



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

**State Workforce Development Board Meeting Minutes**  
**Nashville, TN**  
**Friday, June 14, 2013**  
**8:30 am – 12:00 pm**

**Board Members Present:**

Rogers Anderson  
Kristee Bell  
Timothy Burchfield  
Craig Butler  
Guy Derryberry  
Echell Eady  
Jimmy Eldridge  
John Greeter  
Ed Groves  
Niketa Hailey-Hill  
Bethany Lay  
Eliot Mitchell  
Nichole Saulsberry-Scarboro  
Jean Schmidt  
Zack Stansell  
Charles Story  
Sandra Woods

**Board Members Present by Proxy:**

Wallace Grills (Craig Butler)  
Raquel Hatter (Cherrell Campbell-Street)  
Kevin Huffman (Nicholas Hansen)  
Jason Rich (Craig Butler)  
Yolanda Shields (Craig Butler)

**Members Absent:**

Ann Hatcher  
Shirley Frierson  
Bill Hagerty  
John Majors  
David Hayes  
Raymond Marston  
Gary Miller  
Kenny Smith

**Abstaining Members:**

Craig Butler (LWIA 11)  
Guy Derryberry (LWIA 10)  
Eliot Mitchell (LWIA 10)

Wallace Grills (LWIA 1)  
Bethany Lay (LWIA 10)  
Charles Story (LWIA 9)

Sandra Woods (LWIA 12)  
John Greeter (LWIA 6)  
Nichole Saulsberry-Scarboro  
(LWIA 13 and U of M)

**Staff Present:**

Briana Johnson	Theresa Morris
Christy Montgomery	Mike Daniel
Pat Bleecker	Mark Chandler
Susie Bourque	Ryan Allen
James Roberson	Lane Marks
Sterling van der Spuy	Linda Davis
Dan Holton	Teresa Broome
Nova Buker	Melinda Williams

**Welcome:**

Interim Chairman Craig Butler welcomed all board members, state and LWIA staff, and guests. He announced that Commissioner Burns Phillips has been officially appointed as Commissioner of the Tennessee Department of Labor and Workforce Development. He said that Chairman Grills had asked him to serve as chair of the meeting during his absence. He asked the guests if there were any members of the media present, and no one self-identified as such.

**Opening Remarks:**

Burns Phillips, Commissioner of the Tennessee Department of Labor and Workforce Development, gave opening remarks and thanked all State Board members. He thanked Dustin Swayne, Deputy Commissioner, for filling in for him during the Executive luncheon on Thursday. He explained that Chairman Grills had asked Craig Butler to fill in as the interim for him as chairman, and that Chairman Grills had announced that he will be retiring from the State Workforce Development Board at the end of June. He explained in his time with the department he has realized that the department needs to reach out and help improve working relationships which may not have been maintained over the last years. He spoke about his vision and philosophy for the department and made remarks regarding the importance he places on inclusion and listening to everyone's ideas and concerns. He said that we cannot work in silos, and we cannot work in bits and pieces. He spoke about his assessment of the department and said that he realized that the department is full of talented, knowledgeable staff; however, when he arrived, he realized that many staff members were not in the right positions to utilize their talents to the maximum. He is working to identify the right staff members and place them in the right positions. His philosophy is to move forward to improve our communication with our partners. We must have an open flow of communication and must bring ideas and suggestions to the table. Our decision-making process will be to remain open, impartial, and objective. The workforce development program is one of the best and most successfully parts of our department. He said that he recently spoke to the fiscal review committee and explained that the workforce development programs are one of the best things the department does to help citizens and businesses of Tennessee.

### **Introduction of New Members:**

Chairman Butler recognized the newest appointee to the board, Timothy Burchfield from Johnson City. Mr. Burchfield introduced himself to the board and gave a brief background regarding his business experience.

### **Roll Call/Conflict of Interest Statement:**

Board Coordinator Christy Montgomery conducted the roll call and established the presence of a quorum. Ms. Montgomery notified board members that Conflict of Interest, Acknowledgement/Disclosure, and Code of Ethics forms were on site for review and updates. Ms. Montgomery also clarified the by-laws regarding members present by proxy and the rules regarding proxy votes.

