



State of Tennessee

State Workforce Development Board Meeting

MEETING MINUTES

Friday August 26, 2022 - 10:00 AM – 12:03 PM CDT

<u>Board Members Present</u>		<u>Board Members Present by Proxy</u>	<u>Members Absent</u>
Natalie Alvarez	Commissioner Jeff McCord	State Representative Clark Boyd - Joey Barnett, Proxy	State Senator Paul Bailey
Martha Axford (East)	Designee: Director Charita Allen for Commissioner Stuart McWhorter	Michelle Falcon – Brittany Kerbo, Proxy	Ann Hatcher
Assistant Commissioner Jay Baker	Mayor E.L. Morton	Ben Ferguson - Jason Bates, Proxy	Vonda McDaniel
Jason Bates	Designee: Policy Director Tony Niknejad for Governor Bill Lee	Ruste Via – J. Paul Jackson, Proxy	Kyle Spurgeon
Tim Berry	Stuart Price		Ron Wade
Designee: Deputy Commissioner Cherrell Campbell-Street for Commissioner Clarence Carter	Barry Ray		
	Jason Schmitt		
	Designee: Assistant Commissioner Deborah Knoll for Commissioner Penny Schwin		
Bill Godwin	Jeff Vance		
Marshall Graves (Southeast)	Kevin Vaughn		
Rick Isaacson			
J. Paul Jackson	Assistant Commissioner Kevin Wright		

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

Call to Order and Welcome

Chairman Berry called the meeting to order at 10:00 a.m. by welcoming everyone and giving standard protocol reminders. He had some exciting announcements: he welcomed four new members to the board.

- Deb Knoll is Assistant Commissioner and designee for the Commissioner of the Department of Education Penny Schwin

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- Designee Charita Allen is representing the new Commissioner for the Department of Economic and Community Development, Stuart McWhorter
 - Natalie Alvarez is a Director at Alder which is a social civic organization of private sector business leaders
 - Jason Schmitt is the CEO of Old Time Pottery based out of Murfreesboro

The Chairman was excited about all these new participants to our board and encouraged welcoming them.

Commissioner Jeff McCord

Chairman Berry then recognized Commissioner McCord's departure from the board, noting that he has been Commissioner of the TN Department of Labor and Workforce Development (TDLWD) since January of 2019. He led TDLWD when bottom fell out of employment in the state due to various circumstances. He rallied the troops, the staff, and all those who had to pull together to provide benefits to folks and guide them through. Chairman Berry noted that Commissioner McCord has really been engaged: he has an unwavering commitment to the residents of Tennessee and trying to keep them employed. He presented a plaque to Commissioner McCord, thanked him for his service, and wished him well in his new role.

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 June 3, 2022 minutes. It was moved by Kevin Vaughn and seconded by Bill Godwin to approve the minutes as presented. The motion passed.

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

As an agency in conversations and in partnership with other agencies, TDLWD had some discussions lately about one super priority or north star, and it continues to be labor force participation. The unemployment rate is great but it's kind of a false flag number a little bit. The labor force participation rate is key because it means more citizens are engaged in the economy. A lot of good things happen, and a lot of bad things don't, when you center a life with a job. Everything that the agency does in partnership really is pushing towards that labor force participation rate which includes safe working environments as well as the proper training and education to advance in the workforce. Commissioner McCord encouraged us to continue to think about ways to plug into that both in actions and in words. It's a good rallying cry for the State. The current rate is well over 61 percent, and if we get to 62 percent that will be a 20-year high so that is what the department and the agency is pushing towards. The rate hasn't been over 61 in 2½ years so progress is being made. Economic conditions will come and go but we're going to continue long-term to have a labor supply issue. The way to solve that is getting more citizens engaged in the economy. Commissioner McCord thanked this board as he remembered early conversations with Chairman Berry and others about what they wanted out of a board. They talked about support obviously but also challenge: being honest, speaking plainly, and calling us to do better. He noted that it's been a pleasure to be a part of this board through hard times and good times -- to have that kind of level speak and honest talk but also incredible innovation along the way.

Chairman Berry noted that Commissioner McCord's comments were a good summary of the work this board does, and he commended Commissioner McCord's staff.

Committee Updates

Oversight Committee – Presented by Vice Chair Martha Axford

Vice Chair Axford noted that they had a very calm meeting with no policies to vote on. She asked Brian [Eardley] to give the board a two-minute overview because we have so many new board members: understanding where our funding comes from and how we use it would be beneficial. Mr. Eardley noted that they had an excellent discussion consisting of several main points:

1. Fiscal review - usually they review budgets for the year for:
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- a. Workforce Services, which encompasses WIOA's Title I and III: Title I includes the Adult, Youth and Dislocated Worker programs which are about 50% of the funding they receive each year so it's a considerable portion of what they receive
 - b. Adult Education and Vocational Rehabilitation – they also provide an update regarding these divisions
 2. Smart Simple Grants Management System – This was also reviewed: it's a system that the sub recipients/grantees use to submit financial reports and updates regarding the activity they perform on any number of grants they receive from the state. It's a much better and improved system from its predecessor so good things are on the horizon, although there is definitely a need for training and that is something they're going to emphasize with the local areas to provide ample training.
 3. KPIs - In sum we did an excellent job for program year 2021. One of the highlights is our justice-involved KPI of new enrollments: over 4,000 justice-involved individuals were enrolled this past year and the goal was about 1700 which was 200 percent of the goal.
 4. Changing the service delivery model - Due to COVID-19, the doors of a lot of American Job Centers were shuttered which resulted in the local areas developing more innovative practices of reaching participants. We want to ensure we are engaging with participants, particularly in rural areas.
 5. Policies - Brian noted that Justin [Attkisson] provided an update to the committee on the policies which was an excellent update. Essentially all the policies are being updated. They're going to condense them to make them easier to understand so they are in line with federal regulations. They'll also release supplemental guidance which is where they can provide input on best practices that can be employed.

