

SOUTHEAST TENNESSEE WORKFORCE DEVELOPMENT BOARD

Minutes of the Workforce Development Board American Job Center at Chattanooga 5600 Brainerd Road, Suite A-5 Chattanooga, TN 37411

September 13, 2017
11:36 AM EDT

Workforce Development Board (WDB) members present were Cynthia Carter, Tony Cates, Gary Farlow, David Hopkins, Virginia Housley, MaryStewart Lewis, John Proffitt, Denise Rice, Manuel Rico, and Richard Wade. Guests in attendance were Ruble Conatser, TN Department of Human Services; Dan Saieed, Hamilton County Government; Dr. Neil Loeffler, Regional Educational Infrastructure Steering Committee, and Joe Cadel, Tennessee Department of Economic and Community Development. Staff attending were Beth Jones, Susan Cowden, Chuck Hammonds, Larissa Hofstra, Michele Holt, Stephen Dunn, Autumn Derrick, and Beth Keylon.

Vice Chairman Cates welcomed those present and called the meeting to order at 11:45 a.m. He noted that Chairman Grant was out of town and not able to attend today's meeting and advised he would be Chairing the proceedings of the meeting. Chairman Cates called for introductions from the group. Following, Manuel Rico provided the invocation. John Proffitt followed with roll call, advising a quorum was present.

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 June 20, 2017 meeting of the WDB were then unanimously approved as presented on a motion by Richard Wade and seconded by MaryStewart Lewis.

Status of Items Requested by the State

Chairman Cates asked Susan Cowden to provide an update of the new policies issued by the State.

- ✓ ***Local Workforce Development Board Member Nomination Process Policy***
Prohibits staff to the board, fiscal agent staff, staff employed by the One Stop Operator, and contracted service providers from serving on the board. Ms. Cowden continued by explaining that the meetings are open to the public, and representatives from these agencies will continue to be invited, but there will be no allowance for voting membership. This will primarily affect Chattanooga State, Cleveland State, Tennessee College of Applied Technology Athens, and the Southeast Tennessee Human Resource Agency. This will not affect Incumbent Worker or On-the-Job Training contracts since the board only approves the budget related to these contracts, not the actual contract. This change has resulted in the board needing to add a representative from Higher Education to fulfill the requirement set forth in WIOA ; therefore, Mayor Jim Coppinger will be seeking to secure a member to fill this position on the board.
- ✓ Ms. Cowden next referenced the role of the board in oversight of the funding received by LWDA5 reviewing and approving the budget as well as recommendations on contracts. The Southeast Tennessee Development District remains the Fiscal Agent and a staff of seven will continue to function in roles to assist the board in carrying out the fiscal and programmatic requirements of WIOA. The board staff will continue making reports

throughout the year to keep members updated on current standing. Susan referenced the materials included in the packet, one of which is a dashboard of activities in the region relative to WIOA which includes numbers of individuals served, updates on current contracts, and labor force estimates. She also informed the board members that going forward much of the reports will be delivered by the One Stop Operator. Additionally, she reminded board members that as we approach the end of the year, they should decide if they would like to continue with the current providers via a contract extension provision, or if they want to procure the services again for a different approach. Throughout the year, the service providers will continue to deliver reports and to the board so they will have a clear understanding of how each is performing. The One Stop Operator is presenting at this meeting and Chattanooga State will likely present at the December meeting. Also, the State is requesting that we have one of our partner programs present at each meeting and Ms. Lynette Henderson with Tennessee Works Partnership will be presenting today. Adult Education will be presenting during the December board meeting. Virginia Housley will continue to provide quarterly reports to the board that contain statewide LWDA comparison data.

- ✓ Ms. Cowden informed the board that it will be her responsibility to keep the County Mayors in our LWDA informed of what the State expects us to do regarding our funding, with four primary target goals: 80% of the total allocation obligated by the end of the fiscal year, spend a minimum of 40% on direct participant costs, 20% of youth funding on work experience, and 75% on out of school youth.
- ✓ Kimberly Crider is a new board member that will be replacing Alanna Williams. Ms. Crider is representing the Senior Community Employment Service Program. She was unable to attend the meeting today, but we will introduce her at the December meeting.

Chairman Cates called on Beth Jones to assist with presentation of plaques to honor the service of all the board members that had to be removed to remain in compliance. Ms. Jones made comments related to the outstanding service of all parties and their willingness to deliver services in our region.

State Financial Reports and Participant Expenditures

Ms. Housley provided the financial and participant expenditure reports for the entire State and highlighted LWDA5's 52% direct participant expenditure rate, which is the highest of all the thirteen LWDA's. She discussed the conference call that was held yesterday and informed the board that the State was very complimentary of our area and is requesting that we provide some best practices to other areas. Additionally, she mentioned that the State was very complimentary of Larissa Hofstra in our finance department for commitment to tracking expenditures.

Chairman Cates thanked Ms. Housley for her report and welcomed the information for this board meeting and future board meetings.

Financial Report and Budget Approval

Larissa Hofstra, CPA and WIOA Financial Director, followed with the financial report for the period ended June 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 top section indicates that we were fully expended on PY and FY 2016 contracts and proceeded to the PY and FY 2017 Formula contracts which showed current expenditures are on target. The Other Grants section includes RESEA, Incumbent Worker, SNAP, and Incentive, all of which are extended or on target for the year. She advised the bottom of the financial report relative to career centers are the portions that are allocated to shared costs in the centers. Those expenditures are somewhat below the

budget target due to the fire in the American Job Center Athens and the area wide career services transition.

