



State of Tennessee
Department of Labor and Workforce Development
State Workforce Development Board Meeting

MEETING MINUTES

September 16, 2016 (8:30 AM – 12:00 PM)

<u>Board Members Present</u>		<u>Board Members Present by Proxy</u>	<u>Members Absent</u>
Jason Bates	Stuart Price	Randy Boyd (Ann Thompson)	Rogers Anderson
Timothy Burchfield	Bob Ravener	Ann Hatcher (Timothy Burchfield)	Martha Axford
Warren Logan (5)	Yolanda Shields	Raquel Hatter (Yovancha Lewis-Brown)	Trudy Carson
Mark Norris	Kevin Vaughn	Candice McQueen (Nick Hansen)	Carolyn Hardy
Greg Persinger	James Williamson (12)		Susan Lynn
Burns Phillips	Sandra Woods (12)		Governor Bill Haslam
	Mayra Zimmer		

Number in parenthesis represents the state board members' membership to the local workforce board.

Welcome & Update

Chairman **Bob Ravener** welcomed the board members, state staff, local workforce investment area staff, and guests.

Roll Call

Briana Moore conducted roll call and established the presence of a quorum.

Approval of Minutes (vote required)

Mr. Ravener requested the minutes to be approved as written. Greg Persinger made a motion to approve the minutes for the full board meeting. Warren Logan seconded the motion. Motion passed.

Opening Remarks

Commissioner Burns Phillips gave introduction on the importance of certification and regional planning as it pertains to WIOA implementation.

National Association of State Liaisons for Workforce Development Summer Meeting

Mr. Ravener provided an update and comments on the NASWA Summer Meeting held in Chicago, IL. This information included:

1. WIOA final rules are now available on the USDOL website.
 2. Monitoring done by USDOL regarding WIOA is already underway.
 3. A subcommittee was formed to create a document around high-performing State Boards. This document includes creating a vision for SWBs; building partnerships across the state agencies and private sector; and keeping the system accountable. A draft copy was made available and a final version will hopefully be available at the next meeting, pending approval on the National level.
 4. It will be critical in the coming years to align both the education and the workforce environments being the keys to success. Education needs to adapt to the changing workforce environment.
 5. Youth employment is a big opportunity and valuable work experience is the biggest issue with youth.
 6. Semi-retired individuals are an asset to the overall workforce and adaptation is necessary to maintain active engagement of the older population.
 7. How does the workforce continue to adapt to technology and take on different kinds of skills and
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opportunities? The “Gig” economy is emerging and it is predicted that by 2020, 40% of work will be by independent contractors. An important question to ask: how do the states and workforce make that mobile across many spectrums?

8. The National Association of State Workforce Agencies sought out interested state to serve as host for next summer’s meeting and TN is considering serving as a host state.

Sterling van der Spuy noted that thirty states had submitted Combined Plans, fourteen of which had a significant emphasis on TANF and their partnership with TANF. One of the key other constituencies centered on re-entry initiatives.

WIOA was created with an emphasis on the partnership between Vocational Rehab and the AJC and how we continue to capitalize on services to people with disabilities. It is no longer about broadening the partnerships but also about deepening partnerships to better understand how we leverage each other’s strengths and capitalize on the \$10 billion of funding that rolled out under the WIOA Legislative Reform.

With the constant threat of a potential government shutdown in this election cycle, there is the caution that states need to maintain their obligations and expenditures. Since the advent of the “Gig” economy, W2s have fallen by 3% and the projection is currently that 10-16% of the workforce is in some type of alternative work arrangement. This brings to light how we look at Unemployment Insurance. How will the system respond? How will people not get hurt by this disruption?

Quarterly Fiscal Updates

James Roberson encouraged areas to pay close attention to their budgets, assuring exhaustion of the entire budget and strict adherence to their 80% obligation rates. He also updated Board Members on the implementation of the Dulles Grant Management Software System which will enable TDLWDA staff to itemize information on expenditures in real-time.

Where Have We Been?

