



**Northern Middle Tennessee Workforce Board**

**Finance Committee**

**Meeting Minutes**

**Nov 6, 2025, via Zoom at 10:00 a.m.**

<b>Members Attending</b>	<b>Members Absent</b>	<b>Staff &amp; Guests Attending</b>
Ashley Horan	Mark Peed	Ginger Fussell
Dan Caldwell		Andrea Dillard
David Rutledge		Meagan Dobbins
Paul Webb		Cinthya Rodriguez
Kristi Spurgeon		Alyssa Spaulding
Shoshana Samuels		Marla Rye
John Zobl		
Brandon Phinx		

The Northern Middle Tennessee Workforce Board Finance Committee met via Zoom on November 6, 2025, at 10:00 a.m. With a quorum confirmed, Dan Caldwell called the meeting to order. Shoshana Samuels moved to approve the minutes of the previous meeting, and David Rutledge seconded. With no discussion, the minutes were unanimously approved. Marla noted that Board Chair Mark Peed was unable to attend as he was on vacation, his first in 25 years. She thanked Dan Caldwell for stepping in to chair the meeting, who then called the meeting to order.

Before proceeding to the business reports, Andrea Dillard introduced a new board member, Ashley Horan, representing Humphreys County. Andrea shared that Ashley is the owner and operator of 70 & Main Coffee House in McEwen and serves as the Humphreys County Economic and Community Development Director, working directly with the county mayor. Ashley briefly addressed the board, sharing her background as a small business owner, her role in economic development and tourism, her military service along with her husband, and her enthusiasm for serving on the board.

**Q1 Budget to Actual**

Ginger Fussell presented the Q1 financial report for Program Year 25–26, reporting grant utilization of approximately \$1.4 M. She noted that most expenditures occurred within formula grants due to the transition of the career service provider. At the end of Q1, 13.8% of the formula budget and 11.9% of the overall PY 2025–2026 budget had been expended, which includes three new grants totaling \$558K. Comparing current expenditures to Q1 of PY 24–25, prior year spending totaled approximately \$2.1M. Expenditures during Q1 of last year largely because of additional Tennessee Youth Employment Grant extended through the summer months, accounting for approximately \$450K of the total. She also noted that there was no career service provider transition during the prior period, which contributed to higher PY spending levels. Additionally, several non-formula grants were slower to begin this year due to delays in receiving funds. While lower 25-26 Q1 expenditures were expected given these circumstances, Ginger stated that this was not the desired pace for the year and that staff anticipate increased utilization in future quarters.

From a fiscal standpoint, Ginger reported that the career service provider transition was efficient and favorable, particularly because it did not require training new external contractors. She advised the board that the only budget action required at the meeting would be to approve the addition of the three newly awarded grants totaling \$558K.

### **New Funding**

Andrea Dillard addressed two of the newly awarded grants, beginning with state apprenticeship funding received annually through the TNDLWD's Office of Apprenticeship. The apprenticeship program awarded \$180K of program dollars for the year, which has already been fully obligated. She explained that, unlike prior years, the funding required a formal application through a request-for-proposal process, which delayed receipt of funds until October rather than the typical July start date. Fortunately, employers had already applied for the funding and were ready to proceed once approval was finalized. She also reported that the board received approximately \$111K in additional Tennessee Youth Employment funding to specifically serve 32 youth with disabilities aged 14 to 24. These funds are provided through Vocational Rehabilitation, and the board is working in partnership with them to place participants in paid work experiences. Andrea shared that five youth were already enrolled, with eight additional enrollments pending, and noted that the funds must be fully expended by June 30, 2026. Staff will continue identifying eligible participants across all counties in the workforce area.

Marla Rye then provided an overview of the \$247K Community Reentry Grant awarded through the Office of Reentry. The board's application focused on two reentry initiatives that had previously requested a letter of support from a prior funding opportunity. The first reentry project, serving Humphreys and Houston Counties, was originally developed by Ashley Horan. The initiative will focus on justice-involved individuals and includes a partnership with TCAT to provide construction training in flooring, including hardwood, tile, laminate, and carpet. Marla reported that multiple employers have expressed interest in partnering and referring participants, and the project is expected to begin in January. The second reentry initiative will focus on Rutherford County and involves collaboration with the local reentry courts, Nissan, and other area manufacturers. She explained that while a Certified Production Technician course is currently offered at the jail, staff identified the need to better align training with individuals nearing release. The project is being reevaluated to focus on individuals who have been recently released or will be released within 90 days, with a greater emphasis on work experience and direct placement into employment to support successful reentry.

