



**Northern Middle Tennessee
Workforce Board Inc.**

Innovations Committee

August 4, 2026

3:00 P.M.

[Click here for Zoom Link](#)

Meeting ID: 857 4560 2216

Passcode: 378166

One tap mobile: +13092053325,,85745602216# US

Agenda

Welcome

Call the Meeting to Order

Approval of Minutes

Business Reports:

1. American Job Center Operations
 - a. Federal Performance
 - b. CSP Report
 - c. AJC Closure Update
2. Eligible Training Provider
 - a. Request for Approval
3. Employer Services
 - a. Rapid Response
 - b. Employer Grants
 - c. 26-27 Rural Healthcare Funding
4. USDOL Waivers-Future of AJCs

Members:

Seth Thurman (Chair)

Anne Fugate

Tony Adams

Billy Givens

Selittia Johnson

Jim Hughes

Kaitlin Salyer

Adjourn

Complete zoom link: <https://us02web.zoom.us/j/85745602216?pwd=yLucP12FPVACFRQ6vSyqwTMAEljXEN.1>



**DRAFT UNTIL
APPROVED**

**Northern Middle Tennessee Workforce Board
Innovation Committee
Meeting Minutes
April 30, 2026 via Zoom 2:00 PM**

Members Attending	Members Absent	Staff & Guests Attending
Seth Thurman	Tony Adams	Marla Rye
Anne Fugate	Robin Baldree	Meagan Dobbins
Billy Givens		Ginger Fussell
Selittia Johnson		Alyssa Spaulding
Kaitlin Salyer		
Kristi Spurgeon		
Brandon Phinx		

The Northern Middle Tennessee Workforce Board Innovations Committee met via Zoom on April 30, 2026, at 2:00 p.m. Seth Thurman called the meeting to order once a quorum was confirmed and asked for a motion to approve the previous meeting minutes. A motion to approve was made by Kaitlin Salyer and seconded by Anne Fugate. With no further discussion, the motion carried unanimously.

Federal Performance

Meagan Dobbins presented the third-quarter performance update. Adult measures were between 90% and 100% of goal, with final results expected in May. Dislocated Worker measures were at 100% except Measurable Skill Gains, which stood at 66.6% against the 66.96% passing threshold. Meagan explained that this measure includes participants in training from July 1, 2025, through June 30, 2026, and is the only real-time measure shown. Many participants had earned their gains in April, so those results would not appear until the fourth quarter. She did not anticipate difficulty meeting the annual goal. Marla noted that although performance is reviewed quarterly, final performance is based on fourth-quarter results. Meagan reported that Youth Median Earnings had failed in the previous quarter but had already improved and was not expected to decline. She anticipated that all annual federal performance measures would finish at or above 90%. Upcoming state negotiations could increase Dislocated Worker goals because of the region's consistently strong performance, although Meagan hoped Adult and Youth goals would not be raised again.

CSP Report

Meagan then reviewed Career Service Provider performance. Following weak enrollment results in the prior quarter, staff began reviewing county enrollment activity weekly, increased the training cap from \$2,500 to \$4,000, and focused on short-term training opportunities. All enrollment goals were being met except Dislocated Worker, which improved from 43% to 71%. Closure results remained below goal because staff had prioritized enrollments. Meagan explained that closure goals are calculated at 80% of

enrollments and are intended for participants who have completed training and entered employment, not newly enrolled participants. Career advisors must balance new enrollments with timely case closures, which can cause one area to improve while the other declines. Natalie McLimore planned an all-staff training on May 7 covering effective case management, time management, and strategies for meeting enrollment and closure goals. Placement wages and cumulative performance remained on target. Seth stated that he appreciated the explanations and the plan for improving the remaining measures.

AJC Closure Update

Marla provided an update on the closure of eight American Job Centers approved by the board on February 11. The state was notified in early March, and landlords received 90 days' notice on April 1. Staff were planning for utilities, deposits, office cleanout, furniture storage, and continued service delivery after the June 30 transition. Workforce Essentials is working with Nashville State to identify meeting space in Humphreys County and exploring partnerships to keep its Cheatham, Robertson, and Williamson buildings open as general workforce centers. Marla noted that these locations could not continue operating WIOA-funded resource centers outside the American Job Center structure. Possible co-location arrangements were also being discussed with the New Cumberland Human Resource Agency, while a staffing agency had expressed interest in leasing space in Williamson County and providing staffing and training services.

Eligible Training Provider

Meagan Dobbins reviewed proposed additions to the Eligible Training Provider List (ETPL). Austin's Beauty College was the only new provider and requested approval for cosmetology, esthetics, manicuring, and instructor programs, all of which lead to credentials and are in Bright Outlook occupations. TCAT Nashville requested approval for a Certified Medical Assistant to Practical Nursing bridge program, and TCAT Hartsville requested approval for 14 programs. Meagan explained that several TCAT Hartsville programs had similar titles but differed in duration, cost, or whether an exam voucher was included. Seth Harper Thurman reported that construction at TCAT Hartsville was progressing well, with the expanded facility expected to open in late August. She also reviewed a request from 160 Driving Academy in Nashville to return to the ETPL. The provider was originally approved in 2022 but was later removed after failing to meet the board's 60% credential attainment and employment placement requirements. The academy had been off the list since February 2025. Meagan reviewed 31 enrollments completed during the appeal period and found that 19 participants earned a CDL and 16 obtained employment, resulting in a 61% credential attainment rate. She also reported improved documentation and consistent participant follow-up under Barry Briley's leadership. The provider had not increased its cost and remained in compliance with the Tennessee Higher Education Commission. Seth asked whether the board had previously allowed a provider to return after removal. Marla and Meagan recalled a similar situation involving another truck-driving school. Marla recommended allowing 160 Driving Academy to return while closely monitoring participant outcomes. Seth agreed that the provider appeared to have completed the required corrective period and demonstrated improvement. Brandon Phinx asked whether 160 Driving Academy could be connected with the Department of Labor's Adult Education division as it explored a Workforce Development Initiative related to commercial trucking. Marla and Meagan recommended first providing a list of

established ETPL trucking providers, along with information on participant activity and outcomes, to help determine the most appropriate referral.

Meagan then presented a proposed amendment to the ETPL policy. The board currently requires training programs to meet 60% credential attainment and employment placement rates, compared with the state's 40% requirement. However, state policy only reviews programs serving at least 10 WIOA participants in a program year. Because many local programs serve fewer than 10 participants, the amendment would allow the board to review their completion and performance outcomes as well. Marla cited a program with seven enrollments and no completions, credentials, or employment outcomes as an example of why additional review authority was needed. She stated that continuing to refer participants to programs with poor results would not be a responsible use of public funds. Anne Fugate supported the amendment and noted that low-performing or minimally used programs also create an administrative burden. Marla agreed that the amendment would address both participant outcomes and administrative efficiency. Kaitlin Salyer moved to recommend approval of all proposed ETPL additions, including the return of 160 Driving Academy. Anne Fugate seconded, and the motion passed without opposition for recommendation to the full board. Anne then moved to approve the proposed ETPL policy amendment, Kristi seconded, and the motion passed without opposition.

Rapid Response

Marla provided an update on employer services and Rapid Response activity. Approximately 787 individuals had been affected by layoffs during the program year. The most recent event involved Pave It Forward in Rutherford County, which laid off approximately 100 employees before issuing the required WARN notice. Because the company did not provide employee contact information, staff had limited ability to offer services directly. Marla noted that Rapid Response activity continued to be monitored and that the Finance Committee had recommended transferring some Dislocated Worker funding to Adult funding, where more participants could be served. She then reported that nearly \$300K in Incumbent Worker Training grants had been awarded to 18 employers to provide upskilling for 223 participants. Staff planned to work closely with employers during May to obtain required documentation, complete expenditures, and close contracts before the end of the program year. She noted that collecting employer data on time remained a significant challenge during year-end closeout. The Apprenticeship Grant had supported 11 contracts and 114 apprentices. Most of the funding had already been expended, and the majority of contracts were closed, placing the grant in a strong position financially. A separate SAEF Apprenticeship Grant continued through June 30, 2027. Three employers had applied, but no funds had yet been contracted or obligated.

