



Finance Committee
January 30, 2025
9:00 A.M.

[Click here for zoom link](#)

Meeting ID: 857 3681 0958
Passcode: 412887

One tap mobile: +13017158592,,85736810958# US

Agenda

Welcome

Call the Meeting to Order

Approval of Minutes

Business Reports:

1. Audit Report
2. 2024-2025 Budget to Actual
3. MPCR
4. CSP Trends
5. Monitoring
6. Action Items
7. CSP Procurement

Adjourn

Members:

Mark Peed (Chair)
Kelly Tyler
Dan Caldwell
David Rutledge
Paul Webb
Kristi Spurgeon
Sho Samuels

Complete zoom link: <https://us02web.zoom.us/j/85736810958?pwd=ZaOtNzF1qX9n2Qp6K3AGpeawmkQ29e.1>



DRAFT UNTIL
APPROVED

Northern Middle Tennessee Workforce Board
 Finance Committee
 Meeting Minutes
 July 31, 2024, via Zoom at 9:00 a.m.

Members Attending	Members Absent	Staff & Guests Attending
Mark Peed (Chair)	Kelly Tyler	Marla Rye
Dan Caldwell	Kristi Spurgeon	Andrea Dillard
Paul Webb	David Rutledge	Ginger Fussell
Sho Samuels		Meagan Dobbins
John Zobl		Alyssa Spaulding

The Northern Middle Tennessee Workforce Board Finance Committee met via Zoom on July 31, 2024, at 9 a.m.

With a quorum confirmed, the meeting was called to order by Mark Peed, acting chair. Shoshana Samuels moved to approve the minutes, and Paul Webb seconded. With no further discussion, the minutes were unanimously approved.

CSP Procurement Update

The Executive Committee met on June 14 to review the procurement bids for new Career Service Providers (CSPs). There were four bids submitted. Marla was concerned that the results would not improve and held a strategy meeting with the Tennessee Department of Labor and Workforce with Chairman Zobl. During that meeting they discussed ways to innovate operations over the next year. As a group, they created three demonstration projects.

The state expressed a need to reduce infrastructure expenses and money spent on bricks and mortar. Marla stated that somewhere like Davidson County would be at good location to decentralize as there are community-based organizations to deploy staff to. The state and Executive Committee approved a pilot project in Davidson where the AJC would relocate to the Nashville State Community College Campus on Elm Hill Pike and staff would be deployed into the community. The second project will take place in Gallatin. There has been a recurring issue in the American Job Centers where staff who belong to multiple different partners (EDSI, state, DHS, etc.) have not worked well together. So, in order to see if having everyone operate as one entity would solve the issue, the state will operate the Gallatin AJC. Marla added that the state does not have a mechanism to provide direct participant expenses such as childcare or tuition, so the board will continue provide that function in Gallatin. The third project will be in Montgomery County, where the Board will operate the Title 1 program and functionally supervise state staff. She noted that a few Boards in other Tennessee regions are already doing this. The Northern

Middle region, however, would be almost impossible to control in a quick startup situation due to its size. This model would serve as a small-scale test.

Marla continued that EDSI and MAC will continue services in the rest of the areas until June 30, 2025. The RFP with Thomas P. Miller was nullified to prevent any legal issues that could occur. She believed that EDSI has made a concerted effort and is off to a good start in July. The OSO contract has also been extended for 12 months. Through strategic planning with the State, the OSO currently has greeters in all four comprehensive centers. They are going to do away with them and have a new OSO management position to help with the new changes. The Davidson AJC is looking to relocate from the Metro Center on Mainstream Dr. and partner with Nashville State Community College on Elm Hill Pike. The campus is currently closed, but they want to open the building as a workforce center. They will move 40% of the AJC there and disperse the rest of the staff out in the community. These decisions have been made in conjunction with the Tennessee Department of Labor and Workforce Development as Commissioner Denice Thomas wants to reshape how services are delivered.

The floor was opened to questions, and John Zobl asked Marla what EDSI's reaction had been. She replied that she honestly thought that they were anxiously excited to have nine more months to prove themselves and show that they could make a difference in the community. Mark Peed agreed, saying that he felt that they could prove themselves with this chance. Marla replied that at the end of Q4, they met 75% of the adult, DW, and youth goals. They may have made it to 80%, but they were told in the last two weeks not to enroll just to make that goal. WE staff feared that if they did, the expenditures would come out of the current year and result in a mismatch like last year; they would rather have EDSI prepare for a strong new year. Mark Peed then asked if the AJC was seeing an increase in participation over the last month. Marla replied that there has been an increase, but it has partially been because of an increase in rapid responses. She believes that it was because of those who have faced job loss and are coming in trying to focus on a new opportunity.

John Zobl then asked if EDSI had increased their intensity and if the WE staff had noticed the same intensity a month into the new year. Andrea Dillard replied that the KPIs for the new year have not been received from the state yet, so they have given EDSI the same numbers by quarter from last year in the meantime. They are on track with those KPIs for now. John Zobl then asked if they were as engaged. She replied that she thought so. Based on what she has seen at the locations she has visited, she has seen much more communication between the ground staff and management. They have at least weekly meetings, and upper management has been making physical visits. The staff feels like management is more engaged and giving more guidance than before. Motivation and morale in the centers is better. She noted that she is concerned that if they enroll too many too late in the quarter to meet objectives, performance will suffer later on with people not going to work or retaining employment.

Paul Webb commented that he had lost confidence in EDSI. He is concerned that if they are given another nine months, they will backslide to how they were for the past three years. He is very encouraged by the demonstration projects, especially the one in Montgomery. He liked that the Board will have more oversight and a horizontal review from top to bottom. If people are not performing, they can be changed out immediately without contracts being in the way. He looks forward to seeing the results but has completely lost confidence in EDSI. Marla replied that she believes that the way the Board used to operate allowed for more immediate correction, and actions can be done as needed. She is also excited by the Montgomery model, and if it performs well, there will be systems in place to implement the model in other counties next July.

Shoshana Samuels asked if there is a backup plan should oversight and EDSI fall or if oversight is not as impactful as needed. Marla replied that she supposed the backup would be to take over as the Board and directly hire EDSI staff to promote continuity. She continued that this is where she would like to see the Board go, but not all at once. This is a chance to get our feet wet and see if it will make a difference in our performance. The programs are so complicated right now with State and Federal oversight that she believes the state has lost sight of the true goal to help people and put people to work. She is anxious to see if a difference can be made with these projects. Shoshana Samuels replied that she likes that and is unsure if she has lost complete confidence in EDSI, but she knows that she has great confidence in the board and the direction they are going.

2023-2024 Budget Recap

Ginger Fussell reviewed the budget. Q4 expenditures were \$3M, approximately \$806K higher than last quarter, slightly more than the previous quarter's decrease. Expenditures for the full fiscal year were \$11.6M, approximately 74.6% of the revised 23-24 budget. There has been a \$38K additional increase in apprenticeship funding and a \$324K increase in Tennessee Youth Employment funding, totaling a \$362K increase to the 23-24 budget.

Expenditures in the formula youth grant were \$2.9M, but the budget for the current year was only \$2.4M, reducing some of the planned carryover is for 24-25. However, youth will continue to be served with work experience opportunities funded by the Tennessee Youth Employment program, which has been extended to June 30 as it is anticipated that the State will want more aggressive spending. Formula portions of EDSI and MAC's contracts have been extended until June 30, 2025, due to the demonstration projects mentioned earlier. Marla asked for clarification on if the youth contracts start April 1 instead of July 1. Ginger Fussell replied that April was correct. However, even though the contract is effective April 1 and expenses can be charged back, funding typically isn't given until July.

She then moved on to a five-year comparison. 2023-2024 expenses were approximately \$923K less than the prior year, with an average of \$2.9M in expenditures each quarter. She reminded the Committee that there was a reduction in funding, so grant utilization only dropped 2%. Less was spent, but funding was also less. She also reminded that the grants are 2-year grants each year. Half of the grants expire on June 30 each year. 99.42% of expiring funds were utilized, improving over last year at 97%. Most expired funds were from the consolidated business grant for serving employers. Primarily, all of it was obligated, but for various reasons, employers only spent some or most, but not all, of the awarded amount. The \$8K asterisked is a pending request. All program dollars for the formula grants were spent but the remaining \$8K was admin only. A request has been sent to the State to use that for program dollars. If that is granted, the program utilization will be even higher.

She then moves on to the Q4 MPCR requirements. MPCR decreased to 37.21% from 40.37%. It has been predicted for some time that MPCR would struggle this year, but we made it until Q4 before we dipped below the 40% requirement. One reason for the decrease is the four counties (Montgomery, Houston, Humphreys, and Stewart) participating in a Labor Force Participation Project that focuses on sending people to work directly instead of training. This means that we have fewer direct participant dollars going into training. The other reason is the Tennessee Youth Employment expenditures. It is state-funded, and \$1.1M went directly to participants, but because of how the state policy reads, it does not count towards MPCR. By that calculation, the Q4 MPCR is 37.21%, but if the TN Youth Employment expenditures were counted, the MPCR would be at 44.65% even with those four counties participating in the project.

CSP Trends

Ginger Fussell then continued with the billing trend for the combined Career Services Providers. CSP billing increased by \$583K compared to the last quarter. EDSI, at month 42, spent 97% of the base contract. The remainder of the funding was given in shorter terms, but they did relatively well. MAC utilized essentially all of their funding, at over 99% spent. Mid-Cumberland billed 85% of their contract, which is favorable since it is an overhead expense. They were also able to trim their expenditures from what they had budgeted.

EDSI has met all of their dollar-driven goals contract-to-date. They have also met all dollar-driven goals for the fiscal year to date, but youth MPCR dropped to 48% of the 50% goal. Quarterly, EDSI has struggled to meet MPCR. They fell below 25% in the last two quarters for Adult/DW and in Q3 for youth. She noted that their Adult/DW goal dropped to 30% at the start of the year due to the Labor Force Participation Project, but they are bringing it back up to 50% since NM is still being compared to the state requirement. MAC has met all dollar-driven goals in the contract-to-date and fiscal year to date in Q4.

2024-2025 Budget

The proposed 24-25 budget has been revised with the actual numbers that came in on June 30. Since EDSI only spent 97% of their contract, the 3% remaining will carry over into the New Year. The youth carryover was also reduced, and the Tennessee Youth Employment spent more aggressively than projected, reducing their budget for the year. In total, there is a change of approximately \$763K, bringing the total budget to \$12.2M. Budgeting expenses have been revised to reflect changes by funding stream, and a breakdown of the demonstration projects has been created.