Ms. Axford noted that the Oversight committee stressed to their support staff that they want to focus on results and the ROI going forward. They're going to do some additional training to ensure they are focused on results as they move forward.

Operations Committee – Presented by Chair Stuart Price

The Operations Committee had a great meeting this morning with presentations from three workgroups.

Apprenticeship and Work-Based Learning Workgroup - Matt Spinella and Holly Free-Ollard gave an update on their progress and it is significant. They have some overarching goals with target deadline dates of June 2023: for apprenticeship programs, the goal is increasing them by 20 percent and work-based learning will increase the number of participating programs by 50 percent. Typically, they submit an advance report for the committee to review, and unfortunately it is never accurate because their numbers are increasing so rapidly so they had to update them again which is awesome. They have 6,431 apprentices, up from 6,142 last quarter, and there are 38,372 work-based learning students up from 35,864 last quarter. This workgroup is on track to meet its apprenticeship goal and has already exceeded its work-based learning participation goal. There are 31 Tennessee certified pre-apprenticeship programs and some highlights over the past quarter are Komatsu signing on an apprenticeship program, Nissan has opened to a broader audience accepting minors into their work-based learning program, and then a highlight of Music City Construction reaching out to the SNAP program to offer employment training for all who receive SNAP benefits. The workgroup had some feedback from the board around engagement, i.e. to consider broader social media platforms. Currently they're focused on Facebook and LinkedIn and there was some comment that perhaps they could be a little more contemporary in their engagement. East Tennessee's model was highlighted: the local business groups are tightly integrated with our local workforce boards and that's reaping great benefit. The committee is going look at some recommendations to move this model across the state to Middle and West Tennessee. This workgroup is doing an awesome job.

Business Services Workgroup - Eric Horton gave an update. They've had some change in leadership: Ann Thompson has moved out of the leadership role and is being replaced by Jennie McCabe and with that change, they're taking a step back and reevaluating their charter. They want to make sure that it aligns with today's need. They're looking at representation in the Employer Advisory Committee for small businesses: they're seeing that there may not be enough representation in that group and the charter may need to be changed to reflect a greater emphasis in that direction. They'll be convening on September 10 to involve the Employer Advisory Committee. They're seeking something that has a more accurate representation of the need so we might see some change in their charter to reflect that.

Job Seeker Workgroup - Carla Garrett gave an update. Between the last meeting and this meeting, they have circulated a Workforce Resilience Plan to the committee for feedback. There are eight different agencies that are

involved as part of this plan. Fundamentally it's there to help our job seekers understand what's available for them and how to engage to take advantage of it. They had some good discussion around the plan, and there was a sense that their timeline is too ambitious for the scope of what they will do. The committee has given them a couple of weeks to come back with a revised timeline to develop a useful aid to all agencies rather than trying to produce something on a faster timeline that may not be as good and comprehensive as the committee would like for it to be.

Innovation Committee – Presented by Chair Kevin Vaughn

The Innovation Committee had a lot of good discussion and great speakers this morning.

- Mr. Kshitiz Rastogi presented on the Job Seekers workgroup and the Workforce Resilience Plan which increases the convenience for Tennessee job seekers to look at eight different agencies and be able to see the locations and the services these agencies have to offer them.
- Mr. Ryan Allen discussed the WIOA federal report card and the performance measures, including how to read the dashboard. It's divided into different groups for Adult, Dislocated Worker, Youth and Wagner-Peyser measures.
- Mr. Ben Passino talked about the KPIs, and Tennessee did very well for Program Year 2021. Tennessee has not negotiated the targets for Program Year 2022: guidance for this is forthcoming to refine program specific measures. Workforce Services is working with other departments to align the KPI policies. The subject matter experts are expected to meet quarterly with the local workforce development areas and respond to their needs to hit their collective goals. The committee is looking forward to the creation of the cross-program measures along with WIRED that align with the board's call to action to increase labor force participation and decrease government dependency.
- Ms. Carla Garrett spoke about the Title I Youth best practices. Additional sources for funding leads to more people being served in that area.
- Ms. Marla Rye spoke about the Northern Middle success with the Jobs for Veterans program in the Fort Campbell area.

Commissioner McCord: Just to provide some context about what was just said. When we talk about labor force participation, we have two million of seven million people on public assistance. Even if we get 10 percent to move off public assistance that goes a long way for labor force participation. We have 200,000 military members transitioning to the United States every year not including spouses. Those are typically higher unemployment rates than the general population and doing a better job of connecting with them is part of the strategy for increasing labor force participation. Five hundred thousand working age Tennesseans do not have a high school diploma. Connecting that population in deeper, better ways is a strategy that's going on for labor force participation. Re-entry of course is part of that. Getting high school 16- and 17-year-olds involved in work at an early age is a longer-term goal that will teach them about work and the intrinsic value of a job. As an agency we talk about that being a pre-entry program as much as a workforce development program. When we say labor force participation is the north star, all those things roll up to building those connections in easy, meaningful ways so we can get those folks engaged in the economy.

