



Tennessee  
State Government

# WORKFORCE INNOVATION AND OPPORTUNITY ACT

Combined State Plan  
July 1, 2016 – June 30, 2020



# WIOA Approval Letter for the State of Tennessee

## Approval Letter for the State Plan

Approval Letter

This is an accessible version of the State Plan Approval letter without the Department's signatures.

The Honorable Bill Haslam Governor of Tennessee Tennessee State Capitol Nashville, TN 37243-0001

Dear Governor Haslam:

After careful review, the U.S. Departments of Labor and Education (Departments) are pleased to inform you that we have determined that Tennessee's four-year Workforce Innovation and Opportunity Act (WIOA) Combined State Plan (Combined State Plan or State Plan), submitted on April 1, 2016, is substantially approvable. Therefore, the Departments have approved your Combined State Plan, which covers the period July 1, 2016 through June 30, 2020, subject to conditions discussed below. Although the Departments have approved the four-year plan, you must submit a State Plan modification in 2018, as required by sections 102(c)(3)(A) and 103(b)(1) of WIOA.

This decision does not constitute a determination on the program-specific requirements of the Combined State Plan for those programs administered by Federal agencies other than the Departments of Education and Labor: the Temporary Assistance for Needy Families program authorized under 42 U.S.C. 601 et seq., administered by the Department of Health and Human Services; and the Employment and Training programs under the Supplemental Nutrition Assistance Program authorized under section 6(d)(4) of the Food and Nutrition Act of 2008 and administered by the Department of Agriculture. You will receive information about the approval status of these portions of the Combined State Plan from the Department of Health and Human Services and the Department of Agriculture within the 120-day timeframe for approval of these portions of your Combined State Plan.

WIOA represents a fundamental transformation of the workforce system to deliver integrated, job-driven services to job seekers, workers, and employers. It supports the development of strong regional economies, and it improves performance accountability so that consumers and investors can get information about programs and services that work. The Departments are encouraged by the progress that Tennessee has made to implement and operationalize WIOA. We look forward to working with you to continue this important work to strengthen your current plan to continue to take the workforce system to a new level of innovation.

The Departments approved your Combined State Plan, subject to conditions, after reviewing it in light of the requirements contained in sections 102 and 103 of WIOA, and the WIOA State Plan Information Collection Request (ICR), Required Elements for Submission of the Unified or Combined State Plan and Plan Modifications under the Workforce Innovation and Opportunity Act, as well as the program-specific requirements for the included Department of Labor and Education programs. This decision constitutes a written determination that covers the joint planning elements, or "common elements," as well as the program-specific requirements for the six core programs: the Adult, Dislocated Worker, and Youth

programs authorized under title I of WIOA and administered by the Department of Labor; the Adult Education and Family Literacy Act (AEFLA) program authorized under title II of WIOA and administered by the Department of Education; the Employment Service program authorized under the Wagner-Peyser Act (Wagner-Peyser), as amended by title III of WIOA and administered by the Department of Labor; and the Vocational Rehabilitation program, authorized under title I of the Rehabilitation Act of 1973, as amended by title IV of WIOA, and administered by the Department of Education.

This decision also constitutes a written determination that covers the program-specific requirements for the Combined State Plan programs that Tennessee included in its State Plan that are administered by the Department of Labor: the Jobs for Veterans State Grants program authorized under 38 U.S.C 4100, et. seq.; the Senior Community Service Employment Program authorized under title V of the Older Americans Act of 1965; and the Unemployment Insurance program authorized under State unemployment compensation laws in accordance with applicable Federal law.

The Departments have approved the State Plan subject to conditions because there are a number of deficiencies set forth in Attachment A to this letter that must be remedied. No later than September 1, 2016, Tennessee must correct the deficiencies identified in Attachment A that can be fully remedied by that date by submitting revised State Plan descriptions that comply with statutory and ICR requirements to the portal at <https://rsa.ed.gov/>. We expect that by September 1, 2016, States will make maximum efforts to correct the deficiencies that can be corrected by that date. However, we recognize that some deficiencies will take longer to remedy. For those deficiencies identified in Attachment A that cannot be remedied by September 1, 2016, Tennessee must provide the Departments with an action plan for correcting each of those deficiencies to [WIOA.Plan@dol.gov](mailto:WIOA.Plan@dol.gov). Tennessee must include in its action plan the specific steps that will be taken to remedy the deficiencies, benchmarks that will be used to monitor progress, and the timeline for correcting each of the remaining deficiencies. Your acceptance of any funds pursuant to this approval with conditions constitutes your agreement to remedy each of the deficiencies identified in Attachment A to the satisfaction of the Departments, and the Notices of Award and Grant Award Notifications used to award Tennessee's funds will include this condition.

The Departments recognize the unique challenges States faced in developing the initial State Plan required by WIOA, particularly given that: the State Plan requirements under WIOA are substantially different from those required by the Workforce Investment Act of 1998 (WIA); the State Plan information collection request was published on February 22, 2016; and the final regulations are not expected to be publicly available until late June. As such, the Departments are exercising the transition authority provided by section 503 of WIOA to develop a process that ensures the orderly transition from the requirements of WIA to those of WIOA and its strategic vision. As part of this process, however, it is critical that Tennessee work to address the deficiencies in the State Plan in the manner described above and to the satisfaction of the Departments. In the case of those deficiencies that require a longer period for Tennessee to address, the Departments will monitor Tennessee's progress to ensure that the State Plan fully reflects WIOA's planning requirements. If Tennessee fails to make progress in remedying the deficiencies in the State Plan, the Departments may take enforcement actions that are available to them, and Tennessee's funding could be affected.

Finally, per the Departments' State Plan ICR, the State Plan included expected levels of performance for certain primary indicators of performance. Those indicators are the basis for negotiations that the

Departments and Tennessee use to establish negotiated levels of performance, which are incorporated into the Combined State Plan and will apply for the first two years.

For the WIOA Adult, Dislocated Worker, Youth, and Wagner-Peyser programs, the Department of Labor is using transition authority in WIOA sec. 503(a) to extend the negotiation period for those indicators past June 30, 2016; negotiations are to conclude no later than August 15, 2016. For the AEFLA program, the Department of Education will complete negotiations by June 30, 2016. For the Vocational Rehabilitation program, the Department of Education is using the transition authority to take the time necessary to implement a negotiation process for the first time for this program, and the program, therefore, will not have negotiated indicators of performance for the first two years of this Plan. For all WIOA core programs, all primary indicators of performance that are not subject to negotiations are designated as baseline indicators for these two years. For those indicators not subject to negotiations, the State was not required to include expected levels of performance in the State Plan.

The Departments will provide ongoing technical assistance to help Tennessee realize the vision of WIOA. Following the release of the final regulations, the Departments will provide training on the final regulations and issue additional guidance. The Departments' staff will work with you and your agencies and staff to address important qualitative issues in the initial State Plan that are not listed on the attachment because they do not rise to the level of non-compliance, in order to help Tennessee better position itself to submit a 2018 State Plan modification that reflects its significant experience in implementing WIOA, and articulates the integration and innovations it has undertaken. In other words, the Departments anticipate that the 2018 State Plan modification will be a key step in demonstrating the workforce system transformation envisioned by WIOA.

We appreciate your efforts in submitting this Combined State Plan and commitment to working together with other States and the Departments to support the public workforce system. We look forward to working with you to ensure that the revisions are submitted in a timely manner. If you have any questions, please contact Les Range, Employment and Training Administration, Atlanta Regional Administrator, (404) 302-5300 and email: range.les@dol.gov.

Sincerely,

Portia Wu Assistant Secretary Employment and Training Administration

Johan E. Uvin Deputy Assistant Secretary Delegated the Duties of the Assistant Secretary for Career, Technical, and Adult Education

Sue Swenson Acting Assistant Secretary Office of Special Education and Rehabilitative Services

Janet LaBreck Commissioner Rehabilitation Services Administration

Mark H. Greenberg Acting Assistant Secretary for Children and Families U.S. Department of Health and Human Services

Mike Michaud Assistant Secretary Veterans' Employment and Training Service

Attachment

cc:

Les Range, Regional Administrator Burns Phillips, State Workforce Agency Jason Beard, State Adult Education Agency Cherrell Campbell-Street, State Vocational Rehabilitation Agency Sharon Lankford, Federal Panel Lead Wendy Harrison, DVET Weldon Floyd, SCSEP

Attachment A

Tennessee Combined State Plan Deficiencies

Following is an itemized list of the Tennessee Combined State Plan sections that the Departments determined were deficient, including a summary of the reason for the deficiency. Tennessee must submit revisions for these items in its Plan or describe its action plan for addressing them no later than September 1, 2016, as described in the Departments' decision letter. The Departments will provide technical assistance to assist Tennessee in making the required revisions to its State Plan. Items below reflect the corresponding requirement in the State Plan ICR.

Common Elements

- II.a.1.A.iii — Employers' Employment Needs. The State did not provide an analysis of employers' skills needs and demand occupations and industry sectors. Additionally, any content required to respond to this element must be included in the State Plan that is submitted through the portal, rather than provided through a hyperlink.
- II.a.2.B — The Strengths and Weaknesses of Workforce Development Activities. The State provided a response; however, it did not provide information regarding the outcome of its analysis of the strengths and weaknesses of workforce development activities.
- II.a.2.C — State Workforce Development Capacity. The State provided a response; however, it did not provide a description of the entities that provide the identified workforce development activities.
- II.b.1 — Vision. The State did not provide its strategic vision for the workforce development system.
- II.b.3 — Performance Goals. The State did not provide an expected level of performance for the AEFLA program in Measurable Skill Gain for 2016 and 2017 relating to the performance accountability indicators based on primary indicators of performance required by WIOA sec. 116(b)(2)(A) and II(b)(3) of the ICR.
- III.a.2.A — Core Program Activities to Implement the State's Strategy. All content required to respond to this element must be included in the Plan that is submitted through the portal, rather than provided through a link.
- III.b.3.A — State Agency Organization. The State provided a response; however, it must provide a narrative response in addition to the organizational chart to describe the chart and delivery systems at the state and local levels for the programs included in the Plan.

- III.b.3.B.i. — Membership roster. The State Board membership roster did not provide member affiliations in order to adequately assess compliance with State Board membership requirements at sec. 101 of WIOA and provided in Training and Employment Guidance Letter no. 27-14.
- III.b.5.A.i. — Youth activities in accordance with WIOA section 128(b)(2) or (b)(3). The State provided a response; however, the policy for distribution of youth funds to local areas must be updated to reflect that each region is guaranteed to receive an allocation percentage for a year that is no less than 90% of the average allocation percentage of the local area for the prior two years.
- III.b.5.A.ii. — Adult and training activities in accordance with WIOA section 133(b)(2) or (b)(3). The State provided a response; however, the policy for distribution of Adult funds to local areas must be updated to reflect that each region is guaranteed to receive an allocation percentage for a year that is no less than 90% of the average allocation percentage of the local area for the prior two years.
- III.b.5.A.iii. — Dislocated worker employment and training activities in accordance with WIOA section 133(b)(2) and based on data and weights assigned. The State provided a response; however, the policy for distribution of dislocated worker funds to local areas must be updated to reflect that each region is guaranteed to receive an allocation percentage for a year that is no less than 90% of the average allocation percentage of the local area for the prior two years.
- III.b.5.B.i — Multi-year grants or contracts. The State did not adequately describe the State's competitive process and identify how many years will be awarded in multi-year grants or contracts, including how eligible agencies will establish that eligible providers are organizations of demonstrated effectiveness.
- III.b.6.A.i — Describe the State's plans to make the management information systems for the core programs interoperable to maximize the efficient exchange of common data elements to support assessment and evaluation. The State did not adequately describe its plans to make the management information systems for the core programs interoperable to maximize the efficient exchange of common data elements to support assessment and evaluation.
- III.b.6.A.ii — Describe the State's plans to integrate data systems to facilitate streamlined intake and service delivery to track participation across all programs included in this plan. The State did not adequately describe its plans to integrate data systems to facilitate streamlined intake and service delivery to track participation across all programs.
- III.b.6.C — Use of Unemployment Insurance (UI) Wage Record Data. The State's response did not adequately describe how the partners are going to share and use the UI Wage Record data.
- III.b.6.D — Privacy Safeguards. The State did not adequately describe the privacy safeguards incorporated in the State's workforce development system, including safeguards required by section 444 of the General Education Provisions Act (20 U.S.C. 1232g) and other applicable Federal laws. All content required to respond to this element must be included in the Plan that is submitted through the portal rather than provided through a link.
- III.b.7 — Priority of Service for Veterans. The State did not adequately describe how it will implement and monitor the priority of service for veterans' provisions in compliance with the Jobs for Veterans Act, codified at 38 U.S.C. § 4215.

## Title I

- VI.a.1.B — Describe the process used for designating local areas, including procedures for determining whether the local area met the criteria for "performed successfully" and "sustained fiscal integrity" in accordance with 106(b)(2) and (3) of WIOA. Describe the process used for

identifying regions and planning regions under section 106(a) of WIOA. This must include a description of how the State consulted with the local boards and chief elected officials in identifying the regions. The State provided a response to this element; however, it did not address the process used for identifying regions.

- VI.a.1.C — Provide the appeals process referred to in section 106(b)(5) of WIOA relating to designation of local areas. The State's response indicates that policy will be developed following more federal guidance. The Department requires an update on its development in the State's resubmission of its Plan.
- VI.a.1.D — Provide the appeals process referred to in section 121(h)(2)(E) of WIOA relating to determinations for infrastructure funding. The State's response indicates that policy will be developed following more federal guidance. The Department requires an update on its development in the State's resubmission of its Plan.
- VI.a.2.A — Provide State policies or guidance for the statewide workforce development system and for use of State funds for workforce investment activities. The State provided a response to this element; however, it did not address State policies or guidance for the use of statewide funds.
- VI.a.2.B — Describe how the State intends to use Governor's set aside funding. Describe how the State will utilize Rapid Response funds to respond to layoffs and plant closings and coordinate services to quickly aid companies and their affected workers. States also should describe any layoff aversion strategies they have implemented to address at risk companies and workers. The State provided a response to this element; however, it did not address how the State provides Rapid Response, how services are coordinated to quickly aid companies/workers, or layoff aversion strategies.
- VI.a.2.C — In addition, describe the State policies and procedures to provide Rapid Responses in cases of natural disasters including coordination with FEMA and other entities. The State's response lacked adequate detail in its description of its policies for coordination of Rapid Response in the event of natural disasters.
- VI.b.3 — Provide the procedure, eligibility criteria, and information requirements for determining training provider initial and continued eligibility, including Registered Apprenticeship programs (WIOA Section 122). The State provided a response to this element; however, it did not address details about denial/appeal. The State's response did not include information concerning training providers' connection to business. The State did not adequately describe its criteria for continued eligibility.
- VI.b.4 — Describe how the State will implement and monitor the priority for public assistance recipients, other low-income individuals, and individuals who are basic skills deficient in accordance with the requirements of WIOA sec. 134(c)(3)(E), which applies to individualized career services and training services funding by the Adult Formula program. The State's response is not adequate because it did not directly respond to the element.
- VI.c.1 — Identify the State-developed criteria to be used by local boards in awarding grants for youth workforce investment activities and describe how the local boards will take into consideration the ability of the providers to meet performance accountability measures based on primary indicators of performance for the youth program as described in section 116(b)(2)(A)(ii) of WIOA in awarding such grants. The State did not provide the State-developed criteria local areas are to use in awarding grants.
- VI.c.2 — Describe the strategies the State will use to achieve improved outcomes for out-of-school youth as described in 129(a)(1)(B), including how it will leverage and align the core programs, and Combined State Plan partner programs included in this Plan, required and optional one-stop

partner programs, and any other resources available. The State's response is not adequate because it did not directly respond to the element.

- VI.c.3 — Describe how the State will ensure that all 14 program elements described in WIOA section 129(c)(2) are made available and effectively implemented. The State's response lacked adequate detail in its description of how it will ensure the elements will be made available and effectively implemented.

#### Wagner-Peyser

- VI.a.2 — Describe strategies developed to support training and awareness across core programs and the Unemployment Insurance program, and the training provided for Employment Services and WIOA staff on identification of Unemployment Insurance (UI) eligibility issues and referral to UI staff for adjudication. The State provided a response to this element; however, it did not address training provided for staff to identify UI eligibility issues and the referral to UI staff for adjudication.
- VI.d.3 — Administration of the work test for the State unemployment compensation system, including making eligibility assessments (for referral to UI adjudication, if needed), and providing job finding and placement services for UI claimants; and Referral to adjudication. The State provided a response to this element; however, it did not address how the referral to UI staff for adjudication of potential UI issues occurs.
- VI.d.4 — Provision of referrals to and application assistance for training and education programs and resources. The State did not directly respond to the element.
- VI.e.1.A — An assessment of the agricultural activity in the State means: 1) identifying the top five labor-intensive crops, the months of heavy activity, and the geographic area of prime activity; 2) Summarize the agricultural employers' needs in the State (i.e. are they predominantly hiring local or foreign workers, are they expressing that there is a scarcity in the agricultural workforce); and 3) Identifying any economic, natural, or other factors that are affecting agriculture in the State or any projected factors that will affect agriculture in the State. The State did not directly respond to the element.
- VI.e.1.B — An assessment of the unique needs of farmworkers means summarizing Migrant and Seasonal Farm Worker (MSFW) characteristics (including if they are predominantly from certain countries, what language(s) they speak, the approximate number of MSFWs in the State during peak season and during low season, and whether they tend to be migrant, seasonal, or year-round farmworkers). The State's response is not adequate because it did not directly respond to the element. In addition, there is a discrepancy between the information provided and what has been reported on the State's 9002A report for the same period.
- VI.e.2.A — Contacting farmworkers who are not being reached by the normal intake activities conducted by the employment service offices. The State provided a response to this element; however, it did not address how it will conduct outreach in order to contact farmworkers who are not being reached by the normal intake activities conducted by the employment service offices.
- VI.e.2.E — Coordinating outreach efforts with National Farmworker Jobs Program (NFJP) grantees as well as with public and private community service agencies and MSFW groups. The State provided a response to this element; however, it did not address how it will coordinate outreach efforts with NFJP grantees as well as other agencies and MSFW groups.
- VI.e.3.A — Providing the full range of employment and training services to the agricultural community, both farmworkers and agricultural employers, through the one-stop delivery system.

The State provided a response to this element; however, it did not address how the State will serve agricultural employers.

- VI.e.3.C — Marketing the Agricultural Recruitment System (ARS) to agricultural employers and how it intends to improve such publicity. The State’s response lacked adequate detail in its description of how the State will market the ARS to agricultural employers and how it will improve the publicity.

#### Adult Education and Family Literacy Act Program

- VI.a — Aligning of Content Standards. The State did not describe the process it is using to determine whether its adult education content standards are aligned with its K-12 standards as required by section 102(b)(2)(D)(ii)(I) of WIOA. The Plan did not indicate that the alignment of its adult education content standards will be in place no later than July 1, 2016.
- VI.b — Local Activities. The activities listed in the Plan are not consistent with those listed in section 203(2) of WIOA.
- VI.c — Corrections Education and other Education of Institutionalized Individuals. The State did not indicate how the grants and contracts will be competed and will comply with the requirements of Subpart C of title II of WIOA. The activities listed in the Plan are not consistent with those listed in section 225(b) of WIOA.
- VI.d.1 — Integrated English Literacy and Civics Education (IELCE). The State did not adequately describe how it will establish IELCE programs that provide educational services consisting of literacy and English language acquisition integrated with civics education that includes instruction on the rights and responsibilities of citizenship and civic participation.
- VI.d.2 — Integrated English Literacy and Civics Education (how funds will be used). The Plan did not indicate how the grants and contracts awarded with section 243 funds will be competed and will comply with the requirements of Subpart C of title II of WIOA.
- Appendix 2 — Other State Attachments (Optional). If the State wants to include this information in the Plan, the links should be removed and the applicable content placed directly into the portal. All pertinent State Plan content must be accessible/508 compliant; charts and graphs must be accompanied by narrative that is accessible and contains the relevant State Plan information in a format that is accessible to those using screen access technologies.

# Table of Contents

WIOA Approval Letter for the State of Tennessee .....	i
I. WIOA State Plan Type.....	11
II. Strategic Elements.....	12
a. Economic, Workforce, and Workforce Development Activities Analysis.....	12
b. State Strategic Vision and Goals .....	43
c. State Strategy .....	51
III. Operational Planning Elements.....	59
a. State Strategy Implementation.....	59
b. State Operating Systems and Policies .....	85
IV. Coordination with State Plan Programs .....	113
V. Common Assurances (for all core programs).....	114
VI. Program-Specific Requirements for Core Programs.....	115
Program-Specific Requirements for Adult, Dislocated Worker, and Youth Activities under Title I-B .....	115
a. General Requirements .....	115
b. Adult and Dislocated Workers Program Requirements .....	122
c. Youth Program Requirements.....	127
d. Single-area State Requirements.....	133
e. Waiver Requests (optional) .....	134
Program-Specific Requirements for Wagner-Peyser Program (Employment Services) .....	137
a. Employment Service Professional Staff Development.....	137
b. Meaningful Assistance for Unemployment Compensation .....	139
c. Reemployment Assistance to Unemployment Insurance Claimants .....	139
d. W-P funds to Support UI claimants.....	140
e. Agricultural Outreach Plan (AOP). .....	142
Adult Education and Family Literacy Act Program State Plan for the State of Tennessee.....	149
a. Aligning of Content Standards.....	150
b. Local Activities .....	150
c. Corrections Education and other Education of Institutionalized Individuals .....	153
d. Integrated English Literacy and Civics Education Program .....	153

e. State Leadership .....	155
f. Assessing Quality .....	158
VR Portion of WIOA State Plan for the State of Tennessee .....	161
a. Input of State Rehabilitation Council .....	161
b. Request for Waiver of Statewideness .....	163
c. Cooperative Agreements with Agencies Not Carrying Out Activities Under the Statewide Workforce Development System. ....	165
d. Coordination with Education Officials .....	167
e. Cooperative Agreements with Private Nonprofit Organizations .....	171
f. Arrangements and Cooperative Agreements for the Provision of Supported Employment Services.....	176
g. Coordination with Employers .....	176
h. Interagency Cooperation.....	178
i. Comprehensive System of Personnel Development; Data System on Personnel and Personnel Development .....	179
j. Statewide Assessment.....	189
k. Annual Estimates .....	198
l. State Goals and Priorities.....	199
m. Order of Selection .....	202
n. Goals and Plans for Distribution of title VI Funds.....	206
o. State's Strategies.....	208
p. Evaluation and Reports of Progress: VR and Supported Employment Goals.....	212
q. Quality, Scope, and Extent of Supported Employment Services.....	216
VII. Program-Specific Requirements For Combined State Plan Partner Programs .....	229
Temporary Assistance for Needy Families (TANF) .....	229
Employment and Training programs under the Supplemental Nutrition Assistance Program (Programs authorized under section 6(d)(4) of the Food and Nutrition Act of 2008 (7 U.S.C. 2015(d)(4))) .....	241
Jobs for Veterans' State Grants .....	258
Unemployment Insurance (UI).....	273
Senior Community Service Employment Program (SCSEP).....	333
Appendix 1. Performance Goals for the Core Programs .....	354
Appendix 2. Other State Attachments (Optional) .....	357

# I. WIOA State Plan Type

The State of Tennessee is submitting a Combined State Plan (CSP) in which the Tennessee Department of Labor and Workforce Development (TDLWD) is the authorized and signatory entity designated to receive funds under the Workforce Innovation and Opportunity Act. Through a strong collaboration with the Tennessee Departments of Human Services (DHS), Economic and Community Development (TNECD), and Education (TNED), we have developed Tennessee's strategic and operational plans for the implementation of the Workforce Innovation and Opportunity Act (WIOA). This Act (Public Law 113-128) was enacted on July 22, 2014, and under which the following Titles represent the statutory WIOA core programs:

- Adult program (Title I of WIOA),
- Dislocated Worker program (Title I),
- Youth program (Title I),
- Adult Education and Family Literacy Act program (Title II), and
- Wagner-Peyser Act program (Wagner-Peyser Act, as amended by Title III),
- Vocational Rehabilitation program (Title I of the Rehabilitation Act of 1973, as amended by Title IV).

The partner programs listed below are included in the planning elements:

- Career and technical education programs authorized under the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2301 et seq.)
- Temporary Assistance for Needy Families program (42 U.S.C. 601 et seq.)
- Employment and Training programs under the Supplemental Nutrition Assistance Program (SNAP) (programs authorized under section 6(d)(4) of the Food and Nutrition Act of 2008 (7 U.S.C. 2015(d)(4))
- Work programs authorized under Section 6(o) of the Food and Nutrition Act of 2008 (7 U.S.C. 2015(o))
- Trade Adjustment Assistance for Workers programs (Activities authorized under chapter 2 of Title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.))
- Jobs for Veterans State Grants Program (programs authorized under 38, U.S.C. 4100 et. seq.)
- Unemployment Insurance programs (programs authorized under State unemployment compensation laws in accordance with applicable Federal law)
- Senior Community Service Employment program (programs authorized under Title V of the Older Americans Act of 1965 (42 U.S.C. 3056 et seq.))

## II. Strategic Elements

The Unified or Combined State Plan must include a Strategic Planning Elements section that analyzes the State's current economic environment and identifies the State's overall vision for its workforce development system. The required elements in this section allow the State to develop data-driven goals for preparing an educated and skilled workforce and to identify successful strategies for aligning workforce development programs. Unless otherwise noted, all Strategic Planning Elements apply to Combined State Plan partner programs included in the plan as well as to core programs.

### a. Economic, Workforce, and Workforce Development Activities Analysis

The Unified or Combined State Plan must include an analysis of the economic conditions, economic development strategies, and labor market in which the State's workforce system and programs will operate.

#### 1. Economic and Workforce Analysis

##### A. Economic Analysis

The Unified or Combined State Plan must include an analysis of the economic conditions and trends in the State, including sub-State regions and any specific economic areas identified by the State. This must include;

- i. Existing Demand Industry Sectors and Occupations

Provide an analysis of the industries and occupations for which there is existing demand.

- ii. Emerging Industry Sectors and Occupation

Provide an analysis of the industries and occupations for which demand is emerging.

- iii. Employers' Employment Needs

With regard to the industry sectors and occupations identified in 1 and 2 above, provide an assessment of the employment needs of employers, including a description of the knowledge, skills, and abilities required, including credentials and licenses.

Since 2001, the funding of the public Workforce System has declined from approximately \$5 billion to approximately \$2.5 billion. This decrease highlights the necessity for new strategies and operational partnerships in order to improve customer service, functionally align business and jobseeker services, and minimize duplicative programs and services. Amongst these changes, the best measures of change value are the ability to terminate ineffective and obsolete protocols and procedures in addition to saving resources for better use by the Workforce System.

Tennessee has recovered <\$25 million> of potential Unemployment Insurance (UI) overpayments through the deployment of new software and technology (SAS, TOPS). Doing this has positively impacted Tennessee's UI trust fund. In addition, the State has reduced the needed Federal outlay of recurring funds, by almost <\$18 million> per annum, for statutory programs through our recently conducted Voluntary Buyout Program. These achievements speak directly to the long-standing strategy of achieving economic self-sufficiency and demonstrating conservative fiscal leadership in and by the state of Tennessee.

As it pertains to fiscal integrity, Tennessee won "State of the Year" for economic development in both 2013 and 2014 by Business Facilities magazine, and in 2014 set an all-time job commitment record of 24,221 new jobs. In 2015, the Tennessee Department of Economic and Community Development's (TNECD) business development team obtained 161 company commitments, which represented 25,837 new job commitments, and also set a new record. In addition to the new job commitments, these companies are investing \$5.5 billion in capital in the State, which also set a new record.

In 2015, foreign direct investments totaled \$2.25 billion in capital and created 7,815 new job commitments. Investments by Japanese-based companies alone totaled \$1.02 billion, followed by Canadian-based companies with investments of \$478.8 million and Chinese-based companies of \$298 million. TNECD's 2015 projects have a forecasted direct economic output of \$4.71 billion over the next ten years and a total economic output of \$9.86 billion.

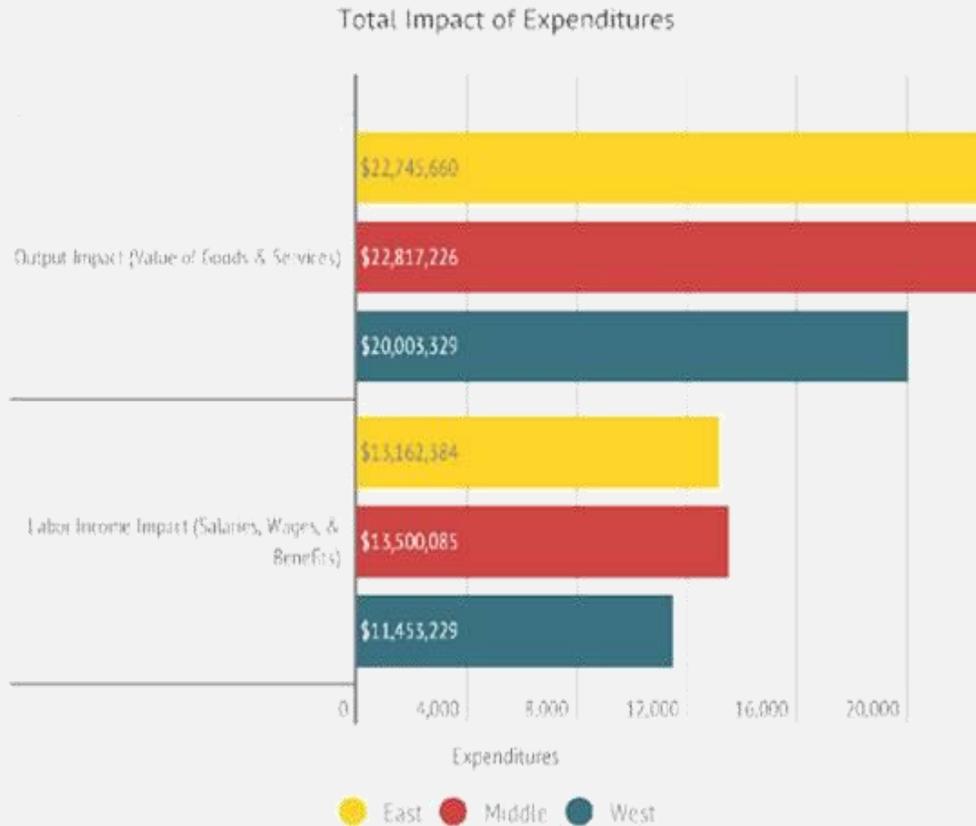
The collaborative support of conservative fiscal behaviors across the State has shown increased opportunity for service alignment in several agencies. The results have been increasingly favorable for workforce development successes, improvements and areas for new growth. The following analysis provides an in-depth view of economic and workforce characteristics for the State of Tennessee and its three regions (East, Middle and West), as well as information about Tennessee's infrastructure, policy development, and workforce activities which support its strategies.

### ***Statewide Workforce Investment Act (WIA) Impact and Investment Return***

Existing analyses from WIA expenditures in Tennessee show many areas of growth, as in both labor income and State and Federal taxes. We can see potential growth and continuous improvement in our statewide activities to improve the Tennessee economy and align the stakeholders, but also to contribute to the national impact and return on investment.

During the 2013-2014 program year, Tennessee WIA made \$47,634,085 in direct expenditures in total throughout the State as a result of normal operations of providing job training and employment services to local citizens. As shown below, this resulted in the total production of goods and services (output) valued at over \$90.2 million, total salaries, wages, and benefits of \$49.5 million, a total of 1,507 full- and part-time jobs, and federal, state and local taxes of \$10.5 million.

# Regional Economic Impact



## ***Total Impacts of Tennessee WIA Expenditures, 2013-2014***

<b>Output (Value of Goods and Services)</b>	<b>\$90,241,314</b>
Labor Income (Salaries, Wages, and Benefits)	\$49,510,960
Employment (Jobs, Full- and Part-Time)	1,507
Federal, State and Local Taxes	\$10,524,604

## ***Analysis of Tennessee Employment 2013 to 2014***

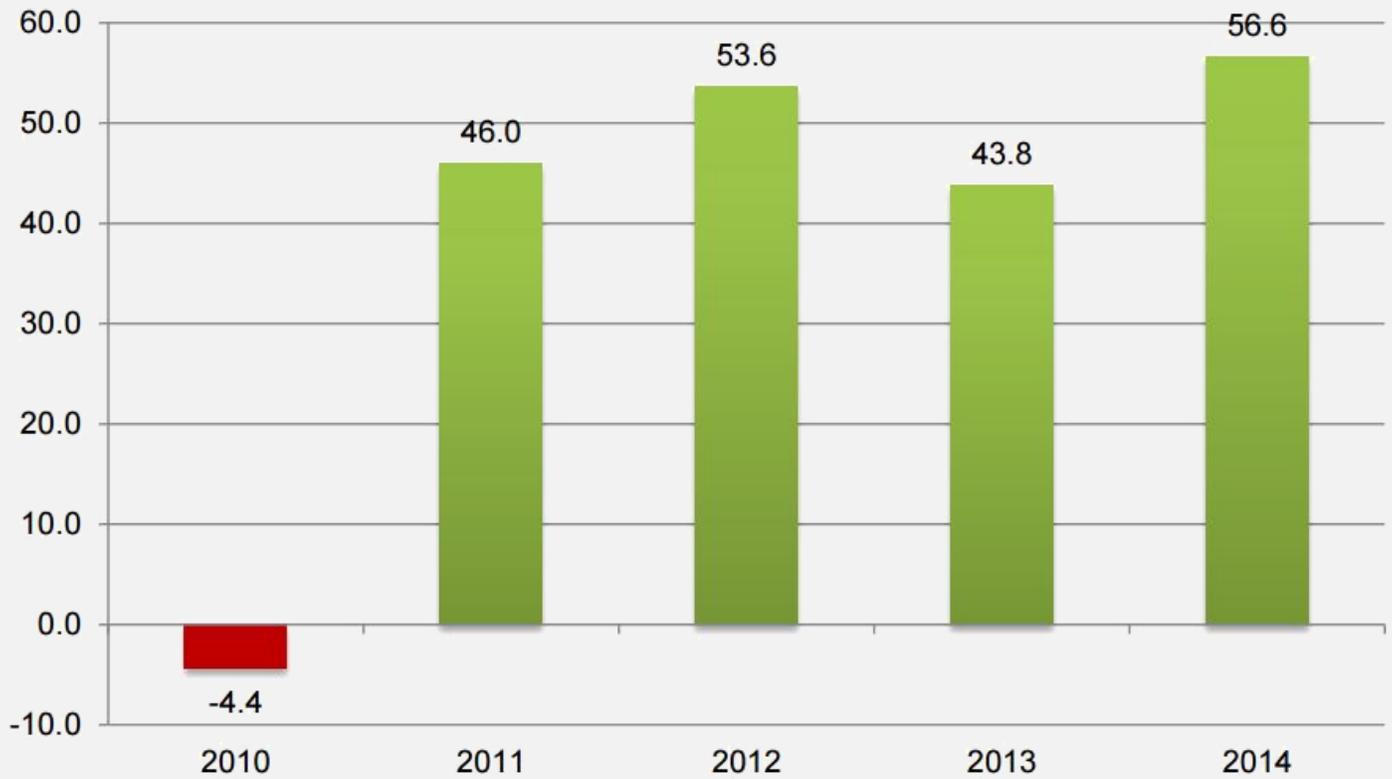
Tennessee's average total nonfarm employment increased 2.1 percent from 2013 to 2014, adding 56,600 jobs. The industry sector with the largest total and percent increase was professional and business services, followed by leisure and hospitality. These two sectors combined to add 29,600 jobs. Since 2009, Tennessee has added 195,600 jobs, a 7.5 percent increase. Professional and business services gained 78,500 jobs during that time, more than double any other industry sector. Only information and government experienced declines since 2009.

**Industry Employment Change (thousands)**

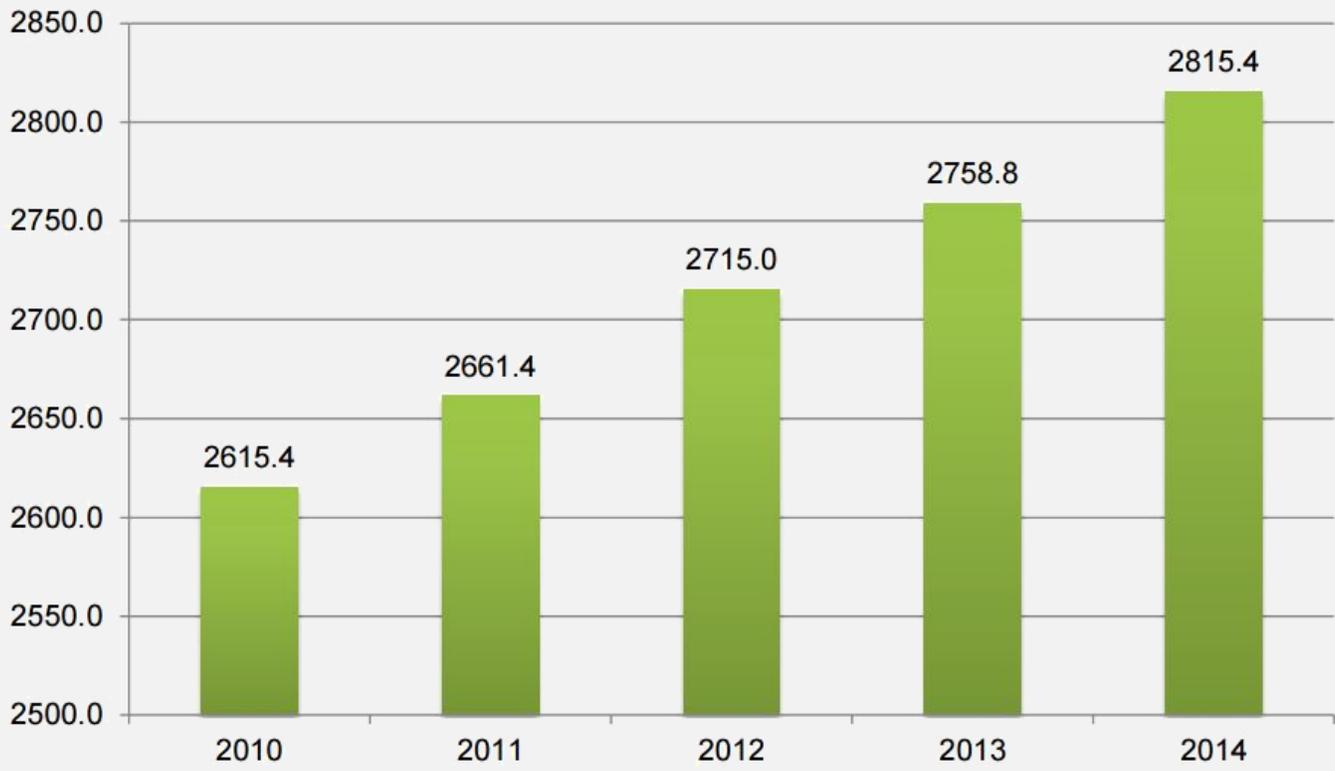
<b>Industry Sector</b>	<b>Total Change 2013-2014</b>	<b>Percent Change 2013-2014</b>	<b>Total Change 2009-2014</b>	<b>Percent Change 2009-2014</b>
Total Nonfarm	56.6	2.10%	195.6	7.50%
Good Producing	10	2.30%	17.3	4.10%
Mining, Logging & Construction	3.1	2.80%	1.1	1.00%
Manufacturing	6.8	2.10%	16	5.20%
Private Service Providing	46.9	2.40%	182.1	10.30%
Trade, Transportation, & Utilities	9.5	1.60%	32.1	5.70%
Information	-0.2	-0.50%	-3	-6.40%
Financial Activities	3.3	2.40%	0.8	0.60%
Professional & Business Services	19.2	5.40%	78.5	26.70%
Education & Health Services	4.3	1.10%	36.9	10.10%
Leisure & Hospitality	10.4	3.60%	32.8	12.40%
Other Services	0.3	0.30%	3.9	3.80%
Government	-0.2	0.00%	-3.7	-0.90%



### Tennessee Annual Nonfarm Job Growth (thousands)



### Tennessee Total Nonfarm (thousands)



## ***Economic Analysis - Tennessee Employment Projections 2014-2022***

Tennessee's total employment remains on track to exceed 3.3 million by 2022. Levels of employment continue to rise after the 2007-2009 recession that saw a steep decline in employment.

The services providing industry is expected to experience a favorable annual increase of 1.3 percent, with the professional and business services sector leading with a rate of 2.2 percent. In addition to professional services gains, other services (except government) and education and health services are expected to grow 1.9 and 1.7 percent respectively.

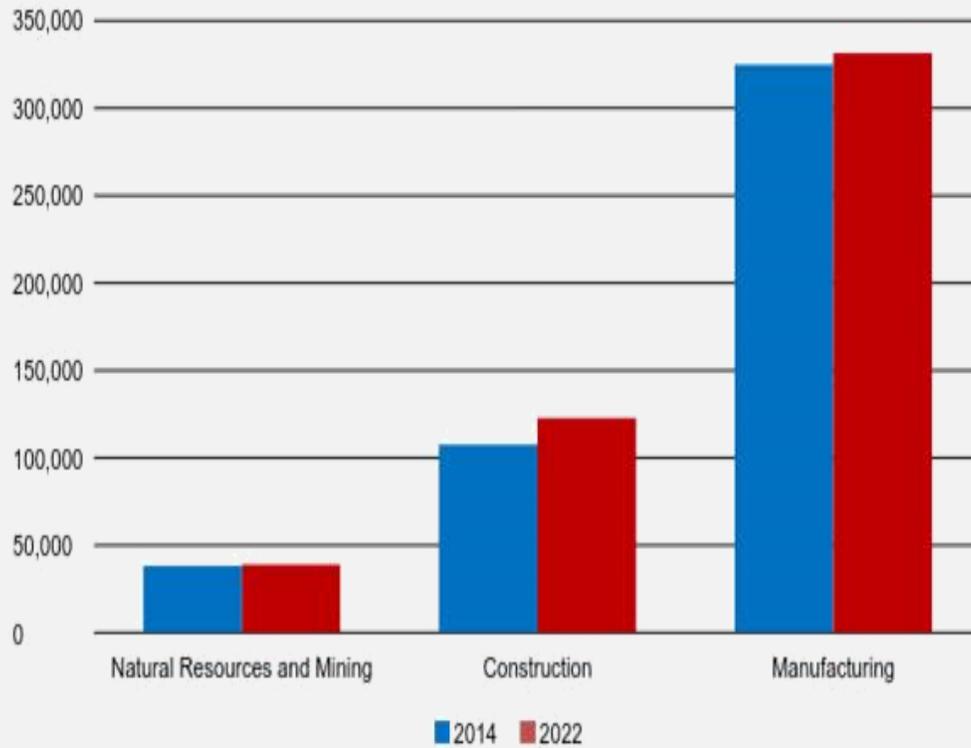
The goods producing industry is expected to increase by 0.60 percent. Construction continues to prosper with a healthy expected gain of 1.7 percent. However, natural resources and mining and manufacturing are expected to be among the slowest growing sectors with rates of 0.2 and 0.3 percent.

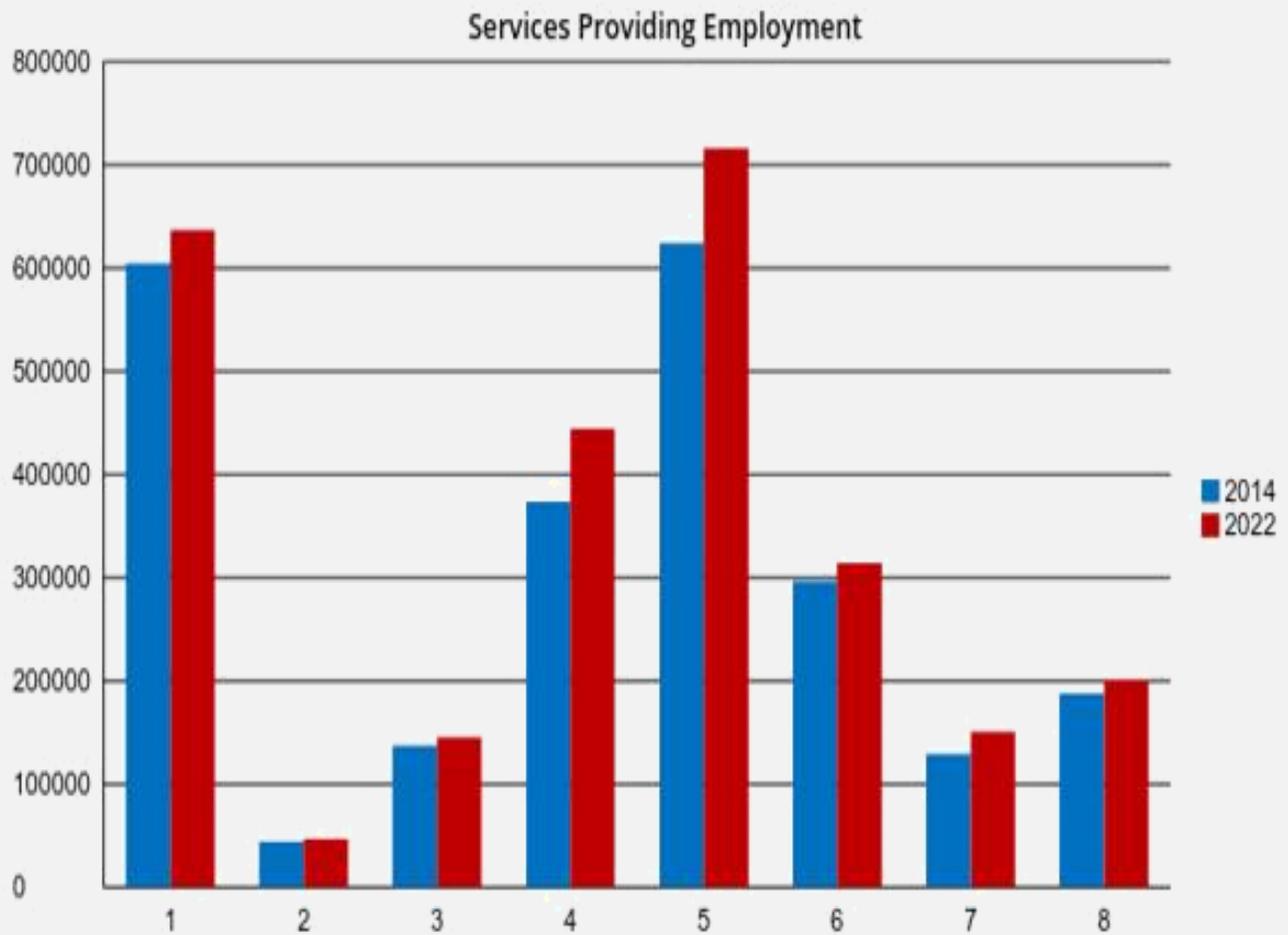
### ***Industry Projections***

Industry Title	2012	2014	2022	Change 2012-2014	Change 2014-2022	2014-2022 Growth Rates
<i>Total All Industries</i>	2,949,450	3,051,320	3,336,400	101,870	285,080	9.3
Goods Producing	453,110	470,760	493,590	17,650	22,830	4.9
Natural Resources & Mining	34,820	38,220	38,920	3,410	700	1.8
Construction	104,800	107,680	122,980	2,880	15,300	14.2
Manufacturing	313,500	324,860	331,690	11,360	6,830	2.1
Services Providing	2,316,080	2,396,120	2,655,340	80,040	259,230	10.8
Trade, Transportation & Utilities	587,270	604,350	636,630	17,080	32,280	5.3
Information	43,200	43,810	46,980	610	3,170	7.2
Financial Activities	133,810	136,920	145,570	3,110	8,650	6.3
Professional and Business Services	336,450	373,780	444,600	37,330	70,820	19
Education & Health Services	615,400	623,910	716,120	8,500	92,210	14.8
Leisure and Hospitality	277,050	296,410	314,100	19,360	17,690	6

Industry Title	2012	2014	2022	Change 2012-2014	Change 2014-2022	2014-2022 Growth Rates
Other Services (except Government)	138,040	129,330	150,530	-8,710	21,200	16.4
Government	184,850	187,610	200,810	2,760	13,200	7

Goods Producing Employment





### **Industry Growth and New Job Creation**

Tennessee has experienced significant employment growth since the recovery from the recession. As listed in table 1, the State’s expected major growth sectors include professional and business services (19 percent), other services except government (16.4), education and health services (14.8), and construction (14.2). Twenty industries in Tennessee are expected to add the most new jobs from 2014 to 2022.

#### **Tennessee Three Digit Industries Expected to Add the Most New Jobs 2014 to 2022**

Industry Rank	NAICS Industry Code	Industry Title	Number of New Jobs	Percent Change 2014-2022
1	561000	Administrative and Support Services	38,370	18.4
2	621000	Ambulatory Health Care Services	33,690	23.8
3	611000	Educational Services	28,150	11.6
4	541000	Professional, Scientific, and Technical Services	21,750	18.1
5	813000	Religious, Grant making, Civic, Professional, and Similar Organizations	19,320	27.9
6	622000	Hospitals	14,630	11.6

Industry Rank	NAICS Industry Code	Industry Title	Number of New Jobs	Percent Change 2014-2022
7	336000	Transportation Equipment Manufacturing	13,760	21.6
8	722000	Food Services and Drinking Places	13,230	5.7
9	238000	Specialty Trade Contractors	12,610	18.7
10	624000	Social Assistance	11,110	23.1
11	551000	Management of Companies and Enterprises	8,440	22.2
12	923000	Local Government, Excluding Education and Hospitals	7,450	6.6
13	484000	Truck Transportation	6,390	11.3
14	446000	Health and Personal Care Stores	6,180	26.8
15	623000	Nursing and Residential Care Facilities	4,630	7.2
16	452000	General Merchandise Stores	4,620	6.5
17	522000	Credit Intermediation and Related Activities	4,010	7.6
18	333000	Machinery Manufacturing	3,950	15.5
19	524000	Insurance Carriers and Related Activities	3,710	9.2
20	425000	Wholesale Electronic Markets and Agents and Brokers	2,910	14.7

Source: Tennessee Department of Labor and Workforce Development, Labor Market Information Section. Tennessee Employment Projections 2014 to 2022, State and LWDAs, unpublished. [jobs4tn.gov]

The 20 industries above are projected to create 258,080 jobs, or 91 percent of all expected job creation through 2022. Just the top ten industries alone should create 206,080 jobs, or 72 percent of the total. In the top ten are only two industries in the goods producing sector- transportation equipment manufacturing and construction sector specialty trade contractors. In the services providing sector, the most populous industry sector is professional and business services, including administrative and support services and professional, scientific, and technical services. The next largest sector is education and health services, including ambulatory health care and hospitals, educational services, and social assistance. The leisure and hospitality sector will create more than 13,000 food service jobs, and in the other services sector, religious, civic and professional organizations will add employment as well. Most workforce program expenditures in 2013-2014 aligned with industries expected to create the most new jobs in Tennessee, as follows:

#### **Top Ten Industries Affected by Program Expenditures**

Industry Description	Labor Income	Output
Employment services	\$35,787,729	\$48,695,295
Offices of physicians, dentists, and other health practitioners	\$1,225,224	\$1,972,470
Private hospitals	\$1,116,017	\$2,525,652
Food services and drinking places	\$884,451	\$2,548,442

Industry Description	Labor Income	Output
Wholesale trade businesses	\$653,615	\$1,627,363
Management of companies and enterprises	\$359,779	\$792,475
Accounting, tax preparation, bookkeeping, and payroll services	\$356,251	\$663,140
Monetary authorities and depository credit intermediation activities	\$341,612	\$2,072,467
Nursing and residential care facilities	\$328,009	\$604,258
Retail stores - motor vehicle and parts	\$309,894	\$569,538

An in-depth report on the Economic and Workforce Analysis in Tennessee is available in Appendix 2 - Other State Attachments (Optional). This information includes an analysis of Tennessee Employment 2013-2014, Tennessee Employment Projections 2014-2022, Industry Growth and New Job Creation for East, Middle and West Regions, Gap Analysis for East, Middle and West Regions, and Tennessee Employer Skills and Knowledge Requirements.

### ***Job Creation and Workforce Characteristics - East Region Analysis***

Tennessee is divided into three regions. The West Region consists of the sum of LWDAs 11 to 13; the Middle Region of LWDAs 6 to 10; and the East Region LWDAs 1 to 5. The following tables provide information on industry employment for 2014 and projected employment for 2022 in the East Region and LWDAs, as well as important demographic and labor force characteristics that shape the region. Information comparing the detailed industries providing the most growth in each region and the associated fastest growing occupations in those industries can be found in a later section of the report.

Total employment is expected to grow about one percent per year, nearly at the pace of expected job growth for the state. Larger job creation sectors include professional and business services, education and health services, and in the goods producing sector, construction. Unemployment among the Local Workforce Development Areas (LWDAs) has generally decreased from 2010 to 2014. LWDA 3, Knoxville, has generally had the lowest unemployment rates, reducing from 7.4 to 5.5 percent annually by 2014. LWDA 5, with expansion in the auto manufacturing and related industries, in 2014 had the second lowest unemployment of 6.7 percent.

With regard to educational attainment, a plurality of 18 to 24 year olds in each region has some college or an associate's degree, with about 30,000 in each region not graduating from high school. At the state level, bachelor's degrees or higher are held by almost 1.1 million Tennesseans. The Middle Region has the highest percentages of the population 25 years and over graduating from high school and with bachelor's or higher degrees. Educational attainment for the East Region and the LWDAs is shown in the table following. Just above 17 percent of East residents are in poverty.

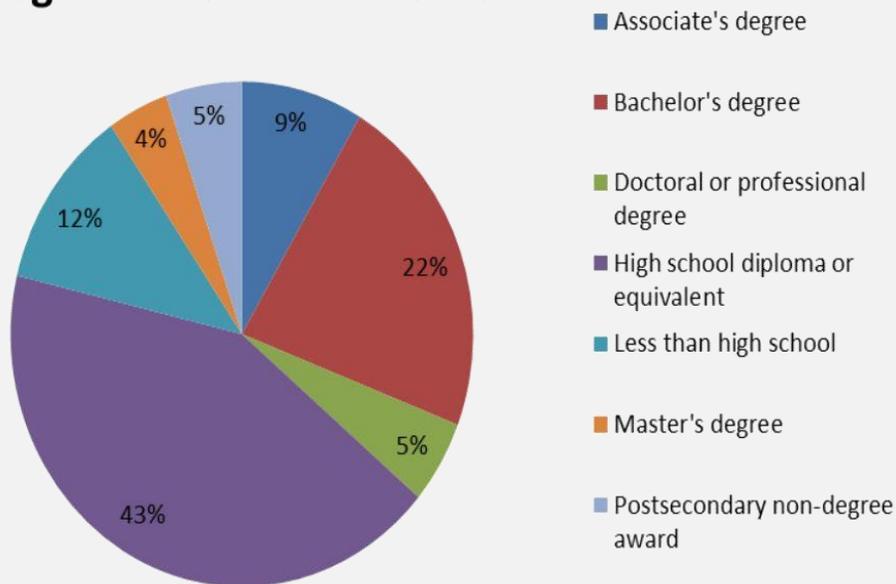
More than 40 percent of the fastest growing occupations in the East Region are expected to require high school degrees or the equivalent, and 22 percent expected to require bachelor's degrees. The current skills distribution in the region can be approximated by the occupational distribution of the population. Among the 22 occupational groups, the largest number of employees work in office and administrative

occupations, sales and related, production, food preparation and service, and health care practitioners, technical, and support.

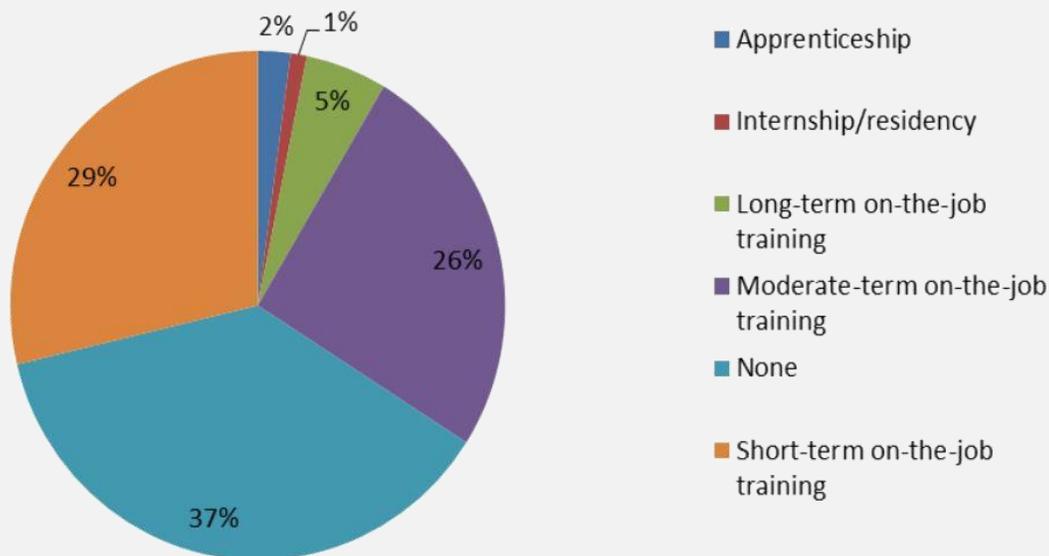
**East Regional Employment, 2014 to 2022**

Code	Title	2014 Employment	Projected 2022 Employment	Change	Percentage
000000	Total All Industries	1039630	1122220	82590	7.94%
101000	Goods Producing	174100	180760	6660	3.83%
101100	Natural Resources and Mining	3730	3200	-525	-14.21%
101200	Construction	38660	46710	8045	20.82%
101300	Manufacturing	131720	130860	-860	-0.65%
102000	Services Providing	808810	882270	73455	9.08%
102100	Trade, Transportation, and Utilities	194150	203950	9805	5.05%
102200	Information	12990	13670	675	5.23%
102300	Financial Activities	42990	45350	2365	5.49%
102400	Professional and Business Services	115810	139210	23405	20.21%
102500	Education and Health Services	219810	241850	22035	10.03%
102600	Leisure and Hospitality	114450	120730	6285	5.49%
102700	Other Services (except Government)	44650	55970	11320	25.35%
102800	Government	63980	61540	-2440	-3.81%

**Fastest Growing Occupations for the East Region Educational Breakdown**



## Fastest Growing Occupations for the East Region Training Breakdown



### ***Skills and Current Occupational Distribution for the East Region***

Level	Job Title	East	%
00-0000	Total, All Occupations	1039630	100.00%
11-0000	Management Occupations	61460	5.91%
13-0000	Business and Financial Operations Occupations	31920	3.07%
15-0000	Computer and Mathematical Occupations	13830	1.33%
17-0000	Architecture and Engineering Occupations	17240	1.66%
19-0000	Life, Physical, and Social Science Occupations	6530	0.63%
21-0000	Community and Social Service Occupations	11610	1.12%
23-0000	Legal Occupations	4840	0.47%
25-0000	Education, Training, and Library Occupations	58140	5.59%
27-0000	Arts, Design, Entertainment, Sports, and Media Occupations	12420	1.19%
29-0000	Healthcare Practitioners and Technical Occupations	69390	6.67%
31-0000	Healthcare Support Occupations	28360	2.73%
33-0000	Protective Service Occupations	21000	2.02%
35-0000	Food Preparation and Serving Related Occupations	94530	9.09%
37-0000	Building and Grounds Cleaning and Maintenance Occupations	39760	3.82%
39-0000	Personal Care and Service Occupations	41300	3.97%
41-0000	Sales and Related Occupations	99280	9.55%
43-0000	Office and Administrative Support Occupations	163390	15.72%
45-0000	Farming, Fishing, and Forestry Occupations	1380	0.13%
47-0000	Construction and Extraction Occupations	36660	3.53%
49-0000	Installation, Maintenance, and Repair Occupations	45410	4.37%

Level	Job Title	East	%
51-0000	Production Occupations	98110	9.44%
53-0000	Transportation and Material Moving Occupations	83080	7.99%

### ***Job Creation and Workforce Characteristics - Middle Region Analysis***

The following tables provide information on current and projected employment in the Middle Region, as well as important demographic and labor force characteristics for the region. Data comparing the detailed industries providing the most growth in each region and the associated fastest growing occupations in those industries can be found later in the report.

Total employment is projected to grow about twice as fast as in East Region, with rapid employment growth in professional and business services, education and health services, and construction, among other sectors.

Unemployment among the Local Workforce Development Areas (LWDAs) has generally decreased from 2010 to 2014. LWDA 8 initially had the lowest unemployment rate; however, LWDA 9 including Davidson and Rutherford counties had significant growth, resulting in that area having the lowest unemployment rate in 2014.

With regard to educational attainment, a slight plurality of 18 to 24 year olds in each region has some college or an associate's degree, with about 20,000 not graduating from high school. The largest number of those in poverty can be found in LWDAs 8 and 9.

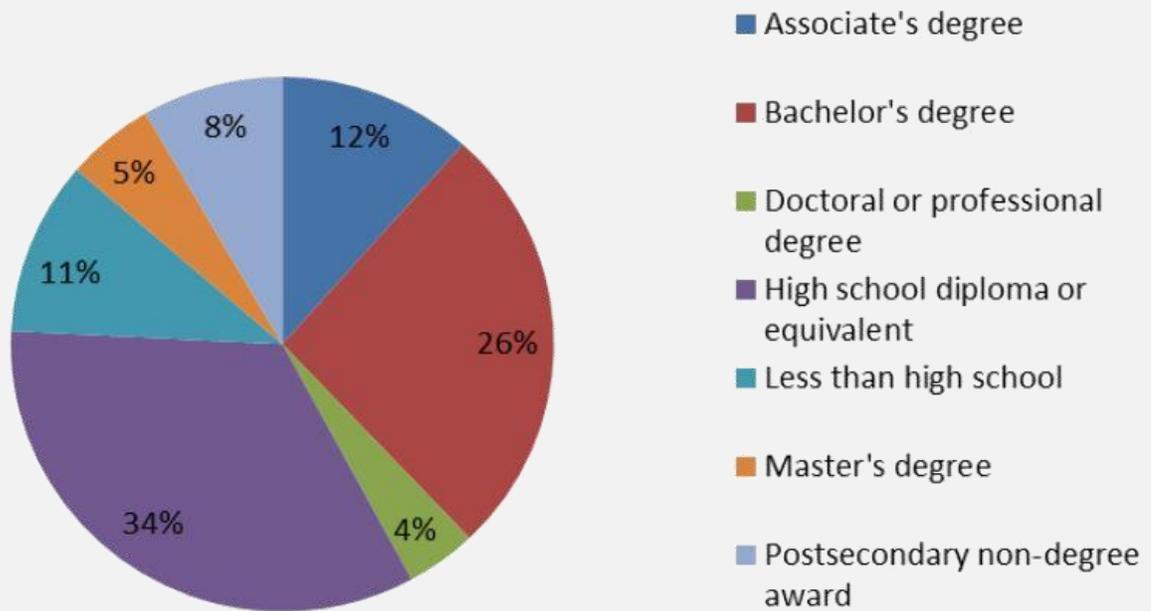
More than 34 percent of the fastest growing occupations in the Middle Region are expected to require high school degrees or the equivalent, and 26 percent expected to require bachelor's degrees. The current skills distribution in the region can be approximated by the occupational distribution of the population. Among the 22 occupational groups, the largest number of employees works in office and administrative occupations, sales and related, production, and more than 100,000 in health care-related occupations

### ***Middle Region Employment, 2014 to 2022***

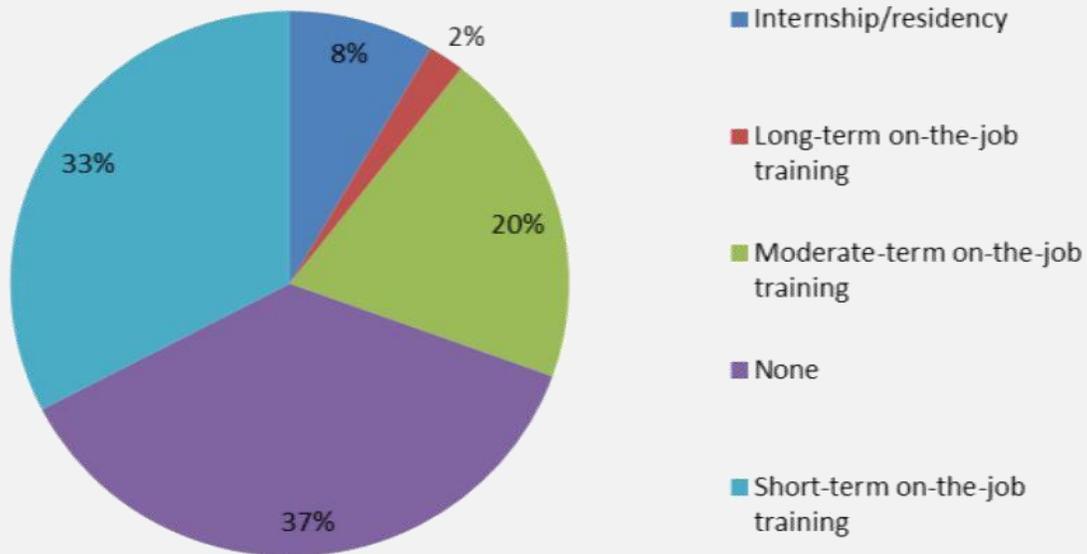
Code	Title	2014 Employment	Projected 2022 Employment	Change	Percentage
000000	Total All Industries	1164640	1349850	185220	15.9%
101000	Goods Producing	169960	185930	15970	9.4%
101100	Natural Resources and Mining	4530	3340	-1190	-26.3%
101200	Construction	42710	51530	8820	20.7%
101300	Manufacturing	122720	131070	8350	6.8%
102000	Services Providing	928930	1092820	163890	17.6%
102100	Trade, Transportation, and Utilities	218460	244230	25770	11.8%
102200	Information	22540	25560	3020	13.4%

Code	Title	2014 Employment	Projected 2022 Employment	Change	Percentage
102300	Financial Activities	59700	66360	6660	11.2%
102400	Professional and Business Services	147630	195170	47540	32.2%
102500	Education and Health Services	241970	292380	50410	20.8%
102600	Leisure and Hospitality	118790	128610	9820	8.3%
102700	Other Services (except Government)	44140	48430	4290	9.7%
102800	Government	75700	92090	16390	21.7%

## Fastest Growing Occupations for the Middle Region Educational Breakdown



## Fastest Growing Occupations for the Middle Region Training Breakdown



### *Skills and Current Occupational Distribution for the Middle Region*

Level	Job Title	Middle	%
00-0000	Total, All Occupations	1164640	100%
11-0000	Management Occupations	80680	6.93%
13-0000	Business and Financial Operations Occupations	54180	4.65%
15-0000	Computer and Mathematical Occupations	22900	1.97%
17-0000	Architecture and Engineering Occupations	16160	1.39%
19-0000	Life, Physical, and Social Science Occupations	5580	0.48%
21-0000	Community and Social Service Occupations	12500	1.07%
23-0000	Legal Occupations	7310	0.63%
25-0000	Education, Training, and Library Occupations	60710	5.21%
27-0000	Arts, Design, Entertainment, Sports, and Media Occupations	21100	1.81%
29-0000	Healthcare Practitioners and Technical Occupations	70020	6.01%
31-0000	Healthcare Support Occupations	31130	2.67%
33-0000	Protective Service Occupations	22310	1.92%
35-0000	Food Preparation and Serving Related Occupations	99390	8.53%
37-0000	Building and Grounds Cleaning and Maintenance Occupations	33510	2.88%
39-0000	Personal Care and Service Occupations	33520	2.88%
41-0000	Sales and Related Occupations	116660	10.02%
43-0000	Office and Administrative Support Occupations	192720	16.55%
45-0000	Farming, Fishing, and Forestry Occupations	2620	0.22%
47-0000	Construction and Extraction Occupations	39190	3.36%

Level	Job Title	Middle	%
49-0000	Installation, Maintenance, and Repair Occupations	48230	4.14%
51-0000	Production Occupations	100950	8.67%
53-0000	Transportation and Material Moving Occupations	93290	8.01%

### ***Job Creation and Workforce Characteristics - West Region Analysis***

The following tables provide information on current and projected employment in the West Region, as well as the key demographic and labor force characteristics. Detailed information on industries providing the most growth in the East, Middle, and West and the associated fastest growing occupations in those industries can be found in the next section.

Total employment is expected to grow just over one percent per year, about at the pace of total employment growth in the state. Larger job creation sectors include education and health services; trade, transportation and utilities; and professional and business services.

Unemployment among the Local Workforce Development Areas (LWDAs) has generally decreased from 2010 to 2014. LWDA 13 has generally had the lowest unemployment rates, reducing from 9.8 to 7.8 percent annually by 2014.

With regard to educational attainment, a plurality of 18 to 24 year olds in each region has some college or an associate's degree, with about 25,000 not graduating from high school. At the state level, bachelor's degrees or higher are held by almost 1.1 million Tennesseans. Educational attainment for the West Region and the LWDAs is shown in the table following, with LWDA 13 having the largest percentage of bachelor's degrees. The largest number of those in poverty can be found in LWDAs 12 and 13.

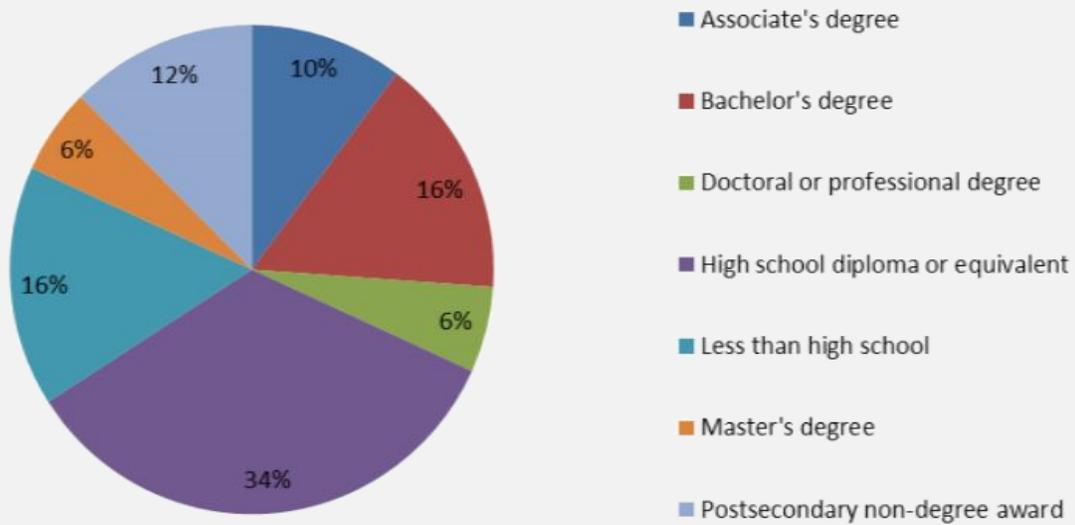
More than 34 percent of the fastest growing occupations in the West Region are expected to require high school degrees or the equivalent, and 16 percent expected to require bachelor's degrees. The current skills distribution in the region can be approximated by the occupational distribution of the population. Among the 22 occupational groups, the largest number of employees works in office and administrative occupations, transportation and material moving, and sales and related occupations.

### ***West Regional Employment, 2014 to 2022***

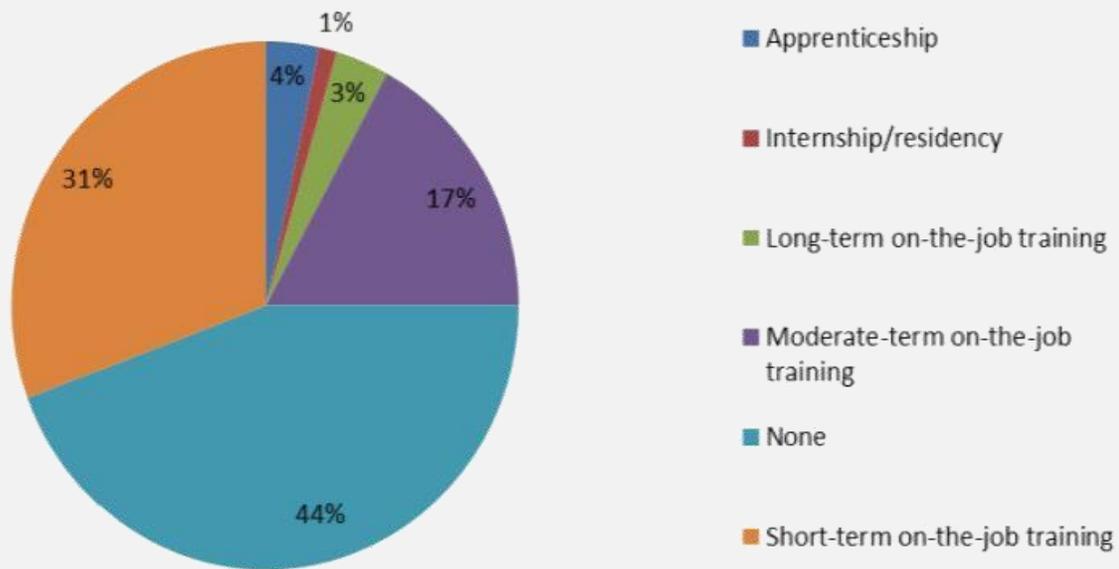
Code	Title	2014 Employment	Projected 2022 Employment	Change	Percentage
000000	Total All Industries	728380	806190	77810	10.7%
101000	Goods Producing	93770	100580	6810	7.3%
101100	Natural Resources and Mining	1800	3000	1200	66.7%
101200	Construction	23590	27060	3470	14.7%
101300	Manufacturing	68380	70530	2150	3.1%
102000	Services Providing	596520	665340	68820	11.5%
102100	Trade, Transportation, and Utilities	170840	180520	9680	5.7%
102200	Information	6910	7760	850	12.3%

Code	Title	2014 Employment	Projected 2022 Employment	Change	Percentage
102300	Financial Activities	29680	32200	2520	8.5%
102400	Professional and Business Services	93070	114910	21840	23.5%
102500	Education and Health Services	157890	181880	23990	15.2%
102600	Leisure and Hospitality	61130	64730	3600	5.9%
102700	Other Services (except Government)	28360	34220	5860	20.7%
102800	Government	48660	49130	470	1.0%

### Fastest Growing Occupations for the West Region Educational Breakdown



## Fastest Growing Occupations for the West Region Training Breakdown



### *Skills and Current Occupational Distribution for the West Region*

Level	Job Title	West	%
00-0000	Total, All Occupations	728380	100%
11-0000	Management Occupations	43410	5.96%
13-0000	Business and Financial Operations Occupations	24060	3.30%
15-0000	Computer and Mathematical Occupations	9870	1.36%
17-0000	Architecture and Engineering Occupations	8950	1.23%
19-0000	Life, Physical, and Social Science Occupations	4190	0.58%
21-0000	Community and Social Service Occupations	10570	1.45%
23-0000	Legal Occupations	3560	0.49%
25-0000	Education, Training, and Library Occupations	41790	5.74%
27-0000	Arts, Design, Entertainment, Sports, and Media Occupations	8830	1.21%
29-0000	Healthcare Practitioners and Technical Occupations	47710	6.55%
31-0000	Healthcare Support Occupations	19180	2.63%
33-0000	Protective Service Occupations	20830	2.86%
35-0000	Food Preparation and Serving Related Occupations	54020	7.42%
37-0000	Building and Grounds Cleaning and Maintenance Occupations	23920	3.28%
39-0000	Personal Care and Service Occupations	21230	2.91%
41-0000	Sales and Related Occupations	70120	9.63%
43-0000	Office and Administrative Support Occupations	114380	15.70%
45-0000	Farming, Fishing, and Forestry Occupations	1560	0.21%
47-0000	Construction and Extraction Occupations	23820	3.27%
49-0000	Installation, Maintenance, and Repair Occupations	29290	4.02%

Level	Job Title	West	%
51-0000	Production Occupations	57230	7.86%
53-0000	Transportation and Material Moving Occupations	89880	12.34%

### ***Detailed Industry and Occupational Analysis***

The following pages identify the three digit North American Industry Classification System (NAICS code) industries expected to create the most jobs in the state and its three regions between now and 2022. The first table lists the top 10 industries expected to create the most new jobs in the state. The next three tables list the top 10 job-creating industries in the East, Middle, and West Regions and the average wages of the industries in each region.

Significant differences can be seen among the top industries in the regions. Comparing the rankings for industries expected to create the most new jobs in each region to the state, the regions together are most aligned with the state on industries ranked 1, 2, 3, and 4. The top ranked industry in terms of creating the most new jobs is administrative and support services, which includes temporary help services. Other highly-ranked services include ambulatory health care, educational services, and professional, scientific, and technical services (ranking second in the East).

In the Middle and East Regions, other highly ranked industries include transportation equipment manufacturing, food services, and specialty trade contractors in the construction sector. Other industries in the top 10 for job creation in all regions include management of companies and enterprises.

The highest average weekly wages in all regions are in the industry of management of companies and enterprises, and in the East and Middle, the lowest are in the food service industries. Other high average wage industries in all regions include professional, scientific, and technical services, ambulatory health care services, and in the Middle Region, transportation equipment manufacturing.

The West Region differs in that job creation by hospitals is expected to be its fourth largest source of new jobs. Also ranking high are religious organizations and non-profits, social assistance, and warehousing and storage. The West also has a manufacturing industry ranked in its top 10 - plastics and rubber products, which creates output used by the transportation equipment manufacturing industry, among others. The industry composition of each region is a basic determinant of the jobs which will be available, as shown in the next section.

### ***Tennessee and Regions Three Digit Industries Expected to Add the Most New Jobs: 2014 to 2022***

TN Number of New Jobs	State Industry Ranking, Most New Jobs	NAICS Industry Code	Industry Title
38,370	1	561000	Administrative and Support Services
33,690	2	621000	Ambulatory Health Care Services
28,150	3	611000	Educational Services

TN Number of New Jobs	State Industry Ranking, Most New Jobs	NAICS Industry Code	Industry Title
21,750	4	541000	Professional, Scientific, and Technical Services
19,320	5	813000	Religious, Grantmaking, Civic, Professional, and Similar Organizations
14,630	6	622000	Hospitals
13,760	7	336000	Transportation Equipment Manufacturing
13,230	8	722000	Food Services and Drinking Places
12,610	9	238000	Specialty Trade Contractors
11,110	10	624000	Social Assistance

NAICS Industry Code	Industry Title	East Region Industry Ranking	East Ave. Wages
561000	Administrative and Support Services	1	\$31,514
541000	Professional, Scientific, and Technical Services	2	\$69,015
813000	Religious, Grantmaking, Civic, Professional, and Similar Organizations	3	\$24,862
621000	Ambulatory Health Care Services	4	\$60,844
238000	Specialty Trade Contractors	5	\$41,378
336000	Transportation Equipment Manufacturing	6	\$50,768
611000	Educational Services	7	\$37,910
722000	Food Services and Drinking Places	8	\$15,057
551000	Management of Companies and Enterprises	9	\$81,214
484000	Truck Transportation	10	\$50,026

NAICS Industry Code	Industry Title	Middle Region Industry Ranking	Middle Ave. Wages
561000	Administrative and Support Services	1	\$30,530
611000	Educational Services	2	\$39,822
621000	Ambulatory Health Care Services	3	\$59,054
541000	Professional, Scientific, and Technical Services	4	\$76,563
336000	Transportation Equipment Manufacturing	5	\$60,155
722000	Food Services and Drinking Places	6	\$15,975
238000	Specialty Trade Contractors	7	\$46,930
551000	Management of Companies and Enterprises	8	\$100,116
923000	Local Government, Excluding Education	9	\$45,015

NAICS Industry Code	Industry Title	Middle Region Industry Ranking	Middle Ave. Wages
	and Hospitals		
622000	Hospitals	10	\$59,211
NAICS Industry Code	Industry Title	West Region Industry Ranking	West Ave. Wages
561000	Administrative and Support Services	1	\$31,852
621000	Ambulatory Health Care Services	2	\$59,863
611000	Educational Services	3	\$41,537
622000	Hospitals	4	\$54,584
541000	Professional, Scientific, and Technical Services	5	\$60,347
813000	Religious, Grantmaking, Civic, Professional, and Similar Organizations	6	\$42,157
493000	Warehousing and Storage	7	\$44,475
551000	Management of Companies and Enterprises	8	\$107,282
624000	Social Assistance	9	\$21,009
326000	Plastics and Rubber Products Manufacturing	10	\$49,816

## Employer Skill and Knowledge Requirements for Tennessee

### *Skills*

Skill and knowledge requirements for projected jobs through 2022 were developed by utilizing criteria in the online database O\*Net matched with Tennessee employment projections through 2022.

Requirements are not yet available for each region of the state. The current top five skills employers are expected to require include active listening at 560,355 projected employment, speaking (615,215), reading comprehension (358,712), critical thinking (221,946), and social perceptiveness (179,595).

The need for active listening, speaking, and social perceptiveness are a must in the current workforce as newly graduating students seem to lack the necessary soft skills for workplace success. The ability to communicate effectively while glean necessary information for assigned tasks has become more crucial as the skills gap widens. The state educational focus on improvement in reading comprehension is validated by its high ranking as a vital employment skill.

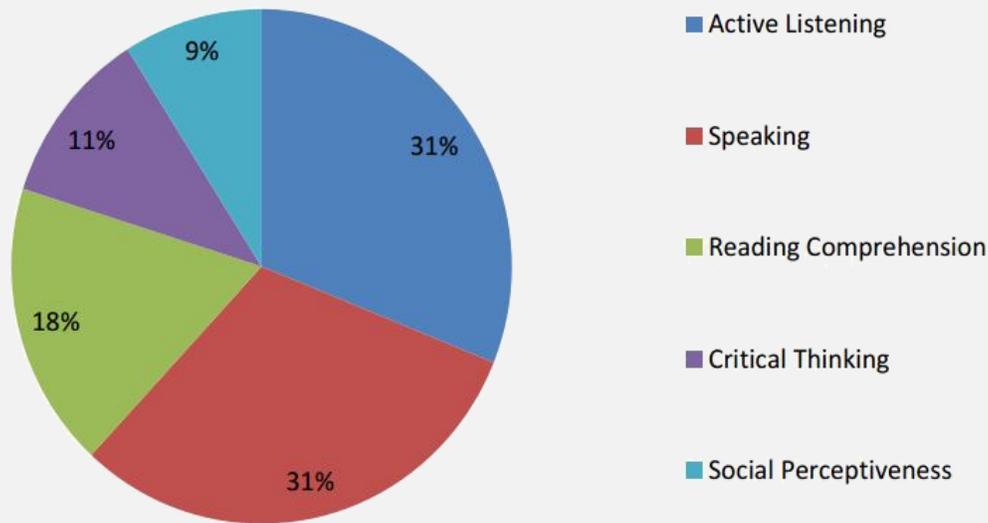
Additionally, critical thinking is necessary to work through issues that may arise in the process of accomplishing job tasks. Many employers are actively seeking employees with higher level thinking skills due to the rapidly changing nature of their respective industries and to aid in adaptation and problem solving.

Category	Projected Year Employment	Openings Due to Growth	Replacements
Active Listening	620,506	19,396	11,748
Speaking	615,215	20,001	11,490
Reading Comprehension	358,712	11,393	6,465
Critical Thinking	221,946	7,597	4,204
Social Perceptiveness	179,595	6,177	3,754
Writing	158,014	4,812	2,393
Instructing	131,842	4,760	2,352
Judgment and Decision Making	107,716	3,665	1,958
Learning Strategies	101,372	3,827	1,888
Monitoring	98,442	3,207	2,174
Coordination	96,305	3,395	2,089
Service Orientation	77,803	2,597	1,498
Operation and Control	76,425	2,166	1,215
Persuasion	60,317	1,935	1,109
Complex Problem Solving	57,231	2,064	1,187
Time Management	52,750	1,834	1,109
Management of Personnel Resources	51,768	1,523	1,130
Negotiation	29,601	1,088	515
Active Learning	28,738	776	450
Operation Monitoring	25,246	997	656
Repairing	24,192	904	561
Troubleshooting	14,600	536	343
Systems Evaluation	12,571	355	250
Equipment Maintenance	12,166	500	295
Systems Analysis	10,887	283	220
Management of Financial Resources	10,794	279	218
Mathematics	10,412	394	206
Operations Analysis	1,133	38	26
Installation	1,093	30	16
Quality Control Analysis	777	25	22
Programming	571	29	11
Equipment Selection	59	2	1

Source: Tennessee Statewide Employment Projections 2014 to 2022, total projected jobs.

Skill and knowledge categories are from O\*Net characteristics matched to the Tennessee Projections.

## Top 5 Skills



### Knowledge

The most required knowledge categories include customer and personal service (very important in 1,058,740 projected jobs), English language (513,599), clerical (255,745), administration and management with projected employment of 184,773, and education and training (161,010). Other high-ranking categories include sales and marketing, medicine and dentistry, and mechanical. Clerical knowledge is an apparent must in the current workforce. Communication, critical thinking, and reading comprehension are essential skills for clerical duties. Administrative management requires critical thinking, effective communication, active listening, and active learning and teaching skills. With such a large portion of baby boomers leaving the work force the need to fill administrative level jobs has increased.

As computers take over more routine jobs, employees increasingly find that customer service is essential knowledge in today's workplace. Reading, writing, and speaking English effectively aids in building customer relationships. With changing technology and economic trends, participating in and developing education and training opportunities are vital for knowledge sharing and retention at work.

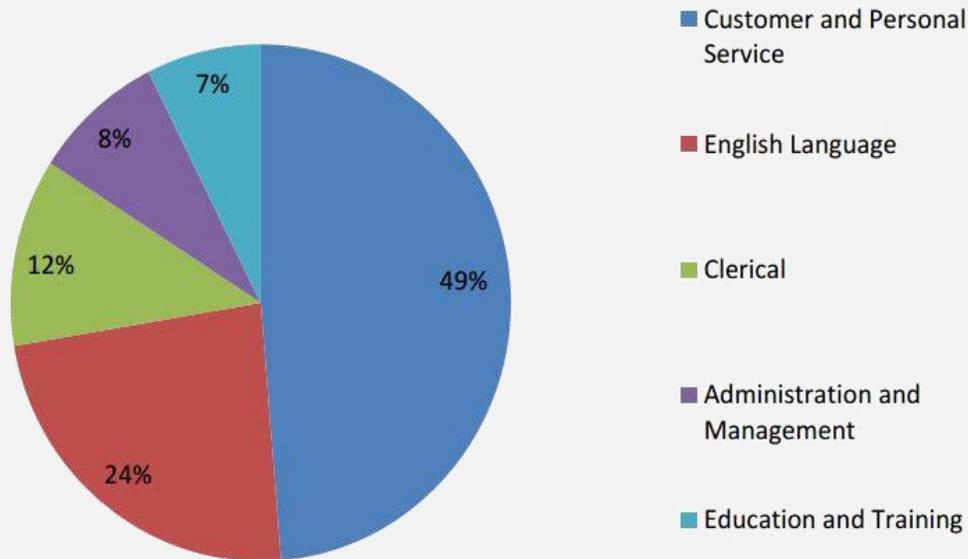
Category	Projected Year Employment	Openings Due to Growth	Replacements
Customer and Personal Service	1,058,740	39,640	28,420
English Language	513,599	16,483	9,097
Clerical	255,745	6,714	3,796
Administration and Management	184,773	5,437	3,413
Education and Training	161,010	5,655	2,963
Sales and Marketing	127,360	3,101	2,462
Medicine and Dentistry	121,705	4,675	2,286
Mechanical	119,010	3,710	2,565

Category	Projected Year Employment	Openings Due to Growth	Replacements
Psychology	118,421	4,169	2,258
Building and Construction	98,169	2,715	1,592
Economics and Accounting	73,786	2,469	1,616
Mathematics	71,596	2,421	1,520
Personnel and Human Resources	67,418	1,926	1,165
Public Safety and Security	63,813	2,333	1,625
Engineering and Technology	58,822	1,742	1,192
Law and Government	57,948	2,184	1,189
Production and Processing	56,079	1,430	1,170
Computers and Electronics	47,599	1,395	897
Therapy and Counseling	44,684	1,408	832
Transportation	40,045	1,399	862
Design	39,176	1,195	816
Biology	33,513	1,270	627
Communications and Media	24,900	767	507
Sociology and Anthropology	16,152	490	282
Chemistry	15,481	562	363
Fine Arts	14,739	526	320
Telecommunications	10,855	355	178
Food Production	5,549	141	132
Geography	2,296	83	36
Philosophy and Theology	2,205	51	31
Foreign Language	2,004	69	21
History and Archeology	1,989	49	30

Source: Tennessee Statewide Employment Projections 2014 to 2022, total projected jobs.

Skill and knowledge categories are from O\*Net characteristics matched to the Tennessee Projections.

## Required Knowledge



## B. Workforce Analysis

The Unified or Combined State Plan must include an analysis of the current workforce, including individuals with barriers to employment, as defined in section 3 of WIOA.\* This population must include individuals with disabilities among other groups\*\* in the State and across regions identified by the State. This includes: Individuals with barriers to employment include displaced homemakers; low-income individuals; Indians, Alaska Natives, and Native Hawaiians; individuals with disabilities, including youth who are individuals with disabilities; older individuals; ex-offenders; homeless individuals, or homeless children and youths; youth who are in or have aged out of the foster care system; individuals who are English language learners, individuals who have low levels of literacy, and individuals facing substantial cultural barriers; farmworkers (as defined at section 167(i) of WIOA and Training and Employment Guidance Letter No. 35-14); individuals within 2 years of exhausting lifetime eligibility under the Temporary Assistance for Needy Families program; single parents (including single pregnant women); and long-term unemployed individuals. \*\* Veterans, unemployed workers, and youth, and others that the State may identify.

### i. Employment and Unemployment

Provide an analysis of current employment and unemployment data, including labor force participation rates, and trends in the State.

### ii. Labor Market Trends

Provide an analysis of key labor market trends, including across existing industries and occupations.

### iii. Education and Skill Levels of the Workforce

Provide an analysis of the educational and skill levels of the workforce.

iv. Skill Gaps

Describe apparent 'skill gaps'.

Information regarding these questions is included with the response to question A in this section. Additional supporting information is also available in the Economic and Workforce Analysis in Appendix 2 - Other State Attachments (Optional).

## **2. Workforce Development, Education and Training Activities Analysis**

The Unified or Combined State Plan must include an analysis of the workforce development activities, including education and training in the State, to address the education and skill needs of the workforce, as identified in *Education and Skill Levels of the Workforce* above, and the employment needs of employers, as identified in *Employers' Employment Needs* above. This must include an analysis of –

### **A. The State's Workforce Development Activities**

Provide an analysis of the State's workforce development activities, including education and training activities of the core programs, Combined State Plan partner programs included in this plan, and required and optional one-stop delivery system partners.\*

---

\* Required one-stop partners: In addition to the core programs, the following partner programs are required to provide access through the one-stops: Career and Technical Education (Perkins), Community Services Block Grant, Indian and Native American programs, HUD Employment and Training programs, Job Corps, Local Veterans' Employment Representatives and Disabled Veterans' Outreach Program, National Farmworker Jobs program, Senior Community Service Employment program, Temporary Assistance for Needy Families (TANF) (unless the Governor determines TANF will not be a required partner), Trade Adjustment Assistance programs, Unemployment Compensation programs, and YouthBuild.

Achieving the Governor's Drive to 55 goal all training activities and education practices are working to prioritize efficiency in creating connections across a wide spectrum. From Read to be Ready, to Tennessee Promise, Tennessee LEAP, and Tennessee ReConnect, the core programs and partners are actively identifying numerous ways of leveraging their assets and building capacity in a more integrated manner. The work being done by the local boards to navigate and connect the numerous citizens accessing our systems each day further provides thousands with opportunities to engage at numerous levels.

While Tennessee has a record of high achievement in so many areas, the role the core programs and agencies play will drive a business model that will increase skill development and educational attainment. The encouraging business climate continues to put pressure on skill demand and the connectivity of the

core programs is key to ensuring efficient connections. Tennessee has been diligently engaged to build on the Governor's launch of Jobs4TN.gov to add modules and components to move to a real time system of data collection to identify trends and quicker respond to the customers being served. The public Workforce System is well served to encourage both job seekers and business to utilize this system and tools. This trend has been strong over the last several years as more and more customers use technology and Tennessee is well positioned through its platform to quickly identify, respond and enhance the customer's experience using technology. The many that benefit through this medium are demonstrating increased and enhanced value for the public Workforce System as many benefit through these connections.

The realization that bricks and mortar locations are largely unsustainable and costly, core programs and partners have to think digitally to build capacity and this model is strongly evident and a foundation is there. Additional work around the longitudinal P-20 system further connects and builds a foundation that will inform users on where investments and process improvements should be focused further contributing to efficient connections and outcomes.

Through the process of preparing for this plan, the core programs and partners further developed existing relationships and formed new ones at various levels including, state, local and community level. The work done by the Governor's Workforce Sub-Cabinet related to Drive to 55 and other areas around data sharing and alignment further enhances a strong foundation for successful workforce development activity in Tennessee.

A new initiative being introduced through further policy works to address access points and their relationship to the American Job Center. Through planning and an asset mapping process many new non-traditional partners were identified and expressed interest in becoming access points by referring and assisting clients to connect to the public Workforce System. This structure will be evaluated by working through our partner network of training providers, libraries, community and faith based organizations and others to provide training and limited support to expand our network by not expanding infrastructure costs. The labor force participation rate must be challenge to ensure all participants looking can make job seeker connections in their community. The role the local boards play in driving this model will be key to building an affordable and highly efficient Workforce System.

These pieces: education and workforce priority, state leadership, technology, relationship, and network creates a framework and foundation that will ensure continued economic and quality of life in Tennessee.

## **B. The Strengths and Weaknesses of Workforce Development Activities**

Provide an analysis of the strengths and weaknesses of the workforce development activities identified in (A) above.

In preparation for WIOA implementation, Tennessee's workforce development activities were analyzed by its core and partner program staff. Initial exploration showed the significant growth of new industry and new jobs required increased partnership and coordinated communication. In addition, the team was able

to identify a great strength in customer-centered customer service, the support of local government and system flexibility to be pillars in the Workforce System. In addition, the availability of program data has provided much needed support for the development of service strategies and goal attainment across all programs.

### ***General Strengths:***

- Tennessee Workforce System is equipped to provide the necessary components of an emerging and growing workforce. This includes but is not limited to: job placement services, support services, education and training services and use of labor market information.
- Identified the shared responsibility in coordination and involvement of workforce and education partners in conjunction with public and privately-run programs that promote high-quality job skills training, certifications and attainment of in-demand occupations.
- Connecting jobseekers and trainees to employment and training services through innovative technology (Jobs4TN) and integrated services (eligibility verification, agency referral, and leverage funding)
- Increased awareness and expansion of partnership services and goals

### ***Specific Program Area Strengths:***

- Governance and Leadership: On the local level, numerous staff members have several years of experience and institutional knowledge regarding program standards, local priorities and community changes, emerging economies and changes participant pools. These staff members serve as subject matter experts for several programs and operations in the American Job Centers and have valuable relationships local stakeholders (this includes but is not limited to local elected officials, community-based organizations, board district and school board leaders, county sheriff, etc.)
- One-Stop Design and Delivery: The increased use of technology allows the Tennessee Workforce System to seamlessly integrate services, system and program changes in accordance with WIOA. The connection in Jobs4TN and VOS leverage the case management processes for all participants and programs that are involved in WIOA implementation across the state. The efficiencies realized with the common intake process and reporting will enable all programs and partners included in this Combined State Plan to mutually benefit from electronic referrals and reporting and coordinate services and tracking of co-enrolled participants, to name a few. Additionally, the centralized and coordinated efforts from all program partners eases the communication and engagement of job seekers, employers, local government support, community partners, and additional external clients. As it pertains to individuals with disabilities, Tennessee serves as an Employment First state, allowing seamless integration and support for this hard to serve population.
- Youth Program: While the most significant program changes under WIOA impacted the services to youth, this shift aligned with several modifications Tennessee was already making. The existing work of Pathways Tennessee (career pathways) and the Work Based Learning Champions initiative (Career and Technical Education) both led by the Tennessee Department of Education strongly support the increased need for funding services for in-school youth as well as increasing opportunities for work experiences. Regarding out-of-school youth, the Governor's Drive to 55 Alliance provides excellent support and resources to get 55 percent of Tennesseans equipped with

a college degree or certificate by the year 2025. The Alliance's three initiatives - Tennessee Promise, Tennessee Reconnect and Tennessee LEAP (Labor Education Alignment Program), all serve as conduits to identify and close skills gaps to better prepare our workforce and our state for the future, most of which involves better serves to youth.

