



Finance Committee

July 31, 2024

9:00 A.M.

[Click here for zoom link](#)

Meeting ID: 841 0860 5044

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Agenda

Welcome

Call the Meeting to Order

Approval of Minutes

Business Reports:

1. CSP Procurement Update
 - a. Demonstration Projects
2. 2023-2024 Budget Recap
3. CSP Trends
4. 2024-2025 Budget
5. Monitoring
6. Action Items
7. Updates:
 - a. By-Law Changes
 - b. Auditor

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/84108605044?pwd=1n1CKgS5Qa1HDfEn5ARKzsaBtAnCul.1>



DRAFT UNTIL
APPROVED

Northern Middle Tennessee Workforce Board
Finance Committee
Meeting Minutes
May 2, 2024, via Zoom at 9:00 a.m.

Members Attending	Members Absent	Staff & Guests Attending
Dan Caldwell	Keith Carnahan	Marla Rye
Kristi Spurgeon	Mark Peed	Cinthya Rodriguez
Paul Webb		Ginger Fussell
Sho Samuels		Andrea Dillard
John Zobl		Meagan Dobbins
David Rutledge		Alyssa Spaulding

The Northern Middle Tennessee Workforce Board Finance Committee met via Zoom on May 2, 2024, at 9 a.m.

With a quorum present, the meeting was called to order by Dan Caldwell, acting chair. Paul Webb moved to approve the minutes, and David Rutledge seconded. With no further discussion, the minutes were unanimously approved.

2023-2024 Budget Update

Ginger Fussell reviewed the budget. Q3 expenditures were \$2.2M, a reduction of about \$747K from the prior quarter. This was expected since the \$3.4M spent in Q1 could not be maintained in the remaining quarters. Youth has spent 99.6% of their budget at only 75% of the year progression. However, youth can continue to be served with funding from the Tennessee Youth Employment Program grant. At the previous Board meeting, the members voted to request an additional \$1 million to repurpose dislocated worker funding for adult use. The state has granted that request. The Titan’s Stadium Project is a new grant of \$389K.

She then moved on to the Q3 MPCR requirements. MPCR decreased from 46.83% to 40.37%, barely meeting the 40% requirement. This is not surprising for two reasons: four counties are participating in the Labor Force Participation Rate project aimed at putting people directly to work and EDSI’s budget pacting to include participant expenses. Shoshana Samuels then asked what, if any, are the ramifications of dropping below the 40% benchmark. Marla responded that the State was told at the beginning of the project that the 40% would not be maintainable, and they still agreed to it. There is no Federal requirement to meet that 40%; it is only a State requirement.

Ginger Fussell then continued with the billing trend for the combined Career Services Providers. The average amount they could bill in Q3 would be around \$1.8M. They billed \$1.5M, leaving them with \$2.2M to bill in Q4. There was a \$612K decrease in billing this quarter due to strategic budget pacing. There is \$900K remaining to be spent on the Tennessee Youth Employment Program by September 30, 2024, the end of the contractors' contract.

She proceeded with an update on the Contractors' 42-month contract progression. The term is at 93% completed at month 39. EDSI has billed 92% of their contract and MAC has billed 90% of their base contract, meaning they are in line with time progression. Mid Cumberland, the one-stop operator, is in month 9 of 12 in their contract and has billed for 63% of their contract. Since OSO expenses are an overhead expense, it is beneficial for those expenses to be below budget.

EDSI has either met or exceeded the dollar-driven goals contract-to-date. For the fiscal year, adult/DW has met the dollar-driven goals by fund stream. For youth, they have met two out of three of their goals contract to date. For the fiscal year, they have only met the in-school youth goal. They are very close to the MPCR for youth. MAC has met all three of their dollar-driven goals contract-to-date and fiscal year to date.

CSP Provider/Monitoring

Ginger Fussell then briefly updated the Committee on the coming year's financial audit. It was discussed in the last meeting that Thurman and Campbell are leaving the governmental audit business. However, they are considering doing it for another year. It was also discussed that TOSS was making an ongoing visit. TOSS, formerly the Program Integrity Unit, is now the Training Oversight and Strategic Support Unit and is one of the state's oversight units. She noted that this group is NOT the fiscal group of annual monitors known as PAR. TOSS primarily focuses on programmatic functions but does have some overlap on fiscal matters. They have released a report that included two findings. The first finding was that there was "paused" funding for new participants, and the second dealt with signage that should have been displayed at the Nashville AJC. They then found four observations. One was the lack of staff capacity in reference to our career service providers. Another was that there was no representation from the Title I group on the business services team in the Murfreesboro AJC. The final two were related to the display of EO posters and limited access to telephones designed for deaf and hard-of-hearing individuals. Northern Middle has responded with an in-depth corrective action plan. Marla and Chairman Zobl have also met with the CEO of EDSI to discuss performance improvement and have laid forth their expectations through year-end.

Marla then discussed enrollment KPIs stand to explain the state's concern. Andrea Dillard reminded the committee about EDSI's aggressive spending at the end of 2023 and the beginning of 2024 program year. This spending did result in a total of 301 enrollments when they only needed 210. However, after the scaled back enrollments, the TOSS team was concerned that EDSI had only enrolled 125 participants out of the 250 goal in December. At the end of March, they had only enrolled 105 of the 250 goal. Marla asked where EDSI stands currently in enrollment and Andrea Dillard replied that they were at 562 of their 1000 goal. They are at 56% and should be at 75%.

Ginger continued in her monitoring update that EDSI's quarterly incentive payments were withheld due to failure to meet quarterly enrollment KPI's. Their biweekly contractor updates have also been stepped up to weekly as a part of the corrective action plan. As a staff training update, EDSI has eliminated five full-time positions, resulting in three layoffs. They have three open positions, and MAC has two open positions. In MAC's case, however, the remaining staff successfully managed their caseloads, and no interruption of services occurred. Northern Middle has hired four temporary staff members to help EDSI with the upcoming Tennessee Youth Employment Program (TYEP) caseload so that they will have more time to focus on their enrollment KPIs.

Marla then elaborated that the TYEP is very labor-intensive program. Around 350 youths have to be assigned to work sites. She then mentioned that when Chairman Zobl met with the CEO of EDSI, he agreed to attend the upcoming board meeting to address what they are doing from an organizational standpoint. They have requested to move money from overhead line items to direct participant expenses to increase performance. Marla applauded them for this but expressed disappointment in their failure to meet their KPI goals. She then opened the floor to questions.

Dan Caldwell began by asking for clarification on whether the contractors go out and make calls to recruit or if they wait for individuals to come into the office to achieve their enrollment. Marla responded that they do a combination of both and have developed a plan to go out to several partners in educational institutions and organizations to see how they can recruit more job seekers into the program. John Zobl asked Andrea Dillard if EDSI had given a projected number they believed was achievable. She responded that they are projecting about 70%. Chairman Zobl expressed his frustrations on the matter and asked what the Workforce Essentials staff thought EDSI could realistically achieve. Marla answered that they must be careful about demanding enrollment because EDSI could decide to enroll without a career plan and hurt performance outcomes. She believes that after meeting with them weekly, they have the willpower to make it happen and that they may be able to achieve 75% of enrollments. Chairman Zobl then remarked that this would be an all-time low for the NMTWB and that this kind of performance does not indicate the type of people that belong to the organization nor the effort that the WE staff have invested with EDSI to help them make their goals. Kristi Spurgeon agreed that the entire situation was frustrating, especially with there being a market of people wanting to go to work.

Marla replied that after much consideration, a procurement for new Career Service Providers has been released. She warned this could set performance back even further during the implementation phase. David Rutledge remarked that with all of the internal issues that EDSI is currently facing, evaluating their contract is a good idea. Continuing to go with them just because they are already trained could become a sunk-cost fallacy. Shoshana Samuels agreed and applauded how much effort the board and staff put into assisting the current providers.

2024-2025 Budget Projection

Ginger Fussell reminded the Committee that the next committee meeting would be held after the beginning of the new fiscal year and that a base 2024-25 budget was needed. The base amount proposed was \$11.4M. The budget was lower due to reduced carryover resulting from last year's funding reduction, coupled with strong grant utilization of that funding.

Action Items

Ginger Fussell reviewed the requested action items. The first item was to accept the 2023-24 financial report with the \$389K increase in the current year's budget, bringing the total to \$15.2M, including the Youth Employment Program. The second item to accept was the base 2024-25 budget of \$11.4M. A motion was made by Dan Caldwell to accept the items as listed. The motion was seconded by Shoshana Samuels. With no further discussion, the committee approved the action items.

CSP Procurement Timeline

Marla reminded the committee that Thomas P. Miller was contracted to procure new Career Service Providers independently. The RFP was released on April 1, and bidders were allowed to ask questions. The answers were released on April 17. She believes that there will be four organizations that apply but has not received any official notification. After those organizations bid, Thomas P. Miller will conduct interviews and select winners. Marla suggested that the members of the Finance and Executive Committees should also review those proposals before announcing the new CSPs. There will be a transition period for the new CSPs, if any, beginning in Q3 due to EDSI administering the Youth Employment Program over the summer. She then opened the floor to questions, and Chairman Zobl agreed that a separate review of the proposals by the Committees would be wise. Marla commented that the Board would not be doing their due diligence if they did not use the Board's knowledge and skillset when making such an important selection.

NM WIOA Plan

Marla continued by discussing the NM WIOA plan. It is a compliance-driven plan that the state requires, with five identified objectives to focus on. The objectives include increasing the Labor Force Participation Rate and putting a system together to accurately track the number of participants who are going to work who may not be enrolled in the WIOA programs but have come into the AJCs. Another objective is to increase the number of youth in the Tennessee Youth Opportunity Program through the Title III Wagner Peyser Program. Additionally, increased staff training and development is needed to ensure the AJC staff can provide quality services.

Adjourn

With no further questions, John Zobl adjourned the meeting.

Northern Middle Workforce Board



Goals

Improve service delivery in Northern Middle for job seekers, employers and workforce professionals.

Nashville

1

Goal

Increase Outreach in Davidson County by meeting customers in their communities.

Gallatin

2

Goal

Improve service delivery in Sumner County through a state led comprehensive model.

Clarksville

3

Goal

Improve services to job seekers and employers in Montgomery County through NM Board led project.

DAVIDSON COUNTY

JOB SEEKER

Model includes:

- Closing current AJC on Main Stream Drive
- New, smaller AJC on Elm Hill Pike with NSCC
- Incorporate Adult Education/Center for English Language Learners/Senior Workers
- Deploy AJC staff out in the community with pop-up offices at CBOs (MOB, MDHA, TCAT)
- Existing CSPs continue MAC and EDSI

EMPLOYER

Model Includes:

- Sector Strategy for Hospitality
- Staffing Agency Approach
- Business Engagement Plan
- Development of Career Pathways
- Apprenticeship Development

SUMNER COUNTY

JOB SEEKER

Model includes:

- State Led Demonstration/CSP
- All employees reporting to same agency
- Hub in current AJC with staff deployed in community
- White House, Portland, Hendersonville, CBOs
- Board provide Title I funding to State
- Board retain direct funding for program

EMPLOYER

Model Includes:

- Sector Strategy for Logistics
- Staffing Agency Approach
- Business Engagement Plan
- Development of Career Pathways
- Apprenticeship Development

MONTGOMERY COUNTY

JOB SEEKER

Model includes:

- Board Led Demonstration/CSP
- All employees reporting to same agency
- Hub in current AJC with staff deployed in community
- Pop-ups Library, Housing Agency, K-12, TCAT
- Board retain all funding.
- Title III Staff remain state employees-report to board.

