

**Please sign your name in chat box to confirm attendance.

Quarterly Board Meeting

February 10, 2021 Click here for Zoom link

11:30 a.m. to **1:00** p.m. **Tel:** +1 312 626 6799 725123

AGENDA

Call Meeting to OrderJohn ZoblApproval of MinutesJohn ZoblRecognition of Board Members & MayorsMarla RyeNorthern Middle Workforce Study ReleaseMarla Rye

Talent Solutions Forum Event

Strategic Priorities:

▶ Manage Board funds to support Career Pathways

Financial Report Ginger Fussell

Audit Report-June 30, 2020 Ankur Singla, CPA

Connect People with Career Opportunities:

One-Stop-Operator Report George Phillips

Career Service Provider Update

EDSI Danielle Ellis
MAC Ellen Zinkiewicz

Train Workforce to Fill Employer Needs:

COVID-19 Final Numbers Andrea Dillard

Entry-Level Employment

▶ Improve Efficiency & Effectiveness of Training Programs

KPI Performance Goals/WIOA Performance Measures Renee Hollis
Eligible Training Provider Monitoring and Program Approval Freda Herndon

Old Business:

Project Return-Offender Project Cancelled
Marla Rye

Nashville AJC-Napier Center

Adjourn: John Zobl

Zoom Link: https://us02web.zoom.us/j/83035393289?pwd=UWk1VVRHa25ya09tZHJJalRhUVBYdz09





Northern Middle TN Workforce Board Meeting November 10, 2020 11:30 a.m. Virtual Meeting

Present Members:	Members Absent:	Staff & Guests:
Carol Puryear	Howard Bradley	Andrea Dillard
Charles Story	Brian Simms	Bethany Sullivan
Chris West	Seth Thurman	Christel Brown
Dan Caldwell	Bo Callis	Christina Dusenberry
Dan Rutledge		Ellen Gomez
Dan Ryan		Ellen Zinkiewicz
GC Hixson		Freda Herndon
James Harper		George Phillips
Jennifer Hobbs		Ginger Fussell
John Alexander		James Starns
John Zobl		Jennifer Saladis Moscoso
Jon Hunter		John Watz
Keith Carnahan		Joseph Johnson
Kristi Spurgeon		Marla Rye
Lynn Seifert		Mayor Kerry McCarver
Mark Peed		Mayor Robin Brandon
Richie Brandon		Mayor Rogers Anderson
Tony Adams		Mayor Stephen Chambers
Tylesha McCray		Meagan Dobbins
		Melissa Baisden
		Paul Webb
		Renea Rosson
		Renee Hollis
		Roe Falcone
		Ryan Pruitt
		Trish Farmer

The Northern Middle Tennessee Workforce Development Board met virtually on Tuesday, November 10 at 11:30 a.m. A quorum was present.

The meeting was called to order and Chairman John Zobl made opening remarks. Marla welcomed everyone to the meeting including the county mayors that were in attendance. John Zobl asked for a motion to approve the minutes. Mark Peed made the motion to approve and GC Hixon offered the second. The minutes were approved unanimously. Paul Webb, CPA was introduced to the group as a

soon to be member of the board as he had been recommended by the Williamson County Chamber of Commerce and Mayor Rogers Anderson.

In honor of Veterans Day, Marla asked that all veterans raise their hand and recognized them with a virtual round of applause. Marla recognized the NTWB members and partners in action during the quarter including Mayor Stephen Chambers, Ellen Gomez, G.C. Hixon, Carol Puryear, John Alexander, Mayor Hutto, Mayor Hutto and Mayor Brandon. She review the latest unemployment numbers for the nation, Tennessee and local counties in Northern Middle. John Zobl asked about the Davidson County unemployment numbers.

Chairman Zobl informed the Board that all committees met since the last meeting in August and reviewed and approved the procurement recommendations. He stated that the Executive Committee met on November 2 to ratify the actions of each of the committees which finalized the procurement process. He then recapped the selection of the new career service providers and asked for each to introduce themselves. Dr. Cynthia Croom from the Metropolitan Action Commission updated the board on their plans as the youth services provider in Davidson County. Ellen Zinkiewicz offered her excitement to rejoin WIOA as a youth service provider. Christina Dusenberry and Roe Falcone provided an overview of EDSI including a video which highlighted their workforce development efforts. James Harper asked about the EDSI open house and incumbent employee meetings. Ms. Dusenberry provided details on the virtual meetings.

Chairman Zobl asked about the transition timeline. Marla informed the group that EDSI and MAC would be taking over as of January 1, 2021. She explained that the board staff would provide training in December and early January for the new team members. Chairman Zobl noted that MCHRA would retain the one-stop-operator contract. Charles Story asked about reporting from the new providers. Marla stated that she would ask that the providers update the Board at each quarterly meeting.

Strategic Priorities-Manage Board funds to support Career Pathways-

Ginger Fussell provided a financial overview of the quarter including a budget against actual expenditure review. She stated that we have expended 22.7% of the budget in 25% of the year. She stated that MCHRA's September CSP expenditures were the highest on record during their contract, yet the OSO contract was well under budget. She thanked MCHRA for enrolling clients when the centers reopened. She reviewed the MPCR and stated that in September, MCHRA's MPCR was above 50% in every funding stream after not achieving the MPCR in any funding stream during July and August. She highlighted Campbell Strong's MPCR and the one-year extension approval to September 30, 2021. Overall, our MPCR was at 45.7%. Highlights of the quarterly monitoring were covered during the presentation. She stated that some improvements were made but she was still concerned with performance, especially credentialing. She stated that we had modified our monitoring guidelines to reflect the changes made at the state level. Jon Hunter acknowledged the great work of John Watz and thanked the team for securing the extension for the Campbell Strong Workforce Partnership.

Connect People with Career Opportunities-

George Phillips reviewed the AJC quarterly report including active cases and traffic counts. He stated that AJC traffic was up from the previous two quarters. He highlighted the new Premier Virtual job fair platform. He concluded his report with a summary of the key performance indictors in Northern Middle.

Andrea Dillard provided a recap of the CARES Act funding including distribution of 750 laptops to adult education students and virtual learners. She also summarized the New Skills November classes that are being offered to individuals effected by COVID-19. Andrea recognized Northern Middle Board member, Lynn Seifert for assisting with the Adult Education computer giveaway. Marla also recognized several post-secondary institutions, which helped with the CARES Act training. Specifically, Nashville State Community College, TCAT Dickson, Murfreesboro and Hartsville, Lockhart Trucking and APSU have been instrumental in New Skills November.

Train Workforce to Fill Employer Needs-

Freda Herndon provided a list of business that have received CARES Act funding for incumbent worker training and layoff aversion. She explained that small business were given priority for most of the funding. She gave examples of the types of innovation and creativity that small business have deployed to survive during the pandemic. She stated that it has been a rewarding project to administer. She also provided an overview on a new virtual job fair platform.

Improve Efficiency and Effectiveness of Training Programs-

Renee Hollis reviewed and summarized the Credential Attainment Guidance, Youth Eligibility Policy, Monitoring and Oversight Policy and Grievance and Complaint Resolution Policy. She explained that the Tennessee Department of Labor had provided guidance on corresponding state policies. She stated that the Innovation Committee met on October 30 and reviewed each policy and recommended approval to the full board. GC Hixon made a motion to approve the recommendation from the Innovation Committee and approve all policies. Mark Peed made the second. The motion carried without opposition.

Old Business-

Marla provided a brief update on the Nashville Chamber of Commerce Workforce Study. She explained that the study would be released in January 2021 and that a separate virtual meeting would be held to discuss the study.

John Watz concluded the meeting with positive news as the next day would be Veterans Day. He provided an overview of the Campbell Strong Workforce Partnership and the one-year extension that was granted by the United State Department of Labor. He state that Tennessee's congressional delegation had offered strong support for the program.

John Zobl thanked the members for attending virtually and stated that he hoped we would be able to meet in person soon. With no other business, the meeting was adjourned.

NORTHERN MIDDLE WORKFORCE REGION LABOR FORCE STUDY RELEASE: TALENT SOLUTIONS FORUM

*January 13, 2021-Talent Solutions Forum to release Workforce Study ~200 people attended virtual Meeting

Workforce Study Presentation

2020 Northern Middle Tennessee Workforce Study

Link to this Talent Solutions Forum

NORTHERN MIDDLE TN WORKFORCE BOARD DECEMBER 2020 FISCAL UPDATE NORTHERN MIDDLE GRANT UTILIZATION

- * Northern Middle's Qtr 2 grant expenditures increased by \$527k compared to Qtr 1 of FY 2020-21.
- * The increase was primarily due to COVID-19 related grant expenditures to include National Dislocated Worker and CARES grants administered at the NMTWB level.
 - * Approximately \$2.5M additional grant funds.
 - * Core program activity decreased slightly in Qtr 2.

