



State of Tennessee

State Workforce Development Board Meeting

MEETING MINUTES

Friday June 18, 2021 - 10:00 AM – 11:40 AM CDT

<u>Board Members Present</u>		<u>Board Members Present by Proxy</u>	<u>Members Absent</u>
Martha Axford (East)	Rick Isaacson	Ben Ferguson – Proxy Jason Bates (Southwest)	Proxy Brandy Foust for State Senator Paul Bailey
	J. Paul Jackson	Greg Persinger – Proxy Jason Bates	Proxy Sarah Noel for State Representative Clark Boyd
Assistant Commissioner Jay Baker	Assistant Commissioner Mandy Johnson	Barry Ray – Proxy Stuart Price	Rhonnie Brewer
Jason Bates	Commissioner Jeff McCord		Mayor Kevin Brooks
Tim Berry	Vonda McDaniel		Bill Godwin
	Mayor E.L. Morton		Designee: Director Ann Thompson for Commissioner Bob Rolfe
	Designee: Policy Director Tony Niknejad for Governor Bill Lee		Kyle Spurgeon
Jonathan Cantrell	Stuart Price		
Designee: Deputy Commissioner Cherrell Campbell-Street for Commissioner Clarence Carter			
Michelle Falcon	Designee: Chief of Programs Jean Luna for Commissioner Penny Schwinn		
	Jeff Vance		
Marshall Graves (Southeast)	Kevin Vaughn		
Ann Hatcher	Ruste Via		
Christine Hopkins (Southern Middle)	Ron Wade (Greater Memphis)		

*Location in parenthesis represents the state board member's membership on a local workforce board.*

Welcome

Chairman Berry called the meeting to order and welcomed everyone. He noted how nice it was to see everyone in person and thanked the board for their diligence through the last several virtual meetings. He also acknowledged the following new members who have been introduced virtually during previous meetings but were at this in-person meeting for the first time: Rick Isaacson, Jonathan Cantrell, J. Paul Jackson, Jeff Vance, Rusty Via, and Ron Wade.

Chairman Berry referenced his remarks at the last meeting regarding one of the board's roles which is to ensure we

---

are a highly effective board. At the last meeting our board certification was discussed and there's a national benchmark for that so we're going to be working towards it. It is a process, and the board would hear a little bit more about that process later. Even though it was not on the agenda, certification is in motion and still in the works.

---

### 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 March 26, 2021 minutes. It was moved by Vonda McDaniel and seconded by Martha Axford to approve the minutes as presented. The motion passed.

---

### Workforce Advisory Overview – Dr. Jeff McCord, Commissioner – TN Department of Labor and Workforce Development

Commissioner McCord noted that we're in a completely different spot now compared to where we were even several months ago. The Bureau of Labor Statistics has a report out monthly that tracks the number of job openings and the number of layoffs. It was not surprising that the highest number of job openings ever recorded and the fewest number of layoffs ever recorded was in April. We're in a completely different situation and there's a lot of opportunity to connect to (employment) pipelines like the previously incarcerated, military who are transitioning, and those in work-based learning and adult education programs. The employer side is always going to be key and in mid-July Commissioner McCord and his team will be visiting employers throughout the state and talking to them about the employment situation and what he and his team can do: help build some common infrastructure and remove barriers. Additionally, starting Monday (June 21) on the supply side of this equation there will be a statewide ad campaign to help connect job seekers to workforce services. It's a big campaign: social media, radio, etc. to increase opportunity awareness for those who are looking for jobs. The workforce development conversation is high on Governor Lee's list of priorities and an update will be given at the next meeting.

---

### Deputy Commissioner Introduction – Dewayne Scott, Deputy Commissioner – TN Department of Labor and Workforce Development

Deputy Commissioner Dewayne Scott introduced himself to the board. He is one of the newest members of the TN Department of Labor and Workforce Development's Executive Team. Mr. Scott oversees five divisions within the department. He summarized his work experience which includes an executive position with the Kroger Company, co-founding a company which was a prime contractor for several federal agencies, and sharing his corporate and entrepreneurial experience through his consulting firm. Deputy Commissioner Scott highlighted his dedication to the goals of this board.

---

### Workforce Services Introduction – Steve Playl, Assistant Commissioner – TN Department of Labor and Workforce Development

Steve Playl is the newly appointed Workforce Services (WFS) Assistant Commissioner for the TN Department of Labor and Workforce Development (TDLWD). Mr. Playl began his introductory remarks by noting his involvement with this board in his former role as a Senior Director in the Division of College Career and Technical Education at the Tennessee Department of Education. He sought out the Assistant Commissioner position at TDLWD because he believes in the importance of work. As someone who also knows the power of education and training, he believes when work and education/training connect it can be transformative and that's what WFS is doing. One of his priorities includes having high quality processes in place to ensure consistent delivery of services. This priority starts with this board and includes certification of the state board and using that as a model for certification of our local boards. This will impact the process and the services that are provided for our veterans, for those who are justice involved, and for those who are still in school who are doing work work-based learning experiences and participating in apprenticeships and pre-apprenticeships. Having a consistent kind of method of delivery for those services across the state is important. He is excited about this work, his role, and partnering with this board and the local boards.

