising awareness of the legal, financial, and social consequences of teen pregnancies. “What’s the Rush: Don’t be a Teen Parent” Campaign, provides informational videos and pamphlets via the DA’s Website. “What’s the Rush?” printed materials and videos were created for the DAs, Assistant District Attorneys (ADAs) or staff members to use when visiting schools and civic organizations to educate Tennessee’s youth about the consequences of becoming teen parents. These materials may also be provided to health departments, the Department of Human Services, courts, and other state-wide partners.

The Tennessee District Attorneys Conference created the campaign in 2008 in response to the number of court cases involving teen parents throughout the State. The following clause is included in the State of Tennessee’s contract with the DAs:

“A.39 The grantee shall conduct a teen pregnancy prevention campaign with a goal of decreasing the number of child support cases. This program shall target and provide resource materials to every high school and health department in the State. Further, the program shall be promoted, and readily assessable to teens through various means including, but not limited to, a website, billboards, and other outreach efforts.”

(F) CONDUCT A PROGRAM DESIGNED TO REACH STATE AND LOCAL LAW ENFORCEMENT OFFICIALS, THE EDUCATION SYSTEM, AND RELEVANT COUNSELING SERVICES, THAT PROVIDES EDUCATION AND TRAINING ON THE PROBLEM OF STATUTORY RAPE SO THAT TEENAGE PREGNANCY PREVENTION PROGRAMS MAY BE EXPANDED TO INCLUDE MEN (SECTION 402(A)(1)(A)(VI) OF THE SOCIAL SECURITY ACT)

The Department is actively working to procure an online training program in a video format to upload on our departmental website. This training program will be available to the general public and utilized to train our staff, TANF partners, and customers, including men, to address the problem of statutory rape and teen pregnancy prevention. Local TDHS offices will continue to provide printed material regarding statutory rape, displayed in TDHS offices, until such program is made available. Printed materials will be made available to; contracted agencies, local schools, and in other prominent public places to include law enforcement officials, and relevant counseling services. The Department requires all Family Assistance staff to report knowledge of possible statutory rape and any kind of child abuse or neglect. TDHS staff will contact the local Department of Children Services (DCS) office and notify a Child Protective Services intake worker of a possible occurrence of statutory rape when an applicant for Families First/TANF program or other programs designed to provide related services is:

- Thirteen (13) years of age but less than eighteen (18) years of age; or
- A parent, legal guardian, or custodian on behalf of such person.

TDHS, in conjunction with the proper authorities, will provide a cooperative effort to develop and implement the plan of action.

(G) IMPLEMENT POLICIES AND PROCEDURES AS NECESSARY TO PREVENT ACCESS TO ASSISTANCE PROVIDED UNDER THE STATE PROGRAM FUNDED UNDER THIS PART THROUGH ANY ELECTRONIC FUND TRANSACTION IN AN AUTOMATED TELLER MACHINE OR POINT-OF-SALE DEVICE LOCATED IN A PLACE DESCRIBED IN SECTION 408(A)(12), INCLUDING A PLAN TO ENSURE THAT RECIPIENTS OF THE ASSISTANCE HAVE ADEQUATE ACCESS TO THEIR CASH ASSISTANCE (SECTION 402(A)(1)(A)(VII) OF THE SOCIAL SECURITY ACT)

Any customer or caretaker receiving TANF assistance that participates or allows another to use the customer's EBT card in an EBT transaction at an ATM machine or Point of Sale (POS) device in any prohibited business location shall be subject to the following penalties:

- Reimburse the department for the amount withdrawn and used subject to any prohibition in federal law.
- Upon a third or subsequent violation, if permitted by federal law, the person shall be permanently disqualified from receiving public assistance benefits by means of direct cash payment or an electronic benefit transfer access card.

A person or entity subject to a penalty or sanction under this section shall have the right to a hearing pursuant to the Uniform Administrative Procedures Act, compiled in title 4, chapter 5.

TDHS shall designate a protective payee to administer the temporary public assistance grant for the benefit of the assistance unit in the event a customer or caretaker is disqualified from receipt of public assistance benefits by means of direct cash payment or an EBT card under this Chapter.

Any person or business entity who allows another to use the customer's EBT card in an EBT transaction at an ATM machine or POS device in any prohibited business location shall be subject to the following penalties:

- (A) One thousand dollars (\$1,000) for the first violation;
- (B) Two thousand five hundred dollars (\$2,500) for the second violation within five (5) years;
- (C) Five thousand dollars (\$5,000) for a third or a subsequent violation within five (5) years.

The district attorney general may bring an action to suspend the business licenses and permits of the person or business entity for one (1) year for any violation of this subsection (c). The department is authorized to bring an action to enforce any civil penalty under this subsection (c) in a complaint filed in the chancery court of the county where the merchant is located.

TDHS' Office of Inspector General (OIG) contacts the Tennessee Alcohol Beverage Commission and obtains a list of the names, physical, and mailing address of licensed liquor stores across the state on a quarterly basis. To obtain the addresses for adult entertainment businesses that meet the definition of Public Law 112-96, OIG initially contacted each County Sheriff Department across the state to identify the name and location of any adult cabaret business known in that county. OIG identifies additional or new "adult cabaret" business and/or changes through keyword and identifier searches based on store names. Under Tennessee Code Annotated 39-17-501, casinos, gambling casinos, or gaming businesses as defined by Public Law 112-96 are prohibited. Tennessee borders multiple states that have legalized gambling and gaming businesses (i.e., Kentucky, Mississippi, etc.). TDHS' OIG is using recipient EBT transaction data and queries

on known businesses and keyword(s) (i.e., casino, gaming, etc.) to identify recipients who have used their EBT card in an out of state restricted business. Under Tennessee Code Annotated, Section 71-3-126, a recipient cannot use their benefits at a retail store that derives its largest category of sales from loose tobacco, cigars, cigarettes, pipes, and other smoking accessories. This is monitored via EBT transaction data and queries.

Additionally, TDHS uses a series of monthly reports based on queries on keywords in the EBT store name and the list of established businesses to obtain the name and address of new businesses discovered through the monitoring process. Owner(s) of any new restricted establishments that are discovered as a result of the above efforts will be notified in writing of the State law and penalties for obtaining or using cash assistance from an EBT card in a restricted business.

TDHS' OIG works with the Business Intelligence Unit, a division within Finance and Administration to develop a series of reports to monitor EBT transactions at restricted locations at liquor stores, adult cabaret, gaming establishments and tobacco stores. These reports are reviewed on a monthly basis by the TDHS OIG Operations Unit. TDHS' OIG division investigates locations and recipients that are identified on the monthly reports. Once investigated, the TDHS' OIG will determine and establish claims in the amount of cash assistance accessed in a restricted location for customers that have received benefits in a restricted location per State law. TDHS' OIG division may also assess penalties on the businesses that violate the federal and state law.

We will work to ensure that our TANF recipients have adequate access to their cash assistance. Business owners will provide the DHS OIG Division with ATM location details. Based on that information, the OIG will assess the restricted locations to determine if there are other nearby unrestricted businesses where benefits can be accessed. If there appears to be an access problem, the DHS OIG will then notify the TANF Program Director concerning locations where a customer may not have adequate access to their cash assistance.

(H) ENSURE THAT RECIPIENTS OF ASSISTANCE PROVIDED UNDER THE STATE PROGRAM FUNDED UNDER THIS PART HAVE THE ABILITY TO USE OR WITHDRAW ASSISTANCE WITH MINIMAL FEES OR CHARGES, INCLUDING AN OPPORTUNITY TO ACCESS ASSISTANCE WITH NO FEE OR CHARGES, AND ARE PROVIDED INFORMATION ON APPLICABLE FEES AND SURCHARGES THAT APPLY TO ELECTRONIC FUND TRANSACTIONS INVOLVING THE ASSISTANCE, AND THAT SUCH INFORMATION IS MADE PUBLICLY AVAILABLE (SECTION 402(A)(1)(A)(VIII) OF THE SOCIAL SECURITY ACT)

If determined needed, the DHS TANF team, along with OIG, will work with businesses in order to purchase POS systems that will be able to be used by customers without being charged a surcharge fee.

The customer will have the opportunity to appeal any potential claim for using their cash assistance in a restricted location.

Brochures are provided by TDHS' contracted EBT vendor to every recipient who uses an EBT card to access his/her benefits. These brochures thoroughly explain use, fees, and possible surcharges that apply to electronic fund transactions and penalties for illegal use including those for use at restricted businesses. The EBT brochure list the website to access the EBT account information. This website has a section titled "Program Material", that provides the link for the TDHS TANF page.

(I) INDICATE WHETHER IT INTENDS TO TREAT FAMILIES MOVING FROM ANOTHER STATE DIFFERENTLY FROM OTHER FAMILIES UNDER THE PROGRAM, AND IF SO HOW (SECTION

402(A)(1)(B)(I) OF THE SOCIAL SECURITY ACT)

Out-of-State Families

TDHS applies the Families First/TANF program policies to all applicant/recipients who are residents, including those families who were past recipients in another state and move to Tennessee. The policies and procedures of the Families First/TANF program will be applied uniformly to current and to new state residents. Families seeking the Diversion payment must demonstrate six (6) months of residency in Tennessee.

(J) INDICATE WHETHER IT INTENDS TO PROVIDE ASSISTANCE TO NON-CITIZENS, AND IF SO INCLUDE AN OVERVIEW OF THE ASSISTANCE (SECTION 402(A)(1)(B)(II) OF THE SOCIAL
SECURITY ACT)

Treatment of Non-citizens

TDHS provides assistance to non-citizens using the rules outlined in the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, the Trafficking Victim Protection Act of 2000, and federal rules regarding certain battered women and children. TDHS does not offer state-only funded programs for non-citizens. The current Families First/TANF program policy allows eligibility for individuals with the following non-citizen status and length of time in the U.S.:

- Refugee (admitted under Section 207) in the U.S. less than five (5) years
- Asylee (admitted under Section 208) in the U.S. less than five (5) years
- Deportation Withheld (under section 243(h)) in the U.S. less than five (5) years
- Honorably Discharged Veterans
- Armed Forces Active Duty
- Spouse/Child/ of Veteran
- Spouse/Child of Armed Forces Active Duty

- Hmong or Highland Laotian
- Spouse of Hmong or Highland Laotian
- Dependent Child of Hmong or Highland Laotian
- Filipinos who are considered US Armed Service Vets
- Legal Permanent Resident (LPR) with forty (40) Qualifying Quarters
- Legal Permanent Resident (LPR) ins US more than five (5) years
- Amerasian Immigrant in U.S. less than five (5) years
- Cuban/Haitian Entrant admitted under Section 21 (h)(5) in the U.S. less than five (5) years
- Conditional Entrant (admitted under INA Section 203 (a)(7) ineligible status for more than five (5) years
- Parolee (status granted under INS Section 212 (d)(5) for 1 or more years – entry date on or after 8/22/96 after in “parolee” status for five (5) or more years
- Trafficking Victims in accordance with 107(b)(1) of the Trafficking Victim Protection Act of 2000
- Certain Women and Children in battered status and in the U.S. less than five (5) years
- Afghan Special Immigrant admitted under 101 (a)(27) effective 12/26/2007
- Afghan Special Immigrant admitted under 101 (a)(27) effective 12/19/2009 (in the U.S. less than five (5) years
- Afghan Humanitarian Parolee admitted under Section 2502 of the Afghanistan Supplemental Appropriations Act, 2022 (P.L. 117-43) effective 9/30/21; Continuing Appropriations and Ukraine Supplemental Appropriations Act, 2023 (P.L. 117-180); and Consolidated Appropriations Act, 2023 (Public Law 117-328) Iraqi Special Immigrant admitted under 101 (a)(27) effective 1/28/2008
- Iraqi Special Immigrant admitted under 101 (a)(27) effective 12/19/2009 (in U.S. less than five (5) years.
- Ukrainian Humanitarian Parolee admitted under the Additional Ukraine Supplemental Appropriations Act, 2022 (P.L. 117-128) and Ukraine Security Supplemental Appropriations Act, 2024 (P.L. 118-50).
- Citizens of freely associated states (i.e., Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau) lawfully residing in the United States in accordance with the Compacts of Free Association (COFA) under the Consolidated Appropriations Act, 2024 effective 3/9/2024

(K) SET FORTH OBJECTIVE CRITERIA FOR THE DELIVERY OF BENEFITS AND THE DETERMINATION OF ELIGIBILITY AND FOR FAIR AND EQUITABLE TREATMENT, INCLUDING AN EXPLANATION OF HOW IT WILL PROVIDE OPPORTUNITIES FOR RECIPIENTS WHO HAVE BEEN ADVERSELY AFFECTED TO BE HEARD IN A STATE ADMINISTRATIVE OR APPEAL

PROCESS (SECTION 402(A)(1)(B)(III) OF THE SOCIAL SECURITY ACT)

Program integrity is twofold. It includes both the provision that benefits must be provided timely and provided correctly and that recipients are provided with an avenue to voice their complaints/concerns through the administrative appeal process.

Appeals are handled by TDHS' Appeals and Hearings Division, an entity whose sole purpose is to ensure applicants and recipients receive their constitutionally required due process. The Division's function is to determine whether the correct action was taken on a case when that action has adversely affected an applicant or recipient. Any applicant for, or recipient of, Families First/TANF may file an appeal through the county office, district office, State Office, our OneDHS call center, or online via our OneDHS Customer Portal. Every applicant/recipient is informed of his/her right to appeal any administrative action and/or lack of administrative action by DHS. Anyone who applies or wants to apply for Families First/TANF cash assistance is given information that explains the right to an appeal and to a Fair Hearing, the method(s) by which a hearing may be obtained, and that he/she may be represented by a household member or a representative during the appeal process. Furthermore, all applicants/recipients are informed about these rights in each communication of administrative action that is issued to applicants or customers by TDHS.

Resources that were previously used for quality control purposes in the Aid to Families with Dependent Children (AFDC) program were redirected to monitor and evaluate Families First/TANF program. Focusing on outcomes rather than process will continue to ensure accountability. A method remains in place to ensure that payment accuracy and standards of promptness are achieved. An active case review team will review a statistically valid sample of cases that are actively receiving Families First/TANF (those not slated for closure); to ensure policy and payment accuracy and that appropriate case management services are provided. The results of these reviews are provided to the management team of each area in the state and are used to determine areas where additional training may be needed. Individual errors found in cases are also addressed and corrected.

(L) INDICATE WHETHER THE STATE INTENDS TO ASSIST INDIVIDUALS TO TRAIN FOR, SEEK, AND MAINTAIN EMPLOYMENT (SECTION 402(A)(1)(B)(V) OF THE SOCIAL SECURITY ACT)—

1. PROVIDING DIRECT CARE IN A LONG-TERM CARE FACILITY (AS SUCH TERMS ARE DEFINED UNDER SECTION 1397J OF THIS TITLE); OR

2. IN OTHER OCCUPATIONS RELATED TO ELDER CARE, HIGH-DEMAND OCCUPATIONS, OR OCCUPATIONS EXPECTED TO EXPERIENCE LABOR SHORTAGES AS, DETERMINED

APPROPRIATE BY THE STATE FOR WHICH THE STATE IDENTIFIES AN UNMET NEED FOR SERVICE PERSONNEL, AND, IF SO, SHALL INCLUDE AN OVERVIEW OF SUCH ASSISTANCE.

Patient Protection and Affordable Care Act of 2010

The Families First/TANF Program does not intend, at this time, to develop a specific program to assist customers to train for, seek, and maintain employment in:

- Providing direct care in a long-term care facility (as such terms are defined under

- Section 1397j of Title VI; or
- Other occupations related to elder care determined appropriate by the State for which the State identifies an unmet need for service personnel.

The TANF Case Managers will assist some Families First/TANF customers with work and/or educational training that apply to the above criteria as part of their general work requirement activities based on their needs and abilities.

(M) PROVIDE FOR ALL MOE-FUNDED SERVICES THE FOLLOWING INFORMATION: THE NAME OF THE PROGRAM BENEFIT OR SERVICE, AND THE FINANCIAL ELIGIBILITY CRITERIA THAT FAMILIES MUST MEET IN ORDER TO RECEIVE THAT BENEFIT OR SERVICE. IN ADDITION, FOR TANF MOE-FUNDED SERVICES (CO-MINGLED OR SEGREGATED MOE) DESCRIBE THE PROGRAM BENEFIT PROVIDED TO ELIGIBLE FAMILIES (SSP SERVICES DO NOT HAVE TO INCLUDE A DESCRIPTION BUT THE DEPARTMENT OF HEALTH AND HUMAN SERVICES ENCOURAGES IT) (§263.2(B)(3) & §263.2(C) PREAMBLE PAGES 17826-7)

MOE PROGRAMS

Tennessee has discontinued providing Families First/TANF cash assistance and services to some eligible families under a Separate State Program (SSP), using only State Maintenance of Efforts (MOE) funds. TDHS' MOE funds can be spent in any of the following categories: cash assistance, work/training related activities and associated support services, child support pass-through, Pre-K services, Families First/TANF Program Administration, and Families First/TANF MOE Child Care.

Families First/TANF eligibility, as outlined in section (a), is a requirement for usage of the TDHS MOE funds. TDHS does not currently have any SSP MOE Programs.

The list of current MOE funded services is below:

- Child Support Pass-through – If child support is collected for a month in which a family receives cash assistance, the family can receive child support pass-through payments up to the amount of their unmet need. Families receiving cash assistance may be eligible to receive a child support pass-through if:
 - Child support was collected for one or more of the eligible children for the month of assistance.
 - The family had an unmet need (the difference between the standard of need and the sum of the cash grant and the net income of the family)
 - Please refer to Section (c) "Eligibility."
- Pre-K Services – Funds are transferred to the Department of Education to apply to Pre-K services. This program provides early childhood services to low-income families. See section (c) for "low income" definition.

TDHS continues to uphold efforts to improve the Families First/TANF program through public involvement by meeting with advocates groups to discuss the state of the Families First/TANF program and proposed improvements. TDHS continues to maintain the trust of our customers, partners, and the public by demonstrating excellence in service delivery, results, and effective fiscal stewardship. The Families First/TANF program understands the importance of public-private partnerships and continues to collaborate with other agencies throughout the state.

AMERICANS WITH DISABILITIES ACT PROVISIONS

The Families First/TANF program, including any contracting agencies providing services to Families First/TANF customers, are required to comply with all ADA provisions in the application of policy and provision of services.

TANF CERTIFICATIONS

States that include TANF in the Combined State Plan must provide a certification by the chief executive officer of that State. During the fiscal year, the State will:

Operate a child support enforcement program under the State Plan approved under part D. (section 402(a)(2) of the Social Security Act) Yes

Operate a foster care and adoption assistance program under the State Plan approved under part E, and that the State will take such actions as are necessary to ensure that children receiving assistance under such part are eligible for medical assistance under The Unified or Combined State Plan under title XIX. (section 402(a)(3) of the Social Security Act) Yes

Provide information to victims of sexual harassment or survivors of domestic violence, sexual assault, or stalking. The state will ensure that current beneficiaries, applicants, and potential applicants for assistance under the State program funded under this part are notified of assistance made available by the State to victims of sexual harassment and survivors of domestic violence, sexual assault, or stalking. The state will ensure that case workers and other agency personnel responsible for administering the state program funded under this part are trained in the nature and dynamics of sexual harassment and domestic violence, sexual assault, and stalking; State standards and procedures relating to the prevention of, and assistance for, individuals who are victims of sexual harassment or survivors of domestic violence, sexual assault, or stalking; and methods of ascertaining and ensuring the confidentiality of personal information and documentation related to applicants for assistance and their children who have provided notice about their experiences of sexual harassment, domestic violence, sexual assault, or stalking.