			FY Expenses July thru Dec
Northern Middle LWDA	QTR 1	QTR 2	2020
All Northern Middle Expenditures	3,442,786	3,970,364	\$ 7,413,150

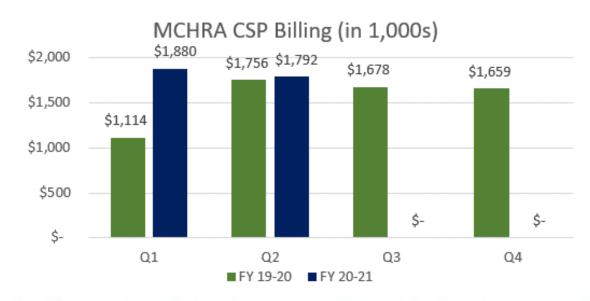
NORTHERN MIDDLE TN WORKFORCE BOARD DECEMBER 2020 FISCAL UPDATE NORTHERN MIDDLE BUDGET/SPEND PROGRESSION

	(in 000's)				
Northern Middle LWDA	2020 QTR 1	2020 QTR 2	Expenses YTD	12 Mo. Budget	% Spent
IFA	188	195	383	1,000	38.3%
Adult	820	848	1,668	3,057	54.6%
Dislocated Worker	747	642	1,389	4,736	29.3%
Youth	672	658	1,330	2,802	47.4%
RESEA	20	35	56	126	44.1%
Campbell Strong	849	730	1,579	3,344	47.2%
National Dislocated Worker - 1	318	447	765	983	77.8%
Other State Initiatives (RD, CE, WB)	0	0	0	121	0.0%
Total FY 20-21 Expenses to Base Budget	3,426	3,360	6,787	15,170	44.7%
National Dislocated Worker - 1 Modification to 6/30/22	2		0	165	0.0%
National Dislocated Worker - 2 to 6/30/22			0	1,693	0.0%
Apprenticeship Grant	16	19	35	36	98.5%
CARES Consolidated Business Grant	0	352	352	370	95.0%
CARES Re-Employment Grant	0	239	239	249	96.3%
Total FY 20-21 Expenses to Modified Budget	3,443	3,970	7,413	17,683	41.9%
Funding Increase - Budget Action Item				2,513	

NORTHERN MIDDLE TN WORKFORCE BOARD DECEMBER 2020 FISCAL UPDATE

EXECUTIVE SUMMARY - MCHRA Update

Despite projections for increased expenditures in Qtr 2, MCHRA's expenditures for Career Services decreased \$88k compared to Qtr 1. MCHRA utilized 82.5% of the 6 month extension budget. For One-Stop Operator, MCHRA billed only 30.3% of the 6 month extension budget.



MCHRA Career Service Provider (CSP) Expenses		Total		6 Mo. Budget		
CSP (Six Month Extension)	\$	3,672	\$	4,450	82.5%	
MCHRA One-Stop Operator (OSO)	To	tal	6 Mo. I	Budget		
OSO '20 (Six Month Extension)	66,943		2	21,168	30.3%	

NORTHERN MIDDLE TN WORKFORCE BOARD DECEMBER 2020 FISCAL UPDATE EXECUTIVE SUMMARY - MCHRA Update

MCHRA's contribution to the Minimum Participant Cost Rate allowed Northern Middle LWDA to achieve MPCR greater than 40%.

MPCR FY20-21	# Funds Streams with MPCR > 55%	Adult	DW	Youth
Jul	0	36%	45%	41%
Aug	0	47%	49%	38%
Sep	3	58%	71%	55%
Oct	1	54%	59%	54%
Nov	1	37%	62%	46%
Dec	0	41%	51%	41%
FY20-21		47%	58%	47%

MCHRA Qtr 1 enrollments were 557, but were only 251 in Qtr 2 for a total of 808, which was 75.2% of the 1,074 goal for the six months ending December 31, 2020.

MCHRA Enrollments	Total	Goals	
Participant Enrollments (Six Months)	808	1,074	75.2%

NORTHERN MIDDLE TN WORKFORCE BOARD DECEMBER 2020 FISCAL UPDATE

EXECUTIVE SUMMARY

CAMPBELL STRONG 3-YEAR PROJECT RECAP

(1-year, no-cost extension to 9/30/2021 granted)

Campbell Strong Project	Expenses	Budget	
Campbell Strong - Current fiscal year	1,578,729	3,343,629	47.2%
Campbell Strong Expenditures - Project-to-Date	5,985,148	\$ 7,750,048	77.2%
Direct Participant Expenses	Expenses	Budget	
Campbell Strong - Current fiscal year	915,985	1,685,331	54.4%
Campbell Strong Expenditures - Project-to-Date	3,230,654	4,000,000	80.8%
Campbell Strong Enrollments	Actual	Goal	
Participant Enrollments	1,482	2,000	74.1%

NORTHERN MIDDLE TN WORKFORCE BOARD DECEMBER 2020 FISCAL UPDATE

EXECUTIVE SUMMARY

TDLWD Minimum Participant Cost Rate (MPCR) - Preliminary Through December 2020

Without

Campbell Strong

or Disaster Relief

Grants

MPCR = 44.87%

	MCHRA	Adult & Dislocated	Campbell Strong	Disaster	CARES, Apprentice,	Other (WE Prior CSP &	
	Youth	Worker	excluded	Relief	Incumb Wkr	IFA)	Total
Qualifying Expenses	\$ 531,872	\$ 1,291,220				\$ 0	\$ 1,823,092
Total Program	\$ 1,140,862	\$ 2,471,955				\$ 449,807	\$ 4,062,625
MPCR	46.62%	52.23%				0.00%	44.87%

Northern Middle is in compliance with the 40% Requirement.

NORTHERN MIDDLE TN WORKFORCE BOARD DECEMBER 2020 FISCAL UPDATE

EXECUTIVE SUMMARY

Participant Cost Rate - Through December 2020

Including
Campbell Strong
and Disaster
Relief Grants

MPCR = 59.38%

	MCHRA Youth	MCHRA Adult & Dislocated	Campbell Strong	Disaster Relief	CARES, Apprentice, Incumb Wkr	Other (WE IFA)	Total
Qualifying Expenses	\$ 531,872	\$ 1,291,220	\$ 915,985	\$ 684,465	\$ 691,913	\$ 0	\$ 4,115,455
Total Program	\$ 1,140,862	\$ 2,471,955	\$1,454,906	\$ 719,841	\$ 693,110	\$ 449,807	\$ 6,930,482
MPCR	46.62%	52.23%	62.96%	95.09%	99.83%	0.00%	59.38%

NORTHERN MIDDLE TN WORKFORCE BOARD DECEMBER 2020 FISCAL UPDATE MONITORING UPDATE

EDSI and MAC - Incoming Career Service Providers

- * Regular Meetings: contract negotiations, oversight of service delivery planning and implementation.
- * Expectations communicated.
- * Risk assessments, vision alignment, technical assistance ongoing.
- * Contractor training: December 16-17th; January 6-7th, January 12-13th.
- * CSP staffing and training for service delivery were areas of monitoring focus.

Mid-Cumberland HRA - Outgoing Career Service Provider, Continuing One-Stop Operator

- * Continued monitoring: desk reviews, sampling of transactions, results and areas of concern communicated.
- * Disallowed costs of \$5,258 (Youth) and \$59 (Adult)
- * Technical assistance provided.
- * Transition meetings held stressing closeout accountability: participant services, key dates, data management, asset inventory, expenditure cutoff.

Campbell Strong - Workforce Essentials/West Ky Workforce Board

* Low total expenditures resulted in remaining funds at the end of the two year contract period. A twelve month nocost extension with increased enrollment goals was granted.

NORTHERN MIDDLE TN WORKFORCE BOARD DECEMBER 2020 FISCAL UPDATE FY 19-20 AUDIT

Northern Middle TN LWDB's external audit for FY 19-20 conducted by Thurman Campbell Group, PLC:

- * Unmodified opinions
- * No audit findings
- * Low risk auditee qualification

ACTION

* 2020-21 Financial Report and Budget Revision (+ \$2.513M) Approval

* Auditor - FY20-21 Audit

NORTHERN MIDDLE TENNESSEE LOCAL WORKFORCE DEVELOPMENT BOARD, INC.

AUDITED FINANCIAL STATEMENTS

AND

REPORT OF CERTIFIED PUBLIC ACCOUNTANTS

FOR THE YEAR ENDED JUNE 30, 2020

NORTHERN MIDDLE TENNESSEE LOCAL WORKFORCE DEVELOPMENT BOARD, INC. TABLE OF CONTENTS JUNE 30, 2020

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NORTHERN MIDDLE TENNESSEE LOCAL WORKFORCE DEVELOPMENT BOARD, INC. GENERAL INFORMATION (UNAUDITED) JUNE 30, 2020

A. <u>DESCRIPTION</u>

Northern Middle Tennessee Local Workforce Development Board, Inc. (NMTWB) is a not-for-profit organization established to begin services on July 1, 2000 as a policy-making board for a nine county Local Workforce Development Area 8 (LWDA 8) formerly known as the North Tennessee Workforce Area under the Workforce Investment Act of 1998.

In May 2018, the Tennessee Department of Labor and the State Workforce Board approved the realignment of Tennessee's workforce development system. The realignment reduced the number of workforce areas in the State from thirteen to nine. Specifically, LWDA 8 (9 counties to include Cheatham, Dickson, Houston, Humphreys, Montgomery, Robertson, Stewart, Sumner, and Williamson) and LWDA 9 (4 counties to include Davidson, Rutherford, Trousdale and Wilson) merged over a 90-day transition period beginning July 1, 2018 into the Northern Middle Tennessee Local Workforce Development Area (LWDA NM). The not-for-profit corporate name, which was formerly North Tennessee Workforce Board, Inc. was changed to Northern Middle Tennessee Local Workforce Development Board, Inc. to better align with the state's area designation.

LWDA NM facilitates programs to prepare youth, and up-skill adults and dislocated workers for entry and/or reentry into the labor force and to afford job training to those economically disadvantaged individuals and other individuals facing serious barriers to employment to increase economic self-sufficiency. It also serves to support the economic growth of the merged thirteen county service delivery area which includes Cheatham, Davidson, Dickson, Houston, Humphreys, Montgomery, Robertson, Rutherford, Stewart, Sumner, Williamson and Wilson counties. A Board of Directors comprised of business representatives and other labor, education, economic development and specialty populations govern the affairs of Northern Middle Tennessee Local Workforce Development Board, Inc.

B. <u>FUNDING</u>

Northern Middle Tennessee Local Workforce Development Board, Inc. is funded by the Tennessee Department of Labor and Workforce Development (TDLWD) under the Workforce Innovation and Opportunity Act (WIOA) using pass-through funds provided by the United States Department of Labor. WIOA was signed into law on July 22, 2014 and supersedes the Workforce Investment Act of 1998. In general, the WIOA took effect on July 1, 2015, the first full program year after enactment, unless otherwise noted. Section 107 of WIOA addresses requirements of Local Workforce Development Boards.