We have this calamity of "we can't find people," but there's so much opportunity in that calamity to connect these populations and again, there are both socioeconomic and cultural advantages to connecting those populations with pathways to economic prosperity. As we talk about numbers and individual initiatives, I think it's also important to have the context and what are we aiming at, and these are the things that we're aiming at.

Marshall Graves: I'm really fascinated by looking at the numbers in our committee, and Kevin pointed out where we've focused, we see success: justice-involved people we see success, youth we see success. One of the things that was pointed out in our committee was the Seniors programs: we're not doing very well in that area and it's a very small piece of the overall pie. I think maybe the board needs to focus on that area a little bit because to your point it's a combination of all these things that gets us to where we need to go and that seems to be an area where we may not have put enough emphasis over time.

E.L. Morton: I'll reiterate what we said in the committee: \$7.50 for that program for seniors is not enough to pull them off the couch.

Steve Playl, Assistant Commissioner for the TDLWD Workforces Services (WFS) Division, introduced Executive Director Paul Jennings from the University of Tennessee Center for Industrial Services (UTCIS). UTCIS has been working with the WFS division to figure out where we are as a workforce system. The evaluation has included WFS, our WIOA partners, our local workforce development boards (LWDBs), and the SWDB. This has also included potentially developing a certification process for the SWDB that could then be used as a model for our local boards. UTCIS presented what they discovered through their process which included research surveys and interviews, and then gave some recommendations on how to move forward.

Mr. Jennings recognized Tamera Fields Parsons, their lead researcher on the project who has done much of the heavy lifting as they worked through the interviews. The purpose of the project is to review current WFS division operations and recommend how to best accelerate continuous improvement across WFS and the broader statewide workforce system. Their team reviewed numerous documents including the 2019 Ernst and Young report. They interviewed over 80 workforce services division employees (either individually or in small groups), six local workforce board directors, and three state workforce board members. They also recently completed a survey of workforce services employees receiving 187 completed surveys for almost 70 percent response rate which is quite impressive. Over the next several months they hope to conduct additional surveys and interviews primarily more at the local level. The people they've interviewed have been very open, very transparent, very forthcoming, and very helpful. They've learned a lot in a short time.

Mr. Jennings presented a simple diagram to illustrate the situation for the Workforce Services division in the larger workforce development system. The diagram showed the distribution of responsibilities in an improvement-oriented organization.

- The first level was front line employees who are responsible for the operations and are the face of the organization for customers. They are the direct interface for customers which works well when policies, processes and expectations are clear, systematic, and understood. Employees are consistently onboarded and trained.
- The next level directors and supervisors are responsible for driving improvement. They can focus on improvement because they trust that the front line has the information and the resources they need to manage operations with minimal oversight.
- Senior leadership is responsible for driving strategy and innovation. They can do this because frontline employees directors and supervisors have clear direction everyone has what they need to do their job.

This is not always the case. When those working with the customers don't have the training, the clearest of direction, consistency, or resources that they might need, basically everyone jumps in to help. Senior leaders, directors, and supervisors - all with the best intentions and all with expertise - move down into operations to help the front line. This help may be a physical presence but more likely it's in the form of additional calls, multiple questions, emails, emergency requests, policy directives, memos, etc. People on the front lines use words like chaotic, stressful, overwhelming, and unsustainable, to describe their work environment.

This is not uncommon, and it is particularly seen in organizations as the result of emergencies like a pandemic. Mr. Jennings noted that once this downward migration starts it doesn't stop on its own. An organization needs to take proactive steps to make needed changes while continuing to serve customers and address federal and state goals.

Mr. Jennings showed a diagram of where we want to go with a culture of visionary leadership which values people and customer focused excellence along with a broad systems perspective:

- Front line customer facing employees can manage operations while also offering ideas for improvement.
- Directors and supervisors can support operations and focus on improvement.
- Senior leaders can spend most of their time on innovation and planning occasionally dipping down into operational areas to learn, coach, mentor, and express gratitude.

UTCIS found several significant strengths that provide a good foundation for future improvements.

The key point is that people in WFS and throughout the workforce system have a deep passion for serving their customers: their desire to improve the workforce development system is rooted in their passion to help job seekers and companies succeed. They noted that this passion came through every interview and the customer focus is strong. People across the agency in the system all want the workforce system to improve. They know things could

be better and they want to help make it better. The fear which they expressed to UTCIS numerous times is that they're so busy and feel so overwhelmed that nothing will change.

There are several opportunities for improvement that are rooted in fragmented work groups, philosophical differences between state and local entities, and the entities often function in silos. Other opportunities for improvement include unclear policy interpretations, sporadic process improvement efforts, metrics without appropriate context, and sometimes indigestible communications. The pay level is a significant problem throughout the system particularly at the local level.

There are a few key recommendations that will build on the strengths and address opportunities for improvement.