Mr. Playl acknowledged the Executive Directors and local board staff in attendance who help to lead at the local level. He also recognized the Regional Directors who were in attendance and appreciated them being at the meeting. Mr. Playl also invited board members to participate in the upcoming Refocus Tennessee Workforce

---

---

Convening August 18-20 at the Gaylord Opryland Resort and Convention Center in Nashville. Board members were encouraged to attend to hear from all the state workforce agencies involved in the workforce development system as a whole and to talk through some very specific things to help meet the demand of Tennessee employers.

---

### Unemployment Insurance Update – Rusty Felts, Assistant Commissioner – TN Department of Labor and Workforce Development – UI

Mr. Felts' presentation highlighted the accomplishments of the UI division.

- Mr. Felts referenced the innovations his team developed quickly to process claims faster and to stay within federal standards and regulations. These innovations were despite the uncertainty of the last year and a half, the years of claims, the workload they had no way to prepare for, new unemployment programs, and limited trained resources that were federally funded for a 3.5% unemployment rate which grew to 15% in two months.
- TN was in the top 10 in the country for implementing two or three of the federal programs they had never seen before because they came up with a way to do it. Mr. Felts was proud of the fact that it was never a race against other states and their counterparts around the country: it was actually a race for Tennesseans that his team took very seriously.
- In a regular year the UI division would pay out roughly \$200 million in unemployment benefits. In the last 15 months, the UI division in this state paid out \$7.5 billion in benefits to Tennesseans that desperately needed it to pay bills and feed their families.
- During the past 15 months his team faced uncertainties with COVID, family concerns, and all those things that other Tennesseans faced but they found a way to accomplish what they did.

While Mr. Felts is very proud, from a division standpoint they still have a lot work to do.

- There are still a lot of claims to process that hopefully will drop off as Governor Lee's order to stop paying out federal programs on July 3 gets even closer.
- They have had years of work in the last 15 months that has created a number of appeals in his division where employers and claimants alike can disagree and have that reheard if they don't like the decision.
- Big efforts are also underway in his Integrity Unit to investigate cross matches, overpayments, refusals of work and failures to return that they're encouraging their employer base to report. It also involves recovery of funds if someone drew unemployment that shouldn't have drawn unemployment: those funds have to go back in the trust fund or back to the federal government.
- His Employer Accounts Unit will be inundated over the next year and a half with questions about how this affects employers' accounts.

Mr. Felts noted that Deputy Commissioner Deniece Thomas deserves a lot of credit for supporting him and his division over the last 15 months. She and Commissioner McCord have been a tremendous support. Deputy Commissioner Thomas believes the UI division can play a key role in helping Steve (Play!) and WFS get people back to work. Mr. Felts promised his division will partner any way they can to help get Tennesseans back in the workforce because that must be the priority now. This includes assistance with providing data regarding unemployment, Rapid Response, and re-employment services (RESEA).

Chairman Berry noted that Mr. Felts and his team have done a fantastic job and has supported the board's mission to get people back to work. He thanked Mr. Felts for taking care of people during the past year as they move toward employment.

---

### US Senate HELP Committee Summary – Deniece Thomas, Deputy Commissioner – TN Department of Labor and Workforce Development

Deputy Commissioner Deniece Thomas had the opportunity to represent the State of TN in Washington DC. She gave the board a National Workforce Agenda Update using information provided by John Colbert in Washington DC who does a phenomenal job of keeping states apprised of what Congress is considering. This is something a little new that is being done to try to make the board aware of federal updates that will in turn inform the direction that Tennessee takes.

In representing the State of TN, Deputy Thomas thanked Mr. Felts for his kind remarks but said it's never about an individual. At the invitation of Chairwoman Murray and Ranking Member Burr, she and three other panelists from

---

---

across the country had the opportunity to talk to the Senate HELP (Health, Education, Labor and Pensions) Committee in mid-April. The discussion focused on COVID recovery as it pertains to workforce. Deputy Thomas provided testimony about what TDLWD is seeing in TN and she is thankful the Senate HELP Committee saw TN as a national model that they could glean from. The purpose of the meeting was to hear what it will take to help Tennesseans and Americans at large to get back to work and what would be needed in terms of support, policy, etc.

Deputy Thomas gave testimony highlights of the priorities given to the Senate Committee:

- Increased Worker Supports – There are a lot of jobs available in Tennessee and we're really fortunate to be in this place in our state but, as Deputy Commissioner Cherelle Campbell-Street can also attest, we still see some common challenges around worker supports: transportation, childcare, etc.
- Greater Workforce Investment - Greater investment was also discussed, and this is not just an ask of dollars: TN would like to see stability in that funding and greater investments before something happens. With the onset of COVID there was a lot of what Deputy Thomas called episodic funds that were very specific, very limited, and didn't give recipients the opportunity to really do anything broad-based. TN would like to not only receive funding when something happens: we'd like to receive funding so we can plan for the 'what if'. That was a big focus from other panelists as well.
- Policy alignment – This was also discussed at the federal level so we don't have to hash this out at the state level. There are a variety of federal agencies that are coming together to support workforce but some of those policies contradict each other and oftentimes we're left to figure that out at the state level.

