

Dual Training Competency Grant Annual Report

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About the Minnesota Office of Higher Education

The Minnesota Office of Higher Education is a cabinet-level state agency providing students with financial aid programs and information to help them gain access to postsecondary education. The agency also serves as the state's clearinghouse for data, research and analysis on postsecondary enrollment, financial aid, finance and trends.

The Minnesota State Grant Program is the largest financial aid program administered by the Office of Higher Education, awarding more than \$198 million in need-based grants to Minnesota residents attending accredited institutions in Minnesota. The agency oversees tuition reciprocity programs, a student loan program, Minnesota's 529 College Savings Plan, licensing and early college awareness programs for youth.

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Contents

- Executive Summary.....7
- Introduction8
- Financial Overview..... 10
 - Table 1. Dual Training Grant Rounds Award Reconciliation..... 10
- Grantees..... 11
 - Application Process 12
 - Awards..... 14
 - Table 2. Dual Training Grant Awards (Round #4) 15
 - Table 3. Dual Training Grant Awards (Round #5) 15
 - Table 4. Dual Training Grant Awards (Round #6) 16
 - Table 5. Dual Training Grant Awards (Round #7) 17
 - Figure 1. Number of Dual Training Grant Current Awards..... 18
 - Figure 2. Cost of Dual Training Grant Related Instruction 18
- Students/Employees..... 19
 - Table 6. Number of Dual Training Grant Students/Employees 19
 - Figure 3. Number of Dual Training Grant Students/Employees..... 20
 - Industries and Occupations 20
 - Figure 4. Dual Training Grant Reported Students/Employees per Industry (Rounds #1 - #4) 21
 - Table 7. Dual Training Grant Reported Students/Employees per Occupation (Rounds 1 - #4) 22
 - Wages 22
 - Demographics..... 23
 - Figure 5. Dual Training Grant Gender (Rounds #4 - #7) 23
 - Table 8. Dual Training Grant Race/Ethnicity (Rounds #4 - #7) 24
- Related Instruction 25
 - Figure 6. Dual Training Grant Training Provider Selection Criteria (Round #6) 25
- On-the-Job Training 27
 - Table 9. Dual Training Grant Reported Students/Employees On-the-Job Training (Rounds #1 - #4) 27
- Minnesota Statewide Longitudinal Education Data System..... 28
 - Research Question 1. What are the demographics of Dual Training Participants? 28
 - Table 10. Dual Training Grant Age (SLEDS)..... 28
 - Table 11. Dual Training Grant Race (SLEDS) 29

Figure 7. Dual Training Grant Gender (SLEDS).....	29
Figure 8. Dual Training Grant Home Location (SLEDS)	30
Research Question 2. What are the pre-participation patterns of Dual Training Grant participants?	30
Figure 9. Dual Training Grant Employment Status at Entry (SLEDS)	31
Table 12. Dual Training Grant Industry at Entry (SLEDS).....	31
Table 13. Dual Training Grant Hourly Wage at Entry (SLEDS)	32
Table 14. Dual Training Grant Weekly Hours Worked at Entry (SLEDS).....	32
Table 15. Dual Training Grant Highest and Recent Education Level at Entry (SLEDS)	33
Research Question 3. What are the post-participation patterns of Dual Training Grant participants?	33
Figure 10. Dual Training Grant Employment Status at Exit (SLEDS).....	34
Table 16. Dual Training Grant Industry at Exit (SLEDS)	34
Table 17. Dual Training Grant Hourly Wage Change (SLEDS).....	35
Table 18. Dual Training Grant Weekly Hours Worked at Exit (SLEDS)	35
Testimony	36
Grantees	36
Students/Employees.....	36
Recommendations	38
Appendix A: Minnesota Statutes 136A.246 Dual Training Competency Grants.....	39
Appendix B: Grantees among Legislative Districts	42
Appendix C: Previous Dual Training Grant Awards.....	44
Appendix D: Letters of Support	46
Bedford Industries	46
Fairview Health Services.....	47
Jones Metal.....	49
Pequot Tool & Manufacturing.....	50
Thomson Reuters.....	51
Appendix E: PIPELINE Program 2018 Metrics and Events	52
Appendix F: Data Suppression Policy for Student Information	53

Executive Summary

The Dual Training Competency Grants (DTG) program is a funding source that has generated collaborative and strategic educational solutions between employers and related instruction training providers across Minnesota. Throughout the last year, the Minnesota Private Investment, Public Education, Labor and Industry Experience (PIPELINE) program team at the Department of Labor and Industry (DLI) has met with employers, training providers, and community organizations to educate and support the Minnesota workforce in establishing dual-training models where on-the-job training and formal related instruction come together to generate a comprehensive platform of learning. PIPELINE Program metrics and events are included in [Appendix E](#).

Apprenticeship programs have a long history in Minnesota, and the DTG program acts as a gateway to apprenticeship by leveraging many of the techniques utilized in apprenticeship models to allow employers the flexibility to upskill their workers. Similar dual-training models can be found in Indiana with [Next Level Jobs](https://www.nextleveljobs.org) (<https://www.nextleveljobs.org>), and Wisconsin with [Fast Forward](http://wisconsinfastforward.com) (<http://wisconsinfastforward.com>). In addition, other countries are considering dual-training models. In November 2018, the Office of Higher Education (OHE) and DLI presented on dual training at the University of California, Berkeley workshop of *The role of Community Colleges in the US Higher Education System: Lessons for Latin America and the Caribbean*. Attendees were interested in how to provide employees with specific skills through the dual-training model. Overall, this report will be a reflection of how the DTG is contributing to upskilling Minnesota's workforce.

Introduction

In support of the implementation of the Minnesota Private Investment, Public Education, Labor and Industry Experience (PIPELINE) program, the 2015 Minnesota Legislature established the Dual Training Competency Grants (DTG) program ([136A.246¹](#)). Employers may apply for DTG awards to train employees in occupations for which competency standards have been identified among the four PIPELINE industries of Advanced Manufacturing, Agriculture, Health Care Services and Information Technology.

The PIPELINE Program is an initiative managed by the Department of Labor and Industry (DLI). The PIPELINE Program addresses current and future workforce needs by enhancing the number of skilled workers in the workforce through dual-training and registered apprenticeship programs. The PIPELINE Program relies upon three key strategies: industry council work, competency council work, and dual-training consulting. [Minnesota Laws 2014, Chapter 312, Article 3, Sec. 21²](#) states the program “shall convene recognized industry experts, representative employers, higher education institutions, and representatives of labor to assist in defining credible competency standards acceptable to the advanced manufacturing, health care services, information technology, and agriculture industries.” More information about the PIPELINE Program can be found online at <http://www.dli.mn.gov/pipeline>.

An employer participating in the PIPELINE Program is not required to also participate in the DTG program. The DTG program is a means of financially supporting related instruction for PIPELINE Program employers. The Office of Higher Education (OHE) is responsible for administering the DTG program while working in consultation and in collaboration with DLI. Following the first round of grant awards, Minnesota Statute [136A.246³](#) was amended. Those amendments became effective on April 25, 2016 ([136A.246⁴](#)). Subsequent grant rounds as well as any future grant rounds are awarded and administered under the amended statute (Appendix A). Below are approximate contract timelines for each grand round:

- DTG Round #1: January 2016 – December 2016
- DTG Round #2: August 2016 – June 2017
- DTG Round #3: January 2017 – December 2017
- DTG Round #4: August 2017 – August 2018
- DTG Round #5: January 2018 – December 2018
- DTG Round #6: August 2018 – August 2019
- DTG Round #7: January 2019 – December 2019

DTG Rounds #1 through #4 and #6 included new and returning grantees. In an effort to support students/employees in the completion of dual training programs and streamline the grant process, DTG Round #5 included only previous grantees with student/employee populations who were continuing their dual-training programs. Likewise, DTG Round #7 included only grantees from DTG Round #5, which resulted in one grantee.

¹ <https://www.revisor.mn.gov/laws/2016/0/86/>

² <https://www.revisor.mn.gov/laws/2014/0/Session+Law/Chapter/312/>

³ <https://www.revisor.mn.gov/laws/2016/0/86/>

⁴ https://www.revisor.mn.gov/statutes/2016/cite/136A.246?keyword_type=all&keyword=dual+training

Per statute requirements, OHE submits this report annually by February 1 to the chairs of the legislative committees with jurisdiction over workforce policy and finance. The report includes, at minimum: (1) research and analysis on the costs and benefits of the grants for employees and employers; (2) the number of employees who commenced training and the number who completed training; and (3) recommendations, if any, for changes to the program.

Financial Overview

The total DTG allocation for fiscal years 2016 and 2017 was \$3,000,000. Of the allocation, up to \$130,000 was allowed for administrative costs. The total DTG allocation for fiscal years 2018 and 2019 was \$4,000,000. Of the allocation, up to \$200,000 was allowed for administrative costs. Therefore, the overall allocation is \$7,000,000, which includes up to \$330,000 for administrative costs.

The total amount allowed for grant awards to date is \$6,670,000.

Based upon current award amounts, the DTG has \$2,462,206.73 remaining for new and returning grantees.

Table 1. Dual Training Grant Rounds Award Reconciliation

DTG Round	Original Award	Current Award	Reimbursement Payment	Award Balance
Round #1	\$490,548.09	\$197,120.93	\$197,120.93	\$0.00
Round #2	\$1,026,000.00	\$598,942.89	\$598,942.89	\$0.00
Round #3	\$918,000.00	\$454,294.31	\$454,294.31	\$0.00
Round #4	\$1,296,000.00	\$729,471.87	\$671,082.11	\$58,389.76
Round #5	\$373,500.00	\$283,963.27	\$118,018.08	\$165,945.19
Round #6	\$2,106,000.00	\$1,854,000.00	\$446,677.40	\$1,407,322.60
Round #7	\$90,000.00	\$90,000.00	\$0.00	\$90,000.00
Total	\$6,300,048.09	\$4,207,793.27	\$2,486,135.72	\$1,721,657.55

Notes: Reconciliation is based upon data as of January 18, 2019. Decreases from original to current awards were due to grantees withdrawing applications for reasons further discussed in the following Grantees section.

All grants associated with DTG Rounds #1 through #3 have been closed. DTG Round #4 has one open contract totaling an award balance of \$58,389.76. DTG Rounds #5 through #7 are open.

Grantees

Employers or organizations of employers who have or plan to implement dual-training programs among approved industries and occupations are eligible to apply for the DTG. Examples of organizations of employers include but are not limited to industry membership organizations and community workforce development organizations. On average, DLI meets with one employer new to the dual-training model each day. DLI continues to expand the list of eligible PIPELINE Program occupations. Currently, DLI has validated competency models for the following 36 occupations among four industries:

Advanced Manufacturing:

- Flexo Technician
- Logistics and Supply Chain Manager
- Machinist/Tool and Die Maker
- Machinist/CNC Operator
- Maintenance and Repair Worker
- Mechatronics Technician
- Quality Assurance/Food Safety Supervisor
- Quality Assurance Technician
- Safety Technician
- Welder

Agriculture:

- Agriculture Equipment Mechanic
- Agronomist
- Application Technician
- Quality Assurance/Food Safety Supervisor
- Swine Manager
- Swine Technician (grow finish)
- Swine Technician (sow farm)

Health Care Services:

- Community Health Worker
- Electronic Health Records Specialist
- Health Support Specialist
- Medical Assistant
- Psychiatric/Mental Health Technician In-Patient
- Psychiatric/Mental Health Technician Out-Patient
- Senior Living Culinary Manager

Information Technology:

- Information Management and Analytics Pathway
- Information Security Pathway
- Infrastructure Administration Pathway
- Programming, Development and Engineering Pathway
- Security Analyst
- Service Desk/Front Line Support or Computer User Support Specialist
- Software Developer
- Software Testing and Quality Assurance Pathway
- Strategic Planning and Business Management Pathway
- Support Pathway
- Web Developer – Back End
- Web Developer – Front End

All occupations listed as pathways include a plethora of potential occupations. Additional position titles may be included based upon employers' job descriptions. If an employer does not have an established dual-training program or wants to pursue training in an occupation not currently validated for the PIPELINE Program; DLI is available for consultation about designing a program and validating occupations.

Dual-training programs must have formal instruction through a related instruction provider paired with on-the-job training through the employer. An individual providing related instruction cannot also supervise on-the-job training. DTG eligibility includes related instruction resulting in an industry-recognized degree, certificate, or

credential upon completion of the dual-training program. If the related instruction program is also eligible for state and/or federal student aid, students/employees are required to complete the [Free Application for Federal Student Aid⁵](#) (FAFSA) or state [financial aid application⁶](#).

Grantees are able to receive up to \$150,000 per contract (approximately one year), not to exceed \$6,000 per student/employee. Grant funds may only be used for direct costs associated with related instruction (tuition, fees, books, and required materials). Any related instruction costs over \$6,000 per student/employee is the responsibility of the grantee or student/employee. Each student/employee may benefit from the DTG for a maximum of four years in a lifetime.

Per statute, grantees with annual revenue of more than \$25,000,000 in the preceding calendar year are required to pay training providers for 25% of the related instruction training costs.

During DTG Round #1, grant funds were sent directly to training providers once applicable grantees paid training providers 25% of related instruction costs. For all subsequent rounds, grantees were reimbursed directly from the grant after paying 100% of related instruction costs. In limited instances, grantees have documented that they are unable to pay for related instruction in advance and that training providers should receive grant payment directly from OHE.

