

Wednesday, July 01, 2015



Governor Dayton's Diversity and Inclusion Council

July 1, 2015 Report to Governor Mark Dayton

Wednesday, July 01, 2015

July 1, 2015

Dear Governor Dayton:

On January 20, 2015, you signed Executive Order 15-02 establishing the creation of the Diversity and Inclusion Council. The Council seeks to improve the recruiting and retention of state employees from diverse backgrounds, improve the contracting process for businesses owned by Minnesotans from diverse backgrounds and promote civic engagement for all in the State of Minnesota. Upon signing the Executive Order, you stated:

“A government that serves the people of Minnesota should reflect the rich diversity of Minnesota. We must ensure that all Minnesotans have equitable opportunities to work for their state government, to do business with the state, and to participate fully in the development of policy within our democracy.”

For the past five months, the Diversity and Inclusion Council’s leadership have worked closely with cross-sector, community stakeholders to assess the State of Minnesota’s current landscape of equal opportunity initiatives in the areas of employment practices, contracting, and civic engagement. These collaborations provided opportunities for community stakeholders to share their respective sectors’ and communities’ perceptions of the State of Minnesota’s processes, and share their best practices to develop innovative strategies that will move the state toward becoming a diverse and inclusive organization.

The full Council is charged with providing its first report to the Governor and the Legislature on July 1, 2015. The Council is to provide its second report on January 1, 2016, and then a report annually each year thereafter.

This report intends to:

1. Provide an overview of the State of Minnesota’s current processes for increasing diversity and inclusion in its employment practices, contracting practices, and civic engagement;
2. Summarize best practices and barriers in accessing employment opportunities, contracting opportunities, and engagement opportunities that were identified by the Council’s three committees; and
3. Identify the milestones the Council will work to meet by January 1, 2016, and long term outcomes the State of Minnesota, the Diversity and Inclusion Council, and the Council’s committees are working to reach.

July 1, 2015 Diversity and Inclusion Council Report Structure

The Diversity and Inclusion Council's Employment Practices, Contracting Practices, and Civic Engagement Practices Committees were asked to share the following in this report:

- 1. Overview of Committees Purpose and Responsibilities**
 - a. Why was this committee created under E.O. 15-02?
 - b. What are the initial responsibilities and charge of this committee?
- 2. Committee Participation**
 - a. List participants of Q1 and Q2 committee meetings.
 - b. Discuss who presented at the committee meetings.
- 3. Current Programs and Environment in State Government**
 - a. Discuss existing programs, interagency groups, and other efforts that exist in state government within committees issue area.
 - b. What is overall attitude toward the committee's issue area within the Governor's Cabinet and throughout state government?
- 4. Barriers Identified by the Committees**
 - a. Discuss barriers that were identified by the committee.
- 5. Current Status of Metrics**
 - a. How are the metrics that will be used to set the work and identified long term outcomes of the committee being determined?
 - b. What outside consulting/studies/program are being used to identify these metrics and set committee outcomes?
 - c. Share proposal for what metrics will be used (if available).
 - d. If your committee will not have concrete proposed metrics to measure by July 1, 2015, what resources will be used to help guide identifying metrics for the committee's work?
 - e. What barriers does the committee face in capturing or identifying metrics?
 - f. What additional data or information is going to be sought overtime?
- 6. Milestones to Meet by January 1, 2016**
 - a. Identify 2-3 tangible milestones that can be accomplished through the committee's work by January 1, 2016. Please share foreseeable milestones that will be met and used to map progress toward the desired long term outcomes. These milestones will be operational and include conducting studies, creating full-time employees, holding meetings with stakeholders in various sectors and communities.
- 7. Long Term Outcomes**

- a. What are the desired long term outcomes of the committee (i.e. increasing the amount of diverse applicants to state boards and commissions will feed in to increased civic engagement between underrepresented communities and state government)?
- b. What milestones will be reached to show progress in reaching the desired long term outcome?
- c. How will progress in these long term outcomes be measured? Statewide? Agency by agency?
- d. How are your identified milestones incorporated in to the strategic plan for reaching the identified long term outcomes? These outcomes will be beyond 2018.

8. Next Steps for Committee Work

- a. What is the foreseeable work plan for the committee through 2015? 2016?

Next Steps for Enterprise Diversity and Inclusion Efforts

Evaluation of Agencies

In many of the conversations that members of the Diversity and Inclusion Council have had with community stakeholders and industry leaders, it was emphasized that in order to move the State of Minnesota toward becoming a more diverse and inclusive organization, our leadership must be formally assessed.

The Governor's Office and Minnesota Management and Budget are developing diversity and inclusion indicators that will be used to assess all cabinet-level agencies. Some of these indicators will be integrated in to annual employee performance evaluations for all State employees.

We look to have these assessment tools developed in 2016.

Small Working Group Development

Executive Order 15-02 does not prescribe a formal appointments process for the Diversity and Inclusion Council's committees' membership. This flexibility allowed for each committee to work with individuals from a broad spectrum of stakeholders and receive feedback that was intended to cover the diverse opinions of multiple sectors and all of Minnesota's underrepresented communities.

This broad representation has allowed for the committees to develop a thorough understanding of: 1) Where the State of Minnesota needs to improve its practices in the areas of employment,

Wednesday, July 01, 2015

contracting, and civic engagement, and 2) Methods that can eliminate barriers to move our organization toward improvement.

The Council's committees will begin to identify smaller working groups that will lead the development and implementation of operational changes that are needed to increase diversity and encourage inclusion throughout state government. These working groups will be identified by each committee's leadership with the guidance and feedback of community members and fellow leadership. This work will begin in July 2015.

Develop Legislative Agenda and Outside Funding Options

Both internal and external partners have shared recommendations for legislative items that will advance the intended outcomes of the Diversity and Inclusion Council. The Governor's Office and Council's committees will work to develop a legislative policy agenda for the 2016 Legislative Session to support its work.

Given the uncertain nature of the state's budget, the Council's committees will also work to identify areas that they require additional funding that can be financed through foundation funding.

Both legislative and outside funding recommendations will be included in the January 1, 2016 Diversity and Inclusion Council Report.

Develop Broader Strategic Plans

With the identification of the Diversity and Inclusion Council's initial milestones and long-term outcomes, an enterprise-wide diversity and inclusion strategic plan will be developed. This strategic plan will incorporate measures to assess all cabinet-level agencies' progress in the areas of employment, contracting, and civic engagement.

These measures will be created to encourage sustainability of the work of the Diversity and Inclusion Council and are intended to shift the State of Minnesota's culture to one of inclusivity.

Development of the enterprise-wide diversity and inclusion plan will begin in fall 2015.

Index

Employment Practices Committee	9
Overview of Committees Purpose and Responsibilities	9
Vision	9
Committee Participation	10
Current Programs and Environment in State Government	11
Affirmative Action	12
Recruitment	12
Talent Pipeline Development	12
Selection	13
Retention	13
Barriers Identified by the Committee	13
Current Status of Metrics	15
Milestones to Meet by January 1, 2016	16
Long Term Outcomes	17
Long Term Outcome Milestones	18
Next Steps for Committee Work	18
Contracting Practices Committee	19
Overview of Committee's Purpose and Responsibilities	19
Current Programs and Environment in State Government	20
Barriers Identified by the Committee	21
Current Status of Metrics	26
Milestones to Meet by January 1, 2016	27
Long Term Outcomes	27
Next Steps for Committee Work	28
Civic Engagement Committee	29

Wednesday, July 01, 2015

Overview Committee Charge and Responsibilities	29
Discussion	29
Committee Participation	29
Current Programs and Environment in State Government	33
Barriers Identified	34
Current Status of Metrics	36
Milestones to Meet by January 1, 2016	36
Next Steps for Committee Work	37
Appendix	38
<i>Appendix A: Responses to Survey of Employment Practices Committee Members Regarding Current Status of Diversity and Inclusion in State Employment</i>	38
<i>Appendix B: Presentations on Employment Trends of Protected Groups at the State of Minnesota</i>	
Figure 1	40
Figure 2	41
Figure 3	42
Figure 4	43
Figure 5	44
Figure 6	45
Figure 7	46
Figure 8	47
<i>Appendix C: Contracting Committee Ideas – June 11 Brainstorming Session</i>	48
<i>Appendix D: Civic Engagement Community Stakeholders Meeting Results</i>	51
<i>Appendix E: Engagement Committee Survey Responses on Administrative Agency Engagement Efforts</i>	53

Employment Practices Committee

Overview of Committees Purpose and Responsibilities

The Employment Practices Committee was established to support the work of the Diversity and Inclusion Council to help ensure the state is a leader in its commitment to equal employment opportunity for all Minnesotans. The charge of the committee is to create a renewed focus on ensuring diversity, inclusion, and equity in statewide employment practices. The State of Minnesota (Executive Branch) currently employs 35,000 individuals, making it the largest employer in the state. While Minnesota has established programs intended to eliminate disparities in state employment of individuals from underrepresented communities, those disparities persist. Additionally, consistent with Executive Order 14-14, the committee is exploring strategies to increase state employment of people with disabilities as part of its focus on diversity and inclusion.

Our Vision

The committee has articulated its role through the following vision statement:

To foster an ongoing and dynamic process for promoting a culture of diversity and inclusion that will enrich the State of Minnesota's workforce. Improved recruitment and retention of a diverse, inclusive group of employees will enable the state to reflect the communities in which we live, and benefit from the rich backgrounds and experiences that drive innovation and increase creativity.

The Employment Practices Committee will fulfill its charge and realize its vision by assisting the state in the identification and development of best practices to recruit, promote, and retain individuals from underrepresented communities to create a more vibrant, diverse workforce within the State of Minnesota. Specific steps being taken by the committee include:

- Assessing the current landscape and needs of state government in the recruitment, retention, promotion, and engagement of state employees;
- Exploring best practices in recruitment, retention, promotion, and engagement of state employees;
- Recommending practices that will advance diversity and inclusion goals across state government;
- Recommending key metrics that will assist the committee in tracking progress and effectiveness of practices;
- Identifying and ensuring the state is creating an inclusive workplace for all employees; and,

Wednesday, July 01, 2015

- Setting long- and short-term goals for the state to meet that will demonstrate progress in creating a more diverse and inclusive workplace.

Committee Participation

The committee is comprised of a diverse group of community members with a wide variety of perspectives and experiences in recruiting, retaining, and engaging employees.

Member	Organization
Commissioner Myron Frans	Minnesota Management and Budget
Commissioner Kevin Lindsey	Department of Human Rights
Commissioner Matt Massman	Department of Administration
Eric Hallstrom	Minnesota Management and Budget
Ann O'Brien	Minnesota Management and Budget
Pete Bernardy	Minnesota Management and Budget
Ann Feaman	Minnesota Management and Budget
Elizabeth Nelson	Minnesota Management and Budget
Anika Ward	Minnesota Management and Budget
Katie Troyer	Governor's Office
Shakeer Abdullah	University of Minnesota
Patricia Brady	Ramsey County
Don Clark	American Indian OIC
Phil Duran	Outfront MN
Patience Ferguson	City of Minneapolis
Gene Gelgelu	African Economic Development Solutions
David Hough	Hennepin County
Tonya Jackman Hampton	HealthPartners
Michele Kelm-Helgen	Minnesota Sports Facilities Authority
Gary Kloos	Middle Management Association
Larohn Latimer	YWCA, St. Paul
Chris McVey	Vocational Rehabilitation
Tom Norman	DEED Workforce Center
Tyler Sadek	Lifetrack
Jane Samargia	HIRED
John Thorson	Hennepin County
Alex Tittle	Minnesota Sports Facilities Authority
Bao Vang	Hmong American Partnership
Avi Viswanathan	Bush Foundation

MMB staff and leadership presented on current practices, initiatives, metrics, and facilitated group discussion on proposals and recommendations, including the development of this report.