CSP Monitoring

Ginger Fussell recapped that EDSI has assigned additional leadership personnel to address the performance improvement. Their physical on-site presence has increased; they have been onsite three times since the last Workforce Board meeting. They met 75% of their enrollment goals in Q4 and established monthly goals for the current fiscal year, and July goals were met. The OSO contract has been changed to reflect the change in staffing structure Marla mentioned earlier, starting on October 1.

Monitoring

Previously, Thurman and Campbell had considered doing the financial audit for another year. However, after further discussion, they have decided to stick to their initial plan of leaving governmental auditing. The State Comptroller's office recommended that audit procurements go through a request for qualifications, so an RFQ was released. The Comptroller sent a list of recommended firms, and requests were sent to 6 CPA firms.

The Program Integrity Unity, the Department of Labor's monitoring unit, is having more activity each quarter, requiring several responses to be submitted. They are primarily looking at the programmatic side, but they do overlap slightly on the fiscal side with PAR, which focuses on the fiscal management and reporting side. PAR has also started their annual review, and an entrance conference has been scheduled for August 27. The staff has, however, been requested to submit documentation by August 16.

Marla continued that there were three responses from the six requests sent to CPA firms. 2 responses were that they were not doing governmental audits anymore, and 1, Stone Rudolph & Henry, came back with a proposal. She mentioned that she would have liked to have more input but felt that she needed

to make a decision relatively quickly. Stone Rudolph & Henry meets all of the technical qualifications and agreed to conduct the audit at the same cost paid last year for the audit service. She also met with the previous auditor, Ankur, with Thurman and Campbell, to get his input on the new firm, and he believed that they would be a good company to go with. With all of that in mind, Marla recommended that they move forward on Stone Rudolph & Henry to ensure that the audit is completed before the December 31 state deadline. Mark Peed asked if the proposal was for one year, and Ginger replied that he was correct. They would start with a 1-year commitment, and they gave a quote of fees with just a cost of living increase for five years in their proposal.

Action Items

Ginger Fussell reviewed the requested action items. The first item was to approve the 23-24 budget of \$362k and the 23-24 financial report. The second item was to approve the revised 24-25 budget. The third item was to move forward with Stone Rudolph & Henry as the new financial auditor. A motion was made by Paul Webb to accept the items as listed. The motion was seconded by Shoshana Samuels. With no further discussion, the committee approved the action items.

By-law Changes

The Tennessee Department of Labor and Workforce Development requires that bylaws be updated every two years. An edited version of the current bylaws was included in the materials for members to review before the Board meeting. The changes made were in the formatting and language that the state recommended regarding the board's roles and responsibilities. The actual roles and responsibilities have not changed. The amendment will take a 2/3 vote of the entire board, and that action will be made at the Board meeting.

Adjourn

Marla reminded the Committee that the August 14 board meeting will be at the Tennessee Bankers Association with the County Mayors. Then, with no further questions, the meeting was adjourned.

NORTHERN MIDDLE TN WORKFORCE BOARD
DECEMBER 2024 FISCAL UPDATE

FYE 6/30/24 AUDIT

External audit for FY 23-24 conducted by Stone, Rudolph & Henry, PLC

- * Unmodified opinions
- * No audit findings
- * Low risk auditee qualification

Summary on pg 26 of the audit report.

NORTHERN MIDDLE TENNESSEE LOCAL WORKFORCE DEVELOPMENT BOARD, INC.
AUDITED FINANCIAL STATEMENTS AND OTHER INFORMATION
JUNE 30, 2024 AND 2023

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NORTHERN MIDDLE TENNESSEE LOCAL WORKFORCE DEVELOPMENT BOARD, INC.
DIRECTORY OF BOARD MEMBERS AND MANAGEMENT (UNAUDITED)
JUNE 30, 2024

BOARD MEMBERS

John Zobl, Chairman
Christopher West, Vice-Chairman
Kristi Spurgeon, Secretary
Tony Adams
Robin Baldree
Dan Caldwell
George Callis
Anne Fugate
Nathan Garrett
Billy Givens
James Harper
Freda Herndon
Corey Johns
Sellittia Johnson
Ryan Jolley
Greg Jones
Mary Lear
Jordan Osborne
Mark Peed
David Rutledge
Shoshana Samuels
Seth Thurman
Kelly Tyler
Paul Webb

LOCAL ELECTED OFFICIALS OF LOCAL WIOA AREAS – EX-OFFICIO MEMBERS

Kerry McCarver , Cheatham County Mayor
Freddie O’Connell, Davidson County Mayor
*Bob Rial, Dickson County Mayor
Joey Brake, Houston County Mayor
Mike Pogreba, Humphreys County Executive
Wes Golden, Montgomery County Mayor
Billy Vogle, Robertson County Mayor
Joe Carr, Rutherford County Mayor
Robert Beecham, Stewart County Mayor
John Isbell, Sumner County Mayor
Jack McCall, Trousdale County Mayor
Rogers Anderson, Williamson County Mayor
Randall Hutto, Wilson County Mayor

*Denotes Chief Local Elected Official (CLEO)

MANAGEMENT

Ms. Marla Rye, Executive Director
Ms. Ginger Fussell, Fiscal Officer



INDEPENDENT AUDITOR'S REPORT

Board of Directors
Northern Middle Tennessee Local Workforce Development Board, Inc.
Clarksville, Tennessee

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Northern Middle Tennessee Local Workforce Development Board, Inc. (the Board) (a nonprofit organization) which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Board as of June 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Board and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Prior Period Financial Statements

The financial statements of the Board as of June 30, 2023 were audited by other auditors whose report dated December 20, 2023 expressed an unmodified opinion on those statements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements management is required to evaluate whether there are conditions or events, considered in the aggregate that raise substantial doubt about the Board's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Board's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the

United States of America. In our opinion, the schedule of expenditures of federal awards and state financial assistance is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Information

Management is responsible for the other information included in the report. The other information comprises the introductory section but does not include the basic financial statements and our auditor’s report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2024, on our consideration of the Board’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Board’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Board’s internal control over financial reporting and compliance.

Stone Rudolph & Henry, PLC

Clarksville, Tennessee
December 18, 2024

NORTHERN MIDDLE TENNESSEE LOCAL WORKFORCE DEVELOPMENT BOARD, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2024 AND 2023

ASSETS

	<u>2024</u>	<u>2023</u>
<u>CURRENT ASSETS</u>		
Cash and cash equivalents	\$ 16,087	\$ 1,202,962
Federal grants receivable	1,548,603	1,897,932
State grant receivables	738,595	136,201
Other receivables	29,539	49,445
Prepaid expenses	2,452	18,520
Total current assets	<u>2,335,276</u>	<u>3,305,060</u>
 <u>PROPERTY AND EQUIPMENT</u>		
Furniture and equipment	840,935	927,914
Leasehold improvements	267,602	267,602
Total property and equipment	<u>1,108,537</u>	<u>1,195,516</u>
Less: Accumulated depreciation	981,701	1,004,719
Net property and equipment	<u>126,836</u>	<u>190,797</u>
Total assets	<u>\$ 2,462,112</u>	<u>\$ 3,495,857</u>
 <u>LIABILITIES AND NET ASSETS</u>		
<u>CURRENT LIABILITIES</u>		
Accounts payable	\$ 2,329,832	\$ 3,299,742
Accrued payroll and related withholdings	3,095	2,971
Total current liabilities	<u>2,332,927</u>	<u>3,302,713</u>
 <u>NET ASSETS</u>		
Without donor restrictions - Undesignated	<u>129,185</u>	<u>193,144</u>
Total net assets	<u>129,185</u>	<u>193,144</u>
Total liabilities and net assets	<u>\$ 2,462,112</u>	<u>\$ 3,495,857</u>

The accompanying notes are an integral part of the financial statements.

NORTHERN MIDDLE TENNESSEE LOCAL WORKFORCE DEVELOPMENT BOARD, INC.
STATEMENTS OF ACTIVITIES
YEARS ENDED JUNE 30, 2024 AND 2023

	2024	2023
<u>CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS</u>		
Revenues, gains and other support:		
Net assets released from restrictions	\$ 11,623,324	\$ 12,395,619
Total revenues, gains and other support	11,623,324	12,395,619
Expenses:		
Program services	10,748,404	11,387,635
Supporting services	938,879	984,948
Total expenses	11,687,283	12,372,583
Net change in net assets without donor restrictions	(63,959)	23,036
<u>CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS</u>		
Federal and state grants	11,231,131	11,906,460
Infrastructure funding agreement - State partners	248,192	276,897
Infrastructure funding agreement - other partners	140,061	209,140
Interest income	3,938	3,088
Other	2	34
Net assets released from restrictions	(11,623,324)	(12,395,619)
Net change in net assets with donor restrictions	-	-
Net change in net assets	(63,959)	23,036
<u>NET ASSETS - BEGINNING OF YEAR</u>	193,144	170,108
<u>NET ASSETS - END OF YEAR</u>	\$ 129,185	\$ 193,144

The accompanying notes are an integral part of the financial statements.

NORTHERN MIDDLE TENNESSEE LOCAL WORKFORCE DEVELOPMENT BOARD, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2024

	Program Services	Supporting Services	Total Expenses
<u>Pass-through, Contracted, and Infrastructure Expenses:</u>			
One-stop operator, career service provider and workforce board services	\$ 8,806,620	\$ 91,556	\$ 8,898,176
Business services - disaster relief	20,245	-	20,245
Business services - incumbent worker training	194,439	-	194,439
Business services - apprenticeships	297,718	-	297,718
Infrastructure funding agreement - WIOA partners	582,797	10,239	593,036
Infrastructure funding agreement - State partners	241,402	6,790	248,192
Total pass-through, contracted, and infrastructure expenses	10,143,221	108,585	10,251,806
<u>Other Infrastructure Funding Expenses:</u>			
Infrastructure funding agreement- other partners	137,809	2,252	140,061
Total other infrastructure funding expenses	137,809	2,252	140,061
<u>Board and Staff Expenses:</u>			
<u>Contracted Services:</u>			
Salaries and benefits:			
Salaries	284,810	120,018	404,828
Health and life insurance	51,074	12,140	63,214
Payroll taxes	20,027	7,454	27,481
Retirement and other fringe benefits	23,707	5,889	29,596
Total salaries and benefits	379,618	145,501	525,119
Communication	708	654	1,362
Contract services- accounting and audit	-	13,192	13,192
Contract services- fiscal agent and shared staffing	10,741	650,035	660,776
Contract services- recruitment	-	4,869	4,869
Depreciation	63,961	-	63,961
Insurance	8,044	11,608	19,652
Miscellaneous	100	-	100
Office expense	26	-	26
Small equipment and software	3,750	55	3,805
Supplies	-	116	116
Travel	426	2,012	2,438
Total board and staff expenses	467,374	828,042	1,295,416
Total expenses	\$ 10,748,404	\$ 938,879	\$ 11,687,283

The accompanying notes are an integral part of the financial statements.

