



## **Regional and Local Plans**

### **Minnesota's Workforce Development System under WIOA**

**Program Years 2016 & 2017**

**Submitted by**

**RWDA:**

**Regional Workforce Development Area #5**

**LWDA:**

**South Central Local Workforce Development Area #7**

**Department of Employment and Economic Development**

1<sup>st</sup> National Bank Building | 332 Minnesota Street | Suite E200 | Saint Paul, MN 55101-1351

Phone: 651-259-7544 | 800-657-3858 | Fax: 651-215-3842 | TTY/TDD: 651-296-3900

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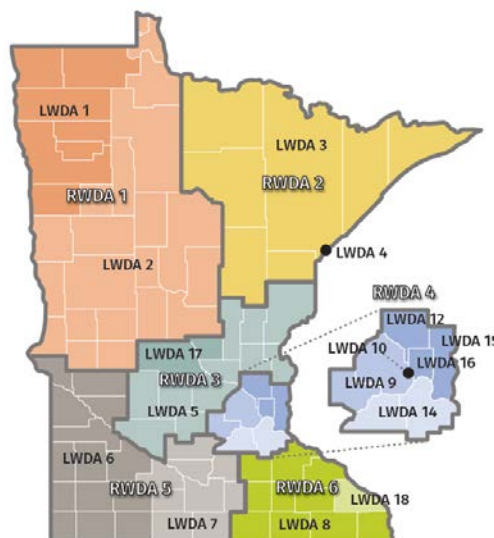
## INTRODUCTION

The purposes of the WIOA are the following:

- (1) To increase, for individuals in the United States, particularly those individuals with barriers to employment, access to and opportunities for the employment, education, training and support services they need to succeed in the labor market.
- (2) To support the alignment of workforce investment, education and economic development systems in support of a comprehensive, accessible and high-quality workforce development system in the United States.
- (3) To improve the quality and labor market relevance of workforce investment, education and economic development efforts to provide America's workers with the skills and credentials necessary to secure and advance in employment with family-sustaining wages and to provide America's employers with the skilled workers the employers need to succeed in a global economy.
- (4) To promote improvement in the structure of and delivery of services through the United States workforce development system to better address the employment and skill needs of workers, jobseekers and employers.
- (5) To increase the prosperity of workers and employers in the United States, the economic growth of communities, regions and states and the global competitiveness of the United States.
- (6) For purposes of subtitle A and B of title I, to provide workforce investment activities, through statewide and local workforce development systems, that increase the employment, retention and earnings of participants, and increase attainment of recognized post-secondary credentials by participants, and as a result, improve the quality of the workforce, reduce welfare dependency, increase economic self-sufficiency, meet the skill requirements of employers and enhance the productivity and competitiveness of the Nation.

### Workforce Development Areas

Minnesota has designated six Regional Workforce Development Areas (RWDAs) in the state that represent a combination of Local Areas, as defined in WIOA, and Economic Development Regions, as defined in other federal law. These Workforce Development Areas have been approved and adopted by the Governor and the chief local elected officials of the Local Areas.



Each Regional Workforce Development Area is responsible for submitting a Regional Plan, inclusive of the Local Plans of the Local Workforce Development Areas. The Regional and Local Plans will align with the strategic vision set by the Governor, address the regional needs of the workforce and business communities and comply with the planning requirements as determined by the State of Minnesota's Department of Employment and Economic Development and the U.S. Department of Labor and applicable federal and state statutes.

## **Minnesota's Vision for the Workforce Development System**

### **Vision Statement:**

*A healthy economy, where all Minnesotans have or are on a path to meaningful employment and a family sustaining wage, and all employers are able to fill jobs in demand.*

This vision statement was developed through Minnesota's participation in the National Governor's Association's Policy Academy on Career Pathway Models. Minnesota's effort engaged seven state agencies and has influenced workforce development thinking at the system level. It is fitting to continue to move forward with pursuing the implementation of WIOA under this inclusive effort.

### **Mission:**

The creation of a Career Pathway System that aligns local, state and federal resources, policies and services to meet the workforce needs of business and industry and improves access to employment, education and training services for Minnesota's current and future workforce.

### **Rationale:**

The economic conditions of the 21<sup>st</sup> century require a more responsive approach to meeting the needs of business and industry; and the growing diversity of the workforce population. As economies become more global, competition will continue to increase and pressures on the inputs of production, specifically the timing, availability and skill base of the workforce. Rediscovering the value proposition of the Workforce Development System is critical to responding to the 21<sup>st</sup> century economy.

A Career Pathway System approach will position the needs of a skilled workforce at the center of the system, recognizing the important role of a "dual customer" approach – businesses and workers. Businesses will lead sector strategies that address the most critical growth needs in occupations that support family sustaining wages. The diverse needs of workers will impact the design and delivery of employment and training programs and services to fulfill these employment needs and their career goals.

## SECTION A: REGIONAL PLAN

### REGIONAL LEADERSHIP APPROACH

*The regional leadership approach describes how the local area boards within each regional workforce development area will define and coordinate the strategic priorities established by the Governor under WIOA.*

1. Describe the selection process for the membership who will provide the leadership to oversee the development and coordination of the regional plan.

The selection process for the Regional Workforce Development Area #5 (RWDA #5) leadership team was discussed and approved by both the South Central Workforce Council and the Southwest Workforce Council. The RWDA #5 leadership team is comprised of eight (8) members including the Chair and Vice-Chair of each of the Local Elected Official Boards and the Chair and Vice-Chair of each of the Local Workforce Council's. The Board will be staffed by the Executive Director of each Board.

The Chair of the two Workforce Councils will serve as co-chairs.

The make-up of the Board provides a strong mix of private sector and elected officials. Membership represents healthcare, manufacturing, agriculture services, as well as the local elected official's perspectives.

2. Describe how the selected organizations from the region will provide oversight to development and implementation of the regional plan. Complete **Attachment A – Regional Oversight Committee**.

Two regional planning meetings were held in RWDA #5 in Fall 2015. The purpose of the meetings was to gain input from business and major stakeholders throughout the 23-county region. The information/feedback gained from the planning sessions will be used to develop the regional plan and identify the strategic goals and strategies.

The leadership team is scheduled to meet on April 13, 2016 to finalize the operational/governance structure of the committee. The leadership team will meet – at a minimum – two times per year.

The local representatives will be charged with communicating back to each local board to ensure all members are kept informed and have the opportunity to provide feedback and recommendations to any regional initiatives that may develop.

The first task of the Regional Leadership Team is to review and analyze the regional priorities and strategies (based on information gathered at the Fall planning sessions), and approve the Regional Plan. Following that step, the Plan will be sent back to each local Board for final review and approval for submittal.

Future responsibilities of the Team may include:

- Bi-annual (minimum) meetings
- Assure regional strategies are clearly defined and measurable
- Monitor progress
- Review and approve potential areas of collaboration

- Review and approve regional initiatives
- Convene and engage key stakeholders, individuals from diverse groups, and others experiencing barriers to assist in developing and implementing regional strategies

3. Describe how the approach used will ensure that partner engagement includes diverse representation, specifically among populations experiencing barriers to employment.

Based on labor market information and demographics, the leadership team will focus on assuring that, to the extent possible, the populations experiencing barriers to employment are engaged in both the regional and local workforce development area meetings, discussions, goal setting, strategy development and implementation strategies.

Engaging stakeholders and individuals from diverse backgrounds and populations, as well as those experiencing barriers to employment is critical in establishing the goals and strategies that will lead to success.

Assuring that the diverse demographic make-up of the RWDA #5 area is strategically involved in the identification of issues and solutions, goal setting and strategy development broadens the scope of success and advancement of workforce development in the region.

Included in the partner engagement will be individuals, decision makers representing specific populations and other key stakeholders including, but not limited to: individuals with disabilities; tribal communities; communities of color; K-12; higher education; individuals involved and/or representing the criminal justice system; and representatives specifically focused on addressing employment and education disparities.

The Boards and staff will make a concerted effort in designing and implementing programming that will directly engage diverse populations and groups experiencing specific barriers to employment. Both organizations practice and are compliant with equal opportunity hiring practices and will assure that appropriate outreach for employment opportunities is shared and targeted to special populations.

4. Describe how performance negotiations will be managed among the local workforce development areas within the region.

Describing the management of performance negotiations at this time is difficult to outline due to lack of WIOA rules and regulations. Therefore, RWDA #5 will be addressing this question in more detail following release of specific guidance.

At a minimum, we anticipate that the RWDA #5 leadership team will be responsible for the review and oversight of the negotiations. Each LWDB will conduct negotiations with the partners in the local area. Results of the negotiations will be reviewed by the Regional Leadership Team.

Staff will continue to work with GWDB, DEED and MWCA to develop a comprehensive plan for negotiations – again pending regulations.

Further specifics are pending awaiting final regulations.

5. Describe any additional goals being set by the regional leadership or individual local area boards.

The regional leadership team is in the process of outlining the two year plan strategies and direction at their April 13, 2016 meeting. At that time they will prioritize and attach timelines to the identified goals and strategies that resulted from the Fall 2015 regional planning sessions.

Goals/Priorities that will be addressed include:

- Focus on final rules & regulations and assuring all aspects of WIOA implementation, governance and delivery are finalized and ready for full implementation on July 1, 2017;
- Assure that the two LWDB boards understand the structure and make up of each other; that the strategic design for the Region is clear and agreed upon;
- Advance Career Pathways as a system throughout the region;
- Strategize on methods to assist populations experiencing employment & education disparities;
- Address shortage of skilled workforce; provide skills training in demand occupations
- Increase career awareness for youth/parents and adults on demand occupations
- Expand connections between education and businesses
- Develop marketing/outreach strategies on workforce programs, services, & resources available in the region.

6. Describe how the local area boards will direct system alignment within the region through shared policies and practices.

The local area boards will direct system alignment within the region as follows:

- Review the established policies and practices of each local workforce development area, determine opportunities for shared policies and practices as appropriate; while maintaining the intent of each local board to maintain their unique and independent operations;
- Review the current Program Operator model (Consortia Model) in each LWDA, to determine any opportunities for enhancement on a regional basis;
- Review direct delivery of services models in each area to determine potential opportunities for best practices and collaboration;
- With the addition of the Rural Career Counseling Coordinator (RC3) position – the LWDBs have the opportunity to review the data and results of the asset mapping and gap analysis process and then provide direction on opportunities to broaden alignment with multiple partners and stakeholders and drive best practices and bring them to scale across the region;
- The One-Stop Operating Teams – (comprised of Job Service, Rehabilitation Services, Title I provider, and ABE ) in LWDA 6 & 7, meet regularly to address operational issues which may include: staffing or programmatic items; collaborative opportunities; up-dates; customer access to programs and services; new grant/programming opportunities; policy development and/or clarifications and other issues. The One-Stop Operating Teams are aligned with the vision & mission as outlined by the local Boards. The One-stop Operating Teams look to the LWDB's to provide direction related to issues and/or opportunities resulting from the One-Stop Operating Team meetings;
- Reports from other partner teams are shared with the LWDB's to assure that the Boards are kept informed and have the opportunity to assure that

the team efforts are in line with the vision and direction of the boards. Examples of partner teams include, but not limited to: Business Services Team; Pathways to Prosperity Partnership; Youth Standing Committees; and Project Operator Team.

7. Describe any cooperative service arrangements being planned for the region and how they will promote consistency within the regional workforce development area and with state policy.

Each local area has well established cooperative agreements in place with multiple partners/stakeholders and those will continue.

The funding establishing the RC3 position does provide potential opportunity to expand and strengthen the existing agreements. This will become more evident once the asset mapping and gap analysis are completed.

Southern Minnesota LWDB's (SC, SE, SW & Winona) have an established Southern MN Development Team that provides education and training opportunities for all partner staff on a bi-annual basis. The southern LWDB's intend to continue the staff development opportunity.

In addition, the following areas, that currently exist at each local area level, may be strengthened or broadened across the region and are currently being explored and viewed as potential expansion opportunities:

- Monitoring
- Policies
- Program development and career exploration activities/events
- Marketing programs, services and region
- Grant writing
- Professional development
- Best practices
- Legislative activity

## REGIONAL STRATEGIC PLANNING

*The strategic planning component of the Regional Plan addresses three elements: strategic analytics, strategic approach and strategic operations. The overarching theme is to engage regional stakeholders in the process of establishing the strategic plan and to ensure that decisions are data driven and that the data can be used to measure gains and identify needs for improvement.*

**Strategic Analytics:** *The assessment of the regional workforce development area focuses on key conditions. These conditions are detailed in the following response needs.*

8. Describe the condition of the regional economy and cite the sources of data and analysis.

Regional Workforce Development Area #5 (RWDA #5) consists of the 23-county area of south central and southwest Minnesota. The region includes three economic development regions (Regions 6, 8 and 9) and one metropolitan statistical area (greater Mankato/North Mankato).

The RWDA #5 economy was analyzed by a thorough review of labor market information through our MN DEED Labor Market Analysts; engaging board members, partners and community in a dialogue about workforce and economic development needs; and input from local employers. This approach gives us a good understanding of the region by

combining what statistics reveal with the real-time knowledge of local employers and community partners. The Regional Profile for the 23-county labor market area is attached (Attachment 1). Sources of data and analysis are notated on the attached profile. Below is a summary of the data.

**Industry Employment:** During the recession, RWDA #5 lost over 7,000 jobs. By the end of 2014, the region was back to 2004 employment levels. The region must gain back 3,800 jobs to return to its 2008 peak employment level of 178,000 jobs (see Table 10, page 11 of Attachment 1). The manufacturing industry was particularly impacted by the recession.

The labor market in RWDA #5 is characterized by a diverse industry base built largely on manufacturing, health care/social assistance, and retail trade (see Table 13, page 12 of Attachment 1). The top industries in the region that continue to experience employment gains include: manufacturing, health care/social assistance, construction, transportation/warehousing, agriculture, and professional/technical services.

**Distinguishing Industries:** RWDA #5 stands out in the state for its higher concentrations of employment in manufacturing and agriculture (see Table 14, page 13 of Attachment 1).

**Industry Projections:** The RWDA #5 is projected to grow in employment almost 3% from 2012 to 2022. Most of the employment gains is expected to be in health care/social assistance, particularly in nursing and residential care, but also including hospitals, ambulatory health care services and social assistance (see Table 15, page 13 of Attachment 1). Significant employment growth is also projected in construction, professional and technical services, administrative support and waste management, and trade.

**Job Vacancies:** Regional employers reported 7,245 job vacancies during the 4<sup>th</sup> quarter of 2014, which is a 52% increase compared to the previous year. Almost half of the openings were part-time. Full-time vacancies reported included transportation and material moving, production, installation/maintenance and repair, office and administrative support, architecture and engineering, construction, and business & financial operations occupations (see Table 10, page 9 of Attachment 1).

Our local employers report that they are having a difficult time finding skilled labor. Specific occupations that were identified as difficult to find were: maintenance/boiler operators, skilled trade occupations, truck drivers, lab technicians, physical therapists, physicians, nurses/nursing assistants, and social service technicians/social workers.

**Occupations in Demand:** There are well over 200 occupations showing relatively high demand in RWDA #5. Almost half of the occupations in demand require a high school diploma or less, while a little over half require some post-secondary training or degree. Many of the jobs are concentrated in the region's major industries: manufacturing, health care and transportation (see Table 11, page 10 of Attachment 1).

**Employments Projections:** The MN DEED Employment Outlook reports the region is expected to gain about 5,685 new jobs from 2012-2022, and at the same time will also need to fill 48,000 replacement openings for existing jobs left vacant by retiring baby boomers and other career changers during that period (see Figure 9, page 10 of Attachment 1). Occupations projected to have the most job openings include: sales, office & administrative support, food preparation & service, production, management, personal care & service, transportation & material moving, healthcare, and installation,

maintenance & repair.

**Income and Wages:** Median household incomes are lower in the region than the rest of the state. Median household incomes ranged from a low in Faribault County of \$44,264 to a high in Nicollet County of \$60,115. Well over half (54.7%) of the households in the region had incomes below \$50,000.

According to DEED's Cost of Living tool, the basic needs budget for an average family (2 adults with 1 child, with 1 full-time and 1 part-time worker) in the region was \$41,352, which is the lowest in the state. However, the monthly costs for housing, child care, taxes and transportation are also lower than the rest of the state. In order to meet the basic cost of living in the region, the full-time and part-time worker in the family would need to earn at least \$13.25 per hour (see Table 7, page 7 of Attachment 1).

The median hourly wage for all occupations in the region is \$15.48 per hour, which is the second lowest wage level of the 6 planning regions (see Table 8, page 8 of Attachment 1). Only Northwest Minnesota has a lower median hourly wage level at \$15.42 per hour. Wages are most competitive in social assistance, agriculture, protective services and production occupations. The lowest paying jobs are concentrated in food preparation and serving, personal care and service, sales and maintenance occupations. The highest paying jobs are found in management, legal, architecture and engineering, computer, business and finance, healthcare practitioners, and social science occupations.

9. Describe the condition of the regional workforce and cite the sources of data and analysis.

Although RWDA #5 has experienced population declines in past decades, it is projected to increase in population in the next 20 years. Regional workforce demographics are included in the Regional Profile attached (Attachment 1). Sources of data and analysis are notated on the attached profile. Below is a summary of the data.

**Population Change:** According to 2014 census data, RWDA #5 is home to 392,415 people (see Table 1, page 2 of Attachment 1). The region as a whole experienced a small 0.5% decline in population over the past 14 years, primarily due to larger losses in economic development regions (EDR) 6 and 8. These losses were nearly offset by a 3.7% increase in population in EDR 9. Five of the 23 counties in the region gained population during this period, including Blue Earth and Nicollet counties (greater Mankato area), LeSueur County (borders the 7-county metro area), Lyon County (Marshall area), and Nobles County (Worthington area).

**Population by Age Group:** RWDA #5 has an older population than the rest of the state, with 17.6% of the population ages 65 years and over, compared to 13.9% statewide. The region has a lower percentage of the age 25-64 population; however, the region has a higher percentage of people ages 15-24 due to numerous post-secondary institutions in the region. More than one-fourth of the region's population was part of the Baby Boomer generation, which is creating a significant shift in the population over time (see Figure 2, page 2 of Attachment 1).

**Population Projections:** Population projections reported by the MN State Demographic Center reveal that RWDA #5 is expected to gain nearly 23,000 net new residents from 2015 to 2035, a 5.7% increase. This population growth is expected to be in the under 5 age group as well as the 25-44 and 65+ age groups (see Figure 3, page 3 of Attachment 1).

**Population by Race:** Although RWDA #5 is less diverse than the state as a whole, it is becoming more diverse over time. In 2013, nearly 94% of the region's residents report White alone as their race, compared to 85.6% of residents statewide. While overall numbers are low, the region is experiencing significant percentage increases in Black or African American populations, Asian & Pacific Islanders, and two or more races (see Table 2, page 3 of Attachment 1). Nobles County and Watonwan County have the first and second highest percentage of residents reporting Hispanic origin in the state at 26.3% and 21.4% respectively. Just under 22,000 individuals with Hispanic or Latino origin live in the region. Blue Earth, Lyon, and Nicollet counties have experienced an increase in African immigrants settling in the area.

**Population by Educational Attainment:** RWDA #5 has four MnSCU institutions (8 campuses) and numerous private post-secondary institutions providing a fairly educated workforce ages 25-64. Almost 63% of this age group has some post-secondary education (38.2%) or a Bachelor's degree or higher (24.7%). However, 5.6% (or 9,332 individuals) has less than a high school diploma.

**Labor Force Change:** RWDA #5 experienced substantial fluctuations in labor force during the 2001 and 2007 recessions; however, overall from 2000 to 2014 the region lost about 1,400 workers (see Figure 4, page 4 of Attachment 1). As the region has recovered from the latest recession, the labor market in the region has been getting tighter, with only 9,000 unemployed workers that were actively seeking work in 2014. During the recession, there were 9.5 unemployed individuals for every job vacancy. This past year, the ratio decreased to 1.3 unemployed people for every job vacancy.

**Labor Force Projections:** According to labor force projections, the region is expected to experience a slight decline in labor force from 2015-2025 of -0.3% (a decrease of 629 workers). This will likely lead to an even tighter labor market in the future (see Table 3, page 4 of Attachment 1).

**Unemployment Rates:** With our diverse industry base, RWDA #5 has reported lower unemployment rates than the state and the nation. The region had a 3.9% unemployment rate in 2015 (see Figure 5, page 5 of Attachment 1). The region was home to seven of the 15 lowest county unemployment rates in the state in June 2015, led by Rock County at 2.3%.

**Employment Characteristics:** Although unemployment rates are low in RWDA #5, not all populations are benefiting from low unemployment rates. Populations experiencing unemployment rate disparities were highest among young people, minorities, individuals with disabilities, veterans, and people with lower educational attainment (see Table 4, page 5 of Attachment 1). Unemployment rates for these populations include:

- Youth ages 16 to 19 (14.5%)
- Young people ages 20 to 24 (8.7%)
- Black or African American (21.2%)
- American Indian & Alaska Native (9.7%)
- Asian/Pacific Islanders (7.0%)
- Hispanic or Latino (12.2%)
- Veterans (6.9%)
- Individuals with disabilities (10.4%)
- Individuals with less than high school diploma (10.3%)

**Commute and Labor Shed:** The vast majority of workers who live in the region also

work in the region (76%). However, the region is a net exporter of labor, with 38,445 commuting into the region for work while 45,562 commute outside the region for work.

10. Describe the condition of the regional workforce development system and cite the sources of data and analysis (SWOT analysis).

The South Central WorkForce Council and the Southwest MN Workforce Council convened over 145 stakeholders at two regional planning events in Mankato and Redwood Falls. The majority of those attending were representatives from business and also included representatives from education (secondary, post-secondary, and ABE), economic development, partner/community organizations and elected officials.

Stakeholders were asked to identify and prioritize current workforce issues. Priorities identified by stakeholders to be addressed included:

- Shortage of skilled workers
- Need to expand career awareness/career counseling for students, parents and job seekers on demand occupations
- Need to develop more connections between business community and education for career awareness and work-based learning opportunities.
- Need to address populations experiencing employment disparities including: immigrants, individuals with disabilities, low-income populations, minority populations, offenders, older workers, veterans, and youth.
- Need to market the programs, services and resources available in the region.

Strengths and opportunities of the regional workforce development system were identified through the regional planning process in the context of our capacity to address the priorities identified above.

Key strengths of RWDA #5 :

- **Local Workforce Development Boards:** Two employer-driven boards with vast experience in convening stakeholders to identify and address workforce priorities. These boards are instrumental in aligning resources and services to address workforce needs and are respected in the region.
- **Local and Regional Collaborations:** The regional workforce development system has developed strong local and regional collaborations built on trust that aligns resources and expertise to implement workforce strategies. Collaborations include Adult Basic Education, Carl Perkins partners, community organizations, economic development, human services, labor unions, local elected officials, post-secondary institutions, and workforce partners (including veteran and vocational rehabilitation services).
- **Workforce Development Career and Training Services:** The regional workforce development system has vast expertise in delivering quality career and training services for youth and adults built upon a solid understanding and connection to the local/regional labor market. The workforce system also has vast experience in serving targeted populations and addressing barriers by providing additional supports and connections to community resources. The regional workforce development system consistently meets and exceeds performance outcomes (MN DEED WIA Annual Reports).
- **Access to post-secondary career and technical education:** The region has two MnSCU community and technical colleges with six campuses. The workforce

development system has strong connections with MN West and South Central Community & Technical Colleges in supporting their capacity to provide career and technical education programs and serves as a liaison for meeting the skill needs of area employers and training needs of job seekers. Our MnSCU partners have been very responsive to the needs of the region.

- **Career Pathways:** The region was an early implementer of FastTRAC/Career Pathway programs that align the expertise and resources of Adult Basic Education, MnSCU, and workforce development system for key industries in the region (health care, manufacturing and transportation). The career pathway system includes career exploration, contextualized basic skills instruction, stackable credits and industry-recognized credentials in demand occupations that lead to family-sustaining wages.

#### Opportunities identified:

- **Capacity to meet needs:** Although the regional workforce development system has vast experience and success in providing career services, it does not have the capacity to provide these services for all high school students and job seekers in the region.
- **Stability of funding sources:** Current funding sources for providing career services for high schools and career pathway development is based on competitive funding. It is difficult to plan long-term, make system changes and to recruit staff based on unstable funding sources.
- **Asset map and gap analysis:** The asset map of career and workforce development services being developed by our Rural Career Counseling Coordinator will enable the region to market services available in the region, align services, avoid duplication of services and target limited resources to fill gaps in services.
- **Increase employer engagement:** The region has a great opportunity at this time to increase employer engagement through: their need for skilled workers, sector-based career pathway strategies, career exploration activities, and work-based learning strategies such as transitional jobs, internships, apprenticeships and incumbent worker training. The recent infusion of funding from the DOL NEG grant and TAACCCT MnAMP grant, in addition to career pathway development, provide an opportunity to engage more employers in the region in sector-based strategies.
- **Increase community engagement:** The region has an opportunity to expand community engagement as we focus on populations that are experiencing employment disparities.
- **Marketing the region:** With declining population in our rural counties, the region has an opportunity to market the quality of life in the region (including job opportunities) to attract and retain talent.
- **Technology:** The region will support efforts of the State to provide services to a broader audience through technology, especially for those customers who have limited barriers and are able to self-serve. In addition, we will be exploring as a region the opportunity to develop an on-line application for

easier access to services.

11. Describe the regional workforce development area's vision for a skilled workforce.

RWDA#5 has adopted the state's vision:

***The vision of Regionall Workforce Development Area #5 is a healthy economy where all Minnesotans have – or are on a path to – meaningful employment and a family sustaining wage, and where all employers are able to fill jobs in demand.***

This vision expresses our intent to “leave no populations behind”, ensuring all individuals have the resources and services they need to make informed career choices, obtain the skills necessary to compete for demand occupations with family sustaining wages, based on sector-based career pathway approaches that meets employers’ needs for a skilled workforce.

In order to accomplish this vision and in response to regional priorities identified by stakeholders, RWDA #5 has identified five goals:

1. Address the shortage of skilled workers through sector-based career pathway approaches.
2. Increase service levels and outcomes for individuals experiencing employment disparities, focusing on racial disparities, but also including individuals with disabilities, low-income populations, offenders, older workers, veterans and youth.
3. Expand partnerships with local school districts to increase career awareness and career counseling opportunities for students and parents.
4. Increase employer engagement through sector based career pathways, career awareness opportunities and work-based learning activities.
5. Complete asset-map and gap analysis of career and workforce development services in the region utilizing results to broadly inform the region on services available and to align/target resources to fill gaps.

In order to compete for high growth, high demand jobs that pay a livable wage, our target populations need to acquire the skills and industry-recognized credentials required by employers in high-demand industries. RWDA #5's vision and goals will address the needs of our target populations by providing pathways to skill training that leads to stackable credits, credentials, and the skills necessary to compete for employment in high-demand industries that lead to self-supporting wages and also meets the needs of employers for a skilled workforce.

In addition to addressing the priority issues of regional stakeholders, these goals also align with the mission and goals of the state.

***Strategic Approach:*** The core areas of the strategic design focus on priorities of the Governor and the system of service delivery.

### **Area 1 – Sector Partnerships**

12. Describe how the region will use the labor market information and conduct outreach to business and industry to select the targeted sectors for developing career pathways for occupations in demand that provide family sustaining wages. If sectors and occupations

have been already selected, describe them within this response. Complete **Attachment G – Local Workforce Development Area Key Industries in Regional Economy**.

RWDA #5 has utilized labor market information and input from business and industry to identify our key industries and to select the targeted sectors for developing sector-based career pathways.

Local Workforce Development Area (LWDA) Key Industries identified by our local boards were based on input from employers, stakeholders and a review of labor market information and are as follows (see also Attachment G):

- South Central LWDA #7: agriculture, business/professional services, construction, health care/social assistance, manufacturing, and transportation/ warehousing.
- Southwest LWDA #6: agriculture, health care/social assistance, manufacturing, and transportation/warehousing.