Lee Grehan provided an update on the Return on Investment and Economic Impact analyses across Tennessee. Cost/Benefit analysis was main focus of the Economic Impact report. He emphasized the challenge with this type of analyses is how to accurately monetize the benefits and how to capture the benefits that accrue over time. Two categories of benefits were: the taxes generated by the program expenditures and the taxes generated by the increased earnings of the clients during their work life. Using the S&P for comparison, Mr. Grehan shared that WIA (now formally WIOA) has shown a 500% return while the stock market has shown a 516% return over the past 27 years. While this is a comparable return, he identified there are several ways to close this gap. On benefit to WIOA is by the 4th year, the system will break even or have paid back the investment. Investments made using the workforce system produce returns that are comparable to any competing investment made in the private market. Not only are the returns beneficial for the individual, but also for the public as well.

Additional Regional & LWDA analysis information should be completed by the middle or end of October for review and distribution.

Where Are We Now?

WIOA Partner Updates:

Tracy Bell, Chief Officer of Workforce Development Employment and Transformation for DHS on behalf of Commissioner Hatter, discussed how DHS uses a 2-generational approach that looks at the entire family unit. This model puts the entire family on a path to self-sufficiency. WIOA opens the doors of collaboration to break the cycles of generational poverty using four key components: Education, Economic Supports, Health & Well-Being and Social Capital. Mr. Bell emphasized the unique opportunity available to the entire system by maximizing partner collaboration.

Rusty Felts, UI Administrator, discussed the importance of AJCs offering more meaningful assistance to claimants. This is done by taking advantage of expanded services to lessen the amount of time an individual is on UI and can lead to a happier, healthier workforce and employers.

Yovancha Lewis-Brown, Strategic Initiatives Director for Vocational Rehabilitation, speaking for Cherrell Campbell-Street, Chief Officer of Rehabilitation and Community and Social Services within the Department of Human Services, gave highlights about what Vocational Rehabilitation has been doing since WIOA was signed. VR now offers Pre-Employment Transition Services mostly through collaboration, Inter-Agency Agreements with State & Local Education Agencies. In addition, VR implements 511 regulations, which are regulations on sub-minimum wage along with statewide comprehensive needs assessment. She emphasized the difference in WIOA definitions concerning youth and students with a disability and how these unique identifies vary services for young participants within the VR program. Finally, she discussed the changes to the program with the common performance measures that are required for all core WIOA partners.

Ann Thompson, ECD, spoke about Workforce 360 and the second round of conversations across the state. She spoke in-depth about the need for collaboration with partners on all levels, state, regional and local, to best assist businesses in Tennessee.

Nick Hansen, Department of Education, touched on:

- Pathways TN Initiative – Tennessee is the second state to do a state-wide asset mapping in the Pathways Network consisting of 16 states. Additionally, international partners helped focus groups to identify strengths and opportunities in regard to the Pathways framework in a multi-hour self-assessment to help them with the future strategic planning. Mr. Hansen and his team will be expanding this practice to all of the Pathways regions during the next year. He also highlighted that this process can be easily adapted for the state and local workforce boards use.
- Work-Based Learning – this is the second year of full implementation. TDOE is developing measures around specific skills attainment to include assessing soft-skills by the time a student is graduating high school. He emphasized the need for industry and workforce boards to open additional doors to students for work-based learning opportunities and future workforce pipeline building. Lastly, there will be a Work-Based Learning Summit to be held October 11, 2016. Nick will send more details.
- Career Forward Taskforce – this group exists to examine and engage better ways to engage students in their academic preparation, personal and social development and workforce readiness. Additionally, this group works to identify overarching principles leading to the development of actionable recommendations that reflect the strong integration of secondary, post-secondary and workforce readiness across an elongated continuum of education from start to finish.

Jessica Gibson spoke on TN Reconnect Ambassador Partnership between THEC, TDLWD and the AJCs. She highlighted the training that took place in August in Nashville and included staff from the LWDAs, THEC, Adult Education, and Workforce Services staff.

