Northern Middle Tennessee Workforce Board Inc.

Finance Committee
May 1, 2025
9:00 A.M.

Click here for zoom link

Meeting ID: 825 5155 2006
Passcode: 382889
One tap mobile: +13017158592,,82551552006# US

Agenda

Welcome

Call the Meeting to Order

Approval of Minutes

Business Reports:

1. Financial Report
    a. 2024-2025 Budget-to-Actual
    b. MPCR
    c. CSP Trends
    d. Monitoring
    e. 2025-2026 Revenue and Expenses
    f. Action Items
2. Career Service Provider Update
3. AJC Locations

Adjourn

Members:

Mark Peed (Chair)

Kelly Tyler

Dan Caldwell

David Rutledge

Paul Webb

Kristi Spurgeon

Sho Samuels

Complete zoom link: https://us02web.zoom.us/j/82551552006?pwd=g0HKuqpwWFlk8gSpaZ8VT5MwxiiDPP.1

Northern Middle Tennessee Workforce Board Inc.

DRAFT UNTIL APPROVED

Northern Middle Tennessee Workforce Board

Finance Committee

Meeting Minutes

January 30, 2025, via Zoom at 9:00 a.m.

Members Attending	Members Absent	Staff & Guests Attending
Dan Caldwell (Acting Chair)		Marla Rye
Kelly Tyler		Andrea Dillard
David Rutledge		Ginger Fussell
Paul Webb		Meagan Dobbins
Kristi Spurgeon		Alyssa Spaulding
Shoshana Samuels		Elizabeth Carmichael
Selina Moore		Caroline Vickrey
John Zobl		
Mark Peed		

The Northern Middle Tennessee Workforce Board Finance Committee met via Zoom on January 30, 2025, at 9 a.m. With a quorum confirmed, Dan Caldwell, acting chair, called the meeting to order. Paul Webb moved to approve the minutes, and David Rutledge seconded. With no further discussion, the minutes were unanimously approved.

Audit Report

Marla introduced Elizabeth Carmichael, the audit manager at Stone, Rudolph, & Henry, who conducted Northern Middle's audit. Elizabeth, in turn, introduced Caroline Vickrey, who was in charge under her supervision. Elizabeth noted that transitioning auditors is always challenging and commended NM for their grace and professionalism throughout the process. She explained that the Audit Report includes three components. The first reviews the financial statements, and the auditor's opinion is that the financial statements fairly present, in all material respects, the financial position of Northern Middle as of June 30, 2024. This is an unmodified opinion, which is the highest level of assurance an auditor can provide. The second section reviews internal control, policies, and procedures. The auditors did not identify any deficiencies considered material weaknesses, and thus there were no findings. Elizabeth praised Ginger Fussell for her highly detailed approach and extensive knowledge. The third section tests compliance with specific grant requirements, focusing on eligibility and allowability of expenses. The auditor's opinion concluded that the Board complied, in all material respects, with the applicable compliance requirements as of June 30, 2024, with no findings reported. Marla thanked Elizabeth, Caroline, and Ginger for their work. John Zobl asked Elizabeth if she had any recommendation for improvement, and she suggested that the Board formally approve financial statements in addition to budget-to-actual report prepared on a grant basis, similar to the process used for approving meeting minutes. Paul Webb made a motion to accept the audit report as presented, and Shoshana Samuels seconded. With no further questions, the motion was approved. Paul Webb also commended Ginger and her team for another clean audit, noting his appreciation for the many additional steps they manage compared to the for-profit sector. The rest of the Committee seconded his sentiments.

2024-2025 Budget-to-Actual
Ginger Fussell delivered the budget report, noting that the second quarter included several transitions with the launch of the pilot programs. She reminded the Committee that the first quarter had a sluggish start, and while second quarter expenditures appeared $98K lower at $ M, $395,000 of the decrease was due to the seasonal nature of the Tennessee Youth Employment Program. In reality, formula grant expenditures increased by $323,000. Although the quarter was not as robust as hoped, it is important to recognize that the Davidson County location moved, and three pilot projects were initiated during the quarter. Overall fiscal-year-to-date expenditures totaled $4.3 M, approximately 32.6% of the revised 2024–2025 evolving budget. While formula grant utilization is on the upward trend, none of the major funding streams had reached 50% expended within the first six months; the Adult program came closest at approximately 42%. Ginger stated she does not anticipate any issues fully utilizing program grant funds expiring in June 2025. However, she expressed concern that if utilization does not grow, there could be a more significant carryover into the following year, which could impact grants expiring in June 2026.

Ginger reported that NM has been awarded a Rural Healthcare grant, increasing the 2024–2025 budget by $119,000. Marla explained that the governor allocated approximately $6.5M to the Tennessee Department of Labor to fund healthcare grants in rural areas. NM applied for a grant to upskill advanced EMTs to paramedics in Cheatham, Dickson, Robertson, and Stewart counties—areas struggling to retain paramedics. They will develop an apprenticeship program that covers tuition at Volunteer State Community College for advanced EMTs who commit to working for their county. This will be the first paramedic apprenticeship program in Tennessee. The initial $119,000 in seed funding will be expended between now and June 30, 2025, to purchase equipment needed for the program at Vol State, and an additional $238,000 will be awarded for the period of July 1, 2025, through June 30, 2026. Ginger continued that the Rural Healthcare grant would be the only amendment to the current budget, raising the total to $13.1M. The first action item will be to approve the $119,000 increase and the 2024–2025 financial report. For the second action item, she requested approval to seek state permission, if necessary, to re-purpose up to $1M in administrative and/or programmatic Dislocated Worker funds for Adult program use through June 30, 2025. Although she is uncertain whether this flexibility will be needed, she recommended securing Board approval in advance.

MPCR
Ginger Fussell updated the Committee on the MPCR, noting that it has increased to 28.54% but remains below the 40% goal. Although NM must reach 40% by July 1, 2025, policy requires a corrective action plan if the MPCR falls short for three consecutive quarters. Ginger reported that each contractor has shown improvement across all fund streams since the first quarter, and contractors have indicated January to be a stronger month. Several factors have impacted the MPCR, the most significant being that $384,000 in Youth Employment Program expenditures do not currently count toward the MPCR under existing policy. If these expenditures were included, the MPCR would rise to 36.04%. Additionally, the broader labor force participation rate initiative, which prioritizes placing individuals directly into employment rather than training, has reduced direct participant expenses. Other transitions, including the Davidson County AJC relocation and the launch of three pilot projects on October 1, also affected the MPCR.

Marla announced that the state Workforce Development Board has hired Amy Maberry as the new Executive Director. As part of her onboarding, Amy has been reviewing all existing policies and procedures to identify areas for revision and simplification, a process Marla applauded. One of the revisions includes changes to the MPCR policy, which has been released for public comment. Under the

proposed revision, TYEP funds and a few state discretionary grants will now be included in MPCR calculations. Marla noted her only objection is that incumbent worker training funds are still excluded. She argued that employers should be considered customers, just like job seekers, and that funds used to serve employers should count toward the MPCR. Marla plans to submit public comment on this issue and expressed concern that if incumbent worker training is not counted, the Board may need to reconsider the investment in such programs. However, she believes continuing to support incumbent worker training is the right thing to do and hopes to persuade the state to reconsider.

Ginger concluded that although neither EDSI nor Mac have met their 50% MPCR requirement for the fiscal year so far, they are both meeting the MPCR contract to date. She remains hopeful that now that the demonstration pilots are fully operational, the pilot locations will contribute more significantly in the next quarter.

CSP Trends

Ginger Fussell then reported on CSP billing trends. Billing decreased by $243,000 compared to the previous quarter; however, EDSI is now billing for two fewer counties, as Sumner and Montgomery are no longer under their contract. The non-contracted billing for those two counties had totaled approximately $100,000. Additionally, the first quarter included Tennessee Youth Employment Program (TYEP) billing, which was not as active in the second quarter. CSPs are now in the 48th month of a 54-month contract, with 89% of the term completed. EDSI has spent 86% of its contract budget, while MAC has spent 87%. The one-stop operator, Mid Cumberland, has spent 42% of its budget with half of their contract year completed. She reiterated that contractors are meeting their dollar-driven goals on a contract to date basis, but not for the fiscal year. Marla countered that while Ginger is correct, the state only judges based on the fiscal year. Both contractors have met work experience and in-school youth goals.

Monitoring

Over the past six months, Northern Middle has undergone extensive monitoring. Now that the financial audits have been completed, Ginger Fussell plans to shift focus to monitoring contractors for the first half of the year. Biweekly meetings with EDSI and MAC continue to reinforce expectations and address concerns regarding fund utilization and MPCR achievement. Program staff have issued findings and observations to EDSI, provided technical guidance, and requested corrective action plans related to case management. EDSI completed the required actions by the deadline. They have met or exceeded their Adult/DW and Youth enrollment goals but are behind in exits and placements. MAC fell slightly short of their enrollment goals and is also behind in exits and placements. Northern Middle staff are also holding weekly meetings with TNDOL to track the progress of current pilot projects. At the start of the meeting, the Committee reviewed the results of the external financial audit conducted by Stone, Rudolph, and Henry, which resulted in unmodified opinions and no findings. Additionally, the PAR audit has been released, with no findings and two observations, which were previously presented to the Board.

Action Items

The floor was opened for questions. Dan Caldwell asked whether they should delay repurposing Dislocated Worker (DW) funds in light of the announcement that Bridgestone will close its LaVergne plant. Ginger Fussell responded that there is ample DW funding available, and emphasized that she has only requested the flexibility to move funds if needed. She clarified that she does not plan to repurpose funds unless it becomes necessary. Marla further explained that although Adult and Dislocated Worker funds are two separate streams, they are 100% interchangeable with state approval, allowing flexibility to move funds as needed and to move them back if circumstances change. Marla also noted that there

have been several recent job loss announcements, and Natalie McLimore is currently organizing rapid response efforts. Paul Webb advised that staff should be prepared for changes related to the automotive industry with Bridgestone and Nissan. David Rutledge motioned to accept the action items listed in the 2024-2025 Budget to Actual report and Dan Caldwell seconded. With no further questions, the motion was passed unanimously.

