



STATE OF TENNESSEE
DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT
DIVISION OF WORKFORCE DEVELOPMENT
220 French Landing Drive
Nashville, TN 37243-1002
(615) 741-1031

State Workforce Development Board Meeting Minutes
Nashville, TN
Friday, December 5, 2008
9:00 am – 12:00 pm

Board Members Present:

Jerry Anderton
J.M. Barnes
Andy Berke
Craig Butler
Thelma Dunlap
Guy Derryberry
John Greeter
Wallace Grills
John Majors
Deidre Malone
Iloff McMahan
Gary Miller
Richard Montgomery
James Neeley
Kay Nixon
Brad Parish
Deborah Reed
Yolanda Shields
Charles Story
Ellen Thornton
Sandra Woods

Staff Present:

Susan Cowden
Sterling Van Der Spuy
Linda Sampson
Theresa Morris

Susie Bourque
Dan Holton
Don Ingram
Bob Henningsen

Board Members Present by Proxy:

Matthew Kisber (Rick Meredith)
Gina Lodge (Andrea Cooper)
Tim Webb (Ralph Barnett)
Patricia James (Wallace Grills)

Members Absent:

Ed Groves
James Kerley
Sally McKay
Margaret Ridings
Joy Bishop
Mattie Moran
Ross Jackson
Patricia James
Susie Gassett
Arlene Ricci
Marvin Sandrell
Kenny Smith

Pat Bleecker
Tyrone Parker
Wil Hammond

Joe Fults
Joan Craig
Regina King

Welcome:

Chairman Wallace Grills called the meeting to order and welcomed everyone to the December 2008 meeting. He asked the new members present to introduce themselves. New members present were: Andy Berke, Richard Montgomery, Kay Nixon and Deborah Reed. James Kerley was not present due to a conflict in schedule.

Roll Call:

Linda Sampson, Board Coordinator, conducted the roll call and established the presence of a quorum. Ms. Sampson notified the board members that the Conflict of Interest, Acknowledgement/Disclosure, and Code of Ethics forms were on site for review and update.

Approval of Minutes:

Iliff McMahan made the motion to approve the May 16, 2008 full board meeting minutes and Yolanda Shields seconded. **Motion Passed.**

J.M. Barnes made the motion to approve the September 25, 2008 minutes of the Executive Committee meeting and John Greeter seconded. **Motion Passed.**

Opening Remarks:

Commissioner Neeley welcomed everyone to the meeting and expressed his appreciation for good attendance. He expressed concern about the overall economy and stated that Tennessee should anticipate lay offs in state government. He stated that the unemployment rate is expected to rise and that Tennessee could be negatively impacted if the auto makers are allowed to go under since there are 150 to 200 satellite sites located in the state.

Second Annual Jim Alford Award:

The Second Annual Jim Alford Award was presented to Thyssenkrupp Elevator, the nation's largest elevator factory doing business for 80 years in Middleton, Hardeman County, LWIA 11. The original Incumbent Worker application projected the creation of 20 new jobs and to save 350 jobs. The following information was provided about the company:

- Awarded a \$49,620 Incumbent Worker Training Grant
- Spent \$99,214 total for training counting the company match
- Trained 832 employees in three components of Lean Manufacturing
- Currently expanding the Middleton plant by 150,000 square feet

Workforce Development Updates:

Administrator Susan Cowden provided statistical information pertaining to dislocations in 2007 vs. 2008 and unemployment rates from 1997 until 2008.

Administrator Cowden presented the progress made on the 2008 goals and proposed the following goals for 2009:

1. To issue 20,000 Career Readiness Certificates for an increase of 25% over the previous year.
2. Increase program expenditures by increasing the number of participants receiving training services and closely monitoring LWIA status.
3. Meet or exceed all Common Performance Measures and remain in the top 10 in the nation for Incentive Awards.
4. Develop a sample orientation program for local boards, using best practices and then provide for local boards and staff.
5. Convert LWIA Planning process to the format of the Baldrige and Tennessee Center for Performance Excellence Criteria.
6. Define and publish the top three industry targets for each LWIA.
7. Define Regional Economic Development Partnerships.
8. Expand Training Grant Opportunities to small business to encourage entrepreneurship and business development.
9. Provide leadership to the Tennessee Energy Industry and Construction Consortium to create 400 new workers for this industry.
10. Expand the emphasis for youth to attain gains in numeracy and literacy.

