



**State Workforce Development Board
Executive Committee Meeting Minutes
Nashville, TN
March 13, 2015
8:30 – 11:30 am**

Board Members Present:

Rogers Anderson
Trudy Carson
Ann Hatcher
David Hayes
Betty Johnson
Burns Phillips
Bob Ravener
Yolanda Shields
Mayra Zimmer

Board Members Present by Proxy:

Randy Boyd (Ann Thompson)
Raquel Hatter (Cherrell Campbell-Street)
Kevin Huffman (Nick Hansen)

Members Absent:

Nicole Austin
Martha Axford
Timothy Burchfield
Jerry Bush
Walter Butler
Arthur Cate
Bruce Dotson
Echell Eady
Andre Fowlkes
Mary Jones
Warren Logan
Susan Lynn
Susan MacArthur
Chris Manahan
Chris Mason
Ventrus Norfolk
Mark Norris
Greg Persinger
Stuart Price
Jason Rich
Lottie Ryans
Jan Williams
James Williamson
Sandra Woods

Staff Present:

Ryan Allen
Jason Beard
Nicholas Bishop
Susie Bourque
Mike Daniels
Linda Davis
Leanne Durm
Jeff Hentschel
Dan Holton

Briana Johnson
Melinda Kelsey
Lane Marks
James Roberson
Deniece Thomas
Sterling van der Spuy
Nina Webster

Welcome:

Chairman Bob Ravener welcomed the board members, state staff, LWIA staff, and guests. He announced that the meeting would cover the impact of WIOA in Tennessee, the timelines for implementation and the future federal guidelines for the law. He also stated that he had the opportunity to attend the National Governors' Association Meeting in March and would share updates later in the meeting.

Roll Call/Conflict of Interest Statement:

Briana Johnson conducted the roll call and established the presence of a quorum for the Executive Committee meeting.

Approval of Minutes:

Mr. Ravener asked for the minutes to be approved as written. Rogers Anderson made a motion to approve the minutes from the full board meeting on December 12, 2014. Trudy Carson seconded the motion. **Motion Passed.**

Opening Remarks/Legislative Briefing:

Burns Phillips, Commissioner, Tennessee Department of Labor and Workforce Development, gave opening remarks and welcomed the members present and the workforce partners attending the meeting. He gave an overview of the department's operations over the past 18 months, especially highlighting the focus that has been placed on educating legislators, other state departments and the general public on TDLWD's important programs and impact on the state's workforce. He also introduced the department's new Legislative Liaison, Leanne Durm. With Ms. Durm's assistance and other strategic staff, the Commissioner felt there has been great success and improvement in the department's reputation and interactions in the community. One important improvement of the department is the turnaround of the Unemployment Insurance division and the processing of unemployment insurance claims. The additional proactive involvement of employers and community organizations has continually improved the understanding and success of the department. The additional focus on gathering integrated data will improve the growth and effectiveness of all TDLWD programs.

Commissioner Phillips also acknowledged Melinda Kelsey, Administrator of Communications, Constituent and Government Relations, who mentioned a new TV Channel “Inside Workforce Development” which will highlight TDLWD programs and will allow the department to tell its own story.

National Governor’s Association Update:

Bob Ravener highlighted his attendance at the Winter Meeting of the National Governors’ Association. One major topic of discussion at this meeting was the implementation of WIOA and that all states were encouraged by the various panels of government officials to not wait on developing their plans for putting the new law in place. States were also notified that they would be encouraged to establish their own performance standards and expectations. Additional conversation focused on a flexible work-based model, much like the German workforce system, that incorporates apprenticeship models with the formal education system. Mr. Ravener mentioned that the University of Tennessee – Chattanooga State Community College was highlighted for its students who worked with Volkswagen. The focus on an “earn and learn” branding model incorporates more certificates in training programs and the overall workforce for standard measures of workforce capabilities. The continued focus on aligning workforce needs with classroom training was highlighted as a best practice at the NGA meeting.