CSP Procurement

Marla reminded the Committee that EDSI and MAC have served as the contract service providers for four and a half years. State procurement policy allows contract extensions for up to five years, so it is time to procure a new service provider. Marla believes it would be prudent to meet with county mayors and economic development agencies (ECDs) across the region to gather feedback on the services received from the American Job Centers and to discuss what changes they would like to see before beginning procurement. She expressed openness to considering different models in larger counties with existing workforce arms. Additionally, given the success of the Montgomery County project, she is willing to explore the possibility of the Board running programs in the rural counties. She asked Committee members to gather input from their respective County Mayors and ECDs as part of the preparation process.

Shoshana Samuels supported the idea and asked if Marla could point to a rural county model that could serve as an example. Marla answered that there were not any that she knew of. She added that it is much easier to run programs in rural communities if you hire local. Because of this, several other workforce boards are looking to run the programs themselves. Thomas P. Miller had previously been contracted to conduct an independent third-party procurement, but Marla expressed dissatisfaction with their performance and intends to conduct the procurement in-house, which is permissible under policy. Mark Peed advised Marla to build a backwards timeline, noting that there are realistically only four to six weeks available to meet and consult with people before procurement must begin. Marla agreed and stated that they would need to start outlining the process soon. Paul Webb asked if staff could prepare a set of questions for Committee members to use when speaking with their County Mayors and ECD staff; if so, he offered to speak with Mayor Anderson.

Paul then asked whether the Rural Healthcare Grant program planned with Vol State is limited only to that institution or if Columbia State could also participate. Selina Moore responded that while Columbia State was not directly awarded the grant, it is partnered with several other grantees and will be involved in the program. Marla added that Vol State is the primary paramedic and EMT provider for the NM region, which is why the Board partnered with them, and that Columbia State primarily serves the Southern Middle region, making its involvement less direct.

Adjourn

Marla commending everyone for attending the Committee meeting and introduced Selena Moore as the newest Board member, replacing Ryan Jolley. Selena has been with the Tennessee Department of Labor and Workforce Development for 20 years and also serves on the Southern Middle Tennessee Workforce Board. She reminded the Committee that the Board meeting will be on February 12, 2025 at the Montgomery County AJC. Then, with no further questions, the meeting was adjourned.

NORTHERN MIDDLE TN WORKFORCE BOARD
MARCH 2025 FISCAL UPDATE
2024-25 BUDGET PROGRESSION & SPEND TREND

	($ in 000's)					
Northern Middle LWDA	**24-25 QTR 1**	**24-25 QTR 2**	**24-25 QTR 3**	**Expenses YTD**	**Revised FY 2024-25 12 Mo. Budget**	**% Spent**
Infrastructure Funding Agreement	98	109	104	311	1,000	31.1%
Adult	659	374	991	2,024	3,244	62.4%
Dislocated Worker Re-purposed for Adult	153	577	204	934	1,000	93.4%
Dislocated Worker for DW	349	434	646	1,429	3,645	39.2%
Youth	402	501	714	1,617	2,738	59.1%
RESEA	61	0		61	263	23.2%
RESEA Budget Reduced to 3 Mos Only	0	0		0	-202	0.0%
Titan Stadium Project	28	49	79	156	294	53.1%
Tennessee Youth Phase 2	446	51	74	571	787	72.6%
Apprenticeship		3	53	56	156	35.9%
National Apprenticeship		0	28	28	125	22.4%
Rural Healthcare (Seed Funding 2/1 - 6/30/25) Additional $238 awarded for FY25-26		0	19	19	119	16.0%
Total FY 24-25 Expense vs Budget	**2,196**	**2,098**	**2,912**	**7,206**	**13,169**	54.7%

24-25 budget last meeting	13,169	
Additional Tennessee Youth through 6/30/25	494	
TN-PROWD (Re-Entry $968,443 4/1/25 - 9/30/27)	20	514
Revised 2024-25 budget	**13,683**	

**** Northern Middle's grant utilization for Quarter 3 increased by $814k compared to the prior quarter.***
Formula grant utilization increased by $669k as follows: Adult + $244k, DW + $212k and Youth + $213k
Other grants increased by $150k as follows: Titan's + $30k, TYEP +$23k, Apprenticeships + $78k, Rural Health + $19k. IFA decreased $5k

**** This year's quarterly average utilization is $2.4M compared to last year's quarterly average of $2.9M.***

**** While Formula grant utlization is on the upward trend, we were not at 75% spent in any of the three fund streams.***
The highest fund stream is Adult at 69.7% determined by combining Adult and the DW re-purposed for Adult.
Program budgets for Formula funding expiring June 2025 have been utilized, but lower utilization may result in a larger carryover
of Formula funding for grants expiring June 2026. This should help offset some effects from the reduction in FY25-26 funding.

**** Last meeting, flexibility through June 30, 2025 to request of TDLWD permission for***
up to $1M re-purposing of Dislocated Worker (admin and/or program) for Adult was granted to Board staff.
We have submitted a request for $750k of that amount, and await TDLWD approval.

NORTHERN MIDDLE TN WORKFORCE BOARD
MARCH 2025 FISCAL UPDATE
Minimum Participant Cost Rate (MPCR)

TDLWD Minimum Participant Cost Rate (MPCR) - Preliminary Through March 2025

MPCR = 42.22%

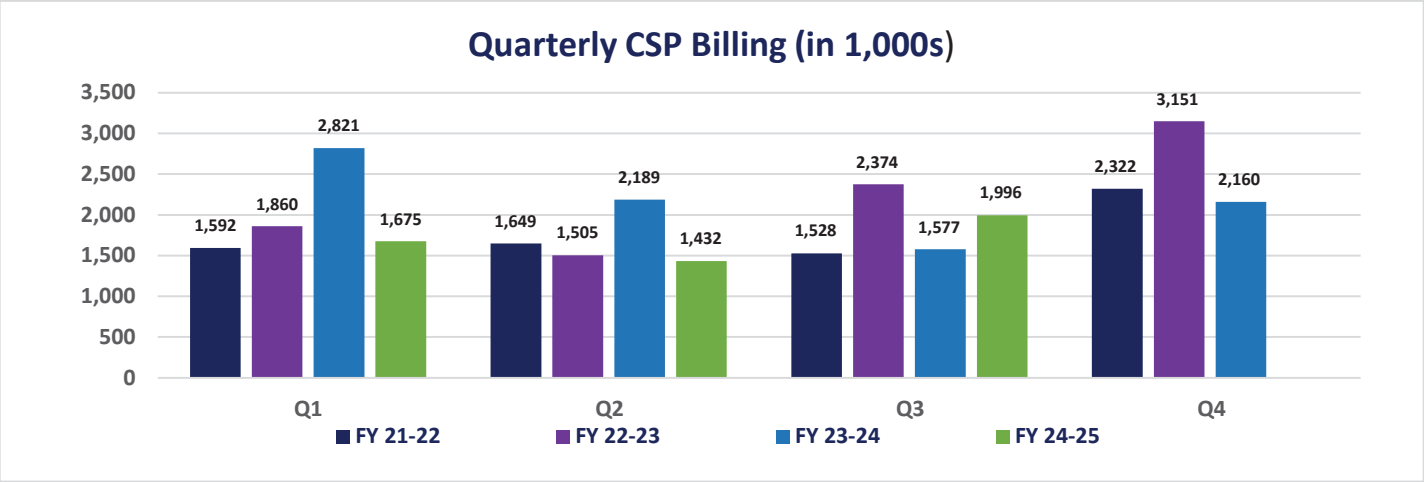
	MAC Youth	EDSI Youth	EDSI Adult, Dislocated Worker, Titans	EDSI TYEP	NM Demo Pilots	Apprentice, Incumb Wkr, Rural Health	Other (NM, & IFA)	Total
Qualifying Expenses	$ 206,158	$ 338,684	$ 1,367,765	$ 453,928	$ 126,536	$ 150,841	$ (29)	$ 2,643,883
Total Program	$ 446,778	$ 752,643	$ 3,314,545	$ 453,928	$ 278,232	$ 150,841	$ 865,768	$ 6,262,735
MPCR	46.14%	45.00%	41.27%	100.00%	45.48%	100.00%	0.00%	42.22%
					Second Quarter			

Northern Middle is above the 40% state requirement in quarter 3 applying the new TDLWD MPCR policy.

	Q4 23-24	37.21%	old policy
FY Reset Jul 1	Q1 24-25	23.43%	old policy
	Q2 24-25	28.54%	old policy
	Q3 24-25	42.22%	new policy retro to 7/1

New TDLWD MPCR policy includes Incumbent Worker and other Statewide Initiatives to include the Tennessee Youth Employment. Old policy calculates at 36.24%

NORTHERN MIDDLE TN WORKFORCE BOARD
MARCH 2025 FISCAL UPDATE
CONTRACTED CAREER SERVICE PROVIDERS - BILLING TREND



Q3 contracted CSP billing increased $564k compared to last quarter and was $419k more than Q3 of the prior year. Average quarterly CSP billing is $1.7M this year compared to $2.1M last year. Due to the Pilots in Montgomery and Sumner beginning Q2 FY 24-25, EDSI is billing for 2 counties less than in previous quarters. Total non-contracted billing for those two counties totaled $276k in Q2 & Q3.