Application Process

Employers or organizations of employers submit DTG applications to address several criteria in Minnesota Statutes 136A.246, subdivision 4:

- (1) The projected number of employee trainees
- (2) The number of projected employee trainees who graduated from high school or passed the GED test in the current or immediately preceding calendar year
- (3) The competency standard for which training will be provided
- (4) The credential the employee will receive upon completion of training
- (5) The name and address of the training institution or program and a signed statement by the institution or program that it is able and agrees to provide the training
- (6) The period of the training
- (7) The cost of the training charged by the training institution or program and certified by the institution or program. The cost of training includes tuition, fees, and required books and materials

In addition to the application criteria, the Office of Higher Education is required to “to the extent possible, make the application form as short and simple to complete as is reasonably possible.” Application materials are based upon both Minnesota Statutes 136A.246 and the Minnesota Department of Administration’s [Office of Grants Management⁷](#). Subsequently, to be considered for the DTG opportunity, all DTG applicants must meet minimum qualifications of submitting the following documents to OHE by deadline dates:

⁵ <https://studentaid.ed.gov/sa/fafsa>

⁶ <http://www.ohe.state.mn.us/mPg.cfm?pageID=2065>

⁷ <https://mn.gov/admin/government/grants/policies-statutes-forms/>

Application (online is preferred method)
Letter of intent
Training agreement (one per qualified training provider)
Affidavit of non-collusion
Related instruction training provider selection documents
Financial review documents (if applicable)
Affirmative Action Certification (if applicable)

A review committee of community experts convenes to review and score grant applications. The committee includes but is not limited to individuals from industry, State agencies, higher education, and K-12 education. A rubric is used to score applications based on the following:

- (1) The dual training program is robust and complete (**60 Points**)
 - a) Related instruction supports the occupation and aligns with PIPELINE Program dual-training competencies (20/60 Points)
 - b) On-the-job training supports the occupation and aligns with PIPELINE Program dual-training competencies (20/60 Points)
 - c) Related instruction correlates with on-the-job training (20/60 Points)
- (2) Cost of related instruction and employer cost match minimizes direct costs to students/employees (**10 Points**)
- (3) Students/employees will have additional employment opportunities as a result of dual training (**20 Points**)
- (4) Projected increase in compensation for students/employee as a result of dual training (**10 Points**)

Priority is first given to applicants with student/employee populations that have recently graduated from high school or passed GED tests in the current or immediately preceding calendar year in relation to the grant application. Priority is then given to previous grantees with continuing student/employee populations as a means to support the completion of degrees, certificates, and credentials. Lastly, to the extent possible, grant amounts are balanced among applicants with students/employees working at locations outside and within the metropolitan area; across industries; and employer size.

Applications have been awarded for seven grant rounds since the program was established in law. Each spring, a Request for Application is published [online⁸](#) by OHE.

Grant Application Deadlines:

- Grant Round #1: November 16, 2015
- Grant Round #2: May 22, 2016
- Grant Round #3: September 23, 2016
- Grant Round #4: July 7, 2017
- Grant Round #5: October 30, 2017
- Grant Round #6: May 25, 2018

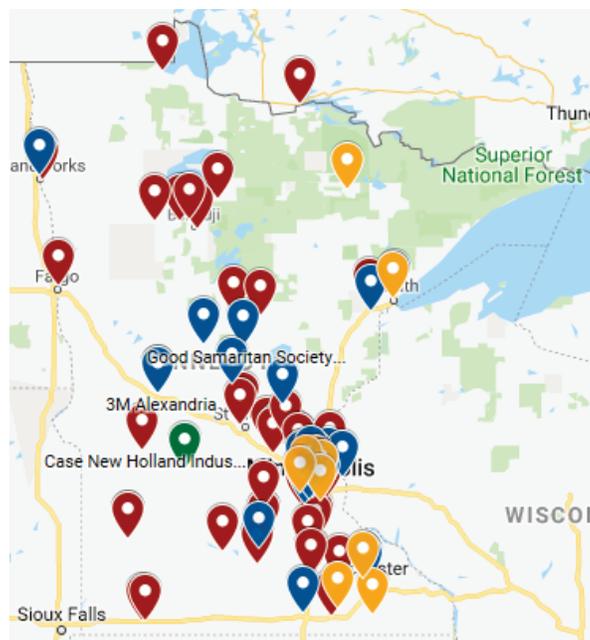
⁸ <http://www.ohe.state.mn.us/mPg.cfm?pageID=2196>

- Grant Round #7: November 2, 2018

Awards

A total of 124 DTG original awards have been offered among 75 grantees throughout seven grant rounds. DLI maintains an [interactive map](#)⁹ to view awarded employers.

- Advanced Manufacturing (AM): RED
- Agriculture (AG): GREEN
- Health Care Services (HC): BLUE
- Information Technology (IT): YELLOW



[Appendix B](#) contains a breakdown of 112 current awards among 67 grantees by legislative districts.

Tables 2 through 5 depict current grant rounds based upon grantee, city, industry, original award amounts and current award amounts. [Appendix C](#) includes data from previous grant rounds. Industries listed on tables correlate with industries listed on DTG applications and may differ from industries commonly associated with grantees. Specifically with Information Technology grantees as the PIPELINE Program recognizes all industries as having a need for information technology occupations. Notes included below tables indicate whether grantees withdrew from the grant. Primary reasons for withdrawals included lack of employees willing to be students; and lack of employer resources to provide on-the-job training and administer grant duties.

⁹ <http://www.dli.mn.gov/business/workforce/pipeline-partner-employers>

Table 2. Dual Training Grant Awards (Round #4)

Grantee	City	Industry	Original Award	Current Award
Art Unlimited	Angora*	IT	\$12,000.00	\$12,000.00
AWT Labels and Packaging	Minneapolis	AM	\$36,000.00	\$21,000.00
Bedford Industries	Worthington*	AM	\$24,000.00	\$24,000.00
Cardinal Glass Industries	Northfield*	AM	\$12,000.00	\$3,667.65
Cerenity Senior Care	White Bear Lake	HC	\$18,000.00	\$18,000.00
Cybox International	Owatonna*	AM	\$24,000.00	\$12,881.38
Daikin Applied	Faribault*	AM	\$60,000.00	\$35,046.00
Design Ready Controls	Brooklyn Park	AM	\$48,000.00	\$17,282.64
Dynamic Group	Ramsey	AM	\$24,000.00	\$9,517.90
Essentia Health	Duluth*	HC	\$60,000.00	\$60,000.00
Fairview Health Services	St. Paul	IT	\$150,000.00	\$100,237.43
Greater Bemidji	Bemidji*	AM	\$150,000.00	\$138,000.00
IBI Data	Brownsdale*	IT	\$12,000.00	\$0.00
JBS	Worthington*	AM	\$120,000.00	\$74,282.64
Jones Metal	Mankato*	AM	\$12,000.00	\$5,880.00
K&G Manufacturing	Faribault*	AM	\$30,000.00	\$11,554.55
Kibble Equipment	Montevideo*	AG	\$150,000.00	\$0.00
Mechanical Systems	Dundas*	AM	\$36,000.00	\$21,187.50
Meyers Printing	Minneapolis	AM	\$18,000.00	\$18,000.00
Pequot Tool & Manufacturing	Pequot Lakes*	AM	\$150,000.00	\$47,061.84
Sage Electrochromics	Faribault*	AM	\$6,000.00	\$3,414.02
SFC Global Supply Chain	Marshall*	AM	\$30,000.00	\$7,966.97
Sholom Home East	St. Paul	HC	\$90,000.00	\$66,000.00
Ultra Machining Company	Monticello*	AM	\$12,000.00	\$10,521.35
Yeager Machine	Norwood Young America	AM	\$12,000.00	\$11,970.00
25 Original Awards			\$1,296,000.00	\$729,471.87

Notes: Location followed by (*) indicates a Greater MN County. Kibble Equipment was formerly known as Schuneman Equipment Co. The following employers withdrew from the grant: IBI Data and Kibble Equipment.

Table 3. Dual Training Grant Awards (Round #5)

Grantee	City	Industry	Original Award	Current Award
Bedford Industries	Worthington*	AM	\$18,000.00	\$4,963.27
Dotson Iron Castings	Mankato*	AM	\$24,000.00	\$12,000.00
Fairview Health Services	Minneapolis	IT	\$150,000.00	\$150,000.00
Greater Bemidji	Bemidji*	AM	\$31,500.00	\$27,000.00
Sappi Fine Paper	Cloquet*	AM	\$150,000.00	\$90,000.00
5 Original Awards			\$373,500.00	\$283,963.27

Notes: Location followed by (*) indicates a Greater MN County.

Table 4. Dual Training Grant Awards (Round #6)

Grantee	City	Industry	Original Award	Current Award
Ajax Metal Forming Solutions	Fridley	AM	\$24,000.00	\$24,000.00
Alliance Machine	Elk River*	AM	\$30,000.00	\$30,000.00
Alomere Health	Alexandria*	HC	\$60,000.00	\$12,000.00
Art Unlimited	Angora*	IT	\$12,000.00	\$12,000.00
AWT Labels and Packaging	Minneapolis	AM	\$24,000.00	\$24,000.00
Bedford Industries	Worthington*	AM	\$30,000.00	\$30,000.00
Beltmann Relocation Group	Roseville	IT	\$36,000.00	\$36,000.00
Citon Computer Corporation	Duluth*	IT	\$72,000.00	\$72,000.00
Condux International	Mankato*	AM	\$18,000.00	\$18,000.00
Cybex International	Owatonna*	AM	\$30,000.00	\$30,000.00
Daikin Applied	Faribault*	AM	\$100,000.00	\$100,000.00
Decopac, Inc.	Anoka	AM	\$6,000.00	\$6,000.00
Design Ready Controls	Brooklyn Park	AM	\$100,000.00	\$100,000.00
DeZURIK, Inc.	Sartell*	AM	\$96,000.00	\$48,000.00
Dotson Iron Castings	Mankato*	AM	\$48,000.00	\$48,000.00
Dynamic Group	Ramsey	AM	\$18,000.00	\$0.00
Fairview Health Services	St. Paul	IT	\$150,000.00	\$114,000.00
Gillette Children's Specialty Healthcare	St. Paul	IT	\$6,000.00	\$6,000.00
Goodwill Industries	St. Paul	IT	\$48,000.00	\$48,000.00
Greater Bemidji	Bemidji*	AM	\$150,000.00	\$150,000.00
Intercultural Mutual Assistance Association	Rochester*	HC	\$60,000.00	\$60,000.00
IPS Cranes	St. Paul	AM	\$6,000.00	\$6,000.00
JBS	Worthington*	AM	\$90,000.00	\$36,000.00
Jones Metal	Mankato*	AM	\$12,000.00	\$12,000.00
K&G Manufacturing	Faribault*	AM	\$30,000.00	\$30,000.00
Lofton Label	Inver Grove Heights	AM	\$6,000.00	\$6,000.00
Manufacturing Partners	Becker*	AM	\$18,000.00	\$18,000.00
Marvin Windows and Doors	Warroad*	AM	\$100,000.00	\$100,000.00
McNeilus Truck & Manufacturing	Dodge Center*	AM	\$150,000.00	\$150,000.00
New Bedford Technology	Worthington*	AM	\$6,000.00	\$6,000.00
Pequot Tool & Manufacturing	Pequot Lakes*	AM	\$100,000.00	\$100,000.00
Sage Glass	Faribault*	AM	\$6,000.00	\$6,000.00
Sappi Fine Paper	Cloquet*	AM	\$100,000.00	\$100,000.00
Seneca Foods Corporation	LeSueur*	AG	\$30,000.00	\$30,000.00
Seneca Foods Corporation	LeSueur*	AM	\$30,000.00	\$30,000.00
SFC Global Supply Chain	Marshall*	AM	\$78,000.00	\$30,000.00
Thomson Reuters	Eagan	IT	\$75,000.00	\$75,000.00

Grantee	City	Industry	Original Award	Current Award
Ultra Machining Company	Monticello*	AM	\$36,000.00	\$36,000.00
UMA Precision Machining	Zimmerman*	AM	\$18,000.00	\$18,000.00
Vital Image	Minnetonka	IT	\$73,000.00	\$73,000.00
Yeager Machine	Norwood Young America	AM	\$12,000.00	\$12,000.00
Zero Zone	Ramsey	AM	\$12,000.00	\$12,000.00
41 Original Awards			\$2,106,000.00	\$1,854,000.00

Notes: Location followed by (*) indicates a Greater MN County. Seneca Foods Corporation is listed twice due to participating in two industries. The following employer withdrew from the grant: Dynamic Group.

