



State of Tennessee

State Workforce Development Board Meeting

MEETING MINUTES

Friday June 5, 2020 - 10:00 AM – 11:30 PM CDT via Webex

<u>Board Members Present</u>		<u>Board Members Present by Proxy</u>	<u>Members Absent</u>
Martha Axford (East TN)	Marshall Graves (Southeast)		Proxy Sarah Noel for Representative Clark Boyd
Proxy Brandy Foust for Senator Paul Bailey			Ann Hatcher
Designee: Deputy Commissioner Cherrell Campbell-Street for Commissioner Danielle Barnes	Christine Hopkins (Southern Middle) Designee Tony Niknejad for Governor Bill Lee Commissioner Jeff McCord		
Jason Bates	Vonda McDaniel		
Tim Berry	Mayor E.L. Morton		
	Greg Persinger		
Rhonnie Brewer (Greater Memphis)	Stuart Price (Northern Middle)		
Mayor Kevin Brooks	Designee Ann Thompson for Commissioner Bob Rolfe		
Michelle Falcon			
Ben Ferguson (Southwest)	Designee Jean Luna for Commissioner Penny Schwinn		
Bill Godwin (Southern Middle)	Kevin Vaughn		

Location in parenthesis represents the state board members' membership to the local workforce board.

Welcome

Chairman Berry called the Webex meeting to order at approx. 10:08 a.m. He began by setting some ground rules and procedural changes for our virtual meeting. Chairman Berry then acknowledged and thanked Marshall Graves for accepting the position of Innovation Committee Vice Chair. Teresa Smith was also welcomed and recognized as the new Innovation Committee staff liaison.

Chairman Berry graciously thanked the partners of this group – the leaders, participants, and staff – who have stepped up to the plate over the last few months in light of the COVID-19 pandemic. He noted that nearly 200 state employees shifted job duties to respond to a 4,000% increase above normal applications for assistance. Although there were glitches, Tennessee was a leader across the country for getting services to our residents.

Roll Call

Iler Bradley conducted the roll call and established the presence of a quorum.

Approval of Minutes (vote required)

Chairman Berry requested a motion to approve the February 21, 2020 minutes. It was moved by Brandy (Lassiter) Foust and seconded by Ben Ferguson. Chairman Berry asked for verbal discussion and comments via chat. Hearing and seeing none, he asked for opposition or abstention from the vote via Webex and phone. Seeing and hearing none, the minutes were approved as presented.

Workforce Advisory Overview – Dr. Jeff McCord, Commissioner – TN Department of Labor and Workforce Development

Commissioner McCord noted that our primary focus has been on working through this unprecedented wave of unemployment. He thanked the board for the support and encouragement, followed by thanks to the TDLWD staff who have been extraordinary in many ways as they've served the people of Tennessee. Even though unemployment insurance will continue to be a focus area for us for the foreseeable future we also are shifting our focus back to where we really love to be which is moving people toward meaningful work.

Policy Approvals (votes required)

The board reviewed five (5) policies.

Oversight Committee - 1st policy: One-stop Operators

Oversight Committee Vice Chair Rhonnie Brewer gave an overview of the One-stop Operators policy which addresses how we want to govern our one-stop operators. She explained that in the past, the one-stop operators were basically self-governing because they were also able to be the CSPs (Career Service Providers) who are responsible for upholding the federal regulations. This policy is for separate RFPs for both. Anyone who is currently in both of these roles would have an opportunity to be grandfathered in until the end of their existing contract. At that point there would be separate RFPs or RFIs. Ms. Brewer mentioned that because it does allow them to operate in both of those roles until the end of their existing contract there was the suggestion of looking at the duration of those contracts because they didn't have those contracts to review.

Ben Ferguson: Just a question about the timing of this. I think she mentioned that if you currently had a provider serving both roles that they would be grandfathered in until the end of their current contract. Being that were at the end of June, would that potentially put you in a position where the next contract would end at the end of this month potentially. Does that allow those regions time to get to the next contract or are we seriously putting some areas in a position where they've got to put out an RFP immediately.

Rhonnie Brewer: That was really the basis of the statement that I had for discussion because I didn't necessarily understand if all of those contracts were going to expire at the same time or if they're ending according to their local regions. If so there's concern regarding how that would be handled.

Ben Ferguson: My main concern is that we don't put local regions in a position where they've got to put out an RFP right now with COVID and everything else going on. I think it's not ideal for the timing.

Chairman Berry: You may see Kenyatta's comments that they can always extend the contract if that becomes problematic.

It was moved by Martha Axford and seconded by Rhonnie Brewer to approve this policy. Chairman Berry asked for opposition or abstention to the motion and hearing none, the motion was approved.

Operations Committee – 2nd policy: Youth Service Design and 3rd policy: One-Stop System Design

Operations Committee Chair Stuart Price presented two policies for the board's consideration: the Youth Service Design policy and the One-Stop System Design policy. Mr. Price thanked Carla Garrett and Justin Atkinson for fielding questions on these policies which address how we deliver two different services.

The Youth Service Design policy outlines expectations around serving area populations with regard to developing career and education planning to achieve education milestones. These secondary, post-secondary, or certifications milestones fundamentally equip youth to enter the workforce and provide for follow-up over a 12-month period after they enter into the workforce. This policy sets up the structure, expectations, and measurement criteria to serve the youth population.

The One-Stop system design policy outlines the way we've structured statewide expectations and how areas are to be served with details around office staffing and service delivery. Expectations are outlined for everything with respect to how, when, and by whom the office is staffed. It also establishes supervisory authorities whether it's state oversight or local Workforce Development Board oversight.

The Operations committee did not take exception to anything in either of these policies.

Chairman Berry asked for a motion to approve these policies as presented. It was moved by Marshall Graves and seconded by Jason Bates. Chairman Berry asked for opposition or abstention to the motion and hearing none, the motion was approved.