Administrator Cowden evaluated the Career Readiness Certificate Listening Tour in terms of Content, Marketing, Strengths, Weaknesses, Coordination, Accessibility, and Program Costs and the following conclusions were listed:

- The process is working in Tennessee.
- The LWIAs need to continue to focus on delivery in the Career Centers.
- Marketing at the Local Level can begin.
- Dependent upon funding, a third year of Statewide funding is an option.
- The desire of the State is to move to local sustainability.

Employer Incentives:

Roger Littlejohn, State Coordinator for the Work Opportunity Tax Credit Program, presented information on WOTC, a Federal income tax credit program for employers hiring targeted groups of employees. The maximum tax credit is \$2,400 per qualified employee and potentially could save Tennessee employers up to \$150 Million dollars in federal tax savings each year. The nine target groups are:

Qualified TANF Recipients
 Qualified Military Veterans
 Qualified Ex-Felons
 Qualified Youth
 Vocational Rehabilitation Clients
 Qualified Summer Youth
 Qualified Food Stamp Recipient
 Qualified Social Security Recipient
 Long-Term Family Assistance Recipients

Michelle Proctor with Economic and Community Development presented information on the Families First Job Retention Program, a pilot program in Shelby County. In an effort to comply with federal guidelines, the Tennessee Departments of Human Services (DHS) and

Economic and Community Development (ECD) have partnered to encourage businesses and industry to hire Families First clients by capitalizing on existing industry relationships. The program is being implemented initially in Shelby County which accounts for over 40% of Families First clients in the state. The goals of the program are to recruit eligible businesses to hire Families First clients and to provide, after either a six or nine month period, either a \$500 or \$750 payment for job retention.

Demonstration of Dolce Vita:

Lee Grehan from the University of Memphis demonstrated the new data management system now being utilized in all LWIAs. The program provides access to state and local level performance reports more quickly.

Committee Reports:

Operations Committee – John Greeter reported the following:

Chairman Greeter thanked the committee and recognized the newest member, Kay Nixon. He reported that Administrator Susan Cowden reviewed the current status of the Statewide WIA set aside and requested that the Committee determine the process for state grant approvals for next year's funding cycle. Chairman Greeter requested that each of the statewide contractors submit proposals and budgets by February 28th and present at the next committee meeting to be held on March 12th. These presentations include: AFL-CIO, Tennessee Higher Education Commission, Jobs for Tennessee Graduates and University of Memphis.

Sterling Van Der Spuy provided an update on the contract with Department of Children's Services to provide mentoring services to aging Foster Children. This contract start date has been moved to January 1, 2009, so activity has not yet begun.

LWIA Directors David Shanks, Jan McKeel, Henry Lewis and Jay Willoughby provided comments on the success of the Career Readiness Certificate program in their respective areas.

Strategic Planning Committee – J. M. Barnes reported the following:

The State Planning Guidance has been received from USDOL. Staff will begin making modifications and release for 30-day comment period at the end of January.

Phase 2 of the Local Workforce Investment Area planning guidance has been completed and all LWIAs submitted their plans by the deadline.

Phase 3 of the Local Workforce Investment Area planning guidance will be release in the next couple of weeks. The following additional questions will be addressed during presentations to the Strategic Planning Committee on April 2 & 3, 2009:

1. What you are doing to clearly define and re-focus your Youth Programs.
2. Address skill shortages that are emerging, focusing more on apprenticeship programs.
3. Discuss what you are doing to target at least three industries needed for the future.
4. Estimate the number of exciters for Program Year 2009.

5. In anticipation of more veterans returning home, provide a description of how you will serve them, their spouses, their children, and those who are disabled.
6. Describe how the job losses and the down turn in the economy have affected your services to participants.