EMPLOYER

Model Includes:

- Sector Strategy for Manufacturing
- Staffing Agency Mentality
- Business Engagement Plan
- Development of Career Pathways
- Apprenticeship Development
- Focus on Labor Force Participation Rate

BALANCE OF NORTHERN MIDDLE

JOB SEEKER

Model includes:

- EDSI continues as CSP to 6/30/25
- Hub in current AJC with staff deployed in community
- Pop-ups Library, Housing Agency, K-12, TCAT
- Stronger alignment with Title III state staff
- Cheatham, Dickson, Houston, Humphreys, Robertson, Rutherford, Stewart, Trousdale, Williamson, Wilson

EMPLOYER

Model Includes:

- Sector Strategy as defined
- Staffing Agency Mentality
- Business Engagement Plan
- Development of Career Pathways
- Apprenticeship Development
- Focus on Labor Force Participation Rate
- Alignment with Title III

Plan Design



Job Seeker

Take services to job seekers and meets them at their door. Streamlines services and allows for improved customer service through the use of generalist that can provide multiple services. Increases pipeline of workers through outreach.



Employer

Provide increased focus and accountability on services to employers. Emphasizes sector strategy and staffing company model. Intent to standardize services for consistency in employer offerings.



Workforce Staff

Model explores staffing patterns that promote teamwork and job security with performance accountability embedded.

Executive Committee Action

1

Procurement

Nullify current TPMA procurement.

2

Demonstration

Approve models as presented in Davidson, Sumner and Montgomery.

3

Service Contracts

Extension of EDSI and MACs contracts for 9 months with modifications for demonstration projects.
Extend MCHRA's OSO Contract for 12 months.

4

Nashville AJC

Approve closure and relocation of AJC

NORTHERN MIDDLE TN WORKFORCE BOARD

JUNE 2024 FISCAL UPDATE

2023-24 BUDGET PROGRESSION & SPEND TREND

	(\$ in 000's)				Expenses YTD	Revised FY 2023-24 12 Mo. Budget	% Spent
	2023 QTR 1	2023 QTR 2	2024 QTR 3	2024 QTR 4			
Northern Middle LWDA							
Infrastructure Funding Agreement	101	97	97	95	390	1,000	39.0%
Adult	1,275	271	347	579	2,472	3,143	78.7%
Dislocated Worker Re-purposed for Adult	39	897	566	211	1,713	2,500	68.5%
Dislocated Worker for DW	441	614	333	428	1,816	2,757	65.9%
Youth	921	890	653	507	2,971	2,474	120.1%
RESEA	55	52	60	78	245	300	81.7%
National Dislocated Worker (Flood) ended 8/20/23	18	0	0	0	18	52	34.6%
Summer Youth Phase 1 ended 8/31/23	167			0	167	435	38.4%
Tennessee Youth Phase 2 beginning 7/1/23	419	60	52	766	1,297	1,760	73.7%
Total FY 23-24 Expense vs Budget	3,436	2,881	2,108	2,664	11,089	14,421	76.9%
Reduced RESEA Budget to Actual (net \$259)					0	-41	0.0%
Apprenticeship		78	23	55	156	156	100.0%
Consolidated Business Grant			81	141	222	266	83.5%
National Apprenticeship Grant				30	30	30	100.0%
December Total FY 23-24 Expense vs Budget	3,436	2,959	2,212	2,890	11,497	14,832	77.5%
Titan Stadium Project				95	95	389	24.4%
March Total FY 23-24 Expense vs Budget	3,436	2,959	2,212	2,985	11,592	15,221	76.2%
Apprenticeship				33	33	38	86.8%
Tennessee Youth Phase 2 Increase					0	324	0.0%
June Total FY 23-24 Expense vs Budget	3,436	2,959	2,212	3,018	11,625	15,583	74.6%
Net Budget Increase						362	
<p><i>* Northern Middle's grant utilization for Quarter 4 increased by \$806k over Q3. This increase was slightly more than last quarter's decrease.</i></p>							
<p><i>* Youth spending exceeded budget which reduces Youth carryover into 2024-25. Youth can continue to be served with work experience opportunities funded by the Tennessee Youth program.</i></p>							

NORTHERN MIDDLE TN WORKFORCE BOARD

JUNE 2024 FISCAL UPDATE

5-Year Expenditure Comparison

2023-24 expenses were approximately \$923k less than the prior year, averaging approx. \$2.9M per quarter. Grant utilization declined by only 2%.

	Fiscal Year	Fiscal Year		Grant Utilization
		Expenses	Qtrly Ave.	
Five-Year Comparison	2023-24	\$ 11,625	\$ 2,906	75%
	2022-23	\$ 12,548	\$ 3,137	77%
	2021-22	\$ 11,008	\$ 2,752	69%
	2020-21	\$ 13,193	\$ 3,298	70%
	2019-20	\$ 11,887	\$ 2,972	80%

NORTHERN MIDDLE TN WORKFORCE BOARD
 JUNE 2024 FISCAL UPDATE

UTILIZATION OF EXPIRING GRANTS

	Grant Term	Contract	% Utilized	\$ Expired
Adult	24 Mos	2,936,042	100.00%	-
Dislocated Worker	24 Mos	3,436,430	99.74%	8,889
Youth	27 Mos	3,054,142	100.00%	-
Apprenticeship	12 Mos	193,575	97.09%	5,632
National Apprenticeship	8 Mos	30,000	100.00%	-
Consolidated Business	8.5 Mos	265,565	83.65%	43,420
		<u>9,915,754</u>	<u>99.42%</u>	<u>57,941</u>

* Admin Only

* Pending request for TDLWD approval to utilize remaining Admin for Program

NORTHERN MIDDLE TN WORKFORCE BOARD
 JUNE 2024 FISCAL UPDATE
 Minimum Participant Cost Rate (MPCR)

TDLWD Minimum Participant Cost Rate (MPCR) - Preliminary Through June 2024

MPCR = 37.21%

	MAC Youth	EDSI Youth	EDSI Adult, Dislocated Worker	NM's National DW Grant- Flood	Other (NM, & IFA)	Total
Qualifying Expenses	\$ 378,802	\$ 886,351	\$ 1,828,714	\$ 20,245	\$ (4,424)	\$ 3,109,688
Total Program	\$ 706,061	\$ 1,850,727	\$ 4,668,530	\$ 20,245	\$ 1,110,648	\$ 8,356,211
MPCR	53.65%	47.89%	39.17%	100.00%	-0.40%	37.21%

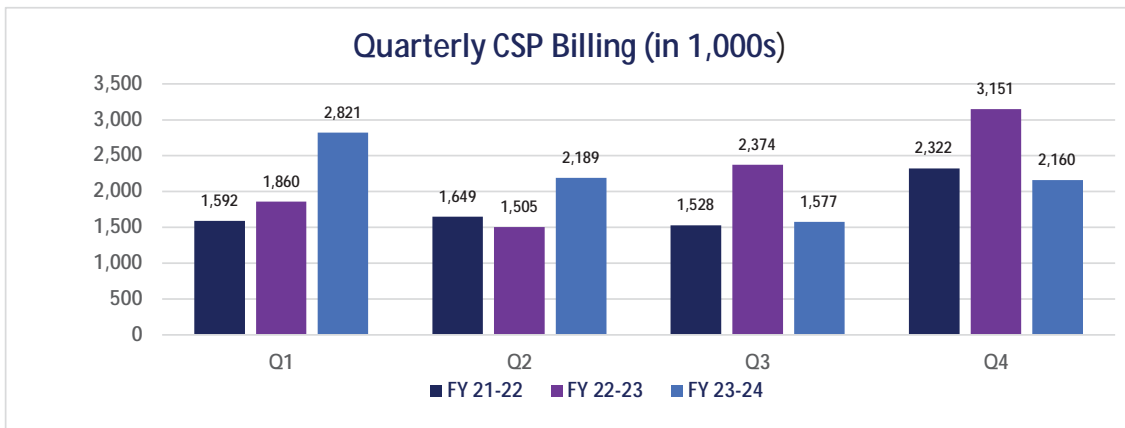
Northern Middle dropped below 40% state requirement in Q4. MPCR was impacted by the Labor Force Participation Rate Project as well as \$1.1M Tennessee Youth Employment expenditures which do not count toward MPCR.

If TYEP were included, NM's MPCR would be 44.65%.

*** PRIOR QUARTER MPCR = 40.37%***

NORTHERN MIDDLE TN WORKFORCE BOARD
 JUNE 2024 FISCAL UPDATE

CAREER SERVICE PROVIDER - BILLING TREND



*Q4 CSP billing increased \$583k compared to last quarter.
 YTD CSP billing was \$143 less than the prior year.*

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

NORTHERN MIDDLE TN WORKFORCE BOARD

JUNE 2024 FISCAL UPDATE

CONTRACTOR - BILLING PROGRESS

Career Service Provider Billing	In \$000's			% Spent - * 100% time elapsed (contracts extended)
	Total Spent Qtr Ended Jun 2024	Budget Spent Contract To Date	Total 42 Month Contract Budget	
EDSI (42 Month Comparison)	\$ 1,162	\$ 23,457	\$ 24,282	97% *
EDSI (Summer Youth bgt ended at 8/31/23)	\$ -	\$ 187	\$ 320	58%
EDSI (Summer Youth bgt through 6/30/24)	\$ 702	\$ 1,191	\$ 1,599	74%
EDSI Titans Stadium (through 6/30/25)	\$ 89	\$ 89	\$ 110	81%
MAC (42 Month Comparison)	\$ 194	\$ 1,845	\$ 1,840	100% *
MAC (Summer Youth bgt through 6/30/24)	\$ 13	\$ 70	\$ 96	73%
Contract-to-Date through Q4 2023-24	\$ 2,160	\$ 26,839		

NORTHERN MIDDLE TN WORKFORCE BOARD

JUNE 2024 FISCAL UPDATE

CONTRACTOR - BILLING PROGRESS

One-Stop Operator Billing	In \$000's			% Spent - 100% time elapsed (contract extended)
	Total Spent Qtr Ended Jun 2024	Budget Spent Contract To Date	Total 12 Month Budget	
MCHRA - (12 out of 12 Month Comparison)	\$ 65	\$ 255	\$ 300	85%

NORTHERN MIDDLE TN WORKFORCE BOARD
JUNE 2024 FISCAL UPDATE
EDSI - ADULT/DW MPCR TREND
CONTRACT-TO-DATE & QUARTERLY 42 Months