Ensure that, if a state has elected to establish and enforce standards and procedures regarding the screening for, and identification of, domestic violence, sexual assault, or stalking pursuant to paragraph (7): the state program funded under this part provides

information about the options under this part to current and potential beneficiaries; and case workers and other agency personnel responsible for administering the state programs funded under this part are provided with training regarding state standards and procedures pursuant to paragraph (7). Yes

Specify which State agency or agencies will administer and supervise the program referred to in paragraph (1) for the fiscal year, which shall include assurances that local governments and private sector organizations (section 402(a)(4) of the Social Security Act)—have been consulted regarding the plan and design of welfare services in the State so that services are provided in a manner appropriate to local populations; Yes

Specify which State agency or agencies will administer and supervise the program referred to in paragraph (1) for the fiscal year, which shall include assurances that local governments and private sector organizations (section 402(a)(4) of the Social Security Act)—have had at least 45 days to submit comments on the plan and the design of such services Yes

Provide each member of an Indian tribe, who is domiciled in the State and is not eligible for assistance under a tribal family assistance plan approved under section 412, with equitable access to assistance under the State program funded under this part attributable to funds provided by the Federal Government. (section 402(a)(5) of the Social Security Act) Yes

Establish and enforce standards and procedures to ensure against program fraud and abuse, including standards and procedures concerning nepotism, conflicts of interest among individuals responsible for the administration and supervision of the State program, kickbacks, and the use of political patronage. (section 402(a)(6) of the Social Security Act) Yes

(optional) Establish and Enforcing standards and procedures to (section 402(a)(7) of the Social Security Act). — screen and identify individuals receiving assistance under this part with a history of domestic violence while maintaining the confidentiality of such individuals; Yes

(optional) Establish and Enforcing standards and procedures to (section 402(a)(7) of the Social Security Act). — refer such individuals to counseling and supportive services; Yes

(optional) Establish and Enforcing standards and procedures to (section 402(a)(7) of the Social Security Act).—waive, pursuant to a determination of good cause, other program requirements such as time limits (for so long as necessary) for individuals receiving assistance, residency requirements, child support cooperation requirements, and family cap provisions, in cases where compliance with such requirements would make it more difficult for individuals receiving assistance under this part to escape domestic violence or unfairly penalize such individuals who are or have been victimized by such violence, or individuals who are at risk of further domestic violence. Yes

EMPLOYMENT AND TRAINING PROGRAMS UNDER THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (PROGRAMS AUTHORIZED UNDER SECTION 6(D)(4) OF THE FOOD AND NUTRITION ACT OF 2008 (7 U.S.C. 2015(D)(4)))

A. GENERAL REQUIREMENTS [27]

The State agency must prepare and submit an Employment and Training (E&T) Plan to its appropriate Food and Nutrition Service (FNS) Regional Office. The E&T Plan must be available for public inspection at the State agency headquarters. A State agency may include its plan for the SNAP E&T program in a Combined Plan under WIOA but will require FNS approval prior to implementation and must continue to make a copy of the plan available for public inspection. If a State includes SNAP E&T in a Combined Plan under WIOA, the State agency will detail the following for each year covered by the Combined Plan:

[27] 7 CFR § 273.7(c)(6)

1. THE NATURE OF THE E&T COMPONENTS THE STATE AGENCY PLANS TO OFFER AND THE REASONS FOR SUCH COMPONENTS, INCLUDING COST INFORMATION. THE METHODOLOGY

FOR STATE AGENCY REIMBURSEMENT FOR EDUCATION COMPONENTS MUST BE SPECIFICALLY ADDRESSED. IF A STATE AGENCY PLANS TO OFFER SUPERVISED JOB SEARCH IN ACCORDANCE WITH PARAGRAPH (E)(2)(I) OF THIS SECTION, THE STATE AGENCY MUST ALSO INCLUDE IN THE E&T PLAN A SUMMARY OF THE STATE GUIDELINES IMPLEMENTING SUPERVISED JOB SEARCH. THIS SUMMARY OF THE STATE GUIDELINES, AT A MINIMUM, MUST DESCRIBE: THE CRITERIA USED BY THE STATE AGENCY TO APPROVE LOCATIONS FOR SUPERVISED JOB SEARCH, AN EXPLANATION OF WHY THOSE CRITERIA WERE CHOSEN, AND HOW THE SUPERVISED JOB SEARCH COMPONENT MEETS THE REQUIREMENTS TO DIRECTLY SUPERVISE THE ACTIVITIES OF PARTICIPANTS AND TRACK THE TIMING AND ACTIVITIES OF PARTICIPANTS;

Job Search Training (JST) Component

Description of the component	This component helps participants develop and/or enhance skills needed to gain employment via instruction, guidance, and/or mentoring. Approved activities include case management to reduce employment barriers, job skills assessments, career coaching, job search techniques, training on utilizing technology during job search, online job search training, resumé writing workshops and/or assistance, application assistance, interview skills workshops and/or practice sessions, assistance with appropriate dress, social skills-building, training on effective networking, job placement referrals and/or assistance, and other approved job search training activities offered within One-Stop American Job Centers and by third-party partners (TPPs). During each participant's initial assessment, at least three activities are outlined and documented in the JST activity document. SNAP E&T will support the cost of a vocational license or reinstatement for participants looking for work in their field. Approved JST activities are thoroughly evaluated and must directly enhance participants' employability. JST is not intended to be a long-term activity. This component usually includes three activities and is targeted for completion

	within 4 - 6 weeks. UT Extension will be providing online Job Search training for any interested SNAP E&T enrolled individual.
Target population	All SNAP E&T participants for whom skills deficiencies are identified during the initial assessment and/or those who express a lack of skills necessary to gain employment are referred to JST. Participants who do not want to engage in specific education and/or training but need assistance with gaining employment are also referred to JST.
Criteria for participation	All SNAP E&T participants for whom skills deficiencies are identified during the initial assessment and/or those who express a lack of skills necessary to gain employment are referred to JST. Participants who do not want to engage in specific education and/or training but need assistance with gaining employment are also referred to JST.
Geographic area	Statewide
E&T providers	TDLWD, WIOA, TPP, and/or State-approved vendors or providers
Projected annual participation	702
Estimated annual component costs	\$801.13 (\$1.14 per participant)

Job Retention (JR) Component

Description of the component	This component assists participants who gain new employment through participation in or completion of SNAP E&T activities. JR services include case management, transportation assistance, and assistance obtaining or reimbursement for the purchase of necessary uniforms and/or other employment clothing, equipment, supplies, or tools required to perform the job, testing fees, and/or other necessities needed to maintain and achieve satisfactory performance in their newly acquired employment. Job retention services are offered for a minimum of 30 days up to a maximum of 90 days. An activity code is entered with a maximum of 90 days of participation as the end date able to be entered. Participants must work with

	approved vendors or approved services through Third Party Partners for supportive services
Target population	SNAP E&T participants who gain and/or improve employment status through participation in SNAP E&T activities and/or services.
Criteria for participation	Participants who gain new employment through participation during the previous 12 months in another component and/or receive other SNAP E&T employment and/or training services are potentially eligible for JR. Participants must receive SNAP benefits during the month of/during the month prior to enrollment in JR. Ongoing case management and confirmation of JR eligibility from TDHS staff are used to determine appropriateness of participation in this component.
Geographic area	Statewide
E&T providers	TDLWD, WIOA, TPP, and/or State-approved vendors or providers
Projected annual participation	115
Estimated annual component costs	\$1,417.46 (\$ 12.32 per participant)

Basic/Foundational Skills Instruction, Including High School Equivalency Programs (EPB) Component

Description of the component	This component helps participants prepare for CTE needed to further their career goals. Participants who lack a high school diploma or HSE are referred to local Adult Education (Title II) partners for High School Equivalency attainment including preparation and testing. The State allocates funding for testing fees if no other funding source is identified. The following exams can be taken and applied toward HSE Diploma attainment: TABE Exam, HISET Exam, and GED Exam. Students must pass Math, Reading, Writing/Language, Social Studies, and Science. Participants who have a TABE test score of 8.5- grade level or less or possess a high school diploma or HSE and desire CTE but have a deficiency of basic skills as determined by standardized testing are also eligible for EPB. SNAP E&T funding provides transportation assistance and supportive services. If needed, a referral to TDHS for childcare assistance is provided but no E&T funds are used.
Target population	All SNAP E&T participants in need of a high school diploma or HSE, who have a TABE test score of 8.5-grade level or less, or possess a high school diploma or HSE and desire CTE but have a deficiency of basic skills as determined by standardized testing are eligible for EPB.

Criteria for participation	Participants must lack a high school diploma or HSE, have a deficiency of basic skills as determined by standardized testing, and/or express individual interest. Information about each participant's abilities, knowledge, skills, and/or needs is gathered during the participant's initial assessment. This information is used to determine appropriateness of participation in this component.
Geographic area	Statewide
E&T providers	TN Adult Education Division (WIOA Title II) and contract staff selected to provide AE services
Projected annual participation	375
Estimated annual component costs	\$745.39 (\$1.98 per participant)
Not supplanting	TDLWD Case Managers assess other funding options can support educational costs before using SNAP E&T funds. Staff must document that E&T funds do not supplant non-federal funds through invoices or similar documentation showing costs paid by another funding source. TDLWD State Office staff monitor and review these records periodically.
Cost parity	TDLWD Case Managers ensure that SNAP E&T participants pay the same costs for educational services as nonparticipants. Staff must identify competitive pricing and alternative local programming that meets with participants' needs, local employment market demands, high-demand occupation requirements. Cost parity is verified during vendor evaluation and management oversight process. All expenses undergo review to confirm they are reasonable and necessary for participation in the component.

Description of the component	This component helps participants gain academic and technical knowledge and skills needed to obtain industry-recognized credentials that allow them to better compete in the job market. EPC activities and services are provided through the One-Stop system, community/technical colleges, and/or community-based organizations. Approved CTE activities are thoroughly evaluated and must directly enhance participants' employability and be aligned with local labor market needs and identified in-demand occupations. TN employs the following CTE standards: - Training programs must be 2.5 years or less. TN SNAP E&T cannot support bachelor's degree programs at this time. - Training must lead to an industry recognized credential, license, or certificate. - Trainings to include tuition and other required costs should be approved on the Eligible Training Provider Lists. -- For training programs provided by a Tennessee College of Applied Technology or Community College that are approved by Local Workforce Development Boards and appear on TDLWD's Eligible Training Provider List (ETPL), tuition and any required school costs not supported via any other funding streams will be supported by one or more of the following: 100% funds (tuition only), 50/50 funds, braided funding under WIOA programs, or a TPP with CTE as an approved activity. Once the allocated state funding is exhausted, participants will be referred to any other funding source that can be identified. SNAP E&T enrolled individuals will be eligible for up to \$1,000 towards tuition and other required training costs per training term as funding level allows. - For other training programs that are approved by the Local Workforce Board and appear on the ETPL, SNAP E&T state funds will support and/or share with Title I the participant cost of required book, tools, uniforms, and equipment up to \$1,000 approved per training term as funding allows. - TPP's with approved CTE programs will cover costs as outlined in their approved scope of work. - To assist participants who need to take an entry-level employment opportunity as a first step towards self-sufficiency, TPP will provide approved CTE training with the below parameters: -- Training is approved by TDWLD in the Scope of Work. -- Industry credential will be earned upon completion. -- Participant agrees to seek employment in that field. -- Assessment/IEP documents how the training connects them to their employment goal. - For the TN Rural Health Initiative programs, SNAP E&T will support up to \$1,000 in tuition and required costs that is not funded by another source. - For vocational training programs approved under the Adult Education division, SNAP E&T will support up to \$1,000 in tuition and required costs that is not funded by another source. - ETPL Programs for truck driving and Certified Nursing Assistant: SNAP E&T will support up to \$1,000 in both tuition and required costs. Eligible participants receive individualized case management through co-enrollment in WIOA Adult/WIOA Youth programming or by the contracted TPP. Training and participant support costs for SNAP E&T/WIOA Title I co-enrollees are shared across both programs. SNAP E&T funding provides transportation assistance or works with WIOA Title I to provide that support for co-enrolled participants. If needed, a referral to TDHS for childcare assistance is provided but no E&T

	funds are used.
Target population	All SNAP E&T participants with a high school diploma or HSE who want to gain knowledge and skills necessary for employment through an approved CTE program.
Criteria for participation	Participants must be enrolled with a TPP that has a SNAP E&T approved CTE program and be approved for CTE funding with WIOA Title I Services. Participants deemed not eligible for Title I services but who are eligible for SNAP E&T services and do not possess a bachelor's degree may also participate. Information about each participant's abilities, knowledge, skills, and/or needs is gathered during the participant's initial assessment and through ongoing case management. This information as well as required skills listed by the training provider is used to determine appropriateness of participation in this component.
Geographic area	Statewide
E&T providers	WIOA partners, TPP, ETPL training providers, and/or State-approved vendors or providers
Projected annual participation	1608
Estimated annual component costs	\$ 745.32 (\$ 0.46 per participant)

Not supplanting	Participants may receive E&T-funded assistance with transportation, textbook purchases, and other supportive services based upon assessed needs while enrolled in EPC. TDLWD Case Manager assesses whether other funding options can support educational costs before using SNAP E&T funds. Staff must document that E&T funds do not supplant non-federal funds through invoices or similar documentation showing costs covered by other funding sources. Staff periodically monitor and review these records. Participants receiving Federal student aid via the FAFSA are not eligible for tuition assistance via SNAP E&T unless the awarded amount does not fully pay for selected training program costs. SNAP E&T will support participants with gap funding if the award is not issued in time to support required costs. If participant receives a refund from FAFSA for the training term, they will be expected to use those funds to pay for any off campus required costs for that term.
Cost parity	TDLWD and TPP Case Managers ensure that SNAP E&T participants pay the same costs for educational services as non-participants. Staff must identify competitive pricing and alternative local programming that meets participants' needs, local employment market demands, and high-demand occupation requirements. Cost parity is verified during vendor evaluation and management oversight process. All expenses undergo review to confirm they are reasonable and necessary for participation in the component.

English Language Acquisition (EPEL) Component

Description of the component	This component provides services through AE's Integrated English Literacy and Civics Education (IELCE) program. Through IELCE, participants also receive support with HiSET preparation, citizenship exam preparation, and/or pursue training through AE's Integrated Education and Training (IET) program. SNAP E&T funding supports transportation assistance. If needed, a referral to TDHS for childcare assistance is provided but no E&T funds are used.

Target population	All SNAP E&T participants who request language assistance, who do not speak English as their primary language, and/or for whom lack of English language skills is a barrier to employment.
Criteria for participation	Participants must have a primary language other than English and/or express a desire to learn English to assist with training and obtaining employment. Information about each participant's abilities, knowledge, skills, and/or needs is gathered during the participant's initial assessment and through ongoing case management. This information is used to determine appropriateness of participation in this component.
Geographic area	Statewide
E&T providers	WIOA, TPP, and/or State-approved vendors or providers
Projected annual participation	80
Estimated annual component costs	\$748.32 (\$ 9.35 per participant)
Not supplanting	Participants may receive E&T-funded assistance with transportation, textbook purchases, and other supportive services based upon assessed needs while enrolled in EPC. TDLWD Case Manager assesses whether other funding options can support educational costs before using SNAP E&T funds. Staff must document that E&T funds do not supplant non-federal funds through invoices or similar documentation showing costs covered by other funding sources. Staff periodically monitor and review these records.
Cost parity	TDLWD Case Managers ensure that SNAP E&T participants pay the same costs of educational services as Non-participants. Staff must identify competitive pricing and alternative local programming that meets participants' needs, employment market demand, and high-demand occupation requirements. Cost parity is verified through vendor evaluation and management oversight. All expenses undergo review to confirm they are reasonable and necessary for component participation

Work Readiness Training (EPWRT) Component

Description of the component	This component helps participants develop Personal Effectiveness Competencies (i.e. soft skills), including foundational cognitive skills such as reading for information, applied mathematics, locating information, problem-solving, and critical thinking. EPWRT activities also help participants develop personal characteristics and behavioral skills such as adaptability, integrity, cooperation, and workplace discipline which enhance participants' interpersonal interactions, job performance, and career prospects. EPWRT participants may be referred and/or co-enrolled in JST for resources and activities that strengthen participants' employment efforts. EPWRT is not intended to be a long-term activity. This component must be completed within 3 months but can be extended on a case-to-case basis in special circumstances as approved by TDLWD.
Target population	All SNAP E&T participants for whom lack of foundational skills is a barrier to gaining employment or being successful in maintaining long-term employment. TN SNAP E&T further identifies justice-involved participants as a priority population.
Criteria for participation	Participants must demonstrate lack of foundational skills needed to enter employment, lack of foundational skills needed to maintain past employment, and/or express individual interest. Information about each participant's abilities, knowledge, skills, and/or needs is gathered during the participant's initial assessment and through ongoing case management. This information is used to determine the appropriateness of participation in this component.
Geographic area	Statewide
E&T providers	TPP and/or State-approved vendors or providers
Projected annual participation	360
Estimated annual component costs	\$ 3,263.20 (\$9.06 per participant)

Not supplanting	Participants may receive E&T-funded assistance with transportation, textbook purchases, and other supportive services based upon assessed needs while enrolled in EPWRT. TDLWD Case managers assess whether other funding options can support educational costs before using SNAP E&T. Staff must document that E&T funds do not supplant non-federal funds through invoices or similar documentation showing costs covered by other funding sources. State Office staff periodically monitor and review these records.
Cost parity	TDLWD and TPP Case Managers ensure SNAP E&T participants pay the same costs for educational services and/or activities as nonparticipants. Staff must identify competitive pricing and alternative local programming in that meets participants' needs, employment market demands, and high-demand occupation requirements. Cost parity is verified through vendor evaluation and management oversight. All expenses undergo review to confirm they are reasonable and necessary for component participation.

Work Based Learning, Work Experience Component: Apprenticeship (WBLA)

Description of the component	This component is provided by Apprenticeship TN, a statewide initiative developed to create a greater awareness of apprenticeship opportunities for employers and workers in every area of Tennessee. The Tennessee apprenticeship program is designed to assist individuals earn experiential learning combining paid, on-the-job learning with related classroom instruction in order to increase an apprentice's skill level and Wages. It provides participants with: - On-the-job training from an experienced mentor for typically not less than one year; - Technical education at one of Tennessee's community colleges, technical schools, apprenticeship training schools, provided online or at the job site; - Training and curriculum that align with the skill needs of employers in the economy of the State or region involved; - Access to educational and career counseling and other supportive services, directly or indirectly; - Hands-on, meaningful learning activities that are connected to education and training activities, such as exploring career options, and understanding how the skills acquired through the

	coursework can be applied toward a future career; and Opportunities to attain at least one industry-recognized credential. Timeframe for apprenticeship varies based on career path and/or field selected. Interested individuals that meet the criteria for participation will be referred to Apprenticeship TN. The list of TN's registered apprenticeships can be found at https://www.tn.gov/content/tn/apprenticeshiptn/find-a-program.html. SNAP E&T will support up to \$1,000 in tuition and required training materials that are not covered by an existing funding source. If needed, a referral to TDHS for child care assistance is provided but no E&T funds are used.
Target population	All SNAP E&T participants for whom lack of workplace skills and/or poor work history are barriers to gaining employment or being successful in maintaining long-term employment (as determined by WIOA Title I Career Services providers).
Criteria for participation	All SNAP E&T participants for whom want the opportunity to gain the skills and technical knowledge needed to become an expert in a chosen trade field.
Geographic area	Statewide
E&T providers	Approved programs with the Office of Apprenticeship TN will offer the apprenticeship programs for participants
Projected annual participation	22

Estimated annual component costs	\$1,504.96 (\$68.40per participant)

Work Based Learning, Work Experience Component: Pre - Apprenticeship (WBLPA)

Description of the component	This component is provided by Apprenticeship TN, a statewide initiative developed to create a greater awareness of apprenticeship opportunities for employers and workers in every area of Tennessee. The Tennessee pre-apprenticeship program is designed to assist individuals who do not currently possess the minimum (academic or skills) requirements for selection into an apprenticeship program to meet the minimum selection criteria established in a program sponsor's apprenticeship standards required and which maintains at least one documented partnership with a Registered Apprenticeship program. It provides participants with: - Training and curriculum that align with the skill needs of employers in the economy of the State or region involved; - Access to educational and career counseling and other supportive services, directly or indirectly; - Hands-on, meaningful learning activities that are connected to education and training activities, such as exploring career options, and understanding how the skills acquired through the coursework can be applied toward a future career; - Opportunities to attain at least one industry-recognized credential; and - Assistance securing placement in a registered apprenticeship program (for individuals who complete the pre-apprenticeship program). Timeframe for pre-apprenticeship varies based on career path and/or field selected. Interested individuals that meet the criteria for participation will be referred to Apprenticeship TN. SNAP E&T will support up to \$1,000 in tuition and required costs that is not funded by another source. If needed, a referral to TDHS for childcare assistance is provided but no E&T funds are used. The list of TN's registered apprenticeships can be found at https://www.tn.gov/content/tn/apprenticeshiptn/find-a-program.html.

