



Tennessee Resiliency Plan

Recovery Plan Performance Report

Version 2.0 Updated July 31, 2024



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Executive Summary

Under the American Rescue Plan Act (ARPA), the State of Tennessee received \$3.725 billion in funds awarded via the U.S. Department of the Treasury “Fiscal Recovery Fund” (“FRF”). The availability of one-time FRF funds presented a significant opportunity for Tennessee to: (i) Continue its response to the COVID-19 pandemic and its secondary effects; (ii) Invest in initiatives that support a strong economic recovery; (iii) Strengthen state fiscal stability.

To support the development of a comprehensive plan for Tennessee’s Fiscal Recovery Fund, Governor Lee invited state agencies and stakeholders to submit proposals for consideration by the Financial Stimulus Accountability Group (FSAG) for inclusion in the state’s Tennessee Resiliency Plan. The FSAG is a joint bipartisan legislative and executive branch committee charged by the Governor to ensure the appropriate and prudent planning for new federal funds received by the State of Tennessee.

All proposals were reviewed by the Department of Finance & Administration (F&A) and the Governor’s Office for fiscal impact, eligibility, and alignment with state priorities. Proposals were then submitted to the FSAG for feedback and discussion.

This document summarizes the work of FSAG in reviewing and approving projects funded by the ARPA State Fiscal Recovery Fund dollars, providing both retrospective and prospective information on all projects.

Background on the ARPA State Fiscal Recovery Fund

On March 11, 2021, the American Rescue Plan Act of 2021 (“ARPA”) was enacted into law,¹ expending \$1.9 trillion in federal spending to respond to the COVID-19 pandemic. Several components of the Act build on previous programs included in earlier federal relief packages.

Notable federal appropriations under the ARPA include the following:

- \$412 billion for Economic Impact Payments to individuals;
- \$350 billion for the Coronavirus State and Local Fiscal Recovery Funds;
- \$122.7 billion for Elementary and Secondary School Emergency Relief Fund;
- \$50 billion for FEMA’s Disaster Relief Fund to respond to disaster declarations;
- \$47.8 billion for testing and tracing activities for COVID-19;
- \$39.6 billion for Higher Education Emergency Relief Fund;
- \$39 billion for childcare subsidies and grants to childcare providers;
- \$30.5 billion for grants to transit agencies;
- \$36.6 billion for rental and mortgage assistance;
- \$28.6 billion to establish a Restaurant Revitalization Fund;
- \$10 billion for Coronavirus Capital Projects Fund.

¹ H.R. 1319, American Rescue Plan Act of 2021 (enacted on March 11, 2021, as Public Law 117-2)
<https://www.congress.gov/bill/117th-congress/house-bill/1319>

Each of these programs is subject to further programming and distribution by federal agencies, and state-by-state distribution may vary.

Funding for State and Local Governments under the American Rescue Plan

The ARPA established a new U.S. Treasury Program, the Coronavirus State and Local Fiscal Recovery Fund (“SLFRF”),² with the intent of assisting states and local governments in mitigating the fiscal effects of the COVID-19 pandemic.

Tennessee has received \$3.725 billion from the State Fiscal Recovery Fund. Tennessee counties, metros, and non-metro cities are estimated to receive a total of \$2.28 billion in Local Fiscal Recovery Fund awards. The Local Fiscal Recovery Fund is divided into three separate distributions: \$1.326 billion for counties, \$516 million for metropolitan cities, and \$438 million for “non-entitlement units of local governments.”³

SLFRF awards are distributed directly by the U.S. Treasury (“Treasury”) to states, counties, and metro cities.⁴ The remaining local governments, referred to by the Treasury as “non-entitlement units of local government,” must draw funding from state governments who must distribute funds per federal formula and criteria. States are required to allocate funds to non-entitlement units of local government within 30 days of receiving the payment from the Treasury. The Department of Finance and Administration has launched a system and portal for non-entitlement units to draw down distributions.⁵

SLFRF funds may be used: (a) To respond to the public health emergency or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality; (b) To respond to workers performing essential work during the COVID–19 public health emergency by providing premium pay to eligible workers; (c) For the provision of government services to the extent of the reduction in revenue due to the COVID–19 public health emergency relative to revenues collected in the most recent full fiscal year prior to the emergency; and (d) To make necessary investments in water, sewer, or broadband infrastructure.⁶

² This is a separate and independent award from the CARES Act Coronavirus Relief Fund, available until Dec 31, 2021.

³ “Non-entitlement units of local government” are defined by the act as a city that is not a metropolitan city as defined in the Housing and Community Development Act of 1975 (42 USC §5302(a)(5)).

⁴ Eighteen metro cities in TN will receive funding directly from the U.S. Treasury – Bartlett City, Bristol, Chattanooga, Clarksville, Cleveland, Collierville Town, Franklin City, Hendersonville, Jackson, Johnson City, Kingsport, Knoxville, Memphis, Morristown, Murfreesboro, Nashville-Davidson, Oak Ridge, Smyrna Town.

⁵ Non-entitlement unit local governments who have not drawn down funds should visit the Tennessee Department of Finance and Administration, “Distribution Information for NEU Local Government” website at <https://www.tn.gov/finance/coronavirus-local-fiscal-recovery-fund---state-guidance-for-local-governments/distribution-information-for-neu-local-governments.html>

⁶ “Coronavirus State and Local Fiscal Recovery Funds, Final Rule,” Department of the Treasury, 31 CFR Part 35 RIN 1505-AC77, January 27, 2022, <https://www.govinfo.gov/content/pkg/FR-2022-01-27/pdf/2022-00292.pdf>.

Under the U.S. Treasury's Interim Final Rule, FRF funding may be used to support a broad range of public health needs as it can be demonstrated that such needs have been exacerbated by the pandemic. Eligible public health expenditures include mental health services, home visiting programs, and support for vulnerable populations to access health care services. Recipients may also use FRF to provide wage enhancements to eligible essential workers.

To alleviate economic hardship, the FRF may be applied to provide relief to individuals, non-profits, and businesses directly impacted by the pandemic. Eligible uses include job training for unemployed workers, loan programs for small businesses and non-profits, expansion of affordable housing developments, and increased capacity of childcare services.

The FRF can support physical infrastructure investments without a specific nexus to COVID-19, but only if such investments fall within the statutorily prescribed "necessary sewer, water, and broadband" projects. The Interim Final Rule states that broadband projects are expected to deliver symmetrical upload and download speeds of 100 Megabits per second wherever feasible. It also states that for sewer and water investments, guidance aligns eligible projects to those that meet the requirements of EPA's Clean Water Revolving Fund and Drinking Water State Revolving Fund.

Recipient governments who have experienced year-to-year revenue loss may use FRF funding to replace lost revenue for the provision of government services. The Interim Final Rule establishes a methodology for recipients to calculate revenue reductions that occurred as a result of the pandemic. Due to Tennessee's relatively strong economic recovery, the State does not qualify for revenue replacement.

The Interim Final Rule also specifies unallowable uses. These include paying down unfunded pension liabilities, reducing taxes directly or indirectly, paying interest or principal on outstanding debt, and making contributions to a "rainy-day" fund or similar reserve.

Recipients may only use funds to cover costs incurred between March 3, 2021, and December 31, 2024. The Interim Final Rule determines that costs will be considered "incurred" if they are obligated by December 21, 2024. FRF funds not expended by December 31, 2026, must be returned.

The Act additionally created a new \$10 billion Coronavirus Capital Projects Fund for the Treasury Department to make separate payments to states, territories, and tribal governments to carry out capital projects to support work, education, and public health. Tennessee is estimated to receive \$216 million from this fund. State plans for the Coronavirus Capital Projects Fund must be submitted by December 31, 2022.

The State of Tennessee's Response to the Fiscal Recovery Fund

Since the launch of the Fiscal Recovery Fund program by the Treasury, the State of Tennessee has engaged in a deliberative and comprehensive process of engagement in the regulatory and legal process to support the effective implementation of these funds.

First, the U.S. Treasury Interim Final Rule, under the federal Administrative Procedure Act, was subject to a period of public comment. Governor Bill Lee submitted a comment encouraging the Treasury to amend key provisions that limited the flexibility of states to target these funds to

communities, organizations, and individuals that needed it the most.⁷ Specific attention was given to Treasury restrictions on sewer and water infrastructure not referenced in statute, a timeline for performance that may prove challenging in light of foreseeable supply chain challenges, and the imposition of guidelines that will reduce access for disadvantaged populations who lack the time, ability, or resources needed to navigate the Treasury's required controls and processes.

In addition to engaging in the regulatory rulemaking process, Tennessee preserved its legal rights, challenging the enactment of a tax mandate provision that sought to coerce any state receiving ARPA funds against lowering taxes for its citizens. On September 27, 2021, the U.S. District Court for the Eastern District of Kentucky ruled in favor of the State of Tennessee and Commonwealth of Kentucky in its lawsuit against the United States Treasury, issuing a permanent injunction against the Treasury Secretary from enforcing the Tax Mandate.⁸

Uses of Funds

To prepare for the prudent expenditure and planning for FRF dollars, the FSAG convened 24 times over 30 months to develop a set of consensus goals and unified strategy for the expenditure of funds. The FSAG discussed hundreds of proposed projects and decided on 44 high-level projects to be administered by 16 state agencies, with over one thousand subprojects. Meetings of the FSAG were streamed live, and meeting materials were published for public review.⁹

On March 29, 2021, the FSAG discussed the details of the ARPA and committed to the following goals:

- Plan one-time infrastructure improvements in water, sewer, and broadband or other eligible capital projects;
- Align allowable uses of ARPA funds to the state's strategic goals and review proposals for initiatives to improve health outcomes and support economic and community development;
- Develop a single comprehensive approach for economic relief;
- Address the state's role in supporting prudent local government administration. After discussing the unprecedented amount of funds to be administered by local entities, the FSAG recommended, and the administration has invested in a Local Government Technical Assistance program that would train local governments on necessary grant management and compliance and provide annual review of local government plans.

These goals and subsequent meetings led to the following investments:

- \$1.3 billion for over 1,200 water and sewer infrastructure projects across the state. These projects support local governments and utility districts to improve critical infrastructure to better serve the citizens in their communities.

⁷ See Comment of Governor Bill Lee, July 15, 2021, *available at* <https://www.regulations.gov/comment/TREAS-DO-2021-0008-0741> (commenting on U.S. Department of Treasury Coronavirus State and Local Fiscal Recovery Funds Interim Final Rule, Docket ID: Docket ID: TREAS-DO-2021-0008-0002, 86 Fed. Reg. 26786 (May 17, 2021))

⁸ "Federal Court Rules in Favor of Tennessee, Kentucky, Halts Unconstitutional Tax Mandate", Tennessee Attorney General & Reporter (Sept. 27, 2021) *available at*

<https://www.tn.gov/content/dam/tn/attorneygeneral/documents/pr/2021/pr21-36.pdf>

⁹ For all materials reviewed by the FSAG, please visit the Department of Finance & Administration website at <https://www.tn.gov/finance/looking-for/stimulus-financial-accountability-group.html>

- \$951 million to improve health and mental health outcomes across the state for impacted communities.
- \$500 million to provide consistent, high-quality broadband access and education across the state.
- \$329 million for immediate support to Tourism, Agriculture, and Arts and Culture Industries.
- \$283 million for external relief to affected industries, non-profits, and other organizations including support for disproportionately impacted populations via targeted grants to Habitat for Humanity, Teach for America, and Goodwill Excel Center.
- \$260 million for expansion of technology-based government services, cybersecurity, and related citizen-services infrastructure via State of Tennessee Strategic Technology Services Projects as well as a Local Government Technical Assistance program that trains local governments on necessary grant management and compliance and provides annual reviews of local government plans.
- \$102 million for administering Learning Loss Remediation Camps for public school students. (Please see Appendix A for more information regarding FSAG meetings and decisions.)

These investments have already begun making significant impacts across the state and are poised to make long-lasting positive impacts once completed. The Governor and the FSAG made the decision to invest FRF funds in critical areas of need throughout the state to better serve the citizens of Tennessee now and in the future.

Revenue Replacement

The State of Tennessee will continue to consider but has no reportable projects related to the use of Fiscal Recovery Funds for Revenue Replacement. By submitting this report, Tennessee does not concede that 42 U.S.C. § 802(c)(2)(A) or any regulation implementing that provision is a valid funding condition, and the State reserves its right to challenge that condition in any appropriate forum.

Promoting Equitable Outcomes

The State of Tennessee is committed to equitable use of these funds to meet the dissimilar needs of communities in the state. Given the disparate impacts of the COVID-19 pandemic on different communities, the state closely evaluated unmet needs and appropriately tailored its responses to meet the needs within each expenditure category. Tennessee is supporting communities equitably across its investments to meet needs in public health, the negative economic impacts of the pandemic, the provision of services to disproportionately impacted communities, and infrastructure (water, sewer, and broadband).

The following projects are aimed at supporting communities equitably across the state that were impacted or disproportionately impacted by the pandemic: Enhancements to Water and Wastewater Infrastructure; Broadband Infrastructure; Digital Education, Skills, and Workforce Development; Project Rural Recovery – Integrated Mobile Health; Housing – Habitat for Humanity; Workforce Recovery – Goodwill Excel Center; Nonprofit Arts and Culture Recovery fund; Learning Loss Remediation Summer Camps; Childcare Capacity Pilot Partnerships; and Investments in Housing.

Community Engagement

The planning for the Tennessee Resiliency Plan incorporated written, oral and other forms of input that captured diverse feedback from constituents, community-based organizations and the communities themselves. Through the FSAG, the State of Tennessee engaged in a months-long planning process that received written feedback from community organizations, local government agencies, and constituents. The FSAG appointees represent a diverse array of lawmakers representing communities of varying income, racial demographics, English proficiency, and proportion of underserved communities.

Labor Practices

The State of Tennessee is utilizing its share of the American Rescue Plan Act's Coronavirus State and Local Fiscal Recovery Fund to support its recovery from the COVID-19 pandemic. Infrastructure investment authorized under the Act will continue to be a major priority for the State of Tennessee. The State will ensure that all funds are utilized in accordance with the Act and guidance from the U.S. Department of the Treasury and the Office of the Inspector General, including any statutory or regulatory requirements for procurement or labor practices.

The following labor practices are being utilized based on the project and expenditure report as of June 30, 2024: 22 projects totaling \$1,115,750,966.99 are prioritizing local hires, 11 of those projects have community benefits agreements, and three of those projects are utilizing project labor agreements.

Use of Evidence

The State of Tennessee has remained long-committed to an evidence-based approach to budgeting and expenditure. In 2019, Governor Bill Lee launched the Office of Evidence & Impact (OEI), which resides within the Budget Division of the Department of Finance and Administration. OEI is a consulting office on all state agency initiatives included in this plan and has assisted state agencies with identifying key outcomes and metrics to measure success for each initiative. As agencies move into the implementation of these programs, OEI will continue to be consulted and support state agencies with the development of evidence-building strategies where required for a given project. Detailed plans for individual projects will be developed and supported by the development of a Program Inventory, the details for which are included in this report.

Based on the project and expenditure report as of June 30, 2024, there are five projects using \$101,939,716.00 toward evidence-based interventions. Those projects include Digital Education, Skills, and Workforce Development grants; Broadband Ready Community Adoption grants; Housing – Habitat for Humanity; Childcare Capacity Pilot Partnerships; Crisis Continuum Enhancement; and Project Rural Recovery – Integrated Mobile Health.

For example, the Project Rural Recovery – Integrated Mobile Health initiative is allocating its budget of \$6,300,000 toward evidence-based interventions.

There are several evidence-based modalities utilized with patients including: Behavioral Health Integration; Screening, Brief Intervention, and Referral to Treatment (SBIRT); Columbia-Suicide

Severity Rating Scale (C-SSRS); and Trauma Informed Care (TIC). Additionally, the overall project cites Behavioral Health Primary Care Integration as a recognized strategy: Behavioral health primary care integration | County Health Rankings & Roadmaps.

These funds allow the provision of integrated primary care, mental health, and substance use services to approximately 2,000 clients in ten counties annually, resulting in improved overall health outcomes.

Performance Report

Tennessee has state- and agency-level performance management systems in place to track all project progress toward achieving their goals. This process includes quarterly meetings with all project owners to discuss project progress, status, any challenges they are facing and their plans to ensure all funds are obligated and expended within the period of performance. These meetings also provide insight into anticipated impacts, milestones to support outcomes, and results to date.

In May 2024, project status meetings were held with the Governor, state-level leadership team members and all FRF agency project owners. The purpose of these meetings was to hear progress firsthand, understand how they are mitigating risks to ensure successful implementation, and hear reports on impacts these projects are making across the state. Each project has provided Key Performance Indicators that are included within the Project Inventory section of this document.

Recovery Plan Performance Indicators

Treasury guidance speaks to two sets of performance indicators for reporting, with one set described as mandatory.

Voluntary Performance Indicators

Treasury guidance states that the Recovery Plan should include “key performance indicators for the major SLFRF funded projects undertaken by the recipient.”¹⁰ It states further that recipients may report “key performance indicators for each project or may group projects with substantially similar goals for each individual project as well.” This portion of Treasury guidance is distinct from the required performance indicators.

Tennessee’s plan can be grouped into six major expenditure categories:

- Expenditure Category 1: Public Health
- Expenditure Category 2: Negative Economic Impacts
- Expenditure Category 3: Public Health-Negative Economic Impact: Public Sector Capacity
- Expenditure Category 5: Infrastructure
- Expenditure Category 7: Administrative
- Expenditure Category 9: Surface Transportation Projects

The state’s performance indicators for each of those categories are described in greater detail below.

¹⁰ Section 9. US Department of the Treasury, Coronavirus State and Local Fiscal Recovery Funds Compliance and Reporting Guidance, p27, available at <https://home.treasury.gov/system/files/136/SLFRF-Compliance-and-Reporting-Guidance.pdf>

Expenditure Category 1: Public Health

The state's Public Health investments are targeted to improve the resiliency of state and local public health systems. This plan outlines several Public Health projects:

- UT - Ag Research and Education
- TSU - Ag Research and Education
- Local Government Plan COVID-19 Claim Offset
- F&A – STS Projects
- Healthcare Facility Staffing Assistance Grants
- Hamilton County Forensic Lab
- Local Health Department Capital Investments
- Knox County Forensic Lab
- State Public Health Laboratory
- Strategic Investments to Enhance Healthcare Capacity - Capital Investments
- Strategic Investments to Enhance Healthcare Capacity - Workforce Transformations
- Project Rural Recovery
- Crisis Continuum Enhancement
- Mental Health Scholarships
- DDA Regional Seating and Positioning Clinic Replacements

For this group of public health expenditures, key performance indicators are:

- increased volume and new tests and technologies;
- improved safety and efficiency of laboratory operations;
- increased "surge capacity" for emergent events as a result of COVID-19;
- an increase in children and vulnerable adults receiving healthcare support and intervention services;
- a decrease in hospital and correctional institutional stays;
- reduction in time to next available appointment;
- improvements in staff and patient satisfaction scores;
- reduction in turnover amongst critical staff positions in Tennessee healthcare facilities.

Expenditure Category 2: Negative Economic Impacts

The state's investments in Negative Economic Impact projects are targeted to improve the resiliency of state and local economies and affected industries. These projects are:

- Commercial Agriculture & Forestry Supply Chain Enhancements
- UT – Meat Industry Workforce Training Facility
- Digital Education, Skills, and Workforce Development Grants
- Broadband Ready Community Adoption Grants
- Tennessee College of Applied Technology
- Teach for America
- Learning Loss Remediation Camps
- Habitat for Humanity

- Goodwill Excel Center
- Childcare Capacity Pilot Partnerships
- Tennessee Tourism & Hospitality Recovery Fund
- Tennessee Tourism ARPA Marketing Fund Request
- Support for TN Arts Organizations
- Tennessee Housing and Restoration Association/Federation of Appalachian Housing Enterprises – Investing in Housing
- Food Banks

For this group of expenditures targeted to negative economic impacts, key performance indicators include:

- improved economic health of non-profit arts and culture institutions as measured by survey;
- percent of art and cultural organizations that reopen or stay open after receiving a grant;
- new business formation;
- increases in tourism activity;
- improvements in the supply chain for agriculture and forest products;
- increased economic activity in rural distressed and at-risk counties.

Expenditure Category 3: Public Health-Negative Economic Impact: Public Sector Capacity

The state’s investments in Public Sector Capacity projects are targeted to improve the resiliency of state technology infrastructure to improve citizen services. These projects are:

- TFACTS System Replacement
- Electronic Health Records Project and Supporting Infrastructure
- Accelerating Program Inventory
- Electronic Workpapers for Remote Workforce
- Unemployment Insurance Tax & Benefits System
- Information Technology-Project Aris Future of Concord
- Information Technology-Operations Technologies
- Technology Infrastructure

For this group of expenditures targeted to public sector capacity, key performance indicators include:

- UI Claims processed within federal first pay timeliness standards;
- decreased improper pay rate levels to pre-pandemic levels;
- an increase in the capacity of state correctional facilities to provide efficient medical treatment to more individuals in state custody;
- increasing ease of access to different technologies for citizen services;
- upgrading technologies for government operations and citizen services.

Expenditure Category 5: Infrastructure

The state's investments in eligible sewer, water, and broadband infrastructure projects are targeted to improve the resiliency of state and local economies and address historic needs, deferred maintenance, and necessary improvements in the delivery of essential public services.

Those projects include:

- Enhancements to Water and Wastewater
- Broadband Infrastructure

Performance indicators used for eligible infrastructure projects include increases in households served with water, sewer, or broadband services.

Additional performance indicators include:

Water infrastructure projects:

- achieving compliance with local, state, and federal drinking water, wastewater, and stormwater water quality requirements;
- water loss reductions (drinking water systems);
- infiltration/inflow reductions (wastewater systems);
- asset management planning; and
- modernization and/or optimization of facilities, equipment, and operations.

Broadband projects:

- facilitating access to 310,000 unserved Tennesseans,
- supporting ubiquitous coverage in counties designated as "Distressed" by the Appalachian Regional Commission by prioritizing broadband deployment projects in these counties so that 0 distressed counties remain unserved by December 2026 – thereby having a significant impact on the economic viability of distressed counties,
- supporting 121,000 served locations with a goal average adoption rate across all projects of 40% by December 2026.

Expenditure Category 9: Surface Transportation Projects

The state's investments in Surface Transportation projects are targeted to improve the resiliency of state and local roads. This project is:

- Megasite Road Improvements

Performance indicators include ensuring all roads meet state and national standards as required.

Mandatory Performance Indicators

In addition to voluntary performance indicators, Treasury guidance also speaks to mandatory performance indicators for the following expenditure categories:

1. *Household Assistance (EC 2.2), Long-term Housing Security (EC 2.15-2.16) and Housing Support (EC 2.17-2.18)*

The following projects are within this expenditure category:

- \$15 million for Habitat for Humanity-Housing

- Number of households receiving eviction prevention services (including legal representation)
 - i. Performance data not yet available.
- Number of affordable housing units preserved or developed
 - i. Performance data not yet available.
- \$12.5 million for Investments in Housing through THDA/FAHE.
 - Number of households receiving eviction prevention services (including legal representation)
 - i. Performance data not yet available.
 - Number of affordable housing units preserved or developed
 - i. Performance data not yet available.

2. Assistance to Unemployed or Under-Employed Workers (EC 2.10) and Community Violence Interventions (EC 1.11):

This plan does not currently include projects within this expenditure category.
(The mandatory performance indicators include:

- Number of workers enrolled in sectoral job training programs
- Number of workers completing sectoral job training programs
- Number of people participating in summer youth employment programs)

3. Addressing Educational Disparities (EC 2.24-2.26) and Addressing Impacts of Lost Instructional Time (EC 2.27)

The following projects are within this expenditure category:

- \$5.83 million for Education Recovery-Teach for America
 - Number of students participating in evidence-based tutoring programs
 - i. 435 students.
- \$102 million for Learning Loss Remediation Camps
 - Number of students participating in evidence-based tutoring programs
 - i. For summer 2023, 102,270 students enrolled in summer programming across rising grades kindergarten through rising grade 9. 40.6% (41,544) were enrolled in Summer Learning Camps/STREAM camps (rising grades K – 3) across 568 individual sites. 59.3% (60,651) were enrolled in Learning Loss Bridge Camps (rising grades 4 – 9) across 730 individual sites.

4. Healthy Childhood Environments (EC 2.11-2.14)

The following projects are within this expenditure category:

- \$19.37 million for Childcare Capacity Pilot Program
 - Number of children served by childcare and early learning services (pre-school/pre-K/ages 3- 5)
 - i. Performance data not yet available.
 - Number of families served by home visiting

i. Performance data not yet available.

Project Inventory- Summary of Adopted Budget (as of June 30, 2024)

All required project details are included in the pages that follow.

