



# State of Tennessee

## State Workforce Development Board Meeting

### MEETING MINUTES

Friday August 27, 2021 - 10:00 AM – 11:26 AM CDT

#### Board Members Present

Martha Axford (East)	Rick Isaacson
	J. Paul Jackson
	Assistant Commissioner Mandy Johnson
Assistant Commissioner Jay Baker	Commissioner Jeff McCord
Jason Bates	Vonda McDaniel
Tim Berry	Mayor E.L. Morton
Proxy Sarah Noel for State Representative Clark Boyd	Designee: Policy Director Tony Niknejad for Governor Bill Lee
Rhonnie Brewer	Greg Persinger
Mayor Kevin Brooks	Stuart Price
	Barry Ray
	Designee: Director Ann Thompson for Commissioner Bob Rolfe
Michelle Falcon	Designee: Chief of Programs Jean Luna for Commissioner Penny Schwinn
Bill Godwin	Kyle Spurgeon
Marshall Graves (Southeast)	Jeff Vance
	Kevin Vaughn
	Ruste Via
Christine Hopkins (Southern Middle)	Ron Wade (Greater Memphis)

#### Board Members Present by Proxy

Ann Hatcher – Proxy Rhonnie Brewer  
Deputy Commissioner Cherrell Campbell-  
Street for Commissioner Clarence Carter  
– Proxy Anne Havard

#### Members Absent

Proxy Brandy Foust for  
State Senator Paul  
Bailey  
Jonathan Cantrell  
Ben Ferguson

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

### Opening Remarks by Governor Bill Lee

Governor Lee gave opening remarks to the board after being introduced by Chairman Berry. The Governor welcomed and thanked the board for enhancing the ability for Tennesseans to find opportunity all across our state. After thanking Commissioner McCord for joining the team and for the incredible job he is doing, Governor Lee also acknowledged that the state's success is only possible when the citizenry is engaged in the efforts. He noted that government can only create an environment: the greatest problems we have are solved by the people who engage in

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the work. One of the most important things we can do in this state is provide opportunity and provide security and provide freedom, but opportunity comes when we work to ensure people are skilled and ready and that we have an environment that creates jobs across Tennessee for every sector of our citizenry.

Governor Lee shared the good news that our most recent unemployment numbers have gone down by two tenths of a point: we're at 4.7 percent in the state which was a drop in 94 out of 95 counties. He referenced his history of working with skilled tradespeople and of understanding the need to develop workforce. In his role of recruiting companies to Tennessee, he's seen even more how important this is because the number one question companies ask him is how he is going to help them develop the workforce they need if they make the decision to move our state.

Some examples of this commitment to workforce development include the GIVE Act, which has been doubled down and tripled down: \$25 million more in Give Act grants. There is \$100 million in this year's budget for the removal of the wait list at Colleges of Applied Technology, our apprenticeship program is expanding the numbers of apprentice students and apprenticeships that we have all across the state, and we are rapidly expanding our STEM education through the Workforce Initiatives Program. We have one of the fastest growing economies, there are more people moving here than most any state in the country, and there is a lineup of companies that are considering moving into our state because of the work this board is doing to create strategy for us as a state.

Governor Lee mentioned some real challenges we are facing right now. We're in one of the worst surges of COVID of any state in the country. The Delta variant moved its way through the south: it's here, it's significant, and we're addressing it every single day. Our hospitals are strained which is why he issued an Executive Order to provide them flexibility and funding as our health providers offer treatment to Tennesseans and do the things that we can to mitigate the spread of the virus. Protecting lives is a part of what we do and protecting livelihoods is a part of what we do as well. His office has focused on creating a business-friendly environment from the way we spent our CARES money and kept our unemployment trust fund up at \$1 billion so companies didn't have to pay additional premiums for unemployment insurance all the way down to pushing money out directly to employers that were hurt through the pandemic because of temporary shutdowns. Governor Lee noted that he is a businessman who believes one of the most important things we can do is create an environment for businesses to thrive so jobs can be created and lives can be changed.

