



WIOA ANNUAL NARRATIVE

Tennessee's Performance Report
July 1, 2017 – June 30, 2018

Tennessee Department of Labor & Workforce Development
Bill Haslam, Governor
Burns Phillips III, Commissioner
Deniece Thomas, Assistant Commissioner of Workforce Services

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Letter to the Governor



STATE OF TENNESSEE
DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT
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BILL HASLAM
GOVERNOR

(615) 741-6642

BURNS PHILLIPS
COMMISSIONER

November 27, 2018

The Honorable Bill Haslam
State Capitol, First Floor
Nashville, TN 37243

Dear Governor Haslam:

The Tennessee State Workforce Development Board is pleased to provide you with our Annual Report for program year 2017. Under the leadership of Commissioner Burns Phillips and Board Chair Bob Ravener, Chief People Officer for Dollar General Corporation, we are proud to share with you many activities and accomplishments that highlight another successful year of connecting people with job opportunities and hiring employers. As our economy in Tennessee continues to thrive, the most recent realignment efforts will continue to drive efficiency in both service strategy and service delivery. The work of the State Workforce Development Board serves as a major catalyst to align and advocate for policies and new approaches towards addressing worker shortages and creating an effective pipeline of skilled workers in Tennessee.

Through a federal allocation that funds the public workforce system in Tennessee, we operate an effective collaborative and network of American Job Center mobile units and Jobs4TN that serves to help Tennessee citizens' identify jobs and training opportunities that lead to employment. This effort led to 177,351 to enter employment, earning wages in excess of \$5.7 Billion during Program Year 2017.

The Board would like to recognize the efforts of our public and private sector partners and express our gratitude for their continued cooperation and collaboration from all levels of business, government and education, as well as the citizens of Tennessee. We appreciate and look forward to continuing to serve our communities and State citizens as we work to maximize innovation and efficiency within the Workforce Innovation and Opportunity Act.

Sincerely,

A handwritten signature in blue ink that reads "Burns Phillips".

Burns Phillips
Commissioner, TDL&WD

A handwritten signature in blue ink that reads "Bob Ravener".

Bob Ravener
State Workforce Board Chair

Executive Summary

The priority is for Tennessee to lead in jobs, education, and government efficiency. Our Jobs4TN plan does just that. By leveraging our existing assets in each local workforce development area, we have been able to attract new businesses while helping our existing businesses expand and remain competitive. We have also focused on making significant investments in innovation to position Tennessee as a national leader well into the future.

The Jobs4TN plan focuses on four key elements:

1. Prioritize the strategic recruitment of targeted industries
2. Assist existing Tennessee businesses in expansions and remaining competitive
3. Support regional and rural economic development strategies
4. Invest in innovation and reducing business regulation

Through the realignment of the Local Workforce Development Areas, our local leaders and partners will be better able to work together in the areas of workforce, education, and economic development. The realignment will also continue to increase access to higher education and training opportunities, while enhancing services for citizens in rural areas. The realignment also enables Tennessee's state agencies to deliver services and manage public resources in a sound, fiscally conservative manner. The principles of working together, exploring innovation, and fiscally living within our means—while providing opportunities to the people of Tennessee—have led to Tennessee's recent economic successes. As we move into the future of the Workforce Innovation and Opportunity Act—and face a rapidly changing world in technology, workforce, and business—these principles will be vital to Tennessee's continued success.

We near historical economic prosperity, poised to compete on a national scale. Our vision is to expand upon our success by focusing on those traditionally considered to be outside of the labor force. By addressing the incarcerated, the opioid epidemic, and those experiencing homelessness, we can unleash untapped talent and fuel the fires of Tennessee industry for decades to come.

State Workforce Development Board

Tennessee's State Workforce Development Board (SWDB) consists of 24 members representing business, state agencies, local and city government, and the general public. The Governor is represented by four members of his cabinet. Through leadership from the Board, Tennessee has created a seamless system for service delivery to participants seeking employment, unemployment benefits, or training to attain skill upgrades through Tennessee's American Job Centers. Services are developed to address the needs of participants and to meet the needs of local employers. The SWDB crafted the vision for Tennessee to: increase job placement and high school equivalency attainment, reduce unemployment insurance claims, and work toward achieving the Governor's Drive to 55.

The three working committees of the SWDB include the Oversight Committee, Operations Committee and Opportunities Committee. These committees provide the essential guidance needed to carry-out the Governor's vision for the workforce.

1. Oversight Committee

- Advises the Governor on program and policy changes under WIOA
- Leads the development, maintenance and modification of State, regional and local plans
- Serves as an advisor to review statewide program alignment
- Reviews and makes recommendations on program funding allocations
- Leads review of statewide Workforce System

2. Operations Committee

- Oversees the continuous improvement of WIOA programs and activities
- Leads monitoring of State performance/accountability
- Leads coordination of policies and provision of WIOA services
- Reviews and makes recommendations for performance reporting, including Labor Market Information

3. Opportunity Committee

- Identifies and shares Workforce System best practices
- Pursues grant opportunities
- Develops strategies for technology alignment and integration
- Leads the review of service-model strategies in WIOA programs
- Oversees all WIOA Youth program initiatives.

Efforts for the upcoming program year will continue to focus on the success of our realignment of Local Workforce Development Areas (LWDAs) with the Governor's Economic Base Camps. Additionally, Tennessee will place continued emphasis on excellence in customer-focused government, and constant evaluation on agility and mobility of our workforce system, while capitalizing on modernization and automation.

American Job Centers Tennessee

The American Job Centers (AJCs) of Tennessee combine local, state, and federal workforce development services through a customer-centered approach. Businesses can readily find the workers they need and jobseekers have the opportunity to receive training assistance and the latest career information. Each AJC offers: phone and internet access, job application workspace, automated Labor Market information, technical assistance in navigating Jobs4tn.gov (Tennessee's public jobs database), meaningful Unemployment Insurance assistance, workshops, job placement, recruitment and training referral services.