NORTHERN MIDDLE TENNESSEE LOCAL WORKFORCE DEVELOPMENT BOARD, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2023

	<u>Program Services</u>	<u>Supporting Services</u>	<u>Total Expenses</u>
<u>Pass-through, Contracted, and Infrastructure Expenses:</u>			
One-stop operator, career service provider and workforce board services	\$ 9,309,812	\$ -	\$ 9,309,812
Business services - disaster relief	264,716	-	264,716
Business services - incumbent worker training	289,191	-	289,191
Business services - apprenticeships	194,415	-	194,415
Infrastructure funding agreement - WIOA partners	501,861	8,315	510,176
Infrastructure funding agreement - State partners	268,987	7,910	276,897
Total pass-through, contracted, and infrastructure expenses	10,828,982	16,225	10,845,207
 <u>Other Infrastructure Funding Expenses:</u>			
Infrastructure funding agreement- other partners	206,245	2,895	209,140
Total other infrastructure funding expenses	206,245	2,895	209,140
 <u>Board and Staff Expenses:</u>			
<u>Contracted Services:</u>			
Salaries and benefits:			
Salaries	219,828	186,583	406,411
Health and life insurance	51,317	26,365	77,682
Payroll taxes	15,528	13,538	29,066
Retirement and other fringe benefits	17,646	6,398	24,044
Total salaries and benefits	304,319	232,884	537,203
Communication	844	661	1,505
Contract services- accounting and audit	-	12,592	12,592
Contract services- fiscal agent and shared staffing	750	660,231	660,981
Contract services- regional sponsorship	-	7,000	7,000
Contract services- recruitment	-	34,687	34,687
Depreciation	39,475	-	39,475
Insurance	-	11,139	11,139
Office expense	-	70	70
Small equipment and software	5,046	737	5,783
Supplies	100	1,240	1,340
Travel	1,874	4,587	6,461
Total board and staff expenses	352,408	965,828	1,318,236
 Total expenses	 \$ 11,387,635	 \$ 984,948	 \$ 12,372,583

The accompanying notes are an integral part of the financial statements.

NORTHERN MIDDLE TENNESSEE LOCAL WORKFORCE DEVELOPMENT BOARD, INC.

STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Change in net assets	\$ (63,959)	\$ 23,036
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation expense	63,961	39,475
Changes in:		
Federal grants receivable	349,329	433,219
State grants receivable	19,906	225,972
Other receivables	(602,394)	(33,502)
Prepaid expenses	16,068	(4,751)
Accounts payable	(969,910)	567,538
Accrued payroll	124	(148)
Net cash provided by (used in) operating activities	<u>(1,186,875)</u>	<u>1,250,839</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Purchases of property and equipment	-	(62,511)
Net cash used in investing activities	<u>-</u>	<u>(62,511)</u>
<u>NET CHANGE IN CASH AND CASH EQUIVALENTS</u>	(1,186,875)	1,188,328
<u>CASH AND CASH EQUIVALENTS - BEGINNING</u>	<u>1,202,962</u>	<u>14,634</u>
<u>CASH AND CASH EQUIVALENTS - ENDING</u>	<u>\$ 16,087</u>	<u>\$ 1,202,962</u>

The accompanying notes are an integral part of these financial statements.

NORTHERN MIDDLE TENNESSEE LOCAL WORKFORCE DEVELOPMENT BOARD, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

1. Summary of Significant Accounting Policies

Organization and Nature of Activities

Northern Middle Tennessee Local Workforce Development Board, Inc. (the Board) is a not-for-profit organization initially established to begin services on July 1, 2000 as a policy-making board for a nine county Local Workforce Development Area 8 (LWDA 8) formerly known as the North Tennessee Workforce Area under the Workforce Investment Act of 1998.

In May 2018, the Tennessee Department of Labor and the State Workforce Board approved the realignment of Tennessee's workforce development system. The realignment reduced the number of workforce areas in the State from thirteen to nine. Specifically, LWDA 8 (9 counties to include Cheatham, Dickson, Houston, Humphreys, Montgomery, Robertson, Stewart, Sumner, and Williamson) and LWDA 9 (4 counties to include Davidson, Rutherford, Trousdale and Wilson) merged over a 90-day transition period beginning July 1, 2018 into the Northern Middle Tennessee Local Workforce Development Area. The not-for-profit corporate name, which was formerly North Tennessee Workforce Board, Inc. was changed to Northern Middle Tennessee Local Workforce Development Board, Inc. to better align with the merged area designation.

The Board facilitates programs to prepare youth, and up-skill adults and dislocated workers for entry and/or re-entry into the labor force and to afford job training to those economically disadvantaged individuals and other individuals facing serious barriers to employment to increase economic self-sufficiency. It also serves to support the economic growth of the merged thirteen county service delivery area which includes Cheatham, Davidson, Dickson, Houston, Humphreys, Montgomery, Robertson, Rutherford, Stewart, Sumner, Trousdale, Williamson and Wilson counties. A Board of Directors comprised of business representatives and other labor, education, economic development and specialty populations govern the affairs of the Board.

The Board is funded by the Tennessee Department of Labor and Workforce Development (TDLWD) under the Workforce Innovation and Opportunity Act (WIOA) using pass-through funds provided by the United States Department of Labor. WIOA was signed into law on July 22, 2014 and supersedes the Workforce Investment Act of 1998. In general, the WIOA took effect on July 1, 2015, the first full program year after enactment, unless otherwise noted. Section 107 of WIOA addresses requirements of Local Workforce Development Boards.

The administrative headquarters of the Board is located within the Workforce Essentials, Inc. building adjacent to the Montgomery County American Job Center at 523 Madison Street, Suite A in the City of Clarksville, Tennessee, the Montgomery County seat. Clarksville is approximately fifty miles northwest of Nashville, Tennessee via Interstate 24.

The thirteen county governments of the Board, represented by their Local Elected Officials, are fiscally responsible for the proper use of WIOA/TDLWD funds within that area. This is outlined in an interlocal agreement. County Local Elected Officials nominate members of the Northern Middle Tennessee Local Workforce Development Board so that all counties, as well as the demographic makeup of the area served, are represented. The Local Elected Officials (LEOs) elect a Chief Local Elected Official (CLEO) who appoints the fiscal agent and approves the members of the Board of Directors. Designating an entity as a fiscal agent does not relieve the counties of their fiduciary responsibility.

NORTHERN MIDDLE TENNESSEE LOCAL WORKFORCE DEVELOPMENT BOARD, INC.
NOTES TO FINANCIAL STATEMENTS (CONT'D)
JUNE 30, 2024 AND 2023

1. Summary of Significant Accounting Policies (Cont'd)

Organization and Nature of Activities (Cont'd)

Effective July 2019, Workforce Essentials, Inc. became the fiscal agent and staff to the Board as approved by the Consortium of County Mayors and the Northern Middle Tennessee Local Workforce Development Board. This required Workforce Essentials to withdraw from the One-Stop Operator and Career Service Provider contract in the Northern Middle Tennessee area.

As fiscal agent through June 30, 2024 and 2023, Workforce Essentials, Inc. was responsible for the following functions:

- Receive funds;
- Ensure sustained fiscal integrity and accountability for expenditures of funds in accordance with Office of Management and Budget circulars, WIOA, and the corresponding Federal Regulations and State policies;
- Respond to audit financial findings;
- Maintain proper accounting records and adequate documentation;
- Prepare financial reports;
- Provide technical assistance to subrecipients regarding fiscal issues, and
- Other duties as required by direction of the board.

A One-Stop Operator and Career Service Providers were competitively procured for the 13-county region. The contract period began January 1, 2021. The following amounts were expended to contractors during the fiscal years ended June 30:

	2024	2023
Mid Cumberland Human Resource Agency, One Stop Operator July 2021 – June 2024	\$ 254,645	\$ 249,118
Jobs for Tennessee Graduates, Career Services Provider-Youth July 1, 2022 – June 30, 2023	-	100,000
Monroe Harding, Career Services Provider-Youth July 1, 2022 – June 30, 2023	-	82,296
Liberty Station, Career Services Provider-Youth July 1, 2022 – June 30, 2023	-	38,605
Educational Data Systems Inc., Career Service Provider Jan. 2021 – June 2024	8,065,809	8,393,520
Metropolitan Action Commission, Career Service Provider Jan. 2021 – June 2024	705,202	518,608

NORTHERN MIDDLE TENNESSEE LOCAL WORKFORCE DEVELOPMENT BOARD, INC.
NOTES TO FINANCIAL STATEMENTS (CONT'D)
JUNE 30, 2024 AND 2023

1. Summary of Significant Accounting Policies (Cont'd)

Organization and Nature of Activities (Cont'd)

The Board, for financial statement purposes, includes all of the assets and liabilities relevant to the operations of the Board. The financial statements presented herein do not include any other agencies or organizations which are separate and distinct units of themselves.

The Board is qualified as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. It has not been determined to be a private foundation and is considered by the Internal Revenue Service (IRS) to be a public charity. Accordingly, no provision for income taxes has been made. However, the Board does file informational returns required by the IRS. The Board is no longer subject to federal or state income tax examinations by tax authorities for fiscal years ended before June 30, 2021.

Use of Estimates

The Board's financial statements are presented in accordance with accounting principles generally accepted in the United States of America which require the use of management's estimates and assumptions. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses. Actual results could differ from estimates in the near term and variances can have a material effect on the financial statements.

Basis of Accounting

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. The Board utilizes the accrual basis of accounting which recognizes revenues when earned and expenses when incurred.

The Financial Accounting Standards Board (FASB) has established standards concerning contributions and financial statement presentation applicable to non-governmental, not-for-profit organizations such as the Board. These standards require that unconditional promises to give (pledges) be recorded as receivables and revenues and require the Board to distinguish among contributions received for each net asset category in accordance with donor imposed restrictions. A description of the two net asset categories follows:

Net Assets Without Donor Restrictions

Net assets without donor restrictions are free of donor-imposed restrictions. All revenues, gains and losses that are not restricted by grants or donors are included in this classification. All expenditures are reported in the net assets without donor restrictions class of net assets since the use of restricted contributions in accordance with the grantors' or donors' stipulations results in the release of the restriction.

Net Assets With Donor Restrictions

Net assets with donor restrictions are limited as to use by donor- or grantor-imposed restrictions. Some restrictions expire with the passage of time or may be satisfied by use for the specific purpose. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Net assets with donor restrictions represent funds received from donors or grantor agencies in excess of actual expenditures at the end of the fiscal year. These amounts, if not expended, must be returned to the donor/grantor upon completion of the grant. The Board had no net assets with donor restrictions at June 30, 2024 and 2023.