There are great days ahead for this state. Governor Lee believes that although we're in the middle of a real crisis right now, God is a redeemer and He takes the hardest things in a nation's life or a state's life or a community's life and He uses them for good. Tennesseans step up and they persevere, navigate through the hardest things, and work together to do what needs to be done. Economically we've got some really good things coming that he is hopeful and excited about as we continue the work. Governor Lee thanked us for our work on the board and in the communities, noting that what happens at the Capitol is fine but what happens in the communities is where Tennessee is transformed.

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### [Call to Order and Welcome](#)

Chairman Berry thanked Governor Lee, welcomed everyone, and recognized Governor Lee's remarks as our call to order. After addressing some protocol reminders, Chairman Berry thanked the board members who attended last week's WFS Convening in Nashville as well as those organizers who made it happen. Ann Hatcher introduced her intern, Ms. Linh Nguyen from Vanderbilt University. Chairman Berry also recognized an upcoming birthday for board member Christine Hopkins.

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### [Roll Call](#)

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

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### [Approval of Minutes \(vote required\)](#)

Chairman Berry requested a motion to approve the June 18, 2021 minutes. It was appropriately moved and seconded to approve the minutes as presented. The motion passed.

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

Commissioner McCord noted the tremendous opportunity before the department amid a renewed pandemic. He held a statewide discussion with employers about what TDLWD and the state are doing strategically regarding action items and prioritizing outcomes. He received some great feedback and some honest conversation about what the

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department and state need to do to address the demographic battle, the labor force participation battle, and skills gap battle we are facing. Commissioner McCord mentioned the excitement at the WFS Convening around connecting populations as a supply chain to current demand and business need. The department is pursuing their purpose of driving individual prosperity which drives community prosperity through employment. Over the last 1½ years Commissioner McCord has had the opportunity to spend a lot of time with the Governor and the work that's going on here is both a practical and heartfelt initiative for the Governor.

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

Mr. Felts began his remarks by noting that - in his opinion and to Governor Lee's point - after the health field this is probably the most important convening in the state because of the issues Commissioner McCord mentioned. We really need to get Tennesseans back in the workforce. Mr. Felts gave one statistic that he thinks says a lot about the unemployment insurance program over the last 18 months: normally in an 18-month period his program would pay out roughly \$200-300 million in benefits to Tennesseans. In the last 18 months alone, the UI program has paid out in excess of \$8 billion to Tennesseans who were eligible for regular state unemployment and the federal programs. This says a lot about how much his division has done, how much they've accomplished, and the part that this board has played in supporting UI. Now that the federal benefits are over, we're trending downward in a lot of ways but UI still has some big tasks ahead of them and could use our help.

One of those areas we've heard for the last 18 months is fraud. This is not just identity theft: the biggest part of overpayments and unemployment insurance come from unreported separations and wages. UI will be extremely busy over the coming months and probably years running cross matches against their records and employers to find missing wages and separations that weren't reported. They can use our help as we deal with employers to help them report job refusals and failures to return to work. To Commissioner McCord's point we do have a shortage of labor workforce so they're current on investigating those right now. There's been a lot of benefits that stopped that people should not be collecting because employers need them.

Now that the federal programs are over, UI is working their way out of the backlog and are now tasked again with trying to help the DUA [Disaster Unemployment Assistance] program that was just approved. Tennesseans had no way to know last Saturday when they woke up that they would need the department's help. Governor Lee requested and President Biden approved the fastest DUA declaration that Mr. Felts has ever seen. UI has already it set up in their system. Those who have anything to do with the four counties [that flooded] should not hesitate to reach out to him and his Administrative Assistant JaVaria Bradley to assist those employers and claimants with the fastest help they can.

Mr. Felts noted that this group has supported UI in so many ways in the last 1½ years. Despite what they have in front of them, UI will play as big a role as the board will allow and as big a role as they can in helping get Tennesseans back in the workforce.

Mr. Felts noted that DUA is only used in the case of a natural disaster such as a flood, tornado, earthquake, etc. but it's the equivalent of the Pandemic Unemployment Assistance (PUA) in that they pay benefits to people who are not normally eligible for state unemployment.

**Marshall Graves:** Do you have any way to predict the increase over the last 18 months and funds that you've paid out - do you have any way to predict what that's going to look like over the next six months? Is that number going to come down dramatically back to the historic levels or is it going to stay at these unprecedented levels.

