



STATE OF MINNESOTA  
L'Étoile du Nord

**Governor Mark Dayton's Diversity and Inclusion Council  
Report to Governor Mark Dayton  
January 2016**

January 2016

Dear Governor Dayton:

As you know, the Diversity and Inclusion Council established by Executive Order 15-02 one year ago 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.

Since we submitted our last report to you in July, the committees of the Council have been working closely with members of the community, non-profit organizations, and for-profit businesses to share best practices and make progress on our goals. We used the first year to assess the state of diversity and inclusion and to set the foundation for strategic activities in 2016 and beyond.

Below are critical items that we've accomplished since our last report:

- Created the Office of Equity in Procurement at the Department of Administration
- Increased state employment of people with disabilities to 5.7%, up from 3.7%
- Expanded Council membership to include: the Commissioner of Human Services; Commissioner of Higher Education; Commissioner of Minnesota Housing; Chancellor of Minnesota State Colleges and Universities; President of the University of Minnesota; and the State Secretary of State
- Improved the state hiring process with new tools and policies
- Surveyed 23 state agencies about their civic engagement practices as a way to create a baseline for improvements
- Hired a statewide executive recruiter focused on diversifying executive positions
- Created the Office of Career and Business Opportunity at DEED
- Identified 3 key strategies to improve the diversity of state boards and commissions

Going forward, the Council will be focused on:

- Expanding partnerships and outreach
- Implementing and expanding strategies
- Improving internal and external communications

Though there is more work to do, we are encouraged by the genuine commitment and support we're receiving from employees, leaders, and partners across the state. This work is critical to improving quality of life for Minnesotans and ensuring the state's economic prosperity.

Sincerely,

**Myron Frans**



Commissioner  
Management and Budget

**Kevin Lindsey**



Commissioner  
Dept. of Human Rights

**Matt Massman**



Commissioner  
Dept. of Administration

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## Executive Summary

Governor Dayton established the Diversity and Inclusion Council (Council) by Executive Order 15-02 in January 2015. The Council seeks to improve recruiting and retention of state employees of diverse backgrounds, improve the contracting process for businesses owned by Minnesotans from diverse backgrounds, and promote civic engagement. The Council and its committees held a total of 16 meetings in 2015, many with members of the community, non-profit organizations, and for-profit businesses to share best practices and make progress on our goals. Governor Dayton expanded council membership to include the Commissioner of Human Services; Commissioner of Higher Education; Commissioner of Minnesota Housing; Chancellor of Minnesota State Colleges and Universities, the President of the University of Minnesota, and the Secretary of State. Additionally, as an immediate response to the Census Report, he created the Office of Career and Business Opportunity. The goal of the office is to help workers and businesses of color find career paths and contracting opportunities in Minnesota.

**The Employment Practices Committee** spent the second half of 2015 reviewing and monitoring the state's progress as it substantially upgraded its online job applicant system and continued its broad-based efforts to reengineer its hiring processes. The Committee serves a vital role in offering practical advice to the state's human resource leaders. In 2016, the Committee hopes to expand on these efforts, oversee the final changes to the state's hiring process, advise the state as it seeks additional resources for critical equity needs, encourage enhanced data collection and analysis, and play a greater role in coordinating the state's outreach and messaging efforts.

**The Contracting Practices Committee**, in conjunction with the Department of Administration, made significant progress in the last six months by developing a clear strategic plan, accessing better metrics, creating a realistic outreach strategy, and identifying process improvements. In 2016, the Committee will focus on easier identification of targeted group business, offering assistance with the certification process, streamlining state policies and processes that are restrictive for small businesses, training and outreach to business owners on state purchasing agents. The Committee expects to develop specific goals based on the baseline metrics they established this year and implement strategies to accomplish the state's goal of equity in contracting for all Minnesotans.

**The Civic Engagement Committee** made progress toward its mission of ensuring all individuals in Minnesota fully participate in the democratic process in Minnesota. The Committee accomplished all three milestones identified in the July 1 report. They continued to refine identified best practices in civic engagement through meetings with varied stakeholders. They engaged with administrative agencies to discuss best practices and inform them of the committee's work. The Committee also created a diverse steering committee comprised substantially of public members. The steering committee adopted a work plan with four goals for 2016.

In 2016 and beyond, the Diversity and Inclusion Council will continue developing diversity and inclusion indicators to measure progress that will lead to policy and program improvement.

## Employment Practices Committee Report

### Review of Committee Purpose and Responsibilities

The Employment Practices Committee was established through Executive Order 15-02 to support the work of the Diversity and Inclusion Council and to help the state be a leader in 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 approximately 35,000 individuals, making it the largest employer in the state. While Minnesota has established programs intended to eliminate disparities of individuals from underrepresented communities in state employment, those disparities persist. Additionally, consistent with Executive Order 14-14, the committee will implement strategies to increase state employment of people with disabilities as part of its focus on diversity and inclusion.

### Committee Work in 2015

#### October 6, 2015 Meeting

##### Participants

- Myron Frans – Minnesota Management and Budget
- Eric Hallstrom – Minnesota Management and Budget
- Anika Ward – Minnesota Management and Budget
- Tonya Jackman-Hampton – HealthPartners
- Phil Duran – Outfront Minnesota
- Barbara Battiste – Office on the Economic Status of Women
- John Thorson – Hennepin County
- Alex Tittle – Minnesota Sports Facilities Authority
- Wanda Kirkpatrick – Metropolitan Council (New Member)

##### Conversations and Activities

MMB's Workforce Planner gave a presentation on onboarding –the process of acquiring, accommodating, assimilating, and accelerating new team members. A strong onboarding process will help retain employees by setting them up for success and increasing engagement and productivity sooner. Onboarding best practices will connect the employee with the organization's mission and vision and demonstrate how they impact them.

The workforce planner is part of a workgroup that will begin to develop tools, such as checklists and trainings, research and develop an enterprise-wide mentoring program, and develop a process that is inclusive and welcoming to all. Committee members were invited to participate in the workgroup. The committee agreed to share their work with MMB.

In discussing the presentation, Employment Practices Committee members generally felt strongly about the importance of a buddy system and discussed the concept of “stay” interviews, which are periodic check-ins to measure employee satisfaction. Committee members also discussed the importance of hiring practices training, especially on topics such as unconscious bias, but acknowledged the limitations of training. Committee members discussed other ways to change hiring practices, including the introduction of qualitative change requirements, using hiring panels that are not directly associated with the

position being filled, and the importance of focusing diversity recruiting efforts on more than entry-level and seasonal positions. Before a job is posted, the position description should be reviewed to ensure that the listed minimum qualifications are an accurate reflection of the necessary skills to do the job and do not screen out qualified candidates with transferrable skills.

### **Work outside the meeting**

The committee worked to compile suggestions for hard to measure metrics. Members also promoted two open MMB executive positions: Deputy Commissioner for Enterprise Human Resources and Director of Equal Opportunity, Diversity and Inclusion. Committee members sent candidate recommendations to the Statewide Executive Recruiter at MMB. Members of the committee met with members of the Rainbow Health organization to discuss what changes we could make as a state to increase inclusion efforts for the LGBTQ employees and address LGBTQ issues.

### **November 19, 2015 Meeting**

#### **Participants**

- Eric Hallstrom – Minnesota Management and Budget
- Anika Ward – Minnesota Management and Budget
- Michelle Weber – Minnesota Management and Budget
- Ann O'Brien – Minnesota Management and Budget
- Barbara Battiste – Office on the Economic Status of Women
- John Thorson – Hennepin County
- Anita Rios – MnSCU
- Patricia Brady – Ramsey County
- Shakeer Abdullah – University of Minnesota
- Bobbi VanGrinsven – LifeTrack
- Patty Franklin – University of Minnesota
- Alex Tittle (representative) – Minnesota Sports Facilities Authority
- Anita Rios – MnSCU (New Member)
- Kathy Brown – University of Minnesota (New Member)
- Bobbi Grinsven (replacing Tyler Sadek) – LifeTrack (New Member)

#### **Conversations and Activities**

MMB leaders gave the committee an update on the project to launch a new state online job application system on December 8, 2015. They described the features of the new system, highlighted major changes, and gave an overview of the communication plan. The new system, combined with policy changes (such as the 21-day, 7-day minimum posting policy), is designed to increase the quality and diversity of applicant pools. The new system will also improve the state's ability to gather and report data. For example, applicants can self-select more than one race in the "Self-Identify" section of the application.

### **Work outside the meeting**

Committee members reviewed a draft of the legislative proposals and were asked to review a draft of this report and share any feedback.

