



**Northern Middle TN Workforce Board Operations/Finance Committee
July 30, 2019
9 a.m. at Workforce Essentials
523 Madison Street, Clarksville, Tennessee**

The Northern Middle Tennessee Workforce Operations/Finance Committee met on July 30, 2019 at 9 a.m. at the Workforce Essentials office in Clarksville, TN. A conference call line was provided for members that could not attend in person.

The meeting was called to order by Mark Peed. Marla Rye called role.

Marla thanked the members for attending the Operations Committee meeting. She noted that she also invited the Executive Committee members to attend.

She detailed the two main objectives for the meeting:

- 1.) The budget
- 2.) Changes to the WIOA Eligible Training Provider List (ETPL)

Marla explained that at the June 19 NMTLWDB meeting, the Board reviewed the 2018-2019 budget and approved the 2019-2020. She stated they would review each today and make additional recommendations.

Marla discusses the information in the handout to include total revenue available. Marla asked Ginger to recap the budget. Ginger stated that the projections were based on prior month expenditure levels and that since the year had been finalized, the starting revenue would be \$17,378,538.

Recommendations:

Marla discussed the need to have a fund balance to offset the minimal revenue allocated for the 1st quarter of 20-21 budget year. She recommended a 20% target. Mark Peed asked if 20% is the max amount allowed. Marla stated that 80% of the funds must be obligated so 20% is the max allowed. John Zobl asked of the 20% was applied to all three funding streams? Ginger confirmed that it was.

Mark Peed said that he is concerned that if you created a glide path of 20% that you might have an issue where you don't use the funds. He would recommend lowering the carryover to 15%. This would allow more flexibility if you obtained extra funding during the year. Marla stated that last year we received a large amount of transition funding and it would have negatively impacted the amount of carryover above the 20%.

Peed stated by planning for 15% carryover, it would allow the staff to help more people this year and still be in the position to spend more money if the state re-appropriates it for the area. He stated it would be a buffer. Marla agreed. Mark says for the 2-3 years we have been getting funds where other people haven't spent their allocations.

Peed made a motion to set aside 15% for carryover. Keith Callahan seconded the motion and it was unanimously agreed. Keith stated that this will create more of a buffer for the budget. John Zobl stated that this makes great sense and still leaves a lot of carry over for the following year.

Marla stated this will provide an additional \$471,000 to utilize this program year. She then mentioned that at the last Board meeting it was discussed that we should request a transfer to utilize dislocated worker funding for adult services. She recommended that we request to transfer 2.5m from dislocated worker to adult funding. She explained that the economy dictated the utilization of dislocated worker funding.

Callahan asked does the funding actually move from one contract to the other. Marla explained that it is designed to maximize efficiency and use the money where needed. Keith made motion to move 2.5m from dislocated worker into adult funds. Mark seconded the motion and it passed unanimously.

Marla recapped the budget and the unobligated funding. She stated that we have 2.3M that we need to obligate to meet our benchmark. She gave an overview of the Governor's workforce initiatives:

- 1.) Vocational education focusing on apprenticeships.
- 2.) Offender/Re-entry
- 3.) Rural development

Freda provided an overview of the reentry program that she observed in Georgia. She also gave an overview of existing jail programs. Mark asked if we set-aside money, would it be for new programs or enhancement to current programs. Marla explained that it could be for either based upon the need. She explained that Trousdale County doesn't have an AJC but has a large prison there and the Mayor was wanting us to establish workforce services in the County.

Marla explained that the Department of Labor is not providing local areas with incumbent working training grants this year. She suggested that we could set aside some money for IWT but focus it on apprenticeships. Howard Bradley stated he would support funding training for employers to start apprenticeship programs. Marla stated that she felt that we could spend \$300,000 in the first year due to already having 3-4 companies wanting to start electrician apprenticeship programs.

Marla recommended to set aside 100,000 for Trousdale County to establish a specialized American Job Center. This money would be utilized by the CSP to hire an individual and set up the ACJ.

Budget Recommendations:

Marla stated we have a little over 2.3M to allocate for special projects. Mark Peed offered that we should allocate funds for advertising. He stated there is a lack of exposure to the workforce system. Mark expressed that we should allocate funds specifically for an advertising and recruitment campaign. Marla agreed and gave an example of a local company conducting a recruitment campaign and doubling the applicants at the AJC.

Mark suggested a \$100,000 for advertising/recruitment. Marla stated that she wasn't sure if \$100,000 would be enough for the 13 county regions. Mark said that it would be a pilot project and if it worked, then we could allocated more. Marla stated that we need to spend some money on signage for the AJCs too. John Zobl stated he loved the marketing idea.

Marla said that MCHRA needed support too and a portion of the remaining funds could be allocated to MCHRA to beef up their infrastructure. Marla cautioned that the MPCR would have to be monitored and that some of the recommendations would have to be carefully timed.

Marla agreed to work on the budget and add the changes discussed/recommended in the packet. Any additional funding will go to mid Cumberland for additional services in the American Job Center. Freda said I know there has been talk about Davidson County and a new AJC location. Marla stated the relocation is still months away and specific funding is not known.

Ginger ask for clarification on recommendation number 3 which is signage. Should it pass through to Mid Cumberland or does it remain at the board? Marla said that the state is monitoring how much the board is spending and the money should be passed to MCHRA. Marla recommended that we give the funding to the OSO with oversight remaining at the Board. Mark said that Board oversight is the best way to handle this and John Alexander agreed.

Marla said any unallocated could be passed through to MCHRA with 65% going toward the MPCR and 35% to infrastructure. Howard Bradley made a motion to approve recommendation and Keith Carnahan seconded. Motion passed.

ETPL request:

Marla stated that the WIOA requires that training providers/programs must request and be approved to be on the WIOA Eligible Training Provider List. The Board has been reviewing programs for several years now. Mark stated that he thinks State schools/programs should be approved because they have an oversight body. However, private institutions should be reviewed thoroughly to prevent fly-by-night schools from being on the list.

Marla suggested for private institution that we have a staff member go out and review schools before approving. Howard offered that most of the training providers on the list are state schools. Marla concurred and said the majority of the students want to go to State schools.

Marla stated that she personally been talking with Global Beauty and she has a copy of certification and inspection by the State Board of Commerce. She has established that they are legal to operate in Tennessee.

Marla offered that the Board must also approve training programs with a 25% increase in cost. Mark moved to approve all the requests outlined in the meeting materials. Howard Bradley seconded. The motion passed.

Mark ask for comments. John Zobl say it was a great meeting. Howard asked when the next board meeting was. Marla stated upcoming meetings.

With no other business, Howard Bradley made a motion to adjourn. Mark Peed accepted the motion to adjourn at 10:19 a.m.