

MINNESOTA DISLOCATED WORKER PROGRAM

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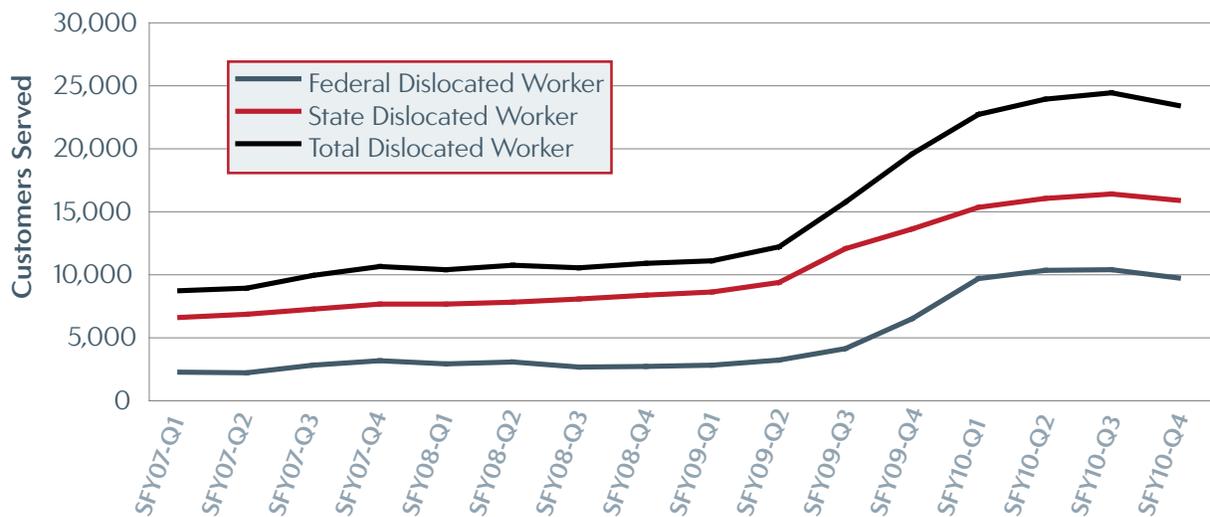
Supporting
Dislocated
Workers
Through
Trying Times



STATE FISCAL YEAR
ANNUAL REPORT

2010

Figure 1: Dislocated Worker Program Customers Served Over Time, SFY 2007-SFY 2010



Supporting Dislocated Workers through Trying Times

Weathering a challenging economy, the Minnesota Dislocated Worker (DW) program served the largest number of individuals in program history in state fiscal year (SFY) 2010. Providing job search services, career counseling, and training, Minnesota’s state program continues to support workers through substantial transition. Growing numbers of individuals remain enrolled in the program for longer periods of time and are therefore more likely to benefit from the program’s most expensive services. Their longevity in the program demonstrates the vitality – and challenges the capacity – of Minnesota’s Dislocated Worker program. Our primary goal remains: contributing to a stronger economy by assisting workers secure training they need and helping

employers find the skilled workers they need to succeed in Minnesota.

In Minnesota, dislocated workers benefit from both state and federal funding. In SFY 2010 (July 1, 2009 – June 30, 2010), the state program served 20,507 individuals, an increase of 4,157 (25.4 percent) from SFY 2009. Even more telling, the state program served 7,474 more individuals in SFY 2010 than in SFY 2008, demonstrating a 57.3 percent increase over two fiscal years. The federally funded DW program served 9,884 individuals in SFY 2010, an increase of 5,259, or 113.7 percent, from SFY 2008. In addition to the federally-funded DW program, Minnesota served 7,034 individuals using American Recovery and Reinvestment Act (ARRA) funding, which came at a critical time for dislocated workers nationwide. Of those 7,034, 2,659 were served solely by ARRA

TABLE 1: Dislocated Worker Program Overview for SFY 2010

Program	Customers Served	Program Funding Expended	Allocated Program Funding
WIA DW ²	9,884	\$12,775,771	\$18,269,872
ARRA DW ²	7,034	\$12,903,136	\$18,135,226
MN DW	20,507	\$22,553,584	\$30,204,859
NEG ²	3,795	\$4,445,240	\$14,378,662
TOTAL UNIQUE CUSTOMERS¹	30,646	\$52,677,731	\$80,988,619

¹ Due to co-enrollment in programs, the total unique count of customers will not equal the sum of customers served in each funding stream.

² Federal program performance outcomes combine all customers served in WIA DW, WIA ARRA DW, and NEGs. This table breaks down the numbers served into more specific components of our programs.

