

#### **MAWB** Operations Committee

March 20<sup>th</sup>, 2025

The Chair convened the meeting at 9:01 AM.

Approval of the minutes & agenda, moved by Mark Jacobs, seconded by Rick Roy, 13 Ayes, 0 Nays.

#### Employment & Training Programs Update – Ama Akapo

- State Program Updates
  - State February budget & economic forecast
    - Balance of \$456 million for FY26-27 biennium
    - Projected spending growth outpacing revenue growth for 28/29 biennium, resulting in a forecasted shortfall of \$5.995 billion
    - Budget outlook reflecting an analysis of economic and fiscal uncertainty due to high inflation, shifting policies at the federal level and other factors
    - <u>Current Estimates of State Budget / Minnesota Management and Budget (MMB)</u>
      <u>February 2025 Budget and Economic Forecast</u>
  - Release of latest monthly figures of the Minnesota job market:
    - Number of unemployed: 92, 898
    - Number of employed: 3,050,513
    - Labor force growth: 3,143,411 (0.03% three times faster than the national average)
    - Labor force participation rate: 68.1% compared to 62.2 nationally.
    - Unemployment rate in Minnesota remained level at 3% in January, compared to 4% nationally.
    - https://mn.gov/deed/newscenter/press-releases/#/detail/appld/1/672409
    - https://mn.gov/deed/data/current-econ-highlights/state-nationalemployment.jsp
    - <u>Alternative Measures of Unemployment in Minnesota / Minnesota Department</u> of Employment and Economic Development

• ETP Updates

- CanTrain RFP expected to be release by next week
- Q4 TCP-DI and Capacity Building applications are being reviewed. Applications are currently being accepted for Q5 – final deadline 3/31/2025
- Sign up options for e-mail notifications regarding DEED competitive grants and contracts
- <u>Competitive Grants and Contracts / Minnesota Department of Employment and Economic Development</u>
- Federal Updates
  - TEN 21-24, Change 1 Cancellation of Training and Employment Notice (TEN) No. 21-24: Immediate Implementation of Executive Orders "Ending Radical and Wasteful Government DEI Programs and Preferencing" and "Ending Illegal Discrimination and Restoring Merit-Based Opportunity" released 2/27/2025
    - <u>TEN 21-24, Change 1 | U.S. Department of Labor</u>

- Staffing Updates:
  - New Minnesota Federal Project Officer: Danielle Wadell
  - New Region V Performance and Reporting Lead: Susan Manikowski
- Recap on NGA Winter Policy Institute
  - Key takeaways from Dr. Robert Westcott's economic and workforce outlook:
    - US economy should keep growing but the expectation of a slowdown is likely
    - Inflation may be moving toward its end phase, but the potential effect of new policies (especially around tariffs) may lead to additional rate cuts
    - State economies are likely to be negatively affected by higher prices, large-scale federal employment cuts and potential spillover impacts on private sector employment.
- NGA Winter Policy Institute: Key Topics
  - The importance of advancing WIOA reauthorization in 2025 to support WFD initiatives
  - Equipping workers with the tools required for an AI-powered economy
  - Roundtable discussions on the displacement of federal workers, systems improvement and alignment, innovative and modernized service delivery, apprenticeship and youth apprenticeship, data and accountability
  - Panel session regarding the workforce development's role in disaster recover, advancing strategic programs without federal pandemic funds, exploring workforce system governance and innovation
- Local Workforce Board collaboration requirements in competitive grants
  - The committee discussed ways that DEED & MAWB can partner to ensure that grants that have requirements to collaborate with local workforce boards are leading to meaningful connection.
  - <u>City of Minneapolis's Collaboration Form</u>

# Governor's Workforce Development Board Update – Katie McClelland

- NGA Winter Policy Institute Takeaways
  - Theme of needing to dust off recession playbooks
  - DEED will be working closed with other democratic states with focuses of following WIOA law and collaborating when DOL guidance conflicts with the law.
  - DEED is standing up a steering committee on AI in our work.
- Staffing Updates
  - Katie introduced Nolan Thompson as the GWDB Board Engagement Specialist.
  - Sonji has moved to a new team working on credential project for new Americans.
    - The role is currently posted <u>here</u>.
- Board Updates
  - Working through strategic planning process.
  - Making sure goals are in alignment with state plan goals to further collaborate with MAWB.
  - First planning meeting for sector strategy in April. Request for 2 MAWB representatives.
- Discussion about impacts of Paid Family Medical Leave
  - o <u>Resources on program website</u>
  - o <u>Monthly employer webinars</u>
- Questions about federal guidance & grants
  - Raise to Deputy Commissioners & copy <u>emily.lefholz@state.mn.us</u>