Deputy Thomas gave some insight into the U.S. Department of Labor's proposed budget that they've submitted to Congress and where they're looking to make investments. She was happy to see that there'll be some increase in workforce programming across the country on a national level. State allocations will be based on a formula. USDOL is investing in some things that will have a direct impact on workforce projections and workforce planning and strategy here in our state. This is important for our state workforce board because it allows us to really gain a posture of planning before we receive the dollars. We can ensure whatever funds we get we can turn them around and get a return on investment when these things hit. This is a proposed budget so it may dwindle but these are some things that will be a part of that request.

The American Jobs Plan – A breakdown was presented of what is included in this program. A lot of this funding will be directed to states although there are some specific scenarios where funding will be given directly to local boards and community agencies.

- "*TAA style*" *Comprehensive Supportive Services* were mentioned. Deputy Thomas noted that TN's trade assistance program is in limbo right now. For a long time, states really struggled with getting a fair amount of money for trade programs which can only be used if there's offshoring of jobs to other countries. It's really a good thing not to use that money because it means that our jobs are staying in our country. However, when we don't have that level of trade activity those funds have to be reverted because there's no other allowable use. Essentially they're giving us money we can't use and we're sending it right back so there's been a lot of dialogue about making good use of those funds.
- The \$8 billion for *Wagner-Peyser for Evidence-Based Intensive, Individualized Services* is one of the things that TN is probably the most excited about because career exploration and career guidance is going to be extremely important. A couple of years ago this budget at the federal level was zeroed out so states had to rally to really show the value of having this funding. We're seeing folks who are looking to get back to work and trying to figure out whether they will go back to their original job or do something different. It takes a guiding hand to help them get there so that is essentially what this funding is for.
- Regarding *expanding Career and Technical Education*, TDLWD (and Chief Luna with DOE) are excited to see expansion happening on the Labor side of the budget because it's such a valued partnership. It really takes multiple agencies to get it done but Labor and Education must be arm-in-arm. That will likely underpin some of the work with the *community college partnerships*.
- With the work and guidance of this board we started re-entry many years ago but without funding. We're super excited to not only be the recipients of some of the \$1 billion in *Federal Re-Entry grants* but we are pleased that there was a state investment in the governor's budget for \$2 million so we can do re-entry more holistically and start to serve people at the point of need which is before they are released from incarceration.
- We'll continue to see is an expansion of *registered apprenticeships*. The National Registered Apprenticeship Act was reauthorized, but we do think there'll be some tweaks and changes to that as well.

---

*WIOA Reauthorization* was a very important part of the testimony. WIA, which preceded WIOA, was around for 17 years before it was touched. Typically an act is up for reauthorization in about five years. Deputy Thomas was happy to see they're talking about reauthorization it will likely be tweaks not a major overhaul. Last week she got word that they're hoping to have it reauthorized as quickly as next week. If that happens the board will be notified as soon as that information is released.

*UI Reform* is being talked about a lot but nothing substantial has been received yet. Deputy Commissioner Thomas noted that Mr. Felts is absolutely right about shifting his team to re-employment which will be a huge focus as well as attempts to combat fraud and misuse in the program.

Deputy Commissioner Thomas concluded by saying TDLWD is trying to get information and synthesize it as best they can to ensure the board is provided with the information needed to plan and move forward.

**Vonda McDaniel:** Under the American Jobs Plan you talked about the trade adjustment assistance being reworked. In the state particularly we're seeing a lot of increase in terms of tech jobs and that kind of thing. As people transition that are trying to find them, are they going to rework this where people can access training to really improve their skills so that they can have access some of those high-quality jobs?

**Deputy Commissioner Thomas:** We're really hoping that's the direction they will take but it's hard to know because there are multiple sources they can use to accomplish that. One of the slides referenced SECTOR which is sort of a new sectoral strategy they're going to be focusing on so there's been some conversation about do we earmark dollars for specific sectors such as IT, healthcare, etc. We can do that now, but they have to make those investments and make them general enough that we can move dollars as we see fit. We've said for years in Tennessee if you allow us to use trade dollars to do incumbent worker, then a company is less likely to leave because they can train their workforce here. That's one of the things I know they're looking at as well so we're hoping this opens avenues so we can use funding for training or continuing training to help businesses that's so desperately need it.