## Progress toward Milestones

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

Executive Order 14-14 requires state agencies to increase employment for people with disabilities to at least 7% by 2018. In Fiscal Year 2015, the state's employment rate for persons with disabilities was 5.9%, up from 3.7% in Fiscal Year 2013. The State of Minnesota has taken several steps to develop and implement strategies to reach this goal. Specifically:

- MMB has made available resources specific to Executive Order 14-14 to assist agencies with creating an inclusive work culture, recruiting, hiring, and retaining persons with disabilities. They are on the MMB [Executive Order 14-14 webpage](#).
- MMB staff, in conjunction with DEED Vocational Rehabilitation Services, is redesigning the 700 hour program, which is an alternative, non-competitive selection process available to hiring managers and individuals with disabilities seeking employment in state government.
- The Department of Administration has developed a Centralized Accessibility Accommodation fund. This will help state agencies fund accommodations for individuals with disabilities as required under the ADA.
- Reengineering the hiring process (see Milestone 2, below) will improve the overall hiring practices in state government as it relates to persons with disabilities. For instance, eliminating unnecessarily restrictive and potentially exclusionary practices like physical restrictions. Today all job postings are reviewed for unnecessary physical or non-job specific job qualifications.
- The State of Minnesota's new application tool launched on December 8, 2015, was developed to meet the state's minimum standards for accessibility. The state worked to ensure that all applicants can access the site with the most standard accessibility tools. We are working to continue to improve the site for both internal and external users. Previous systems were not accessible.
- The Department of Administration created master contracts that provide for hearing impaired services such as interpreters and closed captioning services for state agencies. This is a time saver and makes it easier for agencies to provide these services to their employees.

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

Over the past several months, the State of Minnesota has implemented major changes that support our work to transform the state's hiring practices and positively impact recruitment and retention efforts.

On December 8 the state launched a new online job application system. The system now gathers data that will allow ongoing analysis of the applicant pool, recruiting sources, and entrance surveys of new hires. The Diversity and Inclusion Employment Committee, project workgroups, HR directors, and Affirmative Action Officers will all review the data as it becomes available after the first quarter. They will assess progress and identify changes that need to be made in our policies and procedures for further improvements.

MMB implemented a policy recommending a 21-day (7-day minimum) job posting period, superseding prior rules that required jobs to be posted for just 24 hours. The policy also

requires that managerial positions be open to the public rather than internally only. The policy is effective December 8, 2015 and we anticipate being able to assess the impact this spring.

Additional policy changes include:

- 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
- Structured interviews with appropriately rated anchors are used for all interviews
- A positive application and hiring experience
- Welcoming onboarding procedures

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

The Committee previously identified two major focuses for diversity training and development:

- 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.
- Training all employees to understand the value of an inclusive workplace.

As part of its efforts to realize these goals, the state is working to provide a master contract for all state agencies to use for a variety of diversity and inclusion topics for employee development training. These topics will provide a statewide message and will be updated regularly so that all state employees get the same message of the expectation of respectful and inclusive behavior.

The state is also working to provide training to all human resource and affirmative action/equal opportunity professionals on all aspects of the position creation and hiring processes so that barriers are removed; minimum qualifications are those that are required at point of hire and not inflated; physical barriers are removed wherever possible; the hiring interviews and selection practices are based on job related factors exclusively; and onboarding demonstrates the state's commitment to inclusion. In addition, the state is developing online hiring manuals for all HR and Equal Opportunity staff to refer to so that training of new staff and documents for review are available and updated at all times.

Success was achieved around this milestone as a result of strong support from the state's senior leadership. They were regularly briefed on the deployment of new strategies to diversify the workforce and they supported and help implement training efforts within their agencies. The state is rolling out a new, respectful workplace training mandatory for all employees. MMB offered extensive training in multiple venues as part of the launch of its new applicant website and it was well received.

Finally, the State will be requesting additional resources (see Legislative Recommendations, below) to make additional training available at no cost to agencies as a means of increasing overall use of training opportunities.



## Strategic Planning

The Employment Practices Committee previously identified several long term efforts that will enable state employment demographics to better reflect the underlying diversity of the state. Though it is important to track the state's progress as an enterprise, each agency must also be held accountable for its own diversity and inclusion goals. These long term outcomes have been refined to include:

Recruiting and retaining a diverse, inclusive group of employees that reflect the communities in which we live. This diversity of experience will drive innovation, enhance the delivery of state services, and help reduce disparities.

- Creating a culture of inclusivity that is welcoming and respectful of all employees, responsive to complaints, and values training and development of employees.
- Training leaders to be proficient in diversity and to practice effective inclusion strategies in daily work.

## 2016 Milestones

These milestones support the committee's strategic efforts to realize the identified long-term outcomes.

- Add capacity dedicated to internships, fellowships, and strategic educational partnerships.
- Improve self-reporting of disabilities status to better understand the state's progress towards the 7% employment goal.
- Improve self-reporting of race and ethnicity to take advantage of new data collection capacity (multiple races) and provide a more accurate picture of the racial and ethnic make-up of the state's workforce.
- Develop a plan for improving data on LGBTQ employees to ensure that the state is representative of the community we serve and that our programs and practices are inclusive of the LGBTQ employees.
- Finalize enterprise wide policies regarding training and development of all staff on diversity and inclusion topics so that agencies have current, updated resources for continuous training opportunities for new and existing employees.
- Follow through on the final recommendations of the reengineering of the hiring practices committees:
  - Development of inclusive onboarding program framework and strategy
  - Continuation of integration of Affirmation Action changes into the hiring practices including policy changes and guidebook development.
  - Finalize the HR Leadership Academy. Train HR and affirmative action professionals on new policies and procedures on effective and inclusive hiring practices.
  - Finalize agency guidebooks on best practices for recruiters, hiring managers, human resource, and equal opportunity specialists.
- Submit a request to the Legislature for resources to provide development, outreach, training, tools, and materials to improve the diversity and inclusion of our employment practices. The committee will also continue to explore the needs and opportunities for improving data necessary to evaluate the success of its efforts (see Status of Metrics, below).

## Legislative Priorities

### Fiscal Requests

To provide the leadership needed by agencies, MMB requires resources for program development, outreach, training, tools, and materials. Specific needs include:

- Assessment and Selection: Effective selection and assessment tools are critical to ensure that state hiring practices do not create a disparate impact on diverse communities. Currently there are few centralized tools and training for all state HR offices to use to ensure proper and legal selection processes. There is a need for statewide training on critical diversity issues, such as unconscious bias, intercultural sensitivity, inclusive hiring, reasonable accommodations, and managing diversity in the workplace.
- On-Boarding/Mentoring: The on-boarding experience sets the stage for new recruits. In state government, on-boarding is handled by individual agencies, and the content and quality of the programs is inconsistent. An enterprise on-boarding program would allow for the delivery of key and consistent messages about the State of Minnesota, our statewide policies, and our commitment to diversity and inclusion. A mentoring program would also help new recruits acclimate to the environment and navigate the complexity of state government.
- Job Analysis and Assessment: The state needs best practices in the areas of job analysis, selection, validity, and adverse impact so that HR and equal opportunity professionals understand the legal requirements and necessity of ensuring that minimum qualifications are job related. Additionally, there is a need to review and update the state's roughly 1,800 job classifications. This work should also build a foundation of effective selection practices.
- Fellowships, Educational Partnerships, and Community Outreach: There is a need for fellowship programs, strategic educational partnerships, and outreach to create opportunities in areas where it is difficult to recruit diverse candidates. In addition, expanding the number of staff available to focus on recruiting efforts will fill an immediate need across the enterprise. The goal is to match HR and equal opportunity professionals together with educational institution curriculum developers such as MnSCU faculty to assist in the development of specialized training programs for difficult to fill and shortage jobs. Discussions are underway to begin these meetings, but progress on a larger scale can be made if tools existed to start more than one project at a time with several agencies.
- Leadership Development: Leaders set the stage for workplace culture. The state promotes effective leadership practices with its training programs, competency model, and 360° assessment tools, but more work is needed. Leadership competencies need to be integrated into the job posting and selection processes, position descriptions, and performance appraisals for all State of Minnesota leaders. Training and outreach is also needed to ensure our leaders are engaged and prepared to promote an inclusive work environment.

- **Results Management:** MMB’s Results team helps state agencies achieve better results by using rigorous evidence to inform budget and policy decisions. Increased resources to enhance the Results team’s capacity will bring additional, evidence-based analysis to the work of the Diversity and Inclusion Council.

In addition, MMB is in need of resources to support several tools and services, including:

- **Affirmative Action Reporting System:** There is a need for an affirmative action reporting system to collect, track, and analyze the effectiveness of our diversity and inclusion initiatives.
- **Enterprise-Wide Recruitment Database:** The state needs a tool to help recruiters track and monitor communication with candidates, and assist in their work to attract and recruit diverse candidates.
- **Advertising:** Additional resources dedicated to advertising job postings in cultural and ethnic media outlets are needed to assist the state in reaching diverse candidates.

### 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 has continued to discuss the variety of metrics available to monitor progress toward this goal. In addition to previously identified measures, such as state employee demographics broken down by job category, job type, state agency, and by traditionally underrepresented groups, the committee discussed the importance of having access to “real time” data on new hires to better understand the demographics of the state’s workforce as it changes. Additional attention to the demographics of new hires should be accompanied by a focus on the demographics of promotions and hires at the senior manager and executive level.

MMB developed an equal employment opportunity scorecard to assist agency leadership in evaluating progress towards eliminating disparities within their agencies. This scorecard is now available for use in annual performance reviews of agency leadership, including Commissioners, pursuant to M.S. 15A.0815.

The state continues to lack robust data on some employee groups. The new online job application system will substantially improve our ability to understand the ethnic and racial make-up of the state’s employees by allowing individuals to identify as more than one race or ethnic group. This is an important advancement in the demographic data the state collects. In addition, as noted in the Legislative Priorities section, we seek to improve self-reporting of demographic data by current employees and improve evaluative data in the coming year. Finally, the committee will continue to explore concrete strategies for collecting data on sexual orientation and gender identity.