The re-designed welcome function allows an opportunity for staff to connect sooner with jobseekers during visits. Once registered in Jobs4tn.gov, a staff member determines the individual's needs and begins documentation of any barriers to employment. Those that can be remedied in a short time are handled on the spot. Otherwise, a "warm handoff" is completed to another staff person to provide more one-on-one assistance. The days of long lines and wait times are over, many services are delivered with no wait time at all.

Business services teams (BST) work across programs and schedule employers to recruit on-site. Based on the onboarding needs of the employer, jobseekers with the desired qualifications are invited to the American Job Center. As a result, the employers get to meet with individuals that are determined to be the best candidates. The BST reviews job vacancy reports in Jobs4tn.gov to determine those positions that are unfilled after 30 days. This information is vital in determining which companies and or sectors require the services of the team. Using this model, Tennessee has hosted up to 18 hiring employers and over 250 jobseekers on-site for a single recruiting event!



Tennessee's American Job Centers by Type

Mobile American Job Centers

In program year 2017, Tennessee doubled the fleet in order to better meet customer demand. Six (6) Mobile American Job Centers served 7,650 participants at mobile events across the state. The Mobile American Job Centers conducted 819 events, and visited 71 counties across the state during program year 2017, with many of those counties being rural and below the poverty level and serve as systems of support for brick and mortar events.

The Mobile American Job Centers offer services similar to those found in an American Job Center (AJC). These Mobile AJCs provide internet, computers, and a venue for training workshops and recruitment hubs for new and expanding businesses. Last year they administered 159 High School Equivalency Tests (HISETs) to 44 students in areas that lacked permanent testing facilities.

Another role of Mobile AJCs play is to serve as rapid response centers for dislocated workers during a mass lay-off or natural disaster. In September of 2018, a Mobile AJC from Nashville and Knoxville

were dispatched to Columbia South Carolina to assist with Hurricane Florence recovery efforts. Four TDLWD staff spent 21 days with South Carolina Department of Employment and Workforce Development in order to help the people of South Carolina files unemployment claims and quickly find jobs.

These staff members had firsthand experience working in disaster situations from the Gatlinburg wildfire in December 2016. Tennessee made available \$2 million through December of 2017 from a National Dislocated Worker Grant to create disaster relief employment for an expected 200 individuals to accelerate the cleanup and recovery efforts following the wildfires that killed 14 people and burned thousands of buildings in the Great Smoky Mountains.



Hurricane Florence Mobile American Job Center

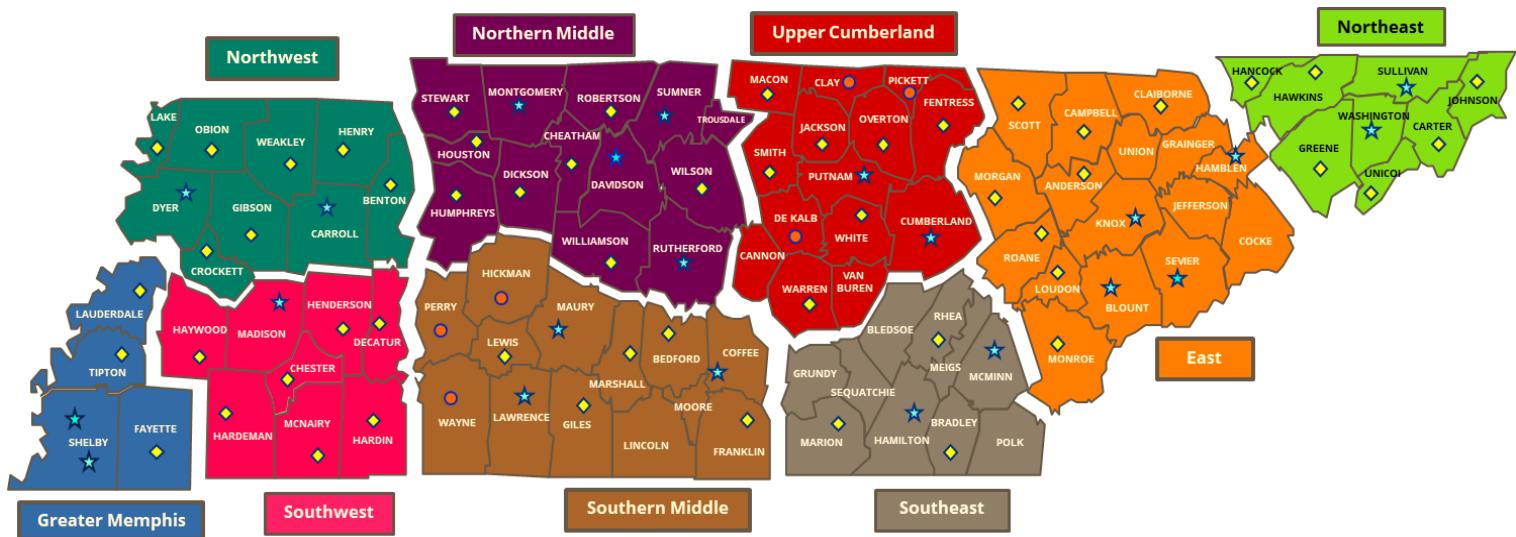
Realignment of Local Workforce Development Areas

The mayor of Grundy County spoke before the SWDB in early 2018, discussing how local leaders of Grundy County had to navigate between Chattanooga and Manchester. In LWDA 5 (Chattanooga) the Department of Economic and Community Development held meetings to discuss how best to attract new corporate investment and economic growth. In LWDA 6 (Manchester), Grundy County was asked to attend local workforce development board meetings. According to their mayor, this contributed to the declaration of Grundy as an economically distressed county—among the worst 10 percent of the nation's counties in terms of per capita income, unemployment rate, and poverty. The SWDB decided that Grundy County would have the best opportunity with Chattanooga.