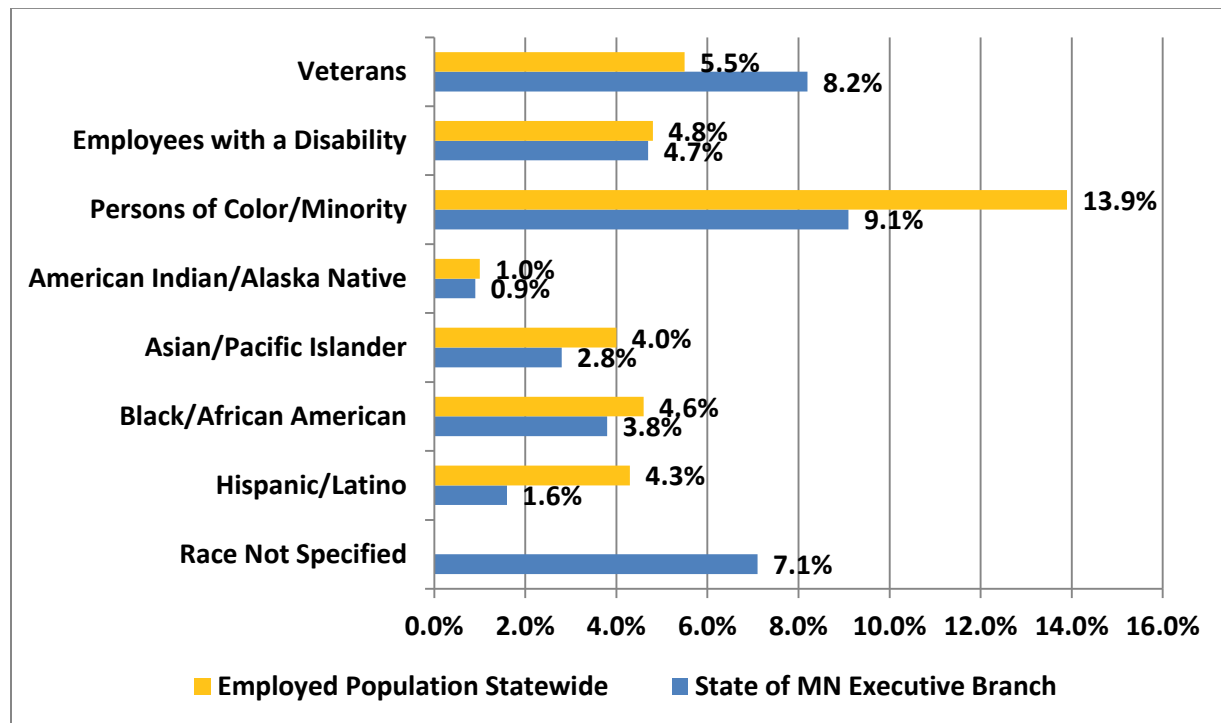
In addition, experts from HealthPartners, Vocational Rehabilitation, and the Minnesota Sports Facilities Authority made formal presentations to the committee. Members of the committee, including state agency representatives, have all provided input into this report.

Current Programs and Environment in State Government

The committee used a variety of methods to assess the current condition of diversity and inclusion in state government, through discussions, data collection, and surveys. Before evaluating any data, the committee took a survey to assess their personal perceptions of the current status of diversity and inclusion in state government. The committee wholly agreed that the state’s workforce does not reflect Minnesota’s population. A summary of the survey results is included in Appendix A.

In reviewing data, the committee focused on current demographics. Minnesota State Government (Executive Branch, excluding Minnesota State Colleges and Universities) workforce consists of nearly 35,000 appointments. Of these, 50.3% are female, while 49.7% are male. Current demographics for the Executive Branch workforce (26 cabinet agencies and boards and councils) compared to the employed population statewide are presented in the following chart. About 7% of state workers do not report their race/ethnicity.

Minnesota Executive Branch Workforce Characteristics Relative to Minnesota’s Workforce



The following efforts are occurring at the state:

Affirmative Action

Minnesota state government is required to have an affirmative action program for traditionally underrepresented groups in the workforce: women, minorities, and individuals with disabilities (Minnesota Statutes 43A.19 and 43A.191). Affirmative action requires that state agencies make good faith efforts in recruiting, selection, and retention activities to hire, promote, and retain underrepresented groups. Agencies evaluate their efforts and progress using an underutilization analysis and submit affirmative action plans to MMB every two years for approval.

Recruitment

- A cross-agency human resources collaborative worked to make the state applicant website more user-friendly;
- MMB hired an Enterprise Executive Recruiter;
- MMB expanded state social media (LinkedIn, Facebook, and Twitter) accounts to post and promote jobs and brand the State of Minnesota as a viable career choice with a broad spectrum of opportunities;
- The MnDOT community outreach effort called Minnesota Community Advisors on Recruitment and Retention Solutions (MnCARRS) was expanded in 2013 to include several other state agencies;
- The state is developing partnerships with Minnesota State Colleges and Universities to coordinate on strategic recruiting efforts;
- MMB is developing partnerships with Vocational Rehabilitation Services and several other state disability agencies to conduct outreach and improve the hiring process for individuals with disabilities; and
- MMB is developing a partnership with DEED Workforce Centers were developed to better reach individuals who either do not normally have access to computer resources to apply for state positions, or are not knowledgeable about state opportunities in remote locations.

Talent Pipeline Development

- The state currently partners with Step-Up Achieve, Right-Track, and Urban Scholars programs through the City of Minneapolis and St. Paul to provide internship opportunities to traditionally underrepresented groups;
- Agencies have trainee programs that are designed to assist in attracting and training individuals of diverse backgrounds to meet minimum qualifications of positions; and
- The state engages with Minnesota State Colleges and Universities on course offerings, internships, etc.

Selection

Wednesday, July 01, 2015

- MMB is developing and implementing a new state online application system that will:
 - Improve applicant experience;
 - Allow applicants to provide more job specific information; and
 - Provide data for better analytics.
- MMB is conducting a Hiring Process Improvement Project to:
 - Remove barriers;
 - Reassess minimum qualifications;
 - Remove redundancies; and
 - Minimize/remove unconscious biases.

Retention

- MMB initiated a statewide goal to ensure that employees receive annual performance evaluations;
- The state conducts annual engagement surveys through the annual health assessment surveys and provides feedback to state agencies for improvement; and
- The state supports agency efforts such as employee resource groups, exit interviews, and engagement surveys.

Leaders in the Governor's Cabinet and throughout state government are supportive and engaged with these efforts. However, impediments to progress exist due to resource constraints and a need for more effective, innovative solutions to address the multi-dimensional problems that underlie workforce disparities. The committee has identified and prioritized improvements the state should make to improve equity, and the recently enacted budget provides additional resources to assist with these efforts.

Barriers Identified by the Committee

The Employment Practices Committee identified several perceived and documented barriers to cultivating a more diverse and inclusive workplace for state government employees.

Barrier 1: Inadequate systems

Committee members identified areas where data was not collected or analyzed, or the state did not have the tools necessary to make the necessary assessments about the workforce for effective planning.

Specific challenges described in the feedback include:

- Lack of processes, systems, and infrastructure that support data collection and analysis and diversity and inclusion strategies; and
- LGBTQ groups not identified in data.

Barrier 2: Leaders need consistent message, support, and accountability

Committee members felt strongly that if the leaders of the organization are not committed to diversity and inclusion and held accountable to practicing it in daily interaction with staff, then it will not survive. The state must integrate diversity and inclusion into its culture.

Specific challenges described in the feedback include:

- Lack of integration of diversity and inclusion into state agency strategic plans;
- Leaders not aware of or engaged with affirmative action plans, goals, and strategies;
- Lack of training, tools, and support for hiring managers and supervisors to improve cultural competency (or eliminate unconscious bias, or to be more inclusive);
- Lack of support and action from top leaders to promote diversity and inclusion within their agencies.

Barrier 3: Lack of external outreach and communication

The state has not done a consistently effective job of outreach to diverse communities to notify candidates of employment opportunities. The state has also not communicated well about new and improved policies, practices, or efforts to create greater diversity opportunities.

Specific challenges described in the feedback include:

- Lack of communication and personal outreach to Native Colleges, Urban Tribal Offices, and Tribal Governments to encourage members of their communities to work at the state;
- Lack of resources and methods to reach agencies in greater Minnesota will limit our success for diversity and inclusion efforts across the state;
- Lack of awareness of opportunities of state jobs. The state does a poor job of advertising and promoting state opportunities as well as the good work that is done at the state; and
- Lack of diversity in veteran's pool. While veteran's cross all demographics, there is a greater white male demographic in the veteran's employment pool.

Barrier 4: Unclear intentional/deliberate hiring and recruitment strategies

Related to poor communication, the committee members felt that statewide recruitment strategies and agency onboarding processes needed to be enhanced in order to improve the candidate and new hire experiences and therefore also improve retention as well.

Specific challenges described in the feedback include:

- Lack of a mentoring program for new employees;
- Lack of understanding on how to accommodate a disability; concern around costs to accommodate a disability;

Wednesday, July 01, 2015

- Stigmas about people with disabilities and veterans not having the skills or experiences to perform the job;
- Unnecessary requirements including physical, certifications, and education levels that limit the candidate pool from candidates that are capable of performing the work;
- Human Resources screening out qualified candidates in an effort to reduce referrals to the supervisor results in removing qualified candidates. May be the result of unconscious bias;
- Telephone screen bias against poor verbal communicators that may be the best candidate for some jobs. Telephone screens may be used to reduce candidate pool, but limit the best candidates for qualifications that are not the most important to that particular job;
- Poor training for supervisors on interviewing and selection;
- Unconscious bias practices that could be mitigated through training, tools, and support for hiring managers;
- Candidates don't feel welcome to apply, don't receive response, don't believe there is a commitment to diversity; and
- Applicant online system is not user friendly which frustrates applicants so they stop applying and don't feel like we want them to apply.

Barrier 5: Poor retention can be caused by poor workplace inclusion of new employees

Committee members voiced strong opinions that a recruitment program without a retention program would be a counterproductive. A poor employment environment and hiring experience creates a poor reputation for an employer and can cause difficulty in future recruitment efforts.

Specific challenges described in the feedback include:

- New employees who don't get training, promotions, or satisfying work will look for other employment;
- New employees who don't feel welcome by co-workers will not suggest that employer to others;
- New employees here often have difficulty understanding the complexity of state government if they don't have mentors or others to help them; and
- People are insensitive to differences of others and drive others away.

Current Status of Metrics

The committee's overarching goal is for state employment demographics to match or exceed their representation in the available workforce. The committee will monitor progress toward this goal using a variety of currently available metrics, such as:

- Overall state employee demographics

Wednesday, July 01, 2015

- State employee demographics by job category, job type, and/or state agency
- State employment demographics for traditionally underrepresented groups, including minorities, individuals with disabilities, females, and veterans
- Number/percentage of hires, promotions, and resignations for each traditionally underrepresented employee group compared to the total state workforce

MMB is also developing an equal employment opportunity scorecard to facilitate the evaluation of anti-discrimination efforts at each agency. Once in place, this will provide another metric for measuring progress.

The state currently has more data on some employee groups than others (LGBTQ, for example). The committee will explore ways to better measure outreach, engagement, hiring, retention, and promotion for groups where data is not currently collected.

The committee will also explore the feasibility of obtaining data reflecting:

- The proportion of state employees who report both (a) being aware of the state's diversity and inclusion goals and (b) having taken action to contribute to their achievement.
- The number of referrals from partners who (a) apply for positions, (b) meet minimum qualifications, (c) are selected for an interview, (d) are offered the position, and (e) are hired.
- The proportion of positions for which targeted groups are represented in proportion to their workforce availability at each of the following steps: (a) application, (b) meeting minimum qualifications, (c) selection for an interview, (d) employment offer, and (e) hiring.

A sample presentation of existing data described in this section is available in Appendix B.

Milestones to Meet by January 1, 2016

1. Identify strategies to increase employment for people with disabilities to 7% by 2018

Executive Order 14-14 requires state agencies to take steps to increase employment for people with disabilities to at least 7% by 2018. As agencies work to update and refine strategic plans by January 1, 2016, they should also be identifying and implementing specific strategies to meet the 7% goal.

2. Assess impact of new applicant website and reengineered hiring practices

Implementation of the new applicant website, policies, best practices, and modifications to the state's hiring practices due to the reengineering project will provide the diversity committee the

Wednesday, July 01, 2015

opportunity to assess the impact these changes are making on recruitment and retention efforts. Policy changes already in process include:

- a. Seven day minimum length of job openings;
- b. Managerial positions being required to be open to the public rather than internally only;
- c. A more robust pre-hire review process requirement to ensure minimum qualifications are not unnecessarily eliminating candidates who can learn the position during the probationary period and that ensures that similarly qualified individuals are afforded interviews without bias;
- d. Structured interviews with appropriately rated anchors are used for all interviews;
- e. Focus on making the application and hiring experience positive; and
- f. Onboarding procedures that are welcoming.

The new applicant system will provide the state with data to analyze the applicant pool, the recruiting sources, and entrance surveys of new hires. The Diversity and Inclusion Employment Practices Committee, project workgroups, HR directors, and Affirmative Action Officers will all review the data. They will assess progress and identify changes that need to be made in our policies and procedures for further improvements.