Target population	All SNAP E&T participants for whom want the opportunity to gain the skills and technical knowledge needed to become an expert in chosen trade field.
Criteria for participation	Participants must have a high school diploma/HSE, or otherwise meet the minimum criteria established by providers to demonstrate basic knowledge, skills, experience, and/or interest, as required. In addition, demonstrate the need to upskill to move towards self-sufficiency, commit to the level effort required by the pre-apprenticeship program, ability to meet any other criteria specified by the pre-apprenticeship program (such as use of heavy machinery or computer literacy, etc.). Information about each participant's abilities, knowledge, skills, and/or needs is gathered during the participant's initial assessment and through ongoing case management. This information is used to determine the appropriateness of participation in this component. Costs are approved on a term-by-term basis. Ongoing assistance is dependent on continued eligibility for SNAP E&T, available funding, and participant progress and cooperation as outlined in the Voluntary Agreement.
Geographic area	Statewide
E&T providers	Approved programs with the office of Apprenticeship TN will offer the pre-apprenticeship programs for participants
Projected annual participation	10
Estimated annual component costs	\$1,504.96 (\$150.49 per participant)

Work Experience Component: Transitional Jobs (WBLTJ)

Description of the component	Justice-involved individuals will be connected to work experience sites to begin obtaining income stability and develop successful workplace habits to strengthen their employment history. Participants will receive on-the-job feedback on their work performance to encourage skill development.

	Once participants are deemed ready to obtain and sustain employment, they will be assisted with job development services leading to full-time job placement. Participants will be placed in Job Retention to ensure ongoing success.
Target population	Returning citizens: justice-involved individuals who are unemployed and seeking employment
Criteria for participation	Complete any assessment as required by provider, be able and willing to pursue permanent employment upon WBLTJ completion and commit to the level of required participation hours.
Geographic area	Statewide
E&T providers	TPP Center for Employment Opportunities (CEO)
Projected annual participation	20
Estimated annual component costs	\$6,431.41 (\$321.57 per participant)

2. A DESCRIPTION OF THE CASE MANAGEMENT SERVICES AND MODELS, HOW PARTICIPANTS WILL BE REFERRED TO CASE MANAGEMENT, HOW THE PARTICIPANT'S CASE WILL BE MANAGED, WHO WILL PROVIDE CASE MANAGEMENT SERVICES, AND HOW THE SERVICE PROVIDERS WILL COORDINATE WITH E&T PROVIDERS, THE STATE AGENCY, AND OTHER

COMMUNITY RESOURCES AS APPROPRIATE. THE STATE PLAN SHOULD ALSO DISCUSS HOW THE STATE AGENCY WILL ENSURE E&T PARTICIPANTS ARE PROVIDED WITH TARGETED CASE MANAGEMENT SERVICES THROUGH AN EFFICIENT ADMINISTRATIVE PROCESS;

The SNAP E&T program uses a standardized, participant centered case management model delivered by TDLWD staff and contracted providers. Participants are referred through TDHS Eligibility Counselors, and case management begins with an assessment to identify barriers, employment goals, and needed resources. All providers use the statewide VOS system to document assessments, referrals, activities, and follow ups, ensuring coordinated services and preventing duplication. Case managers conduct follow-ups at least every 30 days, monitor progress, address new barriers, and issue transportation reimbursements as appropriate. Status updates, including ABAWD hours, are submitted to TDHS monthly.

Coordination occurs through email, phone, and regular meetings, supported by a program procedure manual and oversight from TDLWD's SNAP E&T Assistant Directors. Providers also collaborate with community resources, including American Job Center partners and United Way 211, to connect participants with needed supports. Statewide use of VOS, standardized processes, and active oversight ensure efficient, targeted case management and consistent service delivery across the system.

3. AN OPERATING BUDGET FOR THE FEDERAL FISCAL YEAR WITH AN ESTIMATE OF THE COST OF OPERATION FOR EACH FEDERAL FISCAL YEAR COVERED BY THE COMBINED PLAN. ANY STATE AGENCY THAT REQUESTS 50 PERCENT FEDERAL REIMBURSEMENT FOR STATE AGENCY E&T ADMINISTRATIVE COSTS, OTHER THAN FOR PARTICIPANT REIMBURSEMENTS, MUST INCLUDE IN ITS PLAN, OR AMENDMENTS TO ITS PLAN, AN ITEMIZED LIST OF ALL ACTIVITIES AND COSTS FOR WHICH THOSE FEDERAL FUNDS WILL BE CLAIMED, INCLUDING THE COSTS FOR CASE MANAGEMENT AND CASEWORK TO FACILITATE THE TRANSITION FROM ECONOMIC DEPENDENCY TO SELF-SUFFICIENCY THROUGH WORK. COSTS IN EXCESS OF THE FEDERAL GRANT WILL BE ALLOWED ONLY WITH THE PRIOR APPROVAL OF FNS AND MUST BE ADEQUATELY DOCUMENTED TO ASSURE THAT THEY ARE NECESSARY, REASONABLE AND PROPERLY ALLOCATED. A STATE MUST SUBMIT A PLAN AMENDMENT TO REQUEST BUDGET ADJUSTMENTS AT LEAST 30 DAYS PRIOR TO PLANNED IMPLEMENTATION;

TABLE 30: TN SNAP E&T - ESTIMATED COSTS OF OPERATION

Cost Types	State Cost	Federal Cost	Total
I. Direct Costs:			
a) Salary/Wages	\$0	\$0	\$0

b) Fringe Benefits* Approved (Fringe Benefit Rate Used 32%)			
c) Contractual Costs (Admin Only)	\$3,830,388.53	\$3,830,388.53	\$7,660,777.06
d) Non-capital Equipment and Supplies	\$0	\$0	\$0
Cost Types	State Cost	Federal Cost	Total
e) Materials	\$0	\$0	\$0
f) Travel	\$0	\$0	\$0
g) Building/Space	\$0	\$0	\$0
h) Equipment & Other Capital Expenditures	\$0	\$0	\$0
Total Direct Costs	\$3,830,388.53	\$3,830,388.53	\$7,660,777.06
II. Indirect Costs:			
Indirect Costs* Approved Indirect (Cost Rate Used: 14.59%)			
III. In-kind Contribution			
State In-Kind Contribution	\$0	\$0	\$0
Total Administrative Cost (Total of items I, II, III)	\$3,830,388.53	\$3,830,388.53	\$7,660,777.06
100 Percent Federal E&T Grant		\$1,426,081.00	\$1,426,081.00
50 Percent Additional Administrative Expenditure	\$3,830,388.53	\$3,830,388.53	\$7,660,777.06
IV. Participant Reimbursement (State plus Federal)			

a) Dependent Care (including contractual costs)	\$0	\$0	\$0
b) Transportation & Other Costs (including contractual costs)	\$2,015,627.38	\$2,015,627.38	\$4,031,256.76

4. THE CATEGORIES AND TYPES OF INDIVIDUALS THE STATE AGENCY INTENDS TO EXEMPT FROM E&T PARTICIPATION, THE ESTIMATED PERCENTAGE OF WORK REGISTRANTS THE STATE AGENCY PLANS TO EXEMPT, AND THE FREQUENCY WITH WHICH THE STATE AGENCY PLANS TO REEVALUATE THE VALIDITY OF ITS EXEMPTIONS;

Currently Tennessee is operating under a Voluntary E&T program

5. THE CHARACTERISTICS OF THE POPULATION THE STATE AGENCY INTENDS TO PLACE IN E&T;

The population for E&T will consist of SNAP participants who are not on Temporary Assistance for Needy Families (TANF); who are able and willing to work; and who volunteer for the program.

6. THE ESTIMATED NUMBER OF VOLUNTEERS THE STATE AGENCY EXPECTS TO PLACE IN E&T;

The estimated number of volunteers Tennessee plans to serve for FY2026 is 4,209.

7. THE GEOGRAPHIC AREAS COVERED AND NOT COVERED BY THE E&T PLAN AND WHY, AND THE TYPE AND LOCATION OF SERVICES TO BE OFFERED;

The E & T program is statewide in 95 counties in Tennessee.

8. THE METHOD THE STATE AGENCY USES TO COUNT ALL WORK REGISTRANTS AS OF THE FIRST DAY OF THE NEW FISCAL YEAR;

The TDHS eligibility determination system calculates an unduplicated work registrant count and a snapshot of work registrants in the state as of October 1st each fiscal year.

9. THE METHOD THE STATE AGENCY USES TO REPORT WORK REGISTRANT INFORMATION ON THE QUARTERLY FORM FNS-583;

As of October 1st, the original referral date for each client is maintained in the eligibility system by the client's social security number, ensuring there will be no duplicative count of work registrants. If SNAP benefits are terminated and re-approved within the same federal fiscal year, TDHS' system will not count the participant more than once. Federal reporting data for work components and demographics is in the case management system for Tennessee: Jobs4TN. This

data will be collected and compiled by running queries through tables located in the Jobs4TN database that contains the needed information.

10. THE METHOD THE STATE AGENCY USES TO PREVENT WORK REGISTRANTS FROM BEING COUNTED TWICE WITHIN A FEDERAL FISCAL YEAR. IF THE STATE AGENCY UNIVERSALLY WORK REGISTERS ALL SNAP APPLICANTS, THIS METHOD MUST SPECIFY HOW THE STATE AGENCY EXCLUDES THOSE EXEMPT FROM WORK REGISTRATION UNDER 7 C.F.R.

§273.7(B)(1). IF THE STATE AGENCY WORK REGISTERS NONEXEMPT PARTICIPANTS WHENEVER A NEW APPLICATION IS SUBMITTED, THIS METHOD MUST ALSO SPECIFY HOW THE STATE AGENCY EXCLUDES THOSE PARTICIPANTS WHO MAY HAVE ALREADY BEEN REGISTERED WITHIN THE PAST 12 MONTHS AS SPECIFIED UNDER 7 C.F.R. §273.7(A)(1)(I);

UNDUPLICATED WORK REGISTRANT COUNT

The TDHS eligibility determination system calculates an unduplicated work registrant count and a snapshot of work registrants in the state as of October 1st. The original referral date for each client is maintained in the eligibility system by the client's social security number, ensuring there will be no duplicative count of work registrants. If SNAP benefits are terminated and re-approved within the same federal fiscal year, TDHS' system will not count the participant more than once.

11. THE ORGANIZATIONAL RELATIONSHIP BETWEEN THE UNITS RESPONSIBLE FOR CERTIFICATION AND THE UNITS OPERATING THE E&T COMPONENTS, INCLUDING UNITS OF THE STATEWIDE WORKFORCE DEVELOPMENT SYSTEM, IF AVAILABLE. FNS IS SPECIFICALLY CONCERNED THAT THE LINES OF COMMUNICATION BE EFFICIENT AND THAT NONCOMPLIANCE BY THE PARTICIPANT BE REPORTED TO THE CERTIFICATION UNIT WITHIN 10 WORKING DAYS AFTER THE NONCOMPLIANCE OCCURS;

Narrative Coordination Statements:

- TDLWD SNAP E&T Central office staff meets with TDHS SNAP Subprograms staff monthly to strategize ways to identify and serve more SNAP participants. Coordination of future on-site reviews are planned and discussed. Suggestions are offered for program improvement from both agencies. The meetings result in a better understanding of problems encountered by each agency. The outcome is that partner agencies pull together for the success of the program and the customers gain.

Program Reviews:

- TDLWD has a Program Accountability Review (PAR) Team that performs annual reviews. In addition to the annual PAR review, the Grants and Program Manager, as well as Regional Staff, will conduct technical assistance and program monitoring at least once per year.
- Program strengths are noted during reviews and recommendations are made to correct any weaknesses, opportunities to improve, or assure timeliness of the delivery of services. Corrective action plans are submitted for approval for any findings to the program.

TDHS has oversight of the E & T program. TDLWD is the administrator and primary service provider of E&T services.

Coordination of Duties Between Departments Tennessee Department of Human Services

- Intakes, Applications, and Recertification of cases
- Registration for work, all non-exempt household members (non-ABAWD)
- Update addresses and phone numbers in EBMS.
- Notify TDLWD when a client has been deregistered.
- Coordinate and cooperate with local TDLWD staff.
- Complete and enter E&T Referrals.

Tennessee Department of Labor and Workforce Development

- Invite participants with an offer of services.
- Discuss options and responsibilities under the program
- Provide basic overview, assess individual job readiness, and develop an individual Employment Plan.
- Direct individuals into appropriate activity with specific offer of referral to a component.
- Monitor and report component compliance or noncompliance to TDHS
- Authorize reimbursements
- Notify participant of date and time to conduct follow-up interviews.
- TDLWD staff will authorize reimbursement entitlements and monitor maximum payments to the participants.
- Complete documents and enter system within five working days of action for component placement, any change that has occurred, or component completion.
- Provide all case management throughout a Participants engagement in an E&T Component and seek follow-up to capture Outcome data.

Coordination Time Frames

The following coordination time frames will be followed, unless unforeseen circumstances prevent them from occurring:

- Once a referral list is provided by TDHS, TDLWD will send an appointment letter or contact the participant virtually within 10 business days.
- TDLWD will schedule orientation within 1-2 weeks of the referral date to allow sufficient time for the participant to enroll in a component and limit the possibility of an incurring countable month.
- TDLWD will immediately enter and electronically transmit the data required to authorize the participant expense reimbursement.
- TDLWD will notify TDHS within five days of any information regarding obtaining a job, changes in income, etc.
- TDLWD sends a notification status email to the TDHS.SNAP-ET@tn.gov mailbox at a minimum of every 30 days through VOS.

12. THE RELATIONSHIP BETWEEN THE STATE AGENCY AND OTHER ORGANIZATIONS IT PLANS TO COORDINATE WITH FOR THE PROVISION OF SERVICES, INCLUDING ORGANIZATIONS IN THE STATEWIDE WORKFORCE DEVELOPMENT SYSTEM, IF AVAILABLE. COPIES OF CONTRACTS MUST BE AVAILABLE FOR INSPECTION; THE STATE AGENCY MUST DOCUMENT HOW IT CONSULTED WITH THE STATE WORKFORCE DEVELOPMENT BOARD. IF THE STATE AGENCY CONSULTED WITH PRIVATE EMPLOYERS OR EMPLOYER ORGANIZATIONS IN LIEU OF THE STATE WORKFORCE DEVELOPMENT

BOARD, IT MUST DOCUMENT THIS CONSULTATION AND EXPLAIN THE DETERMINATION THAT DOING SO WAS MORE EFFECTIVE OR EFFICIENT. THE STATE AGENCY MUST INCLUDE IN ITS E&T STATE PLAN A DESCRIPTION OF ANY OUTCOMES FROM THE CONSULTATION WITH THE STATE

WORKFORCE DEVELOPMENT BOARD OR PRIVATE EMPLOYERS OR EMPLOYER ORGANIZATIONS. THE STATE AGENCY MUST ALSO ADDRESS IN THE E&T STATE PLAN THE EXTENT TO WHICH E&T ACTIVITIES WILL BE CARRIED OUT IN COORDINATION WITH THE ACTIVITIES UNDER TITLE I OF WIOA;

TDHS is the direct grantee of Supplemental Nutrition Assistance Program Employment and Training (SNAP E&T) Funds. TDHS and TDLWD have partnered through an Interagency Grant Agreement to administer the SNAP E&T program. TDLWD will be responsible for serving all SNAP participants who volunteer in the SNAP E&T program who are able and willing to work who are not on TANF through a vast array of employment and support services to promote workforce development in Tennessee. TDLWD will partner with several Third-Party Partners (TPPs) to accomplish this task while actively pursuing potential TPPs.

13. THE AVAILABILITY, IF APPROPRIATE, OF E&T PROGRAMS FOR INDIANS LIVING ON RESERVATIONS AFTER THE STATE AGENCY HAS CONSULTED IN GOOD FAITH WITH

APPROPRIATE TRIBAL ORGANIZATIONS;

There are currently no Tribal Organizations in the state of Tennessee.

14. IF A CONCILIATION PROCESS IS PLANNED, THE PROCEDURES THAT WILL BE USED WHEN AN INDIVIDUAL FAILS TO COMPLY WITH AN E&T PROGRAM REQUIREMENT. INCLUDE THE

LENGTH OF THE CONCILIATION PERIOD; AND

Tennessee's SNAP E&T program is voluntary for federal fiscal year 2026; therefore, the conciliation policy is not applicable at this time.

15. THE PAYMENT RATES FOR CHILD CARE ESTABLISHED IN ACCORDANCE WITH THE CHILD CARE AND DEVELOPMENT BLOCK GRANT PROVISIONS OF 45 CFR 98.43, AND BASED ON

LOCAL MARKET RATE SURVEYS.

Figure 25 - TN SNAP E&T -

Tennessee Department of Human Services									
Child Care Certificate Program Provider Reimbursement Rates Including Star-Quality Bonus Payments									
Effective July 1, 2019 (no changes in top tier counties)									
Child Care Centers	State Rate		One Star		Two Stars		Three Stars		
	Top Tier	Lower Tier	Top Tier	Lower Tier	Top Tier	Lower Tier	Top Tier	Lower Tier	
Infant (Full-time) (a) 6 wks to 13 mos	\$178.00	\$128.00	\$187.00	\$134.00	\$205.00	\$147.00	\$214.00	\$154.00	
Toddler (Full-time) (a) 13 mos to 31 mos	\$155.00	\$115.00	\$163.00	\$121.00	\$178.00	\$132.00	\$186.00	\$136.00	
Preschool (Full-time) (a) 31 mos to Kindergarten	\$119.00	\$83.00	\$125.00	\$88.00	\$137.00	\$107.00	\$143.00	\$112.00	
School In	\$60.00	\$54.00	\$63.00	\$57.00	\$69.00	\$62.00	\$72.00	\$65.00	
School Out	\$90.00	\$78.00	\$95.00	\$82.00	\$104.00	\$90.00	\$108.00	\$94.00	
Group Homes	State Rate		One Star		Two Stars		Three Stars		
	Top Tier	Lower Tier	Top Tier	Lower Tier	Top Tier	Lower Tier	Top Tier	Lower Tier	
Infant (Full-time) (a) 6 wks to 13 mos	\$155.00	\$108.00	\$163.00	\$113.00	\$178.00	\$124.00	\$186.00	\$130.00	
Toddler (Full-time) (a) 13 mos to 31 mos	\$135.00	\$101.00	\$142.00	\$106.00	\$155.00	\$116.00	\$162.00	\$121.00	
Preschool (Full-time) (a) 31 mos to Kindergarten	\$108.00	\$85.00	\$113.00	\$80.00	\$124.00	\$98.00	\$130.00	\$102.00	
School In	\$60.00	\$54.00	\$63.00	\$57.00	\$69.00	\$62.00	\$72.00	\$65.00	
School Out	\$90.00	\$72.00	\$95.00	\$76.00	\$104.00	\$83.00	\$108.00	\$88.00	
Family Homes	State Rate		One Star		Two Stars		Three Stars		
	Top Tier	Lower Tier	Top Tier	Lower Tier	Top Tier	Lower Tier	Top Tier	Lower Tier	
Infant (Full-time) (a) 6 wks to 13 mos	\$135.00	\$101.00	\$142.00	\$106.00	\$155.00	\$116.00	\$162.00	\$121.00	
Toddler (Full-time) (a) 13 mos to 31 mos	\$128.00	\$95.00	\$134.00	\$100.00	\$147.00	\$104.00	\$154.00	\$114.00	
Preschool (Full-time) (a) 31 mos to Kindergarten	\$102.00	\$85.00	\$107.00	\$80.00	\$117.00	\$98.00	\$122.00	\$102.00	
School In	\$75.00	\$60.00	\$79.00	\$63.00	\$86.00	\$69.00	\$90.00	\$72.00	
School Out	\$90.00	\$85.00	\$95.00	\$90.00	\$104.00	\$98.00	\$108.00	\$102.00	
Authorized	State Rate								
	Top Tier	Lower Tier							
Infant (Full-time) (a) 6 wks to 13 mos	\$95.00	\$72.00							
Toddler (Full-time) (a) 13 mos to 31 mos	\$90.00	\$66.00							
Preschool (Full-time) (a) 31 mos to Kindergarten	\$72.00	\$59.00							
School In	\$42.00	\$42.00							
School Out	\$54.00	\$55.00							

(a) Part-time for Infant, Toddler, and Preschool is one-half the full-time rate (rounded up)

* = One Star Rates equal the State rate plus a 5% quality bonus payment for Licensed providers

** = Two Star Rates equal the state rate plus a 15% quality bonus payment for Licensed providers

*** = Three Star Rates equal the State rate plus a 20% quality bonus payment for Licensed providers

Note: State will reimburse at any lower rate offered by a provider to the general public. Star Bonuses will be computed from a lower provider rate

Note: "Top Tier Counties" are those with the 20 highest average populations in 2015 and/or 20 highest per capita incomes 2014-2015. The following counties meet one of those criteria:

Anderson, Blount, Bradley, Coffee, Davidson, Fayette, Greene, Hamilton, Knox, Loudon, Madison, Maury, Montgomery, Moore, Putnam, Roane, Robertson, Rutherford, Sevier, Shelby, Sullivan, Sumner, Tipton, Trousdale, Washington, Williamson, Wilson

16. THE COMBINED (FEDERAL/STATE) STATE AGENCY REIMBURSEMENT RATE FOR TRANSPORTATION COSTS AND OTHER EXPENSES REASONABLY NECESSARY AND DIRECTLY RELATED TO PARTICIPATION INCURRED BY E&T PARTICIPANTS. IF THE STATE AGENCY PROPOSES TO PROVIDE DIFFERENT REIMBURSEMENT AMOUNTS TO ACCOUNT FOR VARYING LEVELS OF EXPENSES, FOR INSTANCE FOR GREATER OR LESSER COSTS OF TRANSPORTATION IN DIFFERENT AREAS OF THE STATE, IT MUST INCLUDE THEM HERE.