NORTHERN MIDDLE TENNESSEE LOCAL WORKFORCE DEVELOPMENT BOARD, INC.
NOTES TO FINANCIAL STATEMENTS (CONT'D)
JUNE 30, 2024 AND 2023

1. Summary of Significant Accounting Policies (Cont'd)

Concentrations of Credit Risk/Funding

Financial instruments that potentially subject the Board to concentrations of credit risk consist principally of cash and accounts receivable. The Board is exposed to credit risk by placing its cash in financial institutions. The Board has mitigated this risk by placing its cash with federally-insured financial institutions. The Board receives grants from both the federal and state governments. Funding from these sources constituted 96.6% and 96.1% of revenues for the years ended June 30, 2024 and 2023, respectively. The Board would have to greatly reduce services provided if assistance was significantly reduced. All outstanding grants receivable are from governmental agencies. The Board does not obtain collateral for receivables.

Cash and Cash Equivalents

For the purposes of the statement of cash flows, the Board considers bank deposits and all highly liquid instruments with original maturities of 90 days or less when purchased to be cash and cash equivalents.

Receivables

Receivables are stated at unpaid balances; all receivables are considered to be fully collectible. Bad debts are charged to expense using direct write-off method, which doesn't differ materially from the allowance for credit losses method. The bad debt expense for the years ended June 30, 2024 and 2023 was \$-0-. The Board does not require collateral or other security when extending credit to its customers.

Property and Equipment

Property and equipment are valued at historical cost or, if contributed, at their estimated fair value on the date of receipt. Equipment purchased with a unit cost in excess of \$5,000 and sensitive equipment with a unit cost in excess of \$100 are capitalized. Equipment purchased with grantor funds must be returned to the grantor when the Board ceases operations or when the Board disposes of the equipment. Capital assets are evaluated for impairment or abandonment when necessary.

All of the Board's net property and equipment at June 30, 2024 and 2023 are purchased with restricted resources. If the Board does not continue to use these assets in its program operations or disposes of the assets, the title of the assets is subject to revert to the grantor.

The cost of additions, major renovations and betterments are capitalized while those for maintenance and repairs are charged to expense as incurred. Depreciation is provided in amounts sufficient to relate the cost of the depreciable assets to operations over their estimated useful lives on the straight-line basis. The estimated useful lives by type of asset are as follows:

Equipment & Furniture	3-10 years
Vehicles	3 years
Improvements	10-15 years
Building	30-40 years

Revenue Recognition

Grants and contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any restriction. Grant revenues are recognized as the related expenditures are incurred.

NORTHERN MIDDLE TENNESSEE LOCAL WORKFORCE DEVELOPMENT BOARD, INC.
NOTES TO FINANCIAL STATEMENTS (CONT'D)
JUNE 30, 2024 AND 2023

1. Summary of Significant Accounting Policies (Cont'd)

Revenue Recognition (Cont'd)

Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets without donor restrictions. The Board reports gifts of cash and other assets as support and net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Gifts of land, buildings, equipment, other long-lived assets and gifts of cash that must be used to acquire long-lived assets are reported as support and net assets without donor restrictions unless explicit donor stipulations specify how such assets must be used, in which case the gifts are reported as support and net assets with donor restrictions. Absent explicit donor stipulations for the time long-lived assets must be held, expirations of restrictions resulting in reclassification of net assets with donor restrictions to net assets without donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

For grants qualifying as exchange transactions, revenue is recognized in the period when eligible expenditures are incurred under the terms of the grant. Such grant funds received prior to expenditure are recorded initially as unearned revenue.

Revenue (other than contributions) is recognized when services are rendered and/or reimbursable charges are incurred under the terms of the agreement. Revenue received in advance of services provided and/or reimbursable charges being incurred are recorded as unearned revenue.

Contributed Nonfinancial Assets

The Board recognizes the fair value of contributed services received if such services (a) create or enhance long lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at fair value when received. In-kind contributions are reported as unrestricted support unless explicit donor stipulations specify how donated assets must be used.

Restrictions on Revenues

Revenues are considered to be available for unrestricted use unless specifically restricted by the donor or grantor.

Functional Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statements of functional expenses. Accordingly, certain costs have been allocated among the programs. Certain administrative expenses are allocated among programs on a monthly basis based on each program's non-administrative (direct) expenditures. Certain indirect program costs are allocated based on monthly clients served by each program.

Advertising Costs

The Board expenses advertising costs as incurred.

NORTHERN MIDDLE TENNESSEE LOCAL WORKFORCE DEVELOPMENT BOARD, INC.
NOTES TO FINANCIAL STATEMENTS (CONT'D)
JUNE 30, 2024 AND 2023

1. Summary of Significant Accounting Policies (Cont'd)

Change in Presentation

Certain items from the prior year have been reclassified to conform to current year presentation.

Change in Accounting Principles

In June 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-13, Financial Instruments – Credit Losses (Topic 326) (ASU 2016-13). ASU 2016-13 revises the accounting requirements related to the measurement of credit losses and requires expected credit losses (previously allowance for uncollectible accounts) to be measured based on historical experience, current conditions, and reasonable and supportable forecasts about collectability. The Board adopted ASU 2016-13 retrospectively as of July 1, 2022. However, due to the immateriality of uncollectible accounts in the past, no current estimated credit loss is considered necessary.

Date of Management's Review

The Board has evaluated subsequent events through December 18, 2024, the date which the financial statements were available to be issued.

2. Cash and Cash Equivalents

Cash and cash equivalents were represented by deposits in a financial institution totaling \$21,217 and \$1,204,460 at June 30, 2024 and 2023, respectively, all of which was insured by the Federal Deposit Insurance Corporation (FDIC) or the State of Tennessee Bank Collateral Pool. Since January 2019, the Board's deposits have been classified as public funds and amounts in excess of FDIC limits were insured through State of Tennessee Bank Collateral Pool.

3. Liquidity and Availability

The Board maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Board's working capital and cash flows have seasonal variations during the fiscal year attributable to timing of cash receipts for program services. Additionally, the Board receives support from government agencies through annual grants which are paid on an expense reimbursement basis, typically within 45 days of the request for reimbursement.

Financial assets available for general expenditure, without donor or other restrictions limiting their use, within one year of the balance sheet date is comprised of the following:

	<u>2024</u>	<u>2023</u>
Unrestricted cash	\$ 16,087	\$ 1,202,962
Other receivable	29,539	49,445
Total	<u>\$ 45,626</u>	<u>\$ 1,252,407</u>

4. Federal Grants Receivable

Grants receivable consisted of the following amounts:

	<u>2024</u>	<u>2023</u>
Reemployment Service and Eligibility Assessment	\$ 52,784	\$ 39,550
COVID-19 Disaster Recovery WIOA National		
Dislocated Worker	-	62,031
WIOA – Adult Program	384,671	888,802
WIOA – Youth Activities	306,088	533,146
WIOA – Dislocated Worker Formula	775,060	374,403
Apprenticeship USA	30,000	-
Total federal grants receivable	<u>\$ 1,548,603</u>	<u>\$ 1,897,932</u>

NORTHERN MIDDLE TENNESSEE LOCAL WORKFORCE DEVELOPMENT BOARD, INC.
NOTES TO FINANCIAL STATEMENTS (CONT'D)
JUNE 30, 2024 AND 2023

5. Operating Leases

The Board leases various buildings from Workforce Essentials, Inc. and other entities throughout the service area that are used as American Job Centers (AJC). Many of these buildings are shared with other organizations and/or programs (One-Stop Partners) that provide interrelated services within the service area as part of the one-stop initiative. The Board has entered into infrastructure funding agreements (IFA) with these One-Stop Partners. Under these agreements, the Board is responsible for the provision of office space, the administration of the office space, the provision of equipment and supplies to support the operation of these facilities, and the coordination of resources to prevent duplication and ensure the effective/efficient delivery of workforce services. The costs of operating the American Job Centers include rent, supplies, utilities, phone, internet, repairs, maintenance, salaries/benefits of administrative personnel and other similar items. These costs are allocated or charged to each of the entities/programs that utilize the Centers. Under the IFAs, each entity/program must reimburse the Board for its portion of the aforementioned facility costs. During the years ended June 30, 2024 and 2023, total expenses under these agreements were \$981,290 and \$996,212, respectively. Leases with Workforce Essentials, Inc. and other entities, and IFAs are cancelable on notice and renew annually, otherwise.

6. Risk Management and Insurance

The Board is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The Board has elected to obtain various insurance policies to transfer risks to commercial insurance companies. Claims have not exceeded insurance coverage in any of the preceding three years.

7. Contingencies

Funding for the Board's programs is provided by federal, state, and local government agencies. These funds are to be used for designated purposes only. If, based on the grantor's review, the funds are considered not to have been used for the intended purpose, the grantors may request a refund of monies advanced or refuse to reimburse the Board for its program disbursements. The amount of such future refunds and unreimbursed disbursements, if any, is not expected to be significant. Continuation of the Board's programs is predicated upon the grantor's satisfaction that the funds are being spent as intended and the grantor's intent to continue its programs.