**Mr. Felts:** It's already coming down drastically when we ended the federal programs. Obviously paying the extra \$600, the extra \$300, and paying people you don't normally pay DUA is one thing. Oftentimes we'll see our numbers rise with the disaster but nothing to the equivalent of the pandemic. But no sir, I don't have any way to predict that what we'll pay. I might have been able to if last Saturday had not happened because now you're going to throw DUA in there, but it is coming down drastically.

**Commissioner McCord:** So if I may, benefits paid out are coming down drastically, people making claims as initial claims are getting close to what they were pre pandemic, and phone volume is down drastically. We're not taking 106,000 calls a day anymore: it's down to a couple thousand. Everything is more than trending down; it's dropping off a cliff going down.

**Mr. Felts:** All good signs.

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### [Video Presentation - Motlow State Community College \(MSCC\)](#)

A video about Motlow State Community College (MSCC) was presented that included remarks by MSCC President Dr.

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Michael Torrence. It was the first in a series of videos that will highlight partnerships with the Tennessee Board of Regents and other workforce partners. The video highlighted MSCC as a workforce training facility where students can learn a new-collar trade for a new skills economy. Anything is possible in the state of Tennessee when you have facilities like this that are static around a small-town rural areas. Motlow State's Automation and Robotics Training Center sits in McMinnville (Warren County) a city of just about 14,000 residents. It's a lot easier today for someone to actually gain the skills that they need right where they are in small-town rural areas and then farm out their ability and skill sets to be a contractor or working with a major employer that's in a metropolitan area. Nationally recognized industry trainers for the world's leading robotics manufacturers teach students who currently work in the field or plan to make this a career. It's an education that can happen here in McMinnville or with this type of technology anywhere in the world. The economy has changed. The skills economy is a real thing, and the value-add of people being able to do these things on their own from their phones - anytime, on demand learning - it's going to be a way into which we leverage what we already have. This state-of-the-art facility isn't just an educational jewel in rural Tennessee, it's also an industry recruitment tool. We're not only seeking to retain what we already have here in the state of Tennessee for business and industry but we're also looking to recruit and evolve. When industry leaders learn what Motlow State has to offer and the workforce the school can train, they can clearly see what's possible in Tennessee. We have blue collar work ethic and now we're picking up the skill sets associated with this new skills economy and that's one heck of a combination.

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## Committee Updates

### Oversight Committee – Presented by Vice Chair Rhonnie Brewer

The Oversight Committee had a lively and informative presentation by Ben [Passino] going over KPIs and how those KPIs are addressed. The committee did have a small amount of concern: still just want to make sure that we are in alignment with all the goals that the Governor has set and make sure that our KPIs are reflective of that, however it was a very successful conversation and the committee walked away with a better understanding. They voted to bring one policy to the board today: Sanctions for Failure to Meet Federal and State Standards. This is not a new policy: it has expired. Chairman Berry clarified that there were no changes to the policy so it is just being reinstated for another two years for now.

Chairman Berry called for a motion to accept the Sanctions for Failure to Meet Federal and State Standards Policy as presented. It was moved by Rhonnie Brewer and seconded by Mayor EL Morton. Chairman Berry asked for discussion and seeing none, he called for the vote to continue the policy for its next term. The motion passed.

### Operations Committee – Presented by Chair Stuart Price

The Operations Committee received presentations from three work groups: Job Seeker, Business Services, and Apprenticeship & Work-Based Learning. They also took a policy under consideration.

Workgroup presentations:

Job Seeker Workgroup - The presentation material the board received details the progress of this workgroup on five major milestones. Anne Havard's presentation focused on childcare and building partnerships around establishing childcare options for our workforce. This is a hurdle that is present in a lot of the career pathways efforts so they are working in creative ways to establish and co-locate childcare. They are also working to streamline services across all agencies to present childcare across the state particularly in areas that are that are very much underserved.

Business Service Workgroup – The committee received an update from Tyra Copas. This workgroup has established an advisory committee and there are conversations around goals and expectations with each member. The advisory committee's initial meeting is September 3. They're currently working to identify challenges, roadblocks, and possible solutions. Three challenges have been identified: not enough workers to meet employer demand, a benefits cliff (in terms of childcare, transportation, food, clothing costs), and the labor force participation rate. The committee had a lot of discussion with a lot of input from board members just giving firsthand experience around the challenges and the stresses this is putting on our economy. We're very pleased and excited to hear the work they're doing. Regarding their next steps, the Employer Advisory Committee and Business Services Workgroup will be identifying possible solutions to address these challenges.