# Workforce Strategy Consultants & Employer Engagement Staff Update – Jessica Miller & Liz Jennings

- Workforce Strategy Consultant Team Updates (Jessica Miller)
  - Workforce Strategy Consultant areas have slightly changed in coverage to ensure service remains timely. Updated Map: <u>Minnesota Workforce Strategy Consultants</u>
  - Recent restructuring of workforce consultant regions to improve coverage, especially in Southwest and South Central Minnesota.
  - The team continues to focus on supporting businesses receiving economic development funding by ensuring they meet job creation goals.
  - Efforts include project management, referrals, and collaboration with education partners to align training with workforce needs.
  - Strong emphasis on sector partnerships, especially in semiconductor and advanced manufacturing industries.
  - Employers within sector partnerships are defining critical roles with universal job descriptions to streamline training across education institutions.
- Employer Engagement Initiatives (Liz Jennings)
  - Employer engagement strategists are embedded in CareerForce locations and focus on localized hiring events.
  - Current projects include:
    - CareerForce Corner events: Coordinating meetings and hiring events.
    - Workforce council engagement: Presenting employer engagement services.
    - Targeted hiring events: Organizing employer-specific hiring initiatives in various regions, including Rochester and Minneapolis.
    - Rapid response efforts: Addressing workforce displacement due to layoffs in Black Duck and other areas.
    - Drive for 5 Grant Program: Engaging grant recipients and providing continued support.
    - Collaborating with workforce development boards to support hiring efforts at the local level.
- Clarified roles: Workforce strategy consultants focus on long-term, large-scale planning, while employer engagement specialists handle immediate hiring and workforce support needs.
- Encouraged local workforce boards to involve both teams based on meeting objectives.
- Sector-Specific Workforce Development
  - Growing industries in Minnesota include semiconductors, biotechnology, clean energy, and biofuels.
  - Workforce strategies respond to employer requests, ensuring relevant sectors receive support.
- Employer Engagement & Services Tracking
  - There is a recognized gap in tracking employer services effectively.
  - Efforts are being made to improve data collection, particularly for employer interactions and job fair outcomes.
  - Salesforce is used for tracking employer engagements, but further solutions are needed to link employer services with hiring outcomes.
- Addressing Employer Concerns

- Questions were raised about providing guidance on tariffs, which is currently not within the workforce strategy team's scope.
- Future guidance may be developed as more information becomes available.
- Blog Series on Workforce Support Strategies:
  - A blog series is planned to address workforce strategies during economic uncertainty, covering topics such as proactive workforce planning, upskilling, and resource accessibility.
  - Regional partners are encouraged to contribute to the content.
- Questions & Ideas to <u>employer.engagement.deed@state.mn.us</u>

# CareerForce MN Update – Jeanna Fortney

- <u>CareerForce Grand Openings</u>
  - <u>https://www.careerforcemn.com/careerforce-blog/careerforce-burnsville-celebrates-</u> grand-opening-gateway-office-plaza
- Federal Layoff follow up to folks with ways that the workforce development system can help them.
  - <u>https://www.careerforcemn.com/careerforce-blog/are-you-federal-employee-facing-</u> <u>sudden-layoff-contact-careerforce-help-today</u>
- Information on Unemployment Insurance for Federal employees who have been laid off: <u>https://mn.gov/uimn/applicants/needtoknow/news-updates/federal-employees.jsp</u>
- Next quarterly survey of job service staff goes live April 1, through April 25<sup>th</sup> in collaboration with Minneapolis Fed.
- DC Majors will be traveling across the state to visit with LWDAs. First meeting in conjunction with Brooklyn Center opening next week.
- CareerForce Locations Overview
  - Approximately 55 CareerForce locations in the state
  - Includes 16 comprehensive centers and multiple affiliate centers
  - Local Workforce Boards designate affiliate locations
- Differences Between Comprehensive & Affiliate Centers
  - Comprehensive Centers: Must provide access to all required WIOA partners
  - Affiliate Centers: Do not have to provide access to all required partners, typically housing only a few WIOA partners
- DEED's Investment in Affiliate Centers
  - Investment decisions consider economic and population growth
  - o Example: Worthington affiliate center received additional job service staff
- Compliance & Partner Requirements
  - Wagner-Peyser-funded job service centers cannot operate alone; they need at least one other required partner (e.g., Title I, VR)
  - Centers must ensure compliance through direct linkage or on-site presence of partners
  - Example: Bloomington site confirmed participation of VR to meet requirements

# OSO Updates – Juanita Borton

- OSO Agreements & Legal Review
  - DEED legal counsel changes prompted new OSO agreement reviews.
  - A standardized OSO agreement template is in development.
  - Goal: Reduce repetitive legal reviews.
- DOL Guidance & RFP Alternatives