Career Service Provider Billing	Q1	Q2	Q3	Q4	Total
CSP Billing FYE 6/30/22 EDSI & MAC	1,592	1,649	1,528	2,322	7,091
CSP Billing FYE 6/30/23 EDSI & MAC	1,860	1,505	2,374	3,151	8,890
CSP Billing FYE 6/30/24 EDSI & MAC	2,821	2,189	1,577	2,160	8,747
CSP Billing FYE 6/30/25 EDSI & MAC less Montgomery & Sumner beginning in Q2	1,675	1,432	1,996		5,103

NORTHERN MIDDLE TN WORKFORCE BOARD
MARCH 2025 FISCAL UPDATE
CONTRACTOR - BILLING PROGRESS

Career Service Provider Billing	In $000's Cumulative through Dec 2024	Total Spent Qtr Ended Mar 2025	Budget Spent Contract To Date	Total 54 Month Contract Budget	% Spent - * 94% time elapsed (contracts extended)	
EDSI (54 Month Comparison)	$ 25,788	$ 1,645	$ 27,433	$ 29,856	92%	*
EDSI (TN Youth bgt ended at 8/31/23)	$ 187	$ -	$ 187	$ 187	100%	
EDSI (TN Youth bgt through 6/30/25)	$ 1,654	$ 71	$ 1,725	$ 1,835	94%	
EDSI Titans Stadium (through 6/30/25)	$ 162	$ 73	$ 235	$ 278	85%	
MAC (54 Month Comparison)	$ 2,085	$ 207	$ 2,292	$ 2,403	95%	*
MAC (TN Youth bgt through 6/30/25)	$ 70	$ -	$ 70	$ 96	73%	
Contract-to-Date through Q3 2024-25	$ 20,913	$ 1,996	$ 31,942			

One-Stop Operator Billing	In $000's Cumulative through Dec 2024	Total Spent Qtr Ended Mar 2025	Budget Spent Contract To Date	Total 12 Month Budget	% Spent - 50% time elapsed (contract extended)
MCHRA - (12 out of 12 Month Comparison)	$ 126	$ 55	$ 181	$ 300	60%

NORTHERN MIDDLE TN WORKFORCE BOARD
MARCH 2025 FISCAL UPDATE
EDSI - ADULT/DW MPCR TREND
CONTRACT-TO-DATE & QUARTERLY 51 Months

	MPCR - Goal 50% FY 24-25			MPCR - Goal 50% FY 24-25			MPCR Adult/DW - Goal 50% FY 24-25		
EDSI	Adult			DW			A/DW Combined		
CTD CUMULATIVE	Direct $ '000	Total $ '000	50%	Direct $ '000	Total $ '000	51%	Direct $ '000	Total $ '000	50%
July 2024	25	131	19%	28	67	41%	53	198	27%
Aug 2024	55	217	25%	25	77	32%	80	294	27%
Sep 2024	99	321	31%	22	93	23%	121	414	29%
Oct 2024	103	270	38%	30	85	35%	133	354	38%
Nov 2024	66	220	30%	31	81	39%	97	301	32%
Dec 2024	111	257	43%	67	114	58%	178	372	48%
Jan 2025	101	250	40%	109	155	70%	210	405	52%
Feb 2025	109	249	44%	97	143	68%	206	391	53%
Mar 2025	179	405	44%	113	180	63%	292	585	50%
Total Extended 12 Months	**848**	**2,320**	37%	**520**	**995**	52%	**1,368**	**3,315**	41%
Cumulative CTD 54 Months	**6,993**	**14,084**	50%	**3,102**	**6,059**	51%	**10,095**	**20,143**	50%

Current Fiscal Year	MPCR - Goal 50% FY 24-25 w LFPR Project			MPCR - Goal 50% FY 24-25 w LFPR Project			MPCR Adult/DW - Goal 50% FY 24-25 w LFPR Project		
EDSI	Adult			DW			A/DW Combined		
QTR Ended 9/30/24	179	669	27%	74	237	31%	253	906	28%
QTR Ended 12/31/24	280	747	37%	128	280	46%	408	1,027	40%
QTR Ended 3/31/25	389	904	43%	319	478	67%	708	1,382	51%
FYE 6/30/25 (12 Mos)	**848**	**2,320**	**37%**	**520**	**995**	**52%**	**1,368**	**3,315**	**41%**

NORTHERN MIDDLE TN WORKFORCE BOARD
MARCH 2025 FISCAL UPDATE
EDSI YOUTH - MPCR, WORK EXPERIENCE & IN-SCHOOL
CONTRACT-TO-DATE & QUARTERLY 51 Months

	MPCR - Goal 50%			Work Experience - Goal 20%			ISY/Youth - Goal 30% effective 07.1.23		
EDSI	Youth			Youth			Youth		
CTD CUMULATIVE	Direct $ '000	Total $ '000	49%	Wk Exp $ '000	Total $ '000	30%	ISY $ '000	Total $ '000	30%
July 2024	17	34	49%	10	34	30%	10	34	29%
Aug 2024	32	48	66%	17	48	35%	17	48	35%
Sep 2024	24	119	20%	33	119	28%	48	119	40%
Oct 2024	41	93	44%	33	93	36%	22	93	24%
Nov 2024	21	64	33%	30	64	47%	22	64	35%
Dec 2024	19	57	33%	25	57	44%	24	57	42%
Jan 2025	62	102	61%	27	102	26%	24	102	23%
Feb 2025	53	97	55%	39	97	40%	29	97	30%
Mar 2025	70	139	51%	66	139	48%	48	139	35%
Total Extended 12 Months	339	753	45%	281	753	37%	244	753	32%
Cumulative CTD 54 Months	3,385	6,901	49%	1,860	6,571	28%	1,991	6,571	30%

Current Fiscal Year	MPCR - Goal 50%			Work Experience - Goal 20%			ISY/Youth - Goal 30% effective 07.1.23		
EDSI	Youth			Youth			Youth		
QTR Ended 9/30/24	73	201	36%	60	201	30%	75	201	37%
QTR Ended 12/31/24	81	214	38%	89	214	41%	69	214	32%
QTR Ended 3/31/25	186	337	55%	132	337	39%	101	337	30%
FYE 6/30/25 (12 Mos)	339	753	45%	281	753	37%	244	753	32%

NORTHERN MIDDLE TN WORKFORCE BOARD
MARCH 2025 FISCAL UPDATE
MAC YOUTH - MPCR, WORK EXPERIENCE & IN SCHOOL

	MPCR - Goal 50%			Work Experience - Goal 25%			ISY/Youth - 30% Goal beginning 7/1/23		
MAC	Youth			Youth			Youth		
CTD CUMULATIVE	Direct $ '000	Total $ '000	51%	Wk Exp $ '000	Total $ '000	41%	ISY $ '000	Total $ '000	39%
July 2024	7	22	30%	6	22	27%	8	22	37%
Aug 2024	8	30	28%	13	30	43%	15	30	52%
Sep 2024	6	44	15%	17	44	39%	20	44	46%
Oct 2024	16	39	41%	22	39	56%	20	39	51%
Nov 2024	27	50	53%	35	50	70%	29	50	57%
Dec 2024	28	55	51%	37	55	68%	33	55	59%
Jan 2025	20	47	42%	23	47	49%	23	47	48%
Feb 2025	47	86	55%	38	86	44%	37	86	43%
Mar 2025	47	74	64%	56	74	76%	43	74	58%
Total Extended 12 Months	206	447	46%	247	447	55%	228	447	51%

	MPCR - Goal 50%			Work Experience - Goal 25%			ISY/Youth - 30% Goal beginning 7/1/23		
MAC	Youth			Youth			Youth		
QTR Ended 9/30/24	21	96	22%	36	96	37%	44	96	45%
QTR Ended 12/31/24	71	144	49%	95	144	66%	81	144	56%
QTR Ended 3/31/25	114	206	55%	117	206	57%	103	206	50%
FYE 6/30/25	206	447	46%	247	447	55%	228	447	51%

NORTHERN MIDDLE TN WORKFORCE BOARD
MARCH 2025 FISCAL UPDATE
MONITORING UPDATE

EDSI and MAC - Career Service Providers

* Biweekly contractor meetings continue with EDSI and MAC re-stating expectations and concerns related to fund utilization, MPCR achievement and case management.
* Monthly desk review of invoices is performed analyzing contract progress and dollar-driven performance.
* EDSI exceeded their Adult/DW and Youth enrollment goals and met their quarterly exit and placement goals.
* MAC exceeded their ISY and OSY enrollment goals; they are slightly behind on exits and have not met the placement goal.
* EDSI MPCR for Adult/DW improved to 51% in Q3 over 40% in Q2, attaining FYTD of 41%, short of 50% goal. (old policy) EDSI MPCR for Youth improved to 55% in Q3 over 38% in Q2, attaining FYTD of 45%, short of 50% goal. (old policy)
* MAC MPCR for Youth improved to 55% in Q3 over 49% in Q2, attaining FYTD of 46%, short of 50% goal. (old policy)
* Over the full contract period (51 months), EDSI met Adult/DW MPCR at 50% and nearly met Youth MPCR at 49%, and MAC met MPCR at 51%. Both contractors have met work experience and ISY requirements contract-to-date. However, neither have met MPCR during the current fiscal year which is the current Northern Middle measurement period.
* Northern Middle program staff issued to MAC findings, observations, technical assistance and request for corrective action related to case management. MAC completed the required action by the deadline given.
* Northern Middle program staff issued to EDSI findings, observations, technical assistance and request for corrective action related to case management. Deadlines for (two) monitoring reports are approaching.
* Northern Middle fiscal staff are conducting test work of current year transactions.

Mid-Cumberland HRA - One-Stop Operator

* The One-Stop Operator continues to promote enhanced oversight of partner accountability in supporting KPI goals.
* The One-Stop Operator has been asked to assume more responsibility in coordinating IFA agreements and addressing monitoring findings that may arise related to the AJC.
* A re-design of the OSO contract scope has resulted in the elimination of OSO greeters in the comprehensive centers. An assistant OSO position has been created to provide more oversight.
* The One-Stop Operator monitoring is underway; to be completed in 4th quarter.