---

## Committee Updates and Policy Approvals

### Oversight Committee – Presented by Chair Ann Hatcher

Oversight had two work groups reporting to their committee and they spent the most time with the Fiscal and Reporting Workgroup. Their charge for this committee meeting was to talk about some KPIs that they wanted to start tracking across Adult Education, Workforce Services, and Vocational Rehabilitation. The KPIs those groups had decided included total enrollments, barriers to employment and then expenditures. Each of those groups shared what that looked like for 2018, 2019 and 2020 across their programs. Reflecting on this, the committee recognized how hard it is to conduct cross-departmental collaboration on defining outcomes, and the committee really commended the groups for the work they have done. They had a lot of discussion around how KPIs are defined, what are the objectives that are being measured, what are the right KPIs, how do you look at them in terms of ratios versus just a static number, etc. The outcomes were probably to have a midterm session with some of the members of the committee with that work group to dig in a little bit more into that framework so by August we've helped them advance a couple levels deeper on that framework. It was great discussion and they are all really focused on helping figure out the right measures that matter.

There was little time left for the Joint Monitoring and Compliance work group presentation which is really focused on policy. They have made progress on the key policies. When this workgroup last met they wanted to focus on drafting the Co-enrollment and One-Stop Design Policy. One challenge they've had in working across those areas (WFS, VR, and AE) is at a local workforce board level: there's not accountability at the local workforce level for all the funds in those different programs so coming up with a combined policy and accountability is a little bit difficult. Those who don't work in government had some discussion about this, and the work for that particular group over the summer is to really focus on the One-Stop Design Policy as sort of the foundational underpinnings of how everything else works and then they're going to work next on the Co-Enrollment Policy so we'll look forward to hearing about those in August.

**Chairman Berry:** In my few years on this board and particularly for newer members of the board we've really shifted more toward, "What's the measurement?", "What's the KPI?" and so I appreciate you taking a good amount of time of your discussion to focus on that. There are business-minded people on this board for a reason: the

---

governor comes from a business mindset so I know that's the way he thinks and that's the way we should be reporting. If you're going to give a presentation to this committee - to whoever that might be in the future - whoever's going to come up here better be prepared with some KPIs and prepared for the question that says, "What are you supposed to be hitting and how are you doing against that number?". I haven't been in a meeting yet where that question hasn't been asked of someone who's presenting, so it's something that this board is interested in and it's something that you better be prepared for if you're going to be reporting this board. When we talk about this certification that we're trying to get, that's going to be a key element to making sure that we do that.

Operations Committee – Presented by Chair Stuart Price

The Operations committee had a very busy agenda with three workgroup presentations and two program updates. Program Updates –

1. SNAP E&T State Plan Consultation: Kristen Halverson – DHS

Ms. Halverson provided an overview of the Fiscal 2022 SNAP Employment and Training (E&T) State Plan to include discussion on components and service strategies outlined in the plan. It's a requirement for the authorized state agency to consult with the State Workforce Development Board on the SNAP E&T State Plan to ensure alignment with the Tennessee workforce goals and visions. Ms. Halverson addressed that in her presentation and did a great job.

2. Summer Youth Work Experience Program: Carla Garrett – TDLWD provided an overview and update on the summer youth work experience initiative. The initiative supports local efforts that focus on learn and earn opportunities, life skills, and work skills for the youth that aims to increase youth employment and educational attainment. Youth between the ages of 14 and 24 work on-site with an employer and earn competitive wages. This initiative runs from May 3, 2021 through August 31, 2021 and they have a minimum of 530 youth across the state. They emphasize that their aspirations are for much higher than that but in order to validate the program that's a number that they're aiming to hit and exceed.

Workgroup presentations:

Job Seeker Workgroup - This workgroup is convening on a quarterly basis to make sure the five key objectives (of the board) are addressed:

1. Create an integrated intake system to efficiently deliver services – this is something Anne was referring to so there's definitely a common theme among each of the work groups around not only what they trying to establish regarding better and more efficient services offered but also how do we communicate that out and make sure that our people delivering that information are aware of them and can make sure we're clearly communicating the opportunities that exist for our job seekers.
2. Create a shared vision for supporting Tennesseans with the greatest number of barriers to enter the workforce
3. Create a trained workforce to meet current industry needs
4. Create a new dashboards to measure the effectiveness of integrated workforce strategy, and
5. Create a simple and effective engagement experience for all.

Some of their initial conversation efforts were on barriers and one they're tackling first are job seekers who have childcare needs. They are working to establish a clear comprehensive way to discern that a job seeker has childcare need and then to equip our people to help guide them on how we provide for that.

Business Service Workgroup – This workgroup is meeting every two weeks thus far so they're on a fairly ambitious tempo. They have two initial goals:

1. Develop a business services lexicon by agency and with the goal of developing the most efficient distribution system. These resources will allow each agency to be resource coordinators and get employers connected to the right resources and services across each region of the state. It's challenging to engage with what we offer: it's difficult for job seekers and employers to understand so this effort helps employers and people engaged with workforce services an understanding of what's happening.
2. Organize and select a statewide Employer Advisory Committee. This goal was recommended during the March 2021 meeting with the Operations Committee to support this workgroup. Sectors identified across the state to be represented on the committee are Construction, Healthcare, Hospitality, IT, Logistics, Advanced Manufacturing, and Small Business. These seven sectors have been identified as representation on this advisory committee. Their deliverable actions through 2022 include: 1) Identify challenges and roadblocks across each region, 2) Develop a crosswalk document which is fundamentally a menu of services that identifies cross-agency services that have possible funding opportunities, 3) Employer surveys - they'll partner with the Chamber of Commerce on employer feedback, and 4) Develop a statewide business services dashboard - they'll develop and design a dashboard template

---

that will be used by the state to report quarterly analytics that employers want to see.