C. LOCATION

The administrative headquarters of Northern Middle Tennessee Local Workforce Development Board, Inc. is located within the Workforce Essentials, Inc. building, adjacent to the Montgomery County American Job Center at 523 Madison Street, Suite A in the City of Clarksville, Tennessee, the Montgomery County seat. Clarksville is approximately fifty miles northwest of Nashville, Tennessee via Interstate 24.

D. ROSTER OF BOARD OF DIRECTORS AT JUNE 30, 2020

John Zobl, Chairman of the Board Charles Story, Vice-Chairman of the Board Kristi Spurgeon, Secretary of the Board John Alexander, Board Member Adam Adkisson, Board Member Howard Bradley, Board Member Keith Carnahan, Board Member George Callis, Board Member Jonathan Hunter, Board Member Brian Sims, Board Member Tony Adams, Board Member Christopher West, Board Member

Lynn Siefert, Board Member Gealita Greenhill, Board Member Mark Peed, Board Member Richie Brandon, Board Member Dan Ryan, Board Member G.C. Hixson, Board Member Dan Caldwell, Board Member Carol Puryear, Board Member David Rutledge, Board Member Tylesha McCray, Board Member Seth Thurman, Board Member

E. LOCAL ELECTED OFFICIALS OF LOCAL WIOA AREAS (LWIA NM) AT JUNE 30, 2020 – EXOFFICIO MEMBERS OF NMTWB

Kerry McCarver
John Cooper
Bob Rial
James Bridges
Jessie Wallace
Jim Durrett
William A. Vogle
Bill Ketron
Robin Brandon
Anthony Holt *
Stephen Chambers
Rogers Anderson
Randall Hutto

Cheatham County Mayor
Davidson County Mayor
Dickson County Mayor
Houston County Mayor
Humphreys County Executive
Montgomery County Mayor
Robertson County Mayor
Rutherford County Mayor
Stewart County Mayor
Sumner County Mayor
Trousdale County Mayor
Williamson County Mayor
Wilson County Mayor

^{*} Chief Local Elected Official at June 30, 2020



THURMAN CAMPBELL GROUP, PLC

CERTIFIED PUBLIC ACCOUNTANTS

Members

American Institute of Certified Public Accountants

Tennessee Society of Certified Public Accountants

Kentucky Society of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors Northern Middle Tennessee Local Workforce Development Board, Inc. Clarksville, TN 37040

Report on the Financial Statements

We have audited the accompanying financial statements of Northern Middle Tennessee Local Workforce Development Board, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the requirements prescribed by the Comptroller of the Treasury, the State of Tennessee, as detailed in the Audit Manual. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Northern Middle Tennessee Local Workforce Development Board, Inc. as of June 30, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The introductory section is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements.

The schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

The introductory section listed in the table of contents has not been subjected to the auditing procedures applied in the audit of the basic financial statements and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2020, on our consideration of Northern Middle Tennessee Local Workforce Development Board, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Northern Middle Tennessee Local Workforce Development Board, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Northern Middle Tennessee Local Workforce Development Board, Inc.'s internal control over financial reporting and compliance.

Thurman Campbell Group, PLC

Clarksville, TN December 10, 2020

NORTHERN MIDDLE TENNESSEE LOCAL WORKFORCE DEVELOPMENT BOARD, INC. STATEMENT OF FINANCIAL POSITION JUNE 30, 2020

ASSETS

	Current	Assets:	
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Cash and Cash Equivalents	\$	21,431
Grants Receivable		2,500,278
Prepaid Expenses		34,621
Total Current Assets		2,556,330
Property and Equipment, Net		183,260
Total Assets	\$	2,739,590
<u>LIABILITIES AND NET ASSETS</u>		
Current Liabilities:		
Accounts Payable	\$	2,513,419
Accrued Payroll and Related Withholdings	*	40,565
Total Current Liabilities		2,553,984
Net Assets:		
Without Donor Restrictions		185,606
Total Net Assets		185,606
Total Liabilities and Net Assets	\$	2,739,590

NORTHERN MIDDLE TENNESSEE LOCAL WORKFORCE DEVELOPMENT BOARD, INC. STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE $30,\,2020$

	Without Donor Restrictions	With Donor Restrictions	Total	
Revenues, Gains, and Other Support:				
Grant Revenues	\$ -	\$ 11,901,286	\$ 11,901,286	
Infrastructure Funding Agreement - State Partners	-	295,869	295,869	
Infrastructure Funding Agreement - Other Partners	-	270,000	270,000	
In-Kind Contributions	-	196,494	196,494	
Other Income	-	7,263	7,263	
Interest Income	-	920	920	
Net Assets Released From Restrictions	12,671,832	(12,671,832)		
Total Revenues, Gains and Other Support	12,671,832		12,671,832	
Expenses:				
Program Services	11,682,928	-	11,682,928	
Management and General	805,644		805,644	
Total Expenses	12,488,572		12,488,572	
Change in Net Assets	183,260	-	183,260	
Net Assets-Beginning	2,346		2,346	
Net Assets-Ending	\$ 185,606	\$ -	\$ 185,606	

NORTHERN MIDDLE TENNESSEE LOCAL WORKFORCE DEVELOPMENT BOARD, INC. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2020

Cash Flows from Operating Activities:

Change in Net Assets	\$ 183,260
Adjustments to Reconcile Change in Net Assets	
To Net Cash Provided By (Used In) Operating Activities:	
Depreciation	40,363
In-Kind Contributed Property and Equipment	(196,494)
(Increase) Decrease in Grants and Other Receivables	(953,797)
(Increase) Decrease in Prepaid Expenses	(33,034)
Increase (Decrease) in Accounts Payable	935,733
Increase (Decrease) in Accrued Payroll and Related Withholdings	 26,254
Total Adjustments	 (180,975)
Net Cash Provided By (Used In) Operating Activities	 2,285
Cash Flows from Investing Activities:	
Purchase of Property and Equipment	(27,129)
Net Cash Provided By (Used In) Investing Activities	(27,129)
Net Increase (Decrease) in Cash and Cash Equivalents	(24,844)
Cash and Cash Equivalents-Beginning	 46,275
Cash and Cash Equivalents-Ending	\$ 21,431

NORTHERN MIDDLE TENNESSEE LOCAL WORKFORCE DEVELOPMENT BOARD, INC. STATEMENT OF FUNCTIONAL EXPENSES FOR THE YEAR ENDED JUNE 30, 2020

	Program Services	Management and General	Total
Pass-through, Contracted and Infrastructure Grant Expenses:			
One-Stop Operator, Career Service Provider & Workforce			
Board Services-WKWB	\$ 9,721,550	\$ -	\$ 9,721,550
Business Services - Incumbent Worker Training	398,599	-	398,599
Business Services - Apprenticeship	18,667	-	18,667
Contract Services - AJC Security	82,086	-	82,086
Infrastructure Funding Agreement - WIOA Partners	552,664	-	552,664
Infrastructure Funding Agreement - State Partners	295,869		295,869
Total Pass-through, Contracted and Infrastructure Grant			
Expenses	11,069,435		11,069,435
Other Infrastructure Funding Expenses:			
Infrastructure Funding Agreement - Other Partners	270,000	-	270,000
Total Other Infrastructure Funding Expenses	270,000		270,000
Board and Staff Expenses:			
Contracted Services:			
Salaries and Benefits:			
Salaries	197,562	260,810	458,372
Health and Life Insurance	42,303	33,962	76,265
Payroll Taxes	14,415	19,688	34,103
Retirement	7,117	11,869	18,986
Other Fringe Benefits	6,564	3,263	9,827
Total Workforce Board Salaries and Benefits	267,961	329,592	597,553
Communication	2,063	1,978	4,041
Contract Services - Accounting & Audit	-	5,000	5,000
Contract Services - Fiscal Agent/Shared Staffing	-	409,514	409,514
Contract Services - Research Study	40.262	39,900	39,900
Depreciation Income as	40,363	- 5 007	40,363
Insurance	13,059	5,987	5,987
Marketing Office Expense	2,946	664	13,059 3,610
Rent Expense	1,079	004	1,079
Small Equipment & Software	6,875	5,035	1,079
Supplies	4,405	2,047	6,452
Travel	4,403	5,927	10,669
Total Workforce Board Expenses	343,493	805,644	1,149,137
Total Expenses	\$ 11,682,928	\$ 805,644	\$ 12,488,572

NORTHERN MIDDLE TENNESSEE LOCAL WORKFORCE DEVELOPMENT BOARD, INC. NOTES TO FINANCIAL STATEMENTS JUNE 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Northern Middle Tennessee Local Workforce Development Board, Inc. (NMTWB) is a not-for-profit organization established to begin services on July 1, 2000 as a policy-making board for a nine county Local Workforce Development Area 8 (LWDA 8) formerly known as the North Tennessee Workforce Area under the Workforce Investment Act of 1998.

In May 2018, the Tennessee Department of Labor and the State Workforce Board approved the realignment of Tennessee's workforce development system. The realignment reduced the number of workforce areas in the State from thirteen to nine. Specifically, LWDA 8 (9 counties to include Cheatham, Dickson, Houston, Humphreys, Montgomery, Robertson, Stewart, Sumner, and Williamson) and LWDA 9 (4 counties to include Davidson, Rutherford, Trousdale and Wilson) merged over a 90-day transition period beginning July 1, 2018 into the Northern Middle Tennessee Local Workforce Development Area. The not-for-profit corporate name, which was formerly North Tennessee Workforce Board, Inc. was changed to Northern Middle Tennessee Local Workforce Development Board, Inc. to better align with the merged area designation.

LWDA NM facilitates programs to prepare youth, and up-skill adults and dislocated workers for entry and/or re-entry into the labor force and to afford job training to those economically disadvantaged individuals and other individuals facing serious barriers to employment to increase economic self-sufficiency. It also serves to support the economic growth of the merged thirteen county service delivery area which includes Cheatham, Davidson, Dickson, Houston, Humphreys, Montgomery, Robertson, Rutherford, Stewart, Sumner, Williamson and Wilson counties. A Board of Directors comprised of business representatives and other labor, education, economic development and specialty populations govern the affairs of Northern Middle Tennessee Local Workforce Development Board, Inc.