Healthcare Grants

Marla also reviewed the healthcare-specific Incumbent Worker Training initiative developed with Ferrol Thomas and the Tennessee Hospital Association following the board meeting in Franklin. The grant was designed to train healthcare workers statewide through hospitals and other Tennessee Hospital Association members. Because awards were not issued until January 1, 2026, staff had approximately two months remaining to complete the grants. Staff planned to visit participating hospitals to present ceremonial checks and coordinate public relations efforts with the Tennessee Hospital Association. Marla noted that the initiative aligned with the board's strategic plan. She then announced that the region had received a second round of Rural Healthcare funding. The initial grant supported Advanced

EMT-to-paramedic training through Vol. State in partnership with county governments and emergency medical agencies. The new grant would continue that training and add Austin Peay as a provider as it launched a paramedic program. The Clarksville location would improve access for participants from Stewart, Houston, and Humphreys counties who previously had to travel to Gallatin. The new grant period would run from July 1, 2026, through June 30, 2027.

26-27 WIOA Plan Modification

Marla then updated the committee on the local and regional workforce plan. The state issued planning guidance on March 11, and the plan was posted for public comment on April 10. Two partner representatives attended an April 20 listening session, but no public comments were received. The plan was submitted on April 24. The state found no deficiencies in the plan and requested only additional detail in two areas of the budget narrative. Once those revisions were made, the plan was expected to be recommended for approval. Marla was scheduled to present the plan to the State Workforce Development Board the following Friday with Ferrol Thomas of the Tennessee Hospital Association and Freda Herndon of Adult Education. Their participation would demonstrate collaboration with employers and community partners in delivering workforce services. Marla also discussed the state's pending federal WIOA waiver requests, which could significantly change workforce service delivery across Tennessee. One proposed waiver would allow regional planning councils to assume some responsibilities currently held by local workforce boards. Marla noted that the state had advised local boards to delay long-term service-provider procurements or include termination clauses, suggesting that structural changes were likely. She anticipated that current operations would continue for at least six months, with possible changes beginning in January or July 2027. The Commissioner had scheduled a meeting with workforce board chairs and chief local elected officials to provide additional direction. Chairman Zobel and Chief Local Elected Official Mayor Bob Rial were expected to participate on behalf of Northern Middle Tennessee. Marla stated that although the outcome remained uncertain, the region was positioned well to respond to change and potentially expand its influence.

Worksource Summit

Marla reminded the committee that the full board would not meet on May 13 because members had been invited to attend the WorkSource Summit as a professional development opportunity. Approximately 70% of board members had registered. She expected the event to provide additional information on changes affecting workforce development statewide.

Adjourn

Seth stated that the updates reflected a significant amount of strong work. Marla agreed that the region was managing substantial activity and change but remained well positioned because of its engaged board. She reported that Northern Middle Tennessee had received one of the highest board certification ratings in the state and planned to highlight the board's involvement during the upcoming state presentation. Marla reported that the Executive Committee would meet on May 11 to consider the ETPL recommendations. She also noted that the five remaining American Job Centers had to complete certification before June 30. Staff continued working with partners to complete that process and finalize other year-end requirements. With no further discussion, Seth adjourned the meeting.

**WIOA Federal Reporting Score Card
NORTHERN MIDDLE WORKFORCE BOARD**

PY25 WIOA Core Performance Measures	Targets 100%	Targets 90%				
			Q1 PY 25	Q2 PY 25	Q3 PY 25	Q4 PY 25
Adult Measures			PASS	PASS	PASS	EST
Exiters			861	869	919	
Participants Served			2274	2241	2158	
Employment Rate 2nd Quarter after exit	85.0%	76.50%	81.7%	78.4%	78.5%	79.4%
Employment Rate 4th Quarter after exit	84.5%	76.05%	83.8%	83.6%	79.3%	77.2%
Median Earnings 2 nd Quarter after exit	8,600	\$ 7,740	\$ 10,156	\$ 9,363	\$ 9,360	\$ 9,121
Credential Attainment w/in 4 Quarters after exit	75.0%	67.50%	77.0%	76.7%	72.4%	67.7%
Measurable Skills Gains	73.5%	66.15%	67.9%	73.5%	67.5%	75.8%
Dislocated Worker			PASS	PASS	PASS	
Exiters			499	412	396	
Participants Served			713	664	552	
Employment Rate 2nd Quarter after exit	87.0%	78.30%	89.2%	89.3%	87.6%	86.4%
Employment Rate 4th Quarter after exit	86.5%	77.85%	87.7%	85.8%	87.6%	87.0%
Median Earnings 2 nd Quarter after exit	10,600	\$ 9,540	\$ 12,164	\$ 11,967	\$ 12,038	\$ 12,021
Credential Attainment w/in 4 Quarters after exit	69.6%	62.64%	74.8%	75.9%	75.6%	77.5%
Measurable Skills Gains	74.4%	66.96%	88.4%	86.3%	68.8%	75.8%
Youth			FAIL	FAIL	PASS	
Exiters			508	451	434	
Participants Served			937	904	875	
Employment Rate 2nd Quarter after exit	88.0%	79.20%	81.4%	83.0%	84.7%	81.7%
Employment Rate 4th Quarter after exit	85.8%	77.22%	82.1%	83.2%	82.2%	80.5%
Median Earnings 2 nd Quarter after exit	6,200	\$ 5,580	\$ 5,577	\$ 5,351	\$ 5,726	\$ 6,101
Credential Attainment w/in 4 Quarters after exit	75.8%	68.22%	79.3%	78.0%	76.8%	77.9%
Measurable Skills Gains	62.0%	55.80%	66.9%	70.5%	64.0%	72.7%

GREEN-Passing at 100% of Goal

YELLOW-Passing at 90% of goal

Red-Failing at less than 90% of goal

WFE PY 25-26 Quarterly Benchmarks

Matrix:		2025						2026								
		Sep 30 (QTR 1)			Dec. 30 (QTR 2)			Mar. 31 (QTR 3)			June. 30 (QTR 4)			Cumulative June 30		
		Goal	Actual	%	Goal	Actual	%	Goal	Actual	%	Goal	Actual	%	Goal	Actual	%
Enrollments	Adult	131	169	129.01%	137	94	68.61%	135	190	140.74%	137	193	140.88%	540	645	119.4%
	DW	69	33	47.83%	78	34	43.59%	73	52	71.23%	78	58	74.36%	298	177	59.4%
	In-School	22	17	77.27%	23	7	30.43%	23	27	117.39%	23	24	104.35%	91	74	81.3%
	Out-School	42	48	114.29%	43	32	74.42%	43	48	111.63%	43	54	125.58%	179	183	102.2%
	Total	264	267	101.14%	281	167	59.43%	274	317	115.69%	281	329	117.08%	1108	1079	97.4%
*Exits (80% of enrollments)	Adult	105	111	105.92%	110	150	136.86%	108	92	85.19%	110	158	144.16%	432	556	128.7%
	DW	55	27	48.91%	62	67	107.37%	58	39	66.78%	62	37	59.29%	238	179	75.2%
	Youth	51	95	185.55%	53	54	102.27%	53	38	71.97%	53	60	113.64%	210	256	122.1%
		Goal	Actual	Percent	Goal	Actual	Percent	Goal	Actual	Percent	Goal	Actual	Percent	Goal	Actual	Percent
Positive Exits # (85% of Exits)	Adult	89	96	107.77%	93	131	140.6%	92	81	88.2%	93	138	148.1%	367	460	125.3%
	DW	47	24	51.15%	53	59	111.2%	50	35	70.5%	53	31	58.4%	202	149	73.7%
	Youth	44	83	190.72%	45	49	109.2%	45	34	75.8%	45	52	115.9%	178	223	125.2%
		Exits	Positive	Percent	Exits	Positive	Percent	Exits	Actual	Percent	Exits	Positive	Percent	Exits	Positive	Percent
**Actual Positive Exit Rate	Adult	111	96	86.49%	150	131	87.3%	92	81	88.0%	158	138	87.3%	556	460	82.7%
	DW	27	24	88.89%	67	59	88.1%	39	35	89.7%	37	31	83.8%	179	149	83.2%
	Youth	95	83	87.37%	54	49	90.7%	38	34	89.5%	60	52	86.7%	256	223	87.1%
		Goal	Actual	Percent	Goal	Actual	Percent	Goal	Actual	Percent	Goal	Actual	Percent	Goal	Actual	Percent
Placement Wage	Adult	\$ 16.50	\$ 20.10	121.82%	\$ 16.50	\$ 18.40	111.5%	\$ 16.50	\$ 18.80	113.9%	\$ 16.50	\$ 19.47	118.0%	\$ 16.50	\$ 19.19	116.3%
	DW	\$ 16.50	\$ 26.15	158.48%	\$ 16.50	\$ 29.29	177.5%	\$ 16.50	\$ 23.01	139.5%	\$ 16.50	\$ 23.83	144.4%	\$ 16.50	\$ 25.57	155.0%
	Youth	\$ 13.00	\$ 18.15	139.62%	\$ 13.00	\$ 15.85	121.9%	\$ 13.00	\$ 15.56	119.7%	\$ 13.00	\$ 17.37	133.6%	\$ 13.00	\$ 16.73	128.7%



