



**APPROVED
FEBRUARY 2, 2023**

**Northern Middle Tennessee Workforce Board
Finance Committee
Meeting Minutes
November 3, 2022, via Zoom 10:00 a.m.**

Members Attending	Members Absent	Staff & Guests Attending
Mark Peed	Keith Carnahan	Marla Rye
John Alexander		Ginger Fussell
Paul Webb		Andrea Dillard
Kristi Spurgeon		Meagan Dobbins
David Rutledge		Sherry Maynard
Dan Caldwell		Christel Brown
John Zobl		
Shoshana Samuels		

The Finance Committee of the Northern Middle Tennessee Workforce Board met virtually on November 3, 2022, at 10 a.m. via Zoom.

With a quorum present, the meeting was called to order by Chairman Mark Peed. Paul Webb moved to approve the minutes and was seconded by David Rutledge. The minutes passed unanimously.

Career Service Provider-Performance Review

Andrea Dillard started the meeting with a brief overview of the CSP performance. EDSI is off to a good start with enrollments but is behind in its exit expectations. The lack of exits is attributed to the staffing vacancies that are a continual problem. Everything else is on target. MAC is off to a slow start and is not meeting its enrollment goals. Other than not meeting their in-school youth MPCR, everything else is on target.

Two of the three new additional youth providers are on track to meet their goals. They are Jobs For Tennessee Graduates and Monroe Harding. Liberty Station is off to a slow start. This program hasn't utilized grant work before and struggles with paperwork. This program may need to be reevaluated later to decide if the contract needs to be terminated early.

2021-2022 Financial & Monitoring Report

Ginger Fussell reported the past quarter was solid but lower than the last quarter in the previous fiscal year. Since last quarter, our \$13.295M budget has grown by new funding: \$205 in Apprenticeship money and a net increase of \$116K in RESEA funding. The contractors are tracking ahead of schedule in Adult and Youth spending but are significantly underutilizing

Dislocated Worker funds. The first action item request is to leverage the underutilized Dislocated Worker funds that expire in June and request the flexibility to re-purpose up to \$1.5M of Dislocated Worker funds for Adult as needed, effective November 1, 2022 to June 30, 2023, pending TDLWD approval. The second action item is to shift some Youth reserve into this fiscal year. The \$13.295M budget included an ultra-conservative amount of \$2.7M carry-over into the next fiscal year. Considering the momentum we have with Youth spending, the fact that we will get additional Youth funding in April, and the upcoming Youth procurement, we propose shifting half of the Youth reserve (\$1.374M) into this fiscal year. The net increase to the budget is \$1.695M to \$14.990M. The third action item is requesting the flexibility to increase the Youth portion of EDSI's contract to an additional \$750K through June 30, 2023.

Ginger then provided the committee with an updated detailed revenue and expense budget at the new \$14.9M total. She reported that our MPCR is strong at 51.9% of the 40% required. This is an increase compared to last quarter. She then presented a three-year visual of contractor billing trends. All contractors are reasonably tracking in progress. If they sustain this quarter's billing for all four quarters, they will exceed last year's billing. CSPs are approximately 60-61% out of 70% progress. One-Stop-Operator is 18% out of 25% time progression.

Ginger went on to say that EDSI and MAC met MPCR during the quarter. EDSI has met 50% MPCR contract to date, and MAC is 3% shy. EDSI met Youth Work Experience and In-School-Youth during the quarter but not contract to date. MAC met Youth Work Experience during the quarter but not In-School-Youth. Since MAC was strong last year in In-School, we lowered EDSI's In-School-Youth target and raised MAC's. Both will continue to be monitored as each contractor continues to develop their respective programs. The central monitoring issue is a repeat area of concern with EDSI's continuing staff turnover.

Marla pointed out that with the Dislocated Worker flexibility, they see fewer plant closings, leaving fewer dislocated workers needing assistance. The surplus of money is more needed with the Adult program, which serves the unemployed and the underemployed. The law allows 100% flexibility, so it's helpful to plan ahead and allow the transfer.

Marla added that we are on target to allow other contractors to bid since our current contract has been in place for two and a half years in the spring. It's time to evaluate and decide if the current contractors are meeting the needs. EDSI's numbers are trending in the right direction, but staff turnover remains a concern. Their MPCR is higher due to the open staff positions. MAC was doing well but has regressed a little bit. Allowing a bid in the spring will enlighten us about other options available.

Ginger then updated the committee regarding the audit. It is currently in progress. The on-site work has been completed, and they are now in their office completing reports. Everything is going smoothly. The state's Program Integrity Unit has completed an additional monitoring, and everything went well.

Marla added that Liberty Station would continue to be monitored to see if they continue struggling or trending upward. Ginger stated that it seemed wiser to shift the extra funding to EDSI's youth contract this fiscal year.

Dan Caldwell asked for clarification on who is considered a Dislocated Worker. Marla replied that it was a person who lost their job through no fault of their own. Marla reassured them that it was the flexibility to repurpose the Dislocated Worker money that was being requested. Should we see more plant closings and the money is needed for dislocated workers, then the money will not be transferred. There is also an additional national dislocated worker grant that is available through June of 2023. Mark Peed asked for a motion to approve the action items as stated. Sho Samuels made the motion to approve the recommendations as stated. Dan Caldwell seconded the motion, and the committee approved them unanimously.

Adjourn

Marla reminded the committee of the Board meeting on November 9 in Wilson County. With no further questions, Mark Peed adjourned the meeting.