Participant reimbursement amounts vary based on the type of support requested. The transportation assistance will be provided in \$25 increments depending on the component. There is a max of \$150 reimbursement, and this is dependent not just on component, but level of participation/days of travel. All other amounts of support will depend on the vendor and the geographical location in which they are purchased. We will ensure all costs meet the reasonable and necessary standard and will utilize vendors on the state's approved vendor list.

17. INFORMATION ABOUT EXPENSES THE STATE AGENCY PROPOSES TO REIMBURSE. FNS MUST BE AFFORDED THE OPPORTUNITY TO REVIEW AND COMMENT ON THE PROPOSED REIMBURSEMENTS BEFORE THEY ARE IMPLEMENTED.

All allowable supportive services that are considered reasonable and necessary will be covered by SNAP E&T, Title I and/or TPPs. We utilize training provider cost sheets to assist in determining the reasonable and necessary costs. All effort is made for costs to be paid to

training provider so that participants do not have to cover the costs and wait for the reimbursement process. The most common supportive services are items such as books, uniforms, drug screens, tools, supplies, and transportation.

18. FOR EACH COMPONENT THAT IS EXPECTED TO INCLUDE 100 OR MORE PARTICIPANTS, REPORTING MEASURES THAT THE STATE WILL COLLECT AND INCLUDE IN THE ANNUAL

REPORT IN PARAGRAPH (C)(17) OF THIS SECTION. SUCH MEASURES MAY INCLUDE:

A. THE PERCENTAGE AND NUMBER OF PROGRAM PARTICIPANTS WHO RECEIVED E&T SERVICES AND ARE IN UNSUBSIDIZED EMPLOYMENT SUBSEQUENT TO THE RECEIPT OF THOSE SERVICES;

SNAP E&T tracks the percentage of individuals that in unsubsidized employment for the second quarter after exit and fourth quarter after exit. Please see below for those figures for Federal Fiscal Year 2024.

- Percentage in unsubsidized employment 2nd quarter after exit 45%
- Percentage in unsubsidized employment 4th quarter after exit 39%

SNAP E&T tracks the number of individuals that in unsubsidized employment for the second quarter after exit and fourth quarter after exit. Please see below for those figures.

- Number in unsubsidized employment 2nd quarter after exit 2,872

19. THE PERCENTAGE AND NUMBER OF PARTICIPANTS WHO OBTAIN A RECOGNIZED CREDENTIAL, A REGISTERED APPRENTICESHIP, OR A REGULAR SECONDARY SCHOOL DIPLOMA (OR ITS RECOGNIZED EQUIVALENT), WHILE PARTICIPATING IN, OR WITHIN 1 YEAR AFTER RECEIVING E&T SERVICES;

The percentage and number of participants who obtain a recognized credential, a registered apprenticeship, or a regular secondary school diploma (or its recognized equivalent), while participating in the program is the following below for Federal Fiscal Year 2026:

- Percentage: 69.9%
- Number: 895

Note, this data is only for while participating in E&T because information once they exit the program is not tracked.

20. THE PERCENTAGE AND NUMBER OF PARTICIPANTS WHO ARE IN AN EDUCATION OR TRAINING PROGRAM THAT IS INTENDED TO LEAD TO A RECOGNIZED CREDENTIAL, A REGISTERED APPRENTICESHIP AN ON-THE-JOB TRAINING PROGRAM, A REGULAR SECONDARY SCHOOL DIPLOMA (OR ITS RECOGNIZED EQUIVALENT), OR UNSUBSIDIZED EMPLOYMENT;

The percentage and number of participants who are in an education or training program that is intended to lead to a recognized credential, a registered apprenticeship an on-the-job training program, a regular secondary school diploma (or its recognized equivalent), or

unsubsidized employment is the following below for Federal Fiscal Year 2026:

- Percentage: 45%
- Number: 1,988

21. MEASURES DEVELOPED TO ASSESS THE SKILLS ACQUISITION OF E&T PROGRAM PARTICIPANTS THAT REFLECT THE GOALS OF THE SPECIFIC COMPONENTS INCLUDING THE PERCENTAGE AND NUMBER OF PARTICIPANTS WHO ARE MEETING PROGRAM REQUIREMENTS OR ARE GAINING SKILLS LIKELY TO LEAD TO EMPLOYMENT; AND OTHER INDICATORS APPROVED BY FNS IN THE E&T STATE PLAN.

Case managers capture participant progress throughout participation in the program. Data for components and demographics needed for federal reporting is located in the State's Department of Labor and Workforce case management system for TN-VOS.

Outside of Federal reporting requirements there are no additional indicators in Tennessee's E&T State Plan.

22. ABLE-BODIED ADULTS WITHOUT DEPENDENTS (ABAWD) A STATE AGENCY INTERESTED IN RECEIVING ADDITIONAL FUNDING FOR SERVING ABLE-BODIED ADULTS WITHOUT DEPENDANTS (ABAWDs) SUBJECT TO THE 3-MONTH TIME LIMIT, IN ACCORDANCE WITH 7 C.F.R. §273.7(d)(3), MUST INCLUDE THE FOLLOWING FOR EACH FEDERAL FISCAL YEAR COVERED UNDER THE COMBINED PLAN UNDER WIOA 7 CFR § 273.7(c)(7):

1. ITS PLEDGE TO OFFER A QUALIFYING ACTIVITY TO ALL AT-RISK ABAWD APPLICANTS AND RECIPIENTS;

Tennessee will not operate under a "pledge state" status for FFY 2026.

2. ESTIMATED COSTS OF FULFILLING ITS PLEDGE;

Tennessee will not operate under a "pledge state" status for FFY 2026.

3. A DESCRIPTION OF MANAGEMENT CONTROLS IN PLACE TO MEET PLEDGE REQUIREMENTS;

Tennessee will not operate under a "pledge state" status for FFY 2026.

4. A DISCUSSION OF ITS CAPACITY AND ABILITY TO SERVE AT-RISK ABAWDs;

Tennessee will not operate under a "pledge state" status for FFY 2026.

5. INFORMATION ABOUT THE SIZE AND SPECIAL NEEDS OF ITS ABAWD POPULATION; AND

Tennessee will not operate under a "pledge state" status for FFY 2026.

6. INFORMATION ABOUT THE EDUCATION, TRAINING, AND WORKFARE COMPONENTS
IT WILL OFFER TO MEET THE ABAWD WORK REQUIREMENT

Tennessee will not operate under a “pledge state” status for FFY 2026.

JOBS FOR VETERANS’ STATE GRANTS

(OMB Control Number: 1293-0017)

Components of the Jobs for Veterans State Grants State Plan

Jobs for Veterans State Grants (JVSG) recipients must provide a four-year state plan as a condition for the receipt of annual funding in accordance with 38 U.S.C. § 4102A(c). This plan must include responses to each of the components below.

A. DESCRIBE HOW THE STATE INTENDS TO PROVIDE EMPLOYMENT, TRAINING, AND JOB
PLACEMENT SERVICES TO VETERANS AND ELIGIBLE PERSONS UNDER THE JVSG PROGRAM
(I.E., VIRTUALLY AND IN-PERSON).

- A walkthrough of how eligible participants access American Job Center (AJC) services, are screened and referred for Disabled Veterans’ Outreach Program (DVOP) services and receive individualized career services through a case management framework.
- How the DVOP works with AJC staff and partners to connect veterans and other eligible participants to training and employment opportunities.
- How the Local Veterans’ Employment Representatives (LVER) connect in the local employer community to promote job opportunities for veterans.

The goal is to help the Veteran become job-ready and gain employment in a field of their interest and/or ability. Tennessee has developed a standardized process for referring veterans and other eligible persons with qualifying employment barriers (QEB) to a DVOP or Consolidated Position staff person. This screening approach begins at the point of entry into the American Job Center (AJC). Screening can be conducted either in-person or telephonically by front desk staff asking a series of questions to determine eligibility for the various AJC programs, QEBs, and services desired. Tennessee also offers assistance through a virtual AJC where veterans and eligible persons can be screened electronically for QEBs, identify what services they are seeking, and the system will match them with the appropriate AJC partner.

As part of the screening process, all customers are asked if they have served in the military or are the spouse of a veteran. If they answer “YES” to the question, the Veteran/eligible person is given a copy of the most current approved “DVOP Eligibility Screening Tool”, with instructions on how to complete the form and then return it to the intake person. The intake person will review the form and assess the questionnaire responses. Based on their self-attestation and reason for the visit, they will be referred to the appropriate AJC staff for services.

Pursuant to VPLs 05-24 and 01-26, a shared electronic mailbox will be utilized for receipt of VA Veteran Readiness and Employment (VR&E) referrals. A Wagner-Peyser staff person has been assigned to monitor the mailbox and handle VA VR&E referrals.

Veterans and eligible persons who are identified as having a QEB through the initial intake process and need individualized career services (ICS), may be referred to a DVOP staff for assistance and placed into case management. If referred to the DVOP for case management

services, the DVOP and the Veteran/eligible person will work together to complete a comprehensive assessment to document any current or potential QEBs and services needed to help overcome those QEBs. The assessment may also identify other barriers to employment, such as lack of childcare and lack of transportation.

Following completion of the objective assessment, the DVOP will work with the Veteran/eligible person to develop an Individual Employment Plan (IEP) to assist them in overcoming those barriers to employment and become job ready through agreed-upon goals and objectives. The Veteran/eligible person would then, if required, be referred to an appropriate partner for additional services as needed based on the IEP.

The DVOP will refer the Veteran/eligible person to partner AJC staff such as Title I (Adult) for training and other support services, Adult Education (AE), the Supplemental Nutrition Assistance Program Employment and Training (SNAP E&T), Re-employment Services Eligibility Assessment (RESEA), and the Temporary Assistance for Needy Families (TANF) program. The use of this multi-agency strategy, combined with a value for streamlined program integration will ensure the Veteran/eligible person is provided maximum employment and training assistance that will aid in addressing the basic skills needed to promote more qualified, effective, and efficient opportunities for veterans. DVOPs will coordinate case management with the partners to ensure there is not a duplication in services, the IEP is being followed/updated as appropriate, and case notes are properly maintained.

Consistent contact with the Veteran/eligible person will be conducted through in-person, virtual, or telephonic means. Consistent contact will occur no less than every 14 calendar days, and more often as needed depending on the Veteran's/eligible person's barriers. DVOPs will continue to follow-up with the Veteran/eligible person once they obtain employment at 30/60/90-day intervals.

In the absence of DVOP staff, or if the Veteran/eligible person does not meet the criteria for DVOP services, the Assistant Director (AD), or other Wagner-Peyser staff assumes responsibility for the assessment of the individual and ensures that appropriate referrals and services are provided.

LVER staff are assigned to each of the nine local workforce boards and responsible for employer outreach, promoting the benefits of hiring Veterans/eligible persons and developing employment opportunities for Veterans/eligible persons in their respective areas. One way this promotion process can be accomplished is by introducing employers to the immediate tangible incentives such as the Work Opportunity Tax Credit (WOTC, when funded), Incumbent Worker Training, On the job training (OJT), apprenticeships, GI Bill benefits, and state and federal dislocated worker programs that are available to them when they hire Veterans.

Intangible incentives to hiring Veterans include the "soft skills" Veterans bring to the hiring table such as teamwork, trainability, leadership, diversity in the workplace, and a host of others that are inherent to the military experience. The LVER staff increases exposure for employers by organizing and/or promoting public events like career fairs, Society for Human Resource Management (SHRM) events, Chamber of Commerce events, and the Hire Vets Medallion Program (HVMP), which in turn increases the visibility of employment opportunities for Veterans.

LVERs serve as a valuable source within the business engagement plan and Tennessee Works, which includes a focus on identifying business needs through numerous and innovative channels, depending on the lifecycle of the business, and ensures a full range of possible resources and benefits are delivered in a timely manner. To succeed in these areas, LVERs serve

employers by focusing on the following elements which are: (1) Sector-Based Service Delivery, (2) Business Cycle Framework, (3) LWDB as Asset Mappers, (4) Employer Case Management, (5) Enterprise Alignment, (6) AJC Network, and (7) Training and Development. These key elements support reaching the goals of improving communications, alignment, implementation, measurement, accountability, and agility of the agency and the workforce system statewide.

LVERs are a keystone in the Tennessee Works initiative. The mission of Tennessee Works is to connect businesses to workforce solutions through a seamless and coordinated experience. It's Tennessee's workforce initiative that will provide employers with a full suite of customized, data-driven workforce development services, delivered at no cost. For companies searching for a new location or Tennessee employers that need to expand or upskill their workforce, they will start with Tennessee Works.

LVERs are an integral part of our Business Service Team (BST). The BST provides valuable information about promoting Veterans within a variety of venues including job fair participation, Chamber of Commerce meetings, Society for Human Resource Managers (SHRM) meetings, employer visits, public radio and television service spots, and departmental brochures. The advantage of hiring Veterans/eligible persons is a topic that needs to be presented to an employer consistently. Tennessee's American Job Centers (AJCs), through the Business Services Team (BST), provides an effective conduit to promote Veterans/eligible persons to businesses as a sound and wise investment. Federal contractors and subcontractors are also targeted as they not only benefit from the hiring of Veterans but are reminded about their responsibilities under the Office of Federal Contract and Compliance Programs (OFCCP) and Vietnam Era Veterans Readjustment Assistance Act (VEVRAA) guidelines as well.

LVERs also work closely with Chambers of Commerce and local governments across the state with the development of a military recruitment strategy to encourage transitioning service members and their families to relocate to those areas.

Consolidated Position (CP) Staff serve a dual role as DVOP and LVER. They provide services to both employers and QEB Veterans/eligible persons. After they have assisted their Veteran/eligible person in addressing the identified barriers through individualized career services and determined to be job ready, they move into their LVER role and conduct job searches, employer outreach, coordinate apprenticeship/OJT opportunities, schedule job clubs, and other employment opportunities for those in their caseload. Consolidated staff also provide training to other AJC staff to ensure programmatic compliance in serving the needs of Veterans/eligible persons seeking our assistance.

B. LIST THE POPULATIONS TO BE SERVED BY DISABLED VETERANS' OUTREACH PROGRAM (DVOP) AND CONSOLIDATED POSITION STAFF, INCLUDING THE ELIGIBILITY CRITERIA FOR REFERRAL FOR DVOP SERVICES.

All populations served by DVOPs must meet eligibility requirements in accordance with current Veterans' Employment and Training Service guidance. Please refer to the following Veterans' Program Letters (VPLs), or most current guidance, to identify the eligible populations to be served by this grant:

DVOPs will specifically serve Veterans/eligible persons as defined by VPL's 05-24, 01-26, or current guidance.

These include:

- Has a disability, which may include any of the following:
 - i. Special disabled veteran, defined in 38 U.S.C. § 4211(1) as a veteran who is entitled to compensation (or who but for the receipt of military retired pay would be entitled to compensation) under laws administered by the Secretary of Veterans Affairs for a disability rated at 30 percent or more, or rated at 10 or 20 percent in the case of a veteran who has been determined to have a serious employment handicap; or person who was discharged or released from active duty because of a service-connected disability.
 - ii. Disabled veteran, defined in 38 U.S.C. § 4211(3) as a veteran who is entitled to compensation (or who but for the receipt of military retired pay would be entitled to compensation) under laws administered by the Secretary of Veterans Affairs^{1F 2}; or a person who was discharged or released from active duty because of a service-connected disability.
 - iii. Other disability. Eligible veterans and eligible persons who self-identify as having a disability, as defined by the Americans with Disabilities Act, 42 U.S.C. § 12102.
- Is experiencing homelessness, as defined in Sections 103(a) and (b) of the McKinney-Vento Homeless Assistance Act (42 USC 11302(a) and (b));
- Is a recently separated veteran, defined in 38 U.S.C. § 4211(6) as a veteran who was discharged or released from active duty within the last three years;
- Has been referred for employment services by a representative of the Department of Veterans Affairs;
- Is economically disadvantaged, which means any of the following:
 - i. Meets the definition of a low-income individual in WIOA Section 3(36), 29 U.S.C. § 3102(36).
 - ii. Unemployed.
 - iii. Heads of single-parent households containing at least one dependent child.
- Is justice-involved, as defined in WIOA Section 3(38), 29 U.S.C. § 3102(38) (definition of “offender”);
- A veteran lacking a high school diploma or equivalent certificate;
- Veterans aged 18-24 at the time of enrollment;
- Is a Vietnam-era veteran, as defined by 38 U.S.C. § 4211(2) as an eligible veteran any part of whose active military, naval, or air service was during the Vietnam era, as defined by 38 U.S.C. § 101(29).
- Eligible Transitioning Service Members, Spouses, and Caregivers.
 - Transitioning members who, at the time of enrollment have participated in any part of the Transition Assistance Program, including self-paced online modules and Individualized Initial Counseling;
 - Members of the Armed Forces who are wounded, ill, or injured and receiving treatment in military treatment facilities (MTF) or warrior transition units (WTU);
 - The spouses or other family caregivers of such wounded, ill, or injured members.

Additional Populations:

An eligible Veteran is a person who:

1. Served on active duty for a period of more than 180 days and was discharged or released therefrom with other than a dishonorable discharge;
2. Was discharged or released from active duty because of a service-connected disability; or
3. As a member of a reserve component under an order to active duty pursuant to section 12301 (a), (d), or (g) 12302, or 12304 of title 10, served on active duty during a period

of war or in a campaign or expedition for which a campaign badge is authorized and was discharged or released from such duty with other than a dishonorable discharge.

An eligible person is:

1. The spouse of any person who died of a service-connected disability;
2. The spouse of any member of the Armed Forces serving on active duty who, at the time of application for assistance under this chapter [38 U.S.C 4101] et seq.]' is listed' pursuant to section 556 of title 37 and regulations issued thereunder, by the secretary concerned in one or more of the following categories and has been so listed for a total of more than 90 days: (i) missing in action, (ii) captured in line of duty by a hostile force, or (iii) forcibly detained or interned in line of duty by a foreign government or power; or
3. The spouse of any person who has a total disability permanent in nature resulting from a service-connected disability or the spouse of a Veteran who died while a disability so evaluated was in existence.

C. DESCRIBE THE ROLES AND RESPONSIBILITIES ASSIGNED TO DISABLED VETERANS' OUTREACH PROGRAM (DVOP) SPECIALISTS, LOCAL VETERANS' EMPLOYMENT REPRESENTATIVE (LVER) STAFF, AND CONSOLIDATED DVOP/LVER POSITIONS BY THE STATE. THESE MUST BE CONSISTENT WITH 38 U.S.C. 4103A AND 4104.

DVOPs duties:

The primary duty of the DVOP is to provide individualized career services to Veterans/eligible persons with QEBs and additional eligible populations through a case management framework.

After the initial assessment of a Veteran in the AJC by non-JVSG staff, and determined that they are eligible for JVSG services, consistent with VPL 05-24, 01-26, or current guidance, they will be referred to a DVOP staff for assistance. To render effective case management services, the DVOP must, at a minimum:

- Conduct a comprehensive assessment of individual needs.
- Develop a documented IEP based on any employment barriers identified during the assessment process and regularly update the plan as needed.
- Consistent Contact – Regular, consistent contact between the DVOP staff and the Veteran/eligible person will be conducted both pre- and post-employment through in-person and/or virtual meetings, telephone contact, and e-mail. Consistent contact is based on the participant's individual needs and situation per the written plan and case notes and will occur no less than once every 14 calendar days during case management and during the 90-day follow-up period once employment is obtained. Any contact or attempt at contact must be documented in case notes. Appropriate activity codes should also be documented in the Veteran's/eligible person's case file.

These three elements form the core of an effective case management framework under which individual career services will be delivered.

Upon completion of the objective assessment, the DVOP can determine the need for additional individualized career services and document those services on the IEP and in case notes.