Northern Middle Tennessee Workforce Board Inc.

YOUTH EMPLOYMENT PROGRAMS

YEP



GOAL

272



TOTAL
ENROLLED

302



HIGHLIGHTS



Partnered with CTE programs in Cheatham, Montgomery, Humphreys, Rutherford, and Stewart counties to support workforce development initiatives.



Collaborated with Clarksville-Montgomery County Schools to launch its CDL program for high school seniors, with wages for transportation and logistics internships funded through the Youth Employment Program.



The Youth Employment Program also funded wages for TCAT Dental Assisting students completing their required clinical training, helping to reduce financial barriers while supporting healthcare workforce development.

YEP VR



GOAL

32



TOTAL
ENROLLED

28



HIGHLIGHTS



Partnered with Project Search to pay wages for students working at Vanderbilt Clarksville Hospital. They worked **40 hours per week!**



Collaborated with the IDEAL program at Lipscomb to pay wages for career-related internships.

New Programs Requiring Board Approval for addition to the ETPL									
Provider Name	Provider Main Address	Program ID	Program Name	Total Cost	Program Length	Credential Earned	Job Outlook	Sector Strategy	Notes
TCAT Murfreesboro	1303 Old Fort Parkway Murfreesboro, TN 37129	1013273	Collision Repair Technology	\$10,922.00	12 Months	Automotive Refinishing Technician	Bright Outlook Locally	Maintenance/Construction	
TCAT Murfreesboro	1303 Old Fort Parkway Murfreesboro, TN 37129	1013309	Telecommunications	\$5,201.00	12 Months	Telecommunications Electronics Technician Diploma	Bright Outlook Locally	Technical/Scientific	
TCAT Murfreesboro	1303 Old Fort Parkway Murfreesboro, TN 37129	1013308	Manicuring	\$3,624.00	8 Months	Manicurist	Bright Outlook Locally & Nationally	Personal Care	
TCAT Murfreesboro	1303 Old Fort Parkway Murfreesboro, TN 37129	1013307	Industrial Electricity	\$5,642.00	12 Months	Electrician Apprentice Class I Diploma	Bright Outlook Locally & Nationally	Construction	
TCAT Murfreesboro	1303 Old Fort Parkway Murfreesboro, TN 37129	1013456	Welding Technology	\$5,877.00	12 Months	Diploma	Bright Outlook Locally	Construction	
TCAT Murfreesboro	1303 Old Fort Parkway Murfreesboro, TN 37129	1013306	Dental Assisting	\$4,346.00	8 Months	Registered Dental Assistant	Bright Outlook Locally & Nationally	Healthcare	
TCAT Hartsville	415 Tennessee Blvd Lebanon, TN 37087	1013482	Electrical & Plumbing Construction Technology	\$5,945.00	12 Months	Residential & Commercial Electrician & Plumbing Diploma	Bright Outlook Locally & Nationally	Construction	
TCAT Hartsville	716 McMurry Blvd Hartsville, TN 37074	1013484	Industrial Maintenance (IMS)	\$6,475.00	16 Months	Industrial Maintenance Diploma	Bright Outlook Locally & Nationally	Advanced Manufacturing	
TCAT Hartsville	716 McMurry Blvd Hartsville, TN 37074	1013483	Information and Infrastructure Technology	\$5,951.00	12 Months	Information & Infrastructure Technician Diploma	Bright Outlook Locally & Nationally	Information Technology	
Nashville State Community College	120 White Bridge Road Nashville, TN 37209	1013452	Lean Six Sigma Green Belt and Black Belt (Exam Cost Included)	\$2,800.00	52 Weeks	Lean Six Sigma Green Belt and Black Belt	Bright Outlook Locally	Information Technology	
Austin Peay State University	601 College Street Clarksville, TN 37044	1013562	Digital Court Reporting with Legal Transcription (GES2097)	\$2,465.00	9 Months	Certified Electronic Reporter (CER) or Certified Electronic Transcriber (CET)	Bright Outlook Nationally	Professional/Legal	

Former Programs Requiring Board Approval for ETPL Addition									
Provider Name	Provider Main Address	Program ID	Program Name	Total Cost	Program Length	Credential Earned	Job Outlook	Sector Strategy	Notes
TCAT Murfreesboro	1303 Old Fort Parkway Murfreesboro, TN 37129	97597	Industrial Maintenance Control	\$8,352.00	20 Months	Diploma	Bright Outlook Locally & Nationally	Advanced Manufacturing	Missed subsequent review 8/2025
TCAT Murfreesboro	1303 Old Fort Parkway Murfreesboro, TN 37129	99476	Digital Graphic Design	\$4,997.00	12 Months	Diploma	Bright Outlook Locally & Nationally	Information Technology	Missed subsequent review 8/2025
TCAT Murfreesboro	1303 Old Fort Parkway Murfreesboro, TN 37129	1007720	Cosmetology	\$7,569.00	14 Months	State License	Bright Outlook Locally & Nationally	Personal Care	Missed subsequent review 8/2025. Performance for PY24 attached
TCAT Murfreesboro	1303 Old Fort Parkway Murfreesboro, TN 37129	98031	Heating, Air Conditioning and Refrigeration	\$7,752.00	16 Months	HVAC Technician	Bright Outlook Locally	Construction	Missed subsequent review 8/2025. Performance for PY24 attached
TCAT Murfreesboro	1303 Old Fort Parkway Murfreesboro, TN 37129	97596	Computer Aided Design Technology	\$9,812.00	20 Months	Drafting & CAD Technician	Bright Outlook Nationally	Information Technology	Missed subsequent review 8/2025. Performance for PY24 attached