Innovation Committee – 4th policy: Eligible Training Provider List (ETPL) and 5th policy: Electronic Case Files
Innovation Committee Chair Kevin Vaughn presented the Eligible Training Provider List (ETPL) policy and the Electronic Case Files policy. Per Mr. Vaughn, the vast majority of the ETPL policy just needed to be renewed. The only changes were with the way the policy was laid out and the federal language that was added to it. Other than that, the policy stayed the same. The Electronic Case Files policy also needed to be updated. There were a few other changes in this policy mainly a Memorandum labeled Timeliness and Accuracy of Reporting was added, along with a list of naming conventions for WIOA Eligibility documentation and a section on Personally Identifiable Information (PII) to ensure the proper handling of this information per U.S. DOL guidance.

Chairman Berry asked for a motion to approve these policies as presented. It was moved by Ben Ferguson and seconded by Vonda McDaniel. Chairman Berry asked for opposition or abstention to the motion and hearing none, the motion was approved.

Fiscal Update – Ivan Greenfield, Assistant Administrator – TN Department of Labor and Workforce Development (votes required)

Ivan Greenfield gave the fiscal report in three parts: 1. the Fiscal Review (in a new budget format) through the third quarter ending March 31, 2020, 2. the proposed Program Year 20 State Reserve Funding budget, and 3. a Hold Harmless Request around some state performance metrics which is somewhat tied to the pandemic. The last two items required a vote from the board.

Fiscal Review

The fiscal observations/challenges we are facing include: a. Decreasing Appropriations - in three years we've seen a ten percent decrease in our largest programs, and b. Low Expenditures. Remedies include: a. Leveraging/Aligning of resources – including partner alignment, b. Embracing Technology (ex. the virtual AJC has been a best practice that's allowed us to increase services and access to services for our customers), and c. Working Remotely. The new budget format was presented in three sections: budgetary resources, net cost of operations, and net position for a three-year period for fiscal years 2018 through 2020. Budgetary resources are in two sections: formula class grants - state allotments that are predetermined by some population metric - and discretionary where we bid for these funds as a state. Costs are also in two major sections: program administration (costs at the state level or internal cost) and contracted services (our grants and subsidies that are contracted out to local areas and other vendors). Net position is the authorized funding less the operational costs through year-to-date March 31, 2020. Additional reference slides at the end of the PowerPoint slide deck include a list of all authorized funding by program.

There's been a decrease in budgetary funding. Last year we lost \$4.6 million and this year we lost another \$3.5 million. The allocation is based on unemployment related factors or low income related factors so it will be interesting to see where we are next year given the COVID and unemployment issues that we've seen. Regarding overall cost in current year 2020, a third of those costs or \$20.2 million goes to administer the programs and the other two-thirds or \$40.7 million goes out to local areas to provide services in their communities. Year over year we see that those rates have relatively been the same.

Mr. Greenfield discussed the \$40 million in contracted services by program. \$33.8 million goes out to Title I WIOA programs, and about 1/3 of that or 11.4 million actually goes to direct participant costs. Through the third quarter if we look at this aggregately we are not meeting the state metric of 40% minimum participant cost. We are below that at 33%. Mr. Greenfield asked for feedback on the new budget format to see if there were any suggested improvements and he also asked board members to contact him directly. In the chat, Marshall Graves thanked Mr. Greenfield for working on the format and noted that it was very helpful.

State Reserve Funds Budget for Program Year (PY) 2020 (vote required)

Mr. Greenfield advised the board of some upcoming changes. At the last board meeting it was mentioned that the budget usually follows a TEGl from the USDOL Employment Training Administration and the TEGl comes out after

the program year starts. We're looking at the budget process subsequent to the start of the program year. Going forward we're going to look at presenting the budget based on what's called a 90% hold harmless rate. Basically under WIOA, States receive a minimum allotment of 90 percent of the prior year's allotment average. What we'd like to do in February is present this 90 percent budget and in October adjust it for any year ends. By allowing the year end process to go through we can actually have the final numbers for that October budget.

Chairman Berry: So for my own benefit I'm going to say it back. I think I understand. We're going to make our plan based on the weather forecast knowing that we're pretty sure we know what that's going to be opposed to waiting until the day of and sticking our head out the window. Is that right?

Mr. Greenfield: Yes sir and thank you for that analogy. I think that's a great analogy - yes.

When we look at where the funds come from, in PY 20 we're looking at just under \$10 million in our state reserve dollars: \$2.2 million in Administration, \$4.5 million in Program, Rapid Response, etc. Carryover is about \$11.8 million.

In the earlier slide with the three-year funding statement, in the PY18 and PY19 we received roughly \$11 million and \$10 million in those years. We've utilized half of those funds and so they're being carried over into PY20. Backing out the administration piece that leaves \$19.4 million that we were looking at budgeting for. On the right side the proposed activities are:

Governor's priorities - Last year we had about \$6.6 million allocated towards that which went to some really great initiatives: the rural initiative was about \$3.3 million and consolidated business grants of about \$1.5 million dollars. These are discretionary activities that keep being utilized by this board to pursue initiatives. Some of the things that we talked about around that focus that we had in 2020 like integrated intake systems or shared business could utilize these funds.

Economic Development - \$5 million really probably engaged business to support them with on-the-job training dollars or other workplace learning type training services and also to fund local areas that may have capacity issues. We would have additional funds there to be able to provide them additional dollars.

Program Evaluation – Has been really helpful to strengthen and providing standardization in the system. We've utilized this funding in a big way in helping us to get our boards and our policies and other things in shape, and we've used them to help stand up this virtual environment that we were running in now.

Program Monitoring and Oversight – These are required activities: \$1.35 million for the single audit and our monitoring calls.

