# MEETING MINUTES
November 8, 2019 (10:00 AM – 12:30 PM)

<table>
<thead>
<tr>
<th>Board Members Present</th>
<th>Board Members Present by Proxy</th>
<th>Members Absent</th>
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<tbody>
<tr>
<td>Martha Axford (East TN)</td>
<td>Christine Hopkins (Southern Middle)</td>
<td>Senator Paul Bailey – Proxy Brandy Foust</td>
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<td>Tim Berry</td>
<td>Governor Bill Lee</td>
<td>Commissioner Danielle Barnes (Designee: Cherrell Campbell-Street) – Proxy Mandy Johnson</td>
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<td>Rhonnie Brewer (Greater Memphis)</td>
<td>Designee Tony Niknejad</td>
<td>Representative Clark Boyd – Proxy Sarah Noel</td>
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<td>Mayor Kevin Brooks</td>
<td>Commissioner Jeff McCord</td>
<td>Commissioner Penny Schwinn (Designee: Jean Luna) – Proxy Steve Playl</td>
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<td>Michelle Falcon</td>
<td>Mayor E.L. Morton</td>
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<td>Ben Ferguson</td>
<td>Greg Persinger</td>
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<td>Bill Godwin</td>
<td>Stuart Price</td>
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<td>Marshall Graves</td>
<td>Commissioner Bob Rolfe</td>
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<td>Designee Ann Thompson</td>
<td>Kevin Vaughn</td>
<td>Jason Bates</td>
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<td>Warren Logan (Southeast)</td>
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<td>Vonda McDaniel</td>
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Location in parenthesis represents the state board members' membership to the local workforce board.

## Welcome
The meeting was called to order by Chairman Berry at 10:03a. Chairman Berry thanked everyone for attending and was pleased to announce that we have a full board with no vacant seats right now. He officially welcomed the following new board members: E.L. Morton, Ben Ferguson, Kevin Brooks, Bill Godwin, and Marshall Graves.

Chairman Berry also thanked other board members for stepping into new Committee roles: Rhonnie Brewer is the Vice Chair of the Oversight Committee; Kevin Vaughn is the Vice Chair of the Innovation Committee, and Stuart Price is the Chair of the Operations Committee.

## Roll Call
Iler Bradley conducted the roll call and established the presence of a quorum.

## Approval of Minutes (vote required)
Chairman Berry requested a motion to approve the August 8, 2019 minutes as presented. It was moved by Rhonnie Brewer and seconded by Christine Hopkins. The motion passed.

## Workforce Advisory Overview – Dr. Jeff McCord, Commissioner – TN Department of Labor and Workforce Development
Commissioner McCord discussed the formation of the Workforce Development System Steering Team. He noted that we are not the only ones engaged in workforce development: agencies across state government are engaged in some form or fashion but the efforts have not always been coordinated. This steering team will develop a collaborative four-year strategy to execute shared goals and shared metrics. [The team includes decision makers in the following Tennessee Departments: Labor and Workforce Development, Human Services, Economic and Community Development, Education, Higher Education Commission, Board of Regents, and Corrections.] The
progress of the strategy will be monitored and reports will be given to this board. The strategy will start at the beginning of the year.

**Workforce Services Update** – Dr. Kenyatta Lovett, Assistant Commissioner – TN Department of Labor and Workforce Development

Dr. Lovett addressed the following topics:

**Apprenticeships**

The state has a major strategy to expand participation and growth of apprenticeships in TN. This started with Ann Thompson and ECD leading a major listening tour approximately one year ago. Now under Commissioner McCord’s leadership and the Governor’s vision for expanding Work Based Learning experiences, the Department has begun to invest heavily in the apprenticeship model. We started by receiving a $1.4 million grant led by Deputy Commissioner Thomas from US Department of Labor to expand apprenticeships. Tyra Copas is our first staff member and she will lead the East Region. National Apprenticeship Week is next week, and Governor Lee has already provided a proclamation in support of this effort. Dr. Lovett thanked Board member Kevin Vaughn for his guidance, support, and words of encouragement around why apprenticeships matter.

**Retirement of Two Regional Directors**

Dr. Lovett acknowledged two Regional Directors who will be retiring with 84 years of combined service: Steven Vinsant from the Northeast Region and Darlene Ely from the East Region. Deputy Commissioner Thomas gave glowing remarks about both directors.

