Minutes of the SOUTHEAST TENNESSEE LOCAL WORKFORCE DEVELOPMENT BOARD
Henderson, Hutcherson, and McCullough |1181 King Street, Chattanooga, TN
June 10, 2026 | 11:30 a.m. ET

Board members in attendance included Blake Markham, Kimberly Bowen, Susan Hatto, Wendolyn Davis, proxy for Rebecca Ashford, Corey Raburn, Jennifer Thacker, Reginald Smith, and Daniel Bewley, proxy for Tucker McClendon.

SETD and board staff included Michele Holt, Don Kellerman, Reece Stevens, Alicia Zuidema, Maty Partin, Christi Chapman, Quinita Robinson, Kelsey Rozzell, Gayla Randle, and Matthew Moats.

Guests included: Tamera Parsons, Amy Maberry, Jeremy Colbert, William Saxton, Shavonne Smith, Andrew Hudson, Glenn Perry, John Squires, Cynthia Brooks, and Bo Drake.

Call to Order
The meeting was called to order by Chairman Blake Markham. He welcomed the members and elected officials. Christi Chapman called roll, and Michele Holt declared a quorum was present. As required by Tennessee law, Chairman Markham called for public comments, and none were brought forth.

Approval of the Minutes
Chairman Markham called for a motion to approve the minutes of the March 11, 2026, meeting. On a motion from Corey Raburn and a second from Kimberly Bowen the minutes were unanimously approved.

Administrative Reports
Financial Reports
Chairman Markham called on Reece Stevens to provide the Financial Report. Reece continued to the April 30, 2026 Financial Report. Reece reported the budgeted revenues, in the amount of $5,390,460 and actual expenses for the year at 3,173,243. Actual expenditures for the period totaled 59**%**, resulting in a variance of -24.3%. He noted this variance is being monitored closely and is trending slightly behind for the tenth month of the fiscal year. This is attributed to the recent restructuring of service provider being moved to the board level compounded by continuing turnover. Additionally, with ten months reported, the MPCR is at 49% and is within the 40% minimum.

Reece continued with the Financial Status Report and noted the FY25 carryover contracts and the PY26 Adult and Dislocated Worker contracts are fully expended at 100%. He explained these are the initial contracts that when combined with the carryover funds support the bridge between the program year and fiscal federal year for the first quarter July-September of each year. Utilization of the FY26 Adult Dislocated Worker, and Youth contracts is low, but expenditures were slow in the first quarter as stated previously. There is a potential for recapture if the 80% expenditure rate is not met by June 30, 2026; however, a waiver has been requested by the TDLWD for areas that recently had a change in service provider. Other Grants are also reporting as anticipated. The NDWG is trending behind budget and is similar to other grants that are for direct participant services for eligible WIOA Dislocated Workers. The TYEP grants for youth work experience have come in line with the budget and are now trending slightly below budget; however, those grants are utilized more quickly during the summer months and we anticipate the remaining funding to be utilized by June 30, 2026. Since the TYEP Vocational Rehabilitation and PROWD grants serve a very targeted populations, expenditures have been much slower. This has been a commonality across the state. Apprenticeship, Incumbent Worker, and Rural Healthcare grants are within budget. The new grants that have just been received and haven't been obligated and therefore have no expenditures. The contracts covering the infrastructure expenses are in line with the budget.

After some discussion, Chairman Markham called for a motion to approve the April 30, 2026 Financial Report. On a motion from Jennifer Thacker and a second from Daneil Bewley, the April 30, 2026 Financial Report was unanimously approved.

Chairman Markham asked Reece Stevens to present Budget Amendment IV. Reece reported the amendment makes line-item adjustments of $40k to provide additional support for supplies and telephone and fax. These increase are needed due to expenses incurred during the relocation and closures of AJCs in July of 2025. The overall total budget did not change.

Chairman Markham called for a motion to approve Budget Amendment IV. On a motion from Susan Hatto and a second from Reginald Smith, the motion was unanimously approved.

Chairman Markham called on Reece to present the Workforce Development Board Budget for FY 27. Reece directed the board to the Infrastructure Funding Agreement (IFA) and the WIOA Title I Allocation letter that was made available. He noted those IFA was the total operating costs for the American Job Centers and included funding that would be received from all partners. He also added the Title I Allocation for this year had increased slightly bringing the total to $3,020,438 for PY26/FY27. He presented the FY27 Budget in the amount of $5,484,897 with Total Personnel budgeted at $1,764,303, Total Operating Expenses budgeted at $708,003, and Participant Funding budgeted at $3,012,590.

Chairman Markham called for a motion to approve the FY27 Workforce Development Board Budget. On a motion from Corey Raburn and a second from Daniel Bewley, the motion was unanimously approved.

Committee Reports

Chairman Markham called for a motion to approve the committee reports for Operations, Youth and Opportunities Committees. These reports were made available in advance for review. On a motion by Jennifer Thacker and a second by Susan Hatto, the committee reports were unanimously approved.