Table 2: Top 10 Mass Layoff Events Compared: SFY 2008 - SFY 2010

2008		2009		2010	
Company	Employees Laid Off	Company	Employees Laid Off	Company	Employees Laid Off
Macy's	806	Hutchinson Technology, Inc.	969	Delta Airlines	1,457
Champion Air	356	Celestica	559	BAE Systems	612
Kimball Electronics	260	Seagate Technology, Inc.	495	Snyder Stores	500
Integra	200	Target Headquarters	480	Schwing America	315
Good Shepherd Care Center	178	North Memorial	450	Sam's Club	285
Weyerhaeuser	158	Denny Hecker Auto Group	363	K-12 St. Paul School District	249
HC Holdings LLC	154	Team Industries	307	Corrections Corp. of America	234
Coleman Powermate	150	Viracon	300	Boston Scientific	220
General Mills	95	Allina Hospitals and Clinics	287	ACS Business Process Solutions	216
Spartech Packaging	80	Snyder Drug	285	Wilder Foundation	200
Total Employees Laid Off	2,437	Total Employees Laid Off	4,495	Total Employees Laid Off	4,288
		Percent of number laid off during the preceding year	176.0%	Percent of number laid off during the preceding year	95.4%

funding; all others were coenrolled into other programs. Further, Minnesota has worked diligently to apply for and operate five National Emergency Grants, serving 3,795 individuals during SFY 2010. Of the various means we use to benefit dislocated workers, our State Dislocated Worker program serves the largest number of individuals, serving more than twice as many as our federally funded program.

Of the **20,507 individuals served through Minnesota's DW program**, 12,867 (62.7 percent) pursued training. Of these, 8,019 worked toward industry-recognized credentials with the remainder seeking pre-vocational training. These types of training assist each program participant as they seek full-time, stable employment.

Customers

Individuals receiving services from Minnesota's Dislocated Worker program can be:

- Workers who have been laid off through no fault of their own (i.e. they neither quit nor were fired),
- Self-employed individuals who lose their jobs due to economic conditions,
- Displaced homemakers (those who were previously homemakers, and are now seeking

work outside of the home),

- Certain employees affected by the statewide smoking ban,
- Veterans leaving active duty with the armed forces, and/or
- Certain individuals leaving active duty of the National Guard or armed forces reserves.

To be eligible for the DW program, an individual must typically be eligible for Unemployment Insurance (UI), which is a temporary benefit available to individuals who are out of work through no fault of their own. Unlike UI, the DW program excludes temporary or seasonal workers who are laid off as a result of cyclical work, which comprises a large portion of UI recipients. This recession introduced a different trend among those who lost their jobs: More individuals were permanently separated from their previous positions, illustrating nationwide economic struggle.

Working together with UI, the DW program provides needed support for participating individuals during the time of transition which follows a layoff. Through job search guidance, career counseling, and training, unemployed workers are able to secure a permanent job in in-demand occupations, resulting in increased job stability. There are several mutual benefits associated with the program; not only is the worker's

financial stability restored, the employer that then hires the individual benefits from the new employee who has enhanced his/her skills. Many program participants view this transition as an opportunity and make significant advancements in education and career prospects from the time of layoff to the time they exit the program—generally into unsubsidized employment.

Demand on the Dislocated Worker Program

During the preceding two years, we experienced unprecedented growth in the number of new customers enrolling into Minnesota’s DW program. New registrants slowed over SFY 2010, primarily because our funding did not allow us to immediately enroll everyone who needed services (Figures 1 and 2). In tandem with this trend, customers are staying in the program longer which decreases the capacity for new enrollments but contributes to our overall number of customers served (Figures 1 and 4).

Beginning in July of 2008, the number of new registrants in both DW programs climbed steadily, exceeding previous highs in registration by the second quarter (October) of SFY 2009 (Figures 2 and 3). By July of 2009, we had an all-time high number of new registrants in our DW program, which peaked in the preceding quarter for the WIA DW program. The state DW program regularly supports more than twice as many individuals as our federally funded DW program. Additionally, while the number of new registrants in both programs has steadily slowed, individuals are remaining in the program for longer periods of time (Figures 3 and 4). While we did not see similar trends during SFY 2010 due to funding constraints, we continue to serve the customers entering the program during the SFY 2009 surge, illustrated by the increasing average length of time in the program.

Layoffs Come in Many Sizes

Because different numbers and types of workers are impacted by layoffs, the Dislocated Worker program must remain versatile. Even during strong economic times, companies shift, grow and shrink, eliminating some jobs while creating others. The DW program supports individuals and encourages them to invest in their own future by completing training that will pave the way to a wider variety of opportunities.

Throughout SFY 2010, the DW program addressed one of the largest layoffs in our programs’ history (Table 2). As in SFY 2009, every layoff ranking in the