Expenditure Category	Project ID Number	State Agency	Project	Budgeted Amount	Expenditures as of 6/30/2024
5. Water and Sewer Infrastructure	1	Environment and Conservation	Enhancements to Water and Wastewater Infrastructure	\$1,351,922,145.00	\$67,461,713.33
5.19-Broadband: Last Mile projects	2	Economic and Community Development	Broadband Infrastructure	\$452,000,000.00	\$95,462,476.34
1.14 Other Public Health Services	3	Health	State Public Health Laboratory	\$200,000,000.00	\$1,702,283.03
1.14 Other Public Health Services	4	Disability and Aging	DDA Regional Seating and Positioning Clinic Replacements	\$180,600,000.00	\$4,601,393.41
1.14 Other Public Health Services	5	Health	Local Health Department Capital Investments	\$128,525,891.00	\$5,482,255.98
1.14 Other Public Health Services	6	Health	Healthcare Facility Staffing Assistance Grants	\$98,598,301.00	\$97,351,387.93

3.4 Public Sector Capacity: Effective Service Delivery	7	Correction	Electronic Health Records project and supporting Infrastructure	\$13,050,000.00	\$586,469.64
3.4 Public Sector Capacity: Effective Service Delivery	8	Labor	Unemployment Insurance Tax & Benefits System	\$61,000,000.00	\$25,734,926.65
2.34 Assistance to Impacted Nonprofit Organizations	9	Arts Commission	Support for TN Arts Organizations	\$80,000,000.00	\$66,012,859.51
2.35 Negative Economic Impacts- Aid to Tourism, Travel, or Hospitality	10	Tourism	Tennessee Tourism & Hospitality Recovery Fund (Pass through grant for Destination Marketing Organizations)	\$55,000,000.00	\$19,290,457.87
2.35 Negative Economic Impacts- Aid to Tourism, Travel, or Hospitality	11	Tourism	Tennessee Tourism ARPA Marketing Fund Request	\$45,000,000.00	\$22,108,652.14
2.36 Negative Economic Impacts- Aid to Other	12	Agriculture	Commercial Agriculture & Forestry Supply	\$50,000,000.00	\$1,527,477.00

Impacted Industries			Chain Enhancements		
3.4 Public Sector Capacity: Effective Service Delivery	15	Finance and Administration - OEI	Accelerating Program Inventory	\$1,775,938.00	\$1,386,182.87
1.14 Other Public Health Services	16	Agriculture	UT - Ag Research and Education	\$50,000,000.00	\$5,607,654.28
1.14 Other Public Health Services	17	Finance and Administration - STS	Cybersecurity	\$50,955,000.00	\$24,351,626.31
1.14 Other Public Health Services	18	Finance and Administration - STS	Enterprise Data Analytics	\$11,920,000.00	\$5,824,810.14
1.14 Other Public Health Services	19	Finance and Administration - STS	Business Process Automation	\$20,000,000.00	\$15,786,308.75
1.14 Other Public Health Services	20	Health	Strategic Investments to Enhance Healthcare Capacity - Capital Investments	\$133,562,053.00	\$3,054,910.18
1.14 Other Public Health Services	21	Health	Strategic Investments to Enhance Healthcare Capacity - Workforce Transformations	\$119,211,468.00	\$1,548,336.60

2.15 Long-term Housing Security: Affordable Housing	22	Finance and Administration	Habitat for Humanity	\$15,000,000.00	\$-
2.27 Addressing Impacts of Lost Instructional Time	23	Education	Teach for America	\$5,830,000.00	\$3,859,997.93
1.12 Mental Health Services	25	Mental Health and Substance Abuse Services	Crisis Continuum Enhancement	\$34,939,716.00	\$4,626,662.09
1.14 Other Public Health Services	26	Mental Health and Substance Abuse Services	Project Rural Recovery - Integrated Mobile Health	\$6,300,000.00	\$1,848,051.15
2.37 Economic Impact Assistance: Other	27	Finance and Administration	Goodwill Excel Center	\$12,000,000.00	\$-
1.14 Other Public Health Services	28	Agriculture	TSU - Ag Research and Education	\$32,250,000.00	\$-
2.11 Healthy Childhood Environments Childcare	29	Human Services	Childcare External Requests	\$19,370,840.00	\$-
3.5 Public Sector Capacity Administrative Needs	30	Treasury	Information Technology - Infrastructure	\$4,150,000.00	\$1,363,450.35

3.5 Public Sector Capacity Administrative Needs	31	Treasury	Information Technology - Operational Technologies	\$3,300,000.00	\$102,830.13
3.5 Public Sector Capacity Administrative Needs	32	Treasury	Information Technology - Project ARIS - Future of Concord	\$51,300,000.00	\$1,228,322.15
1.14 Other Public Health Services	33	Agriculture	Ag Veterinary Lab	\$5,122,600.00	\$2,669,967.20
3.4 Public Sector Capacity: Effective Service Delivery	34	Children's Services	TFACTS Replacement	\$62,000,000.00	\$1,541,550.00
1.14 Other Public Health Services	35	Health	Knox County Forensic Center	\$20,000,000.00	\$-
1.14 Other Public Health Services	36	Health	Hamilton County Forensic Center	\$12,000,000.00	\$ -
1.6 Medical Expenses	37	Finance and Administration - Benefits	Local Government Plan COVID-19 Claim Offset	\$13,794,057.00	\$13,794,057.46
2.37 Economic Impact Assistance: Other	38	Agriculture	UT - Meat Industry Workforce Training Facility	\$12,500,000.00	\$-

2.4 Household Assistance: Internet Access Programs	39	Economic and Community Development	Digital Education, Skills, and Workforce Development Grants	\$33,000,000.00	\$-
2.4 Household Assistance: Internet Access Programs	40	Economic and Community Development	Broadband Ready Community Adoption Grants	\$10,000,000.00	\$-
2.36 Aid to Other Impacted Industries	41	Economic and Community Development	Tennessee College of Applied Technology	\$5,000,000.00	\$-
2.15 Long term Housing Security: Affordable Housing	45	THDA	Investments in Housing	\$12,500,000.00	\$-
2.27 Addressing Impacts of Lost Instructional Time	46	Education	Learning Loss Remediation Camps	\$102,000,000.00	\$40,000,000.00
1.14 Other Public Health Services	FAARPCSF03CLD	Finance and Administration - STS	Cloud	\$45,600,000.00	\$25,049,235.94
1.14 Other Public Health Services	FAARPCSF03MOD	Finance and Administration - STS	Infrastructure and Modernization	\$68,330,000.00	\$14,166,363.49
7.1 Administrative Expenses	FAARPCSF031701_010020	Finance and Administration	Administrative Costs	\$16,980,000.00	\$3,106,132.00

3.4 Public Sector Capacity: Effective Service Delivery	FAARPCSRF31701_015038	Finance and Administration - Internal Audit	Electronic Workpapers for Remote Workforce	\$1,333,943.00	\$1,307,445.71
2.1 Household Assistance: Food Programs	TBD	Agriculture	Food Banks	\$7,200,000.00	\$-
1.12 Mental Health Services	TBD	Mental Health and Substance Abuse Services	Mental Health Scholarships	\$910,161.00	\$-
9.2 Surface Transportation Projects not receiving funding from DOT: Streamlined Framework	TBD	Department of Transportation	Megasite Roads	\$10,000,000.00	\$-
Total				\$3,725,832,113.00	\$579,546,247.56

Expenditure Category 1 **(Public Health)**

Building a New State Public Health Laboratory

Agency: Tennessee Department of Health

Funding Amount: \$200,000,000

Project Identification Number: 3

Expenditure Category: 1.14 Other Public Health Services

Project Overview: Build and outfit a new State Public Health Laboratory (SPHL), which includes funding for planning and design, site prep, necessary demolition, construction, outfitting, and lab equipment.

The requirements for new tests and equipment have strained the facility's electrical system, and space to house pandemic response supplies and surplus equipment has been exhausted. During the pandemic, SPHL staff made the most of available space, but current conditions are not adequate to meet the needs of routine, ongoing requirements, much less another pandemic. With increased demand for more sophisticated testing, such as Whole Genome Sequencing and biomonitoring, that enables public health to identify specific strains of pathogens causing disease and outbreaks, it is imperative that the SPHL have the appropriate infrastructure to build and maintain this specialized testing in support of outbreak response and containment. It is not possible to predict when the next pandemic will occur; therefore, it is essential to be prepared. The SPHL has helped the state respond to Ebola, Zika, MERS, West Nile, and now COVID-19. The one-time nature of ARPA funds presents a unique opportunity to build preparedness for the next pandemic or public health event.

The Department expects the following outcomes associated with the project:

- Outcome 1: Expansion of services to include increasing volume and new tests and technologies.
- Outcome 2: Improved safety and efficiency of laboratory operations.
- Outcome 3: Increased "surge capacity" for emergent events because of COVID-19.

Rationale:

If the SPHL is **not** updated, then:

- Existing lab capacity and services will be strained.
- Facility maintenance costs will grow while not addressing long-term needs.
- Requests for new lab services from important programs, such as newborn screening, may not be able to be met.
- Requests for expanded testing from agencies such as CDC will not be achievable.

Use of Evidence: This project is not using SLFRF funds for evidence-based interventions.

Performance Report:

The Guaranteed Maximum Price (GMP) contract for construction is currently being routed for final state signatures. Anticipated construction Notice to Proceed is July 1, 2024.

These KPIs will quantify the anticipated effects of the new state laboratory:

1. Increased volume of existing tests (by type)
2. Utilization of new technologies, which had not been present at the prior facility

3. Improved safety and efficiency of laboratory operations
4. Decrease in average turnaround time to customers (providers, etc.)
5. Improvement in staff satisfaction scores
6. Reduction in turnover amongst critical staff

DDA Regional Seating and Positioning Clinic Replacements

Agency: Department of Disability and Aging (DDA), formerly DIDD

Funding Amount: \$180,600,000

Project Identification Number: 4

Expenditure Category: 1.14 Other Public Health Services

Project Overview: This proposal is to build three new regional offices for the DDA in Nashville, Greeneville, and Arlington, which would deliver health care services to thousands of adults and children with disabilities. These facilities would house the three Seating and Positioning Clinics, which provide direct services to children and adults with severe physical complexities, nursing and behavioral services, and services to improve the health outcomes of children and adults.

Adults and children with intellectual and developmental disabilities have been significantly impacted by the public health emergency—people with disabilities have a 3.5 times higher death rate from COVID-19 than the overall TN population.

DDA's Regional Offices provide access to needed health and behavioral services by those who specialize in supporting people with intellectual and developmental disabilities including: Seating and Positioning Services; Nursing services including COVID testing, vaccination and contact tracing; Direct crisis intervention for persons with mental health concerns; Therapeutic services.

The Department expects the following outcomes associated with the project:

- Outcome 1: People supported through the Seating and Positioning Clinic receive more effective and efficient services, allowing them to be more comfortable and live lives they've envisioned for themselves.
- Outcome 2: More children receiving early intervention services, which will decrease dependency of other DDA services as children age into adulthood.
- Outcome 3: Decreasing hospital and correctional institutional stays through proactive crisis intervention, allowing persons supported to remain in their homes and communities.

Rationale: If we allocate funds to provide for three new regional facilities, then we expect to see more people supported through the Seating and Positioning Clinic, Tennessee Early Intervention Services (TEIS), Nursing Services, Therapeutic Services and Direct Crisis Intervention.

Use of Evidence: This project is not using SLFRF funds for evidence-based interventions.

Performance Report:

Project Status:

West Tennessee Seating and Positioning Clinic: Construction Notice to Proceed was issued April 29, 2024. Project completion is scheduled for Q4 2025.

Middle Tennessee Seating and Positioning Clinic: A limited Notice to Proceed allowing the procurement of long lead materials was issued April 17, 2024. Anticipated full construction Notice to Proceed is July 1, 2024.

East Tennessee Seating and Positioning Clinic: A limited Notice to Proceed allowing the procurement of long lead materials was issued April 17, 2024. Anticipated full construction Notice to Proceed is July 1, 2024.

These KPIs will quantify the anticipated effects of the new seating and positioning clinics:

1. Increased number of people supported through the Seating and Position Clinics and receiving more effective and efficient services, allowing them to be more comfortable and live the lives they've envisioned for themselves.
2. Increasing children receiving early intervention services, which will decrease dependency of other DDA services as children age into adulthood.
3. Decreasing hospital and correctional institutional stays through proactive crisis intervention, allowing persons supported to remain in their homes and communities.

Outcomes	KPI Baseline 2023	KPI Target
Outcome 1 – Seating and Position Clinics People Supported <i>Increased number of patients receiving seating and positioning services.</i>	373	450
Outcome 2 – Seating and Position Clinics Children Supported <i>increased number of referrals from pediatric patients</i>	4	35
Outcome 3 – Decreasing Emergency Services <i>Increased number of crisis calls resulting in persons supported remaining in their home</i>	81%	85%

Tennessee Department of Health Local Department of Health Capital Investment Plan

Agency: Tennessee Department of Health (TDH)

Funding Amount: \$128,525,891

Project Identification Number: 5

Expenditure Category: 1.14 Other Public Health Services

Project Overview: The Tennessee Department of Health operates sites in 89 counties through seven administrative regions. During the COVID-19 pandemic, these local health departments were stretched beyond their limit. While staff rose to the occasion and adapted creatively, the long-term outlook for many health department facilities is that they are ill-suited for another pandemic. In addition, per statute, county health department facilities are owned and maintained by county governments and staffed and administered by the Tennessee Department of Health. The result is a patchwork of varying ages of facilities, deferred maintenance projects, and variations in the quality of facilities across Tennessee communities.

The one-time nature of ARPA funds is a perfect opportunity to make capital investments that will generate savings for both state and local governments. Improvements to electrical, HVAC, flooring, water, etc., will yield annual cost savings. In addition, updating often-decades-old facilities will improve workflow and overall patient experience and satisfaction.

Capital investments for health department facilities can be organized into three major categories detailed in the pages that follow:

1. **New County Facilities.** Seventeen health department facilities are operating beyond their operational lifespan and need to be replaced. Funds for these new facilities are being granted to the respective county governments so they can pursue a normal competitive bid process that meets specifications provided by TDH. One of these facilities is in a distressed county, and four are in at-risk counties. Most of these facilities were constructed in the 1960s and 70s, and all of them fail to meet the needs of staff and patients.
2. **Local Health Facilities Renovations and Statewide Needs.** A significant number of health department facilities do not need to be replaced but require substantial renovations to continue providing adequate space for care and services. Additionally, investments to standardize health department facilities across the state and address physical infrastructure needs will generate ongoing cost savings, including flooring, lighting, HVAC, roofing/leaky roofs, parking, electronic signage, communications systems, and storage. During the pandemic, storage capacity has been overrun, and parking lots were ill-equipped for the flow of vehicles that continue to receive drive-through services from health departments. Funds are being granted to 56 county governments to pursue a normal competitive bid process that would meet specifications provided by TDH.
3. **Regional Health Offices Improvements.** Regional offices serve as the backbone of county health departments. These state-owned facilities offer a variety of regional services and provide direct support to county health

departments. One regional office is past its operational lifespan and needs to be replaced. TDH would partner with DGS/STREAM to construct this facility.

Rationale: The department has entered 76 contracts with county governments to support the construction of new facilities and perform renovations at existing local health departments. The department is in the process of reallocating unobligated project funding to create contingency funding for all new construction projects, as inflationary factors have increased the costs of construction in many areas. The department expects full obligation of funds within calendar year 2024 and anticipates full spending of funds by the end of calendar year 2026. Of the seventeen new construction projects, thirteen have procured architecture and engineering services placing them in various stages of design. One project's General Contractor has been competitively bid and awarded. Of the 59 renovation projects, 36 projects are in various stages of design. One renovation project has been awarded \$2M.

Use of Evidence: This project is not using SLFRF funds for evidence-based interventions.

Performance Report: Performance data is not yet available.

TDH Capital Investments (Part 1) - New County Facilities and Renovations

Agency: Tennessee Department of Health (TDH)

Funding Amount: \$88,228,691

Project Identification Number: 5

Expenditure Category: 1.14 Other Public Health

Project Overview: Across the state, seventeen health department facilities are operating beyond their operational lifespan and need to be replaced. Funds for these new facilities have been granted to the respective county governments so they can pursue a normal competitive bid process that would meet specifications provided by TDH. One of these facilities is in a distressed county, and four are in at-risk counties. Most of these facilities were constructed in the 1960s and 70s, and all of them fail to meet the needs of staff and patients.

Of the seventeen new construction projects, thirteen have procured architecture and engineering services placing them in various stages of design. One project's General Contractor has been competitively bid and awarded. The department is in the process of reallocating unobligated project funding to create contingency funding for all new construction projects, as inflationary factors have increased the costs of construction in many areas.

These specific costs would directly address negative impacts resulting from the pandemic and enable county health departments to render quality care and treatment of individuals affected by the COVID-19 pandemic and future public health emergencies, as measured by the following outcomes:

- Outcome 1: Improved access to care.
- Outcome 2: Reduction in time to the next available appointment.
- Outcome 3: Improvement in staff and patient satisfaction scores.

Rationale:

If health departments are modernized and fully functional, then:

- Staff efficiency will improve as they are not dealing with inadequate space and systems.
- Patient satisfaction will improve as customers experience updated facilities.
- Staff recruitment and retention will improve as working conditions improve.
- Ongoing maintenance costs will decrease with the use of more durable and updated facilities.

Use of Evidence: This project is not using SLFRF funds for evidence-based interventions.

Performance Report:

Performance data is not yet available.

TDH Capital Investments (Part 2) Statewide Improvements to Local County Health Facilities

Agency: Tennessee Department of Health (TDH)

Funding Amount: \$22,797,200

Project Identification Number: 5

Expenditure Category: 1.14 Other Public Health

Project Overview: A significant number of health department facilities do not need to be replaced but require substantial renovations to continue providing adequate space for care and services. Additionally, investments to standardize health department facilities across the state and address physical infrastructure needs will generate ongoing cost savings, including flooring, lighting, HVAC, roofing/leaky roofs, parking, electronic signage, communications systems, and storage. During the pandemic, storage capacity has been overrun, and parking lots were ill-equipped for the flow of vehicles that continue to receive drive-through services from health departments. Funds are being granted to 56 county governments to pursue a normal competitive bid process that would meet specifications provided by TDH. The Department expects the following outcomes associated with the project:

- Outcome 1: Improved access to care.
- Outcome 2: Reduction in time to the next available appointment.
- Outcome 3: Improvement in staff and patient satisfaction scores.

Rationale:

If health departments are modernized and fully functional, then:

- Staff efficiency will improve as they are not dealing with inadequate space and systems.
- Patient satisfaction will improve as customers experience updated facilities.
- Staff recruitment and retention will improve as working conditions improve.
- Ongoing maintenance costs will decrease with the use of more durable and updated facilities.
- Containment of illnesses will be greater due to expanded social distancing, separate waiting rooms for children and adults, and a negative air room for people with active illnesses.

Use of Evidence: This project is not using SLFRF funds for evidence-based interventions.

Performance Report:

The executed contracts for renovation projects represent an investment of \$30.4M between county contributions and SLFRF sources. Of the 59 renovation projects, 36 projects are in various stages of planning and design. One renovation project has been awarded \$2M with several more currently out for bid. The department anticipates awarding several renovation bids throughout the summer of 2024.

Intended KPIs will measure the following:

1. Increased “surge capacity” for emergent events such as COVID-19

- a. Delivery of care (e.g., visits, vaccinations provided, etc.)
 - b. Increased ability to provide patient care out-of-doors in a semi-permanent enclosure (e.g., carports, drive-thru, covered parking lots, etc.)
2. Increased number of patient rooms
3. Increased ability to separate well patients from sick patients
4. Increase in children and vulnerable adults receiving healthcare support and intervention services
5. Reduction in time to next available appointment
6. Improvement in staff and patient satisfaction scores
7. Reduction in turnover among critical staff positions

TDH Capital Investments (Part 3) Regional Health Office Improvements

Agency: Tennessee Department of Health (TDH)

Funding Amount: \$17,500,000

Project Identification Number: 5

Expenditure Category: 1.14 Other Public Health

Project Overview: Regional offices serve as the backbone of county health departments. These state-owned facilities offer a variety of regional services and provide direct support to county health departments. One regional office is past its operational lifespan and needs to be replaced. TDH would partner with DGS/STREAM to construct this facility. The Department expects the following outcomes to be associated with the project:

- Outcome 1: Improved access to care.
- Outcome 2: Reduction in time to the next available appointment.
- Outcome 3: Improvement in staff and patient satisfaction scores.

Rationale:

If health departments are modernized and fully functional, then:

- Staff efficiency will improve as they are not dealing with inadequate space and systems.
- Patient satisfaction will improve as customers experience updated facilities.
- Staff recruitment and retention will improve as working conditions improve.
- Ongoing maintenance costs will decrease with the use of more durable and updated facilities.

Use of Evidence: This project is not using SLFRF funds for evidence-based interventions.

Performance Report:

The Guaranteed Maximum Price (GMP) contract for construction is expected from the contractor on June 11, 2024. The anticipated construction Notice to Proceed is July 2024.

Healthcare Facility Staffing Assistance Grants

Agency: Tennessee Department of Health (TDH)

Funding Amount: \$98,598,301

Project Identification Number: 6

Expenditure Category: 1.14 Other Public Health Services

Project Overview: This funding helps ensure Tennessee's acute care hospitals and long-term care facilities have the capacity to maintain and grow essential staff to meet the significantly increased demand due to COVID-19. This program was initially launched in September 2020 – June 2021 with Coronavirus Relief Funding (\$90M) and has been relaunched with ARPA funding with more limited criteria. This amount has been increased from initial proposals, based on the program reverting to broader criteria than in FY21 and the much smaller difference than previously expected as case counts and hospitalizations have decreased from September projections.

The Department expects the following outcome to be associated with the project:

- Hospitals and long-term care facilities are able to adequately staff their facilities during the peak of the pandemic.

Rationale: By reimbursing providers for increased and extraordinary staffing costs incurred during the COVID-19 peak, Tennessee's acute care hospitals and long-term care providers are better prepared and able to meet the significant increase in service demand brought on by future states of emergency, such as the COVID-19 pandemic.

Use of Evidence: This project is not using SLFRF funds for evidence-based interventions.

Performance Report:

KPIs include:

1. Number of awards given
 - a. Approximately 409 awards have been given.
2. Number of facilities awarded (hospitals and long-term care facilities (LTCFs))
 - a. There were 74 hospital grants were issued in 2022 totaling \$64.8M. Grant payments for licensed long-term care facilities have been issued to 305 facilities and approximately 30 more are under final review and consideration.
3. Dollars paid
 - a. The total dollars issued to date are \$26.6M.

Project Status: This was not a competitive grant. Each facility was allocated a maximum grant amount based on objective criteria and facilities were required to submit documentation substantiating the expenses claimed were actually incurred. All 648 licensed LTCFs were eligible for the grant. Of those, 396 registered and signed a grant agreement, but 49 of them never submitted expenses for reimbursement.

This project's purpose is to assist licensed healthcare providers by reimbursing them for extraordinary staffing expenses incurred during the peak of the pandemic.

Healthcare Resiliency Program – Capital Investments (Strategic Investments to Enhance Healthcare Capacity)

Agency: Tennessee Department of Health (TDH)

Funding Amount: \$133,562,053

Project Identification Number: 20

Expenditure Category: 1.14 Other Public Health Services

Project Overview: Making significant legacy investments to expand the capacity of the Tennessee Healthcare system, including funding for planning and construction of capital projects, support for Tennessee’s existing and future healthcare workforce, and additional integration of social service, behavioral, and primary care health services.

The Tennessee Healthcare Resiliency Program will be administered by the TN Department of Health and will provide direct support to the healthcare industry across two specific program areas: Capital Investments and Practice Transformation. Within those two program areas, specific targets will be established for acute care hospitals, long-term care providers, and other healthcare providers. A unique focus will be placed on providers serving our most rural and distressed communities.

Program Area 1: Capital Investment (\$137 million)

\$137 million is set aside for investments in acute care hospitals for improvements to adult and pediatric ICU and floor beds, and long-term care facility upgrades and infection control.

Rationale: If Tennessee improves access to high-quality, affordable healthcare services through investments in brick-and-mortar investments in patient-facing areas while building efforts to expand the quality and diversity of health and healthcare services, then we will help improve health and prosperity in rural Tennessee.

Use of Evidence: This project is not using SLFRF funds for evidence-based interventions.

Performance Report:

Project Status: As of June 16, 2023, the Tennessee Department of Health is poised (pending final FSAG approval) to obligate phase two awards totaling \$70.6M for hospitals and an additional \$3.4M for Long-Term Care Facilities (LTCFs) within the Healthcare Resiliency Program's Capital Investment arm. These phase 2 awards will support the \$56.6M provided to 8 hospitals and 9 LTCFs in phase 1.

As of June 6, 2024, the Tennessee Department of Health has awarded 33 Capital Improvement grants from among 62 applications. Eighteen grants are for hospitals totaling \$119.8M in obligated funds, and 15 LTCF grants with \$10.2M in obligated funds. Two of the LTCFs have decided not to participate, freeing \$2M in funds.

TDH will be providing feedback on the following KPIs for Healthcare Resiliency Program (Capital Investments):

- Increased number of investments in improving Healthcare Access
- Increased number of investments (# of awards and dollars) to Health Professional Shortage Areas (HPSAs) in Tennessee

- Increased number of floor beds in acute care hospitals
- Increased number of Intensive Care Unit (ICU) beds and "flex beds," capable of serving high acuity patients in acute care hospitals
- Increase in the number of LTCFs with increased capacity to serve additional patients
- Increase in the number of LTCFs with improved ventilation and patient care areas
- Increase in the number of facilities with increased or improved isolation capacity
- Increase in secondary economic impact, including job creation and local tax revenue
- Increase in patients seen at awarded facilities
- Improvement in staff and patient satisfaction scores

Healthcare Resiliency Program – Practice Transformation (Strategic Investments to Enhance Healthcare Capacity)

Agency: Tennessee Department of Health (TDH)

Funding Amount: \$119,211,468

Project Identification Number: 21

Expenditure Category: 1.14 Other Public Health Services

Project Overview: Making significant legacy investments to expand the capacity of the Tennessee Healthcare system, including funding for planning and construction of capital projects, support for Tennessee’s existing and future healthcare workforce, and additional integration of social service, behavioral, and primary care health services.

The Tennessee Healthcare Resiliency Program will be administered by the TN Department of Health and will provide direct support to the healthcare industry across two specific program areas: Capital Investments and Practice Transformation. Within those two program areas, specific targets will be established for acute care hospitals, long-term care providers, and other healthcare providers. A unique focus will be placed on providers serving our most rural and distressed communities.

Program Area 2: Practice Transformation and Extension Grants (\$113 million)

\$113 million is set aside for technology, practice upgrades, and improvements to delivery models for participating providers. \$10 million is set aside for administrative support between the two program areas.

The Department expects the following outcomes to be associated with the project:

- Outcome 1: Increase in floor and ICU beds to respond to a crisis
- Outcome 2: Reduction in wait time for services offered
- Outcome 3: Number of patients served, and number of patients served remotely

Rationale: If Tennessee improves access to high-quality, affordable healthcare services through investments in innovative ideas and technologies, while building efforts to expand the quality and diversity of health and healthcare services, then we will help improve health and prosperity in rural Tennessee.

Use of Evidence: This project is not using SLFRF funds for evidence-based interventions.

Performance Report: Project Status: As of June 16, 2023, the Tennessee Department of Health is poised (pending final FSAG approval) to obligate phase two awards totaling \$70.6M for hospitals and an additional \$3.4M for Long-Term Care Facilities (LTCFs) within the Healthcare Resiliency Program's Capital Investment arm. These phase 2 awards will support the \$56.6M provided to 8 hospitals and 9 LTCFs in phase 1.

Project Status: As of June 6, 2024, the Tennessee Department of Health has awarded 60 Practice Transformation grants from among 134 applications. Ten grants are for hospitals totaling \$30.1M in obligated funds, 12 LTCF grants with \$17.7M in obligated funds, and 38 “Other” grants with \$62M obligated.

TDH will be providing feedback on the following KPIs for Healthcare Resiliency Program (Practice Transformation and Extension):

- Increased number of investments to improve Healthcare Access for low-income, minority, and under-served populations
- Increased number of investments (# of awards and dollars) to Health Professional Shortage Areas (HPSAs) in Tennessee
- Increased "surge capacity" for emergent events as a result of COVID-19
 - Number of LTCFs with enhanced respiratory care (ventilators)
- Improvement in staff and patient satisfaction scores at awarded facilities
- Increase in jobs
 - Increase in school nursing jobs
- Increase in case management
- Increase the number of technology pilots deployed
 - Increase the number of mobile medical units
- Reduction in time to the next available appointment
 - Increase in the number of systems and beds covered by central command bed control technology
 - Decrease in hospital stays
- Increase in patients seen at awarded facilities
 - Increase in patient screenings for preventive care
 - Number of patients referred to social services
 - Increase in children and vulnerable adults receiving healthcare support and intervention services
 - Increase the number of patients utilizing telehealth or other technology pilots

Knox County Forensic Lab

Agency: Tennessee Department of Health (TDH)

Funding Amount: \$20,000,000

Project Identification Number: 35

Expenditure Category: 1.14 Other Public Health Services

Project Overview: Knox County was approved to construct a new facility that will allow the county's Regional Forensic Center to increase operational capacity to ensure critical services are available to meet the needs of the region. The Regional Forensic Center (RFC) serves as the medical examiner's office for Knox and Anderson Counties and performs autopsies for 21 additional counties in East Tennessee. Current working conditions negatively affect the ability of the facility to provide quality services and meet the growing demands of the region. The approved plan will nearly double the capacity of the new facility to 31,850 sq. ft.

The Department expects the following outcomes to be associated with the project:

- Outcome 1: This proposed approval will increase capacity to provide critical and necessary services.
- Outcome 2: The funding allocated will allow the facility to remain National Association of Medical Examiners (NAME) accredited.
- Outcome 3: This proposal allows the Knox County Forensic Lab to properly support local counties and regions in East Tennessee.