Tennessee conducted a comprehensive review of its workforce development system in order to best match resources workforce trends, career pathways, and the needs of WIOA customers. Through this extensive analysis—including input from locally-elected officials, local workforce development board chairs, and community leaders across the state, the SWDB adopted the nine Economic and Community Development Base Camps as the ideal model for realignment.

Aligning the state's workforce development resources with ECD, Tennessee Reconnect Communities, and Tennessee Pathways regions will provide streamlined services for the people of Tennessee and help Tennessee lead in job creation by ensuring we have a trained workforce ready to meet the needs of current and future employers.

Realigned Workforce System to the Governor's ECD Base Camps



Achieving Tennessee's State Strategic Vision & Goals

In addition to providing employment and training services, adult education, and programs to assist individuals with disabilities (direct impact), WIOA expenditures flow through the local and state economy spurring the production of goods and services, supporting employee income (indirect impact), and helping generate local, state, and federal tax revenue (induced impact). During the 2016-2017 fiscal year, Tennessee's Workforce Innovation and Opportunity Act (WIOA) partner programs expended a combined \$136,089,694 across the state. These expenditures resulted in the total production of goods and services valued at over \$243.0 million. Every \$1 in WIOA expenditures in Tennessee generated \$1.79 in total impact. Total Impact is the sum of the direct, indirect, and induced effects. Below is a list of the initiatives that the Tennessee Workforce System has engaged to accomplish these collaborative efforts.

- 1. Fast Track initiatives** - a Governor's initiative to support Tennessee's recruitment and retention efforts in order to assist with new expansions, locations or re-locations.
- 2. Incumbent Worker Training grants** - a targeted lay-off aversion strategy to Tennessee businesses to address the dynamic workplace with emphasis on skill upgrades and credentials.
- 3. Registered Apprenticeship Assistance grants** - a targeted opportunity to increase registered apprentices in Tennessee.
- 4. Special Projects** - which currently include *return on investment and economic impact analysis, justice-involved individual projects with county jails, and a small technical assistance grant that support union affiliated lay-offs* through the AFL-CIO.
- 5. Pathways Tennessee** – supports alignment amongst K-12, post-secondary and industry to provide students with relevant education and training to jumpstart their post-secondary degrees and credentials.
- 6. Governor's Children Sub-cabinet** - to have a multi-partner approach to assist parents in achieving self-sufficiency and create a better quality of life for themselves and their families.
- 7. Governor's Workforce Sub-Cabinet** – a collaborative team dedicated to develop and oversee implementation of a three year strategic plan that aligns state resources to attain the Drive to 55 goals.
- 8. P-20-** a collaboration with several agencies around longitudinal data collection systems.
- 9. Governor's Rural Task Force** - to bring resources together from a wide range of organizations to advance rural communities and economic development throughout Tennessee.
- 10. Realignment of Local Workforce Development Boards** - the (13) LWDBs have either realigned or are in the process of realignment with the nine (9) Economic and Community Development Base Camps supporting the Governor's vision of streamlining and aligning regional service delivery.
- 11. Employment First Task Force** - the task force is comprised of people with disabilities, their families, state agencies who provide supports for people with disabilities, advocacy groups and other stakeholders who have a common mission of improving employment outcomes for people with intellectual and developmental disabilities, physical disabilities, behavioral health diagnoses including mental illness, substance abuse disorders, and co-occurring disorders, and other disabilities.

Drive to 55

Drive to 55 is a Governor's initiative that concentrates Tennessee's efforts to work to promote post-secondary opportunities. The goal is that by 2025, 55 percent of Tennesseans will have a postsecondary degree. This initiative includes three primary programs:

- 1. Tennessee Promise** is both a scholarship and a mentoring program focused on increasing the number of students that attend and complete college. It provides a last-dollar scholarship to any high school graduate to attend thirteen (13) Community Colleges and mentors to assist students navigate the college admission process. Tennessee Promise participants must complete and submit eight (8) hours of community service per term enrolled, as well as maintain satisfactory academic progress (2.0 GPA) at their respective institution.
- 2. Tennessee ReConnect** which targets adults who did not complete a credential or certificate and want to do so at one of our 27 Tennessee Colleges of Applied Technology. Tennessee Department of Labor and Workforce Development (TDLWD) supports this initiative by training staff to become Tennessee ReConnect Ambassadors.
- 3. Tennessee Labor Education Alignment Program (LEAP)** is the third initiative under the Drive to 55 umbrellas which is a grant program that recognizes the need of students to graduate with the skills employers demand. Tennessee LEAP ensures that businesses have a direct input into higher education.

Thanks to WIOA and the increased collaboration between the education and workforce system, Tennessee is on a pathway to meet our Drive to 55 goal by 2023, two years ahead of schedule.

Intrastate and International Technical Assistance

Tennessee is increasingly seen as an innovative leader in workforce development. Workforce agencies from Canada, Connecticut, Florida, Georgia, Indiana, and Oregon recently visited Tennessee in order emulate best practices to better align workforce investment, education, and economic development systems, improve the structure and delivery of services, and increase the prosperity of workers and employers.

Sector Strategies & Career Pathways

K-12: Tennessee Pathways regional coordinators will operate in the nine economic regions of the state to lead the alignment of local education institutions and employers. Regional coordinators act as the "glue" between school districts, postsecondary institutions, employers, and community leaders facilitating communication and collaboration. A successful model would be a student completing a TN Pathway at their high school with college credits or an industry-recognized credential and then WIOA assists with the transition into post-secondary education or training to obtain their degree or certification. Work-based learning aligns with the TN Pathways and the coordination is the same; TDOE regional & work-based learning coordinators will assist in finding students valuable high quality work experiences to gain employability skills and career exploration opportunities.

Supplemental Nutrition Assistance Program Education and Training (SNAP E&T) career pathway development through the Step into Work initiative that aligns with SNAPS vision and purpose to help SNAP recipients to meet work requirements; to gain skills, training, or experience to increase the SNAP recipient's ability to obtain regular employment and; reduce dependence on SNAP benefits

and other public assistance. An example would be: SNAP E&T pays for a participant to receive certified nursing assistant certification which is currently a non-approved training program under WIOA and then SNAP E&T moves the participant into a licensed practical nurse program or other related health care occupation under WIOA.

