

**Northeast TN Local Workforce Development Board
February 21, 2019 - 8:00am
Carnegie Hotel, Johnson City, TN**

MINUTES

MEMBERS PRESENT:

Dean Blevins
Amanda Boyer
Deborah Dover
J. Spenzer Forbes
Mike Horton
Andrew McKeehan

Pin-Chia Murphy
James Osborne
Daronda Patterson
Sandy Ray
Barry Reeves
Jay Richardson

Lottie Ryans
Kenneth Treadway
Jonathan Van
Bremen
Steve Vinsant

MAYORS PRESENT:

Joe Grandy
Kevin Morrison

Rusty Barnett
Mike Taylor

GUESTS PRESENT:

Dr. Bo Shadden
Ray Abbas
Dana Wilds
Garrett Sluder

Heath McMillian
Jon Smith
Amanda Sells
Alice McCaffrey

Bill Darden
Don Hurst
David Holder
Lana Moore

STAFF PRESENT:

Kathy Pierce
Cindy Martin-
Hensley

April Shaffner
Tammy Sluder
Greg James

Ginger Lyons

Chairman Jay Richardson presiding

1. Welcome and Introductions – Jay Richardson, Chair

Chairman Jay Richardson recognized a quorum present and called the meeting to order.

Chairman Richardson recognized guests present and thanked the County Mayor's for their attendance.

2. Invocation

Jay Richardson provided invocation.

3. Eagle Stories

Barry Reeves noted that in October, Miyake Forging began full production. The company hired 13 individuals to join their team in January and February, 2019. Of those 13, 5 were hired from direct meetings through the American Job Centers, and Mr. Reeves complimented the Kingsport and Rogersville AJCs for their assistance in the hiring and recruitment process.

Spencer Forbes announced that his daughter has applied and was appointed to attend the Air Force Naval Academy.

Lottie Ryans announced that five school systems have expressed interest in participating in an initiative that replicates the Gestamp model for youth apprenticeship. Mr. Tony Cates, Executive with Gestamp and Chair of the Southeastern Local Workforce Development Board, had presented information on his company's processes for establishing youth career pathways at the E2E event. Lottie also thanked Mary Beth Oxendine-Woodby and the Kingsport Chamber for participating in recent pathway presentations.

4. "Meet Your Board Member" – James Osborne

James Osborne provided pictures and information about himself as part of the newly established Board practice to promote building relationships between Board members.

5. Guest Speaker – Alice McCaffrey, Director, Sullivan County Anti-Drug Coalition

Jay Richardson introduced Alice McCaffrey.

Alice McCaffrey explained the mission of the Sullivan County Anti-Drug coalition and provided resource materials which could be used by business to address the issue of substance abuse in the workplace. Ms. McCaffrey also described how understanding of awareness of adverse childhood experiences in explaining potential root causes of substance abuse could promote a healthier Tennessee.

Ms. McCaffrey provided printed materials for distribution to the area's business and industry community to ensure that all sectors in a community are included in the effort to develop solutions and strategies to minimize substance abuse, including discussion of actions that can be taken by employers including:

- What policies and procedures are in place and how can business explore options to assist employees deal with substance abuse;
- What barriers to assistance need to be eliminated to alleviate the problems; and
- What environmental factors can be evaluated to promote positive change?

Jay Richardson noted that, as an employer, we need to be more involved in offering programs for the well being of our workforce.

6. Business Meeting

a. Minutes – December 13, 2018 (vote required)

MOTION: Lottie Ryans moved to approve minutes as presented. Andrew McKeehan seconded. There being no discussion or opposition, the motion passed.

b. Executive Committee

i. Regional & Local Plan (ratification vote required)

Kathy reported that on January 17, 2019, the local and regional plans were presented to the Executive Committee for approval. The vote needed to be performed prior the next scheduled NETLWDB meeting so the plans could be submitted and meet the deadline issued by the State. The action taken by the Executive Committee needs to be ratified.

MOTION: Amanda Boyer moved to approve the action taken by the Executive Committee for the approval of the Local and Regional Plans. Lottie Ryans seconded. There being no discussion and no opposition, the motion passed.

ii. Greeneville AJC Certification (ratification vote required)

Kathy explained the AJC Certification process and listed the members of the Certification Review Team (CRT) which had evaluated the new AJC located at 128 Serral Drive in Greeneville. The CRT had voted to recommend approval and certification of the Greeneville AJC. The Executive Committee voted and approved the recommendation of the CRT. The action taken by the Executive Committee needs to be ratified.