EDSI	MPCR - Goal 30% FY 23-24 w LFPR Project Adult			MPCR - Goal 30% FY 23-24 w LFPR Project DW			MPCR Adult/DW - Goal 30% FY 23-24 w LFPR Project A/DW Combined		
	Direct \$ '000	Total \$ '000	52%	Direct \$ '000	Total \$ '000	51%	Direct \$ '000	Total \$ '000	52%
CTD CUMULATIVE									
July 2023	13	118	11%	6	42	14%	19	160	12%
Aug 2023	267	430	62%	74	131	57%	341	561	61%
Sep 2023	325	570	57%	71	154	46%	396	724	55%
Oct 2023	201	366	55%	71	129	55%	271	495	55%
Nov 2023	208	377	55%	56	117	48%	264	494	53%
Dec 2023	40	207	19%	111	170	65%	151	377	40%
Jan 2024	88	256	34%	19	77	25%	107	333	32%
Feb 2024	61	223	27%	10	66	15%	71	289	24%
Mar 2024	39	258	15%	5	78	6%	44	337	13%
Apr 2024	2	165	1%	6	61	10%	8	226	4%
May 2024	1	163	0%	9	65	14%	9	228	4%
June 2024	78	299	26%	70	145	48%	147	444	33%
Total Extended 12 Months	1,322	3,432	39%	507	1,237	41%	1,829	4,669	39%
Cumulative CTD 42 Months	6,145	11,764	52%	2,582	5,064	51%	8,727	16,828	52%

EDSI	MPCR - Goal 30% FY 23-24 w LFPR Project Adult			MPCR - Goal 30% FY 23-24 w LFPR Project DW			MPCR Adult/DW - Goal 30% FY 23-24 w LFPR Project A/DW Combined		
	605	1,117	54%	151	328	46%	756	1,445	52%
QTR Ended 9/30/23	605	1,117	54%	151	328	46%	756	1,445	52%
QTR Ended 12/31/23	449	950	47%	237	416	57%	686	1,366	50%
QTR Ended 3/31/24	187	738	25%	34	222	15%	221	959	23%
QTR Ended 6/30/24	80	627	13%	84	272	31%	165	898	18%
FYE 6/30/24 (12 Mos)	1,322	3,432	39%	507	1,237	41%	1,829	4,669	39%

NORTHERN MIDDLE TN WORKFORCE BOARD
JUNE 2024 FISCAL UPDATE
EDSI YOUTH - MPCR, WORK EXPERIENCE & IN-SCHOOL
CONTRACT-TO-DATE & QUARTERLY 42 Months

EDSI	MPCR - Goal 50%			Work Experience - Goal 25%			ISY/Youth - Goal 30% effective 07.1.23		
	Youth			Youth			Youth		
CTD CUMULATIVE	Direct \$ '000	Total \$ '000	50%	Wk Exp \$ '000	Total \$ '000	27%	ISY \$ '000	Total \$ '000	30%
July 2023	81	142	57%	18	66	27%	26	66	39%
Aug 2023	150	247	61%	63	212	30%	70	212	33%
Sep 2023	226	373	61%	59	373	16%	97	373	26%
Oct 2023	111	209	53%	45	209	21%	52	209	25%
Nov 2023	112	209	54%	52	209	25%	67	209	32%
Dec 2023	51	142	36%	45	142	32%	54	142	38%
Jan 2024	7	86	8%	22	86	26%	32	86	37%
Feb 2024	32	120	27%	44	120	37%	44	120	37%
Mar 2024	24	130	19%	54	130	41%	47	130	36%
Apr 2024	26	84	32%	46	84	55%	32	84	38%
May 2024	22	61	37%	31	61	52%	21	61	35%
June 2024	42	47	89%	13	47	28%	18	47	37%
Total Extended 12 Months	886	1,851	48%	492	1,740	28%	560	1,740	32%
Cumulative CTD 42 Months	3,046	6,148	50%	1,579	5,818	27%	1,746	5,818	30%

EDSI	MPCR - Goal 50%			Work Experience - Goal 25%			ISY/Youth - Goal 30% effective 07.1.23		
	Youth			Youth			Youth		
QTR Ended 9/30/23	457	762	60%	140	651	22%	193	651	30%
QTR Ended 12/31/23	275	560	49%	141	560	25%	173	560	31%
QTR Ended 3/31/24	63	337	19%	120	337	36%	124	337	37%
QTR Ended 6/30/24	91	192	47%	90	192	47%	71	192	37%
FYE 6/30/24 (12 Mos)	886	1,851	48%	492	1,740	28%	560	1,740	32%

NORTHERN MIDDLE TN WORKFORCE BOARD

JUNE 2024 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	52%	Wk Exp \$ '000	Total \$ '000	40%	ISY \$ '000	Total \$ '000	39%
July 2023	26	56	46%	8	37	21%	15	37	41%
Aug 2023	39	68	58%	26	46	57%	20	46	44%
Sep 2023	24	50	48%	25	50	51%	16	50	33%
Oct 2023	6	36	17%	12	36	34%	14	36	40%
Nov 2023	28	49	58%	31	49	63%	17	49	35%
Dec 2023	54	75	71%	47	75	63%	40	75	53%
Jan 2024	15	75	20%	17	75	23%	27	75	36%
Feb 2024	52	53	98%	25	53	48%	19	53	36%
Mar 2024	19	51	37%	19	51	37%	21	51	41%
Apr 2024	62	94	66%	36	94	38%	26	94	27%
May 2024	10	34	30%	17	34	52%	15	34	45%
June 2024	44	66	66%	22	66	34%	34	66	51%
Total Extended 12 Months	379	706	54%	287	665	43%	265	665	40%
Cumulative CTD 42 Months	1,015	1,948	52%	729	1,840	40%	716	1,840	39%

	MPCR - Goal 50%			Work Experience - Goal 25%			ISY/Youth - 30% Goal beginning 7/1/23		
MAC	Youth			Youth			Youth		
QTR Ended 9/30/23	89	173	51%	59	132	45%	52	132	39%
QTR Ended 12/31/23	88	160	55%	90	160	56%	71	160	45%
QTR Ended 3/31/24	86	179	48%	62	179	34%	68	179	38%
QTR Ended 6/30/24	116	194	60%	76	194	39%	74	194	38%
FYE 6/30/24	379	706	54%	287	665	43%	265	665	40%

NORTHERN MIDDLE TN WORKFORCE BOARD
JUNE 2024 FISCAL UPDATE
FY2024-25 BUDGET - REVENUES

Grant Revenue	\$ in millions	\$	Change
Carryover from 22-23 (expiring June 2024)			
Total Carryover from 23-24	3.2	3,179,180.11	784,030.11
24-25 Projected Allocations	8.3	8,321,810.00	3,779.00
Total Adult, DW, Youth	11.5	11,500,990.11	787,809.11
Carryover to 25-26 for Youth	(0.5)	(558,861.00)	191,139.00
Carryover to 25-26 at 20% of Adult, DW	(1.1)	(1,105,501.00)	(461.00)
Total 24-25 Adult, DW, Youth	9.9	9,836,628.1	978,487.11
Titans Stadium Project	0.3	294,642.08	(5,357.92)
RESEA	0.3	263,491.71	3,491.71
Summer Youth	0.7	786,521.59	(213,478.41)
IFA	1.0	1,000,000.00	-
Total 24-25 Projected Grant Revenue	12.2	12,181,283.49	763,142.49

NORTHERN MIDDLE TN WORKFORCE BOARD
JUNE 2024 FISCAL UPDATE
FY2024-25 BUDGET - EXPENSES

Projected Expenses	\$ in millions	%	\$	Change
NM Workforce Board	1.3	11%	1,365,645.00	-
Board Incumbent Worker Program	0.3	2%	300,000.00	-
Recruitment Campaign	0.1	1%	100,000.00	-
IFA (non-Title I)	1.0	8%	1,000,000.00	-
Total Board and Overhead	2.7	22%	2,765,645.00	-
Titans Stadium Project	0.3	2%	294,642.08	(5,357.92)
One Stop Operator	0.3	2%	300,000.00	-
Career Service Providers **	7.7	63%	7,770,983.11	978,487.11
RESEA	0.2	2%	263,491.71	3,491.71
Summer Youth	1.0	8%	786,521.59	(213,478.41)
Total Contracted Grant Services	9.5	78%	9,415,638.49	763,142.49
Total 24-25 Grant Expense	12.2	100%	12,181,283.49	763,142.49

** Career Service Providers

EDSI including carryover	6.3		6,343,506.68
MAC including carryover	0.6		557,718.55
Innovation Project - Clarksville/Montgomery	0.6		619,257.88
Innovation Project - Gallatin/Sumner	0.2		250,500.00
	<u>7.7</u>		<u>7,770,983.11</u>

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NORTHERN MIDDLE TN WORKFORCE BOARD

JUNE 2024 FISCAL UPDATE

MONITORING UPDATE

EDSI and MAC - Career Service Providers

- * EDSI has assigned additional leadership personnel to address Northern Middle's performance improvement and expectations. On-site presence of new management team increased: 3 visits since last WFB meeting.
- * EDSI's new enrollment strategy status:
 - * Met 75% enrollment goals for Q4.
 - * Established monthly goals for 24-25. July goals were met.
- * Incentive payments were withheld where EDSI did not meet quarterly enrollment KPIs.
- * Weekly contractor meetings continue with EDSI. Biweekly contractor meetings continue with MAC.
- * Monthly desk review of invoices is performed analyzing contract progress and performance.
- * Northern Middle program and fiscal staff continue to provide technical assistance to EDSI and MAC as needed; Staff provided EDSI guidance on management of tracking obligations, pacing contract expenditures, creating enrollment options to include direct placement, and navigating fiscal year end.
- * Northern Middle program staff have conducted random sampling of EDSI and MAC participant files with required corrective action.
- * Tennessee YEP technical assistance is ongoing.

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.
- * Proposed changes to the OSO contract have been communicated to MCHRA for 10/1/24 implementation.

NORTHERN MIDDLE TN WORKFORCE BOARD

JUNE 2024 FISCAL UPDATE

MONITORING UPDATE

Monitoring of Northern Middle

- * FY 23-24 external financial audit - RFQs have gone out for new auditor. Thurman Campbell considered another year but ultimately decided to discontinue governmental auditing.
- * TDLWD's Program Integrity Unit requested policies and procedures for ACH Vendor Payments. Northern Middle responded to this request April and followup questions in May 2024.
- * TDLWD's Program Integrity Unit requested documentation to conduct a Local Risk Assessment on Northern Middle's financial systems to include policies, procedures and internal controls for accounting systems, time and effort tracking, cash management, budget control mechanisms, and use of credit. Northern Middle submitted a comprehensive response on June 28, 2024.
- * TDLWD's Program Integrity Unit continues to periodically complete desk reviews, monitoring and fiscal reports. A recent report based on April's fiscal reports, required Northern Middle Staff to address potential recapture of expiring funds on June 30, 2024 and MPCR below 40%.
- * TDLWD's Program Integrity Unit conducted Title I Quarterly Case File Review. No deficiencies were noted, however there were observations mentioned with request for review and correction by COB August 22, 2024.
- * TDLWD's Program Accountability Review (PAR) unit is conducting their annual review of fiscal management and reporting. Northern Middle staff are to submit requested documentation by August 16. An entrance conference is scheduled on August 27, 2024.