Some areas for growth and improvement have been identified in asset mapping of local and state level resources, common strategy development, and meeting the growing employer demand for skilled and qualified employees. Efforts to improve these challenges have been made through hosting regional meetings with local partners to identify services provided and opportunities for increased alignment. In addition, coordinated data sharing and communication will remain areas of focus for improvement and innovation. The use of data along with integration, agility, and ability to serve those with significant barriers has always been a focus in the Workforce System; this common thread has helped shape the focus and continuation of workforce development activities statewide.

### ***General Weaknesses:***

- Partnerships exists yet competing visions and interest across programs, agencies and sectors create system inefficiencies
- Ineffective communication across programs, agencies and sectors
- Ineffective identification of opportunities for effective co-enrollment or referral of services
- Lack of consistent definitions, terms and/or initiatives

### ***Specific Program Area Weaknesses:***

- Governance and Leadership: As new partners come together so do their individualized rules, regulations, and perceived perceptions of varying systems. The lack of clarity and guidance one new program and system standards has led to from varying local and regional structures competing for resources or involvement. In the same regard, strong business leaders are unsure of the level of involvement or support these leaders can offer and as a result have chosen to remove themselves from important systems changes.
- One-Stop Design and Delivery: The use of Jobs4TN for Title I and Title III programs allows for ease in directly referring individuals between programs and service providers, however, there is currently no automated way to ensure that participants in other partner programs are able to easily transition between programs. This limitation, while a work in progress, may result in a participant not receiving the maximum benefit of all programs available and/or inefficient case management as a result of varying case management processes and systems. Further, while certain Title I programs require an individual to have an employment plan, such a plan is not currently held in common with other partner programs, limiting the capacity of the entire workforce system to serve participants comprehensively with their overall career goals in mind. In the same regards, funding sources that support each program are not easily accessible or adequately used to support the needs of the participants served. These two issues can result poor program performance, inequality in resource sharing and incorrect reporting.
- Youth Program: As program and funding standards evolve so do the participant populations. Specifically regarding out-of-school youth funding, the lack of asset mapping has limited local or regional leaders' knowledge of other agencies' resources and community-based programs who can serve as partners to reach the changing youth population. In the same regard, the lack of

information sharing on potential participants (i.e.: recent drop outs or juvenile offenders) complicates the outreach efforts for engaging and enrolling the hardest to serve participants.

### ***Opportunities:***

- Expand technology and data systems to meet the WIOA integrated technology requirements and other federal initiatives
- Build a responsive and proactive workforce systems grounded in collaboration with state, regional, and local leaders
- Support and encourage strategic thinking and planning of regional and local efforts in regard to business growth, retention and recruitment
- Adapt education and training programs to meet current employment needs and growing opportunities
- Develop cross-program performance metrics and monitoring to measure progress towards reaching performance benchmarks

### ***Threats:***

- Too complex and hard to navigate
- Insufficient feedback mechanism to inform workforce system partners so that they can adapt to the changing federal regulations and in the workforce
- Inconsistent data matching and sharing across partners and programs

## **C. State Workforce Development Capacity**

Provide an analysis of the capacity of State entities to provide the workforce development activities identified in (A) above.

The Tennessee workforce system's capacity rests in the supportive nature of its core and partner programs and the agencies that provide the applicable activities and services. Included within each of these agencies is the collaborative provision of funding and service strategies that best serve the target participant populations and the emerging workforce.

### ***Workforce System Capacity - Technology Development and Integration***

The development and implementation of a technology-based data and case management system, Jobs4TN, has transformed the way information is collected and shared across programs. The system fully integrates Adults, Dislocated Workers, Youth, Veterans, Work Opportunity Tax Credit, SNAP E&T, TAA, RESEA, and Unemployment Insurance programs under one system. The addition of Adult Education program (January 2017) and interfacing of Vocational Rehabilitation services (TBD) in the near future will establish a more integrated and seamless system for data and program information management.

### ***Workforce System Capacity - Physical Infrastructure***

Much like the integration of technology, the workforce system relies heavily upon its physical infrastructure and presence across the state. This consists of multiple on and off ramps to access

services provided by WIOA Combined State Plan Partners. This includes but is not limited to the inclusion of existing and new partner programs' physical presence and/or directed referral of services within a Comprehensive, Affiliate or Access Point location of a Tennessee American Job Center. The 75 centers across the state, including the mobile career coaches, provide easy access to employment services, such as education and training for jobseekers, recruitment and human resource assistance for businesses, and information for local and regional economic developers. In support of Tennessee current and future businesses, each American Job Center offers a cast array of services, including hosting job fairs, job postings, screening potential employees, sharing important Labor Market Information about Tennessee's labor market, and providing training services. All of these services and more are made available to businesses and jobseekers at no cost. The identification of business needs and employee skills levels are vital to growth of Tennessee business and are a key piece of the workforce system's success in years to come.

In addition to the services provided within any Tennessee American Job Center, additional partner services and activities are made available through the following:

- Adult Education Regional Districts
- Rehabilitation Services Local offices and Tennessee Rehabilitation Centers
- Human Services County Offices
- Department of Education local school districts

### ***Workforce System Capacity - Serving Disadvantaged Populations***

While there is tremendous growth and expansion of employment opportunities for Tennessee jobseekers, there are numerous individuals who require additional support to overcome their barriers to employment. In cooperation with the Department of Human Services, all partner programs will be able to refer participants with the greatest barriers to employment, especially disability and low-income, to Vocational Rehabilitation Services and/or TANF or SNAP E&T services. Using VOS and additional case management systems, all partner will collect a basic information from the WIOA participant allowing for an assessment of the participants needs. The "no wrong door" approach, will assure all participants navigate through the workforce system with the support of well-trained staff to identify the most beneficial workforce or supportive service and/or training program. The warm handoff between partners and programs, along with the necessary participant information, will assure that even those participants with the greatest barriers to employment have the best possible opportunity to succeed in training or entering in-demand occupations.

## **b.State Strategic Vision and Goals**

The Unified or Combined State Plan must include the State's strategic vision and goals for developing its workforce and meeting employer needs in order to support economic growth and economic self-sufficiency. This must include—

### **1. Vision**

Describe the State's strategic vision for its workforce development system.

On April 20, 2011 Tennessee Gov. Bill Haslam announced the Jobs4TN plan, which lays out the administration's economic development strategy resulting from a top-to-bottom review of all state agencies. The governor's Jobs4TN plan focused on:

- Prioritizing the strategic recruitment of target industries;
- Assisting existing Tennessee businesses in expansions and remaining competitive;
- Supporting regional and rural economic development strategies;
- Investing in innovation and reducing business regulation.

*"My top priority is for Tennessee to be the No. 1 location in the Southeast for high-quality jobs," Haslam said. "Our Jobs4TN plan is a blueprint for doing just that. By leveraging our existing assets in each region, we will be able to attract new businesses to the state while helping our existing businesses expand and remain competitive. We will also be making significant investments in innovation to position Tennessee as a national leader well into the future."*

The Governor's Jobs4TN plan was developed over a 45-day period and involved interviews with more than 300 stakeholders, community leaders, and national experts as well as through seven roundtables across the state. Many of these goals and objectives were included in a pro-active modification of our State Workforce Investment Act plan which also re-engineered our Rapid Response and dislocated worker efforts within the regional "Jobs Base Camps" structure set in motion by the Governor. Establishing regional "jobs base camps" across the state, Economic and Community Development fundamentally restructured its field staff to establish a "jobs base camp" in nine economic regions across the state. Each base camp worked with local partners to develop and/or revise a regional economic develop plan and align existing federal and state resources around that plan. This included the local workforce boards as a strategic partner in this initiative.

A key function of these jobs base camps was reaching out to rural counties to incorporate them into broader regional economic development strategies that leverage existing resources and maximize the assets of rural communities.

Jobs4TN is another component of the Governor's comprehensive jobs plan to support and encourage investment of new business and existing business in Tennessee. His jobs plan also includes education reform initiatives that focus on children in the classroom and a well-educated, quality workforce in Tennessee, which is the most important long-term strategy for successful economic development.

Tennessee is leading the way nationwide in K-12 education reform. We have continued that momentum and expanded our focus to include post-secondary education through a pair of innovative initiatives: Drive to 55 and the Tennessee Promise.

Drive to 55 aims to bring the percentage of Tennesseans with college degrees or certifications to 55 percent by the year 2025. It's not just a mission for higher education; it's also a mission for workforce and economic development.

Overall enrollment in Tennessee public higher education has increased by 10%. More than 16,000 students are currently enrolled in the Tennessee Promise, which commits to providing two years of community or technical college absolutely free of tuition and fees to graduating high school seniors on a

continual basis. The first class of Tennessee Promise students entered school and the workforce training pipeline in the Fall of 2015.

We are the only state in the country making this promise. It makes a clear statement to Tennessee families that education beyond high school is a priority in our state. It's also a promise to current and prospective employers: When you bring your business to Tennessee, you'll have the support of a devoted and highly skilled workforce. This, especially, is a promise that TDLWD seeks to fulfill and exceed at every opportunity.

### ***Tennessee Reconnect***

Tennessee Reconnect is the Drive to 55 initiative to help more adults complete a post-secondary degree or credential. Tennessee has between 900,000 and 1 million adults with some college but no degree. It is impossible to achieve the mission of the Drive to 55 without re-engaging these individuals and helping them finish their degree or certificate.

As part of Tennessee Reconnect, all Tennessee adults can now attend and earn a diploma or certificate at any of our 27 Tennessee Colleges of Applied Technology (TCATs) completely free of tuition and fees.

To make college a reality, Tennessee Reconnect programs are designed to help busy adults achieve dreams of attaining a college degree or certificate to be equipped for the workforce.

### ***Labor Education Alignment Program (LEAP)***

Tennessee Labor Education Alignment Program (LEAP) ensures that post-secondary institutions are producing the skills and credentials that Tennessee employers actually need.

Tennessee LEAP eliminates skills gaps across the state in a proactive, data-driven and coordinated manner by encouraging collaboration across education and industry and by utilizing regional workforce data to identify and then fill skills gaps across the state.

With a competitive grant distribution of \$10 million in 2015, state funds are being utilized to support local alignment groups to develop skills gap forecasts, identify the highest priorities, and develop programs or purchase equipment needed to fill those gaps.

Governor Haslam's Workforce Sub-Cabinet, consisting of representatives from the Governor's office, Department of Economic and Community Development, Department of Labor and Workforce Development, Department of Education, Department of Human Services, Tennessee Higher Education Commission and Tennessee Board of Regents, are leading this charge and meet regularly to review, select and support the grant recipients.

### ***Workforce360°***

Tennessee aims to be the most aligned state in the nation between workforce, education and industry. Enter Workforce360°, a systematic partnership among state agencies and the higher education system that delivers a highly skilled workforce for your business.

The best solutions are most often achieved through a collaborative approach. When companies allow the state team to become an extension of their workforce development and recruitment efforts, we are able to provide support that is truly unique to their business. Our project based system works with each company to identify workforce gaps and streamlines solutions across Tennessee by utilizing state department communications, interaction and resources. Region-based tactical teams provide a timely response to immediate business workforce needs, as well as strategic planning for long-term requirements.

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.

This allows 24/7 access to hiring employers, job search and job development which serve to drive efficiency to meet employer demand. This also serves as a central function around business intelligence to better identify and serve customers at all levels. Partner agencies encourage clients looking for work to register in Jobs4TN to better connect, serve and drive response from the workforce system to best meet their needs.

### ***One-Stop Centers under WIOA***

The publicly funded workforce system envisioned by WIOA is quality-focused, employer-driven, customer-centered, and tailored to meet the needs of regional economies. It is designed to increase access to, and opportunities for, the employment, education, training, and support services that individuals need to succeed in the labor market, particularly those with barriers to employment. It aligns workforce development, education, and economic development programs with regional economic development strategies to meet the needs of local and regional employers, and provide a comprehensive, accessible and high-quality workforce development system. This is accomplished by providing all customers access to high-quality one-stop centers that connect them with the full range of services available in their communities, whether they are looking to find jobs, build basic educational or occupational skills, earn a postsecondary certificate or degree, or obtain guidance on how to make career choices, or are businesses and employers seeking skilled workers

One-Stop Centers reflect innovative and effective service design and high-quality one-stop centers in several ways - some significant methods are as follows:

- Use of an integrated and expert intake process for all customers entering the one-stop centers
- Design and implement practices that actively engage industry sectors and use economic and labor market information, sector strategies, and career pathways
- Develop, offer, and deliver quality business services that assist specific businesses and industry sectors in overcoming the challenges of recruiting, retaining, and developing talent for the regional economy
- Balance traditional labor exchange services with strategic talent development within a regional economy. This includes use of market-driven principles and labor market information that help to

define a regional economy, its demographics, its workforce and its assets and gaps in skills and resources.

- Improve the skills of job seeker and worker customers. Tennessee American Job Centers offer access to education and training leading to industry-recognized credentials through the use of career pathways, apprenticeships, and other strategies that enable customers, including those with disabilities, to compete successfully in today's global economy. They provide businesses with access to the quantity and quality of talent they need and support upskill/backfill strategies that expand job opportunities in the community.
- Ensure meaningful access to all customers. AJCs must be physically and programmatically accessible to all customers, including individuals with disabilities
- Include both virtual and center-based service delivery for all customers

One-Stop Centers Operate with Integrated Management Systems and High-Quality Staffing - some significant ways this is displayed is by the following:

- Reflect the establishment of robust partnerships among partners with increased physical presence
- Organize and integrate services by function (rather than by program)
- Develop and maintain integrated case management systems that inform customer service throughout the customer's interaction with the integrated system and allow information collected from customers at intake to be captured once
- Use common performance indicators
- Provide continuous cross-training opportunity for AJC and partner program staff.

The workforce system will partner and align with various agencies and organizations to improve the education attainment and workforce skills of Tennesseans. We will continue to modernize technology and embrace an attitude as change agents. Together, we will create a culture that delivers collaborative approaches across state agencies for success, thereby making Tennessee the 1 state in the southeast for high-quality jobs.

## 2. Goals

Describe the goals for achieving this vision based on the above analysis of the State's economic conditions, workforce, and workforce development activities. This must include—

- Goals for preparing an educated and skilled workforce, including preparing youth and individuals with barriers of employment\* and other populations.\*\*
- Goals for meeting the skilled workforce needs of employers.

---

\* Individuals with barriers to employment include displaced homemakers; low-income individuals; Indians, Alaska Natives, and Native Hawaiians; individuals with disabilities, including youth who are individuals with disabilities; older individuals; ex-offenders; homeless individuals, or homeless children and youths; youth who are in or have aged out of the foster care system; individuals who are English language learners, individuals who have low levels of literacy, and individuals facing substantial cultural barriers; eligible migrant and seasonal farmworkers (as defined at section 167(i) of WIOA and Training

and Employment Guidance Letter No. 35-14); individuals within 2 years of exhausting lifetime eligibility under the Temporary Assistance for Needy Families Program; single parents (including single pregnant women); and long-term unemployed individuals.

\*\* Veterans, unemployed workers, and youth and any other populations identified by the State.

Education has a direct influence on employment. Governor Bill Haslam is committed to improvement in teaching, learning, retention and graduation, and providing a high expectation and a high standards of education for every student. With improvement to education, Tennesseans will have a path to better jobs. Competition for bringing businesses and jobs to the State is intense and the single best recruiting tool for job growth is a high-quality workforce flowing out of educational achievements. The Governor's top three priorities for Tennessee include:

***Jobs and Economic Goal: Make TN the 1 in the Southeast for High Quality Jobs***

"Education is a top priority in Tennessee. Our progress in K-12 and focus on workforce development makes it clear that Tennessee is supporting the development of a better-educated and highly trained workforce on a long-term basis." // Tennessee Governor Bill Haslam

The overarching goal for the Governor's administration is making Tennessee the number one State in the Southeast for high quality jobs. The Governor is invested in the first-hand perspective of his citizens and constantly seeking opportunities to meet and listen to those who are "on the ground" creating jobs in the State. From meeting with small business owners, economic development professionals, and local government and community leaders to visiting job sites and touring factories, the Governor wants to hear directly how state government could improve strategies and practices to increase the number of jobs in the State. This Combined State Plan outlines the collaborative efforts that will guide a focused partnership between the Workforce System, specifically Title I, II, III and IV, and economic development in growing existing business and attracting new business to the State. The functional alignment outlined in this Plan will support economic development by ensuring that all Tennesseans have the skills and knowledge to meet the needs of employers now and in the future. The five objectives listed below provide the framework by which the Governor seeks to make Tennessee's workforce reign superior in the Southeast:

Objective I - Identify, assess, and certify skills for successful careers

Objective II - Promote economic development by connecting workforce development with job creation and growth

Objective III - Increase employer engagement with the workforce development system

Objective IV - Expand programs of study that bring together a sequence of career-focused courses that start in high school and extend through college

Objective V - Increase work-integrated learning

***Education and Workforce Development Goal: Create a more seamless path from high school, post-secondary education or training to the workforce***

As a strong advocate for education reform, Governor Haslam understands that this is the pipeline to a successful and ever-growing workforce. He exemplifies this commitment by working alongside teachers, parents, and education leaders to ensure that the innovative changes which have been made in recent years to the K-12 and higher education systems are implemented effectively and that the state successfully capitalizes on the momentum that presently exists in education. In addition, Governor Haslam is former chair of the Education and Workforce Committee for the National Governor's Association and continues to serve on this committee. This committee has jurisdiction over issues in the area of education (including early childhood, K-12 and postsecondary) as well as in the areas of workforce development. Members of the committee ensure that the governor's views are represented in the shaping of Federal policy.

In Tennessee, Governor Haslam has made college access, as well as college success a priority by committing to help each region raise its educational attainment rates and enhance its workforce development efforts through innovative public/private partnerships. He knows that to prepare Tennesseans for a competitive 21st century economy, Tennessee must create a more seamless path from high school, post-secondary education or training, to the workforce. The Workforce System plays a crucial role in assisting with building the skills and knowledge capacity of the Tennessee citizens. All Tennesseans will have access to the same basic workforce services regardless of the access point and educational resources invested by the Workforce System which will focus on credentials and certifications to pursue a career path.

Objective I - Leverage resources, including WIOA statewide and local funding and other non-WIOA funds, and partnerships across departments and programs to aid in developing more seamless paths from training into the workforce

Objective II - Increase the number of credentials and certificates

Objective III - Improve the availability and quality of career and education guidance for students of all ages in high school and postsecondary institutions

***Conservative Fiscal Leadership Goal: Eliminating duplication and leveraging dollars to provide more opportunities to existing job seekers and the emerging workforce***

Governor Haslam has a record of sound, public and private sector financial management as well as successful job recruitment. It is with this experience that he has been able to pull the State through difficult economic times while keeping taxes low and fostering a business-friendly environment critical to continued job growth. The Governor understands that families and businesses have made sacrifices to sustain the State's economy, and likewise, state government has been forced to prioritize its fiscal choices. By making tough decisions, managing the State budget conservatively, and guiding the state's finances into a position of strength, the Governor is helping Tennessee compete in the global economy and successfully attract the "jobs of the future" to Tennessee. The Workforce System's functional alignment will assist in eliminating duplication and leveraging dollars to provide more opportunities to job seekers and the emerging workforce. The following objectives provide more details about how the

State plans to preserve its fiscal integrity and increase opportunities for the existing and emerging workforce:

Objective I - Improve job search and placement services for unemployed and underemployed workers

Objective II - Establish cost-effective co-investment models, across government funding streams and other funding streams

### **3. Performance Goals**

Using the table provided in Appendix 1, include the State's expected levels of performance relating to the performance accountability measures based on primary indicators of performance described in section 116(b)(2)(A) of WIOA. (This Strategic Planning element only applies to core programs.)

Information regarding this question is in Appendix 1 & 2 as directed in the instructions.

### **4. Assessment**

Describe how the State will assess the overall effectiveness of the workforce development system in the State in relation to the strategic vision and goals stated above in sections (b)(1), (2), and (3) and how it will use the results of this assessment and other feedback to make continuous or quality improvements.

While the state has not yet defined the process to assess the overall effectiveness of the workforce development system, the continuation of the WIOA Focus Group Meetings (as described in the section 4 - Coordination with State Plan Programs) will allow the for ongoing discussions amongst partners. The final regulations will also provide concrete guidance for the evaluations. Quarterly convenings to further develop and define policies and procedures that will assist in the improvement of the Workforce System service delivery structure. Feedback will continuously be considered and integrated into all core and partner programs.

## **c. State Strategy**

The Unified or Combined State Plan must include the State's strategies to achieve its strategic vision and goals. These strategies must take into account the State's economic, workforce, and workforce development, education and training activities and analysis provided in Section (a) above. Include discussion of specific strategies to address the needs of populations provided in Section (a).

### **1. Strategies the State will Implement**

Describe the strategies the State will implement, including industry or sector partnerships related to in-demand industry sectors and occupations and career pathways, as required by WIOA section 101(d)(3)(B), (D). "Career pathway" is defined at WIOA section 3(7). "In-demand industry sector or occupation" is defined at WIOA section 3(23).

#### ***Career Pathways***

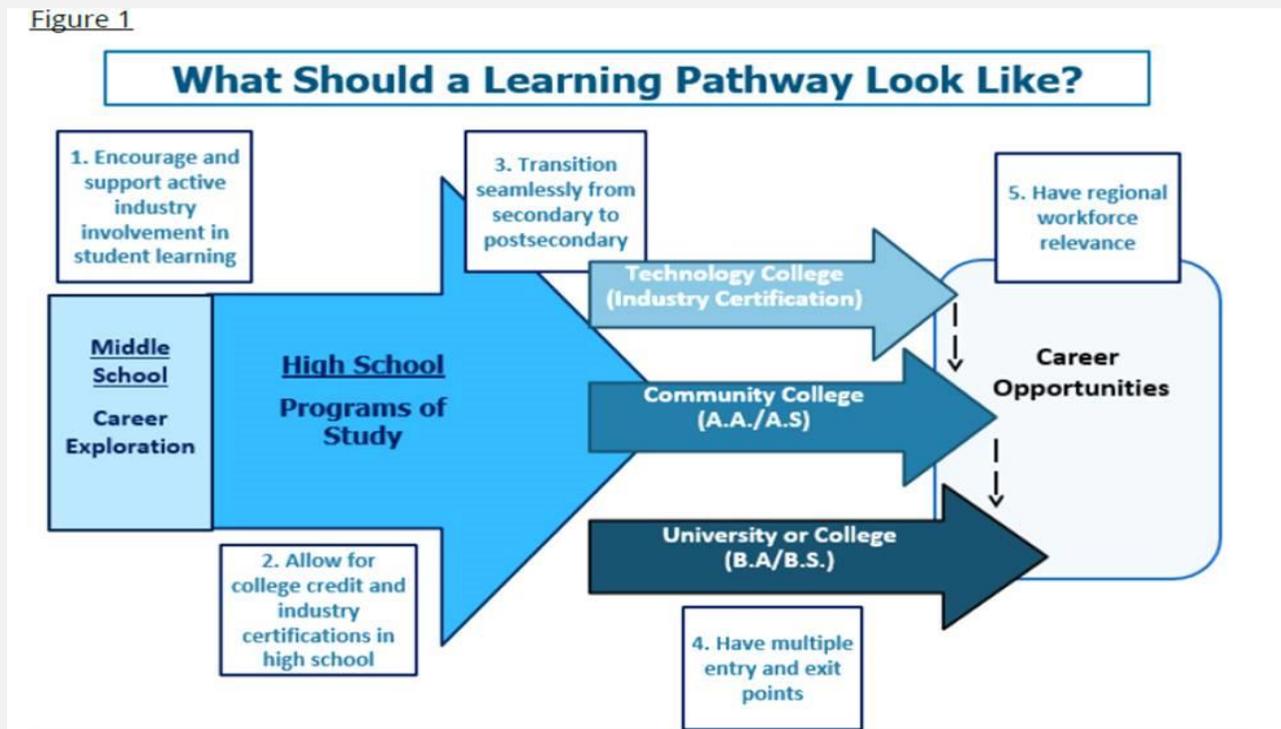
In June 2012, Tennessee was selected to join a multi-state consortium, the Pathways to Prosperity Network, a multistate initiative aimed to address the "skills gap" that threatens the preparedness of young Americans entering the workforce. Entrance into this consortium led to the founding of Pathways Tennessee. The mission of Pathways Tennessee is to provide Tennessee students rigorous academic/career pathways, which are linked to economic and labor market needs and trends. Rooted in the necessity for a well-rounded and balanced approach to preparation, Pathways Tennessee developed and maintains a state level board comprised of various state government departments and private/sector leaders in business. These organizations include:

- Department of Economic & Community Development
- Department of Education
- Department of Labor & Workforce Development
- Governor's Office
- Tennessee Board of Regents System
- State Collaborative on Reforming Education (SCORE)
- Tennessee Business Roundtable
- Tennessee Higher Education Commission
- Tennessee State Board of Education
- Tennessee Independent Colleges and Universities Association

There is a strong correlation between WIOA-defined career pathways and elements, the focus of the Pathways TN initiative, and the leading agencies that are supporting the implementation of both. Pathways TN provides a seamless approach to developing regional, long term, workforce pipelines in Tennessee and has been recognized as an approach to reach both education goals as well as workforce development goals. This volunteer driven, unlegislated initiative is being implemented in multiple counties across Tennessee and has proven to be an effective coordinated effort of resources for lasting economic and workforce development growth. Pathways Tennessee leverages the Career and Technical Education (CTE) programs of study, that reflect 16 nationally recognized career clusters and postsecondary programs; this is done to increase credential and degree attainment for high growth, in

demand jobs in Tennessee. Important to the programs, that make Pathways Tennessee and career pathways initiatives successful in Tennessee, are the incorporation of work-based learning and access to early postsecondary opportunities (dual enrollment, dual credit, AP, IT, etc.)

Focusing on the Governor’s Education and Workforce Development Goal, the division of Career and Technical Education at the Department of Education oversees work-based learning (WBL) in Tennessee. This proactive approach to bridging the gap between high school and high-demand, high skilled careers consists of 16 nationally recognized career clusters. Each of these clusters seeks to attain the ultimate goal of preparing students for success at the postsecondary level and in their chosen careers. These clusters are organized into 16 broad categories that encompass virtually all occupations from entry through professional levels and are aligned with the U.S. Department of Education’s structure of Career and Technical Education. Each cluster is divided into different pathways that are grouped by the knowledge and skills required for occupations in these career fields.



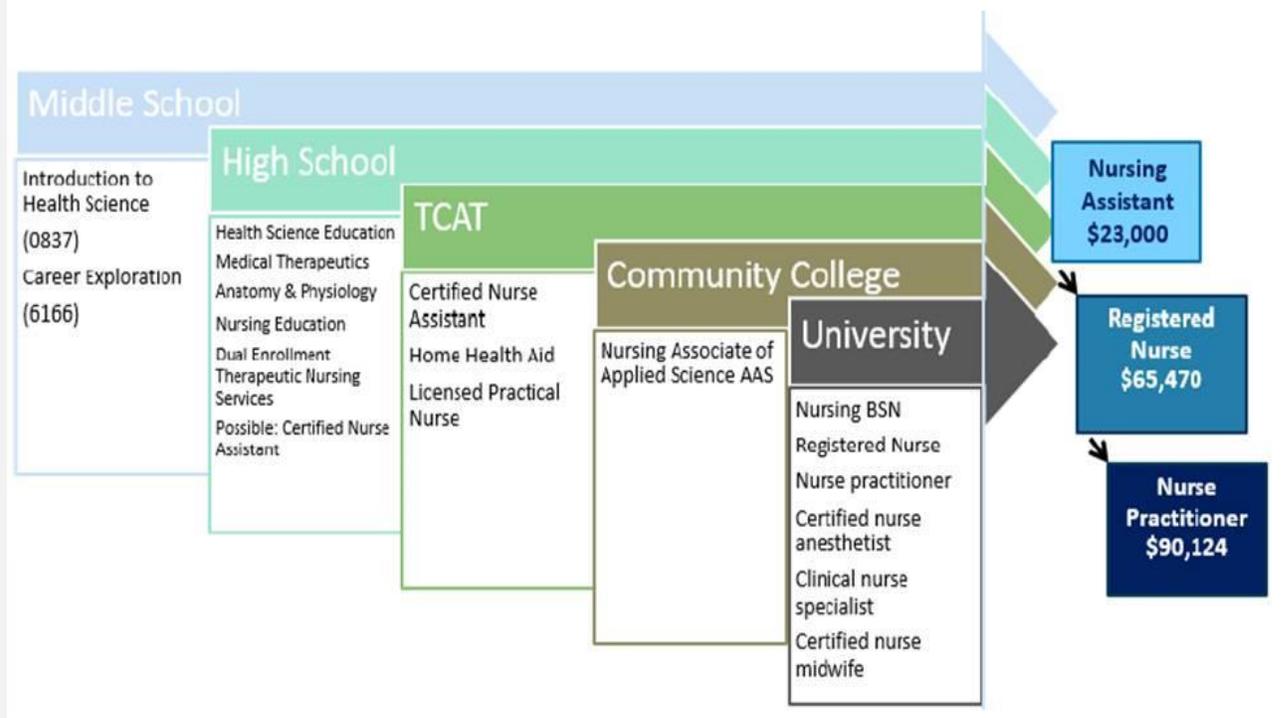
The framework for Pathways Tennessee allows for local flexibility and selection of the clusters that would provide the greatest impact on a local/regional economy. The framework includes the following components:

- 1) Encourage and support active Industry involvement in student learning: Active industry involvement begins early on in a student’s learning pathway. This involvement can and should take on many different forms and should progress in involvement as the student progresses through his/her learning pathway. This type of involvement can represent (1) curricular alignment with labor market needs, (2) student career site visits/employer visits to schools, (3) industry advisory councils, (4) teacher externships and student internships, and/or (5) active work-based learning experiences and internships.
- 2) Allow for college credit and industry certifications in high school Students should be demonstrating proficiency as they progress through their learning pathway. To ensure students

are developing college and career ready skill sets, robust learning pathways should encourage opportunities for students to demonstrate these skills by means of early postsecondary and industry credentials. A learning pathway and program of study should be seamless from high school through postsecondary institutions as students build upon prior learning with stackable credentials at various levels of education. Each credential or degree a student receives will, ideally, translate to the professional continuum in his/her selected career (promotions, qualifications for higher paying positions, leadership roles, postsecondary credit, etc.). Figure 2 demonstrates this concept. This is an example from the Therapeutic Nursing Services program of study in the Health Science career cluster. The Certified Nursing Assistant certification serves as a capstone industry certification for this particular program of study. Achievement of this certification reflects attainment of required industry skills to be gainfully employed and/or to continue matriculation to a postsecondary degree or credential.

It is important to note that several stackable credentials can and should be included in a student's pathway. Stackable credentials, such as the Microsoft Office Suite certifications, allow a student to demonstrate proficiency along his/her learning pathway. These stackable credentials are just as important as capstone certifications since they build a student's confidence and demonstrate a valuable portfolio of skills.

**Figure 2**



- Transition seamlessly from secondary to postsecondary robust, aligned learning pathways have clear goals for student entry into postsecondary institutions. They detail the credential and/or degree a student needs to continue along a desired career path. As Figure 1 & 2 demonstrate, there must be clear, aligned pathways for students to advance from secondary to postsecondary. Middle school courses should lay the foundation for a student's chosen program of study in high school, which should in turn prepare that student for the next level of postsecondary coursework -

whether this is at a TN College of Applied Technology, a two-year community college, or a four-year university. At each stage of the pathway, the student should be building upon the knowledge and skills learned in previous coursework and demonstrating ongoing academic, technical, and soft-skill mastery.

- 4) Have multiple entry and exit points robust, aligned pathways with multiple entry and exit points prepare students for life-long growth in their chosen careers. Consider the example of the Therapeutic Nursing Services program of study in the Health Science career cluster. The student is prepared to exit the learning pathway upon high school graduation with a Certified Nursing Assistant certification and go directly into the workforce. However, the student will be equally prepared to take that achieved certification and apply it towards entrance into a Nursing Associate of Applied Science program at a community college and/or move into a nursing program at a four-year university.
- 5) Have regional workforce relevance robust, aligned pathways must connect to legitimate opportunities for students in and around their communities. Department promoted programs of study, if implemented with fidelity, should feed directly into related postsecondary programs that are aligned to the needs of regional labor and economic and community development data. These data should reflect high skill, high wage, and high growth opportunities so that students and parents understand the viable opportunities for employment upon graduation from secondary and postsecondary.

Regional workforce development boards are well positioned to develop and expand regional career pathways; this can be done through using the cross-agency supported Pathways Tennessee career pathways framework.

In addition, in an effort to increase the visibility and success of WBL opportunities for Tennessee students, the Department of Education has developed Work-Based Learning Champions. Through a partnership with TNECD and TDLWD, this initiative seeks to champion a talent pipeline in Tennessee through the development and promotion of work-based learning (WBL) to help motivated, mature high school students to pursue lifelong careers in high-wage, high-demand Tennessee industries. Each of the industry participants compete globally for talent and eagerly seek to bridge the skills gap and address workforce demands. The roles and responsibilities/strategic priorities include the following:

- Increase community awareness that WBL can address regional skills gaps and workforce demands
  - Sharing WBL messaging with key community stakeholders, leaders, and peers
- Advocates for early and frequent access to TN workplaces and promote student awareness of growing TN careers
  - Breaking down barriers that prohibit minors in the workplace
  - Championing the access to early grade exposure and career exploration to high growth Tennessee careers
  - Developing and promoting a TN Youth Apprenticeship model for motivated and skilled high school students
- Define the gold standard for soft skills in the Tennessee workforce and promote the activities that foster them
  - Promoting the adoption and use of soft-skill development strategies and assessments

- Drive the creation and adoption of WBL legislation that encourages hands-on WBL and protects stakeholders
  - Promoting incentives and funding solutions to offset liability costs of employers who adopt the TN WBL/Youth Apprenticeship model

In addition, the increased focus on work-based learning (WBL) in Tennessee has expanded the influence of career pathways. In an increasingly complex global economy, all students must be prepared with intellectual, technical, and social skills needed to compete and contribute meaningfully to their communities. For most, this will mean completing some postsecondary education or training; for all, it will mean learning about themselves and the world of work. WBL is a proactive approach which our state has taken to bridge the gap between high school and high-demand, high-skill careers in Tennessee. Students build on classroom-based instruction to develop employability skills that prepare them for success in postsecondary education and future careers. Through experiences like internships, apprenticeships, and paid work experience, juniors and seniors (16 years or older) may earn high school credit for capstone WBL experiences. WBL Coordinators, educators trained and certified by the State to coordinate these WBL experiences for students. The Department of Education has redesigned its WBL policies and developed new resources to help school districts offer WBL experiences to their students. Updated policies and procedures have been implemented in the 2015-2016 school year and include but are not limited to WBL Certification Training, WBL Professional Learning Communities and a plethora of WBL Coordinator Resources. The integration of industry leaders, workforce development partners, and education policy has proven to be a seamless pipeline to introduce young workers to the growing workforce.

## 2. Strategies to Align the Core Programs

Describe the strategies the State will use to align the core programs, any Combined State Plan partner programs included in this Plan, required and optional one-stop partner programs, and any other resources available to the State to achieve fully integrated customer services consistent with the strategic vision and goals described above. Also describe strategies to strengthen workforce development activities in regard to weaknesses identified in section II(a)(2).

### ***Industry and Sector Partnerships***

In an effort to support the State's booming economic growth as well as the three aforementioned goals set out by Governor Haslam, TDLWD has continued to cultivate and expand partnership with other State departments. The Governor's Job and Economic Development Goal will improve and undergird the partnership between the Tennessee Department of Economic and Community Development (TNECD) and TDLWD. Together, these two agencies, as well as other departments, seek to achieve two main strategies:

1. Develop a multi-agency partnership to address workforce needs across the State.
2. Establish a framework to create innovative workforce partnerships and game-changing education reform for skills in high-demand.

The Department of Economic and Community Development is committed to fulfilling Governor Haslam's vision for Tennessee to be the 1 location for high quality jobs in the Southeast. Under the leadership of Commissioner Randy Boyd, TNECD has created five goals to fulfill this commitment. They are:

1. 55% of job commitments will pay above average wages in the county where the project is located
2. Tennessee will be top two in per capita personal income in the Southeast
3. Tennessee will have the highest capital investment per capita in the Southeast
4. Tennessee will have the lowest unemployment rate in the Southeast
5. Tennessee will have zero distressed counties by 2025

To achieve these objectives, the TNECD is utilizing the following 6 strategies:

1. New business recruitment
2. Business expansion
3. Entrepreneurial growth
4. Community development
5. Alignment with education
6. Rural development

Jobs Base Camps continue to be a key element to TNECD's success. With nine regions strategically placed across the State, on a daily basis business development team members are working with businesses within their communities. Each jobs based camp works with local partners to develop and/or revise a regional economic development plan and align existing federal and state resources around that plan. Understanding the workforce is essential for economic development; thus understanding also reinforces the necessity for all State partners to work together to respond to the workforce needs of recruitment and expansion projects. Workforce360° was designed to fill this need.

Workforce360° is a project based system that works directly with companies interested in recruitment and expansion projects in Tennessee. Region-based tactical teams will identify workforce gaps and streamline solutions across the State by utilizing State department communications, interaction and resources. In addition, teams provide a timely response to immediate business workforce needs, and strategic planning for long-term requirements.

Workforce360° is a multi-agency partnership and involves specific, strategic roles from each to target and engage business and industry leaders. These State departments are as follows:

STATE PARTNERS	PARTNER FUNCTIONS
Tennessee Department of Economic and Community Development	Workforce is essential to economic development. A member of the regional team will be designated as your project manager to bring the correct players to the table, as well as ensure that solution strategies are actionable and achieved.

STATE PARTNERS	PARTNER FUNCTIONS
Tennessee Department of Education	Building a future pipeline is vital for continued success. Working with the Department of Education, each company will be able to expose and excite future generations to join its team. Work-based learning, early post-secondary opportunities and the pursuit of industry recognized certifications are just a few of the opportunities students are currently taking advantage of to ensure they are career and college ready tomorrow.
Tennessee Department of Labor and Workforce Development	A multi-faceted department, this resource is able to supply prospects, provide recruitment tools, pre-screen and test applicants, interview candidates and provide an international job posting service with Jobs\$.
Tennessee Department of Human Services	With a client base of over 500,000 in Tennessee, DHS is charged with evaluating, vetting and providing quality candidates for industry. With up-skill and training dollars available, these candidates are ready and prepared to enter the workforce.
Tennessee Community Colleges	Established to focus on two-year degrees, the 13 community colleges for an ideal asset for any company to utilize. Quick to react, the main campuses and satellite locations are able to produce programs for short-term training, certifications and associate's degrees.
Tennessee Colleges of Applied Technology	With 27 main locations across Tennessee, these institutes are designed to produce the technical workforce of tomorrow and upskill the workforce of today. With an ability to quickly adapt and customize training, the TCATs are a go-to location for all workforce technical training needs.
Tennessee Department of Veteran Affairs	With over 500,000 veterans calling Tennessee home, there is no shortage of service and honor in the Volunteer state. Programs providing education and training assistance, as well as employment placement, ease the transition for soldiers to move from battlefield to boardrooms and manufacturing floors.

In 2014, Governor Haslam created the Workforce Subcabinet, a collaborative team dedicated to develop and oversee implementation of a three year strategic plan that aligns State resources in an effort to attain the Drive to 55 goals. The Subcabinet is comprised of the following state departments and leaders: Commissioner Randy Boyd, Chair (Economic and Community Development), Commissioner Raquel Hatter (Human Services), Commissioner Candice McQueen (Education), Interim Vice Chancellor David Gregory (Tennessee Board of Regents), Commissioner Many-Bears Grinder (Department of Veteran Affairs), Dr. Russ Deaton (Tennessee Higher Education Commission), and Commissioner Burns Phillips (Labor and Workforce Development). In addition to the initial responsibility of overseeing the Tennessee Labor Education Alignment Program (LEAP), the Governor's Workforce Subcabinet has developed multiple strategies to aide in the alignment of workforce, education and industry.

Tennessee is actively addressing the challenge to ensure a skilled workforce is available for existing, expanding, and newly relocated companies across the state. In 2014, Governor Bill Haslam challenged

Tennessee with the Drive to 55— a statewide initiative to equip 55% of Tennesseans with a postsecondary degree or certificate by the year 2025. Tennessee Promise, Tennessee Reconnect and Tennessee LEAP are three programs under the Drive to 55 initiative which implement strategies to ensure access to postsecondary institutions and to ensure that the needs of industry are aligned with classroom curricula.

Tennessee Promise offers high school students two years of tuition-free community or technical college and offers a mentor to help them through the process. Tennessee is the only State to provide this opportunity. The inaugural high school graduating class of 2015 included participation by nearly 60,000 high school seniors, with 15,895 students using Tennessee Promise benefits beginning in the fall of 2015. Community colleges across the state reported a 14% increase of students enrolling as a full-time students directly after high school as compared to the percentage in the fall of 2014. As a result of Tennessee Promise, Tennessee leads the nation in FAFSA completion, comprising 40% of the entire country's growth in FAFSA filings in 2015.

Tennessee Reconnect offers adults the opportunity to attend and earn a certificate at any of the 27 Tennessee Colleges of Applied Technology (TCATs) completely free of tuition and fees. More than 10,000 adult Tennesseans completed the online interest forms and 4,921 adult students have entered the inaugural program in fall 2015. This accounts for an 18% increase in enrollment for adults across Tennessee. Of those enrolled with some college credit but no degree 105,000 or over 50% are predicted to complete their program of study and 25,000 participants may have enough credit hours to graduate.

Tennessee Labor Education Alignment Program (LEAP) is a \$10 million grant opportunity designed to ensure that postsecondary institutions are producing the skills and credentials that Tennessee employers need through alignment of education and industry. Drive to 55 is not just a mission for higher education, but a mission for Tennessee's future workforce and economic development. In LEAP's first year of operation (2014), 12 grants were awarded allowing Tennesseans from 51 counties to participate in 15,584 training and workforce development opportunities created by LEAP grants. Some highlights of the impact of this program are as follows:

- 1,591 high school students have enrolled in courses that have been initiated or expanded by LEAP programs as of December 2015. Students completing these courses will be eligible to apply their training to earn college credit in a variety of high-demand fields, such as advanced manufacturing, electrical engineering, and mechatronics. These students will serve as the foundation for new workforce pipelines benefitting the State for many years.
- 630 students have enrolled in community college and TCAT programs supported by LEAP-funded equipment and instructors. These students are eligible to earn Mechatronics and Industrial Maintenance certificates or an Associate of Applied Science degree.
- 13,363 students across middle school, secondary, and postsecondary education levels have engaged in LEAP-funded extracurricular programming, including career readiness initiatives, work-based learning experiences, academic clubs, and career exploration programs.

The Tennessee Longitudinal Data System (TDLS) connects an individual's employment history with data beginning at entry to Pre-K through high school, college, and over the individual's education and skills development life cycles. The system's capabilities will allow the Partners, as well as a consumer-facing interaction to compute performance metrics for Federal and State accountability. These metrics will also

be used for and for informational displays for the general public; the metrics will also provide vital information for researchers and evaluators of WIOA programs and for Tennessee workforce initiatives, such as the initiatives undertaken by the Governor’s Workforce Subcabinet and its committees.

The Partners in the work to further integrate and improve TDLDS include the Tennessee Departments of Labor and Workforce Development, Education, Children’s Services, Human Services and Intellectual and Developmental Disabilities; two others are the Tennessee Higher Education Commission, the University of Tennessee’s Center for Business and Economic Research., and the Tennessee Independent Colleges and Universities Association.

All of the core partners also will have performance accountability metrics for each program. The metrics help each partner to further assess how high school achievement, as well as educational attainment overall, impacts skills development and the likelihood of obtaining demand-and industry-level employment at sustaining wages. These dashboards will focus on both pre-program and post-program outcomes.

Serving as the State’s primary vehicle to drive cross-sharing and down-sharing of data relevant to the Drive to 55 initiative and Pathways TN, TDLDS will leverage current and future investments and developments to provide: on-demand data that are as real-time as possible; recurring intelligence to drive strategic priorities of the Governor’s Office and state agencies; user-friendly tools that assist trained users in generating pre-designed and customized reports; and information necessary to assist agencies in articulating “stories” for external customers about critical “focus populations” and Tennessee’s citizens as a whole.

### **III. Operational Planning Elements**

The Unified or Combined State Plan must include an Operational Planning Elements section that support the State’s strategy and the system-wide vision described in Section II.(c) above. Unless otherwise noted, all Operational Planning Elements apply to Combined State Plan partner programs included in the plan as well as to core programs. This section must include—

#### **a. State Strategy Implementation**

The Unified or Combined State Plan must include—

##### **1. State Board Functions**

Describe how the State board will implement its functions under section 101(d) of WIOA (i.e. provide a description of Board operational structures and decision making processes to ensure such functions are carried out).

The Tennessee Department of Labor and Workforce Development (TDLWD) serves as the administrative entity for all Workforce Innovation and Opportunity Act (WIOA) funds awarded to Tennessee from the US

Department of Labor (USDOL). USDOL Region 3, located in Atlanta, Georgia, provides the federal oversight and technical assistance to TDLWD on all programmatic and fiscal matters.

Governor Bill Haslam's Executive Order 46 designates the reconstitution of the State Workforce Development Board (SWDB) in accordance with Section 101 of WIOA. The SWDB has three committees, including an Executive Committee composed of the Chair, Vice Chair, and committee chairs. The Executive Committee shall have supervision of the affairs of the Board between its business meetings, and conduct necessary business to ensure compliance with the Workforce Innovation and Opportunity Act (P.L. 113—128) as may be amended from time to time, and applicable State and Federal regulations. The Executive Committee may make recommendations to the Board, and perform such other duties as are specified in the bylaws. The Executive Committee shall be subject to the order of the Board, and none of its acts shall conflict with these bylaws or policies of the Board.

There are three standing committees of the Board, for which the Board Chair appoints a Chair. These individuals are joined by a Vice Chair, Staff Liaison and other members. The committees shall convene at least four times per year in advance of the full Board meetings and as needed upon the advisement of the Board Chair.

***Oversight Committee - The Oversight Committee has the following responsibilities:***

- Advise the Governor on program and policy changes under WIOA
- Lead the development, maintenance and modification of State, regional and local plans
- Serve as an advisor to review statewide program alignment
- Review and make recommendations on program funding allocations
- Lead review of statewide Workforce System

***Operations Committee - The Operations Committee has the following responsibilities:***

- Oversee the continuous improvement of WIOA programs and activities
- Be the lead monitor of State performance/accountability
- Be the lead coordinator of policies and provision of WIOA services
- Review and make recommendations for performance reporting, including Labor Market Information

***Opportunities Committee - The Opportunities Committee has the following responsibilities:***

- Identify and share Workforce System best practices
- Develop strategies for technology alignment and integration
- Be the lead reviewer of service-model strategies in WIOA programs
- Oversee all WIOA Youth program initiatives

The Division of Workforce Services merged multiple programs and services to better align and administer required services. A State Board was appointed by the Governor according to WIOA. The State Board and Tennessee Department of Labor and Workforce Development are responsible for guiding the establishment of a statewide, seamless one stop delivery system, called the American Job Center system

(Workforce System). These efforts are important to capitalize on our economic development successes and how those successes align with workforce development and educational attainment in Tennessee.

## **2. Implementation of State Strategy**

Describe how the lead State agency with responsibility for the administration of each core program or a Combined Plan partner program included in this plan will implement the State's Strategies identified in Section II(c). above. This must include a description of—

### **A. Core Program Activities to Implement the State's Strategy**

Describe the activities the entities carrying out the respective core programs will fund to implement the State's strategies. Also describe how such activities will be aligned across the core programs and Combined State Plan partner programs included in this plan and among the entities administering the programs, including using co-enrollment and other strategies.

The Tennessee Workforce System has integrated its services to allow all core and non-core partners to work collaboratively and seamlessly in the delivery of services available under multiple workforce service programs. The Workforce System strives for a robust implementation of business sector strategies, jobseeker universal access to career services; streamlined business services teams, linked assessments and referrals, and targeted training and placements. These will be achieved by functionally aligning staff and facilities to simplify customer service delivery, and by capitalizing on the strengths of the staff and/or technology to deliver services, leverage resources, and reduces duplication. This is also achieved through close integration of Wagner-Peyser, WIOA Adult, Dislocated Worker, and Youth, and other partners in the Tennessee American Job Centers (AJCs).

In accordance with the Governor's restructuring of regional staff and responsibilities, the Workforce System has been realigned to allow for optimal collaborative functionality and streamlining the delivery of services. After the reorganization of the comprehensive and affiliate AJC's, the Workforce System fully implemented the Jobs4TN online job database. This implementation included training over 300 Title I and Title III staff on the use of case management and performance metrics for their respective programs. Next, the Workforce System has realigned the management structure to closely resemble the job base camp structure of the Tennessee Department of Economic and Community Development (TNECD). With a regional structure that includes nine regions, each has a Regional Director who has optimal decision making authority on the Local Workforce Development Boards and the Workforce System's functions in the respective area. This leadership structure helps assure that the State's strategies are effectively implemented in the local areas, especially allowing for a more integrated, job-driven service delivery system as well as maintaining the structure across the State.

The restructuring of Tennessee's Workforce System has simultaneously transformed employment, education, and training services delivered across the State. Universal access integrates an array of labor exchange services and allows workers, job seekers, and businesses to access these resources either on-site or through automation technology. Each center offers automated labor market information and internet access (including help to use the Jobs4TN online jobs database), on-site workshops as well as job placement, recruitment and training referral services. The workforce services reinforced functional

alignment by implementing Service Integration and One-Stop Delivery System policies. These policies provide operational and functional guidance on the collaborative service delivery structure at the comprehensive and affiliate AJCs, as well as partner locations.

WIOA provides an opportunity for the Workforce System to align several programs to assist participants with barriers build their skills and find family-supporting jobs. As the administrator the Workforce System in Tennessee, TDLWD has the following benefits:

- We are at the center of workforce development in Tennessee (approximately \$80 million in federal funds is allocated to our Department each year)
- We work to connect employers looking for qualified workers (80,000 + job orders in Jobs4TN at any given point)
- We work to connect job seekers with hiring employers (approximately 225,000 engage of services each year looking for employment and training opportunities)
- We prioritize our efforts based on demand occupations and serving people with barriers
- While we have to prioritize our efforts, we serve all companies looking for workers and support potential labor pools in connecting with job opportunities
- Job orders run the gamut from entry level with no educational priority to high-skilled specific disciplines
- Job applicants range from no high school equivalency diploma to 16 years of education and beyond

## Core Program Partners & Activities

### CORE PROGRAM ACTIVITIES TO IMPLEMENT TENNESSEE’S STRATEGY

<b>Title I</b>	<b>Title II</b>	<b>Title III</b>	<b>Title IV</b>
<p><b>WIOA Adult Program, Dislocated Worker Program, and Youth Program</b></p> <ul style="list-style-type: none"> <li>• Provide statewide educational and training activities</li> </ul>	<p><b>Adult Education &amp; Family Literacy Act Program</b></p> <ul style="list-style-type: none"> <li>• Provide HiSet preparation and testing services, and ELL services.</li> </ul>	<p><b>Wagner-Peyser Act Program</b></p> <ul style="list-style-type: none"> <li>• Provide outreach and labor exchange activities for individuals and employers</li> </ul>	<p><b>Vocational Rehabilitation Program</b></p> <ul style="list-style-type: none"> <li>• Provide customized outreach and employment services through the AJC on behalf of VR clients, business and industry.</li> </ul>

Core program activities to implement the State’s strategy includes:

- 1) Partnership and Leveraging Resources

The Governor's Education and Workforce Development Goal: Objective I- leveraging resources, and partnerships across departments and programs to aid in developing more seamless paths from training into the workforce, along with the Governor's Conservative Fiscal Leadership Goal and Objectives, are a key component of the development of this State Combined Plan.

## 2) Leveraging Discretionary and Formula Resources

In keeping with the Governor's conservative Fiscal Goal, the Tennessee Department of Labor and Workforce Development has encouraged its Local Workforce Development Areas to maximize resources and braid WIOA funds with other Federal and State Discretionary funds and with local entities which have a vested interest in the development of the local workforce.

## 3) Expanding Opportunities to Leverage Resources

Partnering regionally with economic development entities and other critical stakeholders, including Pathways Tennessee, to better align education and workforce development activities and policies with regional labor markets, economic growth strategies and employer demand

Partnering with the business community, including business associations, and educational institutions (including secondary and post-secondary institutions such as community colleges) to design and implement programs and career pathways that lead to credentials and employment

Partnering with and leveraging resources from other Federally-funded programs, such as Adult Education, Vocational Rehabilitation, Temporary Assistance for Needy Families (TANF), Small Business Development Centers, etc.

Partnering with community-based organizations, since they are key providers of basic skills training, technical skills training, supportive services, and workforce development services in communities across Tennessee

Sustaining summer employment and work experience opportunities - State and local workforce development boards should consider using additional sources of funding to leverage summer employment program activities. In addition to regular WIOA Youth formula funds, local areas can use other resources, such as Job Corps, and fund matching from private industry.

## 4) Policy Alignment.

The renewed focus on business services and on ensuring that job seekers and youth are positioned to meet Tennessee employer needs requires TDLWD to significantly restructure many of its policies that dated to the beginning of WIA. The new policies will enhance the delivery system and reflect the Governor's vision of effective and efficient governance through the alignment of several programs. Such programs will include those that are responsive to various needs of customers returning to the job market or needing an upgrade of their skills to meet job market demands.

Within Tennessee's American Jobs Centers, the State Workforce Development Board has adopted the functional alignment strategies outlined in this plan and supporting policies to further integrate the

partner services with AJCs, to also leverage funding, reduce duplication, and provide improved quality customer service to Tennesseans.

There are no hyperlinks provided in this response, therefore no changes are necessary.

## **B. Alignment with Activities outside the Plan**

Describe how the activities identified in (A) will be aligned with programs and activities provided by required one-stop partners and other optional one-stop partners and activities provided under employment, training (including Registered Apprenticeships), education (including career and technical education), human services and other programs not covered by the plan, as appropriate, assuring coordination of, and avoiding duplication among these activities.

The activities listed in the chart below identify the required and optional activities that will be carried out by the Workforce System. In order to align the activities, the State Board approved the Service Integration Policy. This policy requires that both required and optional partners work collaboratively and seamlessly in the delivery of services available under multiple workforce service programs. The Workforce System strives for a rigorous implementation of business sector strategies, jobseeker universal access to labor exchange services; streamlined business services teams, linked assessments and referrals, and targeted training and placements. This implementation will be achieved through close integration of Wagner-Peyser, WIOA Adult, Dislocated Worker, and Youth, Adult Education, and other partners in the AJC.



## **CTE**

Tennessee's Career & Technical Education consists of 16 nationally recognized career clusters with the ultimate goal of preparing students for success at the postsecondary level and in their chosen careers. More information detailing program specifics is outlined in Section II: State Strategy, specifically Career Pathways, and also addressed in Section III: State Strategy Implementation, specifically regarding Partner Engagement with Educational Institutions.

## **SCSEP**

Targets subsidized temporary employment for workers over age 55 and contract management. More information detailing program specifics is outlined in Section VII regarding SCSEP.

### ***SNAP Employment & Training Program***

The Tennessee Department of Labor and Workforce Development (TDLWD) is the direct grantee of Supplemental Nutrition Assistance Program Employment and Training (SNAP E&T) Funds. Although TDLWD is the administrative entity, the program is operated as a partnership between the Tennessee Department of Human Services (DHS) and TDLWD. DHS makes the eligibility determination for SNAP benefits and refers participants through an automated interface. Communication is maintained throughout each individual's participation to ensure their status is accurately tracked by both departments.

Participants are required to observe a program orientation that explain the work requirements, components offered, component requirements, and assistance provided for each component. We hope to implement an Online Orientation during Fiscal Year 2016. After the Orientation has been completed, program participants are assessed during a one-on-one meeting to develop an Individual Employment Plan (IEP). The assessment will review the individual's background, education, work history, hobbies, and any barriers to employment. The plan can include education and/or training activities, but the overall goal is obtaining employment with a gainful wage that significantly reduces or eliminates the need for governmental assistance. After the IEP is developed, participants will immediately begin their participation in their most suitable component.

TDLWD has a number of divisions and programs that provide a vast array of services that combine to support jobs and workforce development in Tennessee. The Workforce Services Division is responsible for delivering the Department's employment and educational services to employers and job seekers in the local AJC, partner agencies, and online at Job4TN.

SNAP E&T is fully integrated within that structure offering all training and educational opportunities to SNAP E&T participants. The AJC Workforce Services structure also allows the leverage of Non-Federal funds of Partner Programs/Agencies to create 50/50 partnerships to expand services and move more SNAP E&T participants to self-sufficiency, which we hope to explore more during Fiscal Year 2016.

The Governor of Tennessee, Bill Haslam, has challenged our State with a "Drive to 55" mission for Tennessee's future workforce and economic development. The drive is to get 55% of Tennesseans equipped with a college degree or certificate by the year 2025.

SNAP E&T will utilize the TN Reconnect initiative to assist adults with their training needs. Reconnect will cover tuition/ fees, so there is no cost to the program, other than supportive services. We plan to explore Reconnect as a potential Third Party Partnership during this Fiscal year.

Federal Fiscal Year (FFY) 2015 was a transition year for Tennessee's SNAP E&T Program. New staff members were hired, an automated referral process was implemented, and reviews were completed in all TDLWD offices to identify deficiencies and address them in all offices. Training and technical visits were completed to ensure that the new vision of the program was clearly relayed and understood by all staff assigned to the program. We feel a solid foundation has been established and we are ready to take full advantage of being integrated within Tennessee's Workforce System and begin pursuing Third Party Partnership opportunities.

There are currently no Tribal Organizations in the State of Tennessee, so there are no specific plans for this population at this time.

### ***SNAP E&T Program Changes***

The SNAP E&T Program expanded during FFY 2015 to offer services in a total of 13 of Tennessee's 95 most populated counties. The expansion allowed SNAP E&T services to be offered in a Comprehensive AJC in each Local Workforce Development Area (LWDA). This expansion provides providing training and educational opportunities to over half of Tennessee's mandatory work registrants and created the flexibility to expand to any county within the LWDA to accommodate the needs of the ABAWD population we expect to serve in FFY 2016.

To accommodate the Able-Bodied Adults Without Dependents (ABAWD) population SNAP E&T will be offered as a Statewide Voluntary program for Regular E&T participants and ABAWDs in 42 counties. These service counties for FFY 2016 are allowing TDLWD to offer qualifying activities to 79% of the ABAWD population.

The Tennessee Department of Labor and Workforce Development hosted a workforce summit in May of 2015. Representatives from 22 Tennessee Colleges of Applied Technology (TCAT) and 12 Community Colleges within our FFY 2016 service area were in attendance. A SNAP E&T presentation was offered prompting several inquiries into how partnerships could be established. Short-term training programs have been identified in each area. Each institution is expected to identify its sources of Non-Federal matching funds. Once identified, MOU's will be established and forwarded to FNS for review. If approved, TDLWD will provide seed funds to each TCAT and Community College to cover tuition costs and hire a college case manager to identify SNAP participants, track E&T participants compliance, inform interested students of the program requirements, update TDLWD's Virtual One Stop (VOS) computer system with each participant's status on a monthly basis, and communicate with TDLWD case managers as needed.

TDLWD is requesting FNS' authorization to allow reverse referrals, so that case managers on college campuses can refer students who were denied SNAP, due to failure to meet the student criteria, back to TDHS to determine their eligibility for SNAP benefits based on the determination that they would be eligible for SNAP E&T.

To ensure all SNAP E&T participants in the 42 service areas have access to qualifying components, Career Specialists will become mobile and travel to surrounding counties within their Local Workforce Development Area (LWDA). Contact with each participant will be required on a monthly basis. College case managers will be on campus to meet with participants before or after class, also on a monthly basis.

WIOA legislation requires recipients of public assistance, other low-income individuals, and individuals who are basic skills deficient be given priority of service for adult career and training services. This makes SNAP E&T participants a priority to all programs offered under WIOA youth and adult/dislocated workers. SNAP E&T participants can take full advantage of this opportunity, since we are housed within the AJC with the WIOA as a partner. We plan to refer a majority of participants to WIOA for training programs. Our partnership with TCAT's and Community Colleges will allow us to select several short-term training programs to quickly train participants interested in attending school. WIOA can then move them to On-the-Job (OJT) opportunities that would not be available to participants, outside of our partnership.

TDLWD plans to identify and partner with a Community Based Organization (CBO) in West, Middle, and East Tennessee during the FFY 2016. CBO's could possibly provide soft-skills training, assist with case management functions, and provide specialized services. TDLWD will seek to amend the plan when those Organizations have been identified, along with their Non-Federal match funding and the establishment of an MOU.

We expect to amend this plan as MOU's are established with training institutions and CBOs, since their matching funds will need to be allocated. Once the MOUs are established, we will have the capacity to expand to additional areas/counties within Tennessee.

### SNAP E&T Program ABAWD Population

The expiration of the Statewide Able Bodied Adults Without Dependents (ABAWD) time limit waiver expired on December 31, 2015. DHS has elected to track the 3 in 36 participation time limits with a fixed time beginning January 1, 2016 and ending December 31, 2018 for each SNAP eligible individual identified as an ABAWD.

TDHS reports indicate 102,264 potential ABAWDs will be subject to the 3 in 36 time limit. The Center on Budget and Policy Priorities completed a ABAWD waiver analysis for the State of Tennessee. Although the report identified 82-86 counties that meet the waiver criteria, TDHS has elected not to waive any areas/counties within the State. TDLWD will begin FFY 2016 in 42 counties. TDLWD is notified whenever employers plan to expand within the State or are interested in operating in areas across Tennessee. Therefore, we will know when economic opportunities are available in the additional 53 counties during the FFY 2016 and will move into those areas at that time. Tennessee also has 42,990 - 15% exemptions. Therefore, we plan to provide qualifying activities to 59,274 at risk ABAWDs that will be subject to the time limit effective January 1, 2016. That represents 79% of the ABAWD population.

TDHS will request to use their 42,990 15% ABAWD Exemptions for specific populations, (i.e. homelessness), and will define these categories as more data becomes available.

### SNAP E&T Program Components

TDLWD will offer the following Four Components during FFY 2016:

- Adult Education
- WIOA (Youth Services 16 -24)
- WIOA (Adults and Dislocated Workers)
- Self- Initiated Work Experience / Individual Employment Search (IES)

### Sequencing of Components

Participants will be advised of all component options at Orientation. Any participant who has not attained a Diploma or a High school equivalency certificate will be required to enroll in the Adult Education component. Once the participant has passed the HiSET, he or she will be allowed to enroll in another component that best suits the participant's employment goals. Other participants may request to be placed in a different component. The request will only be approved if funds are available and if it's a qualifying component based on the participant's type. If approved, that participant will be placed in the new component on the first of the following month.

### ***Trade Adjustment Assistance (TAA)***

Upon the notification of a WARN notice and/or the receipt of a Certified Trade Petition, the Rapid Response Unit and TAA Unit coordinates with WIOA partners to provide a seamless path from dislocation to gainful employment for trade-affected workers and their employers. As detailed in Section VI (2)(b), the Rapid Response Unit acts as a first responder to engage trade affected companies and their employees to the Workforce System. This early intervention ensures that workers are fully informed and able to request assistance sooner, which will ultimately leads to gainful employment more quickly.

To keep TAA-affected workers engaged in AJC services across the State, the collaborative effort between the TAA program and WIOA partners is paramount in providing a continuum of career services (Basic, Individual, and Follow Up Services). These services include early assessment, labor exchange services, employment counseling, the Test of Adult Basic Education (TABE) assessment or the Comprehensive Adult Student Assessment Systems (CASAS), subsistence/transportation cost, and other services deemed appropriate. Through colocation and co-enrollment efforts, we work to provide the trade affected worker with the services necessary to obtain skills and credentials that will lead to gainful employment.

The TAA program utilizes the Jobs4TN system to promote a more consistent framework for maintaining and reporting data collected from the partners. This system allows for linking between all partners, provides a common ground for storage of documentation, reduces duplication of services, and fiscal integrity and undergirds reliable performance reporting. TDLWD Fiscal Division continually tracks TAA funding to ensure compliance with all program financial mandates. Program information stored in the VOS system is utilized to create the Trade Act Participant Report (TAPR) which indicates if performance goals have been obtained. Further, the TAA Data Integrity (TAADI) scorecard, which identifies areas of questionable or non-compliant data, is utilized on a quarterly basis to evaluate the effectiveness of the program and to ensure that participants are being served in accordance with TAA laws.

### *TAA Activity Alignment*

The TAA program has aligned its service delivery structure to engage and leverage partnership with WIOA partners and by also to expanding opportunities to educate and empower trade impacted workers. The following activities are aligned to accomplish the State's strategies:

1. *Early Assessment of Trade Affected Workers.* Early assessment is a priority for TAA affected workers. It is important to determine whether the worker has the skills necessary to re-enter the workforce or is in need of further training to assist with future employment. TAA relies on WIOA partners to assist with the assessment and recommendation of training. Training may include occupational, customized, or On-the-Job (OJT) training. These assessments are always conducted in the local AJC. Co-location of the partners prevents the workers from traveling from one location to another to obtain services. All workers recommended for training are further evaluated by merit staff, in the TAA Unit, against the six TAA training criteria as identified in Federal Regulations 20 CFR 617.22 to ensure eligibility.
2. *Cross-Training of All Staff.* It is imperative that these workers get needed aid to regain employment more quickly. The cross-training of partner staff, in all programs, assists in better counseling of the TAA-affected workers concerning their needs and where services are available to meet the needs.
3. *Shared Resources.* Funding is essential to provide services to workers involved in the seamless Career Center System; and, leverage funding, when possible, can better ensure that workers receive necessary assistance. Case Management Funds, along with WIOA Partner funds enables a full assessment of trade-dislocated workers and also can ensure re-employment services for gainful employment.
4. *Experts Within the Program.* It is essential that TAA and TRA use trade experts because of their program knowledge. Such expertise continues to ensure consistency and accuracy and thus ensures higher outcomes in re-employment for program participants.
5. *Co-location of Partners.* Co-location of partners is essential for a successful program. Trade is a complicated program with four different programs operating "under one umbrella." Workers should never be expected to know all program details or even all service deliverers. With co-location, workers may obtain necessary services in one place where teamwork presents a seamless and competent organization.

### ***Temporary Assistance for Needy Families (TANF)***

Coordination across programs generally aims to improve efficiency in service delivery and increase the effectiveness of the provided services. Currently, referrals from the TANF to the WIOA program occur only at a minimum level and usually for the purpose of accessing training funds, not for the purpose of receiving intensive career counseling or other services. To strengthen the coordination of services, the Department will work with the Department of Labor and Workforce Development to implement a standard referral or co-enrollment process of TANF customers to the WIOA program and implement an automatic WIOA referral policy for TANF customers after a specific timeframe or for specific purpose to promote a seamless transition between programs and affords customers easy access to an extended menu of services. The Department will work with the Department of Labor and Workforce Development to determine the primary contact staff person (e.g. one from each program or integrated position) for co-enrolled customers and establish guidance for clear communication to occur to track participation and coordinate funding for support services. The Department will collaborate with the Department of Labor and Workforce Development to explore the use of a common employment or service plan across the TANF and WIOA programs to increase the understanding between the customer and program staff about

the customer's status in terms of his or her employment or services plan and what the customer may need.

Also, coordinating the use of TANF and WIOA funding can maximize the resources available to support common services when individuals are co-enrolled in the programs. Therefore, the Department will explore ways with the Department of Labor where both the TANF and WIOA programs can establish informal efforts to assemble a package of services that best meets the needs of co-enrolled customers (e.g. co-enrolled customer take the nursing board examination and WIOA pays for the initial exam; if they fail the examination the first time, the TANF program pays for the second examination, and then the two programs split costs associated with the licensure; customer receives tuition assistance from WIOA to participate in a certified nursing program and the TANF program pays for associated certification fees).

Currently, access to training is the least coordinated strategy across the TANF and WIOA programs. Different emphases on education and training and variation in the availability of training funds have kept the TANF and WIOA programs functioning independently in the provision of training. However, development of a co-enrollment process in the TANF and WIOA programs for purposes of training will improve access and coordination of services. The Department will work in concert with the Department of Labor to ensure that a process is in place to refer TANF customers to the WIOA program within specific timeframe and/or purposes (e.g. refer TANF customers to WIOA for training assistance when a TANF recipient has a demonstrated need for a private education program; refer TANF customers to WIOA counselors if their participation in job search and job readiness activities does not lead to employment after two weeks). TANF customers may explore education and training options with WIOA staff at that time.

### ***TN Jobs for Veterans State Grant (VETS)***

Tennessee Veterans are a valuable part of our state's success and safety on a daily basis. Congruently, the success of our Veterans is an asset in our Workforce System and as a result, employment and training are always a priority for these for these respected individuals. Services provided at the AJC are focused on assisting Veterans and other eligible persons with Significant Barriers to Employment (SBE), in receiving quality training, if needed, and in obtaining gainful employment. In accordance with the Jobs for Veterans State Grant (JVSG), these individuals receive personalized coaching to help them obtain and keep jobs that promote self-sufficiency.

During the integration of WIOA and W/P, Veterans will continue to receive the established preferences (as identified in the Priority of Service section below) and will be included among the populations targeted for outreach. Tennessee has developed a coordinated intake form, Veteran Service Form, to facilitate services for Veterans.

### **Targeting Services to Veterans**

The primary objective of the JVSG is to develop and support activities to increase employment and job training opportunities for Veterans and eligible persons. AJC staff provide job search and placement services for Veterans including counseling, testing, occupational and labor market information and skill evaluations. These services assist Veterans in making an educated and up-to-date decision about their

training and employment needs. Veterans are introduced to local resources that offer career exploration, education and job tools to the best career decision. These services include:

- Assessment of personal marketability
- Use of skills translators to assess strengths
- Researching occupations on a national, State or local level
- Researching employers for job searches
- Tracking labor market trends
- Learning how to network in various career fields using professional associations and Career Resource links
- Researching training options by occupation such as certifications, schools, programs, and licenses
- Exploring credentialing options
- Finding financial aid resources

Integration of the DVOP and LVER into the WIOA Service Delivery system is accomplished by utilizing in-place procedures for servicing Veterans with SBEs and combining them with the new policies and processes that will support law. Per US Dept. of Veterans Affairs, there are 501,907 Veterans in Tennessee. Those between ages 18-64 are 450,313kii.

### Increasing Veterans Transition Services

Tennessee has developed a partnership with the Tennessee College of Applied Technology (TCAT) and the Army Career and Alumni Program (ACAP) at Fort Campbell Army base. This partnership is to provide production line training (Mechatronics) and certification to transitioning service members, allowing veteran participants to obtain the necessary skills required by manufacturing. This pilot program has been extremely successful in the advocacy and placement of Veterans within local manufacturers.

As an added benefit to employers, Veterans are mentioned when describing WOTC eligible population groups. These benefits are becoming increasingly attractive to eligible applicants. Strategies for partner coordination are also in place to optimize employment outcomes for these special populations. Strategies include collaboration of services providers and coordination of resources to serve the military facilities, service members, Veterans and their families, located throughout Tennessee.

### *Veterans Referral Process*

One Stop partners are included in the intake process for JVSG DVOP services. Upon entering the AJC, Veterans are met by a front desk staff member, who asks several questions to help identify veterans and their needs. After identifying the veteran's purpose for visiting the AJC, a staff member will conduct an intake assessment using the Veterans Service Form (VSF) to identify any significant barriers preventing employment. Upon identifying SBEs, partner staff members refer the veteran to the DVOP. Those veterans who do not have SBEs, however still require employment services and are provided services by our AJC staff, but not from a DVOP. Furthermore, when necessary, JVSG staff is often consulted with by AJC staff regarding military, DD-214, and other language translation in addition to other employment/ service related questions, as needed.

JVSG, DVOP/ LVER, integration into the One Stop extends beyond co-location. Veterans seeking services at affiliate centers, that do not have DVOP within that facility, still receive priority of service. After the staff identifies a veteran, initial needs assessment will be conducted, and a determination of services will be made at that time. In addition, the VSF form is completed to help identify SBEs and additional barriers that may require intensive services from a DVOP. Upon identifying that the veteran has SBEs, the DVOP assigned to that county will be notified. Within 24 hours, the DVOP makes contact and schedules an appointment to meet with the veteran and proceeds with the subsequent intensive services.

Individuals entering the American Job Center are met with signage and are encouraged to identify themselves as Veterans. In addition, a front-desk American Job Center representative provides an appropriate greeting and inquires by asking, "Have you or your spouse ever served in the Military?" When a Veteran is recognized, that Veteran will receive an initial intake assessment, performed by Wagner-Peyser staff; upon determining eligibility (disabled veteran or with a SBE), that Veteran is immediately referred to the DVOP specialist to receive intensive services, based on the veteran's needs. All Veterans will receive Veteran Priority of Service and subsequent staff-assisted services.

### **C. Coordination, Alignment and Provision of Services to Individuals**

Describe how the entities carrying out the respective core programs, Combined State Plan partner programs included in this plan, and required and optional one-stop partner programs will coordinate activities and resources to provide comprehensive, high-quality, customer-centered services, including supportive services to individuals including those populations identified in section II(a)(1)(B). The activities described shall conform to the statutory requirements of each program.

The Workforce System ensures that all individuals seeking employment are provided comprehensive career services as defined by the labor exchange system. Those services include assisting jobseekers in finding employment, assisting employers in filling jobs; facilitating the match between jobseekers and employers, participating in a system for labor between states, meeting work test requirements of the unemployment compensation, job search and placement assistance, career counseling; and providing business service activities to employers. Job seekers are able to receive multiple services at an AJC:

- Basic individual or group counseling. Learn how to set goals and develop a personal plan of action.
- Signing up for workshops to hear valuable information in job related topics. Workshops are conducted by workforce professionals.
- Receiving an assessment, which helps all involved learn about the participant's interest, aptitude, basic skills, work values, personality and more. These assessments may be self-served or staff assisted and are comprehensive and specialized exams that identify employment needs.
- Receiving Career Guidance/Planning to develop an individual employment/career plan with a workforce professional to identify employment goals and appropriate combination of services to achieve the goals.
- Receiving information and assistance with internship, work experience, or relocations assistance based on the assessment or individual's employment plan.
- Receiving training and education-skills training or educational program information.

- Receiving additional referral services to appropriate programs and partners to further assist with any other services such as health, welfare, and financial assistance where eligibility requirements are met.
- Connecting with a case manager who will advocate, communicate, and provide resources to aid in achieving the goals established in the individual employment plan.

### ***Customer Recruitment/Engagement***

Individuals are engaging the system through various methods: rapid response meetings, unemployment insurance claims, walk-ins, outreach via community job fairs, social media, as well as through referrals from internal and external agencies and organizations. The following identifies the basic flow through such activities:

### ***Welcome & Assessment***

The welcome and verbal assessment allows AJC staff (Title I and Title III) an opportunity to pre-assess the individual and advise the individual to about the most appropriate next steps. This includes but is not limited to services offered in the resource room, through registration on the Jobs4TN, by identification of barriers to employment, identification of a service member for priority of service, and by identification of individuals with a disability and in need of additional resources or services.

### ***Staff-Assisted or Self-Assisted Services***

The Workforce System provides an opportunity for both staff assisted and/or self-assisted services to individuals. After the verbal assessment, the individual is able to engage Title I, Title II, Title III, and Title IV self-assisted and staff-assisted services. These services include educational or training services and labor exchange services. Staff-assisted services can include group orientation or a face-to-face meeting which allows a more in-depth explanation of services and an appraisal of the individual's goals and interest. During these more personal interactions, the staff and the individual establish an action plan of next steps that best fit the individual's needs and eligibility. In addition, individuals can attend workshops (resume reviewing/writing, interviewing skills, etc.) soft-skills training, occupational skills training/certification, etc. with the goal of gainful employment.

### ***Referral, Placement & Follow-up***

Upon determination of the individual eligibility and needs, the individual is referred to the necessary services. This can include educational and training services, vocational rehabilitation services, supportive services, and/or placement to a job, work experience, apprenticeship, etc.

## **D. Coordination, Alignment and Provision of Services to Employers**

Describe how the entities carrying out the respective core programs, any Combined State Plan partner program included in this plan, required and optional one-stop partner programs will coordinate activities and resources to provide comprehensive, high-quality services to employers to meet their current and projected workforce needs. The activities described shall conform to the statutory requirements of each program.

For businesses, the Workforce System provides, at no charge, labor market information, seminars on legislative changes, job-order service that helps companies fill vacant positions, new employee assessment and screening services, job fairs, and transition services for employees of plants that are closing, and other services. The Workforce System will build on the department's success through increased coordination, leveraged funds, seamless customer service delivery, and functional alignment of services redefined throughout this integrated plan. For example, the Regional Business Service Team located in each LWDA is a collaboration of WIOA Adult/Dislocated Worker, Wagner-Peyser Labor Exchange, TNECD, Vocational Rehabilitation, Adult Education and all partners of the AJC; all of these ensure that the needs of business and industry are met. Local Business Service Teams have been developed within the AJCs to work collaboratively to reduce duplication and further streamline service delivery for employers.

Tennessee is expanding Business Engagement in American Job Centers to include the following:

1. Sector convening to clarify and articulate the education and training pathways into high demand and emerging occupations;
2. Identifying systemic opportunities for improved service delivery so that more youth and adults access and complete the programs; and
3. Connecting both youth and adults with educational and training opportunities to acquire skills and earn credentials required for success in the state's labor market.

In an effort to further support these efforts the state is working on identifying "capacity" which is a significant priority. By convening functional best practices work groups regionally, across American Job Centers and across state and local agencies we will continue to work to ensure that all partners have state of the art information and are developing and sharing practices that benefit job seeker, business, partners and community customers of our systems. A recent business services forum brought together stakeholders to discuss the viability of current business services strategy.

Future improvements to our system will include:

- Convene One Stop Career Center staff, business service representatives and training providers to ensure continuous education and efficient management of internal and external customer relationships.
- Form a state level workgroup for coordinating initiatives to improve business outreach and job referrals. The state workgroup will include representatives of state and local partners, and will be

responsible for: interagency coordination; sharing best practices; developing a comprehensive list of state resources that are useful for business outreach

- Develop and expand State partnerships for business services and assist LWDAs create sub-workgroups. Develop a new policy on State coordinated business services. This new focus will build on this process by developing and expanding the partnerships. The exact involvement of the local teams will be determined locally. However, additional partners (if not already present) may include local representatives of economic development councils, chambers of commerce, SHRM, community and technical colleges, the Division of Vocational Rehabilitation, and local government. As with the State Level workgroup, the local teams will focus on workforce and related economic development programs and services. Local teams will also provide access and referrals to other government programs that serve business;
- Utilized and integrate Workforce OneTouch that will allow for improved customer relationship management tracking for business service representatives. Incorporate additional operator access levels that will allow partner access to relevant information regarding services delivered/needed;
- Incorporate “Brand” into activities using implementation plan for brand throughout the State
- Develop technical assistance and training modules for Business Services Representatives (State & Local) on “Promising Practices” in Workforce Development services to employers; and, Develop standard “Outreach” strategies, techniques, and templates for materials;
- Work with local leadership to develop specialized technical assistance for “promoting Veteran Services to employers,” Tax Credits, and other incentives. Delivering training to LVERs and Business Services Representatives (State/Local); to include written scripts on Tax Credits, strategies and techniques for serving Business;

To support cross-program strategies, Tennessee has engaged in a collaborative effort to redesign the State and local Workforce System to provide a seamless service model that focuses on the following customer needs and expectations:

1. *Functional alignment.* Functional alignment is both an opportunity and a tool to effectively organize staff and facilities in a manner that streamlines customer service delivery, capitalizes on the strengths of staff and technology to deliver services, and thereby reduces duplication. It is not enough to co-locate partners, orient customers to partner programs, and refer customers to these programs. In order for the one stop delivery system to succeed, services must be integrated and delivered according to customer need rather than program focus.
2. *Business services function.* The AJC staff and partners involved in the business services function are responsible for building relationships with employers through local and regional initiatives including but not limited to sector partnerships and business alliances; and identifying opportunities to address the human resource needs of employers. The goal is to become the bridge between business and job candidates by coordinating with all AJC staff and partners to actively recruit and refer qualified job candidates based on the needs of business. Services associated with the business services function include but are not limited to the following: business outreach; recruitment and referral for job vacancies primarily for targeted business and industry; job candidate qualification review; provision of economic, business and workforce trends; the organization of specialized training programs around business and industry needs; provision of information about human resource services.
3. *Business development and job development.* For purposes of clarifying roles and responsibilities, there is a difference between business development and job development. Business development

is the process of focusing on business needs and expectations in order to maximize the development of employment and training opportunities and then find suitable and appropriate workers; while job development is the process of having a specific individual and targeting employers to hire to that individual. Each funding source will continue to conduct job development within its own organizational structure and within the framework of funding source requirements. Individuals engaged in job development for targeted populations will be a part of the local business service team. This cross-functional strategy will ensure that targeted populations and the staff that work with them are engaged in conversation and planning to increase job opportunities for their respective populations. Business development will become a functionally aligned process that will be managed through local business service teams.

4. *TDLWD Business Service support.* TDLWD Workforce Services State and regional leadership will support local Business Service Teams by providing direct oversight, training and technical assistance. The collective leadership of the Division of Workforce Services will assist with outreach materials, event planning, labor market information, data collection, technical assistance and reporting. The Administrator of Workforce Services will be the primary contact to coordinate with TNECD and Jobs Base Camps. Each regional team will assist with these efforts to support the administrator in the cross program collaborations.
5. *Local business service team fundamentals.*
  - a. Workforce System partners, mandated in the WIOA and other appropriate partners will participate on local business service teams if they have a “job” as a service outcome.
  - b. The two primary partners will be WIOA Adult/Dislocated Worker (Rapid Response funds) and Wagner-Peyser Labor Exchange.
  - c. The local business service teams will have a lead or co-leads from the two primary partners.
  - d. The team will establish a memorandum of agreement on the protocols that will be followed related to meetings, communication, roles and responsibilities, tracking.
  - e. Regional and local business service teams will follow procedures and policies established by the State Administrative Entity and the State Board.
  - f. Regional and local teams will have options as to how to approach service delivery and they will participate in a statewide planning sessions to understand and formulate local service delivery recommendations.
  - g. Standardized forms, data input, and tracking will be developed to provide consistency and better analyses statewide.
  - h. Regional and local business teams will be trained on OneTouch/Zendesk and will work with the TDLWD Administrative Team of Workforce Services to facilitate working with TNECD around job expansions and new business growth.
  - i. Branding and outreach materials will be a statewide theme including the national DOL brand information.
  - j. Common definitions will be established to support all funding streams’ understanding and requirements.
  - k. A performance management dashboard inclusive of State Board measures and locally selected measures will be required to help encourage measurements that drive positive behaviors in regard to employers.
  - l. Regional collaborations will be required.
  - m. Rapid response will be included in the regional and local business service team responsibilities. Rapid Response activities have been functionally aligned and provided through local workforce

areas to establish a more integrated seamless approach to helping job seekers and business customers.

- n. AJC certification requirements will include business service requirements that each local business service team must meet or exceed.
  - o. Business service teams are expected to collaborate with job seeker services to fill positions and focus training on needed skills and knowledge.
6. *Regional and local business service teams.* There will be two primary partners in forming a local business service team: Wagner-Peyser Labor Exchange and WIOA Adult/Dislocated Worker Programs. Local Workforce Development Areas are required to submit local plans. These plan will be received by TDLWD, in its role as administrative entity, for approval that is developed in consultation with local Wagner-Peyser staff and other relevant partners evidenced by a signatory agreement on the plan. The plan is to address:
- a. Which partner agencies will participate in the local business services team?
  - b. Who will lead or co-lead the team?
  - c. What are agreed upon roles and responsibilities for each team member?
  - d. A flowchart of job seeker and business customer flow for all team members' funding streams.
  - e. A flowchart of the paperwork flow for all team members' funding streams.
  - f. The sectors that will be focused on and justification for the selection of the sectors.
  - g. Common definitions and recommendations for local performance management dashboard key indicators.

### ***Meeting the Skills Needs of Employers***

A critical factor in meeting the skills needs of employers is an understanding of exactly what those needs are. TDLWD will work with its education and economic development partners to clearly identify and forecast employer needs aligned with the industry clusters and sectors identified in the Governor's vision. Concerning the cornerstone of the Governor's Jobs and Economic Development Goal and Objectives, TDLWD considers employers to be primary customers. The Workforce System focuses on "people for jobs" and "jobs for people"; that can be achieved through a collaborative relationship among partners. Outreach and promotion as well as providing time sensitive and effective customized screening and recruiting services, have developed strong ongoing relationships with employers. The Department will:

1. Enhance relationships with employers currently served through local AJCs via Labor Exchange, Veterans Programs, the Trade Act, Re-employment Services, Unemployment Insurance, and Local Workforce Area Business Service efforts. This includes working with TNECD to identify, connect and serve companies with workforce needs.
2. Establish protocol and policy to deliver employer services through a functionally aligned approach with seamless service delivery.
3. Establish a Career Center certification process that has standards required for business services statewide
4. Continue to provide and track training to Workforce System partners to build the capacity to serve employers and to better understand labor market information data and analyses
5. Establish policies and procedures to support meeting the skills needs of employers

6. Use the AJC brand to market a consistent message and image to employers and job seekers (Governor's Jobs & Economic Development Goal: Objective III)
7. Develop job opportunities for the supply side of the Workforce System by demonstrating the value and benefit of participation to employers; all of this will result in increased job postings in Jobs4TN
8. Pursue high-demand, sector-based workforce collaborative that include employer engagement
9. Continue the practice of assisting employers in recruiting skilled workers
10. Provide services requested by employers based on the employers' individual and specific needs
11. Develop a plan to manage participation in community events and promote services available through the American Job Centers
12. Establish a balanced scorecard/performance management dashboard that provides success indicators for employer services

## **E. Partner Engagement with Educational Institutions**

Describe how the State's Strategies will engage the State's community colleges and area career and technical education schools, as partners in the workforce development system to create a job-driven education and training system. WIOA section 102(b)(2)(B)(iv).

In addition to the focus on career and technical education, work-based learning and career pathways in the Department of Education, the Tennessee Board of Regents system provides a variance of training and certifications through the 27 Tennessee Colleges of Applied Technology (TCAT) and 13 Community Colleges. Each of these institutions works closely with the State and local workforce development boards to develop training and support for emerging workforce demographics across the State. The expansion of programs of study that bring together a sequence of career-focused courses that start in high school and extend through college have grown in their availability and connectivity to emerging occupations. In addition to the collaboration in recruiting industries, re-training displaced workers, assisting with plant closings, and introducing youth to post-secondary career options/programs, the entities work closely with clients to assist in meeting the States workforce needs. Such coordination of services and training is done through meetings, serving on boards, and organizing job fair events to maintain a constant communication and pipeline to serve our clients and better meet the needs of industry. In addition, the Workforce360 program brings workforce, education, and employers to the table during a single meeting to discuss workforce challenges and identify attainable strategies to address concerns. This program directly increases alignment and promotes job-driven education.

Likewise, programs such as Pathways TN allow for multiple pathways to high skill/high wage employment beginning as early as high school. The variety of pathways allows high school students a chance to earn credits for both high school and college through programs providing an easy transfer of "dual credits" between high school and post-secondary institutions. These previously earned credits contribute to the improved articulation between the State's two-year colleges and also between two-year and four-year institutions concerning credits earned in one institution being applicable (and transferrable) to another.

## **F. Partner Engagement with Other Education and Training Providers**

Describe how the State's Strategies will engage the State's other education and training providers, including providers on the state's eligible training provider list, as partners in the workforce development system to create a job-driven education and training system.

The State is constantly working on strategies that will engage the State's other education and training providers (including providers on the State's Eligible Training Provider List) as partners in the Workforce System. In some areas the local boards have created skills panels that will work to analyze skill gaps for each industrial cluster and identify resources for growth. Much like locally determining eligible training providers, the local leadership, for the skills panels, is helpful in identifying the relevance and potential success of employer-developed curriculums to meet the local employers' needs.

Tennessee's Community and Technical Colleges play an integral role in the economic growth of our State. From providing short-term training programs to customized, long-term initiatives, these 40 colleges have developed innovative strategies to meet the workforce training needs of local, regional and State employers.

The colleges work closely with the following Tennessee departments:

- Tennessee Department of Labor & Workforce Development
- Tennessee Department of Economic & Community Development
- Tennessee Small Business Development Center
- Tennessee Department of Tourist Development
- Tennessee Department of Education

Collectively, Tennessee's colleges, with its partners, are able to offer workforce development programs, provide training for industries and small businesses. Through continued collaboration, the educational partners can meet with the State departments for a fast track to meeting training needs. In addition, Adult Education, Vocational Rehabilitation and CTE services are beneficial for reaching and serving participants with significant barriers to education, training and employment.

## **G. Leveraging Resources to Increase Educational Access**

Describe how the State's strategies will enable the State to leverage other Federal, State, and local investments that have enhanced access to workforce development programs at the above institutions, described in section (E).

The State will use workforce development system partnerships as described above to ensure all resources are leveraged for education participants in attaining their educational goals. All workforce programs will use WIOA, TAA, Vocational Rehabilitation, Pell Grants, public and private grants, and other resources to assist participants in achieving their education and employment goals. In addition, the State's Drive to 55 initiative offers strong support for increasing educational access through TN Promise, TN Reconnect and LEAP grants.

## **H. Improving Access to Postsecondary Credentials**

Describe how the State's strategies will improve access to activities leading to recognized postsecondary credentials, including Registered Apprenticeship certificates. This includes credentials that are industry-recognized certificates, licenses or certifications, and that are portable and stackable.

The Department of Education has an industry certification policy for high school students that promotes certifications, vetted by Tennessee industries; student should be able to attain these certifications after the completion of a program of study in one of the 16 career clusters. The approach taken to align industry certification is designed to ensure that students are presented with viable seamless learning pathways. This designed approach contains three main goals: 1) an increase in student attainment of department-promoted industry certifications, 2) an increase in student transference of department-promoted industry certifications to meaningful postsecondary and workforce opportunities following high school graduation, and 3) provision to ensure consistency in the promotion of all department-promoted industry certifications with various stakeholders.

Department of Education an industry certification policy recap:

- 1) Increase student attainment of department-promoted industry certifications
  - a. Increase number of students sitting for promoted certification exams
  - b. Increase pass-rates for said exams
- 2) Increase transference of department-promoted industry certifications to meaningful opportunities for students following high school graduation
  - a. Increase number of credit and/or hours awarded upon entering a postsecondary program
  - b. Increase employment rates and workforce matriculation
- 3) Ensure consistency in the promotion of department-promoted industry certifications with various stakeholders, including students, caregivers, school personnel, and postsecondary and industry partners. Promotion may include:
  - a. Capstone experiences in CTE programs of study
  - b. Recognition for "state distinction" upon graduation
  - c. Opportunities available through the attainment of a certification

It is important that department-promoted certifications meet a set of criteria designed to ensure students can transfer attained certifications to postsecondary matriculation and workforce employment. Certifications should further a student's pathway not hinder it. In so keeping, the department used the following criteria to determine which industry certifications to promote:

- 1) Industry recognized and valued
- 2) Aligned to CTE course and/or program of study
- 3) Transference to postsecondary
- 4) Transference to high quality employment

### ***Industry Recognized and Valued***

For any certification to be promoted, it is essential that the certification is recognized and valued by the targeted industry. The industry certifications promoted by the Department have been vetted by respective career cluster advisory councils (composed of Tennessee industry representatives). If an

identified certification was recognized but not valued, it was not included in the final department-promoted list. All promoted certifications must show both.

### ***Aligned to CTE Course and/or Program of Study***

Department-promoted industry certifications should be representative of the learning a student has mastered through the successful completion of an aligned CTE course and/or program of study. It is important that this alignment exists and that the content in the certification is not simply representative of a few standards within a course.

Industry certifications can be stackable credentials such as Microsoft Office Suite certifications (as identified with the Office Management program of study), or they can be capstone, meaning they represent the culmination of acquired skills through the completion of a particular program of study. TDLWD will continue to work to improve access to postsecondary credentials by focusing on high school diploma or equivalency attainment. This will be accomplished by ensuring that participants who lack a high school diploma are referred to Adult Basic Education (ABE) for services. This will enable many participants to be introduced or reconnected to the education system and improve their access to postsecondary credentials. In addition, Tennessee will utilize a demand-driven system to identify which training programs lead to credentials that are essential to business' needs. This includes providing interested employers with information about the Apprenticeship Assistance Training Grant to help with the Registered Apprenticeship certifications across the State. Each of these activities will improve access to postsecondary credentials in the State.

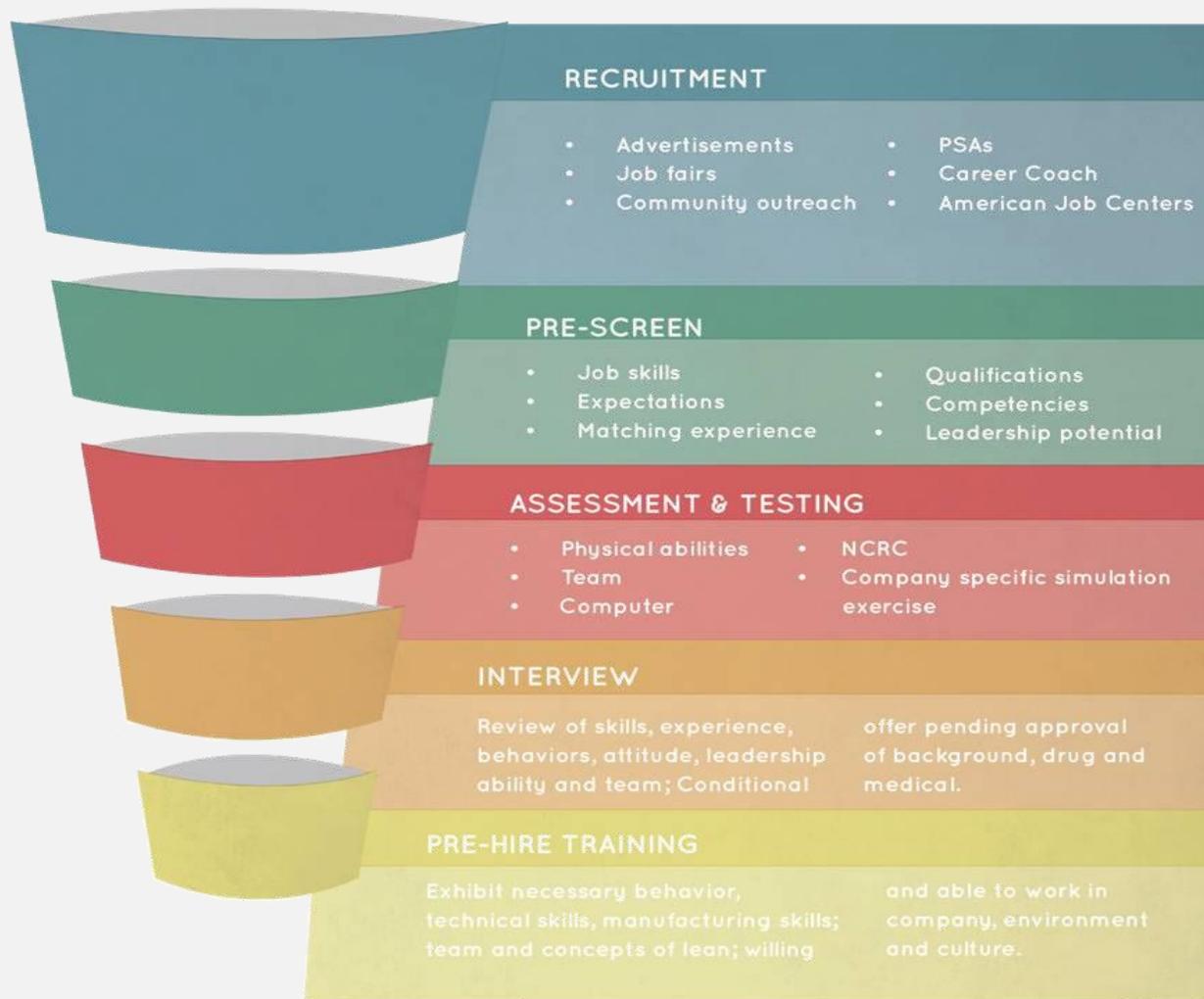
Another method of discerning which certificates and licenses are demand-driven is to identify those which are related to occupations in demand using the Department of Labor and Workforce's supply and demand analysis. For these jobs in demand by region listed in the gap analysis in Appendix 2, common employer licenses and certifications found in jobs posted to the jobs4tn.gov were identified. Many of the certifications and licenses on the list of 2015-2016 Career and Technical Education Promoted Student Industry Certifications were associated with jobs in demand, particular in health care, construction, information technology, and finance.