Workforce Services Update/WIOA Implementation Schedule:

Workforce Services Administrator Sterling van der Spuy provided several updates on activities and new initiatives that have taken place since the last board meeting. These topics included: Pathways to Prosperity/Work-based learning task force, LEAP grant awardees and program models, TN Reconnect, Workforce 360 Meetings, and the RESA/Veterans conference held in March. He also highlighted the recent department participation in national meetings by which Dan Holton, James Roberson and Mr. van der Spuy and Chairman Ravener have attended. Susie Bourque has recently been named as a State Ambassador for Disability Employment. Mr. van der Spuy also discussed the roll out of several new technology pieces – these included the Virtual One-Stop System (VOS), a newer version as well, App, iPad check-in stations in the career centers with queue software and the continued work on automation of Work Opportunity Tax Credit.

In regards to WIOA, implementation and future actions were discussed in accordance with TEGL 19-14. State and locals continue to be highly engaged in preparation/anticipation of WIOA through the following means:

- Engaged in monthly conference calls
- New law has been shared with appropriate partners, NGA side-by-side documents, and additional documents (available at the March meeting)
- Developing the strategic vision (for further discussion in March’s meeting)

Legislatively, the Workforce Services division has worked with the administration and appropriate leadership to substitute language specific to WIA to refer to the federal workforce development program as it better captures many of the programs under the authority of TDLWD, without having to change references to every program. While there are several changes to come,

the department is aware that the Notice of Proposed Rulemaking (NPRM) has not been released, leaving the specifics in many program areas unclear. This has caused an obvious delay; however, the department has been encouraged to move forward on two immediate needs: state and local boards' composition and the shift of expenditures to 75% out-of-school youth participants. Regarding framing the conversation going forward it is clear that much of the activity is driven by the State Workforce Development Board.

WIOA Impact on Partnership Programs:

The following partners discussed the impact of WIOA on their respective departments as well as their partnership with TDLWD programs.

Adult Education

Administrator Jason Beard highlighted several statistics and programs unique to the Adult Education program. As reported, 700,000 Tennesseans between the ages of 18-65 do not hold a high school diploma or equivalency, resulting in a very large number of this state's residents being "locked out of the American Dream". To help overcome this issue, \$15 million has been allocated for local supervision to strengthen their ability and accountability with training and educating adults. GED and HiSET testing are available for high school equivalency however the difference in cost and computer-based GED testing can be challenging for some participants. The continued focus on breaking down barriers and assuring each participant has the skills necessary for success is the continued focus of the Adult Education program. Offering certificates in soft skills, computer skills, a resume and an account in Jobs4TN are additional ways this program supports its participants.

Vocational Education

Vocational Rehabilitation (VR) is an eligibility-based program with the purpose of employing people with disabilities. The implementation of WIOA will strengthen the partnership between the two departments and allow work for several new and improved opportunities such as: working with youth participants, allowing for pre-vocational services, assisting with diploma attainment for those participants who may have hidden disabilities, and continued staff training to name a few. As Cherrell Campbell-Street explained, VR decreases the unemployment rate for persons with disabilities by three times and assists with marketing the employment regardless of their ability or disability.

Career Readiness and Technical Education

While the Perkins grant has not yet been reauthorized, Renee Palakovic from Tennessee Department of Education stressed the importance of WIOA's broad reach to incorporate the state's vision. Additionally, TDLWD and DOE are partnering on Pathways Tennessee which began in 2012. This program provides seamless transition to post-secondary education, permanent employment or industry certification. The braiding of academia and career services has proven beneficial for DOE and the success can and will continue with the implementation of WIOA.

Workforce 360

Inclusive of several state departments (Economic and Community Development, Education, Labor and Workforce Development, Tennessee Colleges of Applied Technology, Tennessee Board of Regents, Tennessee Higher Education Commission and the Governor's Office), Workforce 360 is a collaboration that encourages seamless integration of workforce initiatives across the state. Its focus on metrics that cross over departments and creating understanding of definitions for each program have improved programs and results for all involved partners. Ann Thompson, ECD Director of Workforce Development, also highlighted ECD's focus on selling the state to potential employers for expansion and retention. The development of new promotional and educational materials has been increasingly beneficial for ECD staff when engaging with other departments and the general public.