WARN Date	WARN Site	# Affected	Date of Layoff	County	RR Session or Job Fair	Number Served	Notes
6/24/2026	Stanley Black and Decker	116	August 28, October 30 and December 31,	Sumner	RR sessions 8/4/26	NA	RR sessions will be on 8/4 and a job fair on 8/11
6/17/2026	YesCare Corp	150	December 31, 2026	Williamson	NA	NA	Sent email and received a response that they have very few employees in TN and all remote, sent back RR QR code with all TN information resources.
6/17/2026	Smurfit Westrock	52	August 14, 2026	Wilson	RR Sessions 7/22/26	52	Provided RR Sessions on 7/22 and job fair on 7/23 for all employees, will host a resume and interview skill workshop on 8/6 and 8/7
5/26/2026	Dura-shiloh	69	July 18, 2026	Dickson	RR sessions 7/8/26	63	RR sessions on 7/8/26
5/5/2026	The Brand House Collective	88	July 4th - September 9th, 2026	Williamson	5/21/26; RR session remote 6/25/26	63	Provided on site Resume workshop and individual assistance. Providing remote RR session to local TN employees.
4/15/2026	Pave It forward	100	March 31, 2026	Rutherford	NA	0	Sent email 4/15/26 and left VM 4/16/26, all employees were laid off prior to the WARN notice being submitted.
2/2/2026	Music City Delivery	93	April 2, 2026	Williamson	NA	93	Spoke with owner and they were not interested in on site RR services, emailed the RR packet with QR code to access services for all employees. Sent numerous job postings to share with employees. Employee list not provided.
1/30/2026	DLH Solutions	209	March 31, 2026	Rutherford	NA	NA	Services at the facility will be taken over by a new contractor, employees will moved over to new contractor.
1/12/2026	Smoky Mountain Logistics, LLC	145	February 28, 2026	Wilson	NA	0	Spoke with Owners and they were not interested in on site RR services, did not receive return call from follow-up to request email. Employee list not provided.
12/3/2025	Kroger Fulfillment Network	132	February 1, 2026	Davidson	NA	0	Left VM x2 - no return call no local email available. WARN provided by legal in Ohio.
10/27/2025	HD Supply	108	January 9, 2026	Rutherford	NA	0	Sent email and left vm 10/27/25 no response
10/29/2025	Dexter Stamping	114	October 28, 2025	Rutherford	NA	114	Requested and received email and phone numbers for employes, sent a mass email with QR code and AJC provided resources. 11/5/25 - also
11/17/2025	ABC Technologies	85	Navember 24, 2025	sumner	NA	0	Sent email and VM 11/18/25 no response, follow up no response
10/29/2025	NTT Data	108	December 31, 2025	Davidson	NA	NA	Sent email and left message 10/27/25, response received, do not want services at this time, working with new contractor taking over most employees will be absorbed.
9/5/2025	Tenneco - closure (26 remaining)	82	December 31, 2025	Williamson/ Maury	10/15/2025	26	RR on-site session, served remaining 26 employees, partner with SM and both regions covered RR session
7/31/25 & 9/30/25	Geodis Logistics - contact extended	97	10/30 extended	Wilson	NA	0	No date set-moved closure date several times as their contracts have been extended. Most employees not on contract been placed by Geodis per HR
7/1/2025	Bridgestone - Permanent closure	700	June 30th, 2025	Rutherford	7/23/2025	104	They did not want us on site but wanted a large job fair off site, this happened on 7/23/25 and we had over 100 Bridgestone employees came through and 46 employers. We also provided AJC services and UI was on site with information for all who attended. In addition, we gave Bridgestone flyer with QR code to access services to share with all employees. Bridgestone sent everyone home long prior to their actual closure date and this made it difficult to connect onsite.
4/8/25-8/8/25	Vanderbilt Univ Medical	615	August 8, 2025	Davidson	7/30/25, 8/5/25, 8/14/25	63	Provided Virtual response, all employees were sent home or held by WARN notice day with pay for a specified amount of time - provided QR code to HR to share with all 615 and offered three sessions virtually.

3063

578

Northern Middle Program Year July 1, 2025 - June 30, 2026									
Incumbent Worker Training (IWT) Grants (07.01.2025 - 06.30.2026)									
	County Location	Employer	UEI		Employees Trained	Contract Start Date	Contract End Date	Contract Amount	Amount Expended
	Robertson	Kofee Broz, LLC	DMBZBPDM35A6		3	7/1/2026	5/31/2027	\$13,000.00	
	Davidson	Military Systems Group, Inc.	SBYBHNZL5UJ1		10	7/20/2026	5/31/2027	\$5,062.00	
	Sumner	Servpro Industries, LLC	XCKLL736S839		40	7/15/2026	5/31/2027	\$18,200.00	
					53			\$36,262.00	\$0.00
Board designated funds available: \$ 300,000.00									
1									
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
					0			\$0.00	\$0.00
State Apprenticeship Grant Amount Available:									

Northern Middle SAEF Funding 3.1 and 3.2

SAEF 3.1 Grant (02.01.2026 - 06.30.2027)

[illegible]

	Board designated funds available:	\$54,000.00
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SAEF 3.2 Grant (02.01.2026 - 06.30.2027)

[illegible]

State Apprenticeship Grant Amount Available:		\$135,000.00
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The State of Tennessee

For PYs 2025, 2026, and 2027, Tennessee requests the following waivers:

A. Waivers impacting Tennessee Workforce Programs:

1. Waiver of the requirements found at WIOA § 128(a)(2) to allow increased flexibility in the use of funds reserved by the Governor to provide alternative service delivery to Tennessee Youth who do not meet the eligibility requirements for WIOA Title 1 Youth Services.
2. Waiver from the OSY expenditure requirements found at WIOA § 129(a)(4)(A) to reduce or remove the 75% Out of School Youth (OSY) expenditure mandate, allowing local areas more flexibility to allocate Youth funds across ISY and OSY populations based on local needs, labor-market realities, and programmatic capacity.

B. Waivers impacting Tennessee Workforce System:

3. Waiver of the reallocation provisions set forth by WIOA § 128(c)(3) and 133(c), to allow Tennessee to develop different criteria than those required by statute for the reallocation of recaptured funds among local workforce areas.
4. Waiver of discretionary formula allocation requirements set forth by 20 CFR 683.120 to allow greater discretion and flexibility in addressing specific local workforce needs.
5. Waiver of WIOA § 134(d)(2) and 20 CFR 680.910 to allow greater flexibility in the use of supportive services for eligible WIOA participants who have exited the program and are recipients of public assistance, when such services are specifically designed to mitigate benefit cliffs and support sustained employment and earnings progression.
6. Waiver of WIOA § 134(c)(3)(F)(i) and (G) and 20 CFR 680.320(a) and 680.340(a) to allow training contracts to be utilized as the primary delivery mechanism for WIOA Title I training.
7. Waiver of the business services provisions found at 20 CFR 678.435(b), in order to expand the scope of allowable business services to include providing certain standardized assessment and skill validation activities, such as the National Career Readiness Certificate (NCRC) and similar employer-recognized assessments, even when individuals receiving the assessment are not enrolled participants under WIOA Title I.
8. Waiver to modify the alternative entity requirements set forth by WIOA § 107(i)(1)(B) to allow Tennessee to designate Regional Planning Councils (RPCs) to serve as the entities responsible for carrying out the functions assigned to Local Workforce Development Boards.

C. Waivers impacting Tennessee Workforce Performance:

9. Waiver in relation to the performance accountability provisions outlined in WIOA § 116(b)(2)(B) to allow the State to incorporate state-determined key performance indicators (KPIs) and supplemental workforce system evaluations when assessing the effectiveness of local workforce development areas.

10. Waiver of WIOA § 116(b) performance accountability provisions and associated regulations at 20 CFR Part 677 and 20 CFR 679.560–679.570 to allow the temporary exclusion of certain Supplemental Nutrition Assistance Program (SNAP) participants from WIOA Title I performance accountability calculations.

D. Waivers impacting Tennessee Workforce Structure:

11. Waiver of the requirements relating to the competitive procurement of One Stop Operators set forth by WIOA § 121(d)(2)(A), 20 CFR 678.605(b) and 20 CFR 678.610, granting Tennessee the authority to select qualified One Stop Operators, independent of any non-competitive procurement requirements set forth by WIOA and OMB Uniform Guidance, resulting in a faster and more efficient selection process.
12. Waiver of the requirements at WIOA § 121(e)(1) and 20 CFR 678.300(c) to establish and maintain a comprehensive American Job Center (AJC) in each of the State's local workforce development areas.
13. Waiver of the requirements at WIOA Section 121(h) and associated federal regulations, allowing Tennessee to implement a transformational state-directed, integrated American Job Center (AJC) funding model.