## **I. Coordinating with Economic Development Strategies.**

Describe how the activities identified in (A) will be coordinated with economic development entities, strategies and activities in the State.

The strategic realignment of the workforce development regional directors in accord with the TNECD Job Base Camps creates a seamless connection of economic and workforce development activities. In addition, the partnership through Workforce 360 encourages alignment and coordination of recruitment, training and placement of qualified candidates. The talent recruitment process continues with pre-screening, assessment and testing, interviewing, and pre-hire training. Tennessee American Job Centers provide assistance with the following services:

## TALENT RECRUITMENT PROCESS



Each department has defined and relevant roles in stimulating growth across the state, however, it is in the transformed partnerships that TDLWD and TNECD have found renewed success. The Governor’s Workforce Subcabinet, the State Workforce Development Board, Pathways TN and several other aforementioned committees and initiative coordinate labor and economic development entities, strategies and activities on both the State and local level. Additional economic development activities and services include:

### ***Business Enterprise Resource Office***

Under the auspice of TNECD, the Business Enterprise Resource Office (BERO) serves as a voice for and advocate of economic inclusion for Tennessee’s disadvantaged businesses (DBE). The office is tasked to analyze, disseminate and promote best practices and access to capital for DBEs to service providers. It also reports on the status of DBEs across the State. For the purposes of BERO, DBE refers to businesses owned by women, minorities, Veterans and persons with disabilities and businesses operating in remote or rural areas of Tennessee.

With the launch of a new website in 2015, BERO now has an updates platform and its website that allows easy access to BERO’s target audience to present: policy and procurement information for DBEs and

small businesses; topics for youth entrepreneurship; information on grants; and information about general resources for service providers.

One featured section of the new website is “Topics for Economic Inclusion”, which highlights various policy and procurement information for DBEs. Such information can be:

- Entrepreneurs with Disabilities: Programs and Resources
- Minority Business Enterprises, Women Business Enterprises; Veteran Business Enterprises: Policy and Procurement
- Rural Businesses: Policy and Financing
- Youth Entrepreneurship: Programs and Opportunities

Additional resource links provide information about State and Federal resources, grant opportunities and services providers (businesses and communities). The two following resources are

1. *Tennessee Smart Start Guide*

The TN Smart Start Guide, a startup and small business guide, is published and distributed along with a paired postcard in both digital and hard copy formats. The guide gives an overview of a broad base of relevant topics from legal structure to financing to procurement.

The guide is distributed through TNECD’s nine regions and its resource partners and stakeholders. These include but are not limited to, elected officials, chambers of commerce, development districts, state agencies (such as the Office of the Small Business Advocate, Revenue, Secretary of State, Human Services and Labor and Workforce Development), UT-CIS, TN Small Business Development Centers, the US Small Business Administration, USDA Rural Development, SCORE, AEO, the Federal Reserve Banks of Atlanta and St. Louis, business incubators and accelerators, and many others. Averaging 1,700 page views per week, the guide has been recognized nationally as a best practice resource.

2. *How to Start a Business*

This portion of the website provides a simplified step-by-step guide to registering a business in Tennessee and is part of a larger push to make registering a business in the state easier. A general checklist for business registration includes the following steps, 1) choosing a name, 2) determining a legal structure, 3) taxes, 4) hiring employees, 5) licensure requirements, 6) key resources, and 7) links to the TN Smart Start Guide and the PDF of the flowchart.

***Main Street: Business Promotion and Technical Assistance***

The Tennessee Main Street Program serves as a statewide resource for communities seeking to revitalize and manage their traditional downtowns. In partnership with the National Trust for Historic Preservation’s National Main Street Center, this program serves the 28 designated Main Street Communities across Tennessee. In 2014, these 28 communities reported reinvestment statistics that included 1,565 net new jobs, 171 net new businesses and a combined public/private investment of \$95.5 million within their program districts.

A list of additional TNECD Affiliated Programs follows:

### Regional Entrepreneurial Accelerators

The State's Launch TN accelerator program is designed to assist promising entrepreneurs with the resources necessary to propel their companies along the spectrum of business growth and job creation. Accelerators are located throughout the State with the goal for them to become foundational components in each region's economic development strategy; conjunction with creating a network of partnerships and mentors within the local business community, the statewide investor base, higher education, non-profits and government. The grant funding is a combination of State and Federal dollars and is contingent on each accelerator providing local matching support. Regional accelerators have hosted over 475 entrepreneurial events, engaged over 400 mentors and accelerated over 122 companies statewide.

### Tennessee Rural Opportunity Fund, Small Business Jobs Opportunity Fund and Energy Efficiency Loan Programs

The Tennessee Rural Opportunity Fund (ROF), a rural economic development fund, was launched in 2008; and in 2010 the Small Business Jobs Opportunity Fund (SBJOF) was launched. The funds were created through a partnership between the State of Tennessee, the Tennessee Bankers Association and Pathway Lending, a not-for-profit community development financial institution, also referred to as a CDFI. ROF provides loans and technical assistance to small, disadvantaged and early-stage businesses in rural Tennessee and the SBJOF provides loans of up to \$2.5 million to small businesses statewide. The Tennessee General Assembly approved a \$1.25 million appropriation directed through TNECD; \$10 million for ROF; \$10 million for the \$25 million SBJOF.

## **b.State Operating Systems and Policies**

The Unified or Combined State Plan must include a description of the State operating systems and policies that will support the implementation of the State strategy described in Section II Strategic Elements . This includes—

### **1. The State operating systems that will support the implementation of the State’s strategies. This must include a description of–**

#### **A. State operating systems that support coordinated implementation of State strategies (e.g., labor market information systems, data systems, communication systems, case-management systems, job banks, etc.).**

One of the main objectives of Tennessee’s Workforce System is to connect workforce development with job creation and growth; so a major tool intended to achieve and maintain this relationship is our data and case management system. For this reason TDLWD launched Jobs4TN in December 2014. Developed by Geographic Solutions, Inc., this system is user-friendly and extremely helpful for the general public and our staff. The major functionalities of Jobs4TN are:

- Self-Service for Job Seekers
- Self-Service for Employers
- Labor Market Information
- Mediated Labor Exchange
- Case Management through Virtual One Stop System (VOS)
- Reemployment Exchange (REX)
- Performance Reporting and Flexible Ad Hoc Reports
- Individual Fund Tracking

These functions provide integrated and secure, web-based applications hosted by Geographic Solutions, Inc. They are also password protected and have role-based security for local and state level staff. They provide, in addition, full, statewide metrics and streamlined participant data as well as performance reports just for the unique local areas and all AJCs.

In addition to the multi-level functionality of Jobs4TN, Workforce One-Touch streamlines the agility and connectivity of business management and customer service ticketing systems utilized by TDLWD. This system exists with the following goal, strategy and objectives in mind,

- *Goal:* collect real time customer data upon which evidence-based TDLWD policies can be structured and continuously improved while measuring customer performance and accountability.

- *Strategy*: develop multi-agency collaboration and accountability for the effective delivery of services reflective of State workforce and education customer service outcomes.
- *Objective*: increase customer service data sharing across State agencies through an agreed-to standardized process that includes the creation of standardized customer profiles and ticket forms.

Workforce One-touch has revolutionized Workforce System communication and management resulting in transformational results across Tennessee. Below are some highlights of the systems success:

- 94% one-touch resolution - out of 315,400 tickets received in 2015, 94% were resolved in one response.
- 93% chose self-service - the online helpdesk saw 740,458 visitors in 2015, created 38,000 chats for instant answers, and 16,000 request tickets while the remaining 93% of users found what they needed without contacting TDLWD for assistance.
- 79% customer satisfaction - for the past year, the customer satisfaction rating fluctuated from 75% to 85% as customers rated their interaction with our team.

A major feature within 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 the Department to render quicker, better 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 will aim in workflow improvements and increase efficiencies across the board.

In addition to coordinated request responses, Zendesk also includes a live-chat feature, Zopim Chat. Advantages of this feature include:

- Proactive engagement - initiate a chat with a customer who may need help
- Customer convenience - chat is a fast way to provide customer service in real time
- Agent productivity - reach more customers by easily managing multiple chats

Zopim Chat also offers helpful features including:

- Triggers that automatically send out a chat or message to visitors on specific pages of the Department's website.
- Agent-to-agent chat for team collaboration in real time
- Automatic translations of chat conversations
- Shortcuts that speed up chat conversations
- The ability to route chats to specialists

## **B. Data-collection and reporting processes used for all programs and activities, including those present in one-stop centers\*.**

Our goal is to carry out all data-collection and reporting processes under this plan using a single virtual system, specifically, the Jobs4TN system which is being deployed by Geographic Solutions, Inc., TDLWD's system of record for workforce data across all core programs. And to the extent possible, recognizing cost and infrastructure limitations, also to be deployed for certain mandatory and optional partners as WIOA takes shape in the future.

The department's web-based Virtual One-Stop System (VOS) is the most advanced and comprehensive statewide workforce development information and reporting system available today. Using a set of core proprietary software components created by Geographic Solutions Inc., the department and its partners have modernized and integrated workforce services into a single computing platform referred to as Jobs4TN. Working from the WIOA statutes, we have moved forward with establishing needed data points in our systems, such as those spelled out in the draft PIRL, data specifications, and the Section 188 NPRM.

The VOS component library as implemented in Tennessee is modular in design and new or existing Web components will be easily added or modified. For example, the system incorporates robust modules for:

- Job Seeker and Employer Self Service
- Title I, Title II, Title III, Title IV (in December 2016), as well as Trade, SNAP, and RESEA Case Management Modules. Our UI Module named GUS will go live in late April 2016.
- Virtual Recruiter for Employers
- Labor Market Information
- Labor Force Information by County, Region, and Statistical Area
- Tennessee Training Providers with Demand Occupations

The system also creates and deploys expansive, workforce administrator and manager tools and virtual functionalities such as:

- Accountability and Dashboard Modules for Management
- Fund Management Tracking and Reporting
- Managed Employment Services
- Statewide and Partner Case Management
- Follow-Up and Outcomes Tracking
- National Data Sharing Interfaces
- Trade-Affected Worker Module
- Rapid Response to Layoff Module

VOS also enhances user practical knowledge by making available state-of-the-art, online assessments, as well as outcome tracking of Aptitude and Basic Skills tests, which then are easily recorded for search and viewing by authorized staff and employers. Paperless case management and source document management and data validation modules positioning department and contractor staff for further deployment of business efficiencies through managed upgrades and modifications to the system.

VOS is a robust web-based computing system with strengths in ease of use and in its potential for future partnerships with internal units such as Unemployment Insurance, Adult Education, and potential scalable interfaces with other agencies in state government.

Reporting across the six core programs will be carried out by the Tennessee Department of Labor and Workforce Development, Workforce Services Division, and this combined plan for performance data collection and reporting is reliant upon a staged implementation of Title II program reporting under the common measures. Recent technology developments, such as the priority of modernizing the technology of our 35-year + UI benefits and tax system, requires that we push back the deployment of the Title II module in VOS, to December 31, 2016. Extract file creation and the processes needed for submittal of WIOA reports for Titles I and III already are in place, and the partnership existing between Titles I and IV has identified the accountability requirements and data infrastructure of the Title IV program reporting, with the objective of having rehabilitation services extraction files mostly ready for upload in the first quarter of WIOA reporting under the common measures. However, we also understand that the final regulations as well as the final publication of WIOA reporting templates, data specifications, and accountability measures have not yet been published, and we reserve the right to modify these data collection and reporting plans based on future publications of final rules. In addition, and as shown in Appendix 1, we have stated performance targets, which are based on the final State Plan NPRM. To this end, we observed and responded to the methodology of establishing baseline goals for each of the core programs, understanding at the same time, that we may revise these targets when the regulations are final and published.

\* For the PY 2016 state plan, descriptions of data collection and reporting processes need only include currently known indicators.

**2. The State policies that will support the implementation of the State's strategies (e.g., co-enrollment policies and universal intake processes where appropriate). In addition, describe the State's process for developing guidelines for State-administered one-stop partner programs' contributions to a one-stop delivery system, including benchmarks, and its guidance to assist local boards, chief elected officials, and local one-stop partners in determining equitable and stable methods of funding infrastructure in accordance with sec. 121(h)(1)(B). Beginning with the state plan modification in 2018 and for subsequent state plans and state plan modifications, the State must also include such guidelines.**

The system design of American Job Centers across Tennessee rests upon the principles of leveraging resources and coordinating services through Memorandums of Understanding (MOUs) and/or Resource Sharing Agreements (RSAs). Through these agreements, multiple partners leverage resources which support the infrastructure and programmatic functions in the AJCs. Such partners include WIOA (Adult/Dislocated Worker/Youth), Wagner-Peyser, Adult Education, SNAP Employment and Training, Re-employment Services and Eligibility Assessment, Trade Act, Veterans, Human Services (including TANF and Vocational Rehabilitation), Job Corps, and Title V Senior Services. Pursuant to WIOA section 121(h)(1)(B), the State's policy on the One-Stop Delivery System provides guidance on MOUs and the RSAs to assist local boards, chief elected officials, and one-stop partners in local areas in determining equitable and stable methods of funding the cost of infrastructure of one-stop center in such areas.

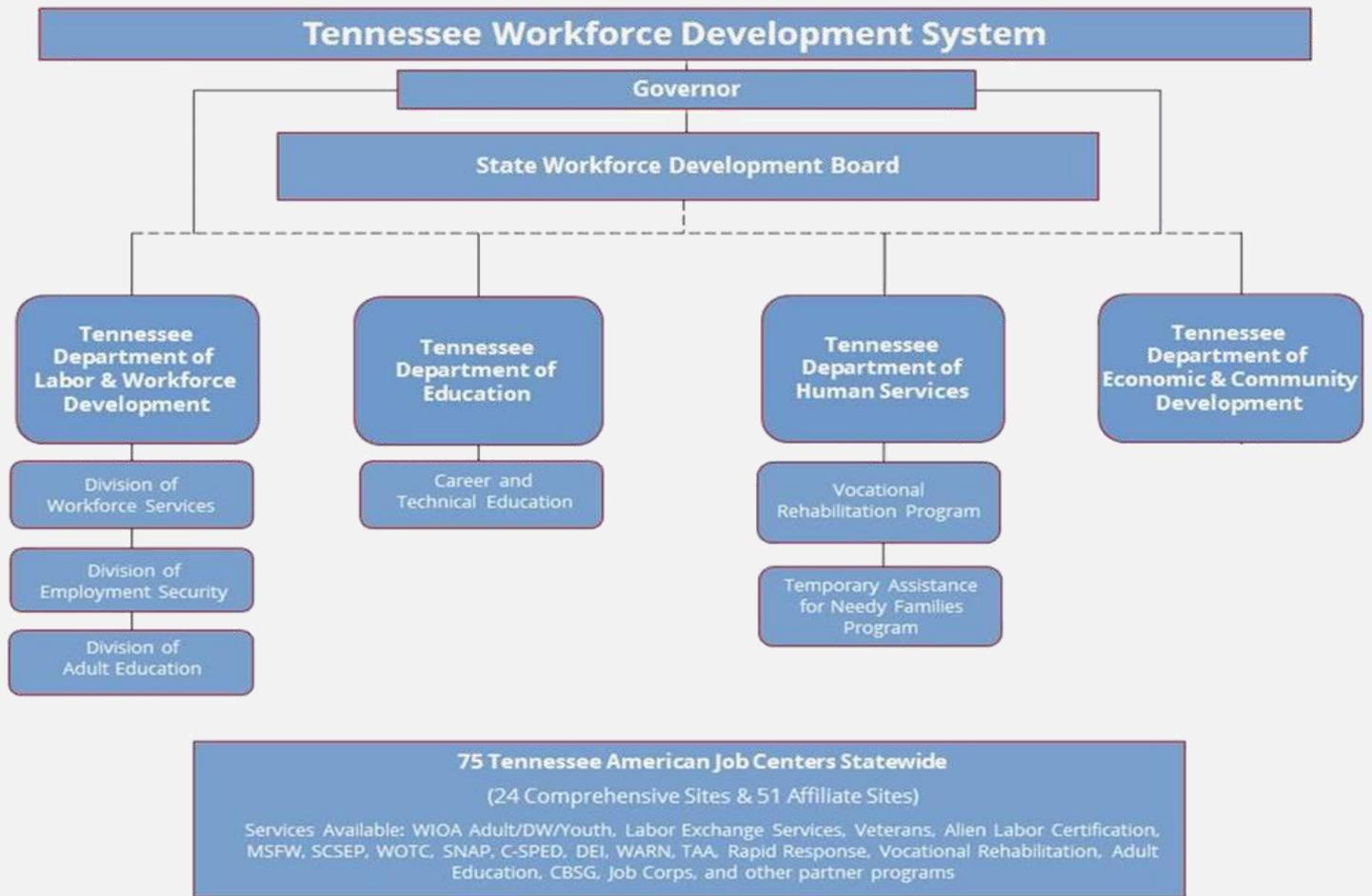
Tennessee is in the process of reviewing and updating several policies to adapt to regulation changes as well as new technology that support the implementation of WIOA. The following list contain the policies that are currently in draft. Upon the receipt of the final Federal regulation (expected to be released in June 2016), more policies will be developed to provide guidance to WIOA partners.

1. Appointment and Certification of Local Boards
2. Access to Local Board meetings by people with disabilities
3. Conflict of Interest
4. Priority of Service to Low income individuals and those with disabilities
5. Priority of services to Veterans
6. WIOA Allocation
7. Initial Assessment and Co-enrollment
8. Youth 5% and Additional Assistance
9. Certification (AJC/One-Stop Certification)

### **3. State Program and State Board Overview**

#### **A. State Agency Organization**

Describe the organization and delivery systems at the State and local levels for the programs covered in the plan, including the organizational structure. Include an organizational chart.



Tennessee Workforce Development System has made significant strides to align not only to the WIOA standards, but also to align to Governor Bill Haslam goals of jobs and economics, education and workforce development, and fiscal leadership. In doing so, there is a comprehensive system that works across government agencies and partners to accomplish these goals.

Under Governor Haslam’s Executive Order 46 twenty-four members were appointed to the State Workforce Development Board. These members would delineate oversight - policy and programmatic development, operations - performance monitoring and continuous improvement of WIOA programs/activities, and opportunities - technological and best practices strategies which govern the Tennessee Workforce System in accordance to section 101 of WIOA.

The activities within the Tennessee Workforce System could not be carried out without the collaboration of multiple departments of the State of Tennessee known as TeamTN including the Local Workforce Development areas. These partnerships include:

1. Tennessee Department of Labor and Workforce Development (TDLWD) -authorized as the signatory entity designated to receive funds under WIOA. Within context of WIOA, it administers services through the following:

- *Division of Workforce Services* - manages Title I and III funds as well as ensures workforce, job-training, and employment-related activities are provided in accordance to WIOA. The Division of Workforce Services also provides oversight of programs and activities within the American Job Centers (AJC) which provides training and educational services as well as workforce development to Tennesseans across Tennessee. The AJCs have been positioned within their area to allow for physical and programmatic accessibility to services and resources. In essence the AJC is the face of the Tennessee Workforce System.
  - *Division of Employment Security* - administers Tennessee's Unemployment Insurance program and collects, analyzes, and disseminates Tennessee's Labor Market Information.
  - *Division of Adult Education* - manages the Title II, Adult Education and Family Literacy Act program which delivers educational services to adults.
2. Tennessee Department of Education (TDOE) - as administers support to districts, schools, and educators across the state in increasing student achievement results and closing achievement gaps. Through the partnership Division of College, Career and Technical Education, the Tennessee Workforce System is able to align services and training services that support Governor Haslam's Drive to 55 - a statewide initiative to equip 55% of Tennesseans with a post-secondary degree or certificate by 2025.
- *Tennessee Promise* administered by offers high school students two years of tuition free community or technical college and offers and mentor to help them through the process.
  - *Tennessee Reconnect* administered by Tennessee Higher Education Commission offers adults the opportunity to attend and earn a certificate at any of the 27 Tennessee Colleges of Applied Technology (TCATs) completely free of tuition and fees. THEC and TDLWD have partnered to train and prepare AJC staff as TNReconnect Ambassador which will enable staff to navigate Tennesseans through the process of going to college for the first time or returning to college.
  - *Tennessee Labor Education Alignment Program* is a \$10 million grant opportunity designed to ensure that post-secondary institutions are producing skills and credentials that Tennessee employers need through alignment of education and industry.
3. Tennessee Department of Human Services (DHS) - offers temporary economic assistance, work opportunities, and protective services to improve the lives of Tennesseans. DHS is also partner of the Tennessee Workforce System as they administer several programs and services to the population that have the greatest barriers to employment. These programs include:
- The *Supplemental Nutrition Assistance Program (SNAP)* under USDA regulations supplies the participant pipeline to the SNAP Employment and Training Program within the Workforce Services Division. Through that collaboration, SNAP participants with education and training opportunities that will increase their student achievement thereby increasing their employability.
  - *Vocational Rehabilitation Services* manages the Vocational Rehabilitation Program which provides a variety of individualized services to persons with disabilities as well as an employer in preparation for their employment. They also assess the Tennessee American Job Centers to ensure they are properly attired with the necessary technology, services, programmatic accessibility of facilities, and materials for individuals with disabilities.
  - *Temporary Assistance for Needy Families (TANF)* focuses on gaining self-sufficiency by providing transportation, child care assistance, education, job training, employment activities, and other

supportive services. The TANF program will bring insight to the Tennessee Workforce System by equipping staff on the Two-Generational Approach - Family Focused Solutions that provides assessments, case management, family and individual counseling, self-advocacy training, in-house services, and other skills training that promote self-sufficiency.

4. Tennessee Department of Economic and Community Development (TNECD) - develop and implement strategies to attract new corporate investment in Tennessee and works with Tennessee companies to facilitate expansion and economic growth. TNECD completes the strategic arm of the Tennessee Workforce System by providing business development strategies within the local areas that revise or develop regional economic development plans thereby aligning the state and federal resources to help their local communities. The Workforce 360° Project is a region-based, multi-agency partnership targeted to engage businesses and industry leaders that are interested in recruitment and expansion projects.

TeamTN provides subject matter expertise to the State Workforce Development Board. They are also the core management team for implementation and performance of WIOA activities. In March 2016, TeamTN signed a Memorandum of Understanding to establishing a collaborative framework encouraging cooperation, collaboration, communication, policy and technical guidance to assist the efficient and effective participation of WIOA implementation within the Local Workforce Development Areas across Tennessee.

## **B. State Board**

Provide a description of the State Board, including—

The State Workforce Development Board (State Board) consists of 24 members representing various state agencies, State, local, and city government, public and private sector businesses and the general public.

More details are included in the following responses.

- i. Membership roster

Provide a membership roster for the State Board, including members' organizational affiliations.

Those members are as follows:

Name	Title	Company/Organization Name	Category of Representation
Bill Haslam	Governor	Tennessee State Government	Governor
Bob Ravener	EVP, Chief People Officer & Board Chair	Dollar General Corp	Business Representative
Burns Phillips	Commissioner	Dept. of Labor & Workforce Development	Government Representative - Core Program
Randy Boyd	Commissioner	Dept. of Economic & Community Development	Government Representative - Core Program
Raquel Hatter	Commissioner	Dept. of Human Services	Government Representative - Core Program
Candice McQueen	Commissioner	Dept. of Education	Government Representative - Core Program
Rogers Anderson	Mayor	Williamson County Government	Government Representative - Chief Elected Official Representative/County Mayor
Martha Axford	Partner	ABC Design, LLC	Business Representative
Timothy Burchfield	Owner	Chick-fil-A of Johnson City	Business Representative
Trudy Carson	Director, Air Service Development	Metropolitan Nashville Airport Authority	Business Representative
Ann Hatcher	VP	HCA	Business Representative
Andre Fowlkes	President	Start Co.	Business Representative
Warren Logan	President	Urban League of Greater Chattanooga	Workforce Representative - Organized Labor
Susan Lynn	State Representative	Tennessee State Government	State Legislature Representative
Chris Mason	Mayor	City of Harriman	Government Representative - Chief Elected Official Representative/City Mayor
Mark Norris	State Senator	Tennessee State Government	State Legislature Representative
Greg Persinger	Manager/HR	Yates Services, LLC	Business Representative
Stuart Price	Senior VP of Operations	Lee Company	Business Representative
Yolanda Shields	CEO	Let's Go Innovate, LLC	Workforce Representative - Community Based Organization
James Williamson	Owner/President	Aztec Pest Control, LLC	Business Representative
Sandra Woods	Member of Communications Workers of	Retiree Member Club	Workforce Representative - Organized Labor

Name	Title	Company/Organization Name	Category of Representation
	America		
Mayra Zimmer	VP Multicultural Marketing	AIG Financial Network	Business Representative
Kevin Vaughn	FirePro LLC	Branch Manager	Workforce Representative - Apprenticeship
Jason Bates	Toyota Bodine Aluminum, Inc.	Administration Manager	Business Representative

ii. Board Activities

Provide a description of the activities that will assist State Board members and staff in carrying out State Board functions effectively.

The standard State Board meetings include the following items:

- Committee report outs
- Updates on WIOA Requirements
- Guest Speakers from Workforce System core and partner programs
- Performance and funding allocation review

## 4. Assessment and Evaluation of Programs and One-Stop Program Partners

### A. Assessment of Core Programs

Describe how the core programs will be assessed each year based on State performance accountability measures described in section 116(b) of WIOA. This State assessment must include the quality, effectiveness, and improvement of programs broken down by local area or provider. Such state assessments should take into account local and regional planning goals.

#### ***Workforce Development System Certification***

Tennessee’s Workforce System is in the process of developing certification requirements in accordance with WIOA. This will establish the criteria that the Local Workforce Development Boards, the Local Workforce Development areas, and the One-Stop Operators must use for certification of Tennessee’s AJC.

#### ***Accountability***

Tennessee leadership has recognized, and some cases confirmed, the strengths and weaknesses of an accountability system that is primed for transformation. We still have a skills and education gap when it comes to employer job openings, and each year the workforce development system serves more than 200,000 Tennesseans with career and training services, placing over 100,000 in jobs each year.

“For all the services an effective state government can provide we know that nothing takes the place of having a job.” // Tennessee Governor Bill Haslam, February 1, 2016

What this means is, under WIOA, we need a Workforce System certification process, as well as certification processes, developed by the Core Partners and the Local Workforce Development Areas (LWDA). All of the this help in reviewing and sustaining continuous improvement and high quality customer service at Tennessee’s American Job Centers as part of regional and local operational strategies. The WIOA Partner team has carried out the following:

- Created a Focused Partnership Team
- Developed an Integrated System Vision
- Developed a Focus Team Action Plan
- Developed a Combined Workforce Development Plan
- Implemented a Combined Plan in Support of Continuous Improvement
- Planned Evaluations
- Used the Results of Evaluations to Improve the System

In addition, the central concepts to guide system assessments, accountability, transparency, integration, and sufficiency will be deployed system wide, as follows:

- System Self-Assessment
- Letter of Intent to Comply under WIOA
- System Certification Application
- System Application Review
- Certification Recommendation

The system shall be certified under the authority of Public Law 113-128 WIOA of 2014, as amended (29 U.S.C. 3101 et seq.), Section 121(g), ; Notice of Proposed Rule Making (NPRM) WIOA Regulations, 20 CFR 601, 651, 652 et al., Office of Management and Budget (OMB) cost principles codified in 2 CFR Part 220, CFR 225 and CFR 230; TEGL 4-15. 678.800, 678.305(d).

### ***Region and Local Level Accountability***

Tennessee’s workforce development system, both regional and local, requires that programs and providers co-locate, coordinate, and integrate activities and information, so that the system is cohesive and accessible for individuals and businesses alike. Accountability goals increase the long-term employment outcomes for individuals seeking services, especially those with barriers to employment; to improve services to employers; and to demonstrate continuous improvement. The certification policy is the foundation to aligning programs, policies, and activities in the State’s Workforce System. This policy will assess the effectiveness, physical and programmatic accessibility in accordance with section 188 and the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) and will undergird continuous improvement of one stop centers. It specifies minimum standards for the service menu and customer service to be met and branding requirements that demonstrate a statewide Workforce System. This certification process will demonstrate that the local workforce development boards can ensure that employment and training programs in their communities operate at the highest level of quality and consistency, while satisfying the expectations and needs of their customers.

## **B. Assessment of One-Stop Partner Programs**

Describe how other one-stop delivery system partner program services and Combined State Plan partner programs included in the plan will be assessed each year. Such state assessments should take into account local and regional planning goals.

The description on One-Stop Partner Programs has been included in the response for Part A of this question.

## **C. Previous Assessment Results**

Beginning with the state plan modification in 2018 and for subsequent state plans and state plan modifications, provide the results of an assessment of the effectiveness of the core programs and other one-stop partner programs and Combined State Plan partner programs included in the Unified or Combined State plan during the preceding 2-year period (i.e. the 2-year period of the plan modification cycle). Describe how the State is adapting its strategies based on these assessments.

The description on Previous Assessment Results has been included in the response for Part A of this question.

## **D. Evaluation**

Describe how the state will conduct evaluations and research projects on activities under WIOA core programs; how such projects will be coordinated with, and designed in conjunction with, State and local boards and with State agencies responsible for the administration of all respective core programs; and, further, how the projects will be coordinated with the evaluations provided for by the Secretary of Labor and the Secretary of Education under WIOA.

The description of State evaluations has been included in the response for Part A of this question.

## **5. Distribution of Funds for Core Programs**

Describe the methods and factors the State will use in distributing funds under the core programs in accordance with the provisions authorizing such distributions.

### **A. For Title I programs**

For Title I programs, provide a description of the written policies that establish the State's methods and factors used to distribute funds to local areas for—

- i. Youth activities in accordance with WIOA section 128(b)(2) or (b)(3),

The State Workforce Development Board (State Board) provides oversight in development of allocation formulas and is supported by TDLWD staff that also supports the Board. Staff members provide the Board with timely updated information regarding newly released Federal guidance and provide feedback

from local areas and local chief elected officials, including the Commissioner’s listening tours or comments received during any applicable public comment periods.

In accordance with WIOA section 128 and 133, the State’s established written policy on the Equitable Distribution of WIOA Formula Funds which provides guidance on the methods used for the development of allocation formulas for the distribution of funds. Such funds are allocated for: for employment and training activities for adult, and youth workforce development activities; to local areas as permitted under sections 128(b)(3) and 133(b)(3). For Dislocated Worker funding formulas, the State’s policy/procedure includes the data used and the weights assigned. Also, as provided under the same sections of WIOA, 128(b)(2)(A) and 133 (b)(2)(A) and (B), local areas shall receive a minimum funding; whereby, the local area shall not receive an allocation percentage for a fiscal year that is less than 90 percent of the average allocation percentage of the local area for the 2 preceding fiscal years.

The following chart provides a description of the State’s methods and factors used to distribute Title I programs funds to local areas:

Tennessee Allocation Formula for WIOA programs

Allocation Factor	Weight Assigned in Formula	Data Source
Unemployment in Areas of Substantial Unemployment (6.5%)	33.3%	Local Area Unemployment Statistics (Annual Data)
Excess Unemployed (4%)	33.3%	Local Area unemployment Statistics
Economically Disadvantaged Adult/Youth (when determining Adult allocation)	33.3%	Census

1. Number of unemployed persons in areas of unemployment rate of 6.5 percent and above
2. Number of unemployed in excess of 4.5 percent of the civilian labor force (in the LWDA or in area of Substantial unemployment within the LWDB, whichever is higher)
3. An adult aged 22-72 whose income, or whose family income was below the poverty or below 70 percent of the poverty lower living standard.
4. A youth aged 16-21 whose income or whose family income was below the poverty or below 70 percent of the poverty lower living standard

***Dislocated Worker Allocation Formula for WIOA programs***

Allocation Factor	Weight Assigned in Formula	Data Source
Unemployment Insurance Beneficiaries	35%	Unemployment Insurance data (Most Recent Year)
Unemployment in Areas of Substantial Unemployment (6.5%)	35%	U.S Dep. Of Labor, Bureau of Labor statistics and TN Labor of statistics
Plant closure and Mass Layoffs	5%	Plant Closures and mass layoffs employers

Allocation Factor	Weight Assigned in Formula	Data Source
		report to TDLWD according to WARN (Annual)
Declining Industries	5%	Declining Industries data TN bureau of Labor statistics (Recent Data)
Long Term Unemployment Insurance Beneficiaries	20%	Unemployment Insurance data (most recent year; beneficiaries' 15 weeks or more)

1. UI beneficiaries' claimants less than 15 weeks by LWDA
2. Number of unemployed persons in areas of unemployment rate of 6.5 percent and above
3. Plant closures employers reported to TDLWD in each LWDA.
4. Number of jobs lost as determined by employment reports of employers as filed with the TDLWD under the Unemployment Insurance program past five years.
5. UI beneficiaries' claimants less than 15 weeks by LWDA

Regarding within State allocations and in accordance with WIOA section 128 and 133, the State will establish policy and procedures outlining the methodology to be used in determining the discretionary allocations of Title I formula funds if the State Board deems this necessary. The policy will be established utilizing extensive Labor Market data. If implemented, this would not go into effect until Program Year 2017.

If the State uses other information or chooses to omit any of the information sources set forth in WIOA when determining the formula methodology used in determining within State allocations of Title I formula funds, the State assures that written rationale exists to explain the decision.

- ii. Adult and training activities in accordance with WIOA section 133(b)(2) or (b)(3),

The State Workforce Development Board (State Board) provides oversight in development of allocation formulas and is supported by TDLWD staff that also supports the Board. Staff members provide the Board with timely updated information regarding newly released Federal guidance and provide feedback from local areas and local chief elected officials, including the Commissioner's listening tours or comments received during any applicable public comment periods.

In accordance with WIOA section 128 and 133, the State's established written policy on the Equitable Distribution of WIOA Formula Funds which provides guidance on the methods used for the development of allocation formulas for the distribution of funds. Such funds are allocated for: for employment and training activities for adult, and youth workforce development activities; to local areas as permitted under sections 128(b)(3) and 133(b)(3). For Dislocated Worker funding formulas, the State's policy/procedure includes the data used and the weights assigned. Also, as provided under the same sections of WIOA, 128(b)(2)(A) and 133 (b)(2)(A) and (B), local areas shall receive a minimum funding; whereby, the local area shall not receive an allocation percentage for a fiscal year that is less than 90 percent of the average allocation percentage of the local area for the 2 preceding fiscal years.

The following chart provides a description of the State's methods and factors used to distribute Title I programs funds to local areas:

### **Tennessee Allocation Formula for WIOA programs**

Allocation Factor	Weight Assigned in Formula	Data Source
Unemployment in Areas of Substantial Unemployment (6.5%)	33.3%	Local Area Unemployment Statistics (Annual Data)
Excess Unemployed (4%)	33.3%	Local Area unemployment Statistics
Economically Disadvantaged Adult/Youth (when determining Adult allocation)	33.3%	Census

1. Number of unemployed persons in areas of unemployment rate of 6.5 percent and above
2. Number of unemployed in excess of 4.5 percent of the civilian labor force (in the LWDA or in area of Substantial unemployment within the LWDB, whichever is higher)
3. An adult aged 22-72 whose income, or whose family income was below the poverty or below 70 percent of the poverty lower living standard.
4. A youth aged 16-21 whose income or whose family income was below the poverty or below 70 percent of the poverty lower living standard

### **Dislocated Worker Allocation Formula for WIOA programs**

Allocation Factor	Weight Assigned in Formula	Data Source
Unemployment Insurance Beneficiaries	35%	Unemployment Insurance data (Most Recent Year)
Unemployment in Areas of Substantial Unemployment (6.5%)	35%	U.S Dep. Of Labor, Bureau of Labor statistics and TN Labor of statistics
Plant closure and Mass Layoffs	5%	Plant Closures and mass layoffs employers report to TDLWD according to WARN (Annual)
Declining Industries	5%	Declining Industries data TN bureau of Labor statistics (Recent Data)
Long Term Unemployment Insurance Beneficiaries	20%	Unemployment Insurance data (most recent year; beneficiaries' 15 weeks or more)

1. UI beneficiaries' claimants less than 15 weeks by LWDA
2. Number of unemployed persons in areas of unemployment rate of 6.5 percent and above
3. Plant closures employers reported to TDLWD in each LWDA.
4. Number of jobs lost as determined by employment reports of employers as filed with the TDLWD under the Unemployment Insurance program past five years.
5. UI beneficiaries' claimants less than 15 weeks by LWDA

Regarding within State allocations and in accordance with WIOA section 128 and 133, the State will establish policy and procedures outlining the methodology to be used in determining the discretionary allocations of Title I formula funds if the State Board deems this necessary. The policy will be established

utilizing extensive Labor Market data. If implemented, this would not go into effect until Program Year 2017.

If the State uses other information or chooses to omit any of the information sources set forth in WIOA when determining the formula methodology used in determining within State allocations of Title I formula funds, the State assures that written rationale exists to explain the decision.

- iii. Dislocated worker employment and training activities in accordance with WIOA section 133(b)(2) and based on data and weights assigned.

The State Workforce Development Board (State Board) provides oversight in development of allocation formulas and is supported by TDLWD staff that also supports the Board. Staff members provide the Board with timely updated information regarding newly released Federal guidance and provide feedback from local areas and local chief elected officials, including the Commissioner’s listening tours or comments received during any applicable public comment periods.

In accordance with WIOA section 128 and 133, the State’s established written policy on the Equitable Distribution of WIOA Formula Funds which provides guidance on the methods used for the development of allocation formulas for the distribution of funds. Such funds are allocated for: for employment and training activities for adult, and youth workforce development activities; to local areas as permitted under sections 128(b)(3) and 133(b)(3). For Dislocated Worker funding formulas, the State’s policy/procedure includes the data used and the weights assigned. Also, as provided under the same sections of WIOA, 128(b)(2)(A) and 133 (b)(2)(A) and (B), local areas shall receive a minimum funding; whereby, the local area shall not receive an allocation percentage for a fiscal year that is less than 90 percent of the average allocation percentage of the local area for the 2 preceding fiscal years.

The following chart provides a description of the State’s methods and factors used to distribute Title I programs funds to local areas:

***Tennessee Allocation Formula for WIOA programs***

Allocation Factor	Weight Assigned in Formula	Data Source
Unemployment in Areas of Substantial Unemployment (6.5%)	33.3%	Local Area Unemployment Statistics (Annual Data)
Excess Unemployed (4%)	33.3%	Local Area unemployment Statistics
Economically Disadvantaged Adult/Youth (when determining Adult allocation)	33.3%	Census

1. Number of unemployed persons in areas of unemployment rate of 6.5 percent and above
2. Number of unemployed in excess of 4.5 percent of the civilian labor force (in the LWDA or in area of Substantial unemployment within the LWDB, whichever is higher)
3. An adult aged 22-72 whose income, or whose family income was below the poverty or below 70 percent of the poverty lower living standard.

4. A youth aged 16-21 whose income or whose family income was below the poverty or below 70 percent of the poverty lower living standard

***Dislocated Worker Allocation Formula for WIOA programs***

Allocation Factor	Weight Assigned in Formula	Data Source
Unemployment Insurance Beneficiaries	35%	Unemployment Insurance data (Most Recent Year)
Unemployment in Areas of Substantial Unemployment (6.5%)	35%	U.S Dep. Of Labor, Bureau of Labor statistics and TN Labor of statistics
Plant closure and Mass Layoffs	5%	Plant Closures and mass layoffs employers report to TDLWD according to WARN (Annual)
Declining Industries	5%	Declining Industries data TN bureau of Labor statistics (Recent Data)
Long Term Unemployment Insurance Beneficiaries	20%	Unemployment Insurance data (most recent year; beneficiaries' 15 weeks or more)

1. UI beneficiaries' claimants less than 15 weeks by LWDA
2. Number of unemployed persons in areas of unemployment rate of 6.5 percent and above
3. Plant closures employers reported to TDLWD in each LWDA.
4. Number of jobs lost as determined by employment reports of employers as filed with the TDLWD under the Unemployment Insurance program past five years.
5. UI beneficiaries' claimants less than 15 weeks by LWDA

Regarding within State allocations and in accordance with WIOA section 128 and 133, the State will establish policy and procedures outlining the methodology to be used in determining the discretionary allocations of Title I formula funds if the State Board deems this necessary. The policy will be established utilizing extensive Labor Market data. If implemented, this would not go into effect until Program Year 2017.

If the State uses other information or chooses to omit any of the information sources set forth in WIOA when determining the formula methodology used in determining within State allocations of Title I formula funds, the State assures that written rationale exists to explain the decision.

**B. For Title II:**

- i. Multi-year grants or contracts

Describe how the eligible agency will award multi-year grants or contracts on a competitive basis to eligible providers in the State, including how eligible agencies will establish that eligible providers are organizations of demonstrated effectiveness.

Using the considerations specified in section 231(e) of WIOA, The Division of Adult Education plans to conduct a statewide competitive bid for the term of July 1, 2017 - June 30, 2020. The competition shall be

in the form of a Request for Proposals (RFP). The RFP shall include all three programs: 1) Adult Basic Education; 2) Corrections; and 3) IELCE. Eligible providers may write for any of the three programs, a combination of the three programs or all three programs.

The Division of Adult Education will post a Notice of Funding Opportunity on the Tennessee Adult Education website for each designated Adult Education District. Potential eligible providers shall submit their application to be reviewed and scored by independent reviewers using the Adult Education Grant Application Score Sheet (see *Adult Education Grant Application Score Sheet* included herein as Appendix A).

Reviewers of the applications will note the thoroughness of the proposed plan by specific criteria as set forth in the Adult Education Grant Application Score Sheet. Each section of the application will be evaluated and scored on the basis of completeness, clarity, and merit. The minimum score to qualify for funding is 70% or 129 total points. One eligible provider for the service delivery area will be recommended for funding based on scores as evidenced by thoroughness of plan, evidence of previous program effectiveness and sound, research-based practice and evaluation.

Any organization that has demonstrated effectiveness in providing adult education and literacy activities is eligible to apply for a grant or contract. These organizations may include, but are not limited to: (a) a local educational agency; (b) a community-based organization or faith-based organization; (c) a volunteer literacy organization; (d) an institution of higher education; (e) a public or private nonprofit agency; (f) a library; (g) a public housing authority; (h) a nonprofit institution that is not described in any of paragraphs (a) through (g) and has the ability to provide adult education and literacy activities to eligible individuals; (i) a consortium or coalition of the agencies, organizations, institutions, libraries, or authorities described in any of paragraphs (a) through (h); and (j) a partnership between an employer and an entity described in any of paragraphs (a) through (i).

An eligible provider must demonstrate past effectiveness by providing performance data on its record of improving the skills of eligible individuals, particularly eligible individuals who have low levels of literacy, in the content domains of reading, writing, mathematics, English language acquisition, and other subject areas relevant to the services contained in the application for funds. An eligible provider must also provide information regarding its outcomes for participants related to employment, attainment of secondary school diploma or its recognized equivalent, and transition to postsecondary education and training. An eligible provider may demonstrate their past effectiveness by providing performance data required under section 116 if they have been funded under title II of the Act or by providing performance data to demonstrate its past effectiveness in serving basic skills deficient eligible individuals if they have not been funded under title II of the Act.

The Division of Adult Education will utilize the thirteen considerations set forth in section 231(e) as evaluative criteria to score eligible providers' application for funding. All eligible providers will be notified by the same grant announcement and will be accountable to the same process to adhere to all direct and equitable provisions.

The grant shall be a multi-year grant for a term of three (3) years. For each year after the first year of the contract, programs shall submit an application for continuation of funding to demonstrate continued effectiveness.

The grant application shall be in the form of a Request for Proposals (RFP). The RFP shall include all three programs: 1) Adult Basic Education; 2) Corrections; and 3) IELCE. Eligible providers may write for any of the three programs, a combination of the three programs or all three programs.

Where multiple applications are received for a service delivery area that meet the minimum score and qualifications, the applicant having the highest score for that service delivery area will be awarded the grant. In the event that no eligible agency meets the minimum score and/or qualifications for a service delivery area or if no eligible agency applies, a new Application for Funding will be posted for other eligible agencies to submit an application.

The Division of Adult Education, based upon the recommendation of the reviewer, shall submit to the successful applicant an Intent to Fund Letter outlining special terms and the award amounts. The successful eligible provider will adhere to the Scope of Services and Assurances that will delineate approved activities and set forth the terms and conditions under which to manage the Adult Education grant for the term of July 1, 2017 - June 30, 2020.

The timeline for the competition shall be as follows:

- January 2017.....RFP Posted on TDLWD Website
- March 2017.....RFP Application Due
- March 2017.....External Readers Score Applications
- March 2017.....Notify Applicants

ii. Ensure direct and equitable access

Describe how the eligible agency will ensure direct and equitable access to all eligible providers to apply and compete for funds and how the eligible agency will ensure that it is using the same grant or contract announcement and application procedure for all eligible providers.

Using the considerations specified in section 231(e) of WIOA, The Division of Adult Education plans to conduct a statewide competitive bid for the term of July 1, 2017 - June 30, 2020.

The Division of Adult Education will post a Notice of Funding Opportunity on the Tennessee Adult Education website for each designated Adult Education District. Potential eligible providers shall submit their application to be reviewed and scored by independent reviewers using the Adult Education Grant Application Score Sheet (see *Adult Education Grant Application Score Sheet* included herein as Appendix A). Each applicant will receive the same Application Instructions as set forth in the Application Completion Instructions (see *Application Completion Instructions* included herein as Appendix B).

**Appendix A**  
**Adult Education Grant Application Score Sheet**  
**Tennessee Department of Labor and Workforce Development**  
**Division of Adult Education**

Proposal Item	Possible Points	Points Awarded	Comments
<p>1. Organizational Overview and Statements of Past Effectiveness and Need (20 Points) A. An organizational overview that describes existing Adult Education services B. A description of past effectiveness in improving the literacy skills of adults (NRS Tables 4-5 for 2013-14 and July 1, 2014-February 28, 2015) C. A statement of the local service delivery area's demonstrated need for additional adult education programs and D. A plan to serve individuals in the community who are most in need of literacy services, including individuals who are low-income or have minimal literacy skills</p>	20		
<p>2. Program Goals (15 points) A. A plan to serve 6% of the Service Area's potential to serve B. A plan to meet program performance measures as compared to the Division of Adult Education's state and federal performance measures.</p>	15		
<p>3. Program Design (30 points) A. A proposed schedule of classes to demonstrate the intensity and duration for participants to achieve substantial learning gains. B. Instructional practices used in the Adult Education program. The description should include: (1) Enrollment process and orientation for students (2) The use of managed enrollment (3) Description of the plan to use Tennessee Curriculum including key elements: a) assessment - Locator, CASAS, OPT; b) leveled classes; c) scheduled classes; d) individual student profiles; e) class syllabus; f) in-class practice/ homework; g) in-class monitoring and feedback; h) scheduled re-test and feedback (4) Description of the plan to serve ESOL students in the service delivery area</p>	30		
<p>4. Program Implementation (40points) A. A plan to serve a multi-county area, if applicable B. How applicant will build on a strong foundation of research and effective educational practice; C. How program will effectively employ advances in technology, as appropriate, including the use of computers; D. How project will provide relevant instruction to ensure that an individual has the skills needed to compete in the workplace and exercise the rights and responsibilities of citizenship; E. Plan to staff the classes with well-trained instructors and monitor classroom instruction; F. Plan to coordinate with other available resources in the community, such as establishing strong links with schools, post-secondary institutions, one-stop centers, job training programs and social services agencies; G. Plan to offer flexible schedules and support services, including partnering with other agencies, to provide transportation and child care, if applicable, to enable individuals, including individuals with disabilities or other special needs, to attend and complete programs. H. A description of steps to ensure equitable access to, and equitable participation in, the proposed</p>	40		

Proposal Item	Possible Points	Points Awarded	Comments
grant activities conducted with Adult Education funds. Address the special needs of students, teachers, and other program beneficiaries in order to overcome barriers to equitable participation, including barriers based on gender, race, color, national origin, disability and age.			
5. Evaluation (20 points) A. A plan to comply with data entry standards, to report participant outcomes and to monitor program performance against the current year negotiated performance measures B. A description of how teacher(s), learners and others will be involved in evaluation. Evaluation should include methods based on Tennessee’s performance standards as included in the National Reporting System (NRS). C. A plan for assessment must include pre- and post- testing using a standardized instrument. Approved tests for Tennessee include CASAS, BEST Literacy, BEST Plus, TABE CLAS-E	20		
6. Budget (30 points) A. Included the budget sheet to provide an itemized project budget that is cost effective, matches the scope of the project outlined in the application, is reasonable in relation to the number of persons to be served, and is based on allowable expenses. B. Provided budget narrative that shows in detail how applicant plans to use the grant resources to accomplish the work described above. The narrative indicates how budget amounts were developed including all salaries, materials, etc. that will be used/purchased to support the project. C. A description in the narrative of what will be used for the required 10% match. A. The budget shows that not more than five percent of the grant total will be used for administration.	30		
Total Score Items 1-6	155		
Division of Adult Education (0-30 points based on performance)	30		
Grand Total	185		

The minimum score to qualify for funding is 70% or 129 total points. Where multiple applications are received for a service delivery area that meet the minimum score and qualifications, the applicant having the highest score for that service delivery area will be awarded the grant. In the event that no eligible agency meets the minimum score and/or qualifications for a service delivery area or if no eligible agency applies, a new Application for Funding will be posted for other eligible agencies to submit an application.

A reader/reviewers name, signature and date are required to complete this form (Appendix A)

### **C. Title IV Vocational Rehabilitation**

In the case of a State that, under section 101(a)(2)(A)(i)of the Rehabilitation Act designates a State agency to administer the part of the Vocational Rehabilitation (VR) services portion of the Unified or Combined

State Plan under which VR services are provided for individuals who are blind, describe the process and the factors used by the State to determine the distribution of funds among the two VR agencies in the State.

In Tennessee the Vocational Rehabilitation Program is considered a Combined Program. As a combined program, Tennessee Vocational Rehabilitation operates under one agency that serves all disabilities in the State and not two agencies. Therefore, there is no distribution of funds between two agencies.

## **6. Program Data**

### **A. Data Alignment and Integration**

Describe the plans of the lead State agencies with responsibility for the administration of the core programs, along with the State Board, to align and integrate available workforce and education data systems for the core programs, unemployment insurance programs, and education through postsecondary education, and to the extent possible, the Combined State Plan partner programs included in this plan. The description of the State's plan for integrating data systems should include the State's goals for achieving integration and any progress to date.

- i. Describe the State's plans to make the management information systems for the core programs interoperable to maximize the efficient exchange of common data elements to support assessment and evaluation.

The State is aware that Section 116(i)(1) of WIOA requires the core programs, local boards, and chief elected officials to establish and operate a fiscal and management accountability information system based on guidelines established by the Secretaries of Labor and Education. Financial systems across the State meet the requirements set forth in the Uniform Administrative Requirements (2CFR § 200.302). In recognizing the need to continuously improve upon the accounting systems and reporting capabilities from LWDA's statewide, the Division of Workforces Services of the Tennessee Department of Labor and Workforce Development will look to implement an electronic Grants Management System (GMS). The grants management system project will utilize Software as a Service (SaaS) delivering the relevant applications over the Internet. The application will be a full lifecycle grants-management system that is web-based and configurable to a specific client's needs. The integration of the grants management system will assist greatly in the following:

1. providing continuous improvement in operational efficiency;
2. providing a single system capable of supporting a full range of programs and services with limited customization required to roll-out future programs;
3. increasing visibility and providing actionable data to staff; and
4. increasing productivity and faster response time due to streamlined processes.

Being tightly aligned with the Governor's fiscal priority to make State government more customer focused, efficient and effective, GMS allows for enhanced service delivery by enabling automated workflows, tracking of grant funding, expenditure reporting, procurement, and inventory/asset management.

- ii. Describe the State's plans to integrate data systems to facilitate streamlined intake and service delivery to track participation across all programs included in this plan.

Information about the State's plans to integrate data systems is included in the response to question 1 in this section.

- iii. Explain how the State board will assist the governor in aligning technology and data systems across required one-stop partner programs (including design and implementation of common intake, data collection, etc.) and how such alignment will improve service delivery to individuals, including unemployed individuals.

Information on how the State board will assist with technology alignment and data systems is included in the response to question 1 in this section.

- iv. Describe the State's plans to develop and produce the reports required under section 116, performance accountability system. (WIOA section 116(d)(2)).

Information about the State's plans to develop and produce required reports is included in the response to question 1 in this section.

*Planning Note: States should be aware that Section 116(i)(1) requires the core programs, local boards, and chief elected officials to establish and operate a fiscal and management accountability information system based on guidelines established by the Secretaries of Labor and Education. Separately, the Departments of Labor and Education anticipate working with States to inform future guidance and possible information collection(s) on these accountability systems. States should begin laying the groundwork for these fiscal and management accountability requirements, recognizing that adjustments to meet the elements above may provide opportunity or have impact on such a fiscal and management accountability system.*

## **B. Assessment of Participants' Post-Program Success**

Describe how lead State agencies will use the workforce development system to assess the progress of participants who are exiting from core programs in entering, persisting in, and completing postsecondary education, or entering or remaining in employment. States may choose to set additional indicators of performance.

Lead agencies are invested in and committed to the Governor's vision for workforce development in Tennessee. The Departments of Labor & Workforce Development, Education, Economic & Community Development, Human Services/TANF, Adult Education, and Rehabilitation are poised to offer educational and employment transitional services. Much of the progress of participants will be tracked through the state's education, longitudinal database which increasingly will incorporate workforce data to help to identify, assess, and certify skills for successful careers, and help to promote economic development by connecting workforce development with job creation and growth. Further, the Drive to 55 initiative will increase employer engagement with the workforce development system and expand programs of study that bring together a sequence of career-focused courses that start in high school and extend through college. The value that the Tennessee Department of Education, Division of Career and Technical

Education will bring to following up on youth completers with an eye toward continuing competency models in STEM fields; the Adult Education tracking and reporting of employment and wages through the Jobs4TN.gov training and jobs site will allow for long-term interventions to ensure continuous improvement and post-secondary attainment, as well as placement in in-demand occupations. Rehabilitation Services, a division of the Tennessee Department of Human Services, is offering full transitional services to youth and adults to help to prevent individuals from dropping out of the programs at crucial times in their education and work life. Accountability also serves retention and sustainability by a focus on continuous improvement, and Tennessee will utilize the Performance Reporting and Flexible Ad Hoc Reports module within Jobs4TN, as referenced on pages 56-59, to track participants who are exiting from core programs, completing postsecondary education, or entering employment in accordance to the Common Measures under WIOA.

### **C. Use of Unemployment Insurance (UI) Wage Record Data**

Explain how the State will meet the requirements to utilize quarterly UI wage records for performance accountability, evaluations, and as a source for workforce and labor market information, consistent with Federal and State law. (This Operational Planning element applies to core programs.)

Accurate wage record data is the gold standard for assessing participant progress (WIOA 116(i)(2)) and employer wage reports (section 1137 Social Security Act), as the regulations make clear the requirement that states use the confidential UC quarterly wage record data to prepare and submit performance reports. Now, however, Tennessee also will use education information to measure performance of the six core programs under WIOA Titles I, II, III, and IV. This means that under WIOA, we will continue our Team Tennessee Performance engagements with leadership in OCTAE, Tennessee Department of Education; Tennessee Department of Human Services - TANF and Rehabilitation Services; the Tennessee program of Adult Education and Family Literacy Act program here at TDLWD; the Tennessee Department of Economic and Community Development, and our Unemployment Insurance division staff.

Tennessee's plan to utilize wage record data, which includes SSNs, wages, and employer information such as the FEIN, is founded in compliance with confidentiality provisions in 20 CFR Section 603, as well as in accordance with the emerging requirements of the SWIS (State Wage Interchange System) data sharing agreement. TEGL 7-16, *Data Matching to Facilitate WIOA Performance Reporting*, also is being used to guide the process and direction of partnership agreements, similar to MOUs, which define, if needed, authorized data share staff among program and IT staff of the TN agencies noted above. One of the options under TEGL 7-16 is a centralized process carried out by TDLWD which consolidates earnings and post-secondary attainment into the full PIRL reporting file; but it will be December 2016 before this decision is fully approved, through full engagement with partners. TDLWD also will engage internal staff, already authorized to view and handle education data under FERPA, to extend the reach of the department's sharing agreements with the University of Tennessee. This will authorize transfer to TDLWD of TN's longitudinal data, named P20, which is currently being used to track student and thus WIOA participant progress through career pathways carried out in the partnership with OCTAE, AE, and all core programs under WIOA.

In these ways, both post-secondary achievement and earnings improvements can be measured and published in both federally required reports associated with the core programs. Our next meeting with

Team TN Performance is scheduled for September 13, 2016; this will continue our work to establish data sharing agreements with all, and to implement TEGL 7-16 no later than the close of this calendar year.

Tennessee as a participant in the pilot project conducting by the University of Chicago “Training Provider Outcomes Toolkit Project Plan & Technical Requirements “ (TPOT) will be providing at least three schools to participate in the technical working group calls to report any concerns or suggestions they have regarding performance reports for Eligible Training Providers. We also have The City of Memphis which is one of the Center for Data Science and Public Policy for the pilot project.

## **D. Privacy Safeguards**

Describe the privacy safeguards incorporated in the State’s workforce development system, including safeguards required by section 444 of the General Education Provisions Act (20 U.S.C. 1232g) and other applicable Federal laws.

Tennessee is in the process of updating the Privacy Policy to adapt to new technology and any changes in accordance with WIOA. The Privacy Policy will also incorporate the [https://www.tn.gov/assets/entities/finance/oir/attachments/PUBLIC-Enterprise-Information-Security-Policies-v2.0\\_1.pdf](https://www.tn.gov/assets/entities/finance/oir/attachments/PUBLIC-Enterprise-Information-Security-Policies-v2.0_1.pdf) as provided by the State of Tennessee, Department of Finance and Administration Office of Information Resources.

This information is as follows:

### ***Information Security Policies Management Direction for Information Security (3.1)***

Objective: To provide management direction and support for information security in accordance with agency business requirements and relevant state and federal statute and regulations for the State of Tennessee’s computing environments.

#### ***Policies for Information Security (3.1.1)***

OIR Information Security Management will initiate and control an enterprise information security architecture that includes, but is not limited to, a policy framework, an organizational and communication framework and a security technology framework.

#### ***Policies for Information Security (3.1.2)***

Agencies may develop agency specific policy documents as required by agency or regulatory requirement provided the minimum requirements set forth in this document are met.

#### ***Policies for Information Security (3.1.3)***

Agencies are responsible for communicating this policy document throughout their respective agencies.

## **7. Priority of Service for Veterans**

Describe how the State will implement and monitor the priority of service provisions for veterans in accordance with the requirements of the Jobs for Veterans Act, codified at section 4215 of 38 U.S.C., which applies to all employment and training programs funded in whole or in part by the Department of Labor. States should also describe the referral process for veterans determined to have a significant barrier to employment to receive services from the Jobs for Veterans State Grants (JVSG) program's Disabled Veterans' Outreach Program (DVOP) specialist.

### ***Implementation of Priority of Service***

WIOA ensures that Priority of Service (POS) is provided to Veterans and other eligible persons, defined as covered persons, who meet the requirements. When veterans first enter the Workforce System, the following procedures take place for each veteran participant:

- Identified at the point of entry to programs & services
- Made aware of priority of service
- Made aware of full array of programs and services available to them
- Take precedence over non-Veterans in accessing and obtaining services

Covered persons receive POS in all department-funded employment and training programs.

*POS is defined as:*

- The right to take precedence over non-covered persons - Depending on the type of service or resource being provided, taking precedence may mean:
  - Covered person gains access to service or resource earlier than the non-covered persons
  - Covered person receives service or resource instead of a non-covered person when resources are limited
- Priority of Service applies to every qualified job training program funded, in whole or in part, by the Department of Labor
- The proposal states that those with the greatest need should receive priority of service in programs for which they are eligible.

All covered persons are to receive POS at any "point of entry", which includes physical locations, such as AJCs, as well as websites and other virtual service delivery resources. They must also have access to adult and dislocated worker programs.

POS is the responsibility of each staff member within the AJC with oversight and compliance provided by the JVSG staff and/or the One-Stop Operator. Reports and on-site reviews ensure adherence to mandated legislative requirements.

Management staff work closely with all WIOA partners to provide the most effective services to Veterans and other eligible persons possible. The spirit of assisting Veterans and providing priority of service is primarily a legal requirement, but also a moral imperative and meaningful way of doing business.

### ***Monitoring Priority of Service***

Priority of Service is monitored by the State Veterans Services Coordinator who examines Local Board policies and procedures, reviews reports produced through Jobs4TN, conducts on-site monitoring and checks all websites developed with funding from impacted programs or grants to ensure priority of service is provided to Veterans.

## **8. Addressing the Accessibility of the One-Stop Delivery System for Individuals with Disabilities**

Describe how the one-stop delivery system (including one-stop center operators and the one-stop delivery system partners), will comply with section 188 of WIOA (if applicable) and applicable provisions of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) with regard to the physical and programmatic accessibility of facilities, programs, services, technology, and materials for individuals with disabilities. This also must include a description of compliance through providing staff training and support for addressing the needs of individuals with disabilities. Describe the State's one-stop center certification policy, particularly the accessibility criteria.

Physical accessibility for people with disabilities was implemented and upgraded with the assistance of Tennessee Department Human Services (DHS) - Vocational Rehabilitation Program. Tennessee will be undergoing an accessibility study to ensure all AJC's can be accessed. In consultation with DHS Vocational Rehabilitation, Technical Assistance Program (TTAP) to determine the types of AT equipment/software needed to ensure AJC computers are accessible for persons with disabilities. Through links established within and outside the AJC the number of people with disabilities taking advantage of workforce services has steadily increased. The State Workforce Board has been involved in challenging LWDAs to enhance services to individuals with disabilities. The LWDAs are asked during the planning process, to explain challenges and solutions to increasing services to individuals with disabilities. TDLWD and its partners plans to coordinate services with VR and with other community disability service providers to achieve greater educational and employment opportunities for people with disabilities.

Assisting those with disabilities to enter the labor force and increase their employment, requires hours of work; and also involves assessing their individual capabilities as to education, job skills, and work experience. After that comes a determination of how those characteristics align with occupations experiencing skill gaps listed in the Occupational Analysis in the Appendix. Identifying needed support services and special work features is also essential to employment. Partnering with the Tennessee Department of Human Services, Vocational Rehabilitation Program in accomplishing these services as well as in obtaining information on the prevalence of major types of disabilities of job seekers is essential in improving workforce outcomes.

Partnerships and collaboration across systems provide effective and efficient employment or employment support services utilizing leveraged resources and funding from multiple systems. The use of self-direction in service and funding across various systems along with the use of self-directed career accounts to assist in achieving employment outcomes. Economic self-sufficiency through leveraging of all resources including tax incentives, financial education, social security work incentives, benefits planning, and other strategies to enhance profitable employment. The use of a universal design as a framework for

the organization of employment policy and services in Tennessee. Customized and other flexible work options for individuals with disabilities. The assurance that the structural and technological accessibility of all AJC's for persons with disabilities who are seeking employment services is further enhanced by participation in disability awareness/sensitivity training to assist AJC staff to understand how to provide quality employment services for this targeted population. The concept immediately increased the use of AJC by persons with disabilities. Outreach and education also increased throughout the centers. With broadened collaborative partnerships, TDLWD expects to see heightened use of the AJC by jobseekers with disabilities.

This helps accomplish the Governor's Conservative Fiscal Leadership Goal, Objective I- Improve job search and placement services for unemployed and underemployed workers. Additionally, it aids the Governor's Education and Workforce Development Goal, Objective III- Increase employer engagement with workforce development system: Engage employers to market and educate employers on the value of hiring diverse populations, to include but not limited to the specialized target populations, as the individual is able to utilize the services of the career center to achieve job placement.

## **9. Addressing the Accessibility of the One-Stop Delivery System for English Language Learners**

Describe how the one-stop delivery system (including one-stop center operators and the one-stop delivery system partners) will ensure that each one-stop center is able to meet the needs of English language learners, such as through established procedures, staff training, resources, and other materials.

### ***Tennessee LEP Population***

Limited English Proficient (LEP) Population: Change over Time	Foreign Born	U.S. Born
% change: 2000-2013	90.8%	-29.4%
% change: 1990-2000	394.4%	29.3%

According to the Migration Policy Institute, US Census Bureau statistics, in 2013, Tennessee had 162,100 LEPs, or nearly three of every 100 Tennesseans was listed as being Limited English Proficient. The individuals with Limited English Proficiency are assisted through the AJC using the language-line, a telephonic interpreter service that includes over 170 languages. This service is available during operational hours and is at no cost to the customer. Some of the Career Centers also have a bilingual staff who provide interpretation and translation services. Depending on the individual's needs, the AJC staff members will refer that individual to adult education within the Career Center to help him/her learn English as a second language (since English is a priority for Tennessee employers). This helps accomplish the Governor's Conservative Fiscal Leadership Goal, Objective I- Improve job search and placement services for unemployed and underemployed workers. In addition, it aids the Governor's Education and Workforce Development Goal, Objective III- Increase employer engagement with workforce development system: Engage employers to market and educate employers on the value of hiring diverse populations, to include but not be limited, specialized target populations, as the individual is able to utilize the services of the career center to achieve job placement.

## IV. Coordination with State Plan Programs

Describe the methods used for joint planning and coordination among the core programs, and with the required one-stop partner programs and other programs and activities included in the Unified or Combined State Plan.

In an effort to foster coordinated communication and collaboration for WIOA implementation, the Tennessee Department of Labor and Workforce Development hosted WIOA Focus Groups meetings. These convening's allowed the State to provide its current and potential partners with an opportunity to participant in WIOA implementation planning discussions and to assist with the development of policy and procedure structures. The partners that were a part of the Focus Group meetings included the Tennessee Department of Education, all 13 Local Workforce Development Areas, the Tennessee Department of Economic and Community Development, the Tennessee Department of Human Services (Vocational Rehabilitation), Tennessee Department of Labor and Workforce Development divisions (Unemployment Insurance Division, Division of Workforce Services and Division of Adult Education), Tennessee Board Regents (Tennessee Colleges of Applied Technology and Tennessee Community Colleges), Tennessee Opportunity Programs, Inc., and State Workforce Development Board Members. There were three Focus Group meetings held and included the following details:

- Focus Group 1 (April 2015) - provided an informational on WIOA (State Board composition, policy implications, and development of State and local plans) as well as an opportunity to review and discuss the Quick Start Action Plans (QSAP).
- Focus Group 2 (June 2015) - allowed for breakout sessions based on QSAP topics for a deeper exploration of WIOA implantation next steps and alignment of partnerships based on resources available among the group.
- Focus Group 3 (July 2015) - allowed for a discussion about how WIOA implementation would impact each required and optional partner.
- Regional Asset Mapping (August 2015) - provided an opportunity for the Local Workforce Development Areas to invite various organizations and agencies to the table to map out the various labor exchange resources in their respective area and to collaborate about how those leveraged partnerships can maximize serving their immediate communities.

Additional joint planning and coordination of programs have taken place at quarterly State Board meetings, Governor's Subcabinet meetings and various department-led committee meetings.

## V. Common Assurances (for all core programs)

The Unified or Combined State Plan must include assurances that—

1. The State has established a policy identifying circumstances that may present a conflict of interest for a State Board or local board member, or the entity or class of officials that the member represents, and procedures to resolve such conflicts; Yes
2. The State has established a policy to provide to the public (including individuals with disabilities) access to meetings of State Boards and local boards, and information regarding activities of State boards and local boards, such as data on board membership and minutes; Yes
3. The lead State agencies with optimal policy-making authority and responsibility for the administration of core programs reviewed and commented on the appropriate operational planning elements of the Unified or Combined State Plan, and approved the elements as serving the needs of the populations served by such programs; Yes
4. (a) The State obtained input into the development of the Unified or Combined State Plan and provided an opportunity for comment on the plan by representatives of local boards and chief elected officials, businesses, labor organizations, institutions of higher education, the entities responsible for planning or administering the core programs, required one-stop partners and the other Combined Plan programs (if included in the State Plan), other primary stakeholders, including other organizations that provide services to individuals with barriers to employment, and the general public, and that the Unified or Combined State Plan is available and accessible to the general public; (b) The State provided an opportunity for review and comment on the plan by the State Board, including State agency official(s) for the Unemployment Insurance Agency if such official(s) is a member of the State Board; Yes
5. The State has established, in accordance with WIOA section 116(i), fiscal control and fund accounting procedures that may be necessary to ensure the proper disbursement of, and accounting for, funds paid to the State through allotments made for the core programs to carry out workforce development activities; Yes
6. The State has taken appropriate action to secure compliance with uniform administrative requirements in this Act, including that the State will annually monitor local areas to ensure compliance and otherwise take appropriate action to secure compliance with the uniform administrative requirements under WIOA section 184(a)(3); Yes
7. The State has taken the appropriate action to be in compliance with WIOA section 188, Nondiscrimination, as applicable; Yes
8. The Federal funds received to carry out a core program will not be expended for any purpose other than for activities authorized with respect to such funds under that core program; Yes
9. The State will pay an appropriate share (as defined by the State board) of the costs of carrying out section 116, from funds made available through each of the core programs; Yes
10. The State has a One-Stop certification policy that ensures the physical and programmatic accessibility of all One-Stop centers with the Americans with Disabilities Act of 1990 (ADA); Yes
11. Service providers have a referral process in place for directing Veterans with Significant Barriers to Employment (SBE) to DVOP services, when appropriate; and Yes
12. Priority of service for veterans and eligible spouses is provided in accordance with 38 USC 4215 in all workforce preparation, development or delivery of programs or services funded directly, in whole or in part, by the Department of Labor. Yes

# VI. Program-Specific Requirements for Core Programs

The State must address all program-specific requirements in this section for the WIOA core programs regardless of whether the State submits either a Unified or Combined State Plan.

## Program-Specific Requirements for Adult, Dislocated Worker, and Youth Activities under Title I-B

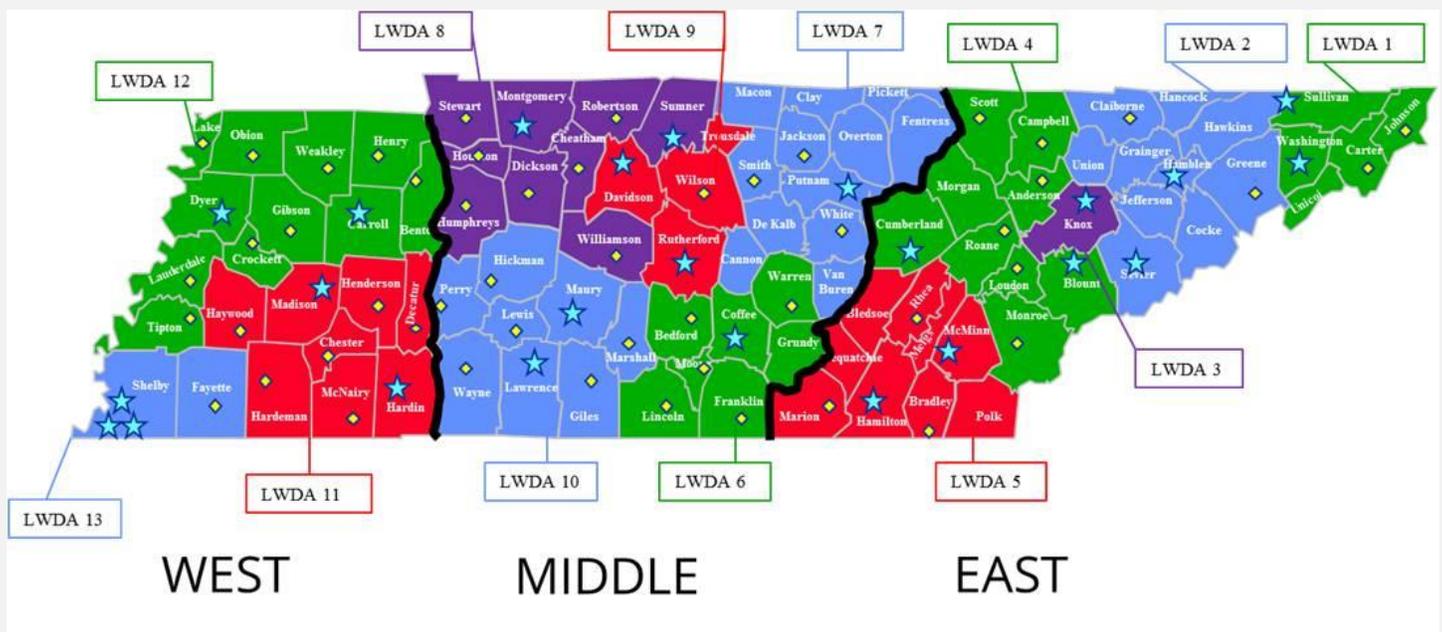
The Unified or Combined State Plan must include the following with respect to activities carried out under subtitle B--

### a. General Requirements

#### 1. Regions and Local Workforce Development Areas

##### A. Identify the regions and the local workforce development areas designated in the State.

Tennessee has thirteen (13) local workforce development areas and three regions - East, Middle and West. The map below depicts the designations across the State. LWDAs 1-5 comprise the East Region, LWDAs 6-10 comprise the Middle Region, and LWDAs 11-13 comprise the West Region.



##### B. Describe the process used for designating local areas, including procedures for determining whether the local

**area met the criteria for “performed successfully” and “sustained fiscal integrity” in accordance with 106(b)(2) and (3) of WIOA. Describe the process used for identifying regions and planning regions under section 106(a) of WIOA. This must include a description of how the State consulted with the local boards and chief elected officials in identifying the regions.**

In the process of initial designation, Tennessee first explored the concept of designation as set out in its statute and the DOL/ED NPRM, also understanding its likeness to the concept of selection when used in connection with regional planning. And in accordance with the WIOA and related statutes, the then existing local board prepared requests for the initial designation which then were sent to Governor Haslam. The requests were also brought before the State Workforce Development Board for review and recommendations. Each local board delivered a presentation to the State Workforce Board in which programmatic, administrative, and accountability strengths and weaknesses were discussed in a transparent environment. TDLWD took into consideration all issues occurring within the framework of the most recent two (2) year period, especially any audit findings or performance shortcomings and corrective actions (regardless of the magnitude); these were topics for discussion. All of the requests for initial designation were approved by the State Workforce Board, and in some cases, local boards were required to provide supplementary documentation in the interest of clarity and corrective action.

TDLWD staff developed a report to provide a data-driven analysis of the economic impact and return on investment of the Workforce System under the Workforce Innovation and Opportunity Act in Tennessee. This report provided the framework for the local areas and the State Workforce Development Board to review the previous performance levels across the State. Data was gathered from the Economic Impact of Workforce Investment Act Expenditures Reports Program Year 2013-2014 and the Return on Investment from Tennessee Workforce Investment Act Programs 2011-2012. All source data used in this report was provided by SPARKS Bureau of Business and Economic Research by The University of Memphis. The specific source data included the following analyses:

- Workforce Return on Investment
  - Total Expenditures and Benefit/Cost
- Regional Economic Impact
  - Total Impact of Expenditures
  - Tax Revenue Impact
  - Top Ten Industries Affected by Program Expenditures
- Enrollment by Priority Levels
  - Adult Priority Levels of Service
  - Dislocated Worker Priority Levels of Service
- Participants, Performance, and Veterans (PPV)
  - Participant Characteristics & Educational Levels
  - Job Order By Industry and Occupation
  - Veteran Characteristics and Performance Outcomes

State Policy information regarding this full process can be found in Workforce Services Policy 21; Workforce Innovation and Opportunity Act Initial Designation of Local Workforce Development Areas. The content for this policy is as follows:

The Workforce Innovation and Opportunity Act (WIOA) requires the Governor, in partnership with the State Board and in consultation with the Chief Elected Officials (CEOs), to develop a policy for initial designation of the Local Workforce Development Areas. WIOA requires that existing federally recognized workforce areas are designated during the first two program years; this designation is referred to as Initial Designation. The WIOA states that a unit of general local government (including a combination of such units) or a grant recipient that requests, but is not granted designation of an area as a local area, may submit an appeal to the State board under the appeal process established in this policy. The public comment period must offer adequate time for public comment prior to designation of the local workforce development area and it must provide an opportunity for representatives of interested business, education, and labor organizations to have input into the development of the formation of the local area.

### ***Initial Designation***

WIOA requires that existing federally recognized workforce areas are designated during the first two program years; this designation is referred to as the Initial Designation.

A. Existing workforce regions operation in accordance with the Workforce Investment Act of 1998 may request initial designation as a Local Workforce Development Area if they have performed successfully and sustained fiscal integrity. A request for initial designation must be submitted to the Tennessee Department of Labor by June 15, 2015, for consideration for the next program year (July 1, 2015 - June 30, 2016). An area seeking initial designation must address the following:

1. The local areas will discuss with their Local Elected Official(s) and their Local Board the designation of a specified county configuration
2. Once the LEO(s) and Local Board are consulted, the local area will put the request out for public comment for a minimum of 30-days.
3. Once the public comment period has passed, the local area shall submit to the Commissioner a letter from the local area's Chief Local Elected Official, requesting: a. Initial designation of a specified county listing; b. Contain a statement that the current configuration has met fiscal integrity and performed successfully; c. Contain a description of their public comment process, and d. Contain an attachment of the public comments
4. Once the Commissioner receives a letter from each local area, and upon approval, he will submit a letter of recommendation to the Governor to request Initial Designation. This will satisfy the requirements in accordance with WIOA section 106(b)(2). This Initial Designation as a local area will remain valid until June 30, 2016.

### **C. Provide the appeals process referred to in section 106(b)(5) of WIOA relating to designation of local areas.**

State Policy information regarding this full process can be found in Workforce Services Policy 21; Workforce Innovation and Opportunity Act Initial Designation of Local Workforce Development Areas. The content for this policy is as follows:

The Workforce Innovation and Opportunity Act (WIOA) requires the Governor, in partnership with the State Board and in consultation with the Chief Elected Officials (CEOs), to develop a policy for initial designation of the Local Workforce Development Areas. WIOA requires that existing federally recognized workforce areas are designated during the first two program years; this designation is referred to as Initial Designation. The WIOA states that a unit of general local government (including a combination of such units) or a grant recipient that requests, but is not granted designation of an area as a local area, may submit an appeal to the State board under the appeal process established in this policy. The public comment period must offer adequate time for public comment prior to designation of the local workforce development area and it must provide an opportunity for representatives of interested business, education, and labor organizations to have input into the development of the formation of the local area.

### *Appeals Process*

Any area seeking to be designated, as a Local Workforce Development Area, which has requested but has been denied its request for designation as a Local Area, may appeal the decision to the Tennessee Department of Labor and Workforce Development.

1. An appeal must be in writing and filed with the Tennessee Department of Labor and Workforce Development within fourteen (14) days after notification of the decision. The appeal is to be submitted to the Commissioner of the Tennessee Department of Labor and Workforce Development.
2. The appeal must contain a specific statement of the grounds upon which the appeal is sought.
3. The State board will have 60 days to review the appeal and make a recommendation to the Governor. The review will take into account the information in the original request and supplemental information provided in the appeal to determine if the criteria set forth in this policy have been met.
4. The final decision rests with the Governor.
5. If the appeal is connected to a request for initial designation under this policy, and if the appeal does not result in designation, the entity may request review by the Secretary of Labor to determine if procedural rights were granted or if the minimum criteria of WIOA Section 106(b)(2) or Section 106(b)(3) were met. This second level of appeal must be sent within 14 days to: Assistant Secretary of Employment and Training at U.S. Department of Labor. A copy of the appeal must be simultaneously provided to the ETA Regional Administrator of U.S. Department of Labor
6. If the final decision of any appeal reverses the prior decision, it will become effective July 1, 2016.

## **D. Provide the appeals process referred to in section 121(h)(2)(E) of WIOA relating to determinations for infrastructure funding.**

The appeals process relating to determinations for infrastructure funding are as follows:

1. The Governor, through assistance of the State Workforce Development Board, will make the final determination of each required partner's proportionate share of statewide infrastructure costs under the State funding mechanism.
2. Any required partner may appeal the Governor's determination on the basis of a claim that:
  - a. The Governor's determination is inconsistent with the proportionate share requirements of 20 CFR 678.735(a) or;
  - b. The Governor's determination is inconsistent with the cost contribution caps described in 20 CFR 678.735(c) and 678.738.
3. The process will ensure resolution of the appeal in order to ensure the funds are distributed in a timely manner, consistent with the requirements of 20 CFR 683.630.
4. An appeal must be made within 21 days of the Governor's determination and must be submitted formally, in writing, by registered mail no later than the 21st day from the date of receipt of the notice of denial or revocation.

## **2. Statewide Activities**

### **A. Provide State policies or guidance for the statewide workforce development system and for use of State funds for workforce investment activities.**

The Workforce Innovation and Opportunity Act provides new opportunities for use of funds to support entrepreneurial activities among youth and the unemployed. In consultation with the State Board, TDLWD is exploring partnerships with Local Workforce Development Areas, Community Based Groups, and other entities to assist with facilitating activities to help boost access to entrepreneurial resources to youth and the unemployed. Activities will range from workshops, resource fairs, to events that will connect entrepreneurs to other resources and investments.

Additional information regarding this response has been included in an action plan.

### **B. Describe how the State intends to use Governor's set aside funding. Describe how the State will utilize Rapid Response funds to respond to layoffs and plant closings and coordinate services to quickly aid companies and their affected workers. States also should describe any layoff aversion strategies they have implemented to address at risk companies and workers**

The State intends to utilize set aside funding to test pay for performance contracting strategies to increase the effectiveness and efficiency of limited formula funds to improve outcomes for WIOA participants, particularly for individuals with barriers to employment. The state will offer technical assistance to local workforce areas about how to implement pay for performance with local formula funds; and that State expects to enhance overall outcome based strategies by utilizing existing

performance based contracting in combination with the new WIOA pay for performance for the achievement of high bar outcomes as outlined in Title I of the NPRM Section 683.520.

Regarding Rapid Response services, Jobs4TN is the management system used to manage WARN activities in Tennessee. The State has established 13 Local Rapid Response teams, consisting of LWDA staff and state staff, business service team staff, and the mobile units. Tennessee's mobile units better known as "Career Coaches," have computers with internet and Microsoft Office access and with copy and fax machines available for use by job seekers. These units will allow full service, on-site facilitation of Rapid Response services.

These local teams will coordinate activities geared to connecting employees, affected by the lay-offs/closings, to other employment opportunities to minimize the time needed for unemployment insurance assistance. In addition to connecting dislocated workers to employment, Rapid Response teams will also work to connect participants to training opportunities through WIOA and partner programs, including the higher education system. In addition to connecting participants to formal training opportunities, Rapid Response teams will also work with the AJCs to connect participants to apprenticeships, to OJTs, and other dislocated worker re-employment activities.

Rapid Response funds will be used to assist with the expenses associated with technology features such as Jobs4TN, the mobile units, materials, and staff time associated to Rapid Response activities.

The specific technology features of Jobs4TN can be found with creation of an online WARN to help employers easily access rapid response services when a layoff or closure occurs. Upon receipt of an official WARN, the State Dislocated Workers Unit (DWU) will create a WARN notice in VOS. If an official WARN notice is not received but layoff information is obtained, local LWDA representatives work with the company to provide services to the affected employees. Once this WARN has been created, the DWU Rapid Response will notify the appropriate rapid response coordinator. Activities and strategies are initiated to address dislocation events that ensure rapid response access to the broad range of allowable assistance in conjunction with other appropriate federal, state and local service agencies and officials, employer associations, technical or other business councils and labor organizations. The DWU serves as the central WARN contact. E-mail WARN notices are sent to local rapid response coordinators and appropriate partners in 24 -48 hours. The DWU works with the LWDA's to coordinate outreach efforts.

Upon Notification of WARN Information from the DWU, the Local Rapid Response Coordinator makes immediate contact (within 48 hours) with the employer to offer rapid response services to the company and employees. This initial contact should result in the scheduling of an initial planning meeting and begin the information gathering for the Rapid Response Company Information Report .The initial planning meeting will provide the company with an overview of what will be delivered at an employee mass meeting, scheduling of the mass meeting and completion of the information gathering.

**C. In addition, describe the State policies and procedures to provide Rapid Responses in cases of natural disasters including coordination with FEMA and other entities.**

*Services Following a Disaster*

If the Federal Emergency Management Agency (FEMA) organizes services for disaster victims, the Department FEMA contact will assess the need for an NEG within 24 hours. The State Dislocated Worker Unit will contact FEMA to secure a list of job orders required to assist disaster victims and to begin the cleanup afterwards.

FEMA will set up Disaster Centers. These centers will include career center, unemployment insurance and WIOA job training programs. Other agencies and programs typically represented are American Red Cross, Internal Revenue Service, Tennessee Attorney General, Tennessee State Emergency Management Agency, local law enforcement, Salvation Army, Small Business Administration, Social and Rehabilitation Services and other appropriate local service organizations.

If FEMA is not involved in a local disaster, the DWU and LWDA will contact the following to organize services for disaster victims: chamber of commerce, city clerk and/or administrator, city mayor, Red Cross, Salvation Army and employers affected by the disaster. Once these contacts are made, the information regarding the services available to assist those who lost their jobs due to the disaster should be provided. A temporary office in the area may be set up to provide these services. Workers who have lost their jobs due to the disaster may be offered the following additional services:

- Classroom training;
- Day care;
- Jobs at work sites, including wages and benefits;
- Mileage;
- On-the-job training;
- Out-of-area job search and relocation;
- Outreach and communications;
- Tools needed on the job; and Work-related physical exams and medical exams

TDLWD has 6 mobile American Job Centers stationed across the state. In the event of a disaster, TDLWD will coordinate with TEMA, FEMA, and the LWDA's to mobilize the units to set up information and command centers in local communities in order to provide DWU and Rapid Response services.

**D. Describe how the State provides early intervention (e.g., Rapid Response) to worker groups on whose behalf a Trade Adjustment Assistance (TAA) petition has been filed. (Section 134(a)(2)(A).) This description must include how the State disseminates benefit information to provide trade-affected workers in the groups identified in the TAA petitions with an accurate understanding of the provision of TAA benefits and services in such a way that they are transparent to the trade-affected dislocated worker applying for them (Trade Act Sec. 221(a)(2)(A) and Sec. 225; Governor-Secretary Agreement). Describe how the State**

## **will use funds that have been reserved for Rapid Response to provide services for every worker group that files a TAA petition.**

It is vital to provide early intervention to dislocated workers in Tennessee and such services are rendered through Rapid Response. The effectiveness of these services is driven by the collaboration of the TAA unit and Rapid Response at TDLWD. The services provided are paramount in creating a seamless path from dislocation to gainful employment for trade-impacted workers, especially during the first few days of the petition's filing.

Upon the receipt of a Trade Adjustment Assistance petition, the TAA Unit verifies if assistance efforts are already underway. If this is the first notification, the Rapid Response unit contacts the employer to begin the process of providing the full array of services and benefits available.

The Rapid Response process consists of these steps:

- Schedule and conduct mass meetings once a WARN Notice or Certified Trade Petition is received.
- Provide trade-affected workers with information regarding re-employment services (WP, WIOA partners), Unemployment Insurance (UI), TAA services, and Trade Readjustment Assistance (TRA).

Funding is essential to provide services to dislocated workers. Leverage funding, when possible, can better ensure that workers receive the necessary assistance. Case management funds along with WIOA partner funds enables a full assessment of trade-dislocated workers and also ensures re-employment services for gainful employment. Additional funding information has been detailed in the explanation of distribution of funds for core programs.

## **b. Adult and Dislocated Workers Program Requirements**

- 1. If the State is utilizing work-based training models (e.g. On-the-job training, Incumbent Worker training, Transitional Jobs, and Customized Training) as part of its training strategy and these strategies are not already discussed in other sections of the plan, describe the State's strategies for how these models ensure high quality training for both the participant and the employer.**

In an effort to support work-based training models, Tennessee utilizes the Incumbent Worker Training (IWT) Program. This broad program is designed to support training that result in either skill attainment for employees or process improvement that contributes to the competitiveness and productivity of a business.

For-profit and (not-for-profit health care related only) related Tennessee businesses may be eligible to apply for participation in the IWT Program. Such eligible businesses must also: have been in operation for a minimum of one year prior to the application date; employ at least five full-time employees; be current on all Federal and State tax obligations; and be financially viable. Each LWDA receives individual allotments from State set-aside funds that are then used to contract with local, qualifying businesses to provide Incumbent Worker Training.

During the 2015 Program Year Rapid Response/Layoff Aversion funds were obligated to 42 companies to train 951 Incumbent Workers. The program year ran through December 31, 2015, and saved 1,648 jobs and created 182.

Using a conservative hourly wage estimate of \$7.50 for jobs saved and created (a total of 1,830) Rapid Response funded IWT would result in a return of over \$28 million in recurring wages for local communities. In addition, Rapid Response funded IWT would save the State's UI Trust Fund an estimated \$11,895,000 (\$250 per week x 26 weeks x 1830).

## **2. Describe how the State will incorporate Registered Apprenticeship into its strategy and services.**

The Tennessee Department of Labor and Workforce Development administers the Apprenticeship Assistance Training Grant (AATG) in support of Tennessee companies/organizations with a DOL Office of Apprenticeship Registered Apprenticeship Program or those that are interested in starting an apprenticeship program. In partnership with the 13 Local Workforce Development Areas, TDLWD administers this grant to provide strategies to significantly increase apprenticeship opportunities for job seekers and existing first & second year apprentices. The following benefits are provided to participating companies:

- OJT assistance for eligible Dislocated Workers entering a DOL Registered Apprenticeship program as a new hire, and or;
- To provide assistance in the Classroom Training of existing first or second year apprentices or for participants in a pre-apprenticeship program.

The Tennessee State Workforce Development Board authorized \$1,000,000 to develop and implement the AATG program. The program started in August 2015 and LWDA's began promoting and receiving applications at that time. To date there, have been six (6) applications submitted and approved, training 225 apprentices for a total of over \$144,000. There have been numerous inquiries about the program and more applications and approvals are expected during the continuation of the grant.

## **3. Provide the procedure, eligibility criteria, and information requirements for determining training provider initial and continued eligibility, including Registered Apprenticeship programs (WIOA Section 122).**

## *Initial ETPL Eligibility*

Initial eligibility procedures for the Eligible Training Provider List (ETPL) apply to all training providers, with the exception of Registered Apprenticeship. Providers must complete a detailed application and complete all vetting procedures under which programs become eligible. Initial eligibility is based on the following:

1. Meeting State minimum performance criteria, as approved by the State Board.
2. Training must be for occupations in industry sectors that are in-demand. Training must result in completion of an industry-recognized credential, national or State certificate, or degree, including all industry appropriate competencies, licensing and/or certification requirements. Providers must provide evidence of accreditation and/or licensure with the appropriate State or other governing entity to have their programs listed on the ETPL. Potential entities include:
  - a. Department of Education
  - b. Tennessee Higher Education Commission
  - c. Department of Safety
  - d. Board of Nursing
  - e. Division of Fire Standards
  - f. Division of Public Health Services
  - g. Board of Cosmetology and Barber Examiners
  - h. Postsecondary institutions eligible under Title IV of the Higher Education Act (HEA) and offering programs leading toward an associate degree, baccalaureate degree, or certificate

In addition, Eligible Training Providers must provide the following for Initial Eligibility:

- Evidence that programs result in the awarding of an industry recognized credential, national or state certificate, or degree, including all industry appropriate competencies, licensing and/or certification requirements.
- Cost information, including tuition and fees.
- Information that addresses alignment of the training services with in-demand industry sectors and occupations, to the extent possible.
- Information related to the indicators of performance, which include for all students (all students are defined as every student enrolled in a WIOA-approved training program):
  - Unsubsidized Employment during the Second Quarter after Exit
  - Unsubsidized Employment during the Fourth Quarter after Exit
  - Median Earning at the Second Quarter after Exit

All providers must also meet the minimum established performance criteria, as approved by the State Board.

## *Appeals Process*

If a Local Workforce Development Board denies the initial application for listing on the ETPL, the Operator must, within 30 days from the date of determination, inform the applicant in writing, including

the detailed reason(s) for the denial and complete information on the appeal process. This process would be the same for any provider or apprenticeship program.

*Appeals Process to the Local Workforce Development Board [WIOA Section 122(c)(1)] and to the State [WIOA Section 122(c)(1)]*

- 1) If the applicant wishing to appeal a decision by the Local Workforce Development Board based on the denial of an application.
  - a) The Local Workforce Development Board appeal process must grant the applicant the opportunity to directly address the reasons for denial either in writing or through an appeal hearing.
  - b) The Local Workforce Development Board must have 1-3 impartial appeal officers who are responsible for re-evaluating the supplemental materials supplied by the applicant in addressing the initial reasons for denial.
  - c) The AJC Operator will notify the applicant of the final decision made by the Local Workforce Development Board on an appeal within 30 days of receipt of the appeal.
  - d) The Local Workforce Development Board appeal notification to the applicant must reference the process for filing a state appeal in the event that the training provider is not satisfied with the outcome of the local appeal.
- 2) If the applicant wishing to appeal to the state, after exhausted the appeal process of a Local Workforce Development Board and are dissatisfied with final decision. The applicant must submit the request within 30 days from the AJC Operator's notification of their final decision on of the appeal. The request must be in writing and include a statement of the desire to appeal
- 3) The state will promptly notify the appropriate AJC Operator and Local Workforce Development Board when it receives a request for appeal. The state will also notify the appropriate AJC Operator and Local Workforce Development Board when it makes the final decision on an appeal.
- 4) The state appeal process includes the opportunity for appealing training providers to have a hearing. The hearing officer must provide written notice to the concerned parties of the date, time, and place of the hearing at least 10 calendar days before the scheduled hearing.
- 5) The five member state appeals committee, chaired by the hearing officer, will administratively review the appeal, make a preliminary decision, and notify the applicant and the Local Workforce Development Board. The committee may either uphold or reverse the Local Workforce Development Board decision.
- 6) The state appeals committee must render a decision within 60 days from receiving the applicant's initial state appeal request.
- 7) If Applicant found to have substantially violated any WIOA requirements [WIOA) Section 122(f) (1) (B)].