These services can take the form of:

- Providing vocational guidance and individual counseling as required, such as skills assessment, career planning, communications skills, interviewing skills, punctuality, personal maintenance skills, and professional conduct.
- Refer Veterans/eligible persons to community-based organizations regarding employment and training services available to Veterans; develop relationships with Veteran Service Organizations and other federal, state, and local programs to provide maximum employment assistance.
- Job referrals for specific employment opportunities.
- Referrals to training programs with other agencies, such as VA Veteran Readiness and Employment, as well as partner programs within the AJC, such as SNAP E&T, Adult Education, State Vocational Rehabilitation, and Adult, Dislocated Worker, and Youth Activities.

DVOPs are required to take an active role in conducting outreach to find in networking with local service providers to maximize the number of participants that the service provider refers to DVOPs who are eligible for individualized career services. This outreach may occur at other local, state, and federal government agencies, Veterans Service Organizations, community service organizations, LWDA partners, faith-based organizations, local community colleges/universities, Veterans Treatment Courts (VTC), Homeless Veterans Reintegration Program (HVRP), and any other entities that are dedicated to locating and serving Veterans/eligible persons.

LVER Duties:

The LVER will actively advocate for employment and training opportunities with business, industry, and community-based organizations on behalf of Veterans/eligible persons consistent with VPL 05-24, VPL 01-26 or current guidance. LVERs will be assigned duties that promote to employers, employer associations, and business groups the advantages of hiring Veterans/eligible persons and will be part of the “Business Services Team” within the AJC that conducts outreach activities to these entities.

The following activities will be part of this program:

- In conjunction with employers, conduct job searches and workshops and establish job search groups to facilitate the use of the TDLWD labor exchange system to enhance their employee search activities.
- Form effective relationships with the business community and trade unions to enhance the availability of employment and training opportunities for Veterans/eligible persons.

(a) Encourage businesses to hire Veterans/eligible persons and to provide OJT and Apprenticeship programs geared to the Veteran community. Inform and promote the Hire Vets Medallion Program to employers which LVERs contact.

(b) Maintain current labor market information on trends and adjust strategies accordingly.

- Work with training providers and credentialing bodies to promote opportunities for Veterans/eligible persons.

(a) Encourage employers in professions requiring licensure or certification to develop OJT and/or apprenticeship programs for Veterans/eligible person.

(b) Promote the participation of Veterans/eligible persons in programs leading to certification or licensure.

(c) Advocate with training providers and credentialing agencies for recognition of equivalent military training.

- Plan and participate in job fairs to provide employment opportunities for Veterans/eligible persons.

The LVER will facilitate this by:

(a) initiating contact and developing relationships with employers, community leaders, labor unions, Veterans' organizations, and training program representatives to develop their commitment to providing employment and training opportunities for Veterans/eligible persons.

(b) maintaining current information regarding a full range of employment and training options available to Veterans/eligible persons.

- Work with federal contractors to inform them of the process they can use to recruit and hire Veterans/eligible persons within the TDLWD Labor Exchange System and discuss their responsibilities under the OFCCP and VEVRAA final rule to attain the appropriate percentage of Veteran hires. The net result of LVER outreach to employers and the community will be an increased awareness of the capabilities of Veterans and their qualifications, along with developing employers' willingness to utilize the OJT program that is available to them to increase the opportunity for Veterans/eligible persons.

CONSOLIDATED POSITION (CP) Duties:

CP staff serve in a dual role as a DVOP Specialist and LVER. They perform the services of LVER to employers and DVOP to the most in need Veterans/eligible persons. This allows one position to fill both roles to ensure Veteran/eligible persons are being provided individualized career services in strategically placed areas of the state. Once a Veteran's/eligible person's employment and training needs have been identified, AJC staff ensures that appropriate services are provided.

D. DEMONSTRATE THE MANNER IN WHICH DVOP, LVER AND CONSOLIDATED DVOP/LVER STAFF ARE INTEGRATED INTO THE STATE'S EMPLOYMENT SERVICE DELIVERY SYSTEMS OR AMERICAN JOB CENTER (AJC). THIS DEMONSTRATION SHOULD SHOW ACTIVE ENGAGEMENT BETWEEN JVSG AND OTHER AJC STAFF, SUCH AS THROUGH PARTICIPATION IN STAFF MEETINGS AND CROSS-TRAINING OPPORTUNITIES.

DVOP, LVER, and consolidated DVOP/LVER positions are integrated into the employment service delivery system and below include some activities each role might perform:

- LVERs are an integral part of the Business Service Teams, collaborating with team members to reach out to employers to present information on all programs, avoiding duplicative visits.
- LVERs work with Workforce Innovation and Opportunity Act (WIOA) case managers to create job opportunities for Veterans being case managed and trained through other WIOA one-stop partner programs.
- DVOPs share information with partner staff regarding available community resources they can access to better serve Veterans who may not be eligible for DVOP services.

The LVER in each AJC is part of the local workforce area's Business Services Team, helping to develop a plan for an effective employer relations program that emphasizes the hiring and retention of Veterans, especially with federal contractors. LVERs train AJC staff on Priority of Service, the roles and responsibilities of JVSG staff, and how to properly triage Veterans/eligible persons upon entry to the AJC. The LVER is also responsible for informing management, staff, and other AJC partners of current policies, laws, and programs as they relate to Veterans/eligible persons. Tennessee recognizes the importance of developing job driven employment and training opportunities for the Veterans/eligible persons residing in the state. Each LVER works with other business engagement staff to identify job-driven employment and training opportunities that can be filled by Veterans/eligible persons and provides that information to DVOP staff and other AJC staff. This occurs at weekly staff meetings, through email exchanges, and through one-on-one discussions with staff.

DISABLED VETERANS OUTREACH PROGRAM SPECIALISTS (DVOP)

Integration into the Workforce System: Integration of the DVOP via the AJC will be accomplished by utilizing in-place procedures for servicing Veterans with QEBs and combining them with the new policies and processes that will support functional alignment within the AJC. All partners will work together to support the state's plan for a seamless, customer-driven system. The new policies will enhance the delivery system and reflect the Governor's vision of effective and efficient governance through the alignment of several programs. DVOP staff, other State Workforce Agency (SWA) staff, and Workforce Partners work together as a close-knit team to provide services to all Veterans/eligible persons and combine efforts to provide case management and individualized career service to those Veterans who have employment barriers.

DVOPs attend weekly Functional Team meetings directed by the Career Development Lead, regular and unscheduled JVSG meetings and trainings, monthly staff meetings with the AJC supervisor Assistant Director (AD) for state staff, and quarterly AJC cross-training meetings with local and regional partner staff hosted by the One Stop Operator to ensure that all partners are aligned with the same goals and standards across the local area and state to enhance services to Veterans. DVOPs have the opportunity to share ideas with the other partners on the delivery of services for Veterans/other eligibles and discuss how they can work together to enhance those services.

CONSOLIDATED POSITIONS (CP):

The CP staff in each AJC is part of the business services team. CP staff work with the business services team to develop a plan for an effective employer relations program that emphasizes the hiring and retention of Veterans, especially with federal contractors. The CP staff are also responsible for informing management, staff, and other AJC partners of current Veteran policies, laws, and programs.

E. DESCRIBE THE STATE'S PERFORMANCE INCENTIVE AWARD PROGRAM TO ENCOURAGE INDIVIDUALS AND/OR EMPLOYMENT SERVICE OFFICES TO IMPROVE AND/OR ACHIEVE EXCELLENCE IN THE PROVISION OF SERVICES TO VETERANS, INCLUDING:

1. THE NOMINATION AND SELECTION PROCESS FOR ALL PERFORMANCE INCENTIVE AWARDS TO INDIVIDUALS AND/OR OFFICES;

Selection Committee

The selection committee for these awards will be comprised of the JVSG program managers- the TN Director of Veteran Services and the Assistant State Veterans' Program Coordinator. The selection committee will consider advisory comments from Regional Directors, Assistant Directors, One Stop Operators, AJC and partner staff, and others deemed to hold relevant or compelling information. The selection committee members will be responsible for: (a) recording the minutes of each committee meeting; (b) retaining documentation for one (1) year on all AJCs that have been nominated; (c) ensuring persons on the selection committee who have made nominations do not vote on those nominations; and, (d) pre-approving an additional person to act as a "tie-breaking" vote in the event one is needed.

Submissions

Pursuant to TN State policy, awards may only be given to AJCs rather than to individuals. The selection committee will select the three most outstanding AJCs where most, if not all, office staff contribute to providing or improving employment and training services to veterans. Activities must have taken place during the current program year, which runs from July 1st to June 30th. Data related to service to veterans will be considered.

Awards will occur annually on the following timeline:

- April 1st First Selection Committee Meeting
- April 15th Second Committee Meeting
- June 15th Announcement of Awards

Examples of outstanding service include, but are not limited to:

- An exemplary success story showcasing substantial assistance with overcoming QEB(s) leading to successful job placement or development.
- Developing and sharing a best practice that has greatly benefited veterans.
- Creating and implementing a new program or initiative that promotes employment or training opportunities for Veterans.
- Additional achievements that provide a positive impact that enables a veteran or veterans to achieve meaningful employment.

Incentive Award funds will be distributed via Tennessee Department of Labor Finance Administration. All funds must be obligated by September 30th and expended by December 31st. Any unspent incentive award funding will be de-obligated during the grant close out of the applicable fiscal year.

2. THE APPROXIMATE NUMBER AND VALUE OF CASH AWARDS USING THE ONE PERCENT INCENTIVE AWARD ALLOCATION;

The Tennessee DOL-VETS JVSG Program utilizes the monetary incentive awards program authorized under VPL 01-24, Attachment 5, or most current guidance, to recognize American Job Center (AJC) staff that provide exceptional service to Veterans and other eligible persons. Per guidance, 1% of the annual JVSG funding may be used for incentive awards.

The objective of the program is to encourage staff members to be more attuned to the needs of the Veterans and other eligible persons served in the AJCs, as well as continually ensure improvements are made to the overall delivery system of services provided to Veterans and other eligible persons. There will be a total of three (3) AJCs awarded each year. The annual incentive award amount will be evenly split between each AJC awarded. These incentive award funds can be used for any purpose within the guidelines of VPL 01-24, or most current guidance. We understand these amounts will vary based on our annual allocation, but average \$12,000+ for each award given.

3. THE GENERAL NATURE AND APPROXIMATE VALUE OF NON-CASH PERFORMANCE INCENTIVE AWARDS TO BE CHARGED TO THE BASE ALLOCATION; AND

Tennessee will not provide non-cash incentive awards.

4. ANY CHALLENGES THE STATE MAY ANTICIPATE TO CARRYING OUT A PERFORMANCE INCENTIVE AWARD PROGRAM AS MANDATED BY 38 U.S.C. § 4102A(C). THIS SHOULD INCLUDE ANY STATE LAWS OR POLICIES THAT PROHIBIT SUCH AWARDS, IF APPLICABLE. DESCRIBE THE STATE'S EFFORTS IN OVERCOMING THOSE CHALLENGES.

Due to the Pay for Performance cash awards given periodically, state employees are not permitted to receive individual cash awards through the incentive award program. While there is no written policy, this is the practice of the State, TDLWD. We will continue talks with leadership to determine if individual cash awards can be given at a future time.

F. LIST THE PERFORMANCE TARGETS FOR DIRECT SERVICES TO VETERANS PROVIDED BY JVSG STAFF, AS MEASURED BY PARTICIPANTS':

- Employment Rate 2nd Quarter After Exit: **53%**
- Employment Rate 4th Quarter After Exit: **50%**
- Median Earnings 2nd Quarter After Exit: **\$8,000.00**

UNEMPLOYMENT INSURANCE (UI)

A. CONTENTS OF A COMPLETE UI SQSP PACKAGE

1. TRANSMITTAL LETTER



Tennessee Department of Labor & Workforce Development
Division of Employment Security
220 French Landing Drive
Nashville TN 37243

September 24, 2025

Renata Jones Adjibodou

U.S. Department of Labor Regional Administrator

Employment and Training Administration

61 Forsyth Street S.W.

Atlanta, Georgia 30303

Dear Ms. Renata Jones Adjibodou,

Attached are the originals for Fiscal Year 2026 Unemployment Insurance Application. We have submitted our Federal Assistance forms SF424 via Grants.gov and the SQSP Signature Page for the Tennessee Department of Labor and Workforce Development are attached.

If you have any questions regarding these forms, please contact Chris Russ at 615-253-5217.

Sincerely,

Deniece Thomas/BH
Deniece Thomas/BH (Sep 25, 2025 06:18:54 CDT)

Deniece Thomas, Commissioner

Tennessee's State Quality Service Plan (SQSP) was submitted to USDOL regional office via Alice Johnson on September 24, 2025.

2. BUDGET WORKSHEETS/FORMS

Tennessee's State Quality Service Plan (SQSP) was submitted to USDOL regional office via Alice Johnson on September 15, 2023 and approved via the Signature page on November 11th, 2023, by Kimberly G. Staley. Tennessee is currently in the second year of the SQSP plan process. The targeted data budget for TN was \$35,084,008 for Fiscal year 2024.

FY 2024 SQSP - Combined State Plan for WIOA State Plan Portal (1)

**U.S. Department of Labor
SQSP SIGNATURE PAGE**

OMB Control No.: 1205-0132

Expiration Date: 06/30/2027

U.S. DEPARTMENT OF LABOR Employment and Training Administration	FEDERAL FISCAL YEAR 2026	STATE TN
UNEMPLOYMENT INSURANCE STATE QUALITY SERVICE PLAN SIGNATURE PAGE		
This Unemployment Insurance State Quality Service Plan (SQSP) is entered into between the Department of Labor, Employment and Training Administration, and Tennessee Department of Labor and Workforce Development (NAME OF STATE AGENCY) The Unemployment Insurance SQSP is part of the State's overall operating plan, and, during this Federal fiscal year, the State agency will adhere to and carry out the standards set forth in Federal UI Law as interpreted by the DOL and adhere to the Federal requirements related to the use of granted funds. All work performed under this agreement will be in accordance with the assurances and descriptions of activities as identified in the SQSP Handbook and will be subject to its terms.		
TYPED NAME AND TITLE	SIGNATURE	DATE
Deniece Thomas STATE ADMINISTRATOR (print name)	 Deniece Thomas/BH (Sep 24, 2025 15:03:33 CDT)	9/24/2025
Renata Jones Adjibodou, Regional Administrator DOL – REGIONAL OFFICE APPROVING OFFICIAL (print name)		01/14/2026
DOL – NATIONAL OFFICE APPROVING OFFICIAL (print name) (if required)		

Application for Federal Assistance SF-424		
* 1. Type of Submission: ☐ Preapplication ☒ Application ☐ Changed/Corrected Application		
* 2. Type of Application: ☒ New ☐ Continuation ☐ Revision		
* If Revision, select appropriate letter(s): _____ * Other (Specify): _____		
* 3. Date Received: 09/23/2015		4. Applicant Identifier: none
5a. Federal Entity Identifier: _____		5b. Federal Award Identifier: _____
State Use Only:		
6. Date Received by State: _____		7. State Application Identifier: _____
8. APPLICANT INFORMATION:		
* a. Legal Name: Tennessee Department of Labor and Workforce Development		
* b. Employer/Taxpayer Identification Number (EIN/TIN): 62-6001445		* c. UEI: JGY7K9HDSNR5
d. Address:		
* Street1: 220 French Landing DR		
Street2: _____		
* City: Nashville		
County/Parish: _____		
* State: TN: Tennessee		
Province: _____		
* Country: USA: UNITED STATES		
* Zip / Postal Code: 372431002		
e. Organizational Unit:		
Department Name: Tennessee Dept of Labor		Division Name: Unemployment Insurance
f. Name and contact information of person to be contacted on matters involving this application:		
Prefix: Mrs.		* First Name: Karen
Middle Name: _____		
* Last Name: Wilson		
Suffix: _____		
Title: Assistant Administrator Fiscal		
Organizational Affiliation: _____		
* Telephone Number: 615-532-9991		Fax Number: _____
* Email: kay.wilson@tn.gov		

Application for Federal Assistance SF-424	
* 9. Type of Applicant 1: Select Applicant Type: As State Government	
Type of Applicant 2: Select Applicant Type: 	
Type of Applicant 3: Select Applicant Type: 	
* Other (specify): 	
* 10. Name of Federal Agency: Employment and Training Administration	
11. Catalog of Federal Domestic Assistance Number: 17.225 CFDA Title: Unemployment Insurance	
* 12. Funding Opportunity Number: UIPL 1525 * Title: Fiscal Year (FY) 2026 State Workforce Agency Unemployment Insurance (UI) Resource Planning Targets and Guidelines	
13. Competition Identification Number: Title: 	
14. Areas Affected by Project (Cities, Counties, States, etc.): Add Attachment Delete Attachment View Attachment	
* 15. Descriptive Title of Applicant's Project: Unemployment Insurance-State Administration	
Attach supporting documents as specified in agency instructions. Add Attachments Delete Attachments View Attachments	

Application for Federal Assistance SF-424															
16. Congressional Districts Of: * a. Applicant: TN-5 * b. Program/Project: TN															
Attach an additional list of Program/Project Congressional Districts if needed. Add Attachment Delete Attachment View Attachment															
17. Proposed Project: * a. Start Date: 10/01/2025 * b. End Date: 09/30/2026															
18. Estimated Funding (\$): <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%;">* a. Federal</td> <td style="border: 1px solid black; text-align: right;">37,504,928.00</td> </tr> <tr> <td>* b. Applicant</td> <td style="border: 1px solid black;"></td> </tr> <tr> <td>* c. State</td> <td style="border: 1px solid black;"></td> </tr> <tr> <td>* d. Local</td> <td style="border: 1px solid black;"></td> </tr> <tr> <td>* e. Other</td> <td style="border: 1px solid black;"></td> </tr> <tr> <td>* f. Program Income</td> <td style="border: 1px solid black;"></td> </tr> <tr> <td>* g. TOTAL</td> <td style="border: 1px solid black; text-align: right;">37,504,928.00</td> </tr> </table>		* a. Federal	37,504,928.00	* b. Applicant		* c. State		* d. Local		* e. Other		* f. Program Income		* g. TOTAL	37,504,928.00
* a. Federal	37,504,928.00														
* b. Applicant															
* c. State															
* d. Local															
* e. Other															
* f. Program Income															
* g. TOTAL	37,504,928.00														
* 19. Is Application Subject to Review By State Under Executive Order 12372 Process? ☐ a. This application was made available to the State under the Executive Order 12372 Process for review on . ☐ b. Program is subject to E.O. 12372 but has not been selected by the State for review. ☒ c. Program is not covered by E.O. 12372.															
* 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.) ☐ Yes ☒ No If "Yes", provide explanation and attach Add Attachment Delete Attachment View Attachment															
21. "By signing this application, I certify (1) to the statements contained in the list of certifications" and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances" and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 18, Section 1001) ☒ ** I AGREE ** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.															
Authorized Representative: Prefix: Middle Name: * Last Name: Thomas Suffix: * First Name: Deniece * Title: Commissioner-Labor and Workforce Development * Telephone Number: 615-360-4465 Fax Number: * Email: deniece.thomas@tn.gov * Date Signed: * Signature of Authorized Representative: <i>Deniece Thomas/ET</i> Deniece Thomas/ET (Sep 24, 2025 08:58:49 CDT)															

3. THE STATE PLAN NARRATIVE

STATE PLAN NARRATIVE IS A VITAL ELEMENT OF THE SQSP THAT PROVIDES A VEHICLE FOR SHARING WITH THE FEDERAL PARTNER STATE-SPECIFIC EFFORTS THAT AFFECT THE ADMINISTRATION OF THE UI PROGRAM. THE STATE PLAN NARRATIVE ALLOWS THE STATE TO DESCRIBE IN A SINGLE NARRATIVE: A) STATE PERFORMANCE IN COMPARISON TO THE GOVERNMENT PERFORMANCE REVIEW ACT GOALS; B) ACTIONS PLANNED TO CORRECT DEFICIENCIES REGARDING UI PROGRAMS, UI PROGRAM REVIEWS AND REPORTING REQUIREMENTS; AND C) RESULTS OF CUSTOMER SATISFACTION SURVEYS (OPTIONAL).

4. CORRECTIVE ACTION PLANS (CAPS)

Tennessee's State Quality Service Plan (SQSP) was submitted to USDOL regional office via Alice Johnson on September 15, 2023 and approved via the Signature page on November 11th, 2023, by Kimberly G. Staley. Tennessee is currently in the second year of the SQSP plan process.