WAIVER REQUEST 8:

Waiver to modify the alternative entity requirements set forth by WIOA § 107(i)(1)(B) to allow Tennessee to designate Regional Planning Councils (RPCs) to serve as the entities responsible for carrying out the functions assigned to Local Workforce Development Boards.

The statutory and/or regulatory requirements the State would like to waive

Tennessee respectfully requests a waiver of the requirement contained in WIOA Section 107(i)(1)(B) that an alternative entity used to perform Local Workforce Development Board (LWDB) functions must have “been in existence on the day before August 7, 1998.”

In accordance with WIOA § 107(i), a Governor may designate an alternative entity to carry out the functions of a Local Workforce Development Board if the entity:

1. Is established to serve the local area or service delivery area that most closely corresponds to the local area;
2. Was in existence on the day before August 7, 1998; and
3. Includes representatives of business, labor organizations, or other employee representatives in the local area.

Tennessee is specifically seeking to waive only the requirement contained in Section 107(i)(1)(B) regarding the entity’s existence prior to August 7, 1998. All other statutory requirements for an alternative entity under Section 107(i) will continue to be met.

In waiving this requirement, Tennessee will have the ability to designate Regional Planning Councils (RPCs) to serve as the entities responsible for carrying out the statutory functions assigned to Local Workforce Development Boards under WIOA.

Actions the state has undertaken to remove state or local statutory or regulatory barriers

There are no state or local statutory or regulatory barriers that would impede implementation of the requested waiver.

A description of the state’s strategic goal(s)

Reason for the Request:

The statutory requirement that an alternative entity must have existed prior to August 7, 1998 is reflective of a grandfather clause originally intended to preserve governance structures that existed under the Workforce Investment Act (WIA). However, workforce systems and labor markets have evolved significantly since that time. One key aspect of that evolution is that modern labor markets often function at a regional level, with employers recruiting across multi-county labor sheds. As a result, workforce development strategies have increasingly centered around regional industry clusters.

July 27, 2026

The Honorable Bill Lee
Governor of Tennessee
600 Dr. Martin L. King, Jr. Boulevard
Nashville, TN 37243

Dear Governor Lee:

Thank you for your waiver request submission to the U.S. Department of Labor (Department) regarding certain statutory and regulatory provisions of the Workforce Innovation and Opportunity Act (WIOA) and the accompanying plan to improve the statewide workforce development system (enclosed). The waiver request was received on April 29, 2026, as part of your recent WIOA State Plan modification submission. This letter provides the Employment and Training Administration's (ETA) official response to your request and memorializes that Tennessee will meet the outcomes and implement the measures identified in its plan to ensure accountability agreed to by Tennessee and ETA. This action is taken under the Secretary of Labor's authority to waive certain requirements of WIOA Title I, Subtitles A, B, and E, and Sections 8–10 of the Wagner-Peyser Act in WIOA Section 189(i).

Requested Waiver: Waiver of the requirements found at WIOA Section 128(a)(2) and 20 CFR 683.120 to allow increased flexibility in the use of funds reserved by the Governor to provide alternative service delivery to Tennessee youth who do not meet the eligibility requirements for WIOA Title I Youth Services.

ETA Response: ETA recognizes that the statute includes language that can be confusing about the use of Youth funds reserved for statewide activities. For instance, WIOA Section 129(a)(4) states that 75 percent of the funds available for statewide activities shall be used to provide youth workforce investment activities. However, WIOA Section 129(a)(2) specifies that funds reserved by the Governor for statewide youth activities may also be used for the statewide employment and training activities authorized under Section 134, regardless of whether those funds originated from the youth, adult, or dislocated worker funding streams. This same flexibility appears in WIOA Section 128(a)(2), which states that regardless of whether reserved amounts were allotted under the Youth, Adult, or Dislocated Worker allotments, the Governor may use the reserved amounts to carry out statewide activities listed in either Sections 129(b) or 134(a); both lists of statewide activities are illustrative, and statewide activities are not limited to the activities named there. Therefore, a waiver is not required for a state to use any Governor's Reserve funds to support activities under Section 134 that serve youth and young adults, and states are not required to conduct WIOA eligibility determinations for participants served with these statewide funds.

Requested Waiver: Waiver associated with the requirement at WIOA Section 129(a)(4)(A) and 20 CFR 681.410 that the State and local areas expend 75 percent of Governor's reserve youth funds and local formula youth funds on out-of-school youth (OSY).

ETA Response: ETA approves, for Program Years (PYs) 2026 and PY 2027, which includes the entire time period for which states are authorized to spend each of those Program Year fund allotments, the State's request to waive the requirement that the State expend 75 percent of Governor's Reserve and local youth formula funds on OSY. ETA reviewed the State's waiver request and plan and has determined that the requirements requested to be waived impede the ability of the State to implement its plan to improve the workforce development system. The State may eliminate the OSY expenditure requirements of Governor's Reserve and local youth formula funds.

ETA expects the state to continue to serve OSY and that performance accountability outcomes for overall WIOA Youth (including both ISY and OSY) will remain steady or increase for the majority of the WIOA Youth performance indicators. As a reminder, Tennessee must continue to report expenditures for youth, including both in-school and out-of-school youth expenditures, as required in the 9130 financial reporting.

Requested Waiver: Waiver of the reallocation provisions at WIOA Sections 128(c)(3) and 133(c)(3) to allow the state workforce development board to develop different criteria than required by statute for the reallocation of recaptured funds among local workforce areas.

ETA Response: ETA approves, for PYs 2026 and 2027, Tennessee's request to waive the reallocation provisions at WIOA Sections 128(c)(3) and 133(c)(3). Tennessee may reallocate recaptured funds according to State-developed criteria. ETA reviewed Tennessee's waiver request and plan and has determined that the requirements requested to be waived impede its ability to implement its plan to improve the workforce development system. Under this waiver, Tennessee has the discretion to consider additional factors described in its waiver plan in determining local workforce development area eligibility for reallocation of recaptured funds.

Requested Waiver: Waiver of the discretionary allocation formula requirements at WIOA Sections 128(b)(3) and 133(b)(3) to allow the state to establish alternative allocation formulas.

ETA Response: This request falls outside of the Secretary's waiver authority and, therefore, ETA cannot approve Tennessee's request to waive the allocation provisions in WIOA Sections 128(b)(3) and 133(b)(3). WIOA Section 189(i)(3)(A)(i) and 20 CFR 679.610 prohibit the Department from waiving any provision related to the allocation of funds to local areas. However, ETA notes that WIOA provides the Governor direct statutory authority to establish the State's own allocation formulas in the two critical areas:

- Dislocated worker funds (Section 133(b)(2)(B)): The statute directs that dislocated worker funds be allocated to local areas "based on an allocation formula prescribed by the Governor of the State," which the Governor may amend once per program year. No waiver is needed for the state to develop and apply its own DW formula.
- Of the Title I Adult funds not distributed to local areas using the statutory formula factors in Sections 128(b)(2) and 133(b)(2)(A), the Governor has authority under paragraph to

distribute the remaining (up to 30 percent) discretionary share using a formula of the State's own design, developed in consultation with the state workforce development board and consistent with 20 CFR 683.120.

Requested Waiver: Waiver of WIOA Section 134(d)(2) and 20 CFR 680.910 to allow the use of supportive services for participants within 12 months of exit for employment retention.

ETA Response: ETA approves, through June 30, 2028, the State's request to waive the requirement that prohibits the use of Adult and Dislocated Worker funds for provision of supportive services during the 12 months following participant exit and entry into employment. With this waiver, the State can provide targeted supportive services to participants who have exited from the program and entered employment, including recipients of public assistance, to ease temporary barriers that may impede job retention.

Requested Waiver: Waiver for WIOA Section 134(c)(3)(F)(i) and (G) and 20 CFR 680.320(a) and 680.340(a) to allow for all training services to be provided through training contracts.