In addition, the State is requesting we provide the board with quarterly updates of Total Obligations. It outlines the PY15/FY16 contracts that were fully expended by LWDA 5 and the PY16/FY17 contracts that should be 80% by June 2017. All of our contracts were above the 80% expenditure requirement by the target date. The reverse details the expenditures for Out of School Youth and Work Experience. The PY15 was above the required targets and PY16 funds were not shown as at the targeted expenditure rate on the attached report, but were immediately at the target rate based on the following end of the month report. On a motion by Gary Farlow, seconded by Rich Wade, the Financial Reports were approved as presented.

Youth Committee Report

Chairman Cates called on Autumn Derrick to provide the Youth Committee report for the meeting held August 22, 2017. Susan Cowden provided the Committee with an update on the changes to the State Workforce System Structure which included procurement of Career Services. The changes have impacted staffing in locations, but youth staff will remain in the Kimball and Cleveland locations. Athens, Chattanooga, and Dayton will identify newly hired employees to serve youth. The Committee was also advised that Dunlap was not certified, and will be closing the part time location at the Chamber of Commerce effective September 15th.

Discussion was held regarding the availability of services to the community, and it was recommended that the Mobile Career Coach be deployed to Dunlap one day per month. Scheduling is currently in progress with the Department of Labor.

Ms. Derrick provided the Youth Program Report indicating that a total of 365 Youth participants were served in PY16. The Youth program also met the WIOA mandated 20% minimum expenditure requirement for Work Experience. With 4 new providers, the Committee would like for each to report on key measurables in order to continue meeting or exceeding Youth performance and fiscal requirements. In other business, the Committee was advised that nomination for the YC Chair will be forthcoming. Following the completion of the report, Chairman Cates called for a motion to accept the committee report. MaryStewart Lewis made a motion to approve the committee report and Manny Rico seconded. The Youth Committee Report was unanimously approved as presented.

Operations Committee Report

John Proffitt followed with the Operations Committee Report from the meeting held September 5, 2017. In the absence of the Chair for this Committee, Mr Proffitt highlighted the following:

6 program applications and made the following recommendations:

- New Horizons Computer Learning Center - five applications submitted – the committee determined that all applications submitted were incomplete and there was no supporting documentation for student participation nor service performance outcome. Based on those reasons, the committee voted to **deny all five programs**.
- Middle Tennessee State University - one application submitted - the committee voted to **approve** to allow funding for supportive services to participants attending the **Nursing Program**.
- Cleveland State Community College - eighteen applications *to be submitted* – the committee was informed by staff that email was received from Cleveland State requesting guidance on completing and submitting 18 applications. Staff provided guidance to Cleveland State so the

applications can be completed and reviewed. The committee **agreed to review** the applications, if submitted, at the next meeting in December.

- New Horizons Computer Learning Center - four applications requested *to be re-activated* – the committee as informed that an email was received requesting four applications be re-activated. Staff advised New Horizons the same process applies with completing the applications and providing supporting documentation. The committee **agreed to review** the applications, if submitted, at the next meeting in December.
- On 09/09/2017, the VOS system “forced” 95% of our already APPROVED programs to expire and changed the Current Review Status to Not Reviewed. Per Ryan Allen at the state, we were reassured that all programs were previously approved and “Eligible” and no changes have been made to their applications. Via emergency email, Gary Farlow made a motion to activate the status of all programs affected back to WIOA Eligible for LWDA5. Kathy Price seconded. The Committee voted to **approve**.

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

Presentations

The board was provided information by three presenters.

Denise Rice provided a presentation on Manufacturing trends in the Southeast Tennessee Region.

The One-Stop Operator staff provided an update to the board on all American Job Center locations that included unique challenges and strengths for each. Some of the challenges included significant dislocations in some areas and a need to improve signage and marketing. Additionally, some strengths included excellent relationships with employers and a customer-focused team environment. Some of the desired outcomes for the future are increased traffic in the American Job Centers through outreach and marketing and providing better improving connections with local Economic Development to ensure continued opportunity for the emerging workforce.

Lynette Henderson, with the Tennessee Works Partnership presented on serving people with disabilities in today’s workforce. The “business case” is the motivation for many of the nation’s leading companies to hire applicants with disabilities. Many companies have already established disability recruitment programs to start hiring this untapped resource of employees. She provided valuable statistics as well as links for employers to access people with disabilities. She also informed the board that she would be emailing additional resource material via email in the next few days.

Nomination of Officers

The Chairman noted that an election of new officers will be presented at the Nominating Committee Meeting on November 8, 2017 under the leadership of Manny Rico. As stated in the bylaws progression, Harley Grant will serve as Chair Emeritus, Tony Cates will assume the role of Chair, and John Proffitt, Vice Chair. We will be seeking nominations for the role of Secretary Treasurer and the Youth Committee Chair since Tony Cates will now be Chair and can no longer fill that role. The Chair continued by asking if any board member would like to be considered or if another board member wanted to provide a nomination to send the nomination to Manny Rico and he would forward those on and called for any nominations for Secretary Treasurer or Youth Committee. John Proffitt had indicated he would serve on the Youth Committee if no other board members were interested or available. John Proffitt nominated Denise Rice to serve in the role of Secretary Treasurer. Ms. Rice also agreed to consider serving as the Youth Committee role as well.

Chairman Cates also continued with announcing the Committee Chairs will be retaining their positions are Yvonne Peppers, Operations Committee, MaryStewart Lewis, Services to Individuals with Disabilities, and the Board Chair with Chair the Executive Committee which is comprised of all committees.

Chairman Cates reminded everyone the next board meeting is scheduled for December 13, 2017, but a preference that the board continue to participate in the annual joint meeting with the Southeast Tennessee Development District/CARCOG board which will be held on December 12, 2017, has been requested of the State. We will provide further details as soon as they are available.

With no other business to come before the WDB, the meeting adjourned at 1:04 p.m.

Respectfully submitted,

John Proffitt
Secretary

DRAFT