### Outreach Efforts

The Committee and its members have largely engaged with private, community, and philanthropic partners through the state’s various existing structures.

Minnesota Community Advisors on Recruitment and Retention Solutions (MnCARRS) is a state sponsored partnership between agencies within the State of Minnesota and leaders of organizations representing minority communities, women, veterans, and people with disabilities. MnCARRS partners serve as the bridge between diverse communities and the State of Minnesota. MnCARRS promotes opportunities with the State of Minnesota and

advises the state on its recruiting, hiring, and retention practices. In return, the state provides direct communication of employment opportunities, presentations to community partner organizations, and job seekers about the state's employment processes, and assistance with mock interviews and training to improve candidates' performance in the hiring process.

This year, state agencies participated in a MnCARRS "speed-connecting" outreach event where MnCARRS participants promoted their services and state participants described job openings. MnCARRS meetings are held quarterly and all community partners are welcome to attend.

The ACCESS group is made up of the State's Affirmative Action officers and Equal Opportunity Directors who meet monthly to discuss the state's equal opportunity, diversity and inclusion issues. They have been instrumental in driving the state's project to redesign the affirmative action process so that 1) the applicant pool is reviewed fairly and equitably by the hiring managers, and 2) minimum qualifications are designed to assess qualifications necessary for entry into the job classification at hire and not at the end of the probationary period when a person would have had the opportunity to learn components of the position.

In response to the Governor's Executive Order 14-14, an advisory committee was formed to assist state government in developing guidelines and information to address disability issues in employment. The 14-14 committee consists of staff from State Services for the Blind, Councils on Disabilities, The Star Program, the Accessibility Specialist from MN.IT, DEED-Vocational Rehabilitation unit, Office of Mental Health and Developmental Disabilities Unit, and members of the Human Resources and Equal Opportunity staff at state agencies. The committee meets bi-monthly to discuss progress and work on guidebooks, websites, policies, and solutions to employing more individuals with disabilities to meet our goals.

MMB sponsors a State Recruiters network which involves all state agency designated recruiters to ensure that diversity and inclusion events around the state are attended, reviewed for effectiveness, and represent the state's workforce and not just one agency. Regular meetings ensure that best practices and new tools are shared, information on changes in policy and procedures are understood, and networks are created and shared as well.

In addition, the Diversity and Inclusion Director and Statewide Executive Recruiter partner with Twin Cities Diversity groups on a regular basis to ensure that the State of Minnesota is connected to all private, community, and philanthropic partners in the metro and greater Minnesota. They stay abreast of community efforts and ensure that the state as an employer is represented and engaged in community activities and events.

Barriers to outreach come primarily in the form of coordination of efforts, rather than a lack of outreach opportunities. As the Committee matures, it hopes to be able to serve in a centralized steering role, permitting the comprehensive discussion, and the management of outreach efforts through a single entity.

As we make progress with changes to the state hiring system, policies, and practices, it is becoming clearer to the public we serve that our commitment is genuine. We are building trust with communities but there is still work to do.

## Contracting Practices Committee Report

### Review of Committee's Purpose and Responsibilities

The Contracting Practices Committee exists to advise the work of the Diversity and Inclusion Council; specifically, to achieve and ensure equity in state contracts awarded to businesses.

More specifically, the committee is charged with identifying changes to policies and practices with the intent to achieve equity in state procurement and contracting. The committee focuses on equity in contracting for businesses owned by veterans, women, minorities, and persons with disabilities.

Actions taken by the committee include:

- Identified barriers to success for Targeted Group and Veteran-owned businesses.
- Created a matrix of policy and practice changes ranked by impact and effort.
- Ratified a strategic plan for the Office of Equity in Procurement.
- Adopted the outreach strategy proposed by the Office of Equity in Procurement.
- Served as key resources to facilitate communication and connection with target group communities
- Provided input and direction to goal setting.

In the third and fourth quarters, the committee met each month for two hours to discuss agency updates, strategy, engagement opportunities, and industry topics. In addition to the appointed committee members, 8–10 business owners, industry representatives, and agency leaders regularly attend the monthly meetings.

### Participants

- 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
- Gary Cunningham – Metropolitan Economic Development Association
- Dr. Samuel Myers, Jr. – Humphrey School, University of Minnesota
- Duane Ramseur – North Central Minority Supplier Development Council
- Lea Hargett – Minnesota Black Chamber of Commerce
- Alex Tittle – Minnesota Sports Facility Authority
- Ravi Norman – CEO, Thor Construction
- Joanne Whiterabbit – Minnesota American Indian Chamber of Commerce
- Luz Frias – Minneapolis Foundation
- Barb Lau – Association of Women Contractors
- Sam McClure – National Gay & Lesbian Chamber of Commerce
- Rebecca Waggoner – Twin Cities Quorum/Gay & Lesbian Chamber of Commerce
- Tim Connelly – Attorney/Veterans' Procurement Expert
- Cindy Ulven – CEO, President, Accelerated Engraving and Signage
- Mario Hernandez – Latino Economic Development Center
- David Quilleash – Founder and President, Q Holdings
- Barbara Battiste – Office on the Economic Status of Women
- Dr. Katrice Albert – University of Minnesota

## Conversations and Activities

Meeting topics included:

- Discussion of measurements and metrics, and how we can effectively mine existing data to track progress and establish accountability.
- Identification of ongoing data gaps that cannot be resolved without new or expanded IT systems.
- Discussion of successful strategies for outreach activities and community engagement.
- Discussion led by Dr. Samuel Myers on the importance of setting explicit diversity goals for procurement.
- Discussion of realistic goals for state spending with diverse businesses, and whether the state is prepared to set specific goals.

**Figure 1: The Department of Administration created new tools to communicate with targeted group businesses**



Further, the work of the Committee has informed a wide array of innovative work led by the Department of Administration to improve State processes and communications that will facilitate contracting with targeted group businesses (TGBs), as well as communicate our programs to all stakeholders.

Examples of changes made by Admin include:

- Revised the Request for Proposal (RFP) template that all state agencies are required to use so that the RFP cover page now includes specific information about the state's



expectation that vendors support the state's commitment to diversity and inclusion in procurement.

- Revised the language on master contracts with an expectation of diversity and inclusion by the vendor. The state's commitment to be a leader in diversity and inclusion is also highlighted.
- Restructured the list of vendors qualified to provide goods and services on master contracts so that as state agencies and local governments select a vendor for goods or services, the first companies listed are Targeted Group and Veteran-owned businesses. Adjustments were also made to clearly identify Targeted Group and veteran-owned businesses to remind agencies that the state's policy is to consider these businesses first in master contract awards.
- Incorporated new language into one RFP, as a case study, to seek and expect diversity and inclusion from contract vendors in circumstances where the bulk of the work will be performed by third party contractors.
  - Typically, RFPs award diversity and inclusion points in two ways: to businesses owned by Targeted Groups or veterans and to businesses that commit to subcontracting with Targeted Group and veteran-owned businesses.
  - In fields where it is unlikely that many Targeted Groups will compete, the points awarded in the RFP will pivot to vendors that hire minority and veteran employees, require diversity and inclusion training for their workforce, and have strong policies that promote diversity and inclusion.
  - Awarding points in this way will draw attention to the importance of a diverse workforce and a diverse work culture for all businesses interested in contracting with the state.

The Department of Administration has developed program marketing materials for services offered. These brochures are directed at Targeted Group businesses to help explain the certification process, as well as the new Veteran-Owned Business certification program. The information outlines the overall process step-by-step in clear, plain language.

The Materials Management Division website was reorganized to include a web page specifically addressing our Targeted Group business program and the Office of Equity in Procurement. This page is prominently visible on the Department of Administration website.

## 2016 Milestones

The Contracting Practices Committee and the Department of Administration agreed to meet a number of milestones in the development and maturation of the state's contracting practices with minority-, woman-, and veteran-owned small businesses.

### **Design and implement a state certification program for veteran-owned businesses.**

- In August, the Department of Administration – in partnership with the Minnesota Department of Veterans Affairs – began certifying veteran-owned businesses. The Department of Administration identified and contacted 147 veteran-owned businesses with operations in Minnesota. Business owners that confirmed Minnesota

is their principal place of business and produced a veteran certification form issued by MDVA were evaluated for certification. Federally certified veteran-owned businesses with their principal place of business in Minnesota were automatically offered state certification. At the time of this report, the state has certified 62 veteran-owned and service-disabled veteran-owned businesses.

**Issue Request for Proposal (RFP) and award contract for updated disparity study, which provides the legal and constitutional foundation for the state's existing preference program.**

- On September 21, 2015, the Department of Administration – in conjunction with the cities of Minneapolis and St. Paul – issued a joint RFP for an updated disparity study. Responses to the RFP were received on November 20. There were three respondents, and at the time of this report, the responses are being evaluated. An award of the contract is expected late January 2016.

**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 business certifications at the same time.**

- The Department of Administration leveraged MN.IT's team to create requirements and design a web-based portal for state and local Targeted Group business certifications. Federal Disadvantaged Business Enterprises, the Metropolitan Council, Minnesota Airports Commission, and the City of St. Paul will be included in the portal. Targeted Group and Veteran business owners will have the ability to submit the requisite paperwork for certification one time and select multiple entities to receive their application. This will allow greater participation in certification programs and greater opportunities for targeted groups and veterans to participate in the competitive process.
- The portal is expected to be available for use by April 1, 2016.

