

**SOUTHEAST TENNESSEE LOCAL WORKFORCE DEVELOPMENT BOARD**  
**Minutes of the Southeast Tennessee Local Workforce Development Board**  
**Cleveland State Community College - Health Science Building**  
**3410 Adkisson Drive, Cleveland, TN 37312**  
**June 9, 2021 | 11:30 a.m. EST**

Board members present were Board Chair John Proffitt, Brian Cooksey, Crystal Renner, Freiderike Ebner, Ethan Loyd, Carri Smith, Jim Stailey, Leslie Travis, Irene Hillman, Dr. William Seymour, proxy for Patricia Weaver, Stewart Smith, Virginia Housley, Karen Buff, and Steven Hiatt.

Staff attending were Beth Jones, Chuck Hammonds, Don Kellerman, Jim McClure, Jolly Abraham, Michele Holt, Autumn Derrick, Beth Keylon, Elliot Williams, Maty Partin and Lisa Buchanan.

Other guest in attendance were Matt Spinella, Jennifer Eppley, Heather Brown, Andrea Byerly, Marci Reiter, Hall Charter, Gary Davis, Cydnie Tate, Arlette Robinson, Debbie Fillers, Christiana Henderson, Steve Playl, Jared Waldrop, Brittany Cannon, Janell Satterfield, Rachel Adams, Damon Stewart, Kelly Puckett, Shirley Pond, Brenda Choate, Same Wills, and Bo Drake.

### **Call to Order**

John Proffitt, Board Chair, called the meeting to order at 11: 50 AM. Chairman Proffitt called on Chuck Hammonds to give the invocation.

Chairman Proffitt gave recognition to the elected officials in attendance. Bradley County Mayor, Gary Davis, Shirley Pond, representing Scott DeJarlis' office, and Kelly Puckett representing Marsha Blackburn's office.

He introduced Steve Playl who is serving as the new Assistant Commissioner for Tennessee Department of Labor and Workforce Development.

### **Roll Call**

Chairman Proffitt called on Lisa Buchanan to give roll call and Michele Holt declared a quorum was present.

### **Approval of the Minutes**

Mr. Proffitt called for a motion to approve the minutes of the March 10, 2021, meeting. On the motion from Carri Smith and a second from Brian Cooksey, the minutes were unanimously approved.

### **Administrative Reports**

#### Financial Reports

Chairman Proffitt called on Elliot Williams to present the Financial Statements for April 30, 2021. Mr. Williams reported the budgeted revenues, in the amount of \$7,189,732. Actual expenses for the year were \$4,715,250, or 66% of the budget, which is below the expected expense rate of 83%. Increased invoicing has been submitted that includes spring semester Individual Training Accounts and CARES Act participant activity that will be reflected in future expenditure reports. He reported total personnel expenses at \$432,637 year to date, or 70% of the annual budget. Total operating expenses are reported below budget at \$1,082,052 or 70% of the budget. Special Services, which includes service provider contracts are reported at \$3,633,198 or 64% for the year. The MPCR metric was reported at 52% through April which is above the 40% requirement.

Mr. Williams continued on to the Financial Status Report that provides a detailed financial overview of current active contracts. Mr. Williams stated the first section includes FY20 contracts that have been carried over to the FY21 fiscal year. These contracts have an end date of June 30, 2021 and will be fully expended by the

contract end date. New contracts typically have an 80% expenditure requirement by the end of year one, but a waiver was issued for this program year due to the ongoing pandemic. The work experience rate for the PY20 Youth contract is currently at 30% with a 20% minimum requirement. The FY21 contracts also have a term limit of two years and have been budgeted at 80% of total program cost. The remaining 20% is budgeted and set aside as carry-over funds for the FY22 fiscal year.

Irene Hillman asked if we anticipated being on target to reach the 80% expenditure rate. Mr. Williams indicated that provider expenditures had increased, and the expectation is end of the year closeouts should reflect a higher expenditure rate. He reminded her there was no risk of recapture for this year due to the implementation of the expenditure waiver that is currently in place.