RWDA #5 will focus on the four key industries the local workforce development areas have in common: ***agriculture, health care/social assistance, manufacturing, and transportation/warehousing.***

RWDA #5 career pathway sector strategies during the first 2-years of this plan will focus on our top three industry employment sectors: manufacturing, health care and trade/transportation/utilities (focusing on transportation) industries. As noted in the labor market information above and on Attachment A, manufacturing is the largest employment industry in the region employing 31,654 workers and health care/social assistance is the second largest employment industry employing 25,529 workers. These three career pathways address 13 of top 30 demand occupations in the region and half of the top 10 job vacancy occupations. In addition, these three pathways address occupations employers indicate they struggle to find skilled workers: nursing, health care & social service technicians, industrial maintenance technicians, machinists, welders, and truck drivers.

13. Describe how the make-up of the sector partnerships will be determined and the expertise and resources they bring to the partnership.

The South Central and Southwest Workforce Councils each convene a sector-based career pathway partnership. Key partners are identified based on those with the expertise, resources and interest in supporting career pathway development.

Participating partners include:

- Adult Basic Education
- Community Based Organizations
- Economic Development
- Employers
- Human Services Agencies
- Post-Secondary Institutions
- Workforce Center Partners (including Job Service, Vocational Rehabilitation Services and WIOA providers)

Roles and responsibilities of participating partners are delineated in our career pathways plan and through a Memorandum of Understanding with the partners.

Roles and responsibilities for each partner include:

**Adult Basic Education:**

- Participate in career pathway planning and development
- Outreach and referral of adult learners, including targeted populations
- Conduct program intake and eligibility
- In partnership with Navigator, screen/assess adult learners, including basic skills pre- and post-assessment
- ESL/GED/high school diploma instruction
- Development and delivery of bridge curriculum including contextualized basic skills instruction and exposure/exploration of industry specific career pathways
- Engage employers in career awareness activities
- Provide integrated technical skills training instruction for “gateway” courses determined by partners, reinforcing skill concepts and providing instructional support.
- Data collection utilizing ABE’s MABE/MARCS data management system

**Community Based Organizations:**

- Participate in career pathway planning and development
- Outreach and referral of adult learners, including targeted populations
- Inform partnership on the needs of targeted populations
- Career counseling
- Case management to address barriers
- Support services
- Job search assistance

**Economic Development:**

- Participate in career pathway planning and development
- Outreach and referral of employers
- Inform partnership on business development and expansion opportunities

**Employers:**

- Participate in career pathway planning and development
- Inform partnership on industry and occupational skill needs
- Provide career awareness activities: guest speaker in classroom, industry tours, job shadowing opportunities
- Provide work-based learning opportunities: transitional jobs, internships, apprenticeships
- Provide employment opportunities for graduates
- Provide professional development funds for next steps in career pathway

**Human Service Agencies:**

- Participate in career pathway planning and development
- Outreach and referral of adult learners, including targeted populations
- Alignment with MFIP/DWP/SNAP cash assistance programs
- Support Services

**MnSCU Community & Technical Colleges:**

- Participate in career pathway planning and development
- Outreach and referral of adult learners, including targeted populations
- Develop stackable credits and credentials for career and technical education in demand occupations

- Provide transition assistance with college enrollment and financial aid application
- Provide credit for prior learning
- Provide training facilities, equipment and instructors
- Provide integrated instruction for credit, in partnership with ABE, for “gateway” courses determined by the partners, resulting in industry-recognized credentials
- Engage employers in work-based learning opportunities
- Data collection utilizing MnSCU ISRS data management system

#### Workforce/WIOA Providers:

- Participate in career pathway planning and development
- Outreach and referral of adult learners, including targeted populations
- Conduct program intake and eligibility
- Provide “Navigator” services, serving as the central point of contact for adult learners and providing wrap around supports as necessary
- Provide connections and engage local employers
- In partnership with ABE, screen and assess adult learners for program participation
- Administer National Career Readiness assessment as appropriate for adult learners in bridge course
- Provide career counseling including career pathway and labor market information for adult learners in bridge classes and development of an employment plan
- Provide access to WIOA and other funding sources, for support services and training costs, including access to other community resources
- Provide additional “navigation” support during transition periods (i.e. completion of bridge course, completion of integrated instruction, etc.)
- Provide job search and job placement assistance
- Provide follow-up and retention services
- Data entry and tracking on Workforce One data management system

#### Workforce Development Boards:

- Convene and provide staff support for career pathway partnerships
- Participate in career pathway planning and development
- Provide labor market information (through MN DEED) for the identification of industry sectors and occupations in demand.
- Outreach and referral of adult learners, including targeted populations
- Provide career pathway administration and oversight
- Liaison with the MN Department of Employment and Economic Development and other career pathway funders
- Complete required reports
- Serve as fiscal agent for the partnership.

14. Describe how the partnership(s) will work toward developing and implementing a career pathway sector strategy during the two years of this plan. If sectors and occupations have not been selected, address the process for these decisions within this response.

As indicated earlier, both the South Central and Southwest Workforce Development Areas were early implementers of career pathways. The health care and manufacturing career pathways in the region are very mature in their

development as well as partnership relationships. Throughout the years numerous system and process improvements have been made. The two local partnerships have been asked to share their career pathway development as a best practice regionally, statewide and nationally. The career pathway partnerships continue to develop continuous improvement strategies for these two industry sectors, and are especially focused on outreach and recruitment strategies to ensure that the cohorts of adult learners are sufficient enough to implement sustainability strategies and on expanding the partnership to include partners that can contribute expertise and resources in serving populations experiencing employment disparities. It is also important to note that career pathway development is very dependent on relationships built between partnership administration and staff. As a result, administrative and staff changes require continuous professional development and oversight.

In the past year, the two career pathway partnerships have been working on implementing career pathway strategies for the transportation sector, specifically providing preparation and training for Class A Commercial Driver's Licensure to meet the demand for truck drivers in the region. Part of this development includes a recent meeting with the Department of Transportation who is interested in partnering as an employer of graduates of the program.

In general, our career pathway approach includes:

- Alignment with the skill needs of industries and employers in region;
- Aligning the expertise and resources of employers, ABE, post-secondary education, community and workforce partners;
- Career counseling, career navigation and support services;
- Bridge programming that includes contextualized basic skills instruction, exposure to industry careers and an introduction to basic occupational skills;
- Enhanced academic instruction that integrates career and technical education with instructional support and reinforcement of skill concepts that results in stackable credits and credentials along a career pathway;
- Work-based learning opportunities including: clinicals, internships and apprenticeships;
- Working with post-secondary education to provide credit for prior learning;
- Placement and retention services; and
- Career ladder opportunities.

## Area 2 – Stakeholder Engagement

15. Describe the process for identifying the characteristics, size and scope of populations not fully benefiting from the economic recovery, experiencing factors such as high unemployment, lack of credentialed skills and other barriers to employment.

Our process for identifying the characteristics, size and scope of populations not fully benefiting from the economic recovery includes a three-pronged approach:

1. The first approach is a comprehensive review of available data including: labor market information, MN State Demographer information, U.S. Census data and available studies with regional data, for example *Kids Count*. Based on an initial review of data the following populations continue to experience high unemployment rates:

Total Labor Force Population	Number	Unemployment Rate
Youth Ages 16-19	13,094	14.5%

Youth Ages 20-24	23,713	8.7%
Black or African American	2,232	21.2%
American Indian/Alaskan Native	870	9.7%
Asian/Pacific Islander	3,189	7.0%
Some Other Race	2,388	13.5%
Two or More Races	1,688	10.0%
Hispanic or Latino	9,755	12.2%
Veterans	11,719	6.9%
Individuals with any Disability	11,164	10.4%
High School Drop-outs	9,332	10.3%

2. The second approach is a broad engagement of stakeholders, including workforce center partners. In the current economy with jobs readily available, the individuals seeking services at workforce centers are often those facing barriers to employment. Workforce and community partners currently report, in addition to the populations above, offenders, older workers, and low income individuals with limited skills still struggle to find meaningful employment at family-sustaining wages.
3. The third approach will be through our asset mapping and gap analysis being conducted this year which may provide a greater understanding of the needs of youth populations that continue to experience declining labor force participation rates and populations experiencing employment disparities.

16. Describe who will be included in the broad stakeholder engagement to address a targeted number of socio-economic issues faced by diverse populations.

RWDA #5 will continue to expand our broad stakeholder engagement. Current stakeholder engagement includes:

- Employers representing key industry sectors
- Feedback from youth and adult customers
- Workforce partners
- Local school districts
- Alternative and charter schools
- Adult Basic Education
- Post-Secondary Institutions
- Service Cooperatives/Carl Perkins Career & Technical Education
- County Commissioners
- County Human Service Agencies
- County Corrections
- Labor organizations
- Local, county, regional and state economic development agencies
- Veteran organizations
- Chambers of Commerce
- Community based organizations
- Vocational Rehabilitation Services, Services for the Blind and private non-profits serving individuals with disabilities
- Organizations serving diverse populations (i.e. Diversity Council, MN Council of Churches, African Family Education Center)

17. Describe how this engagement will impact the development and implementation of the selected sector strategies during the first two years of this plan.

The broad engagement of stakeholders greatly impacts the development and implementation of sector strategies including:

- Instrumental in the identification of selected sectors;
- Informs us on the skill needs of employers;
- Provides the basis for curriculum development (aligning with skill needs of employers)
- Provides career exploration opportunities;
- Provides work-based learning opportunities;
- Allows us to focus limited resources through the alignment of resources and expertise;
- Provides us a greater understanding of the unique needs of targeted populations;
- Provides us a greater understanding of the programs, services, and requirements of partners;
- Provides additional supports for addressing barriers of adult learners and job seekers;
- Avoids duplication of services and resources;
- Assists us in working towards a common mission and goals; and
- Benefits our dual customers of employers and job seekers by meeting their expectations and needs.

### **Area 3 – Employment & Training Program Design**

18. Based on the regional/local assessment of workforce development system services, describe how strategies will be created to pursue a more responsive alignment of employment and training services, based on career pathway thinking.

The region has already put a lot of focus and energy in aligning employment and training services with our career pathway approach. Progress to date includes:

- Building cross-agency partnerships; establishing shared mission and goals; defining roles and responsibilities; developing a work plan and Memorandum of Understanding for the partnership.
- Engaging employers; aligning with the skill needs of industry; developing career exploration and work-based learning opportunities.
- Developing a customer-centered design in which basic skills instruction is concurrent with career and technical training; our colleges are developing stackable credits and credentials within their programs of study allowing multiple entry and exit points; colleges are working on better approaches to provide credit for prior learning; opportunities for career laddering are in place; career navigators are in place to provide career counseling services, case management, supportive services, employment and retention services.
- Funding streams have been aligned; training programs are for credit which enables the use of financial aid as well as utilizing WIOA Title I and IV funding.
- We have begun work on aligning local programs and policies. Examples are aligning with WIOA programs and aligning policies for such things as cross-agency referrals and information sharing.
- We gather and track results as best we can to provide outcome information for our respective boards, however, with three data systems it is difficult. System changes have been made, but measuring them is more antidotal at this point.

During this two-year plan, RWDA #5 will utilize the U.S. Department of Labor Career Pathway Toolkit to continue to benchmark where we are at and to develop strategies for a more responsive alignment of employment and training services. Current strategies identified in our regional assessment include:

- Expanding partnerships to include more input and alignment of services for individuals experiencing employment disparities, and increasing connections with local school districts.
- Continue to increase employer engagement.
- Complete asset map and gap analysis of career/workforce development services.
- Development of better outreach strategies.

In addition, the region is willing to work in concert with MN DEED on Funding & Resource Needs, Policy and System Alignment, and System Management at the state level which would significantly impact our ability to address these areas at a regional level.

19. Describe how the entities responsible for participating in this process will be selected, including their expected roles and responsibilities.

The entities responsible for participating in this process will be the stakeholders of our sector-based career pathway partnerships. The stakeholders and their roles and responsibilities have been identified under Question 13. These stakeholders are knowledgeable and have been dedicated and committed to implementing a career pathway approach. As indicated earlier, our plan is to expand this partnership to increase employer and community engagement. Recommendations of the stakeholders that require policy, program and system change of the workforce system will be brought to our respective local workforce development boards for final approval and implementation.

20. Describe how the outcomes will be determined in terms of employment and training services modeling career pathway thinking by the end of the two year plan.

Once regional strategies have been identified and approved, an action plan will be developed that indicates the strategies, the steps to implement the strategies, the timeline and how we will measure progress, outcomes, and ultimately success. As the conveners of the career pathway partnerships, the local workforce development boards and staff will be responsible for general oversight and that the partnership is making progress on their goals.

## SECTION B: LOCAL PLAN

**Strategic Operations:** *The core elements of strategic operations focuses on operating policies and procedures related to the one-stop system and physical locations of service delivery.*

1. Describe how local area boards will work with each other, core title providers and available data to designate at least one WorkForce Center per local workforce development area and make recommendations on recognizing affiliate and standalone partner sites.

The South Central WorkForce Council, in consultation with our core partners, has designated three WorkForce Centers in the 9-county area of South Central MN. The centers are located in: Fairmont, Mankato and New Ulm.

Core Partners at the Workforce Centers include:

- MN DEED Business Community Development
- MN DEED Job Service –Wagner Peyser Services & WIOA Provider
- MN DEED REA
- MN DEED State Services for the Blind
- MN DEED Veterans Employment Services
- MN DEED Vocational Rehabilitation Services
- MN Valley Action Council –WIOA Provider

During Program Year 2014, documented job seekers that physically utilized the three workforce centers for services was over 4,000. This number does not include the large number of job seekers who come in to receive services and/or information but do not register on the client registration system. In addition, the number of job orders from employers was at an all-time high of 18,374 job orders.

Workforce Centers are vital to ease of access to services and developing relationships with local employers. The number of business service representatives in our local area has been reduced from two to one. Consequently, workforce center staff in Fairmont and New Ulm are vital to expanding and maintaining connections to employers in those areas.

During Program Year 2016, the South Central Workforce Council will be re-evaluating the designation of workforce centers and affiliate sites based on final regulations and the workforce center policy being developed by the One-Stop Operations WIOA work group.

2. Describe the strategies to ensure proper connectivity and coordination among the **physical sites** within the local workforce development area.

Strategies to ensure coordination and connectivity among the physical sites within our local workforce development area include:

- Representation of the core partners on the South Central WorkForce Council. Core partners have the opportunity to provide input and participate in the decision-making process of the SC WorkForce Council in designating the physical sites of workforce centers in the local area.
- The South Central Operations Committee. The Operations Committee meets monthly and is made up of the core partners of the workforce center. The managers ensure that communication, services, and processes are consistent in the three physical locations. The managers develop a cost

allocation plan to identify how each partner will contribute to the infrastructure costs of each workforce center.

- Reception and Resource Area Certification Program: This training program ensures that each physical location has consistent and quality customer service.
- Technology. Coordination and connectivity also occurs through technology, including shared data systems and communication through websites and email networks.

3. Describe the strategies to ensure proper connectivity and coordination among the **service providers** within the local workforce development area.

Strategies to ensure connectivity and coordination among the service providers within our workforce development area include:

- As in the connectivity of the physical sites, the SC Operations Committee is key to connectivity and coordination among the service providers. The Operations Committee is charged with the day-to-day operations of the workforce center, safety plans, review outcomes and customer feedback, implement continuous improvement strategies, develop cost allocation plan to identify how each partner will contribute to the staffing of reception and resource room, and other shared costs of the partners.
- Managers and/or staff of each of the partners participate on SC WorkForce Council committees including the SC Career Pathways Partnership, Workforce Development Committee and Youth Council. Participation on these committees ensures partner input into planning, implementation and coordination of services for the local workforce development area.
- Each workforce center conducts staff meetings to ensure communication across the partners in the individual workforce centers.
- Professional development through the South Central Training Team. The training team is made of staff from each of the partners and addresses professional development needs that are shared across the partnership. In addition, the team focuses on building relationships across the partners.
- The South Central Continuous Improvement Team. This team is made of staff from each of the partners and focuses on the continuous improvement of services at the three workforce centers. The team conducts customer surveys to obtain feedback from workforce center customers, conducts quality assessments of services, and implements continuous improvement strategies. In addition, the team has developed a web-page to improve communication across the partnership.
- An email communication network that was set-up to send information, announcements, job leads, training opportunities, minutes, events, etc. out to all staff of each the partners.

4. Describe other strategies that will be used to maximize services and access to services, such as non-traditional hours or using partner facilities.

Strategies to maximize services and access to services include:

- Local workforce centers post information on local library hours for access to computers outside of workforce center hours.
- MN Valley Action Council has offices in each of the six counties that do not have a workforce center and each of these offices provide computers to

access MinnesotaWorks on-line. This is especially beneficial for customers who face transportation issues.

- Referral forms and release of information forms have been developed for ease of referrals across the partners and co-enrollment when appropriate.
- The South Central Workforce Council. As the administrative entity, the South Central Workforce Council aligns resources and the expertise of each of the partners to maximize resources and services.
- Providing services on a temporary basis at satellite locations for special populations or projects. This is often set-up for large mass lay-offs.
- Technology. The use of technology helps us to maintain contact with job seekers and provide case management services. We will be exploring with Southwest Minnesota, the development of an on-line application/screening tool. We will continue to support efforts at MN DEED to develop on-line services for individuals, especially for those customers with limited barriers that are able to self-serve.

5. Describe the strategic approaches to ensure all elements of Career Services are available at service locations or online, including services for youth and individuals with barriers to employment or service access.

WIOA career services are defined in TEGL 3-15 as:

Basic Career Services – available to all individuals seeking services

- Eligibility determination;
- Outreach, intake and orientation;
- Initial assessment of skill levels and supportive service needs;
- Labor exchange services including: job search, job placement and provision of in-demand industry and occupation information and nontraditional employment opportunities;
- Referrals to other programs and services;
- Provision of workforce and labor market information;
- Provision of performance and program cost information on eligible training providers;
- Provision of information on how the local area is performing on local performance measures;
- Provision of information on the availability of supportive services or assistance and appropriate referrals;
- Assistance in establishing eligibility for programs of financial aid assistance for training and education programs not provided under WIOA; and
- Provision of information and assistance regarding filing claims under UI programs.

Individualized Career Services – available when appropriate to obtain or retain employment.

- Comprehensive and specialized assessment;
- Individualized employment plan;
- Group or individualized counseling;
- Career planning/case management;
- Short-term pre-vocational services;
- Internships and work experiences;
- Workforce preparation activities;
- Financial literacy services;

- Out-of-area job search;
- English language acquisition and integrated education/training programs; and
- Follow-up Services.

The South Central WorkForce Council conducts a Request for Proposal (RFP) process to identify providers for WIOA Adult and DW services. The RFP requires that responders provide all of the above career services at all local workforce center locations. MN DEED –Job Service has been selected to provide Basic Career Services. They are uniquely positioned to be able to align WIOA and Wagner Peyser funding and services to ensure these services are available at all sites and for all populations. Individualized Career Services will be provided by both MN DEED –Job Service and MN Valley Action Council depending on whether employment strategies are work-based (MN DEED –Job Service) or classroom-based (MVAC). The South Central WorkForce Council staff monitor sites on an annual basis to ensure quality services are available at service locations and for individuals with barriers to employment. In addition, the Memorandum of Understanding also delineates across the partnership and WIOA titles the providers of career services.

A separate RFP is conducted for WIOA Youth services. The RFP requires that all service elements are available for youth. MN Valley Action Council has been selected to provide WIOA Youth services.

The South Central WorkForce Council reviews service levels and outcomes for individuals with barriers to employment on an annual basis. Services are provided through a number of strategic approaches including: one-on-one, on-line and workforce center workshops. During this 2-year plan we will be focusing on serving individuals experiencing employment disparities and will review processes and services to ensure that all elements of Career Services are readily accessible to all populations including youth and individuals with barriers to employment or service access.

6. Describe strategies that will be used to leverage technology for services and ensure compliance with accessibility standards.

South Central continues to explore and expand the use of technology for services in order to provide services that meets the diverse needs of our customers and to expand services to more job seekers and employers.

Current strategies include:

- Assessing job seekers' digital literacy and refer to Adult Basic Education when appropriate to increase computer skills.
- The Council identifies resources each year to ensure our three Adult Basic Education partners have KeyTrain licenses to provide on-line training to improve NCRC results and as part of career pathway bridge curriculum.
- Utilization of email, texting, and social media for enhanced communication with customers.
- Career Pathway bridge curriculum is a hybrid of face-to-face and on-line learning in support of digital literacy.
- Our post-secondary partners continue to increase opportunities for on-line learning.
- The development of on-line applications/screening tools.

- Continue to support MN DEED in the development of on-line services.
- We ensure compliance with accessibility standards by:
- Requiring compliance in our contracts/subcontract agreements.
  - Providing accessibility in each of our WorkForce Centers through assistive technology such as: Jaws, Zoomtext, Nexttalk, Pocket Talker, UbiDuo, TTY, and Language Line.
  - Participate in the on-site accessibility review by MN DEED to assure that our workforce centers are in compliance with accessibility requirements.

7. Describe how supportive services, such as transportation and other needs, will be coordinated to better serve individuals with specific barriers to training, education and employment.

The provision of supportive services is a key tool in addressing barriers and supporting customer success and retention in training/education and employment. Transportation is by far the greatest support service need in our rural WDA with limited public transportation.

All individuals enrolled in WIOA programs are assigned a case manager/navigator who is knowledgeable on community resources available and coordinates the provision of support services. Potential support service needs are discussed and identified during the assessment process. Other support service needs are identified as barriers occur during service provision. Case managers/navigators work closely with other partners to coordinate the provision of support services including human services, Vocational Rehabilitation Services, and community organizations such as MN Valley Action Council, Lutheran Social Services and Salvation Army. Strong partnerships in the local area allow staff to identify the expertise and resources of partners and allow them to align services and resources, avoiding duplication.

The South Central WorkForce Council supports the development of directories of resources to provide information on a broad array of services provided in our local area and is available on-line or copies are also available in our resource rooms for all customers.

The development of the asset map and gap analysis will also help to identify resources in the local area that could be utilized to better serve individuals with barriers to training, education and employment.

8. Describe how local area boards will ensure state policies on infrastructure funding requirements are adhered to and the process for addressing any discrepancies or disagreements.

The South Central WorkForce Council facilitates the development of the Memorandum of Understanding and Cost Allocation Plan for core partners in our Workforce Centers utilizing state policies on infrastructure funding. Local cost allocation plans are developed to identify a fair and equitable method to disburse shared costs of the workforce centers. Shared costs include items such staffing of the resource room and reception, and infrastructure costs such as space, telephone and data lines. Costs are allocated based on staffing levels of each partner and customer data through the Customer Registration System and Workforce One.

The South Central WorkForce Council will implement any changes to the cost allocation plan made based on the release of the Department of Labor regulations and the ensuing policy changes made by MN DEED in partnership with the One-Stop Operations workgroup.

Historically, we have not had any major disagreements in adopting the cost allocation plans due to the fair and equitable method of disbursing costs. If disagreements did occur with local partners it would be brought to the Executive Committee of the South Central Workforce Council for local resolution. If the dispute cannot be resolved locally it would be brought to a designee of the MN DEED Commissioner and ultimately to the Commissioner.

9. Describe how local area boards, who contract out for provider services, will ensure that providers fully participate in infrastructure funding requirements and the alignment of service delivery within the local workforce development area.

Approximately every four years the South Central WorkForce Council conducts a Request for Proposal (RFP) process for the delivery of youth, adult and dislocated worker services. Within the RFP package it indicates that all successful responders must deliver services at each of the area's WorkForce Centers and that adult and dislocated worker funds will not be used to support the infrastructure costs of any other facility. In addition, the RFP indicates successful proposers are required to meet all rules, regulations and policies developed by the U.S. Department of Labor, MN Department of Employment and Economic Development and the South Central WorkForce Council, including state policies on infrastructure funding. In addition, once providers are identified a subcontract for services is developed that indicates that the service provider will adhere to the local plan and all rules, regulations and policies of the U.S. Department of Labor, MN DEED and the South Central WorkForce Council.

Alignment of service delivery is required under our service delivery structure. The SC WorkForce Council RFP is conducted based on specific services versus a program-based RFP model. The SC WorkForce Council awards contracts based on the expertise of proposers to deliver basic career services, individualized career services, work-based training and classroom training.

10. Describe how the Memorandum of Understanding will be developed and used to ensure commitment of resources from service providers and required partners.

The South Central WorkForce Council, with the agreement of the Joint Powers Board, will develop and enter into a Memorandum of Understanding with required partners every three years. Provisions of the agreement will include:

- Services and how they will be coordinated and delivered through the workforce center system;
- How the cost of services and operating costs will be funded;
- Methods of referral between workforce center partners;
- Methods to ensure the needs of youth and individuals with barriers to employment are addressed; and
- The duration of the memorandum of understanding.

Once final regulations are published by the Department of Labor and policies are

developed by MN DEED, in partnership with the One-Stop Operations work group, the South Central WorkForce Council will revise our current Memorandum of Understanding (MOU) with required partners. The MOU will be developed by convening local partners and addressing the provisions above including the commitment of resources from service providers and required partners.

11. A. Describe the local area board's strategic vision and how it aligns with the designated state priorities under WIOA.

As a partner in Regional Workforce Development Area #5, the South Central WorkForce Council has adopted the state's vision statement:

***The vision of Regional Workforce Development Area #5 is a healthy economy where all Minnesotans have – or are on a path to – meaningful employment and a family sustaining wage, and where all employers are able to fill jobs in demand.***

This vision aligns with the state's priorities and expresses our intent to "leave no populations behind", ensuring all individuals have the resources and services they need to make informed career choices, obtain the skills necessary to compete for demand occupations with family sustaining wages, based on sector-based career pathway approaches that meets employers' needs for a skilled workforce.

This vision will be accomplished through our employer-led boards and sector-based career pathway partnerships.

- B. Describe the local area board's goals for preparing an educated and skilled workforce, including youth and individuals with barriers to employment.

In order to accomplish this vision and in response to regional priorities identified by stakeholders, RWDA #5 has identified five goals:

1. Address the shortage of skilled workers through sector-based career pathway approaches.
2. Increase service levels and outcomes for individuals experiencing employment disparities, focusing on racial disparities, but also including individuals with disabilities, low-income populations, offenders, older workers, veterans and youth.
3. Expand partnerships with local school districts to increase career awareness and career counseling opportunities for students and parents.
4. Increase employer engagement through sector based career pathways, career awareness opportunities and work-based learning activities.
5. Complete asset-map and gap analysis of career and workforce development services in the region utilizing results to broadly inform the region on services available and to align/target resources to fill gaps.

In order to compete for high growth, high demand jobs that pay a livable wage, our target populations need to acquire the skills and industry-recognized credentials required by employers in high-demand industries. RWDA #5's vision and goals will address the needs of our target populations by providing pathways to skill training that leads to stackable credits, credentials, and the skills necessary to compete for employment in high-demand industries that lead to self-supporting wages and also meets the needs of employers for a skilled workforce.

In addition to addressing the priority issues we heard from our regional stakeholders, these goals also align with the goals of the state to: 1) reduce racial disparities in education and employment to provide greater opportunity for all Minnesotans, and 2) build employer-led industry-sector partnerships focused on aligning skills with careers in demand; and the strategy of the state to address these goals through a career pathway approach.

- C. Describe how these goals relate to the performance accountability measures based on the primary indicators in order to support regional economic growth and economic self-sufficiency.

The performance accountability measures under WIOA measures our effectiveness in serving individuals and employers. Measures include: employment, retention, earnings gain, credentials, skill gains and effectiveness in serving employers.