NORTHERN MIDDLE TN WORKFORCE BOARD
MARCH 2025 FISCAL UPDATE
MONITORING UPDATE

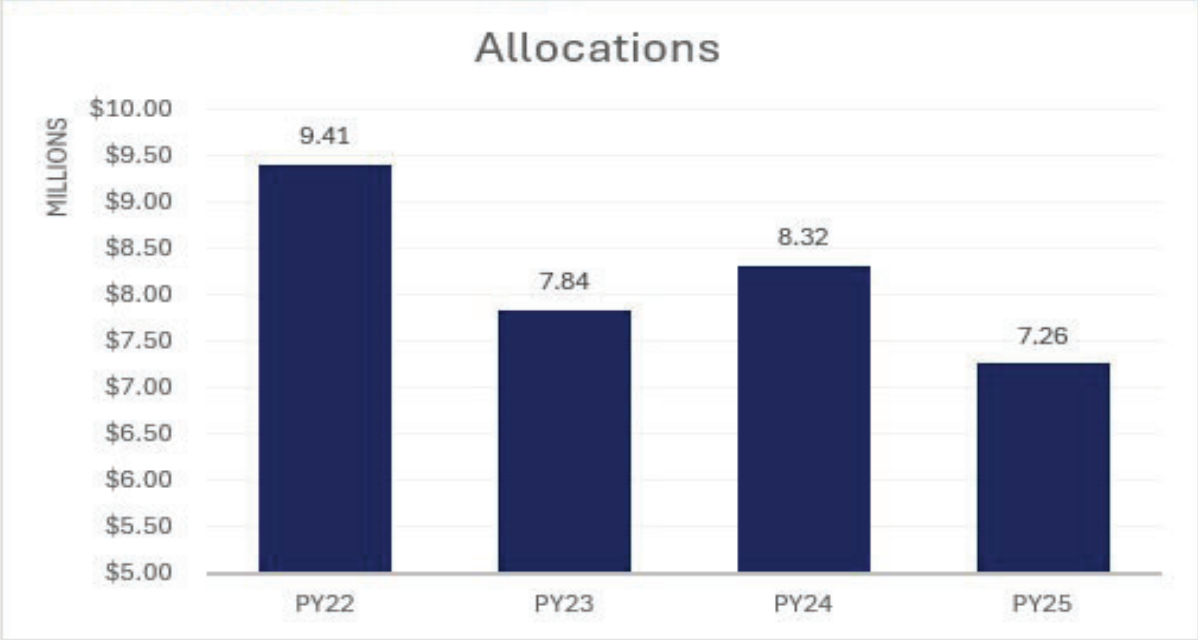
Monitoring of Northern Middle

* **TDLWD's Office of Transformation conducted annual on-site monitoring at the four comprehensive centers: Clarksville, Nashville, Gallatin and Murfreesboro. We're awaiting a final report.**
* **Northern Middle received a WIOA Title I Case File Review Report for the TNDOL Workforce Services Division. No findings were identified.**

NORTHERN MIDDLE TN WORKFORCE BOARD
MARCH 2025 FISCAL UPDATE
ALLOCATION REDUCTION - 3 YEAR NET REDUCTION

	Allocations	$ Reduction	% Reduction
PY22	9,407,167.00		
PY23	7,839,846.55	(1,567,320.45)	-17%
PY24	8,321,810.00	481,963.45	6%
PY25	7,263,356.00	(1,058,454.00)	-13%
Three Year Net Reduction		(2,143,811.00)	-23%

Three Year Net Reduction -23%



NORTHERN MIDDLE TN WORKFORCE BOARD
MAY 2025 FISCAL UPDATE
FY2025-26 BUDGET - REVENUES

Grant Revenue	$ in millions	$
Total Carryover from 24-25	2.6	2,625,204.53
25-26 Projected Allocations	7.2	7,263,356.00
Total Adult, DW, Youth	9.8	9,888,560.53
Carryover to 26-27 at 20% Youth	(0.4)	(473,413.60)
Carryover to 26-27 at 20% Adult, DW	(1.0)	(979,257.60)
Total 25-26 Adult, DW, Youth	8.4	8,435,889.3
Tennessee Youth	1.0	1,000,000.00
Rural Healthcare	0.2	238,943.00
TN-PROWD Re-Entry	0.8	759,000.00
IFA	1.0	1,000,000.00
Total 25-26 Projected Grant Revenue	11.4	11,433,832.33

NORTHERN MIDDLE TN WORKFORCE BOARD
MAY 2025 FISCAL UPDATE
FY2025-26 BUDGET - EXPENSES

Projected Expenses	$ in millions	%	$
NM Workforce Board	1.3	11%	1,365,645.00
Board Incumbent Worker Program	0.3	3%	300,000.00
Recruitment Campaign	0.1	1%	100,000.00
IFA (non-Title I)	1.0	9%	1,000,000.00
Total Board and Overhead	2.7	24%	**2,765,645.00**
One Stop Operator	0.3	3%	300,000.00
Career Service Provider	6.4	56%	6,370,244.33
Summer Youth	1.0	9%	1,000,000.00
Rural Healthcare	0.2	2%	238,943.00
TN-PROWD Re-Entry	0.8	7%	759,000.00
Total Contracted Grant Services	8.7	76%	8,668,187.33
Total 25-26 Grant Expense	11.4	100%	**11,433,832.33**

NORTHERN MIDDLE TN WORKFORCE BOARD
MARCH 2025 FISCAL UPDATE
ACTION ITEMS

* 2024-25 Amended Budget = $13.7M (+514k)
* 2025-26 Preliminary Budget = $11.4M

State of Tennessee
Department of Labor and Workforce Development
Division of Workforce Services
220 French Landing Drive
Nashville, TN 37243-1002
(615) 741-1031

April 11, 2025

Northern Middle Local Workforce Development Board
523 Madison Street, Suite A
Clarksville, TN 37040

Dear Mr. Zobl,

Thank you for your continued partnership and dedication to the workforce system in the Northern Middle Local Workforce Development Area.

Following our conditional approval letter dated April 2nd, 2025, Workforce Services (WFS) has reviewed the materials submitted by the Northern Middle Local Workforce Development Board (NMLWDB) in response to the outlined conditions. We are pleased to confirm that all conditions have been satisfactorily met.

Accordingly, WFS grants full approval for the NMLWDB to serve as its own Career Service Provider (CSP) for Title I services and as its own One-Stop Operator (OSO), beginning on July 1st, 2025, in accordance with the implementation timeline provided. Your efforts to establish clear firewalls, ensure independent oversight, and comply with federal and state regulations have been recognized and are appreciated.

Thank you for your commitment to serving Tennesseans through a transparent, compliant, and effective workforce development system. We look forward to continued collaboration in advancing access to high-quality services across the region.

If you have any questions or require further guidance, please do not hesitate to reach out.

Sincerely,

Jason Cecil

Jason Cecil (Apr 11, 2025 10:17 CDT)

Jason Cecil, Workforce Services Assistant Commissioner

State of Tennessee
Department of Labor and Workforce Development
Division of Workforce Services
220 French Landing Drive
Nashville, TN 37243-1002
(615) 741-1031

April 02, 2025

Northern Middle Local Workforce Development Board
523 Madison Street, Suite A
Clarksville, TN 37040

Dear Mr. Zobl,

Following a thorough review of your request for the Northern Middle Local Workforce Development Board (NMLWDB) to serve as its own Career Service Provider (CSP) for Title I services, Workforce Services (WFS) has conditionally approved this request. This approval is contingent upon the fulfillment of specific regulatory requirements and the implementation of enhanced firewalls to prevent conflicts of interest and ensure compliance with federal guidelines.

Conditions for Approval:

1. Procurement Process Compliance
    - In accordance with *2 CFR § 200.320(c),* noncompetitive procurement is only permissible under specific circumstances. The NMLWDB must submit a formal written request for a procurement waiver, justifying the absence of competition, and obtain written approval from the appropriate federal or pass-through entity.
2. Conflict of Interest and Oversight Mechanisms
    - To ensure compliance with *20 CFR § 679.410* and *20 CFR § 679.430*, NMLWDB must enhance its firewall measures by addressing the following concerns:

      a. Oversight of the Career Service Provider (CSP)
        - The NMLWDB currently plans to monitor Workforce Essentials, Inc. (WFE), its designated CSP. Given that NMLWDB staff have affiliations with WFE, additional safeguards must be in place to ensure objective oversight.
        - *Suggested Action:* Implement an independent third-party monitor to oversee programmatic compliance and performance, ensuring impartial review and corrective action as needed.

      b. Relationship Between Fiscal Agent and CSP
        - WFE is designated as both the Fiscal Agent and the CSP, creating a potential conflict in financial oversight.
        - *Suggested Action:* Strengthen financial oversight mechanisms, including periodic state reviews or stricter financial approval processes, to ensure unbiased fund allocation.

      c. Role of the Independent One-Stop Operator (OSO)
        - The OSO currently reports to the NMLWDB Chair or designee, with oversight from NMLWDB staff, which may not provide sufficient independence.

- *Suggested Action:* Restructure the OSO's reporting structure to report directly to the full Board or another independent entity to ensure neutrality in oversight.

d. Independence of Third-Party Compliance Monitoring
- It is unclear who will procure and oversee the independent third-party monitor. If this responsibility remains with the NMLWDB or WFE, there is a potential conflict of interest.
- *Suggested Action:* The State Workforce Agency or another fully independent entity should procure and oversee the third-party monitoring process.

e. Board's Role in Strategic Direction vs. Operational Influence
- While the NMLWDB is responsible for providing strategic direction, excessive involvement in operational decision-making could create compliance issues.
- *Suggested Action:* Clearly document the distinction between strategic oversight and day-to-day operations, ensuring that program implementation remains the sole responsibility of the CSP while the Board maintains an appropriate oversight role.