- The first overarching recommendation is to transform the culture and equip board members and senior leaders to lead into the future. That means developing and implementing an approach to board certification. (A draft outline of what this would look like was in our handout.) UTCIS wants to initially implement the board certification process with the state board and follow that up with pilots and one to two local boards. They would adjust as needed and then apply to other boards across the state. Certification would be modeled on the Baldrige Performance Excellence criteria modified to address our specific needs. It would address operational requirements, ethical behavior, onboarding, professional development, member evaluation, and other areas as the board deems appropriate.

A second initiative would be developing and implementing an ongoing leadership development program for current and future leaders. The program would include training and project-based learning in systems thinking, cultural change, leadership, and workforce programs and policy. The program would be initiated within Workforce Services before opening it up to leadership across the workforce system. Over time this would create a common language and common body of knowledge within the agency and across the system.

- A second overarching recommendation is to adopt and implement a systems perspective across workforce services in the larger work workforce system. The first thing to do is very basic but critically important and that is to define and reach a common understanding of key customer groups and work group responsibilities. They found in their interviews that there's not always agreement and clarity about who key Workforce Services customers are, so customer clarity must be achieved throughout the system before work processes can be defined followed by aligning customer responsibilities.
- A third overarching recommendation is to integrate a model for excellence in approaches for improvement in innovation via the new office of Workforce Strategies and Operations (WSO). UTCIS views the WSO that's being developed within the Workforce Services division as a performance excellence team that will move performance improvements forward. They envision a team that advances improvements through facilitation, collaboration, training, learning, piloting, modeling, and leading. It cannot be a command-and-control team that's preparing directives and adding one more thing on people's plates. WSO initiatives might include over time gradually facilitating the adoption of the Baldrige Framework for Excellence or a similar model. As Workforce Services implements these recommendations and unravels some of these complexities, we'll see people in teams who are currently reacting to problems gradually align and move in the same direction. The firefighting and reactive activities will increasingly reach the optimal stage of integration.

The Ernst & Young report has many good recommendations and some of the recommendations UTCIS made are similar to what was made a few years ago. As WFS takes steps to align and build greater trust across the system, UTCIS suggests the organization will be better able to implement some of those more transformative Ernst and Young recommendations.

UTCIS addressed the question of getting started, noting that what they are proposing is a long-term approach which involves developing people, prioritizing improvements, and implementing them in small manageable steps while also trying to serve our customers. Every performance excellence initiative needs early wins. UTCIS suggests starting with board certification and leadership development that will position the organization to define and improve key processes and develop onboarding and professional development programs. Focusing on these projects very hard over the next year with the goal of having them operational within the year will prepare the organization to adopt a performance excellence framework and prioritize additional improvements within three to four years.

Steve Playl: Some of these recommendations validate the work that we're already doing in WFS and across the agency. The intentional focus on training, the One Agency model that has already been implemented here has been in place now over the last several months that is helping to drive this training and development of our staff so we

can take that and work with our local board staff. We have additional trainings that are coming up. The large-scale convening last year and the regional convenings this fall are also in line with these findings.

Chairman Berry asked the board if they felt what was presented captured what they were hoping to get out of the evaluation or what they think might be missing.

Rick Isaacson: I would just like to commend the work product. You can really see the right focus and attention on the right things. The only thing I would think of is what the Commissioner just talked about: basically mission, vision, and purpose - and starting with that north star definition then defining the strategic initiatives which are right here. I think the board could add value by saying what are the top projects and who owns it. You define the top project as a management development course which is fine but what are the top projects. We call it in our business "one throat to choke" - one owner of each project because if you don't have accountability, time, dates, and objectives, things don't happen. This is beautiful work, but I think just a little bit of top-line development would be so productive here. We're seeing good progress, and this can just really align that progress and accelerate it.

Commissioner McCord: There's a lot of infrastructure already. For those who don't know, the state of Tennessee is not a civil service model anymore: it's performance management model...I also know that the state as a whole will do some of the work that your team's already done Steve. I commend you for being ahead of that curve. They'll probably have another wave of surveys for our folks to do but there's a lot of pieces there already and it's a matter of assembly and I agree with the ownership piece, the "one throat to choke". Thank you for the work, Paul.

Cherrell Campbell-Street: This is phenomenal and kudos. What's interesting is Kevin [Wright] and I are over here having this sidebar conversation because you can really overlay this with a lot of the work that is going on in the Department of Human Services. As Commissioner mentioned we serve two million plus Tennesseans each year through our department, and we have a little over 4,000 people. If you don't get the culture right for those people those services will not be right. I just love how we are looking at this but really when you sit here at a different department and see this, it tells me that this could probably be a State of Tennessee model that we need to look at because if our department - which is I think the second or the third largest - can see ourselves in this, I bet you other state departments as well will see themselves. Maybe this is more of a collective impact study in which we look at state employees and the leadership training. All these things are happening in siloed pockets I believe, but to me it just seems like this is a bigger discussion about state government community and it's definitely about the attraction of new people and the sustainability and retention of those that are here. This is no longer the employer of choice for a lot of people, and we have got to be strategic and agile and look at things differently. I just wanted to say thank you and it's like I'm looking in the mirror.

Steve Playl: A lot of this study was WFS division-heavy: we had to start somewhere, and we do have to have an owner of this work. We do have to have somebody who can take this banner and run forward with it. Workforce Services as a division is focusing on that to be kind of a pilot potentially for the rest of our agency and then maybe ultimately for other agencies across state governments. But we've got to start somewhere: we've got to move as a workforce system so just as an addition to that comment I agree with you.