8. Sources of Revenue

The following is total revenue disaggregated by type:

	<u>2024</u>	<u>2023</u>
Without donor restrictions:		
Released from restrictions	\$ 11,623,324	\$ 12,395,619
Total revenues without donor restrictions	<u>11,623,324</u>	<u>12,395,619</u>
With donor restrictions:		
Federal and state grants:		
Reemployment Service and Eligibility Assessment	245,439	230,400
COVID-19 Disaster Recovery WIOA National		
Dislocated Worker Grant	17,505	1,442,193
Workforce Innovation and Opportunity Act Cluster:		
Adult Program	2,474,146	2,550,052
Youth Activities	3,129,736	3,646,941
Dislocated Worker	3,838,174	3,791,232
Apprenticeship USA	30,000	-

NORTHERN MIDDLE TENNESSEE LOCAL WORKFORCE DEVELOPMENT BOARD, INC.
NOTES TO FINANCIAL STATEMENTS (CONT'D)
JUNE 30, 2024 AND 2023

8. Sources of Revenue (Cont'd)

	2024	2023
Re-entry	-	40,337
Apprenticeship USA - state	187,943	204,647
Summer Youth Phase 2	1,308,188	660
Infrastructure Funding Agreement – State partners	248,192	276,897
Local grants, contributions and other revenue:		
Infrastructure Funding Agreement – other partners	140,061	209,140
Interest	3,938	3,088
Other	2	32
Released from restrictions	(11,623,324)	(12,395,619)
Total revenues with donor restrictions	-	-
 Total revenues	 \$ 11,623,324	 \$ 12,395,619

NORTHERN MIDDLE TENNESSEE LOCAL WORKFORCE DEVELOPMENT BOARD, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2024

Federal Grantor/Program Title	Grant Number Or Pass-Through Grantor's Contract Number	Assistance Listing Number	Accrued Receivable (Payable) July 1, 2023	Receipts	Expenditures	Accrued Receivable (Payable) June 30, 2024	Passed Through to Subrecipients
<u>U.S. Department of Labor</u>							
Passed through State of TN Department of Labor and Workforce Development							
Reemployment Service and Eligibility Assessment	LWNMF211RESEA21	17.225	\$ 39,550	\$ 94,794	\$ 55,244	\$ -	\$ 55,244
Reemployment Service and Eligibility Assessment	LWNMF221RESEA22	17.225	-	137,411	190,195	52,784	190,195
Total Reemployment Service and Eligibility Assessment			39,550	232,205	245,439	52,784	245,439
COVID 19 - Disaster Recovery WIOA National Dislocated Worker Grant	LWNMF206DRDWG20	17.277	54,499	54,499	-	-	-
COVID 19 - Disaster Recovery WIOA National Dislocated Worker Grant	LWNMF211DRDWG21	17.277	7,532	25,037	17,505	-	17,505
Total COVID 19 - Disaster Recovery WIOA National Dislocated Worker Grant			62,031	79,536	17,505	-	17,505
Workforce Innovations and Opportunity Act Cluster:							
Adult	LWNMP221ADULT23	17.258	130,282	261,731	131,449	-	131,449
Adult	LWNMF231ADULT23	17.258	746,889	1,808,112	1,061,223	-	1,026,493
Adult	LWNMP231ADULT24	17.258	9,338	427,444	417,811	(295)	418,107
Adult	LWNMF241ADULT24	17.258	-	458,185	838,301	380,116	770,525
Statewide - Administrative Summer Phase 1	LWNMP222MNSWA23	17.258	2,293	16,502	14,209	-	14,209
Statewide - Administrative Consolidated Business	LWNMP231MNSWA24	17.258	-	6,303	11,153	4,850	11,153
Total Adult			888,802	2,978,277	2,474,146	384,671	2,371,936
Youth	LWNMP221YOUTH23	17.259	442,528	1,351,896	925,635	16,267	894,503
Youth	LWNMP231YOUTH24	17.259	-	1,761,985	2,051,806	289,821	1,918,900
Statewide - Summer Youth Phase 1	LWNMP211SYSWA22	17.259	90,618	242,913	152,295	-	152,295
Total Youth			533,146	3,356,794	3,129,736	306,088	2,965,698

(Continued)

See accompanying notes to schedule of expenditures of federal awards and state financial assistance.

NORTHERN MIDDLE TENNESSEE LOCAL WORKFORCE DEVELOPMENT BOARD, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE (CONT'D)
YEAR ENDED JUNE 30, 2024

Federal Grantor/Program Title	Grant Number Or Pass-Through Grantor's Contract Number	Assistance Listing Number	Accrued Receivable (Payable) July 1, 2023	Receipts	Expenditures	Accrued Receivable (Payable) June 30, 2024	Passed Through to Subrecipients
Dislocated Worker	LWNMF231DSLWK23	17.278	170,996	2,479,835	2,510,977	202,138	2,313,323
Dislocated Worker	LWNMP221DSLWK23	17.278	163,169	568,237	405,068	-	357,891
Dislocated Worker	LWNMP231DSLWK24	17.278	-	266,200	456,218	190,018	320,520
Dislocated Worker	LWNMF241DSLWK24	17.278	-	8,007	157,263	149,256	157,263
Statewide - Consolidated Business	LWNMF211CBRSP21	17.278	40,438	40,438	-	-	-
Statewide - Administrative Consolidated Business	LWNMP221MNSWA23	17.278	(200)	(200)	-	-	-
Statewide - Consolidated Business	LWNMF221CBSWA22	17.278	-	75,000	210,992	135,992	-
Statewide - Administrative Apprenticeship	LWNMF241MNSWA24	17.278	-	-	5,297	5,297	5,297
Statewide - Titans Stadium Project	LWNMF231SESWA23	17.278	-	-	92,359	92,359	92,359
Total Dislocated Worker			<u>374,403</u>	<u>3,437,517</u>	<u>3,838,174</u>	<u>775,060</u>	<u>3,246,653</u>
Total Workforce Innovations and Opportunity Act Cluster			<u>1,796,351</u>	<u>9,772,588</u>	<u>9,442,056</u>	<u>1,465,819</u>	<u>8,584,287</u>
Apprenticeship USA	LWNMP231NATAP24	17.285	-	-	30,000	30,000	1,500
Total U.S. Department of Labor			<u>1,897,932</u>	<u>10,084,329</u>	<u>9,735,000</u>	<u>1,548,603</u>	<u>8,848,731</u>
Total Federal Awards			<u>1,897,932</u>	<u>10,084,329</u>	<u>9,735,000</u>	<u>1,548,603</u>	<u>8,848,731</u>
<u>State Financial Assistance</u>							
Re-Entry	LWNMF231RYSWA23	N/A	9,356	9,356	-	-	-
Apprenticeship USA	LWNMF241APSWA24	N/A	-	128,097	187,943	59,846	13,725
Apprenticeship USA	LWNMF231APSWA23	N/A	86,455	86,455	-	-	-
Summer Youth Phase 2 Early Implementation	LWNMF231SYSWA23	N/A	660	660	-	-	-
Statewide - Summer Youth Phase 2	LWNMF241SYSWA24	N/A	-	689,519	1,308,188	618,669	1,308,188
Infrastructure Funding Agreement	LWNMP221ESIFA23	N/A	39,728	39,728	-	-	-
Infrastructure Funding Agreement	LWNMP231ESIFA24	N/A	-	188,112	248,192	60,080	-
Total State Financial Assistance			<u>136,199</u>	<u>1,141,927</u>	<u>1,744,323</u>	<u>738,595</u>	<u>1,321,913</u>
Total Federal Awards and State Financial Assistance			<u>\$ 2,034,131</u>	<u>\$ 11,226,256</u>	<u>\$ 11,479,323</u>	<u>\$ 2,287,198</u>	<u>\$ 10,170,644</u>

NORTHERN MIDDLE TENNESSEE LOCAL WORKFORCE DEVELOPMENT BOARD, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
JUNE 30, 2024

NOTE A – Basis of Presentation

The accompanying schedule of expenditures of federal awards and state financial assistance (the schedule) includes the federal grant activity of the Board and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE B – Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Board has elected not to use the ten percent de minimis indirect cost rate allowed under the Uniform Guidance.



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors

Northern Middle Tennessee Local Workforce Development Board, Inc.

Clarksville, Tennessee

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Northern Middle Tennessee Local Workforce Development Board, Inc. (the Board) (a nonprofit organization), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 18, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Board's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control. Accordingly, we do not express an opinion on the effectiveness of the Board's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Board's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Board's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Board's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Stone Rudolph & Henry, PLC

Clarksville, Tennessee
December 18, 2024



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Directors
Northern Middle Tennessee Local Workforce Development Board, Inc.
Clarksville, Tennessee

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Northern Middle Tennessee Local Workforce Development Board, Inc.'s (the Board) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Board's major federal programs for the year ended June 30, 2024. The Board's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Board complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Board and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Board's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Board's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Board's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Board's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Board's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Board's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Stone Rudolph & Henry, PLC

Clarksville, Tennessee
December 18, 2024

NORTHERN MIDDLE TENNESSEE LOCAL WORKFORCE DEVELOPMENT BOARD, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP [unmodified, qualified, adverse, or disclaimer]:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified? yes X no

Significant deficiency(ies) identified? yes X none reported

Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified? yes X no

Significant deficiency(ies) identified? yes X none reported

Type of auditor's report issued on compliance for major federal programs [unmodified, qualified, adverse, or disclaimer]: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? yes X no

Identification of major federal programs:

Assistance Listing Number(s)	Name of Federal Program or Cluster
17.225	Unemployment Insurance
WIOA Cluster:	
17.258	WIOA Adult
17.259	WIOA Youth
17.278	WIOA Dislocated Worker

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee qualified as low-risk auditee? X yes no

NORTHERN MIDDLE TENNESSEE LOCAL WORKFORCE DEVELOPMENT BOARD, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
YEAR ENDED JUNE 30, 2024

SECTION II - FINANCIAL STATEMENT FINDINGS

None

SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None

NORTHERN MIDDLE TENNESSEE LOCAL WORKFORCE DEVELOPMENT BOARD, INC.
SUMMARY SCHEDULE OF PRIOR FEDERAL AWARD FINDINGS
YEAR ENDED JUNE 30, 2023

SECTION II - FINANCIAL STATEMENT FINDINGS

None

RELATED TO COMPLIANCE

None



December 18, 2024

To the Board of Directors
Northern Middle Tennessee Local Workforce Development Board, Inc
Clarksville, Tennessee

We have audited the financial statements of the Northern Middle Tennessee Local Workforce Development Board, Inc. (the Board) for the year ended June 30, 2024, and have issued our report thereon dated December 18, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated November 26, 2024. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Board are described in Note 1 to the financial statements. During the year ended June 30, 2024, the Board implemented *Accounting Standard Update (ASU) 2016-13, Financial Instruments – Credit Losses (Topic 326)*. We noted no transactions entered into by the Board during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

Management's estimate of depreciation of property and equipment is based on estimated useful lives. We evaluated the key factors and assumptions used to develop the depreciation and accumulated depreciation in determining that they are reasonable in relation to the financial statements taken as a whole.

Management's estimate of the collectability of receivables is based on assumptions by management. We evaluated key factors and assumptions used to develop the collectability of receivables in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

The disclosure for concentration of revenue pertaining to funding in Note 1 to the financial statements is sensitive due to the immediate and material financial impact that a significant reduction in funding from government grants may have on the Board's operations.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. One adjusting entry and two reclassification entries were required for the financial statements to be presented in conformity with generally accepted accounting principles taken as a whole. Those entries primarily pertained to infrastructure agreement revenue and depreciation expense, and were typical as compared to previous audits.