Next Steps:
We request that the NMLWDB submit a revised plan addressing the above conditions no later than **COB Friday May 2nd,2025**. WFS is available to provide guidance and technical assistance in implementing these necessary measures. If further clarification is required, please do not hesitate to reach out.

Ensuring compliance with federal requirements is essential to maintaining the integrity of the workforce system. We appreciate your cooperation in strengthening these firewalls and look forward to working with you to support a fair, transparent, and effective service delivery model.

Sincerely,

Jason Cecil

Jason Cecil (Apr 2, 2025 11:19 CDT)

Jason Cecil, Workforce Services Assistant Commissioner

Northern Middle Tennessee
Workforce Board Inc.

April 11, 2025

Mr. Jason Cecil, Assistant Commissioner
Tennessee Department of Labor & Workforce Development
220 French Landing Drive
Nashville, TN 37243

Dear Assistant Commissioner Cecil:

In response to your April 2, letter to the Northern Middle Local Workforce Board (NMLWDB), I submit to you additional justification for Workforce Essentials, Inc. (WEI), fiscal agent and staff to the NMLWDB, to serve as the Career Service Provider for the thirteen counties that comprise the Northern Middle Workforce Area.

Procurement Request:
In accordance with your requesting citing *2 CFR § 200.320(c)(4), the NMLWDB is requesting authorization to use a noncompetitive procurement method from the Tennessee Department of Labor, as our pass-through entity to be the Career Service Provider.*

According to 20 CRF *§ 679.410 (b) the local board can request to be the Career Service Provider directly through agreement with the Governor. The Northern Middle Workforce Board is not requesting to be the OSO which requires the selection through a competitive process as stated in* 20 CRF *§ 679.410 (a)(1)(i)(ii).*

Based upon your guidance, the NMLWDB is requesting to use sole source based upon:

- a 23% reduction in funding which equates to over $2 million loss in the last three years.
- An increase of national, for-profit service WIOA providers responding to procurement request and sharp decline in local provider response. It is less efficient, and less cost-effective to use providers outside the service area. This takes away valuable funding which could be used for participant services but is being paid as performance incentives. In addition, the NMLWDB has also experienced a decline in key performance indicators by utilizing contracted service providers.
- Additionally, sourcing outside the LWDA system, has resulted in a sharp decline in local presence and less flexibility in making the time-sensitive courses of action needed to react to area workforce challenges and meet required KPI's.
- Staff to the NMLWWB have more than 35 years of experience in balancing such challenges successfully.
- The NMTWB can deliver the services in a more efficient and cost-effective staffing plan.

523 Madison Street, Suite A | Clarksville, TN 37040|
Phone: (931) 551-9110| Fax: (931) 551-9026| nm-wb.com

For these reasons, the Board is requesting permission from the Governor or his designee to be the Career Service Provider for Northern Middle Workforce Area and from the Tennessee Department of Labor to allow for non-competitive procurement.

Conflict of Interest and Oversight Mechanisms
To ensure compliance with *20 CFR § 679.410* and *20 CFR § 679.430*, the NMLWDB will enhance its firewall measures by:

a. Oversight of the Career Service Provider (CSP)
Issue: The NMLWDB currently plans to monitor Workforce Essentials, Inc. (WFE), its designated CSP. Given that NMLWDB staff have affiliations with WFE, additional safeguards must be in place to ensure objective oversight.

Corrective Action:

- The NMLWDB has agreed to maintain a competitive procurement process of the One-Stop Operator which will report to the full NM Workforce Board. This is already an on-going process as the OSO provides quarterly updates at every NM Workforce Board meeting.
- In addition to the independent OSO, the NMLWD has stipulated that it will procure an independent organization to monitor the Career Service Provider operations. This will ensure an impartial review with stipulated corrective action.
- In addition to internal monitoring, the Career Service Provider will be subject to Tennessee Department of Labor and Workforce Development annual review in accordance with TDLWD's Monitoring Guide by the Performance Accountability Review (PAR) unit, as well as the Workforce Service Division's Program Managers and Oversight Unit. All monitoring reports from the procured monitor and TDLWD will be shared with the NMLWDB.

b. Relationship Between Fiscal Agent and CSP
Issue: WFE is designated as both the Fiscal Agent and the CSP, creating a potential conflict in financial oversight.

Corrective Action: In order for Workforce Essentials to serve as both the Fiscal Agent and the CSP, the following oversight mechanisms will be implemented to strengthen financial controls:

- Career Service Provider financial controls and operations will be reviewed and oversight provided by the Workforce Essentials Board of Directors. This is an independent Board of 11 individuals.
- None of the Workforce Essentials Board members serve on the Northern Middle Workforce Board. Thus, ensuring an independent oversight without conflict of interest with the NMLWDB.

- The Northern Middle Local Workforce Board will provide oversight of all WIOA operations in aggregate. The CLEO will continue to sign all WIOA contracts and monthly expenditure reports.
- The NMLWDB will be subject to annual review by the Performance Accountability Review unit, as well as the Workforce Service Division's Program Managers and Oversight Unit. As mandated, the organization will be subject to a single audit by an independent CPA firm.

c. Role of the Independent One-Stop Operator (OSO)
Issue: The OSO currently reports to the NMLWDB Chair or designee, with oversight from NMLWDB staff, which may not provide sufficient independence.

*Corrective Action: T*he OSO is currently procured regionally to Mid-Cumberland Human Resources Agency.

- The OSO will report directly to the full Board to ensure neutrality in oversight.
- The OSO will provide a report at each NMLWDB meeting for not only CSP operations, but for the entire workforce system in Northern Middle.

d. Independence of Third-Party Compliance Monitoring
Issue: It is unclear who will procure and oversee the independent third-party monitor. If this responsibility remains with the NMLWDB or WFE, there is a potential conflict of interest.

Corrective Action:

- Staff of the Northern Middle LWDB will draft the procurement documents for the independent third-party monitor.
- The Northern Middle LWDB's Executive Committee will review and rate the responses of potential applicants.
- The Executive Committee will make a recommendation to the full Board for approval.
- The winning organization will report directly to the Board Chair and make reports to the full Board at least annually.

e. Board's Role in Strategic Direction vs. Operational Influence
Issue: While the NMLWDB is responsible for providing strategic direction, excessive involvement in operational decision-making could create compliance issues.

Corrective Action: The strategic oversight is the responsibility of the Northern Middle LWDB. Responsibility for planning and strategic Direction will fall to that Board. As the Executive Director of the NM Workforce Board, I will focus on Board activities including strategic direction. The day-to-day operations of the Career Service Provider will fall to the corporate

Board of Workforce Essentials and the CSP Program Director. By having two different Board of Directors, without overlap, this firewall prevents overlap between the two organizations and responsibilities.

- The strategic oversight is the responsibility of the Northern Middle LWDB. Responsibility for planning and strategic Direction will fall to the NM LWDB. As the Executive Director of the NM Workforce Board, I will focus on Board activities including strategic direction.
- The day-to-day operations of the Career Service Provider will fall to the corporate Board of Workforce Essentials and the CSP Program Director will report directly to the Workforce Essentials Board.

By having two different Board of Directors, without overlap, this firewall safeguards potential conflicts of interest between the two organizations and responsibilities.

We hope this adequately addresses your concerns as the NMLWDB is confident that this approach will improve services to the citizens of middle Tennessee. If you have additional questions or concerns regarding this request, please feel free to call me.

Sincerely,

Marla W. Rye

Marla W. Rye
Executive Director

Cc: Mayor Bob Rial, CLEO
John Zobl, Chairman NMLWDB

Attachments: 3/24/25 NMWB Request to be Career Service Provider

Docusign Envelope ID: 05D817EA-B17A-466B-B806-CC94AF40B41E

March 24, 2025

Governor Bill Lee
Commissioner Deniece Thomas, Designee
Tennessee Department of Labor & Workforce Development
220 French Landing Drive
Nashville, TN 37243

Dear Commissioner Thomas:

Please accept this letter as an official request for Workforce Essentials, Inc. (WEI), fiscal agent and staff to the Northern Middle Tennessee Workforce Board (NMWB), to serve as the Career Service Provider for the thirteen counties that comprise the Northern Middle Workforce Area.

The NMWB has had seven providers of WIOA services since the State mandated a separation of duties in 2017. Four of those were youth providers while three were adult and dislocated worker service providers, with one being a for-profit company. This frequent rotation of providers, driven by procurement mandates, has caused employee turnover and an erosion of institutional knowledge. As a result, NMWB staff are in a constant state of training and performance has suffered, particularly over the last two years, with key performance indicators such as enrollments and the minimum participant cost rate falling short of required benchmarks.

Although the Board has considered this transition in recent years, the determining factor was the release of allocation planning estimates for 2025-2026. The Northern Middle area is projected to face a reduction of over $1 million dollars on July 1, 2025. Over the last three years, NMWB's funding has declined almost 25%, prompting the Board to reassess operations, including potential AJC closures and other operational adjustments.

Following the State Workforce Board's adoption of the new procurement policy on February 28, 2025, the NMWB and Chief Local Elected Official determined that the most efficient and effective path forward is for Workforce Essentials to serve as the Career Service Provider.

In accordance with the policy, we have attached the following information to address the four stipulated requirements.

a. Updated Organizational Chart.
b. Written procedures indicating firewall separations.
c. Supporting data for the request.
d. Timeline to implement.