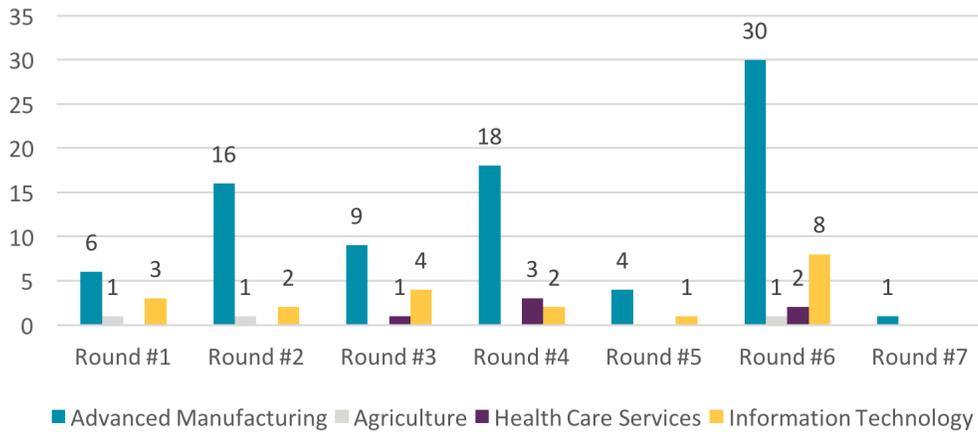
Table 5. Dual Training Grant Awards (Round #7)

Grantee	City	Industry	Original Award	Current Award
Sappi Fine Paper	Cloquet*	AM	\$90,000.00	\$90,000.00
1 Original Award			\$90,000.00	\$90,000.00

Notes: Location followed by (*) indicates a Greater MN County. DTG Round #7 was available for only grantees reapplying from DTG Round #5.

A majority of DTG awards are granted among the Advanced Manufacturing industry. The industry has been a leader in utilizing the dual-training model. Information Technology is the second industry that receives the most grants. The PIPELINE Program recognizes that all organizations have information technology needs, so DTG grantees do not necessarily need to identify with the Information Technology industry. Two examples include Fairview Health Services and North Memorial. Both grantees operate within the professional industry of health care services, but have received grants under the Information Technology industry. Figure 1 is an illustration of the number of current grant awards by industry in each round:

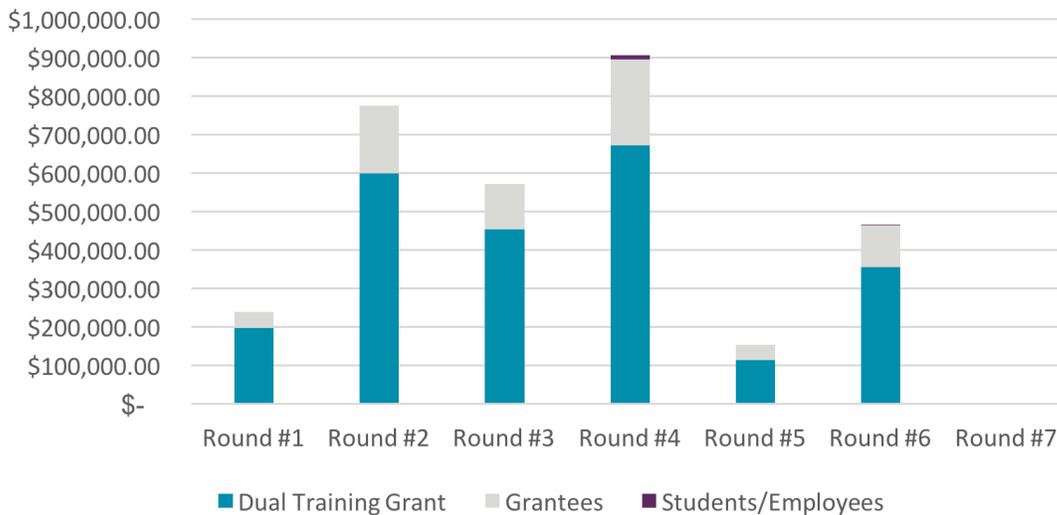
Figure 1. Number of Dual Training Grant Current Awards



Notes: Seneca Foods Corporation has one award among two industries: Advanced Manufacturing and Agriculture.

As mentioned earlier, grantees with annual revenue greater than \$25,000,000 in the previous calendar year are required to pay training providers a match of 25% of related instruction costs. As of January 18, 2019, related instruction for rounds #1 through #7 has cost a total of \$3,231,094.23. The DTG has paid \$2,486,135.72, grantees have paid \$731,631.52, and students/employees have paid \$13,326.99 of the total cost (Figure 2). Grantees have contributed nearly 23% of total related instruction costs. Although not officially recorded, a small portion of the student/employee population has also qualified for state and federal student financial aid in addition to the DTG and employer contributions.

Figure 2. Cost of Dual Training Grant Related Instruction



Notes: Costs as of January 18, 2019. As a reminder DTG Rounds #5 and #7 were limited to only previous grantees with student/employee populations who were continuing their dual-training programs.

Students/Employees

Student/Employee population data is collected from all employers in three separate ways: applications; work plans and budgets; and reports. First, during the application process, applicants are required to indicate how many students/employees are estimated to participate in the program. Often, applicants are still in the process of determining which employees will participate in the DTG as students. The number of students/employees listed during the application process are known as **Awarded** students/employees.

Second, once an employer is awarded a DTG, the grantee is required to identify students/employees through a work plan and budget document. These students/employees are recorded as **Identified** students/employees. Once students/employees are identified, a grantee must request permission from OHE for any updates to the population.

Lastly, grantees are required to submit annual reports that include several status updates about students/employees. Students/employees listed on reports are known as **Reported** students/employees. Grantees are well informed that failure to submit annual reports results in the loss of future DTG eligibility and may impact grant eligibility among other State of Minnesota agencies. The notes section of Table 6 provides detailed information about grantees who have not met reporting requirements.

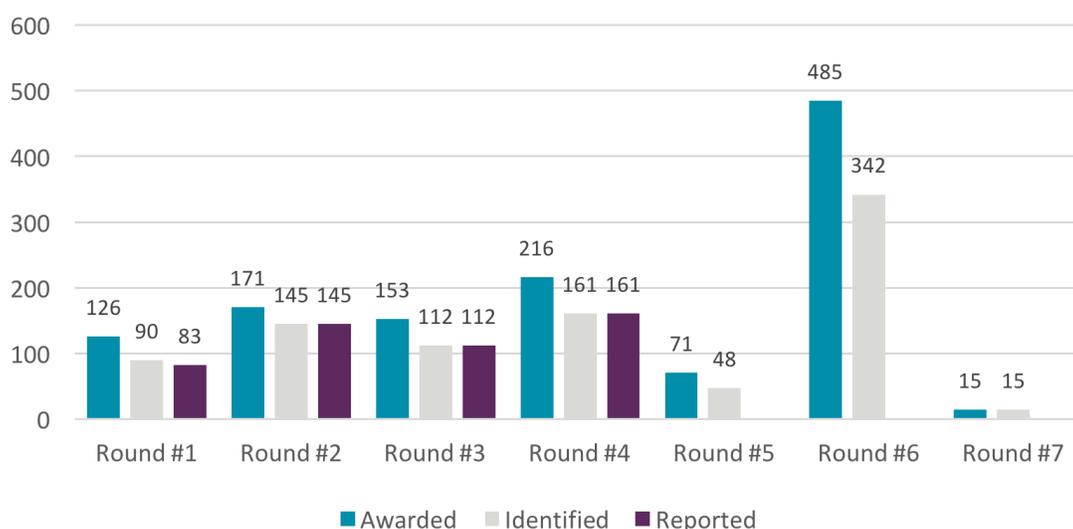
Due to the grant timeline, grantees of DTG Rounds #1 through #4 have been required to submit reports as of August 31, 2018. Throughout the reporting process, one student may represent multiple student data points, due to participating in multiple DTG rounds. Depicted in Table 6 and Figure 3 is the breakdown among **Awarded**, **Identified** and **Reported** students/employees for each grant round:

Table 6. Number of Dual Training Grant Students/Employees

Grant Round	Awarded	Identified	Reported
#1	126	90	83
#2	171	145	145
#3	153	112	112
#4	216	161	161
#5	71	48	N/A
#6	485	342	N/A
#7	15	15	N/A
TOTAL	1,237	913	501

Notes: During grant round #1, three grantees did not submit reports: Hartfiel Automation, Owens Corning and Xylo Technologies. During grant round #3, two grantees submitted initial reports but did not submit final reports: Case New Holland Industrial Plant and North Memorial. Apex International (DTG Round #1) did submit a report but data was removed due to not utilizing grant funds.

Figure 3. Number of Dual Training Grant Students/Employees



Note: DTG Rounds #5 and #7 included only previous grantees with student/employee populations who are continuing their dual-training programs.

To date, 17% of the 501 **Reported** students/employees have completed DTG programs, and 11% withdrew from DTG programs. The remaining 72% of **Reported** students/employees were indicated as still progressing through DTG programs. The status of in-progress students/employees falls into several categories:

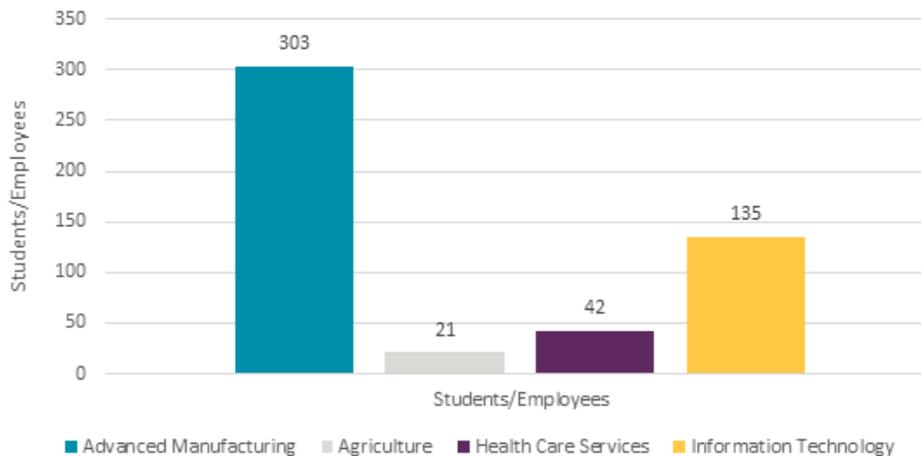
- Participating in current DTG
- No longer participating in DTG, but continuing training (dual training and other) through employer
- No longer participating in DTG and no longer participating in training through employer

All of the 364 in-progress students/employees have not reached the four year maximum allotment for DTG participation. Therefore, through an employer application, these students/employee may continue dual training through a future DTG round until reaching four years of participation which may result in up to \$24,000 in DTG funds.

Industries and Occupations

Based upon reports submitted by grantees of rounds #1 through #4, 93% of students/employees remained employed with the grantee. Figure 4 represents the division of 501 **Reported** students/employees among the four industries.

Figure 4. Dual Training Grant Reported Students/Employees per Industry (Rounds #1 - #4)



Advanced Manufacturing includes the largest student/employee population among the four grant rounds (Figure 4). Information Technology includes the second largest student/employee population with 27% of all DTG student/employees. Information Technology student/employees work among information technology occupations but do not necessarily work within the Information Technology industry.

Table 7 represents divisions of occupations associated with **Reported** students/employees. Thus far, OHE has not received grant applications in the following occupations:

Advanced Manufacturing:

- Quality Assurance/Food Safety Supervisor

Agriculture:

- Quality Assurance/Food Safety Supervisor
- Swine Manager
- Swine Technician (grow finish)
- Swine Technician (sow farm)

Health Care Services:

- Medical Assistant
- Psychiatric/Mental Health Technician In-Patient
- Psychiatric/Mental Health Technician Out-Patient

Other occupations not listed above or in Table 7 were added to the PIPELINE Program as of DTG Round #6.

Table 7. Dual Training Grant Reported Students/Employees per Occupation (Rounds 1 - #4)

Advanced Manufacturing Occupation	Reported Students/Employees
Flexo Technician	17
Machinist/CNC Operator	81
Maintenance and Repair Worker	32
Mechatronics Technician	167
Welder	<10

Agriculture Occupation	Reported Students/Employees
Agronomist	<10
Agriculture Equipment Mechanic	20

Health Care Services Occupation	Reported Students/Employees
Health Support Specialist	<10
Senior Culinary Manager	38

Information Technology Occupation	Reported Students/Employees
Security Analyst	27
Service Desk/Front Line Support or Computer User Support Specialist	83
Software Developer	19
Web Developer – Front and/or Back End	<10

Notes: Agriculture Equipment Mechanic was titled in prior reports as Mechanic, Industrial Truck.

Wages

Data collection included hourly wages associated with dual training (pre and post) from employer initial applications, the work plan and budget process, and again through reporting requirements. Increased wages are an expectation but not a requirement of the DTG. Sixty-five percent of **Reported** students/employees received hourly wage increases within six to 12 months from the start of dual training. The average hourly wage increase was \$1.39.

In addition to wage increases, employers have reported other means of compensation upon completion of dual-training programs. Employees have received promotional titles within their given department or promotional positions outside their department. During a recent grant monitoring visit, an Information Technology employee reported three position promotions throughout two years of participating in dual training. The employee began within an entry-level department and currently holds a managerial title within another department. Also, employees have been promoted to more desirable work shift schedules. This type of benefit has been common among Advanced Manufacturing employers with 24-hour production schedules. This benefit may also be one explanation for the hourly wage decrease that was reflected within [Table 17](#) of the Minnesota Statewide

Longitudinal Education Data System section of this report. Often, work shifts operating overnight include higher hourly wages, so when employees transition to work shifts operating during daytime hours wages may decrease.

Demographics

All demographic information in this section has been reported by either the grantee or student/employee.

During the DTG application process, applicants were given priority if their applications included students/employees who had recently graduated from high school or earned a GED in the current or immediately preceding calendar year. Applicants often had to rely on estimated numbers, because they were not required to specifically name/list their student/employee populations. Once applicants became grantees and submitted work plans and budgets, more accurate data was collected about the **Identified** students/employees. Of the 913 **Identified** students/employees from grant rounds #1 through #7, 21 (2.3%) had recently graduated from high school or earned a GED. Seventy-five percent of the 501 **Reported** students from grant rounds #1 through #4 were incumbent workers who have been employed at least one year.