ETA Response: ETA approves, through June 30, 2028, the State's request to allow contract for services to be used instead of Individual Training Accounts (ITAs). ETA reviewed the State's waiver request and plan and has determined that the requirements requested to be waived impede the ability of the State to implement its plan to improve the workforce development system. ETA acknowledges the State's intention to maintain ITAs as a training option, but to deploy training contracts as the primary mechanism for delivering training services where contracted models better ensure alignment with employer demand and direct employment outcomes.

Requested Waiver: Waiver to modify the business services provisions at 20 CFR 678.435, to classify certain standardized assessment and skill validation activities as business services.

ETA Response: Tennessee may provide skill assessments as a business service, as described in its request, without a waiver. The regulations at 20 CFR 678.435(c) provide that, "[l]ocal areas may also provide other business services and strategies that meet the workforce investment needs of area employers, in accordance with partner programs' statutory requirements and consistent with Federal cost principles." The non-exhaustive list that follows at 20 CFR 678.435(c)(3) includes "certification for recognized postsecondary credential or other employer use," as one example of an allowable activity.

When an employer initiates the request by having a specific arrangement and directly referring workers for assessment, these activities should be treated as business services. These workers are excluded from eligibility determination and performance reporting. In all other instances, states must report individuals who receive standardized assessments or skill validation activities as participants receiving individualized career services, even when these services are also offered to employers.

Requested Waiver: Waiver of the requirement at WIOA Section 107(i)(1)(B) that alternate entities may carry out the functions of a local workforce development board if they were in existence the day before the enactment of the Workforce Investment Act of 1998 (WIA).

ETA Response: ETA approves the State's request to waive the requirement at WIOA Section 107(i)(1)(B) that alternative entities may carry out the functions of a local workforce development board only if they were in existence the day before the enactment of WIOA.

WIOA Section 107(i)(1)(B) allows a Governor to designate an alternative entity to perform the functions of a local board only if that entity meets the statutory criteria, including having existed before the enactment of WIOA. ETA approves a waiver of this timing requirement, and that the alternative entity serves the service delivery area that most closely corresponds to the local areas. All other statutory criteria for alternative entities remain applicable. The State must ensure that any regional workforce council designated under this waiver meets the requirements of Section 107(i)(1)(C).

In implementing the waiver, the State must:

- Allocate funds by formula to local workforce development areas; and
- Continue to solicit local input, including chief elected official consultation and feedback, into the activities of the regional planning council.

Requested Waiver: Waiver of the performance requirements at WIOA Section 116(c) to allow the State to modify the performance measures used to negotiate local workforce development board performance.

ETA Response: WIOA Section 116(b)(2)(B) allows the State to incorporate State-determined key performance indicators and supplemental workforce system evaluations when assessing the effectiveness of local workforce development areas including information related to:

- Regional labor force participation trends;
- Workforce pipeline development in high-demand industries;
- Impact of workforce initiatives on employer hiring outcomes;
- Wage progression and job retention attributable to workforce services;
- Effectiveness of sector partnerships and employer engagement strategies; and
- Reduction of workforce participation barriers among target populations.

Therefore, a waiver is not necessary.

The State's request indicated that it would use the State-developed indicators and evaluations to inform determinations of subsequent designation of local workforce development areas. Please note that the State may only use the following factors when considering such subsequent designation, as provided by WIOA Section 106(b)(3):

- Successful performance,
- Sustained fiscal integrity, and
- Regional planning compliance.

Requested Waiver: Waiver of WIOA Section 116(b) and 20 CFR 677.155 to exclude WIOA participants referred from the Supplemental Nutrition Assistance Program (SNAP) from WIOA reporting requirements.

ETA Response: ETA does not approve the State's request. As communicated in Training and Employment Guidance Letter (TEGL) No. 05-25: *Maximizing Opportunity in Workforce Innovation and Opportunity Act Programs*, "ETA will not support waiver requests that do not advance the administration's key priorities, such as waivers of performance outcomes of participants and training providers." In addition, ETA notes that WIOA's statistical adjustment model is specifically designed to correct for changes in the characteristics of participants served, including those receiving or eligible for public assistance, such as SNAP. At the end of each program year, the model recalculates expected levels of performance using actual participant characteristics and actual economic conditions experienced during the year. This includes variables directly tied to barriers to employment and receipt of public assistance. As a result, any increase or decrease in the number of SNAP-involved participants is automatically incorporated into the adjustment process, ensuring that states are not disadvantaged by shifts in referral sources or participant characteristics.

Further, the State may also raise anticipated changes in the population served, such as a substantial increase in SNAP-referred participants, during the performance negotiation process. When negotiating levels of performance with ETA, states can incorporate expected shifts in participant characteristics into the discussion that establishes the initial negotiated levels, rather than relying only on the statistical adjustment model to reconcile those changes at the end of the program year. ETA encourages the State to bring this information forward during its next negotiation cycle so that anticipated changes in the SNAP-referred population are reflected in the negotiated targets.

Requested Waiver: Waiver associated with the requirement at WIOA Section 121(d)(2)(A) and 20 CFR 678.605(b) and 20 CFR 678.610 to allow the State to select one-stop operators (OSO) independent of non-competitive procurement requirements.

ETA Response: This request falls outside of the Secretary's waiver authority and, therefore, cannot be approved. WIOA 189(i)(3)(A)(i) prohibits the Secretary from waiving the establishment and functions of local workforce development boards.

Requested Waiver: Waiver associated with the requirement at WIOA Section 121(e) and 20 CFR 678.300(c) to establish and maintain a comprehensive American Job Center (AJC) in each of the State's local workforce development areas.

ETA Response: ETA approves, through June 30, 2028, the State's request to waive the requirement that each local area maintain a comprehensive AJC. ETA reviewed the State's waiver request and plan and has determined that the requirements requested to be waived impede the ability of the State to implement its plan to improve the workforce development system. Before implementing this waiver, the State must provide ETA with the following information:

- Specify which local areas will not maintain a comprehensive AJC; and

- Explain the reasoning and anticipated benefits behind using alternative models, such as hub-and-spoke, affiliate sites, mobile units, or remote service technology, to enhance access in comparison to the current approach.

Requested Waiver: Waiver associated with the infrastructure funding agreement requirements at WIOA Section 121(h) and 20 CFR 678.700-678.755, to allow the State to use a state-governed allocation model for these costs.

ETA Response: This request falls outside of the Secretary's waiver authority and, therefore, cannot be approved. WIOA 189(i)(3)(A)(i) prohibits the Secretary from waiving requirements related to the funding of infrastructure costs for one-stop centers, which would include requirements related to the infrastructure funding agreements that govern the sharing of infrastructure costs. The Department encourages the State to consider the potential of a Workforce Flexibility Plan (Workflex) in meeting the State's goals.

Under a Workflex plan, the State may waive certain statutory or regulatory requirements applicable to local areas. With an approved Workflex plan, the State may approve local area waivers directly, rather than submitting waivers to the Secretary for approval. With this authority, the State can review and approve waivers to local areas, such as a local area request to waive requirements related to the funding of infrastructure costs for AJCs.

The approved waivers are conditioned on the following: WIOA Title I waivers may not be used for any discriminatory purposes. All activities and waiver plan provisions must comply with Section 188 of WIOA, the implementing regulations at 29 CFR Part 38, and all applicable federal nondiscrimination laws.

The State must report its waiver outcomes and implementation of the approved waivers in the WIOA Annual Report. ETA will use this information to assess continued waiver approval and to identify promising practices that may be adopted more widely. ETA is available to provide technical assistance to you in support of your goals. If you have questions, feel free to contact my office at (202) 693-2772.