Apprenticeship programs registered under the National Apprenticeship Act (NAA) are exempt from initial eligibility procedures since the vetting of these programs are done by USDOL Office of Apprenticeship. Registered apprenticeships must only make a request to be included on the ETPL list by filling out the application in our Jobs4tn system and provide documentation that they are a certified Registered apprenticeship program to be included on the ETPL list. Under WIOA title 1-B, Registered Apprenticeship program sponsors that request to be ETPs are automatically included on the list and will remain as long as the program is registered or until the program sponsor notifies the State that it no longer wants to be included on the list [TEGL14-41]. Providers receive initial eligibility for only one fiscal year for a particular

program. After the initial eligibility expires, these initially-eligible providers are subject to application procedures for continued eligibility.

**4. Describe how the State will implement and monitor the priority for public assistance recipients, other low-income individuals, and individuals who are basic skills deficient in accordance with the requirements of WIOA sec. 134(c)(3)(E), which applies to individualized career services and training services funding by the Adult Formula program.**

Our integrated services model, as set out in our Workforce Services Policy regarding Integrated Services, makes it clear that Tennessee's workforce system strives for a robust implementation of business sector strategies, jobseeker universal access to career services; streamlined business services teams, linked assessments and referrals, and targeted training and placements. The policy requires that staff serving in Skills and/Career Development capacity will provide access to individualized and training services to adults with barriers to employment and those with disabilities.

Follow up services for these same customers must be provided as appropriate for participants who are placed in unsubsidized employment after the first day of employment. And our draft WFS Policy 24 Priority of Service under WIOA Low Income and Others, directs core programs and other system partners, that WIOA Section 134(c)(3)(E) specifies priority of services for adult recipients of public assistance and other low income individuals who have a basic skills deficiency. TEGL 22-04 and the WIOA Final Regulations, published June 30, 2016, also requires priority of WIOA services for veterans. We again highlight for system utilization in youth enrollments, that WIOA Section 129(a)(4)(A) requires a 75% priority funding requirement for Out of School Youth while Section 129(c)(4) requires 20% funding for youth work experience. Our draft policies are expected to be published statewide no later than close of the quarter, December 2016.

Flags for the priority populations required under WIOA already exist in TN's VOS (Virtual One Stop) system, and our staff user guides emphasize edit-checked methods of intake, determinations of eligibility, and we prepared for transition through system generated extract files which listed the frequencies of priority enrollments by region and local areas. Then using WIOA eligibility business rules, we migrated enrollments eligible for priority of service into VOS. Our system user guides and digital training guides prepared local and partner staff in the fine points of priority of service; and system reports available to all, and prepared in accordance with WIOA statutory requirements, were put in place then published for consumption in our statewide economic impact and return on investment reports of 2015. The monitoring of priority of service populations is carried out under the auspices of our WIOA monitoring guide, and our PAR monitoring group is currently using the guide to oversee compliance with priority of service requirements of priority of service.

## **5. Describe the State's criteria regarding local area transfer of funds between the adult and dislocated worker programs.**

In accordance with WIOA statutes (WIOA Section 133(b)(4)), a local board may transfer, if such a transfer is approved by the Governor, up to and including 100 percent of the PY funds allocation between the adult and dislocated workers funding streams. As outlined in the State's Workforce Services Policy ..... local areas must provide supporting documentation indicating the required rate of expenditure/obligations and other specified criteria have been met.

### **c. Youth Program Requirements**

With respect to youth workforce investment activities authorized in section 129 of WIOA,—

- 1. Identify the state-developed criteria to be used by local boards in awarding grants for youth workforce investment activities and describe how the local boards will take into consideration the ability of the providers to meet performance accountability measures based on primary indicators of performance for the youth program as described in section 116(b)(2)(A)(ii) of WIOA in awarding such grants.\***

#### **\* Sec. 102(b)(2)(D)(i)(V)**

The state-developed criteria to be used by local boards in awarding grants seeks to establish strong program design and assure full compliance with WIOA youth program standards. There are 13 Local Workforce Development Areas in Tennessee, and whether local government/higher education or 501(c)(3), each has an administrative entity which is held accountable for costs and for competitively procuring and monitoring the success of youth services delivered by youth vendors. Tennessee, as shown in this state plan, requires that all program elements are to be competitively procured by the administrative entity, through scrutiny by the LWDB and in turn by TDLWD. We measure the effectiveness of the vendors by way of computed return on investment, economic impact, and target-guided common measure outcomes under WIOA; and the penalties for failure up to termination of contract, are made clear in the RFPs and the rubrics that are used to select vendors. The required items of RFPs include:

- Checklists for the youth services covered by the proposals
- Program design
- A detailed cost budget with admin costs

- And required performance outcomes under the common measures.

In addition, the proposed vendor must provide detailed narrative on the youth services to be provided, such as 1) Leadership Development Services: a. develop responsibility, employability, and positive social behaviors; b. organizational and professional leadership skills in i) teamwork, ii) communication, iii) competition, and iv) commitment.

## **2. Describe the strategies the State will use to achieve improved outcomes for out-of-school youth as described in 129(a)(1)(B), including how it will leverage and align the core programs, and Combined State Plan partner programs included in this Plan, required and optional one-stop partner programs, and any other resources available.**

The State is implementing a WIOA common intake and reporting system, VOS, which will capture common participant information for core programs. The system will align resources and generate automatic referrals among the core programs as applicable to the individual's needs.

As it specifically pertains to out-of-school youth, individual service plans will identify the participants' needs and interest and seek to coordinate the optimum blend of services and funding to achieve the participant's goals for success. This success plan can include but is not limited to indication of a work experience opportunity, career pathways program of study, and any of the other 14 program elements. This model is an integrated compilation of programs and services intended to develop basic, technical and employability skills; provide continuous education and training; and work supports that lead to high-demand jobs in targeted sectors. The combined efforts of all of the aforementioned items can contribute to the improved outcomes for the growing number of out-of-school youth participants.

As it pertains to leveraging and aligning with core and partner programs, the expanded partnerships with the Youth Development Centers (YDCs) (under the Department of Children Services) and school districts (under the Department of Education) across the state will allow local areas to have direct access with potential out-of-school youth are involved in the juvenile justice system and/or at risk of dropping out of secondary education. Local staff serves as facilitators for onsite training sessions in their local YDCs and provide information on job readiness, establishing educational and career goals, exploration of demand occupations and identification of potential training needs. Due to the variance in each potential participant's permanent residence across the state, staff has developed "release resource packets" to include workforce services staff contact information, checklists for paperwork and partner programs that can assist the juvenile offender with successful transition into their community. This comprehensive information sharing helps mitigate barriers and increases the chances a participant will accomplish their goals for success as initially outlined in their individual service strategy.

In the same regard, local area staff members are encouraged to maintain working relationships with the local school districts and education providers to assure that youth participants have the necessary resources for career exploration (vi Jobs4TN), career readiness and job skills training. These resources are

especially helpful for youth participants who are engaged in education program or other formal partner programs, however, new challenges are presented when disconnected youth are included in the target service population. In hopes of eventually mitigating these issues, TDLWD and TDOE staff along with several community stakeholders seek to develop legislation regarding the sharing of student drop-out records. Such sharing, with the appropriate provisions in place, can improve outreach efforts for AJC staff and other workforce system partners as they seek to quickly re-engage disconnected youth and connect to beneficial training and supportive services. While there is no proven effectiveness of these potential strategies, they can increase the accurate leveraging of partner program resources and services to improved outcome for out-of-school youth.

### **3. Describe how the State will ensure that all 14 program elements described in WIOA section 129(c)(2) are made available and effectively implemented.\***

#### **\* Sec. 102(b)(2)(D)(i)(I)**

Our workforce system and partners are aligned in order to prevent duplication, but more importantly, to better manage and carry out the WIOA adult, dislocated worker, and youth programs. Allocations for youth began in April 2015, and we prepared for this eventuality by having a strong state plan linked internally and externally to local Consortiums, Consortium Youth Councils, local workforce boards, and local education agencies. And currently there are comprehensive MOU's which exist between these local organizations covering everything between youth service model maps and employment pathways, to multi-county roles and responsibilities for fiduciary and program integrity. Our statewide monitoring manual, which these agencies localize for their monitoring purposes, has an entire chapter devoted to audit questions and requirements, including that the fourteen (14) youth program elements must be actively available and carried out by vendors selected by competitive procurement. Draft WFS Policy on Service Integration, makes it clear that functional organization, and service delivery and customer flow are conducive to prompt enrollment, whether in AEFLA, RSA, SNAP, or public higher education, regular case management in accordance with youth individual service strategies, and eventual achievement of post-secondary opportunities and employment.

In alignment with the Governor's Conservative Fiscal Leadership Goal, TDLWD partners with other agencies to eliminate duplication and also to leverage dollars to provide more opportunities to existing youth participants and the emerging workforce. Services to eligible youth are delivered through a network of approved youth providers. LWDAs competitively procure independent contractors to deliver youth services in alignment with WIOA Section 129(c)(2). As a part of the procuring process, local areas are encouraged to review and assess all contractors' capacity and experience in providing the necessary services for the 14 program elements. Evaluation criteria and awarding of contracts is not limited to but must specifically include the providers ability to track participation activities, progress towards success goals and attainment of employment, to name a few. Use of the Jobs4TN system is essential for both provider and participant success in effectively implementing WIOA standards for the 14 program elements.

Evaluation of the delivery of the 14 program elements is a function of regular reviews of performance outcomes and changes done quarterly by TDLWD staff. This assessment includes examination of extract files and enrollment records within the VOS system. Any discrepancies identified in performance outcomes that are greater than 2% are flagged for further review and consultation with the applicable local area. This consultation includes a written explanation from the local area providing details on the inconsistencies in youth performance outcomes and potential strategies for changes and improvement. As a secondary measure of evaluation, the monitoring of priority of service populations, including youth, is carried out under the auspices of our WIOA monitoring guide. TDLWD's PAR monitoring group is currently using the guide to oversee compliance with the development of youth participant files to include an objective assessment and an individual service strategy that are both linked to case notes, activities, and providers in the VOS system. The User Guide for VOS 15.0 provides all of the specific business rules regarding intake, enrollment and eligibility determination that determine case management for participants. Both state and local monitors are required, to monitor the effectiveness of each, and regularly report outcomes to the respective workforce boards. Our draft WFS Policy on Certification sets out teams of reviewers and observers at the onset of WIOA planning, both regional and local, who report back on youth program compliance and effectiveness with recommendations to certify or no.

Additional innovative programs or approaches to services are always welcomed and encouraged by youth service providers. Unique partnerships with local employers, integration of education/training activities in work experiences, and increased attainment of credentials all are indicators of administration and transformation of program elements by youth service providers. State and LWDA core and partner staff members are integral stakeholders in the overall achievement of youth participants across the state and the continued growth of the youth program. The following is a list of agencies and organizations that are currently meeting regularly to address cross-agency collaboration, planning and resource sharing as well as assisting in making available all 14 program elements to youth in Tennessee.

Youth Serving Agencies	Snapshot of Activity
Department of Education	<ul style="list-style-type: none"> <li>• Commissioner serves on the State Workforce Development Board.</li> <li>• Pathways TN - Ad Hoc Committees, Core Team, State Planning Team, career pathways alignment</li> <li>• TDLWD staff participates in evaluating Lottery Education After School Program grants (LEAPS) targeting dropout prevention and increase in SAT/ACT exam</li> </ul> <p>Partners with Special Education on the Tennessee Transition Leadership team</p>
Job Corps	<ul style="list-style-type: none"> <li>• The Tennessee Job Corps Consortium meets quarterly. Meetings are attended by both representatives from WIOA youth and the Career Center System</li> </ul> <p>Job Corps representatives serve on a majority of LWDA Boards</p>
Human Services	<ul style="list-style-type: none"> <li>• Provides expertise in serving youth with disabilities through its</li> </ul>

Youth Serving Agencies	Snapshot of Activity
	<p>Vocational Rehabilitation Program and participates on the Tennessee Transition Leadership Team with community based organizations and the Disability Rights Tennessee</p> <p>Partner Agency in Youth Memorandum of Understanding Regarding Transition Services for Youth with Disabilities (Division of Rehabilitation Services)</p>
<p>Youth Transitions Advisory Council</p>	<ul style="list-style-type: none"> <li>• Includes many of the same agencies already listed with strong ties to the foster-care system</li> <li>• Meets quarterly</li> </ul> <p>Efforts are coordinated by the Tennessee Commission on Children and Youth</p>
<p>Department of Mental Health and Substance Abuse</p>	<ul style="list-style-type: none"> <li>• It has also invited Career Center and previous Disability Navigator staff from local Career Centers to speak at town hall meetings and other outreach opportunities</li> </ul> <p>Partner Agency in Youth Memorandum of Understanding Regarding Transition Services for Youth with Disabilities</p>
<p>Volunteer Tennessee</p>	<ul style="list-style-type: none"> <li>• Provides oversight of AmeriCorps and service-learning programs to advance volunteerism and citizen services to solve community problems in the State</li> </ul> <p>Meets quarterly</p>
<p>Governor's Subcabinet on Children</p>	<p>Part of Core Group Team for Childhood Poverty Initiative</p>
<p>Tennessee Department of Children's Services</p>	<p>Youth Serving Agencies</p>
<p>Tennessee Commission on Children and Youth</p>	<ul style="list-style-type: none"> <li>• Part of the strategic vision team and provides data related to at-risk youth</li> <li>• Serves on several LWDA boards and provides support for Tennessee Suicide Prevention Network (TSPN) with an emphasis on teen suicide prevention</li> <li>• Part of Core Group Team</li> <li>• Responsible for coordinating and compiling the Resource Mapping report to analyze all State programs which provide services to youth <ul style="list-style-type: none"> <li>• Coordinates grant applications among departments</li> <li>• Serves as lead for Youth Transitions Advisory Council</li> </ul> </li> </ul>

Youth Serving Agencies	Snapshot of Activity
	<ul style="list-style-type: none"> <li>• Provides administrative support for the Council on Children’s Mental Health, a statewide stakeholder group working to implement a more coordinated system of care for children’s mental health, including services to facilitate successful transition to adulthood</li> </ul> <p>Collects data for and publishes and disseminates an annual KIDS COUNT Data Book and The State of the Child in Tennessee report that includes county-by-county data on youth unemployment and other factors that impact the workforce</p>
Tennessee Department of Intellectual and Developmental Disabilities	Partner Agency in Youth Memorandum of Understanding Regarding Transition Services for Youth with Disabilities

**4. Provide the language contained in the State policy for “requiring additional assistance to enter or complete an educational program, or to secure and hold employment” criterion for out-of-school youth specified in WIOA section 129(a)(1)(B)(iii)(VIII) and for “requiring additional assistance to complete an education program, or to secure and hold employment” criterion for in-school youth specified in WIOA section 129(a)(1)(C)(iv)(VII).**

TDLWD has identified the following for criterion for youth who “require additional assistance to enter or complete an educational program, or to secure and hold employment”:

1. In-School Youth and
  - a. Has poor attendance patterns in and educational program during the last 12 months or;
  - b. Has been expelled from school within the last 12 calendar months; or
  - c. Has been suspended from school at least within the last 12 calendar months; or
  - d. Has below average grades; or;
  - e. Has been previously placed in out -of home care (foster care, group home or kinship care) for more than 6 months between the ages of 14-21; or
  - f. Currently incarcerated parents (s) guardian
  
2. Out-of-School Youth and
  - a. Has dropped out of a post -secondary educational program during the past calendar months; or

- b. Has a poor work history, to include no work history, or has been fired from a job in the last 6 calendar months; or
- c. Has previously been placed in out of home care (foster care, been suspended from school at least within the last 12 calendar months; or
- d. Has below average grades; or;
- e. Has been previously placed in out -of home care (foster care, group home or kinship care) for more than 6 months between the ages of 14-21; or
- f. Currently incarcerated parents (s) guardian

**5. Include the State definition, as defined in law, for not attending school and attending school as specified in WIOA Section 129(a)(1)(B)(i) and Section 129(a)(1)(C)(i). If state law does not define “not attending school” or “attending school” indicate that is the case.**

The State has not yet defined "not attending" or "attending school".

**6. If not using the basic skills deficient definition contained in WIOA Section 3(5)(B), include the specific State definition.**

The State will use the basic skills deficient definition contained in WIOA Section 3(5)(B).

## **d. Single-area State Requirements**

In States where there is only one local workforce investment area, the governor serves as both the State and local chief elected official. In such cases, the State must submit any information required in the local plan (WIOA section 106(d)(2)). States with a single workforce area must also include:

- 1. Any comments from the public comment period that represent disagreement with the Plan. (WIOA section 108(d)(3).)**
- 2. The entity responsible for the disbursement of grant funds, as determined by the governor, if different from that for the State. (WIOA section 108(b)(15).)**

**3. The type and availability of WIOA Title I Youth Activities, including an identification of successful providers of such activities. (WIOA section 108(b)(9).)**

Tennessee is not a single area State - this section does not apply.

**e. Waiver Requests (optional)**

States wanting to request waivers as part of their Title I-B Operational Plan must include a waiver plan that includes the following information for each waiver requested:

- 1. Identifies the statutory or regulatory requirements for which a waiver is requested and the goals that the State or local area, as appropriate, intends to achieve as a result of the waiver and how those goals relate to the Unified or Combined State Plan;**
- 2. Describes the actions that the State or local area, as appropriate, has undertaken to remove State or local statutory or regulatory barriers;**
- 3. Describes the goals of the waiver and the expected programmatic outcomes if the request is granted;**
- 4. Describes how the waiver will align with the Department's policy priorities, such as:**
  - A. Supporting employer engagement;**
  - B. Connecting education and training strategies;**
  - C. Supporting work-based learning;**
  - D. Improving job and career results, and**
  - E. Other guidance issued by the Department.**
- 5. Describes the individuals affected by the waiver, including how the waiver will impact services for disadvantaged populations or individuals with multiple barriers to employment; and**

## **6. Describes the process used to:**

- A. Monitor the progress in implementing the waiver;**
- B. Provide notice to any local board affected by the waiver;**
- C. Provide any local board affected by the waiver an opportunity to comment on the request;**
- D. Ensure meaningful public comment, including comment by business and organized labor, on the waiver.**
- E. Collect and report information about waiver outcomes in the State's WIOA Annual Report**

The Secretary may require that States provide the most recent data available about the outcomes of the existing waiver in cases where the State seeks renewal of a previously approved waiver;

### ***Title I-B Assurances***

The State Plan must include assurances that:

1. The State has implemented a policy to ensure Adult program funds provide a priority in the delivery of training services and individualized career services to individuals who are low income, public assistance recipients and basic skills deficient; Yes
2. The state has implemented a policy to ensure local areas have a process in place for referring veterans with significant barriers to employment to career services provided by the JVSG program's Disabled Veterans' Outreach Program (DVOP) specialist; Yes
3. The state established a written policy and procedure that set forth criteria to be used by chief elected officials for the appointment of local workforce investment board members. Yes
4. The state established written policy and procedures to ensure local workforce investment boards are certified by the governor every two years in accordance with WIOA section 107(c)(2). Yes
5. Where an alternative entity takes the place of a State Board, the State has written policy and procedures to ensure the alternative entity meets the definition under WIOA section 101(e) and the legal requirements for membership. Yes
6. The State established a written policy and procedure for how the individuals and entities represented on the State Workforce Development Board help to determine the methods and factors of distribution, and how the state consults with chief elected officials in local areas throughout the state in determining the distributions. Yes
7. The State will not use funds received under WIOA Title I to assist, promote, or deter union organizing in accordance with WIOA section 181(b)(7). Yes
8. The State distributes adult and youth funds received under WIOA equitably throughout the State, and no local area suffers significant shifts in funding from year-to-year during the period covered by this plan. Yes
9. If a State Workforce Development Board, department, or agency administers state laws for vocational rehabilitation of persons with disabilities, that board, department, or agency

cooperates with the agency that administers Wagner-Peyser services, Adult and Dislocated Worker programs and Youth Programs under Title I. Yes

10. The State agrees to report on the impact and outcomes of its approved waivers in its WIOA Annual Report. Yes

11. The State has taken appropriate action to secure compliance with the Uniform Guidance at 2 CFR 200 and 2 CFR 2900, including that the State will annually monitor local areas to ensure compliance and otherwise take appropriate action to secure compliance with the Uniform Guidance under section WIOA 184(a)(3); Yes

# **Program-Specific Requirements for Wagner-Peyser Program (Employment Services)**

All program-specific requirements provided for the WIOA core programs in this section must be addressed for either a Unified or Combined State Plan.

## **a. Employment Service Professional Staff Development.**

### **1. Describe how the State will utilize professional development activities for Employment Service staff to ensure staff is able to provide high quality services to both jobseekers and employers.**

In 2014, the Workforce System incorporated combined training for AJC (Title III staff) and LWDA (Title I staff) staff to ensure staff members are able to provide high quality services to both job seekers and employers in the Jobs4TN.gov online jobs database. This joint training was followed by a champion seminar called Inside Workforce Development Summit in May 2015. This meeting encouraged a consistency in collaboration between Workforce System leaders, economic development leaders, education leaders, social service leaders, business leaders and partners for successful implementation of WIOA. After the summit, the efforts of joint training remained consistent when providing training and professional development for RESEA staff (July 2015), SNAP E&T staff (September 2015), Veteran's staff (October 2015), and training of the Business Services Team (December 2015). In tandem with mass scaled conference style training, the Workforce System encourages collaborative training in local AJCs to educate staff (Title I, Title III, and other partner staff) about services provided as well as best practices.

The Workforce System prepares and equips one stop center staff in an ongoing learning process with the knowledge, skills, and motivation to provide superior service to job seekers, including those with disabilities, and businesses in an integrated, regionally focused framework of service delivery. Center staff are cross-trained, as appropriate, to increase staff capacity, expertise, and efficiency. Cross-training allows staff members from differing programs to understand every program and to share their expertise about the needs of specific populations so that all staff can better serve all customers. AJC staff are routinely trained and are made aware of how their particular function supports and contributes to the overall vision of the local board.

### **2. Describe strategies developed to support training and awareness across core programs and the Unemployment Insurance program, and the training provided for Employment Services and WIOA staff on identification of UI eligibility issues and referral to UI staff for adjudication.**

### *TN strategies in support training and awareness across core programs:*

The goal is to staff the center with highly trained career specialist, skilled in advising job seekers of their options, knowledgeable about local labor market dynamics, aware of available services inside and outside the one-stop center, and adept in developing customers' skills for employment success. As discussed throughout the plan, the Workforce System has engaged and involved core programs and partners in combined training efforts not only to focus on a specific subject matter, but to also allow learning across programs. As a part of continuous learning across core programs, the Workforce Services Division hosts quarterly all-staff meetings which provide state staff with updated information on WIOA implementation across core programs and programs within the Workforce System. Also, to ensure specific and relevant training across programs is provided to all staff in the American Job Centers, the State encourages local area training with all partner staff about the services provided, benchmarks accomplished, and best practices.

### *TN strategies to support training and awareness of the UI program:*

During the implementation of the new state unemployment insurance system, staff was presented with updates on Tennessee's new Unemployment Insurance (UI) Benefits system called Geographic Unemployment System (GUS). During this presentation, the Administrator provided insights on the roll out of the GUS module and the various components within the system. Staff was also provided with information on how GUS would automatically link to the Virtual One-Stop (VOS) recruitment system, what American Job Center (AJC) staff should expect with the new UI benefit system, and how the AJC staff will assist unemployment insurance claimants. The training included the advantages of the new system - integration of charges, claimant response, protest and appeal management module; alternative methods for assistance from UI staff; registration and claimant verification through document scanning and uploading. One item to note is

The GUS module was one of the first systems across the United States that automatically integrated the unemployment claims system to the virtual recruitment system in real time. Upon the submission of an unemployment claim in GUS, a Wagner-Peyser application within the VOS system is automatically created. Thereby allowing AJC staff to immediately begin the process of working with claimants - assisting with job search, and providing any necessary education and/or training to get the claimants back to work - through the RESEA program. AJC staff can see the active status of a current UI claimant in the VIS system, however, they do not have access to any additional information. In the event that a claimant is experiencing issues with their unemployment insurance claim, staff is trained to route their information to UI Assistance/Escalation Team through Workforce OneTouch (Zopim Chat or Zendesk) or call the UI Assistance Team.

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 guise 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 with streamline tools like ticket views, triggers, and automation. Zopim Chat allows for immediate, real-time interaction between the customer and the agent.

*TN strategies to provide training for Employment Services and WIOA staff on identification of UI eligibility issues and referral to UI staff for adjudication:*

Tennessee is in the process of developing a plan of how WIOA staff will be trained to identify UI eligibility issues and refer their findings to the appropriate UI staff for adjudication.

## **b. Meaningful Assistance for Unemployment Compensation**

Explain how the state will provide information and meaningful assistance to individuals requesting assistance in filing a claim for unemployment compensation through One-Stop centers, as required by WIOA as a career service.

Due to the changes in procedures within the Unemployment Insurance Division, TDLWD decided that the best course of action to mitigate assistance in filing a UI claim was to directly connect to an unemployment specialist via Zendesk and Zopim chat. The Workforce System provided training over to 30 AJC staff to act as customer service regional agents throughout the state and trained others within their regions to provide immediate assistance via Zendesk and Zopim chat.

The Workforce System will ensure those needing assistance in filing a claim can utilize the resource room facilities to file and gain meaningful assistance with their UI claim.

## **c. Reemployment Assistance to Unemployment Insurance Claimants**

Describe the state's strategy for providing reemployment assistance to Unemployment Insurance claimants and other unemployed individuals.

States are strongly encouraged to provide integrated Re-employment Services and Eligibility Assessments that combine a review of the individuals UI eligibility with re-employment service delivery at the AJC's.

Whether the State decides to use UI, Wagner-Peyser, WIOA, and/or other AJC staff to conduct RESEAs, States must ensure that the staff members assigned for each activity have the necessary training and that UI staff are involved in the development of the staff training and the delivery of such training, as appropriate. States are encouraged to consider designating the same staff to provide both the required RESEA activities and some or all of the re-employment services deemed appropriate for an individual claimant, thus ensuring continuity for the claimant.

UI staff members must be engaged in RESEA planning, administration, and oversight as well as all appropriate staff training concerning UI eligibility requirements. UI staff members must be available and involved in the RESEA functions including reporting but a full time position is not required. Program staff

members delivering RESEAs must have sufficient training to conduct a thorough eligibility review and to detect eligibility issues requiring adjudication. Further, states must have UI staff participation to ensure accurate data are provided in the RESEA required reports including the new Quarterly Narrative Progress Report (ETA 9165) for SBR project activities.

The Re-Employment Services and Eligibility Assessment (RESEA) program will continue as a major area of emphasis to serve employment, re-employment, and the training needs of unemployment compensation claimants. RESEA uses a modernized statistical model that focuses on general variables to reflect a number of economic and motivational aspects of the unemployed. The newly-expanded method of selection concentrates on those claimants most likely to exhaust benefits and recently separated Veterans receiving Unemployment Compensation for Ex-Service members (UCX).

RESEA clients are referred to labor exchange services to facilitate an early return to employment, resulting in a decrease in expenditures of trust-fund money. RESEA collaborates with all AJC partners to deliver supportive activities and services through a comprehensive and integrated delivery system. The claimants targeted for the services are referred for:

- initial and comprehensive assessments
- employability development plans focusing on potential barriers to employment
- training opportunities
- supportive services
- and/or job service referrals (if deemed to be job ready by the initial assessment)

The re-employment services offered to UI claimants are further enhanced through the use of Jobs4TN (a comprehensive solution to job searching and labor market information).

## **d.W-P funds to Support UI claimants**

Describe how the State will use W-P funds to support UI claimants, and the communication between W-P and UI, as appropriate, including the following:

### **1. Coordination of and provision of labor exchange services for UI claimants as required by the Wagner-Peyser Act;**

Funding received for RESEA supports staffing in 23 Comprehensive and 30 Affiliate American Job Centers across the State, providing re-employment services to UI claimants identified as mandatory participants. RESEA funding also trains American Job Center staff in using technological tools such as skills transferability, ability profiler, labor market information, and initial and comprehensive assessments.

To improve the scope and depth of re-employment services to UI claimants, the review team evaluates these activities as part of the local office review process. In addition, review staff analyzes applications to determine compliance with work test requirements. If deficiencies are identified, the review team makes recommendations for improvement, and the local office develops a corrective action plan that is monitored by management until the desired improvement is achieved.

The Workforce System streamlined the claims process to auto create the partial WP application in the Virtual One Stop System after the initial UI claim is submitted, allowing provisions for labor exchange services to be rendered to UI claimants.

## **2. Registration of UI claimants with the State's employment service if required by State law;**

The Workforce System has a process in place that automatically creates a partial WP application upon the completion of a UI claimant as required by State law, T.C.A. 50-7-302(a).

## **3. Administration of the work test for the State unemployment compensation system, including making eligibility assessments (for referral to UI adjudication, if needed), and providing job finding and placement services for UI claimants; and**

Additional information regarding this response has been included in an action plan.

## **4. Provision of referrals to and application assistance for training and education programs and resources.**

The Workforce System ensures that all individuals, including UI claimant, seeking employment are provided comprehensive career services as defined by the labor exchange system. Those services include assisting jobseekers in finding employment, assisting employers in filling jobs; facilitating the match between jobseekers and employers, participating in a system for labor between states, meeting work search requirements of the unemployment compensation, job search and placement assistance, career counseling; and providing business service activities to employers. Job seekers are able to receive multiple services at an AJC:

- Basic individual or group counseling. Learn how to set goals and develop a personal plan of action.
- Facilitate workshops that provide valuable information on job related topics. Workshops are conducted by AJC staff.
- Receiving an assessment, which helps all involved learn about the participant's interest, aptitude, basic skills, work values, and personality. These assessments may be self-served or staff assisted and are comprehensive and specialized exams that identify employment needs.
- Receiving Career Guidance/Planning to develop an individual employment/career plan with a workforce professional to identify employment goals and appropriate combination of services to achieve the goals.
- Receiving information and assistance with internship, work experience, or relocations assistance based on the assessment or individual's employment plan.
- Receiving training and education-skills training or educational program information.

- Receiving additional referral services to appropriate programs and partners to further assist with any other services such as health, welfare, and financial assistance where eligibility requirements are met.

Connecting with a case manager who will advocate, communicate, and provide resources to aid in achieving the goals established in the individual employment plan.

Once an assessment is completed and it is determined that an educational and training services are needed, an UI claimant will be referred to the appropriate program staff member and/or training or educational service as needed.

In the context of WIOA, Re-Employment Services and Eligibility Assessment (RESEA) program services are a valuable one stop resource as well, particularly given the new focus that the Wagner-Peyser Act now places on employment services for UI claimants.

RESEA offers participants re-employment services and the following benefits towards self-sufficiency:

- Orientation to help claimants access career services offered at AJCs through the resource room or virtually, with particular emphasis on accessing available labor market and career information
- Registration with the virtual one-stop
- Referrals to appropriate services offered through AJCs such as resume writing workshops, self-assessments, education and training information, interviewing techniques, networking, career exploration, and online job and occupations resources
- Support in the development of the claimant's tailored individual re-employment plan that must include work search activities, workshops on topics such as resume writing, job search strategies if needed, and/or approved training

A RESEA participant is provided with one-on-one services for the eligibility review and the development of an individual re-employment plan during the initial RESEA and during any subsequent RESEA. The individual re-employment plan must be developed during the initial RESEA and updated during any subsequent RESEAs and in collaboration with the claimant and tailored to their individual needs. It must contain specific steps to which the claimant agrees to adhere including reporting to and participating in the re-employment service(s) determined to be most likely to result in reemployment or referral to career related training. During the development of the individual reemployment plan, specific labor market information should be discussed, thus, ensuring that the claimant understands how labor market information can be used in an appropriate job search. All states should provide re-employment services as a component of each RESEA.

## **e. Agricultural Outreach Plan (AOP).**

Each State agency must develop an AOP every four years as part of the Unified or Combined State Plan required under sections 102 or 103 of WIOA. The AOP must include--

### **1. Assessment of Need**

Provide an assessment of the unique needs of farmworkers in the area based on past and projected agricultural and farmworker activity in the State. Such needs may include but are not limited to: employment, training, and housing.

Tennessee’s agricultural sector includes farming and related industries, as well as value-added food and fiber products, processing, and manufacturing. Tennessee’s agriculture accounts for 10.5 percent of the State’s economy and generates \$69.4 billion in output, which is an increase of \$18.2 million from the previous year. Tennessee is ranked 3rd in the United States for tobacco production, 8th for cotton production, 17th for soybean and corn production and 9th for the total number of farms. During 2014, there was a decrease of farms in the State which left Tennessee’s estimated total at 67,300. Over 41 percent of Tennessee’s total land area is farmland (10,867,812 million acres), with cropland accounting for approximately 49 percent of farm land. About 238,000 Tennesseans are employed in agriculture, with 127,000 connected (full and part-time) with agricultural production. The State’s top five agricultural commodities, cattle/calves, soybeans, broilers, corn, and cotton and cottonseed, comprise about two-thirds of the farm-marketing cash receipts. Crop cash receipts totaled \$2.30 billion and soybeans lead those receipts with \$592 million. Tennessee’s top-ranking crops are soybeans, corn, wheat, cotton, tobacco, and hay. The following chart indicates Tennessee’s major intensive crop activity in 2014. Below is a graph showing the soybean production amounts for Program Year 2014. production estimates for TN soybeans, is measured in LB/acre.

Year	State	Soybeans Acres Harvested	Soybeans Acres Planted	Soybeans Production	Soybeans Yield
2014	Tennessee	1,610,000	1,640,000	74,060,000	46

**A. An assessment of the agricultural activity in the State means: 1) identifying the top five labor-intensive crops, the months of heavy activity, and the geographic area of prime activity; 2) Summarize the agricultural employers’ needs in the State (i.e. are they predominantly hiring local or foreign workers, are they expressing that there is a scarcity in the agricultural workforce); and 3) Identifying any economic, natural, or other factors that are affecting agriculture in the State or any projected factors that will affect agriculture in the State.**

Additional information regarding this response has been included in an action plan.

**B. An assessment of the unique needs of farmworkers means summarizing Migrant and Seasonal Farm Worker (MSFW) characteristics (including if they are predominantly from**

**certain countries, what language(s) they speak, the approximate number of MSFWs in the State during peak season and during low season, and whether they tend to be migrant, seasonal, or year-round farmworkers). This information must take into account data supplied by WIOA Section 167 National Farmworker Jobs Program (NFJP) grantees, other MSFW organizations, employer organizations, and State and/or Federal agency data sources such as the U.S. Department of Agriculture and the U.S. Department of Labor (DOL) Employment and Training Administration.**

The local offices outreach activities must be designed to meet the needs of MSFWs in the State and to locate and contact MSFWs who are not being reached through normal intake activities. Describe the State agency's proposed strategies for:

Much like previous years, because Tennessee is considered a non-significant State, TDLWD has not received allocations for large array of MSFW-outreach resources. Thus, most of such State-outreach efforts have been implemented by the Tennessee Opportunity Programs (TOPS), 167 National Farmworker Jobs Program (NFJP) grantees. However, TDLWD plans to continue assisting TOPS with outreach services. The following explains the various steps leading to an active enrollment in the TOPS:

- TDLWD State staff will coordinate with local AJC offices to continue training and explanation of services offered
- TOPS case managers reach out to farm communities to identify prospective candidates.
- Once farm workers are identified, and they demonstrate a compelling interest to obtain new skills and pursue different and more productive career tracks, registration can begin and be completed.
- Eligibility documents are sought - including birth certificates, selective service registration documents, drivers' license, work visa, etc.
- Interviews are held, eligibility is confirmed and skill needs along with ABE and other service needs are identified. Next an IEP is developed, then training and services are secured.
- Core services are cooperatively arranged and training providers, as well as service providers, are identified.

If additional services are needed that are beyond the scope of TOPS training and employment and supportive services, the clients are given referrals to other programs such as Vocational Rehabilitation, Veterans Services, or Senior Corps Programs. TDLWD's staff plans to coordinate with TOPS directors and case managers to register MSFW with the goal of notifying MSFWs of the services provided by Tennessee's American Job Centers (AJCs). TDLWD will also coordinate with TOPS to use the mobile career coach units to bring TDLWD's services to MSFW in their home communities. TDLWD plans to join the Tennessee Migrant Network Council, a coalition established by TOPS, in efforts to provide MSFW with a more comprehensive array of resources and services. The Tennessee Monitor Advocate will collaborate

with National Farmworker Jobs Program (NFJP) grantees, public agencies, agricultural employer organizations and with others in providing services to MSFW for a cohesive continuum of services.

## **2. Outreach Activities**

The local offices outreach activities must be designed to meet the needs of MSFWs in the State and to locate and contact MSFWs who are not being reached through normal intake activities. Describe the State agency's proposed strategies for:

### **A. Contacting farmworkers who are not being reached by the normal intake activities conducted by the employment service offices.**

Additional information regarding this response has been included in an action plan.

### **B. Providing technical assistance to outreach workers. Technical assistance must include trainings, conferences, additional resources, and increased collaboration with other organizations on topics such as one-stop center services (i.e. availability of referrals to training, supportive services, and career services, as well as specific employment opportunities), the employment service complaint system, information on the other organizations serving MSFWs in the area, and a basic summary of farmworker rights, including their rights with respect to the terms and conditions of employment.**

- The SWA will coordinate with local AJC Offices to continue training and explaining services offered. These services involve:
  - Availability of Referrals to training: The SWA refers any interested MSFW the appropriate agency that can better serve the MSFW in the needed training.
  - Supportive services that include making sure the MSFW knows his/her rights under the law, ensuring that such workers have access to the necessary equipment at the AJCs, and explaining to the MSFW the purpose of Jobs4TN is and how to access and utilize the system.
  - Career Services through Jobs4TN enables the participant to apply for any jobs that meets their skill set.
  - Employment opportunities: The MSFW can again utilize Jobs4TN. Also the SWA can refer the MSFW to any agent that currently works with employers in the State.

- Other organizations: TOPS, another Tennessee organization serving MSFW in the State empowers migrant and seasonal farmworkers and other disadvantaged Tennesseans to achieve economic self-sufficiency. This is done by providing services that address their individual needs.
- Farmworkers Rights: In terms of employment, MSFW participants have the same rights as any resident of Tennessee, however, acquiring those rights might be more difficult than normal given some barriers. Therefore posters are available at the AJCs in English and Spanish explaining those rights. Posters are also handed out at farms to the employer and employee to ensure that their rights of each the law are known.

**C. Increasing outreach worker training and awareness across core programs including the Unemployment Insurance (UI) program and the training on identification of UI eligibility issues.**

All current UI issues pertaining to worker training and core programs within the Department of Labor and Workforce Development are handled through referrals in Workforce One Touch and addressed by the Division of Employment Security, which has oversight of the Unemployment Insurance program.

**D. Providing State merit staff outreach workers professional development activities to ensure they are able to provide high quality services to both jobseekers and employers.**

All current UI issues pertaining to worker training and core programs within the Department of Labor and Workforce Development are handled through referrals in Workforce One Touch and addressed by the Division of Employment Security, which has oversight of the Unemployment Insurance program.

**E. Coordinating outreach efforts with NFJP grantees as well as with public and private community service agencies and MSFW groups.**

Due to the non-significant status of the state, the majority of outreach is completed by the NFJP grantees. Additional information regarding this response has been included in an action plan.

**3. Services provided to farmworkers and agricultural employers through the one-stop delivery system.**

Describe the State agency's proposed strategies for:

**A. Providing the full range of employment and training services to the agricultural community, both farmworkers**

**and agricultural employers, through the one-stop delivery system. This includes:**

- i. How career and training services required under WIOA Title I will be provided to MSFWs through the one-stop centers;
- ii. How the State serves agricultural employers and how it intends to improve such services.

TDLWD will offer migrant and seasonal farm workers (MSFW) the full range of employment services, benefits and protections, including counseling, testing, job training, and referral services. MSFW, on a proportionate basis, shall not receive fewer services than non-MSFW. AJC staff will consider the preferences, needs, and skills of individual MSFW and the availability of job and training opportunities.

All office staff will make job order information clear and available to MSFWs in all local offices. This information will include Job Bank information in AJCs where it is available. Such information will be made available either by computer, hard copy, or by any other equally effective means. Each significant MSFW local office will provide adequate staff assistance to each MSFW to use job order information effectively. In those offices designated as significant MSFW bilingual offices, such assistance will be provided to MSFW in Spanish and English, wherever requested or necessary, during any period of substantial MSFW activity.

**B. Marketing the employment service complaint system to farmworkers and other farmworker advocacy groups.**

Currently, the SWA works with agents that represent the employers to train them about how to use Jobs4TN. In addition, any job seeker is referred to the site has support to create a profile, navigate the website, complete job applications, create and post resumes and search for jobs meeting the job seeker's skill set.

**C. Marketing the Agricultural Recruitment System to agricultural employers and how it intends to improve such publicity.**

Additional information regarding this response has been included in an action plan.

**4. Other Requirements**

**A. Collaboration**

Describe any collaborative agreements the state workforce agency (SWA) has with other MSFW service providers including NFJP grantees and other service providers. Describe how the SWA intends to build upon/increase collaboration with existing partners and in establishing new partners over the next four

years (including any approximate timelines for establishing agreements or building upon existing agreements).

More collaboration is needed to facilitate the appropriate access and usage of Jobs4TN for other MSFW service providers.

## **B. Review and Public Comment.**

In developing the AOP, the SWA must solicit information and suggestions from NFJP grantees, other appropriate MSFW groups, public agencies, agricultural employer organizations, and other interested organizations. In addition, at least 45 calendar days before submitting its final AOP, the SWA must provide a proposed plan to NFJP grantees, public agencies, agricultural employer organizations, and other organizations expressing an interest and allow at least 30 days for review and comment. The SWA must: 1) Consider any comments received in formulating its final proposed AOP; 2) Inform all commenting parties in writing whether their comments have been incorporated and, if not, the reasons therefore; and 3) Transmit the comments and recommendations received and its responses with the submission of the AOP. The AOP must include a statement confirming NFJP grantees, other appropriate MSFW groups, public agencies, agricultural employer organizations and other interested employer organizations have been given an opportunity to comment on the AOP. Include the list of organizations from which information and suggestions were solicited, any comments received, and responses to those comments.

There were no comments received on the AOP, however, information and suggestions were solicited from:

- Core and Partner Program State Departments
- Local Workforce Development Boards
- Tennessee Opportunities Programs (TOPS)
- NFP grantees

## **C. Data Assessment.**

Review the previous four years Wagner-Peyser data reports on performance. Note whether the State has been meeting its goals to provide MSFWs quantitatively proportionate services as compared to non-MSFWs. If it has not met these goals, explain why the State believes such goals were not met and how the State intends to improve its provision of services in order to meet such goals.

After reviewing the last four (4) years of performance the State has and will continue to meet the goals set. Both MSFWs and non-MSFWs have received the same quantitatively services. Although the goal has been consistently met, we are continuously improving the ways to better serve both non-MSFWs and MSFWs.

## **D. Assessment of progress**

The plan must include an explanation of what was achieved based on the previous AOP, what was not achieved and an explanation as to why the State believes the goals were not achieved, and how the State intends to remedy the gaps of achievement in the coming year.

The State believes that all goals were reached as laid out in the previous year's AOP. The State used TOPS to outreach to farm communities to identify prospective candidates. After those MSFW the one stop centers would try to pursue different and productive career tracks for those MSFW. Testing of cognitive abilities was achieved as well as placing the MSFW with the best opportunity of employment. Core services were identified and training was arranged with different providers as needed. Furthermore, if there were additional services needed beyond the scope of what could be offered, the clients were referred to other programs such as: Vocational Rehabilitation, Veterans Services, or Senior Corps Programs.

### **E. State Monitor Advocate**

The plan must contain a statement confirming the State Monitor Advocate has reviewed and approved the AOP.

The Tennessee State Monitor advocate has reviewed and approved the AOP for Tennessee.

### **F. Wagner-Peyser Assurances**

The State Plan must include assurances that:

1. The Wagner-Peyser Employment Service is co-located with one-stop centers or a plan and timeline has been developed to comply with this requirement within a reasonable amount of time. (sec 121(e)(3)); Yes
2. The State agency is complying with the requirements under 20 CFR 653.111 (State agency staffing requirements) if the State has significant MSFW one-stop centers; Yes
3. If a State Workforce Development Board, department, or agency administers State laws for vocational rehabilitation of persons with disabilities, that board, department, or agency cooperates with the agency that administers Wagner-Peyser services, Adult and Dislocated Worker programs and Youth Programs under Title I; and Yes
4. State agency merit-based public employees provide Wagner-Peyser Act-funded labor exchange activities in accordance with Department of Labor regulations. Yes

## **Adult Education and Family Literacy Act Program State Plan for the State of Tennessee**

### **Program-Specific Requirements for Adult Education and Family Literacy Act Programs**

The State Plan must include a description of the following as it pertains to Adult Education and Literacy programs under Title II, the Adult Education and Family Literacy Act (AEFLA).

## **a. Aligning of Content Standards**

Describe how the eligible agency will, by July 1, 2016, align its content standards for adult education with State-adopted challenging academic content standards, as adopted under section 1111(b)(1) of the Elementary and Secondary Education Act of 1965, as amended (20 U.S.C. 6311(b)(1)).

Tennessee is a College and Career Readiness Standards in Action State. Tennessee has adopted the College and Career Readiness Standards developed by OCTAE and has provided training to all adult educators across the state in the standards. All AE content has been aligned to these standards as of July 1, 2016.

The Division of Adult Education is actively developing a curriculum that will be aligned to the Tennessee Academic Standards, as adopted under section 1111(b)(1) of the Elementary and Secondary Education Act of 1965, as amended (10 U.S.C. 6311(b)(1)), as well as the College and Career Readiness Standards as adopted by the United States Department of Education. To accomplish this goal, a Curriculum Advisory Team (CAT) has been formed composed of Supervisors and Instructors from the field as well as state staff. The CAT is currently undergoing rigorous training on the College and Career Readiness Standards as part of Tennessee Adult Education's participation in the United States Department of Education sponsored College and Career Readiness Standards in Action Project.

In addition, the Division of Adult Education has posted a Request for Quotes and received responses from qualified vendors to develop a curriculum based upon both Tennessee Academic Standards and College and Career Readiness Standards. Once the contract is executed, the vendor will begin developing the curriculum in cooperation with the CAT. Upon completion, the Division will be able to deliver to the field a comprehensive Adult Education curriculum, complete with lesson plans and practice material, aligned to the Tennessee Academic Standards and the College and Career Readiness Standards.

## **b. Local Activities**

Describe how the State will, using the considerations specified in section 231(e) of WIOA, fund each eligible provider to establish or operate programs that provide the adult education and literacy activities, including programs that provide such activities concurrently. The Unified or Combined State Plan must include at a minimum the scope, content, and organization of local activities.

### *Adult Education and Literacy Activities (Section 203 of WIOA)*

- Adult education;
- Literacy;
- Workplace adult education and literacy activities;
- Family literacy activities;

- English language acquisition activities;
- Integrated English literacy and civics education;
- Workforce preparation activities; or
- Integrated education and training that—
  1. Provides adult education and literacy activities, concurrently and contextually with both, workforce preparation activities, and workforce training for a specific occupation or occupational cluster, and
  2. Is for the purpose of educational and career advancement.

Please see III.b.5.B.i. Tennessee will not be funding the Family Literacy Act. Using the considerations specified in section 231(e) of WIOA, The Division of Adult Education plans to conduct a statewide competitive bid for the term of July 1, 2016 - June 30, 2017. The Division of Adult Education will post a Notice of Funding Opportunity on the Tennessee Adult Education website for each designated Adult Education District. Potential eligible providers shall submit their application to be reviewed and scored by independent reviewers using the Tennessee Adult Education Scoring Rubric. Applications will be evaluated and scored on the basis of thoroughness, completeness, clarity and merit.

The Division of Adult Education, based upon the recommendation of the reviewer, shall submit to the successful applicant an Intent to Fund Letter outlining special terms and the award amounts. The successful eligible provider will adhere to the Scope of Services and Assurances that will delineate approved activities and set forth the terms and conditions under which to manage the Adult Education grant for the term of July 1, 2017 - June 30, 2020.

All local activities will only be provided to eligible individuals. In Tennessee, eligible individuals are individuals who have attained 17 years of age (16 if emancipated); who are not enrolled or required to be enrolled in secondary school under State law; and who are basic skills deficient; do not have a secondary school diploma or it recognized equivalent, and has not achieved an equivalent level of education; or is an English language learner. Through the grants awarded for the term of July 1, 2017 - June 30, 2020, the Division of Adult Education shall provide the following local activities:

1. *Adult Education (AE)* - Academic instruction and education services below postsecondary level that increase an individual's ability to read, write, and speak in English and perform mathematics at a level necessary for the attainment of a Tennessee High School Equivalency Diploma. This academic instruction and education service will be targeted to meet the needs of the student based upon academic functioning level as determined by standardized testing. Services provided will be tailored to meet AE core performance indicators including, but not limited to, transition to postsecondary education and training or employment. Eligible students will have the opportunity to participate in online classes using approved Distance Education programs.
2. *Workplace Adult Education and Literacy Activities* - Eligible providers will develop partnerships with business, industry and the Local Workforce Investment Board to provide Adult Education and literacy activities concurrently and contextually with both, workforce preparation activities, and workforce training in collaboration with an employer or employee organization designed to

improve the productivity of the workforce as well as educational and career advancement for the eligible individual.

3. *English Language Acquisition Activities* - Eligible providers will develop a program of instruction designed to help eligible individuals who are English language learners (ELL) achieve competence in reading, writing, speaking and comprehension of the English language.
4. *Integrated English Literacy and Civics Education (IEL/CE)* - The Integrated English Literacy and Civics Education Programs in Tennessee will provide services to ELL's who are adults, including professionals with degrees and credentials in their native countries that enable them to achieve proficiency necessary to function on the job, in their families and in society. These services shall include instruction in literacy and English language acquisition as well as instruction on the rights and responsibilities of citizenship and civic participation. Job readiness training will also be included in instruction and will be facilitated by the integration of digital literacy. In addition, students will be instructed in computation and problem solving at levels of proficiency necessary to promote personal growth and to integrate effectively into their communities. Academic instruction will enhance students' abilities to obtain a High School Equivalency Diploma and pursue post-secondary education. Information and resources for job advancement and training opportunities will be made available to students.
5. *Workforce Preparation Activities* - Eligible providers will help individuals acquire a combination of basic academic skills and employability skills necessary for successful transition into and completion of postsecondary education or training or employment.
6. *Integrated Education and Training* - Academic instruction and education services below postsecondary level that increase an individual's ability to read, write, and speak in English and perform mathematics at a level necessary for the attainment of a Tennessee High School Equivalency Diploma. This academic instruction and education service will be targeted to meet the needs of the student based upon academic functioning level as determined by standardized testing. Services provided will be tailored to meet AE core performance indicators including, but not limited to, transition to postsecondary education and training or employment. Eligible students will have the opportunity to participate in online classes using approved Distance Education programs. This academic instruction may be provided concurrently and contextually with both, workforce preparation activities as described above, and workforce training for a specific occupation or occupational cluster.

**Special Rule.** The Tennessee Department of Labor and Workforce Development, Division of Adult Education, in awarding any grant or contract under this section will not use any funds made available under this title for adult education and literacy activities for the purpose of supporting or providing programs, services, or activities for individuals who are under the age of 16 and are enrolled or required to be enrolled in secondary school under State law, except that the Tennessee Department of Labor and Workforce Development, Division of Adult Education may use such funds for such purpose if such programs, services, or activities are related to family literacy activities. In providing family literacy activities under this title, an eligible provider shall attempt to coordinate with programs and services that are not assisted under this title prior to using funds for adult education and literacy activities under this title for activities other than activities for eligible individuals.

### *Special Rule*

Each eligible agency awarding a grant or contract under this section shall not use any funds made available under this title for adult education and literacy activities for the purpose of supporting or providing programs, services, or activities for individuals who are under the age of 16 and are enrolled or required to be enrolled in secondary school under State law, except that such agency may use such funds for such purpose if such programs, services, or activities are related to family literacy activities. In providing family literacy activities under this title, an eligible provider shall attempt to coordinate with programs and services that are not assisted under this title prior to using funds for adult education and literacy activities under this title for activities other than activities for eligible individuals.

### **c. Corrections Education and other Education of Institutionalized Individuals**

Describe how the State will establish and operate programs under section 225 of WIOA for corrections education and education of other institutionalized individuals, including how it will fund, in accordance with the requirements of Title II, subtitle C, any of the following academic programs for:

- a. Adult education and literacy activities;
- b. Special education, as determined by the eligible agency;
- c. Secondary school credit;
- d. Integrated education and training;
- e. Career pathways;
- f. Concurrent enrollment;
- g. Peer tutoring; and
- h. Transition to re-entry initiatives and other post release services with the goal of reducing recidivism.

Each eligible agency using funds provided under Programs for Corrections Education and Other Institutionalized Individuals to carry out a program for criminal offenders within a correctional institution must give priority to serving individuals who are likely to leave the correctional institution within 5 years of participation in the program.

Tennessee will compete section 225 according to the narrative set forth in (5)(B)(i). The grants awarded may be for up to 20% of the available federal dollars as set forth in section 222(a)(1).

The funds described in section 225(a) shall be used for the cost of educational programs for criminal offenders in correctional institutions and for other institutionalized individuals, including academic programs for: 1) adult education and literacy activities; 2) special education, as determined by the agency; 3) secondary school credit; 4) integrated education and training; 5) career pathways; 6) concurrent enrollment; 7) peer tutoring; and 8) transition to re-entry initiatives and other post release services with the goal of reducing recidivism.

### **d. Integrated English Literacy and Civics Education Program**

**1. Describe how the State will establish and operate Integrated English Literacy and Civics Education programs under Section 243 of WIOA, for English language learners who are adults, including professionals with degrees and credentials in their native countries.**

Tennessee will compete Section 243 according to the narrative set forth in (5)(B)(i).

**2. Describe how the State will fund, in accordance with the requirements of title II, subtitle C, Integrated English Literacy and Civics Education services and how the funds will be used for those services.**

Tennessee will compete Section 243 according to the narrative set forth in (5)(B)(i). The Division of Adult Education will utilize the thirteen considerations set forth in Section 231(e) as evaluative criteria to score eligible providers' application for funding. All eligible providers will be notified by the same grant announcement and will be accountable to the same process to adhere to all direct and equitable provisions. Integrated English Literacy and Civics Education programs will prepare adult English Language Learners (ELLs) to become functional in the four language skills, reading, writing, listening and speaking, so they might gain the proficiency necessary to function on the job, in their families and in their communities.

Programs will assess the students' educational functioning level using standardized testing instruments approved by the National Reporting System, specifically the CASAS Assessment. Assessment results will be used to identify and address learning deficiencies to assure that ELLs are able to achieve their goals. The student will then be enrolled in a course of instruction designed to meet their language acquisition and academic needs as identified through their initial CASAS Assessment results. Post-Assessments will be administered in accordance with the approved Tennessee Adult Education Assessment Policy in order to measure educational functioning level gains. All instruction for language acquisition or academic skills will incorporate Civics Education to instruct the student in the rights and responsibilities of American citizenship as well as skills necessary to function on the job, in their families and in their communities.

Programs may also provide Integrated Education and Training activities. The course of academic instruction for ELLs may be provided concurrently and contextually with both, workforce preparation activities as described above and workforce training for a specific occupation or occupational cluster.

Programs will implement job readiness training, which includes job acquisition and retention skills and employability skills. Students will also be connected with other One-Stop partners to provide assistance in identifying in-demand industries in the students' community and connect them to appropriate training designed to lead to unsubsidized employment and economic self-sufficiency. Further, students will be connected to their local Tennessee Career Center to assist them in job searches and other services designed to lead to unsubsidized employment and economic self-sufficiency. These connections to the

local workforce development system and its functions may be made through referrals or memoranda of understanding.

Programs will provide instruction that promotes academic success so that ELLs may pursue a secondary diploma or its equivalent and/or post-secondary training. Digital literacy will be an integral part of instruction at all levels.

## **e. State Leadership**

### **1. Describe how the State will use the funds to carry out the required State Leadership activities under section 223 of WIOA.**

1. The Division of Adult Education will align adult education and literacy activities with other core programs and one stop partners. This will be done by having by eligible providers partnering with their local AJC for the referral of potential students; there, students will be assisted in building a resume and creating an account in Jobs4TN. Eligible providers will also refer students completing the program to the Tennessee Career Center for career information and job placement. Eligible providers will refer eligible students completing the program to the Local Workforce Board or Vocational Rehabilitation as set forth in this State Plan; this will include the development of career pathways to provide access to employment and training services for individuals in adult education and literacy activities.
2. The Division of Adult Education in conjunction with the Tennessee Department of Human Resources will conduct high quality professional development programs in the form of Leadership/Management training for SDA supervisors. Such programs will assist them in the efficient and effective operation of their SDA. This training will take place at two Leadership Summits per year as well as at the Academy for Instructional Excellence and on a more individual basis between as needed.

The Division of Adult Education will conduct two Regional Instructional Workshops per year in which instructors will receive professional development training regarding instruction methods for adult learners. Instructors will also receive information about current models and best practices in instruction for adult learners.

The Division of Adult Education will conduct an Academy for Instructional Excellence wherein instructors will receive professional development training regarding instruction methods for adult learners. Instructors will also receive information about current models College and Career Readiness Standards and best practices in instruction for adult learners.

The Division of Adult Education will provide professional development opportunities to individual SDA's as needed in instructional methods for adult learners in mathematics and reading or other subjects as needs may arise.

These high quality professional development programs shall be established and operated to improve the instruction provided pursuant to local activities required under Section 231(b). This will include

instruction; incorporating the essential components of reading instruction as such components relate to adults; instruction related to the specific needs of adult learners; provided by volunteers or by personnel; about dissemination of information concerning models and promising practices related to such programs.

The Division of Adult Education will assess the professional development system in several ways. The Division of Adult Education, through regional consultants and other state staff, will conduct systematic site visits along with desktop and onsite monitoring. Based on the results of these visits and monitoring activities, the Division will provide professional development to meet demonstrated needs. Regional consultants and other State staff, will also conduct systematic follow-up site visits and desktop and onsite monitoring; this will be done to ensure the efficacy of the professional development offered and to determine if additional professional development is necessary. Further, each professional development training provided will be evaluated by the audience through use of evaluation forms. Future training and professional development events will be revised or modified for improvement based upon the results of the evaluation.

3. (a) The Division of Adult Education, through regional consultants and other State staff, will conduct systematic site visits and desktop and onsite monitoring. Based upon the results of these visits and monitoring activities, the Division will provide technical assistance to eligible providers to develop and disseminate instructional and programmatic practices. These practices will be based on the most rigorous or scientifically valid research available and appropriate, in reading, writing, speaking, mathematics, English language acquisition programs, distance education and staff training.  
  
b) The Division of Adult Education, through regional consultants and other State staff, will conduct systematic site visits and desktop and onsite monitoring. Based upon the results of these visits and monitoring activities, the Division will provide technical assistance to eligible providers regarding their role as a one-stop partner to provide access to employment, education and training services.  
  
c) The Division of Adult Education, through regional consultants and other State staff, will conduct systematic site visits and desktop and onsite monitoring. Based upon the results of these visits and monitoring activities, will provide technical assistance to eligible providers in the use of technology.
4. The Division of Adult Education, through regional consultants and other state staff, will conduct systematic site visits and desktop and onsite monitoring. Through these visits and monitoring activities, the Division will monitor and evaluate the quality of, and the improvement in, adult education and literacy activities and the dissemination of information about models and proven or promising practices within the State. Each eligible provider will be monitored for compliance and appropriate technical assistance will be provided as needed.

## **2. Describe how the State will use the funds to carry out permissible State Leadership Activities under section 223 of WIOA, if applicable.**

1. The Division of Adult Education will partner with State or regional networks of literacy resource centers to provide technical assistance, program support, EL/Civics and curriculum development as may be needed.
2. The Division of Adult Education will develop and implement a distance education program including professional development to support the use of instructional technology.
3. The Division of Adult Education will develop and disseminate curricula, including curricula incorporating the essential components of reading instruction as such components relate to adults.
4. The Division of Adult Education will develop content and models for integrated education and training and career pathways.
5. The Division of Adult Education will provide assistance to eligible providers in developing and implementing programs that achieve the objectives of this title and in measuring the progress of those programs in achieving such objectives, including meeting the State adjusted levels of performance described in Section 116(b)(3).
6. The Division of Adult Education will develop and implement a system to assist in the transition from adult education to postsecondary education, including linkages with postsecondary educational institutions or institutions of higher education.
7. The Division of Adult Education will integrate literacy and English language instruction with occupational skill training, including promoting linkages with employers.
8. The Division of Adult Education will conduct activities to promote workplace adult education and literacy activities.
9. The Division of Adult Education will identify curriculum frameworks and align rigorous content standards that -
  - i. Specify what adult learners should know and be able to do in the areas of reading and language arts, mathematics, and English language acquisition; and
  - ii. Take into consideration the following:
    - State adopted academic standards.
    - The current adult skills and literacy assessments used in the State.
    - The primary indicators of performance described in Section 116.
    - Standards and academic requirements for enrollment in nonremedial, for-credit courses in postsecondary educational institutions or institutions of higher education supported by the State.
    - Where appropriate, the content of occupational and industry skill standards widely used by business and industry in the State.
10. The Division of Adult Education will develop and pilot strategies for improving teacher quality and retention.
11. The Division of Adult Education will develop and implement programs and services to meet the needs of adult learners with learning disabilities or English language learners, which may include new and promising assessment tools and strategies that are based on scientifically valid research, where appropriate, and identify the needs and capture the gains of such students at the lowest achievement levels.
12. The Division of Adult Education will conduct outreach to instructors, students, and employers.
13. The Division of Adult Education will conduct other activities of statewide significance that promote the purpose of Title II of WIOA.

## **f. Assessing Quality**

Describe how the eligible agency will assess the quality of providers of adult education and literacy activities under title II and take actions to improve such quality, including providing the activities described in section 223(a)(1)(B) of WIOA.

Subrecipients will be subject to on-site monitoring , at a minimum, once every three years, depending on their risk assessments (risk assessments as well as site visits and desktop monitoring will be conducted once a year). The monitoring cycle will begin after the Monitoring Guide is approved for the State fiscal year starting October 1st. The Monitor will schedule those programs to be monitored for that fiscal year at his/her discretion with priority given to programs identified as a level one risk.

For on-site monitoring, the Monitor will provide written notice to each entity being monitored 30 days prior to a visit. The written notice will inform the entity of the dates for review, the programs that will be reviewed, the contract numbers that will be examined, and the estimated time of arrival. The Monitor is authorized to examine program records, interview participants and employees, and enter any site or the premises which receive Adult Education funds. Random sampling techniques will be used to perform the review of program records. The Monitor will hold an exit conference with appropriate officials for each review conducted.

After the Monitor finishes the review, working papers, which include any documents collected during the monitoring of program that will assist the monitor in completing a report of a program's business, shall be established during the review and maintained by the TDLWD. A monitoring report indicating noteworthy practices, non-compliance and corrective actions as well as recommendations for improvement is issued within 15 working days of the completion of the monitor working papers. A corrective action plan (CAP) will be submitted within 30 calendar days of the publishing of monitoring report that requires corrective action. A progress report will be issued to TDLWD during a designated time period (a minimum of three months) as directed by the Monitor until the corrective action has been accomplished. Finally, a letter of resolution will be sent to the provider stating that all actions have been taken and the CAP is closed.

In addition to on-site monitoring, Desktop Monitoring will take place monthly to review the subrecipient's performance, specifically HSE attainment and level gains. Regional Consultants will also conduct informal site visits to review the operations of the program, provide technical assistance and identify professional development needs. The Regional Consultants will recommend and provide professional development opportunities as necessary.

### ***Certifications***

States must provide written and signed certifications that

1. The plan is submitted by the State agency that is eligible to submit the plan. Yes
2. The State agency has authority under State law to perform the functions of the State under the program. Yes
3. The State legally may carry out each provision of the plan. Yes
4. All provisions of the plan are consistent with State law. Yes

5. A State officer, specified by title in the certification, has authority under State law to receive, hold, and disburse Federal funds made available under the plan. Yes
6. The State officer who is submitting the plan, specified by the title in the certification, has authority to submit the plan. Yes
7. The agency that is submitting the plan has adopted or otherwise formally approved the plan. Yes
8. The plan is the basis for State operation and administration of the program. Yes

### ***Certification Regarding Lobbying***

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

### ***Statement for Loan Guarantees and Loan Insurance***

The undersigned states, to the best of his or her knowledge and belief, that:

If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions. Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any

person who fails to file the required statement shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Applicant's Organization Tennessee Department of Labor and Workforce Development

Full Name of Authorized Representative: Burns Phillips

Title of Authorized Representative: Commissioner

SF LLL Form – Disclosure of Lobbying Activities (only if applicable)  
(<http://www2.ed.gov/fund/grant/apply/appforms/appforms.html>). If applicable, please print, sign, and email to OCTAE\_MAT@ed.gov

### ***Assurances***

The State Plan must include assurances that:

1. The eligible agency will expend funds appropriated to carry out title II of the Workforce Innovation and Opportunity Act (WIOA) only in a manner consistent with fiscal requirements under section 241(a) of WIOA (regarding supplement and not supplant provisions). Yes
2. The eligible agency will ensure that there is at least one eligible provider serving each local area, as defined in section 3(32) of WIOA. Yes
3. The eligible agency will not use any funds made available under title II of WIOA for the purpose of supporting or providing programs, services, or activities for individuals who are not “eligible individuals” within the meaning of section 203(4) of WIOA, unless it is providing programs, services or activities related to family literacy activities, as defined in section 203(9) of WIOA. Yes
4. The Integrated English Literacy and Civics Education program under section 243(a) of WIOA will be delivered in combination with integrated education and training activities; Yes
5. The Integrated English Literacy and Civics Education program under section 243(a) of WIOA will be designed to (1) prepare adults who are English language learners for, and place such adults in, unsubsidized employment in in-demand industries and occupations that lead to economic self-sufficiency and (2) integrate with the local workforce development system and its functions to carry out the activities of the program; and Yes
6. Using funds made available under title II of WIOA to carry out a program for criminal offenders within a correctional institution, the eligible agency will give priority to serving individuals who are likely to leave the correctional institution within five years of participation in the program. Yes

# VR Portion of WIOA State Plan for the State of Tennessee

## Program-Specific Requirements for Vocational Rehabilitation

The Vocational Rehabilitation (VR) Services Portion of the Unified or Combined State Plan\* must include the following descriptions and estimates, as required by section 101(a) of the Rehabilitation Act of 1973, as amended by WIOA:

---

\* Sec. 102(b)(D)(iii) of WIOA

### a. Input of State Rehabilitation Council

All agencies, except for those that are independent consumer-controlled commissions, must describe the following:

- 1. input provided by the State Rehabilitation Council, including input and recommendations on the VR services portion of the Unified or Combined State Plan, recommendations from the Council's report, the review and analysis of consumer satisfaction, and other Council reports that may have been developed as part of the Council's functions;**

The State Rehabilitation Council (SRC) is established in Section 105 of the Rehabilitation Act of 1973, as amended (Act), and 34 CFR §361.16.17 of its implementing regulations. The SRC gives advice to and works in partnership with the Division of Rehabilitation Services (referred to as "the Division" throughout this report) including input on the state plan.

- I. The SRC strongly recommends that the Program develops and implements marketing strategies to increase statewide awareness of VR services for businesses with hiring opportunities for individuals with disabilities.

RESPONSE: As the Division strategically implements WIOA, business will become more of a customer of the Vocational Rehabilitation Program. This will include studying the best marketing practices for new and existing services. The 17 Community Rehabilitation Training Centers and the Training Center at Smyrna will be involved in those strategies.

- II. SRC encourages the Division to continue to provide opportunities for education to students, family members, and Local Education Agencies (LEA's) regarding vocational rehabilitation and other services.

RESPONSE: The Division will continue implementation of PETS services through a phased approach beginning phase I with the Jackson/Madison School system. The Division is planning for full statewide implementation following the release of the final Federal Regulations in spring of 2016.

- III. SRC encourages the administration to continue reviewing available resources related to Order of Selection and the ability to serve more individuals with disabilities.

RESPONSE: The Division continues its review of all available resources in respect to the order of selection and the new language in the law.

- IV. SRC commends the achievement of exceeding the Program's production closure goals.

RESPONSE: The Division remains committed to providing quality services that lead to competitive integrated employment. As one of the core partners in WIOA, the Division is dedicated to assisting Tennessee in having a 21st Century Workforce.

- V. SRC recommends that, due to the current vacancy rate of staff in direct client services, the Division move toward fully staffing these positions to ensure continued increases in successful consumer employment outcomes.

RESPONSE: As the Division moves forward with implementation of WIOA, the personnel needs of the Vocational Rehabilitation Program will be continuously evaluated.

- VI. SRC commends the Program for the development of the Business Unit and strongly recommends fully staffing this unit and expanding national and statewide business partnerships.

RESPONSE: The Division is continuing the development of the Business Services Unit. WIOA establishes business as a customer of the Vocational Rehabilitation Program, therefore the Business Services Unit will take a larger role in service delivery. The Division continues to participate in the Talent Acquisition Portal (TAP), a searchable database for clients and employers. In addition, Tennessee VR participates in the National Employment Team (NET) sponsored by the Council of Administrators of Vocational Rehabilitation (CSAVR). The NET gives access to national business partnerships. The SENET, is specific to the southeast and increases statewide business partnerships.

- VII. Due to council structure and bylaw requirements, the SRC recommends that all SRC membership nominations be reviewed and processed within six (6) months.

RESPONSE: The Division will continue its efforts to work with the SRC to meet both internal and external deadlines. The Division would like to express its appreciation to the council for providing

feedback and hopes it too will be mindful of providing information to the Division in a timely manner.

- VIII. The VR & SRC FY2015 Annual Report was reviewed and edited by the DHS Communications staff prior to it being forwarded to the Offices of the DHS Commissioner, the Governor and the RSA Commissioner. The SRC recommends that the VR Services Portion of the Tennessee Combined State Plan be formally reviewed and edited as well to ensure a professional quality document is presented for inclusion in the combined state plan.

RESPONSE: The Department of Human Services strives to present all documents that are professional in quality.

## **2. the Designated State unit's response to the Council's input and recommendations; and**

The State unit's response is included with the SRC's input in the response to question 1 in this section.

## **3. the designated State unit's explanations for rejecting any of the Council's input or recommendations.**

The State unit's explanations for rejecting any of the SRC's input is included the response to question 1 in this section.

### **b. Request for Waiver of Statewideness**

When requesting a waiver of the statewideness requirement, the designated State unit must identify the types of services to be provided by the program on a non-statewide basis. The waiver request must also include written assurances that:

#### **1. a local public agency will provide the non-Federal share of costs associated with the services to be provided in accordance with the waiver request;**

The Division requests a waiver of state wideness in order to maintain thirty Third Party Agreements with thirty-five (LEAs). These Third Party Agreements are designed to provide enhanced and concentrated services to Transition School to Work students/clients covered by the agreements. The Division has a contract with each entity that is consistent with Federal regulations (34 CFR § 361.26) and includes the following provisions:

1. The vocational rehabilitation services to be provided are identified in Section A. Scope of Services in each contract (Each contract has been submitted separately to RSA to provide the written assurances requested for this attachment);

2. The LEA assures that non-Federal funds are made available to the Division by committing to their maintenance of effort in Section E.13 of the contract;
3. The LEA assures that the Division's approval is required before services are provided with the Division's counselor determining eligibility for each client served;
4. The LEA assures, through the Division's vocational rehabilitation counselors, that all other state plan requirements, including the Order of Selection policy, are applied to persons receiving services through the agreement; and
5. The LEA assures that reasonable accommodations will be provided.

A list of the LEA contracts is provided below:

- |   |  |                                  |
|---|--|----------------------------------|
| • Anderson County Schools                   | • Henderson County Schools   | • Metro Nashville Public Schools |
| • Bledsoe County Schools                    | • Humboldt City, Trenton Special School District, Milan Special District | • Polk County Schools            |
| • Blount County Schools                     | • Jackson/Madison County Schools   | • Putnam County Schools          |
| • Carter County Schools                     | • Kingsport City Schools   | • Sequatchie County Schools      |
| • Johnson County Schools                    | • Knoxville County Schools   | • Shelby County Schools          |
| • Clarksville/Montgomery County Schools     | • Lauderdale County Schools  | • TN School for the Blind        |
| • Cocke County Schools                      | • Loudon County Schools  | • TN School for the Deaf         |
| • Dyersburg City Schools                    | • McMinn County Schools  | • Tullahoma City Schools         |
| • Elizabethton City Schools                 | • McNairy County Schools   | • Unicoi County Schools          |
| • Greene County/<br>Greenville City Schools |  | • Warren County Schools          |
| • Hamblen County Schools                    |  | • Washington County Schools      |

In fiscal year 2014 the division changed the services offered under the TSW agreements. These new agreements provide more innovative services to the LEAs and the students.

While the Division provides transition services to all LEAs throughout the state, these Third Party Agreements enable the provision of an expanded and more intense transition service to students/clients resulting from the inclusion of Transition Case Managers, job coaches, transition coaches, and work place readiness specialists that would not otherwise be available to work with the vocational rehabilitation clients. These agreements enable the Division to have a greater presence within the schools and act as a stronger resource to the LEAs in the provision of transition services. The Division will continue to make efforts to increase the number of Third Party Agreements

## **2. the designated State unit will approve each proposed service before it is put into effect; and**

All of the appropriate information is included in the response to question 1 of this section.

## **3. All State plan requirements will apply**

Requirements of the VR services portion of the Unified or Combined State Plan will apply to the services approved under the waiver.

All of the appropriate information is included in the response to question 1 of this section.

### **c. Cooperative Agreements with Agencies Not Carrying Out Activities Under the Statewide Workforce Development System.**

Describe interagency cooperation with and utilization of the services and facilities of agencies and programs that are not carrying out activities through the statewide workforce development system with respect to:

#### **1. Federal, State, and local agencies and programs;**

The Division has interagency cooperation, collaboration, and coordination with other state and local entities that are not components of the Statewide Workforce Investment System.

The Division works in cooperation with the following federal, state, and local agencies and programs to provide services for individuals with significant disabilities:

1. The Department of Children's Services for youth-The Program is currently meeting with DCS state office staff to determine how to blend DCS Independent Living Services with VR program services. DCS state office staff has toured the TRC at Smyrna to learn more about the services provided at the TRC. The DCS Independent Living Coordinators statewide have an annual meeting. The VR Program has offered to host the 2016 spring meeting of the DCS Independent Living Coordinators. During that meeting, all Independent Living Coordinators will tour the facility in order to assist in a plan for coordination of services.
2. The Department of Health in providing services to individuals with Traumatic Brain Injury (TBI);
3. Post-secondary school systems and their governing bodies;
4. The Department of Education and Local Education Agencies for individuals who are transitioning from school to work.
5. The Department of Corrections for individuals released from state correctional facilities;
6. The Tennessee Board of Probation and Parole for individuals released from state correctional facilities and monitored by the Board.
7. Local city police, county sheriffs and judge's programs for individuals being released from jails or on probation or trial diversion;
8. The Department of Human Services Family Assistance and Child Support Division for individuals participating in services under the Temporary Assistance for Needy Families (TANF) program;
9. The Department of Mental Health and Substance Abuse Services for individuals with mental illness and substance related disorders;
10. The Department of Intellectual and Developmental Disabilities for individuals with intellectual and developmental disabilities;

11. University of Tennessee, Center for Literacy, Education and Employment for marketing to businesses the services provided by the Division, to recruit businesses to hire the Division's clients and to provide staff training and development and consultation services for community supported employment service providers;
12. Tennessee AgrAbility program for professions in agriculture production. This is a cooperative effort of the University of Tennessee Agricultural Extension Service, Tennessee State University Cooperative Extension Program, and Easter Seals in Tennessee, Special Technology Access Center, East Tennessee Technology Access Center and other collaborative entities of the Division;
13. Tennessee Works for employment partnerships and collaborative efforts to increase access to meaningful work and internet-based information.
14. Community Rehabilitation Agencies of Tennessee which administers the Tennessee State Use Program, directs government procurement toward organizations serving individuals with disabilities.
15. Council on Developmental Disabilities that promotes public policies to increase and support the inclusion of individuals with developmental disabilities in their communities and works with public and private groups across the State to find necessary supports for individuals with disabilities and their families, so that they may have equal access to public education, employment, housing, health care, and all other aspects of community life.
16. Tennessee Council for the Deaf and Hard of Hearing and Centers for the Deaf and Hard of Hearing and Deaf-Blind that operate in six communities and provide interpreter services consultation.
17. Tennessee Technology Access Programs that operate in five communities and provide assistive technology services and evaluations. These programs provided the contracted services with the Program within the Division that administers activities described in section 4 of the Assistive Technology Act.
18. Tennessee Centers for Independent Living that operate in six local communities are operated primarily by persons with disabilities and provide a variety of independent living services.
19. Community Rehabilitation Providers throughout the state that provide rehabilitation services under a Letter of Agreement.

## **2. State programs carried out under section 4 of the Assistive Technology Act of 1998;**

Information regarding this question is included with the response to question 1 in this section.

## **3. Programs carried out by the Under Secretary for Rural Development of the United States Department of Agriculture;**

Information regarding this question is included with the response to question 1 in this section.

## **4. Noneducational agencies serving out-of-school youth; and**

Information regarding this question is included with the response to question 1 in this section.

## **5. State use contracting programs.**

Information regarding this question is included with the response to question 1 in this section.

### **d. Coordination with Education Officials**

Describe:

#### **1. DSU's plans**

The designated State unit's plans, policies, and procedures for coordination with education officials to facilitate the transition of students with disabilities from school to the receipt of VR services, including pre-employment transition services, as well as procedures for the timely development and approval of individualized plans for employment for the students.

The Division maintains an ongoing interagency agreement with the Tennessee Department of Education, Tennessee Department of Children's Services, Tennessee Department of Finance and Administration, Bureau of TennCare, Department of Intellectual and Developmental Disabilities, Tennessee Department of Health, Tennessee Department of Mental Health and Substance Abuse Services and Tennessee Department of Corrections. The agreement, along with the Division's policy manual and Standard Procedures Directives, outlines the plans, policies and procedures for coordination with education officials to facilitate the participation of the Division staff in transition planning and the referral of students with disabilities to the Division for a determination of eligibility for VR services.

When a student who is eligible based on the Individuals with Disabilities Education Improvement Act (IDEIA) standards reaches the age of fourteen (14), the Individualized Education Program (IEP) team, as defined by 34 CFR § 300.344, formulates a statement of transition service needs as a component of the IEP. The Division's staff is invited and to the extent possible participates in these IEP meetings.

The Division has been under an Order of Selection since 2001. Under the current Order, the Division is able to provide direct services to those eligible individuals in Priority Category 1 and Priority Category 2. The Division was able to open Priority Category 2 effective September 30, 2012. There was a release of clients from the waiting list in Priority Category 3 on October 1, 2013. From January 2015- March 2015 all PCs were closed for the provision of new services. This was a brief closing and Priority Categories 1 and 2 were re-opened in March 2015. The opening and release of clients from the waiting list allows for the provision of direct services to significantly more students with disabilities. The Division provides information and referral services to help all applicants find services through other agencies and entities. The inclusion of Pre-Employment Transition Services (PETS) will allow for the provision of the five stated PETS services for those students with a disability who are eligible or potentially eligible for VR services.

The IEP team, which should include the Division's staff when invited and when available, parent and student, determines that the student should be referred for VR services. The Division's staff should inform the student and parents, preferable at the IEP meeting, the purpose of the vocational rehabilitation program. VR Staff make every effort to attend IEP meetings, however due to staff resources

this is not always possible. However information regarding VR Services is made available during IEP meetings.

The Transition School to Work Unit within the VR program is working with the Department of Education on how to incorporate VR services information into the IEP meeting. The Director of the Unit has been trained on Easy IEPs. In the provision of the Pre-Employment Transition Services, students with disabilities and their families will start receiving information on VR services as early as age fourteen. Information will be made available to Middle school staff in order to assist with the beginning the transition.

Beginning in October 2015, these IEP meetings will include information on Pre-Employment Transition Services (PETS) services that are available at age 14. PETS services are available to students with disabilities ages 14-22. PETS services can be provided without an application for VR services. For those individuals that are interested in applying for services, the information should include the application procedures, the eligibility requirements including the Order of Selection, and the potential scope of services that may be available. As soon as possible after referral, the Division takes an application from the student and determines eligibility as well as whether the student is in an open priority category. If the student is in an open priority category, the Division's staff assists in the formulation of the student's IEP and the student's vocational rehabilitation Individualized Plan for Employment as soon as it is determined that the student can benefit from services provided by the Division in preparation for exiting the school system and transitioning into training and/or employment. Services provided by the Division may include attending job fairs, community vocational adjustment training and pre-employment, college readiness and job readiness training.

The LEA's involved in the interagency agreement with the Division should cooperate in developing and coordinating services for students and youth with disabilities within each respective agency's legal authority. The ultimate goal of each agency participating in the agreement is to provide, or cause to be provided, a continuum of appropriate services leading to transition from school into employment. The agreement provides for:

1. Consultation and technical assistance to assist educational agencies in planning for the transition of students with disabilities from school to post-school activities, including vocational rehabilitation services;
2. Consultation and technical assistance on providing reasonable accommodations;
3. Transition planning by personnel of the Division of Rehabilitation Services and the educational agency for students with disabilities that facilitates the development and completion of their individualized education programs under section 614(d) of the Individuals with Disabilities Education Improvement Act (IDEIA) of 2004 (P.L. 108-446);
4. The roles and responsibilities, including financial responsibilities, of each agency, including provisions for determining state lead agencies and qualified personnel responsible for transition services; and
5. Procedures for outreach and identification of students with disabilities who need transition services.

A VR counselor is assigned to work with each local education agency (LEA) for the purposes of referrals, eligibility determination and the provision of services to eligible students. In twenty-one LEAs, the VR

counselor is dedicated to the LEA under a contract with the LEA. VR counselors provide technical assistance to school personnel and LEAs to help them identify appropriate referrals for vocational rehabilitation services. The VR counselor also provides information and referral to students not eligible for VR services.

It is the Division's policy that the development and approval of the IPE for each student determined eligible for VR services occurs as soon as it is determined that the student can benefit from services provided by the Division. An IPE must be developed before the student leaves the school setting.

The interagency agreement identifies the financial responsibility of the Department of Education (DOE) to ensure that individuals who are IDEIA eligible receive a free appropriate public education (FAPE) in the least restrictive environment. A free appropriate public education means regular and special education and related services which:

1. Are provided at public expense, under public supervision and direction, and without charge to the parent;
2. Meet the standards established by state law, including the requirements of IDEIA Part B and the Rules, Regulations and Minimum Standards for the Governance of Tennessee Public Schools, issued by DOE;
3. Include preschool, elementary school, and secondary school (including appropriate vocational, career or work experience education); and
4. Are provided in conformity with an IEP.

The interagency agreement relates the financial responsibility of the Division to ensure that individuals who are IDEIA eligible and meet the Division's eligibility requirements will receive VR Services. VR Services means any services necessary to determine eligibility and those services described in an IPE necessary to assist an individual with a disability in preparing for, securing, retaining, or regaining an employment outcome that is consistent with the strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice of the individual.

The LEA is responsible for the educational costs related to the provision of special education and related services for the individual attending school. The agreement states that if another public agency is obligated under federal or state law or assigned responsibility under state policy to provide or pay for any services that are considered special education or related services and are necessary for ensuring FAPE to students who are IDEIA eligible, the public agency shall fulfill that obligation or responsibility, directly, through contract or by another arrangement. However, failure of that public agency to pay for that service does not relieve the LEA of its obligation to provide that service to an individual with a disability in a timely manner.

The Division is responsible for all costs necessary for eligibility determination and provision of services under an IPE. The Division must take into account comparable services and benefits [34 CFR § 361.53 (c) (1)], available under any other program that does not interrupt or delay the progress of the individual toward achieving the employment outcome identified in the IPE.

The Division's staff maintains a working relationship with special education supervisors, vocational education supervisors, directors, secondary school guidance counselors, and LEA administrators for the

purpose of providing outreach for students with disabilities and technical assistance to school personnel to assist LEAs in preparing students with disabilities for career opportunities. The Division participates in in-service training programs for LEAs, as well as in statewide special education conferences for the purpose of providing information regarding VR services. The Division also participates in and organizes local community job fairs, job clubs, attends civic club/organization meetings to inform students and parents of the purpose of the VR program, the application procedures, the eligibility requirements, and the potential scope of services that may be available.

Other activities to identify students with physical, mental or emotional disabilities who do not meet the criteria for special education services (commonly referred to as Section 504 services) include completion of student health survey forms coordinated with guidance counselors or general education teachers.

It is the Division's intent to develop relationships with LEA middle or junior high schools to provide consultation for students with disabilities who are about to enter high school.

The Division has two dedicated full-time state office position that coordinate transition services statewide. One position is focused on the provision of the Pre-Employment Transition Services (PETS) to students with disabilities. The other position serves as liaison with the State Department of Education and other partners in the interagency agreement to provide technical assistance and training related to vocational rehabilitation services. Both positions work with VR counselors and supervisory staff to improve access and services for students with disabilities. In addition, both positions identify, arrange for, or provide training to the Division's counselors, educators, students with disabilities, and families in a variety of areas related to transition services. On a yearly basis, staff in the Transition Unit provides presentation at the Partners in Education that is sponsored by the Department of Education.

The Division currently contracts with twenty-eight LEAs as part of its transition initiative. The contracts provide for a menu of needed and additional services chosen by the LEA to assist in the transitioning of students from school to work. All services provided under these contracts/agreements have a VR employment focus. All services provided under these contracts/agreements are in keeping with all state plan requirements to include our state's Order of Selection requirements. Services provided under these contracts/agreements are only available to applicants for, or recipients of, services of the Division. The Division will strive to increase the number of contracts with LEAs as allowed by the Division's and LEAs' funding availability.

Although the Division utilizes contracts with LEAs as part of its transition initiative, all decisions affecting eligibility for VR services, the nature and scope of available services, and the provision of these services remain the sole responsibility of the VR counselor employed by the Division. VR staff is responsible for determinations to close cases and for all allocations of expenditures for services.

The Division in partnership with 6 LEAs and the Council on Developmental Disabilities, operates 6 High School Transition Project Search Sites. Those Sites are located as follows:

- Memphis/Shelby County-LeBonheur Children's Hospital
- Nashville/Davidson County- Embassy Suites Downtown
- Murfreesboro/Rutherford County-Embassy Suites
- Blount County -Maryville College

- Jackson/Madison County- Jackson Madison Hospital
- Clarksville/Montgomery County-County Government offices

Project SEARCH is in the second year of a 3 year state rollout. There are currently 9 programs with 72 interns. 54 of the previous year's interns are employed for a 66% successful employment rate. One site had an employment rate of 100%

## **2. Information on the formal interagency agreement with the State educational agency with respect to:**

### **A. consultation and technical assistance to assist educational agencies in planning for the transition of students with disabilities from school to post-school activities, including VR services;**

Information regarding this question is included with the response to question 1 in this section.

### **B. transition planning by personnel of the designated State agency and educational agency that facilitates the development and implementation of their individualized education programs;**

Information regarding this question is included with the response to question 1 in this section.

### **C. roles and responsibilities, including financial responsibilities, of each agency, including provisions for determining State lead agencies and qualified personnel responsible for transition services;**

Information regarding this question is included with the response to question 1 in this section.

### **D. procedures for outreach to and identification of students with disabilities who need transition services.**

Information regarding this question is included with the response to question 1 in this section.

## **e. Cooperative Agreements with Private Nonprofit Organizations**

(Formerly known as Attachment 4.8(b)(3)). Describe the manner in which the designated State agency establishes cooperative agreements with private non-profit VR service providers.

Based on information gathered by continuing statewide studies, the annual facility survey of public and private community rehabilitation programs and the on-going monitoring and annual evaluation of effectiveness, the Division continues to maximize the use of community rehabilitation programs to provide rehabilitation services in the most integrated setting possible consistent with the informed choices of the individual.

The Division is utilizing community rehabilitation programs (CRPs) throughout the state as follows:

I. The Division's Facility Program:

A. The Tennessee Rehabilitation Center (Center) at Smyrna is a state operated comprehensive residential rehabilitation facility that serves individuals with significant disabilities. The facility is accredited by the Commission on Accreditation of Rehabilitation Facilities (CARF) in programs of comprehensive vocational evaluation services, employee development services, and employment skills training services. The Center offers the following program and support services:

i. Program Services

- Comprehensive vocational evaluation and mobile evaluation services
- Employment Readiness Program (ERP) a pre-employment and life skills training program to encourage positive work behaviors and independence.
- Occupational skills training in automotive maintenance/detailing, manufacturing, garden center services, retail, business education, commercial cleaning, food service, and warehouse training
- Physical Rehabilitation Services to include: Occupational and Physical Rehabilitation, Spinal Cord Injury Program, Personal Care Attendant training, Vision Rehabilitation, Independent Living Skills, Community Re-entry training, Equipment Operation Screens and Adaptive Equipment Assessments.
- Traumatic brain injury services to include: Case Management, Occupational, Physical, and Speech/Language Pathology to include cognitive therapy; Vision Rehabilitation, Therapeutic Golf Rehabilitation, Vocational Evaluation and Assessments; Behavioral instruction, Job Skills/Readiness training and Community Re-entry training.
- Vision impairment services to include: pre-vocational assessment, training for independent living to include adaptive kitchen skills and home management skills; braille, Orientation & Mobility training, Adaptive communication skills, assistive technology assessments and training; computer training; and prerequisite evaluation and training for entry into Tennessee Business Enterprises.

ii. Support Services

- Student Life Services (Residential Living)
- Student Health Services to include Medical Dormitory

- Psychiatric and Physician Services
- Case management services
- Psychiatric and physician services
- Recreation therapy and leisure-time skills
- Remedial education
- Job seeking skills training
- Psychological services
- Independent living skills training
- Autism Support Services
- Deaf Service
- Behavioral Education

The Center operates at a program capacity of 190 individuals with an annual enrollment ranging from 700 - 1000 Tennesseans with significant disabilities each year.

The Center is a member of the National Consortium of State Operated Comprehensive Rehabilitation Centers. An Advisory Council is utilized to provide valuable feedback used in guiding decision making in Center operations and program development. In addition, the Center conducts exit customer satisfaction surveys on all individuals completing services, and conducts client family surveys, as well as a referring counselor needs assessment and satisfaction survey on an annual basis. Feedback obtained from these survey instruments is also used in guiding decisions about current and future support services and program services operations, as well as accessibility and physical plant operations.

B. A network of 17 Tennessee Rehabilitation Centers (TRCs) is located across the state providing day services to eligible individuals with significant disabilities, seeking competitive integrated employment. All community TRC facilities are accredited by the Commission of Accreditation of Rehabilitation Facilities (CARF) in programs of comprehensive vocational evaluation and employee development services. The TRCs are supported by a combination of appropriated local and Federal funds.

i. Program Services

- Comprehensive vocational evaluation services provide an individualized, timely and systematic process for identifying viable vocational options and developing employment goals and objectives.

An accredited comprehensive vocational evaluation service is used to examine a wide range of employment alternatives using the following techniques:

1. Assessment of functional/occupational performance in real or simulated environments
2. Psychometric testing
3. Preference and interest inventories
4. Personality testing
5. Extensive personal interviews
6. Other appropriate evaluation tests depending on the individual

7. Analysis of prior work experience and transferable skills
- Employee Development Services
    1. Services are based upon individual needs and can include comprehensive employment services or any individual component.
    2. Employee development services and/or job readiness instruction
    3. Work skills development through a facility workshop: including the use of contract work, job readiness assessment and training.
    4. Community Employment Services include: (job development and placement)
    5. Job readiness assessment and instruction includes: interview skills instruction, completing a job application, developing a resume, grooming and hygiene for the work place, self-determination training, developing and using job-finding networks and resources.
    6. Job readiness assessment and instruction
    7. Job development and placement into competitive employment through the identification of employment opportunities in the local job market
    8. Development of realistic employment goals 9. Establishment of service plans to achieve employment outcomes
    9. Identification of resources to achieve and maintain employment.

TRC facilities conduct exit customer satisfaction surveys on individuals completing services from each program of service provided, completes a yearly survey with clients receiving services, referring counselors, contract providers, funding sources, employers, and other identified stakeholders. Feedback obtained from the surveys is used to improve program services.

ii. Service Contracts:

- A. The Division plans to continue service contracts with the following community rehabilitation programs to ensure quality services statewide provided funding is available:
  - Clovernook
  - Department of Education
  - National Federation for the Blind
  - Southeast TN Human Resource Agency
  - Technology Centers: East Tennessee Technology Access in Knoxville; Signal Centers; Technology Access Center of Middle Tennessee in Nashville; West Tennessee Special Technology Access Resource (STAR) Center in Jackson; and Mid-South ACT in Memphis
  - Tennessee Disability Coalition Benefits to Work
  - University of Memphis Training and Technical Assistance Project
  - University of Tennessee, Center for Literacy Studies
  - Vanderbilt University Return to Work Program
  - Vocational Consulting Services

- B. The Division has two service contracts with community rehabilitation programs (Clovernook and Volunteer Blind Industries, Inc.) serving visually impaired clients in the areas of evaluation, adjustment, activities of daily living, orientation and mobility, training, job development and employment.

iii. Letters of Agreement

- A. Beginning in FFY2013, the Division began a rewrite of the Letters of Understanding (LOU), to change them to Letters of Agreement (LOA). The LOA has the same purpose as the LOU in that it is an agreement between the Division and the Community Rehabilitation Programs and in cooperation with the Department of Finance and Administration. The LOA describes the functions and responsibilities of the Division and the CRP as well as the scope of services and payment methodology agreed upon by both the Division and CRP in a joint effort of improving and expanding employment opportunities for individuals with disabilities.

Some of the differences in the LOAs from the LOUs are:

- Concentrated focus on outcomes rather than services
- Different payment schedule based on Priority Category assignment of the client
- Bonus for exceptional wages
- Streamlined application and approval process

CRP's must apply and be approved for a LOA each year. The application period is in the Fall (October, November). LOAs are effective during the calendar year each year, January thru December.

- B. For Calendar Year 2015, the Division has 111 LOAs with CRPs throughout the state.

- 58 LOAs for Vocational Assessment
- 26 LOAs for Vocational Adjustment Services
- 60 LOAs for Trial Work Experiences
- 106 LOAs for Job Placement Services
- 85 LOAs for supported employment services

The Divisions Facility Programs, Service Contracts and Letters of Agreements are used to provide needed services such as but not limited to:

- Vocational evaluation
- Personal and vocational adjustment training
- Transportation and daily meals
- Vocational training
- Job readiness training
- Job development and job placement
- Supported employment
- Rehabilitation technology
- Orientation and mobility
- Activities of daily living
- Trial work experiences
- Follow-up

The VR Program is currently defining the Pre-Employment Transition Services and the

Follow Along services that are new in the Workforce Innovation Opportunity Act. The Program is working with the CRPs, the TRC at Smyrna, and the 17 Community TRCs on provision of these new services.

## **f. Arrangements and Cooperative Agreements for the Provision of Supported Employment Services**

(Formerly known as Attachment 4.8(b)(4)). Describe the designated State agency's efforts to identify and make arrangements, including entering into cooperative agreements, with other State agencies and other appropriate entities in order to provide supported employment services and extended employment services, as applicable, to individuals with the most significant disabilities, including youth with the most significant disabilities.

