

**DRAFT**  
**SOUTHEAST TENNESSEE WORKFORCE DEVELOPMENT BOARD**

**Minutes of the Workforce Development Board**  
**Tennessee Career Center at Chattanooga**  
**5600 Brainerd Road, Suite A-5**  
**Chattanooga, TN 37411**

**June 20, 2017**  
**11:36 AM EDT**

Workforce Development Board (WDB) members present were Bill Beckley, Cynthia Carter, Tony Cates, Harley Grant, David Hopkins, Virginia Housley, Warren Logan, John Proffitt, Denise Rice, Manuel Rico, Shane Sewell, Stewart Smith, Nancy Sutherland, and Richard Wade. Attending for members Debbie Adams and William Seymour were Lulu Copeland and Patti Weaver, respectively. Guests in attendance were Jeff Lewis, Office of Senator Alexander; Claire McVay, Office of Senator Corker; Michelle Harstine, Office of Congressman Fleishman; Ruble Conatser, TN Department of Human Services; Dan Saieed, Hamilton County Government; Mattie Moran and Darian Scott, Chattanooga Area Chamber; and Dr. Neil Loeffler, Regional Educational Infrastructure Steering Committee. Staff attending were Beth Jones, Susan Cowden, Chuck Hammonds, Anna Smith, Larissa Hofstra, Michele Holt, Stephen Dunn, Autumn Derrick, and Beth Keylon.

Chairman Grant welcomed those present and called the meeting to order at 11:36 a.m. Manuel Rico provided the invocation. John Proffitt followed with roll call, advising a quorum was available. Chairman Grant noted a change to the board and requested that Lulu Copeland make an announcement relative to the new President of Chattanooga State who will replace Dr. Flora Tydings and Interim President Debbie Adams. Ms. Copeland advised that Dr. Rebecca Ashford would take office as the new President on July 1.

### **Minutes**

The Chairman then moved for approval of the minutes. Minutes had previously been e-mailed to members for review and were also available in members' packets. Minutes from the March 14, 2017 meeting of the WDB were then unanimously approved as presented on a motion by Nancy Sutherland, seconded by Bill Beckley.

### **WIOA Restructure**

Chairman Grant introduced the subject of WIOA Restructure and asked Beth Jones to further explain the events that have transpired since our last meeting on March 14, 2017. Ms. Jones noted it was management's original understanding that the state would approve appropriate firewalls with the procurement of a One Stop Operator. On May 3, 2017 in a conference call with state officials, it was determined, per the ideal State Workforce System Structure flowchart provided in the Board packets, that no single entity would be allowed to perform multiple functions both above and below the firewall. Based on this information, Mayor Jim Coppinger, Lead Chief Local Elected Official, determined that it was the desire of the Chief Local Elected Officials (CLEOs) that the Southeast TN Development District (SETD) would continue as the fiscal agent for the WIOA funds. In addition, SETD has offered to provide the Staff to the Board as allowed as a designated entity. At some point following incorporation, the Board may elect to make a change in designation of an entity to provide the Staff to the Board. but it is proposed that this remain in place until June 30, 2018. The Act, which passed in 2014, was implemented in 2016 with 2017 being considered as a transition year in moving under the new law. As of July 1, 2017, it is now required by the state that both the One Stop Operator and Career Center Services must be competitively procured, or all contracts for funding would be terminated. Therefore,

the Staff quickly developed and released an RFP for Career Center Services; recommendations for the selection of these providers were to be covered further in the agenda. Ms. Jones noted that this has been a very difficult and painful process since many of the Career Services staff have worked for the organization for many years, but it was the LWDB's desire to comply with the state directives in an effort to accomplish three major goals: 1) issue an RFP that would ensure quality providers; 2) endeavor to minimize the dislocation to staff; and 3) continue to deliver services and programs with little or no disruption to customers.