3. Plan for enterprise wide training (unconscious bias, hiring practices, etc.)

There are two major focuses for diversity training and development:

- a. Development of our leaders, managers, and executives to ensure that they are engaged and leading the changes needed to become a more respectful and inclusive workplace. For example, leadership academies and required managerial and supervisory training sessions will include diversity and inclusivity topics; and
- b. Training all employees to understand the value of an inclusive workplace.

Depending on the audience, training topics will include: intercultural sensitivity; unconscious bias; sexual harassment prevention and discrimination prevention; understanding and valuing diversity; reasonable accommodations; talking about disabilities; the respectful workplace; inclusive hiring for supervisors; etc.

Long Term Outcomes

While the Employment Practices Committee did not settle on specific numerical targets for underrepresented groups in state employment, it did identify several long term outcomes that will enable state employment demographics to better reflect the underlying diversity of the state. While it is important to track the state's progress as an enterprise, each agency will be held accountable for diversity and inclusion goals, as well as statewide reporting. Some of these long term outcomes include:

Wednesday, July 01, 2015

1. Increasing Minnesota state employee demographics to match or exceed the demographics of the public we serve;
2. Training leaders to be proficient in diversity and to practice effective inclusion strategies in daily work;
3. Creating a culture that is welcoming and respectful of all employees;
4. Becoming a model employer, where employees take pride in and enjoy where they work; and
5. Increasing the number of years that all employees stay with the state.

Long Term Outcome Milestones

The following milestones will demonstrate progress in reaching the long term outcomes:

1. Reduce disparity in Minnesota state employment compared to the state's employable population statewide;
2. Increase employment of persons with disabilities to at least 7% by August of 2018;
3. Agencies will incorporate diversity and inclusion efforts related to recruitment, hiring, promotion, leadership development, and retention as part of their strategic plans;
4. Agencies will be required to consider diversity in recommendations to the leadership academies;
5. MMB will implement broader categories in data collection systems for employees; and
6. Develop policies and guidance for agencies on LGBTQ issues.

Next Steps for Committee Work

The committee will continue to provide strategic leadership to ensure the state meets its milestones and long term objectives through the following activities:

- Meet at least quarterly;
- Review progress and advise on milestone, metric, and long term goal development
- Consider forming or advising workgroups on specific issues and operational opportunities;
- Engage with state enterprise leaders through ongoing dialogue and by identifying action steps to keep leaders committed to changing agency culture; and
- Assist the enterprise in promoting progress and championing diversity and inclusivity efforts by continuing to explore best practices, collaborate on recruitment and outreach efforts, and assist with branding the state as an inclusive organization.

Contracting Practices Committee

Overview of Committee's Purpose and Responsibilities

The Contracting Practices Committee exists to support the work of the Diversity and Inclusion Council to achieve and ensure equity in the state contracts awarded.

The charge of the committee is to identify changes to policies and practices that the state can readily implement to achieve equity in state procurement and contracting. The committee will support the full Council in its charge by studying, learning, and developing recommendations for best practices to ensure diversity and inclusion in state contracting. The committee will emphasize equity in contracting for businesses owned by veterans, women, minorities, persons with substantial physical disabilities, and those who are lesbian, gay, bisexual or transgender (LGBT).

Specific steps being taken by the committee include:

- Identifying the existing barriers that veteran and targeted group businesses experience when seeking state contracts;
- Recommending key metrics for evaluating progress toward equity in state contracting;
- Setting goals and expectations for the state to meet over the next year, and subsequent years to demonstrate progress toward achieving equity in contracting.

Committee Participation

Member	Organization
Commissioner Matt Massman	Department of Administration
Commissioner Charlie Zelle	Department of Transportation
Commissioner Kevin Lindsey	Department of Human Rights
Commissioner Myron Frans	Minnesota Management & Budget
Adam Duininck	Metropolitan Council
Tim Connelly	Association of the United States Army Chapter
Gary Cunningham	Metropolitan Economic Development Association
Luz Frias	Minneapolis Foundation
Lea Hargett	Minnesota Black Chamber of Commerce
Mario Hernandez	Latino Economic Development Center
Barb Lau	Association of Women Contractors
Sam McClure	National Gay & Lesbian Chamber of Commerce

Member	Organization
Dr. Samuel Myers, Jr.	Humphrey School – University of Minnesota
Ravi Norman	CEO, Thor Construction
David Quilleash	Founder and President, Q Holdings
Duane Ramseur	North Central Minority Supplier Development Council
Alex Tittle	Minnesota Sports Facility Authority
Cindy Ulven	Accelerated Engraving and Signage
Rebecca Waggoner	Twin Cities Quorum/Gay & Lesbian Chamber of Commerce
Joanne Whiterabbit	Minnesota American Indian Chamber of Commerce

In addition to committee members, participants included multiple individuals from the Departments of Administration (Admin), Transportation (MnDOT), Minnesota Management and Budget, and the Metropolitan Council who provided subject matter expertise as well as logistical support. Invited guests from the private sector also participated.

Formal presentations were made by subject matter experts from Admin, the National Gay & Lesbian Chamber of Commerce (NGLCC), the North Central Minority Supplier Development Council (NCMSDC), and Target Corporation. Additionally, committee members, state agency experts, and individuals versed in the development of metrics have all provided input into the report.

Current Programs and Environment in State Government

Admin administers Targeted Group/Economically Disadvantaged (TG/ED) Small Business and Veteran Small Business Programs that went into effect in 1990 and 2009, respectively. Businesses certified under these programs are eligible to receive up to a six percent preference that is applied as part of the state’s procurement process. In addition, as part of the TG/ED program, certified vendors can be utilized to satisfy subcontractor goals established for construction or consulting contracts.

MnDOT administers a federally-based Disadvantaged Business Enterprise (DBE) Program as well as a Targeted Group Program. These programs are operated by MnDOT’s Office of Civil Rights. The DBE Program utilizes participation goals in the performance of federally-funded projects, under federal rules and limitations.

Leaders in the Governor’s Cabinet and throughout state government are supportive and engaged with regard to these efforts. There is broad awareness and support for these initiatives throughout state government, but impediments to progress exist due to resource constraints and a need for more effective, innovative solutions to address the multi-dimensional problems that underlie contracting disparities. The committee has identified and prioritized improvements the state should make to improve equity, and the recently enacted budget provides essential resources to implement changes.

Barriers Identified by the Committee

The committee identified information on barriers through presentations, group discussions, and survey results. The barriers identified fell into three main themes, namely:

1. Information/communication shortfalls;
2. Issues surrounding the cultural and competitive landscape; and
3. Process barriers.

Each of these themes has been broken down into a series of individual barriers that reflect the feedback gathered. The themes and barriers are detailed as follows:

Theme 1: Information/Communication Shortfalls

Barrier 1: Opportunities and Information are Difficult to Find

Committee members reported that opportunities and information are not easy to find. This applies to finding opportunities and projects, as well as finding points-of-contact and people who can help.

Specific challenges described in the feedback include:

- Solicitation announcements are not well promoted or easy to find; and
- It's difficult to find and connect with purchasing agents and other points-of-contact.

Barrier 2: The Process is not Approachable or Understandable

The state procurement process at large is complex and difficult to navigate according to the feedback gathered by the committee. More specifically, vendors have noted that it is especially hard to understand how to start or "break in."

Some specific challenges described include:

- Lack of familiarity with agencies, contacts, and bid processes;
- Too many places to go, both physically and electronically;
- No overall "To Do" or "How To" list;
- Confusion about inclusion goals and certifications; and
- Limited knowledge on how to market services to state agencies.
 - "There are those who know how to play the game and those who don't."

Barrier 3: Lack of Dialogue Between Agencies and Vendors – No Outreach or Feedback

State agencies are not routinely engaged with targeted group communities, and as such do not have established relationships and provide only limited outreach and education to vendors. Complaints about lack of feedback were particularly prevalent.

Specific challenges described include:

- No feedback is provided after submitting a proposal – it is very difficult to get feedback after a bid;
- More outreach to vendors is needed. Agencies don't seem to have an awareness of who is out there;
- Vendors need more timely information and responsive communication; and
- There is a lack of creative ways to connect, and often calls go unreturned.

Barrier 4: Inadequate Tools and Resources

Vendors need more tools and resources related to procurement. The types of tools and resources needed vary, but the general call is for items that are more user-friendly and take vendors' needs into consideration.

Some specific challenges described include:

- Bilingual staff are needed to help immigrant entrepreneurs;
- There is little information for new vendors;
- Lack of resources for subcontractors; and
- Directories for identifying Targeted Group and Veteran vendors need improvement.

Theme 2: Cultural and Competitive Landscape

Barrier 1: Competitive Landscape and Inability to Compete

Vendors face a tough competitive landscape. Committee members spoke of challenges competing with large companies, out-of-state contractors, and others. These large companies drive the market cost for key inputs such as labor, professional services, and insurance — yet they are generally able to acquire these inputs at lower prices and benefit from efficiencies that make it difficult for the Targeted Group/Veteran incentives to overcome. Respondents also mentioned challenges finding opportunities that align with their services or location.

Some of the specific challenges described in the feedback from this area include:

- Big general contractors eliminate all non-union firms;
- Limited resources to compete with bigger companies;
- Unable to compete with out-of-state contractors;
- Not many opportunities for businesses in certain fields;

Wednesday, July 01, 2015

- Job sites too far from companies' current locations to bid; and
- Promotion of MINNCOR – Use of inmate labor boxes out Targeted Group participation.

Barrier 2: Lack of Buy-in by Contractors and Agencies

Committee members reported that contractors and agencies are not supporting Targeted Group, Economically Disadvantaged and Veteran businesses. More specifically, agencies aren't looking for diverse vendors, and contractors are only seeking them to meet quotas.

Specific challenges described in the feedback from this area include:

- Prime contractors do not like minority (TG and DBE) businesses to participate. Quotas only used to meet good faith efforts;
- Industry lacks incentives to become more diverse; and
- No one looks for a Targeted Group vendor.

Barrier 3: Financial and Resource Limitations for Small Businesses

Multiple committee members identified financial and resource limitations faced by small businesses as a barrier. Committee members report that businesses lack the capacity to quickly ramp up to large scale projects, and may not have the working capital or financing to fund major projects.

Specific pieces of feedback included:

- Not enough small businesses survive past five years;
- Financing major projects is hard for small vendors;
- Businesses lack the financial capital to quickly ramp up to large scale;
- Lack of investment in growing Targeted Group/Economically Disadvantaged and Veteran Businesses; and
- Working capital needs.

Barrier 4: Questionable Business Practices

Some questionable business practices are believed to be preventing legitimate Targeted Group vendors from competing fairly. Committee members spoke of "perceived cronyism" on the state agency side and disingenuous practices on the business side, and reinforced need for effective certification and compliance efforts to ensure business ownership truly reflects program requirements.

Some of the specific practices called into question include:

- Too many "women-owned" companies with the husbands and fathers behind the business;
- A lot of "store front" minority contractors with virtually no overhead;
- "Perceived cronyism"; and

Wednesday, July 01, 2015

- Lack of oversight.

Barrier 5: Disillusionment Among TG Businesses

Committee members indicated that many Targeted Group and Veteran vendors have simply given up. For many, this disillusionment comes from the belief that they are applying in vain and never get fair consideration. For others, disillusionment comes from dread of the perceived red tape and requirements that go with government contracting. Veteran contractors have been required to apply for certification through the United States Dept. of Veteran Affairs – a long and complicated process – and many have opted out instead.

The specific feedback from committee members in this area is captured below:

- Don't apply anymore – feel their businesses are not really getting consideration; and
- Fear of government contracting – red tape and requirements.

Theme 3: Process Obstacles

Barrier 1: Difficulty with Certification Program Design and Implementation

Committee members and survey recipients expressed frustration with the current design of the certification programs and the accompanying process to become a Targeted Group or veteran-owned business. Frustrations focused not only on the rules involved but also the lack of tools and automation to facilitate the process.

Some specific feedback from this area includes:

- Complicated, time-consuming federal veteran's certification;
- Difficult to join Targeted Group/Economically Disadvantaged list;
- LGBT businesses are not yet recognized as a preference group in Minnesota;
- Too many different certification lists to be on and it takes too long to get certified and added to the lists; and
- It is difficult to prove you are a woman-owned company. Difficult paperwork.

