

MINUTES OF THE OCTOBER 18, 2017, QUARTERLY BOARD MEETING

The Smoky Mountains Area Workforce Board met on Wednesday, October 18, 2017, at 9:00 a.m. in the Vic Duggins Foundation Room at Walters State Community College in Morristown, TN. Attendance was as follows:

PRESENT

Ms. Ann Bowen
Ms. Traci Ellenberg
Ms. Elaine Ely
Ms. Sheri Frost
Mr. Darrel Helton
Mr. Rick Keck
Dr. Anthony Miksa
Ms. Daronda Patterson
Mr. Noah Roark
Mr. Jerry Sexton
Mr. Jerry Young

REPRESENTED BY PROXY

Mr. Pete Barile (Ms. Elaine Ely)
Ms. Darlene Ely (Ms. Ann Bowen)
Mr. Michael Fishman (Dr. Anthony Miksa)
Ms. Amy Rader (Ms. Teresa Smith)
Ms. Mechelle Robinson (Crystal Ottinger)

ABSENT

Mr. Will Bunch
Mr. Andrew Creech
Mr. Andrew Duncan
Mr. Chris Griffey
Ms. Sheila Harris
Mr. Jonathan Jones
Ms. Pam Stubbs

Staff: Ms. Krystal Johnston, Ms. Deborah LaRoy, Dr. B.J. Lowe, Mr. Victor Oakley, Mr. Don Shadow, Ms. Donna Stansberry, Ms. Terry Trivette, and Mr. Bobby Williams.

Guests: Dr. Scott Beck, Dr. Jerry LeGer, Ms. Amy Jackson, Mr. Brian Wilson, Mr. Chuck Center, Mr. Donald Hurst, Ms. Cheryl Lewis, Ms. Mary Jane Fields, Ms. Lauren Ramsey, Ms. Melissa Reynolds, Ms. Debra Williams, and Ms. Teresa Ingram.

Ms. Elaine Ely, Chair, called the meeting to order at 9:00 a.m. She welcomed board members and guests. Ms. Donna Stansberry, Dean of Workforce Development, called the roll. A quorum was declared.

Ms. Elaine Ely introduced two new board members, Mr. Jerry Young and Mr. Andrew Creech.

BOARD CONSENT AGENDA ITEMS

Ms. Elaine Ely, chair, directed the board members' attention to the consent agenda items.

- A. Minutes of the July 17, 2017, WIOA Meeting, with a correction on page 3 referring to four committees instead of three committees
- B. Career Center Activity Report

- C. On-the-Job Training Report
- D. Consolidated Business Grant Report
- E. Rapid Response Report
- F. Re-Employment and Eligibility Assessment (RESEA) Report

Ms. Donna Stansberry pointed to an error on page 3 of the Board Book in the board minutes from the July 17th meeting. The correction was four committees instead of three. The correction will be made.

Ms. Daronda Patterson made a motion, seconded by Mr. Noah Roark, to approve the consent agenda. The motion carried.

Ms. Deborah LaRoy reviewed the fiscal report and budget. The carryover is no longer an estimate but an actual amount on the budget report. Dislocated worker funds were increased due to the contract amendments. Also, the recapture was not as much as anticipated. Adult funding is on track at 45% participant cost. Youth and Dislocated Worker are below mandated percentages. However, plans have been implemented to get more participants in these two programs.

Ms. Donna Stansberry pointed to page 11 in the book and explained how the staff is trying to be more transparent, or more easily understood. Mandates require an 80% expenditure and obligation rate on all of contracts by the end of the year. The report on page 11 shows the expenditure and obligation rate on each contract. Ms. Stansberry explained the different contracts in the report. The last column is the current spending percent on direct participant cost. Mandates require a spending rate of 40% of contracts on direct participant costs. On the adult contract, 45% of the contract has been allocated on direct participant costs, youth 21% and dislocated worker 19%. She pointed out that these are only the first quarter figures, and reaching the 40% should not be an issue. Ms. Stansberry also pointed to the Rapid Response Report and mentioned one closure in Jefferson County with 52 employees affected. She said that should help expend the dislocated worker grant. Mr. Rick Keck made a motion, seconded by Ms. Sheri Frost, to approve the fiscal report. The motion carried.