### **Status of WIOA Funding Approvals**

Chairman Grant asked Susan Cowden to provide an update on all of the deliverables to the state over the past several months. He also commended the staff for all their hard work and for meeting all the multiple deadlines. Ms. Cowden noted the following items submitted by the due dates:

#### One Stop Certification

- ✓ Self-Assessment of six American Job Centers and the Career Coach submitted on November 13
- ✓ Applications on six American Job Centers and the Career Coach submitted on January 31
- ✓ Certification visits of AJCs and Career Coach in April, 2017
- ✓ Certification results provided from the State at the State Board on May 12 and through notification on June 5 (results attached)

#### Regional Transitional Plan

- ✓ Approved by the Local Board on March 14
- ✓ Approved by the State Board on May 12

#### Local Transitional Plan

- ✓ Submitted on May 3
- ✓ MOU with partners due and submitted May 31
  - Board Chair appointed staff to conduct the negotiations and they were completed on May 16
  - Board Chair, Fiscal Agent, and Staff to the Board signed the MOU
- ✓ Agreements between the CEOs extended to June 30
  - Guidance received from the state on the Agreements on June 2 to Mayor Coppingher
  - CEOs will need to sign the new Agreements by June 29

#### LWDA Structure Under WIOA

- ✓ Final negotiations with the state on May 3
- ✓ Local Workforce Development Board to be Incorporated with Separate FEIN #
  - Executive Committee assigned Ad-hoc Committee members to work on Incorporation with staff support
  - LWDB to be incorporate by October 1, 2017 or as soon as possible
- ✓ Fiscal Agent and Administrative Entity retained by SETD
- ✓ Executive Committee approved Staff to the Board on May 26
- ✓ One Stop Operator to be Competitively Procured
  - One Stop Operator Sub Committee met on May 3 to rate proposals
  - One Stop Operator approved by Executive Committee on May 26
  - Contract Start Date June 1
- ✓ Career Services to be Competitively Procured

- Career Services RFP to be released on May 19
  - Executive Committee approved Career Services RFP on May 26
  - Sub Committee to review Career Services Provider met on June 16
  - Board to approve Career Services Provider on June 20
- ✓ Recommendations to the Board on June 20 on all Competitive Procurements

Denise Rice asked if the One Stop Certification information was available online; Ms. Cowden agreed to forward the link to Board members following the meeting. She also mentioned two agreements that would need to be approved and executed by the CLEOs: 1) the Inter-local Agreement between the CLEOs and 2) Partnership Agreement between the CLEOs, the Local WDB, and the Fiscal Agent/Administrative Entity. Management has met with Hamilton County Mayor Jim Coppinger, who has agreed to continue to serve as the Lead Chief Elected Official. Chairman Grant will be asked to sign these documents as the Chairman of the Board. The agreements will be subsequently submitted for approval to the SETD Executive Committee scheduled to meet on June 27.

### **State Reports on Participant Expenditures and Economic Impact Video**

Chairman Grant called upon Virginia Housley, Regional Director for the TN Department of Labor and Workforce Development to provide the state reports on Participant Expenditures. Ms. Housley noted that, regarding Participant Expenditure rates, LWDA 5 leads the state at over 50%. She commended the Board staff for all of the work to come into compliance with WIOA and introduced a video produced by the University of Memphis that demonstrates the economic impact of the WIOA funding on the local economy.

Chairman Grant commended Ms. Housley on her excellent presentation and welcomed her as a regular contributor on our Board meeting agenda.

### **Financial Report and Budget Approval**

Larissa Hofstra, CPA and WIOA Financial Director, followed with the financial report for the period ended April 30, 2017. First, she noted those grants from the federal government; i.e., Adult, Youth, and Dislocated Worker dollars, explaining PY (program year) and FY (fiscal year) periods. She advised that the program was under budget relative to each major category earlier in the year. However, with the high level of recent spending in our area, we should meet the state's expectations of 80% obligation of funds by June 30, 2017.

In addition, the budget for the upcoming fiscal year was presented and Chairman Grant called for approval of both the information on the financial report, the report for the period ended April 31, 2017, and the proposed budget. These items were unanimously accepted on a motion by Stewart Smith, seconded by Bill Beckley. *(A copy of the financial report for the period ended April 30, 2017 is attached to these minutes.)*

### **Operations Committee Report**

John Proffitt followed with the Operations Committee Report from the meeting held June 2017. In the absence of the Chair for this Committee, Mr Proffitt highlighted the following:

For the University of Tennessee at Chattanooga, it is recommended that the Board accept the committee recommendations to approve: Phlebotomy Technician, Pharmacy Technician, Medical Billing and Coding, Medical Administrative Assistant, and Clinical Medical Assistant.

