



APPROVED
November 2, 2021

**Northern Middle Tennessee Workforce Board
 Finance Committee
 Meeting Minutes
 July 29, 2021, via Zoom 9:00 a.m.**

Members Attending	Members Absent	Staff & Guests Attending
Mark Peed	Keith Carnahan	Marla Rye
David Rutledge	Dan Caldwell	Ginger Fussell
Paul Webb	Charles Story	Andrea Dillard
Kristi Spurgeon		John Watz
John Zobl		Sherry Maynard
John Alexander		
Seth Thurman		

The Finance Committee of the Northern Middle Tennessee Workforce Board met virtually on July 29, at 9 a.m. via zoom conference.

Marla Rye called role, and a quorum was declared. The meeting was called to order by Chairman Mark Peed. Mark asked for approval of the minutes. Paul Webb moved to approve and was seconded by David Rutledge. The minutes passed unanimously.

Career Service Provider-Performance Review

Marla began the meeting with a Career Service Provider Performance Review. She reported that both providers were asked to meet at least 90% of their enrollment goals and 50% of MPCR. On enrollments, both contractors met their performance benchmarks. EDSI did meet the set MPCR goal of 50% for June but did not meet the cumulative MPCR goal. MAC achieved the set MPCR goal of 50% for the month of June but did not meet the cumulative MPCR goal. Both contractors met the performance requirements the Board set for them in May. While they achieved the stipulated goals, other areas fell substantially short including work experience and in-school youth requirements.

Along with maintaining enrollments goals and MPCR, the contractors are tasked to meet the work experience goals and in-school youth goals for the first quarter of the 2021 program year. Dr. Croom and Kevin Schneiders have been invited to attend the August 11 board meeting and present their plan of action to meet the work experience and in-school youth

goals. A letter was issued to both providers that state the objectives for the next two quarters and the expectations for improvement. Starting July 1, there will be targets and penalties for not meeting those benchmark numbers. It was asked if we could see an increase with school resuming. It is hoped that would help. Typically 25% of the funds can be spent on in-school youth, but right now, up to 50% is allowed due to a waiver. There are some concerns that the waiver will run out, and providers will have to change their focus from in-school youth to out-of-school youth.

2020-2021 4th Quarter Report

Ginger was pleased to report that our grant utilization for all of our activities was at \$13.2 million compared to \$11.9 million in the prior year due to additional awarded grants. Even though our core programs were down about \$200,000, it was a good year. Quarter three was low due to the slow start of the contractors, but in quarter four, we increased by almost \$1 million. The bulk of the increase was from contractor activity, so their overall spending has improved. The year finished strong, but there is still room for improvement. As the year progressed, more funds were received and added to the budget. Because of additional grants received and the ending of the Campbell Strong program, our programs need to see an increase in expenditures. Ginger went on to report that six months into their contract, EDSI has spent about 23% of their funding, and MAC has spent nearly 14%.

Ginger reported the One-Stop-Operator contract is progressing and underbudget. According to Ginger's calculations, we are at 40.18% MPCR. If we include activities the state doesn't recognize, then we are at 57.18%. The Campbell Strong project has spent \$7.4 million and will wrap up in September.

2021-2022 Budget Update

Ginger then presented the revised budget. The revised budget totals \$12.8 million. The increase is from about half a million dollars associated with the Summer Youth Initiative and additional RESEA funding. Ginger then asked the Board for permission to repurpose dislocated worker funds, to be spent for adults. The state would also need to give permission, but we wanted the Board's approval first. When asked by Chairman Zobl about a carryover, Ginger reported that the budget was calculated using a 20% carryover. The expense side of the budget is \$12.8 million.

Ginger then made the Board aware that the Northern Middle Board is going through the process of having the Performance Accountability Review done. So far, everything is progressing well. There are no results yet. She informed the Board that the Program Integrity Unit is implementing a new monitoring process that utilizes a risk assessment worksheet.

The two action items are approving the 2020-2021 financial report budget revision with the additional \$735K and approval of the 2021-2022 revised budget approval at \$12.8 million with the flexibility to utilize up to \$1.5M Dislocated Worker funds for Adult as needed and as approved by TN DOL. Paul Webb made the motion for approval. Mark Peed seconded the motion, and all members voted in favor of the motion.

Special Funding Request

Marla informed the committee that since the contractors have been working hard to meet their formula program goals set by the Board and meet MPCR, that they will probably not be able to spend the \$600K on paid work experience that the state awarded. She stated that any unspent funding would be sent back to the state for repurposing.

Adjourn

Marla informed the Board that Barbara Unruh has submitted her letter of resignation and will retire on January 1. They are currently looking for someone to replace her.

Mark Peed adjourned the meeting.