Chairman Berry: I think my question is always about how we take recommendations to action, and it sounds like your team is already ahead of the game on some of those specific tasks, but it would be nice to say everything we're framing up as a task has one of these recommendation goals in mind. Even at the convening, using these recommendations as an outline for an agenda.

Steve Playl: Absolutely: the major theme of the upcoming convenings is alignment: one of the recommendations was talking about common definitions and understanding a common foundation and understanding around alignment of the system overall. Multiple agencies are engaged in the system, multiple partners and local areas, and the partnerships they have at the local level. Alignment is critical.

AC Playl suggested bringing a formalized draft of the certification to the board in November to get thoughts and feedback on it. Chairman Berry thanked AC Playl for the supplement in the pre-read

materials, and absolutely agreed that if one of the next steps is certification, the board should see what that might look like.

Chairman Berry: It seems like alignment has been a common theme but because there are so many agencies, it's hard to then decide who really owns it. I think we need to be diligent about not just talking about it but actually getting there and then accountability for that alignment is where we need to finalize.

Steve Playl: I would say to the board that I think that is part of your role as a board is to serve as that master convener of what that alignment looks like across our state agencies, across our different partners, and across the local workforce boards. I think setting those expectations is a great opportunity for the board.

Chairman Berry: I would challenge this board then to say as we call for that alignment and we see everybody on board with that then we use the metrics that we put toward this. If we see that anybody's out of that alignment, or if each of the agencies will be honest enough with the board to say that they're all in agreement but have one that's not participating very well or one that doesn't seem to be doing their share of the work then they can come to us and we can hold that team accountable to make sure everybody's on the same page.

AC Playl noted the regional convenings as follows:

- West Tennessee Grand Region (Northwest, Southwest, and Greater Memphis)
October 5-6 at Pickwick Landing State Park
- Middle Tennessee Grand Region (Northern Middle, Southern Middle, and Upper Cumberland)
October 12-13 at Montgomery Bell State Park
- East Tennessee Grand Region (Northeast, Southeast, and East)
November 8-9 at the Knoxville Convention Center

Additional Observation:

Commissioner McCord referenced Ford's Blue Oval City in West TN and noted that their major concern was workforce development. Multiple TN state agencies put together an in-region team to work on the workforce development piece. Heath McMillian will lead that workforce development effort in conjunction with multiple agencies. When the Blue Oval City TCAT is constructed, he will assume the role as the president of that TCAT. The board welcomed Mr. McMillian to the meeting.

Project R.E.A.P. and APDS – Reducing Recidivism through Employment

Adam Henderson, Vice President of Sales, APDS

Mott Middleton, Chief Revenue Officer, APDS

APDS has been working with the state of Tennessee through the TDLWD Adult Education Division and the Office of Re-entry on Project REAP. APDS is a certified B Corporation so everything they do is tied back to a social mission of ending the revolving door of corrections through a career pathway to employment post release. They do this at no charge to justice-impacted individuals: it's all grant or state jurisdiction funded to help individuals through education, rehabilitative content, and job skills. Helping individuals once they're released from incarceration is a way to affect generational change in a state.

APDS started three jail pilots in 2020 in Grundy, Gibson, and Blount counties focusing on these areas. They expanded to 17 more counties through the Office of Criminal Justice programming grants and they're working with TDLWD to go statewide. The content for this project is provided through a secure tablet that only allows participants to this programming which includes:

- Virtual classroom – A class could be taught in any facility across the state
- Virtual interviews – Industry would be able to interview people and conditionally hire them to shorten that length of unemployment and grow the participation rate within the state
- Learning Management System - Pre-employment work or pre-apprenticeship work can be loaded into their platform as trackable information so the Office of Re-entry or Adult Education will be able to track progress.

One of the key things that differentiates APDS from a lot of other platforms in this industry is their data analytics: they're able to show at a state level at any time the number of students who are engaged, what they're engaged in,

and how they are working through all the different programs. They are working with AE to see things geographically throughout the state and then down to the individual participant.

Messaging to encourage students is available, and students can also see their transcripts just like post-secondary students.

Regarding the tablet, platform, and programming roll-out, APDS plans to start in West TN followed by East TN and then Middle TN. This is the first program like this in the nation: Ms. LaToya Newson and Mr. Henderson have coined the phrase "Jail to Employment Pipeline" and it is the first one that they know of in this country. It is an incredible program and Tennessee is a national leader in pulling the resources together for this population.

APDS has the education piece and the reentry piece of this project: they want to work with the SWDB to engage industry, including the local workforce boards and employers, to market this technology/program on a state level.

Commissioner McCord: Why is Tennessee the first? What is it about Tennessee that makes us the first to do this?

Adam Henderson: It's a great question...Tennessee's unique in one aspect: Labor handles all the education in the jail settings. Having a one state department to oversee it is key. You're also the first in the nation to have an Office of Reentry under Labor which is huge. Having those two pieces is key but also being able to work with a department that knows industry - what the job market's going to look like three five years from now and when people are going to be released - we can plan the programming and the pathway accordingly. I think that's really the special sauce: nobody has thought of it or looked at it that way.

Kevin Wright: One of the things that we are doing in the vocational rehabilitation program is trying to be more involved with those that are justice-involved. Have you all been looking at resources for those with disabilities so when they move in front of the wire they have opportunities and know where they are, particularly around employment? I'd like to have more conversation about that so what are the ways that we can connect?