Systems Administration and Maintenance - VOS \$2.7 million it's recurring annual, plus the grants management system we had that budgeted last year that was a statewide effort and it got delayed and so we're rolling that into this upcoming year. That's the proposed spend for the Program Year 2020 State Reserve Budget. Mr. Greenfield asked for questions.

Chairman Berry: Ivan thanks and this question may be for Commissioner McCord. Do you think that any of the governor's priorities will change based on what's happened over the past couple of months? Obviously the expenses for the state have shifted and income revenue for the state has likely shifted. Do you think that will impact the priorities at all? As it pertains to this department will any of those things change?

Jeff McCord: I think they're going to stay consistent for this department. The Governor's focus coming in was Workforce Development and I don't see that necessarily diminishing. Actually I see it increasing as we rebound and recover and move people to work. So no, I have no indication whatsoever that the priorities will change as it relates to Labor and Workforce Development. It will probably get more emphasis than it did in the past.

Chairman Berry: I agree with that and appreciate that. Going back to Ivan's question about watching funding decrease over the past couple of years which kind of makes sense: the unemployment numbers were way down and you don't need as much help getting people back to work but maybe creating new opportunities for the labor force. But in this situation, I would think that we would need to see an increase or the re-emphasis on job development and maybe a little more stability for a workforce so hopefully we would see those funds increase based on what has happened. Is that a safe assumption Ivan?

Ivan Greenfield: Yes I agree. We've had some increase in support that went out to local areas around disaster relief efforts and so there may be some additional funds that go in that direction but again, that is at the discretion of this board and the Governor's priority.

Chairman Berry: I appreciate you calling that out too because normally you know without a pandemic situation, all of our focus likely would have been on helping those communities impacted by tornadoes, etc. I just can't imagine how those communities would fair you know with attention taken off of them based on additional issues happening as it's been across the country. So just been trying to keep those folks in mind and making sure those have opportunity to get back to work as well.

Chairman Berry asked for a motion to approve the budget as is with the allocations noted in Ivan's presentation. It was moved by Michelle Falcon and seconded by Marshall Graves. There was no discussion. Chairman Berry asked for opposition or abstention to the motion and hearing none, the motion passed as presented.

Hold Harmless Request (vote required)

The last item for the fiscal update was the hold harmless effort. Mr. Greenfield mentioned earlier that expenditures were low and the minimum participant cost rate on an aggregate level was about 33 percent as opposed 40 percent. That will likely continue to trend down in the fourth quarter of this current year and carryover into at least the first quarter of next year if not the second quarter as well. This is due to lack of business operations related to the COVID pandemic. As local areas and other businesses try to continue their business resumption effort and as we continue to try to reboot the economy we're asking that the board approve a hold harmless measure on these two metrics: the 40% minimum participant cost rate and the 80% obligation rate on first year funds for this current year PY19 which would be through June 30, 2020 and this upcoming year PY20 starting July 1 through June 30, 2021. The 80% obligation rate is one where if the local area has not obligated 80% percent of their funds in that first year they stand to have that difference recaptured and reallocated to those areas that would have made the 80%. We feel that this is appropriate given the times and it would provide a measure of administrative relief for the local areas to allow them to maintain this resumption of business.

Chairman Berry: So again for my own clarity just to say it back to you differently we normally ask these folks to commit 80% of the funds that they have to spend but because of the pandemic and the situation across the state there's a good chance they may not be able to get to all that. We're not going to hold them accountable if they don't get it all. If they do great, but if not we're not going to take it back from them for this one time only. Does that sound right?

Ivan Greenfield: Yes sir again excellent analogy.

Marshall Graves (via chat): What happens at the end of the time?

Chairman Berry: I'm assuming we go back to the normal accountability and restrictions. Is that right?

Ivan Greenfield: That's exactly right yes sir.

Marshall Graves (via chat): If they are below, are we giving them a time frame to get back to 80% or is it just in the next a quarter or a year? At what point do we say they have to get back to 80%?

Ivan Greenfield: Starting in Program Year 2021 which will be July 1 2021 we would resume the 80%. The local areas largest expense by and large is the Career Service Provider contract which makes up in some cases 50 to 70% of their costs. As those businesses start to resume you should see the obligation rates pick up. It's the participant cost rate that may take a little longer but again by 2021 we should be back to normal provided this pandemic does not extend a year or two down the road and if so we'll have to come back to that. But as business resumes, those obligation and expenditure rates should increase.

Chairman Berry: The next question is asking them to provide notice if they're not able to get back to 80% by that date. In other words we don't want to be surprised at the end of the day. We have some sort of 30- or 60-day notice of when they're going to get there.

Ivan Greenfield: Yes sir we can certainly put that in the guidance subsequent to the Board's decision today. Part of the policy states that they have to provide us an explanation as to why they're not meeting these metrics. We can certainly as part of the decision today provide guidance that stipulates that they must let us know why they're not meeting those rates and how they intend to get back to meeting those rates.

Chairman Berry: And ideally it should have something to do with the fact that they were impacted by the pandemic right? We should get one reason.

Ivan Greenfield: Yes – that's right.

Chairman Berry asked for a motion to hold harmless (or not being able to spend required 80% in this one-time holding exception) knowing that they still have to show why and provide that explanation in a timely fashion. It was moved by Ben Ferguson and seconded by Martha Axford. Ivan Greenfield noted that there are actually two metrics: the 40% and the 80%. Mr. Ferguson and Ms. Axford amended their motions based on this correction. Chairman Berry gave another opportunity for discussion. Chairman Berry asked for opposition or abstention to the motion and hearing none, the hold harmless request passed as presented.