Northern Middle Tennessee Local Workforce Development Board, Inc. is funded by the Tennessee Department of Labor and Workforce Development (TDLWD) under the Workforce Innovation and Opportunity Act (WIOA) using pass-through funds provided by the United States Department of Labor. WIOA was signed into law on July 22, 2014 and supersedes the Workforce Investment Act of 1998. In general, the WIOA took effect on July 1, 2015, the first full program year after enactment, unless otherwise noted. Section 107 of WIOA addresses requirements of Local Workforce Development Boards.

The thirteen county governments of LWDA NM, represented by their Local Elected Officials, are fiscally responsible for the proper use of WIOA/TDLWD funds within that area. This is outlined in an interlocal agreement. County Local Elected Officials nominate members of the Northern Middle Tennessee Local Workforce Development Board so that all counties, as well as the demographic makeup of the area served, are represented. The Local Elected Officials (LEOs) elect a Chief Local Elected Official (CLEO) who appoints the fiscal agent and approves the members of the Board of Directors. Designating an entity as a fiscal agent does not relieve the counties of their fiduciary responsibility.

Effective July 2019, Workforce Essentials, Inc. became the fiscal agent and staff to the NMTWB as approved by the Consortium of County Mayors and the Northern Middle Tennessee Local Workforce Development Board. This required Workforce Essentials to withdraw from the One-Stop Operator and Career Service Provider contract in the Northern Middle Tennessee area.

As fiscal agent through June 30, 2020, Workforce Essentials, Inc. was responsible for the following functions:

- Receipt of funds;
- Ensure sustained fiscal integrity and accountability for expenditures of funds in accordance with Office of Management and Budget circulars, WIOA, and the corresponding Federal Regulations and state policies;
- Respond to audit financial findings;
- Maintain proper accounting records and adequate documentation;
- Prepare financial reports, and
- Provide technical assistance to subrecipients regarding fiscal issues.
- Other duties as required by direction of the board.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

In early 2019, the NMTWB selected a third party to competitively procure a One-Stop Operator and Career Service Provider in the 13 county region with Mid-Cumberland Human Resource Agency selected as the provider for both services with the contract effective April 1, 2019 for a 90-day startup period before full implementation on July 1, 2019. The \$418,835 One-Stop Operator contract and \$7,822,301 Career Service Provider contracts were modified in August 2019 to \$587,585 and 9,911,920 respectively due to additional state funding. Modifications were made in February 2020 to \$537,585 and \$9,376,458 respectively partially due to expired state funding. The contract term ended on June 30, 2020 with a two-year option to renew at the discretion of the NMTWB. The LWDB voted to extend the contracts for six months ending December 31, 2020. See note 6.

Northern Middle Tennessee Local Workforce Development Board, in partnership with the Western Kentucky Workforce Development Board, was awarded a federal Trade and Economic Transition National Dislocated Worker grant totaling \$7.7 million. This 2-year grant, effective October 1, 2018 to September 30, 2020 was split 40/60 with \$3.1M awarded in Year 1 and \$4.6M awarded in Year 2. Both contracts were scheduled to expire September 30, 2020 but were extended at no cost through September 30, 2021. The focus of this project aligns both Tennessee and Kentucky's WIOA plans through the Fort Campbell Strong Workforce Partnership (FCSWP) to transfer and enhance the skill of military personnel and spouses transitioning across Tennessee and Kentucky. At June 30, 2020, \$4,406,419 had been spent on the \$7.7M awards.

Other activity pertinent to NMTWB structure and subsequent events are described at note 6. The accounting policies of NMTWB conform to generally accepted accounting principles as applicable to non-profit corporations. The following is a summary of the most significant policies:

A. Reporting Entity

NMTWB, for financial statement purposes, includes all of the assets and liabilities relevant to the operations of NMTWB. The financial statements presented herein do not include any other agencies or organizations which are separate and distinct units of themselves.

B. Basis of Accounting

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. NMTWB utilizes the accrual basis of accounting which recognizes revenues when earned and expenses when incurred. The Financial Accounting Standards Board (FASB) has established standards concerning contributions and financial statement disclosures applicable to non-governmental, not-for-profit organizations such as NMTWB. These standards require that unconditional promises to give (pledges) be recorded as receivables and revenues and require the organization to distinguish among contributions received for each net asset category in accordance with two classes of net assets: with and without donor restrictions.

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Net assets without donor restrictions are available for use in general operations and not subject to donor restrictions. Net assets with donor restrictions are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

C. Support and Expenses

Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets without donor restrictions. NMTWB reports gifts of cash and other assets as support and net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Gifts of land, buildings, equipment, other long-lived assets and gifts of cash that must be used to acquire long-lived assets are reported as support and net assets without donor restrictions unless explicit donor stipulations specify how such assets must be used, in which case the gifts are reported as support and net assets with donor restrictions. Absent explicit donor stipulations for the time long-lived assets must be held, expirations of restrictions resulting in

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

reclassification of net assets with donor restrictions to net assets without donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

For grants qualifying as exchange transactions, revenue is recognized in the period when eligible expenditures are incurred under the terms of the grant. Such grant funds received prior to expenditure are recorded initially as unearned revenue.

Revenue (other than contributions) is recognized when services are rendered and/or reimbursable charges are incurred under the terms of the agreement. Revenue received in advance of services provided and/or reimbursable charges being incurred are recorded as unearned revenue.

D. <u>Property and Equipment</u>

Property and equipment are valued at historical cost. Donated property and equipment are valued at their estimated fair value on the date donated. Equipment purchased with a unit cost in excess of \$5,000 and sensitive equipment with a unit cost in excess of \$100 are capitalized. Equipment purchased with grantor funds must be returned to the grantor when NMTWB ceases operations or when NMTWB disposes of the equipment. Capital assets are evaluated for impairment or abandonment when necessary.

The cost of additions, major renovations and betterments are capitalized while those for maintenance and repairs are charged to expense as incurred.

Depreciation is provided in amounts sufficient to relate the cost of the depreciable assets to operations over their estimated useful lives on the straight-line basis. The estimated useful lives by type of asset are as follows:

Equipment & Furniture3-10 yearsVehicles3 yearsImprovements10-15 yearsBuilding30-40 years

E. <u>Allocation of Administrative Expenses</u>

Administrative expenses are allocated among programs on a monthly basis based on each program's non-administrative (direct) expenditures.

F. Advertising Costs/Shipping and Handling Costs

Advertising costs and shipping and handling costs are expensed as incurred.

G. Restrictions on Revenues

Revenues are considered to be available for unrestricted use unless specifically restricted by the donor or grantor.

H. Accrued Compensated Absences

Accrued compensated absences are not recorded since unused annual leave cannot be carried over to the following fiscal year.

I. <u>Cash and Cash Equivalents</u>

For the purposes of the statement of cash flows, NMTWB considers bank deposits and all highly liquid instruments with a maturity of three months or less when purchased to be cash and cash equivalents.

J. Receivables

Receivables are stated at unpaid balances; all receivables are considered to be fully collectible. Bad debts are charged to expense using the direct-write-off method, which doesn't differ materially from the allowance method. The bad debt expense for the year ended June 30, 2020 was \$0. NMTWB doesn't require collateral or other security when extending credit to its customers.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

K. Net Assets with Donor Restrictions

Net assets with donor restrictions represent funds received from donors/grantor agencies in excess of actual expenditures at the end of the fiscal year. These amounts, if not expended, must be returned to the donor/grantor upon completion of the grant. As of June 30, 2020, NMTWB had \$0 in net assets with donor restrictions and restricted cash.

L. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

M. In-Kind Contributions and Contributed Services

NMTWB recognizes the fair value of contributed services received if such services (a) create or enhance long lived assets or (b) require specialized skills, are provided by individuals processing those skills, and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at fair value when received. In-kind contributions are reported as unrestricted support unless explicit donor stipulations specify how donated assets must be used. NMTWB received no contributed services during the year ended June 30, 2020.

NMTWB received contributed property and equipment during the year ended June 30, 2020, with an estimated fair value on the date of donation of \$196,494. See note 10.

N. Other Significant Accounting Policies

Other significant accounting policies are described throughout the notes section of the financial statements or disclosed in the statement format.

2. OPERATING LEASES

Northern Middle Tennessee Local Workforce Development Board, Inc., leases various buildings from Workforce Essentials and other entities throughout the service area that are used as American Job Centers (AJC). Many of these buildings are shared with other organizations and/or programs (One-Stop Partners) that provide interrelated services within the service area as part of the one-stop initiative. NMTWB has entered into infrastructure funding agreements (IFA) with these One Stop Partners. Under these agreements, NMTWB is responsible for the provision of office space, the administration of the office space, the provision of equipment and supplies to support the operation of these facilities, and the coordination of resources to prevent duplication and ensure the effective/efficient delivery of workforce services.

The costs of operating the American Job Centers include rent, supplies, utilities, phone, internet, repairs, maintenance, salaries/benefits of administrative personnel and other similar items. These costs are allocated or charged to each of the entities/programs that utilize the Centers. Under the IFAs, each entity/program must reimburse NMTWB for its portion of the aforementioned facility costs. During the 2020 fiscal year, total expenses under these agreements were \$1,118,532. Leases with Workforce Essentials, Inc. and other entities, and IFAs are cancelable on notice and renew annually, otherwise.

3. CONCENTRATIONS

Financial instruments that potentially subject NMTWB to concentrations of credit risk consist principally of cash, cash equivalents and accounts receivable. NMTWB maintains cash and cash equivalents with a federally insured financial institution and believes it is not exposed to any significant credit risk on its cash and cash equivalents.

Accounts receivable, which primarily consist of grant receivables from the State of Tennessee Department of Labor and Workforce Development, are considered fully collectible by NMTWB.

NMTWB receives almost all of its support and revenue from Tennessee Department of Labor and Workforce Development (TDLWD). A major reduction of funds from TDLWD would have a material effect on the operations and on the financial position of NMTWB.