The Division has interagency arrangements and coordination with the following entities for the provision of supported employment services and extended services:

1. The Department of Intellectual and Developmental Disabilities for individuals with intellectual and developmental disabilities;
2. The Department of Mental Health and Substance Abuse Services for individuals with mental illness and substance related disorders;
3. The Tennessee Employment Consortium, an independent association of community rehabilitation providers and state agencies developed jointly by the Division, the Department of Intellectual and Developmental Disabilities, and the Tennessee Council on Developmental Disabilities to provide a forum for all stakeholders to review and discuss state policies and share best practices;
4. University of Tennessee, Center for Literacy Education and Employment to provide staff training and development and consultation services for community supported employment service providers; and
5. Tennessee Department of Labor and Workforce Development, to provide customized employment services through their system of Career Centers on behalf of VR clients and business and industry.

The Division has encouraged the establishment and development of Community Rehabilitation Providers (CRPs) to improve and expand services through Letters of Agreement. The Letter of Agreement (LOA) is an agreement between the Division and the CRP and in cooperation with the Department of Finance and Administration. The LOA describes the functions and responsibilities of the Division and the CRP as well as the scope of services and payment methodology agreed upon by both the Division and CRP in a joint effort of improving and expanding supported employment and extended services for individuals with disabilities. The Division currently has 85 LOAs for supported employment services. The Division continues its' efforts to increase S.E. providers and anticipates the numbers of providers will increase. VR is actively pursuing a number of other providers for underserved areas across the state.

## **g. Coordination with Employers**

(Formerly known as Attachment 4.8(b)(5)). Describe how the designated State unit will work with employers to identify competitive integrated employment and career exploration opportunities in order to facilitate the provision of:

## **1. VR services; and**

In Tennessee, the Vocational Rehabilitation Program employs Business Employment Consultants (BECs) in order to facilitate the relationships between businesses and the VR Program.

- Role of the State Business Employment Consultant and Business Employment Consultants (BECs): Facilitate employment opportunities for persons with disabilities by providing services and resources to assist Tennessee businesses in recruiting, hiring, returning to work, and retaining employees with disabilities.
- Number and location of the BECs: Currently, there are 14 BEC positions located in Elizabethton, Johnson City, Cleveland, Chattanooga, Winchester, Cookeville, Murfreesboro, Lawrenceburg, Clarksville, Paris, Union City, Dyersburg and two positions located at the TN Rehabilitation Center in Smyrna. There is also a Statewide Business Employment Consultant located in state office, which assists with statewide participation in the Talent Acquisition Portal (TAP) that is managed by the Consortium of State Agencies of Vocational Rehabilitation (CSAVR).

According to the Tennessee Department of Labor and Workforce Development - Labor Market Information Unit, there are 20 industries that are projected to create a total of 258,080 jobs, or 91 percent of all expected job creation through 2022. The VR program will focus outreach activities to these 20 industries. For a listing of the industries refer to Table 2. Tennessee Three Digit Industries Expected to Add the Most New Jobs, 2014 to 2022

WIOA expands the VR Program's customer base as Business becomes a recognized partner of the program. As this concept continues to grow, the VR Program is developing more Initiatives with Businesses in order to provide more opportunities for competitive integrated employment and career exploration opportunities.

- Business Initiatives: The Division conducts several business initiatives across the state such as Walgreens' REDI programs, Project Search East TN Children's Hospital and UT Medical Center, Kroger/Peyton's distribution centers, AutoZone distribution centers, and Vanderbilt University.
- Role of the state agency with 503 compliance: Tennessee VR BECs work with contacts established through the US Department of Labor's Office of Federal Contract Compliance Programs as a resource to assist federal contractors in addressing the Final Rule of Section 503 of the Rehabilitation Act of 1973. The BECs participate in regional/local meetings to provide information about services and job candidates available through Tennessee's VR services. The BECs assist in recruiting efforts by linking businesses with qualified applicants.
- Additional business initiatives for the agency are: The TN Rehabilitation Center at Smyrna has developed customized training with Schwan Cosmetics and other companies to develop their hiring requirements which build capacities for diversity within companies.

## **2. transition services, including pre-employment transition services, for students and youth with disabilities.**

Pre-Employment Transition Services (PETS) is a set of 5 coordinated services available to students with a disability ages 14-22 who are eligible or potentially eligible for VR services. Fifteen percent (15%) of the Basic VR grant must be set aside for the provision of PETS services. The 15% set aside consists of the salaries, benefits and travel of the individuals who are coordinating or providing direct client services. In addition, the 15% aside accounts for the following 5 services:

1. Job Exploration Counseling, which may include Work Strategy Assessments, Academic Assessments and Vocational Counseling and Guidance.
2. Work-Based Learning Experiences, which may include in-school and after-school opportunities and experiences outside of the traditional school settings. Examples of Work-Based Learning Experiences include On-the-Job Trainings, Apprenticeships, Internships, Summer Work Experiences, Work-Based Trainings, Job Search Assistance, Job Placement Assistance, On-the-Job Supports and Customized Employment.
3. Counseling on Post-Secondary Opportunities, which may include Vocational Counseling and Guidance and Academic Assessments.
4. Workplace Readiness Training for the development of social skills and independent living skills. This may include Job Readiness Training and Life Skills Training.
5. Training on Self-Advocacy, which may also include Peer Mentoring, Self-Determination Training and Life Skills Training.

### **h. Interagency Cooperation**

Describe how the designated State unit will collaborate with the State agency responsible for administering each of the following programs to develop opportunities for competitive integrated employment, to the greatest extent practicable:

#### **1. the State Medicaid plan under title XIX of the Social Security Act;**

Tennessee is an Employment First State, and there is an established Employment First Task Force. The Employment First Task force facilitated the completion of a Memorandum of Understanding for services to youth with disabilities between the following State agencies:

- Vocational Rehabilitation
- Department of Education
- Department of Intellectual and Developmental Disabilities
- Department of Labor and Workforce Development
- Department of Mental Health and Substance Abuse Services
- Council on Developmental Disabilities (Oversees the Implementation of the MOU)

In Tennessee the agency that administers the State Medicaid plan is the Bureau of TennCare. The VR Program is developing a Memorandum of Understanding with the Bureau of TennCare. The VR Program has developed a Memorandum of Understanding with the Department of Developmental and Intellectual Disabilities.

In conjunction with the Department of Mental Health and Substance Abuse Services, the VR program is providing supported employment to individuals with severe and persistent mental illness under the Individual Placement and Supports Model. In Federal Fiscal Year 2015 there were 351 total SE cases in Status 26 (VR program only). At least 15.38% or 54, were from IPS. The VR Program plans to expand the IPS program into other areas of the state in Federal Fiscal Year 2016.

## **2. the State agency responsible for providing services for individuals with developmental disabilities; and**

Information regarding this question is included in the response to question 1 in this section.

## **3. the State agency responsible for providing mental health services.**

Information regarding this question is included in the response to question 1 in this section.

### **i. Comprehensive System of Personnel Development; Data System on Personnel and Personnel Development**

(Formerly known as Attachment 4.10)). Describe the designated State agency's procedures and activities to establish and maintain a comprehensive system of personnel development designed to ensure an adequate supply of qualified State rehabilitation professional and paraprofessional personnel for the designated State unit, including the following:

#### **1. Data System on Personnel and Personnel Development**

##### **A. Qualified Personnel Needs.**

Describe the development and maintenance of a system for collecting and analyzing on an annual basis data on qualified personnel needs with respect to:

- i. the number of personnel who are employed by the State agency in the provision of VR services in relation to the number of individuals served, broken down by personnel category;**

The Division received 7,692 applications for new services in FY2014 and provided services to 21,545 eligible individuals. In FY2015, the division received 6,782 applications and provided services to 19,500 eligible individuals.

The Division currently has 610 allocated positions. Of these 610 positions, 174 are currently vacant (28.5%). Out of the 610 positions 334 positions provide direct client services. 101 of the direct client services positions are currently vacant. All VRC position are filled at the Master's degree level. The CSPD requirement in Tennessee is eligibility to sit for the Certified Rehabilitation Counselor (C.R.C.) exam. All current counselors will meet the CSPD requirement by January 1, 2018. When new staff are hired at the Master's degree level, if they do not meet the CSPD at the time of hire, they have 36 months to meet the requirements

As a result of changes regarding personnel in WIOA, TN will we assessing current staffing patterns and staffing needs.

The Tennessee Division of Rehabilitation Services utilizes a department wide on-line computer system known as Edison for collecting and tracking all personnel actions relative to positions being vacated (resignations, terminations, retirement) as well as tracking personnel data relative to filling vacant positions (new hires, position transfers and/or promotions).

Job Title	Total positions	Current vacancies	Projected vacancies over the next 5 years
Administrative	17	3	0
Clerical	77	23	0
Rehabilitation Assistants	66	14	0
Supervisors	86	18	0
Support	20	5	0
Instructor	44	5	0
VR Direct Client Services Staff	243	100	0
Medical	28	4	0
BEP Specialist/Consultant	15	0	0

- ii. **the number of personnel currently needed by the State agency to provide VR services, broken down by personnel category; and**

Information regarding this question is included with the response to question A in this section.

- iii. **projections of the number of personnel, broken down by personnel category, who will be needed by the State agency to provide VR services in 5 years based on projections of the number of individuals to be served, including individuals with**

**significant disabilities, the number of personnel expected to retire or leave the field, and other relevant factors.**

Information regarding this question is included with the response to question A in this section.

**B. Personnel Development**

Describe the development and maintenance of a system for collecting and analyzing on an annual basis data on personnel development with respect to:

**i. a list of the institutions of higher education in the State that are preparing VR professionals, by type of program;**

In Tennessee, there are two universities that have Council on Rehabilitation Education (CORE) certified programs offering a master’s degree in rehabilitation counseling. One is The University of Tennessee at Knoxville, which is located in the eastern part of the state; and the other is The University of Memphis, located in the western part of the state.

The University of Tennessee at Knoxville (UTK) has a current enrollment of 17 students in its distance education program, 5 of whom are employees of the Division. Of the 17students currently enrolled, 5 have disabilities and 3 students represent a minority. For the federal fiscal year (10/13 - 9/14), 3students graduated from the program. All 3 graduates met the academic criteria to sit for the Certified Rehabilitation Counselor (CRC) exam.

The University of Memphis currently has 18 graduate students in their on-campus program. **None (0%) of these students are employed by the Division.**

Institutions	Students enrolled	Employees sponsored by agency and/or RSA	Graduates sponsored by agency and/or RSA	Graduates from the previous year
University of Memphis	18	0	0	57
University of TN - Knoxville	17	5	5	15

**ii. the number of students enrolled at each of those institutions, broken down by type of program; and**

Information regarding this question is included in the response to question (i) in this section.

**iii. the number of students who graduated during the prior year from each of these institutions with certification or licensure, or with the credentials for certification or licensure, broken**

**down by the personnel category for which they have received, or have the credentials to receive, certification or licensure.**

Information regarding this question is included in the response to question (i) in this section.

## **2. Plan for Recruitment, Preparation and Retention of Qualified Personnel**

Describe the development and implementation of a plan to address the current and projected needs for qualified personnel including, the coordination and facilitation of efforts between the designated State unit and institutions of higher education and professional associations to recruit, prepare, and retain personnel who are qualified, including personnel from minority backgrounds and personnel who are individuals with disabilities.

Information regarding this question is included in the response to question (i) in this section.

## **3. Personnel Standards**

Describe the State agency's policies and procedures for the establishment and maintenance of personnel standards consistent with section 101(a)(7)(B) and 34 CFR 361.18(c) to ensure that designated State unit professional and paraprofessional personnel are adequately trained and prepared, including:

### **A. standards that are consistent with any national or State-approved or -recognized certification, licensing, registration, or other comparable requirements that apply to the profession or discipline in which such personnel are providing VR services; and**

Members of the Division's leadership team have quarterly contact with the program administrators at the University of Tennessee and the University of Memphis for the purpose of planning and sharing information relative to personnel development activities. The Rehabilitation Services Training Unit staff also meets or corresponds with University of Tennessee and University of Memphis staff for the purpose of gathering information regarding the number of students enrolled in their respective rehabilitation counselor education programs, as well as the number who graduated from their programs during the past year.

To advance recruitment activities, the Division has dedicated a program specialist position. This program specialist is actively seeking out other masters level programs across the nation; primarily those with RSA funded slots, to increase the number of incumbent staff in masters programs. Other duties of the program specialist include developing/distributing recruiting brochures at job fairs, speaking to graduate level programs to promote state employment in the rehabilitation field and encouraging incumbent staff to take advantage of graduate level training opportunities in rehabilitation counseling distance learning

programs. The Division recognizes that recruitment activities are also the responsibility of counseling, supervisory and management level staff across the state with these personnel involved in recruitment activities in their regional and local communities.

The Tennessee Excellence, Accountability and Management (TEAM) Act of 2012 is designed to establish methods for attracting, selecting, retaining and promoting the best applicants and employees based on performance and equal opportunity, free from coercive political influence, and to provide technically competent employees to render impartial service to the public at all times. The TEAM Act will give agencies greater flexibility in personnel management and increase customer focused effectiveness and efficiency in a best practice environment, and by doing so, will allow the Division to strengthen its efforts to hire and retain top quality counselors.

The Division has two interns this fiscal year. One intern is from Georgia State University. His practicum and internship is under the guidance of Amy Rader, Regional Supervisor for Knox County and surrounding counties. The second intern is a graduate student at the University of Memphis. She is supervised by Greg Wright, Regional Supervisor for the Memphis/Shelby County office. Procedures have been developed to expedite the approval process for future graduate rehab counseling student interns as they assist field offices with basic counselor duties. Furthermore, the regional supervisors have opportunities to see first-hand if the interns would be beneficial additions to their counseling staff.

Current incentives for incumbent staff to participate in a Master's degree program include financial assistance with tuition, books, fees, and minimal educational leave. Funding for a pay incentive based upon successful completion of a Master's Degree program was approved in January 2005 for graduates and has been requested and approved for each successive graduate.

The Division continues to explore retention strategies for qualified staff. Exemplary counselors are given priority for attendance at various out-service training events in recognition of their hard work, dedication and commitment to assisting individuals with disabilities in achieving their employment goals. Additionally, the Division is able to reimburse employees (approved by their supervisor) for the cost of the initial Certified Rehabilitation Counselor (CRC) examination fee (one time only) and/or for CRC renewal fees.

In WIOA the definition of qualified personnel has undergone some changes. The Vocational Rehabilitation Program will be assessing its current staffing patterns to ensure qualified personnel are available.

**B. the establishment and maintenance of education and experience requirements, in accordance with section 101(a)(7)(B)(ii) of the Rehabilitation Act, to ensure that the personnel have a 21st century understanding of the evolving labor force and the needs of individuals with disabilities.**

Information regarding this question is included with the response to question A in this section.

## 4. Staff Development.

Describe the State agency's policies, procedures, and activities to ensure that, consistent with section 101(a)(7)(C) of the Rehabilitation Act, all personnel employed by the designated State unit receive appropriate and adequate training in terms of:

### A. System of staff development

A system of staff development for professionals and paraprofessionals within the designated State unit, particularly with respect to assessment, vocational counseling, job placement, and rehabilitation technology, including training implemented in coordination with entities carrying out State programs under section 4 of the Assistive Technology Act of 1998; and

The Office of Professional Development (OLPD), is a section of the Office of General Counsel (OGC) - Human Resources and Professional Development (HRPD) division of the Department of Human Services (DHS). OLPD provides staff development and training for DHS employees, and in so doing, conducts training needs assessments and provides training opportunities (mandatory and elective) to enhance staff competencies and skill sets. OLPD has dedicated staff to provide support for Rehabilitation Services and works in conjunction with the Rehabilitation Services division in the development of training necessary to ensure effective, outcome driven results. The development of core competencies for effective service delivery is an integral focus of Rehabilitation Services training. Additionally, HRPD provides performance management support to all DHS employees in alignment with the goals and priorities established by the Governor and the Commissioner of DHS. HRPD has processes in place to create individual performance plans and on-going evaluations of employees' performance in each division, including rehabilitation services.

Additional data is collected relative to training needs through the following methods:

1. Input from staff in all job classifications compiled into a statewide training needs report;
2. State rehabilitation management and administrative staff input;
3. State Human Resources Department training division mandates;
4. Rehabilitation Services Administration guidelines;
5. Recommendations of the State Rehabilitation Council and the Statewide Independent Living Council;

Program case reviews conducted by the Department's Performance Management Unit (QUISS) division of DHS are also utilized to identify strengths and deficiencies among staff and related training needs.

Staff was encouraged to give feedback on what they thought were their training needs. Outcomes of this internal review yielded the following training related recommendations:

OLPD sends out a training effectiveness survey that asks respondents of training needs.

1. Additional human resources to meet statewide need for new and incumbent staff training;

2. More timely delivery of training for new counselors; The OLPD standard is to provide (or at least begin) new employee training within 90 days of hire.
3. Expand the new counselor curriculum to be more comprehensive /incorporate more hands-on activities to reinforce knowledge and skill sets; The comprehensive NCI 6 week training curriculum was presented to learners in 2013 and has continued ensuring current policy by completing revisions prior to each new session.
4. Provide refresher training for incumbent staff relative to the Division's policy and other disability related topics; and Counselor policy Refresher training was developed and was scheduled for quarterly or semi-annual facilitation. To this point only one statewide refresher training consisting of three sessions was approved and was held in September of 2014.
5. Additional/follow up training regarding the new online case management system.

As a result of these staff recommendations, the Rehabilitation Services Training Unit, under Division of Human Resources and Professional Development is implementing the following strategies

1. There are four VR training positions and one program coordinator. Of the four VR/ OLPD trainers, in addition to maintaining current policy and TRIMS knowledge to facilitate segments of NCI and Counselor Refresher training, each trainer is assigned a specific area of focus based on specialized training and/or experience. Currently, one trainer is assigned to work specifically with sensory loss units; one is assigned to work with community TRC; one with Smyrna TRC; and one with TSW program in light of all the WIOA policy implications.
2. All new counselors will be expected to participate in the new counselor training within the first 3 months of employment.
3. The previous two one-week training sessions for new counselors has been significantly expanded (2012/2013) to a new curriculum. The curriculum is an intensive, hands-on training, utilizing a variety of training modalities to include navigation of the new online case management system, case studies/scenarios, and individual and group discussions. Additionally, PowerPoint presentations, facilitator guides, participant guides, handouts, assessment questions and related materials are being revised to include recent policy revisions and updates as changes occur.
4. OLPD staff has provided regional and district policy trainings per contacts with regional and district supervisors to determine and address training needs.
5. OLPD has had in place for several years a training website entitled the Training Resource Website (TRW) whereby all training materials will be posted to enable trainers and supervisors to access training modules for disability related training topics.
6. Following implementation of the online case management system, follow up regional training sessions were conducted to further illustrate how to navigate the system and provide answers to staff questions. A new state office position was also added in recent years to serve as a resource to field staff in providing guidance in navigating/utilizing the new online case management system. TRIMS is being updated to include forms and processes that are consistent with the recent policy revisions.

As part of the new Performance and Quality Improvement process, focus groups were formed to identify new employee specific training needs relative to each job position/classification. These focus groups laid the foundation for the development of a progressive training curriculum to include standards for measuring performance at three, six and nine month increments during the probationary process. Utilizing this process to identify specific training needs and a subsequent training curriculum relative to

each job position/classification has proven to be a more effective means of identifying and addressing training needs than staff surveys conducted in the past.

Below are the top 5 training priorities based on staff and management feedback:

1. Leadership/supervisory training provided through the New Supervisor Academy (NSA); All new supervisors must attend a three week New Supervisor Academy session, delivered by the Department's OLPD division, to enhance and develop their leadership skills.
2. Caseload management (moving a case through the VR process, critical casework activities such as eligibility determination, plan development, budgeting, etc.). This training is provided as part of the New Counselor Institute (NCI) and as needed to incumbent VR counselor staff.
3. Communication skills/customer service (interviewing skills, effective communication, how to deal with difficult people, cultural diversity) VR/OLPD staff has information included in the NCI, counselor refresher and community TRC staff training modules regarding appropriate and professional communication, interviewing, and cultural awareness. TN Department of Human Resources, DoHR has courses available which are currently being delivered to management staff by OLPD staff members, who have become DoHR certified trainers, on topics of Customer Service, Respectful Workplace, and Civil Rights.
4. Employment / placement training (including disability disclosure) NCI covers some on disability disclosure. The module recently developed on job development and placement for sensory loss staff could be modified for delivery to all counseling staff as well as Business Employment Consultants.
5. General on-boarding for new employees (vision/values, people first language, respectful workplace, customer service, ethics, and departmental and division organization). On boarding training has been revised and is being reviewed by DOHR. NCI addresses vision and values and people first language as well as Departmental and divisional organization. As is noted above Customer Service and Respectful Workplace are provided by certified facilitators as part of the onboarding training.

The Division continues to provide on-going training and technical assistance regarding the Americans with Disabilities Act to staff and the general public, including business and industry. As part of the on-boarding process, counselors also receive training relative to the Rehabilitation Act of 1973 and subsequent amendments.

The Division continues to contract with technology centers across the state for training and technical assistance in rehabilitation technology services. Rehabilitation technology contracts are in place with the East Tennessee Technology Access Center (Knoxville), Technology Access Center of Middle Tennessee (Nashville), West Tennessee STAR Center (Jackson), Signal Center (Chattanooga), and Mid-South Access Center for Technology (Memphis).

The Divisions employees continue to receive specialized training in assessment and vocational evaluation activities. Through a partnership with the University of Memphis, vocational evaluators receive extensive instruction in the appropriate selection of assessment tools, interviewing skills, evaluation techniques and report writing. The contract with the University of Memphis has expired. Current training on Vocational assessment and evaluation is being provided by Tami Long, the OLPD/RS training director who has nine years of experience as an evaluator, and maintains both the CRC and the Vocational Evaluation

Specialist certification (CVE) through The Commission on Rehabilitation Counselor Certification. Statewide Vocational Evaluator training was provided in September 2015 for all community TRC evaluators and managers. Training covered interviewing skills, scheduling, evaluation techniques, choosing assessments, and report writing.

Evaluators complete a competency examination with subsequent training provided based on the individualized needs of each employee. New counselors receive, via a new counselor training program, training relative to assessments, vocational evaluation and interpreting medical and psychological reports to assist them in acquiring skills to identify the specific strengths and weaknesses of individuals with disabilities. Training in the areas of vocational counseling, job placement and other topics relevant to client service delivery continue to be focal areas for the Division. The training noted above was delivered to incumbent staff as the pilot for the new VE training. This training will become the new employee training and will be provided within 90 days of hire as approved by program. All evaluators will be expected to submit reports for review and will receive training based on individual needs.

Division employees are encouraged to participate in web-based training events as offered through the Department and other Agencies, as appropriate. The Vocational Rehabilitation Program was approved for a one-time no cost extension to the training grant funds offered from RSA. These funds will allow the program to continue to provide training to staff.

The Office of Learning and Professional Development (OLPD) is currently examining the existing structure of collecting personnel and training data. A new database for collection of personnel, professional, and training data is currently being developed. The new system will provide a more effective way to track and report the staff data for TDRS. Edison's Enterprise Learning Management has been in place for several years. It is the system that allows for documenting available courses, learner enrollment, and learner participation in various classes. Each learner has a "My Learning" page that documents all sessions of training (classroom or online) attended and completed.

The Division has posted information memoranda on its intranet website to provide staff with an easily accessible means of acquiring information on current research, resources and related activities in the vocational rehabilitation field. Leadership staff also disseminates new information (such as the latest Institute on Rehabilitation Issues publications) through electronic conveyance. Employees, particularly those with specialized job responsibilities, are encouraged to attend conferences, seminars and training workshops relative to their specialty areas. Local, regional and statewide meetings provide an additional avenue for keeping employees informed of new developments in the vocational rehabilitation field.

## **B. Acquisition and dissemination of significant knowledge**

procedures for the acquisition and dissemination of significant knowledge from research and other sources to designated State unit professionals and paraprofessionals.

Information regarding this question is included with the response to question A in this section.

## **5. Personnel to Address Individual Communication Needs**

Describe how the designated State unit has personnel or obtains the services of other individuals who are able to communicate in appropriate modes of communication with or in the native language of applicants or eligible individuals who have limited English speaking ability.

The Division has policies and procedures to ensure that it includes among its personnel, or has readily available, the services of (1) Individuals able to communicate in the native languages of applicants and eligible individuals who have limited English proficiency through Avaza Language Services; and (2) Individuals able to communicate with applicants or eligible individuals in appropriate modes of communication.

During staff orientation, new counselor training, annual Title VI training and other training activities, Division staff members are informed of specific procedures to be followed to communicate with limited English speaking individuals. Telephonic translation services are available through Avaza Language Services. All regions have received orientation packages to be used to train all of their staff in the use of this service.

The Division continues to recognize its responsibility for employing or obtaining the services of sign language interpreters, which fall within the definition of appropriate modes of communication in (34 CFR § 361.5(b) (5)), to the extent necessary to meet the communication needs of individuals who are Deaf, Blind or Deaf-Blind. The Divisions policy addresses the (1) significance of such services, (2) the selection of service providers, (3) the scheduling and payment for services, and (4) an evaluation process for such services.

## **6. Coordination of Personnel Development Under the Individuals with Disabilities Education Act**

As appropriate, describe the procedures and activities to coordinate the designated State unit's comprehensive system of personnel development with personnel development under the Individuals with Disabilities Education Act.

The Individuals Disabilities Education Act provides renewed emphasis on the planning for service delivery and collaboration of the various divisions and programs designated to serve students and youth with disabilities.

The Division has an interagency agreement with the Division of Special Education, state Department of Education in providing administrative support for a coordinated, collaborative effort of service delivery. The Blind and Visually Impaired Services/Deaf and Hard of Hearing unit continues an agreement with the Tennessee School for the Blind and the Tennessee School for the Deaf. Networking of the two divisions relative to transition services has provided a means for coordinating and sharing information regarding personnel development under IDEIA. There is ongoing communication between the two divisions and each division has responsibility for providing input into personnel development activities.

An interagency agreement was developed to fulfill the requirements of IDEIA. The most recent version of this agreement was signed July 1, 2012. The purpose of this agreement is to identify and define the financial responsibility of each state agency for providing services under IDEIA and to facilitate the

provision and coordination of services for all children with disabilities. The following state agencies are participating in this agreement: Tennessee Department of Education; Tennessee Department of Children's Services; Tennessee Department of Finance and Administration; Bureau of TennCare; Department of Developmental Services; Tennessee Department of Health; Tennessee Department of Human Services; Tennessee Department of Intellectual and Developmental Disabilities; and Tennessee Department of Correction.

In 2013, Governor Bill Haslam signed an Employment First Executive Order. This Executive Order established the Employment First Taskforce. In 2014, the Employment First Taskforce sign and executed an Youth Memorandum of Understanding (MOU). The agencies involved in the MOU are:

- Department of Education
- Vocational Rehabilitation
- Department of Labor and Workforce Development
- Department of Intellectual and Developmental Disabilities
- Department of Mental Health and Substance Abuse Services
- Council on Developmental Disabilities (this agency oversees the implementation of the MOU).

The purpose of this MOU, is to state how these agencies will work together to provide transition school to work services to students and youth with disabilities.

The Division continues to recognize the value of the involvement of its State Rehabilitation Council in personnel development activities. It is the policy of the Division to give the Council ongoing review and input on the development of issues associated with the Comprehensive System of Personnel Development. The Council continues to be involved with CSPD issues associated with the recruitment and retention of staff, such as; counselor salaries and pay incentives for the successful attainment of counselors with a Master's degree in Rehabilitation and also training for existing staff to obtain a Master's Degree in Rehabilitation.

## **j. Statewide Assessment**

(Formerly known as Attachment 4.11(a)).

### **1. Provide an assessment of the rehabilitation needs of individuals with disabilities residing within the State, particularly the VR services needs of those:**

#### **A. with the most significant disabilities, including their need for supported employment services;**

The Tennessee Division of Rehabilitation Services (Division), in collaboration with the State Rehabilitation Council (SRC), completed a comprehensive assessment of the vocational rehabilitation needs of Tennesseans with disabilities in the summer of 2013 and is conducting needs assessments on a three-year cycle. The VR program is conducting a new Comprehensive Needs Assessment to be completed in the summer of 2016. As required in 34 CFR § 29, the information obtained from a number of sources was assessed and analyzed to determine the needs as stated above.

### ***Methodology***

Five surveys were developed, one for each category of participant. The surveys have some questions in common. The five surveys were administered in mid-August 2013. Survey participants included vocational rehabilitation clients and/or their caregivers, staff, workforce investment system personnel, community resource partners, and vocational rehabilitation stakeholders. All five surveys were administered through an anonymous web-based (Survey Monkey) process. In addition, five interviewers attempted to administer the client/caregiver survey to a beginning list of 1,000 (750 active and 250 closed) clients. In all, there were 907 completed surveys evaluated and analyzed for this Vocational Rehabilitation Needs Assessment. There were 6,291 e-mail requests sent and 616 calls made. These 6,907 contacts yielded a response rate of 13%. Earlier during this Needs Assessment, Focus Groups of VR Staff and VR Clients were conducted in six Regions (1, 2, 5, 7, 8, and 9). These Focus Groups aided in the low response rate of the Client/Caregiver survey.

### ***Survey Overview***

Five surveys were developed, one for each category of participant. The surveys have some questions in common. The five surveys were administered in mid-August 2013. Survey participants included vocational rehabilitation clients and/or their caregivers, staff, workforce investment system personnel, community resource partners, and vocational rehabilitation stakeholders. All five surveys were administered through an anonymous web-based (Survey Monkey) process. In addition, five interviewers attempted to administer the client/caregiver survey to a beginning list of 1,000 (750 active and 250 closed) clients.

The client/caregiver sample was obtained from active cases and case closures from October 2011 to March 2013. The list of 19,689 clients included active cases (Status 10 and 18), successful outcome closures (Status 26), and closures without a successful outcome (Status 28). Of the 15,965 active cases on the list, 5,521 provided an e-mail address for contact information. In addition, of the 3,724 closed cases on the list, 1,158 provided an e-mail address for contact information. Therefore, the client/caregiver survey link was sent to 6,679 participants. Of the 5,521 active case participants with an e-mail, 598 e-mails bounced back undeliverable. Therefore, 4,923 active Vocational Rehabilitation clients received the survey link. Of the 1,158 closed case participants with an e-mail, 617 e-mails bounced back undeliverable. Therefore, 541 closed case Vocational Rehabilitation clients received the survey link. Of the 541 total participants, 495 began the survey process and 469 completed the client/caregiver survey. The survey completion rate was 94.7%.

So that customers without access to the Internet could also have an opportunity to provide their opinions, five interviewers contacted 1,000 (750 active and 250 closed) clients by phone. The 1,000 clients were chosen randomly in SPSS from the customers without e-mail addresses. Of the 1,000 customers

contacted by phone, there were 384 wrong numbers or disconnected numbers. Of the remaining 616, 151 were contacted and agreed to complete the client/caregiver survey. These 151 participants fully completed 146 surveys for a completion rate of 96.7%. Approximately 25% of the 1,000 clients called completed the client/caregiver survey. Combined, the web-based survey link and the telephone survey of clients' response rate totaled approximately 10%.

The Staff survey link was sent by e-mail to 537 staff members and 45 supervisors for a total of 582 staff members. Of these 582 staff members, 123 started a staff survey and 106 or 86.2% completed the survey questions. Therefore, 21% of Vocational Rehabilitation Staff responded to the staff survey.

The Workforce Investment Act System (WIAs) personnel were sent their survey link in 92 e-mails. However, 128 WIA surveys were completed. Therefore, the survey link e-mail sent out by the Research and Planning Unit was shared with at least 36 other individuals. The completion rate for these 128 surveys was 91.4% for the 117 surveys completed. The response rate for the WIAs survey equaled 79%.

Community Resources Partners (CRPs) were sent 118 e-mail requesting respondents complete the CRP survey. There were 46 surveys started by the CRPs and 43 surveys finished. This is a completion rate of 93.5%. This places the return rate much lower at approximately 39%.

Vocational Rehabilitation Stakeholders were sent 35 e-mails for the Stakeholder survey link. Twenty-nine started the survey and 26 completed all questions on the survey. This is a survey completion rate of 89.7%. However, this particular surveys return rate was 83% much higher than were the others.

In all, there were 907 completed evaluated and analyzed for this Vocational Rehabilitation Needs Assessment. There were 6,291 e-mail requests sent and 616 calls made. These 6,907 contacts yielded a response rate of 13%. Earlier during this Needs Assessment, Focus Groups of VR Staff and VR Clients were conducted in six Regions (1, 2, 5, 7, 8, and 9). These Focus Groups aided in the low response rate of this particular survey. The five surveys shared several like items, but also differed on distinct issues for each group. From these five survey instruments, this Needs Assessment will attempt to identify the needs of individuals with the most significant disabilities in Tennessee, to discover the unmet needs of minority groups (including the not served and the underserved) in Tennessee, and to recognize which population(s) of individuals with disabilities are those not served and/or the underserved in Tennessee.

### ***Survey Results & Analysis***

#### ***Vocational Rehabilitation Stakeholders***

Overall, respondents (38%) are sometimes satisfied with the services VR clients receive from TN Rehabilitation Services. Twenty-four percent are satisfied and 21% are dissatisfied. Two respondents listed not applicable, two were very dissatisfied, and one person stated that they were very satisfied with the services VR clients receive. One stakeholder praised VR's improvements made in "Working on developing relationships with future clients before they leave high school; actively participating in meaningful IEP transition meetings."

According to survey results, 48% of stakeholders straddled the fence in their belief that VR Counselors fully understand how and why a client's disability affects their chances of employment. Twenty-four

percent agree and 17% percent disagree that VR Counselors understand the impact a disability has on employment. Eleven of the Stakeholders felt that employment opportunities were an unmet need of individuals with disabilities. One respondent shared that “There seems to be a lack of creativity to find positions that are compatible with their disabilities.”

Slightly over one third of stakeholder respondents agree that VR Client chances of getting a job increased because of training and services received through Vocational Rehabilitation. One third feel training and services sometimes assist in increased job probability for clients. In addition, 30% disagreed with the statement. Qualitatively, 18 Stakeholder respondents felt that potential employers are looking for the following four types of skills from individuals with disabilities: 1) Entry level (55%), 2) Timeliness/Good Work Ethic (16%), 3) Behavior/Soft Skills (16%), and 4) Basic Computer Skills (11%). From comments on this survey, most employers seek “Reliability, job pride, honesty and friendliness.”

Of the 29 Stakeholder respondents, an overwhelming 72% do not feel that VR Counselors help secure employment for VR Clients. Fifty-five percent of respondents feel the majority of clients find jobs themselves. Only 10, 34.5% feel clients do not secure their own employment. Three people did not respond to the survey question.

Forty-one percent of responding Stakeholders feel VR Counselors sometimes invite VR Clients to be part of developing their vocational goals. Thirty-eight percent agree that VR Counselors involve Clients in the development of their goals and 17% disagree, while one person chose to skip the question. The 17% that disagree may feel that clients are being judged by their behavioral choices. One respondent stated an unmet need as “The effects of their disabilities are often confused with behavioral choices, making them often appear to be resistant to services.”

Of those who responded, 55% feel that VR Counselors do inform their clients of the available jobs of interest that also match their skills. Twenty-one percent agree that counselors do make clients aware of possible jobs, while 17% disagree. Two people skipped this question.

One Stakeholder suggested the “need for job carving for some individuals on spectrum.”

More stakeholders disagreed (31%) than agreed (24%) that VR Counselors are strong advocates for VR clients’ mental, physical, and vocational needs. However, the majority, 41%, is unsure if Counselors are strong advocates or not. One responder did not answer. The lack of communication was a constant theme in this survey. One respondent made the following comment concerning communication: “Placing information on the VR web site and keeping it updated, be a highly visible collaborative partner with disability related organizations and efforts geared toward employment, and positive outreaches and advertising to the community.”

### *Community Resource Partners (CRP)*

On average TN Vocational Rehabilitation Community Resource Partners, service more than 100 individuals with disabilities. CRP qualitative comments state that the more clients are provided one-on-one interaction time with various jobs and receive personal individualized attention or job site assessments they are better able to provide or suggest a more suitable work environment and with greater success. In addition to interpreter services, Community Resource Partners also listed computers

as a big need in their agency to accommodate people with disabilities. According to respondents, the most successful element of CRP soft skills training is Individualized attention and Job Readiness. CRP sees the underserved and the not served population to be those with severe disabilities, autism, deaf and hard of hearing, along with cognitive functions. Unmet needs of the not served population include counseling and guidance as well as communication, outreach. To serve these clients CRP suggest developing better partnerships and changing eligibility to be more inclusive and flexible.

CRP believes that potential employers are most interested in employees who have appropriate behavior, work ethic, and timeliness in respective job settings. Survey response state the most beneficial agency partnerships for CRP have been other non-profits agency. The majority of CRP survey respondents are interested in documentation training. Many CPR responders report constant policy and procedure changes in VR are confusing.

CRPs provided information about successful pieces to their assessment process and successful soft skills. For both the job readiness category garnered the most responses. For assessment one provider stated "Providing a concise report that includes realistic vocational options based on interests, aptitudes, transferrable skills, and labor market information" as the successful piece of their assessment process. Another provider stated "Job Shadowing Job Sampling Working Interviews" were a successful soft skill teaching tool for clients.

CRPs reported the unserved and underserved to be individuals with developmental disabilities (Autism Spectrum Disorder and Asperger's), Veterans in category 3 or category 4, and individuals with felony charges and/or chronic or recent drug addictions. These unmet needs were reported by CRPs to be met by education and training 24% of the time. For instance, "employment specialist needs to help stabilize client's job". "They have the skills to GET job but have no skills to KEEP the job." The barriers reported by minorities with disabilities were VR knowledge/awareness (20%) and language barriers (14%).

CRPs requested better training in job development and job placement. They praised the opening of Priority 2 category as a significant positive. In order to improve communication, they requested weekly or bi-weekly meetings with VR Counselors and Supported Employment staff to review caseloads.

### *Workforce Investment Systems (WIS)*

On average Workforce Investment Systems service more than 100 individuals with disabilities.

Services that WIS felt was most helpful include job readiness, Support services, and education. Computer hardware topped the list in most needed accommodations for people with disabilities. The majority of qualitative comments requested updated staff computers as well as updated computers for clients. WIS is also asking for laptops they can carry between sites and visits. The most helpful element of their assessment is the staff's knowledgebase of the client, disability, and job market. Interviewing skills, communication, and job readiness were the number one soft skills WIS felt helped clients obtain and maintain employment. The suggestions for underserved or unserved clients included opening the priority categories, blind and visually impaired along with clients who have autism. Suggested ways to reach this group include expand outreach, improve resources, and communication. Stated barriers to reaching this group include cultural competence, educating VR staff and employers on various barriers. Respondents

also suggested building the awareness of VR services among the common population, including schools, business, and VR partners.

Five respondents stated that they do not have any clients with disabilities. Another 5 stated they provide services to 1-9 persons with disabilities. Nine respondents service 10-39 clients while 40-59 clients are seen by at least 12 of the Workforce Investment Systems who responded to the survey. Three (8.6%) respondents provide client services to approximately 60-79 clients. Eleven of the 128 WIS see at least 80-99 persons with disabilities while the majority, 56.3%, of survey respondents provides supportive services to over 100 persons with disabilities.

In addition to non-VR clients, the majority, 54.7%, of surveyed Workforce Investment Systems provide services for more than 100 Vocational Rehabilitation clients. Five respondents stated that they do not have any VR clients. Seven stated they provide services to 1-9 Vocational Rehabilitation Clients. Ten respondents service 10-39 clients while 40-59 clients are seen by at least nine of the Workforce Investment Systems who responded to the survey. Fifteen (11.7%) respondents provide client services to approximately 60-79 clients, while only 10 of the 128 WIS see at least 80-99 VR Clients.

Of the services available through WIS, Job Development (50%), Job Search (44%), On-the-Job Training (35%), and Assessments (32%) are the most successful components in obtaining and maintaining employment for individuals with disabilities.

### *Vocational Rehabilitation Staff*

VR Staff would like more training in New Counselor Training, Job Development, Case Management, and Disabilities. Many feel they are adequately aware of the job market but would like a more thorough understanding of connecting their clients with the right employment match based on need and client skills. From focus groups conducted in February Staff feel they would do a much better job if they are able to build relationships with businesses in their surrounding areas. Unserved clients are those who are elderly, economically unqualified, those with learning disorders, and high school students ranked as the most mentioned unserved group. Most underserved group include middle aged working age people, and those with less severe and more severe disabilities (autism and learning disabilities were listed) Support Services such as technology access, job training, were listed as unmet needs. Barriers to reaching out to the unserved and underserved include cultural competence in understanding various cultures and disabilities on the part of employers and some staff. Job Readiness and basic computer skills topped the list in expected training and skills most potential employers are looking for from VR clients. VR Staff feel that the DHS Vocational Rehabilitation is most successful in providing assistance to clients, conducting assessments and making changes to serve them more effectively.

Forty-nine percent of VR Staff agrees that the current accommodations their clients receive meet their employment needs. Four people did not respond.

Forty-six percent of VR Staff agrees that the job training their clients received or are still receiving adequately prepares them for employment. Five people did not respond.

Fifty-four percent of VR Staff agrees that they are well informed and understand how and why clients' disabilities impact their chances of getting or keeping a job. Four people did not respond.

Sixty-one percent of VR Staff stated yes, they often help clients obtain jobs. Eighteen people did not respond.

Seventy percent of VR Staff respondents stated, no, the majority of their clients do not find jobs themselves. Ten people did not respond.

Eighty-one percent of VR Staff respondents agree that they do invite clients to participate in developing vocational goals and they are involved in selecting the services of the preferred providers. Staff feels clients are unaware of the available providers, there are not enough providers, and some clients do not like to be told their ideas or plans for a career will not be supported by VR. Clients feel VR should support whatever career choice and path they decide.

Twenty-five percent of respondents agreed that on average, clients use VR services approximately 3 times to obtain employment. Fourteen staff did not respond.

Thirty-nine percent of respondents sometimes agree that the VR assessment process correctly identifies clients' strengths and their physical, mental and emotional needs. Fourteen people did not respond.

Thirty-six percent of responding VR staff stated that placement agencies are most effective method or practice that often leads to the best employment outcomes for their clients. Non-profit agencies were the second most helpful followed by family and friends.

Two-thirds of responding VR Staff feels they are adequately informed of the developing labor market and how to better advise their clients in developing skill sets that will be in demand.

At the time of the survey, 71% of VR Staff stated that their clients were not employed. Only 10 of the 122 responded that their clients were currently employed.

Of the 34 responding VR Staff, 9 agreed that clients are employed 1-3 months on average, followed by 7 who stated 1-2 years and another 7 stated 6-12 months. The time span varied practically even from 3 months - more than 2 years. There wasn't a great variation.

Of the 92 who responded, 48 stated that few clients have jobs when they leave the VR program. Forty-two (42%) stated that most clients have jobs and only 2 stated none of their clients have jobs when they leave the program.

Most clients, 60-79%, currently receive checks from the government such as SSI or SSDI, according to 30% of the VR Staff respondents. Another 28% stated that 80-90% of their clients receive SSI or SSDI.

Half of the staff who responded has Master's degrees. Another fourth have a bachelor's degree. Twenty-six people skipped this question. Most respondents are between the age of 45-64 years of age.

### *VR Client/Caregivers*

Fifty-nine percent of the respondents are satisfied with the services they received or are still receiving from VR. However there were suggestions regarding education and training. VR Clients repeatedly want

education expenses paid for college and perhaps graduate level courses. VR Clients continue to be thoroughly uninformed of the policy, procedures, and stipulations for funding school or training programs. One respondent stated, "Explaining how the money is dispersed would be helpful in the beginning of the person's acceptance into the program and how it works with the available financial aid the client receives." Other suggestions for improvement include basic computer skills training, additional options for job training and improved and increased employment prospects. Clients voiced concern about too many jobs being geared towards janitorial, cooking, and cleaning.

Over 50% agree that the job training they received or are still receiving prepares them for employment.

Sixty-three percent of surveyed Clients agree that their counselor understands how and why their disability impacts their chances of getting or keeping a job.

Fifty-three percent of respondents agree that their chances of getting a job increased because of VR training and services. Only 185 (29%) disagreed with this statement. The remaining 94 selected "sometimes". Twenty-four respondents elected to skip this question.

Of the 639 who responded, only 12% stated that their counselor helped them secure a job. Forty-four percent selected N/A and the remaining 43% did not feel counselors helped them secure employment.

Twenty-three percent of responding clients stated that they found their own job, while 27% stated they did not find their job on their own and 50% selected N/A meaning they currently did not have or job or they have never had a job while working with VR.

Fifty-five percent of VR clients who responded agreed that their counselor invites them to be a part of developing their vocational goals and involved in selecting services and training. Seventeen percent of those who responded selected 'sometimes' and another 28% state that they disagree or strongly disagree that the counselor invites them to participate in the development of goal setting and training.

The majority of respondents, 43%, stated that their counselor informs them of available jobs of interest and skill match. Thirty-eight percent disagreed with this statement. Eighteen percent were felt counselors sometimes informed them and sometimes did not inform them of suitable jobs.

Only 1/8 of the responding VR Clients had a job when they left the VR program. Thirty-two percent stated they did not have a job when leaving the program.

Over half (55%) of the VR Client's responding to the survey stated they have not used VR services to secure employment. More than 20% used VR services at least once to secure employment. The remaining respondents, 112, secured employment via VR services 2-5 times.

Only 18% of those who received placement were satisfied with their current job situation. Eight percent are unsatisfied and 40 of the 631 responding were on the fence of satisfied and not satisfied. They selected 'sometimes'.

Fifty-seven percent of respondents agree that their counselor is a strong advocate for their mental, emotional, and vocational needs. Twenty-eight percent disagree, 14% sometimes feel the counselors are strong advocates. The remaining 4% of the 646 skipped this question

**B. who are minorities;**

Information regarding this question is included with the response to question A in this section.

**C. who have been unserved or underserved by the VR program;**

Information regarding this question is included with the response to question A in this section.

**D. who have been served through other components of the statewide workforce development system; and**

Information regarding this question is included with the response to question A in this section.

**E. who are youth with disabilities and students with disabilities, including, as appropriate, their need for pre-employment transition services or other transition services.**

Information regarding this question is included with the response to question A in this section.

**2. Identify the need to establish, develop, or improve community rehabilitation programs within the State; and**

Information regarding this question is included with the response to question 1 in this section.

**3. Include an assessment of the needs of individuals with disabilities for transition career services and pre-employment transition services, and the extent to which such services are coordinated with transition services provided under the Individuals with Disabilities Education Act .**

Information regarding this question is included with the response to question 1 in this section.

## k. Annual Estimates

(Formerly known as Attachment 4.11(b)). Describe:

### 1. The number of individuals in the State who are eligible for services;

As of Sept 30, 2015, 8,687 individuals in the state are eligible for services under an IPE. Of this number and in compliance with our Order of Selection, 7,658 are receiving services provided with Title I, Part B funds and 1,029 are receiving services provided with Title VI, Part B funds and with Title I, Part B funds.

For Fiscal Year 2016, it is projected that there will be 5,950 new applicants and that 13,666 individuals in the state will be eligible for services under an IPE. Of this number, 12,966 will receive services under an IPE provided with Title I, Part B funds and 700 will receive services under an IPE provided with Title VI, Part B funds and with Title I, Part B funds. It is estimated that the number of individuals to be served under Title I, Part B and Title VI, Part B under an IPE during Fiscal Year 2016 under each priority category within our Order of Selection will be:

- Priority Category 1 - 9,658 (Includes Title VI, Part B)
- Priority Category 2 - 4,008
- Priority Category 3 - 0
- Priority Category 4 - 0

Total - 13,666

**Note:** Estimates for eligible individuals and those who will be provided services under our Order of Selection in Fiscal Year 2016 is based on current trends.

It is estimated that the cost of Title I, Part B and Title VI, Part B services for the projected 13,666 individuals who will be eligible for services under an IPE will be approximately \$21,827,000 and that the service cost for each priority category within the Order of Selection for the individuals served will be:

- Priority Category 1 - \$15,417,725 (Includes Title VI, Part B)
- Priority Category 2 - 6,409,275
- Priority Category 3 - 0
- Priority Category 4 - 0

Total \$21,827,000

**Note:** Estimated cost for services is based on the total available funding approved by the State's Department of Finance and Administration for our Delegated Purchase Authority.

Category	Title 1 or Title VI-	Estimated Funds	Est to Be Served Under IPE	Average and Total Cost of Services
1 and 2	N/A	\$21,827,000	13,666	\$1,597/per case

Category	Title 1 or Title VI-	Estimated Funds	Est to Be Served Under IPE	Average and Total Cost of Services
1	Title VI included	0	9,658	\$15,417,725
2	N/A	0	4,008	\$ 6,409,275
3	N/A	0	0	0
4	N/A	0	0	0
Totals	N/A	0	13,666	\$21,827,000

**2. The number of eligible individuals who will receive services under:**

**A. The VR Program;**

Information regarding this question is included with the response to question 1 in this section.

**B. The Supported Employment Program; and**

**C. each priority category, if under an order of selection;**

- 3. The number of individuals who are eligible for VR services, but are not receiving such services due to an order of selection; and**
- 4. The cost of services for the number of individuals estimated to be eligible for services. If under an order of selection, identify the cost of services for each priority category.**

**I. State Goals and Priorities**

The designated State unit must:

**1. Identify if the goals and priorities were jointly developed**

The goals and priorities for 2017 are:

***Goal 1. Continue Increasing Successful Employment Outcomes***

*Objective 1.1:*

- A. Increase Successful Employment Outcomes by 2% or more annually over the next 4 years. The opportunity exists to reinvigorate historical referral sources. This effort will include development of marketing initiatives for use in local areas for community outreach as well as joint efforts for partners listed below but not limited to:
- All agencies as required in the Combined State Plan
  - Tennessee’s Department of Labor and Workforce Development
  - Department of Economic and Community Development
  - Department of Intellectual and Developmental Disabilities
  - Department of Children’s Services and Department of Mental Health and Substance Abuse Services
  - Chambers of Commerce
  - Tennessee Works Partnership
  - TennCare

The Division will develop strategies for increasing referrals of Pre-Employment Transition Services (PETS) through local education agencies. Special focus will include the identification of any underserved population at the regional level.

- B. Action Steps to establish a stronger focus on employment related activities include:
- i. Fully staff the Agency: Increase visibility and engagement of the Agency’s Business Services Unit for regional and statewide activities;
  - ii. Building a comprehensive network of employment resources across the state;
  - iii. Implementing services to employers promoting the value of the Division and the hiring of people with disabilities;
  - iv. Maintain the current Community Rehabilitation Provider monitoring process to ensure effectiveness and efficiency;
    - Develop/disseminate surveys to determine adequate training needs of service providers (new and seasoned staff)
    - Maintain the monitoring and expansion of contracts related to Business Initiatives (ex. CLEE)
  - v. Continue to work collaboratively with and provide greater technical assistance to the Workforce Investment System. The program will continue to have counselors co-located in each of the State’s Local Workforce Investment Areas[DS2]’ comprehensive career centers and to provide itinerant counselors to serve all satellite career centers.

### *Objective 1.2:*

The Program will continue to monitor expenditures and available resources to determine sufficiency of releasing and/or opening Categories 3 and 4.

### ***Goal 2. Improve Efficiency and Effectiveness in Client Services Delivery System***

- Throughout the SFY, Vocational Rehabilitation will achieve a monthly timeliness rating of 92% for the determination of eligibility with the inclusion of extension agreements per policy. Determination of eligibility within 60 days.

- Throughout the SFY, Vocational Rehabilitation will develop the Individualized Plan for Employment within 90 days unless there is an agreed upon extension between the client and counselor. A timeliness rating of 90%.
- Meet with core partners to develop goals around the new federal standards and indicators regarding wages

*Objective 2.2:*

- Research prevailing wages for various industries

*Objective 2.3:*

- Research, develop, and implement strategies to increase the awareness and accessibility of client satisfaction surveys
- Achieving an 80% or higher satisfaction rating for the vocational rehabilitation program as reported by the consumer satisfaction survey program for successful outcome closures
- Continue to increase staff knowledge in rehabilitation practices through on-going training.

*Objective 2.4:*

Ensure access to VR documents, materials and training for clients, citizens, and staff:

1. The Program will ensure that all documents and materials are available in alternate formats.
2. The Program will ensure that timely requests are made when qualified interpreters are needed or requested
3. The Program will create VR marketing materials to accommodate individuals with sensory disabilities
4. The Program will research, develop, and implement a marketing plan to educate the community about VR services.
5. Meet with Disability Pathfinder to identify needs and engage diverse populations

**2. Identify the goals and priorities in carrying out the VR and Supported Employment programs.**

Information regarding this question is included in the response to question 1 in this section.

**3. Ensure that the goals and priorities are based on an analysis of the following areas:**

Information regarding this question is included in the response to question 1 in this section.

**A. The most recent comprehensive statewide assessment, including any updates;**

Information regarding this question is included in the response to question 1 in this section.

**B. the State's performance under the performance accountability measures of section 116 of WIOA; and**

Information regarding this question is included in the response to question 1 in this section.

**C. other available information on the operation and effectiveness of the VR program, including any reports received from the State Rehabilitation Council and finding and recommendations from monitoring activities conducted under section 107.**

Information regarding this question is included in the response to question 1 in this section.

**m. Order of Selection**

Describe:

**1. Whether the designated State unit will implement and order of selection. If so, describe:**

**A. The order to be followed in selecting eligible individuals to be provided VR services.**

*Description of Priority categories*

PRIORITY CATEGORY I -- Eligible individuals who have the most significant disabilities

PRIORITY CATEGORY II -- Eligible individuals who have significant disabilities

PRIORITY CATEGORY III -- Eligible individuals who do not have significant disabilities and whose vocational rehabilitation is expected to require multiple vocational rehabilitation services

PRIORITY CATEGORY IV -- Eligible individuals who do not have a significant disability that cannot be classified into a higher priority category

*Definitions*

"Most Significant Disability" means the individual meets the criteria for having a significant disability but has a physical or mental impairment that seriously limits two or more functional capacities in terms of an employment outcome.

"Significant Disability" means the individual meets the three following criteria:

1. The individual has a severe physical, sensory or mental impairment which seriously limits at least one functional capacity (such as visual/mobility, communication, self-care, self-direction, interpersonal skills, work tolerance, or work skills) in terms of an employment outcome; and
2. The individual has one or more physical or mental disabilities resulting from amputation, arthritis, autism, blindness, burn injury, cancer, cerebral palsy, cystic fibrosis, deafness, deaf /blind, head injury, heart disease, hemiplegic, hemophilia, respiratory or pulmonary dysfunction, mental retardation, mental illness, multiple sclerosis, muscular dystrophy, musculoskeletal disorders, neurological disorders (including stroke and epilepsy), paraplegia, quadriplegia and other spinal cord conditions, sickle cell anemia, specific learning disability, and end-stage renal disease; or another disability or combination of disabilities determined on the basis of an assessment for determining eligibility, and vocational rehabilitation needs to cause comparable substantial functional limitation; and
3. The individual's vocational rehabilitation program can be expected to require multiple vocational rehabilitation services over an extended period of time.

"Non-Significant Disability" means the individual does not meet the criteria for significant disability or the criteria for most significant disability.

"Multiple Vocational Rehabilitation Services" mean two or more major vocational rehabilitation services, i.e. physical or mental restoration, training, counseling, guidance and placement. Excluded are support services such as transportation, maintenance, and the routine counseling and guidance that should take place in every case.

"Extended Period of Time" means 6 months from the date services begin until the employment objective is achieved.

## **B. The justification for the order.**

The Division's Order of Selection is developed in accordance with 34 CFR § 361.36 of the final regulations. The Order of Selection has four priority categories as defined below in this section.

On August 1, 2001, the Division implemented an Order of Selection due to funding limitations that would not allow the Division to provide services under an IPE to all eligible individuals. Only Priority Category 1 cases (eligible individuals who have the most significant disabilities) were served until 2009.

From 2009 until October 2012 there were numerous releases of Priority Category 2 and 3 cases. Beginning October 1, 2012, the Division opened Priority Category 2 for services. The Division is now serving all Priority Category 1 and 2 cases. Those Priority Category 3 cases that were on the waiting list were released for services on October 1, 2013.

The Division's funds and resources remain inadequate to serve individuals in all four priority categories. The Division expects to have approximately \$21,000,000 from the federal grant and state appropriations to spend for assessments for an estimated 5,958 new cases and planned services for approximately

13,666 existing and new cases. Approximately half of this amount must be allocated for pre-employment transition services.

The Division also elects not to serve eligible individuals, regardless of any established order of selection, who require specific services or equipment to maintain employment. The Division expects to serve 13,666 existing and new Priority Category 1 and 2 in 2016. Of this number, the Division expects to provide services for 9,658 Priority Category 1 cases and 4,008 Priority Category 2 cases.

The Division will monitor staffing needs to determine if there is sufficient manpower to schedule releases of Priority Category 3 and 4 cases for services or open all Priority Category 3 cases for services. Therefore, continuation of the Order of Selection mandated by the Rehabilitation Act of 1973, as amended, to determine which eligible individuals will be served under an IPE is still warranted due to staffing deficiencies.

The Division monitors services and expenditures on a continuous basis, allowing the Division to manage available funds and staff to assure sustainability of services for cases placed in an open priority category and receiving services under an Individualized Plan for Employment (IPE). Additionally, adequate funds will continue to be conserved and staffing deficiencies monitored to provide assessment services for all applicants expected to apply throughout the year to determine eligibility and to provide services for those eligible individuals in an open priority category within the Order of Selection.

### **C. The service and outcome goals.**

The Order of Selection priority categories outcome and service goals and time frames are as follows:

1. PRIORITY CATEGORY I -- Eligible individuals who have the most significant disabilities
  - A. Outcome and Service Goal: Expect to determine eligibility for 4,058 new individuals in this priority category; serve 9,658; and close 1,680 successfully employed.
  - B. Goal will be achieved by September 30, 2016.
2. PRIORITY CATEGORY II -- Eligible individuals who have significant disabilities
  - A. Outcome and Service Goal: Expect to determine eligibility for 1,790 new individuals in this priority category; serve 4,008; and close 612 successfully employed.
  - B. Goal will be achieved by September 30, 2016.
3. PRIORITY CATEGORY III -- Eligible individuals who do not have significant disabilities and whose vocational rehabilitation is expected to require multiple vocational rehabilitation services
  - A. Outcome and Service Goal: Expect to determine eligibility for 117 new individuals in this priority category and have 229 on the waiting list.
  - B. Goal will be achieved by September 30, 2016.
4. PRIORITY CATEGORY IV -- Eligible individuals who do not have a significant disability that cannot be classified into a higher priority category
  - A. Outcome and Service Goal: Expect to determine eligibility for 3 new individuals in this priority category and have 5 on the waiting list.
  - B. Goal will be achieved by September 30, 2016.

**D. The time within which these goals may be achieved for individuals in each priority category within the order.**

Cases	Estimated Number of individuals to be served	Estimated number of individuals who will exit with employment after receiving services	Estimated number of individuals who will exit without employment after receiving services	Time within which goals are to be achieved	Cost of services
New	5,968	0	0	N/A	\$1,492,000
PC 1	9858	1680	0	Sept. 30, 2016	\$15,417,725
PC 2	4,008	612	0	Sept. 30, 2016	\$6,409,275
PC 3	117 eligibility and PC determination only	0	0	Sept. 30, 2016	\$29,250 Assessments
PC 4	5 eligibility and PC determination only	0	0	Sept. 30, 2015	\$1,250 Assessments

**E. How individuals with the most significant disabilities are selected for services before all other individuals with disabilities; and**

The Division is currently serving Priority Category 1 and 2 cases. If the Division cannot continue to serve all Priority Category 1 and 2 cases, then Priority Category 1 cases will continue to be served and services for Priority Category 2 cases will be provided based on the date of application for services. If the Division cannot continue to serve all Priority Category 1 cases, then services will be provided based on the date of application for services.

The Division plans to open Priority Category 3 within the 2015 plan year. If after Priority 3 is opened and the Division cannot continue to serve all Priority 3 cases then services will be provided based on the date of application for services.

Individuals who are determined to be in a closed priority category are referred to other appropriate agencies for services.

**2. If the designated State unit has elected to serve eligible individuals, regardless of any established order of**

**selection, who require specific services or equipment to maintain employment.**

## **n. Goals and Plans for Distribution of title VI Funds.**

### **1. Specify the State's goals and priorities for funds received under section 603 of the Rehabilitation Act for the provision of supported employment services.**

The Division continues to provide supported employment services to eligible clients with the most significant disabilities who have been determined to require on-going support (extended) services in order to maintain employment.

It is the continued goal of the Division to provide quality supported employment services which are delivered in an effective, efficient and timely manner. Supported employment services are provided through Letters of Agreement with community rehabilitation providers, and in cooperation with the Department of Intellectual and Developmental Disabilities, and the Department of Mental Health and Substance Abuse Services. The community rehabilitation providers must assure that on-going support (extended) services will be provided prior to the implementation of supported employment services or will be developed as natural supports during training. The Division has an excellent supported employment program along with training and support activities to ensure the continued provision of quality supported employment services. These programs are ongoing and are not subject to a specific timeline. Prime examples of these ongoing activities are:

1. Through contract with the University of Tennessee, Center for Literacy, Education and Employment (CLEE), the Division funds three supported employment consultants who are charged with the responsibility of working with our many supported employment community rehabilitation providers in providing training and technical assistance to the staff who provide services to our clients. These same consultants also work with the Division staff on an as needed basis to provide technical assistance.
2. The Division has Program Specialists in the three grand regions of the state who assist in the monitoring of and consultation to the community rehabilitation providers to ensure appropriate services are being provided to our clients.
3. The Division plans to continue the funding of the UT CLEE SE consultants activities as well as continue the provision of in-house monitoring of the services provided to the Division's clients by the SE community rehabilitation providers.

The Division will continue to seek community rehabilitation providers to provide supported employment services to under-served disability groups with the most significant disabilities who, because of their disability, have not been able to enter traditional competitive employment or whose employment is intermittent or interrupted due to a most significant disability.

The Division expects to continue increasing employment opportunities for those individuals eligible for supported employment with co-occurring disorders of mental illness, and alcohol and drug abuse by expanding more effective partnerships with mental health entities that work with this population and by implementing improved services. The Division has a Central Office field liaison who works with mental health entities and the Division's staff statewide in developing such partnerships where needed and who provides training and technical assistance to the mental health community rehabilitation providers and our staff.

The Division has a Central Office field liaison who works with service providers statewide that provides supported employment and extended services for individuals with intellectual and developmental disabilities to assist with technical assistance and staff training.

The Division expects to serve in excess of 1300 clients through the supported employment program during the Fiscal Year 2017. The Division has consistently closed around 22% of the supported employment clients in successful employment. This would mean around 286 successful outcomes for FY2017.

The Division is establishing service codes and defining the extended employment services that will be provided for up to 4 years for youth with disabilities. The Community Rehabilitation Providers have been notified of these services that can be provided for the first time.

In 2013, Governor Bill Haslam signed an Employment First Executive Order. This Executive Order established the Employment First Taskforce. In 2014, the Employment First Taskforce sign and executed an Youth Memorandum of Understanding (MOU). This agencies involved in the MOU are:

- Department of Education
- Vocational Rehabilitation
- Department of Labor and Workforce Development
- Department of Intellectual and Developmental Disabilities
- Department of Mental Health and Substance Abuse Services
- Council on Developmental Disabilities (this agency oversees the implementation of the MOU).

This MOU will assist the Division in leveraging other public funds to increase resources for extended services and extended employment.

## **2. Describe the activities to be conducted, with funds reserved pursuant to section 603(d), for youth with the most significant disabilities, including:**

### **A. the provision of extended services for a period not to exceed 4 years; and**

Information regarding this question is included with the response to question 1 in this section.

## **B. how the State will leverage other public and private funds to increase resources for extended services and expanded supported employment opportunities for youth with the most significant disabilities.**

Information regarding this question is included with the response to question 1 in this section.

### **o. State's Strategies**

Describe the required strategies and how the agency will use these strategies to achieve its goals and priorities, support innovation and expansion activities, and overcome any barriers to accessing the VR and the Supported Employment programs (See sections 101(a)(15)(D) and (18)(B) of the Rehabilitation Act and section 427 of the General Education Provisions Act (GEPA)):

#### **1. The methods to be used to expand and improve services to individuals with disabilities.**

Funds will be utilized in Fiscal Year 2017 for addressing the following priorities that continue to be identified in our needs assessment as they relate to individuals with the most significant disabilities, including those who need supported employment services; individuals with disabilities who are minorities; individuals with disabilities who have been un-served or underserved by the vocational rehabilitation program; and individuals with disabilities served through other components of the statewide workforce investment system and personnel assisting those individuals through the components of the system: Education and Training; Employment Opportunities; Information; Support Services; and Counseling and Guidance.

In addition, as the Division continues to serve Priority Category 1 and 2 cases, more individuals with significant disabilities are able to access vocational rehabilitation services. The Division continues to monitor the budget and the staff capacity in order to determine the ability to serve Priority 3 and 4 cases. It is anticipated this activity will lead to improvement in the number of individuals with disabilities reaching successful rehabilitation outcome statuses by:

1. Continuing the practice of ensuring the availability of appropriate training activities and resources to meet the individualized needs of clients by seeking out and developing partnerships with other private and public entities to provide specialized education and training activities, to include those that can be provided through self-employment, on-the-job-training by employers, and customized employment.
2. Continuing the development and expansion of statewide employer relationships that focus on inclusion of employees with disabilities in the workforce and the value of hiring people with disabilities. The Division will continue its expansion of our activities with Employment Groups across the state and in the local areas with new programs, such as Walgreens REDI and Project Search.
3. Continuing to support expansion of supported employment services by actively seeking out, training, and monitoring community rehabilitation providers; especially in the more rural areas, that are willing

to provide supported employment services to vocational rehabilitation clients with the most significant disabilities; and by fostering partnerships with DIDD and chapters of The ARC in Tennessee to implement employment network projects with community rehabilitation providers. The Division is striving to have shared vendors with DIDD in order to access services for shared clients. The Division is expanding participation in the Individual Placement Model of Supported Employment (IPS) statewide.

4. Continue to increase employment opportunities for clients through development, training, and monitoring of community rehabilitation providers providing job coach pools and employment services.
5. Development of the Business Services Unit will increase targeted marketing and education services to employers; and the provision of additional technical support and expertise to Division staff, clients, and employers in the areas of ongoing and emerging disability issues, and supported employment issues.
6. Continuing to support expansion of Transition School-to-Work services by continuing to work with Local Education Agencies (LEA's) in the maintenance of existing partnerships and the creation of additional partnerships to provide vocational rehabilitation services targeted specifically to that LEA's school system. Continuing to work with and educate school personnel on the mission and scope of the Division in order to maximize services from both entities to better serve our mutual clientele to include appropriate qualified interpreters/accommodations for students that are in LEA/School to Work programs. The newly hired Transition School to Work Director will manage this process.
7. Continuing improvement in the service delivery of the Division's 17 community rehabilitation centers and the comprehensive rehabilitation center at Smyrna geared directly toward providing services leading to successful employment of individuals with the most significant disabilities. Pursue the development of additional service delivery entities in metropolitan and rural markets for services including vocational evaluation, personal and work adjustment, job development, job placement, and job coaching. The 17 Community rehabilitation centers are focusing on expansion of the job readiness programs and collaboration with local area businesses. The Smyrna TRC is expanding training programs through partnerships with Tennessee Department of Transportation, Gaylord Opryland, and Walgreens.
8. Continuing support of vocational rehabilitation counselor development by providing opportunities for vocational rehabilitation counselors to obtain Masters Degrees in Rehabilitation Counseling. The Division will pursue all available RSA slots for master's level training available to the Division through outreach and research. The Division will continue utilization of recruiter staff for recruiting vocational rehabilitation counselors who have a Master's Degree in Rehabilitation Counseling. Finally, the Division will continue financial support of counselors seeking master's degrees.
9. Developing and implementing a comprehensive staff development program based on core competencies for all VR Staff. Utilize partnerships through the university programs. There is an Education Development Plan being developed for all staff in order to reinforce and encourage the Division's goals and priorities.
10. Continuing to implement a marketing/outreach plan that targets and reaches un-served or underserved populations to include all minorities, such as Spanish-speaking clients and clients with traumatic brain injury, autism, deaf-blindness, and mental illness. The marketing efforts will target individuals with the most significant disabilities who are seeking employment.
11. Continuing to support the Workforce Investment System by continuing to co-locate vocational rehabilitation counselors in each of the major Workforce Investment Act Service delivery area career centers and ensuring that all career center satellites also have vocational rehabilitation counselors

assigned to visit their centers on a regular basis to work with individuals with disabilities that visit each center.

12. Providing cross training to the career center staff in regard to meeting the needs of individuals with disabilities. Continue to provide consultation on career center accessibility and accommodation needs in regard to the accessibility needs in the building(s), and accommodations in terms of appropriate technology needed to serve individuals with the disabilities. Continue to partner with the American Job Centers (AJCs) in employment initiatives such as the summer youth employment project and the DEI grant
13. Continuing to support the Ticket to Work and Self-Sufficiency Program and use of other Social Security work incentives that benefit clients by continuing contract with the Benefits to Work Company. This company provides Social Security benefits counseling to clients before and after the Individualized Plan for Employment process. Currently the Division contracts with Benefits to Work to provide outreach to communities on how working affects Social Security Benefits, work incentives, and benefits planning. The agency will also continue to promote the most effective use of Ticket to Work Employment Network programs for the Division and our partners.
14. Continuing training for vocational rehabilitation staff on how effective rehabilitation technology options lead to successful employment outcomes. Staff at the Technology centers meeting quarterly with staff to provide training on services.
15. Continuing support of the State Rehabilitation Council. Council members will be reimbursed for reasonable and necessary expenses for attending Council meetings and performing Council duties (including child care, - personal assistance services and qualified interpreters).
16. Continuing support of the Statewide Independent Living Council. Council members will be reimbursed for reasonable and necessary expenses for attending Council meetings and performing Council duties (including child care, personal assistance services and qualified interpreters).
17. Continuing to submit to the Commissioner an annual report of how funds are utilized relative to innovation and expansion activities.
18. Continuing to provide a coordinated, comprehensive and statewide assistive technology delivery system through a network of contracted assistive technology centers. Each of these five centers, strategically located in Memphis, Jackson, Nashville, Chattanooga and Knoxville ensure access to clients from all 95 counties in Tennessee regardless of location. The centers diverse staff includes: Rehabilitation Engineers; Speech and Language Pathologists; Assistive Technologists; Orientation and Mobility Specialists, Therapists and other Professionals who provide clients with evaluation, training, device fabrication and follow up services. By providing clients with access to this highly trained and skilled resource, and by purchasing the required devices, clients have the tools that they need throughout their rehabilitation program to assist them in realizing their IPE goals.
19. Continue implementation of the electronic case management system (TRIMS) utilizing input from agency staff and vendors to enhance the Division's technological infrastructure and client service capabilities.
20. Continue partnerships with the three federal grants that target employment of persons with disabilities. Those grants are Tennessee Works, Employment First, and DEI. Tennessee is one of three states in the country that are receiving all three grants.
21. Revise the self-employment process to streamline the experience for clients seeking the self-employment option. Research other state VR self-employment policies for efficient, consumer oriented strategies; and include successful business owners in the process to produce a successful program that will help individuals with disabilities become successful entrepreneurs.

- 2. How a broad range of assistive technology services and devices will be provided to individuals with disabilities at each stage of the rehabilitation process and on a statewide basis.**

Information regarding this question is included with the response to question 1 in this section.

- 3. The outreach procedures that will be used to identify and serve individuals with disabilities who are minorities, including those with the most significant disabilities, as well as those who have been unserved or underserved by the VR program.**

Information regarding this question is included with the response to question 1 in this section.

- 4. The methods to be used to improve and expand VR services for students with disabilities, including the coordination of services designed to facilitate the transition of such students from school to postsecondary life (including the receipt of VR services, postsecondary education, employment, and pre-employment transition services).**

Information regarding this question is included with the response to question 1 in this section.

- 5. If applicable, plans for establishing, developing, or improving community rehabilitation programs within the State.**

Information regarding this question is included with the response to question 1 in this section.

- 6. Strategies to improve the performance of the State with respect to the performance accountability measures under section 116 of WIOA.**

Information regarding this question is included with the response to question 1 in this section.

**7. Strategies for assisting other components of the statewide workforce development system in assisting individuals with disabilities.**

Information regarding this question is included with the response to question 1 in this section.

**8. How the agency's strategies will be used to:**

**A. achieve goals and priorities by the State, consistent with the comprehensive needs assessment;**

Information regarding this question is included with the response to question 1 in this section.

**B. support innovation and expansion activities; and**

Information regarding this question is included with the response to question 1 in this section.

**C. overcome identified barriers relating to equitable access to and participation of individuals with disabilities in the State VR Services Program and the State Supported Employment Services Program.**

Information regarding this question is included with the response to question 1 in this section.

**p. Evaluation and Reports of Progress: VR and Supported Employment Goals**

Describe:

- 1. An evaluation of the extent to which the VR program goals described in the approved VR services portion of the Unified or Combined State Plan for the most recently completed program year were achieved. The evaluation must:**

## **A. Identify the strategies that contributed to the achievement of the goals.**

The goals and priorities of the Division of Rehabilitation Services for Fiscal Year 2012, as developed and agreed to by the Division of Rehabilitation Services staff and the State Rehabilitation Council, are focused around the Division's strategic plan.

The goals and priorities for 2015 are:

### ***Goal 1. Continue Increasing Successful Employment Outcomes***

#### *Objective 1.1:*

- A. Increase Successful Employment Outcomes by 10% or more over Federal Fiscal Year 2014. The opportunity exists to reinvigorate historical referral sources. This effort will include development of marketing initiatives for use in local areas for community outreach as well as joint efforts with the:
  - a. Workforce Investment System
  - b. Tennessee's Department of Labor and Workforce Development
  - c. Department of Economic and Community Development
  - d. Department of Intellectual and Developmental Disabilities
  - e. Department of Children's Services and Department of Mental Health and Substance Abuse Services

The Division will develop strategies for increasing referrals of transition school to work clients through local education agencies. Special focus will include the identification of any underserved population at the regional level.

**ACHIEVEMENT:** In Federal Fiscal Year the Program had 2358 successful employment outcomes. This is a 9% increase over FY2014's successful employment outcomes of 2159. The VR Program continued focused collaborative efforts with numerous state agencies, in addition to collaboration with Universities across the state. In FFY 2015 Transition School to Work contracts were increased.

- B. Action Steps to establish a stronger focus on employment related activities include:
  - I. Staffing the Agency's Business Services Unit for regional and statewide activities;
  - II. Building a comprehensive network of employment resources across the state;
  - III. Implementing services to employers promoting the value of the Division and the hiring of people with disabilities;
  - IV. Continuing the current Community Rehabilitation Provider monitoring process to ensure effectiveness and efficiency;
  - V. Continue to work collaboratively with and provide greater technical assistance to the Workforce Investment System. The Division will continue to have counselors co-located in each of the State's Local Workforce Investment Areas' comprehensive career centers and to provide itinerant counselors to serve all satellite career centers.

**ACHIEVEMENT:** In FFY2015, the VR Program met with the Business Services Coordinator from the VR Program in Alabama to discuss strategies on expansion of the Business Services Unit in Tennessee. The Statewide Business Services Consultant worked with over 130 businesses statewide in FFY2015. The program offered new services to businesses, such as assistance with Section 503 compliance. The Department of Human Services continues to provide monitoring of the CRPs throughout the state.

*Objective 1.2:*

The Division will continue to monitor expenditures and available funding to determine if there is sufficient funding to release Category 3 and 4.

**Goal 2. Improve Efficiency and Effectiveness in Client Services Delivery System**

*Objective 2.1:*

Meet or exceed the Federal rehabilitation success rate of 55.8% for FY 2014 (Success rate is determined by the number of Status 26 rehabilitated case closures divided by the number of Status 26 plus the number of Status 28 non-rehabilitated Case closures).The division is focusing on the Employment Needs Assessment Process in order to write better Individualized Employment Plans. This effort will increase the number of successful closures and decrease the number of unsuccessful closures.

*Objective 2.2:*

Meet or exceed the Federal ratio of the average hourly wage of individuals who achieved competitive employment to the average hourly wage of all employed individuals in the State of 0.520.Fifty-two percent of closures should be working at wages of \$10-\$11 per hour.

**ACHIEVEMENT:** The VR Program did not meet this goal. The ratio has consistently been 0.49, meaning Forty-nine percent of the successful closures were work at wages of \$10-\$11 per hour.

*Objective 2.3:*

Ensure adherence to quality services leading to employment and quality case management practices by:

1. Achieving an 80%or higher satisfaction rating for the vocational rehabilitation program as reported by the consumer satisfaction survey program for successful outcome closures.
2. Continuing with improvements to the Division's electronic case management system (Tennessee Rehabilitation Information and Management System, TRIMS) to enhance efficiency and accuracy.
3. Training- Continue to increase staff knowledge through continuous training.

**ACHIEVEMENT:** The Program continues to make improvements the TRIMS system that will increase efficiency and effectiveness for the staff.

*Objective 2.4:*

Ensure access to VR documents, materials and training for clients and staff:

1. The Division will ensure that all documents and materials are available in alternate formats, as needed and requested.

**ACHIEVEMENT** - the Division always ensures that materials are available in alternate formats. This information is always made available.

2. The Division will ensure that timely requests are made when qualified interpreters are needed or requested.

**ACHIEVEMENT:** The Division makes requests for interpreters as soon as possible.

3. Video ASL for the Deaf

ACHIEVEMENT: The Division continue to research how to best achieve this goal.

## **B. Describe the factors that impeded the achievement of the goals and priorities.**

Information regarding this question is included with the response to question A in this section.

## **2. An evaluation of the extent to which the Supported Employment program goals described in the Supported Employment Supplement for the most recent program year were achieved. The evaluation must:**

### **A. Identify the strategies that contributed to the achievement of the goals.**

Information regarding this question is included with the response to question 1 in this section.

### **B. Describe the factors that impeded the achievement of the goals and priorities.**

Information regarding this question is included with the response to question 1 in this section.

## **3. The VR program's performance on the performance accountability indicators under section 116 of WIOA.**

Information regarding this question is included with the response to question 1 in this section.

#### **4. How the funds reserved for innovation and expansion (I&E) activities were utilized.**

Information regarding this question is included with the response to question 1 in this section.

#### **q. Quality, Scope, and Extent of Supported Employment Services.**

Include the following:

##### **1. The quality, scope, and extent of supported employment services to be provided to individuals with the most significant disabilities, including youth with the most significant disabilities.**

The Division continues to provide supported employment services to eligible clients with the most significant disabilities who have been determined to require supported employment services, in accordance with 34 CFR § 361 and 363, in order to obtain and maintain employment.

In January 2015, the Division introduced a new Supported Employment Letter of Agreement with milestone payments. The new fees incentivized the CRPs to focus their efforts on quality outcomes such as increased number of work hours and wages for VR clients in the Supported Employment program. The new LOA resulted in the CRPs directing their recruitment efforts to increase staff capacity. In Tennessee, a CRP must maintain a minimum of 3 staff to provide Supported Employment services. The lead Employment Specialist must meet the minimum requirement of a bachelors or associates degree with experience. Additionally, the Employment Specialist must have completed a training certificate from a recognized employment training program such as the Association of Community Rehabilitation Educators (ACRE). A CESP certification as accredited by the National Commission for Certifying Agencies would fulfill the training requirement. It is anticipated that by January 2016, CRPs will have 100% compliance in regard to the Division's qualification requirements for SE providers. In October 2014, the Division initiated the Individual Placement and Support (IPS) model. In FY 2015, the Division spent approximately \$2 million dollars in Supported Employment services. The Division will continue supplemental funding using VR Services Program funds to meet additional and needed demand.

It is the continued goal of the Division to provide quality supported employment services which are delivered in an effective, efficient and timely manner. Supported employment services are provided through Letters of Agreement with community rehabilitation providers and in cooperation with both the Department of Intellectual and Developmental Disabilities and the Department of Mental Health and Substance Abuse Services. The community rehabilitation providers must assure that on-going support services will be available prior to the provision of supported employment services or will be developed as natural supports during training.

The Division coordinates with other state agencies and the community rehabilitation providers to transition clients receiving supported employment services to extended services. An individual is moved to extended services when the client has reached a point where he/she has achieved maximum performance on the job; has achieved minimum necessary supports on the job; the job is not in jeopardy of ending; and individual is maintaining work performance which is acceptable to employer and client. The Tennessee Employment Consortium, an independent association of community rehabilitation providers developed jointly by the Division, the Department of Intellectual and Developmental Disabilities, and the Department of Mental Health and Substance Abuse Services, continues to study transitioning from services provided by the Division to services provided by the Department of Intellectual and Developmental Disabilities and TennCare to develop best practices for transition of services. The Division is working with the University of Tennessee, Center for Literacy, Education and Employment to develop training for CRPs on how to develop natural supports to address extended services where funding is not available from another Agency.

The Division will continue to contract for services from the University of Tennessee's Center for Literacy, Education and Employment (CLEE). These programs will provide continuing training to the Division's staff and contracted community rehabilitation providers to assure competency and compliance.

The number of supported employment providers has increased over the past year from 62 to 75 supported employment CRPs. The Division continues its efforts to increase S.E. providers and anticipates the numbers of providers will increase. VR is actively pursuing a number of other providers for underserved areas across the state. While the number of CRPs remains adequate to serve the Division's number of supported employment clients, there remains a shortage of CRPs able to provide supported employment services in more rural areas and under-served communities and under-served populations of the state. The Division will continue to enter into supported employment agreements with appropriate state agencies, as well as Letters of Agreement with private and/or non-profit agencies which have the capabilities of providing quality service delivery and extended services in multiple counties. The Division will assertively seek those agencies that will provide supported employment services to persons being transitioned from institutional settings to the community and to work in competitive, integrated employment settings. The Division will also be studying in-house capabilities to provide supported employment services in more rural areas of the state utilizing the Division's facilities programs. This will include staff training to develop natural supports for extended services.

The Division will continue to seek community rehabilitation providers to provide supported employment services to under-served disability groups with the most significant disabilities.

The Division expects to serve in excess of 1300 clients through the supported employment program during the Fiscal Year 2017. The Division has consistently closed around 22% of the supported employment clients in successful employment. This would mean around 286 successful outcomes for FY2017.

For the provision of extended services to youth with disabilities who received supported employment services, the division will continue to collaborate and find partnership opportunities with DIDD, DMHSA, Department of Education, and other entities to continue outreach to transition students that may need supported employment.

The Division will work with the Department of Education using the PETS program. These would offer work experiences that can assist transition students to a more positive and encouraging supported employment roadmap.

The Division will continue to work with the Center for Medicare and Medicaid Services (CMMS) in continuing to align policies and funding that would support employment services.

The Division will convene a work group of VR staff, CRPs, and other entities to review policies, training, identify improvements and best practices, and propose plan for sustainability of the required WIOA budget appropriation.

The Division will work with disability specific stakeholders and advocacy groups such as the Autism Society and chapters of The ARC in Tennessee in conducting collaborative meetings to help identify sources of support.

The Division will continue to work with the IPS Learning Community to develop ways to best utilize IPS in working with transition students.

The Division will continue to encourage CRPs to become Employment Networks as possible funding source for on-going support needs. The Division will continue to train CRPs and VR staff to increase usage of SSA PASS plan.

The Division will assure that funds are made available will only be used to provide Supported Employment services to individuals who are eligible to receive such services.

The Division's case management system, TRIMS, has the ability to identify cases and expend the funds allotted as required by the RSA.

## **2. The timing of transition to extended services.**

Information regarding this question is included with the response to question 1 in this section.

### ***Certifications***

Name of designated State agency or designated State unit, as appropriate    Vocational Rehabilitation Program

Name of designated State agency    Tennessee Department of Human Services

Full Name of Authorized Representative:    Raquel Hatter

Title of Authorized Representative:    Commissioner

States must provide written and signed certifications that:

1. The designated State agency or designated State unit (as appropriate) listed above is authorized to submit the VR services portion of the Unified or Combined State Plan under title 1 of the Rehabilitation Act of 1973 (Rehabilitation Act), as amended by WIOA\*, and its supplement under title VI of the Rehabilitation Act.\*\* Yes
2. As a condition for the receipt of Federal funds under title I of the Rehabilitation Act for the provision of VR services, the designated State agency listed above agrees to operate and administer the State VR Services Program in accordance with the VR services portion of the Unified or Combined State Plan , the Rehabilitation Act, and all applicable regulations , policies, and procedures established by the Secretary of Education. Funds made available under section 111 of the Rehabilitation Act are used solely for the provision of VR services and the administration of the VR services portion of the Unified or Combined State Plan; Yes
3. As a condition for the receipt of Federal funds under title VI of the Rehabilitation Act for supported employment services, the designated State agency agrees to operate and administer the State Supported Employment Services Program in accordance with the supplement to the VR services portion of the Unified or Combined State Plan\* , the Rehabilitation Act, and all applicable regulations , policies, and procedures established by the Secretary of Education. Funds made available under title VI are used solely for the provision of supported employment services and the administration of the supplement to the VR services portion of the Unified or Combined State Plan;\*\* Yes
4. The designated State agency and/or the designated State unit has the authority under State law to perform the functions of the State regarding the VR services portion of the Unified or Combined State Plan and its supplement; Yes
5. The State legally may carry out each provision of the VR services portion of the Unified or Combined State Plan and its supplement. Yes
6. All provisions of the VR services portion of the Unified or Combined State Plan and its supplement are consistent with State law. Yes
7. The Authorized Representative listed above has the authority under State law to receive, hold, and disburse Federal funds made available under the VR services portion of the Unified or Combined State Plan and its supplement; Yes
8. The Authorized Representative listed above has the authority to submit the VR services portion of the Unified or Combined State Plan and the supplement for Supported Employment services; Yes
9. The agency that submits the VR services portion of the Unified or Combined State Plan and its supplement has adopted or otherwise formally approved the plan and its supplement. Yes

#### Footnotes

---

#### Certification 1 Footnotes

\* Public Law 113-128.

\*\* Unless otherwise stated, "Rehabilitation Act" means the Rehabilitation Act of 1973, as amended by WIOA, signed into law on July 22, 2014.

## Certification 2 Footnotes

\* All references in this plan to "designated State agency" or to "the State agency" relate to the agency identified in this paragraph.

\*\* No funds under title 1 of the Rehabilitation Act may be awarded without an approved VR services portion of the Unified or Combined State Plan in accordance with section 101(a) of the Rehabilitation Act.

\*\*\* Applicable regulations, in part, include the Education Department General Administrative Regulations (EDGAR) in 34 CFR parts 76,77,79,81, and 82; 2 CFR part 200 as adopted by 2 CFR part 3485; and the State VR Services Program regulations.

## Certification 3 Footnotes

\* No funds under title VI of the Rehabilitation Act may be awarded without an approved supplement to the VR services portion of the Unified or Combined State Plan in accordance with section 606(a) of the Rehabilitation Act.

\*\* Applicable regulations, in part, include the citations in \*\*\* under Certification 2 footnotes

### ***Additional Comments on the Certifications from the State***

#### ***Certification Regarding Lobbying — Vocational Rehabilitation***

Certification for Contracts, Grants, Loans, and Cooperative Agreements The undersigned certifies, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any

person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

### ***Statement for Loan Guarantees and Loan Insurance***

The undersigned states, to the best of his or her knowledge and belief, that:

If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions. Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Applicant's Organization    Tennessee Department of Human Services, the Vocational Rehabilitation Program

Full Name of Authorized Representative:    Raquel Hatter

Title of Authorized Representative:    Commissioner

SF LLL Form – Disclosure of Lobbying Activities (only if applicable)  
(<http://www2.ed.gov/fund/grant/apply/appforms/appforms.html>). If applicable, please print, sign, and email to MAT\_OCTAE@ed.gov

### ***Certification Regarding Lobbying — Supported Employment***

Certification for Contracts, Grants, Loans, and Cooperative Agreements The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

### ***Statement for Loan Guarantees and Loan Insurance***

The undersigned states, to the best of his or her knowledge and belief, that:

If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions. Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Applicant's Organization

Full Name of Authorized Representative:

Title of Authorized Representative:

SF LLL Form – Disclosure of Lobbying Activities (only if applicable)  
(<http://www2.ed.gov/fund/grant/apply/appforms/appforms.html>).

### ***Assurances***

The designated State agency or designated State unit, as appropriate and identified in the State certifications included with this VR services portion of the Unified or Combined State Plan and its supplement, through signature of the authorized individual, assures the Commissioner of the Rehabilitation Services Administration (RSA), that it will comply with all of the requirements of the VR services portion of the Unified or Combined State Plan and its supplement, as set forth in sections 101(a) and 606 of the Rehabilitation Act. The individual authorized to submit the VR services portion of the Unified or Combined State Plan and its supplement makes the following assurances: The State Plan must provide assurances that:

## **1. Public Comment on Policies and Procedures:**

The designated State agency assures it will comply with all statutory and regulatory requirements for public participation in the VR Services Portion of the Unified or Combined State Plan, as required by section 101(a)(16)(A) of the Rehabilitation Act.

## **2. Submission of the VR services portion of the Unified or Combined State Plan and Its Supplement:**

The designated State unit assures it will comply with all requirements pertaining to the submission and revisions of the VR services portion of the Unified or Combined State Plan and its supplement for the State Supported Employment Services program, as required by sections 101(a)(1), (22), (23), and 606(a) of the Rehabilitation Act; section 102 of WIOA in the case of the submission of a unified plan; section 103 of WIOA in the case of a submission of a Combined State Plan; 34 CFR 76.140.

## **3. Administration of the VR services portion of the Unified or Combined State Plan:**

The designated State agency or designated State unit, as appropriate, assures it will comply with the requirements related to:

- a. the establishment of the designated State agency and designated State unit, as required by section 101(a)(2) of the Rehabilitation Act.**
- b. the establishment of either a State independent commission or State Rehabilitation Council, as required by section 101(a)(21) of the Rehabilitation Act.**

The designated State agency or designated State unit, as applicable

- c. consultations regarding the administration of the VR services portion of the Unified or Combined State Plan, in accordance with section 101(a)(16)(B) of the Rehabilitation Act.**
- d. the financial participation by the State, or if the State so elects, by the State and local agencies, to provide the amount of the non-Federal share of the cost of carrying out the VR program in accordance with section 101(a)(3).**
- e. the local administration of the VR services portion of the Unified or Combined State Plan, in accordance with section 101(a)(2)(A) of the Rehabilitation Act.**

The designated State agency allows for the local administration of VR funds      No

- f. the shared funding and administration of joint programs, in accordance with section 101(a)(2)(A)(ii) of the Rehabilitation Act.**

The designated State agency allows for the shared funding and administration of joint programs:      No

- g. statewideness and waivers of statewideness requirements, as set forth in section 101(a)(4) of the Rehabilitation Act.**

Is the designated State agency requesting or maintaining a waiver of statewideness for one or more services provided under the VR services portion of the Unified or Combined State Plan? See Section 2 of this VR services portion of the Unified or Combined State Plan.      Yes

- h. the descriptions for cooperation, collaboration, and coordination, as required by sections 101(a)(11) and (24)(B); and 606(b) of the Rehabilitation Act.**
- i. all required methods of administration, as required by section 101(a)(6) of the Rehabilitation Act .**
- j. the requirements for the comprehensive system of personnel development, as set forth in section 101(a)(7) of the Rehabilitation Act.**
- k. the compilation and submission to the Commissioner of statewide assessments, estimates, State goals and priorities, strategies, and progress reports, as appropriate, and as required by sections 101(a)(15), 105(c)(2), and 606(b)(8) of the Rehabilitation Act.**
- l. the reservation and use of a portion of the funds allotted to the State under section 110 of the Rehabilitation Act for the development and implementation of innovative approaches to expand and improve the provision of VR services to individuals with disabilities, particularly individuals with the most significant disabilities.**
- m. the submission of reports as required by section 101(a)(10) of the Rehabilitation Act.**

#### **4. Administration of the Provision of VR Services:**

The designated State agency, or designated State unit, as appropriate, assures that it will:

- a. comply with all requirements regarding information and referral services in accordance with sections 101(a)(5)(D) and (20) of the Rehabilitation Act.**
- b. impose no duration of residence requirement as part of determining an individual's eligibility for VR services or that excludes from services under the plan any individual who is present in the State in accordance with section 101(a)(12) of the Rehabilitation Act .**
- c. provide the full range of services listed in section 103(a) of the Rehabilitation Act as appropriate, to all eligible individuals with disabilities in the State who apply for services in accordance with section 101(a)(5) of the Rehabilitation Act?**

Agency will provide the full range of services described above      No

- d. determine whether comparable services and benefits are available to the individual in accordance with section 101(a)(8) of the Rehabilitation Act.**
- e. comply with the requirements for the development of an individualized plan for employment in accordance with section 102(b) of the Rehabilitation Act.**
- f. comply with requirements regarding the provisions of informed choice for all applicants and eligible individuals in accordance with section 102(d) of the Rehabilitation Act.**
- g. provide vocational rehabilitation services to American Indians who are individuals with disabilities residing in the State, in accordance with section 101(a)(13) of the Rehabilitation Act.**
- h. comply with the requirements for the conduct of semiannual or annual reviews, as appropriate, for individuals employed either in an extended employment setting in a community rehabilitation program or any other employment under**

**section 14(c) of the Fair Labor Standards Act of 1938, as required by section 101(a)(14) of the Rehabilitation Act.**

- i. meet the requirements in sections 101(a)(17) and 103(b)(2) of the Rehabilitation Act if the State elects to construct, under special circumstances, facilities for community rehabilitation programs**
- j. with respect to students with disabilities, the State,**
  - i. has developed and will implement,**
    - A. strategies to address the needs identified in the assessments; and**
    - B. strategies to achieve the goals and priorities identified by the State, to improve and expand vocational rehabilitation services for students with disabilities on a statewide basis; and**
  - ii. has developed and will implement strategies to provide pre-employment transition services (sections 101(a)(15) and 101(a)(25)).**

## **5. Program Administration for the Supported Employment Title VI Supplement:**

- a. The designated State unit assures that it will include in the VR services portion of the Unified or Combined State Plan all information required by section 606 of the Rehabilitation Act.**
- b. The designated State agency assures that it will submit reports in such form and in accordance with such procedures as the Commissioner may require and collects the information required by section 101(a)(10) of the Rehabilitation Act separately for individuals receiving supported employment services under title I and individuals receiving supported employment services under title VI of the Rehabilitation Act.**
- c. The designated state unit will coordinate activities with any other State agency that is functioning as an employment**

**network under the Ticket to Work and Self-Sufficiency program under Section 1148 of the Social Security Act.**

**6. Financial Administration of the Supported Employment Program:**

- a. The designated State agency assures that it will expend no more than 2.5 percent of the State's allotment under title VI for administrative costs of carrying out this program; and, the designated State agency or agencies will provide, directly or indirectly through public or private entities, non-Federal contributions in an amount that is not less than 10 percent of the costs of carrying out supported employment services provided to youth with the most significant disabilities with the funds reserved for such purpose under section 603(d) of the Rehabilitation Act, in accordance with section 606(b)(7)(G) and (H) of the Rehabilitation Act.**
- b. The designated State agency assures that it will use funds made available under title VI of the Rehabilitation Act only to provide supported employment services to individuals with the most significant disabilities, including extended services to youth with the most significant disabilities, who are eligible to receive such services; and, that such funds are used only to supplement and not supplant the funds provided under Title I of the Rehabilitation Act, when providing supported employment services specified in the individualized plan for employment, in accordance with section 606(b)(7)(A) and (D), of the Rehabilitation Act.**

**7. Provision of Supported Employment Services:**

- a. The designated State agency assures that it will provide supported employment services as defined in section 7(39) of the Rehabilitation Act.**

**b. The designated State agency assures that:**

- i. the comprehensive assessment of individuals with significant disabilities conducted under section 102(b)(1) of the Rehabilitation Act and funded under title I of the Rehabilitation Act includes consideration of supported employment as an appropriate employment outcome, in accordance with the requirements of section 606(b)(7)(B) of the Rehabilitation Act**
- ii. an individualized plan for employment that meets the requirements of section 102(b) of the Rehabilitation Act , which is developed and updated with title I funds, in accordance with sections 102(b)(3)(F) and 606(b)(6)(C) and (E) of the Rehabilitation Act.**

Additional Comments on the Assurances from the State

## VII. Program-Specific Requirements For Combined State Plan Partner Programs

States choosing to submit a Combined State Plan must provide information concerning the six core programs—the Adult Program, Dislocated Worker Program, Youth Program, Wagner-Peyser Act Program, Adult Education and Family Literacy Act Program, and the Vocational Rehabilitation Program— and also submit relevant information for any of the eleven partner programs it includes in its Combined State Plan. When a State includes a Combined State Plan partner program in its Combined State Plan, it need not submit a separate plan or application for that particular program.\* If included, Combined State Plan partner programs are subject to the “common planning elements” in Sections II and III of that document, where specified, as well as the program-specific requirements for that program (available on [www.regulations.gov](http://www.regulations.gov) for public comment). The requirements that a State must address for any of the partner programs it includes in its Combined State Plan are provided in this separate supplemental document. The Departments are not seeking comments on these program-specific requirements, which exist under separate OMB control numbers and do not represent requirements under WIOA. For further details on this overall collection, access the Federal eRulemaking Portal at <http://www.regulations.gov> by selecting Docket ID number ETA-2015-0006.