**Pamela Tate Rise Award (Deputy Thomas)**

Deputy Thomas also recognized Assistant Commissioner Lovett for receiving the Pamela Tate Rise Award from the Council on Adult and Experiential Learning earlier this week in Chicago for the work he’s done to cultivate innovation and execution between postsecondary education and the workplace.

**2020-2024 State Plan**

Dr. Lovett discussed the following development process for the State Plan which includes:

- Additional construct to support the Governor’s Priorities
- Opportunity to further clarify the Commissioner’s vision
- Emphasis on substantial collaboration with all 19 key partners
- A framework to guide regional and local workforce plans (Spring 2020)

Dr. Lovett noted that we are taking time with this State Plan to really align with the Governor’s vision and his priorities for developing rural communities, supporting criminal justice reforms mainly through the effort of reentry, and to expand vocational and workforce development. This plan will also be mindful of the Commissioner’s strategy of bringing together multiple agencies to create something much more comprehensive and impactful for the State. It is also under the vision of Deputy Commissioner Thomas to go beyond USDOL compliance to a more comprehensive framework workforce development ownership.

Steve Playl is developing the Perkins Plan for the State. Dr. Lovett and Mr. Playl are meeting regularly to make sure that both plans – the State Workforce Plan and the Perkins Plan – have clear alignment to show that we support the Governor’s vision.

The Board is one of the last lines of approval before the plan is submitted to the US Department of Labor.

Critical milestones are as follows:

- **Friday, December 6, 2020** - Board will receive a high-level outline of the strategic elements of the State Plan as it relates to the Governor’s vision
- **Wednesday, January 15, 2020** - Board will receive a draft of the State Plan;
  - The draft will also be posted online for a 30-day public comment period
  - The Public comment period closes **Thursday, February 13, 2020**
- **Friday, February 21, 2020** - Board Meeting
  - Board votes on the State Plan
- **Monday, February 24, 2020** – Process begins to submit the State Plan to USDOL
- **Monday, March 2, 2020** - State Plan is due to US Department of Labor

**TANF funds**

Chairman Berry noted that a few board members had questions about TANF. While TANF is not on today’s agenda,
Mr. Berry asked Tony Niknejad to share a few comments on behalf of the Governor. Mr. Niknejad noted that the Governor’s office is pleased with the economic conditions that have led to the reduced demand for cash assistance and have allowed us to accumulate some surplus in the federal allocation for TANF. It is something the previous administration had begun to recognize and in response deployed some new grant programs that have been very high impact in communities represented by this Board. As a new administration we do recognize that this is an opportunity and because of that, our Commissioner of Human Services Danielle Barnes is exploring new high-impact opportunities to deploy some of these funds. That process will be inclusive of the Department of Labor and Workforce Development and Commissioner Jeff McCord will be a part of those conversations going forward. We fully expect that the recommendations for any new appointments will be fully aligned to the vision set out by the Governor and set out by this board for improving economic mobility and opportunity.

**Greater Memphis Update** – Darryl Causey, Regional Director and Kyla Guyette, Executive Director

Darryl Causey began his presentation by acknowledging that Greater Memphis recognizes what has happened in the past. He gave a general overview of today’s discussion by listing the initial issues/areas of greatest concern:

1. Timeliness of State Reports – we are now reporting on time to the State - to the Grants and Budgets Unit
2. Failure to Enroll WIOA Youth – there was an 8-month period where we did not have youth enrolled
3. MOU/IFA – there was a time they did not have one

Mr. Causey noted that all of these issues have been corrected and acknowledged that they did not do this by themselves: a few members of the Greater Memphis Board who were in the audience were recognized, as well as Mayor McDowell. They also had help from the State and support from Board member Rhonnie Brewer. He extended the invitation for dialogue to anyone who wants to help, including suggestions for changes. Mr. Causey turned the presentation over to Kyla Guyette.

Ms. Guyette talked about the three areas of non-compliance and what brought about the level three sanction that we heard about at the last meeting.

**#1 – Late reporting to the Grands and Budgets Unit.** Reports were systemically late. To address this area of non-compliance, on August 1, 2019 they Mike Petty as Deputy Director of Fiscal Operations. He implemented a new process flow and cross training of additional fiscal team members to complete the state required reporting and implementation. The first month of implementation involved submitting reports five days early and there were no late reports for the last three months as mentioned by Chandra in the Operations and Oversight Committees.