Waivers

In program year 2017 there were no WIOA waivers. However, Tennessee did have three (3) waivers that were approved. The following identifies each waiver and the waiver's intentions to affect performance outcomes:

1. Waiver of the obligation of eligible training providers (ETPs) to collect performance data on all students in a training program - effective October 1, 2018 to June 30, 2020.

Tennessee will continue to collect data from ETPs on their WIOA-funded participants and will submit that data via TDLWD's annual report to United States Department of Labor.

- Connects education and training strategies by reducing the reporting burden on ETPs, thus allowing them to focus more time and resources on producing successful outcomes for WIOA-funded participants
- Further protects the privacy rights of ETPs' students who are not WIOA participants
- ETPs will be more prepared to submit data on their WIOA-funded students and to remain in the ETP program, subsequently allowing TDLWD to continue with its effective and consistent customer service delivery

2. Waiver associated with the requirement that local areas expend 75 percent of local formula youth funds on out-of-school youth - effective October 1, 2018 to June 30, 2020.

- The approval of this waiver permits LWDBs the opportunity to determine how best to meet the educational and training needs of youth with other barriers regardless of school status, and specific to the population, geographical location, and economic and employment conditions within each LWDA
- Additionally, increasing outreach to in-school youth while maintaining a focus on serving out-of-school youth will help develop a larger pool of young people qualified and prepared to meet the current and future needs of employers in their workforce areas and throughout Tennessee

3. Waiver to allow WIOA Individual Training Accounts for in-school-youth - effective October 1, 2018 to June 30, 2020.

- Increases the number of at-risk youth receiving ITAs in work-based programs—especially pre-apprenticeship programs
- Helps companies develop new skills based on the need of business to develop young talent
- Provides hands-on experience for youth and encourages work-based services thereby addressing the talent shortage of local businesses
- Promotes youth accessible pre-apprenticeship programs

Plan on Evaluation and Research

Assessment of organizational fitness and operational controls positions the Workforce Development System in Tennessee for success. The statewide evaluation of the Workforce Development system is intended to meet the goals outlined below:

A comprehensive monitoring review will occur in order to assess organizational capability, efficient and effective internal controls, and technology driven decisions which ensure transparency and accountability among the nine workforce development areas mirroring the Governor's nine Economic Development Job Base Camps. Segments to be monitored in each of the local areas, as well as state operations, include:

1. Roles and Responsibilities will be reviewed to determine appropriate levels of oversight and monitoring, segregation of incompatible duties, and clear lines of authority.
2. Competencies of key decision-makers will be evaluated to determine skills and competencies of workforce development staff.
3. Policies and procedures will be examined to determine both the efficiency and effectiveness of process and internal controls.
4. Controls will be reviewed to confirm processes are being followed, as well as to ensure statutory and regulatory requirements are met, and accurate reporting.
5. Data analysis review will occur to define how data is being leveraged to help monitor efforts and provide informed decision-making
6. An evaluation will occur on how the use of technology/automation assists with increasing efficiency and reducing manual error in data entry and reporting.

Reported outcomes will include a RACI (Responsible, Accountable, Consulted, Informed) matrix, benchmarks of best practices, resource requirements documentation, communication and training strategies, policy/procedure observations and recommendations, control matrix, testing documentation and results, Key Performance Indicators observations/recommendations, vendor risk assessment processes, and an automation road map. In the past program year 17-18, Tennessee has not undergone any evaluation or research projects. Tennessee, however used the Economic Impact and Return on Investments evaluations to assist the decision in aligning the public workforce system to the Governor's Economic Base Camps. The workforce system is in the process of planning evaluations that will assist with coordinating efforts statewide, regionally and locally for all WIOA partners.

The Workforce Innovation and Opportunity Act (WIOA) has at its core three hallmarks of excellence. They are:

1. The needs of businesses and workers drive workforce solutions and local boards are accountable to communities in which they are located;
2. American Job Centers provide excellent customer service to jobseekers and employers and focus on continuous improvement;
3. The workforce system supports strong regional economies and plays an active role in community and workforce development.

The focus of the Economic Impact Study addresses hallmark number three. Economic impact studies are conducted to produce estimates of employment, income, and taxes generated as a result of WIOA spending in Tennessee and its local areas. Accordingly, an economic impact study is the best method of gaining insight and understanding into how WIOA spending supports regional economies.

Approach to Customer Satisfaction

A key part of customer outreach and satisfaction is connectivity, expectation, and communication. This is accomplished through the modernization of our state's labor exchange functions housed within the Jobs4TN platform. This platform provides customers with real-time labor market information, virtual recruitment, resume matching, case management and more recently the addition of the unemployment insurance module where all customer workforce functions are housed in a central electronic tool.

Workforce One-touch has revolutionized workforce system communication and management resulting in transformational results across Tennessee. A major feature of Workforce One-Touch is Zendesk, a multi-channel customer service tool that streamlines communications throughout the Department. This system allows TDLWD to store all support questions and requests in one place for staff assistance and reference. Within assigned groups or divisions in the system, staff can quickly respond to businesses and customer requests for assistance or easily assign the request to the appropriate staff member. The ease in sharing such requests allows TDLWD to render timely, more responsive customer service. It also provides a record of progress for various communications to increase collaboration and streamline all responses. Finally, this system provides customer service and satisfaction metrics that allow for workflow improvements and increase efficiencies across the board.

TDLWD implemented Workforce OneTouch, the help desk feature to provide immediate guidance to related topics including Unemployment Insurance (UI) information, labor laws, labor exchange services, etc. Title III staff throughout the State have been trained on the functionality of Workforce OneTouch to allow the subject matter experts to address specific questions under the guidance of TDLWD.

Zendesk is a cloud-based customer service platform that provides the fastest path of communication to our internal and external customers. This is a one-stop customer service tool to streamline services with ticket views, triggers, and automation. Zopim Chat allows for immediate, real-time interaction between the customer and the agent.