TN FY23-24 SQSP Alternate Year CAPs and Quarterly Reporting Workbook.xlsx

Tennessee					
MEASURES/PROGRAMS TO BE ADDRESSED FOR ALTERNATE SQSP FISCAL YEAR (FY) 2026					
Measures/Programs to be Addressed (Each Measure Below is Hyperlinked to the CAP Worksheet)	Acceptable Level of Performance (ALP)	Corrective Action Plan (CAP)		Narrative Required (In Word Doc.)	SQSP 2026 Performance Year Data
		N	E		
B E N E F I T	First Payment Promptness	≥ 87%	X		86.30%
	First Payment Promptness (IntraState 14/21 Days)	≥ 87%	X		86.5%
	First Payment Promptness (InterState 14/21 Days)	≥ 70%			83.3%
	First Payment Promptness (IntraState 35 Days)	≥ 93%			95.0%
	First Payment Promptness (InterState 35 Days)	≥ 78%			92.8%
	Nonmonetary Determination Timeliness	≥ 80%	X		73.70%
	Nonmonetary Determination Quality - Separations	≥ 75%			78.50%
	Nonmonetary Determination Quality - Nonseps	≥ 75%			84.70%
	Lower Authority Appeals (30 Days)	≥ 60%	X		14.80%
	Lower Authority Appeals (45 Days)	≥ 80%	X		26.80%
A P P E A L S	Average Age of Pending Lower Authority Appeals	≤ 30 days	X		31.5
	Average Age of Pending Higher Authority Appeals	≤ 40 days			4.9
	Lower Authority Appeals Quality	≥ 80%			88.30%
	New Employer Status Determinations Timeliness	≥ 70%	X		69.00%
T A X	Tax Quality (Part A)	No more than 3 tax functions failing TPS in a year			Pass
	Tax Quality (Part B)	The same tax function cannot fail for 3 consecutive years			Pass
	TPS Sample Reviews	Pass			Pass
	Effective Audit Measure	Pass 4 factors/score ≥ 7	X		Fail: Factor 1: 0.3% Factor 3: 0.4%
I N T E G R I T Y	Improper Payments Measure	< 10%	X		26.52%
	Detection of Overpayments - 3 Year Measure	≥ 50% & ≤ 95%			67.93%
	Overpayment Recovery Measure	≥ 68%	X		37.31%
	Data Validation - Benefits (All Submitted & Passing)	All Benefit Pops Submitted & Passing	X		Fail: Benefits 3, 4, 5, BTQ 1 & 2 Not Submit: Benefits 12, 14, 15
	Data Validation - Tax (All Submitted & Passing)	All Tax Pops Submitted & Passing	X		Fail: Tax 2
	NDNH BAM Compliance	Pass			Pass
B A M	BAM Operations Compliant	Pass All M&P	X		Fail Comparison Report: Paid = -10.14% Denied (Monetary) = 43.80%
	Incorrect Recording of Issue Detection Date	95%			100.00%
G R A	Incorrect Recording of Determination Date	95%			100.00%
	UI Reporting Requirements	Pass		X	Fail
	Percent of IntraState Payments Made Timely	87%			86.50%
	Detection of Recoverable Overpayments	57.5%			42.15%
R E S E A	Percent of Employer Tax Liability Determinations Made Timely	90%			61.00%
	Participant Reemployment Rate- 2nd Quarter after Program Exit	Cannot fail target for 3 consecutive years			Pass
Integrity Action Plan (IAP) Top Three Root Causes - Payment Integrity Information Act (PIIA) Year Data					
Work Search					
Separation Issues					
Benefit Year Earnings					
Monitoring Findings/Audit Resolution					

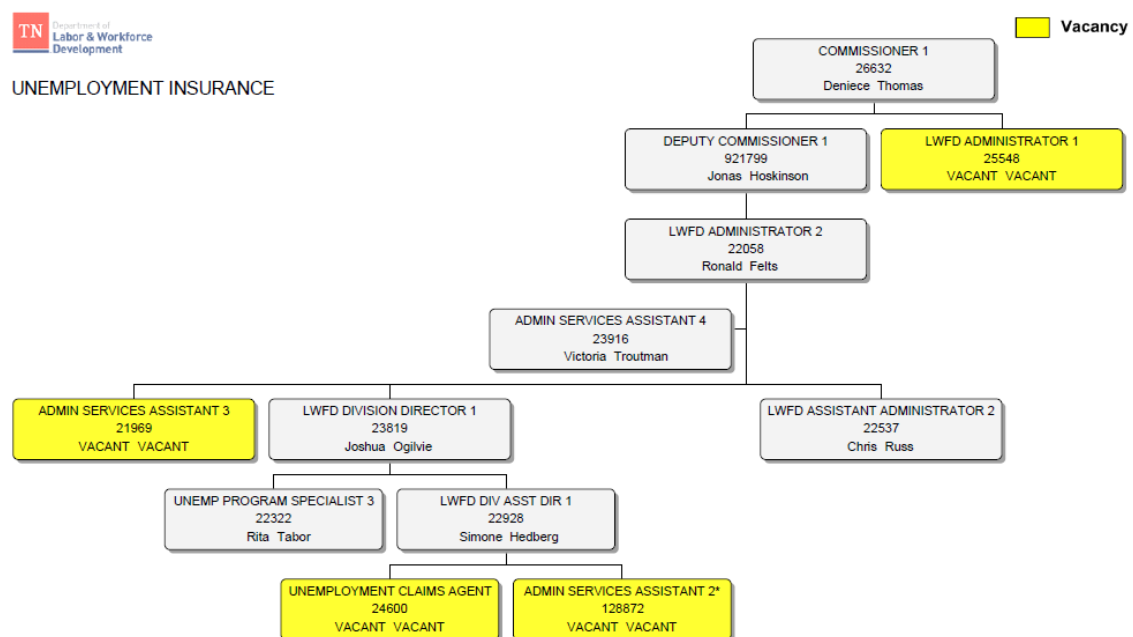
5. UI PROGRAM INTEGRITY ACTION PLAN (UI IAP)

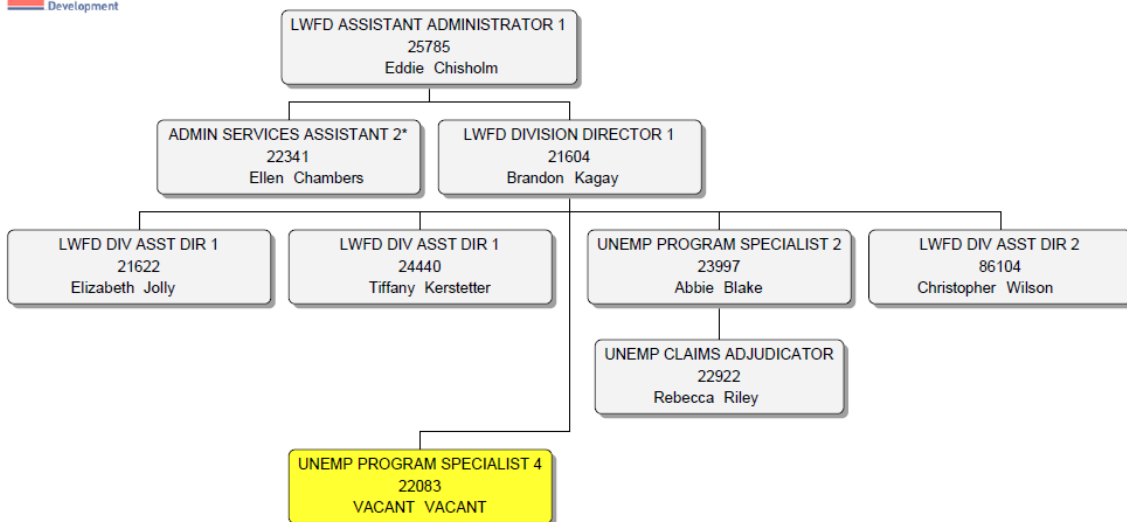
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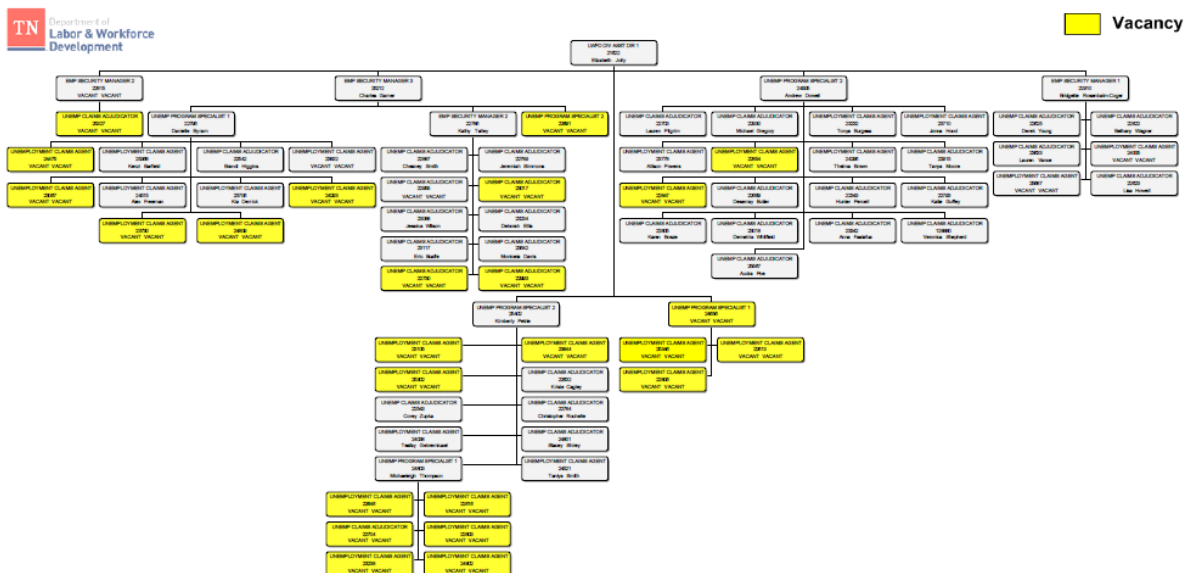
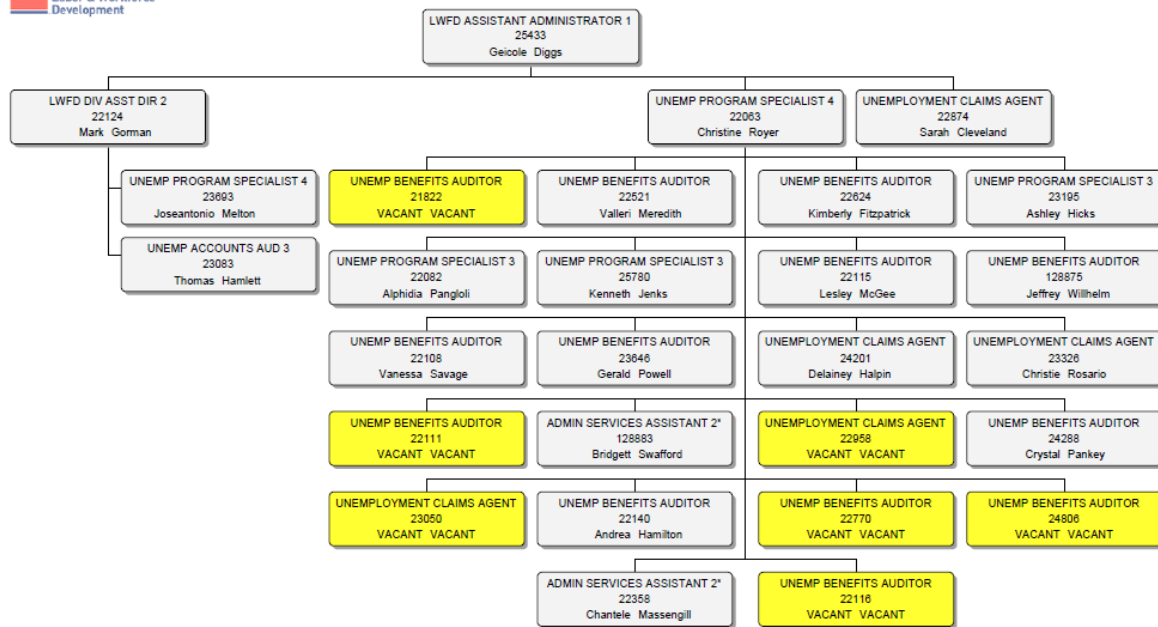
6. ORGANIZATIONAL CHART

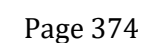
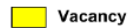
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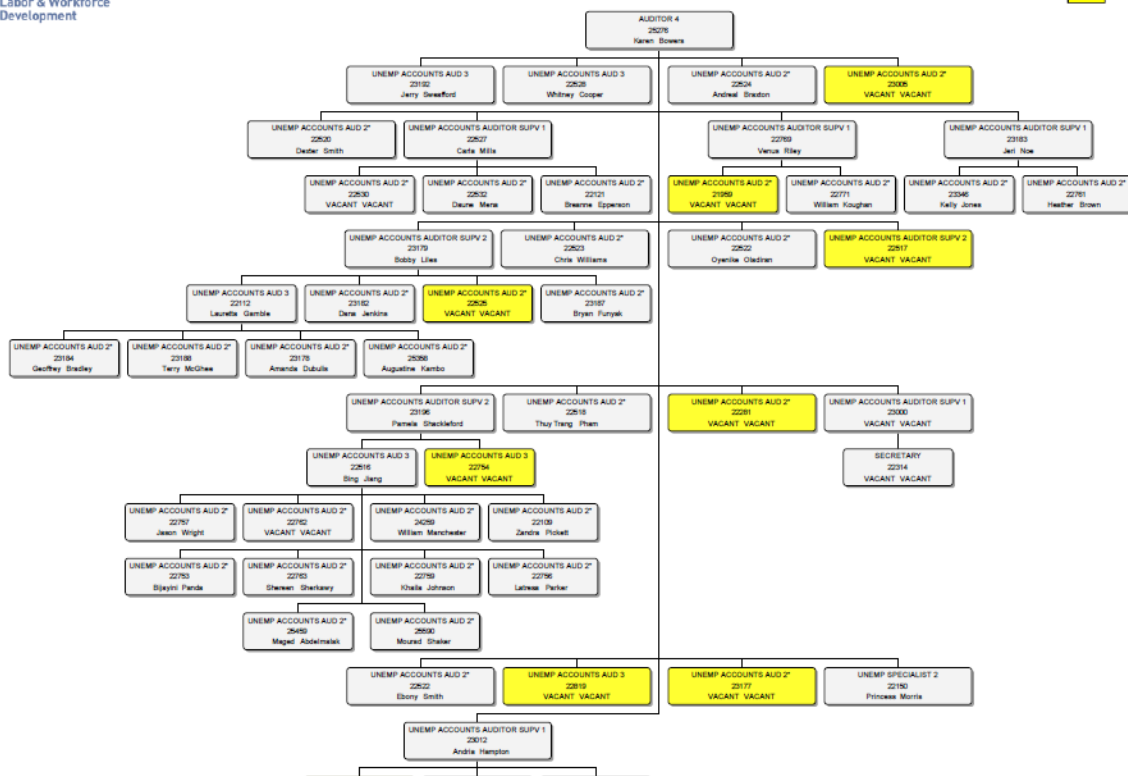
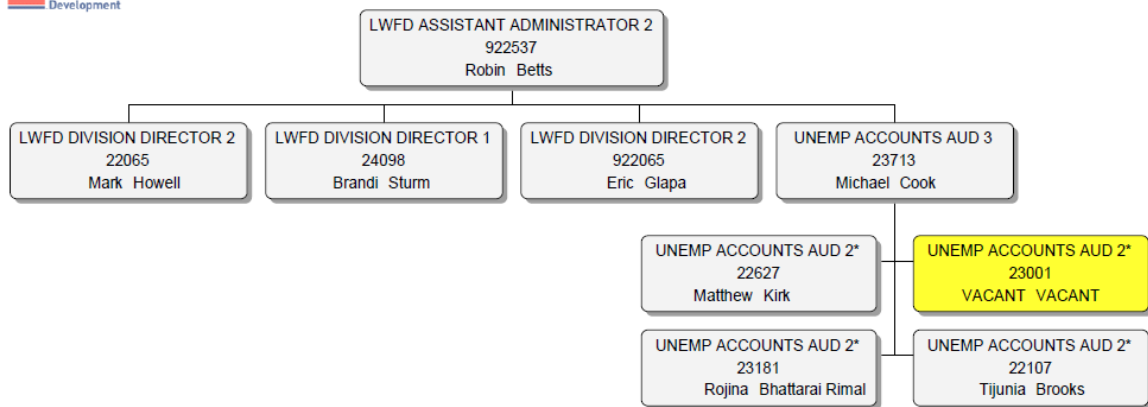
UI Organizational Chart 10022023.pdf

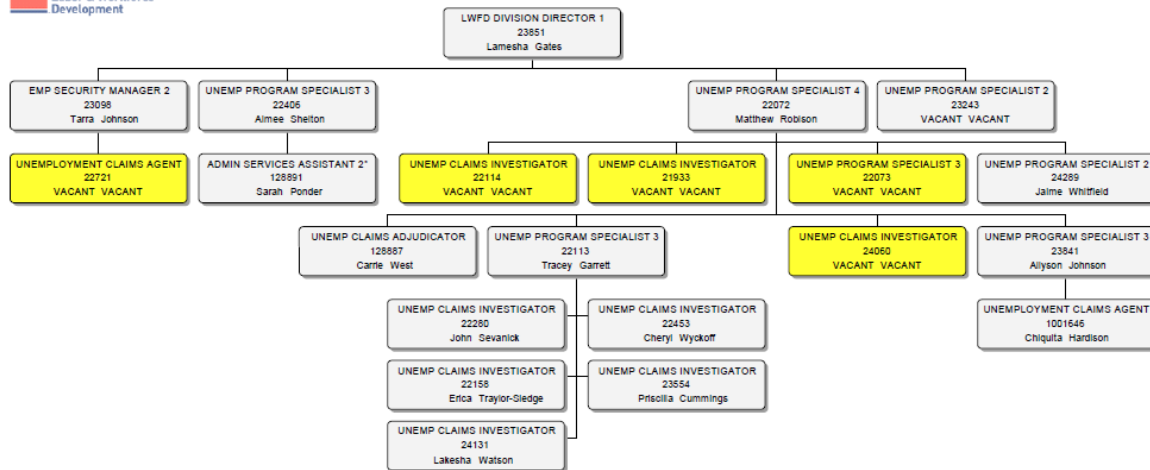












7. SQSP SIGNATURE PAGE

Tennessee's State Quality Service Plan (SQSP) was submitted to USDOL regional office via Alice Johnson on September 15, 2023 and approved via the Signature page on November 11th, 2023, by Kimberly G. Staley. Tennessee is currently in the second year of the SQSP plan process.

U.S. Department of Labor

SQSP SIGNATURE PAGE

OMB Control No.: 1205-0132 Expiration Date: 02/29/2024

U.S. DEPARTMENT OF LABOR Employment

and Training Administration

FEDERAL FISCAL YEAR

2024

STATE

TN

UNEMPLOYMENT INSURANCE STATE QUALITY SERVICE PLAN SIGNATURE PAGE

This Unemployment Insurance State Quality Service Plan (SQSP) is entered into between the Department of Labor, Employment and Training Administration, and Tennessee Department of Labor and Workforce. The Unemployment Insurance SQSP is part of the State's overall operating plan and, during this Federal fiscal year, the State agency will adhere to and carry out the standards set forth in Federal UI Law as interpreted by the DOL, and adhere to the Federal requirements related to the use of granted funds. All work performed under this agreement will be in accordance with the assurances and descriptions of activities as identified in the SQSP Handbook and will be subject to its terms.

TYPED NAME AND TITLE

SIGNATURE

DATE

Deniece Thomas Commissioner

STATE ADMINISTRATOR (print name)

09/15/2023

DOL – REGIONAL OFFICE APPROVING

OFFICIAL (print name)

DOL – NATIONAL OFFICE APPROVING

OFFICIAL (print name)

(if required) Kimberly G. Staley 11/7/2023

B. REQUIREMENTS FOR STATES ELECTING TO INCLUDE UI IN THE COMBINED STATE PLAN

1. SUBMIT AN SQSP IN THE FOLLOWING MANNER DEPENDING ON THEIR TIMING IN THE SQSP CYCLE:

A. IF A STATE IS IN THE FIRST YEAR OF THEIR 2-YEAR CYCLE, THE STATE IS REQUIRED TO SUBMIT THE MOST RECENTLY APPROVED COMPLETE SQSP PACKAGE. A COMPLETE SQSP PACKAGE WILL INCLUDE THE TRANSMITTAL LETTER, BUDGET WORKSHEETS/FORMS, STATE PLAN NARRATIVE, CAPS (INCLUDING THE MILESTONES AND THE COMPLETION DATE FOR EACH MILESTONE), THE UI IAP, ORGANIZATIONAL CHART, AND THE SQSP SIGNATURE PAGE. ONE OF THE KEY GOALS FOR THE UI PROGRAM IS TO ENSURE THAT CLAIMANTS ARE ABLE TO SUCCESSFULLY RETURN TO WORK. AS SUCH, THE SQSP STATE PLAN NARRATIVE MUST PROVIDE A DISCUSSION OF THE PLAN COORDINATION WITH OTHER WIOA COMBINED PLAN PROGRAMS TO ENSURE A COORDINATED EFFORT AND INTEGRATED SERVICE DELIVERY.