Apprenticeship/Work-Based Learning Workgroup - Their objective is to establish scalable partnerships that meet employer workforce development needs by developing and implementing Registered Apprenticeship Programs and developing clearly defined talent pipelines through work-based learning, internships, and pre-apprenticeship programs. The rationale for their overarching goals is to address skill gaps; improve employer recruitment, retention, onboarding, and productivity; share promising apprenticeship/work-based learning implementation practices; and ensure stakeholder satisfaction. The committee spent a good bit of time talking about the pre-apprenticeship programs and they have currently seven soon to be eight program sponsors that are already on board. This program is designed to prepare those who are looking for work in any of the identified (occupational) categories that have apprenticeship programs and position them favorably as an obvious choice for the employer's apprenticeship program.

Innovation Committee – Presented by Chair Kevin Vaughn

The Innovation committee meeting was opened by Ms. Teresa Smith who welcomed all members and reviewed the agenda.

Data and Performance Workgroup - Mr. Rusty Rastogi and Mr. Ryan Allen shared updates and future milestones. The purpose of work group is to use data and systems to drive innovation and further integration, accountability, and collaboration among all TN workforce partners in quest to become the nation's premier workforce system. The objective is to provide stakeholders with performance data, as well as program narrative and context, that enables workforce partners to make strategic decisions and outcome-based solutions.

Team leads Mr. Allen and Mr. Rastogi provided information on some current and upcoming projects that will help move these visions forward in the State. Some projects such as P20 data system and the SAS visualization dashboards are projects using technology to improve our systems and the customer experience.

Mr. Allen provided an overview of the WIOA performance outcomes and explained the USDOL measures and successfulness of the WIOA workforce programs. He explained how they use their wages and records to see the outcomes after participants have been served in our TN workforce programs. The department has worked with a software company SAS to develop a dashboard that shows at-a-glance how the programs and LWDA's are performing. It's an interactive dashboard so it allows for the comparison of local area to local area and will be helpful for program managers and stakeholders. So far the department has worked with SAS to create an unemployment dashboard and a labor market dashboard which were shown at previous state board meetings. Mr. Allen then provided a demo of how the new workforce services dashboard works.

KPIs Policy (vote required)

Tennessee strives to be the most effective and efficient state in the nation in serving individuals with WIOA services. To drive this innovation the department developed additional metrics (KPIs) to ensure that we're serving the most participants that we could possibly fund while focusing on particular customer groups that may experience barriers to employment. The division came up with 12 additional metrics that would drive increased enrollments and worked with each of the local areas to agree on targets using baselines. Setting goals for increased enrollments for the local areas would not only help to serve more participants but would also help the LWDA's to expend their funds. These KPI measurements will work in conjunction with the federal performance measures and targets already in place. They began the KPI program in January of 2021 and are now at the point where they need to make the metrics a routine part of the process by approving the KPI policy. Since they've been piloting the metrics they've already seen examples of where they are measuring and setting goals for particular outcomes, and they're also seeing drastic productivity changes and trends in the data.

Chairman Berry noted that hopefully everyone had a chance to review the policy in their pre-meeting notes and he asked for a motion and a second to approve the policy as presented followed by time for some discussion. It was moved by Jason Bates and seconded by Martha Axford.

The following extensive discussion and observations were made about the KPI Policy.

**Rick Isaacson:** In listening to the three committee report-outs I think there was an awful lot of discussion we heard about KPIs and I have a little bit of a concern about the siloed nature and do we have the committees aligned in discussion of what are the outcomes we're after and what are those KPIs. My only pause: has that discussion been aligned to the entire group because everyone's working on very similar items but I'm not sure the discussions and the congruity is aligned.

**Commissioner:** Basically what we have is a backward integration strategy for our agency and our sister agencies.

---

So we're moving whether it's work in work-based learning programs to high school backward integrating or whether it's higher education coursework to adult education population. We're backward integrating all trying to move work closer to education or at the same time as education. You earn while you learn and some of your other barriers go down. Second, we need visibility into data and we in our department have incredible capability to see things across our agency and across the multiple agencies that make up the workforce development system as a whole. We meet and we just met yesterday with the six other agencies that do workforce development and we have dashboards across those agencies as well. So backward integration down the value chain, the ability to see where we're going and where we've been, and third, you hear the theme that we're not always easy to work with because people don't understand what we're saying or there's all this stuff going on that we don't know how to connect. That is part of our ease of use/customer service theme that goes across our agency and the six other agencies that we meet with so we can act as one system. All the things that we hear come from those three themes.