To improve data collection directly from students/employees, OHE launched an online student form during DTG Round #4. Students/employees are distributed a link to submit information about themselves and agree to the terms of the grant prior to starting dual training. To date, all 566 **Identified** students/employees participating in DTG Rounds #4 through #7 have submitted student forms. All students/employees are required to submit general information and agree to the terms of the grant; but questions about gender, race, and ethnicity are optional. The category of *Opt-Out* in the following figures refers to data being unavailable because students/employees elected to not provide information.

Figure 5. Dual Training Grant Gender (Rounds #4 - #7)

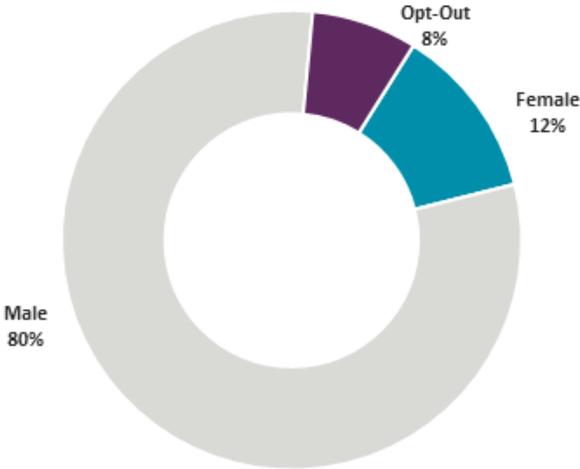


Table 8. Dual Training Grant Race/Ethnicity (Rounds #4 - #7)

Race/Ethnicity	Identified Students/Employees
American Indian or Alaska Native	<10
Asian	18
Black or African American	31
Hispanic or Latino	19
Native Hawaiian or other Pacific Islander	<10
White, Not Hispanic or Latino	439
Two or more	12
Opt-Out	44
Total	566

Related Instruction

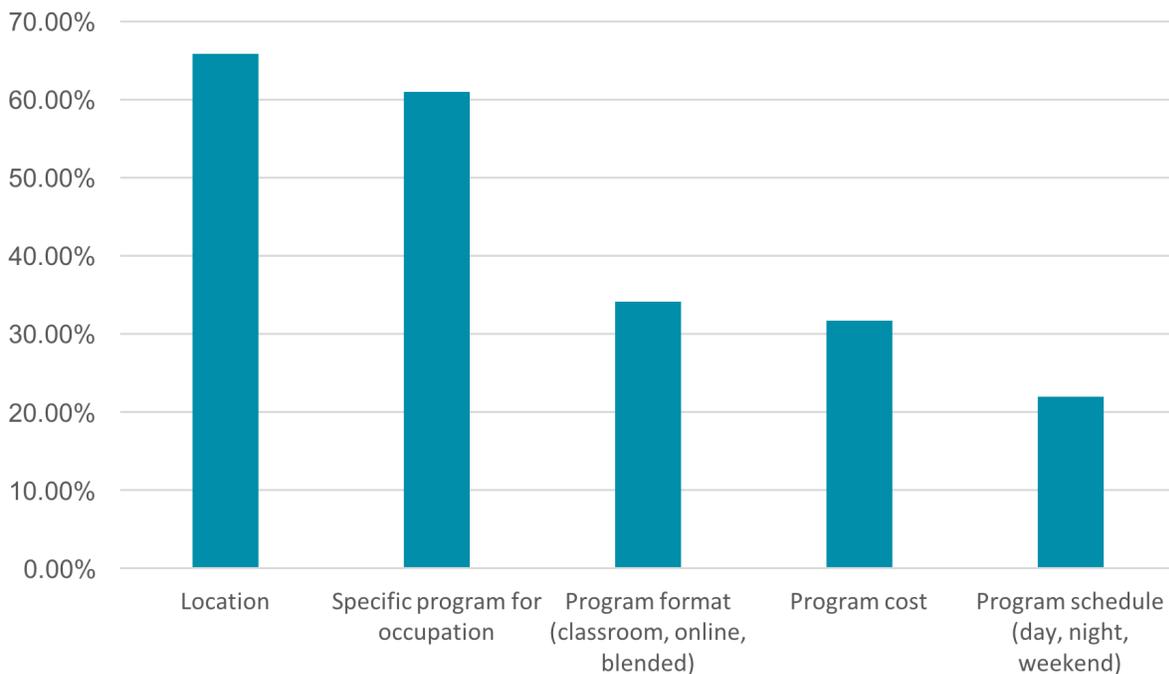
Related instruction is one part of the dual-training model. For DTG eligibility, related instruction is formal training provided by qualified trainers to students/employees of grantees:

“The employer must have an agreement with a training institution or program to provide the employee competency standard training prior to the grant award. The training may be provided by any institution or program having trainers qualified to instruct on the competency standard. The Office of Higher Education and the Department of Labor and Industry must cooperate in maintaining an inventory of degree, certificate, and credential programs that provide training to meet competency standards. The inventory must be posted on each agency’s Web site with contact information for each program by September 1, 2016. The postings must be updated periodically.”

-Minnesota Statutes 136A.246, subdivision 3

DTG applicants must enter into agreements with training providers prior to or during the application process. Applicants determine criteria from which to select training providers. Based upon data collection from 41 applicants of DTG Round #6, five criteria emerged as the most utilized by employers when select training providers (Figure 6). The most sought criteria of Location included several employers who selected training providers based upon the willingness of training providers to instruct onsite at employers’ locations.

Figure 6. Dual Training Grant Training Provider Selection Criteria (Round #6)



Training providers include postsecondary education institutions and private educational companies. Per statute, DLI created and maintains a [Related Instruction Inventory](#)¹⁰ for each industry that includes known education or training programs related to approved dual-training occupations. Applicants are not required to partner with the training providers listed on the inventory. The purpose of the inventory is to be a guide and provide options for DTG applicants.

The DTG is not only a means of financially supporting related instruction. The grant has also revealed a need for dual-training programs and motivated employers to create related instruction programs. For example, some grantees and training providers have worked together to create customized programs specifically for the DTG. A few grantees sought authoritative credentialing abilities, and these grantees functioned both as the grantee and related instruction training provider. In a specific case, employers recognized the lack of any industry-recognized related instruction and chose to create and fund an industry-recognized program.

A total of 42 related instruction training providers have entered into agreements with grantees. Several related instruction training providers support training among multiple industries:

Agriculture Training Providers:

- Ag Leader Academy
- Farm Journal Corn College
- John Deere University
- South Central College
- University of MN Extension

- St. Cloud Technical and Community College
- Tooling University
- University of Minnesota, Twin Cities

Advanced Manufacturing Training Providers:

- Alexandria Technical & Community College
- Anoka Ramsey Community College
- Anoka Technical College
- Bemidji State University
- Century College
- Dunwoody College of Technology
- Flexographic Tech
- Hawk Ridge Systems
- Hennepin Technical College
- Lake Superior College
- Mechanical Systems Inc. Safety and Training Division
- Minneapolis Community and Technical College
- Minnesota Innovation Institute/The Idea Circle Inc.
- MN State University, Mankato
- MN West Community and Technical College
- PTM Incumbent Worker Training Program
- Ridgewater Community College
- Riverland Community College
- South Central College

Health Care Services Training Providers:

- Central Lakes College
- Ridgewater College
- Rochester Community and Technical College
- Saint Paul College

Information Technology Training Providers:

- CED Solutions
- Collier IT
- Creating IT Futures Foundation
- Global Knowledge
- HDI
- Intertech
- ISACA
- Knowledge Peak
- Lake Superior College
- Minneapolis Community and Technical College
- New Horizons
- Pink Elephant Corp.
- Rasmussen College
- Riverland Community College
- Saint Paul College
- University of Minnesota, Twin Cities

¹⁰ <http://www.dli.mn.gov/business/workforce/pipeline-related-instruction-inventory>

On-the-Job Training

On-the-job training is another part of the dual-training model. On-the-job training is hands-on instruction completed within the workplace. Related instruction when paired with on-the-job training creates a powerful learning experience for students/employees. DLI has issued guidance for effective [on-the-job training](#)¹¹.

Grantees submit on-the-job training information to OHE through work plan and budget documents which include descriptions of on-the-job training, title of supervisor overseeing on-the-job training, dates of training, number of hours, and competencies being achieved through on-the-job training. Each grantee has flexibility in designing on-the-job training schedules. Grantees are required to design and administer on-the-job training tasks that will support and result in students/employees obtaining employer and PIPELINE occupation-specific competencies.

The average number of on-the-job training hours spent per week by a student/employee was collected through reports representing DTG Rounds #1 through #4.

Table 9. Dual Training Grant Reported Students/Employees On-the-Job Training (Rounds #1 - #4)

DTG Round	Average Hours Per Week
Round #1	21.37
Round #2	14.66
Round #3	9.20
Round #4	28.64

¹¹ <http://www.dli.mn.gov/business/workforce/guidance-effective-job-training>

Minnesota Statewide Longitudinal Education Data System

According to the [website¹²](#),

“Minnesota has developed the Minnesota Statewide Longitudinal Education Data System (SLEDS) matching student data from pre-kindergarten through completion of postsecondary education and into the workforce. By bridging existing data with other incoming data a range of education programmatic and delivery questions can be answered to gauge the effectiveness of current programs and design targeted improvement strategies to help students.”

To best address the DTG statute reporting requirement of research and analysis on the costs and benefits of the grants for employees and employers, OHE submitted a research proposal to SLEDS. The proposal was approved in spring of 2018. In December of 2018, SLEDS data encompassing DTG Rounds #1 through #3 was provided to OHE. Transitioning from data reported by employers and students/employees to data gathered through SLEDS, students/employees will be referred to as participants in this section.

Of the 340 DTG Reported students/employees, 181 participants were identified in SLEDS. Of the 181, 171 participants had distinct records; therefore, ten participants participated in multiple grant rounds. For example, a participant may have participated in training during the first and third grant rounds. The participant will be reflected in the SLEDS data twice due to participation in two grant rounds.

The following section addresses the three research questions included in the 2018 SLEDS research proposal. Several tables and figures include suppressed data to ensure the protection of private data on students when releasing summary data about participants. Data suppression policy is located in [Appendix E](#). Although some of the upcoming tables and figures may not appear numerically valuable, the categories which represent the participants provide a general context for understanding education levels and industries. In addition, the category of *Unavailable* presented in tables and figures references participant data not located in SLEDS. Important to note is inferences cannot be made about the category of *Unavailable*.

Research Question 1. What are the demographics of Dual Training Participants?

Table 10. Dual Training Grant Age (SLEDS)

	Age
Average	33
Minimum	17
Maximum	58

Notes: Age data is based upon time of entry into the DTG program.

¹² <http://sleds.mn.gov>

Table 11. Dual Training Grant Race (SLEDS)

Race/Ethnicity	Participants
American Indian/Alaska Native	0
Asian/Pacific Islander	<10
Hispanic	<10
Black, not of Hispanic Origin	<10
White, not of Hispanic Origin	61
Unavailable	110
Total	181

Notes: Race data is based upon last reported in K-12 education.

Figure 7. Dual Training Grant Gender (SLEDS)