Barrier 2: Targeted Group Certification is linked to Business Size

The committee discussed the difficulties that vendors sometimes face due to Targeted Group and Veteran certification only applying to small businesses. These concerns indicate that linking certification to business size may have a negative impact on equity.

The feedback specifically called attention to this being a barrier by describing it as follows:

- When a minority-owned or veteran vendor reaches a certain size, they are no longer certified; and
- Committee members expressed a desire to discuss further whether state diversity efforts should be limited to small businesses – “Is it a small business diversity program?”

Barrier 3: Requirements Within Solicitations are Burdensome

Committee members and survey recipients reported that the state's pre-requisites to merely participate in a Request for Proposal (RFP) or Request for Bid (RFB) process are overly rigid and result in the denial of opportunity.

Specific challenges described in the feedback from this area include:

- Overly rigid bidder qualification requirements;
- Liability insurance requirement is double what a vendor is required to have otherwise;
- Submission of Responsible Contractor forms and list of sub-contractors causes difficulty;
- Proprietary product specs;
- Barring firms for Administrative Penalty Orders (APO) is too harsh;
- Hard to provide samples — supplier not in Minnesota; and
- It's as though the distributor wrote the RFP.

Barrier 4: The Structure and Mechanics of the Process Limits Ability to Respond/Succeed

The way solicitations are structured, issued, and administered by the relevant state agency staff makes it difficult for small, Targeted Group and Veteran businesses to participate and succeed. These concerns relate to the mechanics and administration of the solicitation process.

Specific challenges described in the feedback from this area include:

- Contracts typically bundle multiple components of a total project into a single solicitation;
- SWIFT seems complicated and rigid. Supplier portal is difficult;
- Solicitation response timelines are unrealistic;
- Sub-contractors don't get enough information from prime contractors during the process;
- Procurement system relies on small sub-contractors to build relationships with large prime contractors to get work;
- Schedules stated in RFP were not followed;
- Long time between RFP and award;
- What was asked for was not what the department wanted; and
- Most consulting projects don't include TG or DBE goals; authority for Veteran goals does not exist under Minnesota Statutes Chapter 16C.

Barrier 5: Selection/Evaluation Process Favors Larger Businesses

The evaluation process used to select a vendor can influence the ability of small, Targeted Group and Veteran businesses to win contract awards. Contracts awarded on price alone (bids) posed particular concerns given that small businesses already struggle to compete with larger

Wednesday, July 01, 2015

businesses on price. Also, the evaluation criteria lack the flexibility to consider diversity and inclusion when selecting a vendor.

Specific feedback included:

- Low cost is considered over other factors. Competing on price favors larger vendors;
- Always choosing out-of-state vendors based on price only;
- Support for small businesses is missing at the scoring/selection level;
- Lack of flexibility to include diversity in contract selection process;
- Subjective decisions need to be better defined;
- Contracting staff deliberately obscure important decision factors; and
- Losing sales to competitors that did not meet specifications.

Barrier 6: Contract Requirements and Post-Award Practices Present Barriers

Committee members and survey respondents communicated that barriers continue beyond the certification and selection process and include difficulties after contracts are awarded. For many, it is difficult to maintain and perform contracts due to contractual requirements and agency practices that delay payments or impose burdensome obligations on companies with limited capacity.

Some of the specific concerns expressed include:

- State vendor payment process takes too long making it difficult for small vendors to meet cash flow needs between timeframe when expenses are incurred and payments received;
- Worried about bidding prevailing wage jobs — no capacity for record keeping of the sub-contractors;
- Requiring change orders makes contracts rigid;
- Extensive invoicing requirements;
- Contracts are extended beyond limits which doesn't give others a chance to bid;
- Targeted Groups dropped from project as soon as goals are achieved;
- Upfront discussions with prime contractors are not fulfilled after award; and
- State agencies do not use contracts in place to purchase products.

Current Status of Metrics

The committee members determined that the following preliminary metrics will be used:

- Percentage of contract dollars awarded to diverse businesses;
- Number of diverse businesses certified; and
- Number of diverse businesses awarded first contract.

Milestones to Meet by January 1, 2016

The committee identified the following milestones to be met or significantly underway by January 1, 2016:

1. **Effectively implement [legislation](#) enacted in the 2015 Legislative Session that will fund efforts to:**
 - a. Implement state-level certification of veteran-owned businesses;
 - b. Issue RFP and award contract for updated disparity study, which provides the legal and constitutional foundation for the state's existing TG preference program;
 - c. Hire a project manager and business analyst to create a web-based portal that will allow small businesses to apply for both federal Disadvantaged Business Enterprise (DBE) and state Targeted Group (TG) Business certifications at the same time;
 - d. Conduct expedited rulemaking to align the state's TG and Veteran certification criteria with the federal DBE certification criteria (as authorized by recently enacted statute); and
 - e. Expand outreach and support to the small business community by hiring additional staff to help business learn how to successfully work with the state.

2. **Make state procurement data available in the statewide data warehouse and begin leveraging that data to:**
 - a. Provide transparency and accountability about the state's actual amount of procurement occurring with diverse businesses; and
 - b. Compare the alignment between the goods and services procured by the state and the goods and services available from diverse businesses to more effectively promote contracting with diverse businesses. The work to make procurement data available is already under way and will enable Admin to begin leveraging that data later this summer to meet subsequent milestones and long term outcomes.

3. **Continue committee action on potentially high impact solutions that may require structural, law, or administrative rule changes, and to develop recommendations based for the 2016 legislative session.**

Long Term Outcomes

Wednesday, July 01, 2015

The long-term outcome of this committee is to increase the number and dollar value of contract awards to targeted group, economically disadvantaged and veteran-owned small businesses in order to achieve equity in state contracting. To that end, the committee has identified the following long-term milestones:

1. Develop a method for identifying all diverse businesses within the statewide accounting and procurement system. This will aid in accurately measuring the number and dollar value of contracts awarded to diverse businesses both statewide and by agency.
2. Create and publish dashboards demonstrating progress toward equity in state contracting.
 - a. The dashboard information would be used to hold the state accountable and to better inform the business community of procurement opportunities.
3. Establish methods that can be used by agencies to directly select diverse businesses for purchases and contracts under \$25,000.
4. Set an expectation that diversity and inclusion is a standard evaluation criteria for all solicitations.
5. Review and re-write language in solicitations and supporting materials, and streamline existing processes, to make instructions, requirements, and other language more direct, simple, and user-friendly.
6. Pursue the following opportunities:
 - a. Work with the Secretary of State's Office to create process efficiencies and more direct linkage of targeted group businesses with targeted group registration and state procurement opportunities;
 - b. Identify methods for paying sub-contractors more expeditiously;
 - c. Adjust contract insurance requirements, balancing the need to cover the state's risk while also creating minimal burden for businesses; and
 - d. Establish effective, sustained partnerships with targeted group and small Chambers of Commerce and other community groups.

Next Steps for Committee Work

The committee will continue to meet monthly to work toward the milestones identified above and review progress.

Wednesday, July 01, 2015

Civic Engagement Practices Committee

Overview of Committees Purpose and Responsibilities

The Civic Engagement Practices Committee's mission is to ensure that all Minnesotans have equitable opportunities to participate fully in the development of policy within our democracy. Consistent with the framework of the Executive Order, the committee seeks to enhance the civic engagement efforts of all agencies, instill a culture within all agencies to commit to continually seek to improve their community engagement efforts and to enhance engagement efforts of all Minnesotans.

The initial work of the committee after execution of the Executive Order has been focused on determining the current baseline of civic engagement efforts among agencies, identifying best practices within academic literature, current civic engagement efforts among governmental entities and identifying civic engagement efforts within ethnic communities.

Discussion

The Committee Chair initially focused his attention on the following four primary tasks:

1. Researching best practices in civic engagement
2. Meetings with community stakeholders
3. Meetings with administrative agency officials and
4. Conducting a survey of civic engagement efforts of administrative agencies

Committee Participation

The Chair has not identified individuals to serve on the civic engagement steering committee. Because of historic mistrust of civic engagement efforts within some ethnic and racial communities and the reluctance of some agencies to be candid concerning their challenges in working with some ethnic and racial communities, the Chair created working groups to obtain information. This initial report includes information from the individuals from the working groups listed below. At the time this report was being finalized, the Chair has scheduled meetings with a variety of individual stakeholders throughout Minnesota. During the summer, the Chair will begin recruiting individuals to serve on the Civic Engagement Committee.

The Chair initiated conversations with community stakeholders to build trust within historically disenfranchised communities, to begin to identify current civic engagement efforts within communities, to identify best practices within communities for civic engagement and

Wednesday, July 01, 2015

challenges from the perspective of communities in working with agencies in the formulation and development of policy.

Community Stakeholder Meetings

All of the community members were enthusiastic about the effort undertaken by the state to focus on civic engagement, eager to provide insight on best practices and interested in partnering with the committee as the work of the committee goes forward.

Community stakeholders meeting results are shown in Appendix D.

Community Participants	
Participant	Organization
Tawanna Black	Northside Funders Group
Catherine Gray	The Minneapolis Foundation
MayKao Hang	Amherst H. Wilder Foundation
Trista Harris	Minnesota Council on Foundations
Sarah Hernandez	The McKnight Foundation
Bernadine Joselyn	Blandin Foundation
Suzanne Kelly	Minnesota Philanthropy Partners
Sean Kershaw	Citizens League
Repa Mekha	Nexus Community Partners
Patrice Releford	The Minneapolis Foundation
Carolyn H. Roby	Wells Fargo Foundation
Philomena Satre	Wells Fargo Foundation
Rowzat Shipchandler	Minnesota Philanthropy Partners
Terri Thao	Nexus Community Partners
Ann Wiesner	Grassroots Solutions

Administrative Agency Workgroup

The Chair sought to create an initial workgroup comprised of individuals from the agencies that likely engaged in civic engagement given the mission of their respective agency; additionally, individuals leading inter-agency taskforces were asked to participate as the work of such taskforces often has a civic engagement component.

Specifically, the Chair asked the Department of Education, the Department of Health, and Metropolitan Council, the Department of Employment and Economic Development to participate. Also individuals leading the following inter-agency efforts were asked to participate: Olmstead Implementation Office, Reducing Recidivism and Ending Homelessness.

The administrative agency workgroup was asked to share their insight on best practices in civic engagement as well as challenges in implementing civic engagement. The workgroup was also

Wednesday, July 01, 2015

asked to share their thoughts and ideas on how to successfully achieve the goals of the Executive Order.

Administrative Agency Staff Participation	
Participant	Organization
Commissioner Matt Massman	Department of Administration
Chair Adam Duininck	Metropolitan Council
Commissioner Ed Ehlinger	Department of Health
Cathy ten Broeke	Interagency Council on Homelessness
Steve Dibb	Department of Education
Wanda Kirkpatrick	Metropolitan Council
Aaron Koski	Metropolitan Council
Kristen Jorenby	Olmstead Implementation Office
Bridget Letnes	Minnesota Department of Corrections
Jennifer O'Rourke	Metropolitan Council
Ron Solheid	Department of Corrections
Amy Stetzel	Minnesota Housing Finance Agency
Katie Troyer	Office of the Governor
Anika Ward	Minnesota Management and Budget
Darlene Zangara	Olmstead Implementation Office

Administrative Agency Workgroup Meeting Best Practice Recommendations

A challenge identified by the workgroup in implementing civic engagement was how leaders within an administrative agency explained the importance of civic engagement.

The workgroup discussed the motivation for why administrative agencies pursue civic engagement and whether there was consensus among administrative agencies for undertaking civic engagement.

The Chair organized the reasons provided by the workgroup for why administrative agencies pursue civic engagement into two categories: 1) Category was labeled democracy building; and 2) Agency program efficiency.

Democracy Building

Government is built upon the premise that government exists to fulfill the public good for its citizens. Because government can't truly fulfill the public good if it is not in dialog with its citizens, administrative agencies must be active in civic engagement.

The legitimacy of our democratic institutions to lead the public derives from the belief that the public has had a fair and meaningful role in the decisions that government makes which

Wednesday, July 01, 2015

impacts their lives. Administrative agencies can serve a valuable role in ensuring the vibrancy of our democracy by facilitating civic engagement of the public to ensure that the public has a fair and meaningful role in the decisions that impact their lives.

Individuals and their communities are also strengthened through the process of civic engagement. The capacity building potential of communities to reach their goals and fulfill aspirations is realized when they are actively involved in civic engagement.