### **Approval of Minutes:**

Jimmy Eldridge made a motion to approve the minutes from the full board meeting on September 13, 2012, and December 7, 2012. Bethany Lay seconded the motion. Chairman Butler asked if there was any discussion. Guy Derryberry questioned the September 13, 2012, minutes and asked that Mr. Grills's comments, regarding the portion of the State Plan which includes Rapid Response, be reflected in the September minutes.

Jimmy Eldridge made a motion to amend his motion to include in the September 13, 2012, minutes to reflect that Chairman Grills said that the vote for the State Plan would not include the pieces of Rapid Response to which the board did not have any input into. Zack Stansell seconded the motion. **Motion Passed.**

Jimmy Eldridge then renewed his motion to approve the September 13, 2012, minutes as amended and also the December 7, 2012, minutes. The motion was seconded by Bethany Lay. **Motion Passed.**

### **Workforce Services Updates:**

Commissioner Burns Phillips introduced his newly-appointed administrator for the Division of Workforce Services, Sterling van der Spuy. He thanked the commissioner for the opportunity to serve and thanked the board and LWIA staff for their continued years of support and working relationship. He gave an overview of the progress which has been made since the Division of Workforce Services merged the WIA and Wagner-Peyser programs and also the progress towards implementing the Five-Year Plan. He described the streamlining of fiscal functions for all funds delivered under the division. A financial training has been planned for the LWIAs in August. A conference call will take place to address Resource Sharing Agreements under the new structure. Progress is being made in integrating Rapid Response and Trade units to ensure data integrity. The department is streamlining this collection of data and reducing the burden on participants to fill out multiple applications. The management structure around Field Operations will be re-aligned to address staffing patterns. We are looking to unite the functions regarding

planning and policy to ensure that specific policies will flow across the entire system. The division is also making strides to automate of its systems and connections with Unemployment Insurance. A Toolkit for RESA and Rapid Response was able to unite all information in one publication to lower costs and help alleviate confusion for citizens seeking services. The Division has needed to address budget cuts surrounding sequestration. One strategy, the department implemented, was increasing to 80% the allotment of Dislocated Worker funds which go straight to local areas. We have continued to work closely with ECD, TBR, and the Governor's office concerning significant projects pertaining to workforce development. Last year, 431,000 plus unique participants were served through the American Jobs Center structure. One thousand (1,000) of those were enrolled in TAA training. Under WIA, 32,271 participants were enrolled.

#### **Overview of Board Roles and Responsibilities:**

Christy Montgomery and Briana Johnson presented to the board an overview of duties and structure of the board. Information was included in the board members' packets which provided updated inserts for the board member orientation manuals. This information included an updated listing of board members, a staff directory, by-laws, committee structure and responsibilities, a chart indicating each member's representation category, and contact information forms. Ms. Montgomery explained that it is important for board members to update State Office staff if the board members have any change of employment or contact information. The nomination process for selection of chair and vice-chair was explained. Once the chair and vice-chair are selected, the Executive Committee will meet in October to conduct Five-Year Strategic Planning for the State Workforce Development Board.

#### **McMinn County Education & Workforce Committee:**

Rick Layne, from LWIA 5, Ann Scott Davis, Vice-Mayor of Athens, Dan Scherle, from E&E Manufacturing, and Stewart Smith, from the Tennessee Technology Center of Athens, presented an overview of the McMinn County Education and Workforce Committee. The presentation showed how a local City Council and Tennessee Technology Center convened a forum with 18 employers, legislators, educators, local officials, ECD, and workforce development professionals to identify and address skills gaps and training needs. The committee has partnered with local employers and workforce development programs to develop and provide an eight-week, soft-skills training curriculum taught by local employers to prepare residents for careers. Ms. Ann Scott Davis provided geographic and LMI information concerning McMinn County. Mr. Dan Scherle discussed the skills gap for the manufacturing industry. Mr. Stewart Smith gave an overview of the Center for Advanced Manufacturing concept developed to directly address the skills gaps.