As a part of the certification of the American Job Centers, each local area is responsible to develop and implement customer satisfaction surveys. In addition to creating participant surveys, staff at the AJCs were trained on Zendesk to mitigate the needs of individual and business customers.

Performance Accountability System

Data Collection and Reporting Processes through Virtual One Stop

The State of Tennessee continues to build on our state management information system, known as the Virtual One-Stop (VOS) system. This system builds on Tennessee's Labor Market Information and jobs portal by adding an integrated case management system which allows us to capture and report data across numerous programs. Some of these programs include, but are not limited to the following:

- | | |
|---|--|
| <ul style="list-style-type: none"> • Title I (Adult, Dislocated Worker and Youth) • Title II (Adult Education) • Title III (Wagner Peyser) • Trade Adjustment Assistance • Migrant Seasonal Farmworkers and H2A-B • Supplemental Nutrition Assistance Program | <ul style="list-style-type: none"> • Unemployment Insurance • Re-Employment Services and Eligibility Assessment • Senior Community Service Employment Program • Reintegration of Justice-Involved (Adult & Youth) Program • Jobs for Veterans State Grant |
|---|--|

The VOS system is a robust web-based computing system which is continuously working toward improved efficiency and ease of use. The system provides editable web pages where users may update information as needed. This system has proven to be an invaluable resource when ensuring accuracy of the data reported to the United States Department of Labor. The system provides Tennessee with the adaptability while remaining compliant by working through a national vendor (Geographic Solutions) to support federal reporting requirements. Tennessee continues to develop, maintain and modify guidance and policy to ensure that participant data is inputted timely and accurately, along with the supporting documentation required for data validation and monitoring.

Data Validation

Data validation - Tennessee has established procedures, consistent with the guidelines issued by the Secretary of Labor and Education, to ensure the information contained in all federal reports is valid and reliable. Data validation is a process intended to review participant files for accuracy and compliance. Eligibility and verification documentation is reviewed in this process quarterly, as well as annually, which is required by United States Department of Labor. Tennessee requires that the LWDA's use VOS to upload documents for data validation immediately and ensure that all information is present no later than June 30 of the current program year. This digital medium streamlines the process by eliminating the need for paper documents while allowing the validation process to be conducted remotely and accurately.

Deficiencies on the Primary Indicators of Performance

In program year 2017 Tennessee exceeded, met, or was within 90% of meeting every core federal performance measure with the exception the credential attainment rate within four quarters after exit for WIOA Title I Adults. In this instance we missed our mark 0.2%. Tennessee takes this seriously. After the initial evaluation, technical assistance was provided which culminated in a multi-day statewide system training focused on the importance of accurate and timely data entry.

Statewide Performance Goals and Outcome Tables

The VOS system provides statewide metrics and participant data, along with performance reports just for the unique Local Workforce Development Areas (LWDA) and American Job Centers. The system offers a large array of reports to help staff track performance for their designated area and focus on ensuring continuous improvement as well as serving the individuals most in need of our services. The system allows the options to filter the information to specific reporting common measures or specific demographics, as well as the option of a statewide summary. The information

available within the reporting features of VOS, and the flexibility of the content within these reports, play an intricate part in the success of performance and outcomes for TDLWD.

The following performance accountability tables display:

1. The State's common measure goals and the actual outcomes for program years 2016 and 2017.
2. Negotiated performance levels for local areas for titles I and III core programs for program years 2016 and 2017.

Statewide Federal Performance Measures- Negotiated Targets and Outcomes					
	PY2016		PY2017		
	Negotiated Target	Actual Outcome	Negotiated Target	Actual Outcome	
Adult	Participants	NA	6,972	NA	7,004
	Employment Rate 2nd quarter after Exit	80.0%	NA	83.0%	87.9%
	Employment Rate 4th quarter after Exit	75.0%	NA	78.0%	85.7%
	Median Earnings	\$6,500	NA	\$7,000	\$6,892
	Credential Attainment Rate	72.5%	NA	75.5%	68.8%
	Measurable Skills Gain	Baseline	31.3%	Baseline	53.2%
Allocated Funds			DNA	\$14,056,280	
Dislocated Worker	PY2016		PY2017		
	Negotiated Target	Actual Outcome	Negotiated Target	Actual Outcome	
	Participants	NA	3,080	NA	3,028
	Employment Rate 2nd quarter after Exit	83.0%	NA	84.0%	87.9%
	Employment Rate 4th quarter after Exit	79.0%	NA	81.0%	88.2%
	Median Earnings	\$7,100	NA	\$7,400	\$8,116
Allocated Funds			DNA	\$16,665,516	
Youth	PY2016		PY2017		
	Negotiated Target	Actual Outcome	Negotiated Target	Actual Outcome	
	Participants	NA	4,212	NA	4,633
	Employment Rate 2nd quarter after Exit	NA	NA	79.0%	81.5%
	Employment Rate 4th quarter after Exit	NA	NA	80.0%	83.7%
	Median Earnings	NA	NA	Baseline	\$3,370
Allocated Funds			DNA	\$14,455,580	
Wagner-Peyser	PY2016		PY2017		
	Negotiated Target	Actual Outcome	Negotiated Target	Actual Outcome	
	Reportable Individuals	NA	10	NA	315,854
	Participants	NA	86,679	NA	62,138
	Employment Rate 2nd quarter after Exit	65.0%	NA	68.0%	72.0%
	Employment Rate 4th quarter after Exit	64.0%	NA	67.0%	71.5%
Allocated Funds			DNA	\$5,215	
Repeat Business			Baseline	Baseline	39.4%
Employer Penetration Rate			Baseline	Baseline	9.5%