Our goals align with the performance accountability measures by ensuring all individuals we serve have the resources and services they need to make informed career choices, obtain the skills necessary to compete for demand occupations with family-sustaining wages, based on career pathway approaches that meets the needs of employers for a skilled workforce.

Our effectiveness in addressing Goals 1, 2, 3, and 4 listed in B. above is measured by how many individuals attain the skills and credentials necessary to be placed and retained in employment, resulting in earnings gain through employment in demand occupations (effectively serving employers). Goal 5 aligns resources and services in order to address our goals and achieve performance measures.

- D. Describe the strategy to work with the entities that carry out the core programs to align resources available to the local workforce development area, to achieve the strategic vision and goals of the local area board.

Our primary strategy to align the resources of the core programs to achieve our strategic vision and goals is through our career pathway approach. Our career pathway approach aligns the resources and expertise of workforce development partners in order to streamline employment and training services and to provide the additional supports necessary for individuals with barriers to employment to be successful. The SC Career Pathways Partnership includes representatives from workforce center partners, Adult Basic Education, MnSCU, Human Services and community partners that work tirelessly to identify the expertise of each partner and align resources and services to meet the needs of individuals we serve.

The establishment of workforce centers in itself is a strategic alignment of the core programs of WIOA to meet the workforce development needs of area employers and job seekers. The co-location of WIOA programs, the relationships developed across partners, the development of the Memorandum of Understanding and cost allocation plans all contribute to the alignment and collaboration of core programs. Having Vocational Rehabilitation Services, Veterans Employment Services, Services for the Blind, UI/REA services in a one-stop location allow us to collaborate, avoid duplication and meet the unique needs of targeted populations.

The asset map and gap analysis of career and workforce services conducted by our Regional Career Counseling Coordinator will assist us in identifying services available in our local area, expand our partnerships and align limited resources where they will have the greatest impact.

Finally, the South Central WorkForce Council and its committees also provides an opportunity for strategic alignment of the core programs to achieve our vision and goals. Employers, core workforce center partners, Adult Basic Education, MnSCU, labor, human services, economic development and community organizations are all represented on the Council. These partners will participate in the development and implementation of action plans to achieve our mission and goals, identifying roles and responsibilities of each of the partners in implementing strategies, and achieving our goals.

12. Describe how the local workforce development system will work with entities carrying out core programs to align and support services with programs of study authorized under Carl D. Perkins Career and Technical Education Act.

The South Central WorkForce Council has a long-standing partnership with secondary and post-secondary Carl. D. Perkins Career and Technical Education partners, programs and initiatives in our local area. Currently, WorkForce Council staff are participating in the development of the Carl Perkins plan. As the workforce partner, we contribute labor market information to help inform on key industries and demand occupations in the region as well as align workforce and Carl Perkins priorities and goals. The priorities and goals being proposed for the Carol Perkins plan are as follows and align well with our mission and goals:

Priority 1: Provide regional exploratory technical education programming to help students develop specific understandings and skill sets needed to qualify for advanced programming leading to earning industry recognized certifications and stackable credentials.

Priority 2: Ensure that all senior high school students and educators understand current and forecasted employment/career opportunities, and related career choice and post-secondary education economics.

Goal 1: Program of Study Design and Implementation

Goal 2: Effectively Utilize Employer, Community, and Education Partnerships

Goal 3: Improve Services to Special Populations

Goal 4: Provide a Continuum of Service Provision for Enabling Student Transitions

Goal 5: Sustain the Consortium of Secondary and Post-secondary Institutions

Staff of the South Central Service Cooperative serve on the SC Youth Council. The local Carl Perkins plan is brought to the Youth Council for review. In addition, we partner on numerous career fairs and industry days in the region to provide youth exposure to key industries and demand occupations. We develop youth directories in partnership with the South Central Service Cooperative, identifying resources available in the local area. The Rural Career Counseling Coordinator will be working with the SC Service Cooperative in asset mapping career and workforce development services available in the region.

The focus for our partnership with Carl Perkins in the coming year is to align

resources to provide more career exploration, career awareness, career counseling and work-based learning opportunities for youth.

13. A. Describe how the local area board, working with the entities carrying out core programs, will expand access to employment opportunities for eligible individuals, particularly eligible individuals with barriers to employment.

The SC WorkForce Council, in the alignment of resources and expertise in our local area, recognize MN DEED –Job Service as our best connection to local employers and employment opportunities through Wagner Peyser labor exchange services, Business Service Representative and MinnesotaWorks. Consequently, as resources become available (i.e. NEG Sector Partnership Grant, MnAMP TAACCCT grant) we contract those dollars with MN DEED –Job Service to expand its capacity to provide outreach to local employers, develop work-based learning opportunities and expand access to employment opportunities in the local area.

The Council also aligns with Vocational Rehabilitation Services, Services for the Blind, Veteran Employment Services, MN Valley Action Council Youth Programs, and MRCI that connects with local employers to provide work-based learning and employment opportunities for targeted populations including: individuals with disabilities, veterans, youth, high school drop-outs, and low income populations.

In the coming year, we will be working with South Central College to develop apprenticeship opportunities for the manufacturing sector. This sector-based initiative will expand work-based learning and employment opportunities in the manufacturing industry.

- B. Describe how the local area board, working with the entities carrying out core programs, will expand access to supportive services for eligible individuals, particularly eligible individuals with barriers to employment.

Within our broad partnership, workforce development support service funding is one of the most stable and consistent source of support services that supports training and employment retention and success. However, whenever other community resources are available to address barriers, referrals are made to expand access to supportive services. Other entities that we partner with for access to supportive services for individuals with barriers to employment include: Vocational Rehabilitation Services, MN Family Investment Program, Diversionary Work Program, Supplemental Nutrition Assistance Program, Child Care Assistance Program, Medical Assistance, MNSure, Salvation Army, Lutheran Social Services, MN Council of Churches, VINE and MN Valley Action Council. The SC WorkForce Council and partners will continue to expand partnerships to increase access to support services in the local area.

- C. Describe how the local area board will facilitate the development of career pathways, co-enrollments (as appropriate) and activities that lead to industry recognized post-secondary credentials that are portable and stackable.

The South Central WorkForce Council has been convening local partners for almost ten years to develop career pathways. We currently have developed career

pathways for the health care, manufacturing and transportation industries.

In general, our career pathway approach includes:

- Alignment with the skill needs of industries and employers in region;
- Aligning the expertise and resources of employers, ABE, post-secondary education, community and workforce partners;
- Career counseling, career navigation and support services;
- Bridge programming that includes contextualized basic skills instruction, exposure to industry careers and an introduction to basic occupational skills;
- Enhanced academic instruction that integrates career and technical education with instructional support and reinforcement of skill concepts that results in stackable credits and credentials along a career pathway;
- Work-based learning opportunities including: clinicals, internships and apprenticeships;
- Working with post-secondary education to provide credit for prior learning;
- Placement and retention services; and
- Career laddering opportunities.

Technical skills training under career pathways is credit-based training allowing individuals to apply for and utilize financial aid. Whenever feasible, the majority of individuals are co-enrolled in workforce development programs to provide tuition and support service assistance. These programs include: WIOA Adult, WIOA Youth, State or Federal Dislocated Worker programs, or Vocational Rehabilitation Services. The Career Navigator is responsible for identifying and aligning resources to maximize career and training services.

We have worked with South Central College to develop portable and stackable credentials. Individuals in the health care pathway earn a Nursing Assistant certification which is required credits and credential for a number of health care pathways. Under manufacturing, individuals earn a MSSC certification after their first semester which is required certification and credits for the machining, mechatronics and welding pathways. We are just beginning the development of the transportation pathway. At this time, individuals will obtain a driving permit in the bridge class and then earn a Class A Commercial Driver's License through integrated instruction at South Central College. As we continue working on this pathway, we will be exploring with South Central College this licensure leading to a pathway in Agriculture and Logistics.

14. A. Describe how the local area board will facilitate engagement of employers, including small employers, and employers in in-demand industry sectors and occupations, in workforce development programs.

The South Central WorkForce Council facilitates engagement of employers in a number of ways. Most of the employers in our local area are small employers, consequently engagement is primarily with small employers. Due to our focus on key industries and demand occupations, our engagement with employers are in-demand industry sectors and occupations. Engagement of employers in workforce development programs includes:

- The South Central WorkForce Council is comprised of a majority of business representatives. Businesses represented on the Council are from the key industries of: business/professional services, construction, health care, and manufacturing. This board is engaged in a public-private partnership in the

administration and oversight of workforce development programs. The board identifies the key industries, demand occupations, sets policy, and provides direction and oversight of the investment of public dollars in workforce development.

- Employers participated in our regional planning sessions providing input on workforce issues and opportunities and identifying workforce priorities for the region.
- Our Business Service Representative, Rehabilitation Services Employment Specialists, and Local Veterans' Employment Representatives provide outreach to employers and assist with their hiring and retention needs. Business Services focuses on employers from the key industries identified by the WorkForce Council.
- Employers participate in planning and development of career pathways, inform the partnership on skill needs, provide career exploration activities including guest speaker in classroom and industry tours, provide work-based learning opportunities through clinicals and internships/apprenticeships, provide employment and career ladder opportunities.
- Employers are engaged in career exploration and awareness events including the "Hot Jobs" health care event, Tour of Manufacturing, Construct Tomorrow, career expos, employer panels, and job shadowing opportunities.
- Employers provide work-based training for adults and dislocated workers through on-the-job training, internships, apprenticeships and transitional jobs (work experience). In addition, employers provide work experience and internships for youth.
- Employers participate in a number of job fairs held throughout the year that provides employment opportunities for job seekers.

A priority for this two-year plan is to continue to increase employer engagement.

- B. Describe how the local area board will support a local workforce development system that meets the needs of businesses in the local workforce development area.

The services of our local workforce development system are all centered around meeting the skill needs of businesses in our local area. Utilizing labor market information, input from employers on our local board, and other employer engagement noted above, we identify the skill needs and gaps of local employers. Through our career services we assess the skills of job seekers and identify and address where gaps exist. Career counseling focuses on matching the skills and interests of job seekers with the key industries and demand occupations in the region. Job search assistance is based on feedback from employers. Training is focused on meeting the skills needs of employers by targeting training in demand occupations. Our post-secondary providers develop education/training programs based on the skills identified by employers. Career pathways are developed based on the key industries in the local area and the bridge/integrated curriculum is developed based on input of skill needs from employers. Our Business Services focuses on meeting the human resource needs of businesses in the local area.

- C. Describe how the local area board will better coordinate programs and services with regional economic development providers.

The South Central WorkForce continues to meet with state, regional and local

economic development professionals to identify ways to coordinate programs and services. Current coordination includes:

- The South Central WorkForce Council is the review board for the Region 9 Comprehensive Economic Development Survey (CEDS) that is completed each year for submission to the federal Economic Development Administration.
- The Executive Director of the South Central WorkForce Council and the Job Service area manager serves on the Economic Development Committee of the Region 9 Development Commission.
- The South Central WorkForce Council has an economic development representative on the board who chairs our Workforce Development Committee. All state, regional and local economic development professionals are invited to participate on the WorkForce Development Committee.
- The MN DEED local Business Development Specialist convenes local economic development professionals and invites WorkForce Council staff to engage in dialogue on an annual basis. As specific projects are identified, economic development professionals work with workforce development staff on identifying and addressing workforce needs of the business.

- D. Describe how the local area board will strengthen linkages between the one-stop delivery system and unemployment insurance programs by offering services to laid-off workers and possible lay-off preventative services for businesses, such as incumbent worker training that up-skills the workers and meets the needs of employers (can include but not be limited to, on-the-job training, apprenticeships, etc.).

A key strategy to strengthen linkages between local workforce services and unemployment insurance is through coordination with Reemployment Assistance (REA). Job Service staff attend REA sessions to ensure attendees are aware of the broad range of services available at the workforce center, and on dislocated worker services specifically. Attendees that express an interest in dislocated worker services are connected to the appropriate staff.

Our Business Service Representative, with their connection to local employers, is a key link in providing employers information on lay-off prevention strategies. Business Service Representatives have been trained on Rapid Response and provide information to local businesses on potential lay-off prevention strategies such as shared work and training services including incumbent worker training, on-the-job training, transitional jobs and apprenticeship.

15. Describe how the local area board will coordinate workforce investment activities with economic development activities, including the promotion of entrepreneurial skills training and microenterprise services.

Our local workforce centers provide services for individuals interested in entrepreneurship through our continued partnership with local agencies providing entrepreneurial services including: SBDC, MSU-Mankato, SC College, Riverbend Center for Entrepreneurial Facilitation/Ignite, Greater Mankato Growth, Waseca BEST, Southern MN Initiative Foundation, Region 9 Development Commission and local financial institutions. Individuals interested in entrepreneurship are referred to these local partners for services depending on their need and location. Workforce partners provide the full-compliment of program services as appropriate in

collaboration with entrepreneurial services including supporting training plans and support services.

CLIMB (Converting Layoffs Into Minnesota Businesses), allows providers to offer entrepreneurial training, business consulting, and technical assistance to dislocated workers who wish to start their own business without impacting performance results. MN DEED Job Service provides guidance and outreach materials for delivery of these services and supports entrepreneurial skills training.

16. A. Describe how the local area board will ensure continuous improvement of eligible providers of services through the system.

The South Central WorkForce Council has established two partnership teams that address continuous improvement and staff development needs of our core partners: the South Central Training Team and Continuous Improvement Team.

The South Central Training Team is made up of staff from the core partners to address the training needs of partnership agencies including: ABE, Job Service, Life-Work Planning Center, Minnesota Valley Action Council, MRCL, Rehabilitation Services, and Services for the Blind. The team assesses the training needs of our WorkForce Center partners and provides training that addresses the needs that are common across the partnership. Training days are held twice a year for all partnership staff. These training days are noteworthy in that the agendas are driven by the staff of our WorkForce Center partnership and also address partnership development.

The Continuous Improvement Team deals with quality issues. The team conducts assessments of the system, obtains feedback from our customers and develops continuous improvement plans that address quality issues.

In addition to these activities, the SC WorkForce Council also participates in "Mystery Shoppers" where unidentified staff from other Workforce Development Areas visits our resource rooms and rate the level of services. The Continuous Improvement Team and Operations Committee review the results of these visits and identify improvement areas.

We conducted the National Workforce Institute assessment to identify the training needs of staff. This assessment was also completed by SE and SW MN. As a result of this work, the Southern MN Professional Development Network was established to address training needs we have in common across the four local WDAs in Southern Minnesota as well as sharing best practices.

The SC WorkForce Council conducts an annual review of program results. The Council not only reviews results of WIOA Title I programs, but also the results of the partners of the WorkForce Center. State and SC WorkForce Council staff conduct on-site monitoring of WIOA and MFIP service providers on an annual basis. These monitoring reviews provide an opportunity to identify and address areas of continuous improvement.

Finally, each partnering agency provides staff development specific to their agency needs. This includes participating in local, state (MN DEED, MN DHS, MWCA) and national training opportunities. Through MWCA, best practices are shared across the 16 local WDAs.

- B. Describe how the local area board will ensure that eligible providers meet the employment needs of local employers, workers and job seekers.

The South Central WorkForce Council, along with our Providers, identifies the needs of employers, workers and job seekers through labor market information and engaging local businesses and the broader community.

#### Employers

Employers indicate that a skilled workforce is the number one factor that predicates business success and competitive advantage. Skills needed that are consistent across industries include:

- Basic work readiness skills (including attendance, timeliness, work ethic, etc.)
- Teamwork and interpersonal skills
- Problem-solving/critical thinking skills
- Basic math and reading skills
- Communication skills (oral and written)
- Computer skills
- Technical/occupational skills

Our local employers report that they are having a difficult time finding skilled labor. Currently, there is a little over one job seeker for every job vacancy. Shortages exist in skilled, technical positions. Occupations that were identified as difficult to fill were: maintenance/boiler operators, skilled trade occupations, truck drivers, lab technicians, physical therapists, physicians, nurses/nursing assistants, and social service technicians/social workers.

Many employers within key industries indicate there needs to be greater awareness of career opportunities within their industry. This is especially prevalent within manufacturing and trade occupations. With the decline of the family farm and industrial arts/technology programs at local school districts, youth are not exposed to these career opportunities as they once were. Marketing and career exploration programs (i.e. Project Lead the Way, Partners In Career Exploration, Tour of Manufacturing) are needed that expose job seekers to career opportunities within these industries and that combat old stereo-types, especially in the manufacturing industry.

As businesses look ahead to the aging of our workforce and the retirements of baby boomers, employers need succession planning strategies and knowledge transfer plans. Employers are looking at mentorship programs where older, long-term employees mentor younger workers. They also indicate that knowledge can transfer both ways, as younger employees often have better computer/technology skills and can assist older workers with technology changes. A related issue for employers is dealing for the first time with four generations in the workforce. Each generation is motivated differently and responds to differing styles of supervision and incentives.

The recession compounded the problem of an aging workforce. Many industries had few new hires and experienced lay-offs during the recession; consequently, they have not developed a pipeline of younger workers within their industry to fill the positions vacated by retirees. This was prevalent in the Trades where workers were on the bench during the recession, and now that they are experiencing vast growth and retirements they do not have a pipeline of younger workers that have been

developed to fill these positions.

Finally, in order to address many of these workforce investment issues, businesses need to develop closer relationships with local education institutions. This includes not only post-secondary institutions to provide specific skill training, but also with K-12 education to implement recruitment and career exploration strategies.

### Workers

Trends all indicate that our incumbent workforce will need to be life-long learners. Studies reveal that our workforce will not only change jobs at least eleven times in their life-time, but they will also need to change careers. It is estimated that many of the jobs of tomorrow have not yet been created. As technology, mechanization, and information continually changes, our workforce will continue to need training and upgrading of skills. We are experiencing a “churning” of the workforce where we see loss of jobs due to downsizing at that same time where high skilled jobs go unfilled. Many of the jobs lost are the entry-level, lower skilled jobs. All of these trends point to a need for access to training opportunities that provide the skills workers will need to compete and succeed in today’s and tomorrow’s workforce.

Manufacturing employers have indicated that incumbent workers need training in: LEAN/Six Sigma, computer skills/technology, supervisory skills, fiscal management (understanding profit) and employee personal development plans.

Health care employers indicated many of the same training needs: computers/technology, mentoring, data analysis, leadership/supervisory skills and the sciences. All industries indicate employees need better written and oral communication skills.

Workers need training that accommodates their schedules such as on-line, nights and week-ends. They also need company-specific training through incumbent, customized and on-the-job training opportunities.

Workers need career advancement/career ladder opportunities. They need opportunities to increase their skills so they can move up the career ladder and obtain higher skilled/higher wage jobs. As the aging population leaves the workforce, there will be a need for employees to fill higher level positions. Employers prefer to recruit within for qualified employees that already know the business. As a result, this will provide openings for new entry level workers. Workers need training opportunities that will prepare them for these advancement opportunities.

### Job Seekers

There are a variety of individuals looking for work. Whether it is a youth entering the workforce for the first time, a low skilled unemployed individual, a highly skilled dislocated worker or someone currently employed looking for better employment opportunities, they have similar yet specialized needs.

Job seekers need work readiness and basic skills to succeed in the workplace. All occupations, across all industries require basic skills including work readiness skills, basic math and reading, computer, communication, interpersonal, and critical thinking skills. MNSCU campuses report that an increasing percentage of students are requiring remediation in basic skills prior to enrolling in specific occupational training programs.

As the labor market continues to change, job seekers need access to good labor market information to make informed career choices. They need to be aware of

demand occupations, future employment trends, career pathway and ladder opportunities. Job seekers need access to interest and aptitude assessments to help them identify their strengths and how skill sets transfer across job opportunities.

Job seekers also need basic job search assistance. They need to know how to find the jobs that are available and tap the hidden job market. Employer recruitment methods continue to change. Some employers do not list their job openings. Many require online applications and situational assessments to screen their applicants. Almost all job openings require either an application or resume. Frequently we work with dislocated workers who have not job searched in years and require assistance in conducting a successful job search. Special populations, like older workers and ex-offenders need specialized job search assistance to overcome barriers to finding employment.

Job seekers need employment opportunities that pay a livable wage. They need jobs that will provide income sufficient to meet their basic needs. The Jobs Now Coalition Cost of Living In Minnesota Wage Calculator indicates that a family of four with one adult worker needs to earn a minimum of \$16.00 per hour working 40 hours per week in order to meet basic expenses. The average annual wages for the region is \$15.48.

Job seekers need the technical skills required for demand occupations in the region. Consequently, job seekers will need computer and occupational skill training that is affordable, flexible and provides the skills necessary to compete for higher wage job opportunities. Training institutions/programs need to provide a wide range of training opportunities in a variety of formats. This would include short-term customized training, on-the-job training, as well as one, two and four year certification/degree programs. They need to provide evening, week-end and on-line instructional formats to meet the varying needs of life-long learners.

The Georgetown study reveals that 70% of Minnesota jobs will require education beyond high school by the year 2018. Job seekers accessing services who lack a post-secondary credential need career counseling that stresses the importance of post-secondary training in preparing them for high skilled job opportunities in demand occupations.

Employers are seeking job candidates that have experience in the industry. Consequently, we need to provide job seekers that lack experience work-based learning opportunities including: work experience/transitional jobs, on-the-job training, internships and apprenticeships.

Workforce participation rates for teens has been on a steady decline. Consequently, teens need work experience opportunities to learn work readiness skills and how to succeed in the world of work, in addition to career counseling and comprehensive labor market information to make informed decisions on their future career choice. Teens need assistance to transition from high school to post-secondary opportunities; making career decisions, enrolling in post-secondary education and exploring financial aid opportunities.

- C. Describe how the local area board will facilitate access to services provided through the one-stop delivery system, including in remote areas, through the use of technology and other means.

Strategies to maximize access to services include:

- Local workforce centers post information on local library hours for access to computers outside of workforce center hours.
- MN Valley Action Council has offices in each of the six counties that do not have a workforce center and each of these offices provide computers to access MinnesotaWorks on-line. This is especially beneficial for customers who face transportation issues.
- Providing services on a temporary basis at satellite locations for special populations or projects. This is often set-up for large mass lay-offs.
- Technology. The use of technology helps us to maintain contact with job seekers and provide case management services. We will be exploring with Southwest Minnesota, the development of an on-line application/screening tool. We will continue to support efforts at MN DEED to develop on-line services for individuals, especially for those customers with limited barriers that are able to self-serve.

- D. Describe how entities within the one-stop delivery system will comply with section 188, if applicable, and applicable provisions of the Americans with Disabilities Act of 1990, regarding the physical and programmatic accessibility of facilities, programs and services, technology and materials for individuals with disabilities including providing staff training and support for addressing the needs of individuals with disabilities.

All core partners of our WorkForce Centers comply with section 188 of the Americans with Disabilities Act of 1990, regarding the physical and programmatic accessibility of facilities, programs and services, technology and materials for individuals with disabilities including providing staff training and support for addressing the needs of individuals with disabilities.

The WorkForce Centers have been MN DEED certified to be fully accessible to all Minnesotans. The local Centers are equipped with the required accessible equipment, software and technology to meet the requirements of ADA and are regularly monitored by MN DEED for compliance. Core partners follow policies and procedures outlined by MN DEED for all aspects of accessibility, participate in MN DEED staff training, and work with MN DEED staff to address concerns or areas of needed assistance. All contracts/subcontracts require ADA compliance.

Vocational Rehabilitation Services is the designated partner for ADA Coordination and are available for technical assistance.

- E. Describe the roles and resource contributions of the one-stop partners.

Core partners of the South Central Workforce Development Area include:

- MN DEED Business Development: The Business Development Specialist provides assistance to businesses interested in expanding or locating in the region.
- MN DEED Job Service: The Job Service is responsible for providing Wagner Peyser labor exchange services, Creative Job Search and Resume Workshops, business services, WIOA Adult and Dislocated Worker career services and work-based training services, and career pathway navigation services. In two counties, the Job Service provides MFIP, Diversionary Work and SNAP employment and training services.
- MN DEED REA: Provides reemployment assistance to individuals receiving

- unemployment insurance through workshops and one-on-one assistance.
- MN DEED State Services for the Blind: Provides tools, training and technology to help individuals who are blind or visually impaired live independently and to prepare for, find and keep employment.
- MN DEED Veteran Employment Services: Provides specialized employment and training services for Veterans with significant barriers to employment. Local Veterans Employment Representatives provides outreach to employers on behalf of Veterans.
- MN DEED Vocational Rehabilitation Services: Assists individuals with disabilities to live independently and prepare for, find and keep employment.
- MN Valley Action Council: Provides WIOA Youth and MN Youth Program services; career and classroom-based training services for WIOA Adult and Dislocated Workers; and MFIP, Diversionary Work and SNAP employment and training services for five counties.

All partners contribute to the costs of the workforce center and enter into a Memorandum of Understanding which delineates each partner's roles and responsibilities.

17. Describe and assess the type and availability of adult and dislocated worker employment and training activities in the local workforce development area.

The full complement of adult and dislocated worker employment and training activities is available in the South Central local workforce development area. Providers of services were selected through a Request for Proposal process. Services will be provided through a partnership between MN DEED –Job Service and MN Valley Action Council, focusing on the strengths of each organization.

#### Basic Career Services

Basic Career Services is provided by MN DEED –Job Service. Job Service is uniquely positioned and qualified to provide these services as the Wagner Peyser provider and as the provider of front-line services at each of the WorkForce Centers. Basic Career Services are available to all individuals seeking services and includes:

- Eligibility determination;
- Outreach, intake and orientation;
- Initial assessment of skill levels and supportive service needs;
- Labor exchange services including: job search, job placement and provision of in-demand industry and occupation information and nontraditional employment opportunities;
- Referrals to other programs and services;
- Provision of workforce and labor market information;
- Provision of performance and program cost information on eligible training providers;
- Provision of information on how the local area is performing on local performance measures;
- Provision of information on the availability of supportive services or assistance and appropriate referrals;
- Assistance in establishing eligibility for programs of financial aid assistance for training and education programs not provided under WIOA; and
- Provision of information and assistance regarding filing claims under UI programs.

#### Individualized Career Services

Individualized Career Services are provided by MN DEED –Job Service for individuals

receiving stand-alone work-based training and by MN Valley Action Council for individuals on a classroom-training pathway. Individualized Career Services include:

- Comprehensive and specialized assessment;
- Individualized employment plan;
- Group or individualized counseling;
- Career planning/case management;
- Short-term pre-vocational services;
- Internships and work experiences;
- Workforce preparation activities;
- Financial literacy services;
- Out-of-area job search;
- English language acquisition and integrated education/training programs; and
- Follow-up services.

The focus of career services is to provide individuals with the information they need to make informed career decisions, identify a career goal, assess their interests and aptitudes, and to develop a career plan that identifies the steps, resources and services necessary to achieve their goal for meaningful employment in a demand occupation that pays a family-sustaining wage. One-on-one career counseling services focused on career pathways is critical to providing career services, and case management/navigator services and support services is especially vital for individuals experiencing barriers to employment and employment disparities.

An assessment of career services reveals that we have experienced providers that provide quality career services. However, our capacity to provide this level of intensive, one-on-one services is limited to funding available. It will be important to continue to support development of technology to provide these services for individuals that can self-serve so we can focus limited resources on individuals who require more intensive services.

In addition, with our focus on serving populations experiencing employment disparities it will be important to engage other community resources to understand and address the unique needs of special populations.

#### Training Services:

Work-based training services are provided by MN DEED –Job Service to align with their strong connection with area employers. MN Valley Action Council provides classroom-training services aligning with their expertise to provide intensive case management services.

Training services include:

- Occupational skills training;
- On-the-job training;
- Incumbent worker training;
- Cooperative education programs;
- Private sector training;
- Skill upgrading and retraining;
- Entrepreneurial training;
- Transitional jobs (work experience);
- Job readiness training;
- Adult education and literacy; and
- Customized training.