**Begin expediting rulemaking as authorized by statute, aligning the state's criteria with the U.S. Department of Transportation's federal DBE criteria.**

- Meetings are underway with the Revisor of Statutes to structure existing federal Disadvantaged Business Enterprise language into Minnesota Rule format. The language will be adapted to include not only woman- and minority-owned businesses, but also disabled- and veteran-owned businesses, and businesses located in economically disadvantaged counties in Minnesota. In addition, this exercise will identify existing rules that need to be repealed.

**Expand outreach and support to the small business community by hiring additional staff to help business work successfully with the state.**

- In July 2015, the Office of Equity and Procurement was established. The Targeted Group business program historically had less than one FTE administering the program. At the time of this report, the Office of Equity in Procurement has five FTEs, plus an Assistant Director and an Assistant Commissioner in leadership roles.



- In 2014, the Targeted Group business program was represented at five outreach events. In 2015, due to increased capacity, the team attended more than 15 outreach events. Outreach events included opportunities to speak about the Targeted Group Business program, informally meet with business owners to discuss opportunities to do business with the state, educate business owners on certification, and host events to bring community leaders and business owners together.

#### **Make state procurement data available in the statewide data warehouse.**

- The final migration of SWIFT spend data took place in October 2015. This migration allows the Department of Administration to better track enterprise spend with Targeted Group, Economically Disadvantaged and Veteran-owned businesses. In addition, it is easier to track Targeted Group spend by agency, which allow us to create and enforce greater accountability, set goals for improvement, and assist agencies with tools and resources to leverage Targeted Group and Veteran-owned businesses.
- This work is nearly complete and will enable a number of subsequent milestones and long-term outcomes.

#### **Develop legislative recommendations for the 2016 Legislative Session.**

- There are at least three legislative recommendations that the Department of Administration will bring forward to expand our ability to attract Targeted Group businesses and create incentives for those with purchasing authority to contract with Targeted Group businesses.

### **Strategic Planning**

The primary outcome measure for this committee is to increase the number and dollar value of contract awards made to targeted group, economically disadvantaged, and veteran-owned small businesses to achieve equity in state contracting. To that end, the committee has identified the following milestones to be met by December 31, 2017.

#### **Certification**

- Develop a method for identifying all diverse businesses within the statewide accounting system (SWIFT), and eventually in a new or expanded state procurement system. This will help us accurately measure the number and dollar value of contracts awarded to diverse businesses even when those businesses have not pursued targeted group certification, regardless of size, both statewide and by agency.
- Continue working with the Office of the Secretary of State to allow businesses an opportunity to self-identify as woman, minority, disabled or veteran-owned when registering or updating their registration. This will allow Admin's Office of Equity in Procurement to engage early with businesses to discuss the benefits of certification and offer resources and assistance with the certification process.

## Metrics and Measurements

- Develop a framework for dashboards and reports that demonstrate the level of equity in state contracting and the progress toward improved outcomes.
  - These dashboards can be used to hold agencies accountable and better inform the business community where opportunities exist.
- Reach the preliminary goal set by the Department of Administration of a 20% increase of TG/ED/VO spend from 2015 to 2016.
- Leverage increasingly available state spend data to set goals based on industry calculations and standards.

## Policies and Processes

- Pursue strategies to increase the selection of Targeted Group businesses for purchases and contracts under \$25,000.
- Pursue law changes to Minnesota Statute § 16C to allow purchases up to \$25,000 without the formal solicitation process if a TG/ED/VO business is selected. This change will parallel preference program goals of selecting a Targeted Group business to eliminate contracting disparities.
- Consider vendor's diversity and inclusion efforts as part of the standard evaluation criteria when appropriate.
  - Seek methods to ensure contractors and subcontractors are paid in a timely manner.
- Continue to identify and eliminate barriers for TGBs and veteran-owned businesses
  - Admin is working with Minnesota Management and Budget to assess the feasibility of shortening payment times to Targeted Group and Veteran-owned businesses.
  - Identify and assess options for adjusting the state's insurance requirements. While the cost of required insurance coverage is a financial barrier for small businesses, protecting the state's financial interest is also a key contracting best practice. Consideration of insurance alternatives must balance with the need to cover the state's risk while also minimizing burden for businesses.
- Form strong, sustainable partnerships with ethnic Chambers of Commerce and other community groups, particularly those that represent Targeted Groups, Economically Disadvantaged and Veteran-owned businesses.

## Additional Opportunities for 2016

The Department of Administration and the Contracting Practices Committee recognize that many minority and woman-owned businesses that are not registered as certified Targeted Group businesses. The outreach and networking by the staff of the Office of Equity in Procurement is intended to raise awareness and increase interest in becoming a certified business. In addition to our 2015 accomplishments, the Contracting Practices Committee will continue to strengthen awareness and participation in the program by both potential vendors and state agencies, including:

- **Creating Incentives for Targeted Group business Registration**
  - The Committee will explore ways to incent small businesses to become certified through simplifying processes or offering incentives for certification.

- **Implementing Mandatory Agency Training**
  - The Department of Administration is creating a focused training session on how to access and procure from Targeted Group business that all state procurement staff will be required to attend. Delegated purchasing authority from the Department of Administration may be withheld from anyone who does not complete training on how to incorporate TGB and veteran-owned businesses into the state's supply chain.
  
- **Defined Goals in Statute**
  - The Commissioner of Administration may set an annual goal for contracting with Targeted Group businesses. A defined goal would drive increased accountability with agencies as they make purchasing decisions.

## Legislative Priorities

The Department of Administration, in cooperation with the Contracting Practices Committee and other external stakeholders generated a number of ideas that Administration will bring forward in the 2016 Legislative Session.

### **Pre-design on a system that will provide enterprise-wide “e-procurement” functionality**

The Department of Administration recommends an investment in a system to manage procurement activities. While SWIFT was initially envisioned to include substantially greater procurement functionality, some elements were set aside or removed from the project over time. These changes may have been due to resource constraints or because the acquired system could not sufficiently deliver the envisioned functionality. For this reason, a dedicated e-procurement system would allow better data collection around Targeted Group businesses, better customer service, along with other system enhancements. Additional benefits of an e-procurement system include:

- Catalog management functionality that allows a retail-like buying experience for agencies.
- Agency Driven Reporting— the current system only permits agencies to gather reporting on contracts and purchase orders, with limited data on Targeted Group, Economically Disadvantaged, and veteran-owned business spend. Functionality does not allow robust reporting on strategic sourcing or inventory.
- Accessibility for all. Some dashboards are not currently used because of accessibility concerns.
- Vendor Management functionality would allow us to better assess and manage vendors.

A budget request for design and future implementation of an e-procurement system has been submitted for consideration in the event there is a 2016 Supplemental Budget.

### **Change Solicitation Requirements for using Targeted Group businesses up to \$25,000**

The Commissioner of Administration should have to authority to implement process changes that encourage enterprise buyers to contract with Targeted Group Businesses. Allowing procurement under \$25,000 with Targeted Group businesses without the full solicitation process will be an incentive to those making purchasing decisions as it will expedite the purchasing process. The \$25,000 figure was selected because it coincides with the \$25,000 advertising limit set in statute. Keeping the limit at \$25,000 allows us to reasonably balance open competition and facilitate contracts with Targeted Group businesses.

### **Create Tiers of Benefits for Small, Medium, and Large Businesses**

Committee members and stakeholders have recommended that the state structure and implement a supplier diversity program as an umbrella to the Targeted Group businesses program. This would allow us to create tiers to the program for small, medium, and large businesses. Many vendors suggest that the success of a business that graduates from the Targeted Group Business program which allows only small business is often a detriment to their continued success. In addition, it would allow the state to identify and include all minority- and woman-owned businesses, not just small businesses, in outreach and the procurement process.

## Current Status of Metrics

**You get what you measure.** Quality data is essential to motivating and tracking progress, and demonstrating accountability. Consequently, the Department of Administration has prioritized work to establish baseline performance data so we can set improvement goals, create accountability, and measure progress. Although rough numbers were presented in the July report, final migration of SWIFT procurement information into the state's data warehouse in October allows us to measure activity with certified businesses. It is important to note that the data systems still do not allow us to measure activity with targeted group businesses that results from sub-contracts, or with businesses that are not certified.

The baseline data reflects poorly on how the state is performing, particularly with African-American and Indigenous -owned businesses.

**Table 1: Direct Spend with Certified TG/ED/VO**

	FY 2015 Actual Spend	% of Total State Spending	Number of Certified Businesses (12/1/15)
Asian	\$12,635,493	0.722%	102
Black	\$135,960	0.008%	149
Hispanic	\$1,449,871	0.085%	56
Indigenous	\$73,148	0.004%	45
Woman	\$39,897,957	2.328%	634
Disabled	\$1,101,024	0.064%	25
Veteran	\$1,938,922	0.113%	62
Economically Disadvantaged	\$16,598,245	0.969%	91
<b>Total Targeted Group, Economically Disadvantaged, and Veteran-Owned</b>	<b>\$73,56,0620</b>	<b>4.293%</b>	<b>1174</b>
<b>Total Spend</b>	<b>\$1,713,463,144</b>		

### The above amounts include:

- Direct spend with certified, Targeted Group businesses (i.e. the state money paid to a certified vendor for goods or services for which we directly contract with the certified Targeted Group, Economically Disadvantaged, and veteran-owned businesses).
- State dollars (general fund and non-general funds) but not federal dollars for highways and bridges
- Spend for all state agencies; excluding Minnesota Department of Transportation and other agency federal spend (disadvantaged business enterprise program and not Targeted Group). Excludes all University of Minnesota, Minnesota State Colleges and Universities, and Metropolitan Council spending.