Adam Henderson: Using technology there are ways to help individuals that may have special needs or disabilities. There are limits to what a tablet can do, but we do have the speech detects and screen readers - those types of things.

Mott Middleton: Speech-to-text is also an option but more importantly than that is identifying the jobs that are available to that population pre-release and working with the agency to build a course plan to identify individuals who need those jobs in the future to really hone in and provide a targeted approach.

J. Paul Jackson: We're expanding to all of the jails across the state of Tennessee. What about the penitentiaries - our state prisons?

Mott Middleton: We're not there yet. We started with the jails and let's prove efficacy and dive deep into the data and ensure that this program is driving the results that benefit the citizens of Tennessee before we take it further.

Commissioner McCord: Actually, the jails are the tougher because you're dealing with 95 county sheriffs so to take on that first is impressive. I think the conversation with DOC [can happen] after some success at the jail level. I would make the case that typically jails are underserved educationally so the need is greater...

Rick Isaacson: This is just screams prison ministry. If I wanted to scale that, even in Tennessee, so many of your jail ministries and prison ministries - those pastors and ministers - have people that are wanting to make a change...those that have engaged with that ministry would absolutely love this tool to give them hope and help. I think you have it.

Commissioner McCord asked TDLWD Adult Education Assistant Administrator LaToya Newson to respond.

LaToya Newson: We have had a meeting with Dr. Monte Burks to engage the faith-based community as a part of this and integrate them with the tablet resources. We had meeting last week to engage with the organizations that are in West TN because again we want to make sure that the success pipeline and training and education is provided but we need a support system outside of the facility. A lot of that already is happening so we're not going to reinvent the wheel: we're going to further engage and build that network of success. Dr. Monte Burks is helping us spearhead that piece of it so we can integrate that programming on the tablets as well.

Jason Bates: Thank you for your presentation it's very informative and it seems like it's the beginning stages of some great success. There's a lot of focus on those employment soft skills which I think is absolutely essential, but I guess the next question would be is there a phase to get into more of the technical skills. When an individual has completed their soft skill training, are there opportunities for them to get more of the technical skills that are really applicable for the jobs that are available?

Mott Middleton: Absolutely and we have a pilot that is currently running in DC jails where we had our first cohort sit for the Amazon Web Service certificates yesterday. We are pleased to report that we had 18 individuals who are now certified as Amazon Web Service practitioners. We are connecting with industries like Cisco, Amazon and other nationwide providers that will lift individuals into living wage jobs and expand their horizon for career paths. We are very interested in continuing to expand on the tech side because we see that as a growth area.

Jason Bates: I guess I'm thinking coming from manufacturing opportunities for more of the traditional manufacturing type of work: tool and die, additive manufacturing, things of that nature.

Adam Henderson: We do have some of those certification programs built into the platform already. They're not part of the base programming that Tennessee's looking at purchasing, but individual jurisdictions – like Gibson County for example - that local facility would be able to add that content because that's a path to employment [in their area].

Jason Bates: I appreciate that, and I think the important thing there is getting those local jails to look at their community where potentially these inmates are going once they are released, understanding what the industry needs are, and then utilizing that technology to help them with appropriate technical skills as well. So, thank you.

Adam Henderson: You're welcome and that's why we wanted to meet at the state level so we can formalize these conversations and push them down to the local workforce boards regionally.

E.L. Morton: How's it working in Claiborne County with their jail population? Do you have a set number of tablets that the sheriff inventories and keeps control of? Who's forecasting the job availabilities in the local market?

Adam Henderson: They were part of the Criminal Justice Programming Grant and I think we were just waiting on some infrastructure build. TDLWD set the number of tablets and Adult Education is going through the assessments and assigning the appropriate education programming. The Office of Reentry and Adult Ed are looking at the workforce skills and then we have a strategic account manager that will be engaging the sheriff's office about employment opportunities and then we'll start reaching out to local employers and having those conversations to bring them into the platform.

LaToya Newson: Also, we have a specific meeting with those stakeholders in Claiborne County next week because the sheriff did reach out and the Adult Education partner is in place there as well. What we're looking at right now is a three-to-one ratio with the number of tablets that are going to facilities, but we also had the Office of Re-entry conduct surveys and Claiborne jumped on immediately. The Adult Education piece is definitely going to be that door opener so we can ensure that information is in our Jobs4TN system so we can track long-term outcomes.

Jason Schmitt: How many participants are there currently in the pilot and how many would you say are active let's say taking more than one course?

LaToya Newson: Currently out of the pilot cohort that we had - and these were facilities that when COVID hit the doors were completely shut down to programs and we lost 64 percent of our corrections enrollment across the state - we had 124 individuals that were engaged and did over 800,000 minutes of programming across those four county programs. I want to highlight specifically Gibson County and Blount County: we have had individuals from start to finish that went through the Adult Education program and have graduated with their high school equivalency diplomas. We're currently working with those individuals in that transition phase to make sure that once they are released, they go into sustainable employment. We have seen that model turn things around where a lot of the sheriffs initially saw the tablet as a toy but we're helping them to reframe that - to say if we're going to have jails in Tennessee that are housing individuals, this is no longer three hots and a cot: we're going to give you skills so you can't come back to these facilities. It again creates that generational change: if you are at home, you are providing tax revenue for your area, you are also helping your K-12 students because they are not stressed out because mommy or daddy is not there, and you are a staple and a steeple in a community where you can go back and pull other individuals that are on the pathway there to help them turn it around. We are stressing that this is the generational approach.