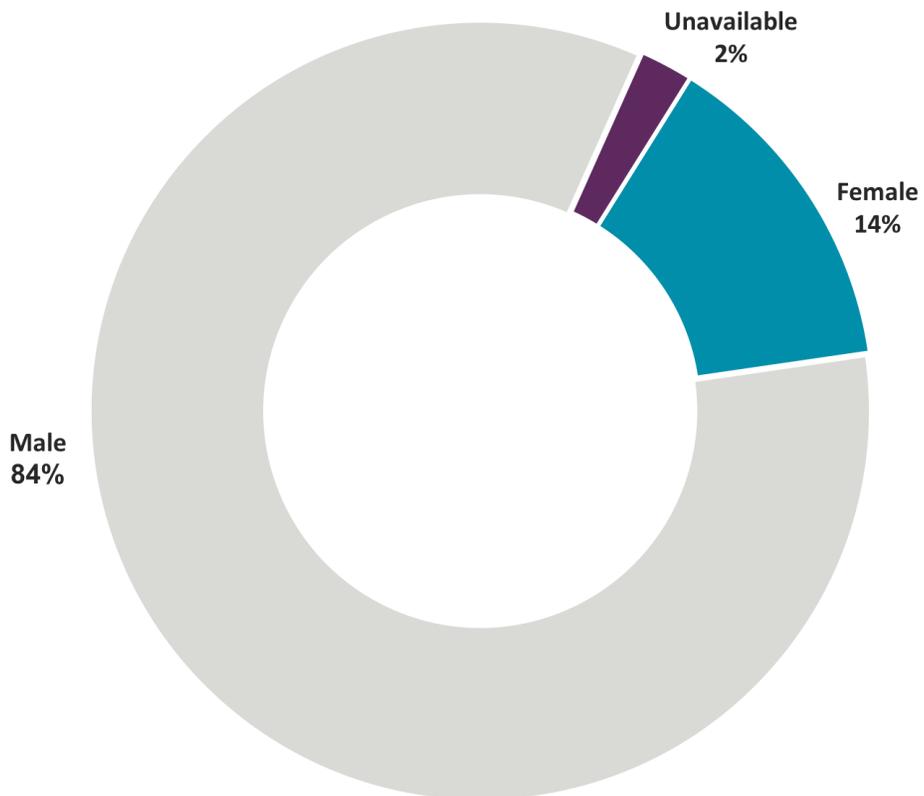
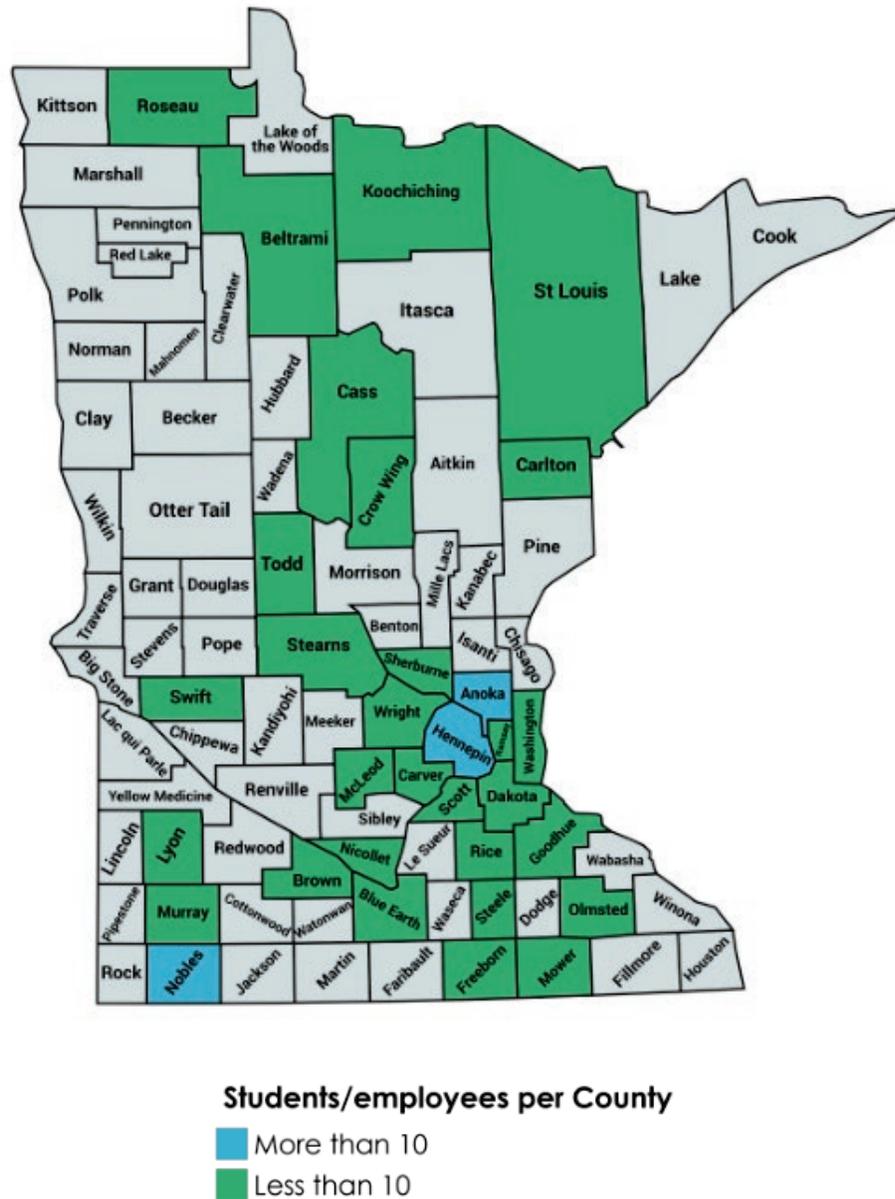


Figure 8. Dual Training Grant Home Location (SLEDs)



Notes: Home location is based upon Minnesota County of residence upon time of entry into the DTG program. Map created with mapchart.net. Data was unavailable for 63 participants.

Research Question 2. What are the pre-participation patterns of Dual Training Grant participants?

Pre-participation is measured at time of entry into DTG program. Time of entry is defined as the quarter in which the participant’s first day of DTG program. For example, if the participant begins DTG program starting September 1, 2017, then quarter of entry is defined as July-September, 2017.

Data collected to address Research Question 2 included data from multiple employers for individual participants. Forty-three of the 181 participants had hours worked among two or more employers during the quarter of entry into the DTG. Therefore, data pertaining to employment status, wage, and weekly hours worked may include employer information outside of the Dual Training Grant. Data was collected on a quarterly basis. As a reference, a quarter is defined as 13 weeks. A participant working 455 hours or more was classified as full-time, and a participant working fewer than 455 hours was classified as part-time.

Figure 9. Dual Training Grant Employment Status at Entry (SLEDS)

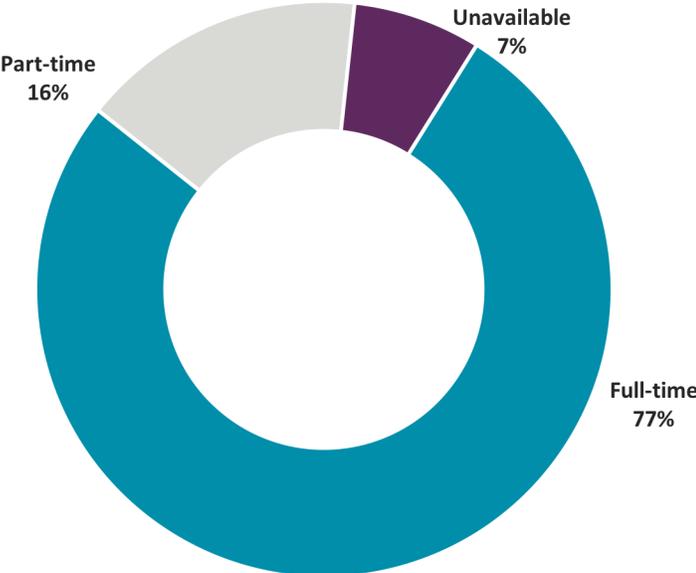


Table 12. Dual Training Grant Industry at Entry (SLEDS)

Industry	Participants
Professional, Scientific, and Technical Services	32
Electrical Equipment, Appliance, and Component Manufacturing	20
Fabricated Metal Product Manufacturing	18
Food Manufacturing	16
Paper Manufacturing	12
Machinery Manufacturing	10
Administration of Economic Programs	<10
Administration of Human Resource Programs	<10
Administrative and Support Services	<10
Chemical Manufacturing	<10
Data Processing, Hosting, and Related Services	<10
Educational Services	<10
Executive, Legislative, and Other General Government Support	<10
Food and Beverage Stores	<10

Industry	Participants
Food Services and Drinking Places	<10
General Merchandise Stores	<10
Hospitals	<10
Management of Companies and Enterprises	<10
Merchant Wholesalers, Durable Goods	<10
Miscellaneous Manufacturing	<10
Nonmetallic Mineral Product Manufacturing	<10
Nursing and Residential Care Facilities	<10
Petroleum and Coal Products Manufacturing	<10
Primary Metal Manufacturing	<10
Printing and Related Support Activities	<10
Truck Transportation	<10
Wood Product Manufacturing	<10
Unavailable	<10
Total	181

Notes: Participant numbers based upon the most recent reported industry in the quarter. Industry titles based upon the North American Industrial Classification System (NAICS).

Table 13. Dual Training Grant Hourly Wage at Entry (SLEDS)

	Hourly Wage
Average	\$24.43
Minimum	\$9.28
Maximum	\$61.16

Notes: Wage data is based upon 153 out of 181 participants. Wage data was unavailable for 28 participants.

Table 14. Dual Training Grant Weekly Hours Worked at Entry (SLEDS)

	Weekly Hours Worked
Average	46
Minimum	2
Maximum	116

Notes: Weekly hours worked data is based upon 168 out of 181 participants. Weekly hours worked data was unavailable for 13 participants.

The following table documents the highest education levels obtained by participants and recent education levels obtained by participants. The distinction is important to note because at the time of entry into a dual-training program a participant may have varying levels of education in a lifetime as compared to immediately preceding the dual-training program. For example, the highest education level a participant may have obtained was a Bachelor's Degree. The participant returned for further education and obtained an Associate Degree. The Associate Degree was the most recent education level obtained before entering into a dual-training program.

Table 15. Dual Training Grant Highest and Recent Education Level at Entry (SLEDS)

Education Level	Highest Level (Number of Participants)	Recent Level (Number of Participants)
Sub-baccalaureate award less than 1 academic year	0	0
Sub-baccalaureate award at least 1, but less than 2 years	<10	<10
Associate Degree	<10	<10
Sub-baccalaureate award at least 2, but less than 4 years	0	0
Bachelor's Degree	<10	10
Post-bachelor's Certificate	0	<10
Master's Degree	<10	<10
Post-Masters Certificate	<10	0
Doctor's Degree-Research/scholarship	0	0
Doctor's Degree-Professional Practice	0	0
Doctor's Degree Other	0	0
Unavailable	164	149
Total	181	181

Research Question 3. What are the post-participation patterns of Dual Training Grant participants?

Post-participation is measured at 12 month post-DTG program exit. Twelve months post-DTG program exit is defined as the first full quarter after 12 months have passed since exit. For example, a participant exiting a DTG program on December 15, 2017 would have outcomes assessed as of January-March, 2019. Similarly, a participant exiting a DTG program on August 10, 2017 would have outcomes assessed October-December, 2018. Exiting a DTG program does not necessarily reflect completion of a DTG program. Exiting a DTG program corresponds with the end date of the DTG contract. Participants may continue DTG programs at later dates. Refer to the [Student/Employee](#) section of this report to view information about student/employee completion of DTG programs.

Unlike data for Research Question 2, data for Research Question 3 included data with one employment record per participant. Data was collected on a quarterly basis. As a reference, a quarter is defined as 13 weeks. A participant working 455 hours or more was classified as full-time, and a participant working fewer than 455 hours was classified as part-time.

Of the 181 participants, 33 participants were included in the post-participation data. The participants exited the program on 12/1/2016. Post-participation SLEDS data for the cohort became available June 2018. Future DTG reports will contain additional participants as the data becomes available.

Figure 10. Dual Training Grant Employment Status at Exit (SLEDS)

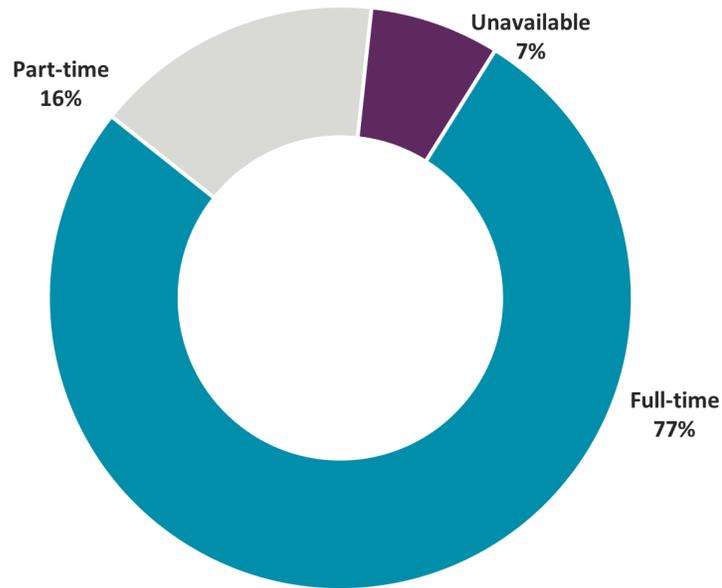


Table 16. Dual Training Grant Industry at Exit (SLEDS)

Industry	Participants
Electrical Equipment, Appliance, and Component Manufacturing	10
Credit Intermediation and Related Activities	<10
Educational Services	<10
Executive, Legislative, and Other General Government Support	<10
Fabricated Metal Product Manufacturing	<10
Machinery Manufacturing	<10
Merchant Wholesalers, Durable Goods	<10
Petroleum and Coal Products Manufacturing	<10
Professional, Scientific, and Technical Services	<10
Real Estate	<10
Repair and Maintenance	<10
Unavailable	<10
Total	33

Although a majority of the data related to industry was suppressed, calculations revealed 81% of participants were retained within the industry 12 months post-DTG program exit.

Table 17. Dual Training Grant Hourly Wage Change (SLEDS)

	Hourly Wage at Entry	Hourly Wage at Exit	Hourly Wage Change
Average	\$25.68	\$32.03	\$6.09
Minimum	\$12.51	\$17.68	-\$1.19
Maximum	\$47.16	\$52.87	\$16.30

Notes: Hourly Wage at Entry data is based upon 26 participants, Hourly Wage at Exit is based upon 23 participants, and Hourly Wage Change is based upon 22 out of 33 participants.

Table 18. Dual Training Grant Weekly Hours Worked at Exit (SLEDS)

	Weekly Hours Worked
Average	33
Minimum	2
Maximum	60

In reference to the last part of Research Question #3, data cannot be reported on postsecondary education levels, programs, and institutions of participants after exiting the dual-training program due to fewer than 10 participants having postsecondary education reported in SLEDS. A future report may address this question.

Overall, this report is the first DTG report containing SLEDS data; therefore data are limited at this time. Once a participant exits the DTG program, there is a time lapse of 12 months to determine post-participation data. Once data are available, SLEDS requires another six months to process and provide to constituents. For example, a participant exits the program in December of 2016. December of 2017 will mark 12 months for post-participation data. SLEDS will process the data in June of 2018. Upcoming DTG reports will more widely encompass SLEDS data as the program continues to mature.