Jason Beard, TN Adult Education, explained the restructuring AE districts in TN. The objective was to create a template that will be template for the nation. During this restructure, AE went from 42 programs to 8 districts to better alignment with the LWDAs and is an exact alignment with the ECD regions. There are 8 district coordinators and six assistant district coordinators. With the realignment, AE transferred over 2 million in administrative overhead into instruction, hired 62 full-time lead instructors and raised salaries from \$28K to \$40K with health insurance and retirement. The less-expensive HiSet replaced GED, with better access and alignment with other WFD services. The graduation rate is up over 50% since introducing Virtual Classroom for one more access point and online AE Curriculum-HiSet Academy.

Where Are We Going?

Sterling van der Spuy, highlighted the importance of maximizing time and as a result revising certain program items to remain compliant with Federal law. Action Steps towards WIOA compliance included:

- Reconstitution of the State Workforce Development Board to ensure compliance with the Federal regulations
- Collaboration with Local Workforce Development Boards to ensure they were compliant with the

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- appropriate membership
 - Formation of three Planning Regions
 - Completion of an economic analysis
 - Submission of the Combined State Plan

Deniece Thomas spoke briefly about the certification criteria under WIOA and its inclusion in Workforce Services Policy 19: One-Stop Certification. The attachment referenced in the policy will be finalized pending the Board's approval of the policy and will accompany the policy once released.

Mr. Ravener called for a motion to approve the Certification Policy. Motion was made by Mark Norris and seconded by Yolanda Shields. Motion passed. He then called for a motion to approve the Transitional Regional Planning Policy. Motion was made by Mark Norris and seconded by Sandra Woods. Motion passed.

Mark Norris asked a question concerning the realignment of the local areas. **Deniece Thomas** clarified changes to the policy and addressed Senator Norris' questions regarding functional alignment and not a physical alignment of the areas.

Sterling van der Spuy recognized Dan Holton and Sandy Barnett's retirements within the following month and thanked them for their service to the State.

He then spoke on Wagner Peyser reporting; what the system is doing; how it is both transparent and accountable; and Employer Services addressing the needs of hiring employers.

Ryan Allen talked about the negotiation of performance measures and how the changes in some measures as a result of WIOA.

Dan Holton provided further input on the differences between performance and reporting under WIOA. These change are as follows:

- The opportunities to be selective about participants are fewer and fewer now.
- Specific priority populations that have been set by federal law, i.e. those most in need; those with significant barriers to employment.
- Big outcomes should not be expected because of new requirements.
- No more Federal incentives.
- He asked for some discussion as to what the Board would like to see in terms of the metrics that should be used to measure the performance of this system.

Briana Moore noted that policy development is a huge responsibility of the Board. Those policies that were in the State Plan must be addressed as soon as possible and include:

- Appointment and Certification of Local Boards
- Access to Local Board meetings by people with disabilities
- Conflict of interest
- Priority of service to low-income individuals and those with disabilities
- Priority of service to Veterans
- WIOA allocation
- Initial assessment and co-enrollment
- The youth 5% and needs additional assistance
- Certification
- Transitional Regional Planning

Sterling van der Spuy mentioned the innovative work of AJC services being made available in correctional facilities and asked **Margaret Prater** to provide some comments on this work. She explained the pilot program and the specifics thereof where the re-entry of non-violent offenders in Dyer County has already begun. This work is also taking place in other local areas and has been beneficial for both the participants and the respective local areas.

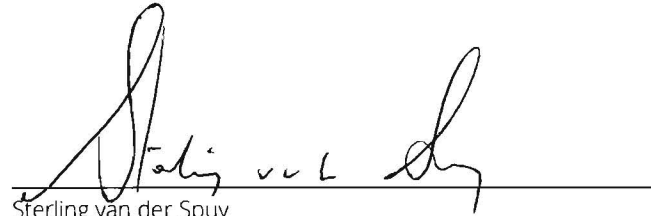
Adjourn

The motion to adjourn the meeting was made by Mark Norris and seconded by Yolanda Shields. The motion passed.

Future Full Board Meeting

- November 18, 2016
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Note: An audio recording of this meeting is on file at the Tennessee Department of Labor and Workforce Development.



Sterling van der Spuy
Administrator

11/10/16