

## **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 March 13, 2019 – 11:30 AM EDT**

Workforce Development Board (WDB) members present were Tony Cates, Board Chair, Manny Rico, Virginia Housley, Brian Cooksey, Kimberly Crider, Gary Farlow, Chad Jaynes (for Dr. Ashford), Phil McGrath, Rich Wade, Yvonne Peppers, John Proffitt, Ralph Romero, Shannon Russo, Carri Smith, Julie Hoover, Breanna Washington (for Tiffany Ramsey), Leslie Travis, Patty Weaver (for Dr. Seymour), and Stewart Smith. Stakeholders and Interested Parties included Ruble Conatser, TN Department of Human Services; Dr. Neil Loeffler, Regional Educational Infrastructure Steering Committee; Drew Lytle, Suburban; Cydnie Tate, TBR; Taffe Bishop, TN Department of Education; Joseph Johnson, Mid Cumberland Human Resources Agency; Kathy Price, McMinn EDA; Taylor Belcher, TNECD; Sam Wills, TNECD; Brittany Cannon, Bradley County Schools; Casey Eschette, Mid Cumberland Human Resources Agency; Evan Williams, Mid Cumberland Human Resources Agency; Julie Hoover, Miller Industries; Elizabeth Oswald, McMinn Board of Education Staff attending were Beth Jones, Chuck Hammonds, Michele Holt, Stephen Dunn, Autumn Derrick, Elliot Williams and Beth Keylon.

Chairman Tony Cates welcomed those present and called the meeting to order at 11:37 a.m. Manny Rico provided the invocation. Ms. Holt recognized the Career and Technical Education and Department of Education staff at the meeting. Ms. Holt also recognized the Economic and Community Development representatives present. Mr. Cates called on John Proffitt to do the roll call and confirm a quorum. He then noted to the Chair that he has a special presentation to make. He recognized Mr. Gary Farlow who is retiring at the end of the month. Mr. Proffitt highlighted Mr. Farlow's numerous accomplishments and service to the local community and the region. He presented Farlow a small gift as a token of the board's appreciation for his many years of service on the board.

Mr. Cates asked Beth Jones to provide an Economic Development update. Ms. Jones said that Governor Lee was in the local area recently and made two announcements of major investments in Sequatchie and Rhea Counties. Hubner Manufacturing will invest nearly \$10 million for a new factory bringing 66 new jobs at a wage rate of \$45,000 per year in Dunlap. Stultz Technology Systems will invest approximately \$2 million and create 250 jobs in Dayton. She thanked the ECD team for their work and noted that we have many opportunities for talent development and training with these new industry partners.

#### **Minutes**

Chairman Cates stated that the minutes from the joint meeting in December 2018 were previously emailed to the board members for review prior to the meeting and were in the packets. He then called for approval of the meeting minutes. The minutes were unanimously approved on a motion by Manny Rico with a second by Gary Farlow.

#### **Administrative Reports**

##### **Financial Report**

Chairman Cates called upon Beth Jones to provide the Financial Report. Ms. Jones referenced the Financial Reports and specifically FY2019 Budget Amendment #1. She said there was a slight increase in WIOA grants in contracts which reflects an increase in revenues. There was a slight decrease in

contractor revenues. The aggregate revenues reflect an overall increase of \$363,642. These are all pass-through dollars. Ms. Jones stated that the Executive Committee has reviewed the budget amendment and has a recommendation for the board.

Mr. Cates acknowledged that the Executive Committee recommends approval of the budget amendment. He called for a motion to approve. The amendment was unanimously approved on a motion by Manny Rico with a second by Yvonne Peppers.

Ms. Jones continued by referencing the financial statements current through January 31, 2019. Current expenditures are trending slightly behind the goal of 58% at 41%. Ms. Jones assured the board that the revenues will increase over time. She noted Contract Services as one of the line items that is slightly over budget. Equipment Rental and Maintenance are also slightly over budget due to approximately \$17,000 in expenses spent on new computers in the Athens and Marion AJC. The Administrative Cost line item was also over budget due to significant board staff's strategic planning. All of these over-budget line items will trend down over time. She also referenced the Financial Metrics section and highlighted the MCPR which must be at least 50%; however, the current annual MCPR rate is 61%. Ms. Jones concluded by submitting the report to the board for a motion to approve.