Commissioner McCord: So, you've also just witnessed why Tennessee is one of the very first in the nation right there.

Chairman Berry: Sneaking ahead to Ivan's presentation later, we're looking at the KPIs that were included in our packet and the number one performing program is justice-involved individuals. Our goal was 1,700 enrollments: we had 4,200. How much of that can you attribute to this program?

LaToya Newson: I don't know that number specifically, but I want to give credit to Dr. Arnold and his team as well: the awareness level has definitely increased. I think we were expecting people to come to us and self-identify. We have been very intentional about going to the community and engaging them... I'm so glad that our Governor got behind us and has supported us - and our Commissioner as well.

Tony Niknejad: One note and one question. The note of just encouragement to continue exploring the potential for application in our state facilities. We've had some great integration with TBR programs and industry certifications that we're continuing to see progress on, and I think in line with that Amazon pilot in DC I think there may be some opportunities down the road. Have we had any surprises or are we far enough along to get a sense of what industry sectors are engaging more than others? Are there any opportunities for us to promote this among other industries that maybe are not as interested in this population?

LaToya Newson: One of the surprises that we've definitely seen is the construction industry: they really want to engage more with individuals that are justice-involved but one of the concerns is definitely being released and going into low-wage positions. We want to make sure we create a vetting process where individuals can have sustainable living wages. If we don't meet that immediate need, individuals are highly likely to recidivate. We've been in conversation with TBR and THEI with some opportunities that are there. We're definitely looking at those short-term credentials because the jail population a lot of times moves quickly, and we want to make sure that we are giving them short-term credentials that will lead them on to success.

Tony Niknejad: I think that's really clarifying and encouraging because I think in these types of programs it would be very natural for us as an organization to say, "there's a job - let's just get you in the job". Even though it might hurt or reduce some of our short-term metrics I think it puts the long-term mission in better focus to say we're going to apply a little bit of scrutiny to the type of jobs that we're connecting these individuals with.

LaToya Newson: Absolutely and we really want to highlight those employers that are felon-friendly and recovery-friendly to make sure they're trauma-informed and we build that network of success that is long-term... It's helping us to grow our leadership capacity as well: reintegration specialists that are going to help with that work under the Adult Education umbrella to help build those partnership and engage the American Job Centers. We are really using this product as a workforce system tool - not just an Adult Ed tool, not just a Workforce Services tool - but how do we engage the entire system to really impact that labor force participation rate in a population that was overlooked for a very long time.

Rick Isaacson: What happens once they step out to that job? Can they still access the content to stay engaged?

Adam Henderson: Yes: by having that state ID number as a universal identifier, once released they'll be able to go to the Job Centers and pick up where they left off...

LaToya Newson: We can also track where they are so they can get in-person services as well...

E.L. Morton: These folks sound like they're coming out work-ready, but many of them should still be Tennessee Reconnect eligible I would think. Is there a way for them to continue the online participation for further certifications?

LaToya Newson: We were actually part of a POC that is engaging all of that: Jessica Gibson was a part of that conversation so we're building that out under that learning community group. We're kind of newly integrated into that because Tennessee is unique since we're making the jails our focus.

Chairman Berry thanked LaToya Newson for the detail and being such a champion for these residents of our state. He also thanked APDS for the great tools to make that happen.

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

Ivan Greenfield gave the fiscal update under the following general headings:

[Fiscal Review for PY21/FY22 - Overall Funding and Expenditures](#)

Looking at our numbers for fourth quarter ending FY22 for funding that was authorized for our partner programs of Workforce Services, Adult Education and Vocational Rehabilitation, total funding authorized of about \$170 million juxtaposed to about \$160 million in expenditures. When we look at our year-over-year review we see a declination of about \$17 million in authorized funding that's mainly attributable to emergency assistance that we received associated with COVID 19.

Workforce Services

Looking at Workforce Services specifically, there was about \$89 million last year in authorized funding versus \$79 million in expenditures. The declination of funding for year over year represented basically two initiatives - that \$24 million and it's been dropped down to really just some state funding and a National Dislocated Worker grant of about \$500,000. That's the continuing theme that we're hearing as far as declination of funding. Some impacts on the service delivery model were later in the presentation.

Looking at participants enrolled, [this information is] presented as a rolling four quarters: we saw the dip in the two middle quarters attributable to people exiting, but overall, we had 13,274 served in our Title I WIOA programs for last year.

Adult Education

AE basically had about \$13.9 million. They spent about a million less and served about 10,360, a little bit down from last year but overall, the numbers are kind of flat: their authorization and the funding that was expended program year over program year.

Vocational Rehabilitation

When you look at their authorized funding, you're just basically looking at what was reimbursed in that period so that's why the \$67 million is an equivalent of authorized funding to what was expended. They end up with about 11,286 enrollments and cost per participant of just over \$5,900.