Sincerely,



Marek Laco.
Acting Assistant Secretary

Enclosures

cc: Buddy Hoskinson, Deputy Commissioner, Tennessee Department of Labor & Workforce Development
Renata Adjibodou, Atlanta Regional Administrator, ETA
Elizabeth G. Warner, Federal Project Officer, ETA



State Workforce
Development Board

Workforce System Governance Framework

Effective Date: September 1, 2026

Expiration Date:

Date Last Reviewed:

Purpose

The Tennessee State Workforce Development Board (SWDB), acting on behalf of the Governor and consistent with Executive Order 109, serves as Tennessee's strategic workforce governance body and provides unified leadership for the modernization of the state's workforce development system. Through statewide policy, governance standards, and strategic direction, the SWDB establishes a coordinated framework that aligns workforce development, education, economic development, human services, and industry around a shared vision for developing Tennessee's talent pipeline and strengthening the state's economic competitiveness.

This policy establishes Tennessee's Workforce System Governance Framework, creating a tiered governance structure that connects statewide strategy with regional implementation. Under this framework, the SWDB establishes strategic direction, governance standards, and statewide priorities for Tennessee's workforce system, while Regional Workforce Development Boards (RWDBs) serve as the regional governance bodies responsible for implementing that strategy, coordinating cross-sector partnerships, and advancing statewide workforce priorities within their respective regions.

The Workforce Governance Framework modernizes Tennessee's workforce system by shifting governance from local administrative structures to an integrated regional model that strengthens strategic leadership, promotes regional collaboration across workforce system partners, and improves accountability for workforce outcomes. This framework is designed to create a more agile, employer-driven workforce system capable of responding to evolving labor market demands while preserving meaningful local engagement through structured regional governance.

The framework is intended to:

- Establish a modernized statewide workforce governance framework that advances the Governor's workforce vision;
- Strengthen strategic alignment between the State Workforce Development Board and Regional Workforce Development Boards;
- Align workforce investments with Tennessee's economic and talent development priorities;
- Integrate workforce development, education, economic development, human services, and other workforce system partners through coordinated regional leadership;
- Reduce unnecessary administrative fragmentation while preserving meaningful local engagement;
- Promote innovation, accountability, and continuous improvement across the workforce system; and
- Position Tennessee's workforce governance model to respond effectively to changing economic conditions and future workforce needs.

This Policy establishes Tennessee's statewide governance model and strategic responsibilities. TDLWD shall issue supporting guidance establishing the minimum operational standards necessary to implement this framework consistently across Regional Workforce Development Boards (RWDBs), Local Elected Officials (LEOs), Chief Local Elected Officials (CLEOs), Local Advisory Councils (LACs), Lead Administrative Organizations (LAOs) and other regional leadership entities.

Authority

This policy is adopted pursuant to:

- Workforce Innovation and Opportunity Act (WIOA), Public Law 113-128;
- Approved federal waiver authority; 20 CFR § 684.900
- Tennessee Executive Order 109;
- Authority delegated to the Tennessee State Workforce Development Board;
- Authority of the Tennessee Department of Labor and Workforce Development (TDLWD); and
- Other applicable federal and state law.

Under approved waiver authority, Regional Workforce Development Boards serve as alternate entities pursuant to WIOA Section 107(i) and perform the statutory functions assigned to Local Workforce Development Boards.

Tennessee's Workforce Governance Vision

Tennessee's workforce system exists to develop a skilled workforce that meets employer demand while creating economic opportunity for every Tennessean.

Governance shall support an integrated workforce ecosystem that:

- Aligns education, workforce development, economic development, and human services;
- Responds rapidly to changing labor market conditions;
- Emphasizes measurable outcomes rather than administrative processes;
- Encourages regional innovation;
- Promotes shared accountability across partner agencies;
- Strengthens employer leadership; and
- Prepares Tennessee's workforce for future economic opportunities.

Governance decisions should advance the long-term success of Tennessee's talent development system rather than the administration of individual workforce programs.

Guiding Principles

All workforce governance shall be guided by the following principles:

- **Strategic Leadership** - Governance focuses on long-term direction, system performance, and regional competitiveness rather than operational administration.
- **Employer Leadership** - Employers remain the primary customers of Tennessee's workforce system and help shape workforce investments and talent strategies.
- **Regional Collaboration** - Regional challenges require regional solutions. Governance should encourage collaboration that transcends Local Workforce Development Area (LWDA) boundaries while recognizing local economic conditions.
- **System Integration** - Education, workforce development, economic development, human services, corrections, veterans' services, community organizations, and industry share responsibility for developing Tennessee's workforce.
- **Innovation** - Regional Workforce Development Boards are encouraged to develop innovative approaches that improve workforce outcomes and customer experience.
- **Accountability** - Public investments shall produce measurable impact for employers, workers, taxpayers, and communities.
- **Customer Focus** - The workforce system shall provide coordinated, accessible, and responsive services centered on the needs of employers and individuals rather than organizational structures.

State Workforce Governance Structure & Leadership

State Workforce Development Board

The State Workforce Development Board serves as Tennessee's strategic workforce governance body. Consistent with Executive Order 109, the State Workforce Development Board may establish statewide governance standards that promote coordination across Tennessee's workforce ecosystem and support implementation of the Governor's workforce vision.

The Board shall:

- establish statewide workforce strategy;
- establish statewide governance standards;
- align workforce policy across the workforce ecosystem;
- advise the Governor on workforce policy;
- identify statewide workforce priorities;
- promote innovation;
- evaluate statewide workforce performance;
- encourage cross-system collaboration; and
- support continuous improvement of Tennessee's workforce ecosystem.

The Board's responsibilities extend beyond individual workforce programs to promote statewide talent development and economic competitiveness.¹

Tennessee Department of Labor and Workforce Development (TDLWD)

TDLWD serves as the administrative and implementation agency for Tennessee's workforce governance framework.²

The Department shall:

- Implement statewide governance policy;
- Administer approved waiver authority;
- Establish implementation guidance;
- Provide technical assistance;
- Administer workforce development funds;
- Monitor governance performance;
- Certify compliance with statewide governance standards;
- Coordinate statewide workforce initiatives; and

¹ 20 CFR § 679.130 and EO 109

² TCA § 4-3-1402

- Support regional workforce development boards in achieving regional workforce objectives.

Regional Workforce Development Boards

Regional Workforce Development Boards (RWDBs) serve as Tennessee's regional workforce leadership bodies. RWDBs are responsible for translating statewide workforce strategy into regional action while responding to the unique workforce needs of their respective regions.

RWDBs shall:

- Develop regional workforce initiatives implementing SWDB strategy;
- Coordinate workforce ecosystem partners;
- Strengthen employer engagement;
- Oversee workforce performance;
- Align regional investments;
- Encourage innovation;
- Support economic competitiveness; and
- Steward public resources.

RWDBs function as strategic governing organizations and perform all other statutory responsibilities previously assigned to Local Workforce Development Boards under WIOA.³

Each RWDB shall operate in accordance with statewide governance standards established by the Tennessee State Workforce Development Board and TDLWD.

At a minimum, each RWDB shall:

- Satisfy applicable WIOA Section 107(i) alternate entity requirements, as modified by approved waivers;
- Maintain governance documents approved by TDLWD;
- Operate through an established Local Elected Official governance structure;
- Maintain bylaws that define governance responsibilities and operating procedures;
- Execute required interlocal and partnership agreements;
- Preserve meaningful local engagement;
- Comply with conflict-of-interest and transparency requirements; and
- Maintain governance practices that promote accountability, collaboration, and continuous improvement.

³ 20 CFR § 679.370

Regional Workforce Development Boards, in consultation with Local Advisory Workforce Councils and Local Elected Officials, shall lead regional initiatives that strengthen Tennessee's workforce ecosystem.

Strategic responsibilities include:

- Workforce initiatives;
- Talent pipeline development;
- Employer engagement;
- Sector partnerships;
- Workforce and education alignment;
- Regional economic competitiveness;
- Innovation;
- Technology adoption;
- Customer experience;
- Workforce access;
- Fiscal stewardship;
- Performance accountability;
- Partner collaboration; and
- Continuous improvement.