NORTHERN MIDDLE TN WORKFORCE BOARD
JUNE 2024 FISCAL UPDATE
ACTION

- * 2023-24 Financial Report
Revised Budget = \$15.6M (+\$362k Additional TYEP and Apprenticeship)
- * 2024-25 Amended Budget = \$12.2M
- * Auditor Update

BY-LAWS

(Effective: July 1, 2024~~2~~ to June 30, 2026~~4~~)

FOR THE NORTHERN MIDDLE TENNESSEE LOCAL WORKFORCE DEVELOPMENT BOARD

ARTICLE I

NAME

§ 1.1 **Name:** This body shall be known as the Northern Middle Tennessee ~~Local~~ Workforce Development Board, (NMTLWDB) hereinafter referred to as "the Board".

ARTICLE II

LOCATION

§ 2.1 **Location:** The principal office of the Board/Corporation shall be located at 523 Madison Street Suite A, Clarksville, Tennessee 37040. The Board/Corporation may have such other offices, either within or without the State of Tennessee, as the Board of Directors may designate or as the affairs of the Board/Corporation may require from time to time.

ARTICLE III

MISSION STATEMENT

§ 3.1 **Purpose:** The purpose of this body is to provide policy guidance and exercise oversight with respect to activities under the Workforce Innovation and Opportunity Act of 2014 (WIOA) Section 107 (a) in partnership with the units of local government for the Local Workforce Development Area (LWDA). The Board is organized and shall be operated for charitable, scientific, literary and educational purposes by assisting to increase the employment opportunities, job retention, occupational skills attainment and earnings of eligible individuals, and as a result, improve the quality of the local and area wide workforce, reduce welfare dependency, and enhance the productivity and competitiveness of the LWDA listed in the following paragraph. The board oversees job training and placement programs within Tennessee's Workforce Development System.

The Board is established in accordance with WIOA Section 107(b)(2) and the Tennessee Workforce Development Act of 1999. The Board intends to operate in the LWDA, established by the Governor of the State of Tennessee, encompassing Cheatham, Davidson, Dickson, Houston, Humphreys, Montgomery, Robertson, Rutherford, Sumner, Stewart, Trousdale, Williamson, and Wilson counties of Tennessee. The term of these by-laws cannot exceed 2 years to include the begin and end date of the by-laws.

ARTICLE IV

AUTHORITY OF THE BOARD

§ 4.1 **Roles and Responsibilities:** Consistent with WIOA section 107(d) and Tennessee Department of Labor and Workforce Development (TDLWD) requirements in partnership with the Local Elected Officials (LEOs) the following roles and responsibilities of the functions of the local board shall include the following:

- A. LOCAL PLAN – Develop and submit a Strategic Plan in partnership with the Local Elected Officials (LEOs) (as defined in 29 USC 3123) within the LWDA for submission to the Governor of the State of Tennessee by the Local Board Chair. The LEOs, Chief Local Elected Official (CLEO), and Local Board will collaborate to write and approve the Local Strategic Plan utilizing the board committee structure, including seeking input from appropriate staff to the board and one-stop partner staff, as needed. The Local Strategic Plan will be published for public comment according to TDLWD policy prior to submission to the State Workforce Board. If the local area is part of a planning region that includes other local areas, the Board shall collaborate with the

other local boards and chief elected officials in preparation of a regional plan as described in section 106(c)(2):

- B. WORKFORCE RESEARCH AND REGIONAL LABOR MARKET ANALYSIS – In order to assist in the development and implementation of the local plan, the Board shall:
- a. Carry out analyses of the economic conditions in the region, the needed knowledge and skills for the region, the workforce in the region, and workforce development activities (including education and training) and regularly update such information; and
 - b. Assist the Governor in developing the statewide workforce and labor market information system described in section 15(e) of the Wagner-Peyser Act, specifically in the collection, analysis, and utilization of workforce and labor market information; and
 - c. Conduct other research, data collection, and analysis related to the workforce needs of the regional economy as the board, after receiving input from a wide array of stakeholders.
- C. CONVENING, BROKERING, LEVERAGING – The Board shall convene local workforce development system stakeholders to assist in the development of the local plan and in identifying non-Federal expertise and resources.
- D. EMPLOYER ENGAGEMENT – The Board shall lead efforts to engage with a diverse range of employers:
- a. To promote business representation (particularly representatives with optimal policymaking or hiring authority from employers whose employment opportunities reflect existing and emerging employment opportunities in the region) on the Board; and
 - b. To develop effective linkages with employers in the region to support employer utilization of the local workforce development system and to support local workforce investment activities; and
 - c. To ensure that workforce development activities meet the needs of employers and support economic growth in the region, by enhancing communication, coordination, and collaboration among employers, economic development entities, and service providers; and
 - d. To develop and implement proven or promising strategies for meeting the employment and skill needs of workers and employers (such as the establishment of industry and sector partnerships).
- E. CAREER PATHWAYS DEVELOPMENT – The Board, with representatives of secondary and postsecondary education programs, shall lead efforts in the local area to develop and implement career pathways within the local area by aligning the employment, training, education, and supportive services that are needed by adults and youth, particularly individuals with barriers to employment.
- F. PROVEN AND PROMISING PRACTICES – The Board shall lead efforts to:
- a. Identify and promote proven and promising strategies and initiatives for meeting the needs of employers, workers, and jobseekers (including individuals with barriers to employment) in the local workforce development system, including providing physical and programmatic accessibility, in accordance with section 188, if applicable, and applicable provisions of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.), to the one-stop delivery system; and
 - b. Identify and disseminate information on proven and promising practices carried out in other local areas for meeting such needs.
- G. TECHNOLOGY – The local board shall develop strategies for using technology to maximize the accessibility and effectiveness of the local workforce development system for employers, and workers and jobseekers, by—

- a. Facilitating connections among the intake and case management information systems of the one-stop partner programs to support a comprehensive workforce development system in the local area;
 - b. Facilitating access to services provided through the one-stop delivery system involved, including facilitating the access in remote areas;
 - c. Identifying strategies for better meeting the needs of individuals with barriers to employment, including strategies that augment traditional service delivery, and increase access to services and programs of the one-stop delivery system, such as improving digital literacy skills; and
 - d. Leveraging resources and capacity within the local workforce development system, including resources and capacity for services for individuals with barriers to employment.
- H. PROGRAM OVERSIGHT.—The local board, in partnership with the local elected officials for the local area, shall conduct oversight of the One-Stop System, including all WIOA activities and —
- a. (i) conduct oversight for local youth workforce investment activities authorized under section 129(c), local employment and training activities authorized under subsections (c) and (d) of section 134, and the one-stop delivery system in the local area; and
 - b. (ii) ensure the appropriate use and management of the funds provided under subtitle B for the activities and system described in clause (i); and
 - c. for workforce development activities, ensure the appropriate use, management, and investment of funds to maximize performance outcomes under section 116.
- I. NEGOTIATION OF LOCAL PERFORMANCE ACCOUNTABILITY MEASURES.—The local board, the local elected officials, and the Governor shall negotiate and reach agreement on local performance accountability measures as described in section 116(c).
- a. SELECTION OF OPERATORS AND PROVIDERS.—
 - i. SELECTION OF ONE-STOP OPERATORS.—Consistent with section 121(d), the local board and the LEOs, subject to the approval of the chief elected official for the local area—shall designate or certify one-stop operators as described in section 121(d)(2)(A) and (B), an eligible entity (which may be a consortium of entities) shall be designated or certified as a one-stop operator through a competitive process consistent with federal, state, and local procurement requirements. Procurement results shall be presented to the Executive Committee of the Board, which includes the CLEO as a member, for approval or recommendation to the full Workforce Board, including LEOs serving as ex-officio members; and
 - ii. may terminate for cause the eligibility of such operators based on documentation through monitoring and oversight conducted of non-compliance with the contractual agreement for services procured. Documentation shall be presented to the Executive Committee for approval or recommendation to the full Workforce Board, including LEOs serving as ex-officio members..
 - b. SELECTION OF YOUTH PROVIDERS.—Consistent with section 123, the local board—
 - i. shall identify eligible providers of youth workforce investment activities in the local area by awarding grants or contracts on a competitive basis consistent with federal, state, and local procurement requirements (except as provided in section 123(b)), based on the recommendations of the youth standing committee, if such a committee is established for the local area under subsection (b)(4); and
 - ii. may terminate for cause the eligibility of such providers.

- c. IDENTIFICATION OF ELIGIBLE PROVIDERS OF TRAINING SERVICES.—Consistent with section 122, the local board shall identify eligible providers of training services in the local area, including cost and performance data.
 - d. IDENTIFICATION OF ELIGIBLE PROVIDERS OF CAREER SERVICES.—If the one-stop operator does not provide career services described in section 134(c)(2) in a local area, the local board shall identify eligible providers of those career services in the local area by awarding contracts through a competitive process, consistent with federal, state, and local procurement requirements. Procurement results shall be presented to the Executive Committee of the Board, which includes the CLEO as a member, for approval or recommendation to the full Workforce Board, including LEOs serving as ex-officio members. The Career Service Provider may be terminated for cause based on documentation through monitoring and oversight conducted of non-compliance with the contractual agreement for services procured. Documentation shall be presented to the Executive Committee for approval or recommendation to the full Workforce Board.
 - e. CONSUMER CHOICE REQUIREMENTS.—Consistent with section 122 and paragraphs (2) and (3) of section 134(c), the local board shall work with the State to ensure there are sufficient numbers and types of providers of career services and training services (including eligible providers with expertise in assisting individuals with disabilities and eligible providers with expertise in assisting adults in need of adult education and literacy activities) serving the local area and providing the services involved in a manner that maximizes consumer choice, as well as providing opportunities that lead to competitive integrated employment for individuals with disabilities.
- J. COORDINATION WITH EDUCATION PROVIDERS.—
- a. IN GENERAL.—The local board shall coordinate activities with education and training providers in the local area, including providers of workforce investment activities, providers of adult education and literacy activities under title II, providers of career and technical education (as defined in section 3 of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2302)) and local agencies administering plans under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.), other than section 112 or part C of that title (29 U.S.C. 732, 741).
 - b. APPLICATIONS AND AGREEMENTS.—The coordination described in subparagraph (A) shall include—
 - i. consistent with section 232—
 - 1. reviewing the applications to provide adult education and literacy activities under title II for the local area, submitted under such section to the eligible agency by eligible providers, to determine whether such applications are consistent with the local plan; and
 - 2. making recommendations to the eligible agency to promote alignment with such plan; and
 - ii. replicating cooperative agreements in accordance with subparagraph (B) of section 101(a)(11) of the Rehabilitation Act of 1973 (29 U.S.C. 721(a)(11)), and implementing cooperative agreements in accordance with that section with the local agencies administering plans under title I of that Act (29 U.S.C. 720 et seq.) (other than section 112 or part C of that title (29 U.S.C. 732, 741) and subject to section 121(f)), with respect to efforts that will enhance the provision of services to individuals with disabilities and other individuals, such as cross training of staff, technical assistance, use and sharing of information, cooperative efforts with employers, and other efforts at cooperation, collaboration, and coordination.

c. COOPERATIVE AGREEMENT.—In this paragraph, the term “cooperative agreement” means an agreement entered into by a State designated agency or State designated unit under subparagraph (A) of section 101(a)(11) of the Rehabilitation Act of 1973.