Disagreements with Management

For purposes of this letter, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 18, 2024.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Board's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Board's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the Board of Directors and management of the Board and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Stone Rudolph & Henry, PLC

NORTHERN MIDDLE TN WORKFORCE BOARD
DECEMBER 2024 FISCAL UPDATE

2024-25 BUDGET PROGRESSION & SPEND TREND

	(\$ in 000's)				
	24-25 QTR 1	24-25 QTR 2	Expenses YTD	Revised FY 2024-25 12 Mo. Budget	% Spent
Northern Middle LWDA					
Infrastructure Funding Agreement	98	109	207	1,000	20.7%
Adult	659	374	1,033	3,244	31.8%
Dislocated Worker Re-purposed for Adult	153	577	730	1,000	73.0%
Dislocated Worker for DW	349	434	783	3,645	21.5%
Youth	402	501	903	2,738	33.0%
RESEA	61	0	61	263	23.2%
RESEA Budget Reduced to 3 Mos Only	0	0	0	-202	0.0%
Titan Stadium Project	28	49	77	294	26.2%
Tennessee Youth Phase 2	446	51	497	787	63.2%
Apprenticeship		3	3	156	1.9%
National Apprenticeship		0	0	125	0.0%
Rural Healthcare (Seed Funding 2/1 - 6/30/25)		0	0	119	0.0%
Total FY 24-25 Expense vs Budget	2,196	2,098	4,294	13,169	32.6%

24-25 budget last meeting	13,050	
Rural Healthcare (Seed Funding 2/1 - 6/30/25); Additional \$238 awarded for FY25-26	119	119
Revised 2024-25 budget	13,169	

** Northern Middle's grant utilization for Quarter 2 decreased by \$98k compared to the prior quarter.
\$395 of this decrease relates to the seasonal nature of the Tennessee Youth program.
Formula grant utilization actually increased by \$323k as follows: Adult + \$139k, DW + 85k and Youth + \$99k*

** This year's quarterly average utilization is \$2.1M compared to last year's quarterly average of \$2.9M.*

** While Formula grant utilization is on the upward trend, we were not at 50% spent in any of the three fund streams.
The highest fund stream is Adult at 41.5% determined by combining Adult and the DW re-purposed for Adult.
We don't anticipate any problem fully utilizing the program budgets for Formula funding expiring June 2025
but utilization needs to increase to prevent a large carryover of Formula funding for grants expiring June 2026.*

**** Action Needed: Flexibility through June 30, 2025 to request of TDLWD permission for up to \$1M re-purposing of Dislocated Worker (admin and/or program) for Adult.***

NORTHERN MIDDLE TN WORKFORCE BOARD
 DECEMBER 2024 FISCAL UPDATE

Minimum Participant Cost Rate (MPCR)

TDLWD Minimum Participant Cost Rate (MPCR) - Preliminary Through December 2024

MPCR = 28.54%

	MAC Youth	EDSI Youth	EDSI Adult, Dislocated Worker, Titans	NM Demo Pilots	Other (NM, & IFA)	Total
Qualifying Expenses	\$ 91,895	\$ 153,381	\$ 660,215	\$ 27,711	\$ -	\$ 933,202
Total Program	\$ 240,491	\$ 415,456	\$ 1,932,639	\$ 100,625	\$ 580,664	\$ 3,269,875
MPCR	38.21%	36.92%	34.16%	27.54%	0.00%	28.54%

Initial
Quarter

Northern Middle is below the 40% state requirement for the 3rd consecutive quarter.

Q4 23-24 37.21%

FY Reset Jun 1 Q1 24-25 23.43%

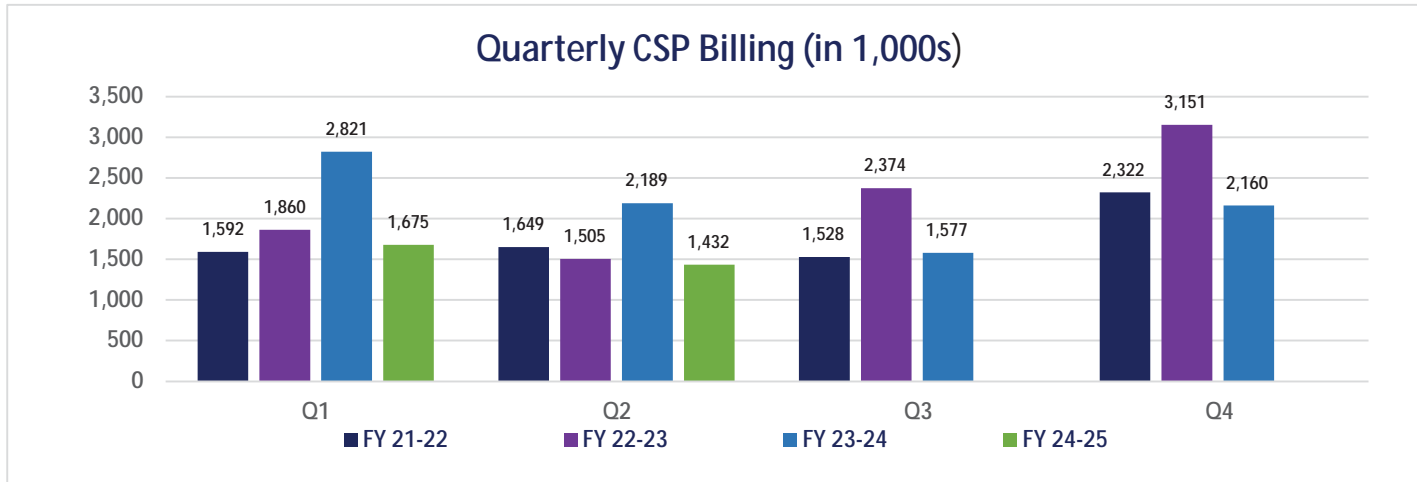
Q2 24-25 28.54%

MPCR is impacted by the Labor Force Participation Rate Project, other Pilot transitions, as well as \$384k Tennessee Youth Employment expenditures which do not count toward MPCR under current policy.

If TYEP were included, NM's MPCR would be 36.04%.

NORTHERN MIDDLE TN WORKFORCE BOARD
 DECEMBER 2024 FISCAL UPDATE

CONTRACTED CAREER SERVICE PROVIDERS - BILLING TREND



Q2 contracted CSP billing decreased \$243k compared to last quarter and was \$757k more conservative than Q2 of the prior year. However, due to the Pilots in Montgomery and Sumner beginning Q2 FY 24-25, EDSI is billing for 2 counties less than in previous quarters. Total non-contracted billing for those two counties totaled \$100k.

Career Service Provider Billing	Q1	Q2	Q3	Q4	Total
CSP Billing FYE 6/30/22 EDSI & MAC	1,592	1,649	1,528	2,322	7,091
CSP Billing FYE 6/30/23 EDSI & MAC	1,860	1,505	2,374	3,151	8,890
CSP Billing FYE 6/30/24 EDSI & MAC	2,821	2,189	1,577	2,160	8,747
CSP Billing FYE 6/30/25 EDSI & MAC less Montgomery & Sumner beginning in Q2	1,675	1,432			3,107

NORTHERN MIDDLE TN WORKFORCE BOARD
 DECEMBER 2024 FISCAL UPDATE
 CONTRACTOR - BILLING PROGRESS

Career Service Provider Billing	In \$000's				
	Cumulative through Sep 2024	Total Spent Qtr Ended Dec 2024	Budget Spent Contract To Date	Total 54 Month Contract Budget	% Spent - * 89% time elapsed (contracts extended)
EDSI (54 Month Comparison)	\$ 24,593	\$ 1,195	\$ 25,788	\$ 29,856	86% *
EDSI (TN Youth bgt ended at 8/31/23)	\$ 187	\$ -	\$ 187	\$ 187	100%
EDSI (TN Youth bgt through 6/30/25)	\$ 1,607	\$ 47	\$ 1,654	\$ 1,835	90%
EDSI Titans Stadium (through 6/30/25)	\$ 116	\$ 46	\$ 162	\$ 278	58%
MAC (54 Month Comparison)	\$ 1,941	\$ 144	\$ 2,085	\$ 2,403	87% *
MAC (TN Youth bgt through 6/30/25)	\$ 70	\$ -	\$ 70	\$ 96	73%
Contract-to-Date through Q2 2024-25	\$ 20,913	\$ 1,432	\$ 29,946		

One-Stop Operator Billing	In \$000's				
	Cumulative through Sep 2024	Total Spent Qtr Ended Dec 2024	Budget Spent Contract To Date	Total 12 Month Budget	% Spent - 50% time elapsed (contract extended)
MCHRA - (12 out of 12 Month Comparison)	\$ 69	\$ 57	\$ 126	\$ 300	42%

NORTHERN MIDDLE TN WORKFORCE BOARD
DECEMBER 2024 FISCAL UPDATE
EDSI - ADULT/DW MPCR TREND
CONTRACT-TO-DATE & QUARTERLY 54 Months

EDSI	MPCR - Goal 50% FY 24-25			MPCR - Goal 50% FY 24-25			MPCR Adult/DW - Goal 50% FY 24-25		
	Adult			DW			A/DW Combined		
CTD CUMULATIVE	Direct \$ '000	Total \$ '000	50%	Direct \$ '000	Total \$ '000	50%	Direct \$ '000	Total \$ '000	50%
July 2024	25	131	19%	28	67	41%	53	198	27%
Aug 2024	55	217	25%	25	77	32%	80	294	27%
Sep 2024	99	321	31%	22	93	23%	121	414	29%
Oct 2024	103	270	38%	30	85	35%	133	354	38%
Nov 2024	66	220	30%	31	81	39%	97	301	32%
Dec 2024	111	257	43%	67	114	58%	178	372	48%
Total Extended 12 Months	459	1,416	32%	202	517	39%	661	1,933	34%
Cumulative CTD 54 Months	6,604	13,180	50%	2,784	5,581	50%	9,387	18,761	50%

Current Fiscal Year

EDSI	MPCR - Goal 50% FY 24-25 w LFPR Project			MPCR - Goal 50% FY 24-25 w LFPR Project			MPCR Adult/DW - Goal 50% FY 24-25 w LFPR Project		
	Adult			DW			A/DW Combined		
QTR Ended 9/30/24	179	669	27%	74	237	31%	253	906	28%
QTR Ended 12/31/24	280	747	37%	128	280	46%	408	1,027	40%
FYE 6/30/25 (12 Mos)	459	1,416	32%	202	517	39%	661	1,933	34%

NORTHERN MIDDLE TN WORKFORCE BOARD
DECEMBER 2024 FISCAL UPDATE
EDSI YOUTH - MPCR, WORK EXPERIENCE & IN-SCHOOL
CONTRACT-TO-DATE & QUARTERLY 54 Months