RWDBs shall perform these responsibilities in a manner consistent with statewide workforce priorities and governance excellence, certification, and continuous improvement standards established by the State Workforce Development Board.

Local Elected Officials

The Local Elected Officials (LEOs) of each Local Workforce Development Area retain the governmental authorities and responsibilities assigned under the Workforce Innovation and Opportunity Act (WIOA) and applicable federal and state law.

Consistent with this policy and approved federal waiver authority, LEOs shall exercise these responsibilities in partnership with the Regional Workforce Development Board while supporting implementation of the statewide workforce strategy established by the Tennessee State Workforce Development Board.

Collectively, the LEOs within each region shall select a Chief Local Elected Official to serve as authorized representative of the Consortium of LEOs for purposes established in WIOA, this policy, and TDLWD guidance for the exercise of their statutory responsibilities. This shall include the execution of an interlocal agreement outlining how the LEOs will carry out their

responsibilities, as well as other governance agreements necessary to support regional governance.

LEOs shall:

- appoint members to the Regional Workforce Development Board in accordance with applicable federal law, approved waiver authority, and statewide membership requirements established by TDLWD;
- designate the fiscal agent and grant recipient, as applicable;
- enter into required interlocal agreements, partnership agreements, and other governance documents;
- provide governmental oversight for the stewardship of public resources;
- ensure compliance with applicable federal, state, and local requirements;
- support implementation of statewide workforce governance standards; and
- collaborate with the Regional Workforce Development Board to advance regional workforce priorities and statewide workforce objectives.

Regional Workforce Development Boards serve as the strategic governing bodies for regional workforce planning and oversight. Local Elected Officials retain those governmental and legal responsibilities assigned under WIOA, including fiscal accountability and appointment authority. Governance decisions should be carried out through a collaborative partnership that combines the statutory authority of Local Elected Officials with the strategic leadership of the Regional Workforce Development Board.

Regional CLEO Council

The Chief Local Elected Officials (CLEOs) representing the Local Workforce Development Areas (LWDAs) within each Region shall act collectively as the Regional CLEO Council for purposes of coordinating and exercising the statutory responsibilities assigned to Local Elected Officials under the Workforce Innovation and Opportunity Act (WIOA). Each CLEO shall continue to represent the Local Elected Officials within their respective LWDA and ensure that local priorities, recommendations, and statutory responsibilities are reflected in regional governance decisions.

The Regional CLEO Council shall jointly exercise those responsibilities assigned to Local Elected Officials under WIOA, including, as applicable:

- approving regional budgets;
- approving regional and local workforce plans, as required;
- appointing members of the Regional Workforce Development Board;
- approving the designation of the fiscal agent or grant recipient;

- approving procurement actions requiring Local Elected Official approval;
- monitoring fiscal and programmatic performance; and
- carrying out any other responsibilities assigned to Local Elected Officials under applicable federal or state law.

The Regional CLEO Council shall establish procedures for joint decision-making through governance documents approved by the TDLWD and shall elect a Chair from among its members. The Chair shall preside over Council meetings, execute documents on behalf of the Council following duly authorized Council action, and perform administrative duties assigned by the Council. The Chair shall not possess independent statutory authority beyond that delegated as the CLEO of their respective LWDA.

Local Advisory Councils

Local Advisory Councils (LACs) preserve local engagement within Tennessee's regional governance framework. LACs serve as the primary forum for bringing local perspectives, community expertise, and stakeholder input into the regional governance process. They strengthen the connection between Regional Workforce Development Boards and the communities they serve by providing ongoing insight into local workforce conditions, emerging opportunities, service delivery, and regional priorities. Through this advisory role, LACs help ensure that regional strategies remain responsive to local needs while advancing statewide workforce objectives.

They provide recommendations regarding:

- Community workforce needs;
- Employer priorities;
- Customer experience;
- Access to services;
- Economic conditions;
- Workforce challenges; and
- Partnership opportunities.

Local Advisory Councils serve in an advisory capacity to the Regional Workforce Development Board. While they do not exercise independent governance authority, Regional Workforce Development Boards shall establish processes for meaningful consultation with Local Advisory Councils and consider their recommendations when making regional workforce policy, planning, and investment decisions.

Lead Administrative Organization (LAO)

Each Regional Board shall designate a qualified Lead Administrative Organization (LAO) to provide administrative, operational, and technical support necessary for the Regional Board to carry out its responsibilities under WIOA, applicable federal and state law, and State Workforce Development Board policy. The LAO serves at the direction of the Regional Board, acting as “staff to the Board,” and shall not exercise policymaking authority reserved to the Regional Board.

At a minimum, the LAO shall:

- Provide administrative and governance support to the Regional Board, including coordination of meetings, records management, communications, and implementation of Board policies and procedures.
- Support the Regional Board's strategic planning, policy development, regional planning, and continuous improvement activities.
- Coordinate implementation of Board-approved initiatives and facilitate collaboration among Local Advisory Councils, Chief Local Elected Officials, TDLWD, and regional workforce partners.
- Provide administrative oversight and coordination of grants, contracts, procurement, budgets, performance reporting, and other operational functions as assigned by the Regional Board.
- Support compliance with WIOA, state policy, monitoring requirements, audit activities, and other applicable federal and state requirements.
- Serve as the primary administrative liaison between the Regional Board and TDLWD.
- Provide technical assistance and capacity-building support to the Regional Board and Local Advisory Councils.
- Perform additional administrative responsibilities assigned by the Regional Board that are consistent with applicable federal and state law.

To promote administrative efficiency, unified accountability, and streamlined oversight, TDLWD encourages Chief Local Elected Officials to designate the Regional Board's selected Lead Administrative Organization as the Fiscal Agent whenever the organization demonstrates the fiscal capacity required under federal and state law. Utilizing a single qualified entity to perform both functions reduces duplication, strengthens accountability, and simplifies administration while preserving the statutory authority of the Chief Local Elected Officials to designate the Fiscal Agent.

Performance and Accountability

Governance performance shall be measured by organizational impact in addition to state and federal performance metrics.

State performance expectations may include, but are not limited to the following:

- Employer satisfaction;
- Workforce participation;
- Employment outcomes;
- Credential attainment;
- Talent pipeline effectiveness;
- Regional collaboration;
- Innovation;
- Fiscal stewardship;
- Customer experience;
- Accessibility;
- Return on investment; and
- Advancement of statewide workforce priorities.

The State Workforce Development Board may establish governance performance measures that extend beyond federally required WIOA indicators to evaluate the overall effectiveness of Tennessee's workforce ecosystem.

Statewide Workforce Innovation

The State Workforce Development Board encourages Regional Workforce Development Boards to serve as regional hubs for workforce innovation.

RWDBs should identify opportunities to:

- Strengthen cross-sector partnerships;
- Improve service delivery;
- Leverage technology;
- Modernize governance;
- Simplify customer experiences;
- Respond to emerging industries;
- Expand talent pipelines; and
- Develop innovative workforce solutions that may be replicated statewide.

Innovation should be encouraged, evaluated, and shared throughout Tennessee's workforce system.

Continuous Improvement

The workforce governance framework shall evolve as Tennessee's workforce needs change.

The State Workforce Development Board and TDLWD shall periodically review governance standards to ensure they continue to support:

- The Governor's workforce vision;
- Statewide economic priorities;
- Employer needs;
- Regional competitiveness;
- Integrated workforce system leadership; and
- Long-term workforce success.

Implementation

TDLWD shall issue implementation guidance, operating procedures, templates, and technical assistance necessary to support consistent implementation of this policy.

Operational requirements established through implementation guidance shall not diminish the strategic governance responsibilities established by this policy.

Annual Review

TDLWD shall review this policy at least annually to assess its effectiveness and continued compliance with applicable requirements. The policy may be revised as needed to reflect changes in statutes, regulations, guidance, waiver authority, or workforce system operations.

Contact

Questions related to this policy may be directed to the SWDB at Workforce.Board@tn.gov.

Tim Berry, State Workforce Development Board Chair