Apprenticeship/Work-Based Learning Workgroup – Tyra Copas and Matthew Spinella reported that they've had a productive third quarter. They discussed progress towards their overarching goals of increasing participation rates statewide. Currently there are 7,143 active apprentices which is an update to the material that's in our packet because the number is increasing daily. It's at an all-time high and work-based learning enrollment increased by

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almost 1,900 students in the 2021 school year which equates to a 9.7 percent increase. The team is ahead of schedule with its milestones as well with 25 new apprenticeship sponsors, 11 Tennessee certified pre-apprenticeships and approximately 20 percent growth in the number of apprenticeship completers since January. Very exciting news from that group as well. The pre-apprenticeship program is very important to the industries in our state.

Anne Havard also gave the committee an abbreviated version of the TANF legislative update.

The committee also had a policy vote on the Common Exit Policy which is intended to provide guidance on how and when to exit participants that enrolled in the Adult, Dislocated Worker, Youth, Wagner-Peyser, and Trade Adjustment Act programs. A common exit occurs when a participant, enrolled in multiple partner programs, has not received services from any DOL-administered program in which the participant is enrolled, to which the common exit policy applies, for at least 90 days, and no future services are planned. It specifically addresses Adult, Dislocated Worker and Youth Activities, Wagner-Peyser Employment Service programs, Trade Adjustment Act / Trade and Globalization Adjustment Act, and Jobs for Veterans State Grants. The committee also had some discussion around the scope. In the statement we include a broad list of agencies when in fact the policy is addressing four specific areas. It was good discussion and the committee got some good answers on why we do that: fundamentally it boils down to it's better to have too many than to not include one so we have generally a standard scope presentation for that portion of the policies.

The committee voted to forward the policy to the board for approval as it is written.

**Marshall Graves:** My question is just operational. When you look at the policy there's a 30-day call and a five-day call. Do we actually have systems in place to track that and manage that?

**Steve Playl:** Good question: yes we do have systems in place to do that from our local level at our AJCs; our AJC staff and others who are engaged in those programs.

Chairman Berry called for a motion to accept the Common Exit Policy as presented. It was moved by Jason Bates and seconded by Michelle Falcon. After no further discussion he called for the vote. The policy was approved.

#### Innovation Committee – Presented by Chair Kevin Vaughn

Data and Performance Workgroup - The Innovation Committee had a presentation from Ryan Allen. He discussed some KPIs from June to present as well as their goals and objectives. Some of their current projects are P20 Connect, SAS Visualizations, Proactive Communications, and the Coleridge Initiative. Some of their upcoming projects are Dun and Bradstreet which will evaluate some of our software and Apprenticeship Data.

Teresa Smith presented some of the special projects the workgroup has undertaken including analysis of the labor force participation rate. Their main focus right now is the non-working workforce and those who comprise this group. Mr. [Kshitiz] Rastogi let the committee know how they could access the dashboard and how it works, including comparing two counties. The last presentation was by Northwest LWDA representatives Jennifer [Bane] and Kristie [Bennett] regarding their reentry manufacturing program and a new registered apprenticeship program. The also discussed the goals and mission of the Orchard House Project.

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#### TANF Opportunity Act Overview – Anne Havard, Senior Policy Advisor - Office of the Commissioner - TN Department of Human Services

Ms. Havard presented some of the details regarding the implementation of the TANF Opportunity Act which was recently signed into law this past summer. She began by discussing the flaws of the safety net system and explaining how they arrived at the Act. She then explained some of the components of the Act that are specifically about funding opportunities for communities across Tennessee to focus on growing the capacity of families and ultimately reducing their dependency on public supports.

Ms. Havard displayed a map of the 80-plus federal programs that spend over 1 trillion dollars every year, noting that there's a lot to navigate as a practitioner, as a policy maker and obviously as a job seeker. Unfortunately, these programs are government-centric and lack a shared vision. They are also program-centric vs. person-centric and transactional vs. relational. Programs tend to measure success based on the number of benefits administered, the number of people served, and the amount of funding we have spent versus whether the individuals who are served are connected to high demand high opportunity career pathways that place them on a long-term trajectory of increased earnings.