Continuous Improvement Committee – Iliff McMahan reported the following:

WIA Incentive and Sanction Policy PY 2008 –
Applies to Common Measures Reporting
1st Quarter Outcomes in Folders
Drafts Reviewed at Committee Meeting
Committee Recommendation: Option 1

WIA Annual Report for PY 2007 –
Narrative and Statistical Segments
Submitted to ETA October 1, 2008
Available Online: http://www.state.tn.us/labor-wfd/et_services_prog_mgmt_perform.html
All Performance Groups Meet or Exceed Goals
Also Submitted to National Governor's Association

WIA Regional Performance Re-Negotiations –
Applies to Common Measures PY 2008
Lowered 5 to 6 Adult Program Levels
Lowered 2 of 3 Youth Program Levels
Completed June 5, 2008

WIA Local Performance Negotiations –
Also Applied to Common Measures PY 2008
Lowered Local Area Performance Targets
Especially Lower Retention and Earnings Targets
Board sets criteria
Completed Local Negotiations August 2008

New Regression Based Performance Model –
Developed by University of Memphis, SBBER
Recommended by TEGl 10-06 (March 2007)
Based upon WIA Diagnostic and Planning Tool
Methodology and results easily comparable to national modeling efforts
Uses Tennessee data instead of national data
Easy to manipulate via Excel spreadsheet

Performance Updates –
Regional Trainings Complete Week of Dec. 18
Conducted 5 Training Sessions
Focus on Policy, Dolce Vita, and eCMATS
Date Element Validation Underway
Complete in 9 Local Areas
Comprehensive Error Reports

Policy Committee – Jerry Anderton reported the following:

Mr. Anderton recognized the newest member of the committee, Andy Berke, and welcomed him to the committee. Mr. Anderton reported that at the September Executive Committee meeting the Policy committee was asked to review State Board's attendance policy. He read the following excerpt from the By-laws:

“Article V – Meetings: Section 5: Any board member absent, in person or by proxy, for two (2) consecutive regularly scheduled meetings shall be contacted by the Workforce Development staff. Any Board member absent for three (3) consecutive regularly scheduled meetings shall be considered to have resigned unless there is notification of extenuation circumstances approved by the Chairperson. The chairperson of the Board shall request the governor to fill the vacant position.” No recommendation was made to change the language; however, it was proposed and a motion was made and passed that when a board member has not complied with the attendance policy, a designated member of the Policy committee will contact the member to determine if extenuating circumstances exist and to encourage future attendance.

Chairman Grills called for a motion. J. M. Barnes made the motion to accept the recommendation of the Policy Committee on the attendance policy and Thelma Dunlap seconded the motion. **Motion Passed.**

Mr. Anderton reported that the Policy Committee discussed the proposed Incentives or Sanctions policy and the recommendation was to table it to be looked at again at the next meeting due to the expected worsening economic conditions. Concern was expressed that jobs may not be available and expectations need to be realistic. It was decided that the policy will be reviewed again in March.

Opportunity for Change:

Chairman Grills announced that if board members have served one (1) year on a particular committee, they could change to another committee. Members were requested to make their wishes known to Linda Sampson, Board Coordinator.

Closing Remarks:

Chairman Wallace Grills asked everyone to complete and return the survey provided in their notebook to enable the staff to better assist the board members.

Chairman Wallace Grills reminded everyone to mark their calendars with the 2009 dates suggested:

March 12 & 13, 2009

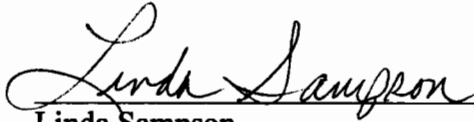
April 2 & 3, 2009 (Planning Committee – all members are invited to attend)

May 14 & 15, 2009

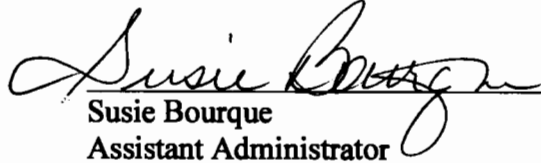
September 24 & 25 (Executive Committee only)

December 3 & 4, 2009

With no further business to come before the Board, the meeting was adjourned.



Linda Sampson
WIA Board Coordinator



Susie Bourque
Assistant Administrator