

PY21/SFY22 OPTIONAL REQUESTS

Increase in Administrative Cost Limitations

Minnesota Department of Employment and Economic Development (DEED) is requesting an increase in the administrative cost limitation from 13.5% to 20%. Our project has incurred additional administrative costs due to the necessary program components as a result of COVID-19. The increased costs are expected to continue into PY21. They are a result of these specific COVID-19 factors:

1. As the economy begins to reopen and participants return to training sites, there is still significant and substantiated concern about keeping older workers safe. While Minnesota's vaccination rates are increasing, there's still the possibility of "breakthrough cases" for vaccinated participants. Also of great concern are the health and safety risks to unvaccinated participants. DEED is recommending participants adhere to **SCSEP host agency safety measures** per the Centers for Disease Control and Prevention (CDC) and World Health Organization (WHO). These measures may include providing personal protective equipment (masks, gloves, etc) for staff and participants, redesigning office spaces for social distancing, monitoring air quality, and creating and posting safety reminders throughout office spaces.
2. COVID-19 fears, particularly among those who are unvaccinated, will affect enrollment numbers. As such, subgrantees will need to **allocate additional resources for outreach and recruitment, particularly to minority individuals**, to meet or exceed the Service Level and Service to Most-in-Need (MIN) goals. As Minnesota strives to ensure that SCSEP opportunities are spread equally across cultural, racial, and geographic boundaries, subgrantees will continue to make it a priority to recruit and select individuals from under-resourced groups. Recruitment strategies, particularly those targeted for minorities, change with the changing political and environmental landscape and conditions. Because of

COVID-19, the following strategies will need to be intensified again this program year:

a. Increase the number of outreach staff who are hired and trained to

identify and recruit minority participants. Additional staff will be needed to target recruitment efforts, ensure program materials are culturally appropriate, and distributed in a strategic, targeted manner via community leaders, culturally-specific organizations, and state and national providers who are experienced in working with minority individuals. For example, Minnesota state and national providers, such as the National Indian Council on Aging, The Center for Workforce Inclusion/SSAI, and the Minnesota Chippewa Tribe recruit directly on American Indian reservations located within the boundaries of their service areas. These staff will also develop program materials that are culturally appropriate (i.e. accessible and translated into multiple languages such as Spanish, Somali, Hmong, Vietnamese, Lao, Arabic, and Russian). To disseminate program materials, they will work closely with local agencies and outlets that serve MIN populations, such as social service organizations, newsletters, radio, and television outlets (Insight News, Minnesota Spokesman Recorder, The Circle, Latino Midwest News, Asian American Press, JMOJ), grocery stores, public assistance case workers, public health workers, clergy, and rural neighborhood workers.

b. Strengthen collaborations with other WIOA programs, county public assistance departments, Vocational Rehabilitation Service departments, Area Agencies on Aging, and other community-based organizations. To promote SCSEP and increase referrals to the program, particularly among minority individuals, these efforts may include increasing the number of online and virtual

conversations and presentations with partners about the program's eligibility criteria, requirements, and benefits to older workers.

c. Increase the identification of appropriate and necessary support for all participants, particularly minorities, to address barriers to unsubsidized employment. This may include identifying and connecting with useful transportation services, medical services, free meals, wellness classes, legal aid, elder-abuse prevention, basic finance and tax preparation courses, etc.

3. The fear of exposure to COVID-19 and discomfort with returning in person to training sites also creates an **increased need for access to reliable technology and connectivity as well as the staffing needed to ensure proper operation**. Many of Minnesota's participants will not be returning in person to their training sites because their host agency closed permanently, isn't welcoming back participants/volunteers, or participants do not feel safe returning in person. These participants will be completing an at-home training program, which includes online and pen and paper activities. DEED anticipates most of the at-home participants will be engaged with the online activities. Participants who prefer the pen and paper options will be encouraged to try the online activities to improve their skill set and make them more prepared for transition to unsubsidized employment. As such, at-home participants will need reliable equipment and connectivity, computer-based training, technology upgrades, and additional support and assistance from staff.
4. The pandemic has forced active and eligible participants to reconsider their job goals and job search plans. Many unemployed older workers were in industries heavily affected by the pandemic shutdown, including food service, travel, tourism, and retail. Several employers within these industries either closed permanently or may not reopen anytime soon. For those businesses that have reopened, many participants may not feel safe

returning, as described above. The need to reassess and redefine jobs goals and development plans may require additional training and enhanced skillbuilding, which in turn will create a need for **more intensive and individualized participant support**.

5. Also related to host agency closings, there will be a need for **more intensive and targeted employer engagement** to identify and establish new relationships with suitable employers that can provide the training necessary to help participants become job-ready.

Most of Minnesota's providers who budgeted for increased administrative funds in PY20 have nearly maxed out this cost category before even reaching the end of the program year. This demonstrates the request for increased administrative funds was warranted. For PY21, additional administrative funds would continue to mitigate the adverse effects of the pandemic on active and eligible SCSEP participants. The funds would allow subgrantees to optimize expert-recommended safety measures and reduce exposure risk to participants. Additionally, the funds would enable providers to increase training options and return participants back to work with the provision of technology and connectivity; additional staff support to provide computer-based training, culturally-appropriate and effective recruitment efforts, and individualized assistance to participants who were particularly negatively impacted; and intensive employer engagement to identify new, suitable host agencies.