Mr. Cates asked for a motion to approve the Financial Report. The Financial Report was unanimously approved on a motion by Richard Wade with a second by Manny Rico.

### **Director's Report**

Mr. Cates called on Michele Holt to provide the Director's Report. Ms. Holt referenced the Workforce Board Report in the packets. She directed the board to the Business Services section. There were 21 Incumbent Worker grants that provided training to 617 employee participants with a total of \$466,312 in obligations. Rapid Response activity indicated 821 affected employees from July through February, and there were 8 OJT awards that provided 35 employee participants training at an investment cost of \$97,426.

Ms. Holt noted the article about two Polk County employers, Polymer Components and AngioSystems. Both employers will partner with Polk County Schools' Gear Up and CTE programs for in-school youth workforce development opportunities. Students placed at these facilities will have the opportunity to participate in paid work experience in coordination with the school programs.

The Tennessee Higher Education Commission (THEC) recommended funding for the new McMinn Higher Education Center. The project is ranked second out of nine capital projects with a projected cost of \$17.75M. The facility has been in development for several years and is intended to highlight a unique collaboration between the Tennessee College of Applied Technology Athens, Cleveland State Community College, and University of Tennessee Agriculture Extension. The Finance Committee and Governor's office will consider the project in the 2019-2020 state budget. An announcement is expected in May 2019.

Bradley County Schools' PIE Innovation Center was also included in the Governor's budget in a step to prioritize vocational and STEM education. The \$1 Million in proposed funding will be used to retrofit the former American Uniform Building that will house business and industry partners, a STEM education center, postsecondary education, and non-profit centers in efforts to support students in career pathways and workforce development.

Ms. Holt referenced the last page of the report to discuss the Performance Measures. All metrics were met with the exception of measurable skills gains for youth. The low reported number was due to issues with documents not being uploaded in a timely manner. Ms. Holt also reviewed highlights of the Career Services Dashboard.

Ms. Holt noted page three in the report regarding the Southeast Tennessee Local and East Tennessee Regional Plans. The plans were submitted and approved with conditions. As an overview, the Local Plan demonstrates how the partners work together in the community to meet the needs of employers relative to the in-demand skills of the local workforce.

The East Tennessee Regional Plan encompasses 34 counties in east Tennessee and includes the Northeast, East and Southeast local workforce development areas. The Regional Plan represents the combined results of industry research, ongoing partnership development, asset mapping, and process improvement provided in part through regional collaboration.

The local area and the East Region have chosen reentry for justice-involved individuals as the New Partner Element. There are several reentry programs throughout the local area and region that assist incarcerated individuals with recovery and reentry programs that may lead to full-time employment or quicker release from incarceration. One work release program, “Correctional Career Pathways: A Journey to Hope,” is an evidence-based practice that is currently operating at the Grundy County Jail. Partnerships for coordination of reentry services with the Tennessee Department of Corrections and the parole and probation supervision programs are in progress. The goal is to provide reentry services throughout the region and in all 10 counties of the local area.

Ralph Romeo asked about the data in the East Regional Plan and where the data was obtained. Economic Modeling Solutions, Inc. (Emsi) is the source for the data. Emsi obtains data from multiple sources including BLS, LMI, U.S. Census, and others.

Carri Smith mentioned that Valmont is currently engaged in the Second Chance program for justice-involved individuals. She stated that Valmont’s program might be a little extra effort to manage, but it has been well worth it. She added that the previously incarcerated potential employees are in programs and must complete the program prior to employment considerations.