#### **Employment Security Updates:**

Linda Davis, Administrator of Employment Security, provided an update on the current initiatives and improvements which the division has made. The presentation covered the successful implementation of the Jobs4tn.gov Web site, including the total number of registered individuals and services provided. The Jobs4tn.gov will be expanded as the Virtual One-Stop &

Re-employment Exchange (VOS/REX) is implemented. Ms. Davis provided an update on progress being made to a backlog of UI claims. Claims which are over the 21-day claim have been decreased and the division is almost within the federal standard. On June 18<sup>th</sup>, the division will discontinue all walk-in claims and mass claims taken in the state. Ms. Davis explained that this is not expected to cause a large burden on the system in general, however, it is anticipated that it may increase the call volume; and, it is difficult to determine at this time what issues will be created. Improvements to the phone system have been implemented to make it easier for callers to reach the self-service model; this has helped to reduce issues surrounding the high-call volume. In January 2013 nearly 4,000 callers used the self-help feature, compared over 53,000 who used this feature in May. Ms. Davis reported on the integrity of the Unemployment Trust fund.

## **Committee Reports:**

### Operations Committee

Operations Committee Chairman John Greeter thanked the committee members for their attendance and input. He reported that the committee met on May 16, 2013. During that meeting these members were present: Chairman John Greeter, Ed Groves, David Hayes, Raymond Marston, Zack Stansell, Representative Jimmy Eldridge, and staff liaison Patrick Bleecker. Guests included: Paul Haynes LWIA 9, Dr. Nancy Brown LWIA 2, Craig Butler, board member, Lee Greehan, and Simon Oliver, University of Memphis, A. J. Starling, AFL/CIO, and Dan Holton.

Chairman Greeter opened the meeting at 10:00 am. A. J. Starling made a presentation on the 2013 fee-for-services proposal. Discussion was generated from the committee members, and questions were addressed and noted. Lee Grehan and Simon Oliver made a presentation on the University of Memphis proposal. There was discussion from the committee and questions were addressed and noted. Patrick Bleecker informed the committee that no recommendation to the full board would be required at this meeting. The department would review the proposals and budget requests with committee questions and make a recommendation to the Operations Committee at its meeting on June 13. The Committee could then make its recommendations to take to the full Board on June 17<sup>th</sup>. The Jim Alford and WIA Employee of the Year Awards were discussed and Patrick Bleecker agreed to get the applications to the committee sooner for its consideration.

Meeting adjourned at 11:15 a.m.

Chairman Greeter then reported on the June 13, 2013, Operations Committee.

Present for the Operations Committee meeting were: Chairman John Greeter, Ed Groves, Zack Stansell, Representative Jimmy Eldridge, Patrick Bleecker (staff liaison), and James Roberson. Guests included, Lee Greehan (University of Memphis), Tom Jensen (Knox County), and Kevin Wesnieski (Channel 5 News).

Chairman Greeter opened the meeting at 3:00 pm. Pat Bleecker discussed the AFL/CIO Fee for Services and the University of Memphis Proposals that were presented at the May 16, 2013, meeting for Operations Committee. The Department of Labor and Workforce Development reviewed the proposals and considered questions and concerns from the May Operations meeting and made a recommendation to approve both proposals as presented.

Mr. Greeter reported that the Operations Committee voted unanimously to make a recommendation to the full Board for approval of the AFL/CIO fee for services proposal to be funded at a maximum of \$150,000. He then made a motion that the board approve the committee's recommendation. The motion was seconded by Jimmy Eldridge. **Motion Passed.**

Mr. Greeter reported that the Operations Committee voted unanimously to make a recommendation to the full Board for approval of the University of Memphis proposal to be funded for \$424,466. He then made the motion for the board to approve the committee's other recommendations. The motion was seconded by Guy Derryberry. **Motion Passed.**

James Roberson discussed the State Set Aside WIA program Budget which included the AFL/CIO, the University of Memphis, Incumbent Worker Training Grants, and reserves. Pat Bleecker gave an overview of the new nomination process for choosing the Workforce Board-Chair and Vice-Chair going forward. Committee members were given contact information forms to fill out to ensure that we can insure we have the correct information would be on file.