**Chairman Berry:** Said differently, one of our objectives as a board has been to make sure that all the agencies that have a stake in this or a part in this are talking and that they're not siloed. The KPIs that the committees are discussing are really coming down from those agencies. It's not the committees coming up with the KPIs and pushing it up to the agencies, it's the other way around so the committees are just discussing further what the agencies are agreeing on that should be their best KPIs.

**Rick Isaacson:** For Oversight I think it would be important to understand what all those dashboards were, of those KPIs, of the outcomes that you're really focused on making sure we achieve so that oversight can achieve oversight right rather than reinventing its own KPIs it needs to be against your KPIs. That would help if we were educated on what those were.

**Commissioner:** I think so too: I think knowing the KPIs and as your job looking at that and making sure that they connect that they match. I'm sure we can show the KPIs and actually demonstrate some of the capabilities there are in these dashboards. They are cross agency not just across our department. That would be good to see and just give you a level of comfort and allow you to ask the hard questions if we've missed something.

**Chairman Berry:** So maybe Commissioner as we see the KPIs you know maybe it's like the Dr. McCord seal of approval on these. These are the KPIs that I endorse.

**Commissioner:** Absolutely – a lot of this work is on Deniece's side the house, but it's also on Jean Luna's side the house - sitting two down from you - and Cherelle's side of the house. So again I think our job is to give you a level of visibility into the visibility that we have, and we can go from there and figure out what the best method to do that is. Some of it just might be show and tell, and a high level of 'here's what we're trying to achieve' and how it connects across these different agencies. So we can do that whenever you want to set that up in the board meeting.

**Mayor Morton:** We had good discussion in our group about it too and I think it's a really good layout here. But when we talk about barriers to employment where workforce development can impact all those groups with the programs that we have, broadband access isn't measured as a factor. I don't know what group, particularly rural Tennessee as a group I guess, but is there a way that we can measure that. Workforce development does not have money to lay broadband fiber I understand that, but it would give this body the ability to cross over the economic development side to address that as a workforce issue.

**Chairman Berry:** I would respond to that by saying it's probably not a KPI for what we're trying to achieve of putting people back to work, but it is going to be a tactic that is going to make putting people back to work easier. I think not necessarily a number measurement that we look at, but it probably needs to be a task that we're constantly hearing reports on.

**Commissioner:** Yes and it will be a metric that we can refer to. As we move, we have funding. And that's a very good point: not just the infrastructure but access, i.e. how many people are actually accessing because we're going to have barriers to access even if you have fiber in your neighborhood. There'll be measures - rural specifically - and as we go to the Rural Summit that's a good thing to talk about but also just across the state that we can point to but it's a very good point. In terms of broadband, it's economic development and workforce - they go together.

**Ann Hatcher:** A really basic question then: the KPI discussion that we were having today in Oversight, is that designed to be the entirety of the fulfillment of this policy or is it just a subset of it? How do those two things connect?

**Deputy Commissioner Thomas:** Vice Chair Hatcher I think one point of clarification is the KPIs are really designed to start with enrollments and to get to a level of base measurement based on feedback we heard from this board. To Chairman Berry's earlier point, this is not the end-all be-all for KPIs. If you recall there were sort of soft targets that were implemented that they've all been working on for some time so this kind of makes those targets hard to put them in a policy so we can start measuring with enrollments. Over time those KPIs will expand but we're not there yet. We've reached this first rung on the ladder.

**Ann Hatcher:** Thank you but what we reviewed today is directly connected to this policy.

---



---

**Deputy Commissioner Thomas:** In the Oversight committee – I'm looking at Ivan because I wasn't in Oversight so I want to make sure - yes it's the same thing.

**Chairman Berry:** That's good and hopefully that makes it makes Rick's (Isaacson) question a little clearer as well, that what Oversight was talking about is directly connected with this policy.

**Kevin Vaughn:** Maybe they'd like to see Mr. Allen's presentation on the video because it showed the overlay of KPIs: you could go into a certain tab and show your region versus their region and how they overlay and which ones up or down.

**Ann Hatcher:** So in this policy then, the effective date is now - June 18 through 2023. So the idea on this policy is it rolls out in stages so we're not using these KPIs obviously yet to hold anyone accountable because it's still in development. I mean help me understand sort of the time frame I guess for affecting this policy.

**Ivan Greenfield:** Yes, so with the KPIs there as Deputy Thomas mentioned they are going to be hard targets. Through May or so we worked with the boards to establish or negotiate what those targets are going to be. Each quarter we will be looking at where they are and making some assessments based on thresholds identified in the policy. It's actually starting on June 18 and being measured quarterly and following up with them to make sure that they're hitting those targets.

**Ann Hatcher:** Targets for enrollment.

**Ivan Greenfield:** Yes - so there's graduations in there identified you know if you're not 75 percent of your targeted number what consequences or remedies will be made if you're not meeting those targets - all are identified in the policy there, but it does start currently.

