



February 1, 2021

*Legislative Report:
Workforce Development Scholarship
Program*

Minnesota State



EXECUTIVE SUMMARY

- The Minnesota Legislature created the Workforce Development Scholarship program in 2017; Minnesota State piloted the program with \$1 million in funding during the 2018-19 academic year. The program was expanded in FY2020 to provide \$2 million in scholarships and \$6 million in scholarships in FY2021. In forthcoming years, the available funding will be \$4 million each fiscal year (excluding administrative costs and private match requirements).
- The Workforce Development Scholarship program provides scholarships to students enrolled in high-demand educational programs leading to employment in six industries – advanced manufacturing, agriculture, health care services, information technology, early childhood education, and transportation.
- In the 2019 – 2020 academic year, \$1,524,000 in scholarship funds were distributed to 693 students.
- Students receiving Workforce Development Scholarships in fall 2020 (academic year 2020 – 2021) were enrolled in programs leading to high-demand occupations in:
 - Health Care Services – 47 percent
 - Advanced Manufacturing – 17 percent
 - Transportation – 11 percent
 - Information Technology – 10 percent
 - Early Childhood – 6 percent
 - Agriculture – 5 percent
 - Other – 4 percent
- In fiscal year 2020, there were over 340 certificates, diplomas or associate degrees awarded to Workforce Development Scholarship recipients. Earned credentials were distributed by industry area as follows: 40 percent in health care services; 32 percent in advanced manufacturing; 9 percent in information technology; 5 percent in agriculture; 4 percent in transportation; 1 percent in early childhood education and 7 percent in other degree fields (generally pre-healthcare majors).
- During fall term 2020 (2020-2021 academic year), 1,609 students enrolled at Minnesota State colleges and universities received \$2,011,342 in Workforce Development Scholarships. The balance of FY21 WDS funds will be distributed to students in spring term.

INTRODUCTION

The Minnesota Legislature created the Workforce Development Scholarship program (Chapter 89, Article 2, Section 17 [136F.38]) in 2017 and appropriated \$1 million in FY2019 to Minnesota State to encourage students to enroll in high-demand educational programs that prepare graduates for employment in four industries – advanced manufacturing, agriculture, health care services, and information technology.

The program’s funding was increased during the Legislature’s 2019 session to provide \$2 million in scholarships during the 2019-20 academic year. In addition, high-demand educational programs preparing graduates for two additional industries – early childhood education and transportation – were added to the list of eligible programs.

The 2019 legislation provided \$6 million in funding for academic year 2020 – 2021 (FY2022) and \$4 million in base funding thereafter. Minnesota State college students enrolled in eligible programs can now receive two years of financial support (up to \$5,000) and a third year (an additional \$2,500) if they complete a two-year degree in an eligible program area and transfer to one of Minnesota State’s four-year universities.

WORKFORCE DEVELOPMENT SCHOLARSHIP PROGRAM OVERVIEW

In academic year 2019 – 2020, 693 Minnesota students at all 30 of Minnesota State’s two-year colleges received a Workforce Development Scholarship of up to \$2,500 (\$1,250 per term) to support their pursuit of a diploma, certificate, or associate degree in an educational program that prepared them for careers in advanced manufacturing, agriculture, health care services, information technology, transportation, and early childhood education.

A total of \$1,524,000 in Workforce Development Scholarship funds were distributed during the 2019 – 2020 academic year. Scholarship funds were allocated based on campus enrollment and the availability of educational programs in one or more of the six program groups. Each campus identified a program coordinator, most commonly the leader of the college’s foundation or financial aid office, to administer the process of awarding scholarships.

Colleges are encouraged to identify new students, recent high school graduates, or adults to grow enrollments and recruit individuals for the industries specified in the Workforce Development Scholarship legislation. Colleges are also encouraged to reach out to diverse student groups, including non-traditional students for certain career fields, e.g., females in advanced manufacturing or information technology or males in health care services.

For academic year 2019 – 2020, the number of scholarship recipients and the dollar value of those awards by colleges are presented in Table 1. Table 2 provides information on awards in Fall 2020 (Table 2a Colleges and Table 2b Universities). Table 3 identifies awards by industry sector in Fall 2020, and Table 4 shows degree type in each industry sector.