Marla also provided an update on a potential Employer Industry Skills Training Grant being developed by the Tennessee Department of Labor and Workforce Development under a U.S. Department of Labor RFP. She reported that Tennessee's initial proposal was accepted and is now advancing to the statement-of-work phase. The statewide initiative would focus on incumbent worker training in manufacturing, nuclear energy, and artificial intelligence. She expressed optimism that additional training opportunities for employers in the region could become available in the coming months. Marla concluded by noting that the board has not been affected by the federal government shutdown, as WIOA funding is forward-funded through June 30. She acknowledged uncertainty regarding funding beyond the current program year but stated that operations are continuing as planned.

### **MPCR**

Ginger then presented an update on the board's Minimum Participant Cost Rate (MPCR), explaining that this measure reflects the percentage of total program expenditures spent directly on participants. The

state requires a minimum MPCR of 40% by the end of Q4. She reported that during Q1, which included the transition of the career service provider, the board achieved an MPCR of 38.14%. She believed this result was encouraging for Q1 and reminded that qualifying expenditures would increase over the remainder of the year while infrastructure costs should remain relatively stable. With the change of CSPs, the MPCR reporting format has been streamlined to reflect expenditures by fund stream rather than separating outside contractors in overhead columns, noting that infrastructure costs are now incorporated into each category. She shared that the CSP division met MPCR requirements for Adult funding at 53% but did not meet the threshold for Dislocated Worker funding at 22%, resulting in a combined Adult and Dislocated Worker rate of approximately 42%. She also reported that Youth funding met MPCR requirements at 55%, and that work experience and in-school youth performance goals were met.

### **Contractor Trends**

She next provided an update on the One Stop Operator contract, noting that with the transition away from EDSI and MAC as service providers, the board materials now reflects the contract solely for One Stop Operator services. She reported that the contract total is \$300K for the year, with 21% expended to date, indicating that spending remains under budget.

### **Monitoring**

Ginger provided a monitoring update, reporting that the Northern Middle Workforce Board's quality assurance staff completed internal case file reviews for Adult, Dislocated Worker, and Youth programs. No significant observations were identified. Minor issues that were noted were discussed with career service provider staff, corrective action plans were submitted, and all affected files were corrected. She also referenced prior discussion regarding procurement of an external monitoring service, noting that limited responses and cost constraints prevented the board from moving forward at this time. Staff will continue discussions with the state regarding monitoring expectations and will continue internal quality assurance reviews of the career service provider division, consistent with prior practices.

Ginger further reported that programmatic monitoring of the Northern Middle Workforce Board was conducted with no observations or findings. She noted that the Program Accountability Unit conducted its annual fiscal review in September, which included extensive electronic documentation and a review of 100% of selected monthly documentation for contractors, including a full-month review for the board's largest contractor. The review process was thorough and progressing well, with a final report anticipated soon. She also reported that the external financial audit is underway, with on-site activity scheduled for later in the month and completion required by the end of December.

### **Action Item**

Ginger concluded by presenting the meeting's action item, which was approval of the revised PY 25-26 budget and financial report totaling \$12.4 M, including the \$558K in additional grant funding. She asked if there were any questions. Dan Caldwell called for a motion to approve the revised budget as presented. David Rutledge made the motion, which Ashley Horan seconded. The revised budget was approved unanimously with no further discussion.

Marla then provided closing remarks, beginning with an update from the Governor's Conference on Economic Development held in Murfreesboro. The Governor, along with Commissioner Thomas and Deputy Governor McWhorter, announced the launch of Tennessee Works, a new statewide alignment among the Department of Labor and Workforce Development, the Department of Economic and Community Development, the Tennessee Board of Regents, THEC, TBR, and the Department of Human

Services. This initiative is intended to strengthen collaboration among state agencies. It aligns with recent efforts in the Northern Middle region, including the opening of the Nashville American Job Center on Elm Hill Pike as part of a broader workforce campus with higher education and partner agencies. She believes that the Tennessee Works initiative may present additional opportunities for co-located workforce and education campuses in the future and referenced Humphreys County as a potential location for expanded collaboration involving higher education, an American Job Center, and possible TCAT operations.

Marla also addressed recent monitoring activity related to the Tennessee Youth Employment Program, noting that the state reviewed documentation from June, an unusually high-volume month due to the late allocation of approximately \$600K in funding. She explained that two timesheets reflected paid lunch periods for youth participants, which may result in a minor finding. Marla emphasized that any potential issue would be immaterial in nature and expressed appreciation for EDSI's efforts in processing payroll and managing program closeout during an accelerated transition period. Ginger added that EDSI's fiscal staff continued to assist with audit-related requests even after the contract period ended, and she expressed appreciation for their continued cooperation.

Marla concluded by acknowledging the recent explosion at Accurate Energetics in Humphreys County and shared that Ashley Horan had joined the board following Kelly Tyler's resignation due to increased responsibilities after the incident. Marla asked that the board keep the Accurate Energetics employees and their families in their thoughts as they continue to recover.

#### **Adjourn**

With no further discussion, Dan Caldwell adjourned the meeting, noting the next meeting date and encouraging in-person attendance.