Mr. Cates thanked Ms. Holt for the report and thanked the staff to the board for their work. He stated that the next few minutes is devoted to getting feedback from the employers on the board. He referenced the “Workforce Development Discussion Questions” insert in the packets. He opened the floor for questions or comments. A question was asked about changing the negative perceptions of working in manufacturing occupations and what is being done to address this issue. Gary Farlow said that the website, [www.yourskillsyourfuture.com](http://www.yourskillsyourfuture.com), is a resource that can help mitigate negative attitudes about manufacturing and the value of a one- or two-year college credential. Other suggestions included plant tours, virtual tours, internships (work-based learning), and employer visits to schools including elementary and middle schools. The earlier exposure to career opportunities is more effective than later in secondary education. Stewart Smith emphasized externships for teachers who teach English, biology, history, and other general education teachers because the change in perceptions regarding manufacturing has a long-lasting impact in terms of positive perceptions of manufacturing. Breanna Washington noted that VR participants have difficulties with assessments; however, they are task ready upon completion. Mr. Cates asked Ms. Holt to add the “Workforce Development Discussion Questions” page to each ongoing board meetings’ packets.

## **Committee Reports**

### **Opportunities Committee**

Mr. Cate asked Shannon Russo to provide the Opportunities Committee Report. Ms. Russo stated that first Opportunities Committee meeting was held on Friday, March 1, 2019. The group discussed the goals and objectives which included the Governor's initiatives including reentry, rural development, economic and community development, and apprenticeships. The committee also outlined specific special populations to target for services such as 1) individuals with disabilities; 2) justice involved individuals; 3) at-risk youth populations (in coordination with Youth Committee); 4) individuals in need of literacy skills and/or high school equivalency; and 5) individuals affected by the opioid crisis.

With re-entry identified as the new plan element in the local and regional plan, the group discussed the scope of services that would be included and the partnerships that have been identified and those that need consideration. With no questions, Ms. Russo submitted the report to the board in the form of a motion for approval.

Mr. Cate thanked Ms. Russo and asked for a second. The report was unanimously approved after a second by Manny Rico.

### **Operations Committee**

Chairman Cates then called upon Yvonne Peppers to provide the Operations Committee Report. Ms. Peppers directed the members to the packet and stated that the report is very detailed and is thoroughly outlined in the draft minutes. She provided a summary report.

Ms. Peppers stated that the committee met on March 5, 2019 at the American Job Center located at Cleveland State Community College.

The committee had several items of business related to policies. The minutes contained the details on the discussion and approvals. The following policies were reviewed: Incumbent Worker Training policy – local plan industry sectors added; Adult Priority of Services policy – updated Priority 4 and added Priority 5; Individual Training Account – updated language for basic skills requirements; and Supportive Services – clarified language for those not in training that receive supports.

### **ETPL Reviews**

The Committee reviewed a total of 13 program applications. Per the State guidance, training providers are now required to add Service Performance Outcomes on the ETPL applications. All applications, labor market information (LMI), performance outcomes and additional supporting documents were reviewed thoroughly by the committee with recommendations outlined below. A copy of the minutes with detailed discussions are included in your packet.

#### **Switch Certification Programs**

- Dental Staff School Upper Cumberland – one (1) application was reviewed, the Committee unanimously approved the application.

#### **Initial Eligibility (1 year)**

- Cleveland State Community College – one (1) application was reviewed, the Committee unanimously approved the application.

#### Continued Eligibility (2 year)

- Chattanooga College Medical, Dental & Technical Careers – two (2) applications were reviewed, the Committee unanimously approved one (1) application and unanimously denied one (1) application.
- Cleveland State Community College – nine (9) applications were reviewed, the Committee unanimously approved seven (7) applications and unanimously denied two (2) applications.
  - Note Cleveland State did receive additional technical assistance on 02/27/19 regarding the ETPL process and performance outcome guidance.

#### Removal from ETPL

- Matrix Medical Center – Beth Keylon received notice on 02/25/2019 from the director that they are no longer in business at the Cleveland location. This provider and program have been removed from the ETPL listing.

Ms. Peppers concluded the report and made a motion to the board on behalf of the committee to accept the recommendations made by the Operations Committee. Mr. Cates asked for a second. The report was unanimously approved after a second by Carri Smith.

#### **Youth Committee**

Chairman Cates called upon Rich Wade to provide the Youth Committee Report.

The Youth Committee met on February 27, 2019. The minutes were included in the packets. Cydnie Tate provided an overview on the Pathways Certification for Southeast and she will be presenting that information to the board today.