Key Performance Indicators

Federal - State Comparison - State by Program

In our federal measures we have basically 18 measures for our WIOA programs. Of those 18, 15 of those were associated with our Adult/Dislocated Worker/Youth, and we had passing or we met or exceeded our target goals. Three of those measures are associated with our Title III program or Wagner-Peyser and we had one measure that was below target. The target was 70 percent, and the actual was 59.7 percent. That's really attributable to that cohort being in the height of COVID so a lot of those numbers were kind of down or low because of that. (The tables/attachments in the back of the Fiscal PowerPoint show those results: the targets and the measures.)

In the overall national comparison, we have 14 of the 18 measures in the third quartile or higher: the fourth quartile being the highest and the first quartile being the lowest. Nine of those 14 measures were in that fourth quartile or at the highest level across the nation in those federal measures. (These measures were also identified in the attachment in the back of the PowerPoint.)

For state-specific KPIs, there are twelve:

- Nine of them were at the 71 percent of target or higher. We use an achievement ranking of zero to five to identify where the various programs are, and that would be a three of five.
- Three of the twelve are below that 71 percent, and of those three, two are tied to co-enrollments which have historically been low. They're starting to rebound but that's why we see some of them that are not meeting the total.

For anything that's below that third achievement ranking, WFS goes out to provide technical assistance with the local boards to see if there are any issues in the way services are delivered. (The actual rankings and other things were in the attachment at the end.)

Challenges

- Declining funding levels - When we look at year 2016, our WIOA programs received allocations of \$60.4 million. In this upcoming 2023, that number has declined to \$43 million, a 28 percent dip. We're seeing some impact in the way that our service delivery is occurring in that we're seeing requests for AJC closures,

specialized centers, and access points because of the declining funding. Also, people just aren't coming into the AJCs in person.

- Emphasis on Labor Force Participation Rate (LFPR) – Our goal is 65 percent by 2025. We are working alongside our partner agencies to develop measures that help us to achieve this goal.

Opportunities

- Systems Integration - Implemented Smart Simple for our Workforce Services program and working to implement it for Adult Education. We've recently combined our fiscal reporting functions for both programs so that'll consolidate reporting and create efficiencies in our reporting.
- APDS Tablets - The tablets program as really a tool that we can use to help move that LFPR needle in a big way. It's been a great investment as we've watched the third phase in this effort for the state.

Commissioner McCord: It doesn't make any practical sense during a labor shortage to start cutting funding to labor and workforce development so there's obviously a misalignment of the federal metrics. If I'm correct just at a high level, most of the funding that comes into the public workforce development system is based on economic metrics. The economy's humming along so we are talking to our federal delegation about this misalignment of metrics. To be fair, it's new – fairly new anyway, but it's just going to be something that we're going to have to navigate through and overcome for the next little while.

Ivan Greenfield: Great point Commissioner. Those are definitely aligned to unemployment so as unemployment numbers go down our funding goes down. Also, some livable wages income data is tied to our funding so as our economy improves federal funding goes down.

Marshall Graves: Ivan, I've been requesting this data related to how we perform against other states so I appreciate that. I think if we're going to be the best workforce system in the nation, we have to know how we compare to other states. I wonder if there's a way maybe in the future to actually look at some of these areas where we're in the lower quartiles and do some analysis on that. Is there some way to map that to labor force? There are some areas where we're not performing based on what you've shown me this time and last time. If we're going to pursue this vision that the Governor has, it seems like starting where we're not performing is the place maybe to start. I wonder if there's a way to do some analysis on that. I talked to you about this before: some of it is how we report, some of it is the way we actually operate. Those things may be easy to fix but there may be some other things that would be really interesting to know.

Commissioner McCord: I think that's a very good point, but I would go back one step further. We just talked about misalignment of metrics so maybe we don't want to be the best in this particular metric. Does the metric make sense for Tennessee?... I know nobody's okay with being last but if it doesn't make sense, you're okay with not being in the top performance. I think those two exercise steps would be a very good thing to do.

Marshall Graves: That's great insight - I appreciate that very much because if there's something we don't want to chase then let's not chase it, but it would be really interesting to understand where we are low - identify them specifically - and then if there's this kind of color to be put on it, then it would be nice to know what that is.

Chairman Berry: I'll add to that: one of the things we were talking about in the Oversight Committee is the ones at the bottom with the least performance, notice how few people that impacts. We as a board might be saying if we're not performing and we're only impacting less than 500 people across the whole state, why are we even spending any energy on it. Let's take that investment and put it into the other ones that are over performing to keep doing well what we're doing well. Not that those residents aren't important - I don't want people to get the wrong idea – but if we can impact more people by putting funds where it's working then let's do that.

Ivan Greenfield: And to your point Marshall, you saw that first or lowest quartile there is associated with that second quarter entered employment rate that we said was down because of the cohort that it was looking at. Everything else is in that third quartile or above.

Jason Schmitt: I actually wanted to ask one question that Rick asked in the Oversight Committee and I wanted to ask for this group. I saw a cost per participant in a couple of them. Is there a way for us to get a standardized view of cost per participant for the different services involved so we can look at relative ROI?

Ivan Greenfield: Absolutely.

Closing Remarks and Adjourn

Chairman Berry reminded the board that the next meeting is Friday November 4. Hopefully board members can attend one of the convenings Steve Playl mentioned if one is near our area. There will be an orientation scheduled for new members before the end of the year to hear a little bit more about the vision of this board and where we're trying to go.

After no further questions, the meeting adjourned at 12:03p.

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

11/04/22
Date