Meeting adjourned at 4:15 p.m.

#### Strategic Planning Committee

Vice-Chair Kristee Bell reported that the Strategic Planning Committee met on May 16 & 17, 2013, at the Maxwell House Hotel. Presentations of local plans for all 13 Local Workforce Investments areas were heard and reviewed by the committee. Present were:

Strategic Planning Committee members -- Kristee Bell, Echell Eady, Ann Hatcher, Yvonna Brown (Proxy for Commissioner Hatter). Other Board Members were: Mayor Rogers Anderson, Craig Butler, Commissioner Phillips, Guy Derryberry, Representative Jimmy Eldridge, John Greeter, David Hayes, Melissa Canney (proxy for Commissioner Huffman), Raymond Marston, Nichole Saulsberry-Scarboro, Yolonda Shields, Zack Stansell, and Sandra Woods. Several state and LWIA staff members were present as well. The committee deferred voting on the approval of the Local Workforce Investment Board local plans until the June 13, 2013, meeting to allow time for submission and review by State Office staff of Stage 1 Planning documents.

On June 13, 2013, the Strategic Planning Committee met in the Tennessee Room of the Department of Labor and Workforce Development. Committee Members present included: Kristee Bell, Cherrell Campbell-Street (proxy for Commissioner Hatter), Charles Story, Echell Eady, Ann Hatcher, and Timothy Burchfield. State Office staff present included: Christy

Montgomery, Abayomi Atolagbe, Mark Chandler, and Teresa Broome. LWIA staff present included Kathy Pierce, Vaughn Smith, Sandy Lamb, Chris Tiller, Donna Stansberry, Pat Callahan, and Gary Morgan.

The committee reviewed a map of the new footprint of Tennessee's Comprehensive and Affiliate American Job Centers and the committee also reviewed the nomination process for leadership positions of the board's executive committee.

The Committee was updated on the status of Stage 1 of the planning process and the beginning of Stage 2. State Office staff have reviewed the LWIB local plan submissions and will continue to work with the LWIBs to develop updated Resource Sharing Agreements (RSAs). The process of consolidation has required local area staff to begin the discussion and modification of current RSAs. Also, State Office staff will continue to work with LWIBs to ensure Cost Allocation Plans/ Indirect Cost Letters are received and approved. It is anticipated that these will be received during July. Going forward is Stage 2 of the planning process. Further details of Stage 2 will be provided later. To begin Stage 2, LWIBs will be asked to provide a contact list for each comprehensive American Job Center within their LWIA. The list will include contact information for each program required to be on-site or available by referral, at a comprehensive center. A template will be provided. Also, LWIBs will be required to provide Risk Management Plans. State Office staff are currently in the process of finalizing a Risk Management Tool to aid LWIA staff in Risk Management Plans development and an LWIA may currently use any tool it has for that purpose. It is the State's intention that the Risk Management Plans will assist local areas in addressing A-133 Single Audits.

**LWIA 1** - Area 1 submitted all required information, and all modifications and questions were addressed adequately. The Strategic Planning Committee recommended this plan for approval. Kristee Bell made a motion to accept the committee recommendation to approve LWIA 1's plan for Program Year 2013, and it was seconded by John Greeter. **Motion Passed.**

**LWIA 2** - Area 2 submitted all required information, and all modifications and questions were addressed adequately. The Strategic Planning Committee recommended this plan for approval. Kristee Bell made a motion to accept the committee recommendation to approve LWIA 2's plan for Program Year 2013, and it was seconded by Ed Groves. **Motion Passed.**

**LWIA 3** - Area 3 submitted all required information, and all modifications and questions were addressed adequately. The Strategic Planning Committee recommended this plan for approval. Kristee Bell made a motion to accept the committee recommendation to approve LWIA 3's plan for Program Year 2013, and it was seconded by Zack Stansell. **Motion Passed.**

**LWIA 4** - Area 4 submitted all required information, and all modifications and questions were addressed adequately. The Strategic Planning Committee recommended this plan for approval. Kristee Bell made a motion to accept the committee recommendation to approve LWIA 4's plan for Program Year 2013, and it was seconded by Guy Derryberry. **Motion Passed.**

**LWIA 5** - Area 5 submitted all required information, and all modifications and questions were addressed adequately. The Strategic Planning Committee recommended this plan for approval.