With no questions, Chairman Proffitt called for a motion to approve the April 30, 2021, Financial Report. The report was approved as presented on a motion from Ethan Loyd and a second from Irene Hillman.

#### Fiscal Year 2022 Proposed Budget

Mr. Williams presented a proposed budget for FY 2022 in the amount of \$6,795,403 which is \$394,329 lower than FY 2021 budget. The decreases are contributed to a 9% overall reduction in formula allocations and a decrease in anticipated carryover funds. The LWDA Career Center Partners line-item increase is attributed to an additional \$78,593 increase in the One Stop Operator services contract budget.

Total personal expenses increased by \$17,443 for a total of \$632,268 and includes a 3% increase from annual salary compensations. Total operating expense increased by \$46,711 for a total of \$1,594,010. This can be attributed to a need for additional IT support services for the American Job Centers and the addition of a planned Specialized AJC in Tracy City, TN. Special Services decreased by \$441,041 for a total of \$5,201,393, reflecting the reduction in formula funding allocations and the loss of anticipated carryover funds from unobligated participant CARES Act funding. This line item includes the service provider contracts and additional statewide pass thru funds such as National Dislocated Worker, Rural Initiative, and Career Exploration grants.

Jim Stailey asked for clarification on where the anticipated carryover funds are reflected in the proposed budget. Mr. Williams clarified by stating the incorporation of carryover funds in the upcoming year's budget is a standard annual practice. Each year 20% is earmarked as carryover to bridge the gap between program year and fiscal year funding. As previously noted, an 80% expenditure rate is required to avoid recapture; however, that was waived for the current year and will resume with next year's funding.

With no further questions, Chairman Proffitt called for a motion to approve the FY 2022 Proposed Budget. The budget was unanimously approved as presented on a motion made by Carri Smith and seconded by Virginia Housley.

#### Director's Report

Ms. Holt reported that Tennessee's Unemployment rate continues to trend slightly lower at 5% compared to the overall national average 6.1%. There are approximately 27,000 job openings in the region and 13,500 unemployed individuals – two job openings for every unemployed individual. Translated, there will still be a worker shortage if every unemployed individual returned to work immediately. Governor Lee has moved to end the Pandemic Unemployment Assistance (PUA) in Tennessee by July 3<sup>rd</sup>.

Ms. Holt reported that Governor Lee has recently launched a Back to Work campaign for Tennessee which intends to quickly reconnect unemployed individuals to available jobs. The American Job Center staff have been tasked with making this a priority and have already begun efforts to place individuals seeking services

through the American Job Centers. In support of the Back to Work Campaign, Commissioner McCord is scheduled to visit Southeast Tennessee on July 15<sup>th</sup> at 10:00 a.m. She added that this is an open public meeting, and more details can be located in the packet.

Lastly, she reported that the board staff was able to extend statewide career exploration funding by purchasing licenses for nine virtual reality headsets from TRANSFRVR. In April and May, 179 users explored careers with the headsets, and some indicated interest in the careers.

#### Executive Committee Report

Lastly, Ms. Holt provided an update on service contract extensions and procurement. At the last board meeting she reported that the Executive Committee would convene to address our service contracts.

The Executive Committee met on April 1, 2021 and approved to proceed with a one-year contract extension for Career Services with Mid Cumberland Human Resource Agency (MCHRA) and to release a Request for Proposals (RFP) for One Stop Services. The Executive Committee convened again on April 13<sup>th</sup> and approved the RFP for OSO services with a release date of April 16<sup>th</sup> and a proposal due date of May 17<sup>th</sup>. Four letters of intent and one proposal were received but no proposals met the minimum requirements. The Executive Committee reconvened on June 1<sup>st</sup> to discuss options. Due to timing, it was recommended to offer a one-year separate contract extension with MCHRA to ensure there was no lapse in OSO services. Southeast is not required to procure all services until June 30, 2022, which maintains policy compliance.

Chairman Proffitt brought forth a recommendation in the form of a motion from the Executive Committee to approve the Mid Cumberland Career Services Contract Budget for PY 21-22 in the amount of \$3,747,262. On a second made by Carri Smith the budget was approved unanimously.