Program Efficiency

Administrative agencies set forth the following rationales for why civic engagement improves program efficiency:

- Increases understanding of the complexity and depth of problems associated with the delivery of program services;
- Identifies solutions to problems as solutions exist within historically disenfranchised communities and among those impacted is the problem sought to be addressed by the agency; and
- Assists agencies in building trust within communities so that policy initiatives can be more successfully implemented.

The committee believes that it will be beneficial to have a clear statement as to why civic engagement is important. The workgroup encouraged the Chair to survey the administrative agencies as to why they pursued civic engagement. Accordingly, the Survey submitted to the administrative agencies contained a question as to why agencies pursue civic engagement.

The following list of best practices was developed during the course of discussions with the workgroup. The following list of best practices was not meant to be exhaustive but rather a starting point for framing future discussions with interested stakeholders:

1. Leadership should clearly express its support for civic engagement to play a role in the development of agency policy;
2. Leadership should clearly define its expectations for civic engagement in the development of policy within the agency;
3. Leadership should provide adequate resources for civic engagement in the development of policy with the agency;
4. Leadership should provide staff with adequate training to successfully implement civic engagement in the development of agency policy;
5. Leadership should determine its current civic engagement baseline in order to measure future progress or determine lack of progress;
6. Leadership should measure and track success of civic engagement in the development of policy within the agency;

Wednesday, July 01, 2015

7. Leadership should encourage staff to engage with diverse communities in non-agency related activities;
8. Leadership should provide the public with clear expectations at the beginning of the civic engagement process;
9. Leadership should ensure that civic engagement events comply with the law and are welcoming to the public; and
10. Leadership should develop a formal communication strategy to inform the public as to how its input was used by the agency.

The committee will seek to further refine this list of best practices in subsequent conversations with administrative agencies and community stakeholders.

Current Programs and Environment in State Government

The civic engagement activities of the administrative agencies within the Cabinet appear to be very similar to the civic engagement activity of the cities identified within the Bright Spots report.

1. There are successful “micro” efforts throughout state government. However, there exist challenges in growing the scale of such endeavors and creating consistency throughout agencies;
2. There is enthusiasm for civic engagement, but there is concern about how to develop meaningful metrics, good training programs for staff and how to ensure long term sustainability going forward; and
3. Administrative agencies find it challenging to communicate with some ethnic and racial communities because of distrust within those communities about the motives of government.

Research

Leaders from the public, private and non-profit sectors across the United States are looking into new ways to engage citizens in the work of developing and sustaining healthy communities. A recent report entitled, “Bright Spots in Community Engagement, Case Studies of U.S. Communities Creating Greater Civic Engagement from the Bottom Up” by the National League of Cities and the John S. and James L. Knight Foundation chronicles some recent examples of civic engagement. The “Bright Spots” report highlights the work of the partners of these two institutions in 14 cities throughout the United States in the area of civic engagement.

The report noted that when civic engagement is done well it can change policy and reconcile community divisions. The report further noted that there is a relationship between community engagement and economic vitality as “engagement generates opportunity by creating networks of individuals, organizations, and institutions committed to development and sustainability.”

Wednesday, July 01, 2015

While the definition of engagement was not completely uniform among the 14 communities in the report, engagement generally was defined by communities as:

1. Giving a significant number of people the chance to shape government priorities;
2. Tapping into the energy and creativity of citizens to spur economic development; and
3. Improving access to government data to allow data to improve the quality of life.

The Bright Spots report noted the following challenges:

1. **How to achieve scale** – How do organizations build upon and replicate their micro-level efforts to reshape their systems and institutions?
2. **How to reconcile deep community divisions within “hard-to-reach” communities** – How do organizations address race, ethnicity, and class is a perennial question? However, “there appears to be a need for increased sophistication in understanding how . . . to broaden and deepen community engagement.”
3. **How to achieve sustainability** – How do initiatives survive when changes in leadership occur? How will initiatives be adopted and adapted so that learning and innovation can continue?

Administrative Agency Survey

In an effort to begin to establish a baseline of civic engagement efforts within the Cabinet-level agencies, the Chair asked all Cabinet-level agencies to respond to a nine question survey. The Chair intends to ask for feedback from the administrative agency workgroup on how to further refine the initial baseline information. The following is a list of the survey questions along with aggregate summary answers.

Results are shown in Appendix E.

Barriers Identified by the Committee

The following three themes appear to be the most prominent challenges:

1. Starting a dialogue;
2. Implementing training; and
3. Strengthening/creating relationships. Within each theme, the workgroups identified barriers through research, meetings with stakeholders and survey results.

Theme 1: Starting a dialogue

Barrier 1: Communication with diverse communities

Both community stakeholders and committee members identified that communicating with some ethnic and racial communities is difficult because of distrust within those communities about the motives of government.

Specific challenges described in the feedback include:

- Overcoming the perception that government is more focused on saving money than investing in disenfranchised communities; and
- Re-building trust in communities where communities feel that past efforts have not been authentic or sincere by government.

Barrier 2: Communicate the committee's intent

Theme 2: Implementing training

Barrier 1: Lack of training

Conversations with agencies revealed that there is a concern regarding the lack of uniform training and education among staff charged with the responsibility for implementing civic engagement.

Specific challenges described in the feedback include:

- Agencies typically do not receive dedicated funding for civic engagement and there is a need for dedicated funding to provide civic engagement; and
- The size of and resources vary it is important that the training and education provided to agencies be adaptable to the size and resources of the various agencies.

Theme 3: Strengthening/creating relationships

Barrier 1: Changing relationships

Transforming civic engagement from a transactional based interaction to an interaction that is based on creating a long-term institutional relationship.

Specific challenges described in the feedback include:

- Transactional relationships have not always been successful and because many communities have only interacted with government on a transactional basis; and
- Some communities have no foundation of trust to move to able to move toward a long-term institutional relationship.

Wednesday, July 01, 2015

Barrier 2: Measuring true engagement

While quantitative measurements are important, authentic civic engagement can't be made without quantitative assessment measurements.

Specific challenges described in the feedback include:

- Stakeholders and Agencies believe that too many civic engagements initiatives only measures how many people attended public meetings; and
- Lack of clarity among all interested stakeholders on the best civic engagement measurement tools.

Barrier 3: Fostering lasting relationships

Creating meaningful civic engagement efforts throughout state government will take time as the creation of long-lasting relationships with all communities in Minnesota will not happen overnight.

Specific challenges described in the feedback include:

- Finding parameters to distinguish successful engagement efforts; and
- Making sure this framework stays intact regardless of politics and who is in office.

Current Status of Metrics

Administrative agencies are measuring their civic engagement efforts; however there is likely a need to develop best practices for civic engagement metrics for agencies given the number of agencies that requested such assistance in response to the survey.

In general, agencies are currently using the following metrics – the number of people who attended meetings, the number of meetings those individuals attended, the number of hits to their website, the number of people requesting project updates and the qualitative feedback they received from exit surveys.

Milestones to Meet by January 1, 2016

The committee will accomplish the following three milestones prior to January 1, 2016:

1. Convene meeting for administrative agencies to hear about best practices in civic engagement among administrative agencies. The committee anticipates convening the meeting on civic engagement as a part of the Diversity & Inclusion Summit hosted by the Department of Human Rights during Human Rights Week.

Wednesday, July 01, 2015

2. Refine and present the list of identified best practices in civic engagement form community stakeholders to administrative agencies.
3. Create steering committee comprised of administrative agency staff and public members, to guide the work of educating and assisting administrative agencies in civic engagement.

Next Steps for Committee Work

The committee sees the following immediate next steps:

- Meet with administrative agencies to further refine civic engagement baseline information;
- Meet with the following organizations identified in initial conversations: Minnesota Active Citizenship Initiative, the Capacity to Care campaign, Policy Link and Minnesota Center for Neighborhood Organizing, June Holley Network Weaver Consultants and Alliance for Metropolitan Stability;
- Meet with and develop relationships with individuals and organizations throughout the state of Minnesota who are interested in fostering and developing civic engagement;
- Begin recruiting members to serve on civic engagement steering committee;
- Research best meeting practices such as the University of Minnesota, "The Art of Hosting and Harvesting Community Conversations that Matter."; and
- Begin planning and recruiting administrative agencies for best practices in civic engagement summit meeting.

Appendix

Appendix A

Responses to Survey of Employment Practices Committee Members Regarding Current Status of Diversity and Inclusion in State Employment

How would you define diversity as it relates to the state's workforce?

Diversity represents the equity of inclusion of age, race, gender, physical ability, sexual orientation and other protected classes in the state's workforce, and also what level they are employed at - for example, leadership versus entry-level.

The state's workforce should reflect the diversity of Minnesota's population in regards to geographic location. At present, the majority of the state's workforce is white.

How would you characterize the state's reputation with respect to diversity in its workforce?

The states workforce doesn't reflect the demographic of the state. Steps have been taken in the right direction towards particular populations, but more can be done in other areas.

There is an opportunity to diversify leadership, but it needs to become part of the hiring process.

How would you define inclusivity as it relates to the state's workplace?

Inclusivity in the state's workplace would be defined as encouraging and actively seeking out diverse candidates, and providing an environment in which diverse employees would feel included, welcomed, valued and respected members of the team.

Inclusivity would be the practice of intentionally utilizing unique strengths and talents within each person to drive innovation and support individual, team and organizational success. Inclusivity is about engaging, collaborating, and partnering with others in order to create a safe, positive and nurturing environment where everyone feels valued.

How would you characterize the state's reputation with respect to inclusivity in its workplace?

There is an intimidation factor for a job-seeker as they may not believe the state will have the right environment, or may not be accepting of diversity.

When you don't have diversity in workforce leadership, it is not inclusive. The state needs to take a deliberate posture to hire protected classes during the hiring process.

Wednesday, July 01, 2015

What do you see as the existing barriers to increasing diversity and inclusivity of the state's workforce?

There are many positions that would be of great interest to diverse individuals, but they may not be aware of them because there is a lack of specific outreach to diverse communities.

Recruitment and hiring processes are, or are perceived as, lengthy and intimidating.

Recruiters and/or interviewers typically do not come from diverse backgrounds.

How do you see the work of this committee aligning or supporting the work of your organization?

If the individuals we serve are able to recognize state employment opportunities, and the state is able to help support them as an employer, it could be the beginning of a very powerful and fruitful relationship.

The committee can be a resource in assisting with in better alignment of the state's recruitment and hiring processes with the work that is done at the community level to help people become employed in living wage jobs.

Appendix B

Presentations on Employment Trends of Protected Groups at the State of Minnesota

Figure 1 shows that, across all job categories, individuals reporting a minority race represent a higher share of hires into state government than their workforce availability in the state overall, but a slightly lower share when compared to their availability in the Twin Cities metro workforce. Their overall share of state employment has increased in recent years, but remains below workforce availability. State employees reporting a minority race are more likely to resign from state employment than other state employees. State employees who report a minority race were slightly less likely to experience a promotion in 2015 than other state employees.