ONE STOP OPERATOR REPORT

Mr. Brian Wilson from East Tennessee State University (ETSU) is the One-Stop Operator for LWDA 2. Mr. Wilson thanked Ms. Stansberry and Ms. Ely for allowing him to be at the Executive Committee meeting and for being so helpful to him. Mr. Wilson talked about how the federal government made changes to the WIOA program, and these changes have been disruptive to the staff. However, there is a close working relationship with Walters State Community College and ETSU. They are sister institutions under the Tennessee Board of Regents. ETSU brings a lot to the table including resources that will benefit the partnership

between the two institutions. WIOA and the Board can expand in other areas. The career service staff are now employees of ETSU. The goal was to keep disruptions to a minimum during this transition phase, and he believes that was accomplished. Mr. Wilson introduced his supervisors, Dr. Scott Beck and Dr. Jerry LeGer, of ETSU. Mr. Wilson believes ETSU is excited to be able to expand into all 10 counties in the area. He pointed out that the goal of ETSU is to service all people in all areas, and to that end, ETSU is in the process of establishing new affiliates. ETSU is applying to have an affiliate office in Sneedville associated with the Project 95 initiative. ETSU has had a TANF office there for years. In addition, ETSU will establish an affiliate in Rogersville.

Ms. Donna Stansberry asks the board to approve the two new affiliate career centers in Sneedville and Rogersville. Ms. Stansberry explained the move to the Greeneville career center out of the Walters State area into DHS space. DHS has reduced their work force. Therefore, the property owner of the facilities has agreed to build a wall and to add a door so the AJC staff will have space. The layout is still a work in progress. Ms. Stansberry stated that they are hoping to have the Greeneville office completed by the first of the year.

Ms. Donna Stansberry draws everyone's attention to the dashboard of Hancock County showing its unemployment rate as ranking 92nd in the state. They have the second largest unemployment rate in the 95 counties of Tennessee. Ms. Stansberry explains that opening these affiliates will not increase our infrastructure cost. ETSU issues non-restricted funds in order to fund those centers.

Ms. Elaine Ely asked for a motion to approve the certification of a new center in Sneedville, which is in Hancock County, and Rogersville, which is in Hawkins County. Ms. Daronda Patterson made a motion, seconded by Ms. Ann Bowen. The motion carried.

OLD BUSINESS

Ms. Donna Stansberry discussed the PAR Report. Ms. Stansberry included the letter from the monitors showing everything has been resolved. One finding pointed out that Area 2 was not meeting the 20% requirement of Work Experience in the Youth Program. Dr. B. J. Lowe will make recommendations later in the meeting to work toward meeting that goal. The finding of the \$10.29. A staff member, on a trip to Nashville, was unable to secure the state rate for one night of a three-night stay. The first two nights were charged below the State rate. The average cost of the stay was below the state rate. However, since the third night was over the state rate by \$10.29, it became a finding. The \$10.29 has been refunded to the restricted WIOA funds using unrestricted WSCC funds. The final issue was based on few inventory items that were not up-to-date. Those changes have been made, and the inventory is now correct.

Ms. Donna Stansberry reported on the NDWG grant for dislocated workers in Sevier County who suffered a loss of employment due to wildfires. Since Sevier County has the third lowest unemployment rate in Tennessee, it is very difficult to recruit employees for the grant when the unemployment rate is so low. The report showed how many hiring events took place and how many people that have been contacted. Still, only nine people were enrolled. Ms. Stansberry informs the board that the grant may be extended for another year in an effort to expend the funds. The expenditure thus far is around \$1 million, and another \$1 million still needs to be expended.

NEW BUSINESS

Ms. Sherry Frost explained the Occupational Therapy Assistant training program at Walters State Community College. Upon completion of this program, the participant will be eligible to sit for the National Board of Certifications as an Occupational Therapy Assistant, and to become registered and eligible for state licensure. This program will cost approximately \$25,640 in institutional cost. Ms. Sherry Frost made a motion to approve this program. Ms. Daronda Patterson seconded the motion. The motion passed.