While most scholarship recipients declared a program of study in one of the six target industries, some students were enrolled as pre-majors, typically in a health care-related field, e.g., pre-nursing or pre-dental. These awards are classified as liberal arts, and most students will continue to be eligible when enrolled in programs related to one of the six industries.

In addition, in Fall 2020, 19 university students were awarded scholarships. These students are eligible for a third year scholarship by meeting two criteria:

- Completion of an associate's degree
- Transfer to a program based on their associate degree field in an eligible industry

Of the 19 students awarded third year scholarships, 11 transferred into a health care services program, three each transferred in information technology and manufacturing, and one each transferred into liberal arts and early childhood. As the program progresses, it is anticipated more students will transfer with eligibility for a third year scholarship at one of our seven state universities.

Promotion and Award Process

Campuses were delegated the authority to define an awarding process that best served students at each institution. In most but not all instances, campuses promoted the availability of Workforce Development Scholarships and solicited applications from both incoming and returning students. Not surprisingly, student interest in these scholarships was high.

In the first two years (FY2019 and FY2020) of the WDS program, 2,006 Workforce Development Scholarships were awarded to 1,016 unique students for a total of \$2,520,000 in scholarships state-wide in the high-demand fields of healthcare, advanced manufacturing, information technology, transportation, agriculture, and early childhood education. We are currently in the third year of the program (FY2021) and the preliminary data from Fall 2020 shows 1,609 scholarships have been awarded for a total of \$2,011,342.

Workforce Development Scholarships were widely promoted throughout the year on nearly every Minnesota State College campus, utilizing marketing materials from both the system office and self-generated campus materials and strategies. Many campuses utilized targeted marketing strategies in an effort to support programs with lower enrollments and local industries with the significant workforce shortages. In addition, outreach leaders from the Centers of Excellence along with their college partners began and continue to assist campuses in promoting of the program during statewide outreach activities.

A two-month paid media campaign was leveraged to promote the Workforce Development Scholarship program between May 1 and June 30, 2020, promoting scholarships for Fall 2020. This campaign included digital advertising, radio advertising, and a home page carousel ad on the MinnState.edu website. The campaign promoted the Workforce Development Scholarships available at the colleges and universities.

Radio commercials ran in the following markets:

- Mankato - KDOB
- Rochester - KROC
- Minneapolis/St. Paul – KDWB, KZGO, WREY
- St. Cloud - KCLD
- Bemidji - KBHP
- Brainerd - KFGI
- Duluth - KBMX
- Moorhead – KOYY

Digital advertising focused on Facebook and Instagram with the following two-month totals:

- Reach: 386,176 (number of people who saw the ad)
- Impressions: 1,621,681 (total number of times the ad was shown)
- Clicks: 28,276 (total number of times the ad was clicked on)
- Click Through Rate: 1.74% (industry average for education is 0.73%)

In July 2020, Minnesota State conducted an email campaign to promote the Workforce Development Scholarships for students transferring to a state university, including an organized outreach campaign (166 emails) to students who had recently graduated from one of our two year colleges and had received the Workforce Development Scholarship. The message congratulated students on their graduation and informed them about the possibility of another year of the \$2,500 scholarship for them to continue in their high demand field. The email provided contact information for the scholarship contact at each of the universities, as well a link to our MinnState.edu website where they could find eligibility information.

Enhancing Impact and Potential

Outreach leaders from two Centers of Excellence (transportation and agriculture), in partnership with the system office, consulted throughout the year with college and university scholarship representatives to learn and share best practices and to better understand campus-specific challenges and growth opportunities. As campuses assess, refine, and improve their award processes, there are growing efforts to award scholarships to support student retention and encourage program enrollment.

Examples include:

- Further development of local partnerships to secure private matching funds and to assess workforce shortages in specific sectors.
- Increased focus on programs with specific enrollment challenges.
- Special attention paid to application barriers, like deadlines and written requirements.
- Increased coordination between foundation and financial aid staffers to better identify students with highest need.
- Utilization of scholarships as a resource to assist with retention after first term enrollment and second year students.

- Renewed focus on local high schools that can serve as a direct pipeline to workforce.
- Campus leaders identify, and then directly reach out to, candidates with the most need.
- Intentional holding back of scholarship funds in order to support spring start students, or students who enroll past traditional scholarship deadlines.
- Added attention paid to a more balanced distribution across the six eligible industry sectors. One example would be additional efforts to promote scholarships to students enrolled in transportation and agricultural programs, which resulted in over three times as many scholarships awarded in those sectors in 2020-21 school year compared to the previous year.