Figure 1: Minority Representation for All State Employee Job Categories Minnesota, 2010-2015

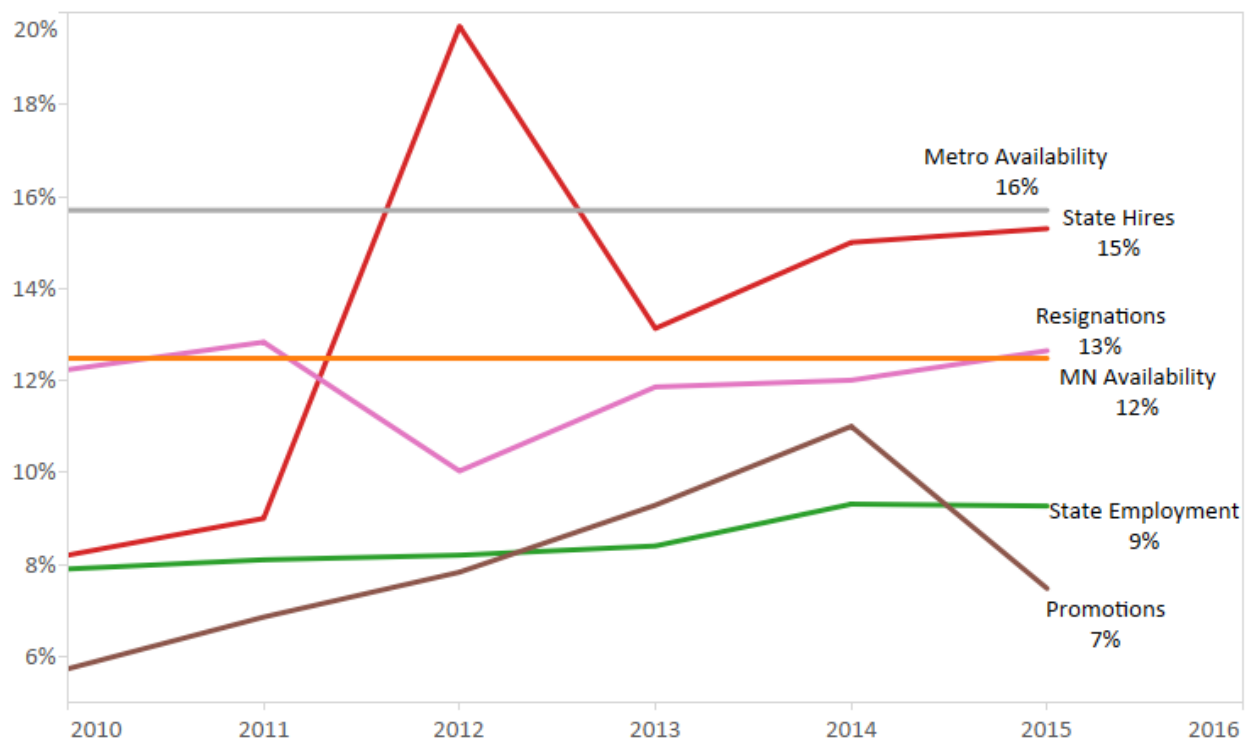


Figure 2 shows that, for the Officials/Administrators job category, in 2014 individuals reporting a minority race represent a higher share of hires into state government than their availability in the Twin Cities workforce and the state overall. Their overall rate of state employment is slightly below these rates of workforce availability. Officials/Administrators who report a minority race were slightly more likely to experience a promotion in 2015 than other state employees.

Figure 2: Minority Representation Among Officials/Administrators
Minnesota, 2010-2015

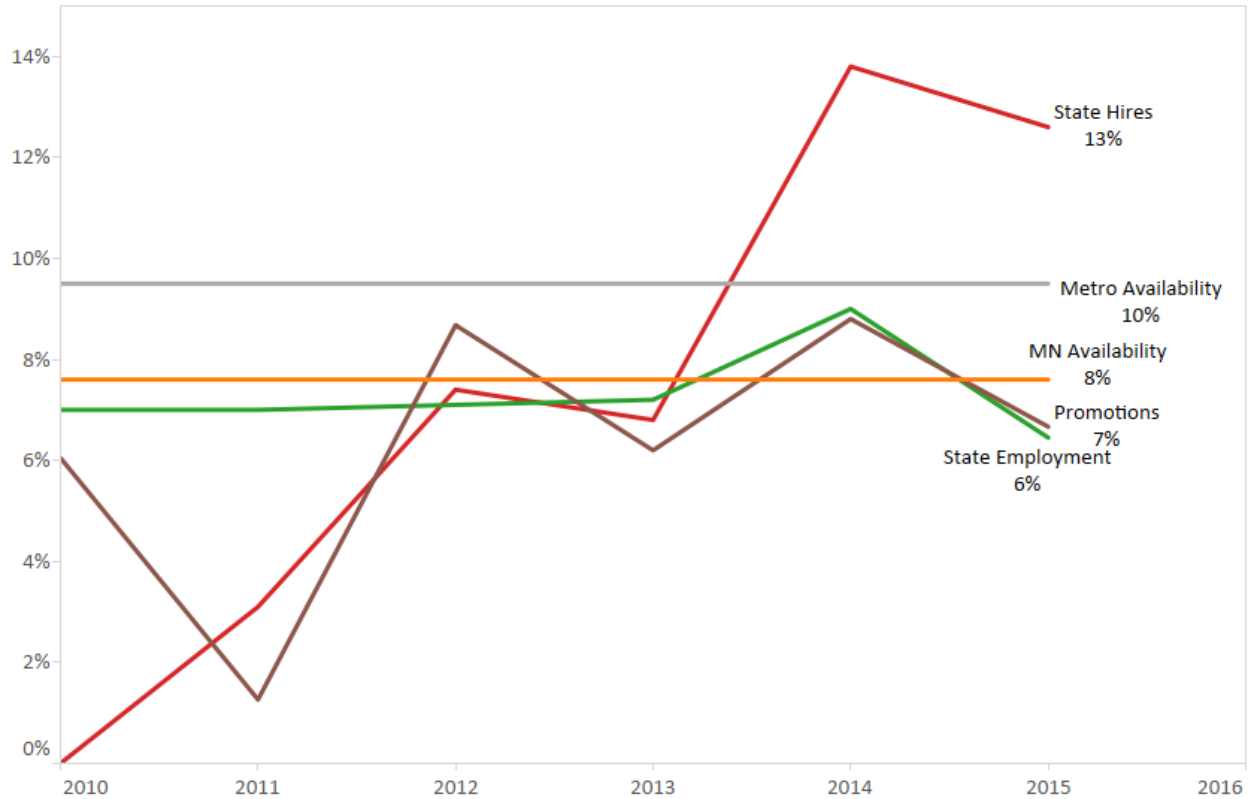


Figure 3 shows that, across all job categories, individuals reporting a disability represent a growing share of state employees, but represent a smaller share than the state’s workforce availability for this group. Individuals reporting a disability also represent a smaller share of state hires than their share of the state’s workforce availability. State employees who report a disability are less likely to experience a promotion than other state employees.

Figure 3: Individuals with Disabilities among All State Employee Job Categories
Minnesota, 2010-2015

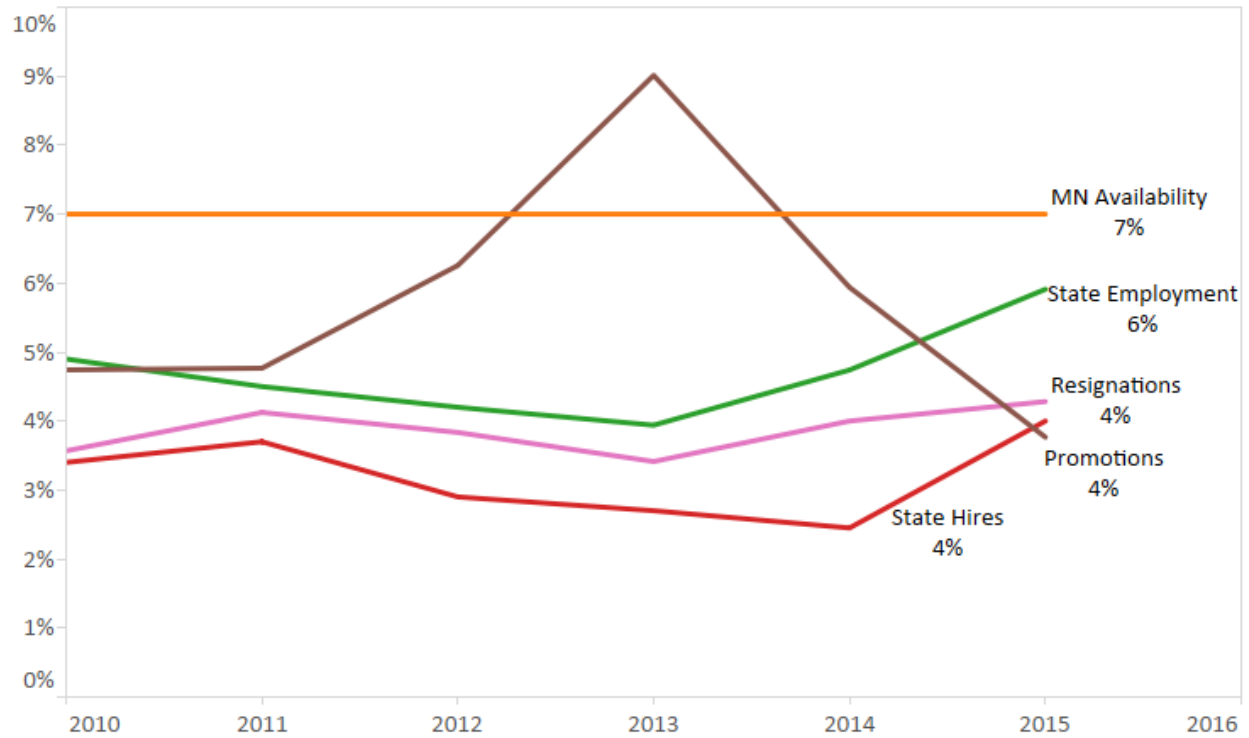


Figure 4 shows that for the Officials/Administrators job category, individuals reporting a disability represent a lower share of hires into state government than their availability in the state workforce. Their overall rate of state employment is also below their share of the available workforce in the state. Officials/Administrators who report a disability were less likely to experience a promotion in 2014 and 2015 than other state employees.

Figure 4: Individuals with Disabilities among Officials/Administrators
Minnesota, 2010-2015

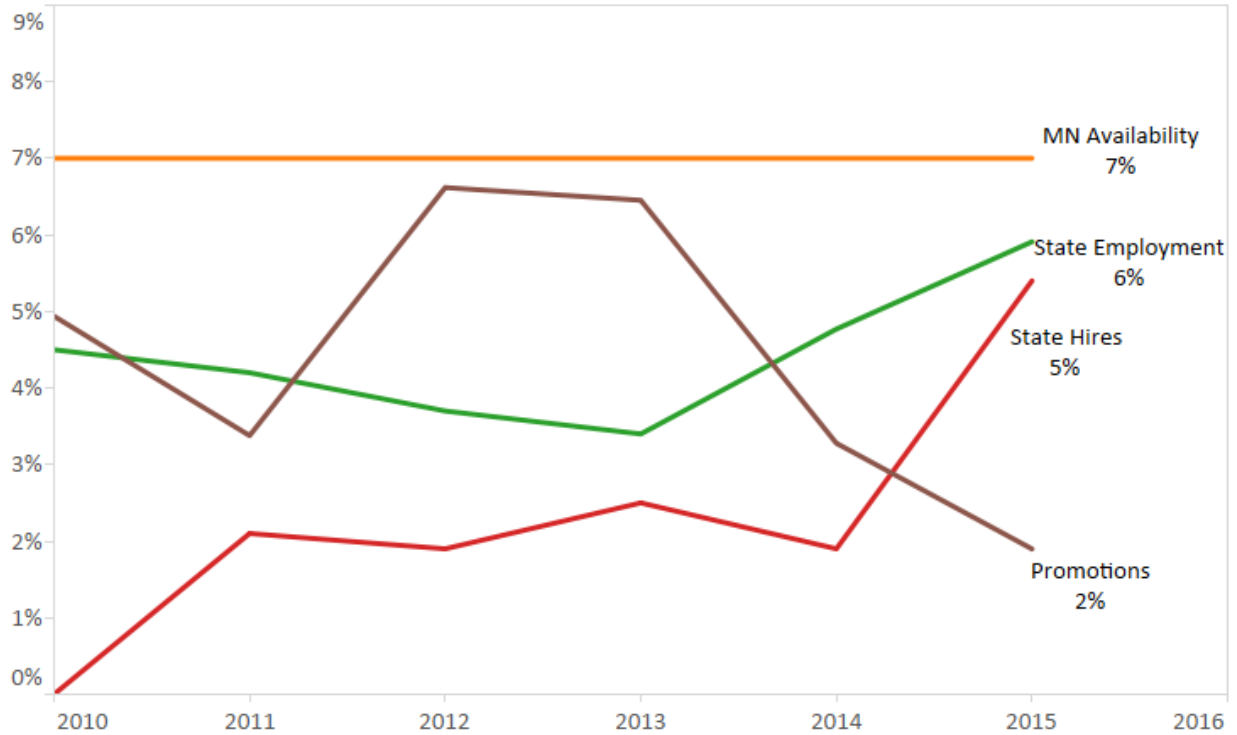


Figure 5 shows that, across all job categories, females represent a higher share of hires into state government than their workforce availability in the state. Their overall share of state employment has remained relatively constant, and slightly above their representation in the state's available workforce. Females resign from state employment at a higher rate than other state employees. Female state employees were slightly less likely to experience a promotion in 2015, relative to other state employees.