Mr. Rick Keck reported on the new WIOA Youth Work Experience Policy. The minimum requirement for funds spent directly on the participants, minus the administrative cost is 25%. Each local area must ensure a minimum of 40% for FY 18 and 50% for FY 19 are spent. However, the board is asking the youth service providers to aim for a minimum of 45% for FY 18 and 55% for FY 19 in the pursuit of continuous improvement as mandated by the law. Mr. Keck made a motion to approve the minimum participant cost to 45% for FY 18 and 55% for FY 19. Ann Bowen seconded the motion. Motion passed.

Mr. Rick Keck asked the board, in the form of a motion, to look over the Youth Work Experience Policy and to approve it. Ms. Daronda Patterson seconded the motion. The motion passed.

Ms. Donna Stansberry reported the business conducted by the Executive Committee. In an effort to be more transparent, the Executive Boards Minutes will be included in the book.

Ms. Donna Stansberry discussed the Interlocal Agreement of the Smoky Mountains Workforce Area, Local Workforce Development Area 2. This agreement is between SMAWB and all of the 10 county mayors. The agreement discloses the responsibilities of the county mayors. The mayors have all signed the agreement, and the agreement has been submitted to the state.

Ms. Donna Stansberry presented the duties of the staff to the Local Workforce Development Board. Ms. Stansberry informed the board on how they are responsible for these tasks being

carried out and how the board empowers the staff to accomplish the task. Ms. Stansberry asked Board members to review the economic impact study conducted by Memphis State University and EMSI.

Mr. Victor Oakley discussed the PY17 Performance Metrics. The report was produced from the state's system, Jobs4TN, commonly referred to as VOS. The report has not been modified to reflect the current performance metrics for programs under WIOA. Under WIOA, the performance metrics have changed. A big change is the entered employment rate after second quarter and fourth quarter exit. Those rates are on the report. He stated that we are on track. We are now serving those individuals who are considered hard to serve. Mr. Oakley discussed the changes. One change was eliminating the term older youth and younger youth, now called in-school and out-of-school youth. However, the age range changed for this group of individuals.

Ms. Donna Stansberry reported on the Local Workforce Board Self-Assessment. The results of this self-assessment will be presented at the next board meeting.

OTHER BUSINESS

Ms. Donna Stansberry discussed the direct providers of One-Stop System services. Essentially, what this memorandum discusses is that we cannot employ anyone that gives direct support to a participant. We are in compliance.

Ms. Elaine Ely requests a motion of approval for the 2018 meeting dates. Mr. Noah Roark made the motion, and Ms. Daronda Patterson seconded the motion. The motion passed.

Ms. Donna Stansberry introduced Mr. Don Hurst to make a presentation on Project 95. Mr. Hurst is a Business Development Consultant with TN Department of Economic & Community Development. He works with all the counties in Region 1 and three counties in Region 2. Mr. Hurst gave a background on Project 95. This project is about Hancock County. It is called Project 95 because Hancock has traditionally been the lowest rated economic community in the state. The problem is that Hancock County is very remote and makes it difficult for manufacturing to get into Hancock County due to not having four-lane highways. This project's idea is to put a call center in Hancock County. Being able to layer four grants on top of each other, the state will be able to construct the building to house a call center. This project could employ everyone in the county that is unemployed. Mr. Hurst presented the press releases on the project. This facility will also have space available for the Department of Health and Department of Mental Health. Having these departments on site will allow employees that test positive for drugs to have access to help instead of being fired. Currently, they are on schedule for the building to be completed by fall of next year. Another issue is to get the counties that are listed as under distress to get them off the federal list. A question was

asked about childcare as being a barrier to employment. How will this project address that issue? There is some flex space that may be used for many of the issues that related to barriers to employment.

GENERAL ANNOUNCEMENTS

Ms. Elaine Ely asked board members to complete a survey and return upon departing.

ADJOURNMENT

There being no further business, Mr. Noah Roark made a motion, seconded by Mr. Darrell Helton, to adjourn. The meeting was adjourned at 10:00 a.m.