East Tennessee Local Workforce Board Meeting

Tuesday 9 May 2023

ETHRA office

Knoxville, Tennessee

Present

Pete Barile

Jessica Belitz

Gary Human

Thomas Payne

Mike Raiford

Angie Respess

Tim Richmer

Grant Rosenberg

Julie Simpson

Rob Rule

Present on WebEx

Sam Alexander

Joe Daugherty

Windy Noe

Brian Vaughn

Billy Worsham

Absent

Aileen Beeler

O. Wayne Fullington

Chris Griffey

Brad Hale

Sean Hensley

Cindy Holt

Mark Palmer

J.J. Walker

The meeting was called to order at 6:00 p.m. with E.L. Morton welcoming everyone to the meeting. He acknowledged new Board members Ms. Aileen Beeler, representing Union County, and Mr. Wayne Fullington, representing Cocke County.

 Ms. Julie Simpson, Board Chair, called for an acceptance of the March 14, 2023 Board meeting minutes as written. Pete Barille made the motion to accept the minutes as written and Tim Richmer seconded the motion. Motion passed.

E.L. Morton announced that the Blount County American Job Center build out was going well, and that he was pleased with the new building and location. He also thanked Vocational Rehabilitation for housing and welcoming AJC staff and clients into their facility while the new building is being renovated. He updated the Board on the Justice Involved Grant, announcing Claiborne County has 15 participants in training. Sevier County was serving clients being housed at the detention center and that the day reporting center clients in Knoxville were in training at the Knox County AJC. He discussed the 10.5 percent reduction in federal funding for the 2023-2024 program year. The East Local Workforce Development area will receive $5,084,513.70 dollars in Youth, Adult, and Dislocated Worker program money. That budget is $539,098.39 smaller than program year 2022-2023. Chairwoman Simpson asked if the money situation could change. Kathi Hollander explained to the Board that East LWDA spends most, if not all of our allocated funds so that the State cannot recapture money.

 Director Morton talked about a three million dollar state grant for youth summer programs. Director Morton said that we had to turn the money down because of the timing and restrictions placed on the Grant. It would require seeking 400 eligible youths aged 14 to 24 to complete a summer employment program. It would also require East LWDA to find a few hundred employers willing to employ said youths. It did not allow the cost of additional staff to operate the program. It would drain the AJC staff and require more case management without the help of the Staff to Board. Staff to Board are not allowed to actively case manage clients. He said, as written the grant money could not be spent and with the time constraints the program possibly could fail. He did send an outline to the Commissioner of what East LWDA could do as a Summer Youth Program. Grant Rosenberg asked the question about why the notice was dated April 25, 2023 with a due date of May 2023. Chairwoman Simpson commented that it looked as if it were set up for failure before it started. Tim Richmer commented that he was good with Director Morton’s decision not to participate.

Chairwoman Simpson asked for the roll call of Board members before moving on to other agenda items.

The next item on the agenda was a vote on renewal of the service provider contracts. ETSU and UTCIS are the current providers of American Job Center services and One-Stop-Operator. Gary Human made the motion to renew the service provider contracts and Tim Richmer seconded the motion. When asked if any questions before the vote, Grant Rosenberg wanted to look at the contract and/or the extension in more detail before the vote. He asked that the motion not be voted on yet. In further discussion Director Morton said that he did have a meeting scheduled with ETSU to discuss moving forward. The current contract expires June 30, 2023 Mike Raiford asked how long the extension was. The extension is one year. The substance of the contracts would remain the same and no changes would be made at this time. Chairwoman Simpson asked if the vote could be delayed for now, but made before June 30, 2023.

She also asked that the Executive Committee meet and discuss the extension and that the full Board accept the recommendation of the Executive Committee for the extension without a full Board meeting.

Grant Rosenberg asked if the Board could vote on a one month extension so that the contract could be looked at in depth. The Board decided that they would take the recommendation of the Executive Committee to either give a one year extension to contractors or put the contract out for bid. A motion was made by Gary Human and seconded by Mike Raiford. Motion passed.

Kathi Hollander presented the financials. She discussed that the money is on track at this time. We strive to never send money back to the state and usually program dollars are always gone, but administration money is usually not always spent and some is sent back. She did say that more administration money could be spent if the staff to Board received a raise in salary.

The February report card was discussed. The numbers in May are better than the actual report card reflects from February. Grant Rosenberg asked if the report could be formatted differently in different colors because it very hard to read. Chairwoman Simpson asked if it could be printed on larger paper. Victor Oakley said that we could print it larger, but that it would not fit in the Board packet. We print it exactly as the state sends it to us. Chairwoman Simpson said the Board did not mind having it in a larger paper format. Victor Oakley said it would be done for the next Board meeting. According to Mr. Oakley we are on track to meet all of our obligations. PAR monitoring will be May 30, 31, and June 1. There have been no findings in PAR review for 2021 or 2022. Kathi Hollander said that PAR is asking for 33 grants to review. They will spend time in the Knoxville office and checking inventory at different American Job Centers. We have not had any difficulty in reconciliation since we have changed service providers. After the PAR review they have 45 days to complete an exit interview and present their findings.

There were several training entities who petitioned to be on the Eligible Training Provider List. The provider’s program and cost were looked at for each provider and Chairwoman Simpson called for discussion before the vote. The costs and lack of certification for the New Horizon’s IT Infrastructure class was brought into the discussion by Grant Rosenberg and discussed. The discussion centered on can the same education be obtained with a certification through a lower cost to the student. After discussion a motion was made by Grant Rosenberg to include the programs with the exception of New Horizon’s IT Infrastructure class. It was seconded by Jessica Belitz. Motion passed.

Jennifer Eppley spoke briefly about what events were taking place at the American Job Centers and the outreach programs for employers. She spoke of the great opportunities in the new AJC in Blount County. Paul Jennings asked how UTCIS can add value to the AJC’s without service interruptions. He talked about training avenues for the Board members to develop excellent leadership skills and what UTCIS brings to the table.

Chairwoman Simpson introduced Lauren Longmire, from the Knox County Chamber of Commerce to give a workforce update. In Knox County there is a 2.6% unemployment rate, it is 1% lower than last year. The labor participation rate is at 64.3% currently. She spoke about the lack of childcare and other issues that working adult’s face and how it is affecting the labor participation rate. She shared some of the new business coming to Knox County and how many jobs would be available.

Chairwoman Simpson asked for new business. Director Morton talked about the need for bill boards on I-75 to encourage the countless travelers making Tennessee their vacation destination to make Tennessee their home. Pete Barile said that there is a sign with a bear that says “Come for the view. Stay for the interview.” Chairwoman Simpson asked Pete Barile to invite the Hamblin County Chamber of Commerce to the next Board meeting as the guest speakers. She reminded the Executive Committee that they would have a meeting before the end of May. She called for a vote for adjournment. Grant Rosenberg made the motion to adjourn. Gary Human seconded the motion. Motion passed. Meeting was adjourned at 7:55 p.m.