The Department of Human Services is redesigning the safety net here in Tennessee and utilizing the TANF Opportunity Act as a catalyst. The goal of the TANF program (Temporary Assistance for Needy Families) is to reduce intergenerational dependency on public benefits by increasing self-sufficiency, education, and economic mobility of

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families with children. Each year, DHS receives \$191 million dollars in TANF annual award. The TANF Opportunity Act:

- Ensures that the TANF reserve itself is spent down to get those funds out into the community to learn what works to move a family from crisis to stability to a career pathway
- Caps the rainy-day fund in the TANF reserve at \$191 million
- Focuses on where those unobligated funds within the TANF reserve go

DHS is going to secure several third-party vendors to support communities as they partner with DHS on implementing the Opportunity Act. They just launched a new TANF Advisory Board - the Family's First Community Advisory Board - that met for the first time last week. It is comprised of 21 members that are laid out in the legislation. Members include Commissioner Carter who chairs the Advisory Board and Commissioner McCord. The advisory board will be responsible for selecting the planning grants and pilots (discussed later in the presentation) and over the course of the next few years they'll be measuring success and presenting a final report to the Tennessee General Assembly with recommendations for the TANF program moving forward based on what they learned through some of these investments over the next few years.

DHS will have an annual community grant process: \$50 million of the reserve will go towards the community grant process that will launch in the new year. Each year, if we have any unspent funds from our annual award they will roll back into the community grant process to ensure the TANF reserve itself does not exceed that \$191 million rainy day cap.

Planning Grants – DHS is going to be launching the Tennessee Opportunity Pilot Program next week. In preparation for selecting who will receive those pilot program implementation grants they will be launching a planning grant process and asking communities across the state to think about what the cross-sector approach in their community look like to meet their community's specific needs on moving families from a point of crisis to career pathways.

The application period will open September 1 and close on September 30. Each planning grant will be up to \$500,000 and the Advisory Board can select up to 50 though they are encouraging the board to think about less than that just to ensure they're promoting collaboration and alignment across communities. These planning grants will be used for assisting community partners with technical assistance, visioning, program design, budgeting, and partnership development, all in preparation for submitting that final full proposal for the opportunity pilot program. Grantees will have three months in that planning grant period to do this. Planning grantees must represent the whole state so the board will probably be looking at that mix of the planning grantees that are selected to ensure that there is representation across the state and also a mix of rural, urban, and suburban populations. The types of entities per the legislation that are eligible to apply for the planning grants include political subdivisions of the state, nonprofits, development districts, and human resource agencies (HRAs). DHS has already started to promote the planning grant period itself and more information about that can be found on their website. Grantees will be announced later this fall.

TN Opportunity Pilots - These pilots will be big and collaborative to solve some of the really difficult issues that Commissioner McCord talked about earlier including the labor force participation rate, the skills gap, and the alignment of our programs. DHS is looking for seven pilot programs that are going to be demonstrating the effectiveness of growing capacity of low-income families to ultimately reduce their dependency on public supports. They will be encouraging collaboration and collective impact across communities to ensure that different programs are actually aligning and leveraging existing resources. They want these solutions to be locally driven because each community needs something different: a solution in Memphis is different than a solution in the Upper East for a low-income family or even for those workforce needs there. The six of the seven pilots will be selected by the Advisory Board (two in each grand division – east, middle, and west) and one pilot that will be operated by DHS. Those pilots will be selected by the Advisory board by May 1 and they'll move into implementation in fall of 2022. Each pilot will receive \$25 million over the course of three years.

The DHS pilot will focus on the benefits cliff. They want to ensure families that have a full makeup of different benefits across different departments do not lose access to those benefits at a rate that induces a financial shock and put them back at the beginning when they enter a career pathway and start to increase their earnings or their educational attainment. Similarly they want to make sure that we are supporting families in that time when the cliff would be and with their DHS pilot they're excited about being innovative to deliver the right mix of wrap around services and cash assistance to families at those timely points of intervention.