For the Academy of Allied Health Careers, it is recommended that the Board accept the committee recommendations to delay Certified Professional Coder and Electronic Health Records Specialist.

For New Horizons Computer Learning, the committee reviewed eight program applications that are not being recommended to the Board at this time.

For John A. Gupton College, the committee reviewed the Funeral Service and Mortuary Science program; the program is not being recommended to the Board at this time.

For Hiwassee College, it is recommended that the Board accept the committee recommendation to approve Dental Hygiene.

It was also brought to the attention of the Board that Covenant Transport had applied for an OJT contract, and after much consideration, the committee does not recommend this for approval based on the prior training that the new hires receive, the high turnover in this occupation, and the high demand for this workforce, which eliminates the need for additional training services.

This concluded the Operations Committee Report. Chairman Grant called for approval of the recommendations of the committee, and they were unanimously accepted on a motion by John Proffitt and seconded by Bill Beckley.

### **Youth Committee Report**

Tony Cates gave the Youth Committee report for the meeting held May 2, 2017. He provided an update on the Youth Program design and indicated that the State Plan required that some service elements be procured through an RFP. The RFP was released on March 6, and the review committee made a recommendation on the successful bidder as the University of Tennessee Extension Office on May 22<sup>nd</sup> for an anticipated contract start date of July 1, 2017.

Mr. Cates advised that Autumn Derrick had provided the Youth Program Report and commended the staff for the excellent program enrollment following the transition from the former contractor in January.

This completed the Youth Program Report. The report and the selection of the provider were then unanimously accepted on a motion by Tony Cates and seconded by Shane Sewell.

### **Executive Committee**

Chairman Grant reported that the Executive Committee met twice since our last Board meeting: on May 26, 2017 and June 20, 2017. In the May 26 meeting, the committee approved the One Stop Operator as recommended by the Proposal Review Committee to be the Southeast Tennessee Human Resource Agency (SETHRA). In addition, the committee approved the Youth Services provider for Financial Education, Mentoring and Tutoring to be the University of Tennessee Extension Office. Finally, the committee approved the Request for Proposals for the Career Services provider and named the Selection Committee from the Board to review the proposals on June 16.

In our meeting earlier this morning, the Chairman reported that the Executive Committee received an update on the One Stop Operator contract with SETHRA that begins July 1, 2017. SETHRA began the interview process last week to hire the two staff that will coordinate throughout the six American Job Centers. Also received was a recommendation from the Career Services Provider Selection Committee who voted unanimously to approve three providers:

Chattanooga State Community College – Chattanooga, Kimball, Dunlap, and Dayton  
Cleveland State Community College – Cleveland

In addition, the duties of the Local Board and the Administrative Entity/Staff to the Board were reviewed. These staff will remain with the Southeast TN Development District until the LWDB is incorporated and desires to make a change. Stephen Dunn provided an update on the status of the Board Incorporation that is in progress with a target date of October 1, 2017 to be in place.

Finally, the WIOA Budget for 2017-18 was approved including the set-aside to deliver Incumbent Worker Training with local funds.

Since the approval of this report presents a conflict of interest for several Board members, the Chairman called for those to abstain from voting if there was a conflict present. Abstentions were noted by Stewart Smith and Denise Rice.

Chairman Grant called for approval of the report and the selection of the providers; these were unanimously accepted on a motion by Bill Beckley and seconded by Shane Sewell.

### **Program Report and New Board Access Policy**

The Chairman then called on Michele Holt to give the program report that included the Workforce Dashboard as well as an update on the Youth Summer Work Experience and a summary of the Procurement of the Service Providers for the American Job Centers.

Ms. Holt also presented a new Board Policy that will enhance access to information as directed by the State Workforce Board through Workforce Services Policy effective May 12, 2017.

Chairman Grant then called for approval of the new Board Policy. The policy was unanimously accepted on a motion by John Proffitt and a second by Manny Rico.

### **Selection of Officers and 2017-18 Calendar**

The Chairman provided an update on the newly approved Board Meeting Calendar and noted that an election of new officers will be presented at the Nominating Committee Meeting on November 8, 2017. Members were asked to post to their calendars the following Board meeting dates:

September 13, 2017  
December 13, 2017  
March 14, 2018  
June 13, 2018

With no other business to come before the WDB, the meeting adjourned at 12:43 p.m.

Respectfully submitted,

John Proffitt  
Secretary