**Stuart Price:** I'm taking this as we are putting some formal structure around the expectation of KPIs across all our groups across all our efforts and that this is the guiding document for everyone to use as you're creating the KPIs that are relevant to your objectives. Those objectives of course are aligned with the state's objectives and so that's what I'm gathering the intent of this is and I don't know if your (Anne Hatcher) question if you were aiming that maybe it's a specific KPI effort - I think it's a general framework.

**Chairman Berry:** Yes, that's well said. It's essentially saying we're going to focus on this - this is the guideline which you should use to build your KPI to make sure it's relevant to make sure it's in line with our objectives and it's consistent across all agencies and committees.

**Rick Isaacson:** That helps a lot because what we thought we were seeing was the complete KPI what we're supposed to do oversight on. By clarifying we're only talking about one number right now: enrollment. I think potential enrollees versus who are enrolled as a percentage is critical on enrollment because with COVID you have one number when we're in our normal three and a half percent unemployment it's a very different ratio of possible targets versus who's enrolled. But that's a simple fix from the data I think we can clean that up quick. We were thinking we were trying to achieve all five of the areas in the oversight. I think that really helps thank you for that: this is just part one right now of the KPIs.

**J. Paul Jackson:** Chairman Berry, am I correct to understand that this is just a starting point with enrollment here and on a quarterly basis this board is going to review the KPI the key performance indicators each quarter. This is going to be an evolving process that is beginning here but certainly not the end all today. Is that a correct assumption?

**Steve Playl:** That's correct, and we were actually having that sidebar just a moment ago. Enrollment isn't the goal here with KPIs. That's just the starting point. We have to start somewhere but we're looking for the outcomes of enrollment ultimately, not just that we have participants enrolling in x program but what are the actual outcomes of that program. For example, did they get a job - that's a big one I think that we probably need to need to have in our KPIs. I'm still new enough Commissioner so I can say these things, but that is the ultimate goal of this. The update that would be provided throughout this policy and updates with the board working with our partners at the local board as well.

**Ivan Greenfield:** This really rolls under priority number four. We're looking at how we develop these dashboards to help measure the effectiveness of the system. We talked about populations making sure that it's focused on those who have barriers to employment in our Oversight committee. We also talked about maybe looking at targets around funding or expenditures, i.e. could expenditures be a target when we look at the fiscal report by looking at where the funding is and how they're spending the money. We also talked about enrollments which we're already talking about so those were the three data points that we were looking at. I apologize that wasn't clear in our Oversight committee but there's only one current metric that we're looking at as far as this initiative and that's enrollments right now.

**Christine Hopkins:** Is it possible to determine the number of population subgroups before we set goals? Setting goals is so critical. Our employers in this state are begging for employees and the better job that we do in serving those individuals that meet barriers to employment is going to help everybody overcome the COVID problem. If we can get the data - I know at one time in my life you had data out there that told you how many people across this

---

state or what percentage of people across the state actually fell into that category. If we have that data then we would I guess have better numbers as to what goal should be set for this organization.

**Chairman Berry:** Yes, we still have that data.

**Christine Hopkins:** Well it was very refreshing to hear Deputy Commissioner Deniece talk about all the possible funding that could be coming into the state and how that funding could help to serve these subgroups so that was the question I had.

**Kevin Vaughn:** Back on the KPIs maybe I gave a bad presentation of the policy but to your question Mr. Jackson, enrollment is the first part of this rolling out. I think they said it was actually like 285 total metrics that we could get into and to look at but there were so many of them we would have spent our whole time on just that, so they've just showed the one metric which is enrollment at this time. But there are many more and you're right it's going to come out every quarter they're going to pick a different one the next time. You haven't heard the last of KPIs.

**Chairman Berry:** Just as a reminder we're still in the middle of a vote here so I think the discussion has been thorough. I feel better about the clarity that has been given. I just want to make sure everybody who's been asking questions and making comments feels that's the same. Ann do you still have some?

**Ann Hatcher:** So this is a policy - it's probably more of a process in what's documented here but it's a policy and so in this policy there are hard targets for each of the local areas by quarter for enrollment. I think what I read in here is that failure to meet the hard target may result in something right - that's what happens in a policy. So my question is: Have these hard targets been negotiated with the local areas? So local areas have all signed off on these hard targets for every quarter they are committed to these targets is the question. They are? Good, thank you and everybody understands how they're measured what the definitions are? (Yes)

After this extensive discussion, Chairman Berry asked for the vote to approve the KPIs Policy with all the clarity discussed. The motion passed and the policy was approved.

Chair Kevin Vaughn continued with his committee update:

#### Project R.E.A.P.

Ms. LaToya Newson discussed the Re-Entry, Employment and Adult Education program (R.E.A.P.). It is program designed for correctional institutions that provides 10-inch tablets with military grade casing and secure wi-fi for education and training which includes rehabilitation development, workforce development, re-entry, a learning management system, live video classrooms where they can only see the instructor, and professional development. This is currently a pilot program with 72 tablets divided among three facilities with 113 current participants in the program.

#### LWDB Best Practices

Ms. Vicki Bunch and Ms. Wood presented for the Southwest LWDA.