---

\* States that elect to include employment and training activities carried out under the Community Services Block Grant (CSBG) Act (42 U.S.C. 9901 et seq.) under a Combined State Plan would submit all other required elements of a complete CSBG State Plan directly to the Federal agency that administers the program. Similarly, States that elect to include employment and training activities carried by the Department of Housing and Urban Development and programs authorized under section 6(d)(4) and 6(o) of the Food and Nutrition Act of 2008 that are included would submit all other required elements of a complete State Plan for those programs directly to the Federal agency that administers the program.

### **Temporary Assistance for Needy Families (TANF)**

States that include TANF in the Combined State Plan must outline how the State will meet the requirements of section 402 of the Social Security Act including how it will:

- (a) Conduct a program designed to serve all political subdivisions in the State (not necessarily in a uniform manner) that provides assistance to needy families with (or expecting) children and provides parents with job preparation, work, and support services to enable them to leave the program, specifically cash assistance, and become self-sufficient (section 402(a)(1)(A)(i) of the Social Security Act).**

In conformance with Section 402 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193), the Tennessee Department of Human Services (DHS) shall administer and supervise the Temporary Assistance for Needy Families (TANF) Program, known as the Families First (FF) Program in Tennessee.

Assistance payments shall be made on a monthly basis for all eligible assistance groups using a standardized budgeting and payment method per assistance group size. DHS has a gross income test, a consolidated standard of need, and a maximum standard payment amount per assistance group size. Some assistance groups receive a higher differential maximum payment amount, based on caretaker work exemptions. Disregards include a \$250.00 earned income disregard, a mandatory household member and income disregard for a three-month period beginning with the month following the month of marriage for new spouses (marriage during receipt policy), and child care disregards of \$200.00 per month for children under two years of age and \$175.00 per month for children two years of age or older, for parents who choose a deduction rather than having their child care paid directly to the provider by DHS.

The income standards are included in the following table.

<b>FAMILIES FIRST NEED/PAYMENT STANDARDS EFFECTIVE 7/1/08:</b>										
Number of Persons in AU	1	2	3	4	5	6	7	8	9	10
Gross Income Standard	1288	1658	1972	2240	2470	2666	2838	2991	3128	3256
Consolidated Need Standard	696	896	1066	1211	1335	1441	1534	1617	1691	1760
<b>Standard Payment Amount</b>	<b>95</b>	<b>142</b>	<b>185</b>	<b>226</b>	<b>264</b>	<b>305</b>	<b>345</b>	<b>386</b>	<b>425</b>	<b>467</b>
<i>Differential Grant Payment Amount</i>	<i>140</i>	<i>192</i>	<i>232</i>	<i>242</i>	<i>291</i>	<i>305</i>	<i>345</i>	<i>386</i>	<i>425</i>	<i>467</i>
<b>FAMILIES FIRST NEED/PAYMENT STANDARDS EFFECTIVE 7/1/08:</b>										
Number of Persons in AU	11	12	13	14	15	16	17	18	19	20
Gross Income Standard	3374	3487	3596	3702	3802	3898	3987	4064	4129	4175
Consolidated Need Standard	1824	1885	1944	2001	2055	2107	2155	2197	2232	2257
<b>Standard Payment Amount</b>	<b>508</b>	<b>549</b>	<b>589</b>	<b>630</b>	<b>670</b>	<b>711</b>	<b>750</b>	<b>790</b>	<b>831</b>	<b>871</b>
<i>Differential Grant Payment Amount</i>	<i>508</i>	<i>549</i>	<i>589</i>	<i>630</i>	<i>670</i>	<i>711</i>	<i>750</i>	<i>790</i>	<i>831</i>	<i>871</i>

DHS will continue to use fill-the-gap budgeting. Current month child support will be paid to the caretaker using the fill-the-gap budgeting method as permitted in Section 302 (e) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

Families First payments shall be made through Tennessee’s Electronic Benefit Transfer system to the caretaker, alternate payee, or protective payee. The payment will be made available on the first of each month for continuously eligible cases. Payments will be made from the date the signed application is received in the local office for all eligible applicants. Auxiliary payments will be issued to all assistance groups that have been underpaid.

### ***Eligibility***

Eligibility for Families First benefits will be determined based on the following criteria:

- The Assistance Unit (AU) lives in Tennessee.

- The AU includes either:
- A child under age 18;
- A child under age 19 who is expected to complete high school or an equivalent vocational/technical training on or before his/her 19th birthday;
- A pregnant woman in her last trimester; or
- The otherwise eligible parents or caretakers of a SSI child.
- The children live in the home of a parent or a relative who maintains care and control of the child.
- All members of the AU are citizens or qualified aliens and have provided a Social Security Number.
- Child(ren) meets deprivation standards based on the absence, death, incapacity, or unemployment of a parent.
- Households meet income eligibility, including an income test and a resource test.

All AUs will be subject to a 60-month lifetime limit of Families First assistance. Months of TANF-funded assistance received in other States will count toward the lifetime limit. Those AUs that reach their 60-month limit and are exempt from the Families First work requirement and otherwise eligible may be considered for an extension. No more than 20% of the caseload can be on an extension at any given time.

**(b) Require a parent or caretaker receiving assistance to engage in work (defined by the State) once the State determines the parent or caretaker is ready to engage in work, or once he or she has received 24 months of assistance, whichever is earlier, consistent with the child care exception at 407(e)(2) (section 402(a)(1)(A)(ii) of the Social Security Act)**

AUs with eligible adults who are not exempt must engage in 30 hours a week of countable work or training activities with the exception of those individuals who require a reduction in activity hours due to an Americans with Disabilities Act modification. The federally countable work activities being utilized in Tennessee are:

- Unsubsidized employment;
- Subsidized employment in the public or private sector when funding is available;
- Job Search and Job Readiness Assistance;
- Community Service;
- Work Experience;
- Vocational Education Training;
- Job skills training directly related to employment; and
- Adult Education (education directly related to employment).
- Vocational Rehabilitation

Families First use the federal definitions for the countable work activities. AUs with a work requirement will receive cash assistance as long as they comply with program requirements or meet the 60-month time limit.

All provisions of the Fair Labor Standards Act will apply to Work Experience and Community Service activities, including maximum number of hours and displacement safeguards. Work Experience is limited to six months and Community Services to three, with some exceptions.

Tennessee is divided into (8) eight Districts that cover all 95 counties across the State for the provision of work activities and supportive services. The Employment and Case Management Services (ECMS) Contractor is responsible for each district. After eligibility is determined and a referral is received from the district, the Contractor will complete an assessment and work with the client to develop an Individualized Career Plan (ICP) to determine job readiness. The ICP will outline their specific work requirements according to federally countable work activities and provide supportive services if needed. Individuals determined to be ready to engage in work will be immediately placed in work or work-related activities for up to 30 hours per week. After receipt of assistance for 24 months, all individuals not already participating in such activities will be required to engage in work activities, as defined in state policy. This excludes a single custodial parent caring for a child under age 6 who refuses to engage in work requirements and is able to demonstrate an inability to obtain needed child care.

Certain AUs will be exempt from the work requirement based on the following criteria:

- The caretaker is 65 years old or older;
- The caretaker is disabled;
- The caretaker is temporarily incapacitated;
- The caretaker is caring for an in-home disabled relative;
- The single parent caretaker is caring for an infant less than 1 year of age;
- The two-parent household is caring for an infant less than 16 weeks of age.

**(c) Ensure that parents and caretakers receiving assistance engage in work in accordance with section 407 (section 402(a)(1)(A)(iii) of the Social Security Act)**

Families First will employ the following strategies for work and self-sufficiency:

- Families First participants will have goal-oriented, time-limited, Individualized Career Plans that carry them through logical and productive steps to self-sufficiency;
- Sanctions will be imposed when a family fails to comply with the Individualized Career Plan without good cause;
- Cash benefits will be limited to 60 months of eligibility in a lifetime, with some exceptions; and
- FF Participants who become employed and lose cash benefits may qualify to receive transitional child care assistance and transitional Supplemental Nutrition Assistance Program (SNAP) benefits.

Outcome goals have been set for all activities and all providers of services to assure clients receive the best available services in the shortest time possible. There is not a target goal set for transitioning clients off Families First. Client goals will be set with the ECMS contractor, keeping in mind the 60-month time limit.

The Secretary of State was sent a notification from the Governor of Tennessee opting out of the provision to require a FF parent or caretaker receiving assistance for two months who is not exempt and who is not employed to participate in community service activity. The State plan requires all non-exempt individuals to have an Individualized Career Plan.

***Diversion Program***

Tennessee will operate a Diversion program to serve families who do not need ongoing assistance, but could achieve self-sufficiency and economic security with a lump sum payment.

An Assistance Unit (AU) must meet all of the following criteria to receive a Diversion payment:

- Families First eligibility criteria;
- The Assistance Unit has demonstrated residency in Tennessee for 6 months;
- The primary caretaker has a recent job history;
- The Assistance Unit does not face any major barriers to employment, such as drug/alcohol abuse;
- The primary caretaker has at least a high school diploma or equivalent; and
- The household is facing a one-time financial need, and the Diversion payment would prevent ongoing need for TANF assistance. Money can be used for housing, transportation, child care, or job needs.

The Diversion payment will reduce the temporary cash assistance lifetime limit of sixty (60) months eligibility by the number of months the applicant receives a Diversion payment

Those who accept the Diversion payment will be ineligible to receive another Diversion payment or Families First cash benefits during the diversion months of assistance. Employed Diversion recipients may be eligible for up to three months of subsidized child care.

### ***Sanctions***

Sanctions shall be applied to all cases that are not in compliance with their Personal Responsibility Plans. A sanction may result in a percentage reduction in benefits for failure to provide immunizations, health checks, attend school, or ensure satisfactory attendance and/or progress of school aged children. Total assistance group ineligibility will be applied if the family fails to cooperate with child support or comply with their Individualized Career Plan activities without good cause.

### ***Other Program Policies***

Families First AUs have access to child care. AUs with an eligible adult can access Families First Child Care if they are engaged in countable work and/or training activities and require child care in order to participate. In addition, individuals who are exempt from a work requirement, but wish to volunteer for work/training activities may have access to child care. There is no co-pay fee.

Certain child-only Families First cases are eligible for At-Risk Child Only (ARCO) child care if funding is available.

Former Families First recipients who are employed or participating in an approved work and/or educational activities at least 30 hours a week can receive up to 18 months of Transitional Child Care (TCC) after their cases are closed. TCC eligibility begins the first day of the month after the Families First (FF) cash assistance ends, however, the individual may not "qualify" for TCC until a later date. There is a co-pay fee for ARCO and TCC.

Families First AUs will be reviewed annually for continued eligibility.

If a single parent marries during the receipt of Families First assistance, he/she may choose to exclude the new spouse from the AU for 3 full months, regardless of income. Following the 3 months, the AU must meet TANF eligibility requirements to continue to receive assistance.

A Family Cap will be applied when a child is conceived and born during a period of eligibility. It may also be applied to a child born after or during a period of ineligibility, but within 10 months of a reapplication month. Exceptions will be granted when the birth is the result of rape or incest or when the birth is the first child born to a minor in an assistance unit.

**(d) Take such reasonable steps as the State deems necessary to restrict the use and disclosure of information about individuals and families receiving assistance under the program attributable to funds provided by the Federal Government (section 402(a)(1)(A)(iv) of the Social Security Act)**

***Privacy Provisions***

The rules of the Families First program regarding the use and disclosure of information about individuals and families receiving assistance are consistent with the rules that guided the program under Title IV-A of the Social Security Act prior to the enactment of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, thus protecting the rights of individuals and permitting the release of information to programs operating in connection with the TANF Program; i.e., federally funded or federally assisted programs providing assistance on the basis of need, appropriate audit, and appropriate local, State, and federal law enforcement officials.

**(e) Establish goals and take action to prevent and reduce out-of-wedlock pregnancies, with special emphasis on teenage pregnancies (section 402(a)(1)(A)(v) of the Social Security Act)**

***Efforts to Reduce Out-of-Wedlock Pregnancies***

“What’s the Rush?” is a Statewide initiative of the Tennessee District Attorneys (DA) General Conference aimed at raising awareness of the legal, financial, and social consequences of teen pregnancies Statewide. “What’s the Rush: Don’t be a Teen Parent” Campaign, provides informational videos and pamphlets via the DA’s Website. “What’s the Rush?” printed materials and videos were created for the DAs, Assistant District Attorneys (ADAs) or staff members to use when visiting schools and civic organizations to educate Tennessee’s youth about the consequences of becoming teen parents. These materials may also be provided to health departments, the Department of Human Services, courts, and other State-wide partners.

The Tennessee District Attorneys Conference created the campaign in 2008 in response to the number of court cases involving teen parents throughout the State. The following clause is included in the State of Tennessee’s contract with the DAs:

“A.39 The grantee shall conduct a teen pregnancy prevention campaign with a goal of decreasing the number of child support cases. This program shall target and provide resource materials to every high school and health department in the State. Further, the program shall be promoted, and readily assessable to teens through various means including, but not limited to, a web site, billboards, and other outreach efforts.”

**(f) Conduct a program designed to reach State and local law enforcement officials, the education system, and relevant counseling services, that provides education and training on the problem of statutory rape so that teenage pregnancy prevention programs may be expanded to include men (section 402(a)(1)(A)(vi) of the Social Security Act)**

***Efforts to Reduce Statutory Rape***

The Department of Human Services (DHS) recognizes the correlation between teenage pregnancy and the possible occurrence of statutory rape by men.

- In Tennessee, *statutory rape* is defined as the unlawful sexual penetration of a victim by the defendant or of the defendant by the victim when:
  1. The victim is at least thirteen (13) but less than fifteen (15) years of age and the defendant is at least four (4) years but less than ten (10) years older than the victim; or
  2. The victim is at least fifteen (15) but less than eighteen (18) years of age and the defendant is more than five (5) but less than ten (10) years older than the victim.
- *Statutory Rape* is a class E felony. Punishment for a Class E felony is a prison sentence ranging from 1-6 years.
- *Mitigated Statutory Rape* is the unlawful sexual penetration of a victim by the defendant, or of the defendant by the victim when the victim is at least fifteen (15) but less than eighteen (18) years of age and the defendant is at least four (4) but not more than five (5) years older than the victim. Mitigated Statutory Rape is a class E felony.
- *Aggravated Statutory Rape* is the unlawful sexual penetration of a victim by the defendant or of the defendant by the victim when the victim is at least thirteen (13) but less than eighteen (18) years of age and the defendant is at least ten (10) years older than the victim. Aggravated Statutory Rape is a class D felony. Punishment for a class D felony is a prison sentence ranging from 2-12 years.

Local DHS offices will provide printed material regarding statutory rape to be displayed in DHS offices, contracted agencies, local schools, and other prominent public places where clients and related individuals, including the men who have allegedly committed the crime, can view the material. DHS staff will notify the proper authorities of a possible occurrence of statutory rape when an applicant for Families First or other programs designed to provide related services is:

- Thirteen (13) years of age but less than eighteen (18) years of age; or
- A parent, legal guardian, or custodian on behalf of such person.

**(g) Implement policies and procedures as necessary to prevent access to assistance provided under the State program funded under this part through any electronic fund transaction in an automated teller machine or point-of-sale device located in a place described**

**in section 408(a)(12), including a plan to ensure that recipients of the assistance have adequate access to their cash assistance (section 402(a)(1)(A)(vii) of the Social Security Act)**

***TANF Electronic Benefits Transfer (EBT) Restrictions Requirements***

Tennessee EBT restrictions law became effective July 1, 2014. The Department of Human Services Program Integrity Unit (PIU) provides a list of restricted transactions from the PIU's monitoring efforts to our EBT vendor on a quarterly basis (at a minimum) to have ATMs at the restricted locations "Blocked" from accessing TANF benefits. Restricted locations for TANF transactions include any liquor store; any casino, gambling casino, or gaming establishment; or any retail establishment which provides adult-oriented entertainment in which performers disrobe or perform in an unclothed state for entertainment. The DHS PIU will continue to monitor TANF transactions on a quarterly basis (at a minimum) to identify any new or additional restricted locations and block ATM EBT access. The DHS PIU Division will determine and establish claims in the amount of benefits accessed in restricted locations by TANF recipients on and after July 1, 2014. Following appropriate investigation, the DHS PIU Division may also assess penalties on the businesses that violate the Federal and State law.

We will work to ensure that our TANF recipients have adequate access to their cash assistance. Business owners will provide the DHS PIU Division with ATM location details. Based on that information, the PIU will assess the restricted locations to determine if there are other nearby unrestricted businesses where benefits can be accessed. If there appears to be an access problem, the DHS PIU will then notify the EBT/TANF Restriction team concerning locations where an individual may not have adequate access to cash assistance as mandated by Federal and State law. If an access problem has been identified, the DHS team along with PIU will work with businesses in order to purchase POS systems that will be able to be used by individuals without being charged a surcharge fee. The Tennessee EBT Cash Access Location Report is available on [www.tn.gov](http://www.tn.gov). This report provides POS locations throughout the State of Tennessee with and without surcharge fees.

From analyzing the recipient data, locality information (addresses) where transactions occur will be cross-referenced with the ATM locality information from the self-reports of business owners in the area. This analysis will help us determine if there are "clusters" of transactions in particular locations that are restricted. If there are "clusters" of activity around a particular restricted location, the area will be investigated, as will other businesses or locations in the surrounding vicinity, to determine non-restricted areas where EBT cards can be used with minimal or no surcharge fees. We will advise clients by letter of the non-restricted ATMs and their locations.

DHS TANF recipients will have the opportunity to appeal any potential claim for using their benefits in a restricted location.

Brochures are provided by our EBT vendor, to every recipient who uses an EBT card to access his/her benefits. These brochures thoroughly explain use, fees, possible surcharges that apply to electronic fund transactions, and penalties for illegal use including those for use at restricted businesses.

**(h) Ensure that recipients of assistance provided under the State program funded under this part have the ability to use or**

**withdraw assistance with minimal fees or charges, including an opportunity to access assistance with no fee or charges, and are provided information on applicable fees and surcharges that apply to electronic fund transactions involving the assistance, and that such information is made publicly available (section 402(a)(1)(A)(viii) of the Social Security Act)**

Information regarding assistance to recipients under the State program is included in the response to question (g) in this section.

**(i) Indicate whether it intends to treat families moving from another State differently from other families under the program, and if so how (section 402(a)(1)(B)(i) of the Social Security Act)**

***Out-of-State Families***

The State will continue to apply Families First policies to all applicant/recipients who are residents, including those families who were past recipients in another state and move to Tennessee. The policies and procedures of the Families First Program will be applied uniformly to current and to new State residents. Families seeking the Diversion payment must demonstrate 6-months of residency in Tennessee and have not received a Diversion payment in any other state.

**(j) Indicate whether it intends to provide assistance to non-citizens, and if so include an overview of the assistance (section 402(a)(1)(B)(ii) of the Social Security Act)**

***Treatment of Non-citizens***

The State will provide assistance to non-citizens using the rules outlined in the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, the Trafficking Victim Protection Act of 2000, and federal rules regarding certain battered women and children. The State does not offer State-Only funded programs for non-citizens. The current Families First policy allows eligibility for individuals with the following non-citizen status and length of time in the U.S.:

- Refugee (admitted under Section 207) in the U.S. less than 5 years
- Asylee (admitted under Section 208) in the U.S. less than 5 years
- Deportation Withheld (under section 243(h)) in U.S. less than 5 years
- Honorably Discharged Veterans
- Armed Forces Active Duty
- Spouse/Child/ of Veteran
- Spouse/Child of Armed Forces Active Duty
- Hmong or Highland Laotian
- Spouse of Hmong or Highland Laotian

- Dependent Child of Hmong or Highland Laotian
- Filipinos who are considered US Armed Service Vets
- Legal Permanent Resident (LPR) with 40 Qualifying Quarters
- Legal Permanent Resident (LPR) ins US more than 5 years
- Amerasian Immigrant in U.S. less than 5 years
- Cuban/Haitian Entrant admitted under Section 21 (h)(5) in U.S. less than 5 years
- Conditional Entrant (admitted under INA Section 203 (a)(7) in eligible status for more than 5 years
- Parolee (status granted under INS Section 212 (d)(5) for 1 or more years - entry date on or after 8/22/96 after in "parolee" status for 5 or more years
- Trafficking Victims in accordance with 107(b)(1) of the Trafficking Victim Protection Act of 2000
- Certain Women and Children in battered status and in the U.S. less than 5 years
- Afghan Special Immigrant admitted under 101 (a)(27) effective 12/26/2007
- Afghan Special Immigrant admitted under 101 (a)(27) effective 12/19/2009 (in U.S. less than 5 years
- Iraqi Special Immigrant admitted under 101 (a)(27) effective 1/28/2008
- Iraqi Special Immigrant admitted under 101 (a)(27) effective 12/19/2009 ( in U.S. less than 5 years)

**(k) Set forth objective criteria for the delivery of benefits and the determination of eligibility and for fair and equitable treatment, including an explanation of how it will provide opportunities for recipients who have been adversely affected to be heard in a State administrative or appeal process (section 402(a)(1)(B)(iii) of the Social Security Act)**

***Ensuring Program Integrity***

Program integrity is twofold. It includes both the provision that benefits must be provided timely and provided correctly and that recipients are provided with an avenue to voice their complaints/concerns through an appeal process.

Appeals are handled by our Appeals and Hearings Division, an entity whose only purpose is to fulfill the function of determining whether the correct action was taken on a case when that action has resulted in client dissatisfaction. Any applicant for, or recipient of, Families First may file an appeal through the county office, district office, State Office, or our Family Assistance Service Center. Every applicant/recipient is informed of his/her right to appeal if he/she is aggrieved by an action or lack of action by DHS. Anyone who applies or wants to apply for Families First benefits is given an informational pamphlet that explains the right of Appeal and Fair Hearing, the method by which a hearing may be obtained, and that his/her case may be presented by a household member or a representative. All applicants/ recipients are informed about these rights.

Resources that were previously used for quality control purposes in the Aid to Families with Dependent Children (AFDC) program were redirected to monitor and evaluate Families First. Focusing on outcomes rather than process will continue to ensure accountability. A method remains in place to ensure that payment accuracy and standards of promptness are achieved. An Active Case Review team will review a statistically valid sample of cases that are actively receiving Families First (those not slated for closure); to ensure policy and payment accuracy and that appropriate case management services are provided. The results of these

reviews are provided to the management team of each area in the State and are used to determine areas where additional training may be needed. Individual errors found in cases are also addressed and corrected.

**(l) Indicate whether the State intends to assist individuals to train for, seek, and maintain employment (Section 402(a)(1)(B)(v) of the Social Security Act)—**

- 1. providing direct care in a long-term care facility (as such terms are defined under section 1397j of this title); or**
- 2. in other occupations related to elder care, high-demand occupations, or occupations expected to experience labor shortages as, determined appropriate by the State for which the State identifies an unmet need for service personnel, and, if so, shall include an overview of such assistance.**

***Patient Protection and Affordable Care Act of 2010***

The Families First Program does not intend, at this time, to develop a specific program to assist individuals to train for, seek, and maintain employment in:

- Providing direct care in a long-term care facility (as such terms are defined under Section 1397j of Title VI; or
- Other occupations related to elder care determined appropriate by the State for which the State identifies an unmet need for service personnel.

The State ECMS Contractors currently assist some Families First recipients with work and/or educational training that apply to the above criteria as part of their general work requirement activities based on their needs and abilities.

**(m) Provide for all MOE-funded services the following information: the name of the program benefit or service, and the financial eligibility criteria that families must meet in order to receive that benefit or service. In addition, for TANF MOE-funded services (co-mingled or segregated MOE) describe the program benefit provided to eligible families (SSP services do not have to include a description but the Department of Health and Human Services encourages it) (§263.2(b)(3) & §263.2(c) preamble pages 17826-7)**

***MOE Programs***

Tennessee has discontinued providing Families First assistance and services to some eligible families under a Separate State Program (SSP), using only State Maintenance of Efforts (MOE) funds. The State's MOE funds can be spent in any of the following categories: cash assistance, work/training related activities and associated support services, child support pass-through, Families First Program Administration, and Families First TANF MOE Child Care. The State does not currently have any SSP MOE Programs.

### ***Public Involvement***

Local governments have numerous opportunities to be involved in Families First and many serve as service contractors for education, training, or child care services. Urban county governments provide education and training services through sub-contracts with Families First Employment and Case Management Services (ECMS) Providers. Local Human Services offices are used in many instances for co-location of local government and in some instances, Human Services caseworkers are stationed in local training centers.

In 2004, a Governor's task force comprised of business leaders, former and current Families First clients, advocates, contracting agencies, and senior Department of Human Services officials came together to recommend ways to improve the program with the goal of "enabling even more Tennesseans to become self-sufficient, tax-paying citizens." Another goal of this group, in anticipation of the loss of Tennessee's waiver in June 2007, was to ensure a smooth transition into compliance with all anticipated Federal requirements. The findings and recommendations of this group helped to shape the current post-waiver Families First Program in Tennessee.

The State continues to uphold efforts to improve the Families First Program through public involvement by meeting on a quarterly basis with advocates groups to discuss the state of the Families First Program and proposed improvements.

### ***Americans with Disabilities Act Provisions***

The Families First Program, including any contracting agencies providing services to Families First clients, will comply with all ADA provisions in the application of policy and provision of services.

The State will operate a program to provide Temporary Assistance to Needy Families (TANF) so that children may be cared for in their own homes or in the homes of relatives, to end dependence of needy parents on government benefits by promoting job preparation, work, and marriage, to prevent and reduce the incidence of out-of-wedlock pregnancies and establish annual numerical goals for preventing and reducing the incidence of these pregnancies; and encourage the formation and maintenance of two-parent families.

The program is known as Families First.

The Executive Officer of the State is the Governor of Tennessee

In administering and operating a program that provides Temporary Assistance for Needy Families with minor children under Title IV-A of the Social Security Act, the Tennessee Department of Human Services will:

### ***TANF Certifications***

States that include TANF in the Combined State Plan must provide a certification by the chief executive officer of that State, that during the fiscal year, the State will:

Operate a child support enforcement program under the State Plan approved under part D. (section 402(a)(2) of the Social Security Act) Yes

Operate a foster care and adoption assistance program under the State Plan approved under part E, and that the State will take such actions as are necessary to ensure that children receiving assistance under such part are eligible for medical assistance under The Unified or Combined State Plan under title XIX. (section 402(a)(3) of the Social Security Act) Yes

Specify which State agency or agencies will administer and supervise the program referred to in paragraph (1) for the fiscal year, which shall include assurances that local governments and private sector organizations (section 402(a)(4) of the Social Security Act)—have been consulted regarding the plan and design of welfare services in the State so that services are provided in a manner appropriate to local populations; Yes

Specify which State agency or agencies will administer and supervise the program referred to in paragraph (1) for the fiscal year, which shall include assurances that local governments and private sector organizations (section 402(a)(4) of the Social Security Act)—have had at least 45 days to submit comments on the plan and the design of such services Yes

Provide each member of an Indian tribe, who is domiciled in the State and is not eligible for assistance under a tribal family assistance plan approved under section 412, with equitable access to assistance under the State program funded under this part attributable to funds provided by the Federal Government. (section 402(a)(5) of the Social Security Act) Yes

Establish and enforce standards and procedures to ensure against program fraud and abuse, including standards and procedures concerning nepotism, conflicts of interest among individuals responsible for the administration and supervision of the State program, kickbacks, and the use of political patronage. (section 402(a)(6) of the Social Security Act) Yes

(optional) Establish and Enforcing standards and procedures to (section 402(a)(7) of the Social Security Act).—screen and identify individuals receiving assistance under this part with a history of domestic violence while maintaining the confidentiality of such individuals; Yes

(optional) Establish and Enforcing standards and procedures to (section 402(a)(7) of the Social Security Act).—refer such individuals to counseling and supportive services; Yes

(optional) Establish and Enforcing standards and procedures to (section 402(a)(7) of the Social Security Act).—waive, pursuant to a determination of good cause, other program requirements such as time limits (for so long as necessary) for individuals receiving assistance, residency requirements, child support cooperation requirements, and family cap provisions, in cases where compliance with such requirements would make it more difficult for individuals receiving assistance under this part to escape domestic violence or unfairly penalize such individuals who are or have been victimized by such violence, or individuals who are at risk of further domestic violence Yes

## **Employment and Training programs under the Supplemental Nutrition Assistance Program (Programs**

# authorized under section 6(d)(4) of the Food and Nutrition Act of 2008 (7 U.S.C. 2015(d)(4))

## (a) General Requirements

The State agency must prepare and submit an Employment and Training (E&T) Plan to its appropriate Food and Nutrition Service (FNS) Regional Office. The E&T Plan must be available for public inspection at the State agency headquarters. A State agency may include its plan for the SNAP E&T program in a Combined Plan under WIOA but will require FNS approval prior to implementation and must continue to make a copy of the plan available for public inspection. If a State includes SNAP E&T in a Combined Plan under WIOA, the State agency will detail the following for each year covered by the Combined Plan:

- 1. The nature of the E&T components the State agency plans to offer and the reasons for such components, including cost information. The methodology for State agency reimbursement for education components must be specifically addressed;**

TDLWD has selected 4 Components for Program year 2016 including

1. Adult Education (Non Work)
2. WIOA (Youth Services 14 -24) (Non Work)
3. WIOA (Adults and Dislocated Workers) (Non Work)
4. Self- Initiated Work Experience / Individual Employment Search (IES) (Work)

**Projected Component Participation for FFY 16:**

- Adult Education: selected by 15% of all participants
- WIOA Youth Services: selected by 25% of all participants
- WIOA Adult Services: selected by 50% of all participants
- Self- Initiated Work Experience/IES: selected by 10% of all participants

The chart below reflects the total anticipated participants in FFY 2016 by Local Workforce Development Area. Based on monthly participation reports, we anticipate 10% of SNAP Work Registrants will volunteer for a total of **13,650** Regular participants. According to CBPP and trends noticed within states that have already implemented the ABAWD time limits, a drop of at least 60% was noticed. Therefore, we are planning to serve 40% of Tennessee’s anticipated ABAWD population for a total of **32,389** ABAWDs during FFY 2016. Total Participants projected for FFY 2016 is **46,039**.

LWDA	Total of ABAWDs	of ABAWDs if waiver is accepted	Total Mandatory Work Regs	Anticipated Mand WR Participants	Current AJC offering SNAP E&T
LWDA 1	3750	3046	5065	507	Johnson City
LWDA 2	4828	2035	11980	1198	Talbott
LWDA 3	4599	4599	1222	122	Knoxville
LWDA 4	5732	2484	12148	1215	Crossville
LWDA 5	6786	4157	11970	1197	Chattanooga
LWDA 6	3363	2359	6753	675	Tullhoma
LWDA 7	4768	2526	4436	444	Cookeville
LWDA 8	7340	7260	12384	1238	Clarksville
LWDA 9	15373	15373	11994	1199	Nashville
LWDA 10	2441	1247	6831	681	Columbia
LWDA 11	4708	2090	6343	634	Jackson
LWDA 12	4446	662	8816	882	Dyersburg
LWDA 13	34130	33133	36557	3656	Memphis

**Component Participation level**

*ABAWD Participants:*

	TotalParticipants	Expected participation level per Component	Number ofParticipants per component
Adult Ed	32389	15%	4858
WIOA Youth	32389	25%	8097
WIOA Adult	32389	50%	16195
Self- Initiated	32389	10%	3239

*Regular E&T Participants:*

	TotalParticipants	Expected participation level perComponent	Number ofParticipants percomponent
Adult Ed	13650	15%	2047

	<b>TotalParticipants</b>	<b>Expected participationlevel perComponent</b>	<b>Number ofParticipants percomponent</b>
<b>Adult Ed</b>	<b>13650</b>	<b>15%</b>	<b>2047</b>
<b>WIOA Youth</b>	<b>13650</b>	<b>25%</b>	<b>3413</b>
<b>WIOA Adult</b>	<b>13650</b>	<b>50%</b>	<b>6825</b>
<b>Self- Initiated</b>	<b>13650</b>	<b>10%</b>	<b>1365</b>

***Participant Reimbursement for FFY 16:***

The Tennessee Legislature has allocated \$500,000 to the SNAP E&T program for 50/50 Reimbursement Funds. This amount is matched by the Federal Government for a total of \$1,000,000 in 50/50 Participant Reimbursement funds for FFY 2015. This allocation is justified in all 4 Component descriptions below.

***Staffing Costs for FFY 16:***

The breakdown below identifies the staffing cost to administer the SNAP E&T Program. The allocation of staff by office is identified on the staffing table of this plan (page 38).

Staff time depends on the anticipated component choice. Therefore, the time staff dedicates to each Component corresponds with the anticipated participation level of each component. The allocation across all 4 Components are described below.

(average salary), (fringe benefits), (shared costs), (indirect costs 16.23%)7 = \$65,000

***\$65,000 (salary/benefits) x 28 positions = \$1,820,000 total for all E&T Salaries***

	<b>Total Salaries</b>	<b>Expected% of staff time on Component</b>	<b>Cost of staff tooperate each Component in FFY 2015</b>
<b>Adult Ed</b>	<b>\$1,820,000</b>	<b>15%</b>	<b>\$273,000</b>
<b>WIOA Youth</b>	<b>\$1,820,000</b>	<b>25%</b>	<b>\$455,000</b>
<b>WIOA Adult</b>	<b>\$1,820,000</b>	<b>50%</b>	<b>\$910,000</b>
<b>Self- Initiated</b>	<b>\$1,820,000</b>	<b>10%</b>	<b>\$182,000</b>

***Component Costs:***

1. Adult Education (AE) (Non-Work Component)

Adult Education (AE) in Tennessee is divided into a three-level instructional system AE I, AE II, and AE III focusing on reading, writing, and math skills to a bring client’s functional level up enabling her/him to pass a general education development test (GED) and compete in the labor market.

- AE I serve all adults with proficiency levels in reading, writing, and numeric skills below sixth grade.

- AE II serves all adults with sixth to ninth grade proficiency levels in reading, writing, and numeric skills.
- AE III services all adults with tenth through twelfth grade proficiency levels in reading, writing, and numeric skills. GED curricular and GED preparation classes will be taught in AE III.
- English as a Second language (ESL) is also taught in some areas as needed.

A new alternative to the GED test will be offered this year. The HiSET (High School Equivalency Test) offers more accessible and more flexible test options. The HiSET test is a series of five tests covering writing, science, math, literature and the arts, and social studies. These tests require the test taker to apply reading, math, language, and critical thinking skills. Tests are taken one at a time, and can be taken in any order, as long as writing and math are not last. Passing the HiSET test series allows student to earn their High School Equivalency Diploma. ESL classes will also be covered under this Component. If there is a waiting period before the next AE Class begins, ABAWDs will be assisted with finding a work experience opportunity.

The duration of the training will be determined by the each participants test score. Programs will vary from a few weeks to several months depending on the individual need of the Participant. The targeted population is individuals lacking basic education to enable them to be competitive in labor market to obtain employment with a gainful wage to eliminate the need for public assistance. This component will be offered in all 42 counties by the Tennessee Department of Labor and Workforce Development's Adult Education Division.

***Cost of the Component:***

*Participant Reimbursement 50/50 Funds:*

The AE component requires an average of 4 months of classroom instruction. Each participant is allocated a total of \$100 in the form of four (4) \$25 monthly payments for transportation costs to participate in the assigned component. The cost for each participant to take the HiSET will be covered by the AE partnership. The following totals reflect the overall 50/50 cost of the AE Component.

$$6905 \text{ participants} \times \$100 \text{ (transportation costs)} = \$690,500 + \$39,650 = \$730,150$$

Monthly bus passes will be purchased in the amount of \$39,650 for individuals that need more than the \$25 monthly payment.

*Administrative Costs 100% Funds:*

TDLWD will monitor attendance on a monthly basis by requiring the participant to have a signed attendance form completed by the instructor. TDLWD will update VOS monthly. We project a need for 28 staff positions to fully operate the program in all 42 counties and manage the anticipated 6905 participants. The allocation of staff by county is identified on the staffing table of this plan. Staff will dedicate 15% of their time on this component.

$$\$1,820,000 \text{ staff salaries} \times 15\% \text{ staff time} = \$273,000 \text{ component cost}$$

- a. Anticipated number of participants who will enter AE: 6905
- b. Anticipated number of participants to receive transportation: 6905
- c. Per participant cost of reimbursement: \$105.74
- d. Cost of component per participant, before travel reimbursement: \$ 39.54
- e. Total Cost per participant: \$ 145.28 f. Total annual cost of AE
  - i. Excluding travel reimbursement: \$ 273,000
  - ii. Including travel reimbursement: \$ 1,003,150

2. Workforce Innovation and Opportunity Act (Youth Services) Non-Work

All SNAP E&T Participants within the WIOA youth age group will be referred to Youth services for an assessment to determine if they meet the WIOA specific eligibility standards for in-school or out-of-school youths. If eligible, Participants can receive several services far beyond what is available as a SNAP E&T Participant alone including Occupational Skills training, Paid/Unpaid work experience, Tutoring, Leadership development, and follow-up services for at least 12 months.

The duration of the training will be determined by the nature and length of the course requirements. TDLWD will select short term programs in in-demand fields that vary from a few weeks to a few months. WIOA allows up to \$4000/year tuition costs. SNAP E&T will allocate an additional \$500,000 for participants who's tuition exceeds the \$4000 yearly limit to ensure they can complete their training program. The targeted population is individuals in need of a marketable skill or education to enable them to be competitive in the labor market. Upon completion of the component, TDLWD will request OJT, internships, or job placement assistance from WIOA staff. This component will be offered in all 42 counties.

**Cost of the Component:**

*Participant Reimbursement 50/50 Funds:*

WIOA will cover all supportive services for Participants that are referred from the SNAP E&T Program.

*Administrative Costs 100% Funds:*

TDLWD and the College case managers will monitor attendance and academic progress on a monthly basis by requiring the participant to have a signed attendance form completed by the instructor. TDLWD will update VOS monthly. We project a need for 28 staff positions to fully operate the program in all 42 counties and manage the anticipated 11510 participants. The allocation of staff by county is identified on the staffing table of this plan. Staff will dedicate 25% of their time on this component.

$$\text{\$1,820,000 staff salaries} \times 25\% \text{ staff time} = \text{\$455,000 component cost}$$

\$500,000 training/tuition costs will be reserved for trainings that exceed the WIOA \$4000 annual allowable amount.

$$\text{\$455,000} + \text{\$500,000 tuition allowance} = \text{\$955,000}$$

- f. Anticipated number of participants who will enter WIOA Youth Services: 11,510
- g. Anticipated number of participants to receive transportation: 0
- h. Per participant cost of reimbursement: \$0
- i. Cost of component per participant, before travel reimbursement: \$ 82.97
- j. Total Cost per participant: \$ 82.97
- k. Total annual cost of WIOA
  - i. Excluding travel reimbursement: \$ 955,000
  - ii. Including travel reimbursement: \$ 955,000

### 3. Workforce Innovation and Opportunity Act (Adult/ Dislocated Worker) Non-work

All SNAP E&T Adult and Dislocated workers will be referred to WIOA Staff for an assessment to determine if they meet the WIOA specific eligibility standards for training. If eligible, Participants can receive several services far beyond what is available as a SNAP E&T Participant alone including Occupational Skills training, Paid/Unpaid work experience, On the Job training, and Subsidized Employment Opportunities.

The duration of the training will be determined by the nature and length of the course requirements. TDLWD will select short term programs in in-demand fields that vary from a few weeks to several months. WIOA allows up to \$4000/year tuition costs. SNAP E&T will allocate an additional \$500,000 for participants whose tuition exceeds the

\$4000 yearly limit to ensure they can complete their training program. The targeted population is individuals in need of a marketable skill or education to enable them to be competitive in the labor market. Upon completion of the component, TDLWD will request OJT or job placement assistance from WIOA staff. This component will be offered in all 42 counties.

#### **Cost of the Component:**

##### *Participant Reimbursement 50/50 Funds:*

WIOA will cover all supportive services that are referred from the SNAP E&T Program.

##### *Administrative Costs 100% Funds:*

SNAP E&T Staff and WIOA staff will co-enroll Participants and case manage them together. Attendance and academic progress will be monitored on a monthly basis by requiring the participant to have a signed attendance form completed by the instructor. TDLWD will update VOS monthly. We project a need for 28 staff positions to fully operate the program in all 42 counties and manage the anticipated 23020 participants. The allocation of staff by county is identified on the staffing table of this plan. Staff will dedicate 50% of their time on this component.

\$1,820,000 staff salaries x 50% staff time = \$910,000 component cost

\$500,000 training/tuition costs will be reserved for trainings that exceed the WIOA allowable amount.

\$910,000 + \$500,000 tuition assistance = \$1,410,000

- l. Anticipated number of participants who will enter WIOA Adults: 23,020
  - m. Anticipated number of participants to receive transportation: 23,020
  - n. Per participant cost of reimbursement: \$0
  - o. Cost of component per participant, before travel reimbursement: \$ 61.25
  - p. Total Cost per participant: \$ 61.25
  - r. Total annual cost of WIOA
  - q. Excluding travel reimbursement: \$ 1,410,000
  - vi. Including travel reimbursement: \$ 1,410,000
4. Self- Initiated Work Experience/IES (Work Component)

Work Experience Participants will be required to finding their own Work Experience assignment. The location must have a bona-fide employment opportunity or lead to the employability of an individual. If the assignment is solely to gain experience, an additional 5 hours must be spent searching for employment on Jobs4tn.com or in person to meet their required hours based on their monthly allotment. Each Participant must provide a timesheet, work search form, or show sufficient activity in their Jobs4tn.com account. Participants will be responsible for racking this information. We believe this component will encourage Participants to report their employment back to TDLWD Career Center staff. It will also allow us to request more detailed wage information and better track the success of the program.

**Cost of the Component:**

*Participant Reimbursement 50/50 Funds:*

4604 participants are expected to participate in Work experience. Transportation reimbursement will depend on the individual assignment. Each Participant’s goal will be to obtain a commitment/job offer from the employer with 60 days.

$$4604 \text{ participants} \times \$50 \text{ transportation costs} = \$230,200 + \$39,650 = \$269,850$$

Monthly bus passes will be purchased in the amount of \$39,650 for individuals that need more than the \$25 payment.

*Administrative Costs 100% Funds:*

SNAP staff will utilize 10% of their time assisting the Participant track their participation, and authorize participant reimbursements. Participants are required to provide their timesheets and verification of job search activities.

$$\$1,820,000 \text{ staff salaries} \times 10\% \text{ staff time} = \$182,000 \text{ component cost}$$

- r. Anticipated number of participants who will enter Self-Initiated Work Experience: 4604
- t. Anticipated number of participants to receive transportation: 4604
- s. Per participant cost of reimbursement: \$ 58.61
- t. Cost of component per participant, before travel reimbursement: \$ 39.53
- u. Total cost per Participant: \$ 98.14
- v. Total annual cost of Self-Initiated Work Experience:

- i. Excluding travel reimbursement: \$ 182,000
- ii. Including travel reimbursement: \$ 451,850

**Total Program Costs:**

Allocation to Components:

<b>Component</b>	<b>100% Costs</b>	<b>50/50 Costs</b>	<b>Total</b>
<b>Adult Ed</b>	<b>\$273,000</b>	<b>\$730,150</b>	<b>\$1,003,150</b>
<b>WIOA Youth</b>	<b>\$955,000</b>	<b>\$0</b>	<b>\$955,000</b>
<b>WIOA Adult</b>	<b>\$1,410,000</b>	<b>\$0</b>	<b>\$1,410,000</b>
<b>Self-Initiated Work Experience</b>	<b>\$182,000</b>	<b>\$269,850</b>	<b>\$451,850</b>
<b>Total</b>	<b>\$2,820,000</b>	<b>\$1,000,000</b>	<b>\$3,820,000</b>

**Total 50/50 = \$1,000,000**

**Additional Administrative Allocation of 100% Funds: \$297,689**

a. Funds will be allocated for 2 staff members to conduct at least 2 site visits for technical assistance and program monitoring at all 13 offices annually.	<b>\$25,000</b>
b. Funds will be allocated for 2 staff members to attend the annual Employment and Training Conference by SERO. \$750 x 2 staff =	<b>\$1,500</b>
c. Annual training for all SNAP E&T staff will be during the summer. Staff will travel to Nashville for a 2 ½ day time period when we will complete in-depth systems, policy, and procedural training. \$25,000 has been allocated to cover lodging, mileage, meals/incidentals, and training supplies for all 28 SNAP E&T staff and guests.	<b>\$25,000</b>
d. WIOA 1.5% partner costs	<b>\$46,765</b>
e. Seed Funds for CBO or College We will set aside funds to refer Participants to a potential partner while a Third Party Partnership is developed and a MOU is established.	<b>\$20,000</b>
f. Staff Travel Current staff will need to become mobile to serve the SNAP E&T Participants in surrounding counties within their LWDA. This is an estimated projection as staff has never traveled on a regular basis. Travel costs will be allocated and closely monitored for each Career Specialist in a 13 LWDA's.	<b>179,424</b>
<b>Subtotal</b>	<b>\$297,689</b>
<b>Total 100% Funds plus Component Costs</b>	<b>\$3,117,689</b>

- 2. An operating budget for the Federal fiscal year with an estimate of the cost of operation for each Federal fiscal year covered by the Combined Plan. Any State agency that**

**requests 50 percent Federal reimbursement for State agency E&T administrative costs, other than for participant reimbursements, must include in its plan, or amendments to its plan, an itemized list of all activities and costs for which those Federal funds will be claimed, including the costs for case management and casework to facilitate the transition from economic dependency to self-sufficiency through work. Costs in excess of the Federal grant will be allowed only with the prior approval of FNS and must be adequately documented to assure that they are necessary, reasonable and properly allocated. A State must submit a plan amendment to request budget adjustments at least 30 days prior to planned implementation;**

This information has been transmitted to FNS and approved.

- 3. The categories and types of individuals the State agency intends to exempt from E&T participation, the estimated percentage of work registrants the State agency plans to exempt, and the frequency with which the State agency plans to reevaluate the validity of its exemptions;**

### ***Exemption Policy***

In addition to the Federal Exemptions, found in 7 CFR 273.7 (b) eligibility staff will screen potential work registrants for the following state E&T exemptions:

- Temporary illness or injury — an illness or injury of the individual that is temporary in nature and is obvious or verified; (obvious but unverified use state code 24, verified use federal code 20 in ACCENT)
- Temporary disability — disability is temporary in nature and is obvious or verified; (if verified disability use federal code 07, if obvious but unverified use state code 24 in ACCENT)
- Temporary emergency — may be a family emergency, such as illness or disaster, or an emergency related to the job; (Code 25 in ACCENT)
- On call-back to job — such as a temporary layoff or plant shutdown for vacation; (Code 26 in ACCENT)
- No access to transportation — the individual does not have a reliable vehicle, there is no public transportation available, or the individual does not have the resources to use public transportation or to buy gas; (Code 27 in ACCENT)
- Homeless, without a fixed residence; (Code 31 in ACCENT) or
- Non-funded E&T county or other exemption approved by State Office. (Code 31 in ACCENT)

The TDHS Eligibility Counselors will have the authority to grant individual exemptions based on information received from interview with the SNAP participant and/or information received from TDLWD. (State exemptions DHS has authority). Individual exemptions shall be evaluated at the participant's next recertification unless the client reports a change that requires the worker to make a re-determination.

- 4. The characteristics of the population the State agency intends to place in E&T;**

### ***PROGRAM PARTICIPATION AND EXEMPTIONS***

TDHS Family Assistance caseworkers determine if an individual is subject to the Supplemental Nutrition Assistance Program (SNAP) Work Registration requirements. A series of codes are available to document if the participant meet any exemption criteria. The eligibility determination system calculates the unduplicated count of work registrants for federal reporting purposes. TDHS continues to ensure this report is accurate.

The number of participants who are subject to the ABAWD work requirement are tabulated by the eligibility determination system and produced on a monthly report.

Tennessee was identified by FNS as eligible for an ABAWD waiver extension through December 2015. Therefore, individuals will be referred to TDLWD and served in the 13 counties specified in this plan as Voluntary participants from the beginning of the Fiscal year until the waiver.

#### A. Work Registrant Population

##### 1. Number of Work Registrants (as determined by TDHS)

- a. The number of Work Registrants expected to be in the state as of October 1, 2015 is 283,951
- b. The number of new Work Registrants to be added between October 1, 2015, and September 30, 2016 is 51,875
- c. The total number of Work Registrants in the state between October 1, 2015, and September 30, 2016 is 335,826

##### 2. Unduplicated Work Registrant Count

The TDHS eligibility determination system calculates an unduplicated Work Registrant count. The original referral date for each client is maintained in the system by the clients social security number, ensuring there will be no duplicative count of Work Registrants

in the same FFY. If SNAP benefits are terminated and re-approved within the same FFY, TDHS' system will not count the participant again.

##### 3. Characteristics of Work Registrants

The following characteristics are derived from the eligibility determination system data base:

- Under 18 - 2% of the population
- Between 18 and 59 - 58% of the population
- Employed - 12% of the population
- Unemployed - 88% of the population
- Male - 51% of the population
- Female - 49% of the population

*\*Demographic information provided by TDHS*

## ***Planned E&T Program Participation***

### ***Estimated Participant Levels (Fiscal Year 2016)***

- A. Anticipated number of work registrants in the state during the fiscal year - 335,826
- B. List planned exemption categories and the number of work registrants expected to be included in each during the fiscal year.
  - 1. Temporarily disabled - 1,211
  - 2. Temporary emergency - 445
  - 3. On call-back from job - 295
  - 4. No access to transportation - 126,951
  - 5. Approved by DHS (other approved exemption) - 103,174

TOTAL EXEMPTIONS - 232,076

- C. Percent of all work registrants exempt from E&T (B/A) - 69.10%
- D. Number of E&T mandatory participants (A - B) - 103,750
- E. Anticipated number of ABAWDs in the state during the fiscal year - 102,264
- F. Anticipated number of ABAWDs in waived areas of the state during the fiscal year - 0
- G. Anticipated number of ABAWDs to be exempted under the state's 15 percent ABAWD exemption allowance during the fiscal year - 42,990
- H. Number of at-risk ABAWDs expected in the state during the fiscal year {E - (F + G)} - 59,274

\* Information on this table was provided by TDHS' annual report.

#### 1. Estimated E&T Placements (Fiscal Year 2016)

- 1. Number of ABAWD applicants and recipients expected to begin a qualifying ABAWD component - 32,389
- 2. Number of all other applicants and recipients (including ABAWDs involved in non-qualifying activities) expected to begin a component - 12,650
- 3. Total number of applicants and recipients the State agency expects to begin a component during the fiscal year - 46,039

#### 2. Estimated Individual Participation (Fiscal Year 2016)

Number of individuals expected to participate in the E&T Program during the fiscal year - 46,039

- 1. Estimate the numbers that will participate in components each month and total them on line 3. This information represents a duplicate count of participants over the course of the fiscal year and corresponds to line 3 and 4 on the FNS-583, E&T Program Activity Report.
- 2. Estimate the unduplicated numbers of individuals who will participate during the fiscal year. This information corresponds to line 7 on the FNS-583.

#### **5. The estimated number of volunteers the State agency expects to place in E&T;**

This information has been transmitted to FNS and approved.

**6. The geographic areas covered and not covered by the E&T Plan and why, and the type and location of services to be offered**

This information has been transmitted to FNS and approved.

**7. The method the State agency uses to count all work registrants as of the first day of the new fiscal year;**

The SNAP E&T Program is an integral part of the SNAP Program and the state's automated eligibility system. TDHS Family Assistance case managers are responsible for determining work registration and work participation requirements on each individual in a household. The ACCENT systems has a work participation screen (AEIWP), which is used to document work registration, exemption codes, appropriate dates, etc. A separate screen (AEIIT) is used to document ABAWD work participations exemptions, participation, and cooperation.

Please see question (4) that identifies the count for work registrants.

**8. The method the State agency uses to report work registrant information on the quarterly Form FNS-583**

***Method for Obtaining Initial Count of Work Registrants***

The INFOPAC Report from the TDHS ACCENT (Automated Client Certification and Eligibility Network for Tennessee) system collects data and provides reports on the number of work registrants and exemptions in funded counties, and number of work registrants in the non -funded counties. This computerized data is intended to be used to produce the number of SNAP Work registrants to enter on lines 1 and 2 of the FNS-583.

**9. The method the State agency uses to prevent work registrants from being counted twice within a Federal fiscal year. If the State agency universally work registers all SNAP applicants, this method must specify how the State agency excludes those exempt from work registration under 7 C.F.R. §273.7(b)(1). If the State agency work registers nonexempt participants whenever a new application is submitted, this method must also specify how the State agency excludes those participants who may have already been registered within the past 12 months as specified under 7 C.F.R. §273.7(a)(1)(i);**

***Method for Ensuring an Unduplicated Work Registrant Count***

The TDHS Family Assistance computer system, ACCENT, eliminates SNAP E&T participants being registered or reported as work registrants more than once during a 12-month period.

**10. The organizational relationship between the units responsible for certification and the units operating the E&T components, including units of the statewide workforce development system, if available. FNS is specifically concerned that the lines of**

**communication be efficient and that noncompliance by the participant be reported to the certification unit within 10 working days after the noncompliance occurs;**

## **1. Narrative Coordination Statements**

TDLWD SNAP E&T Central office staff meets with TDHS SNAP Policy staff throughout the year. Issues and mutual concerns are discussed and resolved. Coordination of future on-site reviews are planned and discussed. Suggestions are offered for program improvement from both agencies. The meetings result in a better understanding of problems encountered by each agency. The outcome is that partner agencies pull together for the success of the program and the customers gain.

### *Program Reviews:*

The Grants and Program Manager will monitor programs on an annual basis. TDLWD SNAP Program staff are interviewed at the local office to determine their general understanding of the program. At each location, case files are reviewed. The Individual Employability Plan (IEP) is evaluated for detailed direction, and incremental steps to achieve program goals. The EDP documents each step as the client progresses through the program.

Program strengths are noted during reviews and recommendations are made to correct any weaknesses, opportunities to improve, or assure timeliness of the delivery of services.

The TDLWD is the administrator of the SNAP E&T Program and is the primary Service provider of E&T services.

## **2. Information Coordination**

### **A. Coordination of Duties between Departments**

#### *Tennessee Department of Human Services*

- Intakes, Applications, and Recertification of case
- Registration for work, all non-exempt household members (non-ABAWD)
- Update addresses and phone numbers on ACCENT.
- Notify TDLWD when a client has been deregistered.
- Coordinate and cooperate with local TDLWD staff.
- Each agency will complete systems training with each other's staff

#### *Tennessee Department of Labor and Workforce Development*

- Complete and enter E&T Referrals.
- Invite participants with an offer of services.
- Discuss employment rights and options and responsibilities under the program
- Provide basic overview, assess individual job readiness, and develop an individual Employment Plan.

- Direct individual into appropriate activity with specific offer of referral to a component or job.
- Monitor and report component compliance or noncompliance to TDHS
- Authorize reimbursements
- Notify participant of date and time to conduct follow-up interviews.
- TDLWD staff will authorize reimbursement entitlements, replace lost or stolen reimbursement checks, and monitor maximum payments to the participants.
- Complete documents and enter system within five working days of action for component placement, any change that has occurred, or component completion.
- Provide all case management throughout a Participants engagement in an E&T Component and seek follow-up to capture Outcome data.

### 3. Coordination Time Frames

The following coordination time frames will be followed, unless unforeseen circumstances prevent them from occurring:

- Once a referral list is provided by TDHS, TDLWD will send an appointment letter within 7-10 working days.
- TDLWD will schedule Orientation within 1- 2 weeks of the referral date to allow sufficient time for the Participant to enroll in a component and limit the possibility of an incurring countable month.
- TDLWD will immediately enter and electronically transmit the data required to authorize the Participant Expense Reimbursement.
- TDLWD will enter computer documents within four working days of action and re-enter rejected documents within four working days.
- TDLWD will notify TDHS within five days of any information that may affect SNAP eligibility, obtaining a job, changes in income, etc.

### **11. The relationship between the State agency and other organizations it plans to coordinate with for the provision of services, including organizations in the statewide workforce development system, if available. Copies of contracts must be available for inspection;**

#### ***Interagency Coordination***

The SNAP E&T Program coordinates with different agencies to provide services to SNAP E&T participants and is as follows:

#### 1. *Areas of Coordination*

The SNAP E&T Program have linkages with the following:

- TDLWD is the administrative agency for SNAP E&T services

- Board of Education - TDLWD arranges Adult Education classes for SNAP E&T participants. These classes are usually conducted by local education agencies, but may be contracted to community colleges and others.
- Vocational Rehabilitation Services - Rehabilitation Services is a division of TDHS and regular referrals are made to this program when the case manager of TDLWD staff feels the individual could benefit from the services of this program. An exemption is also requested on behalf of the participant as they would not be mentally fit for employment.
- Social Services Agencies - Referrals are made to domestic violence, mental health, and substance abuse agencies when deemed appropriate by either the case manager of the TDLWD staff. Other referrals are made as appropriate to health departments, the Department of Children's Services, etc. An exemption could also be requested on behalf of the Participant as they may not be fit for employment.
- Local Area Staff - TDLWD has a strong working relationship with all 13 Local Workforce Investment Areas (LWDAs) in Tennessee.

## 2. *Methods of Coordination*

The methods of coordination between SNAP E&T and the above mentioned entities include interagency non-financial verbal agreements, contracts for services, formal referral processes, joint training and staff development, co-location of staff, service from One-Stop Career Centers, etc.

### ***Contractual Agreements***

TDLWD currently does not have any contractual agreements at this time. TDLWD plans to meet with Employers and/or Educational Institutions to establish 50/50 partnerships for FFY 2016.

#### **12. The availability, if appropriate, of E&T programs for Indians living on reservations after the State agency has consulted in good faith with appropriate tribal organizations;**

There are currently no Tribal Organizations in the state of Tennessee, so there are no specific plans for this population at this time.

#### **13. If a conciliation process is planned, the procedures that will be used when an individual fails to comply with an E&T program requirement. Include the length of the conciliation period**

TN supplies real-time (same day) correspondence to TNDHS that communicates whether the individual fails to comply with an E&T program requirement. The conciliation process and period is maintained by TNDHS.

#### **14. The payment rates for child care established in accordance with the Child Care and Development Block Grant provisions of 45 CFR 98.43, and based on local market rate surveys.**

This is not applicable to the E&T program.

**15. The combined (Federal/State) State agency reimbursement rate for transportation costs and other expenses reasonably necessary and directly related to participation incurred by E&T participants. If the State agency proposes to provide different reimbursement amounts to account for varying levels of expenses, for instance for greater or lesser costs of transportation in different areas of the State, it must include them here.**

TN has established a flat rate of \$25 per month for transportation. Any variance is subject to policies set by the local workforce boards.

**16. Information about expenses the State agency proposes to reimburse. FNS must be afforded the opportunity to review and comment on the proposed reimbursements before they are implemented.**

This information has been transmitted to FNS and approved.

## **(b) Able-bodied Adults without Dependents (ABAWD)**

**A State agency interested in receiving additional funding for serving able-bodied adults without dependents (ABAWDs)\* subject to the 3-month time limit, in accordance with 7 C.F.R. §273.7(d)(3), must include the following for each Federal fiscal year covered by the Combined Plan under WIOA: \*7 CFR § 273.7(c)(7)**

### **1. Its pledge to offer a qualifying activity to all at-risk ABAWD applicants and recipients**

Its pledge to offer a qualifying activity to all at-risk ABAWD applicants and recipients;

Tennessee will not operate under a “pledge state” status for FFY 2016.

### **2. Estimated costs of fulfilling its pledge**

Tennessee will not operate under a “pledge state” status for FFY 2016.

### **3. A description of management controls in place to meet pledge requirements**

Tennessee will not operate under a “pledge state” status for FFY 2016.

### **4. A discussion of its capacity and ability to serve at-risk ABAWDs.**

The expiration of the Statewide ABAWD Time limit Waiver will expire December 31, 2015. TDHS has elected to track the 3 in 36 participation time limits with a Fixed Clock beginning January 1, 2016 and ending December 31, 2018 for all SNAP Eligible individuals identified as an ABAWD.

TDHS reports indicate 102,264 Potential ABAWDs will be subject to the 3 in 36 time limit. The Center on Budget and Policy Priorities completed an ABAWD Waiver analysis<sup>5</sup> for the state of Tennessee. Although the report identified 82-86 counties that meet the waiver criteria, TDHS has elected not to waive any areas/counties within the state. TDLWD will begin Federal Fiscal Year (FFY) 2016 in 42 counties. TDLWD is

notified when employers plan to expand within the state or are interested in operating in areas across Tennessee. Therefore, we will know when economic opportunities are available in the additional 53 counties during the 2016 FFY and will move into those areas at that time. Tennessee also has 42,990 15% exemptions. Therefore, we plan to provide qualifying activities to 59,274 at risk ABAWDs<sup>6</sup> that will be subject to the time limit effective January 1, 2016. That represents 79% of the ABAWD population.

TDHS will request to use their 42,990 15% ABAWD Exemptions for specific populations, i.e. homelessness, and will define these categories as more data becomes available.

The State of Tennessee was approved for a waiver of ABAWD time limits through December 31, 2015. The anticipated number of ABAWDs in the state during the fiscal year 2016 will be 102,264.

### **5. Information about the size and special needs of its ABAWD population**

See question 4.

### **6. Information about the education, training, and workfare components it will offer to meet the ABAWD work requirement.**

ABAWD work requirement is the same as Non-ABAWD participants.

## **(c) Plan Modification**

If FNS determines that the performance of a State agency with respect to employment and training outcomes is inadequate, FNS may require the State agency to make modifications to the State E&T plan to improve the outcomes.\*

—

**\*7 U.S.C. 2025(h)(5)(E) as amended by Agricultural Act of 2014 .**

### ***Funding Disclaimer***

Funds may not be available when SNAP E&T portions of a Combined State Plan under WIOA are approved. FNS's obligation after approving a SNAP E&T plan submitted as part of a Combined State Plan is contingent upon the availability of an appropriation from which payment can be made. Any FNS funding resulting from an approval of a SNAP E&T plan submitted as part of a Combined State Plan is subject to FNS receiving sufficient funds (in the Program Financial Control System for FNS) to fund this and all prior approved SNAP E&T plans submitted as part of a Combined State Plan in their entirety in the time and date order received. Federal reimbursement to States for 50 percent of State administrative expenditures and for participant reimbursements is subject to the above conditions

## **Jobs for Veterans' State Grants**

The Jobs for Veterans' State Grants (JVSG) are mandatory, formula-based staffing grants to (including DC, PR, VI and Guam). The JVSG is funded annually in accordance with a funding formula defined in the

statute (38 U.S.C. 4102A (c) (2) (B) and regulation and operates on a fiscal year (not program year) basis, however, performance metrics are collected and reported (VETS-200 Series Reports) quarterly (using four “rolling quarters”) on a Program Year basis (as with the ETA-9002 Series). Currently, VETS JVSG operates on a five-year (FY 2015-2019), multi-year grant approval cycle modified and funded annually.

In accordance with 38 U.S.C. § 4102A(b)(5) and § 4102A(c), the Assistant Secretary for Veterans' Employment and Training (ASVET) makes grant funds available for use in each State to support Disabled Veterans' Outreach Program (DVOP) specialists and Local Veterans' Employment Representatives (LVER) staff. As a condition to receive funding, 38 U.S.C. § 4102A(c)(2) requires States to submit an application for a grant that contains a State Plan narrative, which includes:

**(a) How the State intends to provide employment, training and job placement services to veterans and eligible persons under the JVSG**

***Employment Outlook for Veterans***

1. The Overall Employment Outlook for Veterans

The employment outlook for Veterans in Tennessee is expected to be above that for their civilian counterparts. Continued technological advances in military equipment and the requisite training to operate and maintain this gear make Veterans highly competitive in a broad spectrum of markets. A lack of required (I.E. Healthcare, CDL, etc.) certification because of “State Mandated” formal educational training remains a challenge for some Veterans in certain career fields. However, programs like the Post 9/11 GI Bill and the Transition Assistance Program along with proposed state legislative action to allow for the use of military schooling to be used in lieu of in state instruction, are dealing with these difficulties and provide opportunities along with information and training to enhance the accreditation process for recently separated Veterans in a variety of career fields. The “Soft skills” Veterans possess also make them desirable to potential employers and include; leadership, a strong work ethic, team work, loyalty and a desire to succeed, just to name a few.

2. Opportunities for Veterans

Areas of growth specifically being promoted by the current administration are jobs in the automotive and healthcare sectors. Hankook manufacturing from Korea has agreed to build a new tire plant in Clarksville Tennessee (Montgomery County) that will employ 1500+ people. One of the deciding factors for them locating in Clarksville was the close proximity of Ft. Campbell and the large pool of available transitioning and residential Veterans. Additionally, the current automotive industry in Tennessee is expanding, with Nissan committed to increase production of the Nissan Leaf in Smyrna. GM will also continue to produce the Chevy Volt at the Spring Hill plant and Volkswagen is expanding with plans to grow their production facility in Chattanooga. In addition to the specific auto manufacturers, the companies that support those facilities continue to grow as well. As an example, Automotive Energy Supply Corporation (AESC), the company that produces the battery for the Leaf is expanding to meet the higher level of demand through increased production.

Because of the increase in age of the general population the health care sector will continue to expand in Tennessee as well. HealthCare Corporation of America (HCA) continues to grow in Tennessee and is one of the largest employers within the State providing a wide variety of job opportunities for Veterans such as EMT, medical, IT, etc.

To aid in the growth of these industries, Tennessee is making a significant amount of grant money available through the Tennessee Department of Economic Community Development for job development to assist these companies with the training and placement of employees, including Veterans for these highly desired jobs. Programs such as On the Job Training (OJT) and the Incumbent Worker Training Program (IWT) are just two examples of funding assistance available to them.

Some examples of companies that are expected to provide notable opportunities for Veterans:

- Hankook Tires, Montgomery County
- Berretta Firearms, Sumner County
- TVA, Sumner County
- HealthCare Corporation of America

### 3. Projected Long Term Employment through 2019

Growth Rates for the Long Term: In the long term, employment is expected to rise through 2019 in most sectors. The top five industries and occupations in the state that will provide employment opportunities in Tennessee are: 1) Education and Health Services, 2) Trade Transportation, and Utilities, 3) Professional and Business Services, 4) Manufacturing, and 5) Government. The growth rate through 2019 is significant at 1.2 percent per annum where healthcare and social assistance, professional and business services, construction, and education sectors are projected to gain the most jobs. Some service sector and truck transportation jobs are likely to show significant growth as well.

### 4. Promoting the hiring and retention of Veterans

The advantage of hiring Veterans is a topic that needs to be presented to an employer on a consistent basis. Tennessee's American Job Centers (AJCs), through the Business Services Team (BST), will provide an effective conduit to promote Veterans to businesses as a sound and wise investment. Federal contractors and subcontractors are also targeted as companies that not only can benefit from the hiring of Veterans, but they are also informed about their responsibilities under the Office of Federal Contract and Compliance Programs (OFCCP) and Vietnam Era Veterans Readjustment Assistance Act (VEVRAA) guidelines as well. This is done through our BST, which includes the Local Veterans' Employment Representative (LVER), the Local Office Site Leads, Wagner Peyser (W/P) staff, Local Workforce Development Area (LWDA) staff as well as the Tennessee's Department of Labor's Workforce Development (TDLWD) Marketing Services Team within the Service Delivery System. All provide valuable information about promoting Veterans within a variety of venues including job fair participation, Chamber of Commerce meetings, Society of Human Resource Managers (SHRM) meetings, employer visits, public radio and television service spots and departmental brochures. Besides the benefits of hiring Veterans, employers are also informed about the assistance available to them at the AJC, such as the ability to conduct individual hiring fairs and notification of job opportunities to potential candidates.

Retention of our Veterans who received case managed services is accomplished through follow - up within 30 days of initial hire between the individual Veteran and the employer by our DVOP staff. This gives both parties an opportunity to discuss potential issues before they escalate.

### ***Targeting Services to Veterans with Significant Barriers to Employment (SBE)***

According to the latest Census Data (Census 2010), there are 475,375 Veterans over the age of 18 in Tennessee. There are 275,122 Veterans between the ages of 18-64: male Veterans total 246,498 and female Veterans 28,624. Of these Veterans, 44,369 are classified as disabled. Also, approximately 8,800 Tennessee Reservists and National Guardsman have been called to active duty for service in Iraq and Afghanistan. Many of these service members were not classified initially as Veterans by Title 38 definition but will be eligible for service as a Veteran upon their return. Assisting this group of Veterans is critical to their successful transition back to civilian life. Additionally, continued outreach within the local community is vital to promote all the services available to our Veterans.

Latest estimates of homeless Veterans by the Veterans Administration's (VA) Point-In-Time Count indicate there are approximately 3,300 homeless Veterans residing in Tennessee. In addition to the groups mentioned above, the Armed Forces are possibly planning a massive drawdown of active duty troops within next three years. The number of servicemen this is projected to affect is estimated at 1.5 million. Disabled Veterans Outreach Program Specialists (DVOPs) within the Tennessee Department of Labor-Workforce Development (TDLWD) will provide services to Veterans who have been identified as having a SBE that requires additional enhanced services through case management, consistent with VPL 03-14 Ch 1 and VPL 03-14 Ch 2, and 04-14. These include:

Veterans with a compensable disability; Homeless (As defined by Section 103(a) of the Stewart B. McKinney Homeless Assistance Act);

- Recently separated service members with 27 or more consecutive weeks of unemployment;
- Veterans who have recently been incarcerated along with incarcerated
- Veterans who are being released soon;
- Veterans needing a high school diploma or equivalent certificate;
- Low income (As defined by WIOA);
- Veterans between the ages of 18-24; and other eligible as defined in the statutes.

DVOPs are required to take an active role in seeking out and assisting these targeted groups by networking with other local, state, and federal government agencies. DVOPs also develop partnerships with Veteran Service Organizations, community service organizations, LWDA partners, faith based organizations, and any other entities that are dedicated to locating and serving Veterans in need and helping them with the purpose of providing intensive services so they are able to successfully compete in the job market. TDLWD acknowledges that homeless Veterans are not likely to seek our services on their own and that an "under the bridge" approach is to be taken by DVOPs, encouraging them to go where these individuals can be found. In locations where there is access to organizations such as US DOL Homeless Veterans Reintegration Program (HVRP) grantees (Such as Operation Stand Down Tennessee (OSDTN) and Volunteers of America Knoxville), VA facilities, Warrior Transition Units (WTU) etc., direct

partnerships have been established where the DVOP will visit the facility weekly (In the case of OSDTN, a DVOP is there three times a week) to provide services as needed.

The goal is to help the Veteran become job ready and gain employment in a field of their interest and/or ability. Veterans who are identified as having SBE through the initial intake process at the AJC, and need specific Intensive Services, will be referred to appropriate DVOP staff for assistance as required. The DVOP and the Veteran will work together to complete a career assessment and document any current or potential SBEs, then monitor them through the Case Management process. The Veteran would then, if required, be referred to an appropriate partner for additional services as needed. In the absence of DVOP staff, the LOFF Manager, or other W/P staff, assumes responsibility for the career assessment of the individual and assures that appropriate referrals and services are provided. DVOPs are a supplement to the AJC staff and should not be a substitute for providing services.

Tennessee will continually monitor and assess the performance data of services provided to ensure that the roles and responsibilities of both the DVOP and the LVER are adhered to and determine if adjustments to the program are needed. The Quarterly Manager's Reports, along with onsite office validations and desk audits, will be used to ensure compliance with this directive and other guidance as given by DOL ETA, VETS, and the TDLWD.

There are no designated Tribal Lands within the State of Tennessee. Native American Veterans receive the same services as non-Native Americans.

**(b) The duties assigned to DVOP specialists and LVER staff by the State; specifically implementing DVOP and LVER duties or roles and responsibilities as outlined in 38 U.S.C. § 4103A and 4104. These duties must be consistent with current guidance;**

***Planned Deployment of Grant - Funded Staff***

TDLWD has determined that the appropriate placement of DVOP/LVER personnel is paramount to the success of the program.

For DVOPs, careful study of state demographics and associated evidence indicates that targeted veteran subgroups are predominately located in Tennessee's metropolitan areas. However, many counties outside of the MSAs have sufficient Veteran population to warrant the presence of a DVOP. Most DVOP Specialists will be assigned to a comprehensive Career Center where other supportive services are readily available. In the areas where there are additional organizations such as: VA VR&E offices, Homeless Shelters and other Community Partners, a DVOP from the local AJC has a partnership with them to provide Intensive Services to those who require additional assistance to become job ready. Services will be provided to Veterans who have identified themselves as having an SBE.

LVER staff will be placed throughout the state to reach out to employers and promote the benefits of hiring veterans. One way this promotion process can be accomplished is by introducing employers to the immediate tangible benefits such as the Work Opportunity Tax Credit (WOTC, when funded) that is available to them when they hire Veterans. In addition to the tangible incentives they can get is the short

and long range benefits gained from the intangible “soft skills” Veterans bring to the hiring table, teamwork, trainability, leadership, diversity in the workplace, and a host of others that are inherent to the military experience. By “showcasing” our Veterans, the LVER staff increases job opportunities for them.

Every effort is made to keep vacancies of staff positions down below the 60 day time frame as directed. The Veterans Program Coordinator (VPC) will ensure that the Tennessee’s Department of Human Resources is aware of the unique funding stream of the JVSG and will keep all vacancies filled within the 60 day mandate.

TDLWD will ensure that all new hires for DVOP and LVER will attend NVTI for mandatory training within the required 18 month time period.

### *DVOP Specialists*

1. **Primary Duties: Intensive Services.** The DVOPs are assigned to the local AJC for the main purpose of providing intensive services to SBE Veterans and other eligible through case management. This is the key component of the roles and responsibilities of the DVOP.

After the initial assessment of a Veteran in the AJC (Conducted by other than DV/LV staff) and it is determined that they have an SBE and require additional Intensive Services, they will be referred to a DVOP for assistance. To accomplish effective intensive services, the DVOP must, at a minimum:

- a. Conduct an assessment of individual needs.
- b. If appropriate, develop a documented plan of action for periodic review.

These two activities form the core of an effective individual Case Management plan under which most Intensive Services will be delivered.

Upon completion of assessment, the DVOP can determine the need for additional Intensive Services through case management. These services can take the form of

- a. Providing vocational guidance and counseling as required, such as; skills assessment, career planning, communications skills, interviewing skills, punctuality, personal maintenance skills and professional conduct.
  - b. Coordination of supportive services by:
    - Providing technical assistance to community - based organizations regarding employment and training services to veterans.
    - Developing relationships with VSOs and consulting with other representatives of federal, state, and local programs in order to provide maximum employment assistance.
  - c. Job referral for specific employment opportunities.
  - d. Referral to training with other agencies.
2. **Providing Services:** The DVOP will provide services to Veterans who have been identified as having an SBE that requires additional enhanced services through case management consistent with VPLs, 03-

14, 03-14 Ch1, 03-14 Ch 2 and 04-14. These include Veterans with a compensable disability; Homeless (As defined by Section 103(a) of the Stewart B. McKinney Homeless Assistance Act); Recently separated service members within the last 12 months with 27 or more consecutive weeks of unemployment; Veterans who have recently been incarcerated along with incarcerated Veterans who are being released soon; Veterans needing a high school diploma or equivalent certificate; Low income (As defined by WIOA); Veterans between the ages of 18-24; and other eligible as defined in the statutes. Under the guidance of the WIOA and the integration of all partners within the AJC, the DVOPS will provide intensive services under a case management strategy to RESEA, SNAP E&T and TAA veteran clients who have been assessed by AJC partner staff and identified as having SBE.

3. Integration into the Workforce System: Integration of the DVOP via the AJC will be accomplished by utilizing in-place procedures for servicing Veterans with SBEs and combining them with the new policies and processes that will support functional alignment within the AJC. All partners will work together to support our plan for a seamless, customer-driven system. The new policies will enhance the delivery system and reflect the Governor's vision of effective and efficient governance through the alignment of several programs. This process starts at the initial point of entry into the AJC where the first person the Veteran encounters will be an intake specialist who is trained in all aspects of the AJC and the services that are available to the Veteran. TDLWD calls this an "Initial Triage" step. Through the use of a specialized checklist and direct questions, a determination will be made for the level and type of needed service. If the Veteran, or other eligible person, is deemed to have an SBE and has a need for enhanced services, the Veteran will be referred to a DVOP for assistance. If the initial screener decides that the level of service precludes the need to see a DVOP, the person will be referred to a non-JVSG staff member for the required assistance.

Note: Veterans with an SBE, or labeled in a specified category, will have access to all appropriate AJC services and are not limited to receiving services only from DVOP specialists. Once the Veteran is made "Job Ready", the DVOP will coordinate with the BST (this team is responsible for all outreach to employers and includes the LVER) to ensure that these Veterans are promoted within the community as available for immediate job placement.

4. Outreach: Time permitting, DVOPs may conduct outreach activities with the intent of locating candidates with SBEs and enroll them in an AJC with the intent of providing them with appropriate intensive services.

They will seek out potential clients within programs and places such as:

- a. Veterans Administration facilities
  - Vocational Rehabilitation and Employment (VR&E) offices
  - Regional Medical Centers
  - V.A. sponsored Vet Centers
- b. Homeless Veterans Reintegration Project (HVRP)
- c. Homeless Shelters
- d. Incarcerated Veterans Transition Program (IVTP)
- e. Civic and Service Organizations
- f. Local Workforce Development Area (LWDA) partners

- g. State Vocational Rehabilitation Agencies
  - h. Other service providers as deemed probable locations of Veterans with SBEs
5. Vocational Rehabilitation and Employment Program referrals: When a Veteran has participated in VR&E and is considered employment ready, they will be referred to the local AJC and a DVOP for job search assistance and follow - up. VR&E sends the Veteran's information to the TDLWD Intensive Services Coordinator (ISC), who records and sends the information to the nearest local DVOP. The DVOP will establish contact with the Veteran and assist in any way possible to help the Veteran obtain suitable employment. Providing intensive services to the Veteran will be accomplished through the Case Management system where the DVOP will maintain a record of progress the client makes in achieving his/her goal of finding employment. Thus, the DVOP is instrumental in the coordinated efforts of VR&E, the ISC, and the local AJC to ensure that the Veteran is tracked towards gainful employment.
  6. Procedures to ensure the hiring of qualified DVOP Specialists: Tennessee fills vacant DVOP positions by hiring from a register of qualified applicants. All Veterans that meet the published requirements are offered an opportunity to interview for open positions. Provisions under the JVSG require that the state must fill these positions with eligible Veterans and give preference to those with disabilities as defined in Title 38, USC with priority given to special disabled, disabled and others whom are eligible. The proposed staffing plan reflects only full - time DVOPs.

### *LVER Staff*

1. Primary Duties: The LVER will actively advocate for employment and training opportunities with business, industry, and community based organizations on behalf of Veterans consistent with VPL 03-14, VPL 03-14 Ch1, VPL 03-14 Ch2, VPL 04-14. LVERs will be assigned duties that promote to employers, employer associations, and business groups the advantages of hiring veterans and will be part of the "Business Services Team" within the AJC that conduct outreach activities to these entities. The following activities will be part of this program:
  - a) In conjunction with employers, conduct job searches and workshops and establish job search groups to facilitate the use of the TDLWD labor exchange system to enhance their employee search activities.
  - b) Form effective relationships with the business community and trade unions to enhance the availability of employment and training opportunities for Veterans.
    - Encourage businesses to hire Veterans and to provide OJT and Apprenticeship programs geared to the Veteran community.
    - Maintain current labor market information on trends and adjust strategies accordingly.
  - c) Work with training providers and credentialing bodies to promote opportunities for Veterans.
    - Encourage employers in professions requiring licensure or certification to develop OJT and/or apprenticeship programs for Veterans.
    - Promote the participation of Veterans in programs leading to certification or licensure.
    - Advocate with training providers and credentialing agencies for recognition of equivalent military training.

- d) Plan and participate in job fairs to provide employment opportunities for Veterans. The LVER will facilitate this by:
- Initiating contact and developing relationships with employers, community leaders, labor unions, veterans' organizations, and training program representatives to develop their commitment to providing employment and training opportunities for Veterans.
  - Maintaining current information regarding a full range of employment and training options available to Veterans.
- e) Work with federal contractors to inform them of the process they can use to recruit and hire Veterans within the TDLWD Labor Exchange System and discuss their responsibilities under the OFCCP and VEVRAA final rule to attain the appropriate percentage of Veteran hires.

The net result of LVER outreach to employers and the community will be an increased awareness of the capabilities of Veterans and their qualifications, along with developing employers' willingness to utilize the OJT program that is available to them to increase the opportunity for Veterans.

2. Employer Relations: The LVER will establish and maintain regular contact with employers in order to maximize the development of employment and training opportunities for the Veteran community.
- a) Develop an employer contact plan designed to encourage the employment of Veterans by the use of business and community organizations such as the Chamber of Commerce, Human Resource Groups, and others as determined to be beneficial in the facilitation of hiring Veterans. This can be accomplished by:
- Personal Visits
  - Phone Calls
  - E-mail Contact
  - Internet Connections or other means deemed effective
- b) Monitor federal contractor job listings and encourage the hiring of Veterans by federal contractors.
- c) Coordinate activities with DVOP specialists, along with other AJC staff and partners to promote Veteran job seekers who have been deemed "job ready" to employers looking to match specific skill sets of individuals to their needs.
- d) Advocating Veterans as a category of job seekers who have highly marketable skills and experience. This can be accomplished by the following: Encouraging employers to develop apprenticeship programs to increase the employment opportunities for Veterans.
3. Capacity Building of Other Service Providers: It is essential that the LVER assist other workforce development providers in increasing their ability to recognize and respond to the employment and training needs of Veterans. This will be accomplished through the following activities:
- a) Training AJC staff and service delivery system partners in order to enhance their knowledge of Veterans' employment and training issues by:

- Providing technical assistance to the LOFF manager.
  - Encouraging participation by raising the awareness of Veterans in the employment and training programs.
4. Procedures followed to ensure hiring qualified LVERs: Tennessee fills vacant LVER positions by hiring from a register of qualified applicants. All Veterans that meet the published requirements are offered an opportunity to interview for open positions. Provisions under the JVSG require that the state must fill these positions with eligible Veterans and give preference to those with disabilities as defined in Title 38, USC with priority given to special disabled, disabled and others eligible. The proposed staffing plan reflects only full - time LVERs.

**(c) The manner in which DVOP specialists and LVER staff are integrated into the State’s employment service delivery system or one-stop delivery system partner network;**

***Program Integration and Leveraging Resources***

1. DVOP and LVER Integration

DVOPs and LVERs are fully integrated into the TDLWD Labor Exchange System to form a comprehensive delivery team that provides services to Veterans that address their employment and training needs. All AJCs (with the exception of two located in extreme rural locations) have assigned Veteran staff, with LVERs and DVOPs assigned according to the population of their target groups and the needs of the community. DVOPs are assigned to areas with the highest concentration of Veterans, including disabled, homeless, and other Veterans with SBE. LVER assignments are based on the employer population and the probabilities of economic growth in their areas. Urban areas will normally have both LVER and DVOP staff assigned to ensure effective service to all Veterans. AJC Staff will work together in a comprehensive manner, respective of their roles and responsibilities, to provide assistance to Veterans in need which will foster job developments created with the employers in these highly industrialized and diverse environments. Suburban and rural (agricultural) areas will normally be assigned a LVER or DVOP as indicated by the factors previously mentioned.

Placement of Veteran staff is under constant review by both the State Veterans’ Program Coordinator and the Field Operations Section to determine if changes in staffing are warranted. DVOPs will actively seek to establish partnerships in providing services to Veterans with other state and federal agencies, VSO, community service organizations. LVERs will perform outreach to businesses, training providers, and any other entities with the ability to positively impact the employability of Veterans.

2. ISC Coordinator

One DVOP will be designated as the TDLWD ISC and will work with VA VR&E whose Veteran clientele have completed training through their respective programs and are now deemed as employment ready. These Veterans will be assigned to a local DVOP and will receive intensive services through case management and be tracked until they have found suitable employment or they exit the program.

### 3. Use of services and linkages to other service providers

DVOPs are assigned to AJC where a myriad of services are provided. In addition to the partners located within the AJC (LWDA, National Council on Aging, TN Department of Veterans Affairs, Vocational Rehab, etc.), the DVOP also is tasked with developing relationships with other agencies that provide services to Veterans. These can include;

- a) Homeless Veterans' Reintegration Programs (Such as Operation Stand Down Tennessee)
- b) Incarcerated Veterans' Transition Program grantees
- c) Employer Support of the Guard and Reserve
- d) Other organizations dedicated to providing employment and training services to Veterans.

To ensure an appropriate partnership, a Memorandum of Understanding (MOU), may be signed between VA VR&E, VETS and TDLWD to describe the roles and responsibilities for each participant to ensure that the Veterans who are receiving services continue to do so in the most effective manner possible.

### 4. In-Demand Careers

In coordination with the DVOP, and after receiving names of Veterans who have been deemed "job ready", the LVER will work with local industry leaders as well as Tennessee Department of Economic and Community Development (ECD) to identify the requisite skill sets needed for in-demand careers for their area and develop opportunities for training through programs such as OJT through WIOA. Additionally, the LVER will coordinate with state educational facilities such as the Tennessee Technology Centers (TTC) to foster attendance in training programs for those in-demand jobs.

### 5. Public Outreach to Veterans concerning Employment and Training Opportunities

In addition to the efforts of the DVOP and LVER staff, TDLWD Marketing Services Staff (part of the BST) will promote the available services, including employment and job training opportunities, to veterans in a variety of forums in which they are involved. These can include: job fairs, Chamber of Commerce meetings, Society of Human Resources Managers (SHRM) meetings, employer visits, public radio, television spots, and departmental brochures.

## **(d) The Incentive Award program implemented using the 1% grant allocation set aside for this purpose, as applicable;**

TDLWD will not participate in the Performance Incentive Awards process. Previous participation has not proven to produce increased outcomes in service to Veterans.

### ***Annual Veteran's Conference***

The TDLWD is planning an annual Veteran Staff Conference for DVOP/LVER staff, to be held annually at a location to be determined with preference given to state facilities at reduced costs. Annual conferences have proven to be extremely beneficial in the training of our Veteran staff and in providing improvement to the services rendered to the Veterans of Tennessee. The conference covers subjects such as: Priority of Service, Vocational Rehabilitation and Education (VR&E), Case Management (DVOPs), Employer

Outreach (LVERs), Roles and Responsibilities, Successful Implementation of DVOP/LVER Grant funds, Best Practices, and discussions of any needed changes in policies or procedures.

**(e) The populations of veterans to be served, including any additional populations designated by the Secretary as eligible for services, and any additional populations specifically targeted by the State Workforce Agency for services from one-stop delivery system partners (e.g., Native American veterans; veterans in remote rural counties or parishes);**

Please see question (a) that addresses the populations of veterans to be served.

**(f) How the State implements and monitors the administration of priority of service to covered persons;**

***Priority of Service***

1. How Veteran Services are provided within the Public Labor Exchange

Priority of Service (POS) as required by 38 U.S.C. 4215 (b) and 20 CFR parts 1001 and 1010, is an essential element given to covered persons (Veterans and other eligible persons including spouses who meet the criteria for POS) who participate in the Labor Exchange system. All covered persons are to receive POS at any “point of entry”, which includes physical locations, such as AJCs, as well as websites and other virtual service delivery resources. Additionally, POS is provided within the AJC interviewing process to include career assessment and counseling, access to job search tools like the Internet, availability of classes to improve marketability such as resume writing and job interviewing programs and referral to all new and existing job training programs offered as a matter of course in the daily operations of the TDLWD Labor Exchange System.

The term “Eligible Veteran” refers to a person who:

- a) Served on active duty for a period of more than 180 days and was discharged or released from the service with any classification other than dishonorable;
- b) Was discharged or released from active duty because of a service connected disability; or
- c) As a member of a Reserve or Guard component under an order to active duty, served on active duty during a period of war or in a campaign or expedition for which a campaign badge is authorized and was discharged or released from such duty with other than a dishonorable discharge.
- d) Also includes VR&E, Chapter 31 participants, Native American Veterans and other such groups as targeted for special consideration.

It is of critical importance that Priority of Service be observed in all employment and training activities within our purview. Priority of Service is the vehicle by which service to Veterans will be carried out.

Priority of Service does not mean exclusivity of service. It does mean that if a veteran meets the basic qualifications for any Employment and Training program, he/she will be given priority in referral and enrollment into said program over a non - veteran of equal qualification. A Veteran does not qualify for a program simply because they are a Veteran, unless being a Veteran is the basic criteria for the program.

These services are the responsibility of all local office staff members. The Regional Director/Manager is responsible for ensuring that AJC staff understand and observe these standards of performance. Compliance with these guidelines will be assured by the State Veterans' Program Coordinator, Field Operations management staff, and other state representatives as deemed necessary. Performance measuring tools will include reports generated by the TDLWD data collection system, site visits, periodic reports from field staff, and recommendations made as a result of VETS' technical assistance visits and audits.

## 2. Procedures for Intake and Referral

Upon entry to a TDLWD facility (AJC or Affiliate Center) and identification as a Veteran, the Veteran will be screened by the initial intake process where an assessment of needed services will be made and the Veteran will then be directed to the appropriate Service Delivery Specialist (this could be a DVOP (Veterans with SBEs only), W/P or LWDA staff person or other partner within the AJC). POS procedures will then be followed in the manner as described above. It is the responsibility of all AJC personnel to ensure that priority of service is observed.

Since the migration of the Labor Exchange System known as Jobs4TN in 2014, POS will be observed with all new job orders by the use of the Veterans' hold function combined with the "Virtual Recruiter" option within the program. All new job orders will be placed on an automatic "Veteran's Hold" for 24 hours where only registered Veterans will have the ability to access and apply for that particular job. Non-Veterans will be unable to access the job order until the 24 hour period has expired and it is released to the general public. The "Virtual Recruiter" option will replace the Veteran Job Search function. The Virtual Recruiter will automatically notify the Veteran when a new job order is placed within the system that meets their qualifications and needs precluding the necessity of a manual search and notification. The Virtual Recruiter, coupled with the Veteran Hold functionalities within Jobs4TN satisfy the POS requirement noted above and actually improves the old system by alerting the Veteran immediately that a new job order has posted as opposed to having to wait for notification through a manual process. This is especially beneficial on job orders that are posted on the weekend where it would be the next business day before they would receive notification.

If DVOP and LVER become aware of issues detrimental to the efficient implementation of VPL 03-14 Ch1, VPL 03-14 Ch2, VPL 04-14 or related guidance, they may make the Regional Director/Manager aware of areas of concern and provide reasonable solutions to deal with these issues.

## 3. Processes to Maintain, Monitor, and Report Compliance

Adherence to established standards of service measurements will be evaluated monthly using reports generated by the TDLWD data collection system. At a minimum, the AJC LOFF Manager will provide a Quarterly Report to the VPC detailing the status of program objectives, POS mandates and progress toward meeting the State's performance goals. The report is due to the State's VPC no later than 10 days

following the quarter’s end. Due dates are as follows: January 10th, April 10th, July 10th, and October 10th. After review the report will be forwarded to the DVET for processing with the state’s quarterly reporting. Additionally, Federal Reports (9002/200) will be used to evaluate the percentages of actual Staff Assisted Services by DVOPs (Veterans with SBEs only) and non-Vet staff to ensure POS is being followed. Deficiencies discovered during these evaluations will be presented to the Regional Director/Manager for immediate corrective action. These review processes and procedures will be used by the State to maintain, monitor, and assess the progress of Veterans’ Services provided relative to the approved State Plan.

4. Annual Agreements with Service Providers concerning Priority of Service

Federally funded WIA programs provide services to Veterans as well and are subject to the same guidelines previously mentioned concerning Priority of Service. For additional providers, the state would follow guidance from the U.S. Department of Labor Employment and Training Administration (ETA), and/or U.S. Department of Labor Veterans’ Employment and Training Service (VETS) on how to proceed with any future agreements.

**(g) How the State provides or intends to provide and measure, through both the DVOP and one-stop delivery system partner staff:**

- 1. job and job training individualized career services,

Question (b) identifies how TN provides job and job training individualized career services. Services will be measured through Jobs4TN and the approved data matrix reporting.

- 2. employment placement services, and

Question (b) identifies how TN provides employment placement services. Services will be measured through Jobs4TN and the approved data matrix reporting.

- 3. job-driven training and subsequent placement service program for eligible veterans and eligible persons;

Question (b) identifies how TN provides job-driven training and subsequent placement services. Services will be measured through Jobs4TN and the approved data matrix reporting.

**(h) The hire date along with mandatory training completion dates for all DVOP specialists and LVER staff; and**

Jobs for Veterans State Grant Staff Directory (Section B - Staffing Information)

\*Adapted from Form VETS-501

<b>3) Total FTE Positions</b>	31	22	8	0	4	-
<b>4) Fully Funded Positions</b>	31	23	-	-	-	-

<b>3) Total FTE Positions</b>	31	22	8	0	4	-
<b>5) Total Positions Filled</b>	45	-	-	-	-	-

**(i) Such additional information as the Secretary may require**

# Unemployment Insurance (UI)

The Unemployment Insurance (UI) program requires a State Quality Service Plan (SQSP) on a 2-year planning cycle that is a condition of receipt of administrative funding to administer the program. The SQSP is the State's UI performance management and planning process that allows for an exchange of information between Federal and State partners to enhance the UI program's ability to reflect their joint commitment to performance excellence and client-centered services. A formal two-year SQSP is submitted biennially. On the off years, States may be required to modify the SQSP with additional corrective action plans and narrative if they are failing any new performance measures, and they are required to provide updated budget documents, certifications, and assurances. ETA Handbook No. 336, 18th Edition provides detailed guidance for the preparation and submittal of the SQSP and supplemental guidance is provided in an annual UIPL, issued as UIPL 21-14 for the FY 2015 SQSP. The Social Security Act (SSA) sections 302 and 303 authorize the Secretary of Labor to provide funds to administer the UI program and govern the expenditure of those funds. States that choose the option to include UI in a WIOA Combined State Plan will be required to submit their SQSP through the Combined State Plan process. The SQSP must be prepared in accordance to the instructions in ET Handbook 336, 18th Edition and there are no changes to the established SQSP cycle if a State chose to submit their SQSP through the Combined State Plan process.