EDSI	MPCR - Goal 50%			Work Experience - Goal 20%			ISY/Youth - Goal 30% effective 07.1.23		
	Youth			Youth			Youth		
CTD CUMULATIVE	Direct \$ '000	Total \$ '000	49%	Wk Exp \$ '000	Total \$ '000	29%	ISY \$ '000	Total \$ '000	30%
July 2024	17	34	49%	10	34	30%	10	34	29%
Aug 2024	32	48	66%	17	48	35%	17	48	35%
Sep 2024	24	119	20%	27	119	23%	48	119	40%
Oct 2024	41	93	44%	33	93	36%	22	93	24%
Nov 2024	21	64	33%	30	64	47%	22	64	35%
Dec 2024	19	57	33%	25	57	44%	24	57	42%
Total Extended 12 Months	153	415	37%	142	415	34%	144	415	35%
Cumulative CTD 54 Months	3,200	6,564	49%	1,721	6,234	28%	1,890	6,234	30%

Current Fiscal Year

EDSI	MPCR - Goal 50%			Work Experience - Goal 20%			ISY/Youth - Goal 30% effective 07.1.23		
	Youth			Youth			Youth		
QTR Ended 9/30/24	73	201	36%	54	201	27%	75	201	37%
QTR Ended 12/31/24	81	214	38%	89	214	41%	69	214	32%
FYE 6/30/25 (12 Mos)	153	415	37%	142	415	34%	144	415	35%

NORTHERN MIDDLE TN WORKFORCE BOARD
 DECEMBER 2024 FISCAL UPDATE

MAC YOUTH - MPCR, WORK EXPERIENCE & IN SCHOOL

	MPCR - Goal 50%			Work Experience - Goal 25%			ISY/Youth - 30% Goal beginning 7/1/23		
MAC	Youth			Youth			Youth		
CTD CUMULATIVE	Direct \$ '000	Total \$ '000	51%	Wk Exp \$ '000	Total \$ '000	41%	ISY \$ '000	Total \$ '000	39%
July 2024	7	22	30%	6	22	27%	8	22	37%
Aug 2024	8	30	28%	13	30	43%	15	30	52%
Sep 2024	6	44	15%	17	44	39%	20	44	46%
Oct 2024	16	39	41%	22	39	56%	20	39	51%
Nov 2024	27	50	53%	35	50	70%	29	50	57%
Dec 2024	28	55	51%	37	55	68%	33	55	59%
Total Extended 12 Months	92	240	38%	131	240	54%	125	240	52%

	MPCR - Goal 50%			Work Experience - Goal 25%			ISY/Youth - 30% Goal beginning 7/1/23		
MAC	Youth			Youth			Youth		
QTR Ended 9/30/24	21	96	22%	36	96	37%	44	96	45%
QTR Ended 12/31/24	71	144	49%	95	144	66%	81	144	56%
FYE 6/30/25	92	240	38%	131	240	54%	125	240	52%

**NORTHERN MIDDLE TN WORKFORCE BOARD
DECEMBER 2024 FISCAL UPDATE
PILOT - MONTGOMERY ADULT/DW MPCR TREND
CONTRACT-TO-DATE & QUARTERLY 9 Months**

NM/WE	MPCR - Goal 50% FY 24-25			MPCR - Goal 50% FY 24-25			MPCR Adult/DW - Goal 50% FY 24-25		
	Adult			DW			A/DW Combined		
CTD CUMULATIVE	Direct \$ '000	Total \$ '000	49%	Direct \$ '000	Total \$ '000	24%	Direct \$ '000	Total \$ '000	39%
Oct 2024	7	12	57%	0	5	2%	7	17	40%
Nov 2024	1	5	12%	5	11	48%	6	16	36%
Dec 2024	7	12	58%	0	5	1%	7	17	40%
Total 9 Months	14	29	49%	5	21	24%	19	50	39%
Cumulative CTD 9 Months	14	29	49%	5	21	24%	19	50	39%

NM/WE	MPCR - Goal 50% FY 24-25 w LFPR Project			MPCR - Goal 50% FY 24-25 w LFPR Project			MPCR Adult/DW - Goal 50% FY 24-25 w LFPR Project		
	Adult			DW			A/DW Combined		
QTR Ended 12/31/24	14	29	49%	5	21	24%	19	50	39%
FYE 6/30/25 (9 Mos)	14	29	49%	5	21	24%	19	50	39%

**NORTHERN MIDDLE TN WORKFORCE BOARD
DECEMBER 2024 FISCAL UPDATE
PILOT - MONTGOMERY YOUTH - MPCR, WORK EXPERIENCE & IN-SCHOOL
CONTRACT-TO-DATE & QUARTERLY 9 Months**

	MPCR - Goal 50%			Work Experience - Goal 20%			ISY/Youth - Goal 25%		
NM/WE	Youth			Youth			Youth		
CTD CUMULATIVE	Direct \$ '000	Total \$ '000	30%	Wk Exp \$ '000	Total \$ '000	4%	ISY \$ '000	Total \$ '000	34%
Oct 2024	2	5	34%	0	5	0%	2	5	31%
Nov 2024	3	6	43%	0	6	0%	2	6	28%
Dec 2024	0	4	0%	1	4	16%	2	4	49%
Total 9 Months	4	15	30%	1	15	4%	5	15	34%
Cumulative CTD 9 Months	4	15	30%	1	15	4%	5	15	34%

	MPCR - Goal 50%			Work Experience - Goal 20%			ISY/Youth - Goal 30% effective 07.1.23		
NM/WE	Youth			Youth			Youth		
QTR Ended 12/31/24	4	15	30%	1	15	4%	5	15	34%
FYE 6/30/25 (9 Mos)	4	15	30%	1	15	4%	5	15	34%

**NORTHERN MIDDLE TN WORKFORCE BOARD
DECEMBER 2024 FISCAL UPDATE
PILOT - SUMNER - ADULT/DW MPCR TREND
CONTRACT-TO-DATE & QUARTERLY 9 Months**

NM/WE	MPCR - Goal 50% FY 24-25			MPCR - Goal 50% FY 24-25			MPCR Adult/DW - Goal 50% FY 24-25		
	Adult			DW			A/DW Combined		
CTD CUMULATIVE	Direct \$ '000	Total \$ '000	17%	Direct \$ '000	Total \$ '000	1%	Direct \$ '000	Total \$ '000	9%
Oct 2024	0	3	0%	0	4	1%	0	7	1%
Nov 2024	0	3	3%	0	4	2%	0	7	2%
Dec 2024	2	6	34%	0	5	1%	2	11	19%
Total 9 Months	2	13	17%	0	12	1%	2	25	9%
Cumulative CTD 9 Months	2	13	17%	0	12	1%	2	25	9%

NM/WE	MPCR - Goal 50% FY 24-25 w LFPR Project			MPCR - Goal 50% FY 24-25 w LFPR Project			MPCR Adult/DW - Goal 50% FY 24-25 w LFPR Project		
	Adult			DW			A/DW Combined		
QTR Ended 12/31/24	2	13	17%	0	12	1%	2	25	9%
QTR Ended 3/31/25	0	0	0%	0	0	0%	0	0	0%
QTR Ended 6/30/25	0	0	0%	0	0	0%	0	0	0%
FYE 6/30/25 (9 Mos)	2	13	17%	0	12	1%	2	25	9%

**NORTHERN MIDDLE TN WORKFORCE BOARD
DECEMBER 2024 FISCAL UPDATE
PILOT - SUMNER YOUTH - MPCR, WORK EXPERIENCE & IN-SCHOOL
CONTRACT-TO-DATE & QUARTERLY 9 Months**

	MPCR - Goal 50%			Work Experience - Goal 20%			ISY/Youth - Goal 25%		
NM/WE	Youth			Youth			Youth		
CTD CUMULATIVE	Direct \$ '000	Total \$ '000	19%	Wk Exp \$ '000	Total \$ '000	20%	ISY \$ '000	Total \$ '000	38%
Oct 2024	0	2	0%	1	2	39%	1	2	50%
Nov 2024	0	2	0%	1	2	43%	1	2	47%
Dec 2024	2	4	36%	0	4	0%	1	4	29%
Total 9 Months	2	9	19%	2	9	20%	3	9	38%
Cumulative CTD 9 Months	2	9	19%	2	9	20%	3	9	38%

	MPCR - Goal 50%			Work Experience - Goal 20%			ISY/Youth - Goal 30% effective 07.1.23		
NM/WE	Youth			Youth			Youth		
QTR Ended 12/31/24	2	9	19%	2	9	20%	3	9	38%
FYE 6/30/25 (9 Mos)	2	9	19%	2	9	20%	3	9	38%

NORTHERN MIDDLE TN WORKFORCE BOARD

DECEMBER 2024 FISCAL UPDATE

MONITORING UPDATE

EDSI and MAC - Career Service Providers

- * Biweekly contractor meetings continue with EDSI and MAC re-stating expectations and concerns related to fund utilization, MPCR achievement and case management.
- * Monthly desk review of invoices is performed analyzing contract progress and dollar-driven performance.
- * EDSI exceeded their Adult/DW enrollment goals, but is behind in exits and placements.
- * MAC fell 3 short on OSY and 2 short on ISY enrollment goals; they are slightly behind on exits and missing the placement goal.
- * EDSI MPCR for Adult/DW improved to 40% in Q2 over 28% in Q1, but did not meet FYTD goal of 50%. EDSI MPCR for Youth improved to 38% in Q2 over 36% in Q1, but did not meet FYTD goal of 50%.
- * MAC MPCR for Youth improved to 49% in Q2 over 22% in Q1, but did not meet FYTD goal of 50%.
- * Both EDSI and MAC have met or exceeded MPCR, Work Exp and ISY goals over their full contract period, but neither have met MPCR during the current fiscal year which is the current Northern Middle measurement period.
- * Northern Middle program staff issued to EDSI findings, observations, technical assistance and request for corrective action related to case management. EDSI completed the required action by the deadline given.
- * Northern Middle fiscal staff are planning test work of the July to December 2024 period.

Mid-Cumberland HRA - One-Stop Operator

- * The One-Stop Operator continues to promote enhanced oversight of partner accountability in supporting KPI goals.
- * The One-Stop Operator has been asked to assume more responsibility in coordinating IFA agreements and addressing monitoring findings that may arise related to the AJC.
- * A re-design of the OSO contract scope has resulted in the elimination of OSO greeters in the comprehensive centers. An assistant OSO position has been created to provide more oversight.
- * The One-Stop Operator assisted in the Nashville AJC re-location.

Pilot Projects

- * **Weekly meetings with Tennessee Department of Labor**

NORTHERN MIDDLE TN WORKFORCE BOARD

DECEMBER 2024 FISCAL UPDATE

MONITORING UPDATE

Monitoring of Northern Middle

- * TDLWD's Program Accountability Review (PAR) unit issued Northern Middle's annual monitoring report of fiscal management and reporting. There were no findings and two observations which we presented in our previous board meeting. The final report is attached.
- * FY 23-24 external financial audit report was issued by audit firm Stone, Rudolph and Henry, PLC.
 - * Unmodified opinions
 - * No audit findings
 - * Low risk auditee qualification

The audit report and governance letter are attached elsewhere in these materials.