Testimonials

“This is the first year that Fond du Lac Tribal and Community College (FDLTCC) has been able to award all of the allotted scholarships. We are very happy about that. We are also very much looking forward to awarding more in early childhood. At FDLTCC, these scholarships provide much needed assistance to our students. They are great incentives for progression through and completion of degrees. Many thanks to the Minnesota legislature for their generosity. It matters.”

Anna Fellegy, Vice President of Academic Affairs
Fond du Lac Tribal and Community College

“I’m not joking or exaggerating when I say we’ve had more stop by with teary eyes than not. It’s such an emotional, stressful time for so many, you can tell. Some positive news like this has just made a world of difference. It’s a great story to tell, especially to the legislature.”

Daniel Fanning, Vice President of Institutional Advancement and External Affairs
Executive Director of Lake Superior College Foundation

“Thank you so much for this scholarship. I was so worried about not having enough aid to cover the costs. This made me cry!”

2019 Workforce Development Scholarship Recipient
Pine Technical and Community College

“Thank you all so much for selecting me for this scholarship. You have no idea how much this means to me – I couldn’t ask for anything else – this will help me so much financially. Once again, thank you.”

Periche Buckner – Dental Assistant, AAS Degree
Dakota County Technical College

“We are trying to remove every hurdle to completing the [college] application.”

Jessica Ward, Foundation and President’s Office Administrative Assistant
Century College

“This scholarship has been instrumental to aiding students with the ability to pursue degrees in high-growth, high-demand fields. These students have the capability of exploring their passions

while receiving high paying jobs in industry. We are so appreciative to have this opportunity to award scholarships to students at Pine Technical and Community College (PTCC). Steve and Judy have been so wonderful in helping us navigate best practices and ways to maximize efficiencies!”

Mollyann McCann, Recruitment and Admissions Specialist
Pine Technical and Community College



Congratulations, Tiffany!

Tiffany is a returning nursing student at Lake Superior College. She's also a single mother of three, her disabled sister's caretaker and works full-time. Her story is inspirational and her compassion for helping others is evident. The LSC Foundation is proud to award Tiffany a \$2,500 workforce development scholarship!

She asked if she could quickly take a picture with her face mask off because she wanted people to see how big she was smiling. 😊 She wasn't sure if she was going to be able to afford to return to school and complete the nursing program, and now she can.

Private Match Requirement

The 2019 legislation required that 10 percent of the annual scholarship fund be held as a matching fund and distributed upon receipt of privately raised funds 1:1 with state funds. Each college is required to raise the equivalent of its 10 percent of allocated Workforce Development Scholarship funds by June 30 of each year.

For 2019 – 2020, \$167,000 was held back from the prior year scholarship fund to be distributed upon raising private match funds in an equivalent or greater amount. In July 2020, fourteen colleges reported raising a total of \$228,450 and each of these colleges were eligible for additional funding from the holdback. Additional funds were distributed in July 2020.

Based on the very successful impact of funds donated two years ago by the Minnesota Precision Manufacturing Association Education Foundation, directors for this organization overwhelmingly supported a second donation of \$30,000 to support students in the advanced manufacturing program area. These funds were distributed to 15 colleges in the amount of \$2,000 each to supplement scholarships provided by the state.

For fiscal year 2021, \$494,750 was held back for a private match fund as required by the legislation.

Degree Completion

Based on preliminary fiscal year 2020 credential data, those who received a WDS scholarship in FY2019 and/or FY2020 earned 149 associate degrees, 125 diplomas, and 66 certificates, primarily in the six designated industry groups. Forty-percent of the degrees awarded were in the health care services area, followed by nearly a third of the degrees being awarded in the advanced manufacturing area. The remaining credentials were in the areas of Information Technology (9%), Agriculture (5%), Transportation (4%), Early Childhood Education (1%), and Liberal Arts/Other Technical, which primarily includes students pursuing health care programs or other technical programs (7%). See Table 4 for the counts of the degrees awarded by industry area to scholarship recipients.