## (a) Contents of a complete UI SQSP package

A complete UI SQSP package includes the following documents, as described in Chapter 1, ETA Handbook 336, 18th Edition:

### 1. Transmittal Letter

A cover letter to the appropriate Regional Office (RO) transmitting all the required SQSP documents.

The signed copy of the "Transmittal Letter" is maintained with the Agency and the Regional Office.

### 2. Budget Worksheets/Forms

Budget worksheets/forms and plan for program administration based on projected allocations received from the Federal partner. These forms include Worksheet UI-1 and SF 424, SF 424A and SF 424B. The SF 424A is only required if the State vary the quarterly distribution of base claims activity staff years.

The signed copy of the SF 424 and other appropriate budget-related forms are maintained with the State Agency and the Regional Office.

### 3. The State Plan Narrative

The State Plan Narrative is a vital element of the SQSP that provides a vehicle for sharing with the Federal partner State-specific efforts that affect the administration of the UI Program. The State Plan Narrative allows the State to describe in a single narrative: a) State performance in comparison to the Government

Performance Review Act goals; b) actions planned to correct deficiencies regarding UI programs, UI program reviews and reporting requirements; and c) results of customer satisfaction surveys (optional).

## **A. Overview**

1. State priorities and the strategic direction the state has adopted to ensure continuous improvement.

During FY 2016 the Tennessee Department of Labor and Workforce Development intends to focus its efforts on the following:

Improving performance on the six **Core Measures** and the six **Secretary Standards** listed below that are currently below the minimum acceptable level of performance (ALP):

- First Payment Promptness (Core Measure)
- Nonmonetary Determination Time Lapse (Core Measure)
- Nonmonetary Determinations Quality-Separation (Core Measure)
- Nonmonetary Determinations Quality-Nonseparation (Core Measure)
- First Payment Promptness - Intrastate 14/21 Days (Secretary Standard)
- First Payment Promptness - Intrastate 35 Days (Secretary Standard)

Complying with the requirements of UI Data Validation,

Implementing measures that will help us meet or exceed the "GPRA goal" targets established by the USDOL for the below four performance areas:

- Intrastate first payment timeliness
- Facilitate Reemployment of Claimants
- Detection of Overpayments
- New employer liability determinations made within 90 days

Developing state-level priorities for the UI program that are consistent with the national priorities that have been established to prevent, detect, and recover improper payments, to improve program performance nationally, to emphasize better service delivery for the UI program by improving reemployment services to UI recipients, and to improve the process for detecting misclassified workers,

Implementing measures to correct deficiencies identified during the Tax Performance System (TPS) and Benefit Accuracy Measurement (BAM) program reviews, and

Implementing a study to identify reasons for incorrect issue detection dates and/or determination dates.

2. Assessment of performance.

### ***Assessment of Tennessee's performance with respect to Core Measures.***

#### *Benefits Measures*

#### *First Payment Promptness:*

(% of all 1st payments made within 14 days after the week ending date of the first compensable week in the benefit year (excludes work share, episodic claims such as DUA, and retroactive payments for compensable waiting period). The acceptable level of performance (ALP) is 87%.

Tennessee's performance for the FY 2015 SQSP measurement period Tennessee's performance for the 12 month period ending March 31, 2015 was 73.2. We have attached a Corrective Action Plan (CAP) outlining the corrective measures we intend to take during FY 2016 to improve performance in this Core Measure.

#### *Nonmonetary Determination Time Lapse:*

(% of Separation and Nonseparation determinations made within 21 days of the Issue Detection Date.) The acceptable level of performance (ALP) is that 80% of the "combined" Separation and Nonseparation determinations are made within 21 days of the Issue Detection Date.

Tennessee's performance for the FY 2015 SQSP measurement period (the 12 month period ending March 31, 2015) was 48.78%. We have attached a Corrective Action Plan (CAP) outlining the corrective measures we intend to take during FY 2016 to improve performance in this Core Measure.

#### *Separations Determination Quality:*

(% of Separation Determinations with a BTQ Quality Score equal to or greater than 95 points based on the evaluation results of quarterly samples selected from the universe of separation determinations.) The acceptable level of performance (ALP) is that 75% of the Separation determinations achieved a quality score of 95% or greater.

Tennessee's performance for the FY 2015 SQSP measurement period (the 4-quarter period ending March 31, 2015) was 48.78%. We have attached a Corrective Action Plan (CAP) outlining the corrective measures we intend to take during FY 2016 to improve performance in this Core Measure.

#### *Non-separation Determination Quality:*

(% of Nonseparation Determinations with a BTQ Quality Score equal to or greater than 95 points, based on the evaluation results of quarterly samples selected from the universe of nonseparation determinations.) The acceptable level of performance (ALP) is that 75% of the Non-Separation determinations achieved a quality score of 95% or greater.

Tennessee's performance for the FY 2015 SQSP measurement period (the 4-quarter period ending March 31, 2014) was 58.7%. We have attached a Corrective Action Plan (CAP) outlining the corrective measures we intend to take during FY 2016 to improve performance in this Core Measure.

#### *Overpayment Measure*

##### *Detection of Overpayments:*

(% of detectable, recoverable overpayments estimated by the Benefit Accuracy Measurement survey that were established for recovery)

The acceptable level of performance (ALP) is an overpayment detection rate above 50%. Because states generally cannot detect and establish more than 80%-90% of estimated overpayments, states reporting ratios over 95% are also expected to explain the reasons for the higher than expected ratios.

Tennessee's performance for the most recent three year measurement period was 54.71% based on BPC data for the period 04/01/12- 3/31/2015 and BAM data for the period 10/01/2011-09/30/2014.

## *Appeals Measures*

### *Average Age of Pending Lower Authority Appeals:*

(The sum of the ages, in days from filing, of all pending Lower Authority Appeals divided by the number of Lower Authority Appeals). The acceptable level of performance (ALP) for the Average Age of Pending Lower Authority Appeals Core Measure is 30 days.

The average age of Tennessee's Pending Lower Authority Appeals was 14 days for the FY 2015 SQSP measurement period, (the 12 month period ending March 31, 2015).

### *Average Age of Pending Higher Authority Appeals:*

(The sum of the ages, in days from filing, of all pending Higher Authority Appeals divided by the number of Higher Authority Appeals) The acceptable level of performance (ALP) for the Average Age of Pending Higher Authority Appeals Core Measure is 40 days.

The average age of Tennessee's pending higher authority appeals was 12 days for the FY 2015 SQSP measurement period (the 12 month period ending March 31, 2014).

### *Lower Authority Appeals Quality:*

% of Lower Authority Appeals with Quality Scores equal to or greater than 85% of potential points, based on the evaluation results of quarterly samples selected from the universe of lower authority benefit appeal hearings. The acceptable level of performance (ALP) is 80%.

Tennessee's performance was 100% for the FY 2015 SQSP measurement period (the 4-quarter period ending March 31, 2015).

## *Tax Measures*

### *New Employer Status Determinations Time Lapse:*

Is defined as the % of New Status Determinations within 90 days of the last day in the quarter in which the business became liable. The acceptable level of performance (ALP) is 70%.

Tennessee's performance was 85.5% for the FY 2016 SQSP measurement period (the 4-quarter period ending March 31, 2015).

### *Measure of Tax Quality:*

The Tax Performance System (TPS) assessment of the accuracy and completeness of the tax program is determined by scoring, on a pass/fail basis, samples of the 13 tax functions.

The purpose of the Tax Performance System (TPS) is to measure the quality of State Unemployment Insurance (UI) tax operations, assist State Administrators in improving tax systems, and to help carry out Federal oversight and technical assistance responsibilities. The TPS review evaluates the quality of the UI Tax Operations in each of the major tax functions using the following methodologies.

Computed Measures - UI tax data is reported by the state via the ETA 581 report and automatically computed into measures of timeliness and completeness for Status Determination, Report Delinquency, Collections, and Field Audit.

An internal audit of the State's UI Tax Operations involves two steps, a Systems Review and Acceptance Sampling. Upon completion of each review, a detailed memo is sent to the Director of Employer Accounts (Tax) Operations and the results are discussed with the appropriate staff.

System Reviews: The Systems Review examines the internal controls and quality assurance systems that help ensure accurate and timely operations in each of the major tax functions. This review is conducted once every four years.

Acceptance Samples: Each year random samples are examined from each tax function to confirm that controls and quality assurance systems are working effectively to produce accurate outputs. If as many as three out of sixty cases in a particular tax function fail the TPS review, it means that quality cannot be confirmed for that function. The acceptable level of performance (ALP) for a measure of tax quality is no more than three failures out of the 13 tax functions reviewed under TPS in a year and no single function failing the TPS review for three consecutive years.

The 2014 TPS Acceptance Sampling Reviews revealed that eleven (11) of the thirteen (13) tax functions met the criteria for TPS as established by the USDOL; therefore, reasonable assurance of quality was confirmed for these tax functions. Benefit Charging and Collections failed the review. Tax Rates are subject to TPS review sometime within a four-year cycle if the previous year's samples of Tax Rates, Contribution Reports and Benefit Charges passed TPS review, and there have not been changes to the state's tax rating system that could have an impact on the accuracy of rate computation. Although eleven (11) tax functions passed, there were a few cases that failed or had findings outside the scope of the review.

Systems Review: The Systems Review was conducted in 2014 and revealed that the state is doing very well in eleven (11) of the thirteen (13) tax functions that were reviewed. Benefit Charging showed a "Risk" in the System to Assure Execution of Events portion of the Systems Review. There was also a "Risk" in Recording of Transactions and Events. Cashiering showed a "Risk" in the Recorded Information and Instructions portion of the Systems Review.

Four-Year Federal Team Reviews: Oversight of the TPS Program includes four-year federal team reviews. The purpose of the Federal TPS team review is to confirm the integrity of States' TPS Annual Report. For

each State, every four years, the USDOL Regional Office organizes a team of State and Regional staff to conduct these reviews. Such reviews also encourage interaction between State TPS reviewers to promote consistency in evaluation and interpretation of TPS requirements; as well as to provide valuable information on other State's UI tax systems. The Fourth-Year Federal Team Review was conducted on the 2011 Tax Performance System and the Tennessee Tax Operations in August 2012. The next review should be conducted in 2016 on the 2015 calendar year.

#### Assessment of Major Tax Functions:

Note: The comments used in the below assessment of Major Tax Functions are extracts taken from the Tax Performance System (TPS) 2014 Annual Report.

#### [Status \(New/Reinstate, Successors and Inactivation/Termination\)](#)

##### **Computed Measures**

The Tax Performance result for timeliness of New Status Determinations in 90 days is above the 70% minimum level of performance established by the U. I. Performs for this core measure.

##### **Systems Review**

The 2014 Systems Review for Status Determinations revealed that all internal controls were present and operating effectively.

##### **Acceptance Sampling**

###### New/Reinstate Determinations

Since all sixty (60) cases passed this review, we can conclude that quality in this tax function was confirmed.

###### Successor Determinations

Since fifty-eight (58) out of sixty (60) cases passed the review, we can conclude that quality in this tax function was confirmed. Two (2) cases failed Accuracy of Successor Employer Determination at Time of Review.

###### Inactivation/Termination Determinations

Since all sixty (60) cases passed Accuracy of Inactivated/Terminated Determinations and Accuracy at Time of Review, we can conclude that quality in this tax function was confirmed.

#### [Report Delinquency](#)

##### **Computed Measures**

Computed Measures for 2014 reveal that, since 2013, contributory and reimbursing employers have remained fairly steady in all indicators.

### **Systems Review**

The 2014 Systems Review revealed no risks and indicates that all internal controls were present and operating effectively.

### **Acceptance Sampling**

The 2014 Acceptance Sampling passed fifty-nine (59) of sixty (60) cases; therefore, we can conclude that quality in this tax function was confirmed.

## Collections

### **Computed Measures**

Computed Measures for 2014 reveal that, since 2013, contributory and reimbursing employers have remained fairly steady in all indicators.

### **Systems Review**

The 2014 Systems Review for Collections revealed no risks and indicated that all internal controls were present and operating effectively. We can conclude that reasonable assurance of quality exists in this tax function.

### **Acceptance Sampling**

The 2014 Acceptance Sample for Collections passed fifty-five (55) out of sixty (60) cases; therefore, we can conclude that accuracy in this tax function was not confirmed.

#### Recommendation 1

There were several accounts in the review that stated there was a verbal agreement with the employer. A verbal agreement is not enforceable. Auditors should obtain a written and signed payment agreement.

#### Recommendation 2

Change Forms are being submitted without the name, title, and phone number of the person giving the information. This information should always be included at the bottom of the Change Form.

#### Recommendation 3

There is not enough emphasis placed on "Other Enforcement Actions". This is problematic throughout the state. It is recommended that letters should be followed by some type of action outlined in the Collection Manual. The Collection Manual states that any other enforcement actions are defined as collection actions taken to collect the debt after the lien is filed and the debt is still outstanding. Other

enforcement actions such as skip tracing, garnishments, intercepting state funds, and assistance from legal staff should be utilized after the lien has been filed and the employer still has a balance due.

#### Recommendation 4

There were several accounts that were not declared uncollectible timely. Evidence of procrastination in this area was found to be an issue statewide. The Collection Manual states that “An account should be declared due but uncollectible after all reasonable collection efforts have been exhausted”. D & U’s should be completed and submitted in a timely manner.

#### Exemplary Practices

The UI Recovery Unit was formed in late December 2014. It is a merger of the Employer Accounts tax collection function and the Benefit Overpayment collection function to include the support systems for each process. The Unit was created to manage and enforce the newly established collection policies and procedures to ensure efforts to assist our clients, in complying with their obligations, are met both fairly and uniformly.

#### [Field Audit](#)

#### **Systems Review**

The 2014 Systems Review for the audit function revealed no risks and indicated that all internal controls were present and operating effectively. We can conclude that reasonable assurance of quality exists in this tax function.

#### **Acceptance Sampling**

Since all sixty (60) cases passed this review, we can conclude that quality in this tax function was confirmed.

#### Recommendation 1

The auditor stated that the business was verified on the internet. Verifying the business on the internet is not a good source. The purpose of verifying the business is to make sure it is not a fictitious business. The internet is the perfect place to hide a fictitious business. Per USDOL, acceptable sources are: partnership agreements, articles of incorporation, corporate charter, personal knowledge, business license, telephone directory, etc.

#### **Effective Audit Measures**

ETA has established a blended measure for the audit program. This is a Core Measure which requires a Corrective Action Plan (CAP) for failure. The Effective Audit Measures consist of four factors, each of which must meet or exceed the established minimum level of achievement for a total score of five. The measures also require states to direct additional emphasis to the factor(s) that they deem important to

their state. An additional two points must be earned among any of the four factors to attain the overall passing score of at least seven.

The Effective Audit Measures for 2014 reveal that Tennessee's total score was 7.0% which met the USDOL minimum score of 7.0.

### Effective Audit Measurement 2014

Factor	Description	Minimum Score	TN2014 Score
1	Percent of contributory employers audited	1.0	1.1
2	Percent of wages changed as a result of the audit	2.0	2.9
3	Percent of the state's total wages that were audited	1.0	1.4
4	Average number misclassified workers discovered per audit	1.0	1.6
<b>Minimum Level of Achievement Score</b>		<b>5.0</b>	<b>5.0</b>
<b>Additional Emphasis Requirement</b>		<b>2.0</b>	<b>2.0</b>
<b>Total Score</b>		<b>7.0</b>	<b>7.0</b>

Additional emphasis focused on the percent of contributory employers audited which scored 1.1%. This is .1% above the minimum requirement of 1.0. The percent of wages changed as a result of the audit is 2.9%. This is .9% above the minimum requirement of 2.0%. The percent of the state's total wages that were audited is 1.4% which is .4% above the minimum requirement of 1.0%, and the average number of misclassified workers discovered per audit scored 1.6% which is .6% above the minimum requirement of 1.0%.

### Cashiering

### Systems Review

The 2014 Systems Review for Cashiering revealed a “Risk” in Recorded Information and Instructions. The handbook for the Report Audit Unit was not up-to-date. As a result of the Cashiering Systems Review, the handbook for the Cashiering Unit was recently updated. All other internal controls were present and operating effectively.

### **Estimation Sampling**

Out of a sample size of 325 items, 81.6% was deposited timely. This did not meet the timeliness standard of 90% or more dollars deposited within 3 days or less. At the end of the 1st quarter, 2014, electronic fund transfers were 68.5% which allows us to reduce the sampling size of paper checks reviewed from 500 checks to 300 checks. When the actual review was conducted, the EFT percentage was 57.5%. After factoring in electronic fund transfers, 92.2% of the total dollar amount was deposited within three (3) banking days. Since this is equal to or greater than 75.1%, the reviewer must conclude that a standard of 90% of the dollar amount being deposited timely during the quarter was achieved.

Unfortunately, the scanner stopped working during the five day review time frame which caused the paper checks to be deposited untimely. Even though the paper checks portion of the review did not meet the standard for timeliness, the EFT percentage was high enough to allow the Cashiering Estimation Sampling to pass the review.

### **Exemplary Practices**

Employers have the option of paying U. I. taxes using either an ACH credit or ACH debit. For the 2nd quarter, 2014, 68.8% of payments received were electronic funds transfers. This is a 21.4% increase from 2nd quarter 2013 when ACH debit became available. When employers file and pay electronically, it reduces errors; as well as, reduces the amount of staff necessary to process the paper checks.

Per ET Handbook 407, when the EFT dollars reach 50% or greater of the payments received, TPS will reduce the Cashiering Estimation sample size and the value to pass. As the EFT dollars continue to increase, the sample size and value to pass will continue to decrease until the EFT dollars reach 90%. At that point, the sampling will no longer be conducted because all EFT payments are considered timely.

For the 1st quarter, 2015, the total of EFT dollars is 73.6%; therefore, the Cashiering Estimation sample size will be 300 and the value to pass will be 63.2%.

[Account Maintenance \(Contribution Report Processing, Debits/Billings, Credits/Refunds, Benefit Charging, and Tax Rates\)](#)

### **Contribution Report Processing**

#### **Systems Review**

The 2014 Systems Review for Report Processing revealed no risks and indicated that all internal controls were present and operating effectively. We can conclude that reasonable assurance of quality exists in this tax function.

## **Acceptance Sampling**

Since all sixty (60) cases passed this review, we can conclude that accuracy in this tax function was confirmed. According to TPS guidelines, if three (3) or more cases are not acceptable, then quality in a particular tax function cannot be confirmed. Out of the samples tested, those first quarter 2014 reports which were not filed were properly identified on the Master Delinquent Listing.

### [Contributory Employer Debits/Billings](#)

## **Systems Review**

The 2014 Systems Review for Debits/Billings - Contributory Employers revealed no risks and indicated that all internal controls were present and operating effectively. We can conclude that reasonable assurance of quality exists in this tax function.

## **Acceptance Sampling**

Since all sixty (60) cases passed this review, we can conclude that accuracy in this tax function was confirmed.

### [Reimbursing Employer Debits/Billings](#)

## **Systems Review**

The 2014 Systems Review for Debits/Billings - Reimbursing Employers revealed no risks and indicated that all internal controls were present and operating effectively. We can conclude that reasonable assurance of quality exists in this tax function.

There was one area of concern that will not result in a "Risk". This issue more closely reveals a problem within the Benefit Charging tax function rather than Reimbursing Debits. The Accounting Unit in Employer Accounts Operation discovered the issue during routine balancing of accounts using a reconciliation spreadsheet that identifies all discrepancies.

The Tax Accounting Unit was out-of-balance in 2013 for the months of September - \$(304.94), October - \$(581.79), and November - \$(248.87). The discrepancies were from adjustments made in the Benefit Charge Unit without notifying the Accounting Unit.

The Accounting Unit should be given copies of all adjustments made by the Benefit Charging Unit for balancing purposes.

As a result of the Systems Review, Benefit Charging stated that they will send copies of adjustments to the Accounting Unit and revise their procedures so that it includes the wording: "a copy of adjustments will be furnished to the Accounting Unit".

## **Acceptance Sampling**

Since all thirty-seven (37) cases passed this review, we can conclude that accuracy in this tax function was confirmed. Based upon the universe size of ninety-eight (98) transactions, one (1) error is allowed. If two (2) cases had been found unacceptable, quality in this tax function could not have been confirmed.

### [Contributory Employer Credits/Refunds](#)

#### **Systems Review**

The 2014 Systems Review for Credits/Refunds revealed no risks and indicated that all internal controls were present and operating effectively. We can conclude that reasonable assurance of quality exists in this tax function.

#### **Acceptance Sampling**

One case failed the 2014 review. The employer submitted a 2nd quarter report and check using an old account number of 713-153 4 that had been closed. A new account had been set up with account 786-158 7 and the report and check were supposed to be moved to this account; however, they were moved to account 786-153 3 in error. This account belonged to another employer with a lower tax rate which caused a credit to be established on their account. Account 786-153 3 was in the acceptance sampling. Therefore, the case resulted in a failure because the credit was established on the incorrect account.

Human error happens sometimes. That's why 2 failures are allowed without failing the entire tax function.

### [Employer Benefit Charging](#)

#### **Systems Review**

A "Risk" was found in Recording of Transactions and Events. Per the TPS Operations Handbook 407, original and amended information sources, including electronic source documentation, should be retained and accessible for State use.

There is a large backlog of Benefit Charge documents ready to be filmed. This includes all documentation for 2013. This will cause problems when backup documentation is needed to support decisions that were made to charge employers accounts.

"Risk" was also found in System to Assure Execution of Events. Per the TPS Operations Handbook 407, verification procedures should be in place to assure that benefit charges are correctly made by comparing information sources to employer accounts transaction records.

There is no system in place to prevent someone from establishing a benefit overpayment for a week that has been cancelled. This is a programming issue that was found to be a risk in the 2010 System Review and remains a risk for 2014. It is highly recommended that this be corrected as soon as possible.

The benefit auditors have been instructed to look for cancelled checks before issuing overpayments. This has become less of an issue since we now have debit cards for claimants and direct deposit. Also, the unemployment rate has dropped significantly. The new GUS System will have built-in edits to catch this.

### **Acceptance Sampling**

Since fifty-four (54) cases of sixty (60) passed this review, we can conclude that accuracy in this tax function was not confirmed. According to TPS guidelines, if three (3) or more cases are not acceptable, then quality in a particular tax function cannot be confirmed.

All six (6) cases that resulted in a failure are due to the lack of back-up documentation on non-charges.

### [Tax Rates](#)

#### **Systems Review**

The 2014 Systems Review for Employer Tax Rates revealed no risks and indicated that all internal controls were present and operating effectively. We can conclude that reasonable assurance of quality exists in this tax function.

#### **Acceptance Sampling**

The 2014 Systems Review for Employer Tax Rates revealed no risks and indicated that all internal controls were present and operating effectively. We can conclude that reasonable assurance of quality exists in this tax function.

Tax Rates are subject to TPS review sometime within a four-year cycle if the previous year's samples of Tax Rates, Contribution Reports and Benefit Charges passed TPS review, and there have not been changes to the state's tax rating system that could have an impact on the accuracy of rate computation. The next review of Tax Rates was scheduled for 2018; however, since the review of Benefit Charges failed for 2014, the Tax Rate Review will be conducted for 2015.

### [Reemployment Measure](#)

#### **Facilitate Reemployment:**

(% of UI claimants who are reemployed within the quarter following the quarter in which they received their first UI payment)

Based on Tennessee's 6.6% TUR for calendar year 2014 and the 67.3% of claimants receiving first payments during the 12-month period ending September 30, 2014 who were not exempt from work search, Tennessee's ALP for FY14 is 64%. For the 12-months ending December 31, 2014, 64.8% of Tennessee's UI claimants were reemployed by the end of the first quarter after the quarter in which they received their first payment.

**Assessment of Tennessee's performance with respect to USDOL Secretary Standards which are currently still in federal regulation.**

**First Payment Time Lapse 14/21 days Intrastate UI full weeks**

(% of Intrastate UI 1st Payments (full weeks only) made within 21 days after the week ending date of the first compensable week in the benefit year).

The Secretary Standard is 87%. Tennessee's performance was 73.12% for the FY 2015 SQSP measurement period (the 12 month period ending March 31, 2014). We have attached a Corrective Action Plan (CAP) relating to the Core Measure of First Payment Promptness that addresses this Secretary Standard as well.

**First Payment Time Lapse 35 days Intrastate UI full weeks**

(% of Intrastate UI 1st Payments (full weeks only) made within 35 days after the week ending date of the first compensable week in the benefit year).

The Secretary Standard is 93%. Tennessee's performance was 87.44% for the FY 2015 SQSP measurement period (the 12 month period ending March 31, 2015). We have attached a Corrective Action Plan (CAP) relating to our ability to improve performance in this Measure.

**First Payment Time Lapse 14/21 days Interstate UI full weeks**

(% of Interstate UI 1st Payments (full weeks only) made within 21 days after the week ending date of the first compensable week in the benefit year).

The Secretary Standard is 70%. Tennessee's performance was 70.55% for the FY 2015 SQSP measurement period (the 12 month period ending March 31, 2015).

**First Payment Time Lapse 35 days Interstate UI full weeks**

(% of Interstate UI 1st Payments (full weeks only) made within 35 days after the week ending date of the first compensable week in the benefit year).

The Secretary Standard is 78%. Tennessee's performance was 85.06% for the FY 2014 SQSP measurement period (the 12 month period ending March 31, 2015).

**Lower Authority Appeals 30-day Timeliness**

(% of Lower Authority Appeals decided within 30 days of filing). The Secretary Standard is 60%. Tennessee's performance was 68.86% for the FY 2015 SQSP measurement period (the 12 month period ending March 31, 2015).

Lower Authority Appeals 45-day Timeliness (% of Lower Authority Appeals decided within 45 days of filing). The Secretary Standard is 80%. Tennessee's performance was 92.87% for the FY 2015 SQSP measurement period (the 12 month period ending March 31, 2015).

3. Coordination with other plans.

We realize that the UI program does not stand alone and that it is the wage replacement component of an overarching effort to return a worker to suitable work. Accordingly, we plan to continue working with our Job Service component to develop and maintain a seamless process designed to facilitate the reemployment of UI claimants. (See comments under “National Direction” with respect to the “Reemployment of UI Claimants”).

**B. Federal Emphasis regarding Government Performance and Results Act (GPRA) goals)**

1. State performance compared to the GPRA goals.

*Make Timely Benefit Payments.*

Target: 87.1% of intrastate first payments for full weeks of unemployment will be made within 14/21 days from the week ending date of the first compensable week. Tennessee’s performance for the 12 month period ending March 31, 2015 was 66.4%.

*Detect Benefit Overpayments.*

Target: Overpayments established will be at least 54.2% of the estimated detectable, recoverable overpayments. For the 12 months ending March 31, 2015, Tennessee established 54.71% of the estimated detectable, recoverable overpayments.

*Establish Tax Accounts Promptly.*

Target: 88.9% of status determinations for new employers will be made within 90 days of the end of the first quarter in which liability occurred. Tennessee’s performance for the 12 month period ending March 31, 2013 was 84.9%.

*Facilitate the Reemployment of Claimants.*

Target: 64.7% of UI claimants will be reemployed by the end of the first quarter after the quarter in which they received their first payment. For the 12-months ending December 31, 2014, 64.8 % of UI claimants were reemployed by the end of the first quarter after the quarter in which they received their first payment.

2. Actions taken to improve performance in GPRA goals.

*Make Timely Benefit Payments.*

(See Corrective Action Plans for First Payment Time Lapse)

*Facilitate the Reemployment of Claimants.*

(See comments under “National Direction” with respect to the “Reemployment of UI Claimants”).

### *Detect Benefit Overpayments.*

(See Corrective Action Plans for Detection of Overpayments)

### *Establish Tax Accounts Promptly.*

The Employer Services Unit is responsible for establishing and maintaining employer accounts. While the staffing level of the unit has decreased, Tennessee continues to meet the goals established by Tax Performance System. While Tennessee is below the national average for new status determinations, we have exceeded the desired level of achievement by a wide margin. The statistics show that Tennessee continues to improve in this measure with the most recent data showing 85.0% of employers established within given times, exceeding the goal by 15.0%.

### ***National Direction***

Tennessee continues to align its strategies with the below national priorities that have been established for the UI program for FY 2016. The USDOL has also established the following additional priorities for FY 2016:

Improving State Capacity to administer and operate the UI program effectively

For FY 2016 one of our top priorities will be to continue to improve work processes for the UI program. This is being accomplished by Lean Events and examination of internal work process. SBR money is being requested to improve work process, eliminate back logs, and recover overpayments. Continual training will occur to build staff knowledge in all aspects of UI. We will take advantage of technical assistance offered by USDOL as well as use the UI Integrity Center for Excellence, and continue to use the UI Community of Practice.

### *Improved Prevention, Detection, and Recovery of UI Improper Payments*

For FY 2016, our top priority continues to be the prevention, detection, and recovery of improper payments. We will continue to examine UI Integrity functions, make recommendations for continuous improvement, and cultivate a sense of ownership for program integrity within the UI system. We have included an updated UI Integrity Strategic Plan with our FY 2016 State Quality Service Plan to address current state-specific root causes of improper payments.

### *Improving Program Performance Nationally*

We have indicated throughout our State Plan Narrative and associated Corrective Action Plans how we intend to help the USDOL improve program performance nationally.

### *Re-Employment of UI Claimant*

Tennessee has made a strong and focused effort in the past year to place an emphasis on re-employing unemployment insurance claimants. We ensure that claimants have access to the full continuum of workforce services through One-Stop Career Centers, both virtual and in-person, as well as through Rapid Response and Re-Employment Services Eligibility Assessment (RESEA) activities. Tennessee is

continuing to implement new software programs that will result in a full integration of UI and workforce programs with the goal of improving employment outcomes for UI claimants. Below is an outline of what we have accomplished in the past year in this regard as well the plans and activities we will be implementing over the next year. U.S. DOL has mandated that UCX claimants be selected for REA in addition to those claimants most likely to exhaust. Tennessee has implemented this process as of August 2015. Tennessee has also expanded RESEA from 23 one stop centers to 54 centers across the state via a partnership with WIOA and Local Workforce Development Area Partners.

- 1) VOS/JOB4TN -All unemployment claimants are created a job service application at the moment they file a UI claim. Tennessee is moving forward with the full implementation of its jobs4tn.gov database by launching the Virtual One Stop system (VOS). VOS is essentially a virtual career center/one-stop with workforce service tools and resources available online, similar to the services you could find in a brick and mortar center. All UI claimants will be created VOS accounts/profiles at the time they file their claim.
- 2) Re-Employment Services Eligibility Assessment (REA) services- Tennessee currently operates the RESEA program in 54 one-stop career centers across the state. RESEA orientations and subsequent RESEA follow ups are conducted 4 days a week across the state. Through the RESEA program UI claimants that are most likely to exhaust receive access to workforce services as well referrals to re-employment services, training, and other supportive services. In addition to these services participants conduct a UI eligibility review, an assessment, and work with a staff member on an employment development plan per each visit. RESEA participants also receive extensive service in regards to job matching and job placement.
- 3) Job Fairs & Workshops- TDLWD participates in numerous job fairs across the state. TDLWD makes aggressive efforts to contact claimants to extend invitations to the job fairs in their community. Many of our Career Centers conduct monthly or weekly workshops with the unemployed to help in their re-employment efforts.
- 4) Mobile Workforce Services Career Coach Units- TDLWD has 3 Mobile Career Coach Units stationed in each grand division of the state. The mobile units are encompassed into a RV type unit that can provide services similar to a One-Stop Career Center. The mobile units are heavily utilized in rural areas to provide the unemployed access to workforce services. The units are also utilized at Rapid Response events.
- 5) Rapid Response Program- TDLWD has a rapid response plan and team in place across the state, coordinated in conjunction with the local workforce investment act programs. The rapid response program responds to mass lay-offs to provide the employees with access to workforce related services and attempts to help those affected become re-employed as quickly as possible.
- 6) Employment Toolkits- TDLWD has developed an Employment Toolkit. The toolkit is accessible both in online format and hard copy. The toolkit serves as a guide to unemployment claimants to help guide them through the process to re-employment.
- 7) Re-Employment Workbooks- TDWLD has developed a Re-Employment Workbook to assist the unemployed with becoming re-employed. The workbook is available in hard copy and will soon be available online to anyone that needs it.

### *Addressing Worker Misclassification*

For the third year in a row, Tennessee surpassed the Effective Audit Measures set forth by the Tax Performance System. Tennessee is one of the five states in the eight-state region to exceed all four

factors and achieve a passing score. Tennessee's auditors are well-trained to determine if a worker is properly classified.

Tennessee strives to ensure employers are educated on proper worker classification by participating in New Employer workshops and Business Tax seminars throughout the state. The Handbook for Employers discusses worker classification and the tests and laws used to make such a determination.

Tennessee continues to seek out new methods of identifying improperly classified workers. Tennessee successfully enrolled in the Governmental Liaison Data Exchange Program (GLDEP), and in 2013, received the first 1099-MISC extract from the Internal Revenue Service. This data will be used to select employer accounts for audit. Tennessee expects the factors used in the Effective Audit Measures to increase as we move forward

### **C. Program Review Deficiencies**

1. Causes for failures to conduct required reviews/activities, e.g., Benefit Accuracy Measure, Benefits, Timeliness, and Quality, Tax Performance System, and Data Validation.

In Tennessee, the Nonmonetary Determinations Quality sample Separations-Non Separations failed validation and we were not able to submit benefit populations, 4, 5, 12, 13 and 15 for validation during VY14

2. Plans to conduct the reviews as required. (See Corrective Action Plan submitted with this SQSP)

### **D. Program Deficiencies**

1. Plans to correct deficiencies identified through required program reviews.

Plans to correct deficiencies identified through Tax Performance System review: (See Measure of Tax Quality)

Plans to correct deficiencies identified through Benefit Accuracy Measure (BAM) reviews.

The BAM Annual report for Paid Claims Accuracy included a footnote this year indicating that "The population from which the BAM sample was selected did not include all of the U I benefits paid". (The BAM population sample is compared to data on the ETA 5159 report of Claims and Payment Activity.) IT staff familiar with the BAM sampling process and the ETA 5159 report are attempting to resolve this issue.

Plans to correct deficiencies identified through Benefits, Timeliness, and Quality (BTQ) reviews.

(See Corrective Action Plans submitted with this SQSP for Nonmonetary Determinations Quality)

Plans to correct deficiencies identified through UI Data Validation

(See Corrective Action Plan submitted with this SQSP)

## **E. Reporting Requirements Deficiencies**

N/A

## **F. Customer Service Surveys (optional)**

In September of 2012 Tennessee kicked off a new statewide Customer Service Training campaign entitled Customer Focused Government which was designed to change the culture of the entire state and move Tennessee forward by providing G.R.E.A.T. customer service. This campaign stressed the 5 keys to G.R.E.A.T. customer service:

Greet - Making first impressions count

Relate - Building trusting relationships

Exceed - Going above and beyond expectations

Affirm - Recognizing customers as the most important asset

Thank - Showing customers appreciation

Below are some of the features of that customer service training which has now been completed statewide:

Developed specifically for the State of Tennessee

Captures the essence of customer focused government

In alignment with Governor Haslam's TNFORWARD initiative

A collaborative effort with Bruce Loeffler, author of One Minute Service

Creates agency-specific behaviors for demonstrating G.R.E.A.T. customer service

## **G. Other (e.g., approach to maintaining solvency, requests for technical assistance)**

Our most recent actions to enhance and maintain trust fund solvency were taken during calendar year 2009 and outlined in our FY2010 SQSP.

However, there have been several changes to Tennessee law during 2013 that have impacted Tennessee's Unemployment Insurance program. Below is a summary of those law changes:

### *Public Chapter 166 Relief from Liability for Reimbursing Employers*

This law specifies that if an eligible claimant for unemployment compensation (UC) is employed by a reimbursing employer on a continuous part-time basis and continues to be employed by that employer

while separated from other employment, any benefits paid will not be considered attributable to the service with that reimbursing employer.

## *Public Chapter 427 Revises Various Provisions of Tennessee ES Law*

### **Base Period**

The definition of “base period”, for the purpose of establishing monetary entitlement to UC, is amended to restrict the use of an “alternate base period” to cases where the first quarter of the last five completed calendar quarters is included in the base period of an individual’s previous benefit year. The alternate base period may no longer be used to establish monetary entitlement for individuals failing to qualify for UC using wages in the traditional base period.

### **Definition of Misconduct**

This provision amends the definition of misconduct to include any conduct constituting a criminal offense for which the claimant has been convicted or charged that involves dishonesty arising out of the claimant’s employment or was committed while the claimant was acting within the scope of employment.

### **Exemption from One (1) Year Limitation on the Reconsideration of an Agency Decision**

This provision specifies that the one year limitation on the agency representative reconsidering a decision will not apply if a claimant is subsequently convicted of a misdemeanor or felony that caused the separation from the employer, as long as the employer gives notification of the conviction in a reasonable time to the agency. Any overpayment created as a result of such reconsideration would be determined to be fraud and the administrator may not waive repayment of the overpaid amounts.

This provision is not in compliance with federal law and will not be enforced.

### **Annual Training Required for Unemployment Hearing Officers**

The state Department of Labor And Workforce Development is required to hold annual training for all unemployment hearing officers. The required training will include updates on new state and federal laws and regulations involving ES law.

### **UC Claimants Must Be Actively Seeking Work**

The Administrator is required to conduct random verification audits of 1,500 UC claimants weekly to determine if claimants are complying with the present law requirement of contacting at least three employers per week or accessing services at a career center.

As a condition of eligibility, claimants for UC benefits are required to seek and accept suitable employment that is comparable, in the number of hours worked per week, to the claimant’s normal/customary employment during the base period.

### **Procedures for the Writing-Off of Uncollectable Accounts**

This provision amends ES law to “authorize” rather than “require” the Administrator to waive the collection of UI debt after the statute of limitations for recovery has expired. Additionally, this provision specifies that if the waiver is authorized by the administrator; such authorization must be made in accordance with the procedures established by the commissioner of the TN Department of Finance and Administration and the TN Comptroller of the Treasury as required under current state law. This law became effective July 1, 2013.

#### **H. Assurances:**

- a. Assurance of Equal Opportunity (EO).
- b. Assurance of Administrative Requirements and Allowable Cost Standards.
- c. assurance of Management systems, Reporting, and Recordkeeping.
- d. assurance of Program Quality.
- e. Assurance on Use of Unobligated Funds.
- f. Assurance of Prohibition of Lobbying Costs (29 CFR Parts 93).
- g. Drug-Free Workplace (29 CFR Part 98).
- h. Assurance of Contingency Planning.

Provide the most recent dates for the following:

- Information Technology (IT) Contingency Plan Implemented: August 24, 2011
- IT Contingency Plan Reviewed/Updated: September 2014
- IT Contingency Plan Tested: October 28-31, 2014

- i. Assurance of Conformity and Compliance.
- j. Assurance of automated Information Systems Security.

Provide the most recent dates for the following:

- Risk Assessment Conducted: August 2014
- System Security Plan Review/Updated: November 2014

- k. Assurance of Confidentiality.

#### **4. Corrective Action Plans (CAPs)**

Corrective Action Plans (CAPs): CAPs are expected as a part of the SQSP when State’s annual performance does not meet the established criteria for core measures, Secretary’s Standards, UI program, assurances, and other program deficiencies identified in the annual SQSP guidance provided by the Department. The CAP must list both specific milestones for key corrective actions or improvement activities, and the completion date for each milestone.

#### **3. Federal Fiscal Years: 2015-2016**

MEASURE/PROGRAM AREA: First Payment Promptness: % of all 1st payments within 14/21 days after the compensable week (excludes work share, DUA, retroactive payments)

Current Performance Level: 56.9( June 30, 2014)

Projected Performance Levels: 70.00(12/31/14) 75.00(3/31/15) 75.00(6/30/15) 80.00 (9/31/15) 87.00 (12/31/15) 87.00 (3/31/16) 87.00 (6/30/16) 87.00 (9/30/16)

## **SUMMARY:**

### A. Reasons for deficiency

Although claims volume has decreased due to the ending of EUC, the Claims Center has continued to experience backlogs ( June 30,2014 4,723 over 21 days) due to:

1. Continued filing, by applicants, for potential EUC eligibility; inquiries regarding EUC continuing past the first quarter of 2014 through every potential means of contact.
2. State law changes regarding school claims, reasonable assurance, severance and wages in lieu of notice definitions. TN established that all employees who work for a government agency in a school system now have reasonable assurance. This increased the number of claims that needed non monetary decisions over the previous year. Severance and wages in lieu now became disqualifying issues. This also increased the number of non monetary decisions that needed to be made. Initial interpretations of this policy where changed several times which led to inconsistent processing of the claims.
3. Workforce issues due to turnover, i.e. loss of part time staff to full time opportunities elsewhere, promotions of both full time Claims Agents and Adjudicators to other units that are looking for UI experience. This is also compounded by the fact that those positions have to be filled with new, part time, inexperienced staff.
4. Claims taking processes have also utilized several different systems which have led to an inconsistent processing of claims. We use a 40 year old mainframe system as for processing of decisions, payments, and certifications. We use a software system called TNPage for claims processing. TNPAGE works with our IVR telephone system and then processes the claim record over to our mainframe system. Interviewers and adjudicators must work out of both systems.
5. All of these issues have led to the inability to dedicate resources and time to properly train because it was difficult to pull staff consistently for training opportunities.
6. The case management system, implemented in March of 2012, was ultimately inactivated due to continued complications. This system led to documents attaching to the wrong claim, unavailability of claims material, and eventually to the inefficiencies in the adjudication process. This system was inactivated in September 2013.
7. The new ZenDesk ticketing system, while it will be an asset and part of our long term solution, has been a large undertaking costing staff hours and resources during its implementation. This system was implemented in April 2014.

### B. Description of actions/activities which will be undertaken to improve performance.

1. We now have an imaging unit to keep our document storage system, SIDES, current. This has aided in making more timely decisions and we are seeing a steady decline in the pending claims backlog.

2. We have expanded to almost full capacity in the Nashville Claims Center and plan to continue in our effort to bring the other two metropolitan centers in the state to 30 per center by September 30, 2016.
  3. Four additional adjudicators were hired in the spring and are currently in on the job training. We plan to add another six, statewide, this fall in an effort to ensure timely decisions and prevent future backlogs.
  4. We plan to continue, not only training of new staff, but refresher training for all Claims Agent staff.
  5. To counter recent and upcoming Claims Agent promotions to Adjudication, we have worked registers over the past few months to convert part time Claims Agents to full time.
  6. Will be implementing Geographic Solutions GUS claims solution to replace mainframe system
- C. If a plan was in place the previous fiscal year, and explanation of why the actions contained in that plan were not successful in improving performance, and an explanation of why the actions now specified will be more successful;
1. While not acquiring a document storage system, the department has utilized an existing system, SIDES, for document management. This has eliminated the misplacement of claims material, therefore, aiding in timeliness and backlog reduction.
- D. A brief description of plans for monitoring and assessing accomplishment of planned actions and for controlling quality after achieving performance goals.
1. We plan to reassess Job Plans for both Claims Agents and Adjudicators in an effort to maximize productivity and quality.
  2. We have also implemented a quality control measure to ensure Agents are maintaining their suspense files which aides in timely first pays.

Finally, with our current process, we are on track to reach our goal of eliminating the adjudication backlog and continue the steady improvement in first pay timeliness measures.

Below are the milestones (numbered sequentially) with the respective completion date:

1. Using Sides as Document management system. Completed 06/30
2. Add additional 30 claims agents to claims operations. Completed 09/30
3. Hire additional six adjudicators. Completed 12/31
4. Refresher training for claims agents and adjudication. Completed 12/31
5. Continue plan to replace staff due to promotion or leaving the agency. This is replacement due to turnover not new hiring for workload as in milestone 2. Completed 09/30
6. Implement GUS claims solution. Completed 06/30

***Federal Fiscal Years: 2015-2016***

MEASURE/PROGRAM AREA: Lower Authority Appeals (Regulation): Decided within 30 days

Current Performance Level: 74.6( June 30, 2014)

Projected Performance Levels: 75.00(12/31/14) 80.00(3/31/15) 80.00(6/30/15) 80.00 (9/31/15) 80.00 (12/31/15) 85.00 (3/31/16) 85.00 (6/30/16) 85.00 (9/30/16)

## **SUMMARY:**

Provide:

A. the reason(s) for the deficiency;

Tennessee's appeals caseload remained above average in 2013 due to the high unemployment rate and poor economic conditions. At the end of 2013, we were aware of the deficiency and aware that without a change in the number of incoming appeals, intervention was needed to address the problem. As a result, we outlined three specific corrective measures that we took to improve our performance:

1. Increase the number of hearing officers and support staff and utilize our ability to overlap positions to fill all vacant staffing positions.
2. Implement ongoing monitoring of work units to track work flow to identify problem areas in the unit that might affect the promptness of appeals decisions being mailed and to correct any deficiencies.
3. Schedule hearings to maximize the number of cases completed weekly by each individual in order to promptly issue written decisions.

We use a weekly reporting system to track the workflow in the Lower Authority level of appeals. The report includes an accounting of new appeals received, the number of outstanding cases pending and the number of decisions completed. This weekly report provides an overview of the status at both levels. In addition, Lower Authority Appeals is monitoring the number of cases docketed and scheduled to track the internal process. We also scheduled between six and seven hearings per day for each hearing officer to maximize the number of cases completed and to allow time to promptly issue written decisions. A similar backlog problem was resolved at the beginning of 2012 by hiring additional hearing officers and support staff to address the issue (as described in section B below).

B. a description of the actions/activities which will be undertaken to improve performance and;

Tennessee's Lower Authority began 2014 with 2,238 cases waiting to be heard, and that number declined through the end of May of 2014. At that time we had 1,292 cases waiting to be heard. With our existing number of hearing officers we should be able to maintain time-lapse and case-aging requirements with 1,400 cases waiting to be heard because we are hiring additional temporary hearing officers. We then lost several lower authority hearing officers through attrition, and we approved annual leave and medical leaves of absence which caused a shortage of hearing officers. To address the shortage, we hired two (2) additional temporary hearing officers in May and June. We also hired three additional three (3) temporary hearing officers in September. There is, however, a training curve, and it can take several months before a hearing officer may be fully productive. We have also hired three (3) temporary support staff employees to aid the Appeals Tribunal in addressing work load.

Tennessee's Benefit Payment Control unit began to address a backlog of matters, which led to an increase in the number of appeals filed with the Lower Authority Appeals in June of 2014. This increase in

the number of appeals is expected to end when Tennessee's Benefit Payment Control unit addresses its backlog, which will take several months and probably taper off in November of 2014. Because of this surge in the number of appeals filed, we began the hiring process to employ three (3) additional temporary hearing officers in July of 2014.

- C. if a plan was in place the previous fiscal year, an explanation of why the actions contained in that plan were not successful in improving performance, and an explanation of why the actions now specified will be more successful; and

In the past four years, we have been successful in completing a backlog of cases. There has been a significant fluctuations in the number of appeals filed in recent years. This has made it difficult to forecast the number of hearing officers needed to reasonably serve the public. Additionally, the Agency has been resolving several backlogs and this also complicates our personnel planning in Appeals. Once we have finished addressing a backlog, we have excused temporary hearing officers. In May of 2014, the Lower Authority reached a point where we were compliant with time-lapse and case aging requirements, but we were aware of other units addressing claims situations that would lead to additional hearings, and we began to employ additional hearing officers. As noted herein, we were able to fill three (3) additional temporary hearing officer positions (and three temporary support staff positions) in August of 2014. We believe that we have been able to hire sufficient additional temporary hearing officers to correct the present case backlog deficiency.

- D. a brief description of plans for monitoring and assessing accomplishment of planned actions and for controlling quality after achieving performance goals.

We continue to use the weekly reporting system we developed to track the workflow and to monitor the number of cases docketed and scheduled to track the internal appeals process.

Below are the milestones (numbered sequentially) with the respective completion date:

1. Obtain funding to hire five (5) temporary hearing officers and three (3) temporary support staff employees. Completed 6/30
2. Hire additional temporary hearing officers and temporary support staff employees as needed. Completed 6/30
3. Implement ongoing monitoring of work units Completed 12/31
4. Schedule hearings to maximize number of cases completed. Completed 12/31, 03/31, 06/30, 09/30, 12/31, 03/31, 06/30, 09/30

### **Federal Fiscal Years: 2015-2016**

MEASURE/PROGRAM AREA: Lower Authority Appeals (Regulation): Decided within 45 days

Current Performance Level: 80.0 For quarter ending June 30,2014

Projected Performance Levels: 80.00(12/31/14) 80.00(3/31/15) 85.00(6/30/15) 85.00 (9/31/15) 85.00 (12/31/15) 85.00 (3/31/16) 85.00 (6/30/16) 85.00 (9/30/16)

## SUMMARY:

Provide:

A. the reason(s) for the deficiency;

Tennessee's appeals caseload remained above average in 2013 due to the high unemployment rate and poor economic conditions. At the end of 2013, we were aware of the deficiency and aware that without a change in the number of incoming appeals, intervention was needed to address the problem. As a result, we outlined three specific corrective measures that we took to improve our performance:

1. Increase the number of hearing officers and support staff and utilize our ability to overlap positions to fill all vacant staffing positions.
2. Implement ongoing monitoring of work units to track work flow to identify problem areas in the unit that might affect the promptness of appeals decisions being mailed and to correct any deficiencies.
3. Schedule hearings to maximize the number of cases completed weekly by each individual in order to promptly issue written decisions.

We use a weekly reporting system to track the workflow in the Lower Authority level of appeals. The report includes an accounting of new appeals received, the number of outstanding cases pending and the number of decisions completed. This weekly report provides an overview of the status at both levels. In addition, Lower Authority Appeals is monitoring the number of cases docketed and scheduled to track the internal process. We also scheduled between six and seven hearings per day for each hearing officer to maximize the number of cases completed and to allow time to promptly issue written decisions. A similar backlog problem was resolved at the beginning of 2012 by hiring additional hearing officers and support staff to address the issue (as described in section B below).

B. a description of the actions/activities which will be undertaken to improve performance and;

Tennessee's Lower Authority began 2014 with 2,238 cases waiting to be heard, and that number declined through the end of May of 2014. At that time we had 1,292 cases waiting to be heard. With our existing number of hearing officers we should be able to maintain time-lapse and case-aging requirements with 1,400 cases waiting to be heard. We then lost several lower authority hearing officers through attrition, and we approved annual leave and medical leaves of absence which caused a shortage of hearing officers. To address the shortage, we hired two (2) additional temporary hearing officers in May and June. There is, however, a training curve, and it can take several months before a hearing officer may be fully productive.

Tennessee's Benefit Payment Control unit began to address a backlog of matters, which led to an increase in the number of appeals filed with the Lower Authority Appeals in June of 2014. This increase in the number of appeals is expected to end when Tennessee's Benefit Payment Control unit addresses its backlog, which will take several months and probably taper off in November of 2014. Because of this surge in the number of appeals filed, we began the hiring process to employ three (3) additional temporary hearing officers in July of 2014.

- C. if a plan was in place the previous fiscal year, an explanation of why the actions contained in that plan were not successful in improving performance, and an explanation of why the actions now specified will be more successful; and

In the past four years, we have been successful in completing a backlog of cases. Once we have finished addressing a backlog, we have excused temporary hearing officers. In May of 2014, the Lower Authority reached a point where we were compliant with time-lapse and case aging requirements, but we were aware of other units addressing claims situations that would lead to additional hearings, and we began to employ additional hearing officers. As noted herein, we were able to fill three (3) additional temporary hearing officer positions (and three temporary support staff positions) in August of 2014. We believe that we have been able to hire sufficient additional temporary hearing officers to correct the present case backlog deficiency.

- D. a brief description of plans for monitoring and assessing accomplishment of planned actions and for controlling quality after achieving performance goals.

We continue to use the weekly reporting system we developed to track the workflow and to monitor the number of cases docketed and scheduled to track the internal appeals process.

Below are the milestones (numbered sequentially) with the respective completion date:

1. Obtain funding to hire five (5) temporary hearing officers and three (3) temporary support staff employees. Completed 06/30
2. Hire additional temporary hearing officers and temporary support staff employees as needed. Completed 06/30
3. Implement ongoing monitoring of work unit. Completed 12/31
4. Schedule hearings to maximize number of cases completed. Completed 12/31, 03/31, 06/30, 09/30, 12/31, 03/31, 06/30, 09/30

### **Federal Fiscal Years: 2015-2016**

MEASURE/PROGRAM AREA: First Payment Promptness (Regulation): % of 1st Payments within 14/21 days: IntraState UI, full weeks

Current Performance Level: 56.6 (as of 6/30/2014)

Projected Performance Levels: 70.00(12/31/14) 75.00(3/31/15) 75.00(6/30/15) 80.00 (9/31/15) 85.00 (12/31/15) 87.00 (3/31/16) 87.00 (6/30/16) 87.00 (9/30/16)

### **SUMMARY:**

- A. Reasons for deficiency

Although claims volume has decreased due to the ending of EUC, the Claims Center has continued to experience backlogs( June 30 4,723 over 21 days) due to:

1. Continued filing, by applicants, for potential EUC eligibility; inquiries regarding EUC continuing past the first quarter of 2014 through every potential means of contact.
2. State law changes regarding school claims, reasonable assurance, severance and wages in lieu of notice definitions. TN established that all employees who work for a government agency in a school system now have reasonable assurance. This increased the number of claims that needed non monetary decisions over the previous year. Severance and wages in lieu now became disqualifying issues. This also increased the number of non monetary decisions that needed to be made. Initial interpretations of this policy were changed several times which led to inconsistent processing of the claims.
3. Workforce issues due to turnover, i.e. loss of part time staff to full time opportunities elsewhere, promotions of both full time Claims Agents and Adjudicators to other units that are looking for UI experience. This is also compounded by the fact that those positions have to be filled with new, part time, inexperienced staff.
4. Claims taking processes have also utilized several different systems which have led to an inconsistent processing of claims. We use a 40 year old mainframe system as for processing of decisions, payments, and certifications. We use a software system called TNPage for claims processing. TNPAGE works with our IVR telephone system and then processes the claim record over to our mainframe system. Interviewers and adjudicators must work out of both systems.
5. All of these issues have led to the inability to dedicate resources and time to properly train because it was difficult to pull staff consistently for training opportunities
6. The case management system, implemented in March of 2012, was ultimately inactivated due to continued complications. This system led to documents attaching to the wrong claim, unavailability of claims material, and eventually to the inefficiencies in the adjudication process. This system was inactivated in September 2013.
7. The new ZenDesk ticketing system, while it will be an asset and part of our long term solution, has been a large undertaking costing staff hours and resources during its implementation. This system was implemented in April 2014.

B. Description of actions/ activities which will be undertaken to improve performance.

1. We now have an imaging unit to keep our document storage system, SIDES, current. This has aided in making more timely decisions and we are seeing a steady decline in the pending claims backlog.
2. We have expanded to almost full capacity in the Nashville Claims Center and plan to continue in our effort to bring the other two metropolitan centers in the state to 30 per center, by September 30, 2016.
3. Four additional adjudicators were hired in the spring and are currently in on the job training. We plan to add another six, statewide, this fall in an effort to ensure timely decisions and prevent future backlogs.
4. We plan to continue, not only training of new staff, but refresher training for all Claims Agent staff.
5. To counter recent and upcoming Claims Agent promotions to Adjudication, we have worked registers over the past few months to convert part time Claims Agents to full time.
6. Will be implementing Geographic Solutions GUS claims solution to replace mainframe system

- C. If a plan was in place the previous fiscal year, and explanation of why the actions contained in that plan were not successful in improving performance, and an explanation of why the actions now specified will be more successful;
  - 1. While not acquiring a document storage system, the department has utilized an existing system, SIDES, for document management. This has eliminated the misplacement of claims material, therefore, aiding in timeliness and backlog reduction.
- D. A brief description of plans for monitoring and assessing accomplishment of planned actions and for controlling quality after achieving performance goals.
  - 1. We plan to reassess Job Plans for both Claims Agents and Adjudicators in an effort to maximize productivity and quality.
  - 2. We have also implemented a quality control measure to ensure Agents are maintaining their suspense files which aides in timely first pays.

Finally, with our current process, we are on track to reach our goal of eliminating the adjudication backlog and continue the steady improvement in first pay timeliness measures.

Below are the milestones (numbered sequentially) with the respective completion date:

- 1. Using Sides as Document management system. Completed 06/30
- 2. Add additional 30 claims agents to claims operations. Completed 09/30
- 3. Hire additional six adjudicators. Completed 12/31
- 4. Refresher training for claims agents and adjudication. Completed 12/31
- 5. Continue plan to replace staff due to promotion or leaving the agency This is replacement due to turnover not new hiring for workload as in milestone 2. Completed 09/30
- 6. Implement GUS claims solution. Completed 06/30

MEASURE/PROGRAM AREA: First Payments Intrastate weeks, within days 35 days

Current Performance Level: 70.0%(as of 6/30/2014)

Projected Performance Levels: 75.00(12/31/14) 80.00(3/31/15) 80.00(6/30/15) 85.00 (9/31/15) 90.00 (12/31/15) 95.00 (3/31/16) 95.00 (6/30/16) 95.00 (9/30/16)

**SUMMARY:**

- A. Reasons for deficiency

Although claims volume has decreased due to the ending of EUC, the Claims Center has continued to experience backlogs due to:

- 1. Continued filing, by applicants, for potential EUC eligibility; inquiries regarding EUC continuing past the first quarter of 2014 through every potential means of contact.

2. State law changes regarding school claims, reasonable assurance, severance and wages in lieu of notice definitions. TN established that all employees who work for a government agency in a school system now have reasonable assurance. This increased the number of claims that needed non monetary decisions over the previous year. Severance and wages in lieu now became disqualifying issues. This also increased the number of non monetary decisions that needed to be made. Initial interpretations of this policy where changed several times which led to inconsistent processing of the claims.
3. Workforce issues due to turnover, i.e. loss of part time staff to full time opportunities elsewhere, promotions of both full time Claims Agents and Adjudicators to other units that are looking for UI experience. This is also compounded by the fact that those positions have to be filled with new, part time, inexperienced staff.
4. Claims taking processes have also utilized several different systems which have led to an inconsistent processing of claims. We use a 40 year old mainframe system as for processing of decisions, payments, and certifications. We use a software system called TNPage for claims processing. TNPAGE works with our IVR telephone system and then processes the claim record over to our mainframe system. Interviewers and adjudicators must work out of both systems.
5. All of these issues have led to the inability to dedicate resources and time to properly train because it has been difficult to pull staff consistently for training opportunities.
6. The case management system, implemented in March of 2012, was ultimately inactivated due to continued complications. This system led to documents attaching to the wrong claim, unavailability of claims material, and eventually to the inefficiencies in the adjudication process. This was inactivated September 2013.
7. The new ZenDesk ticketing system, while it will be an asset and part of our long term solution, has been a large undertaking costing staff hours and resources during its implementation. This was implemented April 2014.

B. Description of actions/ activities which will be undertaken to improve performance.

1. We now have an imaging unit to keep our document storage system, SIDES, current. This has aided in making more timely decisions and we are seeing a steady decline in the pending claims backlog.
2. We have expanded to almost full capacity in the Nashville Claims Center and plan to continue in our effort to bring the other two metropolitan centers in the state to 30 per center, over time.
3. Four additional adjudicators were hired in the spring and are currently in on the job training. We plan to add another six, statewide, this fall in an effort to ensure timely decisions and prevent future backlogs.
4. We plan to continue, not only training of new staff, but refresher training for all Claims Agent staff.
5. To counter recent and upcoming Claims Agent promotions to Adjudication, we have worked registers over the past few months to convert part time Claims Agents to full time.
6. Will be implementing Geographic Solutions GUS claims solution to replace mainframe system

C. If a plan was in place the previous fiscal year, and explanation of why the actions contained in that plan were not successful in improving performance, and an explanation of why the actions now specified will be more successful;

1. While not acquiring a document storage system, the department has utilized an existing system, SIDES, for document management. This has eliminated the misplacement of claims material, therefore, aiding in timeliness and backlog reduction.
- D. A brief description of plans for monitoring and assessing accomplishment of planned actions and for controlling quality after achieving performance goals.
1. We plan to reassess Job Plans for both Claims Agents and Adjudicators in an effort to maximize productivity and quality.
  2. We have also implemented a quality control measure to ensure Agents are maintaining their suspense files which aides in timely first pays.

Finally, with our current process, we are on track to reach our goal of eliminating the adjudication backlog and continue the steady improvement in first pay timeliness measures.

Below are the milestones (numbered sequentially) with the respective completion date:

1. Using Sides as Document management system. Completed 06/30
2. Add additional 30 claims agents to claims operation. Completed 12/31
3. Hire additional six adjudicators. Completed 03/31
4. Refresher training for claims agents and adjudication. Completed 12/31
5. Continue plan to replace staff due to promotion or leaving the agency This is replacement due to turnover not new hiring for workload as in milestone 2. Completed 09/30
6. Implement GUS claims solution. Completed 06/30

MEASURE/PROGRAM AREA: Detection of Overpayments: % of detectable/recoverable overpayments established for recovery

Current Performance Level: 46.19 (as of 06/60/2014)

Projected Performance Levels: 50% (12/31/15) 50% (3/31/15) 50% (6/30/15) 50% (9/31/15) 60% (12/31/15) 70% (3/31/16) 70% (6/30/16) 70% (9/30/16)

#### **SUMMARY:**

##### A. Reasons for deficiency :

Tennessee performance for the most recent three-year measurement period was 46.19% based on BPC data from the period 7/01/2011 -June 30, 2014 and BAM data from the period 01/01/2011-12/31/2013.

This is below the 50% Acceptable Level of Performance (ALP) established for this performance year.

The level of unemployment claims has significantly increased over the past several years resulting in a corresponding significant increase in the amount of UI benefit payments. This has resulted in a significant increase in the amount of improper benefits payments. Past budget issues have prevented us from filling vacant positions over the past several years as existing BPC auditors and support staff have retired. As a

result, a substantial backlog of cases has developed. Currently we have been able to hire merit staff auditors and are working to decrease the backlog of cases by 12/31/2014. Current backlog is 8,600 cases and we have been working the backlog since March 15, 2014.

B. A description of the actions/activities which will be undertaken to improve performance:

In an effort to help deal with the mounting backlog we have taken advantage of funding opportunities to implement initiatives that will help us better detect overpayments, reduce our current backlog and recover outstanding overpayments both fraud and non fraud. We will be implementing three technology solutions to increase detection and prevention of overpayments.

1. Merit Staffing:

We have hired Merit Staff who are knowledgeable in Benefit Payment Control operations and establishing overpayments to help eliminate the backlog in Benefit Payment Control. In BPC, the wage audit cross matches have a backlog. The Merit Staff we have hired will also allow our current staff of auditors to establish overpayments on current cross matches and new hire cases while the merit staff will concentrate solely on backlog cases. In addition to helping eliminate our backlog, the merit staff, through the course of their work, will also improve UI operations by educating claimants on procedures for properly reporting their earnings and preventing claimants from becoming further overpaid. The backlog should be complete by 12/31/2014. We have hired three merit staff auditors to concentrate on the recovery of high end fraud overpayments which are cases over five thousand dollars.

2. Contract support staff for BPC:

We have also received supplemental funding to hire Contract Support staff that is being used exclusively in BPC to contact claimants when either SDNH or NDNH indicates a claimant may have returned to work. The contract support worker is providing instructions to the claimant on their responsibility to report their current employment status. Due to the increase in claims and new hire cases, the workload in BPC has increased. Each of our auditors receives approximately 120 hits per week from the State Directory of New Hire and the National Directory of New Hire. Use of the contract support, staff hired September 2013; to contact claimants is allowing the auditors to devote more time to establishing the overpayments. Through the use of the contract worker, we hope to be able to reduce the amount of overpayments by 10% and the number of weeks by 15% by end of fiscal year 2015.

We will use requested SBR money to hire two contract supervisors and eight contract staff to increase manual collections of overpayments.

3. Technology

SBR Funding has been requested to enhance the detection of return to work dates and cross match those dates with certifications that occur after the return to work date. We have acquired a Fraud detection and prevention tool from SAS to improve accuracy of hits through advanced analytics, anomaly detection, text mining, and social network analysis. It will increase detection of potential fraudulent activity by claimants and employers through business analytics framework. The SAS product will also help

with case management of hits which will increase the efficiency of the BPC unit. This project will be implemented by the end of the first quarter 2015.

The agency is also in the process of replacing the mainframe system with the Geographic Solutions INC GUS unemployment software system. This will enhance the ability for early detection and prevention of overpayments. This will enable us to process new hires and cross matches quicker and more efficiently by automating the process. We will be able to identify potential overpayments through business rules and enhanced detection methods. An example is using the return to work date and compare it to certifications. Also have claimant submit work searches prior to certification. This is expected to be implemented third quarter 2016.

- C. If a plan was in place the previous fiscal year, an explanation of why the actions contained in that plan were not successful in improving performance, and an explanation of why the actions now specified will be more successful;

The backlog of overpayments was not completely reduced during FY 2014 but a plan was implemented during that period and that task will be complete by December 31, 2014. It was not successful because it was not fully implemented until March of 2014.

- D. Brief description of plans for monitoring and assessing accomplishment of planned actions and for controlling quality after achieving performance goals.

We will continue to monitor performance in this area and modify our corrective action plan and/or implementation timetable if necessary to achieve and maintain our performance goals.

Below are the milestones (numbered sequentially) with the respective completion date:

1. Utilize merit staff to decrease backlog. Completed 12/31
2. Utilize merit staff to recover fraud overpayment. Completed 12/31, 03/31, 06/30, 09/30, 12/31, 03/31, 06/30, 09/30
3. Hire contract staff to increase recovery of overpayments Completed 03/31
4. Continue to use Contract staff NDNH and SDNH Completed 12/31, 03/31, 06/30, 09/30, 12/31, 03/31, 06/30, 09/30
5. Implement SAS Fraud Framework Completed 06/30
6. Implement GUS claims system. Completed 06/30

MEASURE/PROGRAM AREA: First Payments Interstate weeks, within days 14/21 days

Current Performance Level: 53.4% (as of 6/30/2014)

Projected Performance Levels: 65.00(12/31/14) 70.00(3/31/15) 75.00(6/30/15) 80.00 (9/31/15) 80.00 (12/31/15) 80.00 (3/31/16) 80.00 (6/30/16) 80.00 (9/30/16)

**SUMMARY:**

- A. Reasons for deficiency

Although claims volume has decreased due to the ending of EUC, the Claims Center has continued to experience backlogs( June 30 4,723 over 21 days) due to:

1. Continued filing, by applicants, for potential EUC eligibility; inquiries regarding EUC continuing past the first quarter of 2014 through every potential means of contact.
2. State law changes regarding school claims, reasonable assurance, severance and wages in lieu of notice definitions. TN established that all employees who work for a government agency in a school system now have reasonable assurance. This increased the number of claims that needed non monetary decisions over the previous year. Severance and wages in lieu now became disqualifying issues. This also increased the number of non monetary decisions that needed to be made. Initial interpretations of this policy where changed several times which led to inconsistent processing of the claims.
3. Workforce issues due to turnover, i.e. loss of part time staff to full time opportunities elsewhere, promotions of both full time Claims Agents and Adjudicators to other units that are looking for UI experience. This is also compounded by the fact that those positions have to be filled with new, part time, inexperienced staff.
4. Claims taking processes have also utilized several different systems which have led to an inconsistent processing of claims. We use a 40 year old mainframe system as for processing of decisions, payments, and certifications. We use a software system called TNPage for claims processing. TNPAGE works with our IVR telephone system and then processes the claim record over to our mainframe system. Interviewers and adjudicators must work out of both systems.
5. All of these issues have led to the inability to dedicate resources and time to properly train.
6. The case management system, implemented in March of 2012, was ultimately inactivated due to continued complications. This system led to documents attaching to the wrong claim, unavailability of claims material, and eventually to the inefficiencies in the adjudication process.

This system was deactivated on September 2013.

7. The new ZenDesk ticketing system, while it will be an asset and part of our long term solution, has been a large undertaking costing staff hours and resources during its implementation. This system was implemented in April 2014.

B. Description of actions/ activities which will be undertaken to improve performance.

1. We now have an imaging unit to keep our document storage system, SIDES, current. This has aided in making more timely decisions and we are seeing a steady decline in the pending claims backlog.
2. We have expanded to almost full capacity in the Nashville Claims Center and plan to continue in our effort to bring the other two metropolitan centers in the state to 30 per center, by September 2016.
3. Four additional adjudicators were hired in the spring and are currently in on the job training. We plan to add another six, statewide, this fall in an effort to ensure timely decisions and prevent future backlogs.
4. We plan to continue, not only training of new staff, but refresher training for all Claims Agent staff.

5. To counter recent and upcoming Claims Agent promotions to Adjudication, we have worked registers over the past few months to convert part time Claims Agents to full time.
  6. Will be implementing Geographic Solutions GUS claims solution to replace mainframe system
- C. If a plan was in place the previous fiscal year, and explanation of why the actions contained in that plan were not successful in improving performance, and an explanation of why the actions now specified will be more successful;
1. While not acquiring a document storage system, the department has utilized an existing system, SIDES, for document management. This has eliminated the misplacement of claims material, therefore, aiding in timeliness and backlog reduction.
- D. A brief description of plans for monitoring and assessing accomplishment of planned actions and for controlling quality after achieving performance goals.
1. We plan to reassess Job Plans for both Claims Agents and Adjudicators in an effort to maximize productivity and quality.
  2. We have also implemented a quality control measure to ensure Agents are maintaining their suspense files which aides in timely first pays.

Finally, with our current process, we are on track to reach our goal of eliminating the adjudication backlog and continue the steady improvement in first pay timeliness measures.

Below are the milestones (numbered sequentially) with the respective completion date:

1. Using Sides as Document management system. Completed 06/30
2. Add additional 30 claims agents to claims operations. Completed 09/30
3. Hire additional six adjudicators. Completed 03/31
4. Refresher training for claims agents and adjudication Completed 12/31
5. Continue plan to replace staff due to promotion or leaving the agency. Completed 09/30
6. Implement GUS claims solution Completed 06/30

MEASURE/PROGRAM AREA: First Payments Interstate weeks, within days 35 days

Current Performance Level: 67.3% as of 6/30/2014

Projected Performance Levels: 70.00(12/31/14) 75.00(3/31/15) 75.00(6/30/15) 85.00 (9/31/15) 85.00 (12/31/15) 85.00 (3/31/16) 85.00 (6/30/16) 85.00 (9/30/16)

**SUMMARY:**

- A. Reasons for deficiency:

Although claims volume has decreased due to the ending of EUC, the Claims Center has continued to experience backlogs due to:

1. Continued filing, by applicants, for potential EUC eligibility; inquiries regarding EUC continuing past the first quarter of 2014 through every potential means of contact.
2. State law changes regarding school claims, reasonable assurance, severance and wages in lieu of notice definitions. TN established that all employees who work for a government agency in a school system now have reasonable assurance. This increased the number of claims that needed non monetary decisions over the previous year. Severance and wages in lieu now became disqualifying issues. This also increased the number of non monetary decisions that needed to be made. Initial interpretations of this policy were changed several times which led to inconsistent processing of the claims.
3. Workforce issues due to turnover, i.e. loss of part time staff to full time opportunities elsewhere, promotions of both full time Claims Agents and Adjudicators to other units that are looking for UI experience. This is also compounded by the fact that those positions have to be filled with new, part time, inexperienced staff.
4. Claims taking processes have also utilized several different systems which have led to an inconsistent processing of claims. We use a 40 year old mainframe system as for processing of decisions, payments, and certifications. We use a software system called TNPage for claims processing. TNPAGE works with our IVR telephone system and then processes the claim record over to our mainframe system. Interviewers and adjudicators must work out of both systems.
5. All of these issues have led to the inability to dedicate resources and time to properly train because it was difficult to pull staff consistently for training purposes.
6. The case management system, implemented in March of 2012, was ultimately inactivated due to continued complications. This system led to documents attaching to the wrong claim, unavailability of claims material, and eventually to the inefficiencies in the adjudication process. Deactivated September 2013.
7. The new ZenDesk ticketing system, while it will be an asset and part of our long term solution, has been a large undertaking costing staff hours and resources during its implementation. Implemented April 2014.

B. Description of actions/ activities which will be undertaken to improve performance.

1. We now have an imaging unit to keep our document storage system, SIDES, current. This has aided in making more timely decisions and we are seeing a steady decline in the pending claims backlog.
2. We have expanded to almost full capacity in the Nashville Claims Center and plan to continue in our effort to bring the other two metropolitan centers in the state to 30 per center, by September 30, 2016.
3. Four additional adjudicators were hired in the spring and are currently in on the job training. We plan to add another six, statewide, this fall in an effort to ensure timely decisions and prevent future backlogs.
4. We plan to continue, not only training of new staff, but refresher training for all Claims Agent staff.
5. To counter recent and upcoming Claims Agent promotions to Adjudication, we have worked registers over the past few months to convert part time Claims Agents to full time.
6. Will be implementing Geographic Solutions GUS claims solution to replace mainframe system

- C. If a plan was in place the previous fiscal year, and explanation of why the actions contained in that plan were not successful in improving performance, and an explanation of why the actions now specified will be more successful;
  - 1. While not acquiring a document storage system, the department has utilized an existing system, SIDES, for document management. This has eliminated the misplacement of claims material, therefore, aiding in timeliness and backlog reduction.
- D. A brief description of plans for monitoring and assessing accomplishment of planned actions and for controlling quality after achieving performance goals.
  - 1. We plan to reassess Job Plans for both Claims Agents and Adjudicators in an effort to maximize productivity and quality.
  - 2. We have also implemented a quality control measure to ensure Agents are maintaining their suspense files which aides in timely first pays.

Finally, with our current process, we are on track to reach our goal of eliminating the adjudication backlog and continue the steady improvement in first pay timeliness measures.

Below are the milestones (numbered sequentially) with the respective completion date:

- 1. Using Sides as Document management system. Completed 06/30
- 2. Add additional 30claims agents to claims operations. Completed 09/30
- 3. Hire additional six adjudicators. Completed 03/31
- 4. Refresher training for claims agents and adjudication. Completed 12/31
- 5. Continue plan to replace staff due to promotion or leaving the agency This is replacement due to turnover not new hiring for workload as in milestone 2. Completed 09/30
- 6. Implement GUS claims solution. completed06/30

MEASURE/PROGRAM AREA: DATA Validation

Current Performance Level: FAIL (as of 3/31 or most recent performance)

Projected Performance Levels: PASS (12/31/14) PASS (3/31/15) PASS (6/30/15) PASS (9/31/15) PASS (12/31/15) PASS (3/31/16) PASS (6/30/16) PASS (9/30/16)

SUMMARY:

In Tennessee, the Nonmonetary Determinations Quality sample Separations and Non Separations both failed validation and we were not able to submit benefit populations, 4, 5, 12, 13 and 15 for validation during VY14.

- A. The reason(s) for the deficiency;

**Population 4: Payments**

- Research is being done to determine programming errors. It appears that dollar amounts are being added incorrectly and duplicate records were being created.

### **Population 5: Nonmonetary Determinations**

- Program codes for Tennessee Unemployment Compensation (TUC), UCFE and UCX with combinations of TUC/UCX, TUC/UCFE, TUC/UCFE/UCX, and UCFE/UCX are recoded with values of 1 through 7.
- Subsequent processes are reading the files for reporting ETA programs and the Data Validation process. This processing is miscoding the Program Code values into a single code for TUC, UCFE and UCX. This causes the true UCFE and UCX claimants to be omitted.

### **Population 12: Overpayments Established**

- Population 12 did not pass validation because the High Dollar amounts for individuals are not being properly calculated.
- The program that determines High Dollar needs to be changed to create records for Fraud and Non-Fraud and for UI and EB for each individual. This will affect both Data Validation files and the ETA 227 report file.

### **Population 13: Overpayment Reconciliation Activities**

- Population 13 did not pass validation because of duplicates in the programming for repayments/reimbursements along with other formatting errors where the records were not included in the data uploaded to the SUN System. The deleted records and the duplicates created issues with the initial upload into the SUN system where no category passed the report validation/reported counts section of data validation.

### **Population 15: Overpayments Established by Method**

- The initial Report Validation for Population 15 was not able to pass validation due to information/data in reported cells related to "investigated cases" not being captured. A procedure to capture this data needs to be developed before population 15 will pass the report validation/reported counts section of data validation.

### **Nonmonetary Determinations Quality Sample - Separations**

- The BTQ sampling for nonmonetary Determinations is counting more records than are reported on the ETA 9052 report. This creates a universe for the BTQ sample that is greater than the 9052 counts.
- Research is being done to determine the cause of the incorrect counts on the BTQ Sample Report. When causes are determined the solution can be defined.

### **Nonmonetary Determinations Quality Sample - Non Separations**

- The BTQ sampling for nonmonetary Determinations is counting more records than are reported on the ETA 9052 report.
- Research is being done to determine the cause of the incorrect counts on the BTQ Sample Report. When causes are determined the solution can be defined.

B. A description of the actions/activities which will be undertaken to improve performance;

#### **Population 4: Payments**

BP0018 will be reexamined as to how it assigns sub pops for Population 4. This analysis will help determine possible solutions and ensure duplicates are not being added into the totals.

#### **Population 5: Nonmonetary Determinations**

A monthly process is run to extract data for Population 5 with file written that contains various data elements for reporting. One field is the Program Code for TUC, UCFE and UCX claimants with combinations of TUC, TUC/UCFE, TUC/UCX, TUC/UCFE/UCX, UCFE/UCX and UCX. These combinations are recoded with values 1 thru 7.

Subsequent processes are reading the extract file for reporting ETA programs and Data Validation process. However this processing was miscoding the Program Code values into a single code for TUC, UCFE and UCX. This caused the process for TUC claimants to be coded as a value of 1 for TUC only, 2 for UCFE were TUC/UCFE claimants and 3 for UCX were TUC/UCFE/UCX claimants. The true UCFE and UCX claimants were being omitted.

This recoding was being further passed on to the Quarterly process for the ETA 207 and ETA 9056 reporting and the data validation process for Population 5.

The corrections made to these reports were using the various Program Code values separately in each process. The Program Code values of 1, 2, 3 and 4 were designated to be TUC, Program Code values of 5 and 6 were UCFE and Program Code 7 were UCX claims.

#### **Population 12: Overpayments Established**

The program that determines High Dollar for individuals needs to be changed to:

- create records for Fraud & Non-Fraud and for UI & EB for each individual.
- have totals on record for prior quarters for UI, Fed, and EB.
- have totals on record for current quarter for UI, Fed and EB.
- include BYB date, SSN and BYE.

The program that creates the ETA227 report needs to be changed to:

- read separate High Dollar file.
- compare combined current quarter UI and Fed amounts of Fraud and Non-Fraud to determine which "Number of Cases" on line 112 or 113 gets . incremented. The dollar amounts are added to

the appropriate column (UI, Fed) for Fraud/Non-Fraud. UI and Fed cases are counted in UI column only.

- compare current quarter EB amounts of Fraud and Non-Fraud to determine which “Number of Cases” on line 112 or 113 gets incremented. The dollar amounts are added to the appropriate column (EB) for Fraud/Non-Fraud.
- amounts on lines 112 and 113 are added to amounts on line 110 by column. The programs that validate POP12 needs changed to:
  - read POP12 file and try to find matching High Dollar.
  - when found:
    - to first record of individual by UI/EB, Fraud/Non-Fraud:
    - include the prior UI, FED, EB amounts in appropriate “Accumulated” fields.
    - include BYB date in “Date of Orig. Monetary”.

### **Population 13: Overpayment Reconciliation Activities**

There was coding errors that continued processing after reimbursements/payments were recorded.

This caused some transactions to be record twice. Programming change to include a simple GOTO to prevent records from being written twice.

### **Population 15: Overpayments Established by Method**

Information/data in reported cells related to “investigated cases” is not captured. A procedure to capture this data needs to be developed and extensive reprograming will need to be completed. Currently our IT resources are limited and a plan has not been developed for our current system. A new system will be operational in 24 months that will accommodate our needs for this population.

### **Nonmonetary Determinations Quality Sample - Separations**

Research is ongoing to determine the cause of the incorrect counts on the BTQ Sample Report.

When the cause is determined the solution can be defined.

### **Nonmonetary Determinations Quality Sample - Non Separations**

Limited IT resources had delayed research in determining the cause of the incorrect counts on the BTQ Sample Report. A programmer has been assigned to this task and when the cause is determined the solution can be defined.

- C. If a plan was in place the previous fiscal year, an explanation of why the actions contained in that plan were not successful in improving performance, and an explanation of why the actions now specified will be more successful;

### **Population 4: Payments**

Additional program modifications must be made that weren't included in previous years CAP.

## **Population 5: Nonmonetary Determinations**

These programming errors are being researched. IT resources have been very limited and previous IT Staff designated to Benefit Data Validation programming is no longer with the department. Just recently, an Employer Tax Programmer has been reassigned to Benefits to work on Data Validation issues.

## **Population 12: Overpayments Established**

IT resources have limited and were not readily available to address all data validation problems that had been identified over the past few years.

## **Population 15: Overpayments Established by Method**

This project was not projected to be completed for the 2014 validation cycle.

Nonmonetary Determinations Quality Sample - Non Separations

IT resources are limited and were not readily available to address all data validation problems that had been identified over the past few years.

- D. A brief description of plans for monitoring and assessing accomplishment of planned actions and for controlling quality after achieving performance goals.

Revalidation of populations that we were initially unable to submit.

If the desired improvement will not be accomplished by the end of the current fiscal year, also indicate the major actions remaining to be taken in subsequent fiscal years, and a projection as to when the performance goal will be achieved.

## **Population 15: Overpayments Established by Method**

Currently overpayment case assignment and completion is tracked manually. Validation of this population will require costly and extensive data base changes to track overpayment assignments. It would not be cost effective to reprogram our current system. A new system will be functional in 24 months that will accommodate this deficiency. This project will not be completed for the 2015 validation cycle.

Below are the milestones (numbered sequentially) with the respective completion date:

1. Population 4: Modifications to BP0018 will be completed by June 30, 2015. Completed 06/30
2. Population 5: Reprogramming of codes in all processes to capture true UCFE and UCX for ETA 207, ETA 9056 and Data Validation will be completed by June 30, 2015. Completed 06/30
3. Population 12: Programming for high dollar amounts need to be changed to create records for Fraud plus Non Fraud and for UI plus EB for each individual. This will be completed by November 1, 2014. Completed 06/30
4. Population 13: All known issues have been corrected and will allow validation of 3rd quarter 2014 data. Completed 06/30

5. Nonmonetary Determinations Quality Sample - Non Separations: Preliminary research indicates program BP103. This will be completed by June 30, 2015. Completed 06/30

MEASURE/PROGRAM AREA: Nonmonetary Determination Time Lapse: % of Separations and Non-separations within 21 days of Detection Date

Current Performance Level: 17.0 (as of June 30,2014)

Projected Performance Levels: 60.00(12/31/14) 70.00(3/31/15) 75.00(6/30/15) 80.00 (9/31/15) 87.00 (12/31/15) 87.00 (3/31/16) 87.00 (6/30/16) 87.00 (9/30/16)

## **SUMMARY:**

### A. Reasons for deficiency

Although claims volume has decreased due to the ending of EUC, the Claims Center has continued to experience backlogs( June 30 4,723 over 21 days) due to:

1. Continued filing, by applicants, for potential EUC eligibility; inquiries regarding EUC continuing past the first quarter of 2014 through every potential means of contact. Current backlog as of June 30, 2014 for claims over 21 days is 4,723
2. State law changes regarding school claims, reasonable assurance, severance and wages in lieu of notice definitions. This effect timeliness because these were new issue claims that needed adjudicating when they were not previously and there were several interpretations of this law that caused us to go back and adjudicate claims according to policy. This created a backlog of these claims which effected timeliness of these claims as well as others.
3. Workforce issues due to turnover i.e. lost Adjudicators to other units that are looking for UI experience. This is also compounded by the fact that those positions have to be filled with new, inexperienced staff.
4. Adjudication processes have also utilized several different systems which have led to an inconsistent processing of claims. Adjudicators used three different systems to process claims. They used a forty year old mainframe system, TN Page/IVR system, and case management document storage system. Case management was deactivated in September 2013 and this forced adjudication to use a manual/clerical processing system for paper.
5. All of these issues have led to the inability to dedicate resources and time to properly train.
6. The case management system, implemented in March of 2012, was ultimately inactivated due to continued complications in September 2013. This system led to documents attaching to the wrong claim, unavailability of claims material, and eventually to the inefficiencies in the adjudication process.
7. The new ZenDesk ticketing system, while it will be an asset and part of our long term solution, has been a large undertaking costing staff hours and resources during its implementation in April of 2014. This system streamlines issues to the Claims Operations and enables adjudication issues to be handled more efficiently and timely.

### B. Description of actions/ activities which will be undertaken to improve performance.

1. We now have an imaging unit to keep our document storage system, SIDES, current. This has aided in making more timely decisions and we are seeing a steady decline in the pending claims backlog.
  2. We have expanded to almost full capacity in the Nashville Claims Center and plan to continue in our effort to bring the other two metropolitan centers in the state to 30 per center, over time
  3. Four additional adjudicators were hired in the spring and are currently in on the job training. We plan to add another six, statewide, this fall in an effort to ensure timely decisions and prevent future backlogs.
  4. We will continue our efforts with the BTQ review team to continually improve our scores on both quality and timeliness.
  5. We plan to continue, not only training of new staff, but refresher training for all Claims Agent staff.
  6. To counter recent and upcoming Claims Agent promotions to Adjudication, we have worked registers over the past few months to convert part time Claims Agents to full time.
  7. Will be implementing Geographic Solutions GUS claims solution to replace mainframe system
- C. If a plan was in place the previous fiscal year, and explanation of why the actions contained in that plan were not successful in improving performance, and an explanation of why the actions now specified will be more successful;

Previous plan from last year was to acquire a new document management system along with hiring new adjudication staff. The agency did get a new document management system through ECMATS (job service case management system), but it did not go into effect until the first quarter 2014. Until that point the agency was still working claims manually due to the previous system being shut down. We were able to hire new adjudication staff but we also lost adjudicators to retirement and other employment.

- D. A brief description of plans for monitoring and assessing accomplishment of planned actions and for controlling quality after achieving performance goals.
1. We plan to reassess performance Job Plans for both Claims Agents and Adjudicators in an effort to maximize productivity. This will help increase the timeliness of claims processing and adjudication of claims.
  2. We have also implemented a quality control measure to ensure Agents are maintaining their suspense files which aides in timely first pays.

Finally, with our current process, we are on track to reach our goal of eliminating the adjudication backlog and continue the steady improvement in first pay timeliness measures.

Below are the milestones (numbered sequentially) with the respective completion date:

1. Using Sides as Document management system. Completed 12/31, 03/31, 06/30, 09/30, 12/31, 03/31, 06/30, 09/30
2. Add additional 30 claims agents to claims operations. Completed 09/30
3. Hire additional six adjudicators, Completed 12/31
4. Refresher training for claims agents and adjudication. Completed 12/31

5. 5 Continue plan to replace staff due to promotion or leaving the agency This is replacement due to turnover not new hiring for workload as in milestone. Completed 09/30
6. Implement GUS claims solution. Completed 06/30

MEASURE/PROGRAM AREA: Nonseparations: 75% of Nonseparation Determinations with Quality Scores equal to or greater than 95 points

Current Performance Level: 43.3 as of June 30, 2014

Projected Performance Levels: 60.00(12/31/14) 70.00(3/31/15) 70.00(6/30/15) 75.00 (9/31/15) 75.00 (12/31/15) 85.00 (3/31/16) 85.00 (6/30/16) 85.00 (9/30/16)

**SUMMARY:**

A. Reasons for deficiency

Although claims volume has decreased due to the ending of EUC, the Claims Center has continued to experience backlogs ( June 30 4,723 over 21 days) due to:

1. Continued filing, by applicants, for potential EUC eligibility; inquiries regarding EUC continuing past the first quarter of 2014 through every potential means of contact.
2. State law changes regarding school claims, reasonable assurance, severance and wages in lieu of notice definitions. TN established that all employees who work for a government agency in a school system now have reasonable assurance. This increased the number of claims that needed non monetary decisions over the previous year. Severance and wages in lieu now became disqualifying issues. This also increased the number of non monetary decisions that needed to be made. Initial interpretations of this policy where changed several times which led to inconsistent decisions on these claims.
3. Workforce issues due to turnover, i.e. promotions of experienced Adjudicators to other units that are looking for UI experience. This is also compounded by the fact that those positions have to be filled with new, inexperienced staff.
4. Adjudication processes has utilized several different systems which have led to an inconsistent processing of claims. Claimant fact finding was often incomplete and adjudication staff was forced to get information or issue decisions on incomplete information.
5. All of these issues have led to the inability to dedicate resources and time to properly train.
6. The case management system, implemented in March of 2012, was ultimately inactivated in September 2013 due to continued complications. This system led to documents attaching to the wrong claim, unavailability of claims material, and eventually to the inconsistencies in the adjudication decision process.

B. Description of actions/ activities which will be undertaken to improve performance.

1. We now have an imaging unit to keep our document storage system, SIDES, current. This has aided in making more timely decisions and enabled adjudication to increase quality of decisions. Adjudication now has all documents necessary to issue decision on issues.

2. We have increased supervision in the Claims Center system and plan to continue in our effort to have better quality control of claims and adjudication. This will enable us to monitor fact finding statements, decisions and improve the quality of these processes.
  3. Four additional adjudicators were hired in the spring and are currently in on the job training. We plan to add another six, statewide, this fall in an effort to ensure timely decisions and prevent future backlogs. Eliminating backlogs will allow more focus on quality.
  4. We will continue our efforts with the BTQ review team to continually improve our scores on both quality and timeliness. Training Tips will be sent out bi-weekly by BTQ Team (Fast Facts) as well as quarterly meetings with adjudication staff to review BTQ scores, procedures and discuss areas that need improvement.
  5. We plan to continue, not only training of new staff, but refresher training for all Adjudication staff.
  6. Will be implementing Geographic Solutions GUS claims solution to replace mainframe system. This will enable us to work from one system and improve quality of decisions.
- C. If a plan was in place the previous fiscal year, and explanation of why the actions contained in that plan were not successful in improving performance, and an explanation of why the actions now specified will be more successful;
1. While not acquiring a document storage system, the department has utilized an existing system, SIDES, for document management. This has eliminated the misplacement of claims material, therefore, aiding in timeliness and backlog reduction.
- D. A brief description of plans for monitoring and assessing accomplishment of planned actions and for controlling quality after achieving performance goals.
1. We plan to reassess Job Plans for both Claims Agents and Adjudicators in an effort to maximize productivity and quality. This will enable us to monitor, improve quality of fact finding, and adjudication decisions.
  2. We are putting an emphasis on quality control of decisions by reviewing more decisions adjudicators make

Finally, with our current process, we are on track to reach our goal of eliminating the adjudication backlog and continue the steady improvement in timeliness measures and quality.

Below are the milestones (numbered sequentially) with the respective completion date:

1. Using Sides as Document management system. Completed 06/30
2. Increase supervision and quality control of claims and adjudication process. Completed 12/31
3. Hire and train additional six adjudicators. Completed 03/31
4. Work closely with BTQ team to improve quality.
5. Refresher training for claims adjudication
6. Implement GUS claims solution

## **5. UI Program Integrity Action Plan (UI IAP)**

The UI IAP outlines the strategies the State will undertake during the planning period regarding the prevention reduction and recovery of UI improper payments.

Root Cause 1: Job Search (Percentage Change: 9.5%)

Root Cause 2: Benefit Year Earnings (BYE) (Percentage Change -2.026%)

Root Cause 3: Separation (Percentage Change: no change)

### **Summary:**

Tennessee has developed a UI Integrity Strategic Plan for FY 2016 that includes the following strategies; Continue to cultivate a sense of ownership for program integrity within the entire UI system by continuing to enhance the state's cross-functional UI Integrity process to assess the state's UI integrity functions and make recommendations for continuous improvement. The agency will conduct this through continued communication through the directors of each unit. Continue to use e-mails, electronic newsletters and staff meetings to encourage all UI and workforce staff to understand how their jobs connect to UI integrity and to solicit their recommendations for solutions to address UI improper payments. We will also promote the use of the UI Integrity Community of Practice web site and UI Integrity Center of Excellence. Continue to conduct analysis of quarterly BAM data to identify trends in root causes and continue to keep management aware of possible trends in improper payments through the periodic reporting of BAM data. Engage in a business process analysis to identify areas of weakness and to set the stage for reengineering processes that will improve program integrity and performance. Continue the Eligibility Review Interview (ERI) program in which claimants will be more accurately assigned Claimant Characteristic Codes based upon a review of work and layoff history from the same employer. This program will flag claimants who have reached their return to work date and verify the continuing eligibility of all claimants. Hire merit staff to prevent workload backlogs in benefit payment control units and recovery of Fraud overpayments. Hire contract staff through requested SBR to increase recovery of overpayments. Continue to utilize Contract Support staff in BPC to contact claimants when either SDNH or NDNH cross matches indicate that a claimant may have returned to work. Prepare refresher training for Claim Center personnel to include topics on how to identify and document overpayments and educating claimants on reporting wages and separations. A need has been identified to provide consistent instructions and messaging to claimants to ensure wages and separations are reported properly during the claimants benefit year. Periodically onsite training will be conducted for claim center personnel as well as provide training documentation. Continue to use the Treasury Offset Program (TOP) to recover improper payments. Creation of stand along Recovery unit poised to addresses the recovery of overpaid benefits. Unit will utilize multiple strategies such as liens, garnishments, correspondence, and out bound telephone calls to those that have an outstanding debt to the agency. They are also utilizing a change to write off law that allow us more time to collect the debt. The Tennessee Department of Labor and Workforce Development plans to continue existing UI Integrity related projects towards more integrated system enhancements which will not only provide the same functionality and achieve the same intended results of better enabling us to prevent, detect and recover improper payments but which will also address many UI performance issues as well. Enhanced Employment Service Registration Enhanced Job Service/UI Systems interface Implementing State-Specific Solutions as Fraud Prevention/Detection Solution Software. We have acquired the Virtual One Stop (VOS) system module. We have acquired a new documents management system through SIDES. We are in the

design phase of replacing mainframe benefits systems with GUS from Geographic solutions. This will increase early detection, prevention, and recovery of improper payments. Because of the different strategies and multitude of actions included in this UI Integrity Strategic Plan and the varying implementation timelines involved, it is extremely difficult to establish precise performance targets for any given point in time. Our overall goal is to reduce improper payments due to BYE and Separation issues by 50% within one year of the implementation of this plan and we expect to be able to measure our success along the way based on a continuous and sustained decrease in the quarterly improper payment rates by cause as measured from our BAM sample data.