Kristee Bell made a motion to accept the committee recommendation to approve LWIA 5's plan for Program Year 2013, and it was seconded by Sandra Woods. **Motion Passed.**

**LWIA 6** - Area 6 submitted all required information, and all modifications and questions were addressed adequately. The Strategic Planning Committee recommended this plan for approval. Kristee Bell made a motion to accept the committee recommendation to approve LWIA 6's plan for Program Year 2013, and it was seconded by Jean Schmidt. **Motion Passed.**

**LWIA 7** - Area 7 submitted all required information, and all modifications and questions were addressed adequately. The Strategic Planning Committee recommended this plan for approval. Kristee Bell made a motion to accept the committee recommendation to approve LWIA 7's plan for Program Year 2013, and it was seconded by Jimmy Eldridge. **Motion Passed.**

**LWIA 8** - Area 8 submitted all required information, and all modifications and questions were addressed adequately. The Strategic Planning Committee recommended this plan for approval. Kristee Bell made a motion to accept the committee recommendation to approve LWIA 8's plan for Program Year 2013, and it was seconded by Jean Schmidt. **Motion Passed.**

**LWIA 9** - Area 9 submitted all required information, and all modifications and questions were addressed adequately. The Strategic Planning Committee recommended this plan for approval. Kristee Bell made a motion to accept the committee recommendation to approve LWIA 9's plan for Program Year 2013, and it was seconded by Echell Eady. **Motion Passed.**

**LWIA 10** - Area 4 submitted all required information, and all modifications and questions were addressed adequately. The Strategic Planning Committee recommended this plan for approval. Kristee Bell made a motion to accept the committee recommendation to approve LWIA 10's plan for Program Year 2013, and it was seconded by Ed Groves. **Motion Passed.**

**LWIA 11** - Area 11 submitted all required information, and all modifications and questions were addressed adequately. The Strategic Planning Committee recommended this plan for approval. Kristee Bell made a motion to accept the committee recommendation to approve LWIA 11's plan for Program Year 2013, and it was seconded by Niketa Hailey-Hill. **Motion Passed.**

**LWIA 12** - Area 12 submitted all required information, and all modifications and questions were addressed adequately. The Strategic Planning Committee recommended this plan for approval. The Strategic Planning committee noted that Adult Education is still in the process of determining locations in this local area. If Adult Education decides to have a presence in the American Jobs Center, the consortium Agreement of One-Stop partners may be modified. The modification will be submitted to state staff, and the committee will defer to the state for approval. Kristee Bell made a motion to accept the committee recommendation to approve LWIA 12's plan for Program Year 2013, and it was seconded by John Greeter. **Motion Passed.**

**LWIA 13** - The Strategic Planning Committee recommends approval of the LWIB 13 plan, with the contingency that all items, including assurances with signatures, LWIB board nomination forms and conflict of interest statements, are received and approved by State Office staff prior to



July 1, 2013. State Office staff will provide communication to the members of the Strategic Planning Committee to update them on the receipt and staff approval of each item. Kristee Bell made the motion to accept the committee recommendation to approve LWIA 13's plan for Program Year 2013, and it was seconded by Jimmy Eldridge. **Motion Passed.**

Kristee Bell requested that the Executive Committee review the by-laws to address the ability to call meetings of the Executive Committee in emergency scenarios where the meeting can take place by conference call.

### Policy Committee

Committee Chair, Guy Derryberry, thanked the members in attendance: Sandra Woods, Bethany Lay, Eliot Mitchell, and Mayor Rogers Anderson. The staff liaison was Susie Bourque, and several local area representatives were there: Margaret Prater, Paul Haynes, Jan McKeel, and Anna Smith. The committee discussed the purpose and need of policies. Current policies and draft policies were reviewed. The committee discussed the procedure for policy implementation and decided that all policies will be presented to the LWIA directors and board members for a 30-day comment period before any approval. The committee also discussed the procedure to nominate members for the position of board-chair and vice-chair.