Updates: Partner Responses to the Pandemic

Workforce Services Division - Dr. Kenyatta Lovett, Assistant Commissioner TN Department of Labor and Workforce Development

Dr. Lovett began by thanking Chairman Berry for the compliment he gave to the staff who have gone above and beyond the call of duty to make sure that we're doing everything we can to keep a strong workforce system in Tennessee. The American Job Centers are led by the local workforce development boards. They are moving forward with gradually moving toward into in-person services. All services have been going on virtually and we'll share with you an update on each local workforce development area and their plans on bringing things back into what we know to be normal with those constraints provided by the Governor, the federal government, and the CDC. The state workforce plan has been approved with one condition that centered on board makeup and Dr. Lovett thanked everyone who built that plan. Dr. Lovett also stated that he couldn't be more proud of the Workforce Services team. During two tornado disasters and COVID-19 we've been able to make sure that we're providing the right resources and services to Tennesseans to make sure we can get them to safety as soon as possible.

In response to the pandemic, WFS:

Immediately transitioned to remote operations at the Central Office and statewide locations, including quick adaption to communications technology (We were not necessarily prepared for that but it didn't take long for the work of agency partners with this team leadership in the agency to get this remote operation stood up. Right now we are operational communications service provision everything remotely just fine)

Modified Services and Programs, including:

Reemployment Services suspending the work search requirements – Knew hiring was going to be very limited during March and April and we're working to return back to reemployment services now that things are getting better.

SCSEP – Made modifications to the paid leave just in case there were challenges for those participants who could not engage in work activities because of the stay at home rules

WARN notices - Made adjustments to our WARN notices given that there were a lot issued during this time and still they continue where companies are furloughing or laying off employees. We've been able to provide assistance but give a little modification to make sure that we're accommodating some of their needs as well.

Wagner-Peyser staff - Shifted their duties to helping with unemployment insurance claims not only on the dislocated workers side but also for the employer side. Dr. Lovett thanked all the executive directors and local workforce development boards for providing some support to point hundreds of thousands of Tennesseans in the right direction with at least the basic information

SNAP E&T program - Working totally virtually

Tennessee Talent Exchange - Our first offensive led in part by Commissioner McCord and Deputy Commissioner Thomas along with Commissioner Ezell and a few of our industry association partners. Powered by Jobs4TN, it is an exchange from those industries that have been negatively impacted by COVID-19 (e.g. hospitality industry) and transitioning those workers as soon as possible to places where they have similar wages similar work hours in in-demand industries (e.g. grocery retail, supply chain and logistics, IT, and health care). Nearly 3,000 individuals have signed up for this program. We're really proud of it and we look forward to the opportunities that it will provide us down the road.

WFS is offering the following programs and services:

All of the programs are operating virtually, and the American job centers are slowly getting into in-person services

Service Improvement and Service Enhancement - Ernst & Young has helped to pivot some of their work to help us with the virtual American Job Center and how we can improve services there along with some other customer experience strategies that are going to help both the in-person experience but also the virtual experience

Apprenticeships - Remain strong even during the pandemic. We applied for the federal youth apprenticeship grant and another expansion grant. Twenty-seven new programs have come into play in 2020 and we have registered five new apprenticeships since the pandemic hit Tennessee.

SNAP E&T - Although we are in virtual services we have double-digit referral increases. Dr. Lovett complimented the team on this accomplishment.

Regional and Local Plans – Dr. Lovett complimented our regional directors and the executive directors and all those

involved in collaborating virtually to build these plans which will be shared with the board during the August 28 board meeting.

Challenges faced by WFS:

Balancing the capacity needed between the provision of meaningful assistance for Unemployment Insurance claims and emerging demand for workforce services - There still a considerable amount of individuals filing UI claims and as we begin to transition our Title III staff back to more of their normal duties we just want to make sure that we understand the balance between UI and WFS

Expenditure rates are uncertain

Unclear on adequate staffing requirements - Moving forward we want to be fully aware of how we need to shift and pivot resources

Acquiring the necessary resources for innovation, including:

Improving the customer experience

Tennessee Talent Exchange - We have seen through early and preliminary data that the \$600 a week unemployment insurance resources from the federal government has in fact slowed down the growth of this program. We have entered into a partnership with Coursera to not only just provide a throughput for dislocated workers to employment but also to provide free training resources and credentialing resources to unemployed Tennessee. Essentially almost 4,000 college courses have been made available to unemployed Tennesseans that they can take free of charge at their own pace at their own time as long as they complete before December 31 and enroll before September 1.

Virtual American Job Center – getting it revamped, redesigned and ready to deploy to help with some of the capacity needs we know we will have given that there will be thousands of Tennesseans looking for work.

WFS Resource Needs:

Rapid investment in technology - the volume that we're dealing with gives limits to in-person services so we're trying to ponder and think about the right portfolio or ecology of technology that's going to allow us to scale and essentially run parallel services in-person and virtual services to deal with this increased magnitude of need.

Grant Management Resources - Ivan mentioned that we have a decrease in federal resources for our work. We're bringing on new grants but we may have to acquire grant writing resources to help us bring in the dollars necessary to get the programs we need.

State Board Voices - Hearing your voices across the state is going to be important understanding that the entire workforce system of Tennessee is ready to get individuals back to work.

Chairman Berry: Excellent work. I want to call out a question from Vonda McDaniel. She wants to know how workers access the free training and credentialing program.

Kenyatta Lovett: We should have a communications plan ready by early next week. I think there have been a few to sign up and we're trying to get it within Jobs4TN for a link but if anything they can actually email me directly now until we get that system up and running and I can point them in the direction for signing up.

Chairman Berry: Vonda McDaniel is complimentary of the presentation. Martha Axford noted (in the chat) that the East Region wants to compliment and thank you and your team for your help and assistance with acquiring PPE and reopening the AJC's.

I really appreciate your team and cannot say enough about your innovation and creativity.

Kenyatta Lovett: Thank you Chairman Berry.

Vocational Rehabilitation Division - Mandy Johnson, Assistant Commissioner
TN Department of Human Services

Mandy Johnson thanked the board for the opportunity to give the Vocational Rehabilitation update.

In response to the pandemic, VR:

1. *Worked remotely* - We were able to transition our staff very quickly from office-based and community work sites to be able to work from home and nearly 100% of our VR staff are working remotely.