Rationale: The construction of the new Regional Forensic Center will ensure adequate forensic services are available to meet the current and future needs of the counties in East Tennessee. From 2019-2021, Knox County Regional Forensic Center experienced a 42% increase in caseloads. In 2021, the station capacity of the current RFC facility was exceeded when staff processed 2,818 decedents equally 7.7 per day. Due to the overdose epidemic and pandemic-related deaths, morgue space was exceeded on several occasions, and the RFC was unable to assist local hospitals with storage during the COVID-19 pandemic. With continued population growth, demand for forensic services is expected to continue to increase due to the overdose epidemic, as well as additional suicides, homicides, and accidental and natural deaths.

As of June 6, 2024, the Knox County Forensic Center is in the last stages of design with construction anticipated to begin before the end of CY24.

Use of Evidence: This project is not using SLFRF funds for evidence-based interventions.

Performance Report:

Grant funds are allocated to build a new Forensic Lab in Knox County.

Future KPIs are designed to measure increased capacity, services, efficiency, and staff satisfaction. There is also a KPI to assess economic impact via job creation.

Hamilton County Forensic Lab

Agency: Tennessee Department of Health (TDH)

Funding Amount: \$12,000,000

Project Identification Number: 36

Expenditure Category: 1.14 Other Public Health Services

Project Overview: The approved funds will go toward developing a new Hamilton County Medical Examiner Facility to replace and serve as the Southeast Tennessee Regional Forensic Center. The approved 14,244 sq. ft. building will replace and more than triple the square footage of the current 33-year-old (built in 1989) now obsolete, outgrown structure. The new building will house and provide sufficient staff space and resources as needed by Hamilton County and the surrounding Southeast counties in its regional medical examiner service area.

The Department expects the following outcomes to be associated with the project:

- Outcome 1: This proposed approval will increase capacity to provide critical and necessary services.
- Outcome 2: The funding allocated will allow the facility to remain accredited.
- Outcome 3: The approved proposal will equip the Hamilton County Forensic Lab to support surrounding counties as necessary.

Rationale: The current forensic center is impeded by issues related to, but not limited to, capacity backlogs, advanced technology requirements, physical plant failures, quality process improvements, etc. Results have yielded ever-rising case numbers primarily attributed to and compounded by increases in regional population growth, violent crime fatalities, opioid overdoses, and COVID-19 deaths. Overall, the new medical examiner facility will address these costly debilitating inefficiencies and outcomes, while fulfilling the mission of protecting the public's health and safety, participating in the criminal justice system, and providing vital statistical data.

Use of Evidence: This project is not using SLFRF funds for evidence-based interventions.

Performance Report:

Grant funds are allocated to build a new Forensic Lab in Hamilton County.

Hamilton County closed on the new property for the Forensic Center on June 26, 2024.

Future KPIs are designed to measure increased capacity, services, efficiency, and staff satisfaction. There is also a KPI to assess economic impact via job creation.

1. Increased "surge capacity" for emergent events because of COVID-19
2. Increase in jobs
3. Improvement in staff satisfaction scores
4. Reduction in turnover among critical staff positions

Crisis Continuum Enhancement

Agency: Tennessee Department of Mental Health and Substance Abuse Services (MHSAS)

Funding Amount: \$34,939,716

Project Identification Number: 25

Expenditure Category: 1.12 Mental Health Services

Project Overview: To address increased behavioral health needs exacerbated by the COVID-19 pandemic, this proposal will increase access to Tennessee's crisis continuum, including crisis walk-in triage and crisis stabilization. Funds will be used to support additional infrastructure and operations that directly respond to pandemic-related mental health and substance abuse issues. These four new Walk-In Center/Crisis Stabilization Unit sites will greatly increase access to crisis continuum services for residents in the regions where they are located. One of the new facilities, located in Rutherford County, opened in April 2024. The remaining facilities are in various stages of construction and will be opening later in 2024/early 2025.

Rationale: If the State of Tennessee allocated ARPA funds to expand its crisis continuum in underserved communities, then we expect to see less Tennesseans requiring psychiatric hospitalization, less unnecessary law enforcement transports, and most importantly, less Tennesseans who die by suicide as they will have greater access to community-based crisis stabilization services.

Use of Evidence: \$34,939,716 is being used toward evidence-based interventions.

Performance Report:

Project Status: Three providers have been awarded funding, and contracts have been executed.

Performance data is not yet available due to project status.

- KPIs to be measured include:
 - The effectiveness of the Crisis Walk-in Triage Services shall be shown by the following:
 - Outcome 1: The percentage of individuals reporting that crisis walk-in services received were satisfactory and beneficial to their situation exceeds eighty percent (80%).
 - Outcome 2: The percentage of individuals who received crisis walk-in services and were seen within one hour is equal to or exceeds ninety percent (90%).
 - Outcome 3: The percentage of individuals who received crisis walk-in services and who were referred for inpatient psychiatric hospitalization shall not exceed thirty percent (30%).
 - Outcome 4: The percentage of those admitted to 23-hour observation and discharged to a lower level of care should be 80% or higher.
 - The effectiveness of Crisis Stabilization Unit (CSU) Services shall be shown by the following:
 - Outcome 5: The number of individuals transferred to inpatient psychiatric hospitalization will not exceed seven and one-half percent (7.5%) of admissions.
 - Outcome 6: The percentage of individuals reporting that the services of each CSU were satisfactory will exceed eighty percent (80%).

Project Rural Recovery – Integrated Mobile Health

Agency: Tennessee Department of Mental Health and Substance Abuse Services (TDMHSAS)

Funding Amount: \$6,300,000

Project Identification Number: 26

Expenditure Category: 1.14 Other Public Health Services

Project Overview: Project Rural Recovery provides mobile integrated primary care, mental health, and substance use services. Counties served are rural and residents experience poor health outcomes and have limited access to regular care.

The project provides the following services:

- Basic, physical health services that include management of hypertension, diabetes, lipid disorder, weight disorders, and other issues, including treatment for common colds, minor physical injuries, vaccinations, and other non-emergency issues.
- Provide health screenings such as, but not limited to, TB, HIV, and Hepatitis.
- Provide assessment of and treatment for mental health disorders and/or provide referral to appropriate community services.
- Provide assessment of and treatment for substance use disorders and/or provide referral to appropriate community services, including tobacco/nicotine cessation services.
- Linkage to support services including education support, housing services, employment coaching, etc.
- [Individual Placement and Support](#) (IPS) supported employment services when available and when not utilizing the American Job Centers.
- Case management services to clients, in which a case manager assists the client with navigating various life domains, including employment and education.

Through the announcement of the funding process, TDMHSAS received and reviewed four applications for funding. Two agencies were awarded the funds: Ridgeview Behavioral Services and Pathways of TN.



Pathways of TN is a community mental health center and the behavioral health component of West Tennessee Healthcare. Pathways offers mental health and substance use treatment in eight offices and three peer centers in seven counties via in-person and telehealth visits. The Pathways mobile clinic serves five counties in West Tennessee.



Ridgeview Behavioral Health Services has a 60-year history of providing mental health services in East Tennessee and provides a comprehensive array of services, including traditional outpatient clinics. The Ridgeview mobile clinic serves five counties in East Tennessee.

There are many success stories from clients. Here are two that highlight the positive impacts of the services:

Although a client first visited for burns on her hand, the nurse practitioner learned she had hypertension, which was not being treated consistently and a history of mental health treatment. Previously the client utilized the ER when she ran out of her hypertension medication or when she had headaches and chest tightness. Now in addition to treating her burns, the nurse practitioner is managing her hypertension and psychiatric medication, thus likely reducing the visits to the ER.

A veteran with PTSD had been placed on a waitlist for a therapy appointment elsewhere that was three months out. During this time, he was experiencing a family emergency. Because a PRR mobile health clinic had same-day appointments available, he completed an intake that day and was scheduled for therapy the next week.

Services are provided onboard two mobile health units, each designed with two exam rooms, a small waiting area, and a restroom. Each team consists of at least a Nurse Practitioner, mental health clinician, and certified peer recovery specialist. The units are operated by Pathways of TN and Ridgeview Behavioral Health Services. Each mobile health unit serves five rural TN counties, visiting one county each day of the week on a regular schedule. This allows clients to become established and helps to provide continuity of care.

Ridgeview began providing services in June 2023 and Pathways began in October 2023. In the short time their mobile clinics have been operational, Pathways and Ridgeview have served **407 unique** clients over **1,222** visits.

The Department expects the following outcomes to be associated with the project:

- Outcome 1: 40% of adult clients will show an improvement in at least one of the following: blood pressure, body mass index, waist circumference, breath CO, A1c, or lipid profile over the course of treatment.
- Outcome 2: 20% of clients will report a reduced use of emergency department use related to mental health and substance use issues over the course of treatment.
- Outcome 3: 15% of clients will show an improvement in their Daily Living Activities (DLA-20) score over the course of treatment.

Each agency maintains a website with their respective mobile clinic information:

- [Ridgeview](#)
- [Pathways](#)
- TDMHSAS maintains a website for the project: [Project Rural Recovery](#)

Rationale: These funds allow the provision of integrated primary care, mental health, and substance use services to approximately 2,000 clients in ten counties annually resulting in improved overall health outcomes.

Use of Evidence: \$6,300,000 is being used toward evidence-based interventions.

There are several evidence-based modalities utilized with patients including: Behavioral Health Integration; Screening, Brief Intervention, and Referral to Treatment (SBIRT); Columbia-Suicide Severity Rating Scale (C-SSRS); and Trauma Informed Care (TIC). Additionally, the overall project cites Behavioral Health Primary Care Integration as a recognized strategy: Behavioral health primary care integration | County Health Rankings & Roadmaps.

Performance Report:

Project Update: The mobile health clinics are currently fully operational and each actively serves five counties.

Outcome data is not yet available due to the timeline for obtaining reassessment data. Clients who consent to data collection have data collected at baseline and every six months if they can be contacted. Reassessment data is now beginning to be collected and will be available for the next report.

These are the KPIs that will be measured:

- Outcome 1: Percentage of adult clients that show an improvement in at least one of the following: blood pressure, body mass index, waist circumference, breath CO, A1c, or lipid profile over the course of treatment.
 - Output 1: Number of clients served annually.
 - As of April 2024, 407 unique clients have been served over 1,222 visits.
- Outcome 2: Percentage of clients that report a reduced use of emergency department use related to mental health and substance use issues over the course of treatment.
 - Output 2: Number of clients served per day of operation per mobile health unit.
 - In Quarter 4, Ridgeview served an average of 5.3 clients per day and Pathways served 1.5 per day.
- Outcome 3: Percentage of clients that show an improvement in their Daily Living Activities (DLA-20) score over the course of treatment.
 - Output 3: Percent of clients assessed for mental health and substance use disorders.
 - In Quarter 4, Ridgeview served an average of 5.3 clients per day and Pathways served 1.5 per day.

University of Tennessee Ag Research and Education Centers

Agency: Tennessee Department of Agriculture (TDA)

Funding Amount: \$50,000,000

Project Identification Number: 16

Expenditure Category: 1.14 Other Public Health Services

Project Overview: To enable our partners at UT Ag Research to research and develop practical solutions to mitigate the negative impacts on food supply chains, public health, and economic prosperity that Tennesseans have encountered during the COVID-19 pandemic and in potential future large-scale disruptions. The project is on track and follows the timeline of:

- Final equipment procurement completed by December 2025
- Smaller construction completed in March 2025 and larger projects completed by September 2026

The department anticipates the following outcomes as a result of the project:

- Outcome 1: Food insecurity in Tennessee due to the COVID-19 pandemic or similar zoonotic disease outbreaks is kept below 5%.
- Outcome 2: The number of innovative research trials at the Ag Research and Education Centers increases by at least 25% in three years, as does the number of research articles and extension publications (recommendations for producers and consumers), focusing on increasing food security and production profitability through implementation of digital/smart agriculture and urban agriculture technologies.
- Outcome 3: Extramural research funding for faculty increases by 25% in three years as a result of increased impactful research activities.

Rationale:

If we allocate funds to equip UT Ag Research with the necessary infrastructure and equipment, then we expect technological innovations and applications to be researched, developed, and implemented that will significantly increase the recovery and resiliency of food security systems, leading to improved economic prosperity. We also expect to improve public health for Tennesseans to better confront the challenges of COVID-19 and possible future zoonotic disease outbreaks.

Use of Evidence: This project is not using SLFRF funds for evidence-based interventions.

Performance Report:

Project Status: Pre-Planning / Program or Capital Design (i.e., refining program or facility design)

Performance data not yet available due to project status and nature of KPI.

KPIs will measure the following:

- KPI 1: Food insecurity in Tennessee during a pandemic below 5%, after implementation of grant funded projects (not a reportable KPI unless we are in a pandemic however, we may report the positive impact of the research innovations on resiliency to other non-pandemic adverse conditions, as appropriate).
- KPI 2: Number of research trials and related journal articles, conference and educational publications increases by 25% by 2027 relative to the baseline benchmark (3-year average of 2020-2022).
- KPI 3: Extramural research funding increases 25% by 2027 relative to the baseline benchmark (3-year average of 2020-2022).

To date, expenditures have been on equipment, architecture, and design fees.

Testimonials and Video Links:

- NETREC - <https://youtu.be/OKHU8f6dwcc?si=cLOFvC5ae29BO9dE>
 - Discusses research expansion from ARPA funds, building facilities, greenhouse, backgrounding barn, plot combine
- WTREC - <https://youtu.be/JSLtdCyfC-M?si=-E2q7bA9ldk-DzYT>
 - Discussion of research expansion in West TN, assistance to attracting researchers, equipment (plot and harvest), building infrastructure – lab space, housing, headhouse and greenhouse, equipment storage.
- MTREC - <https://youtu.be/Equbu7SZY0Us?si=CuPzjdAFMR7x-EX>
 - Discusses beef and plant research, C-Lock Smart feeders and waterers, food security and fiber security
- MTREC Broiler - https://youtu.be/jLIFnvGzlr8?si=7TjD0HAAk6g0ob_h
 - Groundbreaking coverage and poultry research specifics
- FRREC - <https://youtu.be/9c1fx2dj-1A?si=jKjGKejVxR19wLuh>
 - Discusses forestry research, drone and equipment for forestry research and teaching, UTVs, laptops, weather station, plant canopy analyzers
- Milan - <https://youtu.be/H0ArM--2KtM?si=TD2S7jwiEVovRaR8>
 - Discussion of ARPA funds to upgrade equipment, cotton picker/baler and efficiency of same, combines, planters, tractor, grain truck

TSU Food and Animal Sciences Center

Agency: Tennessee Department of Agriculture (TDA)

Funding Amount: \$32,250,000

Project Identification Number: 28

Expenditure Category: 1.14 Other Public Health Services

Project Overview: To enable our partners at the TSU College of Agriculture to research and develop practical solutions to mitigate the negative impacts on food supply chains, public health, and economic prosperity that Tennesseans have encountered during the COVID-19 pandemic and in potential future large-scale disruptions.

TSU would construct a Center for Food and Animal Sciences to house and develop much-needed advanced technologies addressing key areas of human and animal health, food safety and production, and enhance ongoing research efforts at TSU. The Center would include 3 core facilities, consisting of roughly 60,000 sq. ft.

Intended outcomes for the project:

- Outcome 1: Food and Animal Science building; includes 14 research labs to house research, academic, and extension programs.
- Outcome 2: Sensory Science and Product Development Center (consumer education and food testing/development); Testing kitchens, sensory booths, sensory panel rooms, incubation suite.

Rationale:

Goals: If we allocate funds to TSU, the investment would be put toward infrastructure and equipment, which will allow TSU to enhance research capabilities and develop new technologies designed to: minimize food supply chain disruptions (e.g., through automation); increase food independence through locally grown food (e.g., urban ag); sustain local economic prosperity; and maintain jobs and thus family income through diversified employment opportunities.

Use of Evidence: This project is not using SLFRF funds for evidence-based interventions.

Performance Report:

Project Status: Pre-Planning / Program or Capital Design (i.e., refining program or facility design)

Performance data is not yet available due to project status.

These are the KPIs that will be measured:

- KPI 1: Food and Animal Science building; includes 14 research labs to house research, academic, and extension programs.
 - Updates/Progress:
 - Construction site has been identified and environmental review completed.
 - Architects were hired to design the building and they have completed 75% of the schematic drawings. The plans for these laboratories were completed by

the architects in consultation with TSU's research scientists who will be occupying these laboratories.

- Construction manager has been hired.
- TSU also added an additional \$5,000,000 to defray the increased construction costs.
- Update: Due to cost escalation in the Nashville area between when the project was submitted for approval and now, we have reduced the scope of the project eliminating the Pilot plant facility.
- KPI 2: Sensory Science and Product Development Center (consumer education and food testing/development); Testing kitchens, sensory booths, sensory panel rooms, incubation suite.

TSU will achieve these outcomes in three major phases: site selection/acquisition, design, and construction. The design will include the 14 research labs (outcome 1), and sensory science and product development center (outcome 2).

Lab Capability & Administrative System Enhancements

Agency: Tennessee Department of Agriculture (TDA)

Funding Amount: \$5,122,600

Project Identification Number: 33

Expenditure Category: 1.14 Other Public Health Services

Project Overview: To enhance laboratory infrastructure and equipment and implement new licensing and permitting for strengthening emergency preparedness and traceability for food-borne and animal disease outbreaks. Upgrading laboratory systems will directly support animal health, food, feed, and pesticide regulation and diagnostic testing.

To date, laboratory equipment has been ordered, installed, and validated to assist with routine diagnostic and movement testing of livestock and poultry. Additional equipment is on order and is expected to arrive in July 2024. Site prep for the new instrumentation is underway, and obsolete and non-functional equipment has been removed to accommodate the new equipment. The final phase of equipment purchases is on target to be completed and received by fall of 2024. A phased-in approach has been used to ensure the lab has the space, utilities, and available hands for installation and ongoing testing.

Integration of the laboratory information management system (CoreOne for Labs) and the licensing and inspection platform (CoreOne LCP) continues. Enhancements have recently been deployed by the vendor, which allows field inspection staff to collect samples, document their activities electronically, and seamlessly pass that collection information to the laboratory. This has reduced transcription risks and allowed us to streamline some administrative actions. At a time when laboratory testing requirements have become more complex, we were able to avoid requesting additional personnel in the last fiscal cycle by taking advantage of these improvements.

Intended outcomes for the project:

- Outcome 1: This request will fund the implementation of a new licensing, permitting, invoicing, and laboratory management system for the Divisions of CIS and Animal Health. This request will provide a centralized hub by consolidating multiple systems, records, and communications into one system. Update/Progress:
 - The Animal Health Division has moved away from the original outcome 2 and will not be implementing GIS within the TraceFirst system. They instead are benefiting from a USDA database to map in the event of emergencies, which allows the state to use financial resources in other parts of the system development and implementation.
 - The CVI Central and Core One systems communicate, and records from CVI Central are also accessible in Core One. Previous systems used include: RedBarn, Agile/HealthSpace, StateVet.com, and physical documentation and electronic documentation in Animal Health storage.

Rationale:

Goals: Upgrade key laboratory infrastructure (electrical, ventilation, medical grade gases), replace aged/obsolete equipment, and procure additional equipment needed in a modern analytical laboratory.

Use of Evidence: This project is not using SLFRF funds for evidence-based interventions.

Performance Report:

KPI 1: This request will fund the implementation of a new licensing, permitting, invoicing, and laboratory management system for the Divisions of CIS and Animal Health.

- Update: Multiple reports can be generated upon request to see any differences that can show expected improvement including number of customers served, revenue, violations, civil penalties, number of inspections completed, and efficient and timely inspections resulting in a reduced number of inspections per inspector.
- Below are screenshots from our Food & Dairy section, along with a description of the data it benefits.

This is the total number of new businesses that started the process of opening a new business that we regulate.

Program Participations by Entity Created Date	
<small>State of Tennessee - Department of Agriculture - Consumer and Industry Services Division</small>	
Total Entities	Total Program Participations
1,427	1,444

This is the total number of businesses that completed the process. Our staff can compare and research what obstacles prevented new businesses from completing their applications (i.e., financial means, decided to go a different route or ultimately failed to pass Health Department regulations)

Program Participations by Program Participation Start Date	
<small>State of Tennessee - Department of Agriculture - Consumer and Industry Services Division</small>	
Total Entities	Total Program Participations
1,346	1,349

This is the number of businesses that went out of business, moved to a business model that does not require a permit from us, or had a change of ownership, resulting in the business going out of business but back in on the Start Date numbers:

Program Participations by Program Participation End Date	
<small>State of Tennessee - Department of Agriculture - Consumer and Industry Services Division</small>	
Total Entities	Total Program Participations
979	981

These numbers represent the total number of firms that did not pay an invoice prior to May 1. This number is out of 14,000 firms.

Invoices by Invoice Date	
<small>State of Tennessee - Department of Agriculture - Consumer and Industry Services Division</small>	
Total Entities	Total Invoices
69	79

These numbers represent the total number of firms that fell below outside of our 61-day due date. All firms were inspected but fell outside those numbers. We try to stay within a 5% tolerance of firms on this list and this number is at 2% for the year, so we are well below that number.

Inspections by Inspection Date	
<small>State of Tennessee - Department of Agriculture - Consumer and Industry Services Division</small>	
Total Entities	Total Inspections
294	305

KPI 2: See above new outcome.

- Some of the Animal Health features that have been consolidated and are now available under a single system include Market Cattle Traceability, Livestock Welfare, Brand Registration, Materials Inventory, Livestock Market Licenses, Livestock Dealer Licenses and Staff documentation for inspections (i.e., livestock market, livestock dealer, and equine facility).

KPIs currently available:

- These activities generate approximately \$12,000,000 in revenue annually for TDA
- FY23 was the first year to send invoices and receive payments through the new system. July 1, 2023 – March 24, 2023, the license and inspection numbers increased by approximately 25%.
 - FY23: 41,636 Consumer and Industries Services Inspections
 - 39,937 Consumer and Industry Services Licensed and Registered Facilities
 - FY23: 15,238 Consumer and Industry Services Licensed Individuals
 - FY24 is on track to see a 12% increase in individual licensing participation

Local Government Plan COVID-19 Claim Offset

Agency: Tennessee Department of Finance & Administration– Benefits Administration (F&A – BA)

Funding Amount: \$13,794,057

Project Identification Number: 37

Expenditure Category: 1.6 Medical Expenses

Project Overview: ARPA funds will help mitigate the extraordinary negative impact of the COVID-19 pandemic on the state group insurance program. All three plans administered by BA (State, Local Education and Local Government) have experienced significant increases in claims due not only to the specific costs for COVID-19 testing, treatment and vaccines, but also deferred care and the unfavorable rebound from delayed treatment.

Most participating Local Government Plan agencies are rural counties, municipalities, utility districts, 911 agencies and other quasi-governmental entities. Currently, approximately 18% are non-profit grantees of various state departments or other entities permitted eligibility when the Plan was first established.

The table below shows the potential CY2024 annual premium reduction in the Premier PPO for the Local Government Plan if COVID-19 costs are reimbursed. The three premium levels in the Local Government Plan reflect the higher costs associated with the age demographics of the group.

Rationale: The Local Government Plan will greatly benefit from these funds for the following reasons: COVID-19 had a higher cost impact per member on the Local Government Plan than the other plans in the state group insurance program. Through November 2022, the Local Government Plan COVID-19 costs per member were \$530.93, 21% higher than for the State/Higher Education Plan and 20% higher than for the Local Education Plan. The Local Government Plan is relatively small (~26,000 members) and is not able to spread costs over many lives. Therefore, extraordinary costs, such as COVID-19, have a higher negative impact on the Plan than with the State or Local Education Plans. The Local Government Plan has historically and consistently had higher premiums than the other two Plans due to a higher risk profile of the population.

Use of Evidence: This project is not using SLFRF funds for evidence-based interventions.

2024 Annual Premium Savings – Premier PPO

	Employee	Employer	Total
Local Government:			
Level 1	\$140.38	\$140.38	\$280.76
Level 2	\$147.38	\$147.38	\$294.76
Level 3	\$154.37	\$154.37	\$308.74

Performance Report:

Outputs:

- Number of Local Government Agencies as of June 1, 2023 - 394 agencies
- Number of members as of June 1, 2023 - 26,944
- Number of unique claims that make up the total amount - 61,766

Outcome:

- The plan year 2024 Local Government Plan premium increase was reduced by 1.1% due to the ARPA funding.
- The impact at a member level will vary, depending on the insurance product and coverage tier selected by the individual. For illustrative purposes, the 2024 annual premium savings for the Premier PPO employee + spouse + child(ren) coverage tier is \$280.76. Assuming a 50% split between employee and employer, the savings for each is \$140.38.

STS Cloud

Agency: Tennessee Department of Finance and Administration – Strategic Technology Solutions (F&A – STS)

Funding Amount: \$45,600,000

Project Identification Number: FAARPCSF03CLD

Expenditure Category: 1.14 Other Public Health Services

Project Overview: Having responded to the initial COVID-19 crisis, STS is now turning its attention toward recovery – a phase that should focus not only on reducing costs, but on developing capabilities that will help Tennessee businesses and citizens thrive beyond the crisis. Building upon lessons learned over the past few months, Tennessee now has an opportunity to prepare for the “new normal” by recalibrating resources, expenses, and security; identifying savings and efficiencies within our technology portfolio; adopting new technologies and improving process operations – the adoption of cloud computing is essential to meeting this transformational mission. STS’s efforts fall into six specific areas:

STS expects the following outcomes associated with the STS Cloud project:

Agency Applications Cloud Modernization and Migration	The successful migration of a significant percentage of the state’s application portfolio to the STS cloud environment.
Migration of Edison to the Cloud	The successful migration of the Edison migration to the STS cloud environment.
Cloud Operation Tools	Services required by applications in the cloud are available on an enterprise basis within the STS cloud environment.
Cloud Operations Contractors to Support Rapid Cloud Migration	The successful migration of a significant percentage of the state’s application portfolio to the STS cloud environment.
Five Contract Project Directors (supporting cloud)	The successful migration of a significant percentage of the state’s application portfolio to the STS cloud environment.
Application Assessment for Cloud Viability	100% of the applications in the State of TN’s portfolio have been assessed for viability for migration to the STS cloud environment.

Use of Evidence/Rationale:

Agency Applications Cloud Modernization and Migration	<p>If we allocate funds for agency applications cloud modernization and migration, then a significant percentage of the State’s application will be migrated to the STS cloud environment.</p> <p>This project is not using SLFRF funds for evidence-based interventions.</p>
Migration of Edison to the Cloud	<p>If we allocate funds to migrate Edison to the cloud, then we expect the Edison application to be migrated to the STS cloud environment and higher performance and daily updates for ERP data.</p> <p>This project is not using SLFRF funds for evidence-based interventions.</p>
Cloud Operations Tools	If we allocate funds for cloud operation tools, then services required by the applications in the cloud are available on an enterprise basis within the STS cloud environment.

	This project is not using SLFRF funds for evidence-based interventions.
Cloud Operations Contractors to Support Rapid Cloud Migration	If we allocate funds for cloud operations contractors to support rapid cloud migration, then a significant percentage of the State's application will be migrated to the STS cloud environment. This project is not using SLFRF funds for evidence-based interventions.
Five Contract Project Directors	If we allocate funds for five contract project directors to support the cloud team, then a significant percentage of the State's application will be migrated to the STS cloud environment. This project is not using SLFRF funds for evidence-based interventions.
Application Assessment for Cloud Viability	If we allocate funds for the application assessment for cloud viability, then 100% of the State's application will have been assessed for viability for migration into the STS cloud environment. This project is not using SLFRF funds for evidence-based interventions.