	LWDA 1	LWDA 2	LWDA 3	LWDA 4	LWDA 5	LWDA 6	LWDA 7	LWDA 8	LWDA 9	LWDA 10	LWDA 11	LWDA 12	LWDA 13
Adult Program													
Participants	NA	NA	NA	NA									
Employment Rate 2nd quarter after Exit	82.5%	87.1%	81.0%	84.0%	82.5%	86.0%	86.0%	82.0%	80.5%	81.0%	82.0%	80.5%	78.5%
Employment Rate 4th quarter after Exit	78.0%	87.5%	76.5%	81.0%	77.5%	81.0%	80.0%	76.5%	75.5%	79.0%	79.2%	75.5%	75.5%
Median Earnings	\$6,800	\$6,550	\$6,700	\$6,900	\$6,700	\$7,100	\$7,500	\$6,800	\$6,600	\$7,100	\$6,900	\$6,600	\$6,650
Credential Attainment Rate	73%	72%	73%	73%	73%	75%	73%	73%	73%	73%	73%	73%	73%
Dislocated Worker Program													
Participants	NA	NA	NA	NA									
Employment Rate 2nd quarter after Exit	84.5%	87.1%	84.5%	84.0%	85.5%	87.0%	86.0%	85.0%	83.5%	85.0%	86.0%	83.5%	85.0%
Employment Rate 4th quarter after Exit	80.0%	82.0%	79.5%	81.0%	82.0%	87.0%	79.5%	82.0%	79.5%	81.0%	82.0%	79.5%	80.0%
Median Earnings	\$7,200	\$7,100	\$7,250	\$7,150	\$7,250	\$7,250	\$7,200	\$7,350	\$7,200	\$7,500	\$7,250	\$7,200	\$7,250
Credential Attainment Rate	77%	74%	77%	77%	77%	78%	77%	77%	77%	77%	77%	77%	77%
Youth Program													
Participants	NA	NA	NA	NA									
Employment Rate 2nd quarter after Exit	75.5%	69.0%	76.5%	76.5%	77.0%	79.0%	77.0%	77.5%	76.5%	77.0%	76.5%	76.5%	76.0%
Employment Rate 4th quarter after Exit	77.5%	80.0%	76.5%	78.5%	78.5%	79.0%	78.5%	79.5%	78.5%	78.5%	79.0%	78.5%	78.0%
Median Earnings	DNA	NA	NA	NA	NA								
Credential Attainment Rate	79%	75%	76%	79%	79%	80%	79%	79%	79%	79%	79%	79%	79%

Program Year 2017 Negotiated Levels

Effectiveness in Serving Tennessee's Employers

Tennessee has chosen the two following measures within this performance measure:

1. **Repeat Business Customers** - the percentage of repeat employers using services within the previous three years. This approach tracks the percentage of employers who receive services that use core program services more than once. Tennessee chose this measure as it may prove useful in determining whether employers who received WIOA services are satisfied with those services and become repeat customers. This approach helps Tennessee assess the workforce system's ability to develop and maintain strong relationships with employers over extended periods of time.
2. **Employer Penetration Rate** - the percentage of employers using services out of all employers in the state. This approach tracks the percentage of employers who are using the core program services out of all employers represented in an area or state served by the public workforce system (i.e., employers served). American Job Centers keep track of the number of establishments served within a program year, and Tennessee will collect that data and compare it to the aggregate number of employers in our state. This approach is useful in determining whether the core programs are serving a large portion of employers in a specific area and are adequately meeting the workforce needs of the area in regards to in-demand occupations.

At this time, Tennessee has not chosen to add any additional state-established measurements concerning the effectiveness of employers.

Rapid Response

In an internationally competitive economy, businesses continue to look for the stability of a well-educated workforce with the skills to get the job done. A skilled workforce allows an employer to innovate, compete, grow and prosper. Rapid Response is a resource that is pro-active, timely, offers customer choice, provides consistent and accurate information, leverages existing resources, promotes layoff aversion and active promotion, and provides opportunity for partnerships.

In program year 2017, fifty (50) Worker Adjustment and Retraining Notification Act advance notices were received. Timely rapid response services were then provided to forty-five (45) companies and 2,170 workers. Tennessee collaborates programmatically with local partners to coordinate services which can include training, supportive services, career advisement, assistance with filing UI claims—providing immediate aid to both companies and their affected workers. Tennessee's pro-active approach may minimize the negative economic impacts of the layoffs and help localize the event.

If the layoff or closure is trade affected, the rapid response coordinator works with the company and TAA to file a trade petition with the United States Department of Labor. Affected employees are informed of eligible TAA benefits and these benefits may be braided with Title I wrap-around services. This also helps to drive co-enrollment between TAA and Title I.

Part of Tennessee's Rapid Response plan is the Consolidated Business Grant (CBG). Through this grant, the state has been able to allow our local boards to use part of the Governor's set aside fund to help business grow and develop based on the needs of the local area. Under the CBG, LWDAs can choose to fund Incumbent Worker Training (IWT), On the Job Training (OJT), and the Apprenticeship Training Program (ATG). The CBG provides an additional funding stream outside the LWDA formula funds, which increases the availability of money for training.

Consolidated Business Grant - including IWT, APT, and OJT

Tennessee implements WIOA in order to establish a framework to assist youths, unemployed adults and dislocated workers attain employment with economically self-sufficient wages. The TDLWD and the SWDB have established policies to assist businesses by providing their workers an opportunity to enroll in training programs such as Incumbent Worker Training (IWT), On-the-Job Training (OJT), and Apprenticeship Training Grants (ATG). These programs provide the skills necessary for workers to compete in tomorrow's economic environment. The Consolidated Business Grant (CBG) provides Governor's set-aside funds to LWDA. By promoting LWDA autonomy, the appropriate training product is used based on a combination of local knowledge and the specific training needs of the business.

The CBG was proposed to the SWDB as an initiative funded through the Governor's set-aside fund in order to provide more work-based training opportunities across the state of Tennessee in order to be aligned with the Governor's vision. Originally, LWDA could support only a limited number of training grants because of the budget constraints of their formula funds. The SWDB authorized \$3,000,000 to fund the CBG program. These monies were split evenly between the 13 LWDA across the state, providing a much larger budget to fund training opportunities for local businesses. The CBG has seen great success across the state. Some of the LWDA had to request additional funding to meet the needs of local employers.