Our meeting was held at Gestamp where three students addressed the committee. These students provided insight on the value of work-based learning and the impact it has made on their future. They said they liked the program because they could do coursework at their own pace and earn money at the same time. Transportation was discussed as one of the challenges, specifically with one student in a single parent household who was taking Uber to work which cost \$17 one way. Mr. Cates arranged for her to ride with another employee. Our goal is to utilize WIOA funds to help with the cost of transportation for eligible in-school Youth.

Autumn Derrick provided the Youth Program Report indicating that the local area is currently at 20% in work experience expenditures totaling just over \$99k. The program year goal is \$231k. The report indicated the area exceeded the Youth performance outcomes for 2017. The agreed upon targets for 2018 and 2019 were also provided along with results from the first two quarters showing the area is exceeded for this program year. Business partnerships in coordination with Polk County Schools' CTE and GEAR Up programs were highlighted. Those details are included in the Board report. Joseph Johnson with Mid Cumberland Human Resources Agency provided information on the Youth staffing levels in the centers. Since the contract start date, only one Youth staff remained in Chattanooga, but staff for the other offices have either been hired or are in process.

Mr. Johnson updated the committee on outreach to in-school youth in 10 different schools. Since October 1<sup>st</sup>, a total of 309 Youth have been served, 41 new participants were enrolled. Of those served, 34 are attending training, and 23 participated in WEX.

Phil McGrath, with McKee Foods, has agreed to co-chair the Committee. Mr. Wade concluded his report and submitted it in the form of a motion.

Mr. Cates asked for a second. The report was unanimously approved after a second by Gary Farlow.

### **Career Pathways Presentation**

Mr. Cates asked Cydnie Tate introduce herself. She briefly summarized that she is the ‘voice’ for the school districts and her overall goal is to align with the Drive to 55 initiative. She thanked everyone for their support in her new role and looks forward to working to serve the local area’s schools.

### **One Stop Operator and Career Services Report**

Mr. Cates called on Joseph Johnson, Director of OSO and Career Services for Mid Cumberland Human Resources Agency, to provide the OSO and Career Services report. Mr. Johnson introduced himself, Evan Williams, the OSO Manager, and Casey Eschette, Career Services Manager. He stated that if anyone has any questions regarding services or any issues surrounding services to contact them for assistance. Mr. Johnson referenced the OSO Report included in the packets. He stated that the total AJC Traffic by Office recorded 11,500 visits. The top two “Reasons People Visit Our AJCs” was Job Search/Computer Room and Unemployment Insurance. On the back page, he noted the AJC Partner Updates that describe how the partners work with Title I Career Services so they can provide the wrap-around services to the participants.

Mr. Johnson stated that he would return to the OSO report, but wanted to discuss some of the challenges that Mid Cumberland Human Resources Agency (MCHRA) has encountered over the last five months and what the future holds. He explained that as they assumed the role of the OSO and Career Services Provider, they wanted to insert themselves seamlessly into the system for Title I services. MCHRA entered into a system that had five different providers which indicated that there could have been as many as five different ways to operate and provide services. MCHRA immediately began to provide training as well as train the trainer for the Career Services Manager. Mr. Johnson said they identified experienced employees to help with the transition. They were able to meet those training challenges and move quickly into a single model for services. Another challenge was the ever-changing landscape of workforce development. MCHRA charged Mr. Williams, OSO Manager, with the responsibility of working with all of the WIOA partners to ensure integrated services and functional alignment. Functional Teams meet weekly to better address individual customer needs, employer needs, and process improvement in service delivery. Cross-training was also implemented to ensure multi-agency understanding of all of the services provided by all partners in order to better serve the customer. The final challenge Mr. Johnson discussed was the staff. He provided the board with a handout that indicated staffing structure—“Career Services and One Stop Operator Staffing.” The day prior to assuming the contract, there were 25 total staff on board. On October 1, 2019, only 12 original staff remained and were employed with MCHRA. There were many reasons attributed to the staff deciding to leave their role as a Career Specialist from salaries to better opportunities to lack of job security due to the contractual nature of the Career Services provider. Unfortunately, a majority of those employees that left were more experienced staff. As of March 11, 2019, there are now only four positions that are vacant. Mr. Johnson stated that MCHRA viewed all of these challenges as short-term challenges that can and will be overcome.