Performance Report:

Project Status: Expended (Funds are in process of being expended).

KPIs will measure the following:

- Percent of agency applications assessed for viability to migrate to the cloud
- Percent of currently identified cloud-suitable applications migrated to the cloud
- Successful migration of the State's ERP (EDISON) system to the cloud
- Number of tools implemented to enhance cloud capabilities

KPI#	KPI	Progress towards KPI as of June 2024
Cloud KPI #1	Percent of agency applications assessed for viability to migrate to the cloud	100% of agency applications assessed
Cloud KPI #2	Percent of currently identified cloud-suitable applications migrated to the cloud	58% of applications identified as suitable for migration to the cloud as of June 2024 have been migrated to date.
Cloud KPI #3	Successful migration of the State's ERP (EDISON) system to the cloud	ERP (EDISON) system migrated to the cloud in January 2023; post-implementation support completed; and the subproject is marked as complete.
Cloud KPI #4	Number of tools implemented to enhance cloud capabilities	Three (3) tools implemented which provide the following cloud functionality: 1) OpenShift for management and container repository/scanning 2) ServiceNow ITSM cloud Discovery platform

		<p>3) Apptio Cloudability/Bill of IT for cost management and optimization of cloud solutions Two additional tools were identified and are in the process of being procured: 1) Equinix 2) KnowledgeLake</p>
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STS Cybersecurity

Agency: Tennessee Department of Finance & Administration – Strategic Technology Solutions (F&A – STS)

Funding Amount: \$50,955,000

Project Identification Number: 17

Expenditure Category: 1.14 Other Public Health Services

Project Overview: In Tennessee, we depend upon internet and/or cyberspace for daily conveniences, critical services, and economic prosperity, all of which has been threatened by the COVID-19 pandemic. This request will enable STS to reduce the state’s cybersecurity risks, which requires an innovative approach that fully leverages our collective capabilities and the entire cybersecurity community.

STS expects the following outcomes associated with the cybersecurity project:

Air-Gapped Data Backup and Recovery / Retention Solution	Successful implementation will realize a reduced risk of compromised back-ups and will have a stronger support system for the restoration of data against ransomware attacks.
Cloud Access Security Broker (CASB)	The successful implementation of a cloud access security broker will ensure that the state maintains our security posture between our existing on-premise infrastructure to the cloud-specific context.
Cybersecurity Training for Local Governments	The successful implementation of cybersecurity training for local governments will allow STS to be able to provide cybersecurity awareness training to county and city employees throughout Tennessee.
DMARC Technology	Successful implementation of DMARC technology will allow STS to be able to provide software that prevents third parties from spoofing tn.gov email.
National Cyber Security Review Assessments for all local gov’ts	The successful implementation of national cybersecurity review assessments for all local governments will allow STS to be able to ensure that approximately 3200 county, city, and other jurisdictions within Tennessee receive the Nationwide Cyber Security Review (NSCR). The Nationwide Cyber Security Review (NSCR) is a key component of the framework and is an assessment designed to measure cyber security gaps and capabilities of counties, cities, and other local jurisdictions.
Funds to support Cybersecurity Council mandates	The successful implementation of funds to support Cybersecurity Council mandates will allow STS to implement the Cybersecurity Council security initiatives that were not planned for during the normal budgeting cycle. COVID-19 has increased the need for the state to be more responsive to emerging security needs to augment existing security efforts.
Self-Healing Monitoring	The successful implementation of self-healing monitoring will allow STS to successfully deploy systems that can proactively monitor and identify a potential variance from its standard parameters, validate it with a degree of confidence, and resume normal operations without human intervention.
Three Contract Project Directors	The successful hiring of three contract directors will allow STS to ensure we will manage a set of projects across our ARPA-related security initiatives. They will coordinate their efforts with the Project Management Office. The Project Directors will manage security projects to cost, schedule and scope using standard STS project management approaches and methodologies.
Identity and Access Management	The successful implementation of identity and access firewall will allow STS to securely control access to IT resources and applications.

Test data management	The successful implementation of test data management will allow STS to create non-production data sets that reliably mimic our organization's actual data so that system and application developers can perform rigorous and valid systems tests without exposing protected data and personally identifiable information.
Paid Information Technology Interns	The successful hiring of information technology interns will allow the State of Tennessee to provide paid IT internships for 15-20 unemployed citizens.
Privileged Access Management	The successful implementation of privileged access management will allow STS to secure its infrastructure and applications, run business efficiently and maintain the confidentiality of sensitive data and critical infrastructure.
Resiliency Assessment (statement of work)	The successful implementation of a resiliency assessment will allow STS to determine the best path forward for our IT infrastructure given our current architecture and where we need to be to support the new and/or emerging availability, support ability, and cloud access requirements.
Upgrade Egress Firewalls	Upgrading Egress firewalls will allow STS to move from Juniper to Palo Alto firewalls for the Egress that will provide the state enhanced security capabilities not currently available in our current infrastructure.
Microsoft E3 License Upgrade	Upgrading the Microsoft E3 licenses will provide enhanced cybersecurity capabilities in geographical filtering for Microsoft multi-factor authentication; interactive authentication logging for incident management/response; identity services for Privilege Access Management; and multi-factor authentication for on-premise network device privileged management.

Use of Evidence/Rationale:

Air-Gapped Data Backup and Recovery / Retention Solution	If we allocate funds for an air-gapped data recovery/retention solution, then the State of Tennessee will realize reduced risk of compromised backups and will have a stronger support system for the restoration of data against ransomware attacks. This project is not using SLFRF funds for evidence-based interventions.
Cloud Access Security Broker (CASB)	If we allocate funds for a cloud access security broker, then the state can continue to ensure that we maintain our security posture between our existing on-premise infrastructure to the cloud-specific context. This project is not using SLFRF funds for evidence-based interventions.
Liability Insurance	If we allocate funds for liability insurance, then the state will have additional protection against claims resulting from injuries and damage resulting from cyber attacks that are the result from additional exposure due to the global pandemic. This project is not using SLFRF funds for evidence-based interventions.
Cybersecurity Training for Local Governments	If we allocate funds for cybersecurity for local governments, then STS will be able to provide cybersecurity awareness training to county and city employees throughout Tennessee. This project is not using SLFRF funds for evidence-based interventions.
DMARC Technology	If we allocate funds for DMARC technology, then STS will be able to provide software that prevents third parties from spoofing tn.gov email. This project is not using SLFRF funds for evidence-based interventions.
National Cyber Security Review Assessments for all local gov'ts	If we allocate funds for national cybersecurity review assessments for all local governments, then STS will be able to ensure that approximately 3200 County, City, and other jurisdictions with the State of Tennessee receive the Nationwide Cyber Security Review (NSCR). The Nationwide Cyber Security

	<p>Review (NSCR) is a key component of the framework and is an assessment designed to measure cyber security gaps and capabilities of Counties, Cities, and other local jurisdictions.</p> <p>This project is not using SLFRF funds for evidence-based interventions.</p>
Funds to support Cybersecurity Council mandates	<p>If we allocate funds for funds to support cybersecurity council mandates, then STS can implement the Cybersecurity Council security initiatives that were not planned for during the normal budgeting cycle. COVID-19 has increased the need for the state to be more responsive to emerging security needs to augment existing security efforts.</p> <p>This project is not using SLFRF funds for evidence-based interventions.</p>
Self-Healing Monitoring	<p>If we allocate funds for self-healing monitoring, then STS will successfully deploy systems that can proactively monitor and identify a potential variance from its standard parameters, validate it with a degree of confidence and resume normal operations without human intervention.</p> <p>This project is not using SLFRF funds for evidence-based interventions.</p>
Three Contract Project Directors	<p>If we allocate funds for three contract directors, then STS can ensure we will manage a set of projects across our ARPA-related security initiatives. They will coordinate their efforts with the Project Management Office. The Project Directors will manage security projects to cost, schedule and scope using standard STS project management approaches and methodologies.</p> <p>This project is not using SLFRF funds for evidence-based interventions.</p>
Identity and Access Management	<p>If we allocate funds for identity and access firewall, then STS will securely control access to IT resources and applications.</p> <p>This project is not using SLFRF funds for evidence-based interventions.</p>
Test data management	<p>If we allocate funds for test data management, then STS will create non-production data sets that reliably mimic our organization's actual data so that system and application developers can perform rigorous and valid systems tests without exposing protected data and personally identifiable information.</p> <p>This project is not using SLFRF funds for evidence-based interventions.</p>
Paid Information Technology Interns	<p>If we allocate funds for paid IT interns, then the State of Tennessee could provide paid IT internships for 15-20 unemployed citizens.</p> <p>This project is not using SLFRF funds for evidence-based interventions.</p>
Privileged Access Management	<p>If we allocate funds for privileged access management, then STS could secure its infrastructure and applications, run business efficiently and maintain the confidentiality of sensitive data and critical infrastructure.</p> <p>This project is not using SLFRF funds for evidence-based interventions.</p>
Resiliency Assessment (statement of work)	<p>If we allocate funds for resiliency assessment, then STS could determine the best path forward for our IT infrastructure given our current architecture and where we need to be to support the new and/or emerging availability, support ability, and cloud access requirements.</p> <p>This project is not using SLFRF funds for evidence-based interventions.</p>
Upgrade Egress Firewalls	<p>If we allocate funds for upgrading Egress firewalls, then STS could move from Juniper to Palo Alto firewalls for the Egress that will provide the state enhanced security capabilities not currently available in our current infrastructure.</p> <p>This project is not using SLFRF funds for evidence-based interventions.</p>
Microsoft E3 License Upgrade	<p>If we allocate funds for a Microsoft E3 license upgrade, then STS could enhance cybersecurity capabilities in geographical filtering for Microsoft multi-factor authentication; interactive authentication logging for incident management/response; identity services for Privilege Access Management;</p>

	and multi-factor authentication for on-premise network device privileged management.
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Performance Report:

Project Status: Expended (Funds are in process of being expended).

KPIs will measure the following:

- Number of paid information technology internships hired
- Number of security solutions implemented to improve the state's ability to protect its enterprise assets.
- Completed National Cyber Security Review (NCSR) assessments for all local governments in TN
- Number of local government employees receiving training

Cybersecurity		
KPI	KPI	Progress towards KPI as of June 2024
Cybersecurity KPI #1	Number of paid information technology internships hired	Eight paid information technology interns have been hired.
Cybersecurity KPI #2	Number of security solutions implemented to improve the state's ability to protect its enterprise assets.	<ul style="list-style-type: none"> • Completed implementation of DMARC solution (Proofpoint) • Selected a solution and completed a competitive procurement to implement an IAM solution, which is now in the design phase. • Completed a research project to select a PAM solution; selected completed procurement of a solution; and implementation is in process. • Completed a research project and selected a Test Data Management solution; completed a competitive procurement for a system integrator to assist with implementation; and completed three proofs of concept. • Procured ZScaler cloud access security broker (CASB) solution and the final implementation/ deployment stage is in progress. • Procured CrowdStrike Endpoint Detection and Response (EDR) solution; implementation/ deployment is in progress to be completed in August 2024. • Procured InTune endpoint management solution and deployed to State mobile

		devices; deployment to workstations is in progress.
Cybersecurity KPI #3	Completed National Cyber Security Review (NCSR) assessments for all local governments in TN	<p>A pilot assessment was completed.</p> <ul style="list-style-type: none"> • Offline NCSR assessments have been completed covering 362 counties, county EMAs/911, Sheriff's Offices, cities, public works, police departments, libraries, local school districts, and post-secondaries. • Cybersecurity recommendations were developed for 349 entities.
Cybersecurity KPI #4	Number of local government employees receiving training	<ul style="list-style-type: none"> • Procured, implemented, and configured PluralSight to provide cybersecurity training for local governments. 24 counties are participating with a total of 400 PluralSight licenses in use to date. • Promotion of the training solution continues to increase participation.

STS Enterprise Data Analytics

Agency: Tennessee Department of Finance & Administration – Strategic Technology Solutions (F&A – STS)

Funding Amount: \$11,920,000

Project Identification Number: 18

Expenditure Category: 1.14 Other Public Health Services

Project Overview: Enterprise data analytics is more important than ever during these unprecedented times. As Tennesseans, we’ve seen how important even basic line graphs, bar charts, and heat maps are to understanding the spread of COVID-19. Many citizens want to see the data and understand the facts in this rapidly changing environment. Investments in this area are essential to meeting the continual demand for more detailed and accurate data models and including data from internal and external sources to present an accurate picture of the risk to our citizens’ health, safety, and economic well-being.

STS expects the following outcomes associated with the Enterprise Data Analytics project:

TN Data Platform	The successful implementation of the TN Data Platform will enable: data virtualization to integrate all enterprise data siloed across the disparate systems, manage the unified data for centralized security and governance, and deliver it to business users in real time; data profiling that will result in a high-level overview to aid in the discovery of data quality issues, risks, and overall trends; and completion of an opioid use case that will potentially reveal possible direct or inferred correlations between citizens affected by the pandemic and any increase in opioid use.
API Gateway	The successful implementation of API Gateway will result in the installation of an integral component of the application modernization for cloud that enables communication between different environments.

Use of Evidence/Rationale:

TN Data Platform	If we allocate funds for a TN Data platform, then STS will have a logical data layer that integrates all enterprise data siloed across the disparate systems, manages the unified data for centralized security and governance, and delivers it to business users in real time a high-level overview to aid in the discovery of data quality issues, risks, and overall trends; and completion of an opioid use case that will potentially reveal possible direct or inferred correlations between citizens affected by the pandemic and any increase in opioid use. This project is not using SLFRF funds for evidence-based interventions.
API Gateway	If we allocate funds for an API Gateway, then STS will have an integral component of the application modernization for a cloud that enables communication between different environments. This project is not using SLFRF funds for evidence-based interventions.

Performance Report:

Project Status: Expended (Funds are in process of being expended)

KPIs will measure the following:

- Implemented Enterprise Data Analytics Service Platform (EDASP), called "TN Data Platform," to enable data profiling and data virtualization
- Implemented Opioid / Overdose Use Case that provides data analytics that provides insight into opioid usage of Tennesseans during the pandemic
- Implemented API Gateway
- Implemented Primary Data Management tool

Enterprise Data Analytics (EDA)		
KPI#	KPI	Progress towards KPI as of June 2024
Enterprise Data Analytics (EDA) KPI #1	Implemented Enterprise Data Analytics Service Platform (EDASP), called "TN Data Platform," to enable data profiling and data virtualization	Development of the EDASP, or TN Data Platform hub, was completed in May 2023. Operations and maintenance of the platform to enable data virtualization, data profiling, and the development of use cases continues.
Enterprise Data Analytics (EDA) KPI #2	Implemented Opioid / Overdose Use Case that provides data analytics that provides insight into opioid usage of Tennesseans during the pandemic	Not started
Enterprise Data Analytics (EDA) KPI #3	Implemented API Gateway	<ul style="list-style-type: none"> • Google's ApigeeX API management platform was selected and procured and rollout is in progress. • Informatica's ETL tools was procured and implemented.
Enterprise Data Analytics (EDA) KPI #4	Implemented Primary Data Management tool	This initiative was canceled, and the approved funds reallocated to another STS project as approved by Commissioner Bryson, the STS ARPA Program Steering Committee (PSC) and the STS ARPA Program Change Control Board (CCB).

STS Business Process Automation

Agency: Tennessee Department of Finance & Administration – Strategic Technology Solutions (F&A – STS)

Funding Amount: \$20,000,000

Project Identification Number: 19

Expenditure Category: 1.14 Other Public Health Services

Project Overview: No business can effectively serve our citizens in the same way it was prior to the COVID-19 pandemic. Not only must we do more with less, but we must also do it faster and smarter. COVID-19 pushed the State of Tennessee into uncharted territory. How do we maintain business as usual when much of the workforce is required to work remotely, with limited access to the office and face-to-face contact? The silver lining of the pandemic is that there is no better opportunity to drive change – process automation can support a more resilient, scalable, and adaptable business operating model.

STS expects the following outcomes associated with the business process automation project:

- Greater efficiencies in business processes.
- An expanded workforce capability.
- Efficiencies for taxpayers.
- An enhanced citizen experience.

Rationale: If we allocate funds to provide process automation, then we expect to see greater efficiencies in business processes, expanded workforce capability, efficiencies for taxpayers, and an enhanced citizen experience.

Use of Evidence: This project is not using SLFRF funds for evidence-based interventions.

Performance Report:

Project Status: Expended (Funds are in process of being expended)

KPIs will measure the following:

Business Process Automation		
KPI	KPI	Process toward KPI as of June 2024
BPA KPI#1	% of completed Process Automations	% of completed Process Automations <ul style="list-style-type: none"> • Completed 100% of the target process automations in the State as of FY23 • Completed 78% of target process automations so far in the State as of FY24

STS Infrastructure and Modernization

Agency: Tennessee Department of Finance & Administration – Strategic Technology Solutions (F&A – STS)

Funding Amount: \$68,330,000

Project Identification Number: FAARPCSF03MOD

Expenditure Category: 1.14 Other Public Health Services

Project Overview: One of the effects of COVID-19 has been the keen awareness that we now have of our underlying infrastructure. The hasty transition to working from home showed that we need to rapidly modernize and expand our infrastructure to support the new demands, increase scalability, and grow our citizen-facing services. This array of strategic projects will enable a fundamental shift in the amount of physical infrastructure and digital services needed to support employees working from home and the increased urgency and need of state agencies. These projects will remove artificial barriers to collaboration and create a model environment within state government while simultaneously positioning the State to successfully implement other ARPA-related projects and at the same time maintain a safe and collaborative environment for our citizens and employees to conduct business.

STS expects the following outcomes associated with the infrastructure and modernization project:

TDOC Offender Case Management System	The successful implementation of an offender case management system for TDOC will result in the procurement and full implementation of a new offender case management system that is aligned with national best practices and American Correctional Association standards (ACA).
Acceleration of MyTN Enhancements and Applications	The successful acceleration of MyTN enhancements and applications will mean that STS' MyTN development team had developed more content and additional features in a shorter period.
STS Project Management Office	The successful utilization of funding for an STS Project Management Office will be evidenced by the fact that the ARPA-funded projects would have been managed on schedule, within the allocated budget, and within the approved scope, all while using the STS-approved project methodology, and finally, that they will be successfully completed.
Day Time Reporting Technology Enhancements	Successfully adding forty (46) computer labs in the Probation and Parole offices across the State will result in increased accessibility for recently released offenders or probationers to access much-needed job resources to locate and apply for jobs.
Microsoft Teams Enhancement and Adoption	The successful enhancement and adoption of Microsoft Teams funding on of Microsoft Teams will result in the state providing additional technical expertise to meet the substantial demand for the Teams application since the onset of the global pandemic.
Development of a Digital Government Strategy	The successful development of a digital government strategy will result in a plan that would allow the state to consider innovation and how to better leverage our data, all the while considering the incorporation of consistent leverage of big data, artificial intelligence, cloud computing, cybersecurity, blockchain, internet of things, virtual reality, drones, 3-D printing, robotic automation, and augmented reality for our organization.

Infrastructure Automation and Tools	The successful implementation of infrastructure automation tools will result in reduced human interaction with IT systems by creating scripts or functions that are repeatable and can be used either by other software or on command.
Six Contractors to Support Enterprise Gov & Admin	The successful utilization of enterprise governance and administration contractors will result in the success of all ARPA-related projects due to hiring six contract professionals to support procurement and contract functions, cost modeling, asset management, expenditure monitoring, service delivery governance, planning, and communications associated with the successful implementation of ARPA-related projects.
Three Contract Project Directors	The successful utilization of contract project directors will result in the successful implementation of ARPA-related projects because the project directors ensure the projects are run in a disciplined and coordinated manner – ensuring that we achieve the goals and the outcome measures of the full scope of the work being accomplished.
SD-WAN	The successful implementation of SD-WAN technology will result in reduced costs with transport independence across multiple connection types; improved application performance and increased agility; optimized user experience and efficiency for software-as-a-service (SaaS) and public-cloud applications; and simplified operations with automation and cloud-based management.

Use of Evidence/Rationale:

TDOC Offender Case Management System	If we allocate funds to purchase a new TDOC Offender Case Management System, then TDOC can expect to procure and implement a case management system that aligns with national best practices and American Correctional Association standards (ACA). This project is not using SLFRF funds for evidence-based interventions.
Acceleration of MyTN Enhancements and Applications	If we allocate funds to accelerate enhancements and application development in MyTN, then STS' MyTN development team would have the capacity to deliver more content and additional features in a shorter period. This project is not using SLFRF funds for evidence-based interventions.
STS Project Management Office	If we allocate funds to enhance the STS Project Management Office, then we can expect that ARPA-funded projects will be managed on schedule, within the allocated budget, and within the approved scope, all while using the STS-approved project methodology, and finally, that they will be successfully completed. This project is not using SLFRF funds for evidence-based interventions.
Day Time Reporting Technology Enhancements	If we allocate funds to add forty (46) computer labs in the Probation and Parole offices across the State, then we can expect increased accessibility for recently released offenders or probationers to access much-needed job resources to locate and apply for jobs. This project is not using SLFRF funds for evidence-based interventions.
Microsoft Teams Enhancement and Adoption	If we allocate funds to the enhancement and adoption of Microsoft Teams, then we can provide additional technical expertise to meet the substantial demand for the Teams application since the onset of the global pandemic. This project is not using SLFRF funds for evidence-based interventions.
Development of a Digital Government Strategy	If we allocate funds to develop a digital government strategy, then we could develop a plan that would allow the state to consider innovation and how to better leverage our data, all the while considering the incorporation of consistent leverage of big data, artificial intelligence, cloud computing, cybersecurity, blockchain, internet of things, virtual reality, drones, 3-D printing, robotic automation, and augmented reality for our organization. This project is not using SLFRF funds for evidence-based interventions.
Infrastructure Automation and Tools	If we allocate funds to implement infrastructure automation tools, then STS would implement tools that would reduce human interaction with IT systems by creating scripts or functions that are repeatable and can be used either by other software or on command.

	This project is not using SLFRF funds for evidence-based interventions.
Six Contractors to Support Enterprise Gov & Admin	If we allocate funds to hire contractors for the Enterprise Governance and Administration team, then STS would hire six contract professionals to support procurement and contract functions, cost modeling, asset management, expenditure monitoring, service delivery governance, planning, and communications associated with the successful implementation of ARPA-related projects. This project is not using SLFRF funds for evidence-based interventions.
Three Contract Project Directors	If we allocate funds to hire contract project directors, then we can expect successful implementation of ARPA-related projects because the project directors ensured the projects were run in a disciplined and coordinated manner – ensuring that we achieved the goals and the outcome measures of the full scope of the work being accomplished. This project is not using SLFRF funds for evidence-based interventions.

Performance Report:

Project Status: Expended (Funds are in process of being expended)

KPIs will measure the following:

- Number of enhancements and applications added to the state's MyTN mobile application
- Number of additional computer labs in the Probation and Parole offices across the state
- A completed Digital Government Strategy
- Number of infrastructure automation tools implemented to enhance automation of infrastructure
- Implementation of a new Offender Management System
- Implementation of a Program Management Office (PMO) to oversee the ARPA portfolio of projects

Infrastructure and Modernization KPIs		
KPI	KPI	Progress towards KPI as of June 2024
Infrastructure & Modernization KPI #1	Number of enhancements and applications added to the state's MyTN mobile application	Twelve (12) new applications were implemented; twelve (12) existing applications were updated; and sixteen (16) releases of enhancements were deployed.
Infrastructure & Modernization KPI #2	Number of additional computer labs in the Probation and Parole offices across the state	Twelve (12) labs are operational; the remaining are scheduled to be operational by the end of July 2024.
Infrastructure & Modernization KPI #3	A completed Digital Government Strategy	The TN Digital Government Strategy was completed by June 30, 2023.
Infrastructure & Modernization #4	Number of infrastructure automation tools implemented to enhance automation of infrastructure	Implementation of the following tools is complete: 1) EMMA 2) MS Power Apps, including MS Power Pages and MS Power Automate 3) In-Tune for mobile devices

		<p>4) SD-WAN for three pilot drivers' license locations</p> <p>Procurement and Implementation are in progress for the following tools:</p> <ul style="list-style-type: none"> 1) Coreview, for administering Microsoft 365 2) Pro Office .pdf File Conversion 3) Tanium, for securing and managing end point devices.
Infrastructure & Modernization #5	Implementation of a new Offender Management System	A Request for Proposals (RFP) was issued, proposals received and evaluated, and a vendor was selected. However, contract negotiations ceased, and the procurement canceled. STS and Department of Correction leadership are actively discussing how to proceed.
Infrastructure & Modernization #6	Implementation of a Program Management Office (PMO) to oversee the ARPA portfolio of projects	A program management approach and process were established. A roadmap of the initiatives to be completed in each of STS's projects was developed and is updated weekly with the overall and cost status; start and finish dates; and planned, encumbered, and actual expenses recovered. The PMO continued to oversee the use of ARPA funds and track actual spend to the approved budget.

Expenditure Category 2:
(Negative Economic
Impacts)

Tennessee Tourism & Hospitality Recovery Fund (Grants for Destination Marketing Organizations)

Agency: Tennessee Department of Tourist Development (TDTD)

Funding Amount: \$55,000,000

Project Identification Number: 10

Expenditure Category: 2.35 Aid to Tourism, Travel, or Hospitality

Project Overview: To provide \$55M in grants to Destination Marketing Organizations in all 95 counties for tourism marketing and development, restoring demand and increasing tax revenue and jobs in the tourism and hospitality industries.

The Tennessee Tourism & Hospitality Recovery Fund is a grant that provides funds to Destination Marketing Organizations (DMOs) for tourism marketing and development initiatives to restore consumer demand, tax revenue and jobs. Destination Marketing Organizations are those designated by the city/county government as the organization charged with increasing tourism. DMOs in all 95 counties will be eligible to apply for 100% reimbursable grants up to the determined allocation for projects approved by Tourist Development.

Based on the individual needs of destinations, TDTD will work with individual DMOs through training on the value of tourism and how to generate revenue through attracting visitors, multi-year planning and implementation of marketing efforts. The grant allocations will be based on tax revenue collections for the top performing counties and the remaining counties will be placed in tiered groups based on economic performance.

All programs presented have the mission of generating tourism growth in all 95 counties to drive job creation, tax revenue and new investments, thereby enriching the quality of life for every Tennessean.

At this time, 96% of the grants have been obligated with signed contracts. The Department of Tourist Development anticipates that the remaining contracts will be signed and obligated soon. At the end of FY2024, 35% of the grant funds have been expended. TDTD anticipates that the Tier 1 recipients will quickly expend their funds for operating costs, while the entities in Tiers 2, 3 and 4 are actively engaged and submitting spend plans for review and reimbursement requests.

Rationale: Tourism in the State of Tennessee was negatively impacted by the economic shutdown caused by the COVID-19 pandemic. The pandemic is the single largest crisis to hit the leisure and hospitality industry, representing \$303M in lost state revenue between March and December 2020.

Use of Evidence: This project is not using SLFRF funds for evidence-based interventions.

Performance Report:

Status: Expended (Funds are in process of being expended)

The KPIs for this goal include conducting at least one training per year with Destination Marketing Organizations (DMOs) to educate them on ARPA guidelines and the use of funds to increase visitor spending in all 95 counties.