Testimony

Grantees

Through DTG monitoring reports, grantees have the opportunity to relay information about statutory compliance, challenges, program outcomes, and training/technical assistance. Below are several reflections from recent Grantees about program outcomes:

“This program [DTG] has been great for helping to recruit more people into this field within our industry. We have had great retention of our employees that have participated in the program...As a whole all of the students love the hands on nature of the classes and find the OJT [on-the-job-training] to be making a huge difference in their understanding of the material and work. The students have expressed that they feel very welcomed by our existing workforce and that they have a lot of support from their supervisors and co-workers...Our supervisors and other general mechanics have said they wished this opportunity was available to them when started in the industry.”

-Advanced Manufacturing Grantee

“As a recipient of the Dual Training Grant, managers are coming to see that future training and educational attainment is and can come to fruition – as such, we are seeing a higher interest in education and development of employees with managers providing feedback on the types of training needs they feel would be beneficial to both the employees and the organization.”

-Health Care Services Grantee

“The Dual Training [Grant] program has greatly benefited our organization. It has helped us ensure we have IT employees that are working at the top of their skill level for their current jobs. And it has helped participants gain competencies and certifications that are the overall foundation for upward mobility in their career. Some have gone on to be promoted, move between teams, and be designated as a subject matter expert...Employees that have participated in previous rounds of funding have seen wage increases and several promotions. They have shared a deep appreciation for the training and opportunities provided, and a sense of pride in their job.”

-Information Technology Grantee

Students/Employees

Students/employees are not required to provide feedback to their employers or OHE but are encouraged to provide feedback. The following quotes were submitted to OHE:

“If you could express how thankful and grateful I am for the grant and allowing myself and others to further educate ourselves, I would greatly appreciate that!”

-Advanced Manufacturing Student/Employee

“Through the funding provided by the PIPELINE Grant I have received advanced training including CNC Programming, Root Cause Analysis, Statistical Process Control, and Leadership. I have advanced in skill level and was recently promoted to cell lead in my department...As cell lead I train others under my supervision in machine operations and maintenance and when asked I provide higher level training to

others in my department. All this was made possible from the training I received with funding from the PIPELINE Program.”

-Advanced Manufacturing Student/Employee

“It was a great opportunity to take the CompTIA course at work. Family commitments and kids, would not permit me to do this outside of work hours. The setup which allowed me to use half a work day for this course was very generous. Considering the cost of the course and testing, I would not have done this on my own.”

-Information Technology Student/Employee

Recommendations

Following seven grant rounds of administering the DTG, grantees have been consistent with providing feedback about the program. In addition, OHE has been observant of resources that would better support employers in sustaining dual-training programs. As a result, three recommendations would further support grantees of the DTG.

One recommendation is to extend allowable costs that can be reimbursed through the DTG beyond tuition, fees, and books to also include travel, lodging, and meal costs. Currently, costs of travel, lodging, and meals associated with related instruction are supported by the employer and/or student/employee. Many employers, especially in greater Minnesota, desire to have employees participate in dual-training programs that are not locally available. Mirroring the trend of prior grant rounds, over 70% of DTG Round #6 students/employees incur travel, lodging, and meal costs. For example, Students/employees of one grantee travel nearly three hours one-way and require overnight lodging each month. Students/employees of another grantee travel three hours total each day, four days a week. Few employers have the resources to reimburse students/employees for travel, lodging and meal costs. Of the employers who are able to provide reimbursement to students/employees, those employers often limit the number of students/employees allowed to participate in the DTG to remain within available employer resources. An expansion of the costs that can be reimbursed through the DTG would alleviate the burden of related instruction travel, lodging, and meals for employers and students/employees.

In an effort to further support the costs of travel, housing and meals, the next recommendation is to increase the maximum annual grant amount per student/employee. At present, the maximum annual grant amount is \$6,000 per student/employee. A majority of students/employees utilize the full annual grant amount for tuition, fees, and books. Therefore, an increase in the maximum annual grant amount would provide a margin to include costs of travel, lodging, and meals.

The last recommendation is to further expand the scope of the DTG to reimburse grantees for costs related to the setup and administration of the grant program. One grantee stressed the importance of expanding DTG funds beyond related instruction in a recent monitoring report:

“The single greatest challenge remains the costs associated with the development and administration the program. This includes the technical expertise to develop both the RTI [related training instruction] and related OJT [on-the-job training] documentation. It also includes the purchase and maintenance of the equipment to facilitate hands-on training.”

A minuscule number of DTG grantees have dedicated grant staff. A majority of grantees rely upon human resources, managers, and other staff to setup and administer the DTG in addition to their regular job duties. Allowing DTG funds to be allocated toward costs associated with grant administration would increase the capacity for employers to deliver quality dual-training programs.

Several DTG grantees have supplied letters supporting the grant program which are viewable in [Appendix D](#).

Appendix A: Minnesota Statutes 136A.246 Dual Training Competency Grants

Subdivision 1. **Program created.**

The commissioner shall make grants for the training of employees to achieve the competency standard for an occupation identified by the commissioner of labor and industry under section [175.45¹³](https://www.revisor.mn.gov/statutes/cite/175.45) and Laws 2014, chapter 312, article 3, section 21. "Competency standard" has the meaning given in section [175.45¹⁴](https://www.revisor.mn.gov/statutes/cite/175.45), subdivision 2. An individual must, no later than the commencement of the training, be an employee of the employer seeking a grant to train that individual.

Subd. 2. **Eligible grantees.**

An employer or an organization representing the employer is eligible to apply for a grant to train employees if the employer has an employee who is in or is to be trained to be in an occupation for which a competency standard has been identified and the employee has not attained the competency standard prior to the commencement of the planned training. Training need not address all aspects of a competency standard but may address only the competencies of a standard that an employee is lacking. An employee must receive an industry-recognized degree, certificate, or credential upon successful completion of the training.

Subd. 3. **Training institution or program.**

The employer must have an agreement with a training institution or program to provide the employee competency standard training prior to the grant award. The training may be provided by any institution or program having trainers qualified to instruct on the competency standard. The Office of Higher Education and the Department of Labor and Industry must cooperate in maintaining an inventory of degree, certificate, and credential programs that provide training to meet competency standards. The inventory must be posted on each agency's Web site with contact information for each program by September 1, 2016. The postings must be updated periodically.

Subd. 4. **Application.**

- (1) Applications must be made to the commissioner on a form provided by the commissioner. The commissioner must, to the extent possible, make the application form as short and simple to complete as is reasonably possible. The commissioner shall establish a schedule for applications and grants. The application must include, without limitation:
- (2) the projected number of employee trainees;
- (3) the number of projected employee trainees who graduated from high school or passed the commissioner of education-selected high school equivalency test in the current or immediately preceding calendar year;

¹³ <https://www.revisor.mn.gov/statutes/cite/175.45>

¹⁴ <https://www.revisor.mn.gov/statutes/cite/175.45>

- (4) the competency standard for which training will be provided;
- (5) the credential the employee will receive upon completion of training;
- (6) the name and address of the training institution or program and a signed statement by the institution or program that it is able and agrees to provide the training;
- (7) the period of the training; and
- (8) the cost of the training charged by the training institution or program and certified by the institution or program. The cost of training includes tuition, fees, and required books and materials.

An application may be made for training of employees of multiple employers either by the employers or by an organization on their behalf.

Subd. 5. Grant criteria.

- a) Except as provided in this subdivision, the commissioner shall award grants to employers solely for training employees who graduated from high school or passed commissioner of education-selected high school equivalency tests in the current or immediately preceding calendar year.
- b) If there are not sufficient eligible applications satisfying paragraph (a), the commissioner may award grants to applicants to train employees who do not meet the requirements of paragraph (a).
- c) The commissioner shall, to the extent possible after complying with paragraph (a), make at least an approximately equal dollar amount of grants for training for employees whose work site is projected to be outside the metropolitan area as defined in section [473.121, subdivision 2¹⁵](#), as for employees whose work site is projected to be within the metropolitan area.
- d) In determining the award of grants, the commissioner must consider, among other factors:
 - (1) the aggregate state and regional need for employees with the competency to be trained;
 - (2) the competency standards developed by the commissioner of labor and industry as part of the Minnesota PIPELINE Project;
 - (3) the per employee cost of training;
 - (4) the additional employment opportunities for employees because of the training;
 - (5) the on-the-job training the employee receives;
 - (6) projected increases in compensation for employees receiving the training; and
 - (7) the amount of employer training cost match, if required, on both a per employee and aggregate basis.

Subd. 6. Employer match.

A large employer must pay for at least 25 percent of the training institution's or program's charge for the training to the training institution or program. For the purpose of this subdivision, a "large employer" means a business with more than \$25,000,000 in annual revenue in the previous calendar year.

¹⁵ <https://www.revisor.mn.gov/statutes/cite/473.121#stat.473.121.2>

Subd. 7. Payment of grant.

- a) The commissioner shall pay the grant to the employer after the employer presents satisfactory evidence to the commissioner that the employer has paid the training institution or program.
- b) If an employer demonstrates that it is not able to pay for the training in advance, the commissioner shall make grant payments directly to the training institution or program.

Subd. 8. Grant amounts.

- a) The maximum grant for an application is \$150,000. A grant may not exceed \$6,000 per year for a maximum of four years per employee.
- b) An employee who is attending an eligible institution must apply for Pell and state grants as a condition of payment for training that employee under this section.

Subd. 9. Reporting.

Commencing in 2017, the commissioner shall annually by February 1 report on the activity of the grant program for the preceding fiscal year to the chairs of the legislative committees with jurisdiction over workforce policy and finance. At a minimum, the report must include:

- (1) research and analysis on the costs and benefits of the grants for employees and employers;
- (2) the number of employees who commenced training and the number who completed training; and
- (3) recommendations, if any, for changes to the program.

Subd. 10. Dual training account.

A dual training account is created in the special revenue fund in the state treasury. The commissioner shall deposit into the account appropriations made for the purposes of this section. Money in the account is appropriated to the commissioner for the purposes for which it was appropriated.

Subd. 11. Administration expenses.

The commissioner may expend up to five percent of the appropriation made for the purposes of this section for administration of this section.

Appendix B: Grantees among Legislative Districts

MN Legislative District	DTG Grantee (grant round)
1	Marvin Windows and Doors (6)
3	Art Unlimited (4,6)
5	Greater Bemidji (2,4,5,6)
7	Citon Computer Corporation (6) Essentia Health (4)
8	3M (3) Alomere Health (6)
10	Pequot Tool & Manufacturing (1,4,6)
11	Sappi Fine Paper (2,3,5,6,7)
13	DeZURIK (6)
14	Park Industries (1)
15	Manufacturing Partners (6)
16	3M (3) Schuneman Equipment Co. (1) SFC Global Supply Chain (2,4,6)
17	Anez Consulting (2) Case New Holland Industrial Plant (3)
19	Condux International (6) Dotson Iron Castings (3,5,6) Jones Metal (1,2,4,6)
20	Cardinal Glass Industries (2,4) Mechanical Systems (4) Seneca Foods Corporation (6)
22	Bedford Industries (3,4,5,6) JBS (2,4,6) New Bedford Technologies (6)
24	Amesbury Truth (3) Cybex International (2,4,6) Daikin Applied (4,6) K&G Manufacturing (2,4,6) Sage Electrochromics (2,4,6) Viracon (2)
25	McNeilus Truck & Manufacturing (6) Xylo Technologies (1)
26	Intercultural Mutual Assistance Association (6)
27	Hormel Foods Corporation (2) IBI Data (3,4)
28	Kingsland Public Schools (1)
29	Ultra Machining Company (2,4,6)
30	Alliance Machine (6)
31	UMA Precision Machining (6)

MN Legislative District	DTG Grantee (grant round)
35	Decopac, Inc. (6) Dynamic Group (4,6) Zero Zone (6)
36	Design Ready Controls (1,3,4,6)
38	Cerenity Senior Care (4)
40	Meyers Printing (4)
41	Ajax Metal Forming Solutions (6)
42	IPS Cranes (6) Reell Precision Manufacturing (3)
45	North Memorial (3)
47	Apex International (1) Yeager Machine (2,4,6)
49	Hartfiel Automation (1) Vital Images (6)
50	Care Providers of MN (3)
51	Thomson Reuters (6)
52	Lofton Label (6)
56	Flexo Impressions (2)
59	Owens Corning (1)
60	AWT Labels and Packaging (2,4,6) Fairview Health Services (1,2,3,4,5,6)
64	Goodwill Industries (6)
65	Gillette Children's Specialty Healthcare (6) MN.IT Services (2) Sholom Home East (4)
66	Beltmann Relocation Group (3,6) Computype (2)

Appendix C: Previous Dual Training Grant Awards

Dual Training Grant Awards (Round #1)

Grantee	City	Industry	Original Award	Final Payment
Accurate Home Care	Otsego	HC	\$83,250.00	\$0.00
Apex International	Chaska	AM	\$4,285.95	\$0.00
Design Ready Controls	Brooklyn Park	AM	\$91,935.00	\$42,178.71
Fairview Health Services	St. Paul	IT	\$96,505.50	\$66,212.75
Hartfiel Automation	Eden Prairie	AM	\$9,453.60	\$2,054.62
Holden Farms	Northfield*	AG	\$15,558.75	\$0.00
Jones Metal	Mankato*	AM	\$5,176.00	\$5,133.96
Kingsland Public Schools	Spring Valley*	IT	\$2,995.00	\$2,995.00
Owens Corning	Minneapolis	AM	\$3,722.78	\$1,289.62
Park Industries	St. Cloud*	AM	\$6,421.26	\$6,421.26
Pequot Tool & Manufacturing	Pequot Lakes*	AM	\$109,670.00	\$63,392.00
Rothgreaves & Associates	Long Lake	AM	\$4,859.25	\$0.00
Schuneman Equipment Co.	Marshall*	AG	\$45,000.00	\$4,585.51
Ultra Machining Company	Monticello*	AM	\$6,000.00	\$0.00
Xylo Technologies	Rochester*	IT	\$5,715.00	\$2,857.50
15 Original Awards			\$490,548.09	\$197,120.93

Notes: Location followed by (*) indicates a Greater MN County. The following employers withdrew from the grant: Accurate Home Care, Holden Farms, Rothgreaves & Associates, and Ultra Machining Company. Apex International did not withdraw, but did not utilize grant funding.