**#2 – Failure to enroll WIOA youth for eight months from January-August 2019.** This concern was discussed the most at the last board meeting. Ms. Guyette presented the following timeline:

- **July 2018** - the Greater Memphis Board changed to a performance-based contracting system which awarded the front-loading of contracts: it awarded a system of making sure all of the enrollments were done in the first half of the system.
- **March 2019** - Ms. Guyette was hired and wrote a Youth RFP on her third day on the job to put it back out to bid.
- **May 2019** - Youth RFP closed and they got a surprisingly low number of responses. Two ISY and one OSY proposal were recommended for contracts, and all proposals only served Shelby County.
- **July 2019** - Ms. Guyette came to the Tennessee Dept. of Labor and Workforce Development (TDLWD) staff to talk about the insufficient number of proposals they received and asked if a single source or sole source would be appropriate. TDLWD responded via email that sole source parameters had been met, and the sole-source invite was released to three national providers the next business day. Sole source proposals were received and selected within 10 days of the sole source invitation.
- **September 2019** - Ross who was selected through that sole source process - began onboarding and start-up as the primary OSY and ISY provider in the rural counties, and they were also the carryover provider for any youth that are not being covered by the other providers.

Regarding enrollments, Memphis has 181 young adults enrolled as of today: 147 in-school youth and 34 out-of-school youth enrolled within the last two months. Service locations are in five AJCs and 10 high schools right now. There is also another RFP being released this month for special populations: foster youth, youth with offender histories, and youth living in rural counties.

Memphis is also doing a branding and design of their own WIOA Youth programs based on feedback they got from the State. There are two programs that are in the process of being developed and implemented: LEAP is their in-school program and Career Launch is their out-of-school program. Each of them will have customized and
explicit benchmarks that must be attained before a youth is determined to have successfully completed the program.

#3 – Failure to submit MOU/IFA timely. This was the other non-compliance, and on September 13 their MOU was submitted to the State and approved so they are in compliance as of September 13.

Additional areas of concern that were presented to Memphis in a follow-up letter were:

1. Training - making sure required board staff and their CLEO/LEOs and their board members understood their state and federal regulations
2. CLEO/LEO Meetings – had not been happening regularly
3. Local Staff Competency/Capacity – formal assessment of their local board staff: are they competent and do they have the right people on board
4. Benchmarks and Timelines – additional benchmarks and timelines issued by the State

To address Staff and Provider Training, Memphis has redesigned the WIN org chart, created detailed job descriptions of each position to clearly define their duties and expectations, one-on-one evaluation of each WIN team member for competency and an objective exam given to all staff.

From a Board perspective, Memphis retained Workforce 180 to provide all of their board members with required training in August 2019. They have a realignment of the board that is coming with their upcoming structural change to ensure members are both representative of his/her geographic area and also actively engaged in the work. Memphis will be holding Board Officer selections in December 2019 to make sure they have people who are able to actively serve in those positions.

Regarding Local Elected Official Engagement, the first meeting since October 2018 was held on September 25, 2019. All county mayors as well as most municipal mayors attended the meeting. They also have a unified letter of support submitted on behalf of local elected officials that was delivered to Commissioner McCord attesting to their desire to remain a locally governed region. They also had a LEO, State Leader, and SWB Meeting on November 5.

Ms. Guyette then addressed the upcoming structural change which is really the move of WIN into a 501c3 stand-alone entity - out of the county government and into its own stand-alone organization - for the following reasons: 1) increased flexibility and control to write their own procurement, HR, and fiscal policies to adjust to the changing needs of the work; 2) to expand their mission to serve the populations and diversify their revenue streams so they are not 100% WIOA funded; and 3) to regain the trust in Greater Memphis. Structure changes include staffing reorganization and administrative cost evaluation.

Ms. Guyette presented a proposed hierarchy of the nonprofit structure and asked if there were any questions.

**Marshall Graves:** Are there any procedural processes that you need to go through in order to move the organization into a new organization? Have you received approval...

**Ms. Guyette:** There’s a lot of procedural things that you have to do before that actually happens. So on last Thursday, our Workforce Development Board took a vote to establish themselves in a 501c3 organization and that will happen but nothing breathes life into that organization until it is deemed the fiscal agent and the administrative agent by the CLEOs and LEOS. They have the ultimate power to deem whatever organization they choose to be the fiscal agent, and so we have to go through the process of starting that organization before the mayors have the ability to name that agency as a fiscal agent.