Tennessee Tourism & Hospitality Recovery Fund (Pass through grant for Destination Marketing Organizations)				
KPI	KPI Baseline	KPI Target	2023	2024
Conduct at least one training per year with DMOs to educate on ARPA guidelines and uses of funds		1	52	
Increase visitor spending in all 95 counties		95		

All 95 counties saw an increase in visitor spending in CY2022 vs CY2021. We do not have CY2023 data, yet.

Six counties (Smith -0.4%; Hancock -3%; Gibson -1.05%; Franklin -8.5%; Bradley -1%; Bedford -0.4%) remained down in CY2022 vs CY2019.

Tennessee Tourism ARPA Marketing Fund Request

Agency: Tennessee Department of Tourist Development (TDTD)

Funding Amount: \$45,000,000

Project Identification Number: 11

Expenditure Category: 2.35 Aid to Tourism, Travel, or Hospitality

Project Overview: TDTD requests \$45M in federal ARPA funding for the purpose of restoring the tourism and hospitality economy in Tennessee which was devastated by the COVID-19 pandemic. Programs outlined in this application are designed to generate consumer demand, aid businesses, restore jobs and approximately \$300M in lost tax revenue.

The Department expects the following outcomes associated with the project:

- **Outcome 1: Total Arrivals.** In 2019, Arrivalist estimated 96M trips occurred across Tennessee's 95 counties. In 2020, this number declined by 10% to 86M.
- **Outcome 2: Leisure & Hospitality Revenues.** In 2019, leisure and hospitality generated \$1.4B in sales and use tax collections. Industry collections declined by 21% to \$1.1B in 2020. Information will be tracked and provided by the Department of Revenue.
- **Outcome 3: Leisure & Hospitality Employment.** In 2019, the leisure and hospitality industry generated an annual average of 347K jobs. Industry employment declined by 15% to an annual average of 292K. Information will be tracked and provided by the Department of Labor and Workforce Development.

At this time, all funds have been obligated for marketing advertisements. TDTD anticipates that approximately \$30M of the funds will be expended by the end of FY2024. Going forward, seasonal tourism marketing advertisements will continue to be produced and released in target markets. TDTD anticipates all funds will be expended ahead of the project end date, with the potential to expend more funds if approved.

In response to Outcome 1, TDTD commissioned a multi-input study of visitation from Tourism Economics for CY19-22. This study found a 5% increase from 2019-2022 in visit volume.

The National Travel & Tourism Office (NTTO) released a 2023 survey of international travel results in the spring of 2024. The results showed that Tennessee is leading every state in the U.S. for their recovery of overseas visitors. Tennessee was one of only three states to surpass 2019 overseas visitation numbers in CY2023.

Tennessee's visitor spending grew 19% from CY2021 to CY2022. Increasing Tennessee's rank from 15th to 11th in the U.S. for visitor spending. This growth has made Tennessee the fastest-growing of the Top 40 states in the last five years.

Rationale: If we allocate funds to increase tourism marketing, then we expect to see an increase in demand for leisure travel, resulting in higher visitation and therefore economic impact (visitor spending, tax collections, and employment) in the Tennessee travel and tourism industry.

Use of Evidence: This project is not using SLFRF funds for evidence-based interventions.

Performance Report:

Project Status: Expended (Funds are in process of being expended)

Tennessee Tourism ARP Marketing Fund Request				
KPI	KPI Baseline	KPI Target	2023	2024
Increase annual person-stays/person-trips	126.18M	132.5M		
Increase state tax collections	\$1.2B	\$1.35B		
Increase travel generated employment	161,500	169,600		

Tourism Economics modeled visitation using multiple data inputs and reset the benchmarks and KPIs. They estimated 2019 trips at 134.2M and 2022 trips at 140.9M. We do not have 2023 data yet.

State tax collections (excluding city or county) for 2022 were \$1.78B. We do not have 2023 data yet.

Direct travel generated employment in 2022 was 185,591. We do not have 2023 data yet.

Tennessee Nonprofit Arts and Culture Recovery Fund

Agency: Tennessee Arts Commission

Funding Amount: \$80,000,000

Project Identification Number: 9

Expenditure Category: 2.34 Assistance to Impacted Nonprofit Organizations

Project Overview: To provide non-recurring funding to address severe COVID-19-related economic harm to Tennessee's nonprofit arts and culture industry by providing grants to over 200 eligible arts nonprofits to recover and deliver arts and culture services in every TN Senatorial district.

The pandemic resulted in significant economic losses to the nonprofit arts sector because festivals and performing arts organizations canceled events and museums closed their doors to protect public health, resulting in lost earned revenue. Nonprofits with in-person fund-raising events canceled or saw significant losses. As nonprofits begin to resume services, their efforts are limited by lost revenue. This initiative is a step to address that negative impact.

Prior to the pandemic, Tennessee's nonprofit arts and culture sector was a \$1.2 billion industry that supported nearly 40,000 jobs and attracted 18.6M attendees to events annually (Arts & Economic Prosperity 5). Research shows that arts are economic catalysts. The arts industry accelerates economic recovery. A growth in arts employment has a positive and causal effect on overall employment.

The nonprofit arts industry, especially performing arts and museums, responded to the public health threat of the pandemic by widespread closings and restructurings. Ninety-seven percent of Tennessee arts nonprofits surveyed reported canceled events, resulting in significant economic harm. Over the 13-month period ending March 2021, 22 of the state's largest arts and culture nonprofits reported \$120 million in revenue loss. Tennessee Arts Commission data collected from the 200 arts nonprofits as part of the annual grant application process showed a drop of \$80M in expenditures and \$103M in revenues from FY20 to FY21.

The Tennessee Arts Commission conducted two rounds of grant funding, receiving a total of 201 applications, of which 186 applicants documented pandemic-related revenue loss and were awarded funding proportional to loss. In addition, 58 applicants opened applications, but withdrew or did not submit, likely because they showed no loss when considering other federal or state relief. Total revenue loss was documented at \$216.9M, well above the \$79.7M awarded for grants. Grants provided for reimbursement of expenses incurred July 1, 2021 – June 30, 2024. Monitoring by Horne LLP is anticipated to be complete by December 31, 2024. For more information, see <https://tnartscommission.org/grants/tennessee-nonprofit-arts-culture-recovery-fund-grant/>

Outcome 1: The nonprofit arts and culture infrastructure of TN, as measured by the number of nonprofits that operated as a going concern in 2021, is preserved.

To date, no recipient of a TN Nonprofit Arts and Culture Recovery grant has ceased operations. Grantees report that the grant funding was important for their agency's economic recovery from the

pandemic and that it was a vital part of their organization's ability to continue to offer and/or add to arts programs and services.

Sample comments from FY24 grantees include:

- *Plateau Women's Chorus did not cease to exist with the onset of the pandemic but instead (with the support of the grant) has survived & thrived. Plateau Women's Chorus, Crossville*
- *During this time at our organization this grant in particular has helped us do the most important thing it could have done, which is stay open. Without this grant we fully believe, truly, that Kingsport Theatre Guild would no longer exist in our area. Kingsport Theatre Guild*
- *Two years of lost ticket and sponsorship income dealt a financial blow, but TAC funds have allowed us to work toward our goals in impactful and sustainable ways. Big Ears Festival, Knoxville*
- *The grant funding enabled us to retain our staff and prevent layoffs. From the Heart Int'l Education Foundation, Goodlettsville*
- *Without the grant funding, Appalachian Arts would not have been able to continue offering traditional and non-traditional art education to the community. Appalachian Arts Crafts Center, Clinton*
- *The Recovery Fund enabled us to "keep the doors open". Gateway Chamber Orchestra, Clarksville*
- *Had the Arts & Culture Recovery Funds not been available, this year's event may well have been a disaster. Instead, it was one of the most vibrant celebrations of Chattanooga musicians we've seen to date. SoundCorps, Chattanooga*
- *COVID-19 in 2020-2021 shut us down completely, our revenues went to zero and our physical structure deteriorated. This grant has continued to assist us in keeping the interior environment habitable. Paramount Foundation, Bristol*
- *This support was instrumental in maintaining essential organizational functions, preserving jobs, and ensuring the continued delivery of cultural programs and services to the community. Arts in McNairy, Selmer*
- *Because we have been able to have the stability of the staffing provided by these grant funds, the C3 has had the ability to leverage our staff and resources to listen and address community partners and the public we serve. Campbell Culture Coalition, LaFollette*
- *Without the Tennessee Nonprofit Arts and Culture Recovery Fund Grant, Crosstown Arts would have eventually ceased to maintain financial solvency, a lapse that would have resulted in the loss of staffing, spaces, and programming that serves as the lifeblood of our organization and mission. Crosstown Arts, Memphis*
- *The grant funding enabled us to preserve our organization's operations by being able to retain our employees. Oak Ridge Civic Music Association*
- *This grant helped Rose Center recoup losses from two canceled fall festivals, fundraisers, classes and rentals, and made it possible to bring back these programs, which has had a positive impact on artists, teachers, musicians, actors, dancers, and other nonprofits. Rose Center, Morristown*
- *The loss of existing cash reserves created a great challenge and put Bravo at risk of being unable to stay afloat. The Recovery Grant is instrumental in assisting Bravo to regain its financial stability. Bravo Creative Arts Center, Franklin*
- *We would not have been able to retain our staff without this grant. Thus, we would have had to significantly reduce operations that would have impacted our ability to offer programs and services. Arrowmont School of Arts and Crafts, Gatlinburg*

- *The Recovery funds were a true "relief." There is no way we would have been able to return to normal without these funds. Chattanooga Theatre Center*
- *The TN Nonprofit Arts and Culture Recovery Fund Grant was a cornerstone in our efforts to recover from the impacts of the COVID-19 pandemic. Street Theatre Company, Nashville*
- *This funding has been a lifeline for our organization. Porch Writers' Collective, Nashville*

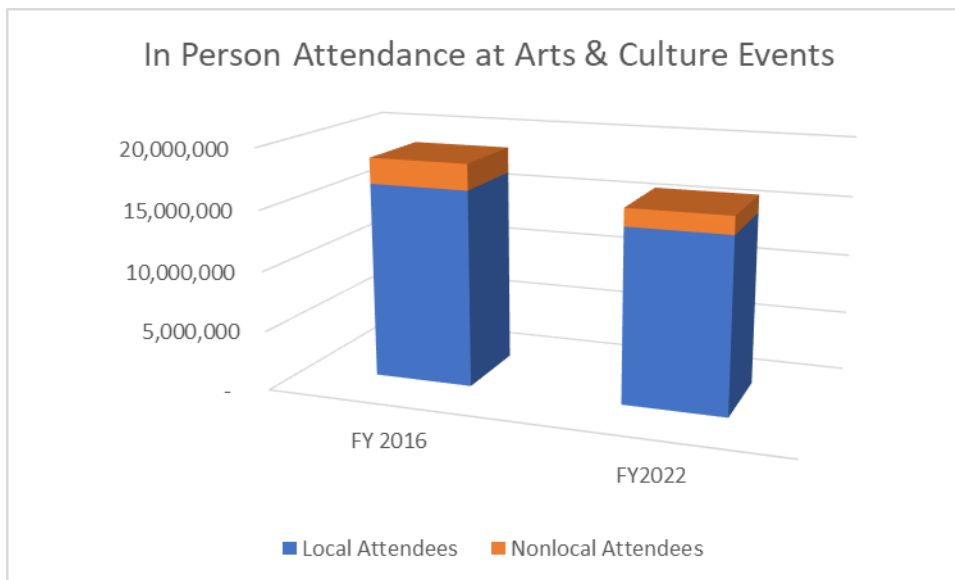
Outcome 2: Tennesseans in all TN Senate districts continue to have access to arts experiences, resulting in improved overall quality of life for Tennesseans of all ages.

Recovery grants were made in 100% of TN Senate districts. The National Institutes of Health reports "a large body of research showing how arts engagement can enhance well-being."

<https://www.ncbi.nlm.nih.gov/books/NBK553778/>

Outcome 3: The economic impact of the nonprofit arts sector as measured by organizational surveys and audience surveys shows recovery to pre-pandemic levels.

Tennessee participated in a rigorous study of the economic impact of nonprofit arts organizations and their audiences in 2017 and again in 2023. Total reported expenditures across the sector from more than 640 nonprofits and 13,000+ audience members in FY16 were \$1.16M compared to \$1.36M in FY22, indicating recovery to pre-pandemic levels as measured by expenditures of nonprofits and their audiences. However, audience figures have not yet returned to pre-pandemic levels.



Rationale: If we allocate grants to arts nonprofits hit hard by the pandemic, then we expect to see preservation of TN’s nonprofit arts and culture infrastructure and restored positive community and economic impact of arts activities in TN communities.

Use of Evidence: This project is not using SLFRF funds for evidence-based interventions. However, project outcomes are achieving project goals.

Performance Report:

Project Status: The TN Arts Commission has obligated the full amount.

OUTPUTS:

TN Nonprofit Arts & Culture Recovery Fund

Outputs	Baseline Yr. Pre-ARPA - FY21	ARPA Year 1 FY22	ARPA Year 2 FY23	ARPA Year 3 FY24	# Change *	% Change*
1. # Individuals engaged in arts programs	3,313,324	7,456,976			4,143,652	125%
2. # FT employees engaged in arts programs	1,012	1,282			270	27%
# PT employees engaged in arts programs	1,034	2,259			1,225	118%
3. # Days on which activities occurred	26,651	27,699			1,048	4%
* FY22 grants were awarded in April 2022, late in the fiscal year that ended June 30, 2022						

Outputs	Baseline Yr Pre-ARPA Year 1 ARPA Year 2 ARPA Year	# Change	% Change	# Change	% Change
	ARPA FY21 FY22 (145 Yr 1 FY23 (142 Yr 2 3 FY24	Baseline	Baseline	Baseline	Baseline
	grantees) grantees)	to Yr 1	to Yr 1	to Yr 2	to Yr 2
Total individuals engaged	3,313,324 7,456,976 8,668,787	4,143,652	125%	5,355,463	162%
federal_reporting_grantee_full_time_count	1,012 1,282 1,304	270	27%	292	29%
federal_reporting_grantee_part_time_count	1,034 2,259 2,222	1,225	118%	1,188	115%
federal_reporting_total_project_days	26,651 27,669 29,276	1,048	4%	2,625	10%

Commercial Agriculture & Forestry Supply Chain Enhancements

Agency: Tennessee Department of Agriculture (TDA)

Funding Amount: \$50,000,000

Project Identification Number: 12

Expenditure Category: 2.36 Aid Other Impacted Industries

Project Overview: To provide agricultural and forestry producers that were individually and specifically impacted by the pandemic cost-share dollars and financial incentives to implement best land management practices and expand agricultural, food, and forestry businesses. Focusing on value-added processing and long-term investments, these funds will strengthen and expand Tennessee's agriculture and forestry supply chains.

The Department refers to this project as the FARM-TUFF program. This derives from the intent of the cost share dollars to be spent in the areas of Forestry, Agriculture, and Rural Markets (FARM) and Tennessee Urban Farm and Forests (TUFF).

All six rounds of applications have been completed, three per section, with the most recent rounds ending March 31, 2024, for FARM and April 15, 2024, for TUFF. Four of the six rounds of applications have been awarded, and the final two rounds should be announced by June 2024. To date there have been 52 awardees totaling \$33.4M in committed cost-share dollars.

Funding recipients will have 24 months to complete their projects and submit the appropriate documentation and information to receive their allocation in the form of a reimbursement. Each application is reviewed by a team of subject matter experts and scored using a standardized scoresheet. Each application is also reviewed by a third party to ensure the applicant meets the federal requirements. When reimbursements are available, the Division of Business Development's staff and the third party will review to ensure compliance.

Links to project applications and FAQs:

- FARM: <https://www.tn.gov/agriculture/topic/farm.html>
- TUFF: <https://www.tn.gov/agriculture/topic/tennessee-urban-farm-and-forest.html>

Grant applications for these funds must match the description of at least one of the following three categories and require a threshold or initial showing that the applicant was adversely impacted by the pandemic.

- *Increase in Farm Income* - This category includes projects that will increase farm income by offering farmers higher commodity prices than other markets, processing value-added products for farmers, or allowing a single farmer to add value to their own farm products.
- *Increased Access to Markets* - This category includes projects that will create or expand a market for Tennessee farmers or forest landowners, including reducing the miles that farmers must transport their products to market or creating a new market entirely.

- *Increased Capacity* - This category includes projects that will expand the capacity of an existing agricultural, food, or forestry business, including their production or processing capacity or the number of employees.

The Department expects the following outcomes associated with the project:

- Outcome 1: A more robust Agriculture and Forestry Economy in Tennessee.
- Outcome 2: Increased economic activity in Rural Distressed Counties.

Rationale:

Goals: The goal in awarding these grants is that by focusing on value-added investment, these funds will ultimately strengthen and expand Tennessee's agriculture and forestry supply chains. If we allocate funds to specifically affected businesses via the Ag & Forestry Economic Development Fund, then we expect to address economic development opportunities in rural areas of Tennessee and enhance the supply chain for Agriculture and Forest Products.

Use of Evidence: This project is not using SLFRF funds for evidence-based interventions.

Performance Report:

Project status: Notice of Award Phase (Applications approved)

TDA will be achieving and measuring the KPIs by measuring job creation, percentage increase of operation, impact on food and fiber supply chain, and collaboration with others. Data will be collected from the end of contract report provided by each awardee.

- KPI 1: A more robust Agriculture and Forestry Economy in Tennessee Performance data is not yet available due to project status.
- KPI 2: Increased economic activity in Rural Distressed Counties. Performance data is not yet available due to project status.

Housing – Habitat for Humanity

Agency: Tennessee Department of Finance and Administration (F&A)

Funding Amount: \$15,000,000

Project Identification Number: 22

Expenditure Category: 2.15 Long-term Housing Security: Affordable Housing

Project Overview: Habitat for Humanity works to transform lives by bringing people together to build homes, communities, and hope. Habitat partners with people in over 60 counties in Tennessee to help them build or improve a place they can call home. Habitat homeowners help build their own homes alongside volunteers and pay an affordable mortgage. Affordable homeownership helps create the conditions that free families from instability, stress and fear and encourages self-reliance and confidence.

The Department expects the following outcomes associated with the project:

A direct allocation to Habitat of Tennessee would increase production of and access to affordable homeownership for households with incomes at or below 80% of the area median income via:

1. Infrastructure costs associated with building affordable new homes;
 2. Land acquisition limited to affordable homeownership opportunities;
 3. Construction costs for building and/or repairing homes for low-income households;
- and
4. Capacity required for increased staff and/or subcontractors to increase the Habitat network's "families served" output by 2026.

Rationale: Habitat for Humanity of Tennessee will be able to prioritize pandemic recovery while also transforming the state's lack of affordable homeownership, promoting transformational change for low-income families and Tennesseans with pre-existing social vulnerabilities.

Use of Evidence: \$15,000,000 is being used toward evidence-based interventions.

Performance Report:

This project requires the following data to be reported:

- Number of households receiving eviction prevention services (including legal representation)
- Number of affordable housing units preserved or developed

Performance data is not yet available.

Workforce Recovery – Goodwill Excel Center (Memphis)

Agency: Tennessee Department of Finance and Administration (F&A)

Funding Amount: \$12,000,000

Project Identification Number: 27

Expenditure Category: 2.37 Economic Impact Assistance: Other

Project Overview: The Excel Center model is a first-of-its-kind adult high school, which creates an opportunity for those who previously dropped out of high school to reengage in their education and earn a full, state-recognized high school diploma. The Excel Center in Memphis is the most successful of 31 centers in the country and has graduated over 764 students through October of 2020, with another 109 students projected to graduate for a total of 873 during a 6-year period.

Funding for this project would support the building of a new facility in one of the approved areas within the Shelby County municipal area (see outcomes section). This funding will support both the facility cost, renovation and construction, creation of a workforce development program, and support costs.

The Department expects the following outcomes associated with the project:

The Excel Center LEA, Shelby County School District has approved two locations within the Shelby County municipal area. They plan on targeting areas within the community based on need, specifically those areas where the population lacks a high school diploma.

- Target Area 1: North Memphis area - the percent of the population that lacks a high school diploma compared to the national average.
 - National Average of 20.86%
 - Frayser - 30.72%
 - Raleigh- 25.99%
- Target Area 2: South Memphis area – the percent of the population that lacks a high school diploma compared to the national average.
 - National Average - 20.86%
 - Westwood - 31.30%
 - South Memphis - 28.86%
 - Whitehaven - 25.35%
 - Airport Area - 30.39%
- Target Area 3: A third location will be proposed based on needs after these locations have been established.

Rationale: If the Excel Center receives ARPA funding it will then support the anti-poverty program which contributes to the Memphis economy by providing a workforce, while directing students toward other educational and career opportunities and supporting their psycho-social needs as they transition from high school to a new life as an educated adult.

Use of Evidence: \$12,000,000 is being used for evidence-based interventions.

Performance Report: Performance data is not yet available.

Education Recovery – Teach for America (TFA)

Agency: Tennessee Department of Education (TDOE)

Funding Amount: \$5,830,000

Project Identification Number: 23

Expenditure Category: 2.27 Addressing Impacts of Lost Instructional Time

Project Overview:

TFA's Teacher Corps Program is helping to improve teacher retention in high-needs schools in Hamilton County, Metro Nashville Public Schools (MNPS), and Memphis-Shelby. According to TFA's FY24 interim report, 71% of second-year corps members returned this year (2023-24) to teach for a third year in Hamilton County, compared to only 13% who stayed after the first cohort (2019-20). Additionally, by the end of the 2023-24 academic year, we expect over 70% of our second-year corps members will stay in Chattanooga and teach for a third year in Hamilton County Schools.

On average, 67% of third-year Teach for America teachers (completed their two-year commitment to TFA) continue teaching for a third year across Tennessee. The Ignite Fellowship tutors help support 4th grade literacy or 6th and 7th grade math (two high-demand areas). In Hamilton County, 70% of participating students in Fall 2023 made improvements according to the pre- and post-test iReady data. Additionally, 29% of participating Ignite tutoring students grew at least one grade level in reading by the end of the semester. Schools are using the Ignite tutoring program as an intervention for students in the sub-21st percentile rank band and students testing in the 21st-40th percentile rank band on the Tennessee Comprehensive Assessment Program (TCAP).

TFA is a leading teacher pipeline in Tennessee for academic achievement growth, number of teachers recruited, diversity, and fulfillment of high-demand endorsement areas in high-needs schools in Hamilton County, MNPS, and Memphis-Shelby. TFA places teachers in hard-to-staff schools that primarily serve economically disadvantaged students. TFA annually receives top ratings by the State Board and has a network of over 2,000 leaders in TN, the vast majority of whom work directly in K-12 public education.

The Department expects the following outcomes associated with the project:

- Outcome 1: Teacher and School Leader Development Redesign: TFA overhauled our approach to recruiting and developing best-in-class educators to accommodate the constraints of COVID-19. The result is a state-of-the-art model that integrates national best practices with localized coaching and support. The program sets high academic standards for students, develops robust literacy/numeracy skills, equips teachers to support the whole child, and prepares students for postsecondary success.
- Outcome 2: Student Learning: TFA will support the DOE's efforts to combat COVID-19 learning loss by teaching in-person summer school in West, Middle, and East Tennessee each year, in addition to our in-year efforts to accelerate student learning.

The following are the main activities of the program:

- Establishing partnerships and supporting three primary districts—Hamilton County (Chattanooga, MNPS, and Memphis-Shelby)—to assist with the recruitment, training, credentialing, and retention of new educators to become certified in high-demand endorsement areas (math, science, SPED, and elementary education) in high-needs schools.
- Pre-service training for Corps members with five separate phases: onboarding, kick-off, Learning Series Phase 1, Summer Practicum and Learning Phase 2, and First 90 Days and Learning Phase III.
- Ongoing professional development for Corps members, including regular classroom observations, recording and feedback of lessons, review sessions to facilitate self-reflection and professional growth, use student achievement data and content area/grade-level workshops to evaluate instructional practices.
- Providing Corps members access to various resources, including sample lesson plans, assessments, grade tracking systems, and HQIM.
- Facilitating enrollment of Corps members in an alternative certification/licensure program to allow Corps members to obtain the appropriate credentials and serve as a teacher of record.
- Recruit and train Ignite Fellowship tutors to work across given schools between Nashville and Chattanooga to serve students in either 4th grade literacy or 6th/7th grade math.
- Primary partnerships: Hamilton County, MNPS, Memphis-Shelby, and TDOE
- Program support and oversight: recruit, select, train, and staff Corps members, facilitate efficient hiring practices of Corps members, and use reasonable efforts to recruit individuals from diverse backgrounds.
- Delivery mechanisms:
 - Pre-service five-week training institute for all new Corps members prior to them entering the classroom: a) certifying Corps members in high-needs schools in high-demand endorsement areas, and b) ensuring certification meets state regulations and certification requirements.
 - Ongoing Professional Development: a) classroom observations, b) classroom instruction evaluation and feedback, c) instructional practices evaluation, and d) providing Corps members with various classroom resources.
 - For Ignite Fellows (high-impact, small group tutoring): receive training from a veteran educator at a partner school to teach these fellows to customize tutoring lessons and help students build academic skills, confidence, and pride in their learning.
 - Ignite Fellows work 3-5 hours per week for a semester (13 weeks).
 - Weeks 1 & 2: build skills during a ten-hour onboarding period.
 - Weeks 3-13: partner directly with a small group of students using a school-aligned curriculum.
 - This project began in FY23 (2022-23 academic year) and will conclude in FY25 on June 30, 2025.
 - Websites:
 - <https://www.teachforamerica.org/teach-for-america-corps>
 - [Message from Teach For America](#)

Rationale: ARPA funding received by TFA will support the operations of TFA's teacher training and development program with an objective of Teach for America corps members serving at least 2,100 students across Tennessee each summer. Funding also supports the Ignite Fellows who provide high-impact tutoring for 4th grade literacy and 6th and 7th grade math. In fall 2023, TFA recruited 51 tutors to work across five schools in the Nashville and Chattanooga areas. These fellows serve 111 students in the aforementioned subject areas. By the end of 2023-24, TFA will have recruited a total of 186 tutors who've led over 7,500 hours of additional learning with a total of 435 students in 13 schools across Middle and East Tennessee.

Use of Evidence: \$5,830,000 is being used for evidence-based interventions.

Performance Report:

The following are mandatory KPIs required by Treasury:

- Number of students participating in evidence-based tutoring programs.
 - 435 students.