Docusign Envelope ID: 05D817EA-B17A-466B-B806-CC94AF40B41E

Thank you for the opportunity to submit this request. We believe it is the optimum solution for the citizens of Tennessee and will provide a quality workforce structure that aligns with economic development and educational entities to promote the vision of TN Works.

If you have additional questions or concerns regarding this request, please address them to our Executive Director, Marla Rye.

Sincerely,

DocuSigned by:

63BEE9CB85B8480...

John Zobl, NMWB Chair

Signed by:

Bob Rial

B1D42316DE2F418...

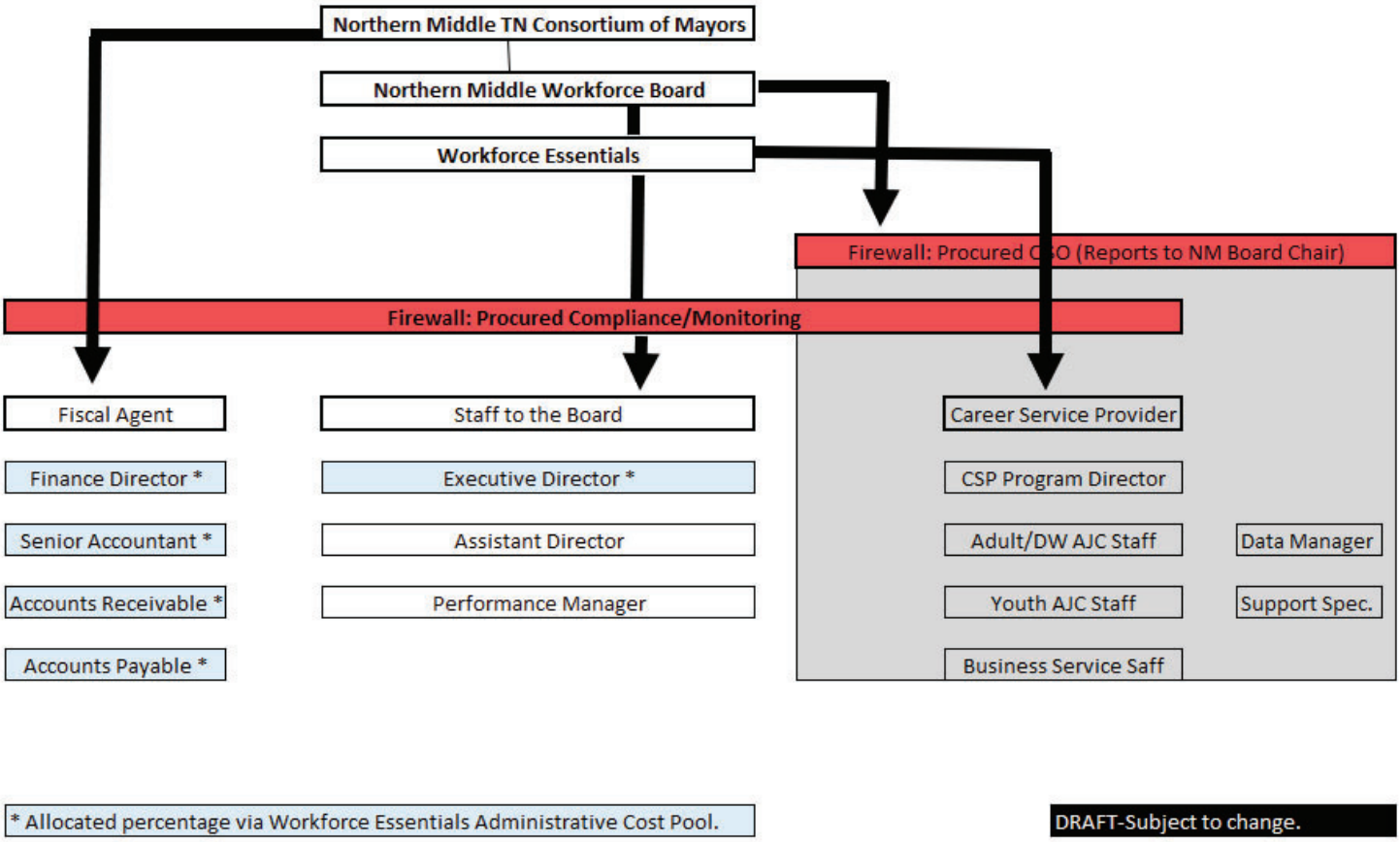
Bob Rial, Chief Local Elected Official

Cc: Marla W. Rye

Justification Request

a. Updated Organizational Chart

The Organizational Chart depicts the three distinct roles of Fiscal Agent, Staff to the Board and Career Service Provider.



b. Procedures indicating firewall separations.

Firewalls will be enforced through multiple processes including:

1. The Fiscal Agent will report to the CLEO as he is financially responsible for WIOA funding. The CLEO appoints the fiscal agent and has direct responsibility for services. Monthly invoices require approval in Smart Simple and contracts require his or his designee signature.
2. The NMWB will continue to procure an independent One-Stop-Operator (OSO) which will report to the NMWB Chair or designee. The OSO will present quarterly to the full NMWB. Please know that the NMWB is open to a state-wide procurement of the OSO by your department. The NMWB staff will monitor OSO operations.

3. WEI will provide CSP services and report directly to the Workforce Essentials Board of Directors. The NMWB will provide strategic direction and monitor performance of the career service provider.
4. Programmatic and Fiscal compliance monitoring will be procured to a third party to monitor Board and career service provider operations. By having an independent monitor, all conflicts of interest between the related organization will be eliminated.
5. While not a specific firewall, the NMWB and WE will be subject to a Single Audit by an independent certified public accounting firm which will review grantee's financial management processes, including financial management systems and its compliance with all of its federal grant requirements.

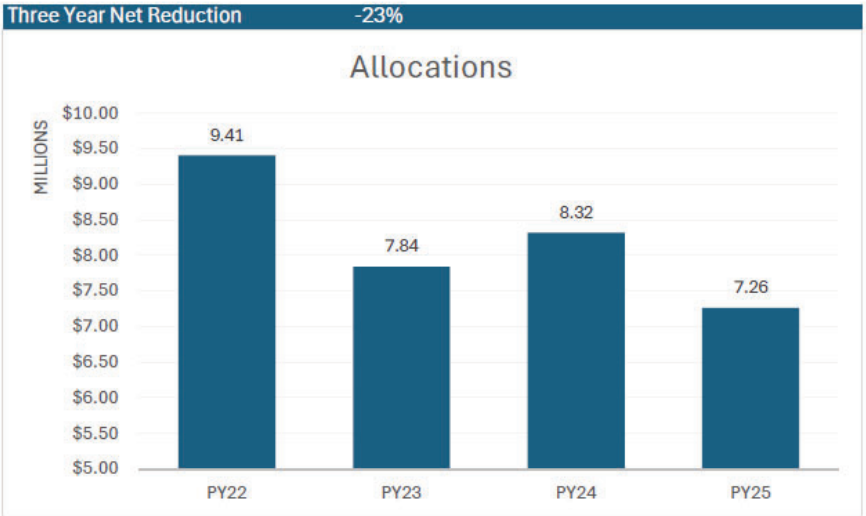
c. Supporting data for the request

Financial:

The NMWB has experienced a significant reduction in funding over the last three years. More than $2 million has been eliminated from the budget since PY23.

Northern Middle TN LWDB
Allocation Reduction
Three-Year Net Reduction

	Allocations	$ Reduction	% Reduction
PY22	9,407,167.00		
PY23	7,839,846.55	(1,567,320.45)	-17%
PY24	8,321,810.00	481,963.45	6%
PY25	7,263,356.00	(1,058,454.00)	-13%
Three Year Net Reduction		(2,143,811.00)	-23%



The reduction in funding has caused the NMWB to review operational efficiencies. The current career service provider is a for-profit company. Since contract implementation on January 1, 2021, approximately $250,000 has been paid in negotiated performance incentives. However, no incentives will be paid for the current program year.

In addition, the Board is currently measuring the effectiveness of bricks and mortar affiliate sites. Decisions will be made at the May board meeting on potential office closures.

Performance:
At the end of program year 2024, the June report indicated that Northern Middle failed to achieve the MPCR. This is the first year since inception that NM did not meet the standard.