Chairman Proffitt moved to the One Stop Operator contract. He brought forth a recommendation in the form of a motion to approve a one-year contract budget for Mid Cumberland Human Resource Agency to deliver One Stop Operator services in the amount of \$350,000. On a second made by Ethan Loyd the budget was approved unanimously.

#### Committee Reports

Chairman Proffitt reminded board members that all committee meeting minutes and materials for committees were provided for review prior to the meeting.

Chairman Proffitt called for a motion to approve the minutes from the Operations Committee on June 1, 2021, Opportunities Committee on May 21, 2021, and the Youth Committee on May 14, 2021. After reviewing the minutes were approved unanimously on a motion from Brian Cooksey and a second from Crystal Renner.

#### **One Stop Operator Report**

Chairman Proffitt called on Jennifer Eppley to give the One Stop Operator report. Ms. Eppley reported the AJC hosted five community job fairs with 383 job seekers and 81 employers in attendance. She noted the Summer Youth Work Experience activities which started in May and will continue until the end of August. To date, a total 42 youth have engaged in the program at nine worksites.

Lastly, she mentioned that the Adult Education staff will launch virtual access points in September 2021 that will make virtual American Job Center services available at all Adult Education locations through use of technology.

## **Cleveland State Vision**

Chairman Proffitt called on Dr. Seymour to give a brief presentation on Cleveland State's Vision 2025. He presented the values, vision, and goals and noted the overall mission of the 2025 plan is to build strong minds, careers, and communities through exceptional teaching, learning, and workforce development and service. The overarching goal is to create a "college-going mind" in rural America by understanding how community colleges can connect with the rural communities around the region.

## **Roadtrip Nation**

Chairman Proffitt called on Mike Mariner and Tim Hogan with Roadtrip Nation. Roadtrip Nation is a workforce development and media company working with Southeast Tennessee Local Workforce Development Board and the Department of Education. Roadtrip Nation selects socially relevant topics upon which to focus its narrative-based storytelling projects and then select students to travel in an RV across the state to gain insight from professionals on their career journey. Mr. Mariner noted that these road trips can vary based on what workforce is offered in that region by breaking the stigma with gender and race in the workforce. He stated with the media and documentaries they have made on the road trips; they have been able to reach people and create more road trips as well as partner with other nonprofits. Lastly, since the pandemic they have created a virtual career exploration hub that focuses on local workforce development initiatives that are specific to a particular region. More information will be forthcoming about Roadtrip Nation and a potential statewide project.

## **Work-Based Learning Panel**

Chairman Proffitt then called on Autumn Derrick, Matt Spinella, and Brittany Cannon to moderate the Work-Based Learning Industry Panel. Ms. Derrick explained that the panel was created to understand what challenges and successes are needed to help build a talent pipeline. She introduced the following panelist: Carri Smith- Valmont Industries (Marion County), Brian Cooksey- Shaw Industries (Marion, Meigs, and North Georgia), Christina Henderson- Gestamp (Hamilton County), Brenda Choate-Cormetech (Bradley County), Janelle Satterfield- Cormetech (Bradley County), Jarod Waldrop- Wright Brothers Construction (Bradley County), and Marci Reiter- Advanced Technology Institute, CSCC (Bradley County).

Each panelist gave a brief introduction and described the importance of work-based learning to their institutes. Some of the biggest challenges faced that made work-based learning a priority for the industries were trying to find a viable candidate for a job immediately after graduation from high school, training the students to learn about the job, and the difference in learning it in school and applying it in a real world of work setting. Although the panelist expressed their main concern was safety and the age of the students, Jarod Waldrop with Wright Brothers Construction expressed that making these concerns a priority is important to teach each student safety and learning the job correctly. This made a significant difference in their work-based learning programs. Many panelists provided resources to students and parents such as advisors, mentors, and bank account management to help the students with other skills. This gave them real world experience to help manage their daily life.