Not applicable.

Tennessee's State Quality Service Plan (SQSP) was submitted to USDOL regional office via Alice Johnson on September 15, 2023 and approved via the Signature page on November 11th, 2023, by Kimberly G. Staley. Tennessee is currently in the second year of the SQSP plan process.

B. IF A STATE IS IN THE SECOND YEAR OF THE 2-YEAR CYCLE, THE STATE IS REQUIRED TO SUBMIT THE MOST RECENTLY APPROVED COMPLETE SQSP PACKAGE WITH A MODIFICATION THAT MUST INCLUDE THE TRANSMITTAL LETTER, BUDGET WORKSHEETS/FORMS, ORGANIZATIONAL CHART, AND THE SQSP SIGNATURE PAGE. THE MODIFICATION MAY ALSO INCLUDE CAPS FOR NEW IDENTIFIED PERFORMANCE DEFICIENCIES, AND ANY REQUIRED MODIFICATIONS TO EXISTING CAPS. THE CAP MUST LIST BOTH SPECIFIC MILESTONES FOR KEY CORRECTIVE ACTIONS OR IMPROVEMENT ACTIVITIES, AND THE COMPLETION DATE FOR EACH MILESTONE.

Tennessee's State Quality Service Plan (SQSP) was submitted to USDOL regional office via Alice Johnson on September 15, 2023 and approved via the Signature page on November 11th, 2023, by Kimberly G. Staley. Tennessee is currently in the second year of the SQSP plan process.

2. SUBMIT THE REQUIRED OFF-YEAR SQSP COMPONENTS AS A MODIFICATION TO THE COMBINED STATE PLAN ON THE SAME CYCLE AS THE REGULAR SQSP PROCESS WHICH MUST BE APPROVED BY SEPTEMBER 30TH EACH YEAR

Tennessee's State Quality Service Plan (SQSP) was submitted to USDOL regional office via Alice Johnson on September 15, 2023 and approved via the Signature page on November 11th, 2023, by Kimberly G. Staley. Tennessee is currently in the second year of the SQSP plan process. The new components will be submitted prior to the September 20, 2024 deadline.

SENIOR COMMUNITY SERVICE EMPLOYMENT PROGRAM (SCSEP)

A. ECONOMIC PROJECTIONS AND IMPACT

1. DISCUSS LONG-TERM PROJECTIONS FOR JOBS IN INDUSTRIES AND OCCUPATIONS IN THE STATE THAT MAY PROVIDE EMPLOYMENT OPPORTUNITIES FOR OLDER WORKERS. (20 CFR 641.302(D)) (MAY ALTERNATIVELY BE DISCUSSED IN THE ECONOMIC ANALYSIS SECTION OF STRATEGIC PLAN.)

According to the Tennessee Department of Labor and Workforce Development (TDLWD) and the Boyd Center's 2026 Economic Outlook, the state's economy continues to expand, with real GDP projected to advance by 2% in 2026. The top industries and occupations providing opportunities for older workers through 2032–2034 include:

- Healthcare and Social Assistance: Projected to be the fastest-growing sector, adding over 80,000 jobs due to the aging population.
- Transportation and Material Moving: Forecast to have the second-most job openings, with a projected increase of 50,000 jobs by 2032.
- Professional, Scientific, and Technical Services: Expected to grow at an annual rate of 2.1%.
- Manufacturing and Construction: Propelled by electric vehicle and battery initiatives, these sectors are expected to create over 25,000 jobs each.
- Office and Administrative Support: While seeing slower annual growth, this remains the largest occupational group by total employment in 2032.

Current data indicates that by 2034, older adults are expected to outnumber children under 18 for the first time in U.S. history, necessitating a robust older workforce. While the labor market cooled in 2025, job growth is expected to rebound slightly in 2026 with 31,400 new jobs.

2. DISCUSS HOW THE LONG-TERM JOB PROJECTIONS DISCUSSED IN THE ECONOMIC ANALYSIS SECTION OF STRATEGIC PLAN RELATE TO THE TYPES OF UNSUBSIDIZED JOBS FOR WHICH SCSEP PARTICIPANTS WILL BE TRAINED AND THE TYPES OF SKILL TRAINING TO BE PROVIDED. (20 CFR 641.302(D))

SCSEP training will align with these growth sectors by focusing on skill sets transferable to Healthcare Support, Logistics/Warehousing, and Professional Services. Host agencies will prioritize training in digital literacy and technical skills to address the structural labor supply constraints and technological advancements (including AI) predicted for the 2026 labor market.

3. DISCUSS CURRENT AND PROJECTED EMPLOYMENT OPPORTUNITIES IN THE STATE (SUCH AS BY PROVIDING INFORMATION AVAILABLE UNDER §15 OF THE WAGNER-PEYSER ACT (29

U.S.C. 491-2) BY OCCUPATION), AND THE TYPES OF SKILLS POSSESSED BY ELIGIBLE INDIVIDUALS. (20 CFR 641.325(C))

Current employment opportunities are stated previously indicating the fastest growing occupations in Tennessee. Additional employment opportunities include non-profit organizations (Goodwill), government agencies, and health care opportunities. SCSEP coordinators are tasked to conduct outreach in diverse ways. We must reach the older population that is most in need, which includes individuals with disabilities, Veterans, minorities, homeless and those who live in rural areas. Serving these populations present unique circumstances and issues that are relative to each participant make it harder to serve and find employment. However, all SCSEP coordinators have spent many hours doing weekly outreach and building business relationships throughout the communities served.

B. SERVICE DELIVERY AND COORDINATION

1. A DESCRIPTION OF ACTIONS TO COORDINATE SCSEP WITH OTHER PROGRAMS. THIS MAY ALTERNATIVELY BE DISCUSSED IN THE STATE STRATEGIES SECTION OF THE STRATEGIC PLAN, BUT REGARDLESS OF PLACEMENT IN DOCUMENT, MUST INCLUDE:

A. PLANNED ACTIONS TO COORDINATE ACTIVITIES OF SCSEP GRANTEES WITH WIOA TITLE I PROGRAMS, INCLUDING PLANS FOR USING THE WIOA ONE-STOP DELIVERY SYSTEM AND ITS PARTNERS TO SERVE INDIVIDUALS AGED 55 AND OLDER. (20 CFR 641.302(G), 641.325(E))

WIOA requires SCSEP grantees to be partners in or with each local one-stop system. Agreements between local one stops will describe how services are provided with the Local Workforce Investment Board. In Tennessee, the U.S. Department of Labor allocates funds (to operate SCSEP) to Tennessee Department of Labor & Workforce as well as to two national organizations, National Council on Aging and Center for Workforce Inclusion. Tennessee is divided into 9 Local Workforce Development Areas (LWDAs). SCSEP participants are referred to one of the 20 comprehensive American Job Centers, across the state, providing comprehensive, workforce development-related activities, including updating interviewing skills, resume preparation, job placement services and providing supportive services.

B. PLANNED ACTIONS TO COORDINATE ACTIVITIES OF SCSEP GRANTEES WITH THE ACTIVITIES BEING CARRIED OUT IN THE STATE UNDER THE OTHER TITLES OF THE OLDER AMERICANS ACT (OAA). (20 CFR 641.302(H))

One of the featured current services offered to participants is free transportation services. These highly sought after and include trips to the participant's community service assignment as well as free physical exams, gas card relief and access to nutrition benefits through SNAP E&T will continue through established partnerships. Also, transportation is provided for participants to the nearest American Job Center for assistance accessing and using the internet when needed.

The SCSEP program plans to explore the possibility to partner with Meals on Wheels to provide nutrition for participants, especially those who are unable to drive or have a particular barrier preventing them from driving (most common is a documented disability). Also, the SCSEP program will begin to actively recruit new host agencies giving participants a more diverse choice in acquiring new skill sets and training sessions. When possible, bring in subject matter experts to speak with participants concerning a multitude of topics to support their continued

growth. Some topics include health promotion, nutrition benefits, computer skills, interviewing skills, resume skills and disease prevention. Specifically related to digital literacy, the state SCSEP coordinator is currently exploring the purchase of iPad/tablets to increase access points for participants who may have barriers getting to the AJC. Finally, we continue to streamline our referral process for those participants who need additional services in a timely manner.

C. PLANNED ACTIONS TO COORDINATE SCSEP WITH OTHER PRIVATE AND PUBLIC ENTITIES AND PROGRAMS THAT PROVIDE SERVICES TO OLDER AMERICANS, SUCH AS COMMUNITY AND FAITH- BASED ORGANIZATIONS, TRANSPORTATION PROGRAMS, AND PROGRAMS FOR THOSE WITH SPECIAL NEEDS OR DISABILITIES. (20 CFR 641.302(I))

- Coordination with the nine regional Tennessee Area Agencies on Aging organizations that provide curb-to-curb transportation for older Americans (60 and older) is vital in the rural areas to provide access to individuals to participate in SCSEP.
- Increasing SCSEP access points by using other means of technology meeting the participants where they are
- Partnerships with various community and faith-based organizations that provide food to older Americans to ensure SCSEP participants have access to proper nutrition such as food banks and senior centers.
- SCSEP and SNAP E&T programs are working together to ensure participants if wanted the option to sign up for nutrition benefits, and leverage training opportunities to better equip SCSEP participants for the job market.
- Network with local community businesses that serve the older Americans population to increase unsubsidized exits.
- Coordination with programs that serve individuals with special needs or disabilities such as Vocational Rehabilitation.
- Participants' training positions include greeters and resource assistants, administrative assistants, file/records clerks, custodians, office assistants, job developers, case managers, and computer assistants.
- Negotiate for participant staff to be co-located at American Job Center offices where feasible. Participants will be able to assist American Job Centers, older job seeker customers to find employment and enable AJC staff to address other customers or service delivery needs.
- Participate in meetings, as appropriate, with senior service providers, both public and private.
- Work with LWDA Boards to encourage community colleges to create short-term education and training programs that are relevant for local targeted industries and high-priority occupations.
- Participate in communities job fairs when able.

- Increase SCSEP awareness in AJC as well as throughout the community by means of better targeted advertisements.

D. PLANNED ACTIONS TO COORDINATE SCSEP WITH OTHER LABOR MARKET AND JOB TRAINING INITIATIVES. (20 CFR 641.302(J))

The SCSEP and SNAP E&T programs collaborated and have created a Memo (<https://www.tn.gov/content/dam/tn/workforce/documents/wfs/SCSEPSNAPMemo.pdf>) mandating the two programs leverage funds from the other, where possible, to provide extra training services that otherwise would not be possible. Additionally, SCSEP sub-grantees actively seek job training opportunities leading to jobs available and offered by Community Colleges, Applied Colleges of Technology, non-profit organizations, such as Goodwill Industries, Adult Education programs and other training institutions. SCSEP is and will continue to be an active member of the local business service teams and new initiatives for outreach to business and industry as identified in the Business Engagement Plan will include provision of services under SCSEP.

E. ACTIONS TO ENSURE THAT SCSEP IS AN ACTIVE PARTNER IN THE ONE-STOP DELIVERY SYSTEM AND THE STEPS THE STATE WILL TAKE TO ENCOURAGE AND IMPROVE COORDINATION WITH THE ONE-STOP DELIVERY SYSTEM. (20 CFR 641.335)

The partnership with SCSEP and the American Job Center system is essential to the success of SCSEP in Tennessee. The state will encourage One-Stop American Job Centers to hold regular partner meetings that include all SCSEP grantees operating in each local area to improve coordination with the workforce ecosystem. Sub-grantee strategies include, but are not limited to:

- Title I or Title II co-enrollment, where applicable
- Regular participation in American Job Center (AJC) partnerships meetings
- Referring eligible participants for SCSEP services to supportive services
- Using AJCs in the local areas, where feasible, as a host agency.
- Leveraging different funding streams to increase access to supportive services.
- Using community-based relationships to increase SCSEP referrals.

F. EFFORTS TO WORK WITH LOCAL ECONOMIC DEVELOPMENT OFFICES IN RURAL LOCATIONS.

Grantees or local projects will collaborate with the local Workforce System and economic development councils in both urban and rural areas to provide education on the exceptional qualities that older adults bring to the workplace, to learn about potential employment growth opportunities, to discuss where older workers could add value to growth areas, and to increase job opportunities. SCSEP priority of service requires outreach to rural communities.

Local project staff utilize their connections with AJC's Veteran Representatives and Vocational Rehabilitation to promote SCSEP and learn about individuals who may meet the priority of service and eligibility requirements. Grantees will continue to engage organizations that serve

hard to reach populations, such as those who are geographically or socially isolated and those whose primary language is not English.

2. THE STATE'S LONG-TERM STRATEGY FOR ENGAGING EMPLOYERS TO DEVELOP AND PROMOTE OPPORTUNITIES FOR THE PLACEMENT OF SCSEP PARTICIPANTS IN UNSUBSIDIZED EMPLOYMENT. (20 CFR 641.302(E)) (MAY ALTERNATIVELY BE DISCUSSED IN THE STATE STRATEGIES SECTION OF STRATEGIC PLAN.)

The State's long-term strategy is to engage those employers in rural areas is one that is always evolving. SCSEP coordinators, in their perspective areas, have increased their outreach efforts into the business community. Building relationships that will yield participant into unsubsidized jobs. Also, given the geographical barrier in rural counties, what has traditionally worked in the past is still relevant and currently working. These strategies include by aren't limited to:

- Establish partnerships with local Chambers of Commerce and employer organizations.
- Encourage Tennessee grantees to continue relationships with their local, county and state economic development councils.
- Continuous training for sub-grantees on topics including data validation, reaching rural population, most-in-need, meeting key performance measures, outreach methods, and best practices.
- Directing sub-grantees to hold meetings with Host agencies educating them on the value of hiring older workers.

3. THE STATE'S LONG-TERM STRATEGY FOR SERVING MINORITY OLDER INDIVIDUALS UNDER SCSEP. (20 CFR 641.302 (C))

1. Monitoring minority participants to assure core measures are met.
2. Reaching out to community and faith-based organizations that serve minority populations to recruit eligible individuals.
3. Seeking eligible minorities by outreach efforts with Workforce System partners such as Vocational Rehabilitation and Social Service agencies
4. Using multi-lingual brochures and fliers to reach non-English speaking minority groups
5. For Hispanic and Asian population
 - a. Determining the cause(s) for the minority group's lower enrollment
 - b. Set specific targets for the number of minority enrollees expected.
 - c. Identifying the steps to increase the enrollment of each minority group.
 - d. Prioritizing bilingual service delivery whenever possible to encourage full participation.

- e. Collaborating with Migrant and Seasonal Farmworker programs for those individuals that are over 55 and above.

4. A LIST OF COMMUNITY SERVICES THAT ARE NEEDED AND THE PLACES WHERE THESE SERVICES ARE MOST NEEDED. SPECIFICALLY, THE PLAN MUST ADDRESS THE NEEDS AND LOCATION OF THOSE INDIVIDUALS MOST IN NEED OF COMMUNITY SERVICES AND THE GROUPS WORKING TO MEET THEIR NEEDS. (20 CFR 641.330)

Needed community services are social, educational, nutrition, assistance services (such as counseling, tax, financial etc.), transportation and reliable internet services. These services are most needed in rural communities of Tennessee, those being northeast, east, and southwest. Tennessee prides itself for being engaged in actionable partnerships to leverage resources across different agencies in those rural communities. Some of those organizations are Tenn Care, National Family Caregiver Support Program, Delta HRA, Southwest Human Resource Agency, Appalachian Mountain "Project Access, Bethel Housing, and East Tennessee Human Resource Agency.

5. THE STATE'S LONG-TERM STRATEGY TO IMPROVE SCSEP SERVICES, INCLUDING PLANNED LONG-TERM CHANGES TO THE DESIGN OF THE PROGRAM WITHIN THE STATE, AND PLANNED CHANGES IN THE USE OF SCSEP GRANTEES AND PROGRAM OPERATORS TO BETTER ACHIEVE THE GOALS OF THE PROGRAM. THIS MAY INCLUDE RECOMMENDATIONS TO THE DEPARTMENT AS APPROPRIATE. (20 CFR 641.302(K))

The State's long term strategy will continue to be: Working with new and existing host agencies to improve and increase in-demand training opportunities. Increase partnerships with community colleges in the development of programs to meet the needs of participants. Increase opportunities to meet participant's needs through supportive services. Increase awareness of the SCSEP to unsubsidized employers to promote employment opportunities for participants. Expand economic opportunities through utilizing On the Job Experience (OJE) for participants. Increase access points throughout the state allowing more SCSEP participants AJC services, coming to them if necessary.

6. THE STATE'S STRATEGY FOR CONTINUOUS IMPROVEMENT IN THE LEVEL OF PERFORMANCE FOR SCSEP PARTICIPANTS' ENTRY INTO UNSUBSIDIZED EMPLOYMENT, AND TO ACHIEVE, AT A MINIMUM, THE LEVELS SPECIFIED IN OAA SECTION 513(A)(2)(E)(II). (20 CFR 641.302(F))

- Grantees will provide well-established partnerships with local Chambers of Commerce and employer organizations.
- Encouraging Tennessee grantees to establish relationships with their local, county, and state economic development councils.
- Provision of tools on each grantee's Web site for sub-grantees and older worker jobseekers. Tools may include resources and supportive services targeted for older Americans, resume help (tips, templates), information on starting a business,

interviewing aids, job-search strategies for older workers (highlighting employers who hire older workers), etc.

- Continuous training of sub-grantees, with topics including performance measures, data validation, budget management, Most-In-Need barriers, job search strategies, etc.
- Encouragement of AJCs to hold job fairs targeted for older workers.
- Encouragement of SCSEP sub-grantees to reach out to employers and host agencies to educate them on the value of hiring older workers.
- Encouraging further education, such as HSE, higher education, and technical training.
- Promoting OJE as a tool for sub-grantees to use in future program years to gain more unsubsidized jobs for participant job seekers.

C. LOCATION AND POPULATION SERVED, INCLUDING EQUITABLE DISTRIBUTION

1. A DESCRIPTION OF THE LOCALITIES AND POPULATIONS FOR WHICH PROJECTS OF THE TYPE AUTHORIZED BY TITLE V ARE MOST NEEDED. (20 CFR 641.325 (D))

- Coordination with the nine regional Tennessee Area Agencies on Aging organizations that provide curb-to-curb transportation for older Americans (60 and older) is vital in the rural areas to provide access to individuals to participate in SCSEP.
- Partnerships with various community and faith-based organizations that provide food to older Americans to ensure SCSEP participants have access to proper nutrition such as Second Harvest Food banks, Senior Centers for congregate meals and local Help Centers is ongoing.
- Coordination with community and faith-based organizations that serve older Americans such as Senior Centers, Meals-on-Wheels nutrition sites, and senior transportation, serve as host agencies across the state.
- Coordination with programs that serve individuals with special needs or disabilities such as Vocational Rehabilitation and employers such as Goodwill Industries to ensure a successful outcome with SCSEP.
- Use Tennessee's directories of service and support organizations to identify entities and programs in the community that provide referrals and support services to seniors.

- Negotiate community service assignments for participants at AJC offices where feasible. Participants' training positions include greeters and resource assistants, administrative assistants, file/records clerks, custodians, office assistants, case managers and computer assistants.
- Negotiate for participants to be co-located at AJC offices where feasible. If participant assistants are trained as job developers or job developer assistants, they will be able to assist American Job Centers' older job seeker customers to find employment and enable Workforce System staff to address other customers or service delivery needs. Participate in meetings, as appropriate, with senior service providers, both public and private.
- Provide information and referrals to the services of AJC Offices and SCSEP, respectively.
- Continuing to utilize computers, adult basic education (ABE), HSE, continuing education, and other targeted training courses at community colleges, taking advantage of course discounts for individuals 55 to 64 years of age and free classes for individuals 65 years of age and older at community colleges. Libraries and community-based organizations also offer ABE, HSE, and ESL classes.
- Work with local boards to encourage community colleges to create short-term education and training programs that are relevant for local targeted industries and high-priority occupations.
- List participant openings and staff openings on Jobs4TN.
- Assist job-ready participants to register on Jobs4TN.
- Include AJC job seeker workshops and Job Clubs, when feasible, in Individual Employment Plans for participants who live near or have their host agency assignment near an AJC office.
- Attend local board meetings when feasible.
- Provide updates to local boards on SCSEP activities and successes in the LWDA.