FUTURE ANNUAL REPORTS

As the Workforce Development Scholarship program continues, future reports will provide information on:

1. Scholarship recipients who secure employment by or within three months of graduation
2. Occupations scholarship recipients are entering

For additional information, contact:

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**Table 1: Academic year 2019 – 2020 (FY2020)
Workforce Development Scholarship recipients and dollars awarded, by institution**

College	Scholarship Recipients	Total Dollars Awarded
Alexandria Technical and Community College	25	\$60,000
Anoka Technical College	28	\$56,250
Anoka-Ramsey Community College	26	\$58,750
Central Lakes College	27	\$60,000
Century College	25	\$57,750
Dakota County Technical College	22	\$50,000
Fond du Lac Tribal and Community College	9	\$21,250
Hennepin Technical College	28	\$66,250
Hibbing Community College	7	\$15,000
Inver Hills Community College	23	\$50,000
Itasca Community College	8	\$12,500
Lake Superior College	18	\$38,750
Mesabi Range College	6	\$15,000
Minneapolis Community and Technical College	28	\$62,500
Minnesota State College Southeast	46	\$90,000
Minnesota State Community and Technical College	28	\$61,250
Minnesota West Community and Technical College	28	\$66,250
Normandale Community College	23	\$56,250
North Hennepin Community College	30	\$61,250
Northland Community and Technical College	26	\$58,750
Northwest Technical College - Bemidji	15	\$33,750
Pine Technical and Community College	25	\$61,250
Rainy River Community College	4	\$7,500
Ridgewater College	26	\$61,250
Riverland Community College	31	\$67,500
Rochester Community and Technical College	32	\$62,500
Saint Paul College	32	\$70,000
South Central College	35	\$71,250
St. Cloud Technical and Community College	25	\$56,250
Vermilion Community College	7	\$15,000
TOTAL	693	\$1,524,000

Note: Workforce Development Scholarships include financial aid awards in Award ID 10289 (1st year) and Award ID 10290 (2nd year) from the ISRS.AWARDS table for terms included in FY 2020 (summer 2019, fall 2019, spring 2020). Awards that were estimated or cancelled were excluded. Only students who had attempted local credits greater than 0 during the term(s) the WDS was received are included in the counts. Recipient counts are unduplicated by institution (i.e., if a student received WDS fall and spring, student is counted only once).

Table 2a: Fall 2020 Workforce Development Scholarships, number and dollar value awarded, at colleges

Short Formal Name	Received Workforce Development Scholarship 1st Year Award (10289)		Received Workforce Development Scholarship 2nd Year Award (10290)		Received Any Workforce Development Scholarship Award	
	Count of Students Receiving Award	Total Dollars Awarded	Count of Students Receiving Award	Total Dollars Awarded	Count of Students Receiving Award	Total Dollars Awarded
Alexandria Technical and Community College	56	\$70,000	13	\$16,250	69	\$86,250
Anoka Technical College	31	\$38,750	10	\$12,500	41	\$51,250
Anoka-Ramsey Community College	2	\$2,500	13	\$16,250	15	\$18,750
Central Lakes College	72	\$87,750	0	\$0	72	\$87,750
Century College	23	\$28,750	67	\$83,750	90	\$112,500
Dakota County Technical College	52	\$65,000	0	\$0	52	\$65,000
Fond du Lac Tribal and Community College	43	\$53,750	0	\$0	43	\$53,750
Hennepin Technical College	10	\$12,500	0	\$0	10	\$12,500
Hibbing Community College	24	\$30,000	0	\$0	24	\$30,000
Inver Hills Community College	38	\$47,500	12	\$15,000	50	\$62,500
Itasca Community College	26	\$32,500	0	\$0	26	\$32,500
Lake Superior College	11	\$13,750	0	\$0	11	\$13,750
Mesabi Range College	25	\$31,250	0	\$0	25	\$31,250
Minneapolis Community and Technical College	64	\$80,000	6	\$7,500	70	\$87,500
Minnesota State College Southeast	53	\$66,250	0	\$0	53	\$66,250
Minnesota State Community and Technical	108	\$135,000	6	\$7,500	114	\$142,500
Minnesota West Community & Technical	73	\$91,967	0	\$0	73	\$91,967
Normandale Community College	37	\$46,250	3	\$3,750	40	\$50,000
North Hennepin Community College	64	\$80,000	18	\$22,500	82	\$102,500
Northland Community and Technical College	56	\$70,000	16	\$20,000	72	\$90,000
Northwest Technical College - Bemidji	42	\$52,500	3	\$3,750	45	\$56,250
Pine Technical and Community College	50	\$62,500	0	\$0	50	\$62,500
Rainy River Community College	3	\$3,750	0	\$0	3	\$3,750
Ridgewater College	61	\$76,250	5	\$6,250	66	\$82,500
Riverland Community College	76	\$96,625	4	\$5,000	80	\$101,625
Rochester Community and Technical College	67	\$83,750	6	\$7,500	73	\$91,250
Saint Paul College	73	\$91,250	16	\$20,000	89	\$111,250
South Central College	45	\$56,250	13	\$16,250	58	\$72,500
St. Cloud Technical and Community College	55	\$68,750	14	\$17,500	69	\$86,250
Vermilion Community College	25	\$31,250	0	\$0	25	\$31,250
Total	1,365	\$1,706,342	225	\$281,250	1,590	\$1,987,592