During the fiscal year 2018, CBG funds were obligated to 106 companies to train 3,164 Incumbent Workers for a total of over \$1,826,000.00. Additionally, there have been 20 contracts approved to fund training for 473 apprentices for a total of over \$394,000. Lastly, 43 contracts were approved for OJTs, training 302 people obligating \$633,000. There have been numerous inquiries about the program and more applications and approvals are expected during the continuation of the grant.

The success of the CBG initiative stems from the decentralized use of the grant's funds, which have been disseminated to the LWDA. LWDBs are responsible for reviewing and approving contracts with local businesses, deciding what is eligible to fund, and how much. For grants up to \$25,000, no additional oversight by the State is required. Requests exceeding \$25,000 will require review from the State to ensure the utilization of funds is appropriate and in accordance with regional and local plans.

The CBG was reauthorized by the SWDB for fiscal year 2019 in February 2018. CBG funding for fiscal year 2019 has been set at \$5,000,000 for statewide use. Additionally, the LWDA have undergone an extensive realignment process, reducing the LWDA count from 13 to 9, which coincide with the Governor's Economic Development Basecamps. Subsequently, the allocation for each LWDA increased significantly, and the allotments are divided equally among the nine (9) areas. The training cycle began on October 1, 2018, and will end June 30, 2019.

Work Opportunity Tax Credit Program

In December of 2015, Congress re-authorized the Work Opportunity Tax Credit (WOTC) program through 2019. In early 2016, TDLWD completed the automation of the submission and approval process, replacing paper applications with an online WOTC portal. The portal increases efficiency, facilitating a 24 to 48 hour decision on new tax credit applications. The creation of this portal allowed for the elimination of more than 3 million pieces of paper making enough space for an additional conference room. During the previous program year, 44,826 certifications were issued for a potential \$118.1 million in tax credits to employers. During program year 2017, TDLWD issued 65,158 certifications for a potential \$174.2 million in tax credits to employers—an increase of more than 67 percent!

Trade Adjustment Assistance

Since the reauthorization of Trade Adjustment Assistance Reauthorization Act of 2015, Tennessee has continued to see substantial increases in the number of Trade petitions filed and certified. During program year 2017 there were 61 active petitions certified affecting almost 4,225 people. During the same period, the Trade Adjustment Assistance Program (TAA) had 663 dislocated workers enrolled, with 383 being new participants.

Total TAA allowances were \$17,539,417, which included funds for program years 2015, 2016, and 2017. Total expenditures for the TAA program were \$2,263,556. Entered employment rate was 78.5%, employment retention rate 94.3%, and 6-month average earnings was \$17,446.

Under WIOA, Tennessee included TAA in the combined state plan making them a required partner in all comprehensives American Job Centers established throughout the state. With TAA as a partner, Tennessee hopes to increase service to trade-impacted workers by providing seamless services. Tennessee's goal is to ensure all trade-impacted workers receive the services and benefits offered by the TAA program so that they have the opportunity to become reemployed quickly and enhance their lives now and in the future.

Workforce Innovation and Opportunity Act Programs

Eligible Training Provider List

Tennessee continues to develop, maintain and modify a list of training providers and programs that are certified to receive students using WIOA funds through an Individual Training Account (ITA).

Tennessee maintains a policy to provide direction for the Eligible Training Provider (ETP) process, initial eligibility, application procedures, appeal process, dissemination of the ETPL and Performance Reporting.

Tennessee's LWDBs are responsible for certifying all applications including out-of-state providers for initial eligibility to the statewide list. The LWDBs are responsible as well to certify any programs that need to be added to the ETPL including registered apprenticeships programs. The LWDA then submits all the required information to TDLWD to compile a single list of providers available through the VOS system. Tennessee has 162 providers on our ETPL.



Types of Eligible Training Providers

All providers are asked to submit performance reports to TDLWD quarterly: January 15th, April 15th, July 15th and October 15th. These reports contain individual-level data for all participants in programs offered by ETPs that have serviced at least one (1) student with the assistance of WIOA funding. Tennessee's ETPL toolkit, developed by TDLWD, instructs providers on how to securely report and submit via the VOS system. If an ETP did not have any WIOA students, but would like to remain on the ETPL they must submit an exception form as explained within the ETPL toolkit. Each program year any program that has received at least 10 WIOA students should must meet the minimum performance levels established by Tennessee to remain on the Statewide ETPL.

Tennessee's four performance standards are as follows:

1. *WIOA student completion rate for each program must be $\geq 40\%$.*
2. *All students completion rate for each program must $\geq 40\%$.*
3. *WIOA student placement rate for each program must be $\geq 70\%$.*
4. *All students placement rate for each program must be $\geq 70\%$.*

Migrant Seasonal Farmworkers and H2A-B

Tennessee has conducted three training sessions this year, as well as created a new referral spreadsheet and updated the procedure manual for the H2A-B and the Migrant Seasonal Farmworkers (MSFW) program. Training topics included how to best identify and deliver services to MSFWs, the compliant system, and housing regulations. Additionally, Tennessee has created a one-page handout which is made available at all AJCs which outlines both the MSFW program and complaint system. The program successfully collaborates with agencies and organizations including

Wage and Hour, Tennessee Occupational Safety and Health Administration, and Tennessee Opportunities Programs Inc.

Senior Community Service Employment Program

The Senior Community Service Employment Program in Tennessee is comprised of six sub-grantees—which are administered by two national grantees and TDLWD. Four of the state sub-grantees are located with the administrative entities for the LWDA, placing them in a direct partnership with WIOA. Sub-grantees are required to develop an Individual Employment Plan (IEP) at the time the participant is enrolled. Computer literacy training is being provided to all participants prior to starting their Host Agency assignment in an effort to meet in-demand employment driven occupations.

