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EMPLOYMENT AND ECONOMIC DEVELOPMENT

State Fiscal Year 2019 Minneapolis Foundation Equity Direct Appropriation

Final Report 1/15/2020

Department of Employment and Economic Development Employment and Training Division, Adult Career Pathways Programs 332 Minnesota Street, Suite E200 St. Paul, MN 55101

recording. Printed on recycled paper.

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Background

Workforce Development Equity Appropriations

During the 2016 Legislative Session, the Minnesota State Legislature appropriated funds to the Minneapolis Foundation to "for a strategic intervention program designed to target and connect program participants to meaningful, sustainable living-wage employment." The following year, the 2017 Minnesota State Legislature appropriated \$1,000,000 to the Minneapolis Foundation for each of SFY 2018 and SFY 2019, for the same purpose. (Laws 2017, Chapter 94, Article 1, section 2, subd. 3 (i)) After subtraction of DEED's administrative fee, funds available were \$950,000.

Minneapolis Foundation

The Minneapolis Foundation is a philanthropic organization that administers more than 1,400 charitable grants. The Minneapolis Foundation passed the entire appropriation from the 2017 Minnesota State Legislature through to the Center for Economic Inclusion (formerly of the Northside Funders Group) to continue its North@Work (N@W) program.

The Center for Economic Inclusion's N@W is a program launched by Minneapolis Foundation, Northside Funders Group, and community partners to create a tipping point for North Minneapolis by connecting 2,000 African American men to meaningful living-wage jobs over the next five years. The program targets unemployed and underemployed men aged 25-50 who reside in, or may be returning to, North Minneapolis.

Summary of Work Plan Goals and Objectives

North@Work endeavors to bring together key players to deliver an innovative and integrated solution, while creating more economic opportunity for the greater Twin Cities region. The program's work plan focuses on strategies to create real change for African American men living on the Northside by leveraging networks, career exploration, aspiration and aptitude testing, training and placement, cohort support, and development of inclusive workplaces.

North@Work takes a diversified approach to outreach and recruitment for the program, relying on a number of trusted networks to educate and refer potentially eligible participants to partners that provide comprehensive guidance and support for intake and case management.

Upon acceptance to the program, all participants begin their active participation in N@W with cohort support sessions at Twin Cities R!SE, with personal empowerment training that is a foundation in N@W programming. Participants continue working with case managers post empowerment training to identify a path. N@W participants may choose to pursue training and licensing opportunities at numerous partners such as Summit

Academy, Interstate Trucking, Mind the Gapp, Dunwoody College of Technology, and others or continue on work readiness skills while search for employment with program support.

For participants who complete training or those who may be ready for work without additional training, N@W partners with employers that have large numbers of meaningful permanent entry level jobs with career pathways with the ideal positions being those that pay a wage of at least \$15.00 per hour.

In SFY 2019 the North@Work program set the following goals:

- Total Enrollments: 240
- Total Credentials Obtained: 44
- Exits to Employment: 120

Data – SFY 2019

The Minneapolis Foundation documents demographics for its program participants, their activities, services received, and outcomes in WorkForce One, DEED's web-based client management application.

Demographics

Demographics		
Demographic Characteristic	Number	Percent of Goal
Total participants served	355	148%

Gender	Number	Percent
Male	355	100%
Female	0	0%

Age at Enrollment	Number	Percent
18-24	17	4.79%
25-29	73	20.56%
30-39	119	33.52%
40-49	102	28.73%
50-54	15	4.23%
55-59	14	3.94%
60+	15	4.23%
Race	Number	Percent
American Indian or Alaska Native	4	1.13%
Black or African American	336	94.65%

Race	Number	Percent
Multi-Race	0	0.00%
White	11	3.10%
Did Not Self-Identify	2	0.56%

Labor Status at Enrollment	Number	Percent
Employed Full-Time	100	28.17%
Employed Part-Time	26	7.32%
Employed, Received Term Notice/Military Separation	1	0.28%
Not Employed, Was Not Self-Employed	201	56.62%
Self-Employed	1	0.28%
Not in Labor Force	8	2.25%

Barriers	Number	Percent
Homeless	62	17.46%
Lack of work history	124	3.94%
Limited English	14	3.94%
Offender	154	43.38%
Public Assistance	95	26.76%
Education	Number	Percent
0-11th Grade	53	14.93%
12th Grade Completed, No Diploma	8	2.25%
High School Diploma	136	38.31%
GED	50	14.08%
Some College/Tech/Vocational School	76	21.41%
Associate's Diploma/Degree	17	4.79%
Bachelor's Degree or Equivalent, or Beyond	14	3.94%
Education Beyond Bachelor's Degree	1	0.28%

Outcomes

Grant Summary Category	Number of Participants
Enrollments	355
Enrolled in Training	121
Percent of Total Enrolled in Training	34%
Enrolled in Credentialed Training	117
Enrolled in Non-Credentialed Training	12
Exits	151
Entering Employment Exits	60

Credential Summary	Credential Total
Occupational Skills Certificate	32
Technical/Occupational Skills License	20
Other Recognized Credential	1
Total Credentials	53

Successful Exits	Unique Person Total
Completed Program Objective	3
Does not require Workforce Development Services	8
Entered Unsubsidized Employment	60
Program/Type Transfer	2
Entered Armed Forces	1
Total Successful Exits	74
Total Exits	151

Average Wage at Enrollment	Average Wage at Exit	Change	Percent Change	Annualized Change
\$13.15*	\$15.06	\$1.24	9.4%	\$2,579.20

*Of those reporting employment at time of enrollment, 126 of 355.

Expenditures

Minneapolis Foundation budgeted their SFY 2019 grant funds as follows:

Budget Category	Amount
Administrative Costs (up to 10% allowed)	\$95,000
Direct Services	\$100,000
Direct Customer Training	\$395,000
Contracted Services	\$360,000
Total Funds	\$950,000

Expenditures through June 30, 2019

The reported expenditures for Minneapolis Foundation by category are as follows:

Budget Category	Amount
Administrative Costs (up to 10% allowed)	\$95,000
Direct Services	\$100,000
Direct Customer Training	\$395,000
Contracted Services	\$360,000
Total Funds Requested	\$950,000

Cost per Participant: \$2,676.05

Future Allocations

Minneapolis Foundation received an appropriation of \$800,000 for SFY 2020 and SFY2021. The amount after DEED's administrative allowance is \$380,000 each year.

(https://www.revisor.mn.gov/laws/2019/1/Session+Law/Chapter/7/)