Table 2b: Fall 2020 Workforce Development Scholarships, number and dollar value awarded, at universities

Short Formal Name	Received Workforce Development Scholarship 3rd Year Award University (10295)	
	Count of Students Receiving Award	Total Dollars Awarded
Bemidji State University	8	\$10,000
Metropolitan State University	6	\$7,500
Minnesota State University Moorhead	0	\$0
Minnesota State University, Mankato	3	\$3,750
Southwest Minnesota State University	0	\$0
St. Cloud State University	0	\$0
Winona State University	2	\$2,500
Total	19	\$23,750

Table 3: Fall 2020 Workforce Development Scholarship recipients, by institution and industry

Institution	Advanced Manufacturing	Agriculture	Healthcare	Information Technology	Early Childhood	Transportation	Liberal Arts	Other Technical	TOTAL
Alexandria Technical and Community	24		11	5	3	26			69
Anoka Technical College	15		25			1			41
Anoka-Ramsey Community College	1		10	3			1		15
Central Lakes College	12	8	17	3	7	24	1		72
Century College	6		62	6	3	3	10		90
Dakota County Technical College	10	3	19	6	2	12			52
Fond du Lac Tribal			37		6				43
Hennepin Technical College	4	1	5						10
Hibbing Community College			16	2		6			24
Inver Hills Community College	5		24	4			17		50
Itasca Community College			19		7				26
Lake Superior College	1		9	1					11
Mesabi Range College	14		8		3				25
Minneapolis College	10		33	21	3	3			70
Minnesota State College Southeast	11		25	9	3	5			53
Minnesota State Community and Technical College	60		31	7	1	7	7	1	114
Minnesota West	9	2	55	1	1	5			73
Normandale Community College	1		22	16			1		40
North Hennepin Community College	1		55	24			2		82
Northland Community and Technical	2	4	46	2	2	14	2		72
Northwest Technical College - Bemidji	1		34		4	6			45
Pine Technical and Community	13		18	3	5	8	3		50
Rainy River Community College			3						3
Ridgewater College	1	16	27	4	14	4			66
Riverland Community College	8	3	37	11		17	4		80
Rochester Community and Technical	1	7	59		2	4			73
Saint Paul College	26		21	23	7	10	2		89
South Central College	10	12	4	3	9	9	11		58
St. Cloud Technical and Community	17		16	10	9	16	1		69
Vermilion Community College		25							25
TOTAL	263	81	748	164	91	180	62	1	1,590
% of Awards by Program Group and Year	17%	5%	47%	10%	6%	11%	4%	0%	100%

Table 4: Fiscal Year 2020: Degrees Awarded, by Industry

**Workforce Development Scholarship Recipients: Degrees Awarded by Industry
Degrees Awards in Fiscal Year 2020**

Industry	Associate Degree	Certificate	Diploma	Total
Advanced Manufacturing	21	29	60	110
Agriculture	9	2	7	18
Early Childhood Education	4	1	0	5
Health Care Services	72	17	48	137
Information Technology	16	11	3	30
Transportation	3	5	7	15
Liberal Arts	24	0	0	24
Other Technical	0	1	0	1
Total	149	66	125	340

Note: This is a count of academic degrees earned in FY 2020 by students who received a WDS in one or more terms in FY 2019 (with Fall 2018 being first term the award was available) and/or FY 2020. FY 2020 award data are preliminary.