The focus of training services is to provide individuals with the skills they need for a career pathway in high demand industries and occupations that lead to a family-sustaining wage. Training is provided through work-based and/or post-secondary training that results in industry recognized, stackable credentials that leads to meaningful employment.

An assessment of training services reveals that we have developed strong partnerships for the development of career pathways. The health care and manufacturing pathways are well-developed. We need to continue to expand career pathway opportunities, increase employer engagement for work-based learning opportunities including apprenticeships, continue secondary and post-secondary education alignment, increase community engagement for targeted populations, and continue to develop outreach strategies. Although communities of color are served well above their incidence in the population and have comparable employment results, we do see that this target population has lower average wage rates. In order to increase wages, we need to provide comprehensive counseling to promote the benefits of skill training in order to compete for in demand occupations that pay livable wages.

18. Describe and assess the type and availability of youth workforce investment activities in the local workforce development area, including youth with disabilities, which description and assessment shall include an identification of successful models of such youth workforce development activities.

The full complement of youth workforce investment activities is available in the South Central local workforce development area. The youth provider of services was selected through a Request for Proposal process. Services will be provided by MN Valley Action Council based on their vast experience and success in providing youth services.

Youth workforce investment activities include:

- Objective assessment;
- Development of service strategies;
- Activities leading to a secondary school diploma;
- Preparation for post-secondary education and training;
- Linkages between academic instruction and occupational education that leads to a credential;
- Preparation for unsubsidized employment;
- Effective connections to employers in demand occupations;
- Program elements include: tutoring, alternative school services, paid and unpaid work experience, occupational skill training, education concurrently with workforce preparation activities, leadership development, supportive services, mentoring, comprehensive career guidance, follow-up services, financial literacy, entrepreneurial skill training, labor market information on demand occupations, and transition to post-secondary education and training.

The focus of youth workforce investment activities is to ensure that youth have the basic skills, work readiness skills and occupational skills necessary to be successful in post-secondary education and training, and ultimately to obtain meaningful employment in demand occupations that pay livable wages along a career pathway.

Successful models include:

- Minnesota Disability Employment Initiative (MN DEI) which was a three year Department of Labor Grant awarded to Minnesota to provide services to youth with disabilities. South Central was one of three Workforce Development Areas

that were chosen to be implementation sites. The key strategic approaches implemented in this project included: Guideposts for Success, Integrated Resource Teams and Partnerships & Collaboration. The Guideposts for Success represent key educational and career interventions that make a positive difference in the lives of youth with disabilities. Integrated Resource Teams were instrumental in coordinating services and resources with multiple agencies and resulted in greater communication and coordination between agencies. The initiative strengthened partnerships with agencies that provide services and resources for youth with disabilities.

- Youth at Work project titled “Dream It. Believe It. Achieve It.” targets services to youth from communities of color. In addition to providing youth workforce investment activities, this program engages youth and their families, provides cultural awareness to the community, positive role models and leadership opportunities to inspire youth and specialized services for those with disabilities. Because we recognize the strong family connection in communities of color, parents are invited to participate in the initial meetings for program enrollment as well as the group activities. To increase cultural awareness in the community, worksite supervisors participate in cultural awareness training. The program provides positive role models from communities of color that have overcome adversity to demonstrate that it is possible to achieve their dreams. In addition, the YWCA Mankato provides leadership opportunities, such as SURGE!, which is a leadership program for young girls grades 9-12 or the Annual Women’s Leadership Conference. Youth with disabilities that are not ready for competitive employment participate in specialized programming to build their employability skills.
- Youth Intervention Program targets services to youth that have been or are currently in out-of-home placement (i.e. foster care, group homes). Youth receive career and life skills curriculum to explore and identify positive education, career and life goals.
- The TANF Youth Project provides work experiences for teen parents receiving Minnesota Family Investment Program (MFIP) benefits or youth in MFIP households. Youth can work an average of 30 hours per week for 12 weeks while meeting their MFIP work participation requirements.
- Outreach to Schools/Partners In Career Exploration program recruits first year graduate students in the Student Counseling Program at Minnesota State University-Mankato to provide career exploration and career counseling assistance to high school students in local school districts including: Gibbon-Fairfax-Winthrop (GFW) High School, Le Sueur-Henderson High School, Sibley East High School, St. Clair High School, St. Peter High School, Tri-City United High School, and Waterville-Elysian-Morristown (WEM) High School.

Career Pathways for in-demand occupations are introduced through work experience opportunities, career exploration events, and FastTRAC programming. The work experience component has a significant impact in preparing youth for the workforce and introducing career pathways for in-demand occupations. Worksites are recruited based on youth’s interests and career goals. Staff work with youth to investigate careers and labor market information. Each year the South Central WorkForce Council develops a demand occupation list from a rich set of labor market information including current demand and outlook coupled with real-time input from local employers and job counselors. Employers that provide work experiences in high growth and in-demand occupations are targeted. When possible, youth are placed in private sector worksites

where there is greater opportunity to get hired after the work experience.

Youth attend the following career exploration events: Career expos, Hot Jobs: Healthcare Needs You, Scrubs Camp, Tour of Manufacturing, and Construct Tomorrow.

19. Describe how the local area board will coordinate education and workforce investment activities carried out under this title with relevant secondary and post-secondary education programs and activities to coordinate strategies, enhance services, and avoid duplication of services.

Our primary strategy to coordinate education and workforce investment activities in order to align strategies, enhance services and avoid duplication is through the activities of our Rural Career Counseling Coordinator. Our Regional Workforce Development Area has been awarded funding for a Rural Career Counseling Coordinator position. This position is responsible for strengthening connections between workforce, education, area businesses, job seekers, and other stakeholders; aligning regional resources; implementing sector strategies; and promoting career pathway opportunities within the region. Building on current initiatives (including career pathways, career education, and out-reach to schools), one of the key responsibilities will be to enhance alignment and assure non-duplication of services. This is being achieved by conducting an asset map and analysis of existing services and identifying where gaps exist. Upon completion of the asset mapping process, the results will be shared with the Regional Leadership Board and the local workforce development boards. Based on the results, the boards and staff will develop recommendations and strategies for future steps to align resources, fill gaps and implement identified strategies. The Rural Career Counseling Coordinator will work closely with stakeholders throughout the region to ensure overall coordination, as well as share best practices and bring them to scale.

Another important strategy is providing career exploration events for key industries, working closely with area partners, including education. These events provide broad exposure for large numbers of students in key industries. Events include:

- Career Expos in Fairmont, Mankato and New Ulm;
- Hot Jobs in Health Care career exploration event;
- Construct Tomorrow career exploration event on trade occupations; and
- Tour of Manufacturing.

Finally, our outreach to schools program entitle "Partners in Career Exploration" places graduate students in the Student Counseling program at MSU-Mankato at area high schools one day a week with a focus on providing one-on-one career counseling to high school juniors and seniors. The graduate students receive training from workforce center partners and our labor market analyst who provides information on key industries and demand occupations in the local area.

20. Describe how the local area board will coordinate education and workforce investment activities carried out under this title with public transportation and other appropriate supportive services.

The provision of supportive services is critical to the success of individuals we serve. In a rural workforce development area, transportation is by far the greatest need of our customers, in addition to tools, clothing, and emergency medical and financial assistance. Public transportation is limited in our workforce development area and what public transportation that does exist does not meet the needs of individuals who have jobs that require shift work. During our regional planning sessions with stakeholders,

transportation was identified as a great need as well as child care. Once again, current child care services does not meet the needs of individuals who have shift work plus there is limited availability for infant care.

The South Central WorkForce Council informs and supports local and regional efforts to address transportation needs through organizations such as the Region 9 Development Commission, the Highway 14 partnership, and other local initiatives in small rural communities to transport workers.

The workforce system has limited support service dollars and identifies and aligns with other community resources whenever possible to stretch funding as far as possible.

21. Describe the plans and strategies for, and assurances concerning, maximizing coordination of service provided by the state employment service under Wagner-Peyser Act, and services provided in the local workforce development area through the one-stop delivery system, to improve service delivery and avoid duplication of services.

Minnesota's WIOA State Plan describes the state's strategy for providing reemployment assistance to Wagner Peyser targeted populations of UI claimants. The strategy (with implementation date of July 2016) will be as follows:

- A Wagner Peyser staff person will attend every Reemployment Services and Eligibility Assessment (REA) session that the UI program offers across the state. The UI program typically offers REA sessions to approximately 40,000 applicants per year to those who are at risk of exhausting their benefits.
- The REA and Wagner Peyser staff will conduct a quick assessment of every participant to determine who will most likely need additional services from the WorkForce Center.
- The Wagner Peyser staff person will conduct an overview of WFC services either 1:1 or in a group setting (depending on the size of the group) that includes information on how to register for the state's labor exchange system [MinnesotaWorks](#), and information about programs such as the Dislocated Worker program that they may be eligible for.
- The Wagner Peyser staff person will assist the REA customer with creating an initial registration and enrolling in the [Creative Job Search](#) workshop. Creative Job Search is typically the first job finding/job placement service that is offered to UI applicants. The workshop consists of training on how to find a job that includes career planning, preparing for the job hunt, skills identification, resumes and cover letters, applications and references, social media, interviewing skills, and more.
- Wagner Peyser will follow up with REA participants who are not enrolled in a program to ensure that they have a complete registration and resume in MinnesotaWorks, and that they are taking advantage of job placement services.

These activities will be coordinated with the programs within the local Workforce Development Area as follows:

The Wagner Peyser program also provides services to businesses with one full-time Business Services Representative assigned to the South Central local workforce development area. The goal of the Business Services Representative is to contact businesses in the key industry sectors identified in state and local plans, help the business solve their workforce issues, and promote job openings to job seeking customers in the WorkForce Centers.

The activities of the Business Services Representative will be coordinated with other providers in the local area through local staff meetings, presentations at South Central WorkForce Council meetings, and participation on Council committees, partnerships and task forces.

22. Describe how the local area board will coordinate workforce investment activities carried out under this title in the local workforce development area with the provision of adult education and literacy activities under title II, including a description of how the local area board will carry out, consistent with subparagraphs (A) and (B)(i) of section 107(d)(11) and section 232, the review of local applications submitted under title II.

The South Central WorkForce Council has a long, vast history of working in partnership with our local Adult Basic Education partners. We have four Adult Basic Education consortia in our local area including: Area Adult Learning Cooperative, Faribault County Adult Basic Education, Mankato Area Adult Basic Education and Southwest Adult Basic Education.

Adult Basic Education is a key partner in our local workforce development area. Examples of coordination between workforce investment activities and Adult Basic Education include:

- The development of career pathways for health care, manufacturing and transportation pathways. Through career pathways we align the resources and expertise of local partners to develop sector-based pathways for key industries. Adult Basic Education provides concurrent basic skills instruction and instructional support for adult learners with low basic skills. This is aligned with workforce center career navigation services, aligning titles under WIOA to provide tuition assistance and support services, as well as South Central College's career and technical education.
- Referrals are made between WIOA programs and Adult Basic Education for adult literacy instruction, GED/high school diploma, and English Language Learner instruction.
- Workforce partners utilize Adult Basic Education's College Prep course for low-skilled adult learners that are entering programs of study outside of our developed career pathway programs.
- Workforce partners utilize Adult Basic Education for individuals with limited digital literacy skills.
- Individuals identified through the National Career Readiness Credential assessment needing additional skill development are referred to Adult Basic Education for KeyTrain on-line instruction. The WorkForce Council supports and identifies funding for the purchase of the KeyTrain license.
- Referral forms and data-sharing agreement forms have been developed to better serve common customers.
- Adult Basic Education has a representative on the South Central WorkForce Council and staff also participate on the SC Career Pathway Partnership, Workforce Development Committee and Youth Council as well as other task forces for special initiatives and events. Adult Basic Education participated on a task force that developed non-traditional employment resource materials and training.
- Adult Basic Education is invited to our local workforce development area training days to promote a better understanding across partners.

Adult Basic Education is included in our current Memorandum of Understanding of core partners and will be included in the updated Memorandum of Understanding. Every Adult Basic Education consortia in the state provides a program narrative to the MN

Department of Education every five years for approval of their service model and programming. All Adult Basic Education partners are expected to submit a new program narrative June 2017. The narrative will include provisions for local ABE programs to provide evidence that programming aligns with the local and regional WIOA plan, including evidence of common referral, co-location, program collaboration, alignment of assessment processes, and helping select and design key occupational pathways. These applications/narratives will be submitted by Adult Basic Education to the local workforce development board for review in 2017.

23. Describe the replicated cooperative agreements (as defined in section 107(d)(11)) between the local area board or other local entities described in section 101(a)(11)(B) of the Rehabilitation Act of 1973 (29 U.S.C. 721(a)(11)(B)) and the local office of a designated state agency or designated state unit administering programs carried out under title I of such Act (29 U.S.C. 720 et seq.) (other than section 112 or part C of that title (29 U.S.C. 732, 741) and subject to section 121(f)) in accordance with section 101(a)(11) of such Act (29 U.S.C. 721(a)(11)) with respect to efforts that will enhance the provision of services to individuals with disabilities and to other individuals, such as cross training of staff, technical assistance, use and sharing of information, cooperative efforts with employers, and other efforts at cooperation, collaboration, and coordination.

The South Central Workforce Council, Vocational Rehabilitation Services and core partners under WIOA enter into a cooperative Memorandum of Understanding. The Memorandum of Understanding delineates the roles and responsibilities of the core partners and how services will be coordinated and delivered; how costs will be shared across the core partners; methods of referral between the core partners; and methods to ensure the needs of youth and individuals with barriers to employment are addressed. This agreement will be reviewed and updated in the coming months once the Department of Labor has published final rules and regulations and the work of the One-Stop Operations work group has been completed.

Vocational Rehabilitation Services collaborates with core partners to enhance services to individuals with disabilities and for individuals with other barriers to employment. Vocational Rehabilitation Services are co-located with core partners in all three workforce centers in the local area. WorkForce Center staff provide an orientation to the full array of services available through core partners to assist job seekers in making an informed decision on choice of service provider. All core partner staff participate in training days to ensure they understand the services offered by the various partners, the eligibility criteria for each program and to address common training needs.

Examples of collaboration with Vocational Rehabilitation Services includes:

- A Vocational Rehabilitation Services representative serves on the South Central WorkForce Council.
- Vocational Rehabilitation Services staff serve on the South Central Career Pathways Partnership, the Operations Committee, Workforce Development Committee and the Youth Council.
- Vocational Rehabilitation Services staff serve on the SC Training Team and the SC Continuous Improvement Team.
- Referral forms and data sharing forms have been developed to assist in collaboration of services with shared customers.
- Strong coordination and collaboration was developed under the recent Youth DEI grant. Although this grant focused on youth programming, the collaborations that were developed continues under all programs.
- Vocational Rehabilitation Services staff played a lead role in the development of

resources and training for non-traditional employment.

24. Describe and identify the entity responsible for the disbursement of grant funds described in section 107(d)(12)(B)(i).

As indicated in the WIOA law under section 107(d)(12)(B)(ii), the South Central Workforce Development Area Joint Powers Board has designate Minnesota Valley Action Council, Inc. as the local grant subrecipient for the disbursement of grant funds. This designation has been recently approved by all nine local county board of commissioners through the approval of the workforce development area Joint Powers Agreement. In addition, roles and responsibilities are delineated in the recently approved agreement between the Joint Powers Board, the South Central WorkForce Council and Minnesota Valley Action Council. These agreements are in place through June 30, 2020 in alignment with the four year planning process.

Minnesota Valley Action Council has over 30 years of experience in receiving and disbursing state and federal resources. Under the most recent audit, MN Valley Action Council continues to have no issues or questioned costs.

25. Describe the competitive process to be used to award the sub-grants and contracts in the local workforce development area for activities carried out under this title.

The South Central WorkForce Council conducts a formal Request for Proposal (RFP) process to identify the service deliverers of WIOA Youth, WIOA Adult, WIOA Dislocated Worker and State Dislocated Worker programs. The process begins by the development of an RFP Task Force. The Task Force includes SC WorkForce Council members and staff and a Joint Powers Board representative. All Task Force members are required to sign a Conflict of Interest/Nondisclosure Statement prior to their participation. The RFP Task Force evaluates current service delivery and identifies changes to be made to the system and/or services to efficiently and effectively deliver services to our customers.

A Request for Proposal package is developed and published requesting potential providers to detail how they will fulfill the requirements for services and expected outcomes. Publishing of the RFP includes a notice in all nine-county legal newspapers, a notice on our website, letters sent to area organizations/agencies, other identified providers of workforce development programs, and those that request to be on our RFP list.

The Task Force reviews and evaluates the responses. Evaluation criteria includes:

- ◆ Identification of Need
- ◆ Services (including: Career Services, Training Services and Career Pathway Navigator services)
- ◆ Commitment to Partnership/WorkForce Center System
- ◆ Performance Outcomes
- ◆ Budget/Costs –including cost/price analysis
- ◆ Operational Capability

Based on evaluation results the RFP Task Force develops a recommendation that is submitted to the South Central WorkForce Council and Joint Powers Board for approval.

26. Describe how the local levels of performance negotiated with the Governor and chief elected official will be used to measure the performance of the local workforce development area

and to be used by the local area board for measuring the performance of the local fiscal agent, eligible providers under subtitle B and the One-stop delivery system.

Negotiated performance standards are one way in which the South Central WorkForce Council measures the performance of the local workforce development area, providers and the one-stop delivery system.

On a quarterly basis, performance progress is reviewed with providers. South Central WorkForce Council staff reviews the rosters behind the results with service providers to ensure that services and outcomes have been correctly coded on Workforce One.

The South Central WorkForce Council reviews final results on an annual basis. If deficiencies exist, the board works with service providers to identify strategies to increase performance.

The fiscal agent performance is reviewed through a monthly review of the general ledgers, a quarterly fund review with service providers, on-site monitoring by MN DEED and an end of the year review of financial statements and audit.

In addition to performance measures, the board also conducts a thorough review, on an annual basis, of demographics, services, trends, training occupations and outcomes of service providers, as well as on-site monitoring visits where case files are reviewed for compliance and quality of services.

27. Describe the actions the local area board will take toward becoming or remaining a high-performing board, consistent with the factors developed by the state board.

The specific criteria of what constitutes a high-performing board has not yet been issued by the Governor's Workforce Development Board. Once the standards have been developed, the South Central WorkForce Council will review and identify strategies for remaining a high-performing board.

The South Central WorkForce Council, in partnership with the Southwest Workforce Council, will address the six strategies, inputs, outputs and milestones identified in the State Plan:

1. Business Engagement – Three sector-based career pathways have been developed for the health care, manufacturing and transportation industries. The South Central WorkForce Council will continue to increase business engagement on our board and committees, through regional stakeholder meetings, sector based career pathways, and increase business involvement in providing career exploration and work-based learning activities.
2. Community Engagement – The local workforce board currently engages the community through the workforce board, the Career Pathway Partnership, the Workforce Development Committee, the Youth Council, and numerous task forces to plan specific activities and events. The South Central WorkForce Council will continue to increase community engagement by engaging partners that represent populations that experience employment disparities.
3. Customer-Centered Design – The local workforce board has always had a customer-focused approach. Through feedback from our customers and partners, an examination of customer outcomes, and a review of best practices, the South Central WorkForce Council will continue to develop strategies, program and policy alignment, resources and measurement systems to continue to address the needs of our customers.

4. Funding and Resource Needs – The local workforce board has worked hard to align funding and resources through our one-stop delivery system and career pathway approach. Through our Regional Career Counseling Coordinator, we will be conducting an asset map of career and workforce development services and identifying where gaps exist. This analysis will assist us in identifying resources in the region and enable us to align resources to avoid duplication and target resources to where the greatest impact can be made.
5. Policy and System Alignment – As final regulations are published and State policies revised, the South Central WorkForce Council and the Southwest Workforce Council will develop and align local policies that meet federal regulations and State policies.
6. System Management – Throughout the years, the local board has engaged career pathway partners to improve processes and outcomes of our career pathways. As we focus on populations experiencing employment disparities we will continue to improve processes and outcomes and to evaluate our career pathway system based on the dashboard created by the State (with local input).

28. Describe how training services under chapter 3 of subtitle B will be provided in accordance with section 134(c)(3)(G), including, if contracts for training services will be used, how the use of such contracts will be coordinated with the use of individual training accounts under that chapter and how the local area board will ensure informed customer choice in the selection of training programs, regardless of how the training services are to be provided.

The provision of training services begins with a comprehensive assessment. Career counselors assist the customer in aligning their interests, aptitudes and values with occupations in-demand in the region. As the occupational goal is identified, an Occupational Research Packet is completed by the customer to understand the occupation, its wages, and demand. Access to information on training providers and their outcomes is provided in order to allow the customer to make an informed choice on the selection of training programs. An Individual Training Account is completed to identify to the customer the amount of resources available for the training and to inform the training provider in order to avoid duplication of resources. At this point in time we are not utilizing contracts for training services.

29. Describe the process used by the local area board to provide opportunity for public comment, including comment by representatives from businesses and comment by representatives of labor organizations; and input into the development of the local plan, prior to submission of the plan.

A public notice of the Regional and Local Plan was published in April in the Mankato Free Press legal notices section, posted on the South Central WorkForce Council website, and notices were emailed to local stakeholders giving employers, labor organizations and other interested parties an opportunity to review and comment. The notice indicates that the plan is available for review and comment on our website for 30 days and provides information on how to provide input or comment.

Through their representation on the South Central WorkForce Council, representatives of business and organized labor participate in the development of our regional and local unified plan. The SC WorkForce Council includes representatives of the following industries: construction, manufacturing, health care and social assistance, and business and professional services. In addition, we have two active labor representatives from the International Brotherhood of Electrical Workers and Carpenters Union who represent the trades industry and are involved in the review process.

30. Describe how the one-stop centers are implementing and transitioning to an integrated, technology-enabled intake and case management information system for programs carried out under this Act and programs carried out by one-stop partners.

The South Central WorkForce Council continues to explore ways to transition to an integrated technology-enabled intake and case management information system. We currently use technology to help us to maintain contact with job seekers and provide to case management services. We will be exploring with Southwest Minnesota, the development of an on-line application and support the development of an on-line "triage" tool to direct customers to appropriate services. We will continue to support the efforts of MN DEED to develop on-line services for individuals, especially for those customers with limited barriers that are able to self-serve. Our core partners utilize the common Workforce One data information system and we support the system changes that need to occur to align Adult Basic Education, MnSCU and Workforce Center data systems.

## SECTION C: PROGRAM OPERATIONS

1. A. How does the local workforce development area ensure staff comply with the policies and procedures for Rapid Response as communicated on DEED's website?

The South Central WorkForce Council supports and complies with the policies developed by the MN Department of Employment & Economic Development. To ensure our providers comply with MN DEED policy, all subcontracts with local service providers state: *SUBGRANTEE agrees to administer the program in accordance with the Act, as amended, State and Federal laws, regulations and guidelines promulgated thereunder, including the MN Department of Employment and Economic Development's WIAO Title I and Related Activities Manual.*

In practice, the local WDA Rapid Response Liaison and service provider staff (MN DEED –Job Service) have years of experience in partnering with MN DEED to respond to dislocation events. The WDA recognizes that the primary responsibility for initial Rapid Response lies with the MN Dept. of Employment & Economic Development. Rapid Response is the primary contact with the business. Good communication between Rapid Response and local partners is key to responding to the needs of area businesses and laid off workers.

- B. How does the local workforce development area inform the state Rapid Response team within 24 hours about an actual or potential dislocation event when there is possibility of a mass layoff (50 or more dislocations)?

The South Central WorkForce Council and its provider, MN DEED –Job Service, have built excellent relationships with the State Rapid Response team. The recent recession has afforded us many opportunities to work with Rapid Response partners in responding to local dislocation events. Our local WDA contacts the State Rapid Response Team within 24 hours, either by telephone or email, whenever we are aware of an actual or potential mass lay-off of 50 or more. As a local provider, MN DEED –Job Service works closely with their colleagues in Rapid Response to respond to actual and potential lay-offs. In addition, our local Business Services Representative has been trained to provide Rapid Response services.

- C. Describe how the local area board will coordinate workforce investment activities carried out in the local workforce development area with statewide rapid response activities.

The local WDA provides any information they have received to the State Rapid Response Team regarding a mass lay-off. This could be in the form of media announcements or relaying information received from the company itself or from affected workers who come to the WorkForce Center for assistance with Unemployment. Rapid Response makes the official contact with the company to confirm the lay-off information, identify if they might qualify for TAA, obtain a lay-off list and determine if they will cooperate in setting up outreach/informational meetings with affected workers. If there is no competition for a project (which is usually the case), local staff works closely with Rapid Response to set up the meetings and obtain information (surveys) from the affected workers. On occasion we have had poor turn-outs at the informational meetings, in which case local staff provides outreach to affected workers to obtain survey information. In either case, surveys are sent to State Rapid Response to tabulate and generate a report. Based on survey results, occupations of affected workers, local economy, type of lay-off, etc. a

determination is made whether a special project will be sought or referral to formula programs. As history has shown us, every mass lay-off is different with differing circumstances. It is through good communication and working relationships between the local WDA and the State Rapid Response Team that results in the most effective coordination of processes, procedures and roles to meet the needs of workers affected by their unique lay-off event.

D. Complete **Attachment B – Local Workforce Development Area Contacts.**

2. A. How does the local workforce development area inform the state Trade Act staff of companies that are potentially TAA certifiable?

Local businesses and/or workers often contact the WorkForce Center when they know a potential or actual lay-off may occur. As staff talk with the business or laid off workers, they are trained to inquire as to the reason for the lay-off and whether foreign trade competition may have had an impact. If there is the slightest connection to foreign trade competition, WorkForce Center staff informs State Trade Act staff either by phone or email of a potential TAA affected lay-off.

- B. How does the local workforce development area cooperate with the state Trade Act staff where the layoff involves a company that the DOL trade-certified?

Once the Department of Labor TAA certifies a company, State Trade Act staff sets up a meeting with all the workers affected. It is at this time that the local WDA is contacted and provides assistance in setting up a site for the meeting and provides contact information of affected workers if necessary. The State Trade Act staff sends a mailing to all affected workers that invites them to an informational meeting and includes the Trade Act application. As staff meet with the workers they encourage them to attend the TAA orientation. Individuals are referred to their local WorkForce Center to be enrolled in a Dislocated Worker Program (if they are not already enrolled) to establish an Employment Plan with their counselor. The Counselor then assists with the completion of the TAA application and it is submitted to State Trade Act staff for approval. Once the training plan/application is approved by Trade Act staff, the individual, the post-secondary institution and the WF Center are notified. Trade Act staff are responsible for entering Trade Act activities into Workforce One. Local staff continues to provide case management and support services if necessary. The process is much the same for OJTs, with the exception that Trade Act staff work closely with local staff to provide good customer service to employers in the completion of the paperwork. Local and State Trade Act staff continue to communicate as necessary throughout program delivery and program exit.

- C. Is the local workforce development area willing to participate in TAA Counselor Training and TAA Participant Training when a trade-certification occurs?

Yes     X    

3. A. The local workforce development area has developed and implemented local Supportive

Service policies that are consistently applied for all participants.

Yes ☒ X ☐

B. Describe the steps taken to ensure consistent compliance with the policy.

The South Central WorkForce Council has developed a support service policy to establish procedures for addressing the provision of support services, including coordination, any limits on the amount, and duration of support services.

WIOA Title I service providers are provided a copy of the State and local support service policies. Initial needs for support services are identified during the assessment process and included as part of the employment plan. Other needs may be identified during the course of service delivery and are notated in the case notes/plan. All payments are based on customer needs and must support their employment and training goals. Payments are made through a voucher process with signatory requirement. Payments are paid primarily to vendors, and are only provided directly to participants on a limited basis when vendor payment is not practical. Any payment outside the perimeters of the support service policy would require management approval and signature. Fiscal staff are required to flag any vouchers that do not meet policy requirements.