Potential awardees must apply for a planning grant to be selected for a pilot. Over the next few months Commissioner Carter and DHS will be going around the state and hosting sector-based conversations to discuss how they transform the safety net and using the TANF Opportunity Act as a catalyst. Those who are interested in staying informed about the TANF Opportunity Act and all parts of its implementation can learn more information on the DHS

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Next Steps:

- Planning Grant Application Period: September 1 – September 30, 2021
- Planning Grant Application Review: Fall 2022
- Planning Grant Contract Term (90 days): Winter 2021/2022
- TN Opportunity Pilot Proposal Review: Spring 2022
- TN Opportunity Pilots Implementation: Fall 2022 – Fall 2025
- Research Partner Selected: Spring 2022

**Deputy Commissioner Thomas:** May I address the board? Thank you Anne it was a really informative presentation. I just want to remind the board members and then also our newer board members for a point of context. This board elected to make TANF a partner back when the Workforce Innovation Opportunity Act (WIOA) was signed. We were one of the few states in the country that did that, so this board made it a point to be inclusive of TANF, understanding how important it was to help DHS in their mission to engage these families into getting meaningful sustainable employment. You may ask how this intersect with the work of the board: it directly intersects and with Anne coming today, this board has a seat at the table to ensure that all incoming investments that touch workforce - Tennessee is not short on resources as you can tell - are evaluated to ensure the outcomes are in line with the priorities that were committed to the Governor. I just wanted to add some context so the board understands that it's more than just an FYI but you get an opportunity to look to see if this is moving Tennesseans along and are we being good stewards of all the federal and state investments in workforce. If there are questions or things you would like to see to help shape this, I'm sure Anne and others would be happy to hear from you. These are hopefully frequent updates that you'll get as a board to keep us all accountable to make sure we're all rowing in the same direction.

**Chairman Berry:** Yes, and Anne, I like what you said about currently measuring output rather than outcomes, and Deputy, what you're saying – to me that's the point of intersection. How can we as a workforce board make sure those outcomes are meaningful based on the assistance given on the output.

**Anne Havard:** Absolutely, and that's where that long-term success of who we are serving comes in. I think it'd be really helpful to hear any ideas that you all have around those outcomes especially as we are working on framing these funding opportunities.

**Mayor Morton:** If a county applies, what agency would be implementing? We have DHS in our community but what would implementation look like?

**Anne Havard:** We're trying to encourage collaboration and collective impact in these funding opportunities and so that basically means that communities may have a lead applicant who applies that could be a political subdivision of the state, it could be a nonprofit, it could be a development district or an HRA. Our hope is that we have one lead applicant who is then subcontracting with and partnering with other community partners. That whole planning grant process is intended to identify who the partners will be around the table, what the governance structure will look like, how are they going to work together, and what do they want to accomplish.

**Mayor Morton:** So do you currently have an RFP for a contractor who can help communities build those plans for \$500,000 grants?

**Anne Havard:** The \$500,000 grants are intended to help provide the technical assistance. For example, a community could go out and hire a consultant to help them with developing their proposal for the pilots and then once the pilots are selected we will have technical assistance that the department is providing.

**Mayor Morton:** Pretty quick window for organizations that may or may not have dedicated grant writers there.

**Anne Havard:** I think that's why we're trying to keep the planning grants themselves really high level: what is your vision, who are your partners - three to five page abstract and the form itself will be very simple.

**Jason Bates:** First of all thank you for this presentation. One of the things I really appreciated is when you talked about the flaws of the public safety net and going from program to person and transactional to relational. I think those are all very important. My question would be what are we doing to ensure that we don't fall back into the transactional, program-centric, siloed programs of the past? How we are going to ensure that these programs are going to be person-centric, relational, cohesive, and coordinated and focusing on outcomes? What are we going to do to measure and make sure that those new programs happen in this format?