2. *Suspended on-site training programs* - The largest impact to our service delivery model and services was to our residential vocational rehabilitation training center at TRC Smyrna and our 17 community Tennessee rehabilitation

centers across the state that provide large in-group training programs at the centers. Following the governor's guidance that was issued on March 13, we suspended those programs. Students from TRC Smyrna were dismissed from the winter quarter and returned back home and our large group classes that were occurring at the community TRC's were suspended at that time.

3. *Increased flexibilities regarding our service delivery* – Although on-site training has been suspended, we've also been able during this time to work with our staff and with our community rehabilitation providers to increase services that are delivered telephonically, online doing some web-based service delivery and also just really getting creative and finding alternative methods to connect with customers and meet them where they are and provide the services needed.
4. *Increased flexibilities regarding obtaining signatures* - This was a big barrier for us. Even in this day and age we still have several things that are paper-based but we were able to implement flexibilities regarding electronic signatures and verification of services

Programs and services currently offered by VR:

VR is continuing to provide all of our VR services with the exception of those residential and large on-site training classes. We have continued to schedule services and appointments with VR customers as requested.

Innovative and Creative Approaches - A lot of our services have explored innovative ways and creative approaches to connecting with customers. One way that we've also been working is through video conferencing and FaceTime. VR counselors have been able to provide one-on-one counseling using that technology. In particular with our Tennessee Rehabilitation Center at TRC Smyrna, we are in the process of implementing distance learning. All the students that were just missed back in March will begin to participate in distance learning over a Google classroom format that will allow them to participate from home online.

VR Challenges:

Populations at increased risk - We have been very sensitive to the fact that individuals with disabilities are one of the populations that are at increased risk for contracting COVID-19 and therefore we have been very sensitive to altering our services and meeting customers where they are in terms of their comfort level in participating in services.

Decline in Requests - We've seen quite a bit of a decline in requests for VR services and have seen that individuals are electing to suspend their participation at this time. We are working with them through that decision and encouraging them to stay connected with us so we can re-engage once they are comfortable. We also expect that while our services have decreased, many individuals who were previously successfully employed may have lost their employment during this time. We expect that we will be hearing from them in the future as the economy restarts and as jobs reopen. Individuals will be seeking our support to regain their employment.

Impact on Community Rehabilitation Providers - Our community rehabilitation provider organizations are often small local businesses and nonprofit organizations and they too have been impacted by COVID-19. We have been monitoring their operations through an online survey getting updates regularly from these organizations to make sure that they are still able to provide services to customers when needed.

VR Resource Needs:

We are using our current resources to continue providing services and doing that through alternative methods and serving customers remotely.

Federal Flexibilities - The US Department of Education has submitted waiver requests on behalf of the VR program to Congress that would allow for some additional flexibilities with the VR program including the following waiver requests:

Waiver #1 - Allows us additional time to spend our FY19 funds

Waiver #2 - Waives the requirement that we set aside 15% of our funds for students with disabilities. With schools closed and students returning home it has been extremely difficult to continue providing services to students. We're working really hard to do that but certainly reserving 15% of our funds when students may be choosing not to participate in services at this time makes it difficult.

Waiver #3 – Allows us to assist with initial stock and supplies for vending facilities. Our Tennessee Business Enterprise Program which is the entrepreneurial program that supports individuals who are legally blind and allows them to operate vending and food preparation facilities in state and federal buildings. Currently the support provided by the VR program is limited to an initial stock of supplies but as buildings closed quite a bit of stock was lost. In order to restock these facilities as businesses begin reopening it's going to be a huge expense for these managers and we want to be able to assist them with our VR funds if possible.

Chairman Berry: It makes perfect sense that you know the participant number has decreased and that you will anticipate a lot of those to come back. Is there any opportunity to reach out to them and proactively say “Hey I know you’ve been working with us in the past. Just checking in on you. Is there anything we can do to re-establish you into one of our programs?” I don’t know if you have the staff to do that but I’m raising the question.

Mandy Johnson: Absolutely - I think that is something that we certainly are interested in doing and I think for us that has actually been perhaps one of the silver linings, if you will, of the pandemic. It has allowed our VR counselors to actively engage and reconnect with our customers. While we’re seeing a decline in perhaps foot traffic in the office, it’s allowed our staff the opportunity to reach out over the phone and through other methods to just check in on folks and see how they’re doing. I know our staff that work regularly with students who are pursuing different educational paths immediately began reaching out to them as schools and universities were sending students home to participate in courses online. We wanted to make sure that the students had what they needed to be able to do that. That has been one of the things that we have been working on with our team.

Chairman Berry: Marshall is saying we’ve had about 24,000 in TN to actually contract COVID. Are any special VR services needed for those workers who may have been infected and lost work?

Mandy Johnson: I’m not sure I fully understand. Certainly anyone who has been impacted and if that results in a disability that certainly would make them eligible for VR services and we will be working with them.

Chairman Berry: If COVID-19 would have impacted them to the extent that it would then cause them to be on disability.

Mandy Johnson: Yes to impact them such that they would have a disability – yes.

Chairman Berry: Any other questions? Thank you very much. Excellent work by the team and I’m anxious to see that participation increase as we get folks back to work.

[Adult Education Division – Jay Baker, Interim Assistant Commissioner](#) [TN Department of Labor and Workforce Development](#)

Jay Baker discussed the status of the Adult Education (AE) program and the opportunities for innovation and growth that they’ve already seen and that they anticipate they will continue to see going forward. Our local programs across the state, folks across the local areas with their agency administrators and local program directors have done a remarkable job navigating new challenges. We appreciate everyone’s hard work in all those local areas.