## SECTION D: SYSTEM OPERATIONS AND ATTACHMENTS

1. The local workforce development area has processes in place to assure non-duplicative services, and avoid duplicate administrative costs.

Yes     X    

2. The local workforce development area is aware of and staff participate in the Reception and Resource Area Certification Program (RRACP) to better serve all customers?

Yes     X    

3. A. The local workforce development area and their partners are aware of the responsibilities of the Equal Opportunity Officer, including attending DEED sponsored EO Training?

Yes     X    

B. Complete **Attachment B – Local Workforce Development Area Contacts**.

- C. The local workforce development area is aware and conducts annually a physical and program accessibility review?

Yes     X    

4. Does the local workforce development area have in place an agreed upon WIOA Discrimination complaint process per the regulations?

Yes     X    

5. A. Does the local workforce development area have in place an agreed upon WIOA Program Complaint Policy per the regulations?

Yes     X    

B. Complete **Attachment B – Local Workforce Development Area Contacts**.

6. How do you identify current or former Military Service Members coming into your WorkForce Center?

In accordance with DOL Training and Employment Guidance Letters and the Executive Order, WorkForce Center staff and management support and actively work toward providing priority of service to all veterans and eligible spouses seeking employment and training services or information at the local WorkForce Center. Upon their initial visit to the WorkForce Center, customers are asked whether or not they served in the United States Armed Forces, either active duty, National Guard or as a Reservist. If a WorkForce Center customer identifies themselves as a veteran they are provided a Veterans Questionnaire to determine if they have any identified Significant Barriers to Employment (SBE). Veterans with a Significant Barrier to Employment are referred to the Disabled Veterans' Outreach Program (DVOP) Specialist. In addition, they are provided information on universal services and other services available to customers of the WorkForce Center. Veterans that do not identify as having an SBE are provided assistance by Job Service and partner staff.

To ensure that Veterans are aware about the services available at the Workforce Center, our Veterans Employment staff and management participate in the Minnesota-based Beyond the Yellow Ribbon events and coordinate with County Veteran Service Officers (CVSO's), Veterans Service Organizations (VFW, DAV, American Legion), the Minnesota Department of Veteran Affairs and state VA Higher Education Representatives located on MNSCU campuses in the region. Additionally, all Workforce Center staff receive training on and are cognizant of the community resources available to Veterans throughout the various community agencies as well as those specific to Veterans.

7. How do you inform current or former Military Service Members coming into your WorkForce Center about "Veteran Priority of Service?"

Signage announcing Veteran Priority of Service is prominently posted at all Workforce Center entry points and throughout the reception and resource areas. All customers are asked by Resource Room staff if they served in the United State Military, National Guard or Reserve Component. If the customer identifies as a Veteran or served in the Military, they will be asked to complete a Veterans questionnaire form to determine if they if they have any identified Significant Barriers to Employment (SBE). Veterans that do not identify as having an SBE(s) will be provided assistance by Job Service or partner staff. Veterans are referred to DOL programs immediately. If a waiting list exists for the program exist, they will be put at the top of the list for service. All workshops provided at the Workforce centers will have open slots available to Veterans up to the day the workshop is scheduled. Veterans along with current military members are able to identify themselves as such on Minnesota Works (State Job Bank) and are listed at the beginning of searches done by recruiters and employers. Employers are also able to designate as a "Veterans Friendly employer" so Veterans can do keyword searches to find employers seeking Veterans for hire. Non DVOP staff are trained specifically as the point of contact for Veterans not receiving intensive service from DVOPS.

8. If your WorkForce Center has a presence on the Internet (outside of your local DEED WorkForce Center site) how do you promote Public Law 107-288, "Veterans Priority of Service" to veterans on that website?

In addition to local Workforce Center sites, Veterans Priority of Service is indicated and promoted on the Minnesota DEED main website at <http://mn.gov/deed/job-seekers/veteran-services/>. Minnesota's Career Information System ([www.iseek.org](http://www.iseek.org)) with input and assistance from JSVG staff continues to be a partner in promoting and enhancing career opportunities for Veterans by offering dedicated links to Veterans and other link sources for translating military skills to civilian skills. Minnesota's civil service career website (<http://mn.gov/mmb/careers>) in collaboration with JSVG staff continues to develop links and other efforts to reach and assist Veterans.

9. How do you identify current or former Military Service Members with "significant barriers to employment?"

If a Workforce Center customer identifies themselves as a veteran, they are given the Veteran Self-Assessment available at the reception desk. This form asks them to self-identify any significant barrier to employment. After completing the self-assessment questionnaire, the veteran is referred to the DVOP Specialist if they have identified a significant barrier to employment. During the in-person assessment interview with the DVOP, additional barriers may be identified.

If the veteran does not have a significant barrier, the veteran is referred to universal services available at the WorkForce Center and any other services they may be eligible for (i.e. Dislocated Worker Services, Rehabilitation Services, etc.).

The Veterans self-assessment questionnaire is also used to identify those veterans eligible for Gold Card services. The Gold Card provides unemployed post 9/11 era veterans with the intensive and follow-up services they need to succeed in today's job market. The Gold Card initiative is a joint effort of the Department of Labor's Employment & Training Administration (ETA) and the Veterans' Employment & Training Service (VETS).

10. When a current or former Military Service Member with a significant barrier to employment is identified, how do you refer them to an appropriate intensive service provider when there is no Disabled Veteran Outreach Program (DVOP) specialist in your WorkForce Centers?

Military Service members that are identified as having a Significant Barrier to Employment are referred to designated or available Job Service staff for intake for provision of intensive services. Job Service staff initiates a needs assessment and makes appropriate referrals for other needed services not provided by Job Service. Workforce Center partner staff receive ongoing training on Priority of Service to Veterans from management and Veterans Employment staff. Job Service staff that provide service to Veterans with SBE's consult with the DVOP as soon as possible to ensure appropriate services and consultations are on-going.

11. How are DVOP and/or Local Veterans Employment Representatives (LVER) staff integrated into the overall service delivery strategy in your WorkForce Centers?

Veterans Employment staff (LVER's and DVOPS) are co-located with partner staff in area Workforce Centers. They attend and participate in all local Workforce center staff meetings. Veterans Employment staff train other Workforce staff and partners to enhance their knowledge of Veterans employment and training issues and increase the visibility of Veterans, promoting Veterans as a category of job seekers in the workforce development system that have highly marketable skills and experience. Veterans Employment staff are included in all mailings and opportunities to promote the Priority of Service mandate.

12. Are all WIOA-funded partners complying with the guidance provided in the TEGL regarding Selective Service?

Yes     X    

13. What is your strategy to ensure that job-ready job seekers enrolled in your programs (including non-program universal customers) are registering in MinnesotaWorks.net and are making their resumes viewable to employers?

WorkForce Center staff serving universal customers utilizing our resource rooms encourages job seekers to register on MinnesotaWorks and stresses the importance of posting their resume so it is viewable to employers. All core partners working with individuals enrolled in programs emphasize the importance of a viewable resume from the initial meeting. After the job seeker is enrolled, the job counselor can check MinnesotaWorks resume status by using the MAD system. If an enrolled job seeker is

not in Minnesota Works (viewable) the job counselor contacts the individual to discuss and offer their assistance in developing and posting a quality resume in the system. All customers attending Creative Job Search and Resume Workshops are encouraged to post their resume on MinnesotaWorks. All UI claimants attending REA sessions are required to register on MinnesotaWorks and to post their resume.

Staff from all of the WorkForce Center core partners have received instruction on MinnesotaWorks and customer assistance is provided for any job seekers (Universal or Program) needing assistance developing their resume or posting it on MinnesotaWorks.

Another strategy to ensure job seekers are registering and making their resumes viewable to employers is to increase the number of job orders on MinnesotaWorks. Through employer visits, our local Business Services Representative will continue to promote employers listing their job openings on MinnesotaWorks.

14. **Conflict of Interest and Integrity:** Local area boards must make decisions in keeping with several laws and regulations. Indicate below that your local area board is aware of DOL Training and Employment Guidance Letter 35-10 and Minnesota OGM 08-01 and its relevant federal laws and regulations.

Yes ☐ X ☒

15. The local workforce development area's conflict of interest policies are in compliance with the above two references?

Yes ☐ X ☒

16. A. The local workforce development area is aware of the referenced statute on Government Records.

Yes ☐ X ☒

- B. The local workforce development area is aware of the requirement to retain documentation for six years.

Yes ☐ X ☒

- C. Complete **Attachment B – Local Workforce Development Area Contacts.**

17. **Handling and Protection of Personally Identifiable Information:** The local workforce development area is complying with the guidance provided in TEGL 39-11.

Yes ☐ X ☒

18. **Human Trafficking:** The local workforce development area is aware of TEGL 09-12 and will follow the procedures for working with trafficked persons.

Yes ☐ X ☒

19. **Gender Identification:** The local workforce development area is aware of TEGL 37-14 and will follow the procedures for developing a similar policy including key terminology, and have in place regarding working with customers who may be lesbian, gay, bisexual and transgender. Local workforce development areas will also participate in any related training.

Yes     X    

20. **Uniform Guidance:** The local workforce development area is aware of TEGL 15-14 regarding Uniform Guidance.

Yes     X    

21. A. Briefly describe the local area board's policy and timetable for filling vacancies, replacing/reappointing individuals whose terms have come to an end. Include in your description any plans to fill the terms that will be expiring as of June 30, 2016.

The South Central WorkForce Council policy for filling vacancies is as follows:

- (a) Council members vacating their position notify the Council Chair or WorkForce Council Executive Director in writing.
- (b) The full WorkForce Council and Joint Powers Board are notified by the WorkForce Council Executive Director at the WFC/Joint Powers Board meeting(s).
- (c) When the vacated position is from the private sector, business organizations are contacted and asked to nominate a business owner, executive or manager for the vacant position. Priority will be given to nominees from counties who are not currently represented on the Council. Nominations are submitted to the WorkForce Council Executive Director, who in turn submits them to the Joint Powers Board.
- (d) Nominees are solicited who have optimum local policy making authority, policy and decision making responsibilities.
- (e) The Joint Powers Board reviews the nominees and appoints one for each vacancy.
- (f) Selecting public sector members is handled in the same fashion, except that letters are sent requesting nominations from organizations appropriate to the position. For education, contact is made to Adult Basic Education and post-secondary schools. For labor, contact is made with State and local labor unions. For economic development, contact is made with economic development organizations. For Rehabilitation Services, contact is made with agencies serving individuals with disabilities, such as Vocational Rehabilitation Services. For Job Service, the Field Operations Area Manager is contacted. For community based organizations, we contact local community based organizations. For Human Services, the regional human services directors are asked to nominate a representative.

The South Central WorkForce Council timetable for replacing or reappointing Council members is as follows:

1. In May, Council members whose terms are expiring on June 30<sup>th</sup> are contacted to inquire whether they are willing to serve an additional 3-year term.
2. For Council members who are seeking reappointment, the Joint Powers Board reappoints and the SC WorkForce Council confirms the re-appointment at their respective meetings in June.

When vacancies occur, WorkForce Council staff in June and July make contact with chambers and Business Services Representatives (or appropriate organization for non-private sector representatives) to let them know the Joint Powers Board is seeking nominations to serve on the South Central WorkForce Council. Staff meet with nominees in August and individuals are appointed and confirmed during the Joint Powers Board and SC WorkForce Council meetings in September.

B. Is your local area board currently in compliance with WIOA?

Yes ☒ No ☐

If No, what steps will be taken to bring your local area board into compliance by June 30, 2016?

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C. Complete **Attachment C – Local Area Board Membership List**.

D. Complete **Attachment D – Local Area Board Committee List**.

22. Complete remaining portions of **Attachment B – Local Workforce Development Area Contacts**.

23. If applicable, complete **Attachment E - Local Workforce Development Area Sub-Grantee List**.

24. If applicable, complete **Attachment F - Local Workforce Development Area Non-WFC Program Service Delivery Location List**.

## ASSURANCES AND CERTIFICATIONS

### ASSURANCES

As a condition to the award of financial assistance from the Department of Labor under Title I of the Workforce Investment Act of 1998 (WIA) and the Workforce Innovation and Opportunity Act and any other DEED/Workforce Development Employment and Training funds, the grant applicant assures that it will comply fully with the nondiscrimination and equal opportunity provisions and other assurances of the following laws:

- **Accessibility** - [Section 508 of the Rehabilitation Act of 1973, as amended](#) - Requires that federally funded program providers make their electronic information and technology accessible to people with disabilities;
- **ACORN** – [Funds may not be provided](#) to the Association of Community Organizations for Reform Now, or any of its affiliates, subsidiaries, allied organizations or successors;
- **Audits** – [2 CFR 200.501](#) and [Single Audit Act Amendments of 1996](#) - organization-wide or program-specific audits shall be performed;
- **Buy American**- Buy American Act – award may not be expended unless the funds comply with [USC 41, Section 8301-8303](#);
- **Data Sharing** – [MN Access to Government Data](#), [MN Duties of Responsible Authority](#); [MN Access to Information](#); [MN Administrative Rules Data Practices](#); [DEED Policy – Data Practices](#);
- **Disability** - that there will be compliance with the [Architectural Barriers Act of 1968](#), [Sections 503 and 504 of the Rehabilitation Act of 1973](#), as amended, and the [Americans with Disabilities Act of 1990](#);
- **Drug-Free Workplace** – [Drug-Free Workplace Act of 1988](#) – requires all organizations to maintain a drug-free workplace;
- **Equipment** – [2 CFR 200. 313](#), [200.439](#) – must receive prior approval for the purchase of any equipment with a per unit acquisition cost of \$5,000 or more, and a useful life of more than one year;
- **Fire Safety** – [15 USC 2225a](#) – ensure that all space for conferences, meetings, conventions or training seminars funded in whole or in part complies with the protection and control guidelines of the Hotel and Motel Fire Safety Act ([Public Law 101-391](#));
- **Fraud/Abuse** - that the provider has policies on fraud and abuse and will contact DEED for potential fraud and abuse issues; [20 CFR 667.630](#); [DEED Policy – Fraud Prevention and Abuse](#);
- **Health Benefits** – [Public Law 113-235, Division G, Sections 506 and 507](#) – ensure use of funds for health benefits coverage complies with the [Consolidated and Further Continuing Appropriations Act, 2015](#);
- **Insurance** - that insurance coverage be provided for injuries suffered by participants in work-related activities where Minnesota's workers' compensation law is not applicable as required under Regulations [20 CFR 667.274](#);
- **Insurance** – [Flood Disaster Protection Act of 1973](#) – provides that no Federal financial assistance to acquire, modernize or construct property may be provided in identified flood-prone communities in the United States, unless the community participates in the National Flood Insurance Program and flood insurance is purchased within 1 year of the identification;
- **Limited English** - [Executive Order 13166](#) - Improving access to services for persons with limited English proficiency;
- **Nondiscrimination** - [Section 188 of the Workforce Innovation and Opportunity Act](#) (WIOA) - Requires applying nondiscrimination provisions in the administration of programs and activities for all eligible individuals, including individuals with disabilities;

- **Nondiscrimination** - [Section 188 of the Workforce Investment Act of 1998](#) (WIA) - Requires applying nondiscrimination provisions in the administration of programs and activities for all eligible individuals, including individuals with disabilities;
- **Nondiscrimination** - [Title VI of the Civil Rights Act of 1964, as amended](#) – Prohibits discrimination on the bases of race, color, and national origin under any program receiving federal financial assistance;
- **Nondiscrimination** - [Title VII of the Civil Rights Act of 1964, as amended](#) - Prohibits discrimination on the basis of race, color, religion, sex or national origin in employment;
- **Nondiscrimination** - [Title II of the Genetic Information Nondiscrimination Act of 2008](#) - Prohibits discrimination in employment on the basis of genetic information;
- **Nondiscrimination** - [Title V of the Older Americans Act of 1965](#) - Prohibits discrimination based on race, color, religion, sex, national original, age disability or political affiliation or beliefs in any program funded in part with Senior Community Services Employment Program funds;
- **Nondiscrimination** - [Title IX of the Education Amendments of 1972, as amended](#) - Requires applying nondiscrimination provisions, based on sex, in educational programs;
- **Nondiscrimination** - [Title I \(Employment\) Americans with Disabilities Act \(ADA\)](#) - Prohibits state and local governments, from discriminating against qualified individuals with disabilities in job application procedures, hiring, firing, advancement, compensation, job training, and other terms, conditions, and privileges of employment;
- **Nondiscrimination** - [Title II \(State and Local Governments\) Americans with Disabilities Act \(ADA\)](#) - Prohibits qualified individuals with disabilities from discrimination in services, programs, and activities;
- **Nondiscrimination** - [Section 504 of the Rehabilitation Act of 1973, as amended](#) - Prohibits discrimination against qualified individuals with disabilities;
- **Nondiscrimination** - [Age Discrimination Act of 1975, as amended](#) - Prohibits discrimination on the basis of age;
- **Nondiscrimination** - [Title 29 CFR Part 31](#) Nondiscrimination in federally-assisted programs of the Department of Labor, effectuation of Title VI of the Civil Rights Act of 1964;
- **Nondiscrimination** - [Title 29 CFR Part 32](#) Nondiscrimination on the basis of disability in programs and activities receiving or benefiting from federal assistance;
- **Nondiscrimination** - [Title 29 CFR Part 33](#) Enforcement of nondiscrimination on the basis of disability in programs or activities conducted by the Department of Labor;
- **Nondiscrimination** - [Title 29 CFR Part 35](#) Nondiscrimination on the basis of age in programs or activities receiving federal financial assistance from the Department of Labor;
- **Nondiscrimination** - [Title 29 CFR Part 37](#) Implementation of the Nondiscrimination and Equal Opportunity provisions of the Workforce Investment Act of 1998;
- **Nondiscrimination** - [Title 29 CFR Part 38](#) Implementation of the Nondiscrimination and Equal Opportunity provisions of the Workforce Innovation and Opportunity Act;
- **Nondiscrimination** - [Executive Order 13160](#) Nondiscrimination on the basis of race, sex, color, national origin, disability, religion, age, sexual orientation, and status as a parent in federally conducted education and training Programs;
- **Nondiscrimination** - [Executive Order 13279](#) - Nondiscrimination against grant seeking organizations on the basis of religion in the administration or distribution of federal financial assistance under social service programs, including grants, contracts, and loans;
- **Nondiscrimination** - [The Minnesota Human Rights Act of 1973, Minnesota Statutes, Chapter 363A](#) - Prohibits discrimination in employment and providing public services on the basis of race, color, creed, religion, natural origin, sex, marital status (employment only), disability, status with regard to public assistance, sexual orientation, familial status

(employment only), citizenship, or age (employment only), and local human rights commission activity (employment only);

- **Nondiscrimination** - that collection and maintenance of data necessary to show compliance with the nondiscrimination provisions of WIA and [WIOA Section 188](#), as provided in the regulations implementing that section, will be completed;
- **Opportunity** – [Executive Order 12928](#) – encouraged to provide subcontracting/subgranting opportunities to Historically Black Colleges and Universities and other Minority Institutions and to Small Businesses Owned and Controlled by Socially and Economically Disadvantaged Individuals;
- **Personally Identifiable Information (PII)** – [Training and Guidance Letter 39-11](#) – must recognize and safeguard PII except where disclosure is allowed by prior written approval of the Grant Officer or by court order;
- **Procurement** – Uniform Administrative Requirements – [2 CFR 200-317-36](#) – all procurement transactions to be conducted in a manner to provide, to the maximum extent practical, open and free competition;
- **Publicity** – no funds shall be used for publicity or propaganda purposes, preparation or distribution or use of any kit, pamphlet, booklet, publication, radio, television or film presentation designed to support or defeat legislation pending before the Congress or any state/local legislature or legislative body, except in presentation to the Congress or any state/local legislature itself, or designed to support or defeat any proposed or pending regulation, administrative action, or order issued by the executive branch of any state or local government. Nor shall grant funds be used to pay the salary or expenses of any recipient or agent acting for such recipient, related to any activity designed to influence the enactment of legislation, appropriations regulation, administrative action, or Executive Order proposed or pending before the Congress, or any state government, state legislature or local legislature body other than for normal and recognized executive-legislative relationships or participation by an agency or officer of a state, local or tribal government in policymaking and administrative processes within the executive branch of that government;
- **Salary/Bonus** – [Public Law 113-235, Division G, Title I, Section 105](#) – none of the funds appropriated under the heading “Employment and Training” shall be used by a recipient or sub-recipient of such funds to pay the salary and bonuses of an individual, either as direct costs or indirect costs, at a rate in excess of [Executive Level II](#). Further clarification can be found in [TEGL 5-06](#);
- **Seat Belts** - [Executive Order 13043](#) – Increasing Seat Belt Use in the United States;
- **Text Messaging** – [Executive Order 13513](#) – encouraged to adopt and enforce policies that ban text messaging while driving company-owned or –rented vehicles or GOV or while driving POV when on official Government business or when performing any work for or on behalf of the Government;
- **Trafficking of Persons** – [2 CFR 180](#) – OMB Guidelines to Agencies on Governmentwide Debarment and Suspension – may not engage in severe forms of trafficking, procure a commercial sex act or use forced labor in the performance;
- **Veteran Priority of Service** - [Public Law 107-288: Jobs for Veterans Act](#) - Priority of service for veterans (including veterans, eligible spouses, widows and widowers of service members) in qualified job training programs;
- **Veterans** - [Public Law 112-56: Vow to Hire Heroes Act of 2011](#) - Establishes guidelines for service providers who are providing employment, training, academic or rehabilitation services for military veterans;
- **Veterans** - that veterans will be afforded employment and training activities authorized in WIA and WIOA Section 134, and the activities authorized in Chapters 41 and 42 of Title 38 US code, and in compliance with the veterans' priority established in the Jobs for Veterans Act. ([38 USC 4215](#)), U.S. Department of Labor, [Training and Employment Guidance Letter 5-03](#) and Minnesota's Executive Order 06-02;

- **Voter Registration** - that the required voter registration procedures described in [Minnesota Statutes 201.162](#) are enacted without the use of federal funds;
- **Voter Registration** – [52 USC 20501 – 20511](#) – National Voter Registration Act of 1993.

## CERTIFICATIONS

By signing and submitting this plan, the local area board is certifying on behalf of itself and the subgrantee, where applicable:

- A. That this ***Regional and Local Workforce Development Area Plan*** was prepared and is in accordance with all applicable titles of the WIOA Act of 2014, Title V of the Older Americans Act, applicable Minnesota state statutes and that it is consistent with Minnesota's current and future state plans;
- B. that it has provided at least a thirty day period for public comment and input into the development of plan by members of the local area board and the public (including persons with disabilities) and has provided information regarding the plan and the planning process, including the plan and supporting documentation, in alternative formats when requested and that any comments representing disagreement with the plan are included with the local plan forwarded to DEED (as the Governor's representative) Section 118(c); Section 108 (d)
- C. that the public (including individuals with disabilities) have access to all of the local area board's and its components' meetings and information regarding the local area board's and its components' activities;
- D. that fiscal control and fund accounting procedures necessary to ensure the proper disbursement of, and accounting for, funds paid through the allotments funded through the contract/master agreement issued by DEED have been established;
- E. that it is, and will maintain a certifiable local area board;
- F. that it will comply with the confidentiality requirements of WIA Section 136 (f)(3) and WIOA Section 116 (i)(3)
- G. that the respective contract/master agreement and all assurances will be followed;
- H. that it will ensure that no funds covered under the contract/master agreement are used to assist, promote, or deter union organizing;
- I. that this plan was developed in consultation with the local area board;
- J. that it acknowledges the specific performance standards for each of its programs and will strive to meet them;
- K. that the local area board members will not act in a manner that would create a conflict of interest as identified in 20 CFR 667.200(a)(4), including voting on any matter regarding the provision of service by that member or the entity that s/he represents and any matter that would provide a financial benefit to that member or to his or her immediate family;
- L. that local area board and staff are aware of local WorkForce Center services, and are working with and referring to the WorkForce Center services as appropriate;
- M. that all staff are provided the opportunity to participate in appropriate staff training;
- N. that, if applicable, the local area board must maintain the currency of its information in the System Award Management until submission of the final financial report or receive the final payment, whichever is later;
- O. that sponsored (in whole or in part) conferences are charged to the grantee as appropriate and allowable; and
- P. that funds are not used for the purpose of defraying costs of a conference unless it is directly and programmatically related to the purpose of the award.
- Q. that the local area board and its sub-grantees must also adhere to the same certifications and assurances that DEED must assure.

**SIGNATURE PAGE**

Local Workforce Development  
Area Name

South Central Workforce Development Area #7

Local Area Board Name

South Central WorkForce Council

Name and Contact Information for the Local Area Board Chair:

<b>Name</b>	<u>Deborah Barnes</u>
<b>Title</b>	<u>Director/Administrator</u>
<b>Organization</b>	<u>Lakeview Health Services/Oak Terrace</u>
<b>Address 1</b>	<u>1306 S. Ramsey</u>
<b>Address 2</b>	<u></u>
<b>City, State, ZIP Code</b>	<u>Blue Earth, MN 56013</u>
<b>Phone</b>	<u>(507) 526-5876</u>
<b>E-mail</b>	<u><a href="mailto:deb.barnes@lakeviewmethodist.com">deb.barnes@lakeviewmethodist.com</a></u>

Name and Contact Information for the Chief Local Elected Official(s):

<b>Name</b>	<u>David Haack</u>
<b>Title</b>	<u>County Commissioner</u>
<b>Organization</b>	<u>Nicollet County Board of Commissioners</u>
<b>Address 1</b>	<u>626 Grant Avenue</u>
<b>Address 2</b>	<u></u>
<b>City, State, ZIP Code</b>	<u>North Mankato, MN 56003</u>
<b>Phone</b>	<u>(507) 387-5849</u>
<b>E-mail</b>	<u><a href="mailto:dhaack@co.nicollet.mn.us">dhaack@co.nicollet.mn.us</a></u>

We, the undersigned, attest that this submittal is the Program Year 2016-2017 Local Plan for our Workforce Development Board and Local Workforce Development Area and hereby certify that this Local Plan has been prepared as required, and is in accordance with all applicable state and federal laws, rules and regulations.