4. DEFERRED COMPENSATION PENSION PLAN

Effective July 1, 2019, Workforce Essentials, Inc. became the fiscal agent and staff to the NMTWB as approved by the Consortium of County Mayors and the Northern Middle Tennessee Local Workforce Development Board. Existing NMTWB board staff were hired by Workforce Essentials, Inc. Therefore, the North Tennessee Workforce Board Tax Sheltered Annuity Retirement Plan, a defined contribution plan, was administratively closed out. Assets associated with transferring employees were liquidated on July 26, 2019 and merged to the new employer's plan.

5. RISK MANAGEMENT AND INSURANCE

NMTWB is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. NMTWB has elected to obtain various insurance policies to transfer risks to commercial insurance companies. Claims have not exceeded insurance coverage in any of the preceding three years.

6. SUBSEQUENT EVENTS

Effective July 1, 2020, NMTWB extended Mid-Cumberland Human Resource Agency's twelve-month contracts for six additional months ending December 31, 2020, increasing the One-Stop Operator contract by \$115,487 to \$653,072, and increasing the Career Service Provider contract by \$1,487,063 to \$10,863,521. The extension was granted to allow for a third party administrator to competitively procure a subsequent One-Stop Operator, Adult and Dislocated Worker Career Service Provider and Youth Providers in the fall of 2020 in accordance with revised Tennessee Department of Labor and Workforce Development procurement guidance for such services.

Effective July 1, 2020, NMTWB was awarded a two-year WIOA National Dislocated Worker Grant to provide programs and services for Disaster Recovery due to COVID-19 in the amount of \$983,302.

Effective September 28, 2020, expiring grant contracts associated with the Campbell Strong Workforce Partnership totaling \$7,750,048 were extended through September 30, 2021. Remaining funds on the extended contracts were \$2,494,503 as of September 30, 2020.

NMTWB has evaluated subsequent events through December 10, 2020, the date which the financial statements were available to be issued.

7. TAX-EXEMPT STATUS

NMTWB is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code; has not been classified as a private foundation; and is subject to federal income taxes only on unrelated business income in accordance with Section 511(a) of the Internal Revenue Code. NMTWB had no unrelated business income during the year. Accordingly, no provision for income tax has been made. NMTWB is no longer subject to U.S. federal income tax examination by the tax authorities for years prior to 2016.

8. CASH AND CASH EQUIVALENTS

As of June 30, 2020, the carrying amount of NMTWB's deposits was \$21,431 and the bank balances were \$21,431. NMTWB maintains cash balances at one financial institution. The balances at the financial institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Since January 2019, NMTWB's deposits were classified as public funds and amounts in excess of FDIC limits were insured through Tennessee Bank Collateral Pool.

9. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

NMTWB has \$2,521,709 of financial assets available within one year of the statement of financial position date to meet cash needs for general operating expenditures, consisting of cash and cash equivalents of \$21,431 and receivables of \$2,500,278. As part of NMTWB's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

10. PROPERTY AND EQUIPMENT

The following changes in property and equipment occurred during the year ended June 30, 2020:

Description	 ance 0/2019	kind & Cash Additions	Dele	tions	Balance 6/30/2020
Furniture & Equipment	\$ -	\$ 988,786	\$	-	\$ 988,786
Leasehold Improvements	 	 267,602			267,602
Total Property and Equipment	-	1,256,388		-	1,256,388
Less: Accumulated Depreciation	 	 (1,073,128)			 (1,073,128)
Net Property and Equipment	\$ 	\$ 183,260	\$		\$ 183,260

Depreciation expense for the year ending June 30, 2020 was \$40,363. Certain equipment with a carrying value of \$183,260 was acquired with grant funds and is subject to return to the grantor when NMTWB ceases operations or disposes of the equipment.

During the year ended June 30, 2020, certain property and equipment with a carrying value of \$196,494 (cost of \$1,256,388 and accumulated depreciation of \$1,032,765), which was acquired with prior years grant funds by Workforce Essentials, Inc. and Nashville Career Advancement Center, were contributed to NMTWB as part of the realignment of Tennessee's workforce development system.

11. CHANGE IN PRESENTATION

Certain items from the prior year have been reclassified to conform to current year presentation.

12. COVID-19

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 11, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries, including the geographical area in which NMTWB operates. NMTWB, however, has not experienced any major disruptions in operations during this time. While there remains considerable uncertainty around duration and ultimate financial impact of the COVID-19 outbreak, NMTWB does not expect it to have a significantly negative impact on its financial position or operating results.

13. CHANGE IN ACCOUNTING PRINCIPLE

In June 2018 (effective date July 1, 2019), the FASB issued Accounting Standards Update (ASU) 2018-08, Not-for-Profit Entities (Topic 958), Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made. The ASU clarifies and improves guidance for contributions received and contributions made, and provides guidance to organizations on how to account for certain exchange transactions This change is preferable in that it clarifies whether to account for transactions as contributions or as exchange transactions. In addition, it clarifies whether a contribution is conditional. As a result, it enhances comparability of financial information among not-for-profit entities.

The change in accounting principle was adopted on a prospective basis in 2019-2020. The adoption of ASU 2018-08 did not have a material impact on the Organization's financial statements and there was no cumulative-effect adjustment to opening net assets without donor restrictions or opening net assets with donor restrictions as of July 1, 2019.

14. RECENT AUTHORITATIVE ACCOUNTING GUIDANCE

In May 2014, the FASB issued ASU 2014-09, Revenue from Contracts with Customers (Topic 606). This guidance outlines a single comprehensive model for companies to use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance, including industry-specific guidance. The core principle of the revenue model is that revenue is recognized when a customer obtains control of a good or service. A customer obtains control when it has the ability to direct the use of and obtain the benefits from the good or service. Transfer of control is not the same as transfer of risks and rewards, as it is considered in current guidance. The Organization will also need to apply new guidance to determine whether revenue should be recognized over time or at a point in time. FASB issued ASU 2020-05 that deferred the effective date for Organizations who have not adopted the standard until annual periods beginning after December 15, 2019. The guidance is not expected to have a material effect on the Organization's financial statements.

In February 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842), to supersede nearly all lease guidance under U.S. GAAP. ASU 2016-02 requires the recognition of lease assets and lease liabilities on the balance sheet by lessees for those leases currently classified as operating leases. ASU 2016-02 also requires qualitative disclosures along with specific quantitative disclosures. FASB issued ASU 2020-05 that deferred the effective date for Organizations who have not adopted the standard until annual periods beginning after December 15, 2021. The guidance is not expected to have a material effect on the Organization's financial statements.

NORTHERN MIDDLE TENNESSEE LOCAL WORKFORCE DEVELOPMENT BOARD, INC. SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2020

FEDERAL GRANT AWARDS

			Grantor/		Passed
CFDA	Grant ID Number	Duo oroma Noma	Pass-through	Amount	Through To
Number	Number	Program Name	Agency	Expended	Subrecipients
17.225	LWNMP181RESEA19	RESEA	USDL/TDLWD	\$ 47,488	\$ 47,488
17.225	LWNMF191RESEA19	RESEA	USDL/TDLWD	117,671	117,671
		Total 17.22	25	165,159	165,159
17.277	LWNMF191TEDWG19	Trade & Economic Transition National Dislocated Worker Gr	ant USDL/TDLWD	2,166,324	2,166,324
17.277	LWNMF192TEDWG19	Trade & Economic Transition National Dislocated Worker Gr	rant USDL/TDLWD	1,409,114	1,409,114
		Total 17.2'	77	3,575,438	3,575,438
17.285	LWNMP191NATAP20	Apprenticeship USA	USDL/TDLWD	19,590	924
WIOA Cluster					
17.258	LWNMF191ADULT19	Adult	USDL/TDLWD	800,586	774,586
17.258	LWNMP191ADULT20	Adult	USDL/TDLWD	276,555	252,076
17.258	LWNMF201ADULT20	Adult	USDL/TDLWD	303,021	276,631
17.258	LWNMP171TFSWA18	Adult	USDL/TDLWD	24,513	
		Total 17.2:	58	1,404,675	1,303,293
17.259	LWNMP181YOUTH19	Youth	USDL/TDLWD	993,444	900,956
17.259	LWNMP191YOUTH20	Youth	USDL/TDLWD	1,128,492	1,089,675
17.259	LWNMP182MNSWA19	Statewide - Administrative Career Exploration	USDL/TDLWD	235	235
17.259	LWNMP181CESWA19	Statewide - Career Exploration	USDL/TDLWD	4,000	-
17.259	LWNMP181CBSWA19	Statewide - Consolidated Business	USDL/TDLWD	158,639	-
17.259	LWNMP181MNSWA19	Statewide - Administrative	USDL/TDLWD	11,399	11,399
		Total 17.2:	59	\$ 2,296,209	\$ 2,002,265

SEE ACCOMPANYING NOTES AND AUDITOR'S REPORT.

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NORTHERN MIDDLE TENNESSEE LOCAL WORKFORCE DEVELOPMENT BOARD, INC. SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONT'D) FOR THE YEAR ENDED JUNE 30, 2020

CFDA Number	Grant ID Number	Program Name	Grantor/ Pass-through Agency	Amount Expended	Passed Through To Subrecipients
17.278	LWNMF191DSLWK19	Dislocated Worker	USDL/TDLWD	\$ 2,691,384	\$ 2,516,834
17.278	LWNMP181DSLWK19	Dislocated Worker	USDL/TDLWD	322,207	277,062
17.278	LWNMP191DSLWK20	Dislocated Worker	USDL/TDLWD	533,556	425,490
17.278	LWNMF201DSLWK20	Dislocated Worker	USDL/TDLWD	553,122	511,330
17.278	LWNMF181IWSWA19	Dislocated Worker - Statewide Incumbent Worker	USDL/TDLWD	167,626	-
17.278	LWNMF191DRSWA19	Dislocated Worker - Statewide Disaster Relief	USDL/TDLWD	82,084	-
17.278	LWNMF191MNSWA19	Dislocated Worker - Statewide Interim Disaster Relief	USDL/TDLWD	4,859	4,859
17.278	LWNMF201DWSWA20	Dislocated Worker - Statewide Interim Disaster Relief	USDL/TDLWD	85,377	
		Total 17.278		4,440,215	3,735,575
		Total WIOA Cluster		8,141,099	7,041,133
		Total Federal Awards		\$ 11,901,286	\$ 10,782,654

SEE ACCOMPANYING NOTES AND AUDITOR'S REPORT.