Dual Training Grant Awards (Round #2)

Grantee	City	Industry	Original Award	Final Payment
Adhesive Label	New Hope	AM	\$24,000.00	0.00
Anez Consulting	Willmar*	AG	\$6,000.00	\$1,143.00
AWT Labels and Packaging	Minneapolis	AM	\$48,000.00	\$31,500.00
Cardinal Glass Industries	Northfield*	AM	\$12,000.00	\$3,926.56
Computype	Roseville	AM	\$24,000.00	\$15,750.00
Cybox International	Owatonna*	AM	\$36,000.00	\$13,643.72
Fairview Health Services	Minneapolis	IT	\$150,000.00	\$111,624.00
Flexo Impressions	Savage	AM	\$12,000.00	\$5,250.00
Gauthier Industries	Rochester*	AM	\$12,000.00	\$0.00
Greater Bemidji	Bemidji*	AM	\$150,000.00	\$147,000.00
Hormel Foods Corporation	Austin*	AM	\$12,000.00	\$5,531.11
JBS	Worthington*	AM	\$120,000.00	\$77,097.50
Jones Metal	Mankato*	AM	\$6,000.00	\$2,840.36

Grantee	City	Industry	Original Award	Final Payment
K&G Manufacturing	Faribault*	AM	\$30,000.00	\$8,395.18
MN.IT Services	St. Paul	IT	\$150,000	\$96,713.50
Ornuo Ingredients, North America	Byron*	AM	\$6,000.00	\$0.00
Sage Electrochromics	Faribault*	AM	\$12,000.00	\$5,249.82
Sappi Fine Paper	Cloquet*	AM	\$150,000.00	\$42,024.13
SFC Global Supply Chain	Marshall*	AM	\$30,000.00	\$10,426.35
Ultra Machining Company	Monticello*	AM	\$6,000.00	\$4,453.05
Viracon	Owatonna*	AM	\$18,000.00	\$4,374.61
Yeager Machine	Norwood Young America	AM	\$12,000.00	\$12,000.00
22 Original Awards			\$1,026,000.00	\$598,942.89

Notes: Location followed by (*) indicates a Greater MN County. The following employers withdrew from the grant: Adhesive Label, Gauthier Industries, and Ornuo Ingredients, North America.

Dual Training Grant Awards (Round #3)

Grantee	City	Industry	Original Award	Final Payment
3M (Alexandria)	Alexandria*	AM	\$6,000.00	\$1,071.72
3M (New Ulm)	New Ulm*	AM	\$12,000.00	\$1,661.76
Amesbury Truth	Owatonna*	AM	\$6,000.00	\$2,145.40
Bedford Industries	Worthington*	AM	\$18,000.00	\$15,216.12
Beltmann Relocation Group	Roseville	IT	\$36,000.00	\$22,542.00
Care Providers of MN	Bloomington	HC	\$150,000.00	\$132,604.84
Case New Holland Industrial Plant	Benson*	AM	\$48,000.00	\$4,230.66
Design Ready Controls	Brooklyn Park	AM	\$48,000.00	\$38,529.04
Dotson Iron Castings	Mankato*	AM	\$36,000.00	\$13,120.78
Fairview Health Services	Minneapolis	IT	\$150,000.00	\$100,428.75
IBI Data	Brownsdale	IT	\$6,000.00	\$2,979.57
Jennie-O Turkey Store	Faribault*	AM	\$6,000.00	\$0.00
North Memorial	Robbinsdale	IT	\$150,000.00	\$19,796.25
Reell Precision Manufacturing	St. Paul	AM	\$24,000.00	\$22,773.84
Sappi Fine Paper	Cloquet*	AM	\$150,000.00	\$77,193.58
Schuneman Equipment Co.	Marshall*	AG	\$72,000.00	\$0.00
15 Original Awards			\$918,000.00	\$454,294.31

Notes: Location followed by (*) indicates a Greater MN County. The following employer withdrew from the grant: Jennie-O Turkey Store. 3M is listed twice due to participating through two separate location contracts.

Appendix D: Letters of Support

Bedford Industries



Bedford Industries
Ph: 1.507.376.4136 | Fax: 1.507.376.6742
Toll Free: 1.877.BEDFORD (233.3673)

November 29, 2018

To Whom It May Concern,

I work for a family-owned manufacturing company in Southwest Minnesota employing roughly 350 people. While we have a large pool of applicants for production positions, there are several positions that are hard to fill in our Machine Shop and Equipment Maintenance departments. After receiving very few applications for these positions, we decided to create a "grown our own" program allowing current employees the opportunity to receive a college education required for the position. We started with two employees and enrolled them in the Mechatronics program through Minnesota West. We were informed about the Pipeline Grant through Minnesota West and were graciously awarded the grant for both students. This was a fantastic opportunity for our company and the employees. They were able to complete the 2-year program using the funds from the Pipeline grant and Bedford paid the remaining portion. With the success of this program, we sent two employees through a 9-month Precision Machining program at Minnesota West with the help of the Pipeline grant as well. In total, we have sent six employees through the Mechatronics program and two through the Precision Machining program with the help of the Pipeline grant. We plan to apply for the spring 2019 request for applications for one more employee for the Mechatronics program.

Our employees were very grateful for this opportunity as well; they received a degree and did not have to pay for anything out of their own pocket. Typically, we offer a tuition reimbursement program where the employee pays for 20% of the fees and Bedford covers 80%; but the Pipeline Grant paired with Bedford's contribution allowed the students to receive their education at no cost. We were able to invest in our employees with the help of the grant. Along with the degree, the employees also received a wage increase.

Thank you for giving Bedford and other employers in the State of Minnesota the opportunity to grow and provide employees with an invaluable degree and experience.

Sincerely,

Melissa DeGroot
Human Resource Specialist

Fairview Health Services



Fairview Health Services
2344 Energy Park Drive
Suite 120
St. Paul, MN 55108

October 19, 2018

Commissioner Larry Pogemiller
MN Office of Higher Education
Dual Training Grant
1450 Energy Park Drive, Suite 350
St. Paul, MN 55108

Dear Commissioner Pogemiller,

On behalf of the Fairview Health Services Information Technology (IT) Department, I would like to express our appreciation for the opportunity to participate in the PIPELINE Dual Training Grant. Fairview has participated in this program from the start and the benefits continue to be realized.

Fairview is an award-winning, nonprofit health system providing exceptional care across the full spectrum of health care services. Joined by HealthEast in June 2017, Fairview is one of the most comprehensive and geographically accessible systems in the state, with 12 hospitals – including an academic medical center and long-term care hospital – serving the greater twin cities metro area and north-central Minnesota. Its broad continuum also includes 56 primary care clinics, specialty clinics, senior living communities, retail and specialty pharmacies, pharmacy benefit management services, rehabilitation centers, counseling and home health care services, medical transportation, an integrated provider network and health insurer PreferredOne. In partnership with the University of Minnesota, Fairview's 32,000 employees and 2,400 affiliated providers embrace innovation to drive a healthier future through healing, discovery and education.

Through related instruction and on the job training, Fairview's PIPELINE grant participants have had the opportunity to showcase competencies they have achieved through improving their performance on a day to day basis and assisting in upward mobility in their careers. For example, a call center employee will be able to answer more calls, solve more problems and perhaps respond in a more timely manner than prior to their training. Another example includes employees that have taken Lean training are able to better understand the strategic direction of our organization, how to work most efficiently, and how to identify and solve problems.

Participants in dual training have seen wage increases and several promotions. They have shared a deep appreciation for the training and opportunities provided, and a sense of pride in their job.

The related instruction and on the job training leads to achieving competencies that are the overall foundation for employees to continue to move upward in their career, perform at the top of their current job description, and provide excellent service to drive Fairview's mission forward.

As an organization we are committed to continuous improvement and the PIPELINE program is an important component of Fairview's work force development planning. We appreciate the support and partnership of the Office of Higher Education and the Department of Labor and Industry. The competencies participants have achieved through this program have undoubtedly helped improve the support our IT professionals provide to a variety of customers, from our medical staff to business office functions.

We look forward to the opportunity to continue this important work.

Sincerely,

A handwritten signature in black ink, appearing to read "Laura Beeth". The signature is fluid and cursive, written over a light blue horizontal line.

Laura Beeth
Vice President Talent Acquisition, Human Resources

Jones Metal



December 19, 2018

MN Office of Higher Education
Dual Training Grant
1450 Energy Park Drive, Suite 350
St. Paul, MN 55108

To Whom It May Concern:

Please consider this letter on behalf of Jones Metal, Inc. and Minnesota manufacturers to express gratitude, support and demonstrated results thanks to the Dual Training Grant. Jones Metal, Inc. is a 3rd generation, woman owned, custom sheet metal manufacturer in Mankato, Minnesota since 1942. As a family and company, we are dedicated to our community, state and careers in manufacturing.

For ten years, Jones has been on a mission to reinvigorate the company and refresh manufacturing as a viable career choice. We have collaborated with local workforce centers, high schools, associations, peers, community colleges, local university, and other organizations to bring attention back to careers in manufacturing.

Representatives from Jones Metal, Inc. sit on welding advisory councils for local high schools and the community college, participate in VEX robotics, STEM projects at high school and university levels, sit on general advisory councils for South Central College (SCC) and Minnesota State University, participate as advisors and judges for Project Lead the Way, work closely on exhibits for the local children's museum, and are involved on boards of manufacturing and human resource related associations. Our company provides time, talent and resources both in-kind and monetary to all of these programs. Finally, the community, state, and nation are paying attention.

In just the last 4 years local high school and technical community college weld programs have grown to a waitlist point. For a company like Jones where welding is a core competency, this is exciting.

Jones Metal has been able to offer internships to high school students in welding and 2018 has been our best year to date. We were able to retain one of our interns and send him to the weld program at South Central College with PIPELINE funds that he did not know existed until we explained it to him. At Jones Metal, we see Dual Training Grants as our way to continue to build a skilled work force and as a natural progression into high demand fields.

Jones Metal has also been able to put two other employees through the mechatronics program at SCC by using Dual Training Grant funds. Without the grant funds Jones Metal would not be able to build the robust training programs and career ladders that are necessary to attract and retain. Employees want to see growth and personal development opportunities and Dual Training Grants allow us to provide those opportunities to enhance the lives of our employees, strengthen our community and state. This is a great program with momentum.

Sincerely,

Sarah Richards
President, CEO & Co-Owner



3201 3rd Avenue | Mankato, MN 56001 | (507) 625-4436 | www.jonesmetalinc.com

Pequot Tool & Manufacturing

PEQUOT TOOL & MANUFACTURING

Precision Machining • Fabrication • Assembly

To: Minnesota House of Representatives
From: Timothy Walker, PTM Training & Development Specialist
Re: Support for PIPELINE Program Dual Training

State Representatives,

Please accept our appreciation for your past support for the PIPELINE Program Dual Training Grants. PTM has had the privilege of utilizing these funds in the development of our workforce. To date these grant funds have impacted the career development of more than 60 of our employees.

We are especially grateful for the flexibility provided which allows us to leverage high quality training through multiple sources including online classes, contracted trainers, community college coursework, and industry experts.

The alignment with industry recognized certificates, credentials, and a degree ensures the portability of the skills and competencies gained. This has proven to be highly motivational to younger employees who are in the development portion of their careers.

Participation in the PIPELINE Program has guided PTM into the development and successful implementation of our Registered Apprenticeship through the Minnesota Department of Labor & Industry. This in turn has provided access to funding through the MAI (Minnesota Apprenticeship Initiative) Grant.

We continue to receive excellent support from the Minnesota Department of Higher Education and the Minnesota Department of Labor and Industry which has proven essential in the successful administration of the grant funding process. We have also gained valuable partnerships with other manufactures throughout the state who share our passion for workforce development.

We sincerely request your continuing support for the PIPELINE Program Grant and related initiatives.

As the program administrator at Pequot Tool I welcome the opportunity to answer any further questions and would make myself available to testify should you find my participation helpful.

Sincerely,

Timothy S. Walker

Training & Development Specialist

Pequot Tool & Manufacturing Inc.

