



# Governor's Workforce Development Council (GWDC) Funding

Report to the Legislature  
as required by 2010 Session Laws, Ch. 347, Art. 1, Sec. 9, subd. 8

January 10, 2011  
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To: The Honorable Bob Gunther, Chairman – Jobs and Economic Development  
The Honorable Geoff Michel, Chairman – Jobs and Economic Growth

From: Paul A. Moe, Acting Commissioner, Department of Employment and Economic Development

Cc: The Honorable Tim Mahoney, Minority Ranking Member – Jobs & Economic Development  
The Honorable Jim Metzen, Ranking Minority Member of Jobs & Growth Committee  
Ms. Jess Hopeman, Acquisitions Division, Minnesota Legislative Reference Library

Date: January 10, 2011

Subject: Request for changes to GWDC funding

The 2010 Omnibus Economic Development bill amended *Minnesota Statutes* 116L.665, Subdivision 8 to direct the Commissioner of the Department of Employment and Economic Development (DEED) to submit to the legislature a formula for funding the Governor’s Workforce Development Council (GWDC). For several years, DEED has desired to change the way the GWDC is funded. The GWDC is currently funded solely by a portion of DEED’s discretionary Workforce Investment Act funds. Multiple other state agencies are represented and participate in the GWDC, and these other agencies should also contribute funds.

**GWDC Representation and Scope of Responsibilities**

In addition to the Commissioner of DEED, the Commissioners of Education (MDE) and Human Services (DHS), and the Chancellor of Minnesota State Colleges and Universities (MnSCU) are represented on the GWDC and GWDC Executive Committee.

The GWDC’s responsibilities and duties include advising the governor and legislature on workforce policies and programs that are administered by departments other than DEED, such as Carl D. Perkins Vocational and Applied Technology Education Act, the Minnesota Family Investment Program, and programs that relate to “establishing an integrated seamless system for providing education and work skills development services to learners and workers of all ages” (*Minnesota Statutes* 116L.665, Subd. 3b).

### Guide for how funding could be distributed

The GWDC’s 2011 Policy Advisory and biennial WorkForce Center Report provide a reasonable guide for determining how funding responsibility could be distributed. This is a rough approximation intended only for the purpose of determining funding responsibility.

<b>GWDC Product</b>	<b>Approximate Portion of GWDC Work</b>	<b>GWDC Committees</b>	<b>Approximate Scope of Work</b>	<b>Share of Funding Responsibility</b>
<b>2011 Policy Advisory</b>	20%	Education Policy	50% MDE 50% MnSCU	10% MDE 10% MnSCU
	20%	Older Workers	33% DHS 33% DEED 33% MnSCU	7% DHS 7% DEED 7% MnSCU
	20%	Resource Alignment	33% MDE 33% DEED 33% MnSCU	7% MDE 7% DEED 7% MnSCU
	20%	Disability Employment	100% DEED	20% DEED
<b>Workforce Center Report</b>	20%	Executive	100% DEED	20% DEED

### Recommendation

DEED, Department of Education (MDE), Department and Human Services (DHS), and Minnesota State Colleges and Universities (MnSCU) should share the cost of funding the GWDC. Based on representation and scope of responsibilities, the GWDC budget should be divided in the following way: DEED (55%); MDE (15%); MnSCU (25%); DHS (5%).