MOTION: Steve Vinsant moved to approve the action taken by the Executive Committee for the approval of the Greeneville AJC Certification. Daronda Patterson seconded. There being no discussion and no opposition, the motion passed.

c. Operations Committee Report

Kathy Pierce thanked everyone for their attendance and congratulated those sharing eagle stories. She reported that James Osborne is the Operations Committee Chair. The Committee met on February 13, 2019. Mr. Osborne requested that Ms. Pierce provide the report from the Committee.

Kathy noted that the Committee had reviewed numerous documents which were being recommended for approval. Copies of these documents were included in the packet and were previously emailed to all Board members.

i. Support Service Policy (vote required)

Kathy reminded the group that this group previously reviewed 22 policy documents. The support policy presented today is a revision of the one presented during that time. The revision would allow an incentive payment for attainment of an NCRC for youth enrolled into WIOA.

Kathy reminded the group that, due to the waiver received from the U. S. Department of Labor, 50% of youth dollars may be expended on in school youth. As a result of that waiver, the NETLWDA youth program provider, CAC, is meeting with a number of schools and working with CTE Directors to connect their programs to WIOA work experience opportunities and to provide incentives for successful completion of WIOA activities, e. g., attainment of the NCRC.

The written policy, provided in the packet, outlines the dollars available to be awarded for NCRC levels achieved. The process is still being developed but the first step is to receive approval from the Board to move in that direction. Kathy added that expenditures will be carefully monitored to ensure maintenance of the 50/50 ratio of spending for In School and Out of School programs.

MOTION: James Osborne made the motion on behalf of the Operations Committee to approve the proposed change to the Support Service Policy as presented. Andrew McKeehan seconded.

Discussion:

Lottie Ryans asked if the implementation of this policy would be completed in time for the May school testing time frame. Kathy replied that the Committee will be reconvene to review the process and financial standing. She reminded the group that all support services are provided based on financial availability.

Kathy Pierce provided the definition of In School and Out of School programs.

There being no further discussion and no opposition, the motion passed.

ii. SCSEP Policy (vote required)

Kathy Pierce referred to the packet and noted there were three policy documents included related to the Senior Community Service Employment

Program (SCSEP). They include Termination, Approved Breaks, and Durational Limits. She explained that SCSEP funds are contract to the First TN Human Resource Agency. The program allows those 55 and older who lack employable skills to enter a training program that provides paid work experience to participating organizations and businesses.

James Osborne reported that the Operations Committee recommends the approval of the three proposed SCSEP policies as presented. He called for the Board to vote on the Committee recommendation.

MOTION: Jay Richardson moved to approve the proposed three SCSEP policies as presented. Daronda Patterson seconded. There being no discussion and no opposition, the motion passed.

iii. Oversight Reports (vote Required)

Kathy Pierce reported that the packet contained copies of two sub-recipient System Oversight Reports for CAC, one programmatic and one fiscal report. She explained that one of the primary responsibilities of this Board and staff is the oversight of the sub-recipients.

She explained that staff works closely with the sub-recipients to provide technical assistance to insure processes and outcomes adhere to the contract.

Kathy explained the critical nature of accurate of input of participant data into the VOS system. The VOS program is extremely technical and requires extensive expertise by staff to navigate multiple screens to enroll and provide case management to participants.

Staff have reviewed six months of work done by CAC related to provision of Career Services and Youth Program services. Challenges have been identified in both programmatic and fiscal areas.

CAC, the NETLWDA sub-recipient selected to deliver these services has been made aware of the issues which have been identified by the monitoring process. Kathy added that technical assistance will be provided to CAC on specific VOS data entry procedures on February 28, 2019.

James Osborne reported that the Operations Committee recommends the approval of the System Oversight Reports as presented. He called for the Board to vote on the Committee recommendation.

MOTION: Jay Richardson moved to approve the Oversight Reports as presented. Andrew McKeehan seconded. There being no discussion and no opposition, the motion passed.

d. *Director's Report – Kathy Pierce*

Kathy Pierce thanked the Board members and Mayors for their attendance and expressed appreciation to Jay Richardson for his leadership and support. She also thanked Board and AJC staff and partners. She congratulated Board staff and partners for their hard to complete the Strategic Plan given the abbreviated time available to complete the plan. Kathy expressed special appreciation to April Shaffner and Cindy Martin Hensley for their work on development and final preparation of the Plan documents. Kathy also recognized the AB&T Finance Department for their excellent work in managing the grants, accounting for revenue and disbursements and managing the Infrastructure Funding Agreement, in addition to the multiple reporting requirements from TDLWD.

Kathy informed the Board that NETLWDA is currently achieving a level of 44% on the Minimum Participant Cost Rate.