**Chairman Berry:** What kind of timeline do you think it will take to get that approval and the switchover? What are you working on?

**Ms. Guyette:** My board was very hesitant for me to give a deadline or a timeline because they’re nervous about that but my goal has always been January 1, and I’m pushing for January 1.

**Chairman Berry:** And are you on track?

**Ms. Guyette:** So far, our vote took a little longer than I would like because I wanted the vote earlier but we do have the vote now and I can kick everything into action. I’ve already done a lot of the groundwork talking about third-party back-end HR and benefits providers and making sure we have IT providers – I’ve done all of that already and was just waiting for the agreement to turn it on.

**Chairman Berry:** Ok

**Marshall Graves:** And the federal approval of the 501c3 status – does that need to happen, the federal approval for 501c3 status?

**Ms. Guyette:** So we, through the IRS?

**Marshall Graves:** Yes

**Ms. Guyette:** So we have to have our letter stating that we have applied for it.
Chairman Berry: My comment is that I’m impressed by the line-by-line update you gave on all of the concerns we had. I particularly like the thinking process behind saying, ‘This isn’t working this way – let’s try an entirely new approach’ but at the same time getting the buy-in from the same people who made it happen the other way so thank you for that. I would agree with you that the streamlined approach and removing some of the delays that were causing some of the concerns - getting those out of your way under the new structure - makes sense to me and that would be the right approach.

Ms. Guyette: And really the thought behind it, and I will tell everyone, is we realize and recognize that Greater Memphis has been in this spot before of having to clean up and having to do all the work and really thought about the structural change and about everything that we’re doing: how do we clean it up and how do we never get here again.

Commissioner McCord: Let me just offer a comment: I’m excited for you, and I greatly, greatly appreciate your effort and your leadership, and what’s happened so far, and what we are sure is going to happen in the future.

Ms. Guyette: I appreciate that, and I, on behalf of our entire team, want to thank the State for all of the guidance and real dig-in that they’ve done with us because the entire Labor and Workforce Development team has really come out and become partners in this with us.

Chairman Berry: I know this has been a topic of discussion at several of our recent meetings and this is a lot of information. Any other comments or questions as a follow-up to all the discussion we have been having?

Ann Thompson: Can I make a request?

Ms. Guyette: Sure

Ann Thompson: I want to echo the comments. Organizationally this is outstanding and much better than anything I’ve seen in five years. From a service to individuals there’s just not a lot of information and one of the challenges I think we’ve had as a board and understanding its success is that sometimes we get single data points that don’t tell the whole picture. I know that wasn’t the purpose of your presentation here, but even calling out the 180 youth enrolled I don’t know what that is compared to what the opportunities are and if that’s success. Obviously that’s better than zero but what that looks like and more of what we’re accustomed to seeing across the state that would also be helpful but organizationally this is a very huge turnaround.

Ms. Guyette: Sure, thank you

Chairman Berry: Any other questions or comments? Outstanding report thank you so much for the time and the work that you clearly put into all that.

Ms. Guyette: We appreciate it - thanks.

Partner Updates

Adult Education Division - Ian White, Assistant Commissioner – TN Department of Labor and Workforce Development

Mr. White addressed the following updates.

AE Strategies

Mr. White gave a brief overview of Adult Education strategies. AE is part of WIOA – Title II, and is tasked with providing basic skills remediation and test prep in post-secondary preparation to individuals who lack a high school diploma, or are basic skills deficient, or English as a second language learners.

Overall, the AE strategy is to provide excellent services as an integrated education and training system by:

1. Utilizing data to drive program development and performance
2. Leveraging partner services to remove barriers of potential participants’ education and employment
3. Partnering with educational institutions and industry to educate and elevate individuals and their families, ultimately improving earning potential
4. Improving the basic skills of participants by providing effective and efficient instruction
5. Preparing individuals for postsecondary education through remediation, and providing career pathways that establish the fundamental knowledge needed for higher education

Federal Monitoring

During the week of August 19, 2019, federal monitors assessed Adult Education in Tennessee. They reviewed our management information system (our Jobs4TN system), fiscal processes, and Request for Proposal process. They conducted site visits to Southern Middle and Northern Middle to meet with some of our local grantees and local providers. Federal monitors also met with workforce partners and adult education program leaders to make certain we’re partnering on the level that is expected under WIOA.