**Local Area Board Chair****Chief Local Elected Official**

Name Deborah Barnes

Name David Haack

Title Local Area Board Chair

Title Chair –Joint Powers Board

Signature \_\_\_\_\_

Signature \_\_\_\_\_

Date May 11, 2016

Date May 16, 2016

**REGIONAL OVERSIGHT COMMITTEE**

Regional Workforce Development Area

Regional Workforce Development Area #5

Local Workforce Development Area

South Central Workforce Development Area #7

MEMBER	ORGANIZATION
Deborah Barnes	Lakeview Health Services/Oak Terrace
Candace Fenske	Madelia Community Hospital
Commissioner David Haack	Nicollet County Board of Commissioners
Commissioner John Roper	Faribault County Board of Commissioners
John Roiger	Lac qui Parle County Co-op Oil
Robyn Leese	Ritalka/Spec Sys
Commissioner Ron Antony	Yellow Medicine County Board of Commissioners
Commissioner Joe Fox	Swift County Board of Commissioners

## LOCAL WORKFORCE DEVELOPMENT AREA CONTACTS

ROLE	Contact Name	Phone	Email	Reports to (name only)
Rapid Response Liaison for Mass Layoffs (see section C.2.D.)	Diane Halvorson	(507) 345-2408	<a href="mailto:diane@workforcecouncil.org">diane@workforcecouncil.org</a>	Deborah Barnes, Chair of SC WorkForce Council
Equal Opportunity Officer (see section D.3.B.)	Diane Halvorson	(507) 345-2408	<a href="mailto:diane@workforcecouncil.org">diane@workforcecouncil.org</a>	Deborah Barnes, Chair of SC WorkForce Council
Program Complaint Officer (see section D.5.B.)	Diane Halvorson	(507) 345-2408	<a href="mailto:diane@workforcecouncil.org">diane@workforcecouncil.org</a>	Deborah Barnes, Chair of SC WorkForce Council
Records Management/Records Retention Coordinator (see section D.16.C.)	Lynn Sorenson	(507) 345-2413	<a href="mailto:lynn@mnvac.org">lynn@mnvac.org</a>	Amanda Mackie, MN Valley Action Council
ADA Coordinator (see section D.22.)	Christine Bauman	(507) 389-6954	<a href="mailto:Christine.bauman@state.mn.us">Christine.bauman@state.mn.us</a>	Jan Thompson, MN DEED
Data Practices Coordinator (see section D.22.)	Lynn Sorenson	(507) 345-2413	<a href="mailto:lynn@mnvac.org">lynn@mnvac.org</a>	Amanda Mackie, MN Valley Action Council
English as Second Language (ESL) Coordinator (see section D.22.)	Karen Wolters	(507) 207-3054	<a href="mailto:Kwolte1@isd77.k12.mn.us">Kwolte1@isd77.k12.mn.us</a>	Audra Boyer, ISD #77

### Official Name of WorkForce Center Fairmont WorkForce Center

ROLE	Contact Name	Phone	Email	Reports to (name only)
Site Representative	Connie Hines	(507) 235-5518	<a href="mailto:Connie.hines@state.mn.us">Connie.hines@state.mn.us</a>	Reggie Worlds, MN DEED
Job Service Manager	Reggie Worlds	(507) 344-2600	<a href="mailto:Reggie.worlds@state.mn.us">Reggie.worlds@state.mn.us</a>	David Niermann, MN DEED
Vocational Rehabilitation Services Manager	Christine Bauman	(507) 389-6954	<a href="mailto:Christine.bauman@state.mn.us">Christine.bauman@state.mn.us</a>	Jan Thompson, MN DEED
State Services for the Blind Manager	Lindsey Hanson	(651) 539-2340	<a href="mailto:Lindsey.hanson@state.mn.us">Lindsey.hanson@state.mn.us</a>	Joan Benson, MN DEED
Local Workforce Development Area Director	Diane Halvorson	(507) 345-2408	<a href="mailto:diane@workforcecouncil.org">diane@workforcecouncil.org</a>	Deb Barnes, Chair of SC WorkForce Council
Adult Basic Education (ABE)	Retirement occurred in March –position vacant			
Carl Perkins Post-Secondary Manager	Glenn Morris	(507) 389-5106	<a href="mailto:gmmorris@mnsccsc.org">gmmorris@mnsccsc.org</a>	Les Martisko, SC Service Coop.

Adult	Connie Hines	(507) 235-5518	<a href="mailto:Connie.hines@state.mn.us">Connie.hines@state.mn.us</a>	Reggie Worlds, MN DEED
Dislocated Worker	Connie Hines	(507) 234-5518	<a href="mailto:Connie.hines@state.mn.us">Connie.hines@state.mn.us</a>	Reggie Worlds, MN DEED
Youth	Nancy Haag	(507) 345-2405	<a href="mailto:nancyh@mnvac.org">nancyh@mnvac.org</a>	Amanda Mackie, MVAC

**Official Name of WorkForce Center** **Mankato WorkForce Center**

ROLE	Contact Name	Phone	Email	Reports to (name only)
Site Representative	Reggie Worlds	(507) 344-2600	<a href="mailto:Reggie.worlds@state.mn.us">Reggie.worlds@state.mn.us</a>	David Niermann, MN DEED
Job Service Manager	Reggie Worlds	(507) 344-2600	<a href="mailto:Reggie.worlds@state.mn.us">Reggie.worlds@state.mn.us</a>	David Niermann, MN DEED
Vocational Rehabilitation Services Manager	Christine Bauman	(507) 389-6954	<a href="mailto:Christine.bauman@state.mn.us">Christine.bauman@state.mn.us</a>	Jan Thompson, MN DEED
State Services for the Blind Manager	Lindsey Hanson	(651) 539-2340	<a href="mailto:Lindsey.hanson@state.mn.us">Lindsey.hanson@state.mn.us</a>	Joan Benson, MN DEED
Local Workforce Development Area Director	Diane Halvorson	(507) 345-2408	<a href="mailto:diane@workforcecouncil.org">diane@workforcecouncil.org</a>	Deb Barnes, Chair of SC WorkForce Council
Adult Basic Education (ABE)	Karen Wolters	(507) 207-3054	<a href="mailto:Kwolte1@isd77.k12.mn.us">Kwolte1@isd77.k12.mn.us</a>	Audra Boyer, ISD #77
Carl Perkins Post-Secondary Manager	Glenn Morris	(507) 389-5106	<a href="mailto:gmmorris@mnsccsc.org">gmmorris@mnsccsc.org</a>	Les Martisko, SC Service Coop.
Adult	Reggie Worlds	(507) 344-2600	<a href="mailto:Reggie.worlds@state.mn.us">Reggie.worlds@state.mn.us</a>	David Niermann, MN DEED
Dislocated Worker	Reggie Worlds	(507) 344-2600	<a href="mailto:Reggie.worlds@state.mn.us">Reggie.worlds@state.mn.us</a>	David Niermann, MN DEED
Youth	Nancy Haag	(507) 345-2405	<a href="mailto:nancyh@mnvac.org">nancyh@mnvac.org</a>	Amanda Mackie, MVAC

Official Name of WorkForce Center New Ulm WorkForce Center

ROLE	Contact Name	Phone	Email	Reports to (name only)
Site Representative	Jill Berglund	(507) 354-3138	<a href="mailto:jill@mnvac.org">jill@mnvac.org</a>	Nancy Haag, MVAC
Job Service Manager	Reggie Worlds	(507) 344-2600	<a href="mailto:Reggie.worlds@state.mn.us">Reggie.worlds@state.mn.us</a>	David Niermann, MN DEED
Vocational Rehabilitation Services Manager	Christine Bauman	(507) 389-6954	<a href="mailto:Christine.bauman@state.mn.us">Christine.bauman@state.mn.us</a>	Jan Thompson, MN DEED
State Services for the Blind Manager	Lindsey Hanson	(651) 539-2340	<a href="mailto:Lindsey.hanson@state.mn.us">Lindsey.hanson@state.mn.us</a>	Joan Benson, MN DEED
Local Workforce Development Area Director	Diane Halvorson	(507) 345-2408	<a href="mailto:diane@workforcecouncil.org">diane@workforcecouncil.org</a>	Deb Barnes, Chair of SC WorkForce Council
Adult Basic Education (ABE)	Karen Wolters	(507) 207-3054	<a href="mailto:Kwolte1@isd77.k12.mn.us">Kwolte1@isd77.k12.mn.us</a>	Audra Boyer, ISD #77
Carl Perkins Post-Secondary Manager	Glenn Morris	(507) 389-5106	<a href="mailto:gmmorris@mnsccsc.org">gmmorris@mnsccsc.org</a>	Les Martisko, SC Service Coop.
Adult	Reggie Worlds	(507) 344-2600	<a href="mailto:Reggie.worlds@state.mn.us">Reggie.worlds@state.mn.us</a>	David Niermann, MN DEED
Dislocated Worker	Reggie Worlds	(507) 344-2600	<a href="mailto:Reggie.worlds@state.mn.us">Reggie.worlds@state.mn.us</a>	David Niermann, MN DEED
Youth	Nancy Haag	(507) 345-2405	<a href="mailto:nancyh@mnvac.org">nancyh@mnvac.org</a>	Amanda Mackie, MVAC

## LOCAL AREA BOARD MEMBERSHIP LIST

Regional Workforce Development Area

Regional Workforce Development Area #5

Local Workforce Development Area

South Central Workforce Development Area #7

MEMBER	POSITION/ORGANIZATION	TERM ENDS
<b>REPRESENTATIVES OF BUSINESS IN LOCAL WORKFORCE DEVELOPMENT AREA (must be majority)</b>		
Jim Abraham 634 Tomahawk Court Madison Lake, MN 56063 <a href="mailto:jim.employmentrelatedservices@gmail.com">jim.employmentrelatedservices@gmail.com</a> (507) 469-1465	Human Resource Specialist Employment Related Services	June 2017
Bill Aufderheide 2020 N Spring Street New Ulm, MN 56073 <a href="mailto:billa@mrpaving.com">billa@mrpaving.com</a> (507) 354-4171	Human Resources/Safety Manager M. R. Paving & Excavating	June 2018
Deb Barnes 1306 S. Ramsey Blue Earth, MN 56013 <a href="mailto:Deb.Barnes@lakeviewmethodist.com">Deb.Barnes@lakeviewmethodist.com</a> (507) 526-5876	Executive Director-Lakeview Health Services Administrator –Oak Terrace	June 2018
Candace Fenske 121 Drew Avenue SE Madelia, MN 56062 <a href="mailto:candacefen@mchospital.org">candacefen@mchospital.org</a> (507) 624-3255	Administrator Madelia Community Hospital	June 2017
William FitzSimmons 405 Eighth Avenue NW Waseca, MN 56093 <a href="mailto:wtf@hickorytech.net">wtf@hickorytech.net</a> (507) 835-1094	Owner WTF Tax Services	Charter Member

Duane Lambrecht 810 N. Front Street New Ulm, MN 56073 <a href="mailto:duane.lambrecht@shelterproducts.com">duane.lambrecht@shelterproducts.com</a> (507) 233-2575	CEO Shelter Products Inc.	June 2018
Bill Meyer 820 11 <sup>th</sup> Street N St. James, MN 56081 <a href="mailto:William.meyer@jmfq.com">William.meyer@jmfq.com</a> (507) 375-3124 x1271	Human Resources Manager Armour-Eckrich/John Merrill	June 2016
Grant Moody 113 Monroe Avenue North Mankato, MN 56003 <a href="mailto:Grant.moody@expresspros.com">Grant.moody@expresspros.com</a> (507) 387-5620	Owner Express Employment Professionals	June 2018
Dennis Siemer 752 Summit Avenue Mankato, MN 56001 <a href="mailto:d.siemer@vtekusa.com">d.siemer@vtekusa.com</a> (507) 387-2039	CEO V-Tek, Inc.	June 2016
Larry Treptow 859 Highway 109 NE Wells, MN 56097 <a href="mailto:lkt@wellscp.com">lkt@wellscp.com</a> (507) 533-3138	Human Resource Director Wells Concrete	June 2018
Tim Wenzel 1209 S. State Street Waseca, MN 56093 <a href="mailto:Tim.wenzel@winegarinc.com">Tim.wenzel@winegarinc.com</a> (507) 835-3495	President Winegar, Inc.	June 2016
<b>LABOR &amp; COMMUNITY-BASED ORGANIZATIONS</b> (20% Minimum and 2 or more nominated by state labor federations and one joint labor-management apprenticeship program labor organization or training director)  Shane Meier (Labor – Apprenticeships) 709 S. Front Street, Suite 6 Mankato, MN 56001 <a href="mailto:shane@ibewlocal343.org">shane@ibewlocal343.org</a> (507) 345-2133	Business Representative IBEW Local 343	June 2016

<p>Jon Nowak (Labor – Apprenticeships) 409 2<sup>nd</sup> Avenue Pemberton, MN 560078 <a href="mailto:jnowak@ncsrcc.org">jnowak@ncsrcc.org</a> (651) 341-4436</p> <p>Amanda Mackie (CBO – Youth Employment) 706 N. Victory Drive Mankato, MN 56001 <a href="mailto:amanda@mnvac.org">amanda@mnvac.org</a> (507) 345-2400</p> <p>John Schons (CBO – Individuals with Disabilities) 411 S. State Street Fairmont, MN 56042 <a href="mailto:jschons@stepinc.org">jschons@stepinc.org</a> (507) 238-4341</p>	<p>Business Representative North Central States Regional Council of Carpenters</p> <p>Executive Director MN Valley Action Council</p> <p>Operations Manager Step Inc.</p>	<p>June 2016</p> <p>June 2018</p> <p>June 2018</p>
<p><b>EDUCATION &amp; TRAINING</b> (Required: ABE; Higher Education)</p> <p>Karen Wolters 110 Fulton Mankato, MN 56001 <a href="mailto:Kwolte1@isd77.k12.mn.us">Kwolte1@isd77.k12.mn.us</a> (507) 207-3054</p> <p>Dr. Susan Tarnowski 1920 Lee Boulevard N. Mankato, MN 56002-1920 <a href="mailto:Susan.tarnowski@southcentral.edu">Susan.tarnowski@southcentral.edu</a> (507) 389-7228</p>	<p>ABE Program Coordinator Mankato Area ABE</p> <p>Vice President of Academic &amp; Student Affairs South Central College</p>	<p>June 2017</p> <p>June 2017</p>
<p><b>GOVERNMENT</b> (Required: Economic Development; Job Service; Rehabilitation)</p> <p>Linsey Preuss 100 Downtown Plaza Fairmont, MN 56031 <a href="mailto:lpreuss@fairmont.org">lpreuss@fairmont.org</a> (507) 238-9461</p>	<p>Economic Development Coordinator City of Fairmont</p>	<p>June 2016</p>

<p>Reggie Worlds 12 Civic Center Plaza, Suite 1600A Mankato, MN 56001 <a href="mailto:Reggie.worlds@state.mn.us">Reggie.worlds@state.mn.us</a> (507) 389-6725</p> <p>Christine Bauman 12 Civic Center Plaza, Suite 1600C Mankato, MN 56001 <a href="mailto:Christine.bauman@state.mn.us">Christine.bauman@state.mn.us</a> (507) 389-6965</p>	<p>Area Manager MN DEED – Job Service</p> <p>Area Manager MN DEED – Vocational Rehabilitation Services</p>	<p>June 2017</p> <p>June 2017</p>
<p><b>PUBLIC ASSISTANCE AGENCY</b> Joan Tesdahl 108 S. Minnesota Avenue #200 St. Peter, MN 56082 (507) 934-8576</p>	<p>Director Nicollet County Social Services</p>	<p>June 2017</p>

**CONTACT INFORMATION**

NAME	ADDRESS/PHONE/EMAIL
<p><b>CHAIR</b> Deb Barnes Executive Director, Lakeview Health Services Administrator, Oak Terrace</p>	<p>1306 S. Ramsey Blue Earth, MN 56013 <a href="mailto:Deb.Barnes@lakeviewmethodist.com">Deb.Barnes@lakeviewmethodist.com</a> (507) 526-5876</p>
<p><b>VICE CHAIR</b> Candace Fenske Administrator, Madelia Community Hospital</p>	<p>121 Drew Avenue SE Madelia, MN 56062 <a href="mailto:candacefen@mchospital.org">candacefen@mchospital.org</a></p>

## LOCAL AREA BOARD SUBCOMMITTEE LIST

**Regional Workforce Development Area**

Regional Workforce Development Area #5

**Local Workforce Development Area**

South Central Local Workforce Development Area #7

Committee Name	Objective/Purpose
Executive Committee	This committee provides leadership for the Council and is comprised of the Council Chair, Vice Chair and other members as deemed appropriate by the Council. The Executive Committee has responsibility for personnel and budget issues; and when necessary acts on behalf of the Council.
Operations Committee	This committee consists of the core partners of the WorkForce Centers. This committee is responsible for on-going program review, local marketing and day-to-day operations of the WorkForce Centers. This committee develops cost allocation plans for the Centers as well as the Memorandum of Understanding between the partners.
Workforce Development Committee	This committee concentrates on determining the workforce development needs of business, job seekers and workers in the region. They develop short and long-term strategies and activities to further develop and retain our local workforce. Local economic developers are invited to all Workforce Development committee meetings.
Youth Council	The Youth Council is made up of area youth partners and is responsible for developing and implementing strategies to prepare our emerging workforce, assist youth in transitioning and coordinate youth resources.
SC Career Pathway Partnership	The SC Career Pathway Partnership is made up of representatives from employers, Adult Basic Education, South Central College, Workforce Center partners, human service and community partners. This partnership is responsible for aligning resources and expertise to develop career pathways with multiple entry and exit points that lead to stackable credentials for demand industries in the region.
RFP Task Forces	These Task Forces develop and implement a Request for Proposal process to select service providers for WIOA Youth and WIOA Adult, Dislocated Worker and State Dislocated Worker Programs. The task force consists of representatives from the WorkForce Council, Workforce Council staff, the Joint Powers Board and Youth Council. The task forces are responsible for implementing the RFP process and for providing recommendations to the Joint Powers Board and SC WorkForce Council.

## LOCAL WORKFORCE DEVELOPMENT AREA SUB-GRANTEE LIST

Regional Workforce Development Area

Regional Workforce Development Area #5

Local Workforce Development Area

South Central Workforce Development Area #7

Name of Sub-Grantee	Services Provided	Funding Source	Sub-Grantee located in which WFC?	If not in WFC, provide Address, City, State, ZIP Code
MN DEED –Job Service	Basic and Individualized Career Services, Work-Based Training and Career Pathway Navigator	WIOA Adult, WIOA Dislocated Worker & State Dislocated Worker, Pathways to Prosperity	Fairmont, Mankato, and New Ulm	

## LOCAL WORKFORCE DEVELOPMENT AREA NON-WFC PROGRAM SERVICE DELIVERY LOCATION LIST

**Regional Workforce Development Area**

Regional Workforce Development Area #5

**Local Workforce Development Area**

South Central Workforce Development Area #7

Name and Location (City)	Program Service Delivered
MN Valley Action Council – Blue Earth	WIOA Adult, WIOA DW, State DW, WIOA Youth, MYP, SCSEP
MN Valley Action Council – Gaylord	WIOA Adult, WIOA DW, State DW, WIOA Youth, MYP MFIP/DWP/SNAP
MN Valley Action Council – LeCenter	WIOA Adult, WIOA DW, State DW, WIOA Youth, MYP, SCSEP MFIP/DWP/SNAP
MN Valley Action Council – Mankato	WIOA Youth, MYP
MN Valley Action Council – St. James	WIOA Adult, WIOA DW, State DW, WIOA Youth, MYP, SCSEP
MN Valley Action Council – St. Peter	WIOA Adult, WIOA Youth
MN Valley Action Council - Waseca	WIOA Adult, WIOA DW, State DW, WIOA Youth, MYP, SCSEP MFIP/DWP/SNAP

## LOCAL WORKFORCE DEVELOPMENT AREA KEY INDUSTRIES IN REGIONAL ECONOMY

The South Central WorkForce Council has identified the following key industries for the **Local Workforce Development Area**:

- **Manufacturing**
- **Health Care & Social Assistance**
- **Construction**
- **Transportation & Warehousing**
- **Agriculture**
- **Business & Professional/Technical Services**

**Table 13. Region 9 Industry Employment Statistics, 2014**

NAICS Industry Title	2014 Annual Data				Avg. Annual Wage	2010-2014		2013-2014	
	Number of Firms	Number of Jobs	Percent of Jobs	Total Payroll		Change in Jobs	Percent Change	Change in Jobs	Percent Change
<b>Total, All Industries</b>	<b>6,454</b>	<b>102,364</b>	<b>100.0%</b>	<b>\$3,935,182,024</b>	<b>\$38,428</b>	<b>+2,620</b>	<b>+2.6%</b>	<b>-110</b>	<b>-0.1%</b>
Manufacturing	363	18,829	18.4%	\$885,127,477	\$47,008	+526	+2.9%	-106	-0.6%
Health Care & Social Assistance	559	17,603	17.2%	\$684,145,068	\$38,844	+128	+0.7%	+13	+0.1%
Retail Trade	862	12,398	12.1%	\$269,855,004	\$21,736	+469	+3.9%	-63	-0.5%
Educational Services	117	9,203	9.0%	\$366,819,718	\$40,040	-45	-0.5%	+9	+0.1%
Accommodation & Food Services	463	7,525	7.4%	\$86,606,289	\$11,492	+171	+2.3%	-67	-0.9%
Public Administration	280	5,426	5.3%	\$220,663,255	\$40,716	-24	-0.4%	+8	+0.1%
Construction	802	4,439	4.3%	\$201,191,993	\$44,928	+432	+10.8%	+191	+4.5%
Wholesale Trade	320	3,793	3.7%	\$202,447,985	\$53,352	-170	-4.3%	-84	-2.2%
Transportation & Warehousing	381	3,352	3.3%	\$122,252,754	\$36,556	+244	+7.9%	-12	-0.4%
Other Services	555	3,004	2.9%	\$74,130,638	\$24,648	+64	+2.2%	-24	-0.8%
Agriculture, Forestry, Fish & Hunt	283	2,956	2.9%	\$115,683,411	\$39,052	+402	+15.7%	+167	+6.0%
Finance & Insurance	415	2,935	2.9%	\$153,333,308	\$52,260	-29	-1.0%	-47	-1.6%
Admin. Support & Waste Mgmt.	208	2,613	2.6%	\$63,336,196	\$24,180	+125	+5.0%	-183	-6.5%
Professional & Technical Services	350	2,422	2.4%	\$118,446,548	\$48,932	+144	+6.3%	+86	+3.7%
Information	103	2,242	2.2%	\$105,024,372	\$46,852	+121	+5.7%	+47	+2.1%
Management of Companies	39	1,033	1.0%	\$174,664,127	\$167,492	-15	-1.4%	-44	-4.1%
Arts, Entertainment & Recreation	128	1,030	1.0%	\$11,899,238	\$11,492	+67	+7.0%	0	0.0%
Real Estate, Rental & Leasing	180	797	0.8%	\$19,837,076	\$24,908	-4	-0.5%	-15	-1.8%
Utilities	38	501	0.5%	\$39,493,295	\$78,884	-17	-3.3%	-4	-0.8%
Mining	10	259	0.3%	\$20,224,272	\$78,572	+33	+14.6%	+19	+7.9%

Source: DEED Quarterly Census of Employment & Wages (QCEW)

The South Central WorkForce Council, the Southwest Workforce Council and the Regional Leadership team have identified the following key industries for **Regional Workforce Development Area #5**:

- **Manufacturing**
- **Health Care & Social Assistance**
- **Agriculture**
- **Transportation & Warehousing**

**Table 15. Southwest Minnesota Industry Projections, 2012-2022**

Industry	Estimated Employment 2012	Projected Employment 2022	Percent Change 2012-2022	Numeric Change 2012-2022
<b>Total, All Industries</b>	<b>207,849</b>	<b>213,534</b>	<b>+2.7%</b>	<b>+5,685</b>
Manufacturing	31,654	31,719	+0.2%	+65
Total Government	31,721	30,668	-3.3%	-1,053
Health Care & Social Assistance	25,529	29,605	+16.0%	+4,076
Retail Trade	20,071	20,404	+1.7%	+333
Accommodation & Food Services	11,915	12,153	+2.0%	+238
Wholesale Trade	8,262	8,526	+3.2%	+264
Other Services	8,312	8,265	-0.6%	-47
Construction	7,299	7,809	+7.0%	+510
Finance & Insurance	5,874	5,903	+0.5%	+29
Agriculture, Forestry, Fish & Hunt	5,389	5,519	+2.4%	+130
Transportation & Warehousing	5,123	5,317	+3.8%	+194
Professional & Technical Services	4,069	4,486	+10.2%	+417
Admin. Support & Waste Mgmt.	3,893	4,252	+9.2%	+359
Information	2,914	2,608	-10.5%	-306
Arts, Entertainment, & Recreation	2,507	2,551	+1.8%	+44
Management of Companies	1,977	2,072	+4.8%	+95
Educational Services	1,971	2,037	+3.3%	+66
Real Estate & Rental & Leasing	1,270	1,396	+9.9%	+126
Utilities	772	704	-8.8%	-68
Mining	383	458	+19.6%	+75

Source: DEED 2012-2022 Employment Outlook



# SOUTHWEST MINNESOTA ECONOMIC DEVELOPMENT REGIONS 6W, 8, and 9

*Covering the following counties:*

Big Stone, Blue Earth, Brown, Chippewa,  
Cottonwood, Faribault, Lac qui Parle, Le Sueur,  
Lincoln, Lyon, Martin, Murray, Nicollet, Nobles,  
Pipestone, Redwood, Rock, Sibley, Swift,  
Waseca, Watonwan, and Yellow Medicine

## 2015 REGIONAL PROFILE

*Published September 1, 2015*



**Luke Greiner**  
**Central & Southwest**  
St. Cloud WorkForce Center  
1542 Northway Dr. Door 2  
St. Cloud, MN 56303  
Office: 320-308-5378  
E-mail: [luke.greiner@state.mn.us](mailto:luke.greiner@state.mn.us)  
Web: <http://mn.gov/deed/data/>

**Mark Schultz**  
**Southeast & South Central**  
Winona WorkForce Center  
1250 Homer Rd., Suite 200  
Winona, MN 55987  
Office: 507-205-6068  
E-mail: [mark.schultz@state.mn.us](mailto:mark.schultz@state.mn.us)  
Web: <http://mn.gov/deed/data/>



## DEMOGRAPHICS

### POPULATION CHANGE, 2000-2014

The Southwest Minnesota planning region includes a total of 23 counties, covering three separate Economic Development Regions (EDRs) and two Workforce Development Boards (WDBs). Southwest Minnesota was home to 392,415 people in 2014, comprising 7.2% of the state's total population. The region saw a small 0.5% decline in population over the past 14 years, primarily due to larger losses in EDR 6W and EDR 8, which was nearly offset by a steady increase in EDR 9. In comparison, the state of Minnesota saw a 10.9% gain (see Table 1).

	2000 Population	2014 Estimates	2000-2014 Change	
			Number	Percent
<b>Southwest Minnesota</b>	<b>394,518</b>	<b>392,415</b>	<b>-2,103</b>	<b>-0.5%</b>
Region 6W	50,011	43,673	-6,338	-12.7%
Region 8	121,717	117,764	-3,953	-3.2%
Region 9	222,790	230,978	+8,188	+3.7%
<b>State of Minnesota</b>	<b>4,919,479</b>	<b>5,457,173</b>	<b>+537,694</b>	<b>+10.9%</b>

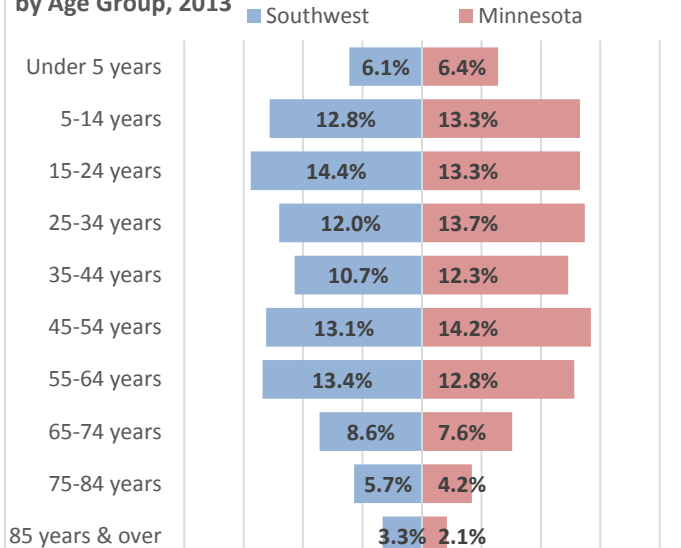
Source: [U.S. Census Bureau, Population Estimates](#)

Only 5 of the 23 counties in the region gained population from 2000 to 2014, with the other 18 seeing declines – including Swift County, which was the fastest declining county in the state. The largest counties in the region are Blue Earth and Nicollet County, which make up the Mankato/North Mankato Metropolitan Statistical Area (MSA). With 65,385 people, Blue Earth is the 13<sup>th</sup> largest county (out of 87) in the state, and Nicollet has just over 33,000 people. Other large counties in the region include Le Sueur (27,770 people), Lyon (25,665), Brown (25,292), Nobles (21,590), and Martin (20,220).