	Outcome	Data Reported	Date Collected
1	Percentage of program participants who earn TVAAS 3+	Memphis: 78.2% of corps members (number 1 EPP overall) Nashville-Chattanooga: 75.3% of corps members (number 4 EPP overall)	February 2024
2	Percentage of program participants placed in a high- demand endorsement area	Memphis: 46.3% of corps members (number 5 EPP overall) Nashville-Chattanooga: 50.0% of corps members (number 2 EPP overall)	February 2024
3	Percentage of program participants who are racially diverse completers	Memphis: 58.7% of corps members (number 1 EPP overall) Nashville-Chattanooga: (29.4% of corps members (number 10 EPP overall)	February 2024
4	Number of Ignite Tutoring Fellows recruited to TN for the 2023-2024 academic year	2023-2024: 186 total tutoring Fellows. <i>Fall 2023: 51 tutors across 3 elementary schools in Chattanooga and 2 middle schools in <u>Nashville</u></i> <i>Spring 2024: 136 tutors across 4 elementary schools and 1 middle school in Chattanooga and 8 middle schools in Nashville</i> <i>Demographic data: 58% BIPOC, 36% low-income background, 25% first in family to attend college</i>	March 2024
5	Number of students served through the Ignite Fellowship in the 2023-2024 academic year	2023-2024: 435 total students. <i>Fall 2023: 73 students in Chattanooga and 38 students in Nashville (111 total)</i> <i>Spring 2024: 114 students in Chattanooga and 210 students in Nashville (324 total)</i>	March 2024
6	Number of students served through the teacher corps in the 2023-2024 academic year	191 Teach for America Tennessee corps members currently work with 13,400 students across Memphis, Nashville, and Chattanooga.	October 2023
7	Number of incoming corps members recruited to TN for	Through the first three recruitment deadlines (1DL, 2DL, and 3DL):	March 2024

	the 2024-2025 academic year	<p>91 incoming first-year corps members statewide. 76% matriculation rate; 98% retention rate.</p> <p>Demographic data to date of the 2024 corps: 48% BIPOC; 64% low-income background.</p> <p><i>TeachForAmerica has one more application window remaining as we finalize the size of our 2024 corps in Tennessee. The 2024 corps would join the 104 second-year <u>corps members</u> from the 2023 corps in the 2024-2025 academic year.</i></p>	
8	Number of Ignite Tutoring Fellows recruited to TN in the 2024-2025 academic year	<p>314 total in 2024-2025 (20 in Memphis; 294 in Nashville-Chattanooga).</p> <p>This allocation of Fellows for the 2024-2025 school year represents our first opportunity to place tutors in Knox County Schools in partnership with the Bill & Crissy Haslam Foundation and the State of Tennessee. We are currently working with the district and school leaders to determine which 1-2 schools represent the best opportunity for a pilot.</p>	March 2024
9	Number of program alumni who become School Leaders, School Systems Leaders, and Mid-Level Leaders	<p>We will collect this data related to our alumni leadership measures in June 2024.</p> <p>Relative to our aspiring school leader fellowships, applications close in April 2024, and we will onboard a new cohort in May or June 2024.</p>	June 2024

Learning Loss Remediation Camps

Agency: Tennessee Department of Education (TDOE)

Funding Amount: \$102,000,000

Project Identification Number: 46

Expenditure Category: 2.27 Addressing Impacts of Lost Instructional Time

Project Overview: Learning Loss Remediation Camps will serve students across the state that were disrupted by the COVID-19 pandemic. Tennessee Code Ann SS 49-6-1501-1511 codifies Learning Loss Remediation by requiring all Tennessee school districts to offer in-person loss remediation programs, including summer learning camps, after-school learning mini-camps, and learning loss bridge camps. The proposal will allocate \$102M over the course of four years (FY23-FY26) to cover the costs of these camps: \$40M for FY23, \$25M in FY24, \$19M in FY25 and \$18M for FY26.

The Department expects the following outcomes associated with the project:

- Tennessee’s investment in remediation summer camp programming will improve the resiliency of students adversely affected by interruptions in learning due to the COVID-19 pandemic.

Rationale: These remediation camps are designed to address the significant impact of learning loss, both as an immediate response to the loss of in-person instructional time and the long-term performance regression many students currently experience each year. Students complete post-tests for ELA and math, allowing the Department to analyze growth and ensure students receive the best learning opportunity possible. Data on remediation is published annually in the [Learning Loss Remediation and Student Acceleration Act](#) report.

Use of Evidence: \$102,000,000 is being used toward evidence-based interventions.

Performance Report:

The following are mandatory KPIs required by Treasury:

- Number of students participating in evidence-based tutoring programs.
 - For summer 2023, 102,270 students enrolled in summer programming across rising grades kindergarten through rising grade 9. 40.6% (41,544) were enrolled in Summer Learning Camps/STREAM camps (rising grades K – 3) across 568 individual sites. 59.3% (60,651) were enrolled in Learning Loss Bridge Camps (rising grades 4 – 9) across 730 individual sites.

Childcare Capacity Pilot Partnerships

Agency: Tennessee Department of Human Services (DHS)

Funding Amount: \$19,370,840

Project Identification Number: 29

Expenditure Category: 2.11 Healthy Childhood Environments: Child Care

Project Overview: The goal of this proposal is to increase the availability of childcare statewide using one-time dollars to partner with the YMCAs and Boys and Girls Clubs of Tennessee through a blended funding strategy. The program will allow both partners to utilize FSAG-ARPA funding for capital expenses and use childcare development fund (CCDF) ARPA funding for operational expenses.

The Department expects the following outcomes associated with the project:

- YMCA proposal:
 - Approximately 5,600 childcare slots created
 - Over 48 new childcare centers available to families across the State of Tennessee
 - Total State Partnership Request: \$27M
 - Operational: \$17,637,160
 - Capital: \$9,140,000
- Boys and Girls Club proposal:
 - Approximately 3,875 childcare slots created
 - 13 new clubs and increased slots at all 94 existing clubs
 - Total State Partnership Request: \$27M
 - Operational: \$16,690,782.10
 - Capital: \$10,230,840

To date, the following activities have taken place:

YMCA

- ARPA Child Care Discretionary Supplemental Funded- Operational grant contract, effective June 1, 2023, awarded \$20M for establishment and expansion grant services, operational stabilization support services, and administrative hub support services. New and expanded YMCA childcare locations are moving through the licensure process. This project will run until the expiration of ARPA Child Care Supplemental Funds on September 30, 2024.
- FSAG SLFRF ARPA Funded- Four individual capital projects have been contracted with an effective date of March 1, 2024. This project will run until the expiration of SLFRF in December 2026.

Boys & Girls Clubs

- ARPA Child Care Discretionary Supplemental Funded- Operational grant contract, effective October 1, 2022, awarded \$17,850,000 to support operating costs associated with serving

additional children in low-income communities and childcare deserts. This project will run until the expiration of ARPA Child Care Supplemental Funds on September 30, 2024.

- FSAG SLFRF ARPA Funded- Twenty-one individual capital projects have been contracted with an effective date of November 15, 2023. This project will run until the expiration of SLFRF in December 2026.

The YMCA and Boys & Girls Clubs have been supported with contracted technical assistance regarding federal compliance and project deliverables.

Rationale: These grants directly support multiple YMCAs and Boys and Girls Clubs sites across the state of Tennessee, with a focus on low-income and underserved areas.

Use of Evidence: This project is not using SLFRF funds for evidence-based interventions.

Performance Report:

This project requires the following data to be reported:

- Number of children served by childcare and early learning (pre-school/pre-K/ages 3- 5)
- Number of families served by home visiting

Performance data is not yet available.

UT – Meat Industry Workforce Training Facility

Agency: Tennessee Department of Agriculture (TDA)

Funding Amount: \$12,500,000

Project Identification Number: 38

Expenditure Category: 2.37 Economic Impact Assistance: Other

Program Overview: This project establishes a meat processing extension, teaching, and research facility to increase the capacity of the University of Tennessee Institute of Agriculture (UTIA) to enhance workforce development and support the growing meat industry in the state. The meat processing facility will increase the resilience of the Tennessee meat industry.

The intended outcomes for the project:

- Outcome 1: Improved resiliency and adaptability of the meat processing industry in Tennessee
 - Measure: Maintained production capacity during crisis; supply of well-trained employees
- Outcome 2: Increased meat processing capacity in Tennessee
 - Measure: Number of Tennessee meat processors and amount of product produced
- Outcome 3: Improved system to ensure the quality and safety of Tennessee meat products
 - Measure: Improved market performance and fewer recalls of Tennessee meat products

Rationale: Goals: With this funding, the UTIA will develop a facility for educational and research programs to build the meat processing industry in Tennessee, resulting in a more resilient food system with greater economic development. Key inputs will be the facility (a building, parking area, and equipment) funded by the request. Other key inputs will be provided by UTIA in the form of faculty and staff salaries and benefits. Maintenance costs will be supported by product sales, educational activity revenue (both industry and college students), and research grants and contracts provided to or secured by UTIA faculty and staff.

Short-term outcomes include improved resiliency and adaptability of the meat processing industry due to more small-scale processing facilities in Tennessee, more local (Tennessee)-produced meat operations for beef, poultry, and other products, and improved system to ensure meat quality and safety of Tennessee products. College students will benefit from hands-on learning associated with meat processing, product development, and the resultant business and marketing skills for sales.

Use of Evidence: \$12,500,000 is being used towards evidence-based interventions.

Performance Report:

Program Status: Pre-Planning / Program or Capital Design (i.e., refining program or facility design)

- KPI 1: Improved resiliency and adaptability of the meat processing industry in Tennessee. Measured by: Supply of well-trained employees, number of enrolled students and certifications issued, increasing by 10% year over year for three years. Performance data is not yet available due to project status.

- KPI 2: Increased meat processing capacity in Tennessee. Measured by: Increase in number of Tennessee meat processors and amount of product produced. Performance data is not yet available due to project status.
- KPI 3: Improved system to ensure the quality and safety of Tennessee meat products. Measured by: Improved market performance and fewer recalls of Tennessee meat products. Performance data is not yet available due to project status.

The project is on track and follows the timeline of:

- Designer on board by June 2024 with design completion by December 2024
- Site and utility work in full swing beginning January 2024
- Construction begins January 2026 with completion targeted for September 2026

Investments in Housing

Agency: Tennessee Housing Development Agency (THDA)

Funding Amount: \$12,500,000

Project Identification Number: 45

Expenditure Category: 2.15 Long-term Housing Security: Affordable Housing

Project Overview: Given ARPA's flexibility and our partners ability to stack funding, the organization will be able to serve a broad swath of Tennessee residents. Renters and buyers can earn anywhere between 0%-300% of the Federal Poverty Guidelines. The funding will be used for: predevelopment work for eligible projects, new multi-family housing and new single-family housing.

The following vulnerable populations include:

- Retiree residents seeking to age in place.
- Rent Burdened Households (paying > 30% more than their income for housing).
- Veterans, the disabled, those in recovery or in the process of re-entry and DV survivors.

THDA has entered into a grant agreement with the Federation of Appalachian Housing Enterprises (FAHE) to provide funding to select subgrantees to participate in certain eligible low-income housing development activities. The application process will be opened by FAHE in June 2024 with all applications due by August 15, 2024. The total number of applications to be received is TBD. All funds will be dispersed as reimbursements for qualified expenditures based on approved project draws as submitted. The program will run between June 1, 2024, and September 30, 2024.

Intended outcomes:

This program will increase the number of affordable residential units available to low-income households across Tennessee. The eligible activities will be:

- Predevelopment Activities for One of the Following Eligible Activities.
 - New Construction of Single-Family Units for Sale to Low-Income Households.
 - Acquisition and/or New Construction or Reconstruction of Multi-Family Units for Rent to Low-Income Households

Rationale: Goals: Investing in quality, stable housing is crucial for supporting the economic and overall well-being of Tennesseans. The housing supply in Tennessee has decreased by 24%, while demand for housing has increased by 19%. By investing in housing, this allows the state to meet both the rising consumer demand for affordable housing units while supporting economic growth at the local and state levels. The economic benefits of investing in housing include reducing the cost burden and unmet housing needs, creating and retaining jobs, increasing consumer spending power, and increasing state and local tax revenue in the long-term.

Use of Evidence: This project is not using SLFRF funds for evidence-based interventions.

Performance Report:

Performance data is not yet available due to project status.

- Number of households receiving eviction prevention services (including legal representation): 0
- Number of affordable housing units preserved or developed: TBD

Digital Education, Skills, and Workforce Development Grants

Agency: Economic and Community Development (ECD)

Funding amount: \$33,000,000.00

Project Identification Number: 39

Project Expenditure Category: 2.4-Household Assistance: Internet Access Programs

Project Overview:

The Digital Education, Skills, and Workforce Development (DSEW) grant program supports Tennessee's mission to become the leading state for high-quality jobs by offering forty-nine diverse training programs that will address basic and advanced digital skills or broadband construction skills. The program also provides a pathway for individuals to obtain free or subsidized devices, further supporting their digital skills development. By investing in digital training and device accessibility, the DSEW program furthers the goals of the state's [Digital Opportunity Plan](#).

A graphic titled "Goals of Tennessee Digital Opportunity Plan" featuring a red vertical bar on the left with the word "Goals" written vertically. To the right, there are five goal items arranged in two rows. Each item consists of a small icon followed by a text description. The icons are: a magnifying glass over a document, a hand holding a document, a person at a computer, a hand holding a document, and a person at a computer.

	Expand digital opportunity infrastructure and awareness statewide		Enhance broadband availability and affordability		Help Tennesseans develop the digital skills and knowledge needed for work and life
	Improve online accessibility and inclusivity of state agency resources.		Expand availability of affordable devices and technical support		

Goals of Tennessee Digital Opportunity Plan

In April 2024, 49 projects were selected and announced through a competitive grant. As of this report, projects are undergoing contract negotiations, with all projects expected to complete training programs by December 2026. Projects were awarded to non-profits, higher education institutions and local governments. Below are two success stories showcasing the variety of digital skilling projects.

The Enterprise Center will provide a 16-week digital skills technology training program covering various IT fundamentals. The training will include topics such as introduction to computing, networking basics, and cybersecurity essentials. Participants will gain knowledge and skills in computer operations, networking, and cybersecurity to prepare them for entry-level IT roles.

The Tech Smart Knox Seniors (TSKS) is a digital literacy initiative administered by the Knoxville-Knox County Community Action Committee in collaboration with Tech Goes Home Tennessee (TGH). The initiative is specifically designed for seniors who are living in poverty, experiencing isolation or loneliness and in need of digital training to enhance their social support networks.

49 Number of Projects	75 Number of Counties Impacted	28,260 Number of Individuals Served	13 Number of Projects in Distressed Counties
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Key statistics about the grant program and its impact

Use of Evidence: Applicants were tasked with showcasing the evidence-based design of their digital skilling training or workforce development programs. In instances where robust evidence was not readily available, applicants were required to identify a specific community gap and articulate how their proposed services would effectively address that need to ensure that the programs meet the intended objectives. These comprehensive answers played a pivotal role in the evaluation process and the selection of the finalists. Final expenditures of evidence-based interventions will be tracked through quarterly reporting.

Performance Report:

We anticipate the following outcomes for this program in alignment with the KPIs being tracked as part of the [Tennessee Digital Opportunity Plan](#) :

- **Outcome 1:** Increase number of those in covered populations who receive training from TNECD-funded workforce development program.
- **Outcome 2:** Increase the number of those in covered populations who receive a job placement from a TNECD-funded grant program.
- **Outcome 3:** Increase number of no- to low-cost devices provided to members of covered populations by TNECD-funded program.

Broadband Ready Community Adoption Grants

Agency: Economic and Community Development (ECD)

Funding amount: \$10,000,000.00

Project Identification Number: 40

Project Expenditure Category: 2.4-Household Assistance: Internet Access Programs

Project Overview:

The Broadband Ready Community (BRC) Adoption Grant program was designed to foster increased adoption and access through activities sponsored by county governments. "Broadband Ready Community" is a designation certified by the TNECD that counties get when they pass an ordinance acknowledging broadband infrastructure as an essential need and committing to reducing administrative barriers to broadband projects in their county. All designated counties who completed an application outlining their community-based digital adoption activities were eligible for a \$100,000 non-competitive grant. By investing in digital literacy, connectivity, and resource accessibility, the BRC program supports the goals of the state's [Digital Opportunity Plan](#).



Goals of Tennessee Digital Opportunity Plan

There have been 64 BRC grants awarded to local governments across Tennessee. These will be utilized in diverse, impactful ways. Below are two success stories in Northeast and Middle Tennessee, showcasing the variety of community-based adoption projects.

Carter County is using the BRC adoption funds to benefit both the Elizabethton Senior Center and the Northeast Tennessee Regional Recovery Center. The Elizabethton Senior Center wishes to purchase personal computers for use by the center's members. The Northeast Tennessee Regional Recover Center is an in-patient substance misuse rehabilitation facility located. The BRC grant will allow for the purchase of equipment to outfit a computer lab at the facility to be used for adult education classes operated by TCAT-Elizabethton and Northeast State Community College.

White County is using BRC adoption funds to enhance telehealth options at the White County Health Department. The health department plans to acquire desktop computers, tablets, and printers to facilitate telehealth services effectively. Recognizing the importance of telehealth for public health, White County will also prioritize patients facing transportation challenges.



Key statistics about the grant program and its impact

Use of Evidence: Applicants were tasked with showcasing the evidence-based design of their digital skilling training, public Wi-Fi project, marketing of low-cost broadband options, or community-based adoption programs. In instances where robust evidence was not readily available, applicants were required to identify a specific community gap and articulate how their proposed services would effectively address that need to ensure that the programs meet the intended objectives. Final expenditures of evidence-based interventions will be tracked through quarterly reporting.

Performance Report:

We anticipate the following outcomes for this program in alignment with the KPIs being tracked as part of the [Tennessee Digital Opportunity Plan](#) :

- **Outcome 1:** Increase subscription take rates.
- **Outcome 2:** Increase number of those in covered populations who receive training from TNECD-funded workforce development program.
- **Outcome 3:** Increase number of no- to low-cost devices provided to members of covered populations by TNECD-funded program.

Tennessee College of Applied Technology

Agency: Economic and Community Development (ECD)

Funding amount: \$5,000,000.00

Project Identification Number: 41

Project Expenditure Category: 2.36 - Aid to Other Impacted Industries

Project Overview:

The Tennessee Colleges of Applied Technology (TCAT) Broadband workforce program will distribute \$1 million in funding to five adult educational institutions offering a Telecommunications Electronics Technician Diploma. The twelve-month evidence-based program will produce well-trained and diverse telecommunications workforce needed to deploy, manage, and upkeep broadband infrastructure.

Upon completion of the Telecommunications Electronics Technician Diploma, graduates will possess the following skills and abilities: proficiently test circuits and components of malfunctioning telecommunications equipment; test repaired, newly installed, or updated equipment; safely navigate and work in various environments, including climbing ladders and accessing areas such as manholes and cable vaults, for the purpose of equipment installation, maintenance, or inspection; expertly assemble and install communication equipment, including data and telephone communication lines, wiring, switching equipment, wiring frames, power apparatus, computer systems, and networks.

Use of Evidence: 100% of this program (\$5,000,000) is backed by evidence-based interventions as this is a Credentialed Industry Program. As defined by the Fiber Broadband Association [Broadband Workforce Guidebook](#), these credential programs provide standardized skillset and signals worker quality. This program is created by industry veterans with focus on quality technical skills paired with hands on and field training.

Performance Report:

- **Outcome 1:** Increase the number of individuals who receive broadband workforce job placement from a TNECD-funded grant program.
- **Outcome 2:** Decrease delays to broadband infrastructure projects due to labor shortages.

Expenditure Category 3
(Public Health-Negative
Economic Impact: Public
Sector Capacity)

Accelerating Program Inventory

Agency: Tennessee Department of Finance and Administration – Office of Evidence and Impact (F&A – OEI)

Funding Amount: \$1,775,938

Project Identification Number: 15

Expenditure Category: 3.4 Public Sector Capacity: Effective Service Delivery

Project Overview: To provide non-recurring funding for a vendor to implement the program inventory process with the remainder of cabinet-level executive branch agencies over two years. After this additional capacity enables initial inventory completion, existing OEI staff positions will complete maintenance and annual data collection activities.

OEI is using SLFRF funds to expedite program inventory work across state government. In keeping with the emphasis on evidence that exists in ARPA guidance, this proposal maximizes the state's ability to invest in programs that are working, reevaluate funding of programs that have produced negative results, and identify opportunities for further program evaluation. This is an administrative expense associated with the efficient use of SLFRF dollars and the required reporting surrounding performance metrics. Allocating SLFRF dollars toward this effort will allow the state to effectively identify efficient and positive performance metrics, outputs, and programs utilizing those metrics and outputs. These metrics and outputs are required for Treasury reporting and are, therefore, an allowable administrative expense associated with the use of these dollars.

The Department expects the following outcomes associated with the project:

- Outcome 1: Increase in state agencies with documented and tracked program outcomes and identified opportunities for rigorous program evaluation.

Rationale: If we allocate funds to accelerate the completion of program inventories with all agencies, then state leaders will have access to better information and resources that support effective decisions and smart investments. This will support evaluation and data analysis of state Fiscal Recovery Fund programs.

Use of Evidence: This project is not using SLFRF funds for evidence-based interventions.

Performance Report:

- Baseline: 4 program inventories.
- Increase to date: 4 program inventories.
- Increase %: 100%

Electronic Health Records Project and Supporting Infrastructure

Agency: Tennessee Department of Correction (TDOC)

Funding Amount: \$13,050,000

Project Identification Number: 7

Expenditure Category: 3.4 Public Sector Capacity: Effective Service Delivery

Project Overview: To provide non-recurring funding for the approved Electronic Health Records (EHR) project across the state at each prison. Requested funding is proposed to replace prior-approved state appropriation (FY22) for the execution of the project. The supporting infrastructure is included in the request. Currently the required connections are not available to service the devices and software that will be included in the EHR project.

The Department expects the following outcomes associated with the project:

- Outcome 1: We intend to see an increase in the overall number of instances of providing clinical services and the ability to see more individuals each month with the use of Electronic Health Records/ Telehealth.
- Outcome 2: During COVID-19, ready access to health records was needed to complete the multitude of associated medical necessities. This would create more efficient availability of reports, pre-existing conditions, and effective communication of potentially life-threatening illnesses or situations.
- Outcome 3: The Electronic Health Records/Telehealth technology will have a significant positive impact on telepsychiatry and telepsychology care.

Rationale: If we allocate funding to purchase the infrastructure to support the Electronic Medical Record Project, then we expect to increase effective workflow by enhancing efficiency with electronic medical records. This will allow medical and behavioral health providers to provide more efficient care to patients as they will not be hindered by the existing antiquated hard copy system, which is time-consuming and takes them away from effective care. In addition, the providers can allocate time to mission-critical assignments and duties. The telehealth effort will be facilitated by the LAN infrastructure and allow for the providers to reach fragile populations more effectively and to provide needed services within the housing units.

This investment in electronic records infrastructure will enable medical and behavioral health providers to provide more efficient care to patients, and not be hindered by the existing inadequate hard copy medical records system, which is time-consuming and takes time away from necessary patient care. This effort will also allow for more readily available, adequate care for more rural, fragile populations by allowing providers to have access to their records and make prompt care decisions. This system will be accomplished over multiple years; however, one-time funding, not multi-year, will be required.

Use of Evidence: This project is not using SLFRF funds for evidence-based interventions.

Performance Report:

Overall Project Health:

- Infrastructure: DEV environment: Upgraded, ongoing content configuration, UAT environment: Target Promotion date slated for 9/2.
- HER Configuration: All Key Decision Sessions are complete. Clinical breakout sessions: in progress through August. (4 of 6 nurse sessions completed).
- Interfaces: on target
- Data Migration: on target
- Training: slated to be completed around mid-June. On target for delivery.
- Go Live – On Target.

Unemployment Insurance Tax & Benefits System

Agency: Tennessee Department of Labor and Workforce Development (TDLWFD)

Funding Amount: \$61,000,000

Project Identification Number: 8

Expenditure Category: 3.4-Public Sector Capacity: Effective Service Delivery

Project Overview: To provide non-recurring funds for the unemployment insurance division for new customized UI Benefits and Tax Systems. The Unemployment Division of the Tennessee Department of Labor and Workforce Development collects unemployment taxes based on the employers' experience rating, and the balance of the trust fund provides benefits to qualified claimants who become unemployed through no fault of their own.

The UI Benefits system development was completed, and the system went live on 2/20/24. Since that date, unemployed individuals have filed more than 40,000 claims, completed more than 300,000 weekly certifications, and paid out more than \$61M in unemployment benefits.

Prior to going live with the UI Benefits system, the Department had not met the federal first pay timeliness metric of 87% since April 2020. Since that time, 73% was the best the Department did in any one month. In May 2024, in just the third full month of using the system, the Department is less than 1 percentage point from reaching the 87% metric.

In early May the Department began collecting feedback after individuals completed certain tasks within the system, such as filing claims or completing weekly certifications. Since that feature was turned on, the claims filing process has received an average rating of 4.3 out of 5 with nearly 600 responses received. The weekly certification process has received an average rating of 4.5 out of 5 with over 4,000 responses received.

The project to develop the new UI Tax system officially kicked off on May 30, 2024. The expected development time is one year with a projected go-live on or before June 1, 2025. The same vendor who developed the new UI Benefits system will develop the new tax system. Once completed, the Department will have one system to take care of all UI-related requirements.

Some of the specific feedback we have received regarding the UI Benefits system includes:

Submitted : 03-Jun-2024 08:10:21	Rating : Very Satisfied
Submission : 0-000-690-482	Comments : Much easier and less confusing than the last time I used this process.
Submitted : 16-May-2024 10:17:16	Rating : Very Satisfied
Submission : 0-000-531-801	Comments : Layout was easy and the process was seamless.
Submitted : 03-Jun-2024 11:18:02	Rating : Very Satisfied
Submission : 0-000-742-308	Comments : The process was very clear, and the website works well. The the document outlining my responsibilities was easy to understand.

Rationale: Goals for this project include:

Unemployment claims will be processed timely and accurately due to user-friendly features and less system errors. The state's UI division will comply with federal guidelines and be in good standing with the Tennessee Comptroller of Treasury. Lastly, the number of overpayments will decrease due to fraud identification/prevention and less errors.

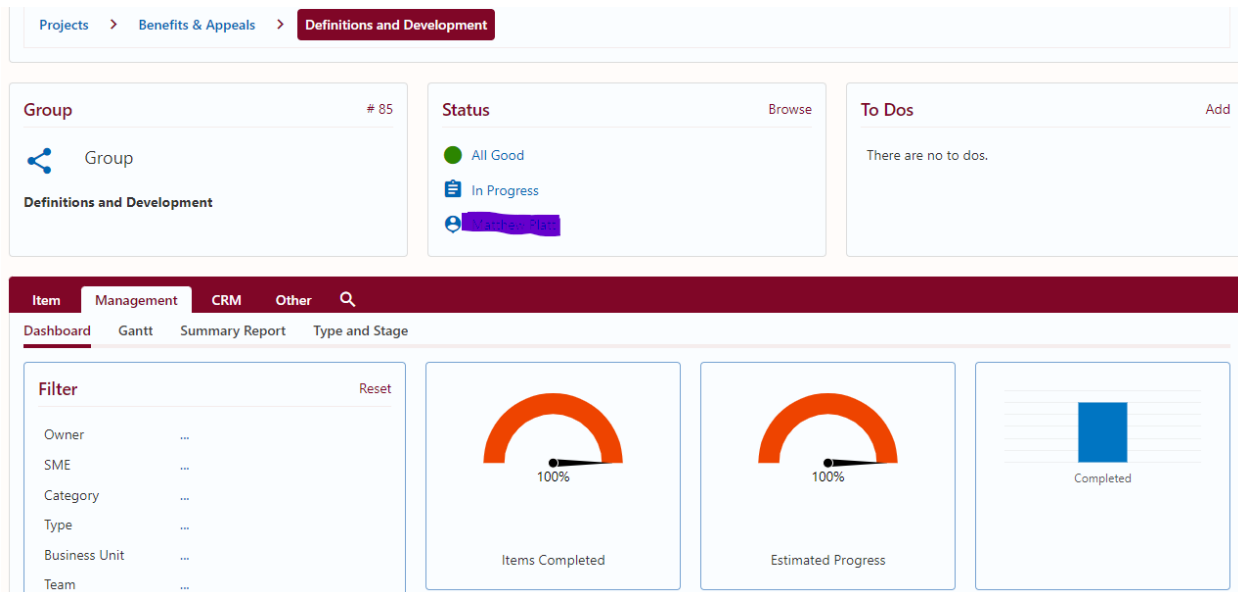
Employers will be able to conduct all UI-related business in one site for the very first time. They will be able to review charges, respond to claims fact finding, submit reports, and pay their bill all on one site.