K. BUDGET AND ADMINISTRATION.—

a. BUDGET.—The local board shall develop a budget, with input from the LEOs through participation on the Executive Committee and as ex-officio members of the Workforce Board, for the activities of the local board in the local area, consistent with the local plan and the duties of the local board under this section, subject to the approval of the Board Chair prior to submission to the Chief Local Elected Officials for final approval and submission to the Tennessee Department of Labor and Workforce Development (TDLWD) prior to each program year in accordance with Workforce Services Policy – Local Governance.

b. ADMINISTRATION.—

i. GRANT RECIPIENT.—

1. IN GENERAL.—The chief elected official in a local area shall serve as the local grant recipient for, and shall be liable for any misuse of, the grant funds allocated to the local area under sections 128 and 133, unless the chief elected official reaches an agreement with the Governor for the Governor to act as the local grant recipient and bear such liability.

2. DESIGNATION.—In order to assist in administration of the grant funds, the chief elected official or the Governor, where the Governor serves as the local grant recipient for a local area, may designate an entity to serve as a local grant subrecipient for such funds or as a local fiscal agent. Such designation shall not relieve the chief elected official or the Governor of the liability for any misuse of grant funds as described in subclause (I).

3. DISBURSAL.—The local grant recipient or an entity designated under subclause (II) shall disburse the grant funds for workforce investment activities at the direction of the local board, pursuant to the requirements of this title. The local grant recipient or entity designated under subclause (II) shall disburse the funds immediately on receiving such direction from the local board.

ii. GRANTS AND DONATIONS.—The local board may solicit and accept grants and donations from sources other than Federal funds made available under this Act.

iii. TAX-EXEMPT STATUS.—For purposes of carrying out duties under this Act, local boards may incorporate, and may operate as entities described in section 501(c)(3) of the Internal Revenue Code of 1986 that are exempt from taxation under section 501(a) of such Code.

L. ACCESSIBILITY FOR INDIVIDUALS WITH DISABILITIES.— The local board shall annually assess the physical and programmatic accessibility, in accordance with section 188, if applicable, and applicable provisions of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.), of all one stop centers in the local area. The Executive Committee of the Board shall assess and reassess the physical and programmatic accessibility on an annual basis or when physical and programmatic changes that may impact access are made.

Note: Except as provided in sec. 107(g)(1)(B), pursuant to a request from the local board, the Governor may grant a written waiver of training prohibition, no local board may provide training services.

Other LWDB roles and responsibilities include:

- A. Elect a private-sector business representative as LWDB Chair; and
- B. In accordance with WIOA Section 107(f) the Board may hire a director and other staff to assist in carrying out the functions described in subsection (d) using funds available under sections 128(b) and 133(b) as described in section 128(b)(4).
 - a. QUALIFICATIONS.— The local board shall establish and apply a set of objective qualifications for the position of director, that ensures that the individual selected has the requisite knowledge, skills, and abilities, to meet identified benchmarks and to assist in effectively carrying out the functions of the local board.
 - b. LIMITATION ON RATE.—The director and staff described in paragraph (1) shall be subject to the limitations on the payment of salaries and bonuses described in section 194(15).
 - c. APPOINTMENT.—Pursuant to the above, the Board of Directors are authorized to appoint an Executive Director who is authorized to appoint additional staff to carryout the functions of the Board and Fiscal Agent.
- C. Create an annual report that must be submitted to the State Office as per guidelines established by the TDLWD; and
- D. Promote American Job Center programs and activities; and
- E. Assist the State Office in developing the statewide employment statistics system under the Wagner-Peyser Act; and
- F. Coordinate with economic development strategies and establish employer linkages with workforce development activities; and
- G. Carry out regional planning responsibilities as required by the TDLWD;
- H. Conduct business in an open manner by making available to the public information about the activities of the LWDB, including the local Strategic Plan before submission, membership, designation of the local Workforce System Operator, the awards of grants or contracts, and minutes of LWDB meetings; and
- I. Establish or revise local policy through a process of Staff to the Board consulting with either the Board of Directors or a Standing Committee of the LWDB or presenting directly to the LWDB to respond to the policy consideration by vote. All policies will reflect the signature of the LWDB Chair to demonstrate that they have been formally reviewed and approved by the LWDB.

~~—The Board is authorized to:~~

- ~~A. — Set WIOA policy within the LWDA, and for any planning region established under Section 106 (c) of WIOA~~
- ~~B. — Develop a plan in partnership with the chief elected officials (as defined in Section 3 (9) of WIOA) within the LWDA, for submission to the Governor of the State of Tennessee, including any such regional plan that may be required under Section 106 (c) of WIOA.;~~
- ~~C. — Enter into memoranda of understanding with one-stop partners;~~
- ~~D. — As appropriate, develop budgets prior to each program year for the purpose of carrying out the duties of the Board under the Workforce Innovation and Opportunity Act of 2014 subject to the approval of the chief local elected official;~~
- ~~E. — Perform any and all other duties required of the Board, by the duly authorized chief elected officials for the counties within the LWDA or by the Governor of the state of Tennessee acting pursuant to, P.L. 113-128, the Workforce Innovation and Opportunity Act of 2014, as may be amended from time to time;~~
- ~~F. — As designated by the chief local elected official, have the authority to receive, administer, invest and distribute property in accordance with the provisions set forth in these By-Laws. In no event shall the Board provide training services described in the Act, unless waived by the Governor of the State of Tennessee in accordance with the provisions of the Workforce Innovation and Opportunity Act of 2014;~~
- ~~G. — Carry out analyses of the economic conditions in the region, the needed knowledge and skills for the region, the workforce in the region, and workforce development activities~~

~~(including education and training) in the region described in section 108(b)(1)(D) of the Act, and regularly update such information;~~

~~H. — Assist the Governor in developing the statewide workforce and labor market information system described in section 15(e) of the Wagner-Peyser Act (29 U.S.C. 491-2(e)), specifically in the collection, analysis, and utilization of workforce and labor market information for the region;~~

~~I. — Conduct such other research, data collection, and analysis related to the workforce needs of the regional economy as the Board, after receiving input from a wide array of stakeholders, determines to be necessary to carry out its functions;~~

~~J. — Convene local workforce development system stakeholders to assist in the development of the local plan under section 108 of the Act, and in identifying non-Federal expertise and resources to leverage support for workforce development activities and create an annual report per TDLWD;~~

~~K. — Lead efforts to engage with a diverse range of employers and with entities in the region involved-~~

~~1. — To promote business representation (particularly representatives with optimal policymaking or hiring authority from employers whose employment opportunities reflect existing and emerging employment opportunities in the region) on the Board;~~

~~2. — To develop effective linkages (including the use of intermediaries) with employers in the region to support employer utilization of the local workforce development system and to support local workforce investment activities;~~

~~3. — To ensure that workforce investment activities meet the needs of employers and support economic growth in the region, by enhancing communication, coordination, and collaboration among employers, economic development entities, and service providers; and~~

~~4. — To develop and implement proven or promising strategies for meeting the employment and skill needs of workers and employers (such as the establishment of industry and sector partnerships), that provide the skilled workforce needed by employers in the region, and that expand employment and career advancement opportunities for workforce development system participants in demand industry sectors or occupations.~~

~~L. — With representatives of secondary and postsecondary education programs, lead efforts in the local area to develop and implement career pathways within the local area by aligning the employment, training, education, and supportive services that are needed by adults and youth, particularly individuals with barriers to employment;~~

~~M. — Lead efforts in the local area to-~~

~~1. — Identify and promote proven and promising strategies and initiatives for meeting the needs of employers, and workers and jobseekers (including individuals with barriers to employment) in the local workforce development system, including providing physical and programmatic accessibility, in accordance with section 188 of the Act, if applicable, and applicable provisions of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.), to the American Job Center (AJC) system; and~~

~~2. — Identify and disseminate information on proven and promising practices carried out in other local areas for meeting such needs.~~

~~N. — Develop strategies for using technology to maximize the accessibility and effectiveness of the local workforce development system for employers, and workers and jobseekers, by-~~

~~1. — Facilitating connections among the intake and case management information systems of the AJC partner programs to support a comprehensive workforce development system in the local area;~~

~~2. — Facilitating access to services provided through the AJC delivery system involved, including facilitating the access in remote areas;~~

3.—— Identifying strategies for better meeting the needs of individuals with barriers to employment, including strategies that augment traditional service delivery, and increase access to services and programs of the AJC delivery system, such as improving digital literacy skills;

4.—— Leveraging resources and capacity within the local workforce development system, including resources and capacity for services for individuals with barriers to employment.

O.—— In partnership with the chief elected official for the local area, conduct oversight for workforce investment activities authorized under the Act including local employment and training activities authorized under Section 129 (c), and subsections (c) and (d) of section 134, and the one-stop delivery system in the local area; and ensure the appropriate use and management of the funds provided under subtitle B;

P.—— For workforce development activities, ensure the appropriate use, management, and investment of funds to maximize performance outcomes and promote AJC programs and activities;

Q.—— Consistent with the Act, negotiate and reach agreement on local performance accountability measures as described in section 116(c);

R.—— Consistent with section 121(d) of the Act, and with the agreement of the chief elected official for the local area, designate or certify AJC operators as described in section 121(d)(2)(A); and may terminate for cause the eligibility of such operators;

S.—— Identify eligible providers of youth workforce investment activities in the local area by awarding grants or contracts on a competitive basis (except as provided in section 123(b) of the Act), based on the recommendations of the youth standing committee; and may terminate for cause the eligibility of such providers;

T.—— identify eligible providers of training and careers services in the local area;

U.—— Ensure there are sufficient numbers and types of providers of career services and training services (including eligible providers with expertise in assisting individuals with disabilities and eligible providers with expertise in assisting adults in need of adult education and literacy activities) serving the local area and providing the services involved in a manner that maximizes consumer choice, as well as providing opportunities that lead to competitive integrated employment for individuals with disabilities

V.—— Coordinate activities with education and training providers in the local area, including providers of workforce investment activities, providers of adult education and literacy activities under title II, providers of career and technical education (as defined in section 3 of the Carl D. Perkins Career and Technical Education Act of 2006 (20U.S.C. 2302)) and local agencies administering plans under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.), other than section 112 or part C of that title (29 U.S.C. 732, 741);

W.—— review the applications to provide adult education and literacy activities under title II for the local area, submitted under such section to the eligible agency by eligible providers, to determine whether such applications are consistent with the local plan;

X.—— make recommendations to the eligible agency to promote alignment with the local plan; and

Y.—— replicate cooperative agreements in accordance with subparagraph (B) of section 101(a)(11) of the Rehabilitation Act of 1973 (29 U.S.C. 721(a)(11)), and implementing cooperative agreements in accordance with that section with the local agencies administering plans under title I of that Act (29 U.S.C. 720 et seq.) (other than section 112 or part C of that title (29 U.S.C. 732, 741) and subject to section 121(f)), with respect to efforts that will enhance the provision of services to individuals with disabilities and other individuals, such as cross training of staff, technical assistance, use and sharing of information, cooperative efforts with employers, and other efforts at cooperation, collaboration, and coordination.