Tennessee College of Applied Technology: Knoxville
Regarding Integrated Education and Training (IET), Mr. White highlighted TCAT-Knoxville's program to prepare adult education students for the Certified Nursing Assistant certificate. Nine students are enrolled and seven of the nine are Supplemental Nutrition Assistance Program (SNAP) participants so they are able to leverage those partner funds to put them through this dual enrollment with Adult Education and TCAT-Knoxville. AE hopes to build this into something that we can make a standard to bring to scale across the state.

Grantee Financial Reporting and Students Served

The biggest portion of the updates relate to a question Mr. White had at the last meeting from Board Member Stuart Price about financials, how programs have performed, and the money expended by our local grantees. Mr. White presented the following information:

**Total Adult Education Reimbursements 18/19**

Adult Education Reimbursed $9,368,599 to local providers (grantees) during the last 18/19 Program Year (PY) for AE services. Funding includes both Adult Basic Education (ABE) reimbursed at $8,930,551 and Integrated English Literacy and Civics Education (IELCE) reimbursed at $438,048. ABE includes Adult Basic Education and Adult Secondary Education. IELCE includes the English as a Secondary Language program and civics education with a combination of training.

**Grantees**

In PY 18/19 there were 10 grantees:

**Adult Basic Education (ABE)**

1. Northeast State Community College (NSCC)
2. TCAT Knoxville
3. Putnam County Schools
4. TCAT Athens
5. Workforce Essentials
6. South Central Tennessee Workforce Alliance (SCTWA)
7. Henderson County Schools
8. HopeWorks

**Integrated English Literacy and Civics Education (IELCE)**

9. Nashville International Center for Empowerment (NICE)
10. Chattanooga School of Language (CSL)

Several slides depicted the distribution of funds. Mr. White asked if there were any questions or comments.

**Commissioner McCord:** Just a comment to frame this – two things to really think about. One is currently we have more working age people in the state of TN without a high-school diploma than we have currently enrolled in high school. This is a problem – a system problem – it’s not a labor problem because when we get them we are doing rework, so what do we do as a system to do that. We also know that while the high school diploma is the most industry-recognized credentials it’s not really a key to prosperity and you need something post-secondary to get you going and so to integrate this educational system which is a big giant High School across the state - bigger than the high school that we have - we need to treat it like a high school with dual enrollment and career education and all of those things that our counterpart in the Department of Education are doing. But there’s also ways that we need to get Ian out of business if we possibly can - and that's the good thing – to look at how do we move these folks to prosperity for the sake of themselves but also for the state so that we can have folks who are able to progress and live and contribute at a really high level. So at a high-level, that's where we're thinking, that's what's formulating, that's what we're doing. Integrated Education and Training (IET) is just connecting them to work and postsecondary credential when you do that. The model happening at TCAT Knoxville is something that we are really interested in happening and see if we can scale at that kind of thing across the state.

**Brandi Foust:** Can you explain, I think I heard you say that the MSG goal was 38%. Can you explain why Chattanooga School of Language was at 0%?

**Mr. White:** They received their grant in April of this year so they were brand new to offering services so it takes a while since that grant is working specifically with individuals who can’t speak English, so it takes a significant amount of time to move those individuals to performance. Since they only started in April they haven't had enough time to really get people into the program and get them remediated to move them forward at education functioning levels.