218 568-8069 x248

Thomson Reuters



December 6, 2018

Minnesota Office of Higher Education
1450 Energy Park Drive, Suite 350
St. Paul, MN 55108

Dear Minnesota Office of Higher Education,

I am from Thomson Reuters Legal Division. Our company provides legal content, expertise and technology solutions to legal professionals. We provide online access for legal research including Westlaw which was founded in Minnesota in 1872. We believe our strength as a business is derived from the talents, ideas and experiences of our people. We know that an inclusive workplace is one where all employees are valued regardless of and because of differences and where they have access to the resources and opportunities to reach their full potential. Customer Technical Support (CTS), a department within Thomson Reuters Legal, promotes and encourages diverse talent and understands the benefits of a truly diverse workplace. CTS engages with organizations like the Minneapolis Urban League and Creating IT Futures to help recruit women and people of color to our frontline Computer Support Specialists roles, providing training and critical pipelines to other areas of the company. CTS and Thomson Reuters as-a-whole understand educating and engaging our employees is a key part of our Corporate Responsibility and Inclusion Agenda.

The grant through Dual Training program allows us to offer our employees an opportunity to strengthen their job core and use the certification to move into other roles within this organization and beyond. It also is the first step in a progression toward more advanced training certifications available from CompTIA around networking and security and therefore benefits the employees' overall career development. Any employee who successfully gets certified will be eligible for a pay increase. This kind of investment in Minnesota's workforce makes so much sense. We are proud to be in state where the people working hard are supported so well by their legislature. Their success means success for us all.

Thanks for your time.

Sincerely,

A handwritten signature in black ink, appearing to read "Brad Fisher", written over a light blue horizontal line.

Bradford Fisher, Senior Director
Thomson Reuters, Customer Technical Support

Appendix E: PIPELINE Program 2018 Metrics and Events

Industry leader engagement

- Currently, **1,282** industry leaders receive invitations and updates from the PIPELINE Program team on at least a quarterly basis.
- Each year, the team offers three opportunities to bring partners together for each industry:
 - October 29 and 30, 2018
 - February 20 and 21, 2019
 - June 4 and 6, 2019
- The PIPELINE Program team has hosted three speaker series events, with two more in the planning stage:
 - Attracting and Retaining Talent Across Generations – May 24, 2018
 - Leadership for Geeks, Techies, and Crackerjacks – September 13, 2018
 - Small Acts that have a Big Impact on Inclusive Work Culture – December 6, 2018
 - Planning: Developing on-the-job training - March 2019
 - Planning: Topic TBD – June 2019

Outreach and Dual-Training Consulting

- Relationship focus: The PIPELINE Program team connects with, on average, at least one new employer each day.
- Presentations: The PIPELINE team has met with or presented to 245 unique groups since January 1
- Workforce Community Conversations: 90-minute discussion, including a general presentation on PIPELINE, allows additional time to meet with a PIPELINE team member to begin building out a PIPELINE Dual Training Program
 - Average attendance: 18 individuals at each meeting, with employers leading the charge.
 - Discuss your current workforce challenges, successes, innovative approaches
 - Share ideas and suggestions about how best to meet workforce needs
 - Learn about the PIPELINE Program and dual training model
 - Ask questions of the PIPELINE Program staff
 - Mankato: October 16: [Local news media coverage \(KEYC\)](#)
 - St. Cloud: October 30
 - Marshall: November 14
 - Rochester: November 27: [Local news media coverage \(KIMT\)](#)
 - Alexandria: December 3
 - Bemidji: December 11: [Local news media coverage \(Lakeland PBS\)](#)
 - Duluth: December 18
 - Burnsville: January 8
 - Brainerd: January 15
 - Brooklyn Park: January 22
 - White Bear Lake, January 29
 - Moorhead, February 7

Competency Model Development

- Led by employer partners, the PIPELINE Program team has validated 14 additional occupations this year, bringing the total to **36**.
- The PIPELINE Program team is on track to validate eight more occupations before spring of 2019, which will bring the total to **44**.

Appendix F: Data Suppression Policy for Student Information

Purpose

The purpose of this policy is to ensure the protection of private data on students when releasing summary data about our institutions and students.

Increased attention to education has led to an expansion in the amount of information on students and institutions reported by the Minnesota Office of Higher Education (OHE). Such reports offer a challenge of meeting reporting requirements while also meeting legal requirements to protect each student's personally identifiable information (Family Educational Rights and Privacy Act [FERPA]) (20 U.S.C. § 1232g; 34 CFR Part 99). Recognizing this, subgroup disaggregations of the data may not be published if the results would yield personally identifiable information about an individual student (or if the number of students in a category is insufficient to yield statistically reliable information). States are required to define a minimum number of students in a reporting group or subgroup required to publish results consistent with the protection of personally identifiable information (34 CFR § 200.7)

Scope

This policy applies to all reports generated by OHE, by OHE's contractors and by third parties working on OHE's behalf. This policy does not apply to data shared with employees of OHE or contractors of OHE.

Policy

OHE may release summary data, including aggregate student counts for all groups including those of less than 10. However, OHE will not release any *other information* regarding the group.

Other information is defined as information that, alone or in combination, is linked or linkable to a specific student that would allow a reasonable person in the school (institution) community, who does not have personal knowledge of the relevant circumstances, to identify the student with reasonable certainty. Other information may include, but is not limited to: gender, race/ethnicity, disability, citizenship, income and wages, expected contributions and birth date or birthplace information. *Other information* also includes aid awarded for the following programs: Postsecondary Child Care Grants, Minnesota Indian Scholarship Program, Minnesota GI Bill, State Grant Dream Act and Federal GI Bill.

OHE will suppress other information for aggregate student counts of less than 10 in for the following reasons:

- the information could identify an individual,
- the report will be released to an audience that includes recipients other than individuals to whom OHE may disclose personally identifiable information pursuant to federal or state law,
- the number of students in a grouping is 100% of all students, or the number of students in a suppressed cell can be derived from existing information.

Individuals and organizations to which OHE discloses information will be directed that its re-disclosure to anyone who is not authorized to receive that information under state and/or federal law is prohibited. Disclosure of data by the Minnesota Office of Higher Education is subject to Minnesota Government Data Practices Act (MGDPA, Minnesota Statutes Chapter 13) and the Family Educational Rights and Privacy Act (34 CFR Part 99.31).

Additionally, any use of education records by another state agency, its employees, agents, or contractors is subject to and shall be consistent with applicable provisions of the Family Educational Rights and Privacy Act (FERPA) and the Minnesota Government Data Practices Act (MGDPA) including, but not limited to, FERPA regulations at 34 C.F.R. § 99.32 through 99.35, regarding recordkeeping, re-disclosure, and destruction of education records.

Definitions

- Personally identifiable information (PII): Data that identifies the individual. For the purposes of education records, PII is defined by federal law as information that includes, but is not limited to a student's name; the name of the student's parent or other family members; the address of the student or student's family; a personal identifier, such as the student's social security number, student number, or biometric record; other indirect identifiers, such as the student's date of birth, place of birth, and mother's maiden name; other information that, alone or in combination, is linked or linkable to a specific student that would allow a reasonable person in the school (institution) community, who does not have personal knowledge of the relevant circumstances, to identify the student with reasonable certainty; and information requested by a person who the educational agency or institution reasonably believes knows the identity of the student to whom the education record relates.
- Summary Data: Statistical records and reports aggregated from data on individuals in a way that individuals are not identified and from which neither their identities nor any other characteristic that could uniquely identify an individual is ascertainable.

Classification of Information

Pursuant to Minn. Stat. § 13.02, subd. 12 and M.S.136A.162, data on students collected and used by the Minnesota Office of Higher Education are private data on individuals, including data on applicants for financial assistance collected and used by the Minnesota Office of Higher Education for student financial aid programs administered by that office.

Best Practices in Reporting

Per the U.S. Department of Education's SLDS Technical Brief (NCES-2011-603), *Statistical Methods for Protecting Personally Identifiable Information in Aggregate Reporting*, the following best practices may be used to protect each student's personally identifiable information:

1. Minimize the amount of enrollment details reported in the profile of the school (institution), district (sector), or state in reports of outcome measure results. If possible, use enrollment data for a different date than that of the reported outcome measures and label the different dates (e.g., report enrollment data for a date different from the assessment date, such as fall enrollment for a spring assessment). In so doing, tell the readers that the data on student enrollment by grade and by selected student characteristics are included to provide context for the results presented but should not be assumed to exactly match the student composition at the time the outcome was measured.

- a) Report the percentage distribution of students by grade at the school (institution), district (sector), or state level in a standalone table without any of the outcome measures or reporting subgroup details.
 - b) Report the percentage distribution of students by reporting subgroup at the school (institution), district (sector), or state level in a standalone table without any of the outcome measures or enrollment by grade details.
 - c) Do not report the details of the enrollment data within each reporting subgroup by individual grades.
2. Use a minimum of 10 students for the reporting subgroup size limitation.
 - a. Suppress results for all reporting groups with 0 to 9 students.
 - b. Suppress results for reporting subgroups with 0 to 9 students and suppress each of the related reporting subgroups regardless of the number of students in the subgroup (i.e., suppress the other subgroup(s) of the set of subgroups that sum to the overall group). In instances with 3 or more subgroups, the subgroups with 0 to 9 students can be combined with each other or with the smallest reportable subgroup to form an aggregated subgroup of 10 or more students to allow for the reporting of data for larger subgroups.
 3. Use only whole numbers when reporting the percentage of students for each category of an outcome measure (e.g., the percentage assessed).
 4. Do not report the underlying counts for the subgroup or group totals (i.e., the denominators of the percentages); also do not report the underlying counts of students in individual outcome categories (i.e., the numerators).
 5. For reporting variables/outcomes measures for subgroups, use the following standards to protect student privacy:
 - a. For reporting variables/outcome measures with more than 300 students and no related subgroup with fewer than 200 students, use the following approach:
 - I. Recode categories with values of 99% to 100% to greater than or equal to 99% ($\geq 99\%$).
 - II. Recode categories with values of 0% to 1% to less than or equal to 1% ($\leq 1\%$).
 - III. Otherwise, report the percentage of students in each category using whole numbers.
 - b. For reporting variables/outcome measures with 201 to 300 students and no related subgroup with fewer than 200 students, use the following approach:
 - I. Recode categories with values of 98% to 100% to greater than or equal to 98% ($\geq 98\%$).
 - II. Recode categories with values of 0% to 2% to less than or equal to 2% ($\leq 2\%$).
 - III. Otherwise, report the percentage of students in each category using whole numbers.
 - c. For reporting variables/outcome measures in which the number of students ranges from 101 to 200, use the following option in this group and all related subgroups with more than 200 students:
 - I. Recode categories with values of 98% to 100% to greater than or equal to 98% ($\geq 98\%$).
 - II. Recode categories with values of 0% to 2% to less than or equal to 20% ($\leq 20\%$).
 - III. Recode the percentage in each remaining category in all reporting groups or subgroups to intervals as follows (3–4, 5–9, 10–14, 15–19, . . . , 85–89, 90–94, 95–97).

- d. For reporting variables/outcome measures in which the number of students in the smallest reporting group or subgroup ranges from 41 to 100, use the following option in that group or subgroup and use option 5c for each related reporting group or subgroup with more than 100 students:
 - I. Recode categories with values of 95% to 100% to greater than or equal to 95% ($\geq 95\%$).
 - II. Recode categories with values of 0% to 5% to less than or equal to 5% ($\leq 5\%$).
 - III. Recode the percentage in each remaining category in all reporting groups or subgroups to intervals as follows (6–9, 10–14, 15–19, 20–24, . . . , 85–89, 90–94).
 - e. For reporting variables/outcome measures in which the number of students in the smallest reporting group or subgroup ranges from 21 to 40, use the following option for that group or subgroup, use option 5d for each related reporting group or subgroup with 41 to 100 students, and use option 5c for those with more than 100 students:
 - I. Recode categories with values of 90% to 100% to greater than or equal to 90% ($\geq 90\%$).
 - II. Recode categories with values of 0% to 10% to less than or equal to 10% ($\leq 10\%$).
 - III. Recode the percentage in each remaining category in all reporting groups or subgroups to intervals as follows (11–19, 20–29, . . . , 80–89).
 - f. For reporting variables with 10 to 20 students in the smallest subgroup, use the following option for that group or subgroup, use option 5e for each related group or subgroup with 21 to 40 students, use option 5d for those with 41 to 100 students, and use option 5c for those with more than 100 students:
 - I. Collapse all outcome measures to only two categories, using the same collapsing rules across all subgroups for each outcome measure (e.g., assessment results collapsed to below the proficient level and at or above the proficient level by sex, racial and ethnic groups, disability status, etc.).
 - II. Recode categories with values of 0% to 20% to less than or equal to 20% ($\leq 20\%$), and recode the other category to greater than 80% ($> 80\%$).
 - III. If both collapsed categories have percents of 21% to 79%, recode the percentage in each collapsed category to intervals as follows (21–29, 30–39, . . . , 70–79).
6. For each outcome measure reported at the district (sector) level, if results for a group or subgroup have been collapsed, recoded, or suppressed in only one school (institution) in the district (sector), apply the same collapsing, recoding, or suppression rule for that group or subgroup in a second school (institution) or at the district (sector) level (i.e., for any specific measure and group or subgroup, there must be either no school (institution)-level data suppressed for a specific subgroup or the data for that subgroup must be suppressed for at least two schools (institutions) or for one school (institution) and the district (sector)).
 7. For each outcome measure reported at the state level, if results for a group or subgroup have been collapsed, recoded, or suppressed in only one district (sector) in the state, apply the same collapsing, recoding, or suppression rule for that group or subgroup in a second district (sector) (i.e., for any specific measure and group or subgroup, there must be either no district (sector)-level data suppressed for a specific subgroup or the data for that subgroup must be recoded or suppressed for at least 2 districts (sectors)).



2019