**Anne Havard:** We're going to be embedding a lot of those values of addressing the flaws of the safety net into the board's evaluation criteria for the pilots and the planning grants so that's where that will happen. Also, how we measure those outcomes - what we're hoping is that when we think about growing capacity to reduce dependency, growing capacity really is those program level outcomes related to housing stability or job placement or financial empowerment, i.e. are you increasing your savings and reducing your bad debt. Reducing dependency is the long

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term, and that's where our research partner is going to come in. They'll be looking at the deep dive program evaluation across all the pilots. They'll also be looking at cost-benefit analysis, and they'll be doing some randomized control trials. It's exciting to see how we'll have those outcomes that really reflect those values of addressing the flaws of the safety net embedded throughout this entire process, whether it's on the front end with the evaluation criteria for the funding opportunities, in the middle of the program implementation itself as grantees are submitting their outcomes reports to the department, or down the line long term with some of the research that our research partner will be doing.

**Christine Hopkins:** Transitional housing and transportation are major issues in some rural areas that are barriers to employment. Will the proposals be open to transitional housing versus housing and transportation combined?

**Anne Havard:** If that is the unique need of that community and it can tie back to those four purposes of TANF and is serving a low-income family, yes.

**Michelle Falcon:** I'm assuming that there was some outreach to these four institutions that can actually write grants. Have you seen any engagement? What are the top questions that they have? I'm just curious.

**Anne Havard:** Yes we have actually blasted out to all of our DHS community partners and to the community service block grant agencies, the HRAs, the development districts: we blasted that out yesterday with a one-pager that summarizes everything I just said. The main thing we've heard is where's the application and how do I go on and get started. If you all hear that question as you're talking to your communities please make sure that everybody knows that the application itself will be online September 1. We have had a lot of engagement with following the advisory board, we've got a lot of email traffic with everybody wanting the details of the application itself which again will be available September 1 and then we did have some good participation with that first advisory board meeting last week. I think we ended up having a total of around 200 viewers online. Those meetings moving forward are a great way to stay involved with the activities of all of this and they are open to the public: you can come in person or stream online.

Chairman Berry noted that since Ann has asked for our input and ideas, board members who have some recommendations or some insights to share can feel free to send those to him and we will get those to Anne's team.

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## [Fiscal Update - Chandra Pleas, TDLWD-WFS Division Director 2 - TN Department of Labor & Workforce Development - Workforce Services](#)

Chandra Pleas, TDLWD-WFS Division Director 2, gave the Fiscal Update in Ivan Greenfield's absence. Her presentation consisted of the Fiscal Overview which included overall funding and expenditures as well as participants served/enrolled, their Key Performance Indicators (KPIs), and some fiscal challenges and opportunities.

### Fiscal Review:

Overall funding is a combined effort of Workforce Services (WFS), Adult Education (AE), and Vocational Rehabilitation (VR) for fiscal year 2020 and where we are for 2021. All the numbers presented were running through June 2021. Workforce Services increased from \$88 million to the \$108 million – their CARES Act and their NDWG funding that they received. There are increases in both Adult Ed and Voc Rehab, and with VR they do have carryover funding that they are allowed to do from year to year for a total funding of \$218 million. Expenditures were \$149 million leaving around \$68 million.

#### *Workforce Services*

Ms. Pleas showed how \$108 million of WFS (FY2021) funding was divided between WIOA, Employment Services, Discretionary programs which include their Apprenticeship program, and other programs. Expenditures are currently about \$92 million and again significant increases are due to COVID and the CARES funding. The attachments provided also give additional information.

Regarding their participants served (Title I only) quarter to quarter they had roughly 13,073 total WIOA participants that were served during quarter four and an overall total of 53,112 during FY2021. The participant cost is running at about \$14.2 million and Attachment III gave a further breakdown of this information.

#### *Adult Education*

Regarding allocation and expenditures for AE, their funding has increased about a \$1 million over last year and their expenditures are running around the same so you have expenditures right now at \$11,027,000 leaving about \$1.8 million remaining. They have 85.8 percent of their funding expended which is good: that's what we want to see. Their total enrollments right now are 7,814.

#### *Vocational Rehabilitation*

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Voc Rehab has to carry over from year to year so they are at \$97 million and they've expended \$46 million. Their percent expended is at 47.3 so almost at half of their money and their total enrollments are running right now at 11,803.