Tennessee has bi-monthly conference calls with all the sub-grantees and is collaborating with the re-entry program in an effort to increase the co-enrollment numbers and fill all the SCSEP participant slots. Several counties in the state are served by both the State sub-grantees and the national grantees.

SCSEP Sub-Grantee	Counties Covered	No. of assigned slots assigned for 2017-18
Northeast, Alliance for Business and Training	Carter, Johnson, Sullivan, Washington	23
East, East Tennessee Human Resource Agency	Campbell, Claiborne, Morgan, Scott, Union	30
Upper Cumberland, Upper Cumberland Human Resource Agency	Cumberland, Fentress, Jackson, Macon, Putnam, VanBuren	20
Northwest and Northwest Middle, Tennessee Community Service Agency	Cheatham, Houston, Humphreys, Montgomery, Stewart, Dyer, Henry, Obion, Weakley	28
Southwest, Southwest Tennessee HRA	Chester, Hardeman, Hardin, McNairy	20
Greater Memphis, Meritan Inc.	Shelby	46
TOTAL SLOTS		167

Supplemental Nutrition Assistance Program

The Food and Nutrition Act requires all States provide Employment and/or Training opportunities for Individuals who are determined eligible for U.S. Department of Agriculture's Supplemental Nutrition Assistance Program (SNAP). In Tennessee, the Tennessee Department of Human Services determines eligibility for the SNAP benefit then refers clients to the TDLWD who are interested in SNAP Employment and Training (SNAP E&T) services. Career specialists assess all individuals and assist them in completing an individual employment plan to identify steps to reach the overall goal of employment with a gainful wage that significantly reduces or eliminates the need for governmental assistance. Duration of each participant's engagement varies on background, education, and employment history of the individual.

SNAP E&T offers the following components and activities in order to increase an individual's skills, educational level, or employability:

1. Basic Adult Education
2. Job Search Training
3. Career and Technical Education
4. Work Experience
5. Work Readiness

SNAP E&T services are offered as a voluntary program in all 95 counties. In program year 2017, SNAP E&T assessed 1,493 unique individuals. Of those that were assessed, 875 were placed in at least one component—

- Basic Adult Education 88
- Job Search Training 138
- Career/Technical Education 602
- Work Experience 18
- Work Readiness 29

Partnerships are also established with community based organizations and colleges/universities. These partners, referred to as Third Party Partners (TPPs), serve E&T volunteers and receive a 50% reimbursement from USDA for serving E&T participants. The organizations that currently partner with SNAP E&T are:

1. Goodwill Industries- Knoxville
2. University of Tennessee- Extension
3. Center for Employment Opportunities

Jobs for Veterans State Grant Program

The Jobs for Veterans State Grant (JVSG), or "Veterans Program" consists of 53 staff. The JVSG staff is comprised of three distinct categories:

1. Veterans Employment Representative
2. Veterans Outreach Specialist
3. Consolidated Veterans Employment Representative/ Veterans Outreach Specialist Position

Veterans Employment Representatives (VER) are tasked with conducting outreach activities to employers in order to discuss the many benefits of hiring a Veteran. The benefits of hiring a veteran are both programmatic—including WOTCs—and intangible including; being a team player; ability to follow directions; and meticulous attention to detail.

Veterans Outreach Specialists work directly with qualified Veterans, and other eligible persons, to provide enhanced career services by removing any significant barriers to employment to ensure they are job ready.

The Consolidated Position performs the services of the VER and Veterans Outreach Specialists. Members of this position are located primarily in rural areas, without a high number of eligible veterans.

These staff members provided services to over 14,000 Veterans, other eligible persons, and transitioning service members. The JVSG achieved a 68% entered employment rate for veterans, an Employment Retention Rate of 86%, with six months average earnings of \$14,136.

Re-Employment Services and Eligibility Assessment

Re-employment Services and Eligibility Assessment (RESEA) program is designed to serve individuals who have been determined most likely to exhaust their unemployment benefits. The goal of the program is to connect these individuals to services in the AJCs that will help with their re-

employment. Along with serving those most likely to exhaust their unemployment benefits, each state is required to serve transitioning veterans receiving Unemployment Compensation for Ex-Service Members.

The RESEA serves individuals across all 95 counties and is currently operating in 50 American Job Centers (AJCs). During the initial orientation, the participants receive a program description, an eligibility review for unemployment benefits, an assessment of needs and barriers, and an Employment Development Plan (EDP). Each participant is required to attend this orientation and a follow up visit two weeks after the orientation to maintain their unemployment benefits. The orientation is automatically scheduled when selected and the subsequent visit is scheduled by the RESEA coordinator in the AJC.

Participants of RESEA are selected based on a statistical model that determines who is most likely to exhaust their benefits. This selection process happens through a batch process that runs every Wednesday night. Once selected, the unemployment claimant receives a letter with an orientation date, time and location that is 10-15 days from the moment they were selected. The five criteria that determine selection, in order of significance, are:

1. Wage replacement
2. Duration of tenure in months of the previous job
3. Number of base period employers
4. The length of time between employment and filing a claim
5. Availability of a vehicle in order to drive to a new job

In program year 2017, 50 American Job Centers across the state served 21,848 unemployment claimants were selected for the RESE program. Of those selected 12,224 attended their orientation. Of those who attended their orientation 8,761 attended their follow-up RESEA sessions. There are 2,219 individuals who found employment while participating in the program or shortly after completion.

Youth

Tennessee has been strengthening relationships with Tennessee Department of Education (TDOE) to identify work-based learning opportunities for high-school students to support the State's goal of creating a seamless path from high school, post-secondary education or training, into the workforce. This cooperation has helped foster the creation of a registered apprenticeship for high school students in the industry of automotive manufacturing. TDLWD collaborated with several state partners to develop a Memorandum of Understanding regarding transitional services for youth with disabilities. Collaboration with Tennessee Pathways has also fostered working relationships with Pathways regional coordinators and TDLWD regional directors to help identify support opportunities for both entities and, in turn, reducing duplication of services.



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