Before he addressed the specifics around the pandemic, Mr. Baker updated the board concerning our grant competition that we recently conducted and completed. We are looking at a very similar service delivery structure to the one they had last year with the one exception of adding Volunteer State Community College back as an Adult Basic Education grant holder in Sumner County. Vol State had the grant many years in the past and was a strong performer.

The other part of the competition was around Integrated English Literacy and Civics Education which is basically our ESL program. We are also trying to fast track people into training and careers who are in the immigrant population. Similarly this also looks very similar to what we’ve had this year with the exception of Workforce Essentials that will be taking the IELCE grant for Rutherford County and TCAT Knoxville will be taking the IELCE grant for Knox County. We’re excited because we haven’t had robust services in those specific counties in the last couple of years. Those are limited funds which is why we’ve had limited service delivery to those counties that have the largest population centers of the immigrant community system. We’re excited about having that grant completed and we will hit the ground running July 1 with this new service delivery model.

[In response to the pandemic, AE:](#)

Immediately issued guidance to help service providers transition to virtual instruction - We have focused on enabling our service providers to ramp up their distance education offerings and trying to give them needed resources and training.

Updated our distance education policies and guidance, and how to track that in Jobs4TN.

Procured additional distance education curriculum for local programs – This included immediate assessments of what their needs were in terms of online curriculum and made sure that they were set up for success at least in terms of the curriculum resources.

Made our application as electronic and virtual as possible.

Provided guidance on purchasing local equipment for staff - This has been a common thread across the state: a lot of our local staff were not set up for virtual instruction so we made sure they had the resources and equipment to work and teach from home.

Provided guidance for lending instructional materials and equipment to students - For adult education students the digital divide is very real especially in rural Tennessee where there is lack of good internet connection. We've really had to get creative on letting our local programs lend equipment for internet access and computer access to the students ensuring that they're accountable for tracking those things.

Offered continuous technical assistance for distance education best practices – Many teachers have never had the distance learning experience which can be a very intimidating and difficult undertaking so we are helping them as much as we can.

AE is offering the following programs and services:

Primarily distance education - We have 172 classes statewide that are set up in this distance education format and that spans all of our service delivery from Adult Basic Education to ESL classes to Integrated English Literacy and Civics Education classes. All AE students have the opportunity to participate in distance education. We have seen some very innovative work already among these classes with teachers and students really using all the advantages of the latest and greatest digital tools to communicate and to have these classes so despite the learning curve we are seeing some really neat and innovative practices happening.

Some areas are transitioning back to in-person instruction - They are being told to follow all of the local health and safety guidelines since every county is a little bit different so we have seen some areas transition back.

Virtual TABE and CASAS assessments for intake and measurable skill gains – Part of what we do is assess students when they come into the program as well as get our measurable skills gains to see if they've actually learned what they need to learn with numeracy and literacy skills. Only recently did these test manufacturers TABE and CASAS finally give us some solutions for virtual assessment but we did have a bit of a hiatus there where we weren't able to do any of these tests for students.

HiSET testing gradually reopening (including in TDOC) – HiSET had a similar hiatus: trying to get people in the test centers was not a realistic thing but they are starting to gradually reopen across the state and that includes in our TDOC facilities. The virtual HiSET has become available so students can actually take the HiSET from home under some pretty intensive proctoring scrutiny to make sure that it's a valid assessment results for students and they can't cheat very easily. Mr. Baker noted that a lot of Tennesseans will likely take advantage of that opportunity to take the HiSET and get their diploma without having to take the risk of going in-person to a testing center.

Schoology learning management system implementation - This prospect could really be a game changer for how we do AE in Tennessee. Learning management systems bring ways to track student progress for teachers, administrators, but most importantly for students to keep track of their own progress. We're still in the very early stages of implementation of Schoology but it's looking very promising. We've had a lot of good feedback from teachers and our pilot group across the state.

Continued focus on career pathways and our integrated education and training programming - Now more than ever we recognize how important it is for adult education to be a first step in the pipeline of career development and workforce development for these folks. We are really working with our local programs to help them ensure that they are infusing their classes with employability skills and contextualized curriculum to help these students fast-track into their careers.

Challenges faced by AE:

The digital divide for staff and students who either don't have access to the technological tools or just simply lack the digital literacy to use them effectively

Paradigm shift towards distance education and blended learning – it's a new instructional model that's challenging for all of the aforementioned reasons we continue to work with that and gives guidance as necessary

Local jails are largely inaccessible - our programs are typically the sole providers in the county jails for education services and since the jails have been a hotbed for the pandemic they have restricted entry. We're hopeful that solutions will be found soon to access the jails.

Enrollment and performance numbers - new enrollment numbers have taken a pretty big hit this quarter, our measurable skills gains have kind of leveled off, and our diplomas for quarter four are down to 19. We haven't been able to do any testing so this is understandable and we are hopeful now that we have these virtual options and we're kind of finally getting some momentum behind distance learning that we will see all of these numbers increase in the coming months.

AE Resource Needs:

Technical assistance and professional development at the local level - is our number one priority, making sure that our local programs can procure their needed resources and that they get the training they need on distance education. As they connect with their workforce system partners, now more than ever we really need to shore up the referral processes and make sure that our local folks are in direct contact with each other to make sure that adult education students get those wraparound services and those workforce development services.

Statewide virtual learning management system (Schoology) - We're really excited about what this can do for us in the future as we ramp it up and scale it across the state. It will enable more robust tracking of students and distance education opportunities as well as enable some structure collaboration and resource sharing which has been a goal of ours. Teachers will be able to share their good ideas and best practices with each other.

Mr. Baker thanked the board for their Adult Ed program advocacy for students across the state of Tennessee.

Chairman Berry: Thank you - excellent presentation - really well laid out. One of the questions we have from the group is if there's any opportunity to expand distance learning into rural Tennessee. Obviously that goes hand-in-hand with the broadband expansion that's already a high priority. Just curious how that might impact Adult Education.