Key Performance Indicators:

*Federal KPIs*

Ms. Pleas noted that there's been a lot of conversation about KPIs and she presented a snapshot for quarter four. For WIOA Title I and Title III, the numbers in green on the slide were good. Numbers in red aren't necessarily bad but they are a concern that they want to improve. The negotiated, the actual, and then the percent of the goal were presented: Dislocated Worker, Youth under Credential Attainment, and Wagner-Peyser for the Employment Rate 2nd quarter are a little down. They are technically falling below the negotiated targets but they are reviewing these performance measures and providing technical assistance where necessary to improve them. Attachments IV and V provided additional information.

Assistant Commissioner Steve Playl noted that even with the three measures that Ms. Pleas noted, with their negotiations with the US Department of Labor (USDOL) they have a 90 percent safe harbor so when they get to 90 percent of the goal they have technically met the goal. Even though they are under on those three measures for their actual negotiated performance, the percentage of the goal for all three is above 90 percent so per USDOL they have met all of their KPIs for Title I and Title III.

*State KPIs*

Regarding the State Key Performance Indicators, Ms. Pleas noted that Ben Passino compiles this and does a phenomenal job. There are 12 KPIs from July 1, 2021 - June 30, 2022. Each KPI is reviewed on a quarterly basis and is going to be ranked from a zero to five. Attachment VI gives a breakout. Apprenticeship, Integrated English and Civics Education, Senior Employment, and TAA are newly identified in 2021 and those KPI achievement rankings are reflected as a baseline.

The zero to five rankings were presented and there are some issues with Re-employment Services as far as co-enrollment and with the TAA and those are things they are working on. On the other side, new enrollments for Adult, Dislocated Worker, and National Dislocated Worker, the target was 1,042 and actual is 1,385 so they are surpassing the goal which is what they want to see.

Challenges/Opportunities:

Challenges include low enrollments/participation. There is a potential of funding reversion: if we don't utilize funds they have to go back but they do have quite a few opportunities. They are working on joint fiscal and performance reporting that will help measure effectiveness and impact. They are increasing partner engagement and collaboration, and they have systems integration.

**Mayor Morton:** What resources do you need to reach those opportunities? Do we have the resources we need?

**Chandra Pleas:** Yes we do, and we are continuing to work on that. We are getting ready to institute a new grants management system: we have the Dulles system - the Grants for TN that is going to go away at the end of the year and we're going to a new system called Smart Simple. We still have Edison that we're using, we still have Geosol which is the performance data that we're using so it's important that we get all of these systems to talk to each other and they really were not necessarily designed for that. There's code and things that we have to write to get it to do that, there's reports that we need on the county level, there's some things that we need but yes we are moving toward that direction so we will have better system integration. Also, integration with AE systems and VR systems: we're all on different systems. To compile all that is taking some time and some work but we are confident we can get there.

**Mayor Morton:** It's like our KPI discussion: we've got to have those systems talking.

Chairman Berry thanked Ms. Pleas for her presentation.

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Virginia Housley Acknowledged by Assistant Commissioner Steve Playl

WFS Assistant Commissioner Steve Playl acknowledged Regional Director Virginia Housley, noting that regional directors are part of WFS' field staff that support our nine local regions across TN. They do a tremendous job and are really the connection point/liason for what is done here in Nashville and how that translates into supporting our local boards. Regional directors sit on our local boards, support our board staff, and are a primary connection point for all the services provided through TDLWD in our regions. Virginia Housley has been with the department for 27 years, having started with the Family's First program years ago in supporting SNAP E&T. Virginia is retiring officially

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effective the middle of October. Mr. Playl publicly thanked Ms. Housley for her years of service and wished her the best.

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Closing Remarks and Adjourn

Chairman Berry re-emphasized the appreciation that Governor Lee gave this board and the importance of what we do to serve the residents of our great state. He also noted that it's great to see the trends of employment getting back to where they need to be, and it is not without the great effort of this board and all the agencies that are part of this effort.

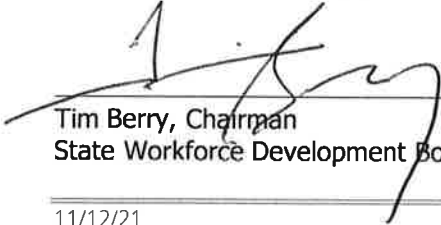
The meeting adjourned at 11:28a.

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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.

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Tim Berry, Chairman  
State Workforce Development Board

11.12.21

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Date

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11/12/21