Kathy thanked Alice McCaffrey for speaking to the group today and noted the Board has invested a great deal of time and effort around the substance abuse issue and identifying strategies to address the problems.

i. *Financial Review*

Kathy drew the attention of the Board members to the financial review handout. She explained that, as a result of the realignment of 13 to 9 workforce areas, the final allocations were received on January 19, 2019. Kathy explained that during the Workforce Development Area re-alignment transition, funding was provided July 1, 2018 to all 13 areas. At the end of September, all 13 areas reported expenditures. The State recaptured all unexpended funds and reallocated the dollars to the 9 areas. The reallocation amount was received on January 19. The report includes the reallocated amount.

Kathy explained the flow of the funds in the Adult, Dislocated Worker and Youth funding streams and included a discussion of the intentional plan to carryover 20% of funds into the next fiscal year. Kathy further reported that the State has awarded NETLWDA additional funds to assist in the transition.

The bottom cell of the report lists non-WIOA funding sources.

Kathy then provided a detailed explanation of the Infrastructure Funding Agreement (IFA) document, noting that partners contribute to the operational expense of the AJC's, but the monies flow through AB&T.

Therefore, while shown on the report as revenue into the system, this amount actually represents the flow through nature of IFA monies.

Other funding sources include SNAP, SCSP, and remaining YouthBuild funds.

Kathy added that a detailed CBG report was included in the packet which provides listing of the companies being served, numbers of employees participating and a brief description of training provided. Kathy complimented Tammy Sluder on her work on the CBG program.

She added that it is anticipated that Adult and Dislocated Worker funds will be expended in accordance with the 80% requirement. However, challenges remain in the youth expenditure level. Kathy explained how the RFP process and the change of contractors resulting from that process from ETSU to CAC. AB&T staff have begun conversations with CAC staff to identify strategies to ensure that expenditure levels meet the required percentage in order to avoid the potential of returning money to the State.

Kathy thanked Steve Vinsant for his participation in the plan presentation on February 8. She noted that we are attempting to align the work of this Board with Governor Lee's focus areas:

- Career and Technical Education
- Focus on rural areas
- Emphasis on Re-entry programs
- Career Pathways

The focus on rural counties will assist the NETLWDA. Five of the eight (8) counties are designated as at risk or distressed counties. The current strategy for service delivery is the maintenance of the AJCs in each county; however, funding levels in FY 2020 will dictate the ability to continue to operate all locations. Additionally, use of the facilities by the public is being tracked and analyzed. If it is determined that the AJCs are not being accessed in at a cost effective level, the facilities may not continue to be viable investments.

NETLWDA is pursuing the Career and Technical Education focus, as well. This is being accomplished through ongoing interaction with CAC's youth program and through subsidy of tuition and related expenses in post-secondary education programs which result in credentials required by the region's employers

Kathy also discussed the Re-entry program in Greene County which has been very successful. She and Steve Vinsant meet with the leaders of that model which identifies incarcerated individuals who are appropriate for employment with a local manufacturing company. The outcomes for the

program have been extremely successful, both for the inmates and for the employer. NETLWDA is beginning conversations to identify methods to enroll these individuals into WIOA to address gaps that remain. Kathy informed the Board that several other counties have expressed interest in replicating the program.

Lottie Ryans complimented the CBG report. She noted that this report shows a more diverse list of participating businesses she has seen utilize the funds.

Kathy remarked that application for CBG funds continue. She encouraged any business, if interested, to apply. We currently don't have the funds but will ask the State for additional dollars.

ii. Strategic Plan Approval Status

Kathy reported that the packet contains information related to the approval of the local and regional plans. She noted that the State Board approved the local plan with conditions. The regional plan was not approved. She added that all 9 workforce areas presented plans, yet, no one was approved without conditions. The State has required that both local and regional plans be amended and re-submitted no later than March 13 for further review.

iii. Other

Jay Richardson reported on his experience with the Ernst and Young (E&Y) group which has been selected by TDLWD to evaluate WIOA implementation across the State. E & Y also interviewed Mayor Richard Venable and multiple AB&T staff and partners. Jay noted that E & Y started the interview by informing Jay that the NETLWDA was a model for the State. He thanked previous Chair's for their dedication and work on the Board.

Jay expressed his appreciation to everyone for their attendance. He stressed the importance of everyone understanding the information presented. He encouraged questions and noted that staff is always willing to assist.

7. Q & A – There were no questions.

8. Next Meeting, Thursday, April 18, 2019/Adjourn

The next meeting will be April 18, 2019. Jay reminded the Board that the April meeting is a special event which honors businesses and industry.

There being no further business, the meeting was adjourned at 9:17am