### The above amounts **do not** include:

- Second-tier spend, meaning state funds spent with prime contractors who are expected to meet subcontracting goals. This is considered 'indirect spend.' The Department of Administration is working to measure this amount, but such data is not included in the SWIFT system.
- Spend with minority- or woman-owned businesses that are too large to qualify for the Targeted Group, Economically Disadvantaged, and veteran-owned certifications. The Targeted Group business program is a small business program,

Figure 2: Spend by Underrepresented Group

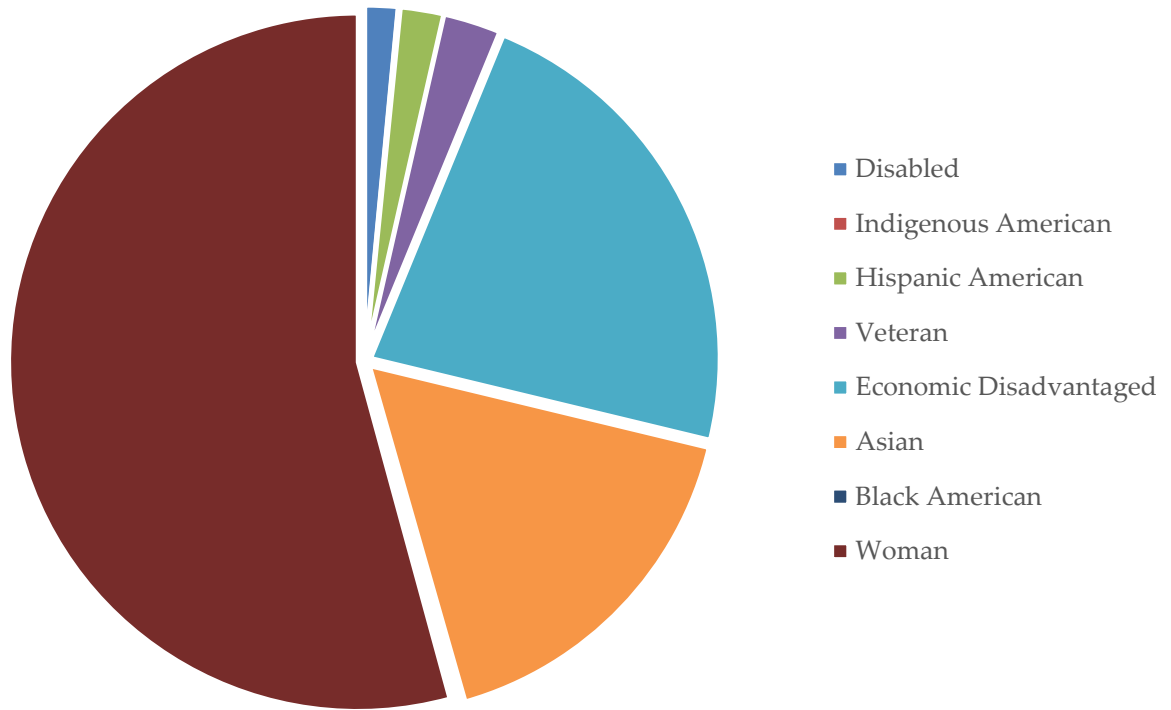
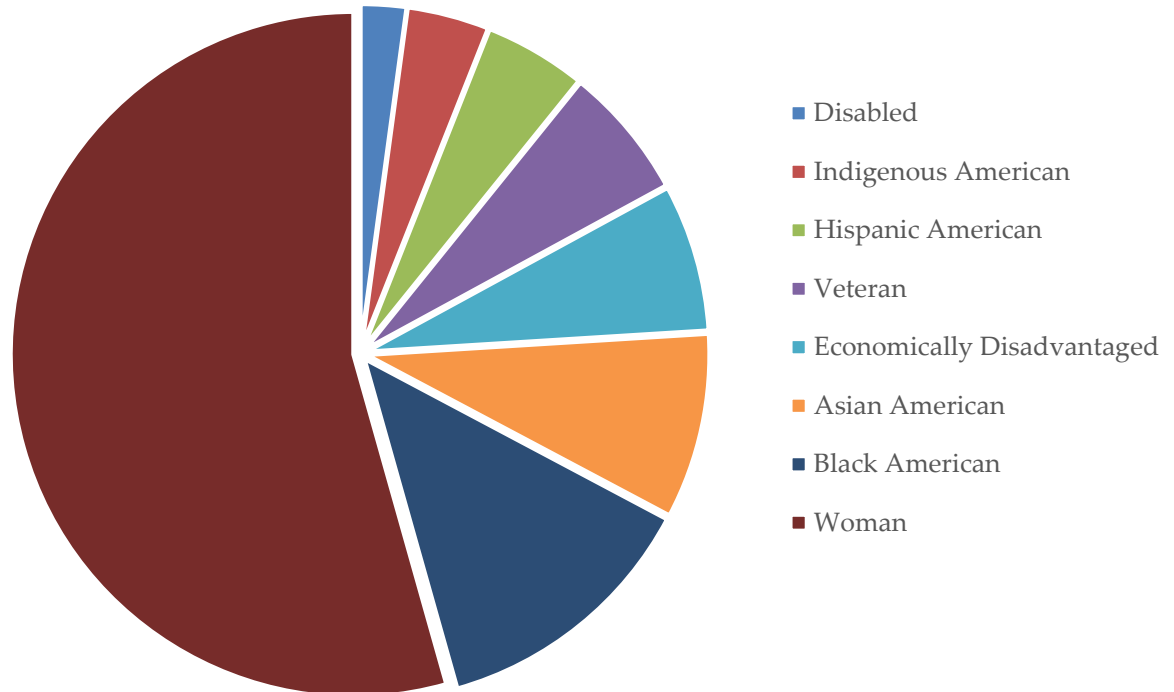


Figure 3: Number of Certified Companies by Underrepresented Group



## Outreach Efforts

Throughout the year, the Department of Administration attended and hosted more than 15 outreach events across the state – a three-fold increase over previous years. The Office of Equity and Procurement was structured so that each person has specific areas of responsibility, as well as agencies with which they will partner. This segmentation of responsibility will allow for a deeper understanding of the TGBs in a particular field, along with the purchasing needs of each agency. This approach will permit more specific and effective outreach to business owners and stakeholders.

Our outreach strategy leverages the events of our many partner organizations. These outreach events are an opportunity to meet with small, women, minority and veteran business owners to talk about upcoming opportunities to do business with the state, the benefits of Targeted Group and Veteran certifications, and present the technical aspects of submitting bids on state projects. We believe that the greater than 17 percent increase that we have seen in business certifications is directly attributable to our increased engagement with the small business community.

The engagement of the Contracting Practices Committee, the increased visibility by Admin senior leadership and the Office of Equity in Procurement has been essential to building relationships with business owners and industry groups. Below are lists of meetings in which the Office of Equity in Procurement has played a role:

**Table 2: Recurring Meetings Hosted and/or Attended by Admin (2015)**

<b>Recurring Meetings</b>	<b>Frequency</b>
National Association of Minority Contractors	Monthly
Small and Disadvantaged Business Opportunities Council	Monthly
North Central Minority Supplier Development Council	Monthly
Contracting Practices Committee	Monthly
Dunn Advisory Board	Quarterly