## **PIE Center Update**

Chairman Proffitt called on Brittany Cannon to give an update of the PIE Center that has been developed in Bradley County. Ms. Cannon reported that they have planned to open to students in the 2022-2023 school year. She continued to note the case for support and programming that will be offered. Lastly, she said that the PIE Center will be offering career residency which will lead to pre-apprenticeship programs and other beneficial work-based learning models. Ms. Cannon stated that there will be a video and link sent out through email to show all that will be offered.

**Other Business**

Chairman Proffitt called for any other business. Hearing none, he indicated that the next board meeting will be in September at the McMinn Higher Education Center and the December meeting will be with the joint meeting of the Southeast Tennessee Development District Board and the Southeast Tennessee Local Workforce Development Board. More details of the meetings will be forthcoming.

**Adjourn**

The board meeting was adjourned by unanimous consent after a motion by Ethan Loyd and a second by Jim Stailey.

Respectfully submitted,

*Carri Smith*

Secretary/Treasurer

Southeast Tennessee Local Workforce Development Board Roster													
Attendance 09/08/2021	Board Member Name	County of Residence	Date Certified by TDLWD	Organization Member Represents	Special Requirement	Term of Appointment	Conflict of Interest Begin Date	Conflict of Interest End Date	Nominator's Name	Organization Nominator Represents	Executive Committee Member (*)	Total Percentage of Board	Board Numbers
<b>Business Representation (Group A)</b>													
	Brian Cooksey	Marion	1/28/2019	Shaw Industries Group, Inc.	Business	11/2020-11/2022	10/5/2020	10/4/2021	Kathy Tierney	Marion County Chamber of Commerce			1
	Anne Ervin	Hamilton	1/28/2019	Healthcare Corporation of America	Business	11/2020-11/2022	10/5/2020	10/4/2021	Christy Gillenwater	Chattanooga Chamber of Commerce			1
	Harley Grant	Hamilton	9/17/2018	Applied Thermal Coatings	Business	N/A	10/22/2020	10/21/2021	Bill Kilbride	Chattanooga Chamber of Commerce			1
1	Crystal Renner	Bradley	9/30/2019	Mueller	Business	9/2019-9/2021	10/20/2020	10/19/2021	Mayor Gary Davis	Bradley County Mayor			1
1	Julie Hoover	Hamilton	1/28/2019	Miller Industries	Business	11/2020-11/2022	10/13/2020	10/12/2021	Christy Gillenwater	Chattanooga Chamber of Commerce			1
	David Hopkins	Polk	9/17/2018	AngioSystems, Inc.	Business	N/A	10/12/2020	10/11/2021	Adrian Lambert	Polk County Chamber of Commerce			1
1	Freiderike Ebner	Hamilton	12/12/2019	Volkswagon Group of America	Business	12/2019-11/2021	10/1/2020	9/30/2021	Christy Gillenwater	Chattanooga Chamber of Commerce			1
1	Ethan Loyd	Bledsoe	8/1/2020	Bledsoe Telephone Cooperative	Business	08/2020 -08/2022	8/19/2020	8/19/2021	Mayor Gregg Ridley	Bledsoe County Mayor			1
	MaryStewart Lewis	Hamilton	9/17/2018	McGriff Insurance Services	Business	N/A	10/16/2020	10/15/2021	Bill Kilbride	Chattanooga Chamber of Commerce	✓		1
	Phil McGrath	Hamilton	1/28/2019	McKee Foods Corporation	Business	11/2020-11/2022	11/19/2020	11/18/2021	Christy Gillenwater	Chattanooga Chamber of Commerce			1
1	Marshall Graves	Grundy	9/30/2019	Stone Door Group	Business	7/2020 - 7/2022	8/1/2020	7/31/2021	Mayor Michael Brady	Grundy County Mayor	✓		1