**Christine Hopkins:** Are all of the people, they are not all served by just those contracts, are they?

**Mr. White:** The individuals that I just reported on, they are. Our finding is a mixture of federal and state and it comes from this department and so all the numbers that you saw are from those funds.
Christine Hopkins: So there are no other numbers besides those?
Mr. White: No ma'am.
Commissioner McCord: So is the question are their other providers besides the state?
Christine Hopkins: Yes
Mr. White: There are: in the competitive process we put these grants out to any type of eligible providers. The eligible providers list that you saw includes community colleges, faith-based organizations, so those types of organizations exist out there without our funding and taking Nashville Davidson County as an example there's any number -- the Martha O'Bryan Center helps in this area so there's different types of organizations that also provide literacy education across the state.
Michelle Falcon: Was NICE in the same category as the Chattanooga School of Language April grant?
Mr. White: No, they receive their grant July 1, 2018.
Michelle Falcon: Should we see any improvement and how are we approaching those that are having language barriers?
Mr. White: We will – we do expect to see improvement because the NICE program has had the grant going on their second year so we expect to see performance improving in that area, and with the services that we are providing for English language learners its strictly remediation in the form of education. One area with the Civics portion specifically that we have to work on developing is intertwined with the services in programs like NICE and Chattanooga School of Language is a training element so individuals who start improving their English language skills can work into a training program that better prepares them for the workforce.
Michelle Falcon: Last question: Is there any initiatives to move that program to Knoxville probably?
Mr. White: Yes absolutely. When we initially put out the grant funding for the Civics grant, we didn't have any bidders in Knoxville but since then we heard of interest around this grant so we plan on putting out a competition in that area.
Marshall Graves: You addressed this question of a 0% gain but there seems to be a pretty significant difference in cost as well - I mean is 40 - 50% swing in cost and 15-20% swing in performance - have you seen that historically? Is that common? Are their geographic reasons for that or other reasons to explain that?
Mr. White: Yes, so if you look at Greater Memphis area there is a large potential of those who are basic skills deficient that have literacy needs so they were at 25% compared to smaller regions so depending on the area of the state we might receive more individuals that are better prepared for our services in that they have a shorter distance to go to make a gain. So that's why you see a difference in some areas and then with ESL their illiterate in the sense of English language in many cases so it takes longer to serve them and there a little bit harder to serve as a population so we have seen those discrepancies historically.
Stuart Price: Thank you for putting us together. I sure appreciate it and I hope it brings some value to you to look more granular at different areas and, to Marshall's comment, how the areas compare. I noticed when you were going through that Putnam County seemed to perform at a certain level particularly when you look at cost per student and their gain outcomes and then HopeWorks was certainly in a different category and so are their methodologies and approaches that were identifying around that that translate from one group to the other that we can begin to leverage this sort of information for the benefit of everybody?
Mr. White: Absolutely – starting July 1 of this year we had new service providers in the west so due to some performance issues in the west and specifically Greater Memphis area we had a new competition because we had the one service provider HopeWorks serving Greater Memphis and it's just not able to meet the need of the population that's in need in that area. It's hard to penetrate into those communities so using performance information like this and then seeing that we need a broader scope of providers in these urban areas, that spurred on that competition for the greater Memphis area. So we are hoping to see better performance with isolating and having programs focus on smaller populations.
Stuart Price: Well thank you again for putting it together.
Question: Is there a benchmark for measure skill gain?
Mr. White: Yes: our federal benchmark was 38% last year - this year it's 40%.
Ben Ferguson: You had 10 grantees last year. How many do you have this year?
Mr. White: We have 14 now. Thank you all.
Chairman Berry: Thank you Assistant Commissioner White – great questions from the board and excellent discussion.

Emily House, Deputy Executive Director – Tennessee Higher Education Commission – GIVE Act Grant
Emily House gave a report on the Give Act Grant. She was accompanied by two THEC staff members, Brandon Hudson and Mitch Curry. The overarching objective of the GIVE Grant is to continue to work toward aligning
industry and workforce with higher education and K-12 education particularly in our rural and distressed counties. THEC has really been focused on conversations related to the future of work, what the economy will look like in 10-30 years, and how K-12, higher education, industry, and workforce need to be aligned to meet those needs. The GIVE Act grant focuses on these initiatives to bolster this alignment. These grants build up Career and Technical education capabilities in these communities, dual enrollment, and early postsecondary opportunities as well as work-based learning in terms of internships, apprenticeships, co-ops, etc.

Ms. House presented a map to illustrate the counties that were awarded grants. In all, 60 of our 95 counties are touched by a GIVE grant. 100% of the distressed counties and approx. 66% of the at-risk counties in this state will be served by a GIVE grant. Other counties touched by a GIVE grant were not distressed or at-risk. There are 28 grants but many grants touch more than one county. The grants were for up to a million dollars and will be transformative for a lot of institutions, districts, and community partners. It is a two and a half-year grant period beginning January 2020.

Ms. House noted that the list of awardees was made public yesterday via a press release from the Governor's office. A very robust, diverse list of projects were funded. The press release lists the 28 proposals, the higher education partner, and the amount of the award. All of the grant proposals are available online, and the proposal what were selected are available for review online as well. Three sample programs were highlighted. Ms. House offered to answer any questions.