Figure 5: Females among All State Employee Job Categories
Minnesota, 2010-2015

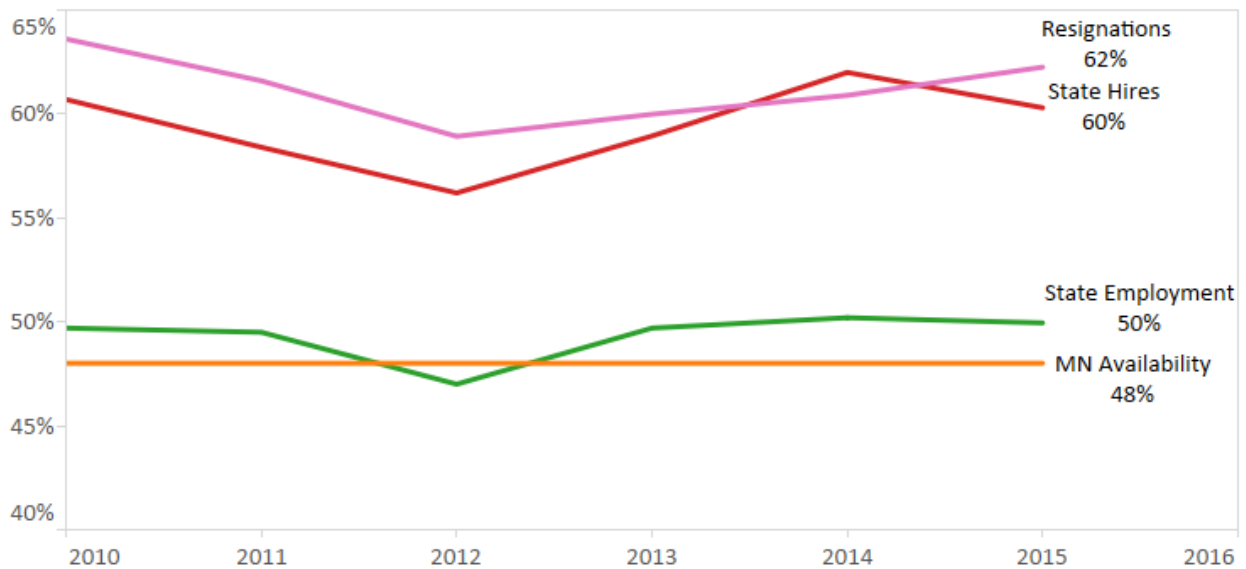


Figure 6 shows that for the Officials/Administrators job category, females represent a lower share of hires into state government than their availability in the Twin Cities workforce and the state overall. Their overall rate of state employment is above their share of availability in these workforces. Female Officials/Administrators are less likely to resign from state government than other state employees.

Figure 6: Females among Officials/Administrators
Minnesota, 2010-2015

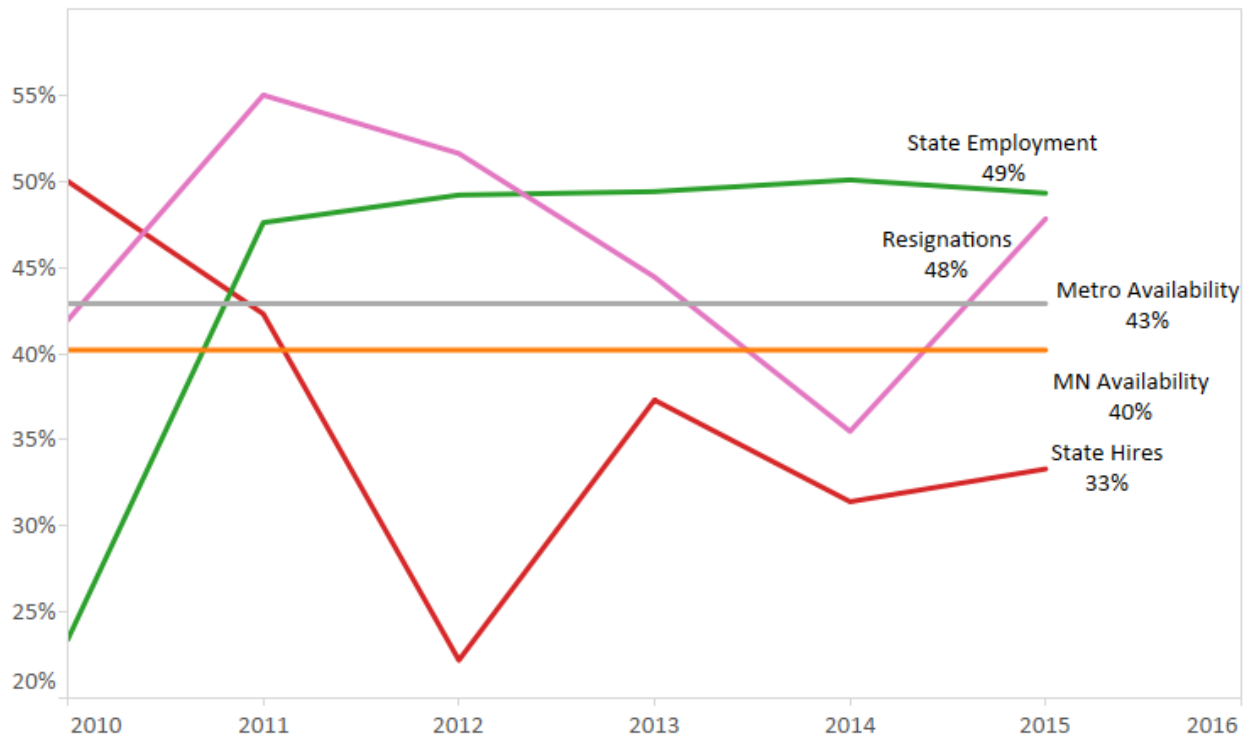


Figure 7 shows that across all job categories, veterans represent a higher share of state employees and hires into state government than their workforce availability in the state overall and Twin Cities metro area.

Figure 7: Veterans among All State Employee Job Categories
Minnesota, 2010-2015

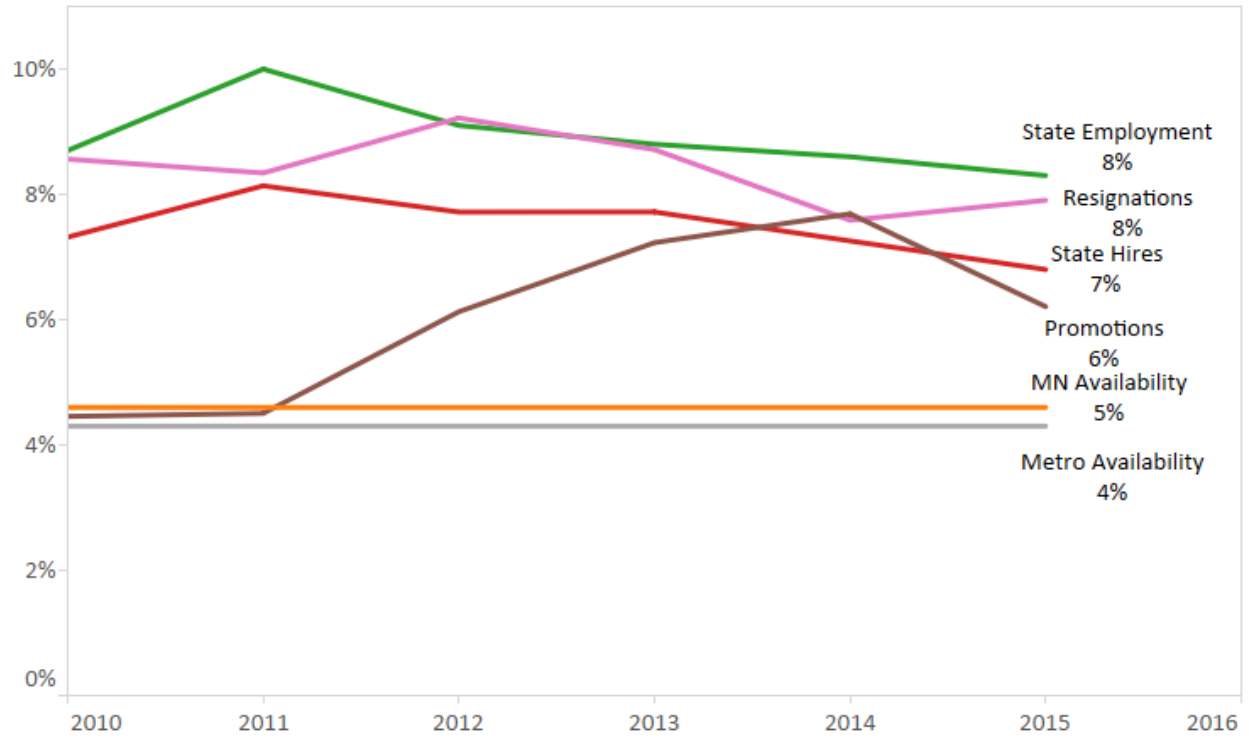
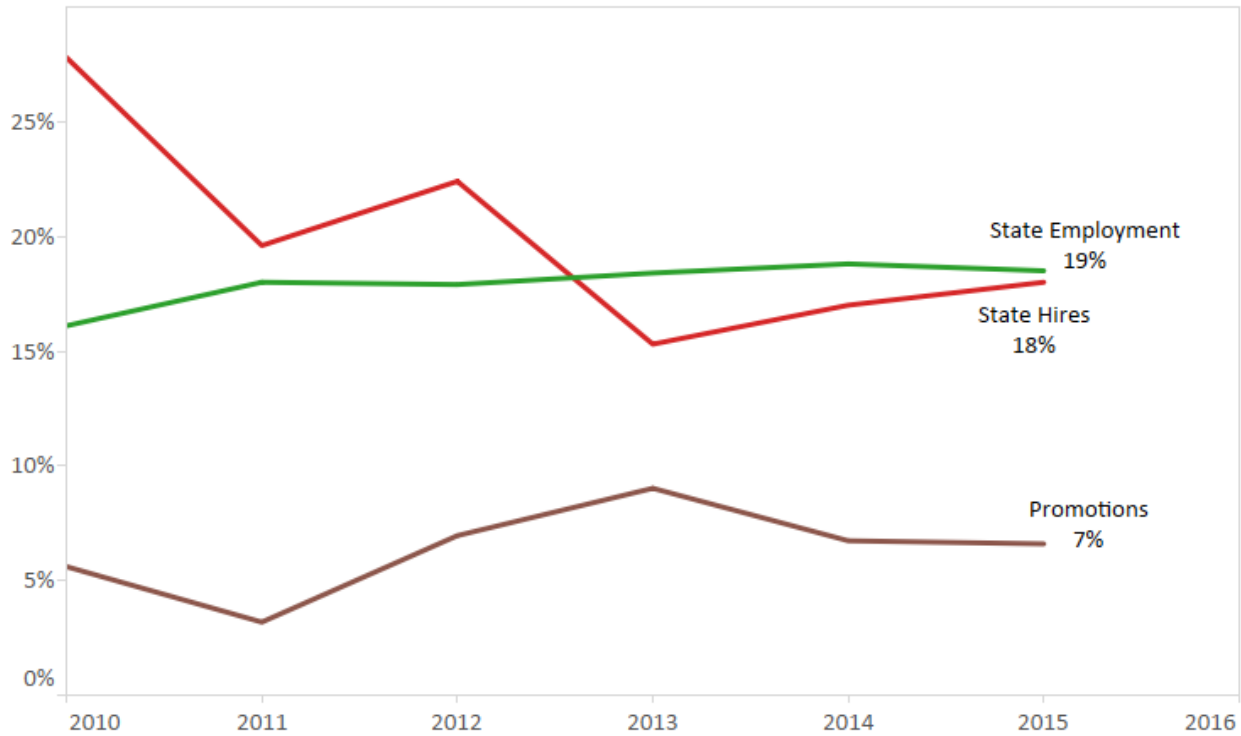


Figure 8 shows that for the Officials/Administrators job category, veterans represent 19 percent of state employees and 18 percent of state hires. These veterans are less likely to resign from state government than other state employees.

Figure 8: Veterans among Officials/Administrators
Minnesota, 2010-2015



* The figures above portray employment-related data for unlimited employees in the executive branch (minus MnSCU, constitutional offices, and retirement agencies).

** Promotions reflect employees who experience a change in job classifications and receive a salary increase of greater than two percent in a given year.