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NORTHERN MIDDLE TENNESSEE LOCAL WORKFORCE DEVELOPMENT BOARD, INC. FOOTNOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS JUNE 30, 2020

1. <u>Grantor Agency Abbreviations</u>

USDA United States Department of Agriculture USDL United States Department of Labor

TDLWD Tennessee Department of Labor and Workforce Development

2. <u>Significant Accounting Policies used in Preparing the Schedule</u>

- A. <u>Basis of Accounting</u>: NMTWB utilized the accrual basis of accounting in preparing the schedule.
- B. <u>Property and Equipment</u>: Expenditures for property and equipment are expensed in the schedule, where applicable.
- C. <u>Indirect Cost Rate</u>: NMTWB has not elected to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.
- D. <u>Allocation of Administrative</u>: Administrative expenses were allocated among programs, on a monthly basis, based on each program's non-administrative expenditures.

3. <u>Additional Information</u>

There was no non-cash federal assistance expended during the year. There were no federal insurance or loans or loan guarantees during the audit period.

SEE AUDITOR'S REPORT.



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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors Northern Middle Tennessee Local Workforce Development Board, Inc. Clarksville, TN 37040

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Northern Middle Tennessee Local Workforce Development Board, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 10, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Northern Middle Tennessee Local Workforce Development Board, Inc.'s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Northern Middle Tennessee Local Workforce Development Board, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Northern Middle Tennessee Local Workforce Development Board, Inc.'s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Northern Middle Tennessee Local Workforce Development Board, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Thurman Campbell Group, PLC

Clarksville, TN December 10, 2020



THURMAN CAMPBELL GROUP, PLC

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors Northern Middle Tennessee Local Workforce Development Board, Inc. Clarksville, TN 37040

Report on Compliance for Each Major Federal Program

We have audited Northern Middle Tennessee Local Workforce Development Board, Inc.'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Northern Middle Tennessee Local Workforce Development Board, Inc.'s major federal programs for the year ended June 30, 2020. Northern Middle Tennessee Local Workforce Development Board, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Northern Middle Tennessee Local Workforce Development Board, Inc.'s major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Northern Middle Tennessee Local Workforce Development Board, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Northern Middle Tennessee Local Workforce Development Board, Inc.'s compliance.

Opinion on Each Major Federal Program

In our opinion, Northern Middle Tennessee Local Workforce Development Board, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Report on Internal Control Over Compliance

Management of Northern Middle Tennessee Local Workforce Development Board, Inc. is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Northern Middle Tennessee Local Workforce Development Board, Inc. internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Northern Middle Tennessee Local Workforce Development Board, Inc.'s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Thurman Campbell Group, PLC

Clarksville, TN December 10, 2020

NORTHERN MIDDLE TENNESSEE LOCAL WORKFORCE DEVELOPMENT BOARD, INC. SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS JUNE 30, 2020

A. <u>FINDINGS – FINANCIAL STATEMENT AUDIT</u>

There were no prior year findings reported.

B. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

There were no prior year findings reported.

NORTHERN MIDDLE TENNESSEE LOCAL WORKFORCE DEVELOPMENT BOARD, INC. SCHEDULE OF FINDINGS AND QUESTIONED COSTS JUNE 30, 2020

A. <u>SUMMARY OF AUDITOR'S RESULTS</u>

- The auditor's report expresses an unmodified opinion on whether the financial statements of Northern Middle Tennessee Local Workforce Development Board, Inc. were prepared in accordance with GAAP.
- No significant deficiencies or material weaknesses relating to the audit of the financial statements were reported in the Independent Auditor's Report On Internal Control Over Financial Reporting And On Compliance And Other Matters Based On An Audit Of Financial Statements Performed In Accordance With Government Auditing Standards.
- 3. No instances of noncompliance material to the financial statements of Northern Middle Tennessee Local Workforce Development Board, Inc. which would be required to be reported in accordance with Government Auditing Standards, were disclosed during the audit.
- 4. No significant deficiencies or material weaknesses in internal control over compliance relating to the major federal award programs were reported in the Independent Auditor's Report On Compliance For Each Major Program And On Internal Control Over Compliance Required By The Uniform Guidance.
- 5. The auditor's report on compliance for the major federal award programs for Northern Middle Tennessee Local Workforce Development Board, Inc. expresses an unmodified opinion on all major federal programs.
- 6. The audit disclosed no audit findings which are required to be reported under 2 CFR section 200.516(a).
- 7. The programs tested as major were United States Department of Labor/Tennessee Department of Labor and Workforce Development, Workforce Innovation and Opportunity Act Cluster Programs (WIOA), CFDA's 17.258, 17.259 and 17.278.
- 8. The dollar threshold used for distinguishing between Type A and Type B programs was \$750,000.
- 9. Northern Middle Tennessee Local Workforce Development Board, Inc. qualified as a low-risk auditee.

B. FINDINGS – FINANCIAL STATEMENT AUDIT

There are no findings.

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

There are no findings.



THURMAN CAMPBELL GROUP, PLC

CERTIFIED PUBLIC ACCOUNTANTS

Members

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December 10, 2020

To the Board of Directors Northern Middle Tennessee Local Workforce Development Board, Inc. Clarksville, TN 37040

We have audited the financial statements of Northern Middle Tennessee Local Workforce Development Board, Inc. for the year ended June 30, 2020, and we will issue our report thereon dated December 10, 2020. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated August 26, 2020. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Northern Middle Tennessee Local Workforce Development Board, Inc. are described in Note 1 to the financial statements. As described in Note 13, the Organization adopted FASB Accounting Standards Update (ASU) No. 2018-08, Not-for-Profit Entities (Topic 958), Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made, in fiscal year 2019-2020. Accordingly, the accounting change has been prospectively applied. The adoption had no material impact on the Organization's financial statements and there was no cumulative-effect adjustment to opening net assets. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

Management's estimate of the collectability of grant receivables is based on the fact that essentially all receivables are from the Tennessee Department of Labor and Workforce Development, are considered to be 100% collectible. We evaluated the key factors and assumptions used to develop the estimate of the collectability of accounts receivable in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's capitalization and depreciation of fixed assets is based on the Northern Middle Tennessee Local Workforce Development Board's adopted capitalization policy and historical cost of assets and their estimated useful lives, respectively. We evaluated the key factors and assumptions used to develop the depreciation expense and capitalize fixed assets in determining that it is reasonable in relation to the financial statements taken as a whole.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 10, 2020.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

With respect to the schedule of expenditures of federal and state awards accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the schedule of expenditures of federal and state awards to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the board of directors and management of Northern Middle Tennessee Local Workforce Development Board, Inc. and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Thurman Campbell Group, PLC

Clarksville, TN

Northern Middle Tennessee **Workforce Development Board AJC Report**

For October 1 to December 31, 2020

Report Date: February 10, 2021

Local Area Updates

Near the end of October, the Northern Middle Tennessee Workforce Board announced a new initiative for every American Job Center (AJC) across our thirteen-county area. New Skills November was launched as a free short-term training; with funding that would be available through the Tennessee Community CARES

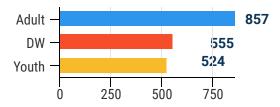
The board established a partnership with Training Providers; Vol State, Nashville State, the Nashville Technology Council, Tennessee Center for Applied Technology, Lockhart Trucking Academy and Austin Peay State University to offer short-term courses in Basic Computer Training, Construction, CNA training, CDL Truck Driving and more.

Beginning in late October, a weekly e-mail blast was sent to a list of new Unemployment Insurance claimants describing the program and how to enroll. New Skills November gave our AJCs a powerful tool to help those that have lost their jobs over the last several months, a path to find re-employment through attaining a new skill.

43.94% Contractual **MPCR** (Including OSO Costs, 10.1.20 to 12.31.20)

Partner Program Updates

Title I Active Cases



Adult Education

A total of 110 students received their HiSETs with an average of **429** students enrolled in classes! This quarter, **76** students received a level gain.

Wagner Peyser

3,942 11,133 907

New employers registered in Jobs4TN

New Job Orders in Jobs4TN

Wagner Peyser Participants

Vocational Rehabilitation

1,179

Active Cases

137

Applications

62

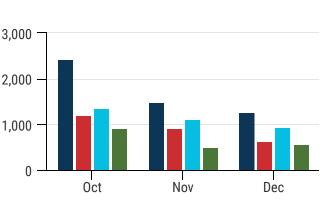
Currently Working

63

Successful Closures

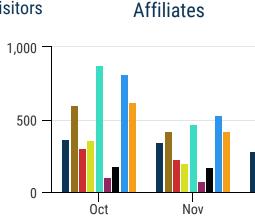
AJC Total Traffic Counts

Comprehensives



Navy - Davidson **Red - Montgomery** Med. Blue - Rutherford **Green - Sumner**

Total Individual Visitors 24.478



Navy - Cheatham Gold - Dickson **Red - Houston**

Teal - Robertson Purple - Stewart Black - Trousdale Yellow - Humphreys Med. Blue - Williamson Orange - Wilson



Northern Middle AJC Report December 31, 2020

Unemployment Rates by County as of December 31, 2020;

NM = 4.3%

State = 6.4%

County	Unemployment Rate (September)	Unemployment Rate (December)			
Cheatham	(4.6%)	3.8%			
Davidson	(7.5%)	4.7%			
Dickson	(4.4%)	3.8%			
Houston	(6.0%)	6.2%			
Humphreys	(4.6%)	4.4%			
Montgomery	(6.2%)	5.3%			
Robertson	(4.8%)	3.9%			
Rutherford	(5.4%)	3.9%			
Stewart	(4.5%)	5.2%			
Sumner	(5.3%)	4.1%			
Trousdale	(5.2%)	4.2%			
Williamson	(3.6%)	3.3%			
Wilson	(5.3%)	3.8%			

Eleven of our thirteen counties in Northern Middle continued to drop in unemployment during the past quarter. The most recent data from Dec 31 showed that some counties had a significant drop in unemployment, since the data that was released at the end of September. The state, meanwhile, rose from 6.3% to 6.4% in that same period. Only Houston and Stewart counties showed a very slight increase in unemployment during this time.