Northern Middle Report Card - June 2024

	Adult	Apprenticeship	Dislocated Worker	National Dislocated Worker	Rapid Response	Reemployment Services and Eligibility Assessment	Senior Community Service Employment Program	Statewide Activities	Youth	Total
Total Budget	$ 5,350,882.44	$ 223,575.00	$ 6,351,099.11	$ 515,351.08	$ -	$ 494,191.98	$ -	$ 2,998,443.61	$ 5,564,478.98	$ 21,498,022.20
Total Obligations	$ 5,109,695.64	$ 217,943.41	$ 6,051,110.40	$ 515,351.08	$ -	$ 483,119.74	$ -	$ 2,820,589.00	$ 5,315,777.68	$ 20,513,586.95
Total Expenditures	$ 4,196,135.18	$ 217,943.41	$ 4,039,338.41	$ 515,351.08	$ -	$ 425,137.27	$ -	$ 1,873,859.79	$ 3,061,930.02	$ 16,329,695.16
Total Unliquid. Obligations	$ 913,560.46	$ -	$ 2,011,771.99	$ -	$ -	$ 57,982.47	$ -	$ 946,729.21	$ 253,847.66	$ 4,183,891.79
Total Unobligated Balance	$ 241,186.80	$ 5,631.59	$ 299,988.71	$ -	$ -	$ 11,072.24	$ -	$ 177,854.61	$ 248,701.30	$ 984,435.25
Total Remaining Balance	$ 1,154,747.26	$ 5,631.59	$ 2,311,760.70	$ -	$ -	$ 69,054.71	$ -	$ 1,124,583.82	$ 502,548.96	$ 5,168,327.04
Obligation %	95.49%	97.48%	95.28%	100.00%	0.00%	97.76%	0.00%	94.07%	95.53%	95.42%
Utilization %	78.42%	97.48%	63.60%	100.00%	0.00%	86.03%	0.00%	62.49%	90.97%	75.96%
Unliquid. Obligation %	17.07%	0.00%	31.68%	0.00%	0.00%	11.73%	0.00%	31.57%	4.56%	19.46%
Unobligated Balance %	4.51%	2.52%	4.72%	0.00%	0.00%	2.24%	0.00%	5.93%	4.47%	4.58%
Remaining Balance %	21.58%	2.52%	36.40%	0.00%	0.00%	13.97%	0.00%	37.51%	9.03%	24.04%
Workforce Board Costs	$ 381,757.54	$ 15,225.41	$ 356,714.02	$ (2,740.00)	$ -	$ 18,671.35	$ -	$ 204,833.93	$ 349,412.26	$ 1,323,874.51
One-Stop Operator Costs	$ 22,273.04	$ -	$ 75,496.71	$ -	$ -	$ -	$ -	$ -	$ 39,302.58	$ 137,272.33
Career Service Provider Costs	$ 1,435,734.99	$ -	$ 1,810,484.89	$ -	$ -	$ 226,767.58	$ -	$ -	$ 1,470,036.34	$ 4,943,023.80
Incumbent Worker Training Costs	$ 14,405.03	$ -	$ 82,695.88	$ -	$ -	$ -	$ -	$ 173,550.84	$ 4,284.00	$ 274,935.75
Adjusted Participant Costs	$ 617,234.33	$ 202,718.00	$ 1,202,806.18	$ 20,244.80	$ -	$ -	$ -	$ 1,402,564.05	$ 1,108,573.85	$ 4,554,141.21
Total Expenditures	$ 2,471,404.93	$ 217,943.41	$ 3,528,197.68	$ 17,504.80	$ -	$ 245,438.93	$ -	$ 1,780,948.82	$ 2,971,809.03	$ 11,233,247.60
Workforce Board %	15.45%	6.99%	10.11%	-15.65%	0.00%	7.61%	0.00%	11.50%	11.76%	11.79%
One-Stop Operator %	0.90%	0.00%	2.14%	0.00%	0.00%	0.00%	0.00%	0.00%	1.33%	1.22%
Career Service Provider %	58.09%	0.00%	51.31%	0.00%	0.00%	92.39%	0.00%	0.00%	49.47%	44.00%
Incumbent Worker Training %	0.58%	0.00%	2.34%	0.00%	0.00%	0.00%	0.00%	9.74%	0.14%	2.45%
Adjusted Participant %	24.98%	93.01%	34.09%	115.65%	0.00%	0.00%	0.00%	78.75%	37.30%	40.54%

Potential Recapture

	Adult	Dislocated Worker	Youth	Total
First Year Potential Recapture [1]	$ -	$ -	$ -	$ -
Second Year Potential Recapture [2]	$ -	$ -	$ -	$ -

Federal Measures

	Out-of-School Youth [3]	Work Experience [4]	Incumbent Worker Training [5]	Transitional Jobs [6]
Program Year 2022	52.71%	30.16%	4.57%	0.00%
Program Year 2023	66.58%	28.11%	0.00%	0.00%

Performance

	Adult	Dislocated Worker	Youth	Total
Total Enrollments	1,862	699	1,125	3,686
Cost per Participant	$ 1,184.06	$ 4,764.74	$ 2,436.66	$ 2,245.39

State Measures

	Adult	Dislocated Worker	Youth	Total
Direct Participant Cost Rate [7]	28.18%	37.03%	40.50%	38.09%

PAR Monitoring

Program Year 2022		Program Year 2023	
Review Held:	Yes	Review Held:	Yes
Findings:	No	Findings:	No
Findings Resolved:	N/A	Findings Resolved:	N/A

Systems Reconciliation

	SmartSimple	Jobs4TN	Difference	Status
Systems Reconciliation [8]	$ 3,151,577.16	$ 3,510,229.03	$ (358,651.87)	Reconciled

As of January 2025, the NMWB is still below the MPCR threshold.

Northern Middle Report Card - January 2025

	Adult	Apprenticeship	Dislocated Worker	National Dislocated Worker	Rapid Response	Reemployment Services and Eligibility Assessment	Senior Community Service Employment Program	Statewide Activities	Youth	Total
Total Budget	$ 5,026,168.44	$ 281,200.00	$ 5,830,846.11	$ -	$ -	$ 251,400.78	$ -	$ 2,473,463.00	$ 5,304,641.98	$ 19,167,720.31
Total Obligations	$ 4,689,495.90	$ 258,657.41	$ 5,330,299.70	$ -	$ -	$ 251,400.78	$ -	$ 2,342,185.40	$ 4,865,136.62	$ 17,737,175.81
Total Expenditures	$ 2,452,673.39	$ 40,657.41	$ 2,546,508.17	$ -	$ -	$ 251,400.78	$ -	$ 1,988,718.59	$ 3,128,532.92	$ 10,408,491.26
Total Uniliquid. Obligations	$ 2,236,822.51	$ 218,000.00	$ 2,783,791.53	$ -	$ -	$ -	$ -	$ 353,466.81	$ 1,736,603.70	$ 7,328,684.55
Total Unobligated Balance	$ 336,672.54	$ 22,542.59	$ 500,546.41	$ -	$ -	$ -	$ -	$ 131,277.60	$ 439,505.36	$ 1,430,544.50
Total Remaining Balance	$ 2,573,495.05	$ 240,542.59	$ 3,284,337.94	$ -	$ -	$ -	$ -	$ 484,744.41	$ 2,176,109.06	$ 8,759,229.05
Obligation %	93.30%	91.98%	91.42%	0.00%	0.00%	100.00%	0.00%	94.69%	91.71%	92.54%
Utilization %	48.80%	14.46%	43.67%	0.00%	0.00%	100.00%	0.00%	80.40%	58.98%	54.30%
Uniliquid. Obligation %	44.50%	77.52%	47.74%	0.00%	0.00%	0.00%	0.00%	14.29%	32.74%	38.23%
Unobligated Balance %	6.70%	8.02%	8.58%	0.00%	0.00%	0.00%	0.00%	5.31%	8.29%	7.46%
Remaining Balance %	51.20%	85.54%	56.33%	0.00%	0.00%	0.00%	0.00%	19.60%	41.02%	45.70%
Workforce Board Costs	$ 313,672.17	$ 4,157.41	$ 126,933.28	$ -	$ -	$ 4,033.86	$ -	$ 120,424.04	$ 149,438.99	$ 718,659.75
One-Stop Operator Costs	$ 27,244.21	$ -	$ 30,140.97	$ -	$ -	$ 2,021.91	$ -	$ -	$ 23,275.91	$ 82,683.00
Career Service Provider Costs	$ 826,663.83	$ -	$ 966,662.38	$ -	$ -	$ 55,149.72	$ -	$ -	$ 608,711.07	$ 2,457,187.00
Incumbent Worker Training Costs	$ 25,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 25,000.00
Adjusted Participant Costs	$ -	$ 36,500.00	$ 819,863.13	$ -	$ -	$ -	$ -	$ 475,995.46	$ 339,318.93	$ 1,671,677.52
Total Expenditures	$ 1,192,580.21	$ 40,657.41	$ 1,943,599.76	$ -	$ -	$ 61,205.49	$ -	$ 596,419.50	$ 1,120,744.90	$ 4,955,207.27
Workforce Board %	26.30%	10.23%	6.53%	0.00%	0.00%	6.59%	0.00%	20.19%	13.33%	14.50%
One-Stop Operator %	2.28%	0.00%	1.55%	0.00%	0.00%	3.30%	0.00%	0.00%	2.08%	1.67%
Career Service Provider %	69.32%	0.00%	49.74%	0.00%	0.00%	90.11%	0.00%	0.00%	54.31%	49.59%
Incumbent Worker Training %	2.10%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.50%
Adjusted Participant %	0.00%	89.77%	42.18%	0.00%	0.00%	0.00%	0.00%	79.81%	30.28%	33.74%

Potential Recapture

	Adult	Dislocated Worker	Youth	Total
First Year Potential Recapture [1]	$ -	$ -	$ -	$ -
Second Year Potential Recapture [2]	$ 75,944.64	$ 368,160.94	$ 160,663.46	$ 604,769.04

Federal Measures

	Out-of-School Youth [3]	Work Experience [4]	Incumbent Worker Training [5]	Transitional Jobs [6]
Program Year 2023	67.36%	30.11%	0.00%	0.00%
Program Year 2024	63.98%	11.36%	0.43%	0.00%

Performance

	Adult	Dislocated Worker	Youth	Total
Total Enrollments	1,997	760	1,051	3,808
Cost per Participant	$ 514.29	$ 2,440.67	$ 982.04	$ 1,027.85

State Measures

	Adult	Dislocated Worker	Youth	Total
Direct Participant Cost Rate [7]	0.00%	44.20%	32.88%	31.41%

PAR Monitoring [8]

	Monitoring Year 2023		Monitoring Year 2024	
Monitoring Status:	Report Issued	Monitoring Status:	Pending
Findings:	0	Findings:	0
Findings Resolved:	N/A	Findings Resolved:	N/A

Systems Monitoring

	SmartSimple	Jobs4TN	Difference	Status
Systems Reconciliation [9]	$ 1,250,111.56	$ 1,200,675.30	$ 49,436.26	Reconciled

	Active Contracts	Total Submissions	Late Submissions	% of Late Submissions
SmartSimple Reports [10]	15	30	0	0.00%

By allowing Workforce Essentials to be the Career Service Provider, changes can be made rapidly to address deficiencies immediately.