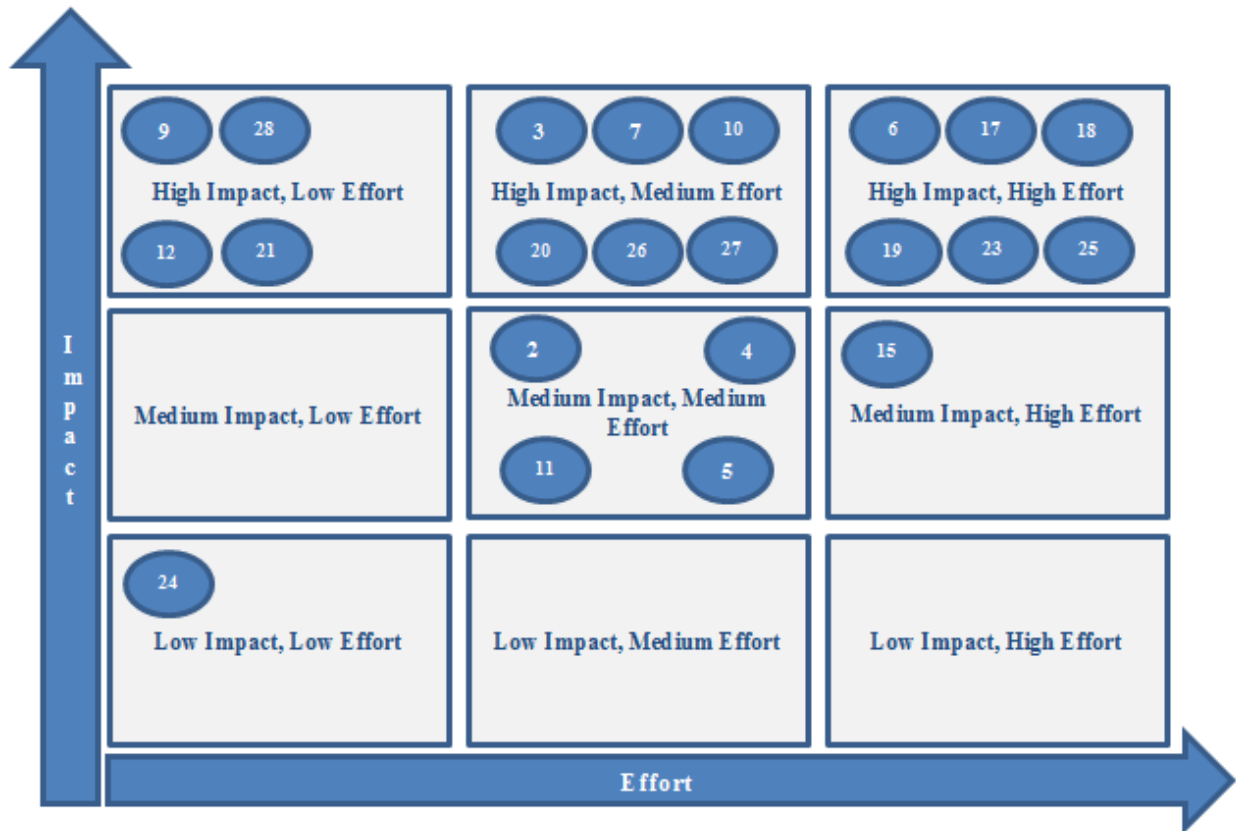
Appendix C

Contracting Committee Ideas – June 11 Brainstorming Session

1. Accountability within the state systems
 - Rewards or consequences for Targeted Group/Veteran use
2. Stated goals in statute (percent of spend)
 - Governor sets and announces them
3. Conduct regular, transparent reporting
 - People can see trends (scorecards)
4. Repository larger than certification
 - Like certification but less onerous. Step beneath certification, but still listed
5. Information for new businesses on working with us
 - Secretary of State connection (has all businesses but nothing on type or scope)
6. Add LGBT to certified groups
7. Invest in organizations that build minority businesses
 - Increase loan availability
 - Align the pipeline
 - Address decentralized system
8. Incentives
9. Payment (prime paid first, sub second, sub-sub third, etc.)
 - Contracting entity could pay subcontractors directly
 - Make arrangement for primes to float subs
 - Provide resources for Community Development Financial Institutions to float subs
10. Retainage
 - Use contract clauses
 - Accelerate payment
 - Enforce payment timelines
 - Primes can't take payment as interest-free loans
11. Portal: Register and receive opportunities and project announcements
 - I.e. City of Minneapolis, Ramsey County
12. Partner with Chambers and Other Groups
 - "Sustainable Partnerships"
13. PTAC-workshops and outreach
 - Get PTAC to do more
 - MN-based PTAC
14. Large Business program or Small Business?
 - All Business program?
15. Change requirements – Best value process
 - Go beyond low bid (U of M)
 - Value Proposition

- Evaluation criteria for small business participation (DBE, not Targeted Group for current status)
16. More time to respond on solicitations
 - Longer timeframes
 17. Insurance Requirements
 - Wrap-around insurance requirements that small business can buy into
 - For unique, contextual insurance requirements, have state cover it
 - Clarify requirements, analyze risk level to insure accordingly
 18. One-stop shop portal
 - All the information you need
 - Standard language
 - Checklists
 - Multiple languages
 19. State fund to make payments, take on insurance burden
 20. Fund things on the books more adequately
 - “Aligning the pipeline”
 21. Meet with users to make language clear and usable
 - Usability testing
 22. Publish results, have external graders assess publicly
 23. One certification fits all (state, federal, local)
 - One registration to work with everybody
 24. Governor's Proclamations to bring awareness
 - Communicate broadly
 25. Make it a small business program
 - Federal definitions
 - Industry codes
 - Should recognize both levels two-fold
 26. Direct select on contracts
 - Make them reasonable for small businesses
 - “Give them a space to play”
 - Small contracts
 27. Give set aside authority under certain threshold
 28. Build expectation of diversity in solicitations, requests
 29. Bonded projects must also meet requirements
 30. Create a market or pool of resources for those who do well with Targeted Groups
 - (i.e. one percent plus to budget base)
 - Motivator (akin to energy credits)
 31. Strategic relationship building
 - People want to do business with people they like
 - Willing to face some additional red tape if it is a job they care about
 - Cost and benefit analysis is influenced by relationships

Idea Prioritization



Metrics, Measures, Milestones - How will we track and show progress?

- Percent increase in small business contract spending (\$)
- Percent increase in small business certifications
- How many businesses are there statewide
 - How much spend (%)?
 - How much DBE spend (%)?
- Alternative procurement methods to increase small business participation

Appendix D

Civic Engagement Community Stakeholders Meeting Results

The number of ideas generated from the community stakeholder conversations was very extensive; the most reoccurring themes from those conversations are identified below:

- Agencies should be focused on creating long-term institutional relationships as opposed to being seen by community stakeholder as only wanting to create a one-time transactional relationship.
 - One community representative used the analogy of the difference in relationship between only seeing rotating physicians at medical clinics such as Urgent Care to having a relationship with a regular treating physician.
 - Real civic engagement is a cultural shift that will go beyond compliance with administrative rules.
- Agencies should not be fearful of utilizing civic engagement to tackle complex issues, i.e. dealing with age demographic shift, as such a crisis can be a positive catalyst for promoting systemic change in approaching problems.
- Agencies should ensure civic engagement occurs early enough in the process to be of value to the stakeholders and should clearly define their role and purpose in the effort to ensure that stakeholders have ownership in the process.
 - Too often civic engagement is seen by community stakeholders solely to “rubber stamp” a decision that has already been made or after financial commitments have been completed which make the implementation of suggestions offered by community stakeholders impossible.
- Agencies that facilitate well-run community meetings are transparent in the publication of their data are perceived by the public as good civic engagement partners.
 - Community stakeholders encouraged the committee to: (1) examine how much training is provided to agency staff on how to convene meetings and (2) examine how accessible agency data was to the public.
- Agencies should pay particular attention to what may be perceived as small technical details such as childcare, food, parking and location of events as such details set a positive foundation for civic engagement.

- When possible, agencies should work to lessen the financial burden and time constraints of engagement efforts for communities.
- One Foundation representative noted that its experience with offering childcare was that it had a positive impact on its perception of being inclusive while the cost of childcare was insignificant as childcare was rarely utilized by participants.
- Metrics that go beyond mere participation in a meeting are important for agencies to understand, measure, and track on a consistent basis going forward.
 - While no consensus emerged from the conversation as to the clear best model for metrics, community stakeholders believed solely relying on quantitative metrics is insufficient and that qualitative data about how participants felt about the process, their desire to participate again, the transparency of the data and willingness to engage in multiple points in the process is important.
- Agencies that have good civic engagement are able to distill information to a practical level with all of its audiences.
 - Several community stakeholders commented that too much engagement occurs “at the 40,000 foot level” in which the input provided is of little practical use. Additionally, several community stakeholders noted that too often the public is asked questions they can’t answer because they have not been provided sufficient information.
- Civic engagement thrives when it is clear through financial and human capital that leadership is committed to support civic engagement.
 - Community stakeholders encouraged the committee to examine how civic engagement is communicated within organizations and what resources are provided to ensure that civic engagement is successful.
 - This includes generating dialogue with staff regarding tactics and measures in an effort to induce an internal mindset change regarding civic engagement.
- The community stakeholders also identified several initiatives and organizations for the committee to follow up with concerning best practices in civic engagement.
 - This included: The Minnesota Active Citizenship Initiative, the Capacity to Care campaign, Policy Link and Minnesota Center for Neighborhood Organizing, June Holley Network Weaver Consultants and Alliance for Metropolitan Stability.

Appendix E

Civic Engagement Committee Survey Responses on Administrative Agency Engagement Efforts

Does your agency engage in civic engagement efforts with the public during the development of agency policy?

All agencies are engaged in civic engagement efforts with the public during the development of agency policy. The majority of the agencies that responded to this question limited their response to civic engagement efforts that were a part of a specific administrative rule making process or a formal multi-year planning process. The committee anticipates asking additional questions to determine the level and prevalence of other forms of civic engagement by administrative agencies.

Does your agency internally communicate the importance of civic engagement in the development of agency policy?

A little less than half of the agencies that responded to this question failed to identify how leadership communicated the importance of civic engagement in the development of agency policy. As to the agencies that responded that they did internally communicate the importance of civic engagement in the development of agency policy, all referenced that they felt civic engagement was an important value to reference within their mission statement.

What type of training do you provide to staff concerning civic engagement?

The amount of training provided to staff concerning civic engagement varied widely among the administrative agencies. Some agencies provide no training to staff on civic engagement. Some agencies provide training to staff on civic engagement in the form of how to convene and conduct public meetings. A few agencies are providing staff with training on civic engagement beyond how to convene and conduct public meetings.

How does the agency facilitate public meetings to maximize civic engagement?

Agencies identified a wide variety of means to facilitate and maximize civic engagement. Most agencies relied on receiving information from the public through agency sponsored events such as conferences, formal presentations, open houses, and formal agency comment requests for information. However, several agencies identified attending community organization events and having direct conversations with interested stakeholders.

The World Café Model was most often cited as a means to facilitate community conversations; however other meeting models were identified by agencies.

Wednesday, July 01, 2015

Additionally, several web-based platforms such as Metroquest and CitiZing were identified by agencies as examples of facilitating public meetings in cyberspace.

How does your agency publish data to promote civic engagement?

The most common manner in which agencies publish their data to promote their civic engagement efforts was through the use of their website, monthly newsletters, news releases or annual reports to the Legislature. Several of the larger agencies have developed targeted civic engagement strategies for key identified projects. A few agencies, mostly large agencies, publish civic engagement materials in multiple languages.

What metrics does your agency use to determine the success of your civic engagement efforts?

In the aggregate, agencies responded to this question by referencing the number of people who attended meetings, the number of meetings attended, the number of hits to its website, how many people requested project updates and the feedback they received from exit surveys. A few agencies identified that they retained outside consultants to evaluate their civic engagement efforts.

If you have councils, boards, or task forces that assist in the development of agency public policy, what steps does your agency undertake to ensure that your councils, boards and task forces reflect the diversity of Minnesota?

Most agencies track the diversity of the councils, boards and task forces that assist in the development of agency public policy and most would like assistance from the committee on ensuring they have diverse representation.

What type of training concerning civic engagement would your agency like to receive during the next biennium beginning July 1, 2015?

The following most common form of training or guidance concerning civic engagement identified by administrative agencies concerned (1) the development of civic engagement metrics, (2) how to convene meetings/communicate with diverse audiences, and (3) how to integrate employee training and development regarding cross cultural-communication and how to avoid unintended bias.

Is there information about civic engagement which you have not provided but that you believe should be shared with the Governor?

Wednesday, July 01, 2015

A few agencies explicitly stated that they believe that this is important work and would like all Minnesotans to engage in our civic engagement opportunities. A few other agencies offered that they were willing to assist other agencies in sharing best practices in civic engagement.