### Continuous Improvement Committee

Chairman Butler also serves as vice-chair of the continuous improvement committee. He reported the in attendance for the June 13, 2013, committee meeting board members: Craig Butler, Nichole Saulsberry-Scarboro, Niketa Hailey-Hill, and Jean Schmidt. State staff present were committee liaison Dr. Rosevelt Noble and also, Mike Daniel. LWIA staff present were Dr. Nancy Brown (LWIA 2), Rick Lane (LWIA 5), and Marla Rye (LWIA 8).

### WIA Incentive Awards

PY2010 The state has a pool of funds from the 2010 incentive award that has not been used and is currently not ear marked for any particular project. The state office is in the process of exploring potential uses for these funds and of making those recommendations to the Commissioner.

PY2011 The state received notice that it was one of 15 states qualifying for a WIA incentive award for PY2011. Based on the number of eligible states, Tennessee's overall proportion is \$697,963. After dividing the amount among WIA and Adult Education (based on funding allocations), the WIA total amount is \$568,591. The state office is in the process of preparing the necessary paperwork to submit to the USDOL by June 24, 2013.

PY2012 Unfortunately, if the current trends continue, the state will not qualify for a PY2012 WIA Incentive Award. The primary reasons for potentially not receiving an award stem from currently not meeting the negotiated statewide performance standards for the entered employment rate, and not meeting the retention rate for dislocated workers.

### **WIA PY2012 3<sup>rd</sup> Quarter Performance Report**

During the meeting, the committee reviewed the statewide performance metrics and highlighted the two areas where it is currently not meeting the negotiated standard:

- 1) Dislocated Workers – Entered Employment Rate 87.4% versus 88% (standard)
- 2) Dislocated Workers – Retention Rate 90.2% versus 92.2% (standard)

### **Wagner Peyser PY2012 3<sup>rd</sup> Quarter Performance Report**

Mike Daniels presented results to the committee from the Wagner Peyser PY2012 3<sup>rd</sup> quarter performance report. In addition to reviewing the statewide Wagner Peyser performance metrics, he also provided a general overview of Wagner-Peyser, how recent career center changes relate to WIA services, an overview of Jobs4TN, and recently-negotiated statewide performance targets for PY2013. In closing, the leadership nomination process was also reviewed by the committee.

### **Presentation of Appreciation to Wallace Grills:**

Commissioner Phillips explained that Chairman Grills was unable to attend and arrangements will be made to present a plaque of appreciation to him later. The board members were provided with stationery to write a note of appreciation which would be sent directly to Chairman Grills thanking him for his service.

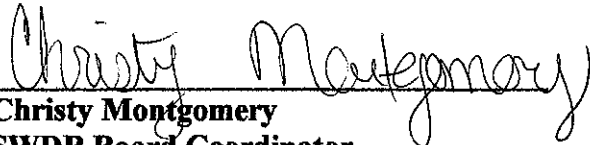
### **Closing Remarks:**


Commissioner Phillips informed the board that during his attendance at the Strategic Planning Committee, during the May 16 & 17, 2013 meeting, he was able to hear from the LWIAs and that is when he became very excited as to what the department does and how there are critical alliances that need to be rebuilt. His time with the board has reinforced those feelings. He hopes that the desire to have a broader relationship is demonstrated by, the first step of, opening up the leadership nomination process within the board. He believes that it is important to successfully build a team with the smartest people. He announced the upcoming listening tours which will take place locally and provide an opportunity for all partners and local business and industry to strategize. He thanked the board for its service and leadership and said that he was excited to continue working with them in the future.

With no further business, the meeting was adjourned by Chairman Butler.

**Future Dates:**

**October 4, 2013 (Executive Committee)  
December 5 & 6, 2013**

  
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**Christy Montgomery  
SWDB Board Coordinator**

  
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**Sterling van der Spuy  
Administrator**