### POPULATION BY AGE GROUP, 2000-2013

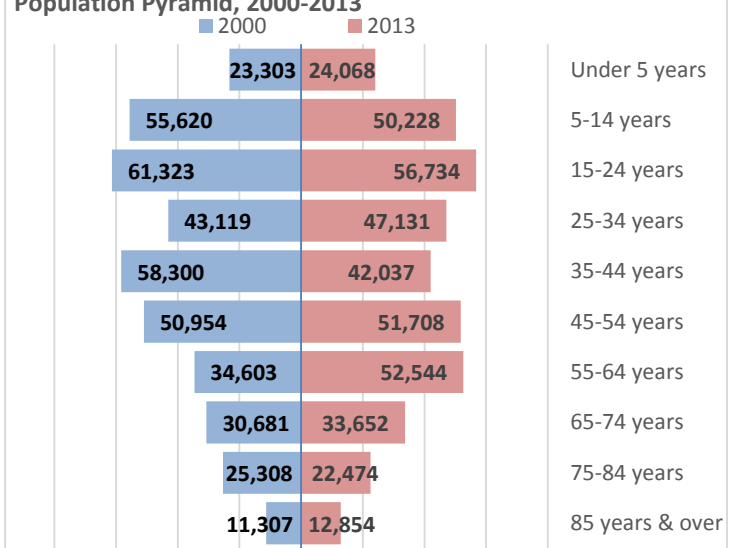
Southwest Minnesota has an older population than the rest of the state, with 17.6% of the population aged 65 years and over, compared to 13.9% statewide. Consequently, Southwest Minnesota had a lower percentage of people in the 25- to 54-year-old age group, typically considered the “prime working years,” as well as a smaller percentage of school-aged children. However, having several postsecondary institutions in the region led to a higher percentage of people aged 15 to 24. More than one-fourth of the region's population was a part of the Baby Boom generation, which is creating a significant shift in the population over time. While the number of younger residents is declining, the number of residents aged 55 years and over was rapidly increasing (see Figure 1 and Figure 2).

**Figure 1. Percentage of Population by Age Group, 2013**



Source: U.S. Census Bureau, American Community Survey

**Figure 2. Southwest Minnesota Population Pyramid, 2000-2013**

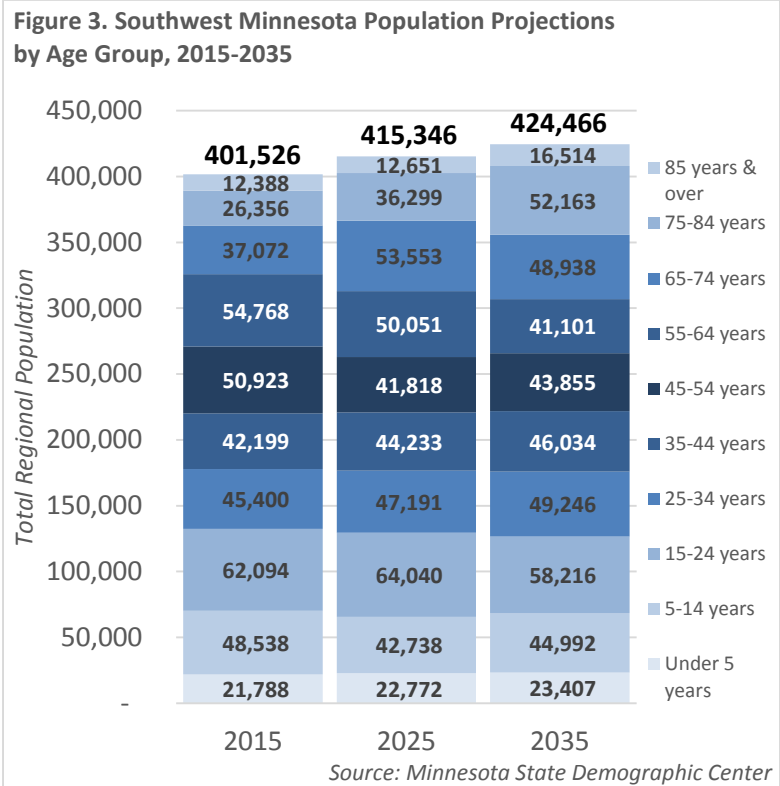


Source: U.S. Census Bureau, American Community Survey

### POPULATION PROJECTIONS BY AGE GROUP, 2015-2035

After several decades of population declines in EDR 6W and EDR 8, the entire region is projected to enjoy a population increase in the next twenty years. According to population projections from the [Minnesota State Demographic Center](#), Southwest Minnesota is expected to gain nearly 23,000 net new residents from 2015 to 2035, a 5.7% increase (see Figure 3). In comparison, the state of Minnesota is projected to grow 10.8%.

However, much of this population growth is expected to be in the older age groups. Southwest Minnesota is projected to add nearly 42,000 people aged 65 years and over, a 55% increase. The region is also expected to gain people in the 25- to 44-year-old age group, as well as a corresponding increase in children under 5 years of age. In contrast, Southwest Minnesota is expected to lose school-aged children and young adults from 5 to 24 years of age, as well as people from 45 to 64 years of age – as the current Baby Boom generation moves through the population pyramid.



### POPULATION BY RACE, 2013

Southwest Minnesota's population is less diverse than the state's, but is becoming more diverse over time. In 2013, nearly 94% of the region's residents reported White alone as their race, compared to 85.6% of residents statewide. The region had much smaller percentages of Black or African American residents, American Indian and Alaska Natives, Asian or Other Pacific Islanders, and people of two or more races. However, at 5.6%, Southwest Minnesota had a higher percentage of people reporting Hispanic or Latino origin than the state, and a similar percentage of people of some other race (see Table 2).

Nobles County had the most diverse populace in the region, including 26.3% of residents reporting Hispanic origin, which was highest in the state. Redwood and Lyon also had relatively diverse populations in the region. In contrast, over 97% of residents in Big Stone, Brown, Faribault, Lac qui Parle, Lincoln, and Rock County were White alone.

Table 2. Race and Hispanic Origin, 2013	Southwest Minnesota			Minnesota	
	Number	Percent	Change from 2000-2013	Percent	Change from 2000-2013
<b>Total</b>	<b>394,440</b>	<b>100.0%</b>	<b>0.0%</b>	<b>100.0%</b>	<b>+8.7%</b>
White	370,037	93.8%	-1.5%	85.6%	+4.0%
Black or African American	5,573	1.4%	+106.2%	5.2%	+63.0%
American Indian & Alaska Native	2,250	0.6%	+13.4%	1.1%	+4.6%
Asian & Other Pac. Islander	6,070	1.5%	+40.9%	4.2%	+56.9%
Some Other Race	5,140	1.3%	-19.2%	1.4%	+17.4%
Two or More Races	5,370	1.4%	+60.6%	2.5%	+59.6%
Hispanic or Latino	21,892	5.6%	+75.9%	4.8%	+79.3%

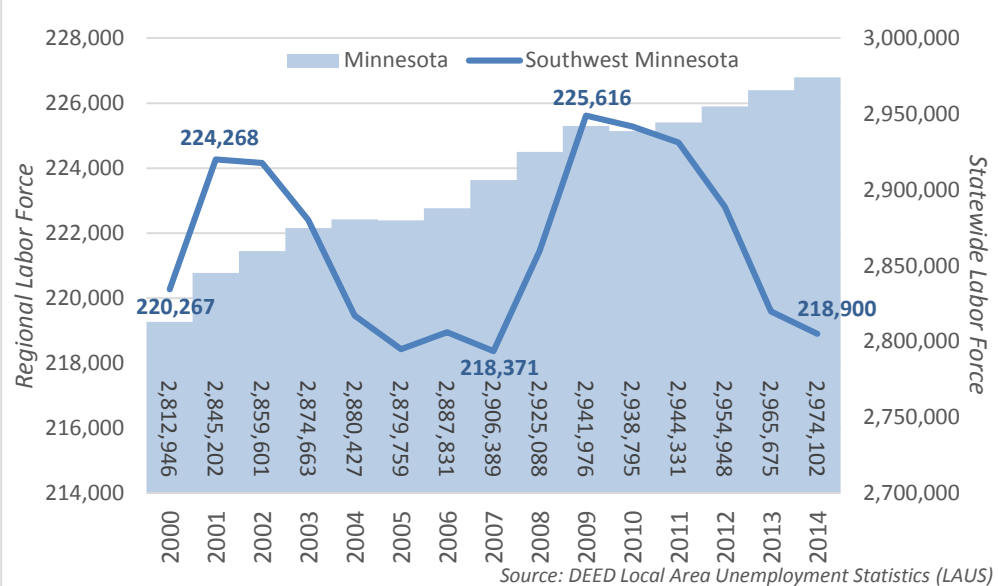
Source: [U.S. Census Bureau, American Community Survey](#)

## LABOR FORCE

### LABOR FORCE CHANGE, 2000-2014

According to data from DEED's [Local Area Unemployment Statistics](#) program, Southwest Minnesota has experienced some substantial fluctuations in the size of the available labor force over the last 14 years in response to changing economic conditions. During the recessions in both 2001 and 2007, workers flooded into the labor market to earn extra income; then dropped back out when the region's economy improved. In line with the region's population decline overall, Southwest Minnesota lost about 1,400 workers over the last 14 years, from 220,267 available workers in 2000 to 218,900 workers in 2014. In contrast, the state was gaining workers over the past decade and a half (see Figure 4). As the economy has recovered, the labor market in the region has been getting tighter, with only about 9,000 unemployed workers that were actively seeking work in 2014.

Figure 4. Annual Labor Force Estimates, 2000-2014



### LABOR FORCE PROJECTIONS, 2015-2025

If Southwest Minnesota's population changes at the projected rates shown in Figure 3 above, the region would be expected to see a continued decline in the labor force over the next decade. Applying current labor force participation rates to future population projections by age group creates labor force projections for the region, which show a small drop in workforce numbers (see Table 3).

In addition to the overall decline, the labor force will also see a significant shift over time, with large gains in the number of workers aged 65 years and over against huge declines in the number of workers aged 45 to 64 years. However, the region is still expected to see gains in the number of entry-level workers and 25 to 44 year olds. This will likely lead to a tight labor market in the future as well, with employers needing to respond to the changing labor force availability in the region.

Table 3. Southwest Minnesota Labor Force Projections				
	2015 Labor Force Projection	2025 Labor Force Projection	2015-2025 Change	
			Numeric	Percent
16 to 19 years	14,796	14,363	-433	-2.9%
20 to 24 years	23,979	26,334	+2,355	+9.8%
25 to 44 years	78,314	81,733	+3,419	+4.4%
45 to 54 years	45,169	37,093	-8,076	-17.9%
55 to 64 years	42,171	38,539	-3,632	-8.6%
65 to 74 years	11,529	16,655	+5,126	+44.5%
75 years & over	2,325	2,937	+612	+26.3%
<b>Total Labor Force</b>	<b>218,283</b>	<b>217,654</b>	<b>-629</b>	<b>-0.3%</b>

Source: [Minnesota State Demographic Center, 2009-2013 American Community Survey 5-Year Estimates](#)

## EMPLOYMENT CHARACTERISTICS, 2013

With 68.9% of the population aged 16 years and over in the labor force, Southwest Minnesota had slightly lower labor force participation rates than the state (70.3%). However, the region actually had higher labor force participation rates than the state in several age groups, but the overall rate was lower because a higher percentage of Southwest Minnesota's labor force was older (see Table 4).

In contrast, the region had lower participation rates than the state for every race group except Asian or Other Pacific Islanders; and also had large unemployment rate disparities for minority groups. Southwest Minnesota had over 11,700 veterans and more than 11,150 workers with disabilities in the labor force, with both having lower unemployment rates in the region than the state. In sum, unemployment rates were highest for young people, minorities, workers with disabilities, and people with lower educational attainment.

**Table 4. Employment Characteristics, 2013**

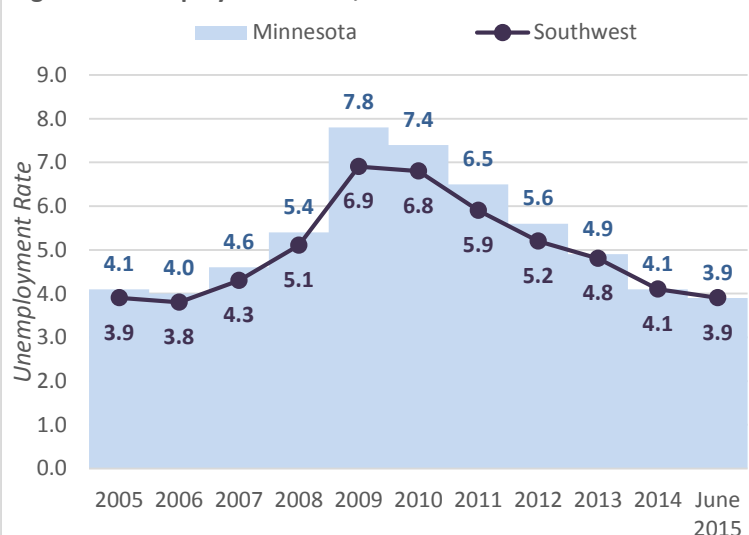
	Southwest Minnesota			Minnesota	
	Number	Labor Force Partic. Rate	Unemp. Rate	Labor Force Partic. Rate	Unemp. Rate
<b>Total Labor Force</b>	<b>216,629</b>	<b>68.9%</b>	<b>5.4%</b>	<b>70.3%</b>	<b>7.1%</b>
16 to 19 years	13,094	56.8%	14.5%	50.9%	20.2%
20 to 24 years	23,713	81.2%	8.7%	81.6%	11.2%
25 to 44 years	80,367	89.4%	5.1%	88.2%	6.3%
45 to 54 years	48,709	88.7%	3.8%	87.5%	5.6%
55 to 64 years	38,766	77.0%	3.4%	71.7%	5.5%
65 to 74 years	9,880	31.1%	3.8%	26.5%	4.5%
75 years & over	2,124	6.0%	6.2%	5.8%	4.6%
<b>Employment Characteristics by Race &amp; Hispanic Origin</b>					
White alone	206,165	69.0%	5.0%	70.5%	6.3%
Black or African American	2,232	58.6%	21.2%	67.6%	17.5%
American Indian & Alaska Native	870	53.8%	9.7%	60.1%	18.8%
Asian or Other Pac. Islanders	3,189	70.7%	7.0%	69.8%	8.5%
Some Other Race	2,388	76.4%	13.5%	77.6%	10.9%
Two or More Races	1,688	66.1%	10.0%	69.0%	14.4%
Hispanic or Latino	9,755	73.9%	12.2%	75.1%	10.4%
<b>Employment Characteristics by Veteran Status</b>					
Veterans, 18 to 64 years	11,719	82.2%	6.9%	77.8%	7.7%
<b>Employment Characteristics by Disability</b>					
With Any Disability	11,164	58.5%	10.4%	51.6%	14.6%
<b>Employment Characteristics by Educational Attainment</b>					
Population, 25 to 64 years	167,828	86.0%	4.3%	84.2%	5.9%
Less than H.S. Diploma	9,332	69.9%	10.3%	66.9%	14.6%
H.S. Diploma or Equivalent	52,894	83.5%	5.5%	79.4%	8.0%
Some College or Assoc. Degree	64,169	88.4%	3.8%	85.6%	6.1%
Bachelor's Degree or Higher	41,442	90.4%	2.3%	89.1%	3.4%

Source: [2009-2013 American Community Survey, 5-Year Estimates](#)

## UNEMPLOYMENT RATE, 2005-2015

Southwest Minnesota has consistently reported lower unemployment rates than Minnesota and the nation, regardless of the state of the economy. According to [Local Area Unemployment Statistics](#), the region's unemployment rate hovered just below the state rate from 2005 to 2008, before rising to about 7.0% in 2009 and 2010, then dropping back to prerecession levels in 2014 and 2015 (see Figure 5). Southwest Minnesota was home to seven of the 15 lowest unemployment rates in the state in June of 2015, led by Rock County at 2.3%.

**Figure 5. Unemployment Rates, 2005-2015**



Source: DEED Local Area Unemployment Statistics (LAUS)

## COMMUTE SHED AND LABOR SHED, 2013

According to commuting data from the [U.S. Census Bureau](https://www.census.gov), the vast majority – about 76% – of workers who live in the region also work within the region. However, Southwest Minnesota is a net exporter of labor, having slightly more workers than available jobs; not only drawing in workers from surrounding counties but also having residents drive outside the region to find work. In sum, 145,136 workers both lived and worked in Southwest Minnesota in 2013, while another 38,445 workers drove into the region for work, compared to 45,562 workers who lived in the region but drove to surrounding counties for work (see Table 5 and Figure 6).

Table 5. Southwest Minnesota Inflow/Outflow Job Counts (All Jobs), 2013	2013	
	Count	Share
Employed in the Selection Area	183,581	100.0%
Employed in the Selection Area but Living Outside	38,445	20.9%
Employed and Living in the Selection Area	145,136	79.1%
Living in the Selection Area	190,698	100.0%
Living in the Selection Area but Employed Outside	45,562	23.9%
Living and Employed in the Selection Area	145,136	76.1%

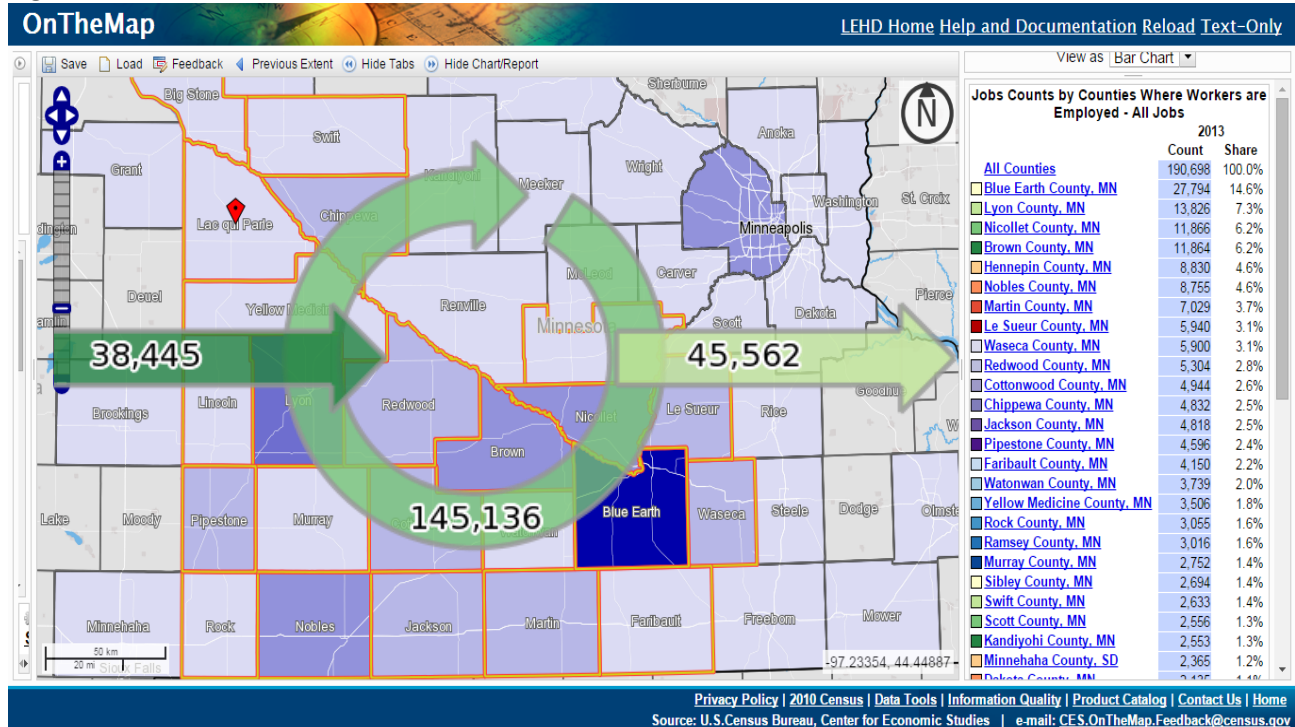
Source: [U.S. Census Bureau](https://www.census.gov), [OnTheMap](https://onthemap.org)

Blue Earth County is the largest employment center in the region and was the biggest draw for workers, followed by Lyon, Nicollet, Brown, Nobles, Martin, Le Sueur, and Redwood County. Employers in the region both lose and draw workers from the Twin Cities metro area, as well as Minnehaha County in South Dakota, which includes the Sioux Falls Metropolitan Statistical Area. In contrast, the region also sends workers out of the region, primarily to larger metro areas including Sioux Falls, as well as the Twin Cities (see Table 6 and Figure 6).

Table 6. Southwest Commuting Data	
Counties outside the region that send the most workers into the region	Counties outside the region that the most workers from inside the region travel to
Hennepin Co. MN	Hennepin Co. MN
Dakota Co. MN	Ramsey Co. MN
Rice Co. MN	Scott Co. MN
Ramsey Co. MN	Minnehaha Co. SD
Scott Co. MN	Dakota Co. MN

Source: [U.S. Census Bureau](https://www.census.gov), [OnTheMap](https://onthemap.org)

Figure 6. Southwest Minnesota Labor and Commute Shed, 2013

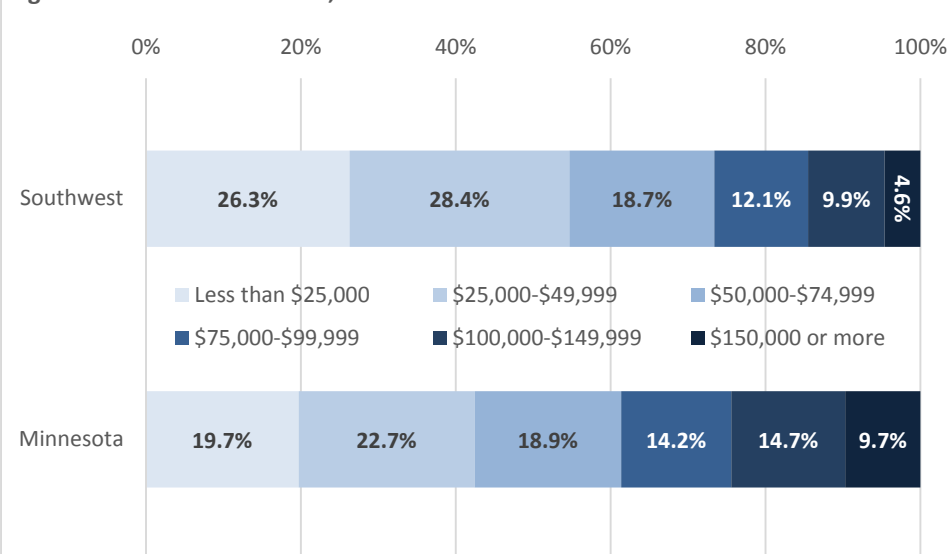


## INCOMES, WAGES AND OCCUPATIONS

### HOUSEHOLD INCOMES

Household incomes were significantly lower in Southwest Minnesota than the rest of the state. Median household incomes ranged from \$44,264 in Faribault County, which was the 9<sup>th</sup> lowest in the state, to \$60,115 in Nicollet County, which was the 12<sup>th</sup> highest. Well over half (54.7%) of the households in the region had incomes below \$50,000 in 2013, compared to 42.4% statewide. About 30.8%

Figure 7. Household Incomes, 2013



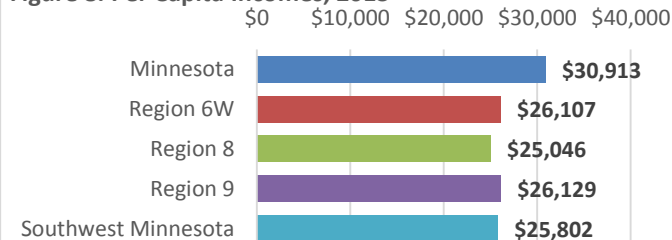
Source: U.S. Census Bureau, 2009-2013 American Community Survey 5-Year Estimates

of households earned between \$50,000 and \$100,000 in the region. In contrast, only 14.5% of households in Southwest Minnesota earned over \$100,000 per year, compared to nearly 25% of households statewide (see Figure 7).

### PER CAPITA INCOMES

Per capita incomes were also lower in the region than the state, ranging from \$25,046 in EDR 8 to \$26,129 in EDR 9, compared to \$30,913 in Minnesota (see Figure 8). The lowest per capita income in the region was found in Cottonwood County (\$23,456), while the highest was in Lac qui Parle County (\$28,014).

Figure 8. Per Capita Incomes, 2013



Source: American Community Survey

### COST OF LIVING

According to DEED's [Cost of Living tool](#), the basic needs budget for an average Minnesota family (which consists of 2 adults and 1 child, with 1 full-time and 1 part-time worker) was \$50,988 in 2015. The cost of living for a similar family in Southwest Minnesota was \$41,352 – which was easily the lowest in the state. The highest monthly costs were for transportation, food, and housing; but the region's housing, child care, taxes, and transportation costs were significantly lower than the rest of the state (see Table 7).

In order to meet the basic cost of living for the region, the workers in the family scenario described would need to earn \$13.25 per hour.

Table 7. Family Yearly Cost, Worker Hourly Wage, and Family Monthly Costs, 2015

Region	Family Yearly Cost of Living	Hourly Wage Required	Monthly Costs						
			Child Care	Food	Health Care	Housing	Transportation	Other	Taxes
Southwest	\$41,352	\$13.25	\$209	\$766	\$398	\$701	\$933	\$205	\$234
Minnesota	\$50,988	\$16.34	\$443	\$772	\$405	\$907	\$1,039	\$235	\$448

Source: [DEED Cost of Living tool](#)

## OCCUPATIONS

According to DEED's [Occupational Employment Statistics](#) program, the median hourly wage for all occupations in Southwest Minnesota was \$15.48 in the first quarter of 2015, which was the second lowest wage level of the six planning regions in the state. Southwest's median wage was over \$3.00 below the state's median hourly wage, equaling just under 80% of the statewide wage rate, and \$5.00 below the median hourly wage in the 7-County Twin Cities metro area, which would amount to over \$10,000 per year for a full-time worker. EDR 8 was the lowest, over \$0.50 per hour below surrounding regions like EDR 6W (\$15.34), \$1.20 below EDR 9 (\$15.99), and over \$1.60 below EDR 6E (\$16.42) (see Table 8).

<b>Table 8. Occupational Employment Statistics by Region, 1<sup>st</sup> Qtr. 2015</b>	Median Hourly Wage	Estimated Regional Employment
Central Minnesota	\$16.66	263,270
Northeast Minnesota	\$16.58	141,800
Northwest Minnesota	\$15.42	203,060
Twin Cities Metro Area	\$20.49	1,691,650
Southeast Minnesota	\$17.74	253,990
<b>Southwest Minnesota</b>	<b>\$15.48</b>	<b>177,030</b>
EDR 6W - Upper MN Valley	\$15.34	18,380
EDR 8 - Southwest	\$14.79	53,380
EDR 9 - South Central	\$15.99	105,260
<b>State of Minnesota</b>	<b>\$18.65</b>	<b>2,730,020</b>

Source: [DEED Occupational Employment Statistics](#)

Not surprisingly, the lowest-paying jobs are concentrated in food preparation and serving, personal care and service, sales and related, and building, grounds cleaning and maintenance jobs, which tend to have lower educational and training requirements. For the most part, the gap in pay between Southwest Minnesota and the state is also lower in these jobs. Wages are most competitive in community and social service, farming, fishing, and forestry, protective service, and production occupations (see Table 9).