The Board may receive and accept property, whether real, personal, or mixed, by gift, grant, or bequest from any person, governmental unit, or entity; retain, administer and invest such property in accordance with the terms of this Charter and the corporations; Bylaws; and distribute such property for the purposes herein delineated.

In furtherance of such foregoing purposes, the Board is organized to engage in any activity, and to exercise any and all powers, rights and privileges, afforded a nonprofit corporation under the Act; provided, however, notwithstanding any other provision of this Charter, the Corporation shall not carry on any other activities not permitted to be carried on by a corporation organized as a nonprofit corporation under the laws of the State of Tennessee pursuant to the Act which is exempt from federal income tax under Section 501(c)(3) of the Code, contributions to which are deductible under Sections 170(c)(2), 2055(a) and 2522(a) of the Code.

§ Section 4.2 Use of Funds: In making distributions to effectuate the charitable, scientific, literary and educational purposes of the Board, the Board of Directors shall have the authority to make distributions of both income and principal in such proportions and amounts as the Board of Directors, in its discretion, determines advisable, provided that all such distributions are consistent with the Workforce Innovation and Opportunity Act of 2014 and any regulations thereunder, and all applicable federal tax laws and regulations. The Board, is not formed for financial or pecuniary gain; and no part of the assets, income, or profits of the Board is not formed for financial or pecuniary gain; and no part of the assets, income, or profits of the Board shall be distributable to, or inure to, the benefit of its directors or officers or any other private person. No substantial part of the activities of the Board shall be the carrying on of propaganda, or otherwise attempting to influence legislation; and no part of the activities of the Board shall be the participation in, or intervention in (including the publishing or distributing of statements), any political campaign or beheld of (or in opposition to) any candidate for public office.

ARTICLE V MEMBERS

§ 5.1 Members: The number of the members of the Board shall be not less than the minimum number required under the Act as set forth in the WIOA of 2014, currently nineteen (19), nor more than the number of directors required under the WIOA as amended from time to time. The number of members may be increased or decreased from time to time by the local elected officials of the counties within the LWDA, but no decrease shall have the effect of shortening the term of an incumbent officer or member or reducing the number of members below the minimum number required under the Act. At least one member of the Board must represent each of the 13 counties of the Northern Middle Workforce Area. The local elected official of each of the counties encompassed within the LWDA shall appoint the members of the Board in accordance with the criteria established by the Governor of the State of Tennessee pursuant to P.L.113- 128, as amended from time to time. A majority of the members of the local board shall be representatives of the private sector as described in paragraph (b)(2)(A) in the Workforce Innovation and Opportunity Act, Section 107. The local elected officials within the LWDA may execute an agreement that specifies the respective roles of the individual local elected officials

- A. in the appointment of the members in accordance with the criteria established as provided below; and (b) in carrying out any other responsibilities assigned to such officials under the Workforce Innovation and Opportunity Act of 2014. Additionally, members must exhibit the demographic diversity of the counties within the workforce area. Criteria for the appointment and nomination of members to the Board shall require, at a minimum that the membership of the Board shall include:
- B. A majority of the members of the Board (51%) shall be representatives of business in the local area who (1) are owners of businesses, chief executives or operating officers of businesses, and

other business executives or employers with optimum policymaking or hiring authority; (2) represent businesses, including small businesses (at a minimum of 2 members), or organizations representing businesses described in this clause, that provide employment opportunities that, at a minimum, include high-quality, work-relevant training and development in in-demand industry sectors or occupations in the local area; and (3) are appointed from among individuals nominated by local business organizations and business trade associations;

- C. Not less than 20 percent of the members of the Board shall be representatives of the workforce within the local area, who (1) shall include representatives of labor organizations, who have been nominated by local labor federations; (2) shall include a representative who shall be a member of a labor organization or a training director, from a joint labor-management apprenticeship program, or if no such joint program exists in the area, such a representative of an apprenticeship program in the area, if such a program exists; (3) may include representatives of community based organizations that have demonstrated experience and expertise in addressing the employment needs of individuals with barriers to employment, including organizations that serve veterans or that provide or support competitive integrated employment for individuals with disabilities; and (4) may include representatives of organizations that have demonstrated experience and expertise in addressing the employment, training, or education needs of eligible youth, including representatives of organizations that serve out-of-school youth;
- D. Representatives of governmental and economic and community development entities serving the local area, who (1) shall include a representative of economic and community development entities; (2) shall include an appropriate representative from the State employment service office under the Wagner-Peyser Act (29 U.S.C. 49 et seq.) serving the local area; (3) shall include an appropriate representative of the programs carried out under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.), other than section 112 or part C of that title (29 U.S.C. 732, 741), serving the local area; (4) may include representatives of agencies or entities administering programs serving the local area relating to transportation, housing, and public assistance;
- E. May include representatives of philanthropic organizations serving the local area; and
- F. May include such other individuals or representatives of entities as the chief elected official in the local area may determine to be appropriate.

§ 5.2 Advisory and Standing Committee Members: The Board may appoint advisory members from time to time, who may attend, without vote, all meetings of the Board. Advisory members shall serve at the pleasure of the Board and shall advise and counsel the Board on appropriate matters. Members of any Standing Committee who are not members meeting the criteria set forth in (Section 5.1) shall be nonvoting members of the Board.

§ 5.3 Board Vacancy: The Chief Local Elected Official will be notified of any vacancy. Such vacancy occurring on the Board, including vacancies created by the removal of members for cause may be filled by the local elected official of the county which appointed the member whose position is vacant, so long as the requirements of section 5.1 are met. In such instances, newly appointed members will serve out the remainder of the term vacated. Board vacancies must be filled by the CLEO, within the subsequent calendar quarter from the last official day that the member served on the Board.

§ 5.4 Removal: A board member shall automatically vacate the seat on the board when determined by the Executive Committee of the Board that one of the following conditions has occurred: (a) the member has missed three consecutive meetings without just cause; or (b) in such instances where a change in employment results in the member's lack of standing to continue to represent the respective industry or occupational area for which they were originally appointed.

Any member of the Board may be removed for cause by a two-thirds (2/3) vote at a meeting, at which a quorum is present, in accordance with this article. Cause for removal shall include: (a) failure or refusal to work cooperatively with the Board and to abide by the By-laws, and (b) other causes as determined by the Board. Removal of a member shall also constitute removal as an officer of the Board and as a member of all committees of the Board. Intent to remove a member must be stated in the call of the meeting and be provided to all voting members at least five (5) days prior to the meeting. The cause of the removal will be documented in writing and provided to members at the meeting. The decision on removal will be documented in the meeting minutes. The removed member will be notified, in writing, within 15 days of the decision and will be provided the reason for removal.

A Board member must be removed by the Chief Elected Officials if any of the following occurs:

- a. Documented violation of conflict of interest
- b. Failure to meet Board member representation requirements per section 5.1.
- c. Documented proof of fraud and/or abuse.

A removed member may file an appeal using the following process:

- a. The appeal must be in writing and should be concise. Include any applicable
- b. attachments or exhibits.
- c. The appeal must be sent, by certified mail (return receipt), to the Board Chair care of the Board staff administrative offices.
- d. The appeal must be received within 90 calendar days of the removal notification date.
- e. The Executive Committee shall rule on the appeal or request the Board Chair to establish a called arbitration committee.
- f. The ruling of the Executive Committee or the arbitration committee is final and will be issued within 90 days of the receipt of the appeal.

§ 5.5 Resignation: A member may resign his or her membership at any time by tendering his or her resignation in writing to the Chairperson, or in the case of the resignation of the Chairperson, to a Vice-Chairperson or Secretary. A resignation shall become effective upon the date specified in such notice or, if no date is specified, upon receipt of the resignation by the Board.

§ 5.6 Term Limits: To ensure continuity of membership, members will serve fixed and staggered terms of no more than 2 years. There is no limit on the number of successive terms that can be served. A member shall continue to serve in good standing until reaffirmed or replaced.

**ARTICLE VI
OFFICERS**

§ 6.1 Board Officers: The Board shall elect a Chairperson, a Vice-Chairperson, and a Secretary. The officers shall be elected from among the members as follows:

- A. The Chairperson shall be selected from among the private sector members representing business concerns
- B. The Vice-Chairperson shall be selected from among the private sector members representing business concerns and shall represent a county different from the Chairperson.
- C. The Secretary shall be selected from among the members representing businesses or other organizations.
 1. Said officers will be elected by a majority vote of the Board members present in a regular meeting.
 2. Said officers shall serve for a term of two years, commencing the first day of the month following an election.

§ 6.2 Election and Term of Office: The officers shall be elected every two years, but an officer may succeed himself or herself in office.

§ 6.3 Board Chairperson: The Chairperson of the Board:

- A. Shall preside at all meetings of the Board and the Executive Committee;
- B. Shall establish agendas for each regular Board meeting;
- C. Shall sign, on behalf of the Board, all necessary legal documents;
- D. Shall appoint committees and their membership. With the exception of Executive Committee members, which shall be appointed with the concurrence of the elected officers of the Board;
- E. Shall be the official representative of the Board, as required;
- F. May call special meetings of the Board; and
- G. Other responsibilities as determined by the Board.

§ 6.4 Vice-Chairperson: Vice-Chair of the Board:

- A. Be elected from among the members of the Board
- B. Be a representative of the private sector
- C. Preside at all meetings of the Board during the absence or disability of the Chairperson of the Board
- D. Be primarily responsible for the general management of the business of the Board and for implementing the policies and directives of the Board in the absence or disability of the Chairperson of the Board,
- E. Have authority to sign, with the Secretary or another proper officer thereunto authorized by the Board, contracts, proposals, plans, or other instruments which the Board has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board or these Bylaws to some other officer or agent of the Board, or shall be required by law to be otherwise signed or executed, and
- F. Perform such other duties as from time to time may be assigned by the Chairperson of the Board.

§ 6.5 Secretary: The Secretary shall establish procedures and process to ensure the business carried out by the Board is properly recorded, keep the minutes, keep mailing and electronic addresses of members of the Board, and meetings open to the public as required and, see that all notices are duly given in accordance to the Tennessee Open Meeting Act, Tenn. Code Ann. 8-44- 101 et seq.

§ 6.6 Removal of Officers: Any member of the Board removed from office pursuant to Section 5.3 shall be automatically removed as an officer. The Board may by a two-thirds (2/3) vote at a meeting at which a quorum is present remove any officer when, in its judgment, the best interests of the Board will be served. Intent to recall or remove an officer must be stated in the call of the meeting with notice provided to the officer to be removed and all other voting members at least five (5) days prior to the meeting.