**Table 3: Industry Group Meetings Hosted and/or Attended by Admin (2015)**

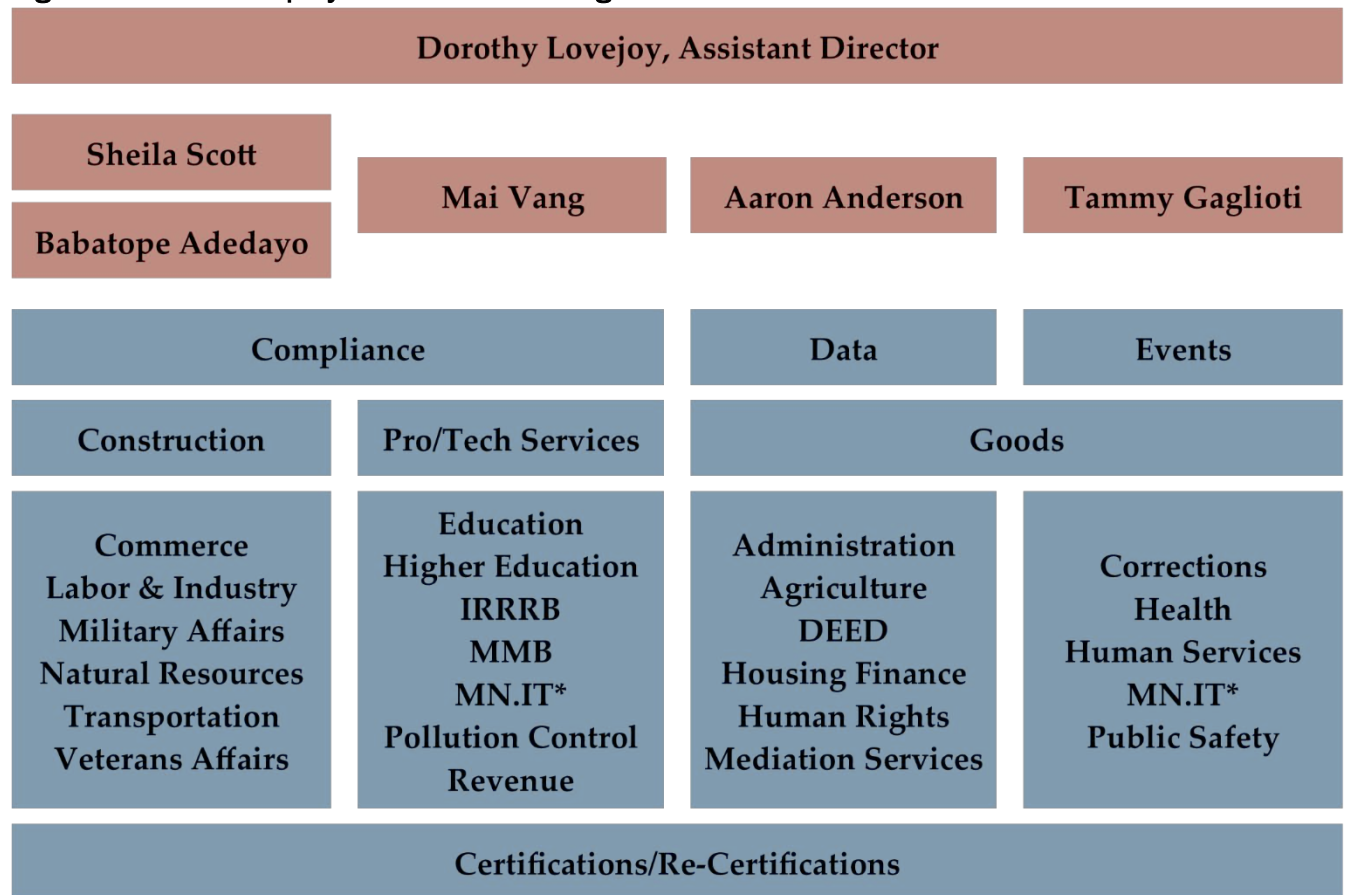
Event	Date	Role
Small and Disadvantaged Business Opportunity Council (SADBOC) Procurement Fair	Thursday, April 23, 2015	Attended/Exhibited/Presented
Supplier Diversity Conference – Gaining a Competitive Advantage, Destination Medical Center, Rochester	Tuesday, July 14, 2015	Attended/Exhibited/Presented
Midwest Business Opportunity Fair	Thursday, September 24, 2015	Attended/Exhibited/Presented
Navigating State & Local Government	Tuesday, September 29, 2015	Attended/Exhibited/Presented
Procurement Technical Assistance Center (PTAC) Greater Minnesota Procurement Fair	Tuesday October 27, 2015	Attended/Exhibited/Presented
Veteran Business Leaders Conference	Thursday, September 10, 2015	Attended/Exhibited
University of Minnesota 2015 Business Development Matchmaking Event	Monday, November 2, 2015	Attended/Exhibited
Minnesota Construction Crew, Carpenter's Hall	Wednesday, November 4, 2015	Attended/Exhibited
Small Business Administration (SBA)/PTAC Veteran Seminar	Saturday, November 7, 2015	Attended/Exhibited
Northern Tribes Business Development Summit	Tuesday September 21, 2015	Attended/Presented
MDVA Leadership Conference	Thursday, October 15, 2015	Attended/Presented
Small Business Development Center/St. Cloud State University class on certification	Tuesday, December 15, 2015	Attended/Presented
Minnesota American Indian Chamber of Commerce (MAICC) Annual Meeting	Tuesday, March 3, 2015	Attended
North Central Minority Supplier Development Council (NCMSDC) Annual Meeting	Thursday, May 7, 2015	Attended
Small Business Administration Annual Awards Dinner	Thursday, May 7, 2015	Attended
Metropolitan Economic Development Association (MEDA) Annual Luncheon	Wednesday, June 3, 2015	Attended
The ADA at 25: Moving Minnesota Forward (Minnesota State Council on Disability)	Wednesday, October 28, 2015	Attended
Community Planning and Economic Development Minority and Women Owned Business Opportunities Fair, Minneapolis	Thursday, October 29, 2015	Attended
Everybody In	Monday, November 23, 2015	Attended
Best Practices Roundtable #2	Wednesday, December 2, 2015	Attended
MAICC Awards Dinner	Friday, December 4, 2015	Attended/Presented
Martin Luther King Day Event	Monday, January 19, 2015	Primary Sponsor



In addition to these scheduled outreach events, the Commissioner and senior staff are in regular communication with interested legislators, community champions, and local targeted group media.

The newly formed Office of Equity in Procurement has been structured to support our outreach efforts, with each staff member having responsibility to partner with a segment of businesses, as well as specific agencies.

**Figure 4: Office of Equity in Procurement Organizational Structure**



## Path Forward

The Department of Administration, with continued guidance from the Contracting Practices Committee, is planning several new efforts in the first half of 2016 designed to help meet contracting diversity goals. As part of the overall effort to maintain maintaining energy and momentum, members will be asked to elect to continue on the Committee or to recommend a new member for consideration. Other planned initiatives are described below.

- **Opportunity Fair**
  - a. The Department of Administration will host an Opportunity Fair in the first quarter of 2016 for small business owners. The goal of the Fair will be to invite business owners to meet with agency representatives to make introductions, initiate conversations and build relationships where business capabilities meet agency needs. Other agencies will be invited to both exhibit and co-host the event.
  
- **Compliance Work**
  - a. The Office of Equity and Procurement, now fully staffed, will have the bandwidth to perform a compliance function that was not previously performed consistently. Vendors must agree to meet goals around diversity and inclusion performance, however, completion of the goals was rarely audited. An ongoing duty of the Office of Equity in Procurement will be to ensure that goals, as stated, are met or penalties will be assessed.
  
- **GovDelivery Communication**
  - a. The Department of Administration will leverage the GovDelivery communication tool to reach more Targeted Group Businesses. Historically, businesses have largely learned about solicitations and contracting opportunities by actively searching various sites for information. The GovDelivery tool will allow Admin to push communications about specific opportunities to business owners, as well as direct them to other portals that house additional information. GovDelivery emails will go to all Targeted Group Businesses unless they choose not to receive the information.
  
- **State employee training**
  - a. Certain State employees who make purchasing decisions are granted that authority by delegation from the Department of Administration. This year, individuals with delegated purchasing authority will be required to complete a newly designed Targeted Group Business training. The training will be mandatory and will highlight different methods for ensuring that Targeted Group Businesses are included in solicitations and are selected more often for contracting opportunities.
  
- **Direct Partnership with State Agencies**
  - a. The structure for the Office of Equity in Procurement will ensure that agencies are aware of Targeted Group Businesses that provide the goods and services they are typically seeking. In addition, the Office will better understand purchasing timing, trends and upcoming solicitations for each agency. This

will allow us to anticipate needs and assist in matching opportunities with businesses.

- **Make Admin a Trusted Partner**

- a. The Department is making continuous efforts to raise the profile of Admin in this space. Our goal is to be an essential partner to Targeted Group Businesses, to build trust with targeted communities, and to be a credible voice with industry groups and stakeholders. We have formed many relationships this year with business owners and stakeholders and plan to exponentially grow those relationships in the coming year.

## Civic Engagement Committee Report

### Purpose and Responsibility

Executive Order 15-02 proclaims that the State of Minnesota is committed to leading on issues of diversity and inclusion. The State can only fully recognize its potential when all individuals in Minnesota have the opportunity to realize their full potential.

The mission of the Civic Engagement Committee is to ensure that all individuals living in Minnesota have a meaningful opportunity to fully participate in the democratic process and in the development of public policy generated by the State of Minnesota. Specifically, the Committee seeks to enhance the civic engagement outreach efforts of all administrative agencies and departments.

The Committee will support and enhance the following concurrent initiatives being undertaken by the Administration to ensure diversity and inclusion:

- Ensuring opportunities are provided for all individuals with disabilities to be fully integrated in all aspects of society in Minnesota as set forth in Olmstead Executive Orders 13-1, 14-14 and 15-3;
- Improving relationships and collaboration with Minnesota's eleven Tribal Nations as set forth in Tribal Consultation Policy Executive Order 13-10;
- Supporting transparent and deliberate decision-making through the citizen's advisory committee of the Minnesota Pollution Control Agency set out in Executive Order 15-15; and
- Encouraging administrative agencies to use plain language to improve greater understanding of how government works for individuals in Minnesota as set forth in Plain Language Executive Order 14-7.

Although the Committee may focus on any aspect of diversity and inclusion, emphasis will be given to engaging communities of color and American Indian communities, the disability community, LGBTQ community and women.