(Innovation Committee Vice Chair) Mr. (Marshall) Graves thought it would be a good idea for each region to discuss their best practice. There was a problem in Henderson County of not having enough affordable homes so they went to the home builders to ask why there was a shortage. The builders said they had a problem with having enough skilled workers so they met with the jail and started a pre-apprenticeship program started training for the demand of that career. The program provides skilled workers in areas of carpentry, electrical, plumbing and bricklaying. It also provides instruction on work ethics to help participants. This was a good program.

Chairman Berry noted that those were some great reports about the kind of work that's being done.

---

#### Fiscal Update - Ivan Greenfield, Assistant Administrator - TN Department of Labor & Workforce Development - Workforce Services

Mr. Greenfield discussed funding utilization during his presentation. Ordinarily this is Workforce Services (WFS) top heavy but Adult Education (AE) was added and other core partners – DHS: VR and TANF – will be looked at along the way. Topics included some overall expenditures, participants served, some of the challenges and opportunities, and key initiatives. Numbers presented were through third quarter which ended March 31, 2021.

For the WFS and AE Programs:

- An expenditure increase of about \$20 million over last year to about \$120 million in the third quarter
- \$20 million increase is basically from pandemic related funds that they received which were offset by a decrease in some of their Title I money

- 
- Total expenditures were about \$75 million over the period

#### Specific to WFS:

- Funding allocations make up \$107 million of those numbers, 24 million of which was in other programs (I.e. CARES Initiative which was about 9.5 million and a National Dislocated Worker Grant at about 14.8 million)
- Total expenditures were \$67 million, a one to two-thirds split between internal costs versus grants and subsidies which are fundings that they put out to the local boards
- Net position through the third quarter was about \$39.7 million; Expenditures are trending a little down which they anticipated due to factors such as lower enrollments
- Enrollments were 13,158 in the third quarter and Participant Costs associated with Title I were about \$9.4 million (Attachments at the end of the slides that address the categories of services associated with the \$9.4 million)

#### Specific to AE:

- Funding allocations were about \$12.8 million
- Expenditures were \$7.6 million for their programs (ABE, IELCE, and HiSET Testing); Spending is down at bit at 59% through the 3rd quarter
- Net position was about \$5.2 million

#### Funding Challenges:

- Low Enrollments/Participation
- Limited Access/Availability to Institutions – I.e. teaching institutions and jails, so the participation level was down
- Funding Limitations/Caps – I.e. limitations around the National Dislocated Worker funding, and caps on the uses of the funds. For example, AE is only able to use approx. five percent of their funds towards infrastructure costs which makes it hard for them to operate in all the AJCs where other programs can use both their administrative and programmatic dollars.
- Potential Funding Reversions – these are specific to two funding opportunities:
  - \$9.5 million in CARES dollars - they used about 88 percent of that and they're looking at potentially reverting \$800,00 - \$1million on those funds. The issue with that is primarily timing: when the funding first came out they had about a four-month period to utilize it so there was a quick ramp up and turn around. Subsequently it got extended another four months for state usage, but the impact was nevertheless if they had the full eight months or even the extension that the feds gave and eventually extended a full year they would have hit the target or exhausted the funds.
  - \$14.8 million National Dislocated Worker Grant - Currently they're tracking about just \$2.1 million in expenditures. The focus of the award was part-time work experience for dislocated workers impacted by COVID by putting them into short-term jobs. The thresholds made it very hard to utilize the funds. Also when we look at labor force participation, for some folks the emergency funding assistance was more appealing than going to a subsidized work experience or temporary job.
  - The CARES money came after this National Dislocated Worker allocation but it had a shorter time period so the emphasis went to the CARES money and then shifted back to dislocated worker. WFS is working with the local boards that are resubmitting revised budgets to them. It's likely they're probably rescinding back upwards of 50 percent or more on that funding which is significant.

#### Opportunities:

- Joint Fiscal and Performance Reporting to help measure effectiveness/impact – Performance will be enhanced to include the enrollment KPIs. This addresses priority number four and how they're effectively measuring the workforce system.
- Increased Partner Engagement Collaboration – WFS has already had heard about so many opportunities across agencies: Corrections, AE, and expanding access points around the 95 counties to provide greater access to services and connection to employment and training services
- Systems Integration - Part of the CARES dollars were used to invest in enhancing the virtual American Job Center platform to really track the evolution of the participant from scheduling an appointment to receive services to landing a job. Also implementing a new grants management system which will be statewide: there will be one reporting structure for all Core partners: WFS, AE, VR and TANF.

#### Key Initiatives:

- Grants Management System – January 2022 rollout

- 
- Key Performance Indicators
  - Summer Youth Initiative - \$3 million dollars which gives eight weeks of paid work experience to youth 14 to 21; 500+ Youth
- 

**Closing Remarks and Adjourn**

After brief closing remarks, Chairman Berry adjourned the meeting at 11:40 AM.

---

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

8/27/2021  
Date

---

8/27/21