**Root Cause 1: Job Search**

Strategies	Actions	Targets and Milestones	Resources
Continue ERI process	Continue to monitor the addition of ERI process for improvements and detection	Continuous through SQSP process	BAM, UI Integrity Claims operations
Engage in business process analysis for areas of weakness	Conduct the business process analysis through LEAN Events	Continuously	Various State staff
Acquired Virtual One Stop (VOS) system from Geographic Solution's. Implemented Dec 2014. This help with work search errors by maintaining work searches and services electronically. This will enable the agency to verify more efficiently. VOS is an automated job search system. Claimants will be required to provide work searches prior to certification once GUS is integrated with the VOS system.	N/A	N/A	N/A
Additional:	N/A	N/A	N/A
Implement GUS Claims system through Geographic Solutions	Test Site Configuration Implement	Current Current April 2016	State staff & Geographic Solutions
Establish messaging to UI claimants to do and maintain job search each week.	Message through various media including agency web page, claims agent reminders, e-mail, and other contact methods. (possible Zen Desk)	Dec-15	Dept. labor staff

**Root Cause 2:Benefit Year Earnings**

Strategies	Actions	Targets and Milestones	Resources
11Implement GUS Claims system through Geographic Solutions . Gus will enable earlier detection of BYE through established business rules aligned with our tax system. Gus will enable us to speed up cross match process and identify working and earning more efficiently.	Test Site Configuration Implement	Current Current June 2016	State staff & Geographic Solutions
SAS Fraud Preventions Solution Design phase. This system will enable us the ability to identify work and earn claimants more efficiently and early in the process. This system will use analytical tools to identify improper payments.	Design phase	Feb-16	SAS Staff, IT Staff BPC Staff

Strategies	Actions	Targets and Milestones	Resources
11 Implement GUS Claims system through Geographic Solutions . Gus will enable earlier detection of BYE through established business rules aligned with our tax system. Gus will enable us to speed up cross match process and identify working and earning more efficiently.	Test Site Configuration Implement	Current Current June 2016	State staff & Geographic Solutions
Contract Staff for NDNHand SDNH. They will work with benefit auditors to streamline processes with in the new hire system. This will enable the auditors to avoid backlogs of cases and become more efficient.	N/A	Sep. 30, 2016	Contract Staff
Additional:	N/A	N/A	N/A
Develop refresher training for Claim Center personnel to include topics on how to identify and document overpayments and educating claimants on reporting wages	Develop training module Implement training	Oct. 2015 Jan. 2016	N/A
Continue to use hired merit staff to prevent workload backlogs in the benefit payment control unit. This strategy is being undertaken to help reduce improper payments due to benefit year earnings (BYE) issues.	use hiring process to fill positions when an auditor leaves BPC	Continuous	BPC Management and Staff

### Root Cause 3: Separation

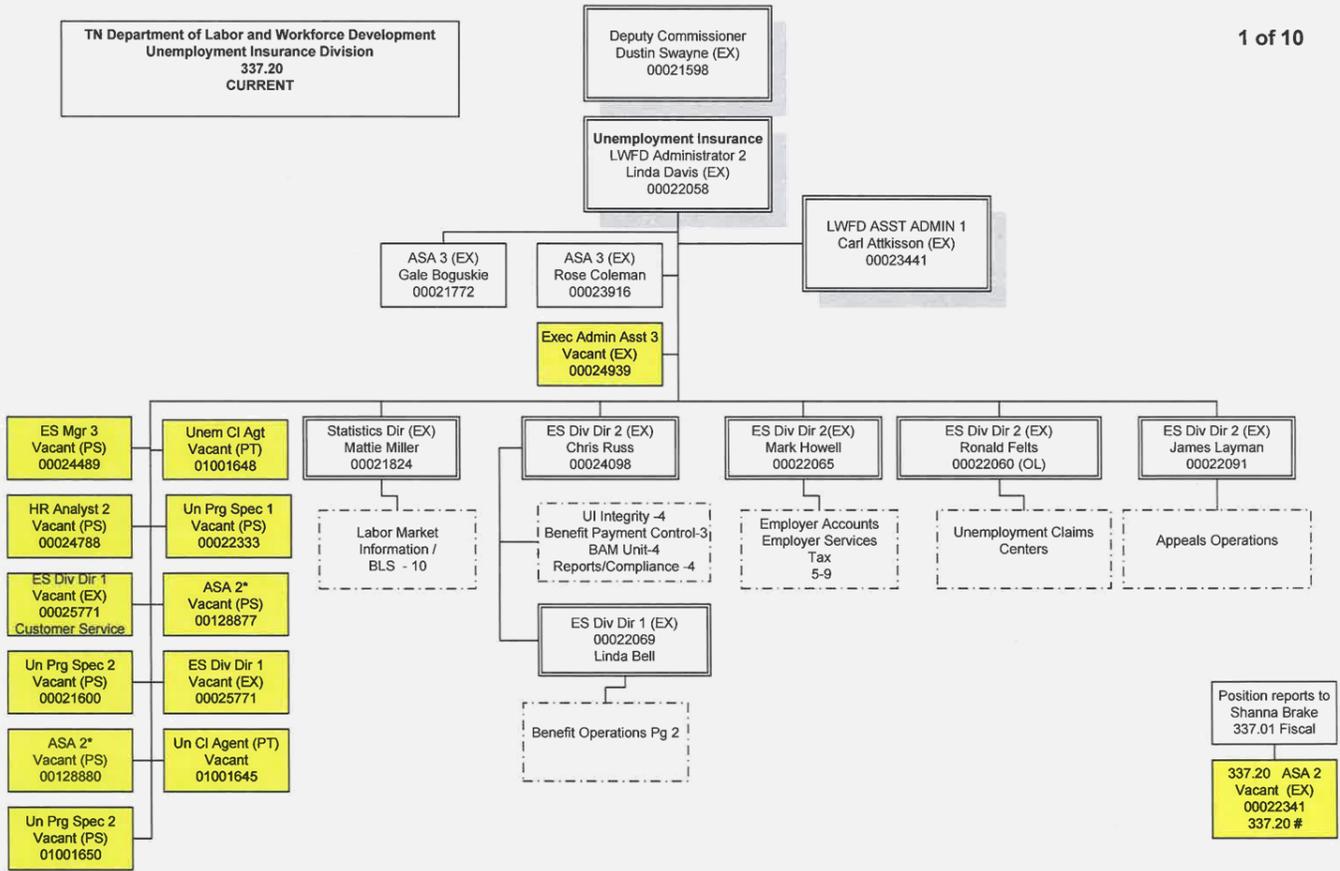
Strategies	Actions	Targets and Milestones	Resources
Implement GUS Claims system through Geographic Solutions. GUS will enable the agency to detect separations more efficiently through business rules. This detection will enhance the agency' s ability to identify these quicker and minimize improper payments.	Test Site Configuration Implement	Current Current June 2016	State staff & Geographic Solutions
S Fraud Preventions Solution is a fraud detection and preventions system. The system will detect wages and separations through statistical analysis of agency data. It will enable the agency the ability to data mine and results can be displayed based on risk factors identified by the SAS system.	Design phase	Feb-16	BPC staff/IT Staff/SAS Team
Develop refresher training for Claim Center personnel to include topics on how to identify and document overpayments and educating claimants on reporting wages. The training will also focus on identifying potential separations through certifications and wages records, and fact finding	Develop training module Implement training	Oct. 2015 Jan. 2016	
Additional:			
Acquired new documents management system through SIDES. Continue improvement of process and add other areas of UI to the document management system.	implemented SIDES as document management system	Current use	Claims adjudication

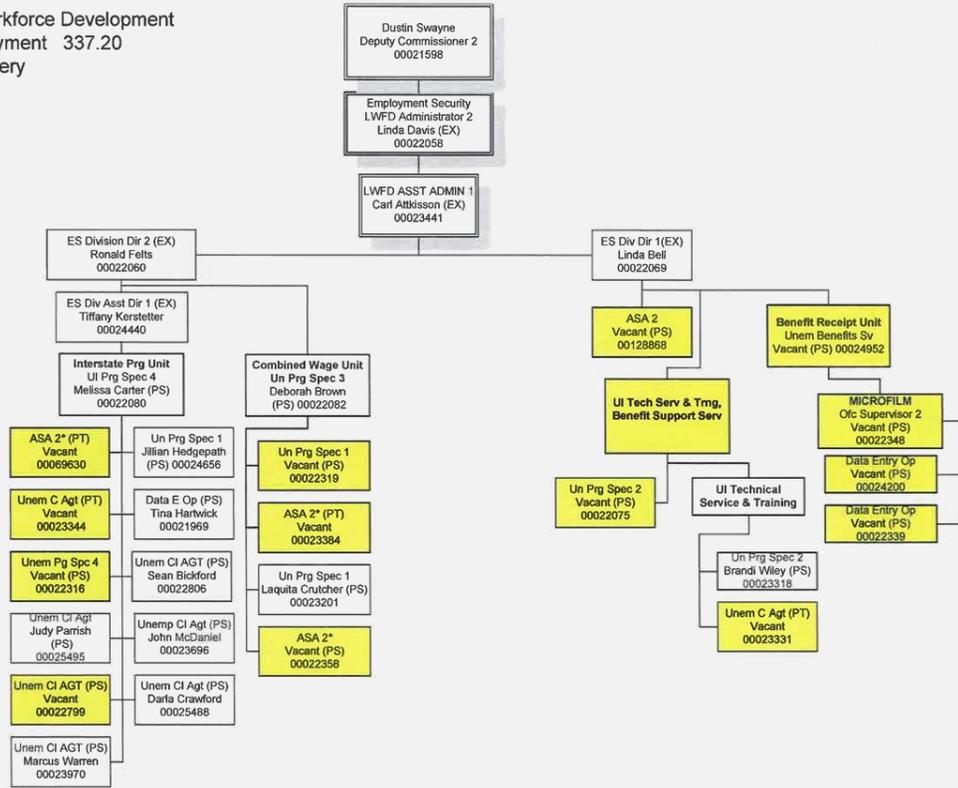
## 6. Organizational Chart

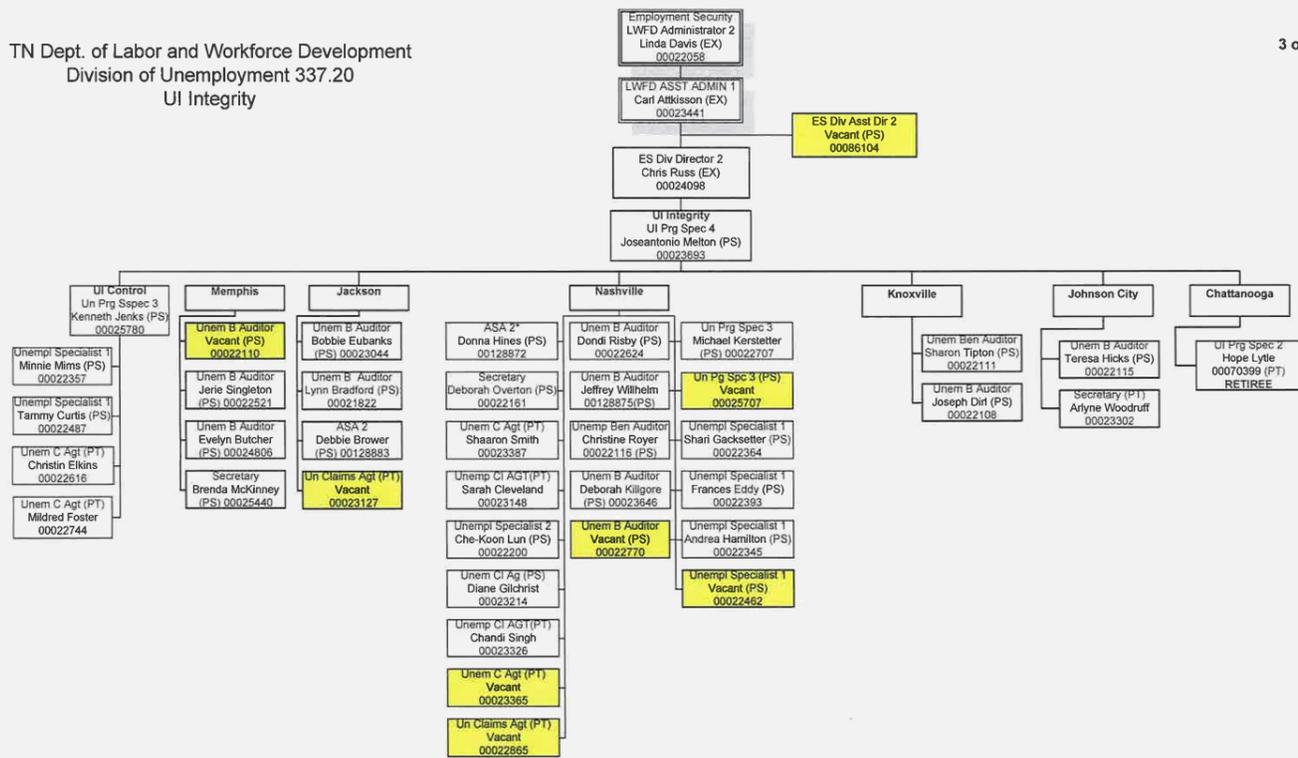
The organization chart must conform to the requirement for delivery of service through public employment offices, or such other designated providers as the Secretary may authorize; show the State's configuration from the Governor of the State down to the point of Employment Service and UI customer

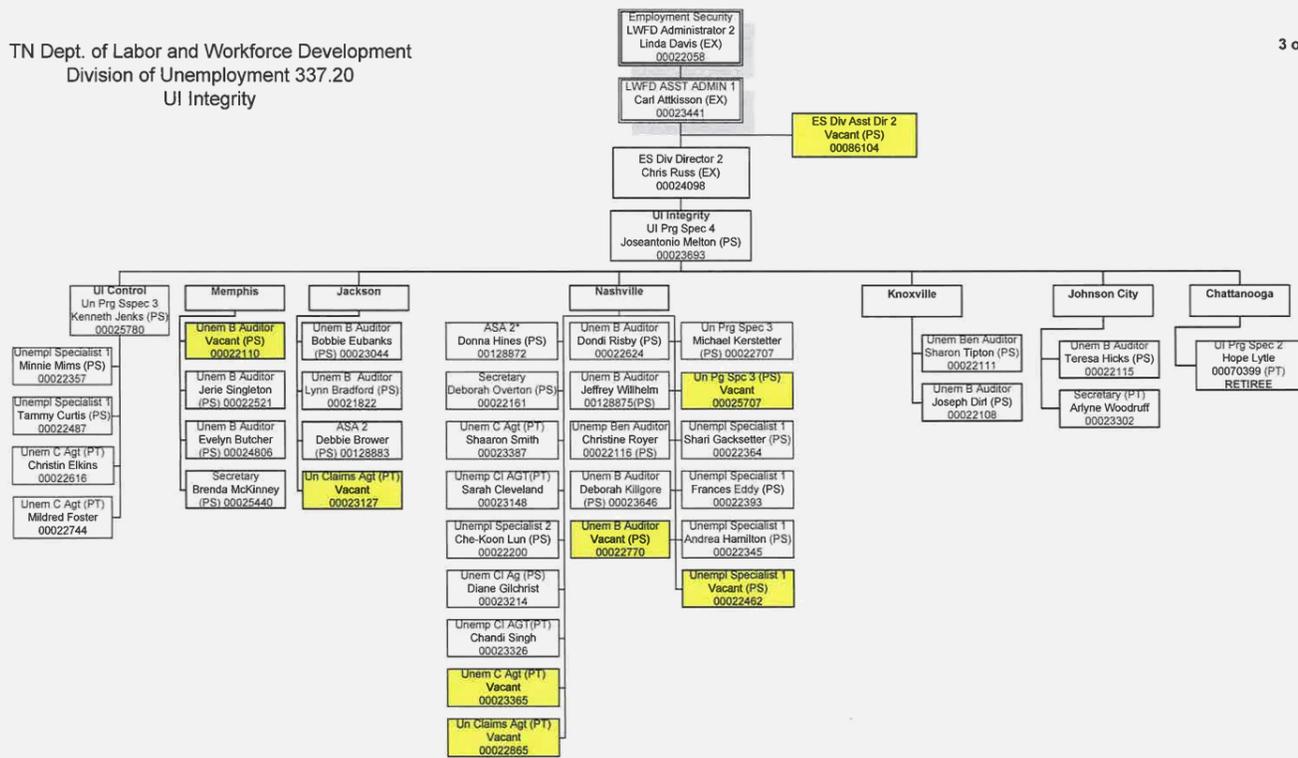
service delivery; and provide sufficient detail to show each organizational unit involved and the title of the unit manager.

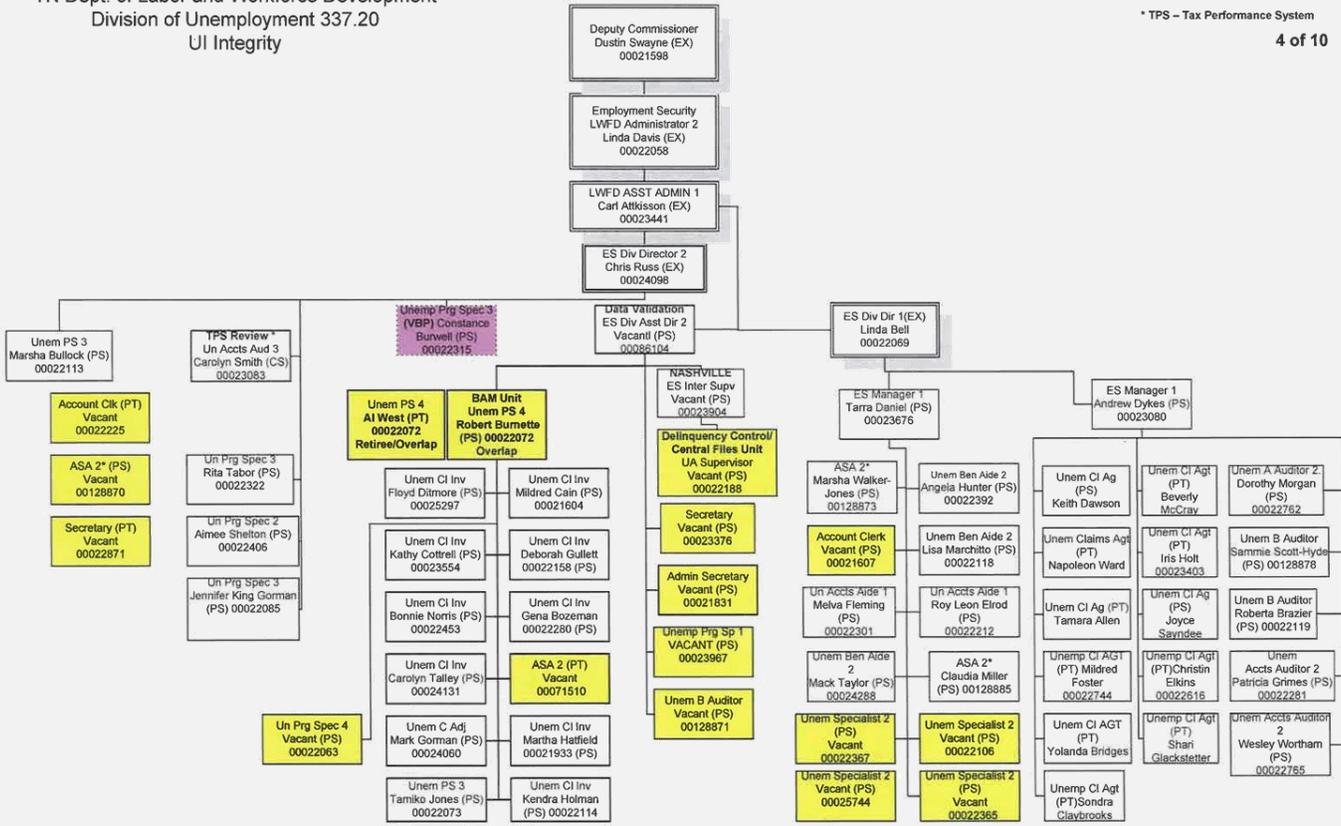
The organizational charts below show the State's configuration from the Governor of the State down to the point of Employment Service and UI customer service delivery.





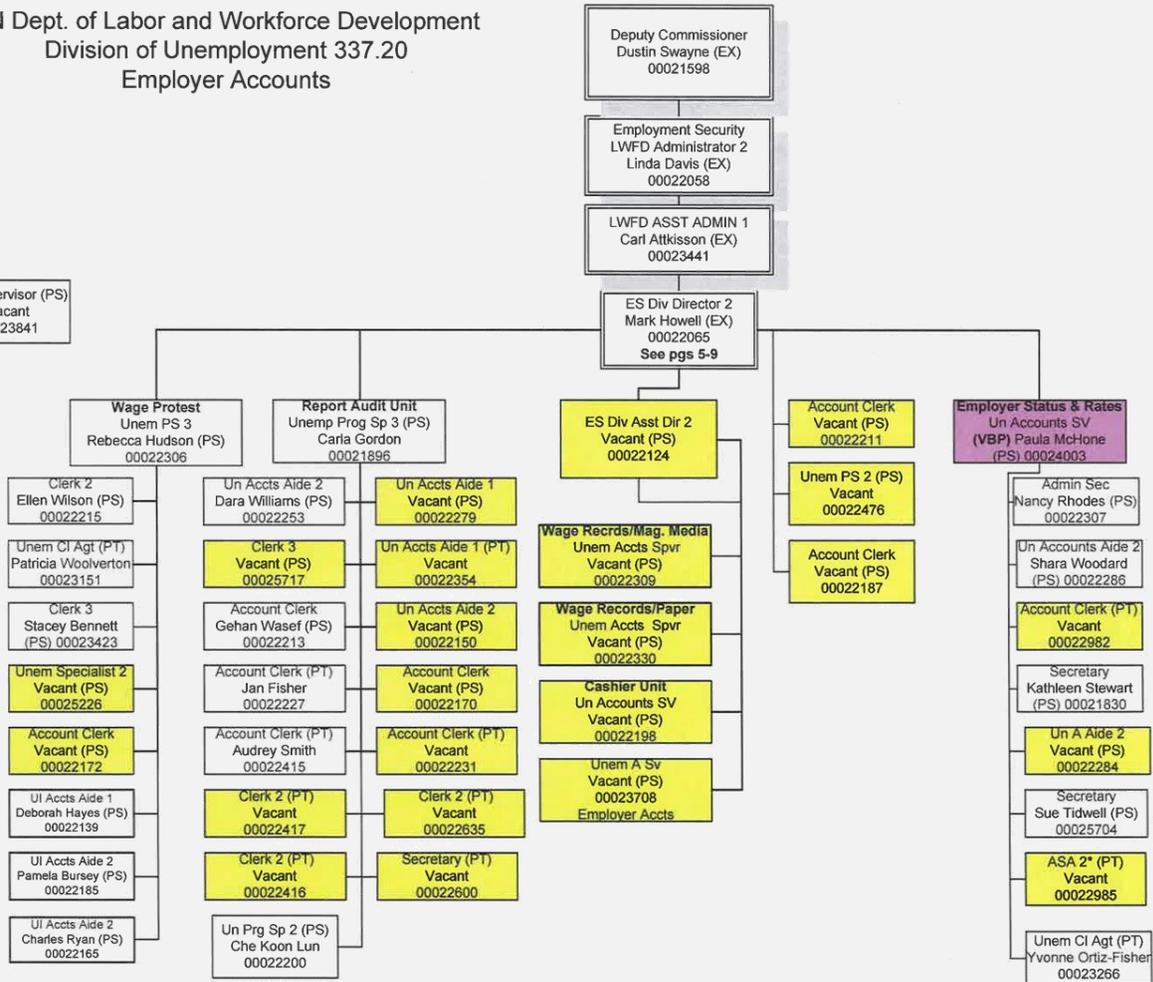




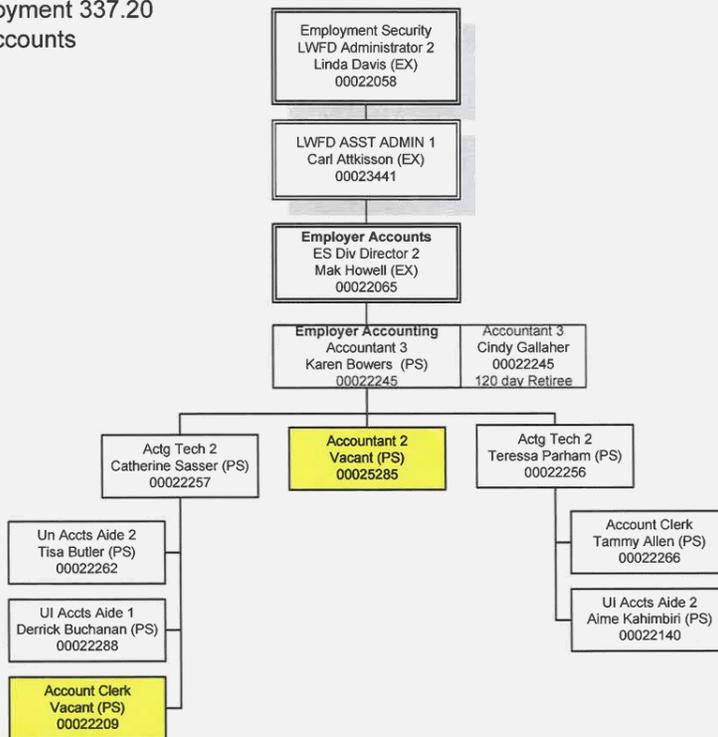


TN Dept. of Labor and Workforce Development  
 Division of Unemployment 337.20  
 Employer Accounts

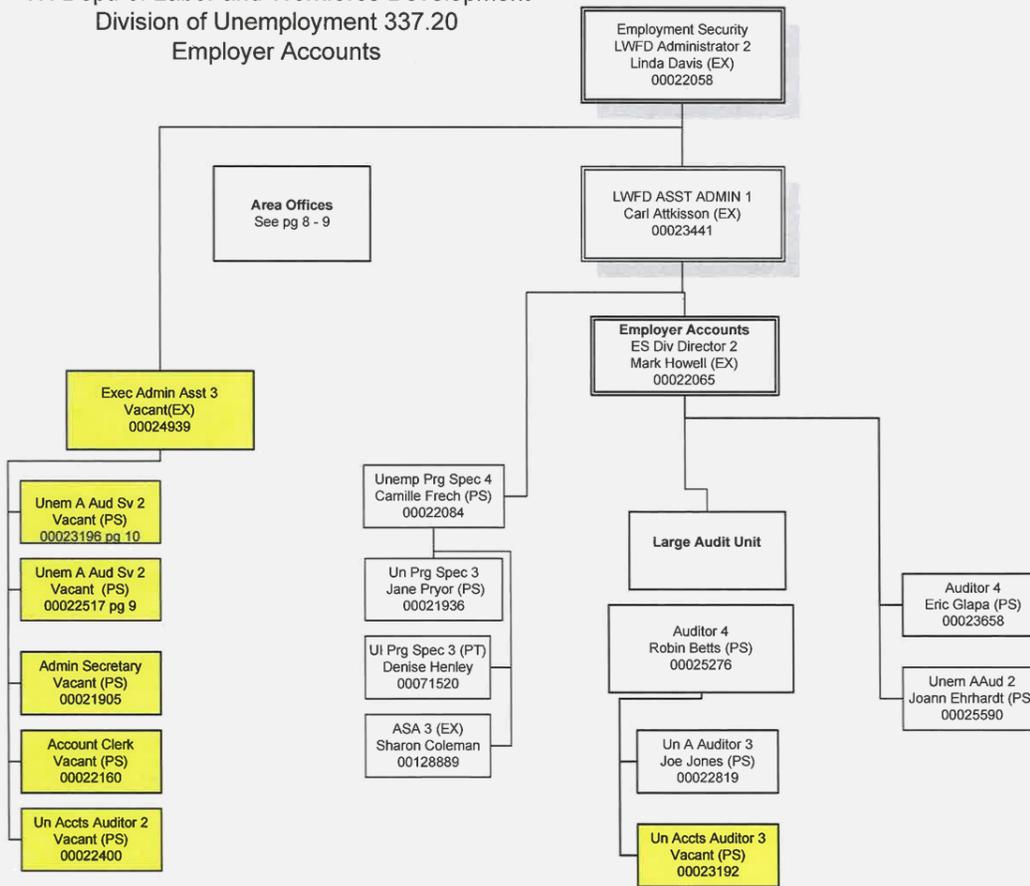
UA Supervisor (PS)  
 Vacant  
 00023841

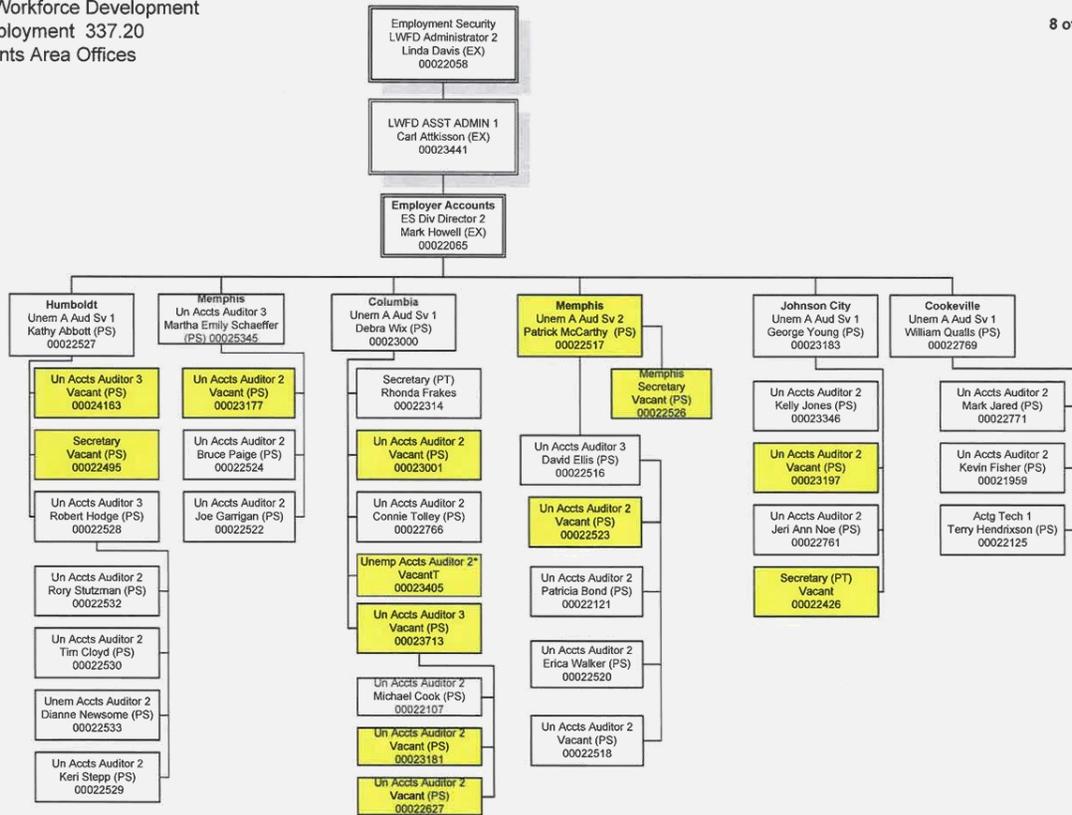


TN Dept. of Labor and Workforce Development  
Division of Unemployment 337.20  
Employer Accounts

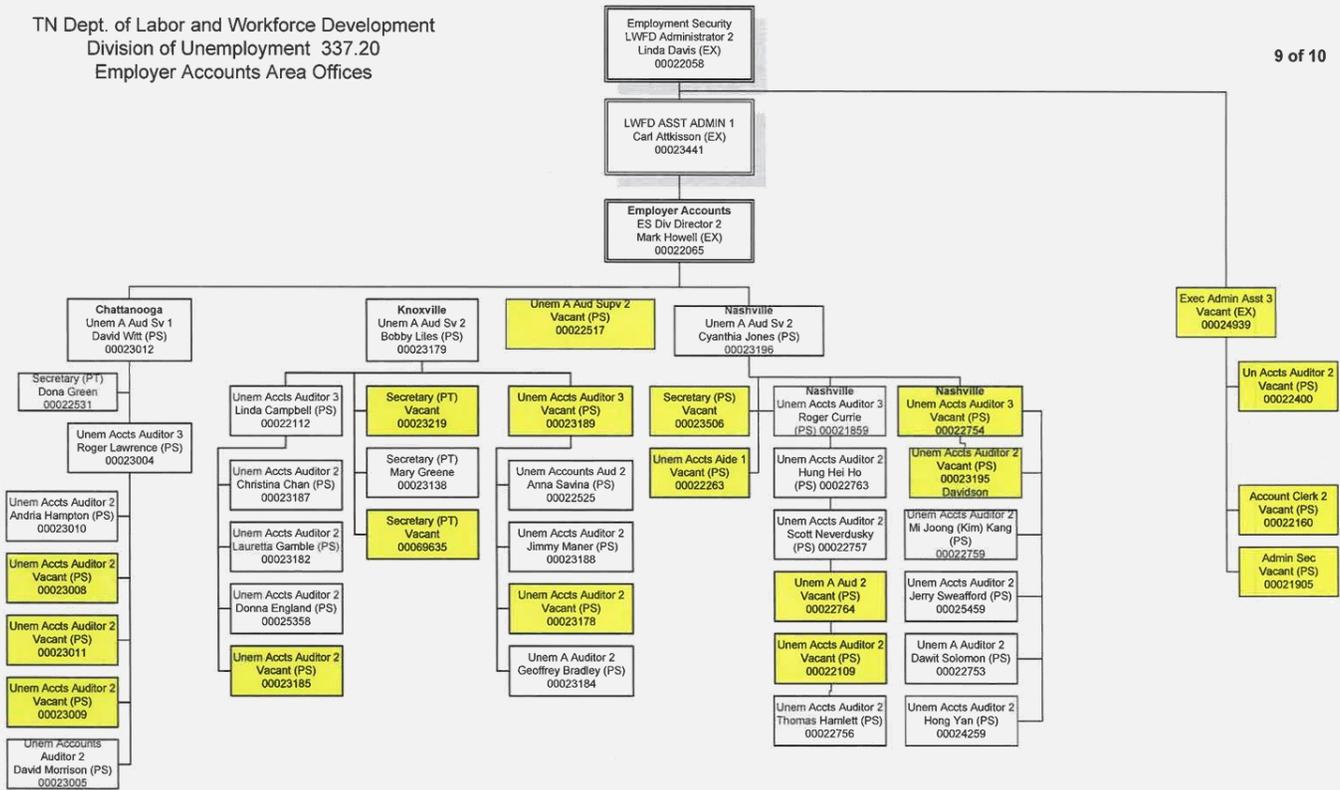


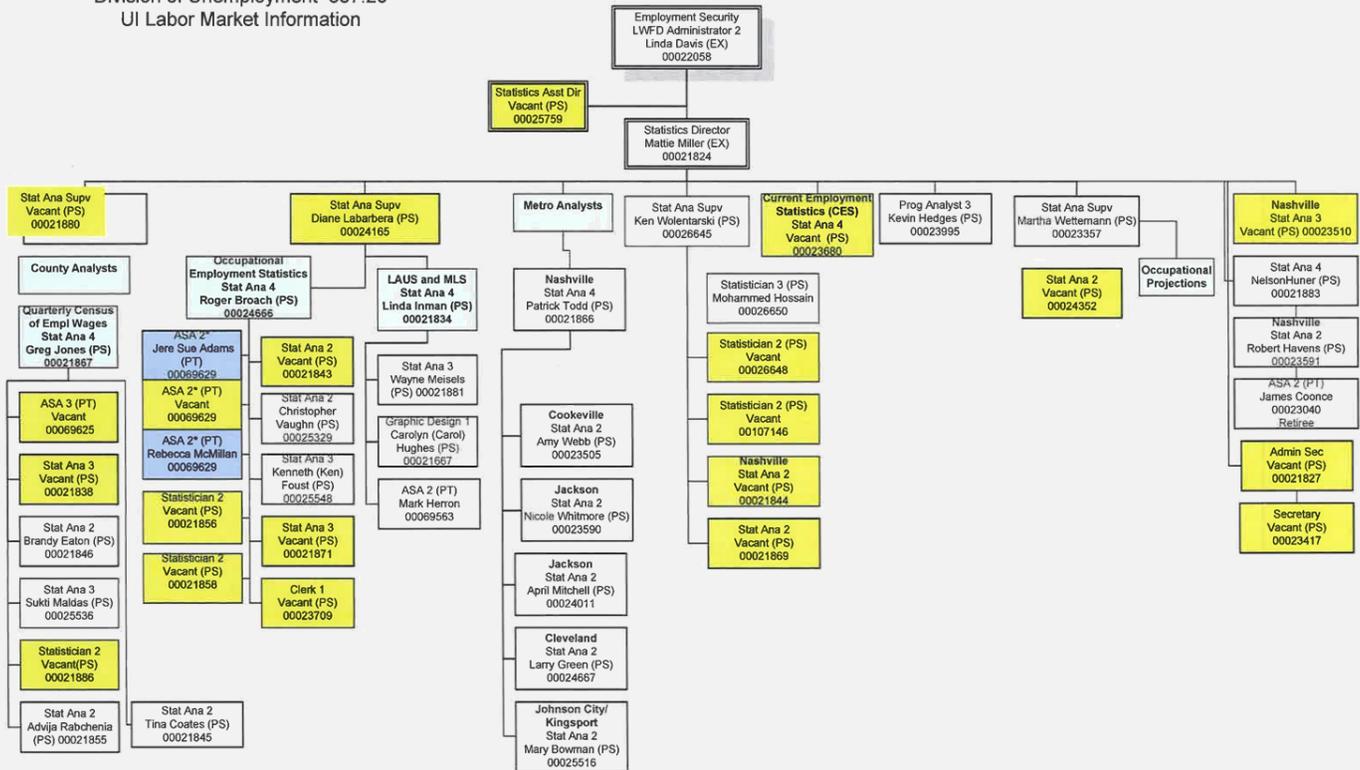
TN Dept. of Labor and Workforce Development  
 Division of Unemployment 337.20  
 Employer Accounts





TN Dept. of Labor and Workforce Development  
 Division of Unemployment 337.20  
 Employer Accounts Area Offices





## 7. SQSP Signature Page

The State administrator must sign and date the SQSP Signature Page. By signing the Signature Page, the State administrator certifies that the State will comply with all the assurances and activities contained in the SQSP guidelines.

The signed copy of the "SQSP Signature Page" is maintained with the Agency and the Regional Office.

### (b) Requirements for States electing to include UI in the Combined State Plan

States that elect to include UI in the Combined State Plan must:

#### 1. Submit an SQSP in the following manner depending on their timing in the SQSP cycle:

- (A) If a State is in the first year of their 2-year cycle, a complete SQSP package must be submitted. A complete SQSP package will include the Transmittal Letter, Budget

Worksheets/Forms, State Plan Narrative, CAPs (including the milestones and the completion date for each milestone), the UI IAP, Organizational Chart, and the SQSP Signature Page. One of the key goals for the UI program is to ensure that claimants are able to successfully return to work. As such, the SQSP State Plan Narrative must provide a discussion of the plan coordination with other WIOA Combined Plan programs to ensure a coordinated effort and integrated service delivery.

- (B) If a State is in the second year of the 2-year cycle, the State is required to submit the most recently approved complete SQSP package with a modification that must include the Transmittal Letter, Budget Worksheets/Forms, Organizational Chart, and the SQSP Signature page. The modification may also include CAPs for new identified performance deficiencies, and any required modifications to existing CAPs. The CAP must list both specific milestones for key corrective actions or improvement activities, and the completion date for each milestone.

Tennessee is in its second year of the 2-year cycle and has included the appropriate information in our responses above.

- 2. Submit the required off-year SQSP components as a modification to the Combined State Plan on the same cycle as the regular SQSP process which must be approved by September 30th each year.**

Tennessee is in its second year of the 2-year cycle and has included the appropriate information in our responses above.

## **Senior Community Service Employment Program (SCSEP)**

At minimum, in the SCSEP stand-alone submission and the SCSEP portion of the Combined State Plan, States should comprehensively cover the following elements.

### **(a) Economic Projections and Impact**

States must:

- 1. Discuss long-term projections for jobs in industries and occupations in the State that may provide employment opportunities for older workers. (20 CFR 641.302(d))(May alternatively be discussed in the economic analysis section of strategic plan.)**

In accordance with the Governor's Jobs and Economic Development Goal, Tennessee has taken a position to help seniors continue maintaining a sustainable life. One way the state is doing this is by providing useful community services and employment opportunities through the Senior Community Service Employment program (SCSEP) for seniors across the state. SCSEP fosters economic self-sufficiency through training, job placement, and guidance in unsubsidized jobs.

Tennessee's SCSEP plan serves as the road map for the implementation of the program among its stakeholders; this ensures compliance with the U.S. Department of Labor (USDOL) rules and regulation. In addition, the plan will serve as a means of accountability to our participants, community, and funders. The SCSEP Plan will account for PY 2016-2020.

The Older Americans Act (OAA) is the primary funding vehicle for organizing, coordinating, and providing community-based services and opportunities for older Americans and their families in the United States. The OAA set out specific objectives for maintaining the dignity and welfare of older people. Listed below are two parts of Tennessee's infrastructure for administering the OAA and opening avenues to help leverage and maintain the health, lifestyle, and independence of seniors in the state:

Tennessee Commissioner of Aging and Disabilities or TCAD (a TDLWD partner) administers a system of services for those age 60 and over in their respective Planning and Service Areas (PSA). TCAD oversees multi-purpose senior center activities. This comprehensive and coordinated system of services is described in the Area Agencies on Aging and Disability's Plans. These services include Information and Assistance, Senior Centers, Nutrition Program for the Elderly, Disease Prevention and Health Promotion, National Family Caregiver Support Program, Aging and Disability Resource Center (ADRC), Elder Rights, Long-Term Care Ombudsman.

Tennessee Department of Labor and Workforce Development's Senior Community Service Employment Program (SCSEP) is the only federally-sponsored, job creation program targeted to low-income older Americans, which promotes the Governor's initiative to engage and educate employers on the value of hiring older workers. The program subsidizes part-time community service jobs for low-income individuals age 55 years and older, who have poor employment prospects. The participants often are placed in schools, hospitals, economic development initiatives, weatherization activities, law offices, conservation programs, and other sites. These sites translate into positions such as nurse's aides, and teacher's aides, library clerks, clerical workers, adult and child daycare assistants, campground recreational coordinators, maintenance workers, and many more occupations.

The U.S. Department of Labor (USDOL) funds and monitors SCSEP through the Older American's Act Title V Program. Currently, there are three (3) administrators or grantees in Tennessee —

1. Tennessee Department of Labor and Workforce Development (TDLWD)
2. National Council of Aging (NCOA)
3. Senior Service of America, Inc. (SSAI), in Tennessee

TDLWD currently has six (6) sub-grantees that implement the SCSEP program. They are located in each of three regions - East, Middle and West Tennessee. NCOA and SSAI are assigned several counties and co-manage the program with TDLWD in several counties. SCSEP's sub-grantees are represented on state and local workforce development boards that provide strategic planning and oversight of workforce development activities across the state.

According to the 2010-2014 (American Community Survey Census) employment status of the civilian non-institutional population for Tennessee, the labor force participation rate of the 55+ population has increased from a low of 34.1% in 2009 to 39% in 2011. During the same period, the overall labor force

participation rate increased less than one (1) percentage point. Data also shows that this population will continue to grow as the baby-boom generation reaches age 55.

In 2010-2014, Census estimated that 17.8% (over 1,000,000 individuals) of Tennessee's population had income levels below poverty. There were 60 of the 95 counties in the state that recorded higher poverty levels than the state average. Forty-five counties have poverty levels at 20% or higher. Thirteen of these are rural counties. Lake County has the highest poverty level at 41.9%. The 5 highest poverty level counties are as follows:

1. Lake 41.9%
2. Hancock 29.5%
3. Bledsoe, 28.5%
4. Fentress 28.1%
5. Cocke 27.8%

As the baby-boom generation ages, as the economy continues on the verge of improvement and as more older workers postpone retirement, the demand for employment and training services, as well as income support for low-income older people, will increase.

Tennessee continues to increase employer engagement and will also increase exploration of on-the-job-experience (OJE) as a method of expanding employer engagement. While OJE has not been widely utilized by our sub-grantees in the past, Tennessee will actively promote OJE as a tool for sub-grantees to use in future program years to gain more unsubsidized jobs for participant job seekers.

#### *Localities and Populations where Services are Most Needed*

SCSEP services are helpful to all Tennesseans who are eligible for the program, especially individuals who are forced to retire or who continue to face age discrimination. SCSEP participants bring the following to the program when they start: dependability, loyalty, a strong work ethic, transferrable skills, childcare skills, customer-service skills, a desire to learn and contribute, and maturity. In exchange, SCSEP provides these participants with updated job-skills training and work experience as well as much-needed income from part-time work at community service assignments with local government or 501(c) (3) nonprofit agencies. SCSEP also helps participants, with low literacy skills and low organizational skills, through referrals and through work experience, respectively. SCSEP tries to provide participants with skills needed to obtain an unsubsidized job helping them maintain self-sufficiency and engagement in their community.

As noted in the Economic and Workforce Analysis (Appendix 2), the industries and occupations in the state that may provide employment opportunities in Tennessee through 2022 are: 1) Administrative and Support Services, 2) Health Care services, 3) Educational Services, 4) Professional and technical Services, 5) Food Services, 6) professional and business services and construction, and Administrative and Support Services sectors are projected to gain the most jobs. Education, and Professional and Business Services are the two industries in which older workers are expected to gain employment. Several occupations are prominent in Tennessee; however, the occupations that are the most prevalent among seniors in Tennessee are: office and administrative support, education, training, and library support, community and social Service occupations. During 2014, the state received calls from several governmental agencies

requesting information about being a Host Agency for SCSEP. In addition, due to the high demands of older workers requesting employment, unmatched education levels, and interest to venture into a new trade, the state is determined to work closely with the Workforce System to make sure that adequate resources are available for seniors.

**2. Discuss how the long-term job projections discussed in the economic analysis section of strategic plan relate to the types of unsubsidized jobs for which SCSEP participants will be trained and the types of skill training to be provided. (20 CFR 641.302(d))**

As previously stated, healthcare and the business services sectors are projected to have the fastest job growth between 2014 and 2022. This could translate into career opportunities for SCSEP participants. Tennessee understands the importance of creating an atmosphere where participants have multiple, career-sector opportunities and training opportunities needed to enter into attractive sectors, along with supporting the Workforce System's employment goals for low-income older workers by building sustainable business relationships with industries across the state.

All SCSEP participants are required to develop an Individual Employment Plan (IEP) at the time of enrollment. The IEP serves as a personal road-map to success and is designed to specifically assist the participant in meeting both personal and program goals. Each participant receives specialized training that fits under his or her IEP and is assigned to a host agency to develop or improve skills. The plan also determines if the Host Agency has met the participant's requirements. In addition, the Host Agency provides services to low-income older persons, to the economically disadvantaged and to organizations offering services which provide positive contributions to the welfare of the general community. Opportunities to serve other groups will also be provided through placement in schools, day-care programs, health and hospital programs, and agencies serving individuals with physical and developmental disabilities.

**3. Discuss current and projected employment opportunities in the State (such as by providing information available under §15 of the Wagner-Peyser Act (29 U.S.C. 491-2) by occupation), and the types of skills possessed by eligible individuals. (20 CFR 641.325(c))**

Due to the projected growth of the 55+ population entering the workforce, the labor force will place added strain on workforce investment resources and on the Workforce System. The current job opportunities or occupational trends in Tennessee have shifted to the service industry in recent years according to the Non-Agricultural Employment Report provided by TDLWD. This includes healthcare, social assistance, leisure and hospitality jobs. In 2016, the projected occupation for individuals who are 55 and older will be in the professional and service occupations.

SCSEP is designed for those who are not job-ready, but are low-skilled, and have a family income that falls under 125% of the Federal Poverty Guidelines. Individuals enrolling in the SCSEP program have a need for further education and/or training to perform work that is available in the local Tennessee labor market. Example of skill level of eligible individuals upon enrollment include limited or no computer skills,

outdated clerical and bookkeeping skills, basic custodial and homemaker skills, heavy-equipment operators, no advanced manufacturing skills, or no job skills. Often, the participant can no longer physically do the same type of job that he or she has done in the past. Health and medical issues eliminate jobs that require tasks such as standing and/or sitting too long, lifting, bending, and walking. TDLWD, National Council on Aging, and Senior Services of America, Inc. collaborate with their respective host agencies (or work sites) to ensure that participants' and employers' needs and access to services are met.

## **(b) Service Delivery and Coordination**

States must:

### **1. Provide a description of actions to coordinate SCSEP with other programs**

This may alternatively be discussed in the State strategies section of the strategic plan, but regardless of placement in document, must include:

#### **(A) Actions to coordinate activities of SCSEP grantees with WIOA title I programs, including plans for using the WIOA one-stop delivery system and its partners to serve individuals aged 55 and older. (20 CFR 641.302(g), 641.325(e))**

WIOA requires SCSEP grantees to be partners in each local AJC and to enter into a Memorandum of Understanding, describing how services will be provided with the Local Workforce Development Board. In Tennessee, the U.S. Department of Labor allocates funds (to operate SCSEP through TDLWD and two national organizations. The national organizations are NCOA and SSAI. Tennessee is divided into 13 Local Workforce Development Areas (LWDAs). SCSEP participants are referred to one of the 72 AJCs across the state providing comprehensive, workforce development-related activities, including updating interviewing skills, resume preparation, and job placement services.

In rural areas, SCSEP participants and other individuals 55 and older may also access services from one of TDLWD's Career Coaches (Mobile Units) with services similar to those found in the American Job Centers. These vehicles provide a mobile computer lab with Internet access, and they create a venue for workshops including résumé assistance and interviewing skills; the vehicle also serves as a recruitment center for employers. SCSEP Project Directors represent the Title V Program in each of the LWDAs. The cooperation of grantees on local boards has resulted in improved coordination between workforce agencies and has reduced "turfism." One of Tennessee's grantees has developed a presentation on how to navigate a job fair that can be used at a participant meeting. Topics may vary and can include interviewing techniques, resume writing tips, approaching the hidden job market, using social media in a job search and completing online job applications.

#### **(B) Actions to coordinate activities of SCSEP grantees with the activities to be carried out in the State under the other titles of the OAA. (20 CFR 641.302(h))**

SCSEP grantees reach out to organizations that administer programs, under other titles of the Older Americans Act, to offer them the opportunity to become host agencies. SCSEP participants and other older workers will be directed to one of the local information and referral hotlines (administered by the Tennessee Areas Agencies on Aging and Disabilities offices), when these workers are seeking services or information. In addition, referrals will be made to congregate nutrition programs, transportation services, health and wellness programs, etc.

**(C) Actions to coordinate SCSEP with other private and public entities and programs that provide services to older Americans, such as community and faith-based organizations, transportation programs, and programs for those with special needs or disabilities. (20 CFR 641.302(i))**

Tennessee prides itself for being engaged in actionable partnerships to leverage resources across agencies and enhance customer performance outcomes. These partnerships include:

- Coordinating with American Job Centers, Vocational Rehabilitation Services and other members of the local disability community regarding activities, resources, and services for seniors with disabilities
- Participating in meetings, as appropriate, with senior service providers, both public and private
- Coordinating with local service providers and community stakeholders to assess needs and develop solutions for local transportation services
- Using 2-1-1 and other directories of service and supporting organizations to identify entities and programs in the community that provides referrals and support services to seniors. These directories are especially helpful for transition services when a participant's durational limit is approaching and project staff is working with him/her to develop a Transition Assessment & IEP.
- Networking with area faith-based organizations to conduct outreach to SCSEP-eligible individuals

If assistance is needed for training and employment services with the deaf and hard of hearing, interpreters and other communication-access services will be scheduled. Other partnerships include organizations providing assistance with subsidized housing, healthcare and medical services, transportation, the law, food, personal and financial counseling, interviewing, clothes, etc.

**(D) Actions to coordinate SCSEP with other labor market and job training initiatives. (20 CFR 641.302(j))**

SCSEP sub-grantees actively seek job training opportunities leading to jobs available and offered by Community Colleges, Applied Colleges of Technology, non-profit organizations, such as Goodwill Industries, Adult Education programs and other training institutions. SCSEP will be an active member of the local business service teams.

**(E) Actions the State will take to ensure that SCSEP is an active partner in the one-stop delivery system and the steps the State will take to encourage and improve coordination with the one-stop delivery system. (20 CFR 641.335)**

The partnership with SCSEP and the American Job Center system is essential to the success of SCSEP in Tennessee. A Memorandum of Understanding (MOU) is developed to coordinate activities between SCSEP and the Workforce delivery system. The state will encourage One-Stop American Job Centers to hold regular partner meetings that include all SCSEP grantees operating in each local area to improve coordination with the Workforce delivery system. Sub-grantee strategies include:

- Listing all participant and staff openings with the American Job Centers
- Encouraging co-enrollment in WIOA, where possible, for participants seeking full-time employment
- Where feasible, requesting that the AJC in a given service areas serves as host agencies for SCSEP participants so that participants can provide administrative support to these offices while learning valuable job skills
- Requesting guidance from the American Job Centers on relevant skills required by local employers
- Participating in American Job Center offices' partner meetings
- Collaborating appropriately with AJC offices on employer outreach on behalf of senior Tennesseans and collaborating on continuous improvement of senior-service strategies
- Providing brief updates to Board staff and American Job Center offices' staff on SCSEP activities in the local workforce development area
- Where applicable, attending local board meetings regularly.
- Using local labor market information and staff information to identify occupations and industries with most promise for older job seekers, employers that are hiring or will soon be hiring, and employers moving to the local area
- Referring participants who are ineligible for SCSEP to the closest American Job Center for job search assistance

**(F) Efforts the State will make to work with local economic development offices in rural locations.**

Grantees or local projects will collaborate with the local Workforce System and economic development councils in both urban and rural areas in order to provide education on the exceptional qualities that older adults bring to the workplace, to learn about potential employment growth opportunities, to discuss where older workers could add value to growth areas, and to increase job opportunities. SCSEP priority of service requires outreach to rural communities. Local project staff utilizes their connections with AJC's Veteran Representatives and Vocational Rehabilitation to promote SCSEP and learn about individuals who may meet the priority of service and eligibility requirements. Grantees will continue to engage organizations that serve hard to reach populations, such as those who are geographically or socially isolated and those whose primary language is not English.

**2. Describe the long-term strategy for engaging employers to develop and promote opportunities for the placement of SCSEP participants in unsubsidized employment. (20 CFR 641.302(e)) (Alternately, the State may discuss this in the State strategies section of strategic plan if submitting a Combined Plan.)**

High performance is a priority for the state on every level—grantee, sub-grantees, host agencies, and employers. Several efforts are necessary in achieving these goals:

- Grantees will provide well-established partnerships with local Chambers of Commerce and employer organizations.
- Encouraging Tennessee grantees to establish relationships with their local, county and state economic development councils and accessing their press releases of future or growing business announcements.
- Provision of tools on each grantee’s website for sub-grantees and older worker jobseekers. Tools may include resources and supportive services targeted for older Americans, resume help (tips, templates), information on starting a business, interviewing aids, job-search strategies for older workers (highlighting employers who hire older workers), etc.
- Continuous training of sub-grantees, with topics including: performance measures, data validation, budget management, Most-In-Need barriers, job search strategies, etc.
- Encouragement of AJCs to hold job fairs targeted for older workers during Hire Older Worker Week in September
- Encouragement of SCSEP sub-grantees to reach out to employers to educate them on the value of hiring older workers
- Encouraging the use of sector strategies to assist lower-skilled workers with skill attainment and job placement
- Encouraging further education, such as HSE, higher education, and technical training
- Encouraging SCSEP sub-grantees to form local employer advisory boards
- Promoting OJE as a tool for sub-grantees to use in future program years to gain more unsubsidized jobs for participant job seekers

### **3. Describe the long-term strategy for serving minorities under SCSEP. (20 CFR 641.302 (c))**

According to the PY 2013 SCSEP Minority Report that was released by the Charter Oak Group, LLC, in 2015, Tennessee overall exceeded the Census minimum expectation for the African American serving 41.5% with the census percent being 21.8% and American Indian serving 0.7% with the census percent being 0.3%; however, there is room for growth in serving the Hispanic and Asian populations. Several strategies will be enacted to increase the awareness of SCSEP for these two populations. These include:

1. Monitoring of minority participations to assure performance negotiated goals are met
2. Reaching out to community and faith-based organizations that serve minority populations to recruit eligible individuals
3. Seeking eligible minorities by outreach efforts with Workforce System partners such as Vocational Rehabilitation and Social Service agencies
4. Using multi-lingual brochures and fliers to reach non-English speaking minority groups
5. For Hispanic and Asian population
  - Determining the cause(s) for the minority group’s lower enrollment
  - Setting specific targets for the number of minority enrollees expected.
  - Identifying the steps to increase the enrollment of each minority group
  - Beginning monitoring minority enrollments on a quarterly basis

- Prioritizing bilingual service delivery whenever possible to encourage full participation

**4. List needed community services and the exact places where these services are most needed. Specifically, the plan must address the needs and location(s) of those individuals most in need of community services and the groups working to meet their needs. (20 CFR 641.330)**

SCSEP participants across Tennessee need a wide range of community services to meet their needs. Because they are economically insecure, they struggle with issues such as having enough food to eat, paying for medicine and out-of-pocket health expenses, housing, transportation, legal issues, and daily living expenses. Participants in need of assistance are referred to organizations such as food stamp offices, the Salvation Army, the Legal Aid Society, senior centers, and food banks. There are limited organizations with funding to provide these resources in rural areas. Therefore, SCSEP staff research and provide community service information available in both rural and urban areas for SCSEP participants.

In addition, TDLWD engage in partnerships with Tennessee Human Resource Agencies. These agencies produce community-needs assessments as well as use other assessments produced by groups such as the local United Way office or Community Action Agencies. These assessments are used to identify priority community needs.

**5. Describe the long-term strategy to improve SCSEP services, including planned long-term changes to the design of the program within the State, and planned changes in the use of SCSEP grantees and program operators to better achieve the goals of the program. This may include recommendations to the Department as appropriate. (20 CFR 641.302(k))**

Tennessee seeks to be the top-performing state in the nation, and it understands that there are necessary steps that need to be taken to achieve this goal. These steps include:

1. Work with new and existing host agencies in an effort to improve and increase in-demand training opportunities.
2. Increase partnerships with community colleges in the development of programs to meet the needs of participants.
3. Increase opportunities to meet participants needs through supportive services.
4. Increase awareness of the SCSEP to unsubsidized employers in an effort to promote employment opportunities for participants.
5. Expand economic opportunities through utilizing On the Job Experience (OJE) for participants.

**6. Describe a strategy for continuous improvement in the level of performance for SCSEP participants' entry into unsubsidized employment, and to achieve, at a minimum, the levels specified in OAA Section 513(a)(2)(E)(ii). (20 CFR 641.302(f))**

High performance is a priority for the state on every level—grantee, sub-grantees, host agencies, and employers. Several efforts are necessary in achieving these goals:

- Grantees will provide well-established partnerships with local Chambers of Commerce and employer organizations.
- Encouraging Tennessee grantees to establish relationships with their local, county and state economic development councils and accessing their press releases of future or growing business announcements.
- Provision of tools on each grantee’s Web site for sub-grantees and older worker jobseekers. Tools may include resources and supportive services targeted for older Americans, resume help (tips, templates), information on starting a business, interviewing aids, job-search strategies for older workers (highlighting employers who hire older workers), etc.
- Continuous training of sub-grantees, with topics including: performance measures, data validation, budget management, Most-In-Need barriers, job search strategies, etc.
- Encouragement of AJCs to hold job fairs targeted for older workers during Hire Older Worker Week in September.
- Encouragement of SCSEP sub-grantees to reach out to employers to educate them on the value of hiring older workers.
- Encouraging the use of sector strategies to assist lower-skilled workers with skill attainment and job placement.
- Encouraging further education, such as HSE, higher education, and technical training.
- Encouraging SCSEP sub-grantees to form local employer advisory boards.
- Promoting OJE as a tool for sub-grantees to use in future program years to gain more unsubsidized jobs for participant job seekers

## **(c) Location and Population Served, including Equitable Distribution**

States must:

### **1. Describe the localities and populations for which projects of the type authorized by title V are most needed. (20 CFR 641.325 (d))**

- Coordination with the nine regional Tennessee Area Agencies on Aging organizations that provide curb-to-curb transportation for older Americans (60 and older) is vital in the rural areas to provide access to individuals to participate in SCSEP.
- Partnerships with various community and faith based organizations that provide food to older Americans to ensure SCSEP participants have access to proper nutrition such as Second Harvest Food banks, Senior Centers for congregate meals and local Help Centers is ongoing.
- Coordination with community and faith based organizations that serve older Americans such as Senior Centers, Meals-on-Wheels nutrition sites, and senior transportation, serve as host agencies across the state.
- Coordination with programs that serve individuals with special needs or disabilities such as Vocational Rehabilitation and employers such as Goodwill Industries to ensure a successful outcome with SCSEP.

- Use Tennessee's 2-1-1 and other directories of service and support organizations to identify entities and programs in the community that provide referrals and support services to seniors.
- Negotiate community service assignments for participants at AJC offices where feasible. Participants' training positions include greeters and resource assistants, administrative assistants, file/records clerks, custodians, office assistants, job developers, case managers and computer assistants.
- Negotiate for participant staff to be co-located at AJC offices where feasible. If participant assistants are trained as job developers or job developer assistants, they will be able to assist American Job Centers' older job seeker customers to find employment and enable Workforce System staff to address other customers or service delivery needs. Participate in meetings, as appropriate, with senior service providers, both public and private.
- Provide information and referrals to the services of AJC Offices and SCSEP, respectively.
- Continue to utilize computer, adult basic education (ABE), HSE, continuing education, and other targeted training courses at community colleges, taking advantage of course discounts for individuals 55 to 64 years of age and free classes for individuals 65 years of age and older at community colleges. Libraries and community-based organizations also offer ABE, HSE, and ESL classes.
- Work with local boards to encourage community colleges to create short-term education and training programs that are relevant for local targeted industries and high-priority occupations.
- List participant openings and staff openings on Jobs4TN
- Assist job-ready participants to register on Jobs4TN
- Include AJC job seeker workshops and Job Clubs, when feasible, in Individual Employment Plans for participants who live near or have their host agency assignment near a AJC office.
- Attend local board meetings when feasible.
- Provide updates to local boards on SCSEP activities and successes in the LWDA.

**2. List the cities and counties where the SCSEP project will take place. Include the number of SCSEP authorized positions and indicate if and where the positions changed from the prior year.**

Title V of the Older Americans Act promotes geographical distribution of SCSEP positions so that all eligible persons have reasonable access to SCSEP. For Program Year (PY) 2014-2015, the U.S. Department of Labor allocates 20% of SCSEP funding to the TDLWD's 182 positions with the remaining 80% going to two national organizations— National Council on Aging (163 positions) and Senior Service America, Inc. (548 positions).

To measure the collective progress made by these state grantees toward an equitable distribution of program positions, an annual Equitable Distribution (ED) Report is developed in collaboration with all state grantees and sub-grantees. Each grantee operating in the state was contacted and asked to help develop the report. Telephone conversations provided a venue for the group to affirm a return to the regular practice of annual, Equitable Distribution meetings to achieve equality as indicated in the OAA Amendments. In addition, state operators meet on the national level to alleviate the disproportion noted.

*Movement of positions from over-served to underserved locations within Tennessee*

County	State	NCOA	SSAI	Totals
Anderson	0	0	12	12
Bedford	0	0	8	8
Benton	0	0	4	4
Bledsoe	0	0	3	3
Blount	0	0	13	13
Bradley	0	0	13	13
Campbell	11	0	0	11
Cannon	0	2	0	2
Carroll	0	0	6	6
Carter	5	0	8	13
Cheatham	5	0	0	5
Chester	3	0	0	3
Claiborne	8	0	0	8
Clay	0	0	3	3
Cocke	0	0	10	10
Coffee	0	0	10	10
Crockett	0	0	3	3
Cumberland	6	0	7	13
Davidson	0	62	0	62
Decatur	0	0	4	4
DeKalb	0	5	0	5
Dickson	0	8	0	8
Dyer	3	0	5	8
Fayette	0	0	6	6
Fentress	6	0	0	6
Franklin	0	0	6	6
Gibson	0	0	10	10
Giles	0	0	5	5
Grainger	0	0	6	6
Greene	0	0	14	14
Grundy	0	0	4	4
Hamblen	0	0	10	10
Hamilton	0	0	41	41
Hancock	0	0	3	3
Hardeman	5	0	0	5
Hardin	8	0	0	8
Hawkins	0	0	<b>11</b>	11
Haywood	0	0	5	5
Henderson	0	0	6	6

County	State	NCOA	SSAI	Totals
Henry	4	0	3	7
Hickman	0	5	0	5
Houston	2	0	0	2
Humphreys	3	0	0	3
Jackson	1	0	2	3
Jefferson	0	0	9	9
Johnson	3	0	2	5
Knox	0	0	41	41
Lake	0	0	2	2
Lauderdale	0	0	5	5
Lawrence	0	0	9	9
Lewis	0	0	3	3
Lincoln	0	0	5	5
Loudon	0	0	6	6
Macon	2	3	0	5
Madison	0	0	16	16
Marion	0	0	6	6
Marshall	0	0	4	4
Mauzy	0	0	9	9
McMinn	0	0	10	10
McNairy	7	0	0	7
Meigs	0	0	3	3
Monroe	0	0	9	9
Montgomery	4	8	0	12
Moore	0	0	1	1
Morgan	5	0	0	5
Obion	2	0	4	6
Overton	0	0	6	6
Perry	0	0	1	1
Pickett	0	0	2	2
Polk	0	0	4	4
Putnam	5	0	8	13
Rhea	0	0	6	6
Roane	0	0	9	9
Robertson	0	7	0	7
Rutherford	0	15	0	15
Scott	5	0	0	5
Sequatchie	0	0	3	3
Sevier	0	0	13	13
Shelby	46	0	57	103

County	State	NCOA	SSAI	Totals
Smith	0	3	0	3
Stewart	3	0	0	3
Sullivan	7	0	20	27
Sumner	0	15	0	15
Tipton	0	0	7	7
Trousdale	0	2	0	2
Unicoi	0	0	5	5
Union	5	0	0	5
Van Buren	2	0	0	2
Warren	0	9	0	9
Washington	11	0	10	21
Wayne	0	0	4	4
Weakley	5	0	2	7
White	0	6	6	
Williamson	0	10	0	10
Wilson	0	9	0	9
<b>TOTALS:</b>	182	163	548	893

**3. Describe any current slot imbalances and proposed steps to correct inequities to achieve equitable distribution.**

Equitable Distribution for PY 2015 Q 2 reflects the following:

	Approved Slots	Enrolled	Variance	Counties
Tennessee	182	175	-7	29
National Grantees	711	690	-21	80
Total ED Grantees	893	865	-28	95

Tennessee had 19 out of 95 counties or 20% with more than two vacancies and the PY15 quarter 2 equitable distributions reflected 32 slots over or 48.7%. To address these variances under and over enrollment Tennessee will implement the following strategies:

1. Review EDR monthly and address variances with sub-grantee during conference calls and scheduled meetings.
2. Review EDR semi-annually with national grantee partners and develop strategies needed to achieve equitable distribution

**4. Explain the State’s long-term strategy for achieving an equitable distribution of SCSEP positions within the State that:**

## **A. moves positions from over-served to underserved locations within the State in compliance with 20 CFR 641.365.**

Tennessee has 95 counties. According to the 2009-2011 USDOL's SCSEP Persistent Unemployment Report, 48 out of the 95 counties were reported as poor employment attainment counties. The majority of these counties are located in rural areas; therefore, the population tends to have low-literacy and low-skilled workers. Tennessee is working toward:

- Identifying the inequities in resources to equitably serve SCSEP participants in both rural and urban counties across the state.
- Identifying those inequities, specific to rural areas, that can be changed or addressed, and those that promote the development of new training sites and employment opportunities for participants. Identifying tools and resources to rally communities in helping with the needs of the eligible population.

Rural areas that have inadequate resources will have access to the WIOA services. Rural-area employers with SCSEP training include: custodial, food service, lawn care, department store greeters, librarian assistants, and childcare providers. In order to develop the types of jobs listed above, sub-grantees will make connections with businesses, local employers, schools, childcare facilities, nursing homes, and healthcare facilities. After rapport has been established with these entities, host agencies will be determined. Sub-grantees will maintain a relationship in an effort to supply host agencies with SCSEP participants as needed.

Like the rural population, Tennessee's urban population has its shares of challenges, which includes low skills, background, health, access, transportation and other barriers to employment. For example, Shelby County's challenges are similar to other urban counties in the state. Many of the state's older workers lack a sufficient work history and/or experience in industries relevant to today's labor market. This can be attributed to the tradition of retiring from one company, which means a participant would only be employable for that particular position that they held for 15 to 20 years. The realization is that the individual may no longer be physically fit or because of technological advancements possess the knowledge or skills to use advanced machinery and/or equipment. For this reason, many of SCSEP participants' lack relevant skill set(s) for other industries including high growth industries for which they have not worked or have received training. Another consequence that stems from the age-old tradition of maintaining loyalty to one company or job is the lack of education required for that job. The majority of Shelby County SCSEP participants' only have a high school diploma or less. All of these issues, including others that will be mentioned, comprise the older population in Shelby County that is eligible for SCSEP.

Second, criminal background and/or credit check significantly impacts the number of participants that program staff is able to move into employment. There are applicants living in the large urban—Davidson and Shelby— areas are ex-offenders. This results in limited host agencies and employers that will agree to work with ex-offenders thus limiting the ability to offer services to these individuals. At best, these are the participants that are most likely to be promoted and encouraged by Host Agencies to hire.

In addition, although many of the SCSEP participants need or want to work they may be long-term consumers of government assistance programs for income or other supports. The finding is recipients of these government assistance programs such as Supplemental Security Income (SSI), Disability Insurance

or Housing and Urban Development (HUD) never leaves, especially for employment, once on these programs. Even when there is an opportunity for the individual to move off government assistance into economic self-sufficiency, there is fear that if government assistance is needed again the process is so long and tedious it will not be available. SCSEP then becomes just a program to supplement the income of those participants receiving benefits from these programs.

Thirdly, another issue that is prevalent in both rural and urban areas is persons with health and mental illness, some undiagnosed. There have been a number of participants enrolled in Shelby County suffering from serious health or mental illness. While the two are grouped in this narrative they are very different, one more recognizable than the other. Both consequently, prove to be a trial for job retention.

Lastly, Davidson County like Shelby County still faces many issues with public transportation. Although public transportation is available in the large urban areas, there are still challenges to successfully overcome when assisting participants who use this method of transportation. These challenges include rising costs of bus tickets, finding appropriate host agencies for assignment on the bus route, the length of time it takes to get to and from the host agency, the cost and time it takes to job search and finding employers located on the bus route once the participant becomes job ready. One way Davidson County is dealing with this issue is by having staff rides the bus routes to become familiar with non-profits, public entities and businesses located on the public transportation routes located in the participants' neighborhoods. Once research has been completed, new relationships can be formed to meet the needs of the participants.

## **B. equitably serves both rural and urban areas.**

Information regarding the equitable services in both rural and urban areas is provided in the response to part A of this section.

## **C. serves individuals afforded priority for service under 20 CFR 641.520. (20 CFR 641.302(a), 641.365, 641.520)**

### **Priority for Service**

Several participants are given priority status under the SCSEP program. SCSEP sub-grantees work to continue enrolling older workers using this priority of service: first, individuals who are veterans and their qualified spouses; next, individuals, who are 65 and older, or:

- Have a disability
- Have limited English proficiency or low literacy skills
- Reside in a rural area
- Have low employment prospects
- Have failed to find employment after using services under Title I of WIA
- Are homeless or at risk of homelessness

Outreach to local organizations, serving individuals with barriers (such as veterans and the homeless), will be used to recruit individuals 55 years old or older meeting SCSEP guidelines.

These statutory preferences apply to the following individuals:

1. Those that have incomes below the poverty line;
2. Those who have poor employment prospects and who have the greatest social and/or economic need; and
3. Those who are eligible minorities, Limited-English speakers, or Native Americans

These preferences should be considered within the context of statutory priorities. For example, among eligible veterans and qualified spouses age 60 and over, to the extent practical, preference should be given to individuals within these three categories.

In addition, the Quarterly Progress Report indicators include the number of SCSEP persons served along with the demographics and characteristics of those participants. This U.S. Department of Labor-required report is another vehicle to track the number served, the distribution, the employment situation, and the population where community service projects are located.

## **5. Provide the ratio of eligible individuals in each service area to the total eligible population in the State. (20 CFR 641.325(a))**

Throughout the inception of Tennessee's SCSEP program, the demand has been greater than the supply. See table below that shows the poverty rate of individuals 55+ by its LWDA population.

LWDA 7, commonly known as the Upper Cumberland area had the highest poverty level for the total population at 20.2%. Seven of the thirteen LWDA's have poverty levels for the total population that are higher than the state average.

For the age 55+ group, LWDA 11 has the highest percentage below poverty at 16.2%. LWDA 7 ranked second with 15.6% of age 55+ below poverty.

LWDA 13 has the greatest number of age 55+ individuals below poverty level. There are 23,181 age 55+ below poverty in this LWDA and represents 13.7% of the total statewide. LWDA 9 has 10.1% of the statewide total with 17,128 of age 55+ below poverty. These two LWDA's include the two largest cities in Tennessee.

## **6. Provide the relative distribution of eligible individuals who:**

### **A. Reside in urban and rural areas within the State**

The greatest economic need is for those at or below 125% of the Department of Health and Human Services Poverty Level. In Tennessee, according to 2010 Census Data, 1,639,177 people account for the age group 55+; TDLWD estimates that 188,505 are eligible for SCSEP services. To be eligible for SCSEP, an individual must be 55 years old or older, have a total family income of less than 125 percent of the Federal poverty level and be unemployed. For Tennessee, 11.5% of the individuals 65+ fall at or below 125% of the poverty level, according to the Census ACS. Likewise, the greatest social need is defined by USDOL as a need caused by noneconomic factors. This includes persons with physical disabilities and mental disabilities, language barriers, and cultural, social, or geographic isolation brought about by racial

or ethnic status. In Tennessee, approximately 121 or 13% of the eligible individuals were identified as having a disability at the end of PY 2012. This indicates that Tennessee SCSEP is reaching out and serving eligible older residents with disabilities.

The Most-In-Need outreach includes services from WIOA, community outreach, assistance in providing transportation, workforce system referrals, promoting area businesses in an effort to increase host agency assignments. Sub-grantees are encouraged to participate in the local board, that includes members of the community, business owners, representatives, and those from other state agencies. The sub-grantee is assigned to the American Job Center for at least four hours week to recruit participants qualified to participate in the program. The state’s objective to improve these resources is an ongoing effort.

Overall, recruitment endeavors in Tennessee have been successful in reaching and serving the SCSEP-targeted special populations. The use of Disability Program Navigators throughout the Career Center system is a great resource. Navigators assist individuals, with special needs, with Career Center staff in the recruitment and selection process. Navigators bridge the gap between the business and human service communities by organizing forums for discussion, etc.

Below is a chart of recruitment strategies:

<b>Most-In-Need Population Group</b>	<b>Sub-grantee Recruitment Method</b>
Are age 65 or older	Senior centers, aging agencies, build local community-based partnerships and collaborations
Have a disability	Senior centers, aging agencies, disability service providers, build local community-based partnerships and collaborations
Have limited English proficiency	Have access to Spanish speakers; utilized local community partnerships
Have low literacy skills	Partner with high school equivalency (HSE) and ABE providers; work with seniors who present this barrier
Live in a rural area	Focus on the 48 counties in Tennessee that are classified as rural
Are veterans or their spouses eligible	Partner with agencies that serve veterans
Have low employment prospects	Promote SCSEP with safety net organizations (like food banks) and other types of host agencies to get the word out
Have failed to find jobs after using Title I services	Partner with local American Job Centers
Are homeless or at risk of homelessness	Partner with agencies that serve the homeless
Have income at or below poverty level	Do not recruit for this specifically other than ensuring that participants are income-eligible for SCSEP
Are minorities	Have access to Spanish speakers and other members of minority community. Build local

Most-In-Need Population Group	Sub-grantee Recruitment Method
	partnerships to address this.
Are socially isolated-have physical and mental disabilities, language barriers, and cultural, social or geographic isolation including isolation caused by race and ethnicity	Some territory in TN yields pockets of isolation; also sub-grantees partner with disability organizations for supportive services and other referrals

**B. Have the greatest economic need**

Information regarding economic need is addressed in question A in this section.

**C. Are minorities**

Information regarding minorities is addressed in question A in this section.

**D. Are limited English proficient.**

Information regarding limited English proficient is addressed in question A in this section.

**E. Have the greatest social need. (20 CFR 641.325(b))**

Information regarding greatest social need is addressed in question A in this section.

**7. Describe the steps taken to avoid disruptions to service for participants to the greatest extent possible, when positions are redistributed, as provided in 20 CFR 641.365; when new Census or other reliable data becomes available; or when there is over-enrollment for any other reason. (20 CFR 641.325(i), 641.302(b))**

When a new census or other reliable data becomes available or when there is over-enrollment for any other reason, every effort is made to ensure that there is no disruption in service by ceasing new enrollments until authorized levels are met. Individual Employment Plans are reviewed and any remaining barriers to employment are addressed; also an aggressive job placement strategy is put in place to achieve authorized levels.

In the case of any transition of positions, whether caused by a shifting in census data and the location of SCSEP positions or sub-grantees moving within the state, the grantee designated point of contact will serve as the team leader whose responsibilities will include: serving as a coordination point of contact for participants, host agencies, other grantees, state SCSEP Offices and USDOL. The Federal Project Officer will be consulted and will subsequently approve any movements of positions. No movement or transfer of positions will be initiated until the State Agency is notified. After approval, the file transfer process begins. Records include, but are not limited to: most-recent eligibility; contact information; assessments or latest IEP review; current community service work-based training description; host agency contact

information; safety record of most-recent monitoring; and the most-recent offer of a physical examination.

Sub-grantees ensure that files are kept confidential in several ways: (1) contact will be made with sub-grantees about the confidential treatment of files; (2) participant files will be kept in a secure location accessible only to authorized persons; (3) sub-grantee will monitor onsite file security; (4) neither grantees nor their sub-grantees will use volunteers for any transition activities that require access to records; (5) grantees will transfer only encrypted files to maintain confidentiality of electronic data; and, (6) at the time of enrollment, each participant will sign the Privacy Act Statement based on the Privacy Act of 1974, which allows release of specific confidential information, including Social Security numbers.

In a case where there are new offices, SCSEP grantees and their sub-grantees will use existing offices and staff for immediate startup and they will ensure seamless services during the transition. If grantees are awarded funds to serve counties not included in their current grant, they will identify and train staff of a new sub-grantee, or if necessary, will operate in these counties with their own staff on an interim basis. Through any transition process, grantees will ensure that participants are paid. Grantees will convene meetings with affected participants, the incumbent and new providers, to process participant payroll information. As part of the sub-grantee sponsor agreement, all sub-grantees have acknowledged in writing that they “agree to assist grantees in transitioning SCSEP participants and related files to the new SCSEP sponsor with minimum disruption.”

To ease the transition, participants will be encouraged to take advantage of other available assistance programs. Onsite help will be available as needed. Since necessary financial information will be transferred, there should be no interruption in payroll. Final payroll payments will be made according to a payment schedule agreed upon by the two grantee agencies.

## **SCSEP Assurances**

The State Plan must include assurances that where SCSEP is included in the Combined Workforce Plan, the State has established a written policy and procedure to obtain advice and recommendations on the State Plan from:

Representatives of the State and area agencies on aging; Yes

State and local boards under WIOA; Yes

Public and private nonprofit agencies and organizations providing employment services, including each grantee operating a SCSEP project within the State, except as provided under section 506(a)(3) of OAA and 20 CFR 641.320(b); Yes

Social service organizations providing services to older individuals; Yes

Grantees under Title III of OAA; Yes

Affected Communities; Yes

Unemployed older individuals; Yes

Community-based organizations serving older individuals; Yes

Business organizations; and Yes

Labor organizations. Yes

## **State Comments on SCSEP Assurances**

# Appendix 1. Performance Goals for the Core Programs

Include the State's expected levels of performance relating to the performance accountability indicators based on primary indicators of performance described in section 116(b)(2)(A) of WIOA.

Instructions: Performance Goals for the Core Programs

Each State submitting a Unified or Combined Plan is required to identify expected levels of performance for each of the primary indicators of performance for the first two years covered by the plan. The State is required to reach agreement with the Secretary of Labor, in conjunction with the Secretary of Education on state adjusted levels of performance for the indicators for each of the first two years of the plan.

Table 1. Employment (Second Quarter after Exit)

Program	PY 2016 Proposed/ Expected Level	PY 2016 Negotiated/ Adjusted Level	PY 2017 Proposed/ Expected Level	PY 2017 Negotiated/ Adjusted Level
Adults	74.00	80.00	74.00	83.00
Dislocated Workers	80.00	83.00	81.00	84.00
Youth	74.00	76.00	75.00	79.00
Adult Education	Baseline	Baseline	Baseline	Baseline
Wagner-Peyser	69.00	65.00	69.00	68.00
Vocational Rehabilitation	Baseline	Baseline	Baseline	Baseline

User remarks on Table 1

Table 2. Employment (Fourth Quarter after Exit)

Program	PY 2016 Proposed/ Expected Level	PY 2016 Negotiated/ Adjusted Level	PY 2017 Proposed/ Expected Level	PY 2017 Negotiated/ Adjusted Level
Adults	70.00	75.00	74.00	78.00
Dislocated Workers	79.00	79.00	81.00	81.00
Youth	69.00	78.00	75.00	79.50
Adult Education	Baseline	Baseline	Baseline	Baseline
Wagner-Peyser	69.00	64.00	69.00	67.00
Vocational Rehabilitation	Baseline	Baseline	Baseline	Baseline

User remarks on Table 2

Table 3. Median Earnings (Second Quarter after Exit)

Program	PY 2016 Proposed/ Expected Level	PY 2016 Negotiated/ Adjusted Level	PY 2017 Proposed/ Expected Level	PY 2017 Negotiated/ Adjusted Level
Adults	4,250.00	6,500.00	4,300.00	7,000.00
Dislocated Workers	7,250.00	7,100.00	7,300.00	7,400.00
Youth	2,650.00	Baseline	2,700.00	Baseline
Adult Education	Baseline	Baseline	Baseline	Baseline
Wagner-Peyser	4,613.00	4,613.00	4,713.00	4,913.00
Vocational Rehabilitation	Baseline	Baseline	Baseline	Baseline

User remarks on Table 3

Table 4. Credential Attainment Rate

Program	PY 2016 Proposed/ Expected Level	PY 2016 Negotiated/ Adjusted Level	PY 2017 Proposed/ Expected Level	PY 2017 Negotiated/ Adjusted Level
Adults	72.00	72.50	73.00	75.50
Dislocated Workers	76.00	76.50	77.00	79.00
Youth	64.00	78.50	65.00	81.50
Adult Education	Baseline	Baseline	Baseline	Baseline
Wagner-Peyser	n/a	n/a	n/a	n/a
Vocational Rehabilitation	Baseline	Baseline	Baseline	Baseline

User remarks on Table 4

Table 5. Measureable Skill Gains

Program	PY 2016 Proposed/ Expected Level	PY 2016 Negotiated/ Adjusted Level	PY 2017 Proposed/ Expected Level	PY 2017 Negotiated/ Adjusted Level
Adults	Baseline	Baseline	Baseline	Baseline
Dislocated Workers	Baseline	Baseline	Baseline	Baseline
Youth	Baseline	Baseline	Baseline	Baseline
Adult Education	36.00	36.00	37.00	37.00
Wagner-Peyser	n/a	n/a	n/a	n/a
Vocational Rehabilitation	Baseline	Baseline	Baseline	Baseline

User remarks on Table 5

Table 6. Effectiveness in Serving Employers

Program	PY 2016 Proposed/ Expected Level	PY 2016 Negotiated/ Adjusted Level	PY 2017 Proposed/ Expected Level	PY 2017 Negotiated/ Adjusted Level
Adults	Baseline	Baseline	Baseline	Baseline
Dislocated Workers	Baseline	Baseline	Baseline	Baseline
Youth	Baseline	Baseline	Baseline	Baseline
Adult Education	Baseline	Baseline	Baseline	Baseline
Wagner-Peyser	Baseline	Baseline	Baseline	Baseline
Vocational Rehabilitation	Baseline	Baseline	Baseline	Baseline

User remarks on Table 6

Table 7. Combined Federal Partner Measures

Measure	PY 2016 Proposed/ Expected Level	PY 2016 Negotiated/ Adjusted Level	PY 2017 Proposed/ Expected Level	PY 2017 Negotiated/ Adjusted Level

User remarks on Table 7

## Appendix 2. Other State Attachments (Optional)

Measure: Employment in 2 <sup>nd</sup> Qtr. After Exit	P Y 16 / F Y 17 Proposed/ Expected Level	P Y 16 / F Y 17Negotiated/ Adjusted Level	P Y 17 / F Y 18Proposed/ Expected Level	P Y 17 / F Y 18Negotiated/ Adjusted Level
Adults	74%	80%	74.5%	83%
Dislocated Workers	80.5%	83%	81%	84%
Youth (Education or Employment)	74.5%	76%	75%	79%
Wagner-Peyser / Labor Exchange	69%	65%	69.5%	68%
Adult Education	Baseline	Baseline	Baseline	Baseline
Vocational Rehabilitation	58.5%	Baseline	59%	Baseline

Measure: Employment in 4 <sup>th</sup> Qtr. After Exit	P Y 16 / F Y 17 Proposed/ Expected Level	P Y 16 / F Y 17Negotiated/ Adjusted Level	P Y 17 / F Y 18Proposed/ Expected Level	P Y 17 / F Y 18Negotiated/ Adjusted Level
Adults	70.5%	75%	71.5%	78%
Dislocated Workers	79%	79%	79.5%	81%
Youth(Education or Employment)	69.5%	78%	70%	79.5%
Wagner-Peyser / Labor Exchange	68.5%	64%	69%	67%
Adult Education	Baseline	N/A	Baseline	N/A
Vocational Rehabilitation	54%	N/A	54.5%	N/A

Measure: Median Earnings 2 <sup>nd</sup> Qtr. After Exit	P Y 16 / F Y 17 Proposed/ Expected Level	P Y 16 / F Y 17Negotiated/ Adjusted Level	P Y 17 / F Y 18Proposed/ Expected Level	P Y 17 / F Y 18Negotiated/ Adjusted Level
Adults	\$4250	\$6500	\$4300	\$7000
Dislocated Workers	\$7250	\$7100	\$7300	\$7400
Youth	\$2650	N/A	\$2700	N/A
Wagner-Peyser / Labor Exchange	\$4613	\$4613	\$4713	\$4913
Adult Education	Baseline	N/A	Baseline	N/A
Vocational Rehabilitation	Baseline	N/A	Baseline	N/A

Measure: Credential Attainment Rate	P Y 16 / F Y 17 Proposed/ Expected Level	P Y 16 / F Y 17Negotiated/ Adjusted Level	P Y 17 / F Y 18Proposed/ Expected Level	P Y 17 / F Y 18Negotiated/ Adjusted Level
Adults	72.5%	72.5%	73%	75.5%
Dislocated Workers	76.5%	76.5%	77%	79%
Youth	64.5%	78.5%	65%	81.5%
Wagner-Peyser / Labor Exchange	NA	NA	NA	NA
Adult Education	Baseline	NA	Baseline	NA

<b>Measure: Credential Attainment Rate</b>	<b>P Y 16 / F Y 17 Proposed/ Expected Level</b>	<b>P Y 16 / F Y 17Negotiated/ Adjusted Level</b>	<b>P Y 17 / F Y 18Proposed/ Expected Level</b>	<b>P Y 17 / F Y 18Negotiated/ Adjusted Level</b>
<b>Vocational Rehabilitation</b>	TBD	NA	TBD	NA

<b>Measurable Skill Gains</b>	<b>P Y 16 / F Y 17 Proposed/ Expected Level</b>	<b>P Y 16 / F Y 17Negotiated/ Adjusted Level</b>	<b>P Y 17 / F Y 18Proposed/ Expected Level</b>	<b>P Y 17 / F Y 18Negotiated/ Adjusted Level</b>
<b>Adults</b>	Baseline	NA	Baseline	NA
<b>Dislocated Workers</b>	Baseline	NA	Baseline	NA
<b>Youth</b>	Baseline	NA	Baseline	NA
<b>Wagner-Peyser / Labor Exchange</b>	NA	NA	NA	NA
<b>Adult Education</b>	36%	36%	37%	37%
<b>Vocational Rehabilitation</b>	TBD	NA	TBD	NA

<b>Measure: Effectiveness in Serving Employers</b>	<b>P Y 16 / F Y 17 Proposed/ Expected Level</b>	<b>P Y 16 / F Y 17Negotiated/ Adjusted Level</b>	<b>P Y 17 / F Y 18Proposed/ Expected Level</b>	<b>P Y 17 / F Y 18Negotiated/ Adjusted Level</b>
<b>Adults</b>	Baseline	N/A	Baseline	N/A
<b>Dislocated Workers</b>	Baseline	N/A	Baseline	N/A
<b>Youth</b>	Baseline	N/A	Baseline	N/A
<b>Wagner-Peyser / Labor Exchange</b>	Baseline	N/A	Baseline	N/A
<b>Adult Education</b>	Baseline	N/A	Baseline	N/A
<b>Vocational Rehabilitation</b>	Baseline	N/A	Baseline	N/A

*Appendix 1: Performance Goals (cont.)*

TDLWD made the following assumptions in our preparation work. If any of our assumptions are proven inconsistent with the final regulations/guidance provided by the Departments, we reserve the right to revisit any and all projections and proposals contained with this appendix.

1) General Concepts

- a. Participants - We used the definition proposed in the Notices of Proposed Rulemaking issued on April 16, 2015 (NPRM), which meant excluding self-service only Title III job seekers (no other TN job seekers were self-service only). However, many commenters objected to the exclusion of self-service only customers from the Participant definition. If the definition is modified, TN will have to propose different targets for Title III. In addition, converting historic Adult Education & Family Literacy Act (AEFLA) data has proven difficult in combining contact hours across program years and we continue to work with this data.
- b. Exit - We used the “pre-WIOA” definition of exit even though the NPRM proposed a different definition. The NPRM proposed that a Period of Participation not be extended by self-service (such

as when a staff-assisted customer continues to utilize the system through self-service). TN objected to this proposal, as did other commenters, because it means that participants following a plan developed by staff, but doing so via self-service does not extend the period of participation and starts the measurement period while the person was still in service. This proved entirely too complicated to implement via an ad hoc process within the time frame allowed and TN utilized the pre-WIOA exit definition. If the final definition of exit does not match the pre-WIOA definition used in developing data for Appendix 1, TN will need to revisit the proposals.

c. Common Periods of Participation - The NPRM requested feedback on whether “Common Periods of Participation” should be used in WIOA reporting across all six WIOA programs. However, the Department of Labor indicated that it intends to use Common Periods of Participation for its programs, even if the final regulations do not provide for common periods of participation that would also include AEFLA and Vocational Rehabilitation (VR) programs. Although we anticipate implementing universal, integrated Periods of Participation eventually, if permitted, it was not possible to produce data that used this model within the time frame allowed. As such, we applied common Periods of Participation across all programs except AEFLA and VR in developing the data for the appendix.

2) Measure Definition/Calculation Issues - Most of the measure definition proposals proposed by the Departments in the Joint ICR were complete and appeared to conform to the statutory definitions. However, there were exceptions that impacted TN’s work in developing data for the appendix.

a. Credential Rate - The proposed specifications within the Joint ICR contained a conflict between different components of the guidance which made it impossible to follow the specifications in determining who was in the denominator. In the absence of clear guidance, we assumed that the denominators contained only those Participants who were enrolled in education or training intended to result in a recognized degree or certificate (and thus had a reasonable chance to be in the numerator). This allowed us to submit target proposals for the Title I Adult, Dislocated Worker, and Youth populations. However, it was less clear how to use data from the Department of Education’s RSA911 exiter file to create targets for the VR population.

b. Measureable Skills Gain -MSG is a new measure under WIOA. The only WIOA program that previously had a measure similar to it was AEFLA. While the second State Plan Information Collection Request specifies that state are to propose MSG targets for VR, it was not clear how to use data from the Department of Education’s RSA911 exiter file.

TN was able to propose AEFLA MSG targets. These targets follow the Department’s proposed methodology despite TWC’s significant and previously commented upon concerns relating to the lack of a reasonable lag period before a participant was put in the denominator of the measure and proposal to only count gains in the “domain of significance” (the lowest educational functioning level) in the measure.

3) Performance Periods - The Departments did not propose performance periods for the WIOA measures so we assumed the periods would largely match the pre-WIOA performance periods, but “lagged” by one additional quarter, since WIOA measures focus primarily on the 2nd and 4th quarters after exit rather than the 1st and 3rd quarters. The following tables show the periods assumed for each measure:

Measure	Baseline From	Baseline To	P Y 16 From	P Y 16 To	P Y 17 From	P Y 17 To
Employed Quarter 2 after Exit and Median Earnings in Quarter 2 after Exit	2014Q3	2015Q2	2015Q3	2016Q2	2016Q3	2017Q2
Employed Quarter 4 after Exit and Credential Rate	2014Q1	2014Q4	2015Q1	2015Q4	2016Q1	2016Q4
Measureable Skills Gain	2015Q3	2016Q2	2016Q3	2017Q2	2017Q3	2018Q2

#### 4) Other Issues -

- a. Program Changes - We were not able to assess the impact of recent and coming policy and program changes. This particularly involves the impact of the new WIOA requirement to spend 15% of federal vocational rehabilitative program grant funding on Pre-Employment Transition Services. It is not clear whether all students with disabilities receiving these services will be considered participants and thus be included in performance. If so, we will need to reconsider some of the targets proposed for Rehabilitative Services.
- b. Economic Changes - WIOA provides for the use of statistical models to help address the impact of changes in the participants being served and changes in the local economy. Because these models have not yet been built by the Departments, TN was unable to account for these changes. The proposals were set based on the assumption that TN's economy would remain strong.
- c. AEFLA Measureable Skills Gain - The significant increase in the proposed target for PY16 compared to the projected baseline is because the baseline performance was atypically low due to a program transition associated with bringing new AEFLA providers on board.

Please use the following links for more detailed information on Tennessee's Economic Outlook, Workforce 360, and Economic Benefits.

TN full WIOA Combined State Plan

([http://www.tn.gov/assets/entities/labor/attachments/TN\\_WIOA\\_Combined\\_State\\_Plan.pdf](http://www.tn.gov/assets/entities/labor/attachments/TN_WIOA_Combined_State_Plan.pdf))

LMI Info

([http://tn.gov/assets/entities/labor/attachments/APPENDIX\\_2\\_ECONOMIC\\_AND\\_WORKFORCE\\_ANALYSIS.pdf](http://tn.gov/assets/entities/labor/attachments/APPENDIX_2_ECONOMIC_AND_WORKFORCE_ANALYSIS.pdf))

TANF-Specific Strategic and Operational Planning Elements

([https://www.tn.gov/assets/entities/labor/attachments/TANF\\_WIOA\\_Specific\\_Strategic\\_Operational\\_Elements.pdf](https://www.tn.gov/assets/entities/labor/attachments/TANF_WIOA_Specific_Strategic_Operational_Elements.pdf))

Workforce 360 ([http://tn.gov/assets/entities/labor/attachments/APPENDIX\\_3\\_WORKFORCE\\_360.pdf](http://tn.gov/assets/entities/labor/attachments/APPENDIX_3_WORKFORCE_360.pdf))

Drive to 55

([http://tn.gov/assets/entities/labor/attachments/APPENDIX\\_4\\_ECONOMIC\\_BENEFITS\\_OF\\_POSTSECONDARY\\_CREDENTIALS\\_-\\_DRIVE\\_TO\\_55\\_ACHIEVEMENT.pdf](http://tn.gov/assets/entities/labor/attachments/APPENDIX_4_ECONOMIC_BENEFITS_OF_POSTSECONDARY_CREDENTIALS_-_DRIVE_TO_55_ACHIEVEMENT.pdf))

SNAP Plan ([http://tn.gov/assets/entities/labor/attachments/TN\\_SNAP\\_ET\\_State\\_Plan\\_FFY\\_2016.pdf](http://tn.gov/assets/entities/labor/attachments/TN_SNAP_ET_State_Plan_FFY_2016.pdf))