Christine Hopkins: Emily, did all 28 of these proposals - are they postsecondary education? Is that where the solicitation went?

Ms. House: I believe that's correct that the information was sent out as a higher education proposal because they are going to be the fiscal agents - they are the fiscal agents.

Christine Hopkins: And they only went to higher education?

Ms. House: I'm looking to Brandon and Mitch - yes that's correct - yes ma'am.

Ms. House: Actually Tony I don't know if you have any additional comments on this

Tony Niknejad: I know there are a couple of local workforce boards who are engaged in this so I think when you look at the projects themselves you have multiple local institutions and organizations that are engaged so I think the local Workforce boards (to the respect that they report up here) we will be hearing more about their deployment of these grants.

Steve Playl: Just a comment Emily and Tony as well as the Governor's office. Thank you for the opportunity for K-12, on behalf of K-12 and CTE, for the opportunity to be involved in the GIVE initiative. I'm super excited about the announcement yesterday with several of our awarding or awarded K-12 partners and just thrilled about the opportunity to do this work so I just thank you, the Governor's office and THEC.

Chairman Berry: Emily I appreciate the collaboration between workforce and education. We've got to be aligned and love to see that partnership and I like that such a large percentage of the counties are really going to be impacted by that. Those were my two takeaways and thanks for your presentation.

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**Fiscal Update** (Funds at Risk of Recapture) – Ivan Greenfield, Assistant Administrator – TN Department of Labor and Workforce Development

Assistant Administrator Greenfield gave the fiscal update. He started with updates that relate specifically to our workforce services programs and then took a deeper dive into it from an emphasis on Title I and the monies that we provide out to our local areas. The outline of his presentation included:

A. Fiscal Review
   a. Budget Review
      i. Federal Financial Assistance (FFA) Receipts by Program
      ii. FFA Outlays by Cost Category
   b. Participant Enroll/Costs Data
      i. Grants and Subsidies: Reimbursement by Program and Reported Participant Expenses by Category
      ii. Participant Enrollment by Program
   c. Minimum Threshold Requirements as of June 30, 2019

B. Funding Updates
   a. Federal
      i. Apprentice Expansion
ii. Fort Campbell Grant

b. State - Rural Initiative
   i. Distressed Counties by Local Area
   ii. At-Risk Counties by Local Area

Mr. Greenfield gave a two-year comparison of the funds that we receive for our top nine programs that are workforce services related. We added two in this current year - first quarter 2020: the apprenticeship and the one-stop workforce services information grant which was facilitated by our WIRED group. When we look at a year by year we see that with the exception of what we call our discretionary grants, which are the 7 million and the 1.4 million, our regular grants are kind of stagnant or actually in a decline for our larger grant and that's really related to economic conditions like unemployment. While we are putting people to work, having 3.7% unemployment rate has not helped our cause as far as the grant funds that we receive. Title I was $53.6 million last year versus $49.3 million this year, about a ten percent drop again that's contributed to economic conditions. Last year, we had $81.8 million that were expended, and there are two main buckets: what the state maintains versus what goes out to our local areas. Roughly over the past two or three years we've been averaging about one third at the state level and about two thirds go out to support local area initiatives.

The first quarter of this year we are exceeding the MPCR with 48.2%. It's a good measure because we want to make sure the funds are going where they're needed the most: direct to the participants. Specific to the funding that we allocate out to the local areas, there are some requirements under WIOA. We talked a little bit about MPCR in our Oversight Committee meeting. Six of the nine areas are meeting that as explained earlier in the meeting. The other areas have varying issues. If you're not meeting it then potentially $4.4 million would be recaptured if we were at June 30th the end of the contract or a fiscal year but this also is only based on the fact that the local areas have not received the bulk of their funding which they get in October.

On the state side regarding reverted or recaptured funds, as of 9/30 for our first quarter fiscal year we're looking at having a little over $3 million reverted back to the federal government relative to these three programs: SNAP, RESEA, and TAA.

Ann Hatcher: So Ivan, are these funds that the state has recaptured from local areas to be redistributed or are these funds we had to send back to the federal government?

Mr. Greenfield: These are funds that the state from their programs were sending back to the federal government. Great question, thank you.

Mr. Greenfield then discussed the vitality of three special funding opportunities: the Apprenticeship Grant, the Fort Campbell Grant, and the Rural Initiative.