Use of Evidence: This project is not using SLFRF funds for evidence-based interventions.


Performance Report:

The system requirements for an unemployment benefits system have increased due to the COVID-19 pandemic. The COVID-19 pandemic has resulted in an increase in federal programs, fraud attempts, USDOL program requirements, and changes in state employment security law. These additional dimensions have created the need for more funding for a customized/configurable system. To meet our first pay timeliness and improper pay rate goals, the TDLWD will need to enhance and customize its benefits system to meet demand during recessionary periods, prevent fraud, and comply with new federal regulations and state laws.

- Outcome 1: Claims processed within federal first pay timeliness standards
- Outcome 2: Decrease improper pay rate levels to pre-pandemic levels
- Outcome 3: No Audit Findings
- Outcome 4: Decrease in contractor/vendor reliance



Business Testing Progress

Item Area	# Open Items	# In Progress Items	# Complete Items	# Total Items	% Complete Items
none	0	0	44	44	100%
Accounting	0	0	367	367	100%
Appeals	0	0	315	315	100%
BAM/TPS	0	0	65	65	100%
Benefit Issues	0	0	1,142	1,142	100%
Benefit Payments	0	0	207	207	100%
BTQ/LAAQ	0	0	71	71	100%
Certifications	0	0	256	256	100%
Claims Filing	0	0	444	444	100%
Collections	0	0	284	284	100%
eServices	0	0	106	106	100%
ETA Reporting	0	0	115	115	100%
Financials	0	0	763	763	100%
Interfaces	0	0	306	306	100%
Mail	0	0	22	22	100%
Monetary	0	0	105	105	100%
Overpayments	0	0	215	215	100%
Payments	0	0	47	47	100%
Task Management	0	0	5	5	100%
19 Rows	0		0	4,879	4,879

Electronic Workpapers for Remote Workforce

Agency: Tennessee Department of Finance & Administration – Internal Audit (F&A)

Funding Amount: \$1,333,943

Project Identification: FAARPCSF31701_015038

Expenditure Category: 3.4 Public Sector Capacity: Effective Service Delivery

Project Overview: Internal Auditors across Tennessee agencies are tasked with performing assurance and consulting services designed to add value and improve operations. The monitoring of internal control performance remotely and the ability to respond to public health concerns would be enhanced by electronic workpapers offering the analysis of aggregate risks and findings.

The pandemic has steered state governments to operate remotely and embrace digital technologies. While the audit process was evolving with the emergence of new technology, COVID-19 has significantly accelerated the evolution toward a virtual audit. The pandemic has sped up the process of change. Uncertainty, combined with the rapid shift to new ways of operating, has led to the need for thinking proactively. With the reduction or closing of workplaces and the need for social distancing, internal auditors are leveraging existing and new technology to conduct audits remotely, including remote data extraction, analysis, and inventory counts.

Outcomes include more effective tracking of data related to:

- Monitoring and communicating changes in conformance to regulations/policy/rule;
- Monitoring and communicating changes in percentage of ineligible vs. eligible expenses; and
- Documenting evidence of fraud/waste/abuse.

Rationale: If we allocate funds to implement electronic workpapers, then we expect to see auditors performing more efficient assurance and consulting work, resulting in quicker identification of problem areas to management, better decision quality, and more timely corrective actions.

Specifically, we expect electronic workpapers to:

- Provide a framework for productive execution, more audit & analysis, less documenting.
- Streamline fieldwork, documentation, and reporting – enable resource-strapped audit departments to accomplish more than they could using manual techniques.
- Facilitate team communication – keeps audit staff (especially those working remotely) on the same page and focused on the same goals.

Use of Evidence: This project is not using SLFRF funds for evidence-based interventions.

Performance Report:

Project Status: Expended (Funds are in process of being expended)

Performance data is not yet available due to project status.

KPIs will measure the following:

Outcomes include more effective tracking of data related to:

1. Monitoring and communicating changes in conformance to regulations/policy/rule
2. Monitoring and communicating changes in percentage of ineligible vs. eligible expenses
3. Documenting evidence of fraud/waste/abuse

TFACTS System Replacement

Agency: Tennessee Department of Children's Services (DCS)

Funding Amount: \$62,000,000

Project Identification Number: 34

Expenditure Category: 3.4 Public Sector Capacity: Effective Service Delivery

Project Overview: The approved amount will replace TFACTS, which currently maintains records for each foster child, foster parent and provider as well as the payments and revenues flowing to support the agency's work. Replacing the system is necessary to comply with federal requirements for child welfare systems as well as rectify audit findings. The new system will establish an innovative statewide information technology application that supports child welfare staff and stakeholders in assuring the safety, permanency, and well-being of children at risk of abuse and neglect.

The project will implement Deloitte's GovConnect system on the Salesforce platform to support compliance with Comprehensive Child Welfare Information System (CCWIS) regulations. This includes implementing a full suite of Child Welfare modules, developing portals for all users, migrating data from TFACTS to the new system, building Child Welfare data exchanges, operational reporting, federal reporting, data security and compliance, and end-user and train-the-trainer training.

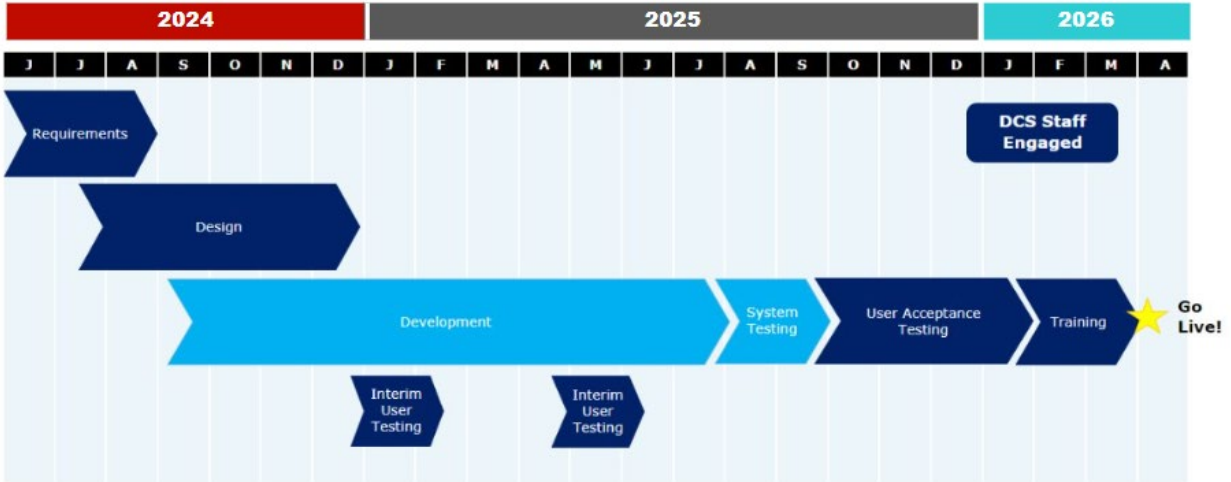
The Department expects the following outcomes associated with the project:

- Replacing TFACTS will yield a better system designed to compressively meet the unique needs of the Department of Children's Services by improving the user experience and reducing the burden on DCS staff, improving the ability to pay providers quickly and accurately, providing better data and insights to support daily operations, and allowing the Department to receive all eligible federal funds.
- The system will provide the first steps for the Department to rectify federal and state audit findings.

Rationale: TFACTS has been in production for over 12 years, uses legacy technology. Issues with the system have been identified in every performance audit since 2014. The current system does not adequately meet the needs of case managers or child welfare providers. Replacing TFACTS will place the Department of Children's Services on track to comply with federal requirements and effectively meet the needs of citizens served.

Use of Evidence: This project is not using SLFRF funds for evidence-based interventions.

Performance Report: The Gantt chart below details the schedule for the design, development, and implementation of the new system. The Milestone table provides further details regarding each phase of the project and the deliverables associated with each.



Deliverable No.	Deliverable Name	Deliverable Description
DEL-01	Project Management Plan (PMP)	SOW Appendix A
DEL-02	Project Schedule	SOW Appendix A
DEL-03	Project Status Report	SOW Appendix A
DEL-04	RACI Matrix	SOW Appendix A
DEL-05	RAID Log	SOW Appendix A
DEL-06	Software Development Lifecycle (SDLC) Approach	SOW Appendix A
DEL-07	Requirements Validation Session Schedule and Agenda	SOW Appendix A
DEL-08	Requirements Definition Document	SOW Appendix A
DEL-09	Requirements Traceability Matrix (RTM)	SOW Appendix A
DEL-10	Design Session Schedule and Agenda	SOW Appendix A

DEL-11	Configuration Management Plan	SOW Appendix A
DEL-12	Complete System Test Plan	SOW Appendix A
DEL-13	Functional Design Document	SOW Appendix A
DEL-14	Interface Control Document(s) (IDC)	SOW Appendix A
DEL-15	Technical Design Document	SOW Appendix A
DEL- 16	Logical Data Model and Dictionary	SOW Appendix A
DEL- 17	Data Conversion and Migration Plan	SOW Appendix A
DEL- 18	Data Quality Management Plan	SOW Appendix A
DEL- 19	System Security Plan (SSP)	SOW Appendix A
DEL- 20	Privacy Impact Assessment	SOW Appendix A
DEL- 21	Incident Response Plan	SOW Appendix A
DEL- 22	Business Continuity /Disaster Recovery Plan	SOW Appendix A
DEL- 23	Solution Validation Test Scripts	SOW Appendix A
DEL- 24	Training and Knowledge Transfer Plan	SOW Appendix A
DEL- 25	To-Be Business Processes	SOW Appendix A

DEL- 26	Business Process Gap Analysis	SOW Appendix A
DEL- 27	Release Plan	SOW Appendix A
DEL- 28	Information Security Risk Assessment (ISRA)	SOW Appendix A
DEL- 29	Security and Privacy Assessment Plan (SAP)	SOW Appendix A
DEL- 30	System Integration Testing Report and Results	SOW Appendix A
DEL- 31	Operations Manual	SOW Appendix A
DEL- 32	Operational Readiness Review Checklist	SOW Appendix A
DEL- 33	Help Desk Guide	SOW Appendix A
DEL- 34	Site Readiness Checklist	SOW Appendix A
DEL- 35	Warranty Period Operations Plan	SOW Appendix A
DEL- 36	Security Assessment Report (SAR)	SOW Appendix A
DEL- 37	Plan of Action and Milestones (POA&M)	SOW Appendix A
DEL- 38	Performance Test Results	SOW Appendix A
DEL- 39	UAT Report and Results	SOW Appendix A

DEL-40	Data Conversion Testing Report and Results	SOW Appendix A
DEL- 41	Training Evaluation Report	SOW Appendix A
DEL- 42	State Approval for Go-Live Attestation	SOW Appendix A
DEL- 43	Formal System Acceptance	SOW Appendix A
DEL- 44	Project Close- Out Report	SOW Appendix A
DEL-45	Issue Tracking Report	SOW Appendix A
DEL- 46	Completion of Warranty Activities Report	SOW Appendix A

Payment Types	Goods or Services Description	Due Date
Milestone 1- Project Initiation	Project Initiation milestone includes the following deliverables:	
	DEL-01: Project Management Plan (PMP)	June 2024
	DEL-02: Project Schedule	June 2024
	DEL-03: Project Status Report	June 2024
	DEL-04: RACI Matrix	June 2024
	DEL-05: RAID Log	June 2024
Milestone 2 - Completion of Design	Completion of Design milestone includes the following deliverables:	
	DEL-07: Requirements Validation Session Schedule and Agenda	June 2024
	DEL-08: Requirements Definition Document	August 2024

	DEL-09: Requirements Traceability Matrix (RTM)	November 2024
	DEL-10: Design Session Schedule and Agenda	July 2024
	DEL-11: Configuration Management Plan	August 2024
	DEL-12: Complete System Test Plan	September 2024
	DEL-13: Functional Design Document	November 2024
	DEL-14: Interface Control Document(s) (IDC)	November 2024
	DEL-15: Technical Design Document	October 2024
	DEL- 16: Logical Data Model and Dictionary	November 2024
	DEL- 17: Data Conversion and Migration Plan	August 2024
Milestone 3 -	Completion of SIT milestone includes the following deliverables:	
Completion of SIT	DEL- 18: Data Quality Management Plan	January 2025
	DEL- 19: System Security Plan (SSP)	November 2024
	DEL- 20: Privacy Impact Assessment	December 2024
	DEL- 21: Incident Response Plan	February 2025
	DEL- 22: Business Continuity /Disaster Recovery Plan	March 2025
	DEL- 23: Solution Validation Test Scripts	April 2025
	DEL- 24: Training and Knowledge Transfer Plan	December 2024
	DEL- 25: To-Be Business Processes	
	DEL- 26: Business Process Gap Analysis	
	DEL- 27: Release Plan	March 2025

	DEL- 28: Information Security Risk Assessment (ISRA)	July 2025
	DEL- 29: Security and Privacy Assessment Plan (SAP)	July 2025
	DEL- 30: System Integration Testing Report and Results	October 2025
Milestone 4 - Completion of UAT	Completion of UAT milestone includes the following deliverables:	
	DEL- 31: Operations Manual	November 2025
	DEL- 32: Operational Readiness Review Checklist	November 2025
	DEL- 33: Help Desk Guide	November 2025
	DEL- 34: Site Readiness Checklist	January 2026
	DEL- 35: Warranty Period Operations Plan	November 2025
	DEL- 36: Security Assessment Report (SAR)	December 2025
	DEL- 37: Plan of Action and Milestones (POA&M)	February 2025
	DEL- 38: Performance Test Results	December 2025
	DEL- 39: UAT Report and Results	January 2026
	DEL-40: Data Conversion Testing Report and Results	February 2026
Milestone 5 - System Acceptance	System Acceptance milestone includes the following deliverables:	
	DEL- 41: Training Evaluation Report	April 2026
	DEL- 42: State Approval for Go-Live Attestation	April 2026
	DEL- 43: Formal System Acceptance	April 2026
	DEL- 44: Project Close-Out Report	April 2026

Milestone 6 -	Completion of Warranty milestone includes the following deliverables:	
Completion of Warranty	DEL- 45: Issue Tracking Report	Warranty
	DEL- 46: Completion of All Warranty Activities Report	Warranty
	Total Cost (initial DDI)	\$36,263,991.12

Initial (Already Paid)	\$ 1,541,550.00
DDI (initial costs)	\$ 36,263,991.12
Licensing / Technology Procurements	\$ 13,000,000.00
Change Order Buffers - Licensing / DDI	\$ 10,365,997.78
Total budgeted cost	\$ 61,171,538.90

Treasury – Information Technology - Infrastructure

Agency: Tennessee Department of Treasury

Funding Amount: \$4,150,000

Project Identification Number: 30

Expenditure Category: 3.5 Public Sector Capacity: Administrative Needs

Project Overview: In the remote work environment during the COVID-19 pandemic, operational reliance and demand for network infrastructure, secure devices, and remote maintainability have increased. Additional investments are needed to further secure, optimize, and maintain user connectivity, devices, and information systems infrastructure through this transition.

The Department's anticipated outcomes are more secure and efficient connectivity in maintaining system updates and network connections; real-time access to data and information, along with improved disaster recovery and business continuity needs in a remote environment; and increased levels of security and protection on Treasury devices while remote.

To ensure the Treasury Department data is maintained in a secure environment, the following steps have been taken:

1. A full hardware refresh of our server infrastructure has been completed. This brings all systems under active support contracts and ensures proper patching and support are available.
2. A new backup system has also been deployed that includes on-premises and "air-gapped" backups as a part of the backup strategy for Treasury. This provides the typical fault tolerance backups that one would expect while also providing another layer of protection against Ransomware type attacks.
3. A penetration test has been completed that has provided valuable information related to the external security risks. These risks have been or are being remediated at this time.
4. An emergency management call system has been implemented that allows our team to reach out to specific incident response teams or the entire Department for emergency notifications.
5. A remote patch management tool has been rolled out that allows the Security and Infrastructure team to push updates and ensure laptops are running the latest security patches without being on the State network.

Items that are still in progress:

1. A "single-pane-of-glass" is currently being deployed. This will aggregate logs from all systems to give a full picture of health and security throughout the Department's infrastructure and applications.
2. A Governance Risk and Compliance (GRC) solution is being deployed that will help ensure processes are followed and governance is in place to track compliance and risk.

3. An Operations Control Center will be built out over the next 18 months that will enable the Department to closely monitor and track issues related to application performance, availability and security.
4. Implement virtual desktop infrastructure for specific groups within the Treasury.
5. A tool to identify, track and block exfiltration of sensitive data will be deployed over the next 6 months.

Rationale: If we allocate funds to the Treasury to upgrade their IT infrastructure, the funds will be used to mitigate the following risks. The time it takes to procure infrastructure equipment has been the primary driver in increased lead time for IT Projects, resulting from staff needing to work remotely during the COVID-19 pandemic. Users continue to face challenges with connection disruptions, slowness, and reduced performance. Infrastructure and application issues associated with a single application can affect other Treasury applications. While users are performing their work in a remote environment, devices and information are more vulnerable. The Treasury Department has significantly reduced the risk of data leakage, application availability, cyber incidents, and emergency communication methods through the implementation of several Information Technology initiatives. The remaining initiatives that have been identified will continue to close that gap. This project is not using SLFRF funds for evidence-based interventions.

Use of Evidence: This project is not using SLFRF funds for evidence-based interventions.

Performance Report:

Performance data is not yet available due to project status.

The KPIs that will be measured are as follows:

- Virtualization – Workstation and Servers: Disaster Recovery Failover Capability
- Public Facing Services: Operation Control Center – Issue Identification and resolutions

Treasury – Information Technology – Operational Technologies

Agency: Tennessee Department of Treasury

Funding Amount: \$3,300,000

Project Identification Number: 31

Expenditure Category: 3.5 Public Sector Capacity: Administrative Needs

Project Overview: The Treasurer has challenged Information Systems to become a world-class organization. To help accomplish this, it is necessary to make the appropriate investments in the tools that our team members use to develop new applications and upgrade currently operational technologies to reduce risk. Executing these varying projects will result in a higher degree of operational efficiency and enhance process controls as a remote environment, which has taken place because of the COVID-19 pandemic.

The Department expects the following outcomes to be associated with the project:

- Tools, licenses, and resources to implement broad data reporting and metrics for business operations. The Department is bringing on resources from Center for Enterprise Data and Analytics (CEDA) and contractors to work with our team and build out a data analytics environment. This will allow real-time metrics to drive decision-making at the highest levels in the Department.
- Development of new applications and support efficiency will be improved. To implement this, the Information System development teams are adopting new standards using Jira and Confluence as well as agile development methodology.
- Provide and improve continuous accessibility to electronic documents. This was done by implementing the newest web-based version of Perceptive Content.
- Further automate software deployments and controls for efficiency. HR documents were scanned and digitized for remote reference. Tools and training are planned to empower continuous delivery for internally developed applications.

Use of Evidence/Rationale:

The paper forms risk requiring manual storage and lookup has been eliminated based upon completion of the HR Scanning work. The unsupported document repository risk, which would have affected access to electronic documents, has been eliminated with the completion of the Perceptive Content Upgrade work.

Operational technologies will mitigate the following risks:

- Limited reporting and data availability technologies.
- Collaborating and sharing information in a remote environment being inefficient.

Software development controls are currently manual. Current versions of document repositories will no longer be supported, affecting access to electronic documents. Paper forms still exist that require manual storage and lookup.

Use of Evidence: This project is not using SLFRF funds for evidence-based interventions.

Performance Report:

Performance data is not yet available due to project status.

The KPIs that will be used include:

- Predictability - Total Backlog Commitment to Completion per Quarter
- Productivity - Number of Backlog Items in a Release based upon Team Size
- Quality - Business Owner Satisfaction per Release
- Stability - Team Satisfaction per Release
- Usability – Number/Percent of Reports that have been created or migrated to a Centralized Reporting Platform

Treasury – Information Technology – Project ARIS – Future of Concord

Agency: Tennessee Department of Treasury (Treasury)

Funding Amount: \$51,300,000

Project Identification Number: 32

Expenditure Category: 3.5 Public Sector Capacity: Administrative Needs

Project Overview: The Tennessee Consolidated Retirement System (TCRS) relies on the Concord system to administer the pension program including employer contribution reporting, benefit payroll, work management, document storage, self-service features, and various regulatory reporting. Since the COVID-19 pandemic, the demand for digital service offerings in Concord have increased significantly. With emerging technologies, legislative requirements, and increased operational demand, TCRS and Treasury Information Systems realize risks with Concord and the necessity to pursue opportunities in updating or replacing.

The Department expects the following outcomes associated with the project:

- Business Process Analysis and Engineering.
- Target State Product Requirements.
- Implementation of optimized business processes.
- Modernized features and automation.
- Upgraded technologies and infrastructure.

The Treasury Department has submitted an RFP for a pension administration system and implementation services. It is currently evaluating vendor RFP responses and anticipates awarding the (TCRS) contract to a vendor at the end of July 2024. The Department has also initiated an RFP for data cleansing, where the intent to award has just been sent and the project team is being assembled.

Rationale:

If we allocate funds to Treasury to upgrade or replace the Concord system, Treasury will have the ability to analyze and outline target state product requirements, evaluate product viability and vendor options, and implement the decided course. Treasury would plan and execute the operational and technical implementation of the determined path from analysis. These potential paths include replacement through custom development, new vendor product implementation, re-architecting Concord with updated technologies and refined designs, or migration to vendor-maintained solution.

If we allocate funds to Treasury to upgrade or replace the Concord system, Treasury will have the ability to analyze and outline target state product requirements, evaluate product viability and vendor options, and implement the decided course. Treasury would plan and execute the operational and technical implementation of the determined path from analysis. These potential paths include replacement through custom development, new vendor product implementation, re-

architecting Concord with updated technologies and refined designs, or migration to vendor-maintained solution.

Use of Evidence: This project is not using SLFRF funds for evidence-based interventions.

Performance Report:

Performance data is not yet available due to project status.

The KPIs that will be used include:

- Productivity - Key operational functions' processing times will be reduced or automated, including:
 - Employer Contribution Reporting
 - Service Purchase
 - Refunds
 - Benefit Estimates
 - Retirement Benefit Processing
 - Payroll
- System Performance - Key system functions' response and processing times will be reduced, including:
 - Correspondence
 - Member, Retiree, and Employer Online Self-Serve
 - Large-scale procedures, including Contribution Reporting Data Validation, Member Annual Statements, and Benefit Payroll
- Stability - Production issues reported by time period will be reduced.
- Quality - Defect backlog will be reduced, therefore manual workarounds and risk.
- Extensibility - New requirements and feature delivery timeliness will be reduced.

Expenditure Category 5 **(Infrastructure)**

Enhancements to Water and Wastewater

Agency: Tennessee Department of Environment and Conservation (TDEC)

Funding Amount: \$1,351,922,145

Project Identification Number: 1

Expenditure Category: 5: Water, Sewer Infrastructure

Project Overview: Enhancing Tennessee’s drinking water, wastewater, and stormwater infrastructure is a critical goal.¹¹ Reports produced by various sources cite necessary investment in Tennessee water infrastructure ranging from \$5 to 15 billion dollars between now and 2040.¹² Tennessee’s communities and economy rely on access to clean, reliable, and abundant water resources and services. Water makes Tennessee thrive and supports many significant activities, such as:

- Drinking water and sewer services for residents and businesses,
- Agriculture,
- Major industrial operations,
- Transportation of goods on navigable waters, and
- Recreational activities on lakes, rivers, and streams.

A substantial level of investment is critical to reliably supply our state with water resources amidst rapid economic growth. If we allocate funds to address Tennessee’s water, wastewater, and stormwater infrastructure, then we expect to see a significant decrease in the number of systems operating in non-compliance and improve technical, managerial, and financial capacities for better resiliency and sustainability. Key activities include non-competitive grants designed to address critical infrastructure needs, competitive grants focused on regionalization, water reuse, and resource protection priorities, and state strategic projects to assist local and state government operations and support transparent and measurable returns on investment.

In August 2021, Tennessee’s FSAG dedicated \$1.35 billion of Tennessee’s Fiscal Recovery Funds from the American Rescue Plan (ARPA) to water, wastewater, and stormwater infrastructure projects. Of these funds, the Tennessee Department of Environment and Conservation (TDEC) awarded approximately \$997M in the form of non-competitive grants to communities for eligible water, wastewater, and stormwater infrastructure projects as part of the Tennessee ARPA Water Infrastructure Investment Program. Approximately \$191M was awarded to competitive grants, and \$118M was allocated toward state strategic projects. Approximately \$46M was allocated to program administration, which includes internal personnel and operational costs and fees for service contractor support for grant program administration, technical assistance to local governments, development of the updated Tennessee Infrastructure Scorecard used to measure pre- and post-

¹¹ Throughout this document the phrases “water infrastructure” and “drinking water, wastewater, and stormwater infrastructure” are used interchangeably

¹² One such report is the Tennessee Advisory Commission on Intergovernmental Relations report, [Building Tennessee's Tomorrow: Anticipating the State's Infrastructure Needs](#) – July 2018 through June 2023. See Table D-10a. Water and Wastewater Needs by County, July 2018 – June 2023 for a 5-year listing of self-reported needs.

project impacts, and the development of guidance documents and new reporting dashboards. With respect to the non-competitive grants, TDEC targeted enhancements to community public drinking water systems, wastewater systems with a component of municipal or domestic wastewater (e.g., wastewater treatment plants, collection systems, and decentralized treatment systems), and stormwater management systems serving the public.

TDEC used a non-competitive and formula-based approach to identify allocations and offered funds directly to county and municipal governments. As a non-competitive granting program, the application was by invitation only.

TDEC provided eligible entities the opportunity to apply for their grant allocation, with the expectation that counties will coordinate with partner water and wastewater utilities and stormwater systems serving customers in their area to identify potential projects for proposed use of funding. TDEC and its partners strongly encouraged counties and water and wastewater utilities and stormwater systems to collaborate and take advantage of this significant opportunity and as a result 100% of eligible counties and 98% of eligible cities applied and received awards. Each eligible county and municipality were eligible to receive a base allocation plus a portion of monies determined based on population as outlined in the following formula. a

- *Total Allocation = Base Allocation + Population Allocation + ATPI¹³-Population Allocation*
 - *Base Allocation = \$2,105,263 for Counties and \$561,798 for Cities*
 - *Population Allocation = \$250,000,000 * [(City or County Population) / (Tennessee Population)]*
 - *ATPI-Population Allocation = \$400,000,000 * [(City or County ATPI-Population) / (Tennessee ATPI-Population)]*
 - *Inverted ATPI = 1 - [ATPI/100]*
 - *ATPI-Population = City or County Population * Inverted ATPI*

TDEC published allocations as part of its final investment plan. In summary, this approach set aside \$250 million for equal distribution among each of Tennessee's counties and cities, providing each a base allocation of \$2,105,263 for counties or \$561,798 for cities. The remaining funds set aside for non-competitive grants, approximately \$750 million, were distributed to each county or city according to the population allocation and ATPI-population calculation outlined above. This approach provided funding for communities roughly commensurate with customers served/provided access to water, wastewater, and stormwater services and financial need.