The largest drop in unemployment occurred in Davidson County, which had the highest unemployment rate in Northern Middle at the end of September, at 7.5%. By the end of December, unemployment in Davidson County had dropped to 4.7%. To take that even further, the unemployment rate in Davidson County stood at 12.1% at the end of June.

Welcome EDSI Solutions and MAC

Last fall, the Northern Middle board released a Request for Proposals (RFP) to procure new contracts for the One-Stop Operator, Adult and Dislocated Career Service Provider(s) and Youth Service Provider(s). The announcement was made in early November that Mid-Cumberland Human Resource Agency would retain the One-Stop Operator contract. EDSI Solutions will provide career services for Adult and Dislocated Workers in all thirteen counties, while providing Youth services in twelve of our thirteen counties. Metro Action Commission (MAC) will provide Youth services in Davidson County. Welcome to our newest partners!



Metropolitan Action Commission



Key Performance Indicators (KPI)

Beginning January 1, 2020; the Statewide Workforce Development Board (SWDB) established Key Performance Indicators for each major program under WIOA. Targets were reviewed with each Local Area in February. All AJC partners are to be included in the KPIs for 2020, including Title I, Adult Ed, Wagner-Peyser, Voc-Rehab, TANF, SCSEP & NCOA, RESEA, TAA, SNAP E&T among others. The Northern Middle Title I targets for 2020 are listed below, along with the actual data from Calendar Year 2020. Performance obviously suffered greatly when the AJCs were shut down and were not fully operational until almost mid-June. Now that they are fully operational again, performance has improved significantly.

	Calendar Year	Northern Middle Target	Actual
	Q1 2020	507	238
Adult and	Q2 2020	338	165
Dislocated	Q3 2020	507	455
Worker	Q4 2020	339	171
	2020	1,691	1029
	Q1 2020	185	92
	Q2 2020	123	67
Youth	Q3 2020	185	144
	Q4 2020	123	80
	2020	616	383

NORTHERN MIDDLE WORKFORCE REGION NATIONAL DISLOCATED WORKER GRANT JANUARY 31, 2021

Workforce Region	State	Local Area Number and Name	Disaster Relief Participants Served (actual)	Career & Training Services Participants Served (actual)	Participants Served (actual)	Cummulative Quarterly Expenditures	Positive Outcomes
Se Se	TN TN	Cheatham	4	0	4	17,151.46	1
့်		Davidson	19	0	19	129,146.77	0
or.	TN	Dickson	4	0	4	42,670.98	1
.kf	TN	Houston	4	0	4	23,321.09	0
10 /	TN	Humphreys	1	0	1	361.52	0
	TN	Montgomery	25	1	26	186,607.10	12
d die	TN	Robertson	1	0	1	18,329.44	0
lid Lid	TN	Rutherford	1	0	1	4,055.70	1
\geq	TN	Stewart	4	0	4	70,461.20	0
ern	TN	Sumner	31	0	31	190,516.27	4
Northern Middle	TN	Trousdale	2	0	2	15,447.41	0
Tor	TN	Williamson	4	0	4	49,502.74	2
L	TN	Wilson	11	1	12	113,678.83	1
		Total	111	2	113	861,250.51	22

	Northern Middle Weekly Report CARES ACT CBG/IWT									
County	Employer	Training Type		Amount	Expended 1/29/21	Participants				
Davidson	Berry Global	OJT	\$	25,000.00	25,000.00	7				
Davidson	Clear Link	IWT	\$	25,000.00	25,000.00	7				
Davidson	Empower Electric	IWT	\$	53,480.26	53,480.26	22				
Montgomery	Clarksville Dental	IWT	\$	14,741.60	7,646.80	5				
Montgomery	LG Electronics	IWT	\$	25,000.00	25,000.00	50				
Montgomery	Clarksville Montgomery County Schools	IWT	\$	88,889.47	88,889.47	61				
Robertson	Robertson County Schools	IWT	\$	8,815.98	8,815.98	7				
Rutherford	Interstate Warehousing	OJT	\$	25,000.00	25,000.00	8				
Rutherford	Rutherford Works	IWT	\$	4,018.00	4,018.00	7				
Sumner	Dorman Products	IWT	\$	25,000.00	25,000.00	49				
Wilson	Compaction Tool Service	IWT	\$	10,015.69	10,015.69	3				
Wilson	Jones Bros Contractors	IWT	\$	21,539.00	21,295.99	130				
Wilson	Solaren	IWT	\$	25,000.00	25,000.00	34				
		TOTAL	\$	351,500.00	344,162.19	390				

	Northen Middle CARES Re-employment Weekly Report									
Class	School	Training	Class	City	Location	Obligated	# Students			
1	Nashville State Community College Computer Training M		Microsoft Suite	Nashville	Nashville White Bridge Road Room #C-221	3,900.00	10			
2	Nashville State Community College	Computer Training			3,900.00	6				
3	Nashville State Community College	Computer Training Microsoft Suite Waverly Holly Lane		3,900.00	4					
4	Nashville State Community College	Soft Skill Training	Communication & Listening, etc	Nashville	Nashville White Bridge Road Room #S-116	12,719.00	3			
5	Nashville State Community College	Hospitality ServSafe Nashville Southeast Campus Hickory Hollow Pkwy Room #1463		Southeast Campus Hickory Hollow Pkwy	\$ 3,125.00	1				
6	Nashville State Community College	Hospitality	Hospitality I ServSate I Nashville I		Southeast Campus Hickory Hollow Pkwy	244.01	4			
7	Tennessee College of Applied Technology Dickson	Computer Training Microsoft Word, Erin 155 W. Front S		American Job Center 155 W. Front Street Erin, TN 37061	6,433.66	8				
8	Tennessee College of Applied Technology Dickson	Computer Training	Computer Training Microsoft Word, Excel, PowerPoint, Dover Stewart County Jail		Stewart County Jail	6,433.67	11			
9	Tennessee College of Applied Technology Dickson	of Applied Computer Training Microsoft Word, Fixed PowerPoint Ashland City Street		of Applied Computer Training Microsoft Word, Excel PowerPoint Ashland City Street Ashland C		American Job Center 384 South Main Street Ashland City, TN 37015	6,433.67	1		
10	Tennessee College of Applied Technology Dickson	Project Management	Project Management	Dickson	740 TN-46 Dickson, TN 37055	5,575.00	5			
11	Tennessee College of Applied Technology Clarksville	Project Management	Project Management	Clarksville	135 International Blvd. Clarksville, TN 37040	5,575.00	5			

	Nortl	hen Middle CA	ARES Re-e	mploym	ent Weekly	Report	
Class	School	Training	Class	City	Location	Obligated	# Students
12	Tennessee College of Applied Technology Murfreesboro	Construction Training	Basic Safety, Construction Math, Drawings, etc.	Murfreesboro	Old Fort Parkway Murfreesboro, TN	8,000.00	11
13	Tennessee College of Applied Technology Murfreesboro	Certified Nursing Assistant	Patient Care C.N.A. Certification	Murfreesboro	Old Fort Parkway Murfreesboro, TN	19,500.00	13
14	Tennessee College of Applied Technology Murfreesboro	Certified Nursing Assistant	Patient Care C.N.A. Certification	Murfreesboro	Old Fort Parkway Murfreesboro, TN	19,500.00	15
15	Austin Peay State University Armored Trucking	Truck Driver Training	CDL	Clarksville	APSU McReynolds Bldg. Room 203	24,000.00	6
16	Lockhart Trucking Academy	○ I Truck Driver Training I CDI		CDL Lebanon 606 Le		81,600.00	17
17	Tennessee College of Applied Technology Hartsville	Certified Nursing Assistant	Patient Care C.N.A. Certification	Hartsville	716 E. McMurryBlvd. Hartsville, TN	4,400.00	5
18	Quiltss	Patient Care	Apprenticeship	Franklin		13,440.00	16
	Total					228,679.01	141

Northern Middle Key Performance Indicators January 1, 2020 - December 31, 2020

		ACTUAL AS OF	ACTUAL AS OF	ACTUAL AS OF	ACTUAL AS OF	
PROGRAM	TARGET	03/31/2020	06/30/2020	09/30/2020	12/31/2020	% OF GOAL
Adult & Dislocated Worker (New Enrollments)	1524	238	403	817	987	64.8%
Youth (New Enrollments)	519	92	156	302	381	73.4%
Adult Education (New Enrollments)	3148	738	2376	3020		0.0%
Adult Education/NICE (IELCE) (New Enrollments)	211	83	83	83		0.0%
Wagner Peyser	6327	973	1450	2100	3015	47.7%
Senior Community Service Employment Program (SCSEP) (Exits)	19	2	2	2		10.5%
Re-Employment Services & Eligibility Assessment (RESEA) (Co-						
Enrollments)	182	19	19	20	21	11.5%
Trade Adjustment Assistance (TAA) (Co-Enrollment Rate)	50.0%	33.3%	31.3%	29.3%	28.6%	57.2%
Supplemental Nutrition Assistance Program Employment & Training						
(SNAP E&T) (New Enrollments)	508	220	388	688	932	183.5%
Jobs for Veterans State Grants (JVSG) (New Enrollments)	330	68	89	110	135	40.9%
Migrant & Seasonal Farm Workers (MSFW) (New Enrollments)	43	29	146	261		0.0%
Reentry (New Enrollments)	219	49	79	179	226	103.2%
Vocational Rehabilitation	TBD	TBD	TBD	TBD	TBD	
Temporary Assistance for Needy Families (TANF)	TBD	TBD	TBD	TBD	TBD	
Youthbuild	TBD	TBD	TBD	TBD	TBD	
Distressed Counties	TBD	TBD	TBD	TBD	TBD	
* Pending updated numbers for quarter ending 12/31/2020						