§ 6.7 Vacancies: A vacancy in any office, as a result of death, resignation, removal, disqualifications, or otherwise, may be filled by the affirmative vote of a majority of the Board at a meeting, at which a quorum is present, for the unexpired portion of the term of his or her predecessor, and until the next election of officers.

§ 6.8 Resignation: An officer may resign his or her office at any time by tendering his or her resignation in writing to the Chairperson or, in the case of the resignation of the Chairperson, to a Vice-Chairperson or Secretary. A resignation shall become effective upon the date specified in such notice, or, if no date is specified, upon receipt of the resignation by the Board at its principal place of business.

ARTICLE VII MEETINGS

§ 7.1 Regular and Annual meetings: The board shall meet at a minimum of four times per year for the purpose of the transacting business according to the current WIOA needs.

Regular meetings of the full Board shall be held no less than once a quarter, at a place and time determined by the Chairperson. The Executive Committee and all other committees shall meet with such frequency as determined necessary by the Chairperson of such committee. Committees shall endeavor to meet at least once per quarter unless the Chairperson of the Committee, in consultation with the Chairperson of the Board, determines an alternative schedule is more appropriate to carry out the functions of the committee.

§ 7.2 Special or Called Meetings: Special meetings of the Board may be called by the Chairperson or at the request of any Board member. Special meetings may also be called upon the written request of five members of the Board. The purpose of the meeting shall be stated in the call and no other business shall be transacted at the meeting. The Chairperson shall fix the time and place and provide notice to all voting members at least five (5) business days prior to the meeting. The notice shall state the location, time and date of the meeting.

§ 7.3 Quorums: One-third (1/3) of the voting members of the Board present will constitute a quorum for the transaction of business at any meeting thereof. Action of the Board must be authorized by the affirmative vote of a majority of all voting members present at a meeting at which a quorum is present. Proxy votes do not count towards the calculation of a quorum.

§ 7.4 Participation in Meetings: Each member, other than an advisory member or a Standing Committee member who has no vote as set forth in Section 5.2 shall be entitled to one (1) vote on any matter properly submitted for a vote to the Board. The affirmative vote of a majority of the members present at a meeting, at which a quorum is present, shall be the act of the Board, except as may otherwise be specifically provided by law, by the Charter, or by these By-Laws. Members of the Board absent from any meeting shall be permitted to vote at such a meeting by written proxies. The members of the Board, or any committee designated by the Board, may participate in a meeting of the Board, or of such

committee, by means of conference telephone, web based or similar communications equipment by means of which all persons participating in the meeting can hear one another; and participation in a meeting pursuant to this provision shall constitute presence in person at such meeting. The members shall be promptly furnished a copy of the minutes of the meetings of the Board.

§ 7.5 Open Meeting Requirement: All meetings and actions of the Board must comply with the Tennessee Open Meeting Act, Tenn. Code Ann. 8-44-101 et seq.

- Notice of the Board meetings will include date, time and location and will be posted on the Boards website and social media as a public service announcement 30 calendar days in advance of the meetings.
- Board meetings will be conducted in an open manner.
- Arrangements will be made upon request for all individuals, including those with disabilities to have physical and electronic access to Board meetings, including accommodations.
- Minutes of Board meetings will be made available to the public on the Board website within fifteen (15) days of the Board's approval of those minutes. Minutes only will be posted on the website unless the Board deems attachments necessary.

§ 7.6 Presumption of Assent: A member of the Board who is present at a meeting of the Board at which action on any Board matter is taken shall be presumed to have assented to the action taken, unless his or her dissent shall be entered in the minutes of the meeting, or unless he or she shall file his or her written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof, or forward such dissent by registered mail to the Secretary of the Board immediately after the adjournment of the meeting. Such right to dissent shall not apply to a member who voted in favor of such action.

§ 7.7 Expenses and Compensation: No member shall be entitled to receive compensation for services rendered to the Board, as a member of the Board or as a member of any committee thereof. However, upon prior approval by the Board, a member may be paid for reasonable expenses incurred by the member, which directly related to the affairs of the Board upon proper substantiation of such expenses. No such payments shall preclude any member from serving the Board in any other capacity and receiving compensation therefore.

§ 7.8 Vote by Proxy: Any member of the Board may proxy to another sitting board member, once per year within a calendar year, by completing and filing the Member Proxy Form (see Attachment). Duly executed proxies must be filed with the Board Chairperson prior to the commencement of the board meeting in which the board member is to be absent. The board member accepting such proxy must be in good standing with the Board. Such proxies shall be considered valid votes in matters considered by the Board, and shall constitute member participation in absentia.

ARTICLE VIII BOARD COMMITTEES

§ 8.1 Committees: The board shall have an Executive Committee and standing committees as described in Sections 8.2 and 8.3 respectively. The Chairperson may establish, in consultation with the Executive Committee, other standing Committees and ad hoc committee(s) as deemed necessary to carry-out the responsibilities of the Board. The names, functions, and terms of the said committees shall be memorialized in the minutes of the Executive Committee and Board Meetings in which the establishment action of the Chairperson is recorded.

§ 8.2 Executive Committee: The Executive Committee shall be composed of the Chairperson, the Vice-Chairperson, Secretary, standing committee chairperson (s), and any other such members as jointly agreed upon by the elected officers of the Board. The Executive Committee shall have supervision of the affairs of the Board between its business meetings; make recommendations to the Board, and such other duties as are specified in these By-laws. The Executive Committee shall be subject to the order of the Board, and none of its acts shall conflict with these by-laws or stated policies of the Board. The Board Chairperson will serve as the Chair of the Executive Committee.

§ 8.3 Standing Committees: The Board shall designate and direct the activities of standing committees to provide information and to assist the Board in carrying out activities described in Section 107(b)(4) of the Workforce Innovation and Opportunity Act of 2014. Such standing committees shall be chaired by a member of the Board appointed by the Chairperson, may include other members of the Board, and shall include other individuals appointed by the Executive Committee who are not members of the Board and who the Executive Committee determines have appropriate experience and expertise. The committee shall consider and recommend actions and propose policies in their functional area of jurisdiction subject to final approval of the Board.

The following Standing Committees shall be established:

(1) A Finance committee to provide budgetary information, the infrastructure agreement, assist with funding, financial and operational issues relating to the American Job Center system, which may include as members, on this committee, —representatives of the American Job Center partners.

(2) An Innovation committee to provide information and to assist with planning, operational, and other issues relating to the workforce system. The innovation committee will identify and share best practices, develop strategies for technological alignment and integration as well as securing other resources to supplement existing systems. This committee may include as members, representatives of American Job Center partners.

(3) A Special Populations committee to provide information and to assist with operational and other issues relating to the provision of services to youth to include community based organizations with a demonstrated success in serving eligible youth. Serving diverse and underserved populations, including individuals with disabilities and veterans and transitioning soldiers and spouses. Oversee activities to promote diversity and inclusion in all facets of the programs, including issues relating to compliance with section 188, if applicable, and applicable provisions of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) regarding providing programmatic and physical access to the services, programs, and activities of the American Job Center system, as well as appropriate training for staff on providing supports for or accommodations to, and finding employment opportunities for, individuals with disabilities.

§ 8.4 Ad Hoc Committees: When deemed necessary or appropriate the chairperson of the Board shall have the authority to appoint Temporary Committees, including the chairperson of the temporary committee, for the purpose of special projects.

ARTICLE IX AMENDMENT OF THE BY LAWS

§ 9.1 Amendment of By-Laws: These By-Laws may be altered, amended, or repealed, upon the affirmative two-thirds (2/3) vote of the voting members of the Board at any regular meeting at which a quorum is present, provided that the amendment has been submitted to the voting members of the Board in writing two weeks prior to the meeting at which the vote on the amendment(s) is to be taken.

**ARTICLE X
CONFLICT OF INTEREST**

§ 10.1 Conflict of Interest: Each member of the Board must sign a Conflict of Interest Statement which must be up-dated within 30 days whenever a change in circumstance may occur and/or at least annually (see Attached). Members shall adhere to the following in regards to conflict of interest:

- A. A Board member may not vote on any matter that would provide direct financial benefit to the member or the member's immediate family, or on matters of the provision of services by the member or the entity the member represents.
- B. A Board member shall avoid even the appearance of a conflict of interest. Prior to taking office, Board members must provide to the Board Chair a written declaration of all substantial business interests or relationships they, or their immediate families, have with all businesses or organizations that have received, currently receive, or are likely to receive contracts or funding from the Board. Such declarations shall be updated annually or within 30 days to reflect any changes in such business interests or relationships. The Board shall appoint an individual to timely review the disclosure information and advise the Board Chair and appropriate members of potential conflicts. Prior to a discussion, vote, or decision on any matter before the Board, if a member, or a person in the immediate family of such member, has a substantial interest in or relationship to a business entity, organization, or property that would be affected by any official Board action, the member shall disclose the nature and extent of the interest or relationship and shall abstain from discussion and voting on or in any other way participating in the decision on the matter. All abstentions shall be recorded in the minutes of the Board meeting and be maintained as part of the official record.
- C. It is the responsibility of the Board Chair to monitor potential conflict of interest and bring it to the Board's attention in the event the member does not make a self- declaration.
- D. A Board shall ensure that the Board, its members, or its employees do not directly control the daily activities of its workforce service providers.
- E. Board members or their organizations may receive services as a customer of a local workforce service provider.

**ARTICLE XI
RULES OF ORDER**

§ 11.1 Rules of Order: Board will adhere to Robert's Rules of Order; Revised. In the Event any provision of these By-Laws conflict with Robert's Rules of Order; Revised, the provisions of these By-Laws shall govern.

**ARTICLE XII
COMPLIANCE WITH LAW**

§ 12.1 Compliance with Law: The Board shall comply with all applicable Tennessee statutes and regulations including, but not limited to, the governing procurement standards or regulations for the LWDA, the Sunshine Law, and the State Travel Regulations. The Board shall comply with the WIOA regulations as well as policies and directives from the TDLWD and State Board.

**ARTICLE XIII
REGISTERED OFFICE**

§ 13.1 Registered Office: The registered office of the Corporation required to be maintained in the State of Tennessee by the Tennessee Nonprofit Corporation Act, as amended from time to time (the "Act") may, but need not, be identical with the principal office in the State of Tennessee; and the address of the registered office may be changed from time to time by the Board of Directors.

ARTICLE XIV

CONTRACTS, LOANS, CHECKS, DEPOSITS, INVESTMENTS

§ 14.1 Contracts and Employment of Agents: The Board of Directors may authorize any director, officer, or agent to enter into any contract, or execute and deliver any instrument, in the name of and on behalf of the Corporation. The Board of Directors shall be specifically authorized, in its sole discretion, to employ and to pay the compensation of such agents, accountants, custodians, experts, consultants and other counsel, legal, investment, or otherwise, as the Board of Directors shall deem advisable, and to delegate discretionary powers to, and rely upon information furnished by, such individuals or entities. Such authority may be general or confined to specific instances.

§ 14.2 Loans: No loans shall be contracted on behalf of the Corporation, and no evidences of indebtedness shall be issued in its name, unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

§ 14.3 Checks and Drafts: All checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents, of the Corporation, and in such manner, as shall from time to time be determined by resolution of the Board of Directors.