1	John Proffit --Board Chair--	McMinn	9/17/2018	Advanced Energy Solutions	Business	N/A	12/8/2020	12/7/2021	Rob Preston	Athens Area Chamber of Commerce	✓		1
1	Shannon Russo	Bradley	1/28/2019	Whirlpool	Business	11/2020-11/2022	10/12/2020	10/11/2021	Gary Farlow	Cleveland Bradley Chamber			1
1	Carrin Smith	Marion	9/17/2018	Valmont Industries	Business	N/A	11/13/2020	11/12/2021	Beth Hipp	Valmont General Manager	✓		1
	Drew Lytle	Rhea	3/10/2020	Airxcel, Inc.	Business	3/2020 -3/2022	10/19/2020	10/18/2021	Missy Wood	Dayton Chamber of Commerce			1
												52%	15
<b>Labor Representation (Group B)</b>													
	Logan Taylor	Hamilton	12/12/2019	Y.B. Normal?	Labor	11/2019 - 11/2021	10/22/2020	10/21/2021	Diane Parks	Chattanooga Chamber of Commerce			1
	Melvin Holmes	Meigs	9/17/2018	Volunteer Electric Cooperative	Apprenticeship/Training	N/A	10/14/2020	10/13/2021	Rody Blevins, President & CEO	Volunteer Electric			1
	Tim Fowler	Hamilton	1/28/2018	IBEW Local 175	Apprenticeship/Training	11/2020-11/2022	10/14/2020	10/13/2021	Gary Watkins	Business Mgr, IBEW Local 175			1
1	Jim Stailey	Hamilton		Chattanooga Goodwill Industries	Labor	7/2020 - 7/2022	6/10/2020	6/9/2021	Gena Weldon	Chattanooga Goodwill Industries			1
	Larry Morrison	Hamilton	9/17/2018	UA Local 43	Labor	N/A	6/13/2020	6/12/2021	Carl C. Evans	President UA Local 43			1
	Candy Johnson	Hamilton	2/22/2021	Urban League of Chattanooga	Labor	01/2021-01/2023	2/22/2021	1/1/2022	Albert Waterhouse	Urban League of Chattanooga			1
1	Nathan Smith	Sequatchie	4/21/2021	Southeast Tennessee Human Resource Agency	Labor	3/1/2021	3/1/2023	3/1/2022	David Jackson	SETHRA			1
												21%	6
<b>Education Representation (Group C)</b>													
1	Leslie Travis	Rhea	9/17/2018	Tennessee Department of Labor and Workforce Development	Adult Education	N/A	10/2/2020	10/1/2021	Ian White	TDLWD - Adult Education			1
	Irene Hillman	Hamilton	9/17/2018	University of Tennessee Chattanooga	Higher Education	N/A	10/5/2020	10/4/2021	Chancellor Steven R. Angle	University of Tennessee Chattanooga			1
1	Patricia Weaver	Bradely	6/19/2019	Cleveland State Community College	Higher Education	11/2020-11/2022	10/12/2020	10/11/2021	Dr. William Seymour	Cleveland State Community College			1
1	P. Stewart Smith	McMinn	1/28/2019	Tennessee College of Applied Technology	Higher Education	11/2020-11/2022	11/3/2020	11/2/2021	Chancellor Flora Tydings	Tennessee Board of Regents			1
	Rebecca Ashford	Hamilton	1/28/2019	Chattanooga State Community College	Higher Education	11/2020-11/2022	10/5/2020	10/4/2021	Chancellor Flora Tydings	Tennessee Board of Regents			1
												17%	5
<b>Government and Community Development Representation (Group D)</b>													
1	Virginia Housley	Rhea	9/17/2018	Tennessee Department of Labor and Workforce Development	Wagner-Peyser	N/A	10/15/2020	10/14/2021	Deniece Thomas	TDLWD			1
1	Karen Buff	Hamilton	3/10/2020	Tennessee Department of Human Services	Vocational Rehabilitation	N/A	4/3/2021	4/4/2022	Paula Kinsley	TN Dept of Vocational Rehabilitation			1
1	Steve Hiatt	Hamilton		Chattanooga Chamber of Commerce	Community Development	02/2021-02/2023	2/24/2021	2/24/2022	Christy Gillenwater	Chattanooga Chamber			1
												10%	3
<b>Other Representation (Group E)</b>													
16												0%	0