Mr. Johnson referenced back to the OSO Report and noted the success story. The participant, Corporal Troy Williams, was given a bus pass to Chattanooga after exiting alcohol treatment in Atlanta. He met with Disabled Veterans Outreach Program staff, George Davis, and was given housing in Chattanooga.

Within 10 days after arriving in Chattanooga and as a result of local, state, and federal programs, Mr. Williams obtained housing, a phone, and a full-time position making \$17.00 per hour at Koch Foods. He concluded the success story by stating that the AJCs are not just a place of refuge, but also a place of hope. Job seekers can get the help and the direction they need to make their lives better.

Mr. Johnson asked Mr. Williams to mention the upcoming events in the local area. Mr. Williams stated that Rhea County will have a Job Fair on March 28, 2019. And the New Life Job Fair, a Second Chance program for justice-involved individuals, will hold a Job Fair on April 5, 2019. A pre-Job Fair Event will be held on April 4, 2019 which will prepare the participants for success in the Job Fair. Mr. Johnson asked for questions.

Ms. Peppers asked how the relationships with MCHRA and the local area employers are coming along. Mr. Johnson stated that the current staffing levels limit the amount of employer outreach time due to the office coverage needs at the AJCs. Ms. Peppers asked that the “Career Services and One Stop Operator Staffing” page be broken down to reflect staff by location. Mr. Johnson agreed to make that available.

Mr. Romero asked Mr. Johnson what the primary objective is for the OSO. Mr. Johnson stated that the goal is to align all the partners in the public workforce system so that there is a consistent approach for services for job seekers. Mr. Romero asked if job placement is a primary result. Ms. Holt underscored that job placement is the ultimate result of the OSO services; however, it may not happen in a linear fashion. Mr. Johnson agreed that the employers are customers and all services are available to them for recruiting, interviewing, assessing, and hiring.

Ms. Holt added that board staff participates in employer engagement with contracts, Rapid Response, and other employer-related activities. MCHRA Career Services staff can jointly work with the board staff regarding employer engagement.

Stewart Smith stated that TCAT Athens and the community colleges had the opportunity to bid on the Career Services/OSO contract. He said after reviewing the RFP, they decided that there was not enough money to fulfill the contractual requirements. He added that MCHRA needs a cushion of time to adjust to the challenges.

Mr. Cates thanked Mr. Johnson for his presentation and said that the board will need to vote to extend MCHRA’s contract for additional year. As board chair, he recommended that the board extend the contract with MCHRA. Mr. Johnson underscored that MCHRA is fully committed to the highest quality of service and performance. Mr. Cates thanked Mr. Johnson for his report and requested that MCHRA staff be excused so the board could vote on the contract extension.

Mr. Cates asked for a motion which was provided by Stewart Smith and seconded by Yvonne Peppers. Mr. Cates then asked for discussion. The board members agreed to monitor MCHRA’s performance during the contract period. The motion carried unanimously.

### **Other Business**

Mr. Cates asked if there was other business. Mr. Romero asked if job placement data could be added to the report, and Ms. Holt stated that revisions to the Dashboard are forthcoming. Ms. Jones stated that our SEIDA partner is collecting real-time wage and benefit data via a survey of the region. Each member will be sent the email survey regarding wages and benefits. She said that these data will be more accurate than Emsi or other estimates on wages and benefits since the data are considered primary source data. Each board member will have access to the data which will be retained at UTC.

Ms. Jones added that April 26, 2019 will be the ribbon-cutting event at the Advanced Manufacturing Technology Center at Marion County, the Regional Institute of Higher Education which is Phase II of a project dedicated to growing the talent in Marion County and surrounding area.

Chairman Cates thanked everyone for their attendance. He then asked for a motion to adjourn. The motion to adjourn was unanimously approved on a motion by Gary Farlow and a second by John Proffitt. Chairman Cates then announced that the meeting was adjourned at 1:04 p.m.

Respectfully submitted,

*Mary Stewart Lewis.*

*Secretary*