§ 14.4 Deposits: All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation with such banks, trust companies, brokerage accounts, investment managers, or other depositories as the Board of Directors may from time to time select.

§ 14.5 Investment Authority: The Board of Directors shall be authorized to retain assets distributed to the Corporation, even though such assets may constitute an over-concentration in one or more similar investments. Further, the Board of Directors shall have the authority to make investments in unproductive property, or to hold unproductive property to the extent necessary until it can be converted into productive property at an appropriate time, provided the retention of such property is in the best interest of the Corporation and does not in any way jeopardize the tax-exempt status of the Corporation.

ARTICLE XV

STANDARDS OF CONDUCT

§ 15.1 Standards of Conduct: A director or an officer of the Corporation shall discharge his or her duties as a director or as an officer, including duties as a member of a committee:

- (a) In good faith;
- (b) with the care an ordinarily prudent person in a like position would exercise under similar circumstances; and
- (c) In a manner he or she reasonably believes to be in the best interest of the Corporation.

§ 15.2 Reliance on Third Parties: In discharging his or her duties, a director or officer is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by:

- A. A One or more officers or employees of the Corporation whom the director or officer reasonably believes to be reliable and competent in the matters presented;
- B. Legal counsel, public accountants, or other persons as to matters the director or officer reasonably believes are within the person's professional or expert competence; or

- C. With respect to a director, a committee of the Board of Directors of which the director is not a member, as to matters within its jurisdiction, if the director or officer reasonably believes the committee merits confidence.

§ 15.3 Bad Faith: A director or officer is not acting in good faith if he or she has knowledge concerning the matter in question that makes reliance otherwise permitted by Section 10 .2 unwarranted.

§ 15.4 No Liability: A director or officer is not liable for any action taken, or any failure to take action, as a director or officer, if he or she performs the duties of his or her office in compliance with the provisions of this Article, or if he or she is immune from suit under the provisions of Section 48-58-601 of the Act. No repeal or modification of the provisions of this Section 9.4, either directly or by the adoption of a provision inconsistent with the provisions of this Section, shall adversely affect any right or protection, as set forth herein, existing in favor of a particular individual at the time of such repeal or modification.

§ 15.5 Prohibition on Loans: No loans or guarantees shall be made by the Corporation to its directors or officers. Any director who assents to or participates in the making of any such loan shall be liable to the Corporation for the amount of such loan until the repayment thereof.

ARTICLE XVI

INDEMNIFICATION AND ADVANCEMENT OF EXPENSES

§ 16.1 Mandatory Indemnification of Directors and Officers: To the maximum extent permitted by the provisions of Sections 48-58-501, et seq., of the Act, as amended from time to time (provided, however, that if an amendment to the Act in any way limits or restricts the indemnification rights permitted by law as of the date hereof, such amendment shall apply only to the extent mandated by law and only to activities of persons subject to indemnification under this Section which occur subsequent to the effective date of such amendment), the Corporation shall indemnify and advance expenses to any person who is or was a director or officer of the Corporation, or to such person's heirs, executors, administrators and legal representatives, for the defense of any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative, and whether formal or informal (any such action, suit or proceeding being hereinafter referred to as the "Proceeding"), to which such person was, is or is threatened to be made, a named defendant or respondent, which indemnification and advancement of expenses shall include counsel fees actually incurred as a result of the Proceeding or any appeal thereof, reasonable expenses actually incurred with respect to the Proceeding, all fines, judgments, penalties and amounts paid in settlement thereof, subject to the following conditions:

- A. The Proceeding was instituted by reason of the fact that such person is or was a director or officer of the Corporation; and
- B. The director or officer conducted himself or herself in good faith, and he or she reasonably believed (i) in the case of conduct in his or her official capacity with the Corporation, that his or her conduct was in its best interest; (ii) in all other cases, that his or her conduct was at least not opposed to the best interests of the Corporation; and (iii) in the case of any criminal proceeding, that he or she had no reasonable cause to believe his or her conduct was unlawful. The termination of a proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent is not, of itself, determinative that the director or officer did not meet the standard of conduct herein described.

§ 16.2 Permissive Indemnification of Employees and Agents: The Corporation may, to the maximum extent permitted by the provisions of Section 48-58-501, et seq., of the Act, as amended from time to

time (provided, however, that if an amendment to the Act in any way limits or restricts the indemnification rights permitted by law as of the date hereof, such amendment shall apply only to the extent mandated by law and only to activities of persons subject to indemnification under this Section which occur subsequent to the effective date of such amendment), indemnify and advance expenses in a Proceeding to any person who is or was an employee or agent of the Corporation, or to such person's heirs, executors, administrators and legal representatives, to the same extent as set forth in Section 11.1 above, provided that the Proceeding was instituted by reason of the fact that such person is or was an employee or agent of the Corporation and met the standards of conduct set forth in subsection 11.1 above. The Corporation may also indemnify and advance expenses in a Proceeding to any person who is or was an employee or agent of the Corporation to the extent, consistent with public policy, as may be provided by the Charter, by these Bylaws, by contract, or by general or specific action of the Board of Directors.

§ 16.3 Non-Exclusive Application: The rights to indemnification and advancement of expenses set forth in Sections 11.1 and 11.2 above are contractual between the Corporation and the person being indemnified, and his or her heirs, executors, administrators and legal representatives, and are not exclusive of other similar rights of indemnification or advancement of expenses to which such person may be entitled, whether by contract, by law, by the Charter, by a resolution of the Board of Directors, by these Bylaws, by the purchase and maintenance by the Corporation of insurance on behalf of a director, officer, employee, or agent of the Corporation, or by an agreement with the Corporation providing for such indemnification, all of which means of indemnification and advancement of expenses are hereby specifically authorized.

§ 16.4 Non-Limiting Application: The provisions of this Article XI shall not limit the power of the Corporation to pay or reimburse expenses incurred by a director, officer, employee, or agent of the Corporation in connection with such person's appearing as a witness in a Proceeding at a time when he or she has not been made a named defendant or respondent to the Proceeding.

§ 16.5 Prohibited Indemnification: Notwithstanding any other provision of this Article XI, the Corporation shall not indemnify or advance expenses to or on behalf of any director, officer, employee, or agent of the Corporation, or such person's heirs, executors, administrators or legal representatives:

- A. If a judgment or other final adjudication adverse to such person establishes his or her liability for any breach of the duty of loyalty to the Corporation, for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, or under Section 48-58-304 of the Act; or
- B. In connection with a Proceeding by or in the right of the Corporation in which such person was adjudged liable to the Corporation; or In connection with any other proceeding charging improper personal benefit to such person, whether or not involving action in his or her official capacity, in which he or she was adjudged liable on the basis that personal benefit was improperly received by him or her.

§ 16.6 Repeal or Modification Not Retroactive: No repeal or modification of the provisions of this Article XI, either directly or by the adoption of a provision inconsistent with the provisions of this Article, shall adversely affect any right or protection, as set forth herein, existing in favor of a particular individual at the time of such repeal or modification.

**ARTICLE XVII
NOTICES AND WAIVER OF NOTICE**

§ 17.1 Notices: The notices provided for in these Bylaws shall be communicated in person, by telephone, newspaper, facsimile or e-mail transmission, telegraph, teletype, internet or by mail or private carrier. Written notice is effective at the earliest of (a) receipt, (b) five (5) days after its deposit in the United States mail, if mailed correctly addressed and with first-class postage affixed thereon, (c) on the date shown on the return receipt, if sent by registered or certified mail, return receipt requested, and the receipt is signed by or on behalf of the addressee, (d) twenty (20) days after its deposit in the United States mail, if mailed correctly addressed, and with other than first-class, registered, or certified postage affixed, or (e) in the case of facsimile or e-mail transmission, when successfully sent to the fax number or e-mail address shown on the records of the Corporation. Whenever any notice is required to be given to any director, officer, or committee member of the Corporation under the provisions of the Charter, these Bylaws, or the WIOA, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

**ARTICLE XVIII
FISCAL**

§ 18.1 Fiscal Year: The fiscal year of the Corporation shall end on the last day of June, or on such other date as may be fixed from time to time by the Board of Directors.

**ARTICLE XIX
STAFF TO THE BOARD**

§ 19.1 Staff: In general, the Board and/or the administrative entity/fiscal agent may hire an Executive Director and other staff to assist in carrying out the functions described in WIOA section 107(d) using funds under section 128(b) and 133(b) as described in section 128(b) (4). The Board of Directors is authorized to appoint an Executive Director of the Northern Middle Tennessee Local Workforce Development Board, Inc. and that Director is authorized to appoint additional staff to carry out the functions of the Board and Fiscal Agent.

§ 19.2 Qualifications: The Board and/or the Fiscal Agent and Administrative Entity shall establish a set of objective qualifications for the position of Executive Director that ensures the individual selected has the requisite knowledge, skills, and abilities to meet the benchmarks and effectively carry out the functions of the Board.

§ 19.3 Limitations on rate: The Executive Director and Board staff shall be subject to the limitations on payment and salaries and bonuses described in section 194(15).

Attached proxy form and attached conflict of interest form

Approved:

John Zobl, Chair

Date



Northern Middle Tennessee Workforce Board
Board Member Proxy Statement

I hereby designate _____ as my proxy for the Full Board Meeting being held on _____. I understand by doing so, I am authorizing said person to vote in my place and to be counted towards quorum by being physically present at the meeting.

Board Member Signature: _____

Print Name: _____

Date: _____

Proxy Signature: _____

Print Name: _____

Date: _____

As stipulated in the Workforce Development Board Bylaws, please submit this form to Board staff at least forty-eight (48) hours prior to the Full Board Meeting through email or fax.

Board Staff Contact:

Marla W. Rye

mrye@workforceessentials.com

Phone: (931) 905-3500

Staff Only: Date Received: _____ Time: _____



NORTHERN MIDDLE TENNESSEE WORKFORCE BOARD

Conflict of Interest Statement

In accordance with the Workforce Innovation & Opportunity Act (WIOA) Plan, Tennessee Department of Labor and Workforce Development Policies, 20CFR.200 and Section 107(h) of the WIOA, it shall be a conflict of interest for any member of the Northern Middle Tennessee Workforce Board to vote and shall recues themselves from their official Board duties on any matter under consideration regarding the provision of services by that member or by an entity such member represents or that would provide a direct financial benefit to such member or close personal acquaintance. Furthermore a conflict of interest is any circumstance in which a member’s individual interest impairs, or gives the appearance of impairing, his or her ability to make unbiased decision or provide unbiased public services. Also, any matter before the Board or workforce system staff in which a member has a financial or personal interest, which is in conflict or gives the appearance of conflict. The Northern Middle Tennessee Workforce Board members have previously imposed these restrictions on themselves in their by-laws. However, by signing this statement, I acknowledge these provisions and an identifying any known conflicts of interest.

_____ I have no known conflicts of interest related to my service on the Northern Middle Tennessee Workforce Board.

_____ I am disclosing the following conflicts of interest as related to my service on the Northern Middle Tennessee Workforce Board:

Printed Name: _____

Signature: _____ Date: _____