Jay Baker: Absolutely - thank you for the question. This is absolutely a concern of ours even without the pandemic environment. Getting the internet connections in rural Tennessee is a challenge. We are in communication with our local program leaders in those areas encouraging them to be innovative and allowing them to check out hotspots to students to do everything we can to give them the access they need. It will be a continuing challenge. It's not just for AE I know it's much larger than that in terms of Tennessee's workforce and economic development but we are certainly aware of that and looking for innovative solutions.

Chairman Berry: Thank you Jay and it looks like a comment not a question from Marshall in regard to the South Cumberland region in regard to the RFPs that went out. A lot of the places that were given the opportunity for the RFP just don't have the capacity to respond in that regard. So just want to make you aware of that and keep that in mind. If you're trying to expand into the rural areas be aware that a lot of the places where we're trying to do that won't have capacity so you may have to look for some alternative solutions. Marshall I hope I represented that comment correctly but it looks like you and Jay may want to have an offline.

Jay Baker: We'd be happy to do that Mr. Graves.

Career and Technical Education – Steve Playl, Senior Director of College and Career Experiences TN Department of Education

Steve Playl thanked the board for allowing him to speak on behalf of the Department of Education. He echoed the previous comments from Jay Baker regarding adult education, noting that with the tornadoes and COVID-19, the education world in general is experiencing a lot of learning and growing this spring.

The TDOE has worked pretty hard and fast to try to respond and *immediately launched a needs assessment process across the state*. Tennessee will need to:

Have a coherent plan to support our school districts to address any sort of potential learning gaps or make up any missed instructional time that has occurred based on the governor's recommendation and the State Board of Education emergency rules. Most school districts concluded their school year in mid-March. We are working with school districts to ensure that we provide resources and support for our students to make up that missed instructional time and to address those learning gaps.

Develop a robust digital platform - We heard very loud and strong from our superintendents that we needed some robust digital resources and a technology plan. I think that has been shared already that there are a lot of concerns across the state regarding technology and access to reliable broadband and internet usage definitely a concern in the educational space as well.

Address additional services for students – For students with disabilities, English language learners, those who may need additional mental health and counseling needs, and especially those students in our rural communities across the state of Tennessee this pandemic has truly been transformational across K-12 education and post-secondary education.

Mr. Playl presented a three-month outlook for reopening school in the fall which will look different across school districts. He also specifically addressed some things that TDOE has been able to facilitate regarding academics in general and current technical education as a part of that in responding to COVID-19 including developing toolkits and resources for our school districts and providing guidance documents and resources. Commissioner Schwinn and the cabinet-level leadership at the TDOE are meeting with superintendents and directors of schools three times a week trying to ensure that we are responsive to their needs. We worked really quickly to be able to provide instructional resources lessons for students through all six stations across the state for the Public Broadcasting System of Tennessee. Hundreds of lessons have now been posted online for parents to be able to use with their children to ensure that that "summer slide" does not take even more of a toll on students. Key partnerships have been developed including a post-secondary transition taskforce to give support to those students who were at the secondary level in our high schools and are planning to transition on into post-secondary whether that's at a community college, a TCAT, a university or into the workforce.

Mr. Playl briefly talked about the CARES Act that Congress authorized and that was signed into law by President Trump earlier this spring. Regarding the Elementary and Secondary School emergency relief fund for the state of Tennessee, we will receive \$259,891,154, and 90% of that will go out to school districts to be able to support and provide relief for future needs of our school districts. This one-time relief funding should be able to help districts and schools respond to technology and software connectivity issues, summer learning, supplemental online programs, and long term closures if there's a COVID-19 resurgence. This funding can also be focused at the local level on the needs of our special population students.

Mr. Playl noted that the reopening of schools is definitely where TDOE has shifted their focus at this time. A lengthy and comprehensive Local Education Agency (LEA) guide is being developed for our districts along with school reopening toolkits that would include a lot of different resources for distance education or hybrid education if that is an option. Samples procedures, videos, lesson plans, and instructional plans are currently being developed to support our schools as they navigate this truly unprecedented time.

Chairman Berry: Thank you - school districts have really been challenged to figure out how this is all going to work so thank you for offering that support and being willing to be flexible regarding any needs they are going to have.

[Temporary Assistance for Needy Families - Lakecia Peterson, Program Director](#)
[TN Department of Human Resources](#)

Lakecia Peterson presented the TANF program COVID-19 update.

[In response to the pandemic, TANF is/has:](#)

Streamlining our application process - Families have the opportunity to go online and submit their application for TANF as well as upload any needed verification that goes along with the application. We are waiving the interview process so our workers are processing these applications based on the information provided. If additional information is needed they're reaching out to them to contact them.

Granting good cause for the required work activity for customers who are unemployed or unable to participate - For Families First, there is the 30-hour requirement meaning that families must participate in either being employed or doing some type of job search or education for 30 hours in order to receive the benefit. Currently during this pandemic, granting good cause, meaning they are not losing any benefits because they may not have child care or may be temporarily laid off or may even for health issues related to the pandemic.

Encouraging partners to utilize phone and online engagement - Our Employment and Case Management Service partners as well as our Family Focused Solutions partners monitor Families First customers, enrolled them in Jobs First activities and do short term counseling to families who may have some type of challenge in keeping or obtaining employment. These partners have been encouraged utilize online and phone engagement with these customers. From the customer feedback this process has been going very well: customers have been very receptive to phone calls, Webex, email, and text - whichever virtual method that they thought would best fit the customers' needs.

Closed county offices to in-person foot traffic - Our Family Assistance Program is located in all 95 counties so we have closed our offices however if customers want to come in they are able to make an appointment by contacting their local office. Case management services continue to be provided by phone or other virtual means.