<b>Table 9. Southwest Minnesota Occupational Employment Statistics, 1<sup>st</sup> Qtr. 2015</b>							
	Southwest Minnesota				State of Minnesota		
	Median Hourly Wage	Estimated Regional Employment	Share of Total Employment	Location Quotient	Median Hourly Wage	Estimated Regional Employment	Share of Total Employment
<b>Total, All Occupations</b>	<b>\$15.48</b>	<b>177,030</b>	<b>100.0%</b>	1.0	<b>\$18.65</b>	<b>2,730,020</b>	<b>100.0%</b>
Production	\$15.43	27,100	15.3%	1.9	\$16.61	217,830	8.0%
Office & Administrative Support	\$15.09	23,730	13.4%	0.9	\$17.27	409,100	15.0%
Education, Training, & Library	\$19.37	17,280	9.8%	1.7	\$22.72	156,090	5.7%
Sales & Related	\$10.91	15,840	8.9%	0.9	\$13.24	270,540	9.9%
Transportation & Material Moving	\$14.75	12,930	7.3%	1.2	\$16.18	167,130	6.1%
Healthcare Practitioners & Technical	\$24.62	8,980	5.1%	0.9	\$31.54	160,390	5.9%
Food Preparation & Serving Related	\$9.04	8,840	5.0%	0.6	\$9.21	228,640	8.4%
Healthcare Support	\$11.57	8,010	4.5%	1.4	\$13.63	89,360	3.3%
Management	\$36.78	7,920	4.5%	0.7	\$47.47	165,730	6.1%
Installation, Maintenance, & Repair	\$19.45	6,890	3.9%	1.1	\$21.52	94,310	3.5%
Personal Care & Service	\$10.66	6,320	3.6%	0.8	\$11.11	120,000	4.4%
Building & Grounds Cleaning & Maint.	\$11.55	6,070	3.4%	1.1	\$12.03	81,560	3.0%
Business & Financial Operations	\$25.30	5,920	3.3%	0.6	\$30.37	159,970	5.9%
Construction & Extraction	\$19.98	5,710	3.2%	1.0	\$24.88	91,240	3.3%
Community & Social Service	\$20.83	3,410	1.9%	1.1	\$20.51	49,210	1.8%
Protective Service	\$18.25	3,020	1.7%	1.1	\$19.43	43,660	1.6%
Architecture & Engineering	\$28.57	2,600	1.5%	0.8	\$34.76	50,980	1.9%
Arts, Design, Entertainment, & Media	\$17.41	1,950	1.1%	0.8	\$21.82	36,430	1.3%
Computer & Mathematical	\$27.36	1,940	1.1%	0.3	\$37.96	91,560	3.4%
Life, Physical, & Social Science	\$24.50	1,350	0.8%	0.9	\$30.29	24,410	0.9%
Farming, Fishing, & Forestry	\$13.83	700	0.4%	3.0	\$14.41	3,570	0.1%
Legal	\$29.60	550	0.3%	0.5	\$38.48	18,330	0.7%

Source: [DEED Occupational Employment Statistics, Qtr. 1 2015](#)

In contrast, the highest paying jobs are found in management, legal, architecture and engineering, computer, business and financial operations, healthcare practitioners, and life, physical, and social science occupations, which all need higher levels of education and experience, including many that require postsecondary training. The pay gaps between the region and state are much bigger in these occupations.

### JOB VACANCY SURVEY

Employers reported 7,245 job vacancies in the fourth quarter of 2014, a 52% increase compared to the previous year. Overall, almost half of the openings were part-time, and only about one-fourth required postsecondary education. The median hourly wage offer was \$12.03 (see Table 10).

	Percent of Total Vacancies	Percent Part-time	Requiring Post-Secondary Education	Requiring 1 or More Years of Experience	Requiring Certificate or License	Median Hourly Wage Offer
<b>Total, All Occupations</b>	<b>7,245</b>	<b>47%</b>	<b>27%</b>	<b>29%</b>	<b>30%</b>	<b>\$12.03</b>
Food Preparation & Serving Related	18.5%	71%	0%	2%	0%	\$9.98
Transportation & Material Moving	11.3%	25%	3%	43%	84%	\$14.56
Production	9.2%	2%	13%	21%	3%	\$12.34
Sales & Related	9.0%	90%	5%	9%	20%	\$8.55
Installation, Maintenance, & Repair	7.0%	25%	61%	56%	7%	\$16.34
Personal Care & Service	6.9%	73%	7%	6%	52%	\$9.39
Office & Administrative Support	6.2%	33%	17%	36%	13%	\$10.31
Education, Training, & Library	6.1%	55%	73%	63%	53%	\$15.22
Building, Grounds Cleaning & Maint.	5.6%	55%	1%	18%	2%	\$9.81
Healthcare Practitioners & Technical	4.5%	48%	94%	47%	83%	\$22.72
Healthcare Support	4.3%	68%	71%	5%	80%	\$10.67
Architecture & Engineering	2.6%	1%	100%	94%	6%	\$17.78
Construction & Extraction	2.1%	0%	10%	81%	26%	\$12.76
Business & Financial Operations	1.3%	15%	66%	49%	4%	\$15.49
Arts, Design, Entertainment, & Media	1.3%	71%	13%	61%	0%	\$10.91
Protective Service	1.0%	65%	30%	16%	86%	\$15.79
Management	0.8%	7%	96%	83%	27%	\$25.97
Community & Social Service	0.8%	20%	89%	22%	73%	\$18.65
Computer & Mathematical	0.6%	2%	51%	49%	8%	\$17.64
Farming, Fishing, & Forestry	0.4%	0%	49%	52%	47%	\$12.87
Life, Physical, & Social Science	0.4%	0%	96%	81%	71%	\$22.03

Source: [DEED Job Vacancy Survey, Qtr. 4 2014](#)

### OCCUPATIONS IN DEMAND

According to DEED's [Occupations in Demand](#) tool, there are well over 200 occupations showing relatively high demand in the region, with training and education requirements ranging from short-term on-the-job training to postsecondary education to advanced degrees. Almost half of the occupations in demand require a high school diploma or less, while just under 20% require some postsecondary training, a vocational award, or an associate's degree. Almost one-fourth require a bachelor's degree, and the remaining 10% require advanced degrees.

These occupations are spread across different sectors but are also concentrated in the region's major industries. For example, nursing assistants, slaughterers and meat packers, and heavy and tractor trailer truck drivers are among the top occupations in demand based on the consistent need for workers in these industries. Many of the jobs are concentrated in manufacturing, health care, transportation, and other related industries (see Table 11).

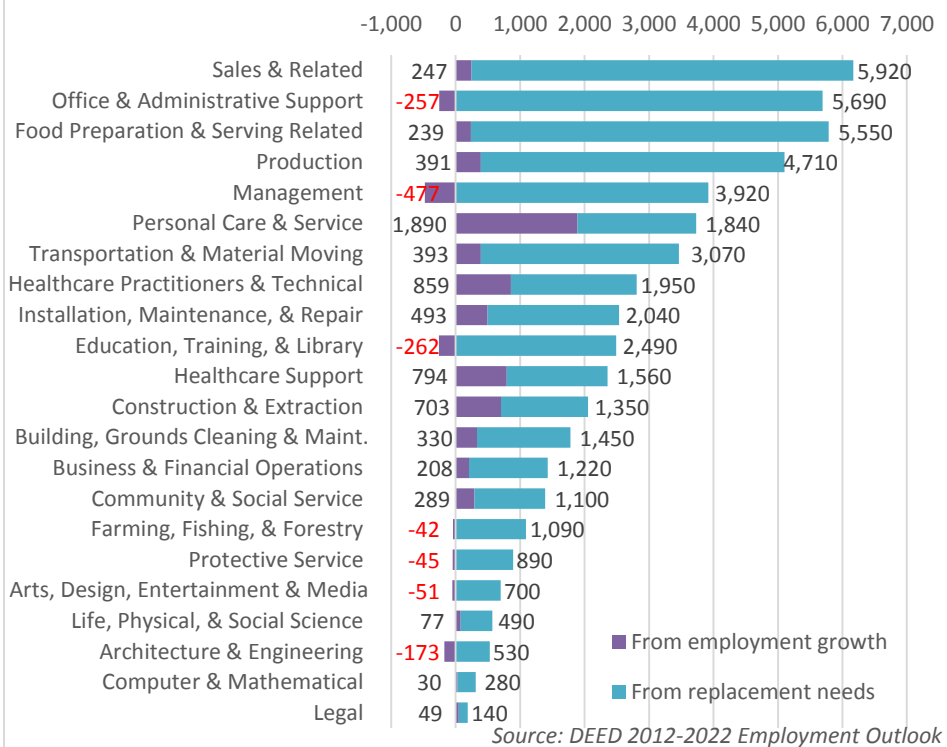
Less than High School	High School or Equivalent	Some College or Assoc. Degree	Bachelor's Degree or Higher
Personal Care Aides (\$22,605)	Office Clerks, General (\$25,562)	Nursing Assistants (\$24,856)	Family & General Practitioners (\$194,199)
Stock Clerks & Order Fillers (\$22,505)	Social & Human Service Assistants (\$31,123)	Heavy & Tractor-Trailer Truck Drivers (\$38,117)	Secondary School Teachers (\$47,289)
Slaughterers & Meat Packers (\$27,909)	Tellers (\$23,986)	Registered Nurses (\$62,221)	Financial Managers (\$81,786)
Combined Food Preparation & Serving Workers (\$18,418)	Light Truck or Delivery Services Driver (\$34,248)	Licensed Practical & Licensed Vocational Nurses (\$39,366)	Mechanical Engineers (\$70,811)
Cashiers (\$19,251)	Route Drivers/Sales Workers (\$26,705)	First-Line Supervisors of Production Workers (\$52,638)	Industrial Engineers (\$73,081)
Packers & Packagers, Hand (\$19,313)	Maintenance & Repair Workers, General (\$39,627)	Computer Support Specialists (\$40,602)	Physicians & Surgeons, All Other (\$195,435)
Retail Salespersons (\$20,964)	Customer Service Representatives (\$31,164)	Medical Assistants (\$29,898)	Nurse Practitioners (\$103,709)
Laborers & Freight, Stock, & Material Movers (\$30,910)	Bus & Truck Mechanics & Diesel Engine Specialists (\$38,001)	Hairdressers, Hairstylists, & Cosmetologists (\$24,875)	Securities, Commodities & Financial Services Salespeople (\$71,734)
Home Health Aides (\$22,834)	Farm Equipment Mechanics & Service Technicians (\$40,358)	Wind Turbine Service Technicians (\$49,172)	Accountants & Auditors (\$52,855)
Farmworkers & Laborers (\$25,507)	Welders, Cutters, Solderers, & Brazers (\$43,902)	Emergency Medical Techs & Paramedics (\$28,229)	Industrial Production Managers (\$77,503)

*Source: DEED Occupations in Demand*

## EMPLOYMENT PROJECTIONS

Southwest Minnesota is projected to grow 2.7% from 2012 to 2022, making it the slowest growing planning region in the state, which is expected to expand by 7.0%. The region could gain about 5,685 new jobs, but will also need to fill 48,000 replacement openings for existing jobs left vacant by retirements and other career changers. In fact, the number of replacement openings is expected to dwarf the number of new jobs in every group except for personal care and service occupations; primarily due to projected growth in personal care aides. Seven occupational groups will not see any new growth, but will still have demand for new workers (see Figure 9).

**Figure 9. Southwest Minnesota Employment Projections, 2012-2022**



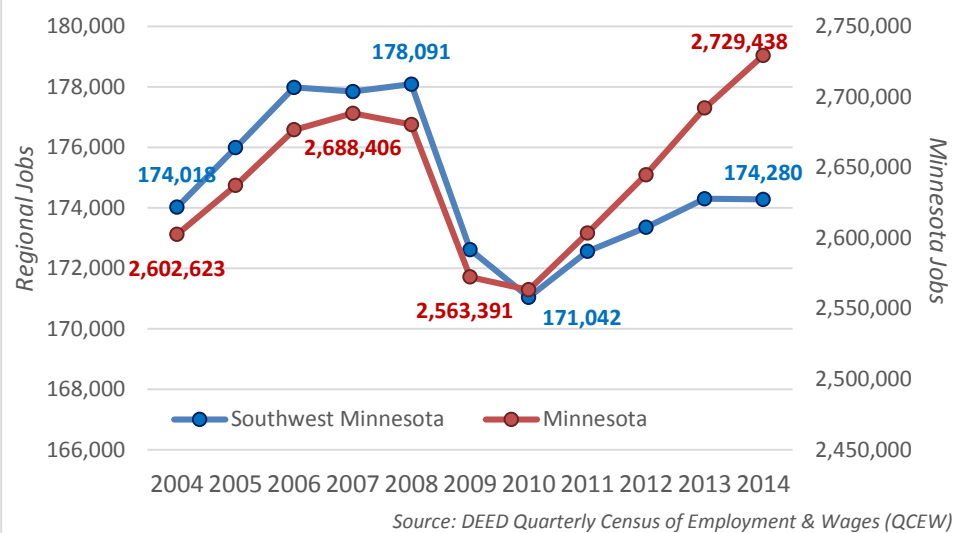
## ECONOMY

### INDUSTRY EMPLOYMENT

Southwest Minnesota has seen employment ups and downs over the past decade, but ended 2014 with almost the same number of jobs as in 2004. The region entered the recession later than the state, still experiencing job growth through 2008, before suffering severe declines in 2009 and 2010. Since then, Southwest Minnesota has recovered much more slowly than the state,

which gained jobs at a 6.5% clip from 2010 to 2014, compared to a 1.9% increase in the region. Southwest Minnesota reached a peak of 178,091 jobs in 2008, then hit a low of 171,042 jobs in 2010, and has still not recovered all of the jobs lost during the recession (see Figure 10).

Figure 10. Industry Employment Change, 2004-2014



According to DEED's [Quarterly Census of Employment & Wages \(QCEW\) program](#), Southwest Minnesota was home to 11,930 business establishments providing 174,280 covered jobs through 2014, with a total payroll of just over \$6.45 billion. That was about 6.4% of total employment in the state of Minnesota. Average annual wages were \$36,972 in the region, which was almost \$15,000 lower than the state's average annual wage (see Table 12).

Geography	Number of Firms	Number of Jobs	Total Payroll	Average Annual Wage	2010-2014		2013-2014	
					Change in Jobs	Percent Change	Change in Jobs	Percent Change
<b>Southwest Minnesota</b>	<b>11,930</b>	<b>174,280</b>	<b>\$6,450,741,939</b>	<b>\$36,972</b>	<b>+3,238</b>	<b>+1.9%</b>	<b>-22</b>	<b>0.0%</b>
Region 6W	1,528	17,328	\$598,124,054	\$34,476	-880	-4.8%	-181	-1.0%
Region 8	3,949	54,587	\$1,917,435,861	\$35,100	+1,498	+2.8%	+269	+0.5%
Region 9	6,454	102,364	\$3,935,182,024	\$38,428	+2,620	+2.6%	-110	-0.1%
<b>Minnesota</b>	<b>164,409</b>	<b>2,729,438</b>	<b>\$140,857,248,755</b>	<b>\$51,584</b>	<b>+166,047</b>	<b>+6.5%</b>	<b>+37,321</b>	<b>+1.4%</b>

Source: [DEED Quarterly Census of Employment & Wages \(QCEW\)](#)

With 102,364 jobs at 6,454 business establishments, EDR 9 accounts for about 60% of total employment in the Southwest Minnesota planning region. EDR 9 also accounted for 80% of the region's job growth during the recovery from 2010 to 2014, adding 2,620 net new jobs. In contrast, EDR 6W had the smallest number of firms and jobs, with 17,328 jobs at 1,528 establishments, and saw a decline of 880 jobs in the past five years. EDR 8 had 3,949 establishments providing 54,587 jobs in 2014, after enjoying a 2.8% gain in jobs since 2010. EDR 8 also saw an increase in jobs over the past year, while both EDR 6W and EDR 9 saw small job declines from 2013 to 2014. EDR 9 had the highest average annual wages at \$38,428, though that was still \$13,000 below the state average. Wages were closer to \$35,000 in EDR 8 and EDR 6W (see Table 12).

With 31,343 jobs at 615 firms, manufacturing is the largest employing industry in Southwest Minnesota, accounting for 18.0% of total jobs in the region. That is about 6.5% higher than the state's concentration of employment in manufacturing. In addition, Southwest Minnesota is still adding manufacturing jobs, gaining 941 net new jobs over the past five years. At \$45,552 in 2014, average annual wages were \$8,580 higher in manufacturing than the total of all industries.

The next largest industry in Southwest Minnesota was health care and social assistance, with 30,410 jobs at 989 firms, after gaining about 250 net new jobs in the past five years. Due to the region's older population, the largest sector was nursing and residential care facilities, followed by hospitals, ambulatory health care services, and social assistance.

Retail trade is the third largest industry, with 20,235 jobs at 1,590 establishments. However, wages are relatively low in retail trade, and the region has seen job declines in retail over the past year.

Other important industries in Southwest Minnesota include educational services, accommodation and food services, public administration, wholesale trade, construction, transportation and warehousing, finance and insurance, other services, and agriculture. Fifteen of the 20 main industries in the region added jobs since 2010, with huge gains manufacturing, agriculture, construction, administrative support (which includes temporary staffing agencies) and waste management services, retail trade, health care, professional and technical services, and transportation and warehousing. In contrast, the region saw job declines in wholesale trade, management of companies, public administration, educational services, and other services (see Table 13).

NAICS Industry Title	2014 Annual Data				Avg. Annual Wage	2010-2014		2013-2014	
	Number of Firms	Number of Jobs	Percent of Jobs	Total Payroll		Change in Jobs	Percent Change	Change in Jobs	Percent Change
<b>Total, All Industries</b>	<b>11,930</b>	<b>174,280</b>	<b>100.0%</b>	<b>\$6,450,741,939</b>	<b>\$36,972</b>	<b>+3,238</b>	<b>+1.9%</b>	<b>-22</b>	<b>0.0%</b>
Manufacturing	615	31,343	18.0%	\$1,427,891,577	\$45,552	+941	+3.1%	+145	+0.5%
Health Care & Social Assistance	989	30,410	17.4%	\$1,079,492,288	\$35,464	+256	+0.8%	+119	+0.4%
Retail Trade	1,590	20,235	11.6%	\$437,507,700	\$21,580	+460	+2.3%	-62	-0.3%
Educational Services	227	15,323	8.8%	\$590,176,562	\$38,688	-142	-0.9%	+5	0.0%
Accommodation & Food Services	824	12,650	7.3%	\$151,964,369	\$12,012	+141	+1.1%	-125	-1.0%
Public Administration	572	9,537	5.5%	\$364,715,494	\$38,272	-169	-1.7%	-27	-0.3%
Wholesale Trade	652	7,759	4.5%	\$401,015,968	\$51,688	-282	-3.5%	-71	-0.9%
Construction	1,510	7,748	4.4%	\$346,957,512	\$44,460	+581	+8.1%	+136	+1.8%
Transportation & Warehousing	762	6,050	3.5%	\$213,696,321	\$35,360	+215	+3.7%	+100	+1.7%
Finance & Insurance	749	5,888	3.4%	\$303,875,175	\$51,584	+23	+0.4%	-82	-1.4%
Other Services	1,007	4,968	2.9%	\$124,042,014	\$24,908	-139	-2.7%	-5	-0.1%
Agriculture, Forestry, Fish & Hunt	580	4,917	2.8%	\$183,301,054	\$37,180	+685	+16.2%	+97	+2.0%
Admin. Support & Waste Mgmt.	356	4,096	2.4%	\$112,733,754	\$27,508	+517	+14.4%	-192	-4.5%
Professional & Technical Services	612	4,042	2.3%	\$195,453,574	\$48,308	+230	+6.0%	+49	+1.2%
Information	194	2,908	1.7%	\$125,686,892	\$43,212	+31	+1.1%	+35	+1.2%
Arts, Entertainment & Recreation	236	1,938	1.1%	\$28,320,106	\$14,612	+48	+2.5%	-1	-0.1%
Management of Companies	52	1,827	1.0%	\$232,037,745	\$126,516	-237	-11.5%	-131	-6.7%
Real Estate & Rental & Leasing	298	1,242	0.7%	\$29,340,476	\$23,608	+15	+1.2%	-15	-1.2%
Utilities	80	1,009	0.6%	\$76,453,032	\$75,816	+5	+0.5%	-27	-2.6%
Mining	27	386	0.2%	\$26,080,326	\$68,276	+60	+18.4%	+30	+8.4%

Source: [DEED Quarterly Census of Employment & Wages \(QCEW\)](#)

## DISTINGUISHING INDUSTRIES

Southwest Minnesota stands out in the state for its higher concentrations of employment in manufacturing and agriculture, but has a broader list of industry sectors that are more prevalent in the region than the state. Southwest Minnesota has 6.4% of total state employment, but has almost 35% of the state's jobs in animal production and aquaculture, and over 22% of statewide jobs in support activities for agriculture, electrical equipment manufacturing, and food manufacturing (see Table 14).

NAICS Industry Title	NAICS Code	Number of Firms	Number of Jobs	Total Payroll	Avg. Annual Wages	Location Quotient
<b>Total, All Industries</b>	<b>0</b>	<b>11,930</b>	<b>174,280</b>	<b>\$6,450,741,939</b>	<b>\$36,972</b>	<b>1.0</b>
Animal Production & Aquaculture	112	294	3,667	\$137,474,254	\$37,440	5.5
Support Activities for Agriculture	115	93	508	\$22,725,860	\$44,772	3.6
Electrical Equip., Appliance, & Comp. Mfg.	335	19	2,018	\$111,338,075	\$55,172	3.6
Fishing, Hunting & Trapping	114	5	31	\$304,407	\$9,308	3.6
Food Manufacturing	311	108	10,111	\$444,454,104	\$43,940	3.5
Printing & Related Support Activities	323	61	3,738	\$156,681,569	\$41,912	2.4
Nonmetallic Mineral Product Mfg.	327	36	1,376	\$66,940,897	\$48,516	2.4
Gasoline Stations	447	227	2,834	\$46,596,642	\$16,432	1.9
Machinery Manufacturing	333	64	3,799	\$177,205,965	\$46,644	1.8
Truck Transportation	484	452	2,916	\$111,302,892	\$38,116	1.8

Source: [DEED Quarterly Census of Employment & Wages \(QCEW\)](#)

## INDUSTRY PROJECTIONS

As noted above, Southwest Minnesota's economy is projected to grow 2.7% from 2012 to 2022, a gain of 5,685 new jobs.

The largest and fastest growing industry is expected to be health care and social assistance, which may account for over 70% of total projected growth in the region from 2012 to 2022. The region is also expected to see significant employment growth in construction, professional and technical services, administrative support and waste management services, retail trade, wholesale trade, and accommodation and food services. In contrast, the region is expected to see declines in government employment, information, utilities, and other services (see Table 15).

Industry	Estimated Employment 2012	Projected Employment 2022	Percent Change 2012-2022	Numeric Change 2012-2022
<b>Total, All Industries</b>	<b>207,849</b>	<b>213,534</b>	<b>+2.7%</b>	<b>+5,685</b>
Manufacturing	31,654	31,719	+0.2%	+65
Total Government	31,721	30,668	-3.3%	-1,053
Health Care & Social Assistance	25,529	29,605	+16.0%	+4,076
Retail Trade	20,071	20,404	+1.7%	+333
Accommodation & Food Services	11,915	12,153	+2.0%	+238
Wholesale Trade	8,262	8,526	+3.2%	+264
Other Services	8,312	8,265	-0.6%	-47
Construction	7,299	7,809	+7.0%	+510
Finance & Insurance	5,874	5,903	+0.5%	+29
Agriculture, Forestry, Fish & Hunt	5,389	5,519	+2.4%	+130
Transportation & Warehousing	5,123	5,317	+3.8%	+194
Professional & Technical Services	4,069	4,486	+10.2%	+417
Admin. Support & Waste Mgmt.	3,893	4,252	+9.2%	+359
Information	2,914	2,608	-10.5%	-306
Arts, Entertainment, & Recreation	2,507	2,551	+1.8%	+44
Management of Companies	1,977	2,072	+4.8%	+95
Educational Services	1,971	2,037	+3.3%	+66
Real Estate & Rental & Leasing	1,270	1,396	+9.9%	+126
Utilities	772	704	-8.8%	-68
Mining	383	458	+19.6%	+75

Source: [DEED 2012-2022 Employment Outlook](#)

### EMPLOYERS BY SIZE CLASS

The vast majority of businesses in Southwest Minnesota are small businesses, with 54.4% of businesses reporting 1 to 4 employees in 2013, according to County Business Patterns from the U.S. Census Bureau. Another 33.2% had between 5 and 19 employees; and 10% had between 20 and 99 employees. Only 2.2% had 100 to 499 employees, though that was in line with the state. Just 22 businesses in the region had more than 500 employees, which is the Small Business Administration's official cut off for a "small business". Obviously then, small businesses are vital to the region's economy (see Table 16).

Table 16. Employers by Size Class, 2013			
	Southwest Minnesota		Minnesota
Number of Employees	Number of Firms	Percent of Firms	Percent of Firms
1-4	6,162	54.4%	54.2%
5-9	2,211	19.5%	17.7%
10-19	1,550	13.7%	13.4%
20-49	855	7.5%	8.9%
50-99	284	2.5%	3.2%
100-249	201	1.8%	1.9%
250-499	40	0.4%	0.5%
500-999	16	0.1%	0.2%
1,000 or more	6	0.1%	0.1%
<b>Total Firms</b>	<b>11,325</b>	<b>100.0%</b>	<b>100.0%</b>

Source: [U.S. Census, County Business Patterns](#)

### NONEMPLOYER ESTABLISHMENTS

Before growing, the basic building block of most small businesses is a self-employed business. Southwest Minnesota was home to 27,283 self-employed businesses or "nonemployers" in 2013, which are defined by the [U.S. Census Bureau](#) as "businesses without paid employees that are subject to federal income tax, originating from tax return information of the Internal Revenue Service (IRS)." Much like covered employment, Southwest Minnesota has seen a small increase in nonemployers over the past decade, responding to economic changes. In sum, the region gained 1,141 new nonemployers from 2003 to 2013, a 4.4% increase. The largest amount of nonemployers and the fastest growth occurred in EDR 9, though EDR 6W and EDR 8 also saw increases in self-employment. These nonemployers generated sales receipts of \$1.14 billion in 2013 (see Table 17).

Table 17. Nonemployer Statistics, 2013				
	2013		2003-2013	
	Number of Firms	Receipts (\$1,000s)	Change in Firms	Percent Change
<b>Southwest Minnesota</b>	<b>27,283</b>	<b>\$1,143,102</b>	<b>+1,141</b>	<b>+4.4%</b>
Region 6W	3,386	\$131,763	+100	+3.0%
Region 8	8,318	\$368,727	+161	+2.0%
Region 9	15,579	\$642,612	+880	+6.0%
<b>State of Minnesota</b>	<b>388,900</b>	<b>\$17,268,230</b>	<b>+40,173</b>	<b>+11.5%</b>

Source: [U.S. Census, Nonemployer Statistics program](#)

### CENSUS OF AGRICULTURE

Finally, one of the most important industries in Southwest Minnesota is agriculture, with 19,151 farms producing nearly \$8.4 billion in the market value of products sold in 2012, according to the [U.S. Department of Agriculture](#). Southwest Minnesota had 25.7% of the state's farms, and 39.4% of the state's total market value, led by Blue Earth, Faribault, Lyon, Martin, Nobles, Redwood and Rock

County, which were all among the top 20 counties in the state for the market value of products sold.

Despite seeing a small decline in the number of farms, the region saw a 53% increase in the market value of products sold from 2007 to 2012, as many farms got bigger and commodity prices went up (see Table 18).

Table 18. Census of Agriculture, 2012			Change in Market Value, 2007-2012
	Number of Farms	Market Value of Products Sold	
<b>Southwest Minnesota</b>	<b>19,151</b>	<b>\$8,386,406,000</b>	<b>+53.4%</b>
Region 6W	3,612	\$1,471,581,000	+77.6%
Region 8	7,621	\$3,419,803,000	+45.3%
Region 9	7,918	\$3,495,022,000	+53.0%
<b>State of Minnesota</b>	<b>74,542</b>	<b>\$21,280,184,000</b>	<b>+61.5%</b>

Source: [2012 Census of Agriculture](#)