Enrollment measures were unsuccessful in program year 2023-2024. Only 75% of the target enrollments were achieved.

Northern Middle Workforce Board Key Performance Indicators
July 1, 2023 through June 30, 2024

	Jul-23	Aug-23	Sep-23	Q1	Oct-23	Nov-23	Dec-23	Q2	Jan-24	Feb-24	Mar-24	Q3	Apr-24	May-24	Jun-24	Q4	Annual/YTD
Adult, Dislocated Worker and National Dislocated Worker - New Enrollment TARGET				210				250				250				290	1000
Adult	68	93	69	230	40	19	16	75	8	18	45	71	24	80	50	154	530
Dislocated Worker	13	21	27	61	31	13	6	50	7	6	21	34	13	25	42	80	225
National Dislocated Worker Grant	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Incumbent Worker	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	81	114	96	291	71	32	22	125	15	24	66	105	37	105	92	234	755
Percent of Goal				138.57%				50.00%				42.00%				80.69%	75.50%

Finally, working with the state, the NMWB implemented pilot programs in three locations to determine the best approach to service delivery. While improvements were made in two of the three areas, the pilot in Clarksville, led by Workforce Essentials proved to be the most successful for Title I operations.

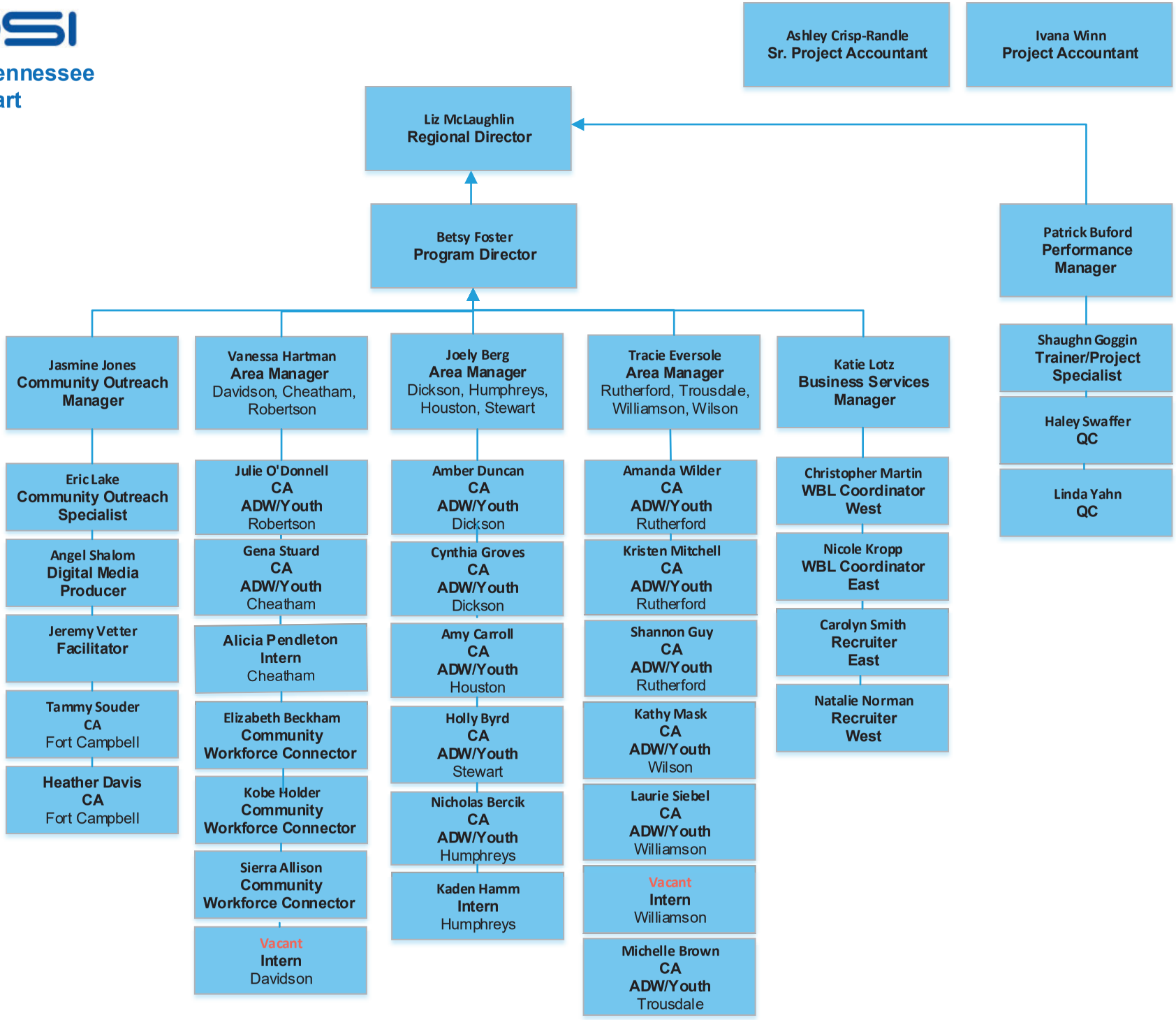
d. Timeline to implement:

Task	Timeline
Submission Request	March 24, 2025
Anticipated Approval	April 1, 2025
Staffing structure finalized	April 18, 2025
Positions posted	April 21, 2025
Selection of staff	May 15, 2025
Staff Training	June 1-30, 2025
Current CSP contracts end*	June 30, 2025
WEI Implementation	July 1, 2025

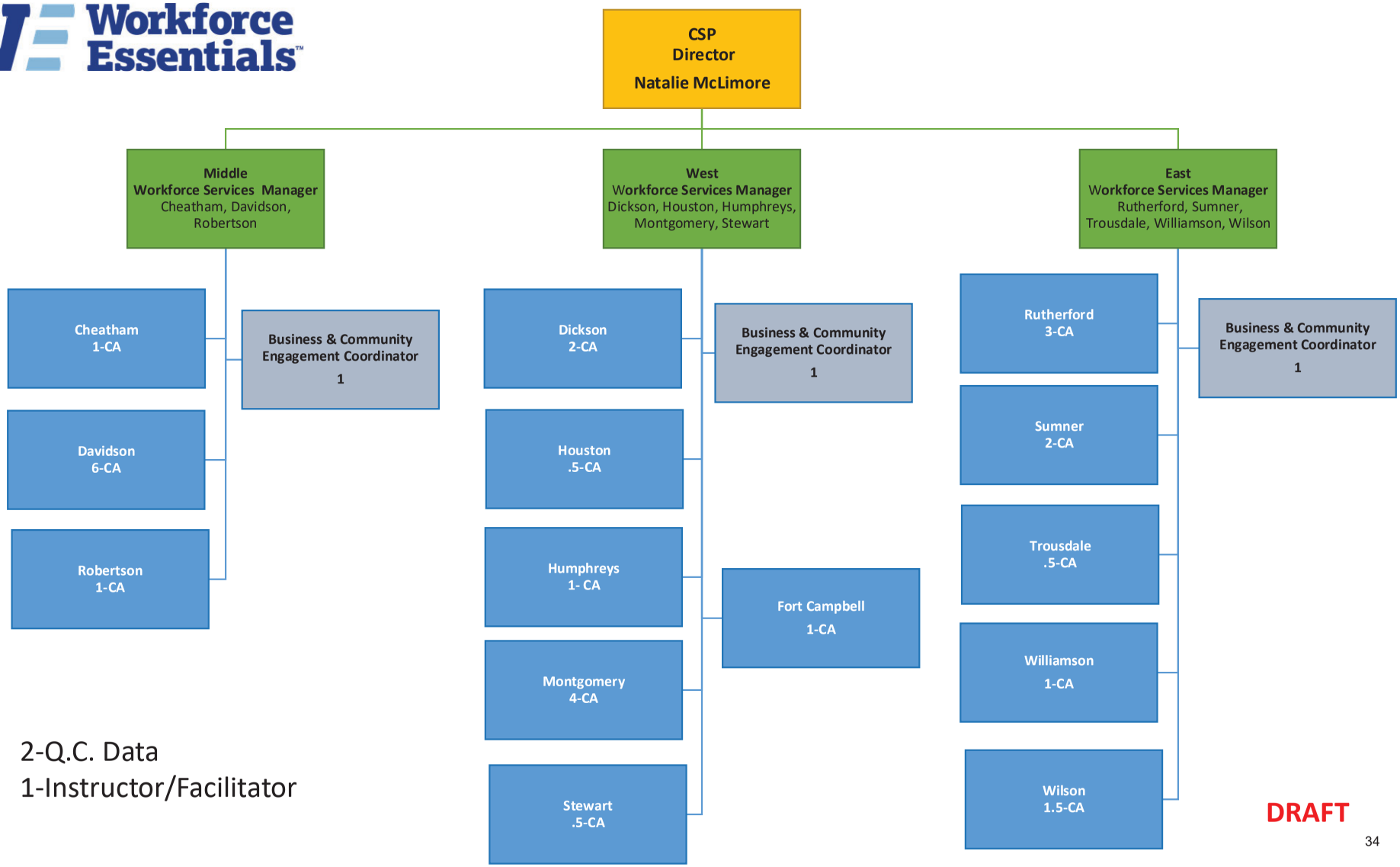
*While the timeline is tight, the NMWB reserves the right to extend CSP contracts for specific services such as YEP that otherwise might have an adverse impact on participants.

EDSI

Northern Middle Tennessee Organizational Chart



Workforce Essentials™



2-Q.C. Data
1-Instructor/Facilitator

DRAFT

Workforce Essentials Position Selection Timeline

Monday April 14th

Workforce will issue job postings/ descriptions

Friday April 18th

Submit your cover letter and resume for the position(s) you are interested in by COB.

April 22nd - 30th

Interviews will be conducted for every applicant.

May 2nd

Job Selections will be announced

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