### Steering Committee Membership

The Minnesota Department of Human Rights (MDHR) engaged in an intentional outreach effort to create a steering committee that would include people who identify from various racial and ethnic communities, people who identify as LGBTQ, individuals with disabilities, and to reflect the geographic diversity of the State of Minnesota.

Grassroots recruitment efforts, such as asking both traditional and non-traditional networks to reach out to potential candidates, were utilized. Recruitment also targeted outreach to individuals and organizations such as Minnesota's State Ethnic Councils; Minnesota's State Council on Disability (MSCOD); the African-American Leadership Forum (AALF), the Coalition of Asian-American Leaders (CAAL); Latino LEAD (LEAD), and partners developed through the

Minnesota Department of Human Rights' tribal consultation work. Additionally, recruitment efforts also included MDHR's newsletter list of more than 1,000 individuals, along with targeted phone calls and emails.

The recruitment effort yielded slightly more than 60 applications for 35 steering committee member positions. In evaluating the candidacy of applicants, the Chair and Department Staff sought to create a diverse steering committee.

With respect to committee makeup, 64% of members are from communities of color or American Indian Communities, 11% identify as LGBTQ, 6% identify as an individual with a disability, and 66% identify as female. Furthermore, geographically, 14% of committee members live outside the seven-county metropolitan area, 77% are from the public, and 23% are employed by cabinet-level agencies.

#### **Committee Members (listed in alphabetical order)\*:**

- Maher Abduselam – African American Leadership Forum
- Khalid Adam – Citizen
- Anne Barry – Department of Human Services
- Ned Brooks – Minnesota Pollution Control Agency
- Marisol Chiclana-Ayala – Minnesota Department of Health
- Rose Chu – CAAL
- Jane Conrad – East Central Area Labor Council
- Ashley Fairbanks – Citizen
- Patricia Fenrick – City of Eden Prairie
- Kriystauhl Fitchett – AALF
- Victoria Ford – Citizen
- Cedrick Frazier – Minneapolis Public Schools
- Michelle Fure – Metropolitan Council
- Lena Gardner – Black Lives Matter/Unitarian Universalist Church
- Sandra Gerdes – Laura Baker Services Association
- Emilia Gonzalez-Avalos – Navigate MN
- LeRone Greer – Department of Human Services
- Yusef Mgeni – St. Paul NAACP
- Abby Miller – HealthPartners
- Kathy Mouacheupao – Twin Cities Local Initiative Support Corporation
- Nick Ngo – Citizen
- Hue Nguyen – MN Dept. of Education
- Guadalupe Quintero – Citizen
- Erika Rivers – MN Dep. of Natural Resources
- Ann Kaner-Roth – Minnesota Office of the Secretary of State
- Sherry Sanchez Tibbetts – Fond du Lac Tribal & Community College
- Timothy Sumner – Beltrami County Commissioners
- Pheng Thao – Citizen
- Meagan Tinajero – Citizen
- Joann Usher – Rainbow Health Initiative
- Sarah Walker – MN Second Chance Coalition
- Chang Wang – Thomson Reuters

- Mark Westergaard – Richfield Human Rights Commission
- Gwen Willems – Citizen
- Tiffany Xiong – Citizen
- Blake Chafee – DEED
- Hue Nguyen – Minnesota Department of Education

\*The Executive Directors of the Minnesota Council on Latino Affairs, Council for Minnesotans of African Heritage, Council on Asian Pacific Minnesotans, the Minnesota Indian Affairs Council, the Minnesota State Council on Disability, and the Office on the Economic Status of Women serve as ex-officio members of the Committee.

## Progress Toward Goals

The July 1, 2015 report identified several goals to accomplish before the January 2016 Diversity & Inclusion Council report. The following section provides an update on the progress toward the identified goals:

### **Create a diverse steering committee comprised substantially of public members to guide the work of the Committee.**

- As discussed above, the MDHR formed a diverse steering committee. The first steering committee meeting was held on December 8, 2015.
- While recruitment for the inaugural steering committee is complete, the Chair anticipates that there will be opportunities for members of the public who are interested in the work of civic engagement to possibly participate on future sub-committees that will be formed by the steering committee.
- The Chair anticipates that the next recruitment cycle for the steering committee will occur at the end of calendar year 2017.

### **Refine identified best practices in civic engagement through meetings with stakeholders and identify agencies to present on basic practices at the Diversity and Inclusion Summit.**

- The Chair (Commissioner of MDHR) presented at the monthly meeting held for the Deputy Commissioners of the Administrative Agencies in September 2015. The Chair shared with the Deputies that it is not the intent of the Committee to replace the current civic engagement efforts existing within administrative agencies but rather to support and enhance the civic engagement efforts within administrative agencies. During the meeting, the Chair presented some of the identified best practices in civic engagement from prior conversations between stakeholders and the MDHR. The Chair also engaged in a discussion with Deputies on how administrative agencies can instill a culture of civic engagement within their organization.
- The Committee has an ongoing commitment to continuous improvement and aims to refine best practices. The MDHR reconvened meetings with individuals, the state's ethnic councils, non-profit organizations, and foundations in October 2015 that they had previously met with prior to the July 1, 2015 report. The meetings were used to clarify information received concerning best practices and to solicit names of organizations and individuals to consider for steering committee membership.
- The MDHR also convened a meeting on October 14, 2015 to allow the administrative agencies that comprise the Diversity and Inclusion Council an opportunity to provide

comment and feedback to the draft work plan that was ultimately presented to the steering committee in December. The meeting also identified best practices that were shared with other administrative agencies on civic engagement efforts at the Diversity and Inclusion Summit in December 2015.

#### **Educate administrative agencies on identified best practices.**

MDHR hosted its fourth annual Diversity and Inclusion Summit at the Department of Revenue. The annual event is an opportunity for senior staff within administrative agencies to hear and share best practices in diversity and inclusion. The Summit this year included presentations from each of the committees that comprise the Diversity and Inclusion Council.

The event focused on the Council's efforts to diversify the state's workforce and business supply chain and engage in better civic engagement practices.

Among the topics discussed were how the state of Minnesota is developing strategies to improve diversity, inclusion, and equity in statewide employment practices. Discussion also included what is being done to overcome barriers and create a more diverse and inclusive workplace for state employees including:

- Minnesota's strategic plans for each state agency to increase state government employment for people with disabilities to 7 percent by 2018.
- Diversity training and development across state government to make the workplace more inclusive.
- Redesigning the state's website for state employment job applicants to improve access, and better collect and retain data on the diversity of the state's workforce.

Attendees also learned about opportunities to change policies and practices that can be readily implemented to achieve equity in state procurement and contracting and what's being done to improve the State's efforts to engage all citizens in the work of developing and sustaining healthy communities.

#### **Develop relationships with individuals and organizations throughout the State of Minnesota who are interested in fostering and developing civic engagement.**

- This is an ongoing goal for the committee. However, progress has been made in developing more relationships with individuals and organizations throughout the State of Minnesota that are interested in civic engagement and facilitating greater participation for all individuals in Minnesota.
- The Chair participated on various radio and cable programming and roundtable discussions, occasionally including fellow Committee Chairs, to discuss and promote the work of the Diversity & Inclusion Council.

#### **Research best meeting practices such as the University of Minnesota, "The Art of Hosting and Harvesting Community Conversations that Matter."**

- The Committee is interested in utilizing “The Art of Hosting and Harvesting Community Conversations that Matter” training session which teaches people how to maximize the effectiveness of group meetings. At the heart of this method is learning how to ask good questions. The Chair will seek the input of the sub-committee chairs of the steering committee to determine how best to move forward with this training.

## Metrics

In the first half of 2015, the MDHR collected preliminary data of the civic engagement efforts of state administrative agencies for the purpose of developing a baseline of civic engagement efforts. All of the 23 agencies within the Cabinet responded to the nine question survey prepared.

In reviewing the survey responses received from administrative agencies, the most common metrics used by administrative agencies to measure civic engagement were to: (1) count the number of people who attended meetings, (2) tally the number of subsequent meetings those individuals attended, (3) track the number of hits to agency websites requesting information, and (4) counting the number of people who request project updates. A few agencies had begun to study how to assess qualitative feedback received from exit surveys.

The most common agency requests for assistance from the civic engagement committee were to:

- Provide training on developing metrics for measuring successful civic engagement
- Provide information on innovative and successful models for civic engagement
- Provide information on best practices for conducting civic engagement
- Provide training on how to successfully run and conduct public meetings

### Meeting with Secretary of State Steve Simon

The MDHR met with Minnesota Secretary of State Steve Simon on September 15, 2015 to discuss the desire of administrative agencies to diversify membership of state boards, councils and commissions (collectively “state boards”), to obtain baseline information on the current composition of state boards, and to discuss strategies to increase the diversity of state boards.

During the course of the conversation, the Chair identified some common themes that came up in conversations with stakeholders about challenges associated with diversifying state boards including: the difficulty of determining baseline of diversity currently on state boards, the lack of awareness among diverse applicants of the role of state boards, and lack of awareness among diverse applicants of open positions and the process to apply to serve on state boards.

The Secretary of State stated he was committed to ensuring that all Minnesotans are aware and have the opportunity to serve on state boards. To navigate these barriers the Office of the Secretary of State has agreed to move forward on the following tasks:

- Look into the logistics of recording and reporting the information of all people who apply for positions, not just those who are elected to boards and commissions.



