



April 8, 2025

Dear Senator Champion and Members of the Senate Jobs Committee:

WorkWell MN thanks you for your inclusion of direct appropriations in the initial Senate budget bill (SF1832).

As you know, WorkWell MN is a consortium of more than 20 non-profit workforce development organizations based throughout Minnesota, serving nearly 35,000 job seekers annually. For many legislative cycles, WorkWell MN members have successfully utilized direct appropriations to creatively and effectively address Minnesota's workforce training need, helping to populate the talent pipeline for employers whose economic growth depends on enough people to be the engine to make it so. Direct appropriation grants have been implemented in a highly effective way to prepare and train workers and facilitate employer connections.

In our experience, direct appropriations complement the competitive grants awarded through the State Department of Employment and Economic Development (DEED). Both agency competitive grants and direct appropriations serve important purposes in the state's workforce training system and, in combination, achieve the greatest flexibility and capacity statewide to address our looming workforce needs.

The same accountability measures are in place for direct appropriations as they are for competitive government grants through DEED. These same DEED requirements include negotiated performance metrics, a cost reimbursement grant structure, ongoing financial and program monitoring to ensure all funds are used appropriately, project goals are met and all participant data captured in DEED's Workforce One system.

And nonprofit accountability doesn't end there. Nonprofits willingly participate in annual third-party audits to ensure financial and program accountability and transparency. Our reputation as organizations with many decades of collective experience depends on high performance, meeting funder results and most importantly maintaining the confidence of communities—participants, employers, and funders alike.

Lastly, what has been true in the recent past remains true today in this worker shortage environment where employers and funders are asking nonprofits to do more: **Minnesota needs both direct appropriations and competitive government grants to sustain our workforce ecosystem.**

Again, thank you for believing in diverse revenue streams to meet current and future workforce needs.

Sincerely,

30,000 Feet
ACER
American Indian OIC
Avivo
Build Wealth MN
CAPI USA
Central Minnesota Jobs & Training Services, Inc.
CLUES Comunidades Latinas Unidas en Servicio
EMERGE
Goodwill-Easter Seals Minnesota
HAP

Hired
International Institute of Minnesota
JFCS
MN Teamsters Service Bureau
NorthPoint Health and Wellness Center, Inc.
Pillsbury United Communities
Project for Pride in Living
Summit Academy OIC
Twin Cities RISE
Urban League Twin Cities
Vietnamese Social Service