- A new DOL regional manager is in place.
- DOL rarely provides written guidance.
- Manager suggests bypassing RFPs for low-value agreements if prior RFPs yielded only consortium responses.
- Direct proposals from consortia may be accepted, though not yet confirmed in writing.
- MAWB Committee Concerns
  - Unresolved RFPs (e.g., one from August 2022) raise questions about proceeding without formal approval.
  - $\circ$  Juanita Borton confirmed direct engagement is possible with only consortium responses.
  - Still unclear: minimum funding threshold for RFP exemption.
- OSO Consortium Funding & Structure
  - Current funding (\$3,500) may be insufficient; \$10,000 suggested.
  - Competitive funds require compensation, even for in-kind contributions.
  - Some areas use in-kind support instead of direct funds.
- RFP Process & Oversight
  - Juanita Borton is available to review RFPs upon request.
  - Confusion persists around partner participation (e.g., Voc Rehab, Job Service).
  - Need for clarified responsibilities and legal guidance in consortium arrangements.
- OSO Process, Timeline & Compliance
  - Aligning OSO timelines with the fiscal year is suggested but slow.
  - Long legal review times (up to a year) are delaying progress.
  - DEED approval only needed if a state agency is involved.
  - Some contracts are expired or unsigned, risking compliance.
- Compliance & Accountability
  - Ongoing OSO meetings continue despite delays.
- Reconciliation Process
  - Tied to MOUs and IFAs; partners submit quarterly financial data.
  - Automated reminders sent 60 days post-quarter.
  - Active in Areas 2, 3, 4, 10; expanding to 6 and 16.
- Benefits & Issues
  - Reconciliation helps identify billing discrepancies.
  - Some members missed notifications; Juanita will verify.
  - o Concerns raised about cost tracking for DEED staff.
- Reconciliation Form
  - Customized per area; tracks costs and confirms resource use.
  - Non-cash contributions must be valued and documented.
- Next Steps
  - Juanita to verify notification issues.
  - Clarify alignment with local operations.
  - Continue outreach and training for better response rates.

## Priorities

- Legislative updates, questions for discussion, and next steps (Cate)
  - Membership in both bodies were seated earlier this week, hours later a Senator was arrested and later resigned. This does not change the power balance of the Senate.
  - MYP bill has a hearing in the Senate Jobs Committee on Monday. Have a business & youth testifier planned.
  - The house version of the bill is still coming along.
  - House hearing on WIOA Reauthorization earlier in March with a lot of energy to pass it and not negotiating again. Senate has less energy and not priority at the moment.
- Marketing updates, questions for discussion, and next steps (Cate and Committee Members)
  - Will be meeting next week.
  - Collaboration with Jessica Miller on blog series.
- Leadership development/technical assistance updates, questions for discussion, and next steps (Elena/Catrice & Mark)
  - Catrice & Mark continue to work on this project.

# **Committee Reports**

- Jobseeker Services Committee
  - $\circ$   $\;$  Amy Carlson will be coming out to local events for TAA eligible folks.
  - Waiver requests through the end of May but earlier the better.
  - TANF youth reached agreement & should be hearing from them soon.
- Business Services/Economic Development Committee
  - Meetings have transitioned to bi-monthly and 90 minutes. Got guidance on agenda content from the committee.

#### Successes/Challenges/Questions

- HIRED Committee involvement Nicole & Carrie
  - JSS is created to support internal MAWB members. Bob, Kay, & Nicole to draft response.
  - Nominations Committee Appointments (needs vote) Bob
    - Elena, Carrie, Mark.
    - Motion Nicole Swanson, seconded by Jinny. Motion carried.
- Bylaws Committee Appointments (needs vote) Bob
  - Nicole, Deb, Dina.
  - Motion Rick Roy, seconded by Mark Jacobs. Motion carried.
  - Sector Strategy Planning Meeting Reps Cate/Bob
    - o Jinny
- MAWB Regional Planning Grant Discussion Bob
  - Updates on the MAWB Regional Planning Grant, amendment, RPR, etc.
- Future Works Deb & Catrice
  - Future Works is wanting to get more engaged.
  - Invite for a future meeting lunch & learn
- Targeted training list Jinny
  - Discussion on how to folks approve training.
  - o https://mawb-mn.org/wp-content/uploads/2025/03/CMJTS-Training-Services-Policy.pdf
- GCDF Cohort Training Carrie/Elena
  - Wondering if there is appetite for another cohort next fall.
  - Bob will reshare the curriculum.

- Youthprise Driver's License Bill LOS Deb
  - Driver License Academy funding bill at the legislature.
  - Deb will set up a meeting to talk further.
  - \*\*develop form for letters of support that includes meeting for folks to log on to with addt' questions\*\*

The meeting concluded at 2:12 PM.

Next Meeting: Thursday, April 24th from 9:00 AM – 2:00 PM in-person & over zoom!