Southeast Workforce Update

Chairman Markham called on Michele Holt to provide brief administrative updates. Michele noted the workforce system continues to strengthen community engagement by expanding outreach efforts and delivering services directly within the community, resulting in less need to visit traditional brick-and-mortar facilities. Concurrently, funding strategies are being realigned to prioritize key initiatives, ensuring resources are directed toward the most impactful services and outcomes. To further support regional economic growth, the board is increasing engagement with business and industry partners through the expansion of sector-based committees, fostering stronger collaboration and alignment with workforce needs.

She announced several recent grant awards that will support workforce development initiatives across the region. The local workforce area was awarded $200,000 in new funding to support rural healthcare training programs, helping address critical workforce shortages in healthcare occupations. In addition, $170,000 was secured to expand registered apprenticeship opportunities through employer reimbursement incentives, encouraging businesses to develop and grow apprenticeship programs. She also reported the receipt of $750,000 in Youth Employment Program (YEP) funding, which will support work-based learning experiences, career exploration, and employment opportunities for youth throughout the service area.

She continued to the area's current performance on federal workforce metrics. While several performance measures remain below target, she noted that this is largely attributable to the transition from a procured service provider model to direct service delivery by board staff. Despite these challenges, performance outcomes are trending in a positive direction. She emphasized that the organization is working through the expected learning curve associated with implementing new processes and training a largely new team. Staff remain focused on continuous improvement and meeting performance expectations moving forward.

Additionally, she informed the Board that the Tennessee Department of Labor and Workforce Development (TDLWD) recently issued a compliance finding and has requested a corrective action plan. Staff are actively developing the required response and will provide a copy to the Board once it has been submitted to the state. Leadership is committed to addressing all identified concerns and strengthening compliance measures to ensure continued program success.

Finally, she announced that two board staff members have resigned since the March Board meeting, Allison Schiavo, Assistant Director and Maty Partin, Workforce Development Specialist. Both vacant positions have been posted, and recruitment efforts are underway. The Executive Director expressed optimism that qualified candidates will be selected and offers extended in the near future, allowing the organization to maintain service levels and support ongoing workforce initiatives.

Southeast Workforce Board Assessment Certification and Summary

Chairman Markham called on Tamera Parson with the University of Tennessee's Center for Industrial Services to present the results of the Board Assessment Survey that was introduced at the March meeting. Tamera explained that the assessment utilizes the Baldrige performance excellence framework and principles to evaluate board effectiveness, governance, leadership, and overall organizational performance. Based on the survey results, the Southeast Workforce Board achieved a ranking at the first level, Functional, indicating that foundational processes and practices are in place and operating appropriately.

Tamera noted that the results were consistent with findings across most local workforce development boards in Tennessee. Of the workforce areas participating in the assessment process, only one board achieved the second-level ranking of Effective, highlighting the opportunity for continued growth and development statewide. She emphasized that the assessment is intended to serve as a benchmark for continuous improvement and provide a roadmap for advancing board performance over time.

After some discussion, Chairman Markham asked about next steps and what the Board should expect moving forward. Amy Maberry, Executive Director of the Tennessee State Workforce Development Board, advised that additional structured development opportunities will be planned to assist local boards in progressing through the certification framework. She indicated that further guidance and direction are expected following the next State Workforce Development Board meeting in August. After additional discussion and questions from board members regarding the assessment results and future development plans, the presentation concluded.

One Stop Operator Report

Quinita Robinson presented the Southeast Region OSO Report for Q4. Program performance continues to show positive growth, with Title I enrollment increasing 85% of the annual goal and Wagner-Peyser enrollment increasing from 74% of the annual goal. The region also maintained a 72% co-enrollment rate, supported by expanded outreach efforts, community partnerships, reentry initiatives, RESEA engagement, partner referrals, and additional service locations.

May represented the strongest Wagner-Peyser enrollment month of the program year, with 447 applications received. Staff are currently reviewing enrollment and service delivery trends, assessing customer access barriers, and exploring automation opportunities to improve referral coordination and customer experience across partner programs. Efforts are also underway to gather stakeholder feedback and prepare for upcoming workforce system changes and state priorities.

Looking ahead to FY 2026-2027, the OSO will focus on expanding employer engagement, increasing work-based learning opportunities, enhancing digital literacy and soft-skills training, and strengthening staff development.

Additional priorities include improving equitable access to services, reducing employment barriers through stronger community partnerships, and aligning workforce services with employer needs through labor market data and business feedback. The Board received the report as presented.

Other Business

Chairman Markham announced future meetings were listed at the bottom of the agenda, and all locations were to be determined. He called for any other business, and hearing none, the board meeting was adjourned by unanimous consent at 12:43 p.m. after a motion by Susan Hatto and a second by Reginald Smith.

Respectfully submitted,

Michele Holt
Executive Director