2. LIST THE CITIES AND COUNTIES WHERE THE PROJECT WILL BE CONDUCTED. INCLUDE THE NUMBER OF SCSEP AUTHORIZED POSITIONS AND INDICATE WHERE THE POSITIONS CHANGED FROM THE PRIOR YEAR.

The State is currently allocated 164 authorized positions that cover the following Tennessee Local Workforce Developments Areas (LWDA's) and their counties:

Counties where the project will be conducted are below. Beside each county will be the positions for each county. There has been a slight decrease to the slot count from the previous year.

- Northeast Tennessee: Carter (4), Johnson (3), Sullivan (6), and Washington (8)
- East Tennessee: Campbell (8), Claiborne (7), Union (4), Scott (4) and Morgan (4)
- Upper Cumberland: Macon (3), Jackson (2), Fentress (4), Putnam (5), Cumberland (6)
- Southwest Tennessee: Hardeman (5), Chester (2), McNairy (5), Hardin (5)
- Northwest Tennessee: Dyer (4), Obion (2), Weakley (5), Henry (6), Stewart (2), Montgomery (4), Houston (2), Cheatham (5), and Humphreys (2)
- Greater Memphis: Shelby (47)

3. DESCRIBE CURRENT SLOT IMBALANCES AND PROPOSED STEPS TO CORRECT INEQUITIES TO ACHIEVE EQUITABLE DISTRIBUTION.

The State does not see any slot imbalances in equitable distribution of services.

4. THE STATE'S LONG-TERM STRATEGY FOR ACHIEVING AN EQUITABLE DISTRIBUTION OF SCSEP POSITIONS WITHIN THE STATE THAT:

A. MOVES POSITIONS FROM OVER-SERVED TO UNDERSERVED LOCATIONS WITHIN THE STATE IN COMPLIANCE WITH 20 CFR 641.365.

Currently Tennessee has 11 distressed counties. Those counties being Bledsoe, Clay, Cocke, Grundy, Hancock, Hardeman, Haywood, Lake, Perry, Pickett, and Scott. These counties are considered rural with the lowest employments rates. This allocation and other allocations are based on data from TN.gov and Job4tn.gov websites.

Tennessee does not have any over-served counties. Rural Counties have been identified as underserved based on their locations within the state creating participant barriers to employment. Outreach efforts are being conducted to better serve individuals in rural areas. SCSEP coordinators in each of the identified rural counties, work with various organizations to be host agencies to provide SCSEP services to individuals to gain a more modern-day skill sets that translates into the current job market. Tennessee has and will continue to outreach to the older population in ways to "meet" them where they are. This includes but is not limited to:

- In-personal meetings- meeting them at their house, religious institution, gather centers etc.
- Direct mail letters of advertisement
- Presence at job fairs and job expos
- Electronic means- fax, virtual calls, phone calls, texts etc.

- Weekly/monthly presence at comprehensive AJCs
- Co-enrollment into other WIOA programs

B. EQUITABLY SERVES RURAL AND URBAN AREAS.

Serving older workers in both urban and rural areas requires a tailored approach that considers the unique characteristics, challenges, and resources available in each setting. While urban areas may offer greater access to job opportunities and support services, rural areas often face challenges related to transportation, infrastructure and limited resources.

C. SERVES INDIVIDUALS AFFORDED PRIORITY FOR SERVICE UNDER 20 CFR 641.520. (20 CFR 641.302(A), 641.365, 641.520)

When selecting or determining eligibility of potential participants prior to TEGL 17-20 priority of service was provided to those 65 or older, disability, LEP, resides in rural area, are veterans (or spouses of veterans), low employment prospects and homeless or risk of homelessness. However, TEGL 17-20 included a new service priority to the list, that being formerly incarcerated or on supervision from release from prison or jail within five years of the date of initial eligibility determination. Therefore, during the initial intake eligibility process, an assessment is rendered of the individual to see if he/she is entitled to the new priority of service.

5. THE RATIO OF ELIGIBLE INDIVIDUALS IN EACH SERVICE AREA TO THE TOTAL ELIGIBLE POPULATION IN THE STATE. (20 CFR 641.325(A))

The greatest economic need is for those at or below 125% of the Department of Health and Human Services Poverty Level. In Tennessee, according to the Department of Disability and Aging (DDA), more than 1.6 million older adults currently call the state home, a population that is projected to grow by over 11% between 2024 and 2034. The older population is expanding rapidly; the U.S. Census Bureau projects that by 2034, older adults will outnumber children under 18 for the first time in U.S. history.

This demographic shift ensures a constant need for the SCSEP program to help this population gain upgraded skill sets. To be eligible for SCSEP, an individual must be 55 years of age or older, unemployed, and have a total family income of no more than 125% of the federal poverty level. The greatest social need, as defined by the U.S. Department of Labor, is caused by noneconomic factors. This includes individuals with physical or mental disabilities, language barriers, and cultural, social, or geographic isolation, such as those brought about by racial or ethnic status.

Outreach includes services from WIOA, community outreach, assistance in providing transportation, workforce system referrals, promoting area businesses to increase host agency assignments. Sub-grantees are encouraged to participate in the local board that includes members of the community, business owners, representatives, and those from other state agencies. The sub-grantee is encouraged to outreach to the American Job Center for at specific amount of time per week to recruit participants qualified to participate in the program.

6. THE RELATIVE DISTRIBUTION OF ELIGIBLE INDIVIDUALS WHO:

A. RESIDE IN URBAN AND RURAL AREAS WITHIN THE STATE

- Distribution of services to individuals is relative according to the geographical area.
- Most of the individuals we serve reside in rural areas. Those counties are Fentress, Van Buren, Claiborne, Campbell, Union, Scott, Washington, Sullivan, Macon, Obion, Dyer, Weakley, Stewart, Houston, Chester, Hardeman, Hardin, McNairy

B. HAVE THE GREATEST ECONOMIC NEED

- Individuals in rural areas with low employment opportunities have the greatest economic need.
- Individuals in rural and urban areas both see barriers to employment as well. Those being but not limited to: transportation, no internet, sufficient resources available and nutrition.

C. Are minorities

- Distribution of minorities is throughout the state but in the SCSEP program mostly in the following counties: Shelby, Montgomery, Cumberland, Johnson. However, priority of services is given to minorities.
1. Monitoring of minority participants to assure performance negotiated goals are met.
 2. Reaching out to community and faith-based organizations that serve minority populations to recruit eligible individuals.
 3. Seeking eligible minorities by outreach efforts with Workforce System partners such as Vocational Rehabilitation and Social Service agencies
 4. Using multi-lingual brochures and fliers to reach non-English speaking minority groups.
 5. For Hispanic and Asian population
 - a. Determining the cause(s) for the minority group's lower enrollment
 - b. Set specific targets for the number of minority enrollees expected.
 - c. Identifying the steps to increase the enrollment of each minority group
 - d. Beginning monitoring minority enrollments on a quarterly basis
 - e. Prioritizing bilingual service delivery whenever possible to encourage full participation.

- f. Collaborating with Migrant and Seasonal Farmworker programs for those individuals that are over 55 and above.

D. ARE LIMITED ENGLISH PROFICIENT

- Limited English Proficiency individuals are distributed throughout the state as well, however, we do not have many enrolled in the program. We will need to work to improve these individuals' knowledge of the program and encourage increased enrollment as possible.

E. HAVE THE GREATEST SOCIAL NEED. (20 CFR 641.325(B))

Serving older workers with the greatest social needs requires a holistic and compassionate approach that addresses their diverse challenges and empowers them to achieve stability, independence, and well-being. By providing comprehensive support services, fostering community partnerships, offering empowerment initiatives, and promoting social engagement, states can create a supportive and inclusive environment where older workers with the greatest social needs can thrive and access the resources they need to succeed.

F. FORMERLY INCARCERATED INDIVIDUALS, AS DEFINED IN TEGL 17-20

Serving older workers who are formally incarcerated requires a holistic approach that addresses their unique needs and challenges in reentering the workforce. By providing reentry support services, skill development and training programs, employment opportunities, and wraparound support services, states can help older individuals successfully reintegrate into society, secure meaningful employment and build stable and productive lives after incarceration.

7. A DESCRIPTION OF THE STEPS TAKEN TO AVOID DISRUPTIONS TO THE GREATEST EXTENT POSSIBLE, WHEN POSITIONS ARE REDISTRIBUTED, AS PROVIDED IN 20 CFR 641.365; WHEN NEW CENSUS OR OTHER RELIABLE DATA BECOME AVAILABLE; OR WHEN THERE IS OVER-ENROLLMENT FOR ANY OTHER REASON. (20 CFR 641.325(I), 641.302(B))

In the case of any transition of positions, whether caused by a shifting in census data and the location of SCSEP positions or sub-grantees moving within the state, the grantee designated point of contact will serve as the team leader whose responsibilities will include serving as a coordination point of contact for participants, host agencies, other grantees, state SCSEP Offices and USDOL. The Federal Project Officer is consulted and assists the grantee in preparing the request, not approving.

No movement or transfer of positions will be initiated until the State Agency is notified. After approval, the file transfer process begins.

COMMUNITY SERVICES BLOCK GRANT (CSBG)

The Tennessee Department of Human Services' (TDHS) Community Services Block Grant (CSBG) program has established active partnerships to facilitate and encourage coordination between Tennessee's nineteen (19) Community Action Agencies (CAAs) and statewide and local workforce development systems. Each CAA executes an annual grant contract with TDHS, which requires the agency to "engage with community partners and align services with priority State initiatives" including "Education and employment initiatives in alignment with the WIOA State Plan that supports early literacy, school readiness, after-school programs, and self-sufficiency". Several CAAs have executed memoranda of understanding with local workforce development agencies to foster greater workforce development coordination. Additional CAA practices supported by the State are co-locating the CAA with a workforce agency to provide stronger collaboration and maintaining the practice of dual case management with workforce agencies to monitor customer needs and goals across a variety of categories.

The usual role of a CAA in workforce development is to provide supplemental services that assist employment goals. Whereas a workforce agency provides assessment and job training, CAAs can provide funding for job-related clothes and tools, and transportation to interviews or to a place of employment. Additionally, and explained in greater depth below, several agencies have developed innovative programs using CSBG funding for specific, regional employment initiatives.

Moving forward, TDHS sees room for growth in improving CAAs' intake processes to better identify employment needs and make targeted referrals to workforce agencies, and growing relationships with workforce agencies to provide supplemental services that can help customers obtain and maintain employment.

Metropolitan Action Commission (MAC) has notably created a Workforce Division which moved the existing adult education and MAC 4 Jobs program from the previous unit. This additionally includes initiatives for youth called POWER Youth and the programs funded by the WIOA Grant. Workforce (WF) is the division that's leading the city's efforts to help workers return and addressing staff shortages which have impacted many Metro departments. MAC also implemented creative workforce and education solutions targeting unemployment and low-income instability. Programs such as HiSET, ESL, CompTIA A+, and CDA training were delivered in partnership with the American Job Center, University of Tennessee Language Center, EJO Ventures, Nashville State Community College, and Gresham & Smith. Results included five CompTIA A+ certifications, multiple completions of CDA coursework, HiSET graduates, and hires from the CDA cohort. CSBG funds covered instructional costs, study materials, exam fees, and program coordination, ensuring equitable access for participants seeking career advancement.

Upper East Tennessee Human Development Agency (UETHDA), United Way of Greater Kingsport, and Tennessee College of Applied Technology-Kingsport launched a pilot program aimed at helping individuals who are employed or enrolled in secondary education and in need of car repairs to maintain their employment or achieve their educational goals. With a \$10,000 grant from United Way, TCAT agreed to have its automotive students perform repairs, charging only for the cost of parts, with no labor fees. UETHDA case managers screen clients and provide case management, which includes assessments, delivery of additional UETHDA programs, and follow-up services. To date, the program has assisted seven clients, with six of them successfully

achieving their goals and remaining employed at the 90- and 180-day follow-ups. UETHDA has also supported these clients with LIHEAP, rent assistance, and advocacy. As the program continues to expand, UETHDA is working to increase their partner network due to TCAT's limited scope of work and the time required to complete repairs. Since the program's launch, UETHDA has added Hayworth Tire and Auto Service, Top Performance Automotive Specialist, and Hillbilly Towing, who all offer their services at discounted rates.

PERFORMANCE INDICATOR APPENDIX

ALL WIOA CORE PROGRAMS

ADULT, DISLOCATED WORKER, AND YOUTH ACTIVITIES - ADULT PROGRAM PERFORMANCE INDICATORS

Performance Indicators	PY 2026 Expected Level	PY 2026 Negotiated Level	PY 2027 Expected Level	PY 2027 Negotiated Level
Employment (Second Quarter After Exit)	85.25%		83.76%	
Employment (Fourth Quarter After Exit)	85.20%		83.63%	
Median Earnings (Second Quarter After Exit)	\$7,987		\$8,030	
Credential Attainment Rate	66.73%		65.77%	
Measurable Skill Gains	56.98%		61.67%	
Effectiveness in Serving Employers	Not Applicable ¹	Not Applicable ¹	Not Applicable ¹	Not Applicable ¹

¹

The Departments have not issued the final rule defining Effectiveness in Serving Employers. As a result, states will not submit expected levels of performance for this indicator and the Departments will not establish negotiated levels of performance for PYs 2026 and 2027.

ADULT, DISLOCATED WORKER, AND YOUTH ACTIVITIES - YOUTH PROGRAM PERFORMANCE INDICATORS

Performance Indicators	Program Year 2026 Expected Level	Program Year 2026 Negotiated Level	Program Year 2027 Expected Level	Program Year 2027 Negotiated Level
Employment (Second Quarter After Exit)	80.66%		80.68%	
Employment (Fourth Quarter After Exit)	80.20%		79.68%	
Median Earnings (Second Quarter After Exit)	\$3,338		\$3,717	
Credential Attainment Rate	69.39%		67.15%	
Measurable Skill Gains	54.09%		57.31%	
Effectiveness in Serving Employers	Not Applicable ¹	Not Applicable ¹	Not Applicable ¹	Not Applicable ¹

¹

The Departments have not issued the final rule defining Effectiveness in Serving Employers. As a result, states will not submit expected levels of performance for this indicator and the Departments will not establish negotiated levels of performance for PYs 2024 and 2025.

WAGNER-PEYSER ACT - WAGNER PEYSER PROGRAM PERFORMANCE INDICATORS

Performance Indicators	Program Year 2026 Expected Level	Program Year 2026 Negotiated Level	Program Year 2027 Expected Level	Program Year 2027 Negotiated Level
Employment (Second Quarter After Exit)	69.64%		66.02%	
Employment (Fourth Quarter After Exit)	70.85%		68.35%	
Median Earnings (Second Quarter After Exit)	\$4,945		\$5,135	
Credential Attainment Rate	Not Applicable	Not Applicable	Not Applicable	Not Applicable

Performance Indicators	Program Year 2026 Expected Level	Program Year 2026 Negotiated Level	Program Year 2027 Expected Level	Program Year 2027 Negotiated Level
Measurable Skill Gains	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Effectiveness in Serving Employers	Not Applicable ¹	Not Applicable ¹	Not Applicable ¹	Not Applicable ¹

1

The Departments have not issued the final rule defining Effectiveness in Serving Employers. As a result, states will not submit expected levels of performance for this indicator and the Departments will not establish negotiated levels of performance for PYs 2026 and 2027.

ADULT EDUCATION AND FAMILY LITERACY ACT PROGRAM - ADULT EDUCATION AND LITERACY PROGRAM PERFORMANCE INDICATORS

Performance Indicators	PY 2024 Expected Level	PY 2024 Negotiated Level	PY 2025 Expected Level	PY 2025 Negotiated Level
Employment (Second Quarter After Exit)	50.0	50.0	51.0	51.0
Employment (Fourth Quarter After Exit)	50.0	50.0	51.0	51.0
Median Earnings (Second Quarter After Exit)	3,950	5,275	4,050	5,300
Credential Attainment Rate	42.0	52.0	43.0	52.5
Measurable Skill Gains	40.5	40.5	41.5	41.5
Effectiveness in Serving Employers	Not Applicable ¹	Not Applicable ¹	Not Applicable ¹	Not Applicable ¹

1

The Departments have not issued the final rule defining Effectiveness in Serving Employers. As a result, states will not submit expected levels of performance for this indicator and the Departments will not establish negotiated levels of performance for PYs 2024 and 2025.

VOCATIONAL REHABILITATION PROGRAM (COMBINED OR GENERAL) - VOCATIONAL REHABILITATION PROGRAM PERFORMANCE INDICATORS

Performance Indicators	PY 2024 Expected Level	PY 2024 Negotiated Level	PY 2025 Expected Level	PY 2025 Negotiated Level
Employment (Second Quarter After Exit)	65.0%	65.0%	67.0%	67.0%
Employment (Fourth Quarter After Exit)	59.0%	59.0%	61.0%	61.0%
Median Earnings (Second Quarter After Exit)	\$4,400	\$4,400	\$4,488	\$4,488
Credential Attainment Rate	25.0%	30.0%	27.0%	32.0%
Measurable Skill Gains	63.0%	63.0%	65.0%	65.0%
Effectiveness in Serving Employers	Not Applicable ¹	Not Applicable ¹	Not Applicable ¹	Not Applicable ¹

¹

The Departments have not issued the final rule defining Effectiveness in Serving Employers. As a result, states will not submit expected levels of performance for this indicator and the Departments will not establish negotiated levels of performance for PYs 2024 and 2025.

ADDITIONAL INDICATORS OF PERFORMANCE

Additional Indicators of Performance

State Performance Metrics

State performance metrics, formerly known as key performance indicators (KPIs), quantify Tennessee's progress toward the core objectives of WIOA:

- Increase access to education, training, and employment- particularly for people with significant barriers to employment.

- Create a comprehensive, high-quality workforce development system by aligning workforce investment, education, and economic development.
- Improve the quality and labor market relevance of workforce investment, education, and economic development efforts.
- Promote improvement in the structure and delivery of services.
- Increase family-sustaining wages, meet employer needs, and enhance the productivity and competitiveness of Tennessee.

State performance metrics are revised annually to best align with the scope of these objectives. For Program Year 2024 (July 1, 2024- June 30, 2025), the State Workforce Development Board set four (4) standard metrics and one (1) pilot metric:

- Wagner-Peyser (Title III) New Enrollments
- WIOA (Title I) New Enrollments
- Tennessee Youth Employment Program (YEP) Total Enrollments
- Title I and Title III Co-Enrollment
- (PILOT) Wagner-Peyser Job Placements

Annual Statewide PY2024

Tennessee Key Performance Indicators (KPIs)					
Program	Performance Measure	Target	Actual	% of Goal	Achievement
Wagner-Peyser	New Enrollment	34,188	53,474	156.4%	5
Tennessee Youth Employment Program (TYEP)	Total Enrollment	2,723	3,774	138.6%	5
WIOA	New Enrollment	6,074	6,482	106.7%	4
Title I and Title III Co-Enrollment	Co-Enrollment	90%	55%	61.1%	2

As noted in the chart above, Tennessee saw achieved or exceeded targets in three of the four measurements. Key strategies supporting successful achievement of these metrics:

- Monitoring Enrollment Conversion Rate
- Coordinated Outreach with Unemployment Insurance
- Staff Training & LWDB Partnerships

Key Performance Indicator Achievement Thresholds		
5	Best Practice	110%+
4	Target Achieved	91 to 110%
3	Approaching Target	71 to 90%
2	Needs Improvement	51 to 70%
1	Needs Significant Improvement	21 to 50%
0	Unacceptable	0 to 20%

For Program Year 2025 (July 1, 2025-June 30, 2026), increased oversight efforts will be focused towards improving Title I and Title III Co-Enrollment. Target progression is reviewed quarterly by the Oversight Committee and provided in summary to the full board.

Additionally, Tennessee has added additional employer-focused measures to further assess the effectiveness of Tennessee's workforce system in serving employers. Tennessee tracks the following two supplemental measures:

- **Repeat Business Customers:** 13.6% of employers receiving services returned for additional support from the state's business services team.
- **Employer Penetration Rate:** The department provided services to 3.7% of all businesses operating in Tennessee.

These metrics provide additional insight into employer engagement and the workforce system's capacity to meet the needs of Tennessee's business community.

OTHER APPENDICES

There are no other appendices.