LWIAs

Paul Haynes, LWIA 9 Director, provided comments on behalf of the local area directors as it relates to WIOA implementation. He focused on the importance of continually involving the local areas in the planning and implementation, especially as it concerns local board composition and the shift to serving 75% out-of-school youth. There is a potential 25-30% reduction in local board composition and several changes that may take place with the board's bylaws and agreements between the respective local elected officials. In regards to the youth out-of-school ratio, Mr. Haynes discussed the strategic advantages and disadvantages of the shift and concerns for in-school youth participant transition.

Labor Market Information:

Linda Davis, Employment Security Administrator, summarized the available program data, demographics and metrics within the department, especially the information shared on the Jobs4TN and VOS sites. She highlighted the board's ability to set the performance and data metrics recorded with the new changes to come with WIOA implementation. This will be a great opportunity for the Board to offer new metrics and data tracking elements needed for workforce development. Finally, Ms. Davis highlighted the future introduction of unemployment information, potential employee information, etc to be available on the Jobs4TN site.

Recommendation for Change in Allocation Methodology:

Assistant Administrator James Roberson reviewed the recommendations for change in allocation methodology which is completely based on the assessment of labor market information. Under WIOA, the formula allocation for all programs can be set in addition to discretionary funds. The department is expecting an increase in appropriations for Adult, Dislocated Worker, and Youth funding streams. The WIOA change now requires a Hold Harmless Provision for minimum percentage awarded under the Dislocated Worker Program. In addition to the discussion regarding the hold harmless provision, the staff recommendation included a distribution of 65% for Dislocated Worker local formula funds, 10% set aside for statewide administration/program, with the remaining 25% being set aside for Rapid Response activities. Rogers Anderson made

the motion to accept the staff's recommendation to distribute the Dislocated Worker funds as presented, asking that quarterly updates be provided regarding LWIA expenditures for formula funds. Yolanda Shields seconded the motion. **Motion passed.**

SWB Timeline Discussion:

Susie Bourque, Director of Workforce Services Policy, provided information about proceeding with WIOA implementation based on the guidance issued in Training and Employment Guidance Letter number 19-14. She explained that the first step towards full WIOA implementation would require an initial designation of the local areas. The State will need letters from each LWIAs requesting designation. Information regarding the required steps for designation request was provided. David Hayes made a motion for approval for state staff to act on the Board's behalf to submit the letter of recommendation to the Governor. Mayra Zimmer seconded the motion. **Motion passed.**

Sterling van der Spuy proposed state staff discuss the strategic visions, legislative actions and SWB timeline for WIOA implementation with the Board on an on-going basis. A Governance Committee will be developed to engage LWIA directors and state staff working together on the vision and strategic approach to WIOA implementation. From that point additional workgroups will be established to assess past WIA performance, partner relationships, and new program strategies to meet the agreed upon timeline markers. Committee and sub-committees will have specific policies to review and programmatic focus points. Board members will also be included in the review and final approval of WIOA implementation across the state.

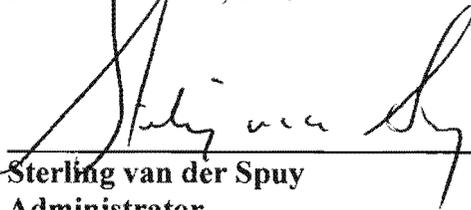
Closing Remarks:

Chairman Ravener thanked the board for its time and energy. With no further business, the meeting was adjourned by Chairman Ravener.

Meeting adjourned at 11:35am

Future Dates:

June 4-5, 2015	(this will replace the April 30-May 1 meeting)
September 10-11, 2015	Full Board Meeting
December 10-11, 2015	Full Board Meeting



Sterling van der Spuy
Administrator