- Provide a master list of boards and commissions that offer per diems to the Civic Engagement Committee. The Committee believes that curating this information could be beneficial in making participation financially feasible for some candidates.
- Explore ways to increase awareness of postings.
- Search for ways to enhance communication, engagement and outreach.
- Identify boards and Commissions with good best practices and report findings back to the Civic Engagement Committee.

## Outreach Efforts

During the past six months, The MDHR has worked to raise awareness and interest in the Committee and the Diversity and Inclusion Council as a whole. The outreach efforts made in 2015 and the relationships they helped foster are key to completing not only the milestones set for 2016 but also the long-term that ensure all Minnesotans have equitable opportunities to participate fully in the development of policy within our democracy.

### General Media

- In 2015, the Chair, as part of his duties as Commissioner MDHR and Vice Chair of the Diversity and Inclusion Council, was able to discuss the Council and the Committee on various state-wide platforms including: in-person visits, print, online, and television media outlets to share the successes of the Committee and the Council. Those opportunities combined helped to share the work with a broad audience.

### Targeted Communication to Deputies

- Interagency meetings between Deputy Commissioners were used as a platform to discuss, inform and shape the work of the Committee. Each of the 23 cabinet-level state agencies has at least one deputy commissioner responsible for the everyday management of their respective agency. These deputies meet on a monthly basis to insure cross-agency initiatives can be properly instituted and so information can be shared.

### Human Rights Symposium

- The public event had approximately 200 registered attendees and the session again focused on the work being done to change the culture regarding civic engagement both within state agencies and in Minnesota's communities.
- At the Human Rights Symposium, the Chair – along with Minnesota Management and Budget Commissioner, who chairs the Employment Practices Committee, and the Administration Commissioner, who chairs the Contracting Practices Committee – participated in a session intended to inform attendees about the work of the Council and their respective committees.

### **Diversity and Inclusion Summit**

- The Diversity and Inclusion Summit has been held annually for four years and is attended by senior leadership from a variety of state agencies. Previous Diversity and Inclusion Summits focused on best practices for employment and served as a space for agencies to discuss and inform attendees about successful best practices.
- The day-long event held on December 1, 2015, allowed representatives from the Diversity and Inclusion Council's three committees to give state leaders an in-depth look into the work being done by their respective committee and how Minnesota's government is addressing the state's changing demographics..
- The Civic Engagement Practices Committee portion of the session focused on the work being done to enhance the civic engagement efforts of all agencies and the work being done to change the culture regarding civic engagement both within state agencies and in Minnesota's communities.

### **Civic Engagement Steering Committee**

- On December 8, 2015, the inaugural Civic Engagement Steering Committee meeting was held at the Minnesota Department of Education. At the meeting, discussion centered on the purpose of the steering committee, the Committee's role within the Council's initiative and the work the Employment Practices Committee and Contracting Practices Committee have completed.
- Steering committee members were also asked to review the 2016 work plan. Through large and small group discussion and breakout sessions, the group provided critical feedback that touched on multiple themes such as acknowledging the historical conditions that have presented barriers between the communities and state agencies, promoting healing to better foster future relationships, and the need to evaluate how government and communities collaborate. These themes pointed to a central idea of developing, and in some cases re-establishing, trust between government agencies and the communities they serve.
- In addition to the discussions held at the meeting, steering committee members were also given time outside the meeting to review the work plan and drafts of this report. to ensure legitimate input within the civic engagement process.
- The 35-member steering committee group has been divided into sub-committees to balance the steering committee's workload. Each sub-committee has a public chair and a state agency chair in efforts to combine members experience, wisdom and resources.

### **2016 Milestones**

The Committee has identified the following milestones to reach in order to accomplish the Committee's mission. These milestones will provide agencies and the community with assessment tools for civic engagement while also enriching the relationship between state agencies and the communities they serve through trust-building and transparency.

**1. Increase meaningful engagement from diverse communities in agency policy making**

- a. Increasing engagement from diverse communities in agency policy making will ensure communities have meaningful input in agency policy making and ensure communities are viewed by administrative agencies as resources. This strategy also calls for agencies to measure and document their improvement in engaging communities.
- b. To achieve this milestone, the Committee must:
  - i. Provide listening sessions with the community to identify the historical conditions that have created distrust and identify practical solutions for the healing and reconciliation needed to rebuild trust.
  - ii. Highlight themes from the community to be reconciled prior to mapping.
  - iii. Design a process for and identify opportunities for participation and decision making including:
    - 1. Identifying best practices for meetings that take into account location and time of the event, provision of childcare and food, parking, clarity of the role of the public in the process, timing of public communication and sufficient notice and communication.
    - 2. Building ongoing relationships with communities so they are always part of the process. Continued listening to allow community to voice opinions, concerns and ideas.
    - 3. Recommending other ways to include communities in decision making including the possibility of co-creating policy.
    - 4. Recommend practical and creative recommendation resources for administrative agencies to ensure compliance with the Americans with Disabilities Act (ADA) and the Minnesota Human Rights Act (MHRA), in conjunction with the Olmstead Implementation Office (OIO).
    - 5. With community assistance, identify metrics that will be used to create a baseline of current practices and improvement over time.

**2. Develop civic engagement infrastructure within administrative agencies**

- a. Understanding that communities are a source for ideas, transformation and leadership, it will be crucial for agencies to acknowledge that communities have meaningful impact into agency policy making decisions. This relationship will ensure that Agencies will have the skills, resources, infrastructure and internal culture to engage with diverse communities and that public policy supports civic engagement.
- b. To achieve this milestone, the Committee must:
  - i. Identify specific ways in which agencies can ensure communities have meaningful and purposeful impact into agency policymaking decisions.
  - ii. Recommend how to achieve the cultural and behavioral shifts that agencies need to make to better engage communities.

- c. Make specific recommendations on how to build out infrastructure within agencies such as:
  - i. Communicating the importance of civic engagement.
  - ii. Training agency staff.
  - iii. Changing agency culture to promote civic engagement.
  - iv. Identifying external and internal resources that could be used.
  - v. How to best promote culturally adaptable practices.
  - vi. Identify metrics that will be used to create a baseline of current practices and improvement over time.

**3. Work toward ensuring interagency efforts reflect communities served**

- a. The Committee will review interagency civic engagement work to date to identify how agencies who do different types of work might best work together to engage with diverse communities. Doing so will meaningfully inform the work of interagency efforts.
- b. To achieve this milestone, the Committee must:
  - i. Meet with representatives from Olmstead, Workforce Alignment, Recidivism and Ending Homelessness initiatives to understand the community goals regarding civic engagement identify opportunities to increase civic engagement, discuss best practices and create a way to test and evaluate the civic engagement strategies employed by each initiative.
  - ii. Identify how agencies who do different types of work might best work together to engage with diverse communities.
  - iii. Recommend practical solutions to increase civic engagement.
  - iv. Identify metrics that can be used to create a baseline of current practices and improvement over time.

**4. Diversify membership of boards and commissions that impact administrative agency policy decisions.**

- a. The Committee, in collaboration with the office of Secretary, will begin to implement better tracking of the composition and applicant pool of boards and commissions through metrics, baselines and goals for increasing diversity. Doing so will better ensure board and commission composition reflects the diversity of the state and will include traditionally underrepresented communities as part of the agency decision-making process.
- b. To achieve this milestone, the Committee must:
  - i. Assist the Secretary of State's office to implement better tracking of the composition and applicant pool of boards and commissions.
  - ii. Establish metrics, baselines and goals for increasing diversity.
  - iii. Promote the importance of diverse boards and commissions and communities to the Governor's Office.
  - iv. Educate and raise the diversity of boards and commissions within communities.

## Diversity and Inclusion Council 2016 and Beyond

The Diversity and Inclusion Council's first year was focused on assessing the state of diversity and inclusion and setting the foundation for strategic activities in 2016 and beyond. In 2016, the Council intends to expand partnerships and outreach, align and expand strategies around diversity and inclusion within state government and among external partners, and improve internal and external communications on progress, opportunities, and achievements.

The Employment Practices Committee plans to continue improving the hiring process, advise the state as it seeks additional resources for critical equity needs, support efforts for enhanced data collection and analysis, and play a greater role in coordinating the state's outreach and communication efforts.

The Contracting Practices Committee will focus on easier identification of targeted group business, offering assistance with the certification process, streamlining state policies and processes that are restrictive for small businesses, training and outreach to business owners on state purchasing agents. The Committee expects to develop specific goals based on the baseline metrics they established this year and implement strategies to accomplish the state's goal of equity in contracting for all Minnesotans.

The Civic Engagement Committee's will focus on increasing meaningful engagement from diverse communities in agency policymaking, developing civic engagement infrastructure within administrative agencies, ensuring civic engagement with diverse communities on interagency efforts, and diversify membership on boards and commissions.

On October 8, 2015 Governor Dayton told a room of over 1000 business leaders at the Minnesota Business Partnership meeting, "I pledged the state of Minnesota would do more to add diversity to our workforce at all levels. I guarantee it will be a top priority from now on." The Diversity and Inclusion Council is leading this charge in coordination with many partners. The Council is eager and committed to achieve progress and create change together for a better Minnesota.