By distributing funds at the county and city levels, the State of Tennessee and individual communities could better leverage local ARPA dollars as a source of required match. Additionally, counties were strongly encouraged to collaborate with all water, wastewater, and stormwater systems which operate in their boundaries to consider multi-system or regional solutions to enhancing water infrastructure. Additional detail regarding expectations for county coordination

¹³ ATPI references the Ability to Pay Index developed through the State Revolving Loan (SRF) fund program. More information about ATPI available online: <https://www.tn.gov/environment/program-areas/wr-water-resources/srfp/srf-home/srf-subsidy-and-ability-to-pay-index.html>.

amongst sub-recipients is provided below.

TDEC developed three additional competitive grant programs in Spring 2023 to support additional areas of priority investment: regionalization, water reuse, and resource protection. TDEC allocated \$100M to regionalization grants, \$50M to water reuse grants, and \$50M to resource protection grants. Each of these three priority areas was identified in the investment plan and deemed high-priority for systems statewide. Like the non-competitive grant, entities were required to complete and submit an online grant application to TDEC. This grant application was scored according to a publicly available rubric, and the applicants with the highest scores were awarded. TDEC received significantly more applications than had available funding, indicating high interest in the program and additional outstanding needs statewide.

Success Story

The small town of Waverly, TN (population served 4297) has erected a new water tower using their state ARPA grant. This \$1,487,920 grant is 80% complete, including reimbursements. Waverly identified the tank as a critical need since the existing 70-year-old tank was far past its useful life, has many leaks, and had a serious case of rust.



Waverly Town Hill replaced a 70-year-old tank that was long past its useful life.

Proposal and Project Requirements

In preparing submittals for review and approval by TDEC, each applicant was required to follow proposal requirements. TDEC created an online grant application to facilitate this process and ensure that applicants are submitting information that TDEC needs for project review and approval. All applications were reviewed and approved by TDEC prior to execution of a grant contract and commencement of work.

Proposed activities needed to meet eligibility requirements as included in the U.S. Treasury's Final Rule, which was released in January 2022. TDEC imposed additional requirements for the use of the non-competitive funds by requiring that applicants complete the Tennessee Infrastructure Scorecard and address critical needs identified through the baselining activity. The critical needs included in this grant program are achieving compliance with local, state, and federal drinking water, wastewater, and stormwater water quality requirements; water loss reductions (drinking water systems); infiltration/inflow reductions (wastewater systems); asset management planning; and modernization and/or optimization of facilities, equipment, and operations. TDEC intended for collaborative activities between a county, its systems, and engineering and consulting experts to identify eligible and investment-worthy activities (i.e., planning) to be allowable expenditures under this granting program. In doing so, communities can feel empowered to invest in thoughtful planning activities that will set them up for successful project execution and long-term infrastructure enhancements. In accordance with current federal guidance, all ARPA funds must be obligated by December 2024 and spent by December 2026. This is a tight timeframe for major infrastructure projects, especially with the planning that is needed to develop strong projects. Depending on the needs of the individual system or community, proposed ARPA projects may be focused on preliminary work required for larger, long-term projects that extend beyond the ARPA timeframe. For example, reducing water loss will improve the financial sufficiency of the system, which may improve the future opportunities for projects financed through the State Revolving Fund Program.

Timeline TDEC launched technical assistance, in partnership with TAUD, to execute the completion of TN Infrastructure Scorecards in November 2021. TDEC released final details of the non-competitive, formula-based granting program in December 2021 following a public comment period on TDEC's Draft Water Infrastructure Investment Plan in September-October 2021. From December 2021-March 2022, TDEC and its partners engaged in frequent education and outreach activities to ensure communities were well informed of the granting program and associated details. In April 2022, TDEC released the non-competitive grant manual and opened the application period for collaborative grant proposals. The application period for non-collaborative grant proposals opened in June 2022. All applications were required to be submitted by November 2022. TDEC reviewed and awarded non-competitive grant applications on a rolling basis and executed all non-competitive grant contracts by Summer 2023. TDEC released the grant manuals for the three competitive grant programs in March 2023 and opened the application period in May 2023. The application period closed in August 2023. TDEC announced awards in December 2023 and is currently working with awarded entities on executing all contracts.

Rationale: By investing \$1.35B in critical and priority water and wastewater infrastructure needs, we expect to improve the technical, managerial, and financial capacities of local utility systems,

including state operations. TDEC will monitor projects through the planning, design and construction phases and provide assistance, tools, and guidance to support the timely execution of funded projects. The Department will utilize the Tennessee Infrastructure Scorecard to measure pre- and post- project outcomes, such as the number of systems (grantees and partner utilities) that complete Asset Management Plans or address significant non-compliance issues. These outcomes benefit Tennessee ratepayers with reliable and clean water, improved operational efficiencies, and more affordable and sustainable water and wastewater user rates.

Use of Evidence: This project is not using SLFRF funds for evidence-based interventions.

Performance Report:

of Projects by Infrastructure Category

Drinking Water	650
Stormwater	77
Wastewater	439
Total	1166

of Projects in Disadvantaged Communities

Ability to Pay Index	Drinking Water	Stormwater	Wastewater	Total
0	28		29	57
10	53	3	42	98
20	63	1	42	106
30	91	10	60	161
40	114	5	57	176
50	109	20	66	195
Total	458	39	296	793

% of Projects in Disadvantaged Communities

Ability to Pay Index	Drinking Water	Stormwater	Wastewater	Total
0	4.3%	0.0%	6.6%	4.9%
10	8.2%	3.9%	9.6%	8.4%
20	9.7%	1.3%	9.6%	9.1%
30	14.0%	13.0%	13.7%	13.8%
40	17.5%	6.5%	13.0%	15.1%
50	16.8%	26.0%	15.0%	16.7%
Total	70.5%	50.6%	67.4%	68.0%

of Construction Projects

Drinking Water	467
Stormwater	46
Wastewater	299
Total	812

of Asset Management Plans Completed Using ARPA Funds

Drinking Water	2
Stormwater	0
Wastewater	1
Total	3

Broadband Infrastructure - Tennessee Emergency Broadband Program - American Rescue Plan Program ("TEBF-ARP")

Agency: Tennessee Department of Economic and Community Development (TNECD)

Funding Amount: \$452,000,000

Project Identification Number: 2

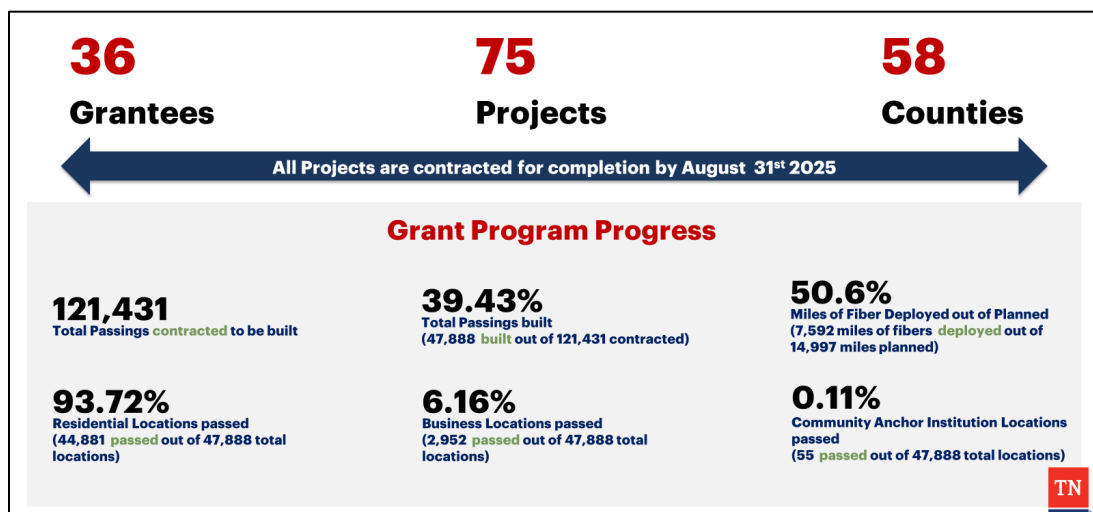
Expenditure Category: 5.19-Broadband: Last Mile projects

Project Overview:

TNECD announced \$446.7M in awards for the Tennessee Emergency Broadband Program – American Rescue Plan Program ("TEBF-ARP"), which closely modeled the Tennessee Broadband Accessibility Grant Program. These investments covered 75 projects in 58 counties across the state and will expand service to nearly 310,000 Tennesseans at 121,000 locations.

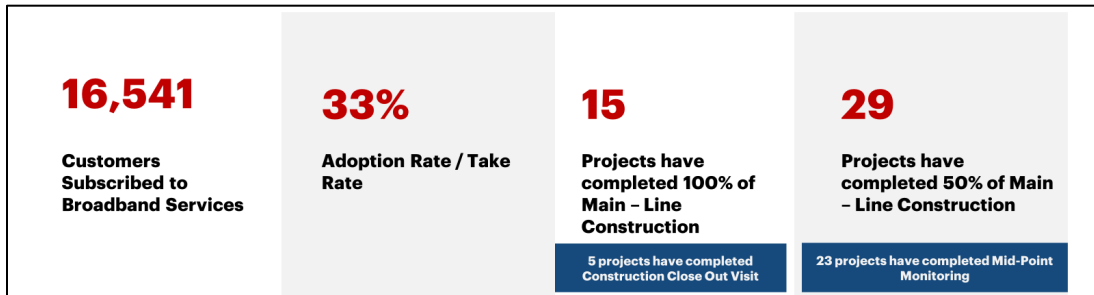
As of April 3, 2024, all projects have made significant progress in terms of construction and connecting end locations with faster and more reliable broadband connections. Out of the 75 projects, 15 have completed mainline construction and will continue to invoice drops until August 2025. Additionally, 29 projects have surpassed 50% of mainline construction and are expected to be completed by 2024. The remaining projects are on track to finish by August 2025, with only a few potentially requiring a slight extension, well within the December 2026 deadline.

In terms of connectivity, out of the 121,000 new serviced locations planned, over 47,000 have been completed, representing over 7,500 miles of fiber deployed to date.



TEBF-ARP Grant Progress as of April 3rd, 2024

As of April 3, 2024, over 16,000 Tennesseans have subscribed to new or improved broadband services. Industry data suggests that it typically takes 24 to 36 months to reach peak adoption in new areas, especially in rural areas. Some rural county projects have achieved adoption rates as high as 60%, demonstrating the success of their marketing efforts and the strong demand for broadband services in these areas.



TEBF-ARP Grant Project Progress & Overall Adoption Rate as of April 3rd, 2024.

Below are two success stories and photos of projects in Southeast and South-Central Tennessee, showcasing the new service now available to rural Tennesseans.

The following pictures depict the **Dancyville project in Haywood County** from Aeneas Communication LLC. The project will have **1,144 serviced locations** and is expected to be completed by early 2025. Additionally, Ford and SK EV battery plant at Blue Oval City in Haywood County is expected to begin production in 2025 and improved broadband will be vital to attract and retain talent in the surrounding region, making Haywood County a more attractive place to live and work. ([Aeneas Internet and Telephone](#))



CABINETS ALONG THE NEW ROUTE.



CONSTRUCTION HUT IN PROJECT AREA.

The following pictures depict the **Hickman County project** from Meriwether Lewis Electric Cooperative. The project has **2,125 serviced locations** which provided final coverage of the county. Mainline construction was completed as of April 3, 2024. Positive take rates provide confidence that

this project will surpass the average adoption rates of rural areas. With the introduction of broadband in Hickman County and the four surrounding counties adjacent to the project area, the region has experienced economic development, specifically in remote workers moving from the Nashville Metro area. ([Home Services – Meriwether Lewis Electric Cooperative \(mlec.com\)](http://mlec.com))



AERIAL FIBER CONSTRUCTION AND EQUIPMENT INSTALLED ON POLES ALONG THE COMPLETED MLEC ROUTE.



STATE BROADBAND OFFICE PERFORMING ON-SITE SPEED AT MLEC MAIN OFFICE AND AERIAL FIBER IN THE GRANT SERVICE AREA.

Use of Evidence: This project is not using SLFRF funds for evidence-based interventions.

Performance Report:

After two years of program implementation, the below progress has been made.

Intended Outcomes	Progress as of April 3 rd , 2024
Outcome 1: Program will facilitate broadband access to 310,000 previously unserved Tennesseans by December 2024.	119,720 served individuals.
Outcome 2: Program will support ubiquitous coverage in counties designed as “Distressed” by the Appalachian	Bledsoe, Cocke, Hardeman were served, representing 8 projects.

<p>Regional Commission by prioritizing broadband deployment projects in these counties so that 0 distressed counties remain unserved by December 2026 – thereby having a significant impact on the economic viability of distressed counties.</p>	<p>Distressed counties were prioritized for Capital Project Funds to continue ubiquitous coverage goal.</p>
<p>Outcome 3: Program will support 121,000 served locations with a goal average adoption rate across all projects of 40% by December 2026.</p>	<p>33% adoption rate of those served locations.</p>

Expenditure Category 7 **(Administrative)**

Administrative Costs

Agency: Tennessee Department of Finance & Administration (F&A)

Funding Amount: \$16,980,000

Project Identification Number: FAARPCSF31701_010020

Expenditure Category: 7.1 Administrative Expenses

Project Overview: Funding equating to less than 1% of the SLFRF will be used to cover the costs of external consulting support to assist the state with managing and administering the SLFRF. This designation of \$19.68M in SLFRF dollars to support/fund administrative costs is directly associated with the compliant management and disbursement of its SLFRF allocation in compliance with U.S. Treasury guidance and standards.

The Department expects the following outcomes to be associated with the project:

- Compliance with legal, regulatory, and other requirements of the Coronavirus State and Local Fiscal Recovery Fund.

Rationale: Given the significant level of funding and complexities involved, contracting with external consultants will help ensure the state's compliance with the requirements of the SLFRF.

Use of Evidence: This project is not using SLFRF funds for evidence-based interventions.

Performance Report:

No KPIs to report beyond the individual projects these admin costs support.

Appendix A

Uses of Funds (summary notes from FSAG meetings)

To prepare for the prudent expenditure and a planning for FRF dollars, the Financial Stimulus Accountability Group convened multiple times to develop a set of consensus goals and unified strategy for expenditure of funds. Meetings of the FSAG are streamed live and meeting materials are published for public review.¹⁴ On March 29, 2021, the FSAG discussed the details of the ARPA and committed to the following goals:

- Plan one-time infrastructure improvements in water, sewer, and broadband or other eligible capital projects;
- Align allowable uses of ARPA funds to state's strategic goals and review proposals for initiatives to improve health outcomes and support economic, and community development;
- Develop a single comprehensive approach for economic relief;
- Address the state's role in supporting prudent local government administration.

On June 2 and August 4, the FSAG reviewed and confirmed state plans to invest in the following programs of work using FRF:

- After identifying a backlog of needs in sewer, water, and broadband infrastructure, the FSAG launched two comprehensive infrastructure programs that would leverage local ARPA funds to rebuild necessary sewer, water, and broadband infrastructure.¹⁵
- After discussing the unprecedented amount of funds to be administered by local entities, the FSAG recommended, and the administration has invested in a Local Government Technical Assistance program that would train local governments on necessary grant management and compliance and provide annual review of local government plans.

In September, the FSAG convened multiple times to review state agency capital and program proposals to improve health outcomes and support economic and community recovery and resilience. FSAG members participated and shared significant comments and feedback to inform the development of the state's Tennessee Resiliency Plan.

On October 6 and November 15, 2021, the FSAG met to review these recommendations, forming the next steps in launching the Tennessee Resiliency Plan. Each proposal included in the Tennessee Resiliency Plan has been the result of a collaborative effort between state agencies and the FSAG, and all proposals have been vetted for eligibility, effective project management, and long-term fiscal impact on the state of Tennessee.

This first tranche of spending priorities that reflect the most urgent needs and opportunities for Tennessee include:

- Sewer, Water, and Broadband Infrastructure initiatives;

¹⁴ For all materials reviewed by the FSAG, please visit the Department of Finance & Administration website at <https://www.tn.gov/finance/looking-for/stimulus-financial-accountability-group.html>

¹⁵ For more details on these programs, see "INFRASTRUCTURE" *infra* pp. 22-27.

- Capital investments to improve the resiliency of state and local public health systems;
- Continuation of the state’s Healthcare Provider Staffing Assistance grants program (formerly, the Hospital Staffing Assistance Program) and expansion of the program to other affected long-term care facilities;
- Immediate support to Tourism, Agriculture, and Arts and Culture Industries.

The plan also reserved specific funds for future planning purposes:

- \$275 million was reserved for external relief to affected industries, non-profits, and other organizations. Requests for new relief program are administered via competitive grant application after review by FSAG.

On December 21, 2021 the FSAG approved additional expenditures to support the state’s public health response including:

- Efforts to mitigate disruptions to food supply chains and public health resiliency via the University of Tennessee Ag Research and Education Centers (\$50 million).
- Support for expansion of technology-based government services, cybersecurity, and related citizen-services infrastructure via State of Tennessee Strategic Technology Services Projects (\$196.8 million).

Several agency proposals were also deferred for additional briefing by the FSAG. These proposals were identified as eligible for funds but requiring additional briefing by the group. These proposals are being briefed throughout 2022.

On March 23, 2022 the FSAG met to review next steps for administering grants to external entities. From the \$275 million set aside for external organizations, the group adopted recommendations for funding up to:

- \$230 million in long-term resiliency initiatives for health care provider via a newly created Statewide Healthcare Resiliency Program (to be administered by the TN Dept of Health);
- \$32.8 million in support for disproportionately impacted populations via targeted grants to: Habitat for Humanity (\$15 million for housing supports); Teach for America (\$5.8M for academic supports and education recovery); the Goodwill Excel Center (\$12M for workforce recovery efforts in Shelby County).

On March 23, 2022, the FSAG also adopted two prior-discussed proposals from the Department of Mental Health and Substance Abuse Services. These proposals recommended funding up to:

- \$34.9 million for the creation of three new Crisis Walk-In/Stabilization Units to serve up to 12,750 Tennesseans from Montgomery, Obion, Maury and contiguous counties annually;
- \$6.3 million for the expansion of the Project Rural Recovery Integrated Mobil Health project to two additional mobile clinics.

On September 21, 2022, the FSAG reviewed the following adjustments to the TRP and approved one additional proposal for spending. Those are:

- Removal of two projects awarded to TDOT: Sevier County Tourism Support (\$52,100,000) and Aspire Park (\$6,000,000); returning a total of \$58,100,000 to the Fiscal Recovery Fund.
- Reduction in fund allocation for Finance and Administration's administrative cost (from \$30,000,000 to \$19,680,000).
- Addition of a new allocation to TN Department of Education for eligible costs of administering Learning Loss Remediation Camps for public school students (\$102,000,000).

On February 15, 2023, the FSAG approved three new projects for inclusion in the TRP. Those are:

- Hamilton County Forensic Lab Replacement (\$20,000,000)
- Knox County Forensic Lab Replacement (\$10,000,000)
- Replacement of the Tennessee Family & Child Tracking System at DCS (\$62,000,000)

On March 22, 2023, the FSAG approved two new projects for inclusion in the TRP. Those are:

- Local Government Plan COVID Claim Offset (\$13,794,057)
- UT – Meat Industry Workforce Training Facility (\$12,500,000)

On July 13, 2023, the FSAG approved two new projects for inclusion in the TRP. Those are:

- TAHRA/FAHE Housing Request (\$10,000,000)
- Health Resiliency Program – Expansion of practice transformation grants prioritizing distressed/at/risk counties (\$20,617,421)

On July 2, 2024, the FSAG approved eight project reallocations and three new projects for inclusion in the TRP. Those are:

- Residual funds from the following projects were reallocated to other projects:
 - Healthcare Facility Staffing Assistance Grants (\$21,401,699)
 - Healthcare Resiliency - Capital Investments (\$3,707,800)
 - Local Health Department Capital Investment (\$440,500)
 - Accelerating Program Inventory (\$224,062)
 - Administrative Costs (\$2,700,000)
- Reallocations to Existing projects:
 - Healthcare Resiliency - Workforce Transformation (\$5,863,900)
 - THDA/FAHE Investments in Housing (\$2,500,000)
 - Hamilton County Forensic Center (\$2,000,000)
- Reallocations to New projects:
 - Department of Transportation – Megasite Roads (\$10,000,000)
 - Agriculture – Food Banks (\$7,200,000)
 - Mental Health and Substance Abuse Services – Mental Health Scholarships (\$910,161)

Revision Log

Version	Date Published	Summary of changes
1.0	October 6, 2021	Initial Draft Publication for Public Comment
1.1	December 11, 2021	Final Phase 1 of Plan Published and Submitted to US Treasury
1.2	January 25, 2022	Reflects addition of new projects approved by Financial Stimulus Accountability Group (FSAG): <ul style="list-style-type: none"> • Five F&A – STS projects (STS Cloud, STS Cybersecurity, STS Enterprise Data Analytics, STS Business Process Automation, STS Infrastructure and Modernization) • TDA’s UT Ag Research and Education Centers
1.2	January 25, 2022	Change to Expenditure Category of Healthcare Staffing Assistance Grants from ‘4.2 Public Health – Private Sector Employers’ to ‘1.12 Other Public Health Services’.
1.3	March 23, 2022	Reflects addition of new projects approved by Financial Stimulus Accountability Group (FSAG): <ul style="list-style-type: none"> • Healthcare Resiliency Program • Habitat for Humanity • Teach for America • Goodwill Excel Center • Crisis Continuum Enhancement • Project Rural Recovery – Integrated Mobile Health • Change to Expenditure category State Public Health Laboratory from ‘1.7 Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency to ‘1.14 Other Public Health Services. • Change to Expenditure category DDA Regional Seating and Positioning Clinic Replacements from ‘1.7 Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency to ‘1.14 Other Public Health Services. • Change to Expenditure category Local Health Department Capital Investments from ‘1.7 Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency to ‘1.14 Other Public Health Services. • Change to Expenditure category Healthcare Facility Staffing Assistance Grants from ‘1.12 Other Public Health Services to ‘1.14 Other Public Health Services. • Change to Expenditure category Unemployment Insurance Tax & Benefits System from ‘2.6 Unemployment Benefits or Cash Assistance to Unemployed Workers* to ‘2.9 Unemployment Benefits or Cash Assistance to Unemployed Workers.

		<ul style="list-style-type: none"> • Change to Expenditure Category Support for TN Art Organizations from '2.12 Negative Economic Impacts-Aid to Other Impacted Organizations to '2.36 Aid to Other Impacted Industries. • Change to Expenditure Category Tennessee Tourism & Hospitality Recovery Fund '2.11 Negative Economic Impacts-Aid to Tourism, Travel, or Hospitality to '2.35 Aid to Tourism, Travel, or Hospitality. • Change to Expenditure Category Tennessee Tourism ARPA Marketing Fund Request from '2.11 Negative Economic Impacts-Aid to Tourism, Travel, or Hospitality to '2.35 Aid to Tourism, Travel, or Hospitality. • Change to Expenditure Category Commercial Agriculture & Forestry Supply Chain Enhancements from '2.12 Negative Economic Impacts-Aid to Other Impacted Industries to '2.36 Aid to Other Impacted Industries. • Change to Expenditure Category Sevier County Tourism Support Project from '2.11 Negative Economic Impacts-Aid to Tourism, Travel, or Hospitality to '2.35 Aid to Tourism, Travel, or Hospitality. • Change to Expenditure Category Anderson County - Aspire Park Support Project from '2.11 Negative Economic Impacts-Aid to Tourism, Travel, or Hospitality to '2.35 Aid to Tourism, Travel, or Hospitality. • Inclusion of Expenditure Category 3: Public Health-Negative Economic Impact: Public Sector Capacity • Change to Expenditure Category Accelerating Program Inventory from '7.2 Administrative (Evaluation and Data Analysis) to '3.4 Public Sector Capacity: Effective Service Delivery. • Change to Expenditure Category Electronic Health Records project and supporting Infrastructure from '7.2 Administrative (Evaluation and Data Analysis) to '3.4 Public Sector Capacity: Effective Service Delivery. • Change to Expenditure Category UT - Ag Research and Education from '1.12 Other Public Health Services to '1.14 Other Public Health Services. • Change to Expenditure Category Cloud from '1.12 Other Public Health Services to '1.14 Other Public Health Services. • Change to Expenditure Cybersecurity from '1.12 Other Public Health Services to '1.14 Other Public Health Services.
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1.4	July 29, 2022	<p>Reflects addition of new projects approved by Financial Stimulus Accountability Group (FSAG):</p> <ul style="list-style-type: none"> • TSU – Ag Research and Education • Ag Veterinary Lab • Treasury – Informational Technology Infrastructure • Treasury – Information Technology – Operational Technologies • Treasury – Information Technology – Project ARIS – Future of Concord • Childcare External Requests • Change to Expenditure category Electronic Health Records project and supporting Infrastructure from '1.4 Prevention in Congregate Settings (Nursing Homes, Prisons/Jails, Dense Work Sites, Schools, etc.)* to '3.4-Public Sector Capacity: Effective Service Delivery • Change to Expenditure category Unemployment Insurance Tax & Benefits System from '2.9 Unemployment Benefits or Cash Assistance to Unemployed Workers* to '3.4-Public Sector Capacity: Effective Service Delivery • Change to Expenditure category Support for TN Arts Organizations from '2.36 Negative Economic Impacts- Aid to Other Impacted Organizations to '2.34 Assistance to Impacted Nonprofit Organizations • Change to Expenditure category Project Rural Recovery – Integrated Mobile Health from '1.12 Mental Health Services to '1.14 Other Public Health Services
1.5	September 21, 2022	<p>Reflects addition of new projects approved by Financial Stimulus Accountability Group (FSAG):</p> <ul style="list-style-type: none"> • Education – Learning Loss Remediation Camps.

		<ul style="list-style-type: none"> • Reduction in fund allocation for Finance and Administration Administrative Cost (from \$30,000,000 to \$19,680,000). • Removal of two projects awarded to TDOT, Sevier County Tourism Support and Aspire Park, based on U.S. Treasury Guidance.
1.6	February 15, 2023	<p>The following projects were approved by the Financial Stimulus Accountability Group (FSAG):</p> <ul style="list-style-type: none"> • Hamilton County Forensic Lab • Knox County Forensic Lab • Replacement of the TFACTS System in the Department of Children’s Services
1.7	March 22, 2023	<p>The following projects were approved by the Financial Stimulus Accountability Group (FSAG):</p> <ul style="list-style-type: none"> • F&A Benefits Admin. – Local Government Plan COVID Claim Offset • TDA/UTIA – Meat Industry Workforce Development and Training Facility
1.8	July 13, 2023	<p>The following projects were approved by the Financial Stimulus Accountability Group (FSAG):</p> <ul style="list-style-type: none"> • Tennessee Housing Development Agency – Investing in Housing • Tennessee Department of Health – Health Resiliency Program
1.9	May 10, 2024	Updated “Summary of Adopted Budget” table with the 3/31/2024 Project and Expenditure report data submitted to Treasury.
2.0	July 31, 2024	<p>Updated “Summary of Adopted Budget” table with the 6/30/2024 Project and Expenditure report data submitted to Treasury.</p> <p>Updated each project within Project Inventory to reflect progress from July 1, 2023 – June 30, 2024.</p> <p>Updated projects to reflect re-allocation of funds approved by FSAG on July 2, 2024.</p> <p>Moved FSAG meeting notes to an Appendix at end of the report.</p>