NORTHERN MIDDLE TN WORKFORCE BOARD
DECEMBER 2024 FISCAL UPDATE

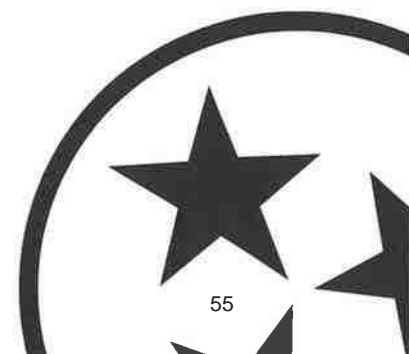
ACTION

- * 2024-25 Amended Budget = \$13.2M (+119k)
- * Flexibility to request TDLWD approval to re-purpose \$1M DW funding for Adult



Northern Middle Local Workforce Development Area

Tennessee Department of Labor and Workforce Development
Office of Program Accountability Review
Subrecipient Monitoring Report | November 2024





November 20, 2024

The Honorable Bob Rial
Dickson County Mayor
Northern Middle Local Workforce Development Area CLEO
4 Court Square
Charlotte, TN 37036

Marla Rye
Northern Middle Workforce Board, Executive Director
Workforce Essentials, Inc., President
523 Madison Street, Suite A
Clarksville, TN 37040

Dear Mayor Bob Rial and Ms. Rye,

Program Accountability Review (PAR) has completed its monitoring of Northern Middle Local Workforce Development Area, which included activities by board staff, fiscal agent, one-stop operator, and career service provider. The Tennessee Department of Labor and Workforce Development (TDLWD) has grant agreements with Workforce Essentials, Inc. The monitored grants are listed at the end of the monitoring report. A copy of the monitoring report is attached.

Sincerely,

A handwritten signature in blue ink that reads 'Christopher A. Risher'.

Christopher Risher
Director of Internal Audit

cc: Deniece Thomas, Commissioner TDLWD
Dewayne Scott, TDLWD
Buddy Hoskinson, TDLWD
James Roberson, TDLWD
Jaylene Younge, TDLWD
Amy Mayberry, TDLWD
Ryan Jolley, TDLWD
Andy Summar, TDLWD
Ivan Greenfield, TDLWD
Lorna Wright, TDLWD
John Zobl, LWDB Chair
Ginger Fussell, Workforce Essentials
Comptroller of the Treasury, State of Tennessee

Executive Summary

On November 7, 2024, staff from the Tennessee Department of Labor and Workforce Development (TDLWD), Office of Program Accountability Review (PAR), completed an on-site review of Northern Middle Local Workforce Development Area, which included activities by board staff, fiscal agent, one-stop operator, and career service provider. The Tennessee Department of Labor and Workforce Development (TDLWD) has grant agreements with Workforce Essentials, Inc. Refer to the end of the report for a listing of the monitored grants.

Disclaimer

This report does not contain the results of participant program monitoring, including reviewing participant files for eligibility documentation and case management. These files were reviewed by staff in the Workforce Services Division and they will separately report their results. PAR did not review the participant files and, accordingly, does not express an opinion or any assurance regarding the participant eligibility documentation or case management.

Key Findings

- No findings were noted.

Northern Middle Local Workforce Development Area

Introduction

On November 7, 2024, staff from PAR completed an on-site monitoring visit of Northern Middle Local Workforce Development Area, which included activities by board staff, fiscal agent, one-stop operator, and career service provider. The Tennessee Department of Labor and Workforce Development (TDLWD) has grant agreements with Workforce Essentials, Inc. Monitoring included a review of the grants with TDLWD. Refer to the end of the report for a listing of the monitored grants.

PAR conducted the monitoring review in accordance with the Department of General Services, Central Procurement Office, *Policy 2013-007, Grant Management and Subrecipient Monitoring Policy and Procedures*, Amended June 25, 2024.

Monitoring objectives were to:

- assess the reliability of internal controls,
- verify that program objectives are being met,
- verify that civil rights requirements are being met,
- test the reliability of the financial and programmatic reporting,
- test if costs and services are allowable and eligible, and
- verify grant compliance.

A monitoring review is substantially less in scope than an audit. PAR did not audit the financial statements and, accordingly, does not express an opinion or any assurance regarding the financial statements of Workforce Essentials, Inc.. Also, this report does not contain the results of participant program monitoring, including reviewing participant files for eligibility documentation and case management. These files were reviewed by staff in the Workforce Services Division and they will separately report their results. PAR did not review the participant files and, accordingly, does not express an opinion or any assurance regarding the participant eligibility documentation or case management.

Were any issues noted during the on-site review?

1. No findings were noted.

Were there any observations?

1. The method used to allocate administrative costs may need some improvement.

Workforce Essentials, Inc. accumulates administrative costs in administrative cost pools. The cost pools are further distributed to WIOA grants, non-WIOA grants, and other programs operated by Workforce Essentials, Inc. Some salaries and benefits are directly charged to some non-WIOA grants, based on staff timesheets.

Workforce Essentials, Inc., Northern Middle LWDA's fiscal agent, cost allocation plan states, "Workforce Essentials (WE) has procedures in place to capture administrative costs to be allocation among WIOA Title I funding streams." It further states cost not directly assignable to a grant or project will be pooled. The plan discusses direct costs.

Title 2, *Code of Federal Regulations*, Section 200.405 discusses allocable costs to particular federal awards and other work of the non-federal entity.

While Title 2, *Code of Federal Regulations*, Section 200.405 and Northern Middle's cost allocation plan both discuss direct administrative costs and administrative costs that can be pooled, there appears to be differences of interpretation on which grants allow for pooling of direct expenses.

2. A discrepancy was noted between one participant timesheet and payroll records for grant LWNMP211SYSWA22.

Participant with state id 4983481 was compensated for 102 hours of work-related training for the period ending June 26, 2023, and the respective time sheet reflects 72 hours of work-related training. This discrepancy resulted in an overpayment of \$532.13 (i.e., 30 hours x \$15.00 per hour = \$450.00 + 82.13 employer taxes).

Section C.3 of the grant agreement between TDLWD and Workforce Essentials, Inc. states, "The Grantee shall be reimbursed for actual, reasonable, and necessary costs...."

This is being reported as an observation, since Workforce Essentials corrected the overpayment to the grant and received a reimbursement from the service provider prior to the end of the monitoring review. No corrections were required to the close-out report, since Workforce Essentials was able to move allowable expenses from Title I youth work experience for the same participant which had the over payment.

Which grants were monitored?

Service Provided	Grant Number	Grant Period	Grant Max. Liability
Adult	LWNMP211ADULT22*	07/01/21-06/30/23	\$409,252.09
Adult	LWNMF221ADULT22*	10/01/21-06/30/23	\$2,310,613.86
Adult	LWNMP221ADULT23*	07/01/22-06/30/24	\$536,868.00
Adult	LWNMF231ADULT23*	10/01/22-06/30/24	\$2,399,174.00
Adult	LWNMP231ADULT24	07/01/23-06/30/25	\$474,938.00
Adult	LWNMF241ADULT24	10/01/23-06/30/25	\$1,939,902.44
Dislocated Worker	LWNMP211DSLWK22*	07/01/21-06/30/23	\$683,151.55
Dislocated Worker	LWNMF221DSLWK22*	10/01/21-06/30/23	\$2,906,835.00
Dislocated Worker	LWNMP221DSLWK23*	07/01/22-06/30/24	\$687,136.00
Dislocated Worker	LWNMF231DSLWK23*	10/01/22-06/30/24	\$2,749,294.00
Dislocated Worker	LWNMP231DSLWK24	07/01/23-06/30/25	\$628,565.73
Dislocated Worker	LWNMF241DSLWK24	10/01/23-06/30/25	\$2,286,103.38
Youth	LWNM P211YOUTH22*	04/01/21-06/30/23	\$2,935,628.33
Youth	LWNMP221YOUTH23*	04/01/22-06/30/24	\$3,054,142.00
Youth	LWNMP231YOUTH24	04/01/23-06/30/25	\$2,510,336.98
Youth	LWNMP241YOUTH25**	04/01/24-06/30/26	\$2,794,305.00
Statewide Activities Summer Youth Phase 1	LWNMP211SYSWA22*	5/15/23-08/31/23	\$480,000.00
Administrative Summer Youth Phase 1	LWNMP222MNSWA23*	05/15/23-08/31/23	\$48,000.00
Statewide Activities- Summer Youth Phase 2	LWNMF231SYSWA23*	06/01/23-06/30/23	\$10,560.00
Statewide Activities- Summer Youth Phase 2	LWNMF241SYSWA24	07/01/23-06/30/25	\$2,084,151.00
Apprenticeship	LWNMP231NATAP24*	11/01/23-06/30/24	\$30,000.00
Statewide Activities- Apprenticeship	LWNMF241APSWA24*	07/01/23-06/30/24	\$193,575.00

Service Provided	Grant Number	Grant Period	Grant Max. Liability
Statewide Activities-Apprenticeship	LWNMF231APSWA23*	07/01/22-06/30/23	\$204,647.00
Administrative - Statewide Activities	LWNMF241MNSWA24	03/01/24-06/30/25	\$35,392.00
Statewide Activities	LWNMF231SESWA23	03/01/24-06/30/25	\$353,920.00
Re-entry/Justice Involved	LWNMF231RYSWA23*	10/01/22-06/30/23	\$80,000.00
Statewide - Consolidated Business Grant	LWNMF221CBSWA22*	10/15/23-06/30/24	\$252,287.00
Administrative-Consolidated Business	LWNMP231MNSWA24*	10/15/23-06/30/24	\$13,278.00
Rapid Response - Consolidate Business	LWNMF211CBRSP21*	02/15/23-06/30/23	\$190,000.00
Administrative - Consolidate Business	LWNMP221MNSWA23*	02/15/23-06/30/23	\$10,000.00
Re-employment Services & Eligibility Assessment	LWNMF211RESEA21*	10/01/22-09/30/23	\$263,934.00
Re-employment Services & Eligibility Assessment	LWNMF221RESEA22	10/01/23-09/30/24	\$259,250.00
National Dislocated Worker	LWNMF211DRDWG21*	08/21/21-08/20/23	\$550,085.00
National Dislocated Worker	LWNMF206DRDWG20*	07/01/22-06/30/23	\$1,425,739.69
Infrastructure Funding Agreement	LWNMP231ESIFA24	07/01/23-06/30/24	\$570,129.05

Figure 1. Listing of monitored grants.

*Grant was closed as of the monitoring date.

**No expenditures charged to the grant as of the monitoring date.