Stuart Price: On your slide minimum requirements as of September 30th the recapture the 80/20 rule where you are covering that, I think one of our one of our policies is that the eligible areas to receive those recapture funds are only the ones who've met the 80% correct and so that four and a half million or so currently - this is not a conclusive, we still have a long ways to go - but if everything stayed the same it would be split between East Tennessee and Northern Middle correct?

Mr. Greenfield: That's correct.

Ann Thompson: On the rural initiatives where you have the status and for greater Memphis - Lauderdale the proposal is pending 10/24, is that assuming that they turned it in on 10/24 and the status is that it's being reviewed?

Mr. Greenfield: Yes, so remember I said that Memphis elected to use their own formula funds so they weren't taking theirs out of the $3.3 million pot of money so we gave them an extension on their deadline so we're currently reviewing their application.

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Committee Updates

Committee notes are compiled and available upon request.

Operations and Oversight Committees (vote required)

Ann Hatcher gave the committee update for the combined Oversight and Operations Committee. This committee started their meeting with a fiscal update so they reviewed a lot of the information that Ivan just reviewed. A lot of their conversation went into looking at some of the local areas that are missing on their MPCR and some other measures and they learned that those areas are served by the mid Cumberland organization: they manage five of the nine areas and there have been some issues with that relationship. They asked that in their February committee meeting that they have a deep dive on the mid Cumberland relationship.

They also had an update on the vocational rehabilitation program and a lot of great discussion around
prisoner re-entry in particular. They asked that just before the December strategic planning meeting to have a documented report on the expenditures and specific programs in vocational rehabilitation.

They also had an update on state key performance indicators that they really enjoyed and honestly appreciated that the state is really digging in and looking at how we get ahead of our data and use that to help us make sure that we're meeting our mission. The state has established state and regional targets for our core and additional programs as well as targeted populations and these targets are going to serve as a guide now for each local area to establish their own quarterly target so that they can be working toward the goals essentially that Ivan just presented. In early February, the local area targets are due to the state office. They'll have some technical assistance calls to help them prepare for that and then in the February board meeting there's going to be a presentation to the board about those local area quarterly targets on the key performance indicators.

The rest of their time was spent reviewing some policies that everyone received as well and the committee recommended that all four of these policies around Youth Eligibility, the Workforce Services policy, the Minimum Participant Cost Rate policy update, and the Property Management policy update come to the board for approval. Most of these were expired policies that did have some tweaks in them in the executive summaries that everyone received in their pre-reading. The committee voted that all of these come forward to the board for board approval.

Chairman Berry took a motion from Ann Hatcher and a second by Christine Hopkins for approval by this board of the recommendation of the Operations and Oversight committees that the Youth Eligibility policy, the Workforce Services policy, the Minimum Participant Cost Rate policy update, and the Property Management policy update be approved. Upon calling for discussion and hearing none, the motion passed.

Innovation Committee
Kevin Vaughn gave the update for the Innovation Committee. They had three great presentations. The first one was from Mr. Rogers and he commented on the outreach program for the AJC virtual American Job Centers. This program is a pilot program in its infant stages. It started on January 7 and it should be statewide by December 19, 2019. This program reduces the travel costs for participants that do not have transportation or ready funds to get to the AJC. The second presentation was by Mr. Donnie Freeman on the Fort Campbell dislocated worker grant that helps service men and women and their spouses to find jobs and living quarters after they leave the military. This is the first year of operation of this new grant and a new partnership. The last presentation was by Ms. Tyra Copas on apprenticeship expansion. Its main push is going to be Apprenticeship Week. Currently, 360 programs are available. The Innovation Committee did not have anything to vote on at this time.

Closing Remarks and Adjourn
Chairman Berry gave closing remarks to thank everyone for really strong engagement in today's meeting: great questions by all, great presentations, and a lot of good information. He appreciated everybody and their willingness to serve to meet the objectives that we're trying to reach. Chairman Berry referenced the strategy meeting for this board and the informal dinner prior to the meeting in December and looked forward to participation in that as well.

The meeting was adjourned at approximately 12:33p.

Note: An audio recording of this meeting is on file at the Tennessee Department of Labor and Workforce Development. All meeting minutes and dates are provided on the State Workforce Development Board website.

Tim Berry, Chairman
State Workforce Development Board

2/19/20

2-21-20

Date