Northern Middle Key Performance Indicators January 1, 2021 - December 31, 2021

PROGRAM	TARGET				
Adult & Dislocated Worker (New Enrollments)	995				
Youth (New Enrollments)	403				
Adult Education (New Enrollments)	2151				
Adult Education/NICE (IELCE) (New Enrollments)	611				
Wagner Peyser					
Senior Community Service Employment Program (SCSEP) (Exits)					
Re-Employment Services & Eligibility Assessment (RESEA) (Co-Enrollments)					
Trade Adjustment Assistance (TAA) (Co-Enrollment Rate)	100.0%				
Supplemental Nutrition Assistance Program Employment & Training (SNAP E&T)					
(New Enrollments)	630				
Jobs for Veterans State Grants (JVSG) (New Enrollments)	146				
Reentry (New Enrollments)	294				



Eligible Training Provider List (ETPL)

Federal Monitoring Update

February 10, 2021



Highlights

- In anticipation of EPTL federal monitoring requirements due to the expiration of Tennessee's exemption waiver, in August the NMTWDB instructed board staff to review and update the ETPL due to the high volume of entries with incomplete information entered, with no associated credential, with no history of WIOA participants, and with duplicate entries.
- At the beginning of the provider and program evaluation, the Northern Middle area had 175 providers listed, and a corresponding 1328 programs. Of those numbers, only 39 providers and 318 programs had active WIOA enrollment over the past two years.
- Since that meeting, an internal NMTWB Federal ETPL Monitoring Guide has been produced. Also, more than 400 programs have been deactivated, with an additional 400 in a deferred status (many of which will be deactivated). The NMTWB Monitoring Guide is available for your review.

Next Steps

February 10: Board ETPL update and review

February 15: ETPL program deactivation

complete

February 16-19: Program status communication

to providers

Week of

February 22: Board Staff to implement Provider

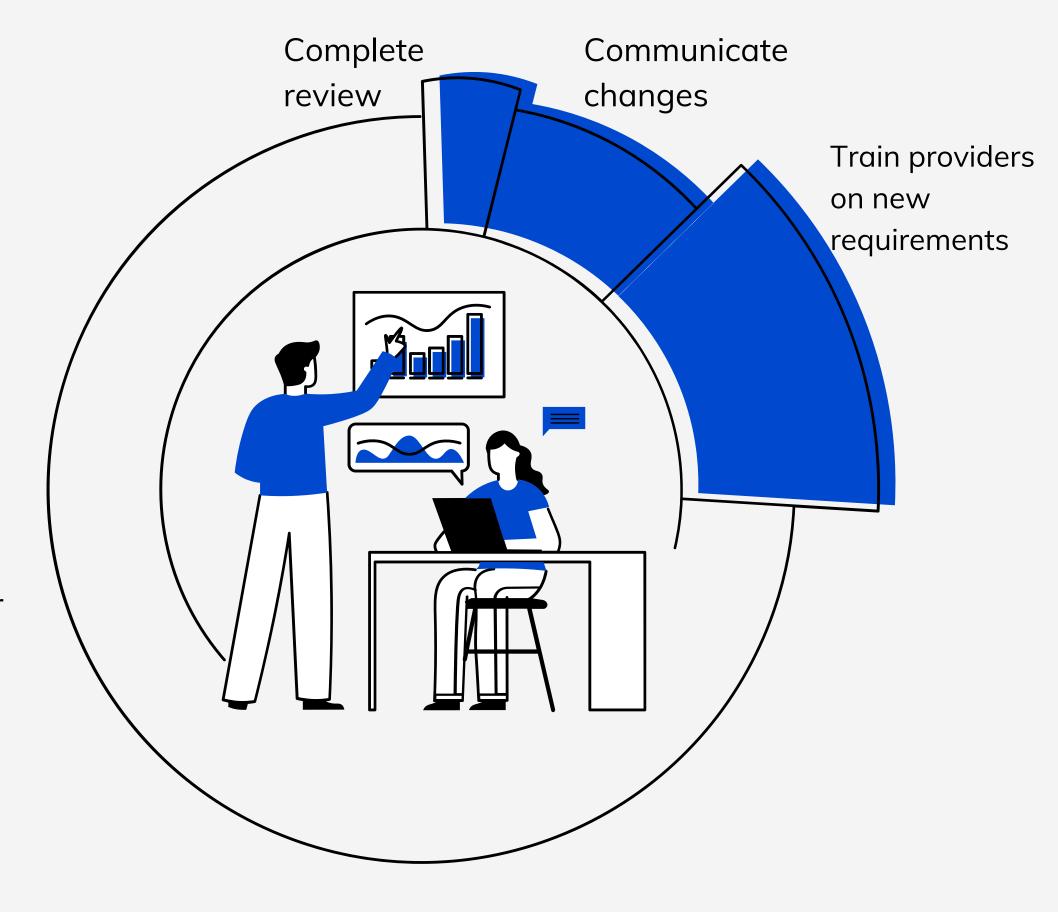
Training about federal monitoring

requirements and provider

reporting responsibilities.

February 22 to

June 30, 2021: Board Staff ETPL Monitoring

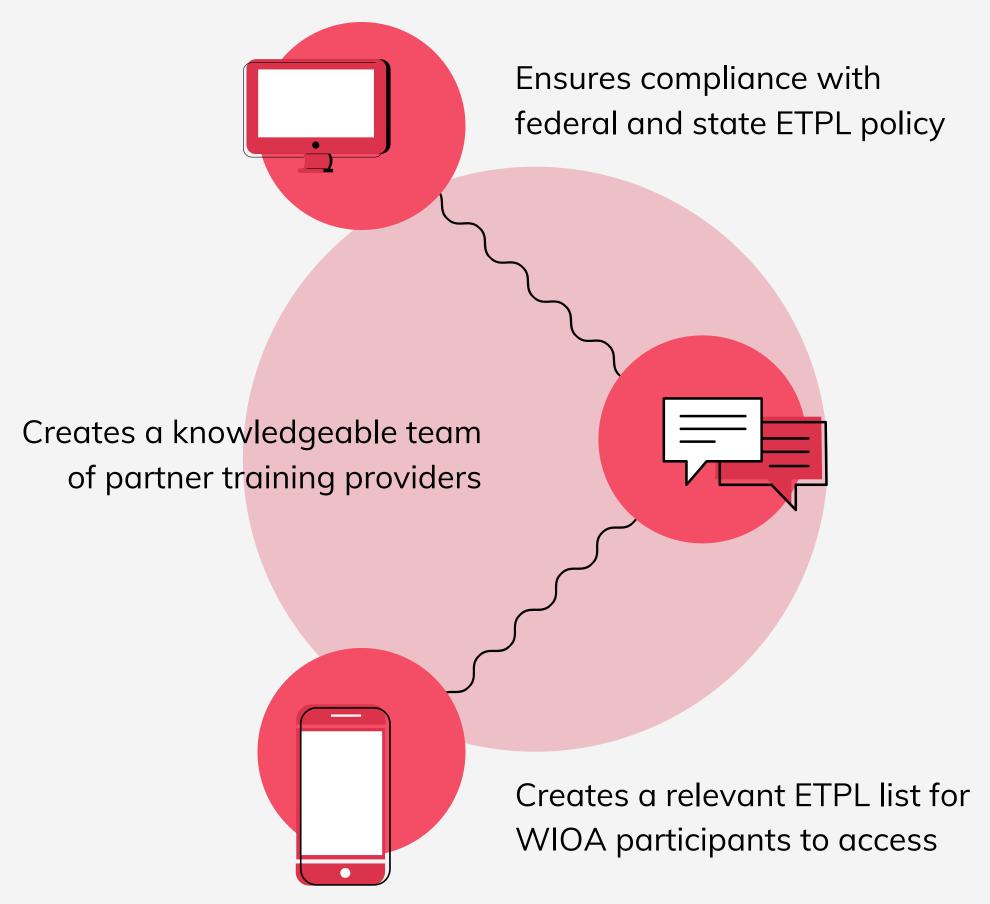


Northern Middle Tennessee Workforce Board

End Results

- After the updates are made, the remaining ETPL providers and programs will be active and current, and credential attainment will be a priority. WIOA participants will be able to easily navigate the listings.
- Programs will align with Board sector strategies to meet workforce needs.
- Our training and education partners will work with a streamlined listing that is appropriate for WIOA funding.
- The provider staff and Board staff will be knowledgeable about the federal and state monitoring policies.

Northern Middle Tennessee Workforce Board



Concerns

- New process requires more work and some data entry duplicated efforts for training providers.
- Some training providers and some industries define credential differently than state and federal ETPL policy defines credential, which can cause confusion.
- Many provider course offerings are not good WIOA matches and deactivation from the list might concern training providers.
- Even with the reduced number of active programs listed, the monitoring requirements in Northern Middle will be time-consuming for both Providers and Board staff, though that should become more efficient with training.

Northern Middle Tennessee Workforce Board

New I	New Programs Requiring Board Approval											
Provider ID	Provider Name	Provider Location	Program ID	Program Name	Total Cost	Job Outlook	Credential Earned	Program Length	Sector Strategy			
307	TENNESSEE STATE UNIVERSITY	Nashville	1008417	Digital Court Reporter	\$795.00	Bright Outlook nationally	CEUs earned. Prepares participant to take AAERT national certification test.	60 hours 24 weeks Online	Legal (not a NM Priority sector)			
458	TN PROFESSIONAL TRAINING INSTITUTE	Murfreesboro	1008641	Phlebotomy	\$1,500.00	Bright Outlook locally and nationally	Certificate of Completion. State of Tennessee does not require license.	85 hours Two weeks In-person	Healthcare			