TANF is offering the following programs and services:

Emergency Cash Assistance (ECA) - On March 26 we implemented ECA for families who became affected by losing their jobs or they receive a reduction of income by at least 50% due to COVID-19. These families will receive two months of allotments. The income threshold is higher for our emergency cash assistance program than for the regular Families First program and we do have a different allotment size. Household sizes 1-2 receive \$500, 3-4 received \$750 and household size 5 or more received \$1000. To date, DHS has received 76,000 applications.

Challenges faced by TANF:

Increased call volume – Due to the number of families affected by the pandemic, there was an increase in call volume to receive the new ECA program. We have partnered with the outside contractor and they've been assisting us with those incoming phone calls to relieve our staff so they can continue to work on our regular services.

Overtime for staff – When the ECA program was first announced we received 6,000 calls with the first hours and it took 10-15 days to process applications. As of today some are processing the same day but no longer than 2-3 days of receipt.

TANF Resource Needs:

Currently using our system resources to provide virtual services – phone and email.

Created an online application for the ECA program using ServiceNow software –this is making it a seamless process for our customers and staff. Customers are able to go online submit the application and uploading their verification through the application. With our regular Families First application, no interview is required for the ECA program. Once the application process, the approval or denial is sent and we ensure that they are receiving their EBT card with the cash allotment.

Chairman Berry: Thank you – it's just so important that we're able to keep these services going and especially for people who would normally fall out of qualification. I just appreciate you keeping that intact so they're not losing that opportunity to get these services. Thank you for the report, thank you for the details, and thank you for what your team has been able to do – it's been helpful.

Lakecia Peterson: Thank you.

Chairman Berry: Here's a question from Kevin: are we giving training to employees to prevent the spread of COVID as we open back the brick and mortar facilities?

Lakecia Peterson: I won't be able to directly answer that but yes we have released guidance on the safety procedures for our workers as well as staff that they will follow as we're reopening our offices. Emails and training will be released to our staff and media releases are also going to be done for the public to provide them with the safety procedures when we do to open our offices.

Cherrell Campbell-Street: I'm the Deputy Commissioner for the Tennessee Department of Human Services and as Lakecia said we spent a lot of time at our department coming up with a reopening plan. To take it just a little bit deeper, staff were given guidance on how we are to reopen. All of our 95 offices have reopened but they are by appointment only where we have seen a lot of people are just coming by to drop off things. We have been very fortunate in that a lot of the services that we provide, particularly in Family Assistance and as Lakecia has said around Family First, people can do it totally online - you don't even have to come into the office. Where we're seeing people come to the office in those cases that they may be applying for the first time or they need additional assistance, those are by appointment only and we do the COVID screening at the time that someone arrives. You cannot come into our office without a face mask. But in the week that we have been open, we have had very few incidences of even having to turn away anyone. Most people do come to their appointments but the majority of the people that are coming to the DHS office today are dropping off supplemental things that may be needed to either continue services or to start services. We're very excited about being able to reopen in this new normal if you will and we're still continuing to work with the public as well as our staff to maintain the safest environment possible. Thank you Lakecia and thanks for the question.

Chairman Berry: Good answer - thank you for that clarification as well.

**Unemployment Insurance – Rusty Felts, Assistant Commissioner
TN Department of Labor and Workforce Development**

Rusty Felts gave a brief UI overview after thanking the board for supporting him and his division.

To give some perspective, Mr. Felts noted that since mid-March through the end of May, UI has taken 581,405 new unemployment claims. To put this in context, when our unemployment rate was at 3.5% in Tennessee, we would

have expected between 24,000 and 30,000 new claims. For the last six weeks, every week we've had over 300,000 people certify for benefits and have paid out over \$2.175 billion in unemployment. In the last 12-week span, we also took 100,000 claims that weren't eligible for regular unemployment.

UI requires staff with expertise and training. When all of this happened, UI was staffed in TN for 3.5% unemployment and now the rate is approx. 14.5%. A company called Accenture has been hired to train individuals according to our current and future needs in the coming months. Millions of auditing dollars were written into the CARES Act to ensure that we administer the program correctly. In addition to regular state unemployment which is called TUC, according to the CARES Act we had to implement: a) the FPUC which is the \$600 that the federal government wanted added to unemployment checks each week, b) the Pandemic Unemployment Assistance for the self-employed, and c) the Pandemic Extension Unemployment Compensation for those who had been on unemployment but exhausted their benefits.

While UI has had some challenges, Mr. Felts proudly stated that he thought Tennessee has done an extremely good job at a nationwide level. We were the 10th state in the country to implement and start paying the PEUC. He gave commendations to Dr. Lovett and his AJC staff because as soon as this crisis happened, AJC staff were quickly trained to assist.

Mr. Felts gladly noted that claims dropped to just over 20,500 at the end of May. A TN job refusal hotline has been set up for weeks and we have already investigated over 2,000 job refusal tickets submitted by employers informing us that their employees may not be willing to return to work. A big increase in appeals and cross matches of wages is expected but some departmental staff will be redirected to help with those backlogs. Mr. Felts noted that there's still a lot to do but he thanked everyone for their support and belief in his division.

Chairman Berry: It's certainly been a team effort and you just couldn't have done it without everybody's support, contribution, and flexibility. I really commend your team again for not only taking care of our Tennesseans but for being a leader in the country compared to some of the other states that were riddled with issues. Thank you for being proactive and staying ahead of this problem.

Rusty Felts: Thank you - I'll pass that along to my team.

Closing Remarks and Adjourn

Commissioner Jeff McCord thanked Chairman Berry for this meeting, his leadership, and for the board's support and staying with us during this difficult time. Chairman Berry thanked everyone who contributed today and everyone's engagement. He also thanked everyone who organized this technology to advance the work of the board. The meeting adjourned at 12:24p.

Note: An audio recording of this meeting is on file at the Tennessee Department of Labor and Workforce Development. All meeting minutes and dates are provided on the State Workforce Development Board website.



Tim Berry, Chairman
State Workforce Development Board

9-2-20

Date

8/28/20