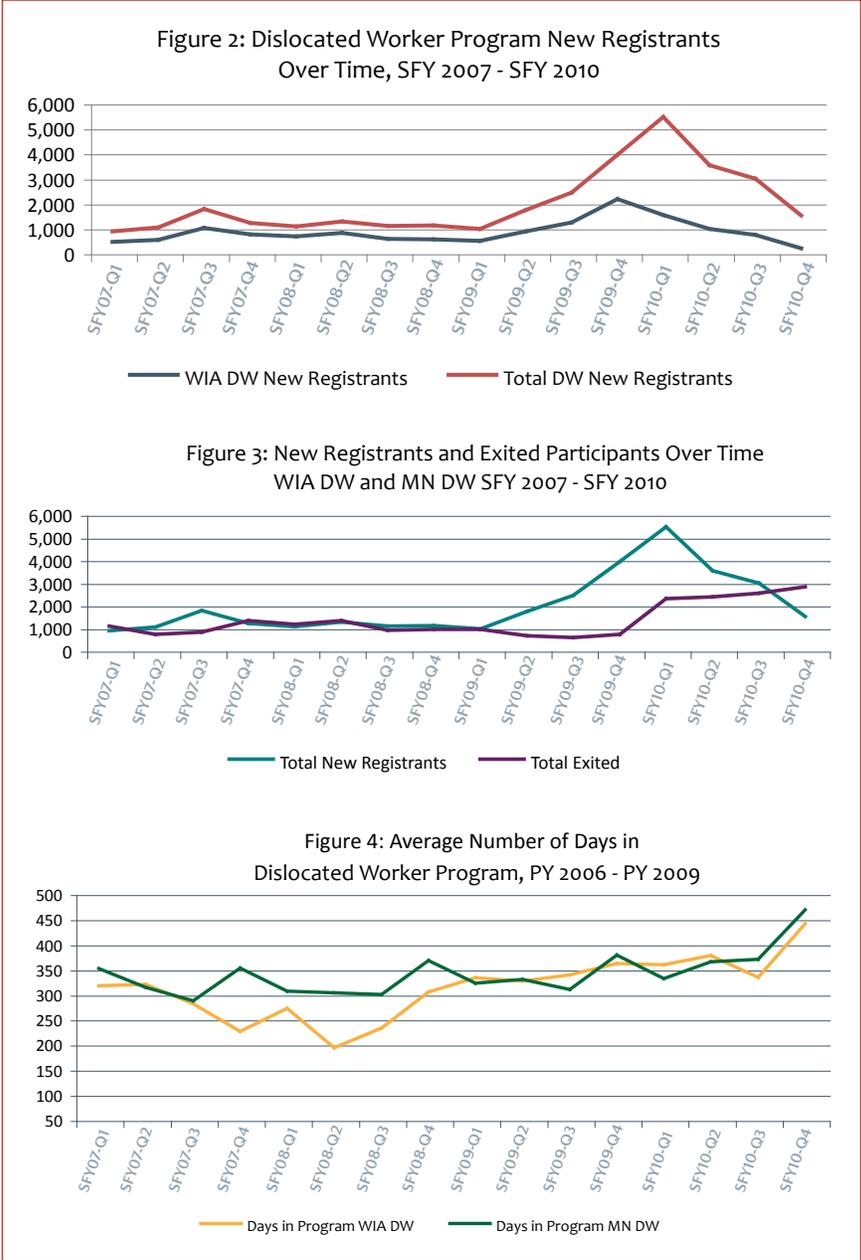


Figure 5: Statewide Performance of the Minnesota Dislocated Worker Program Over the Past Four Years



top ten affected more than 200 workers, with the two largest exceeding the two largest layoffs addressed in the preceding year. In all, the top ten layoffs in SFY 2010 impacted 95.4 percent of the number of workers impacted by the top ten layoffs in SFY 2009, meaning that layoffs in SFY 2010 impacted 176.9 percent of the workers in SFY 2008.

Creative, Focused Sources of Funding

During SFY 2010, Minnesota renewed its pursuit of funding through National Emergency Grants (NEGs). Also used to support regions impacted by natural disasters, we exercise this resource to serve individuals who were part of large layoffs, layoffs in a specific industry, or smaller layoffs which we could not serve due to high demand. The NEG category added to Table 1 includes those customers who were served through our natural disaster NEGs as well as our ARRA funded NEGs. Minnesota operated seven NEGs during SFY 2010, two of which were disaster-related.

Success Story

JIM FLYNN AND NORTHWEST PRIVATE INDUSTRY COUNCIL, INC.



After obtaining his GED, Jim dropped out of high school to get a job and has worked a variety of jobs since that time, seemingly always living paycheck to paycheck. At age 25, Jim was married with a one-year old son and unable to find full-time permanent employment. He enrolled in Minnesota’s Dislocated Worker program, expressing interest in either on-the-job training or classroom training.

In February of 2008, Jim applied to school. After completing a prerequisite math course, Jim was accepted at Northland Community and Technical College in Thief River Falls for welding classes. Jim consistently earned excellent grades. By May of 2009, Jim had obtained his occupational skills certificate in welding and immediately began job searching. Shortly thereafter, Jim found full-time permanent employment with the Minnesota Department of Transportation, with an excellent starting wage and benefit package.

“I figured I would be doing manual labor jobs and working paycheck to paycheck forever, but I am no longer a high school dropout and I am officially a college graduate! I have gained a great deal of self-confidence and personal satisfaction and now have a career, not only a job. Now my son and any future children can be proud of me. Although I had a rocky road along the way, thanks to the support of others, and my own determination, I have achieved something to be truly proud of!”

Success Story

JENNIFER WILLIAMS AND THE EMPLOYMENT ACTION CENTER

I never would have guessed that it would be such a blessing to be a part of the Minnesota Dislocated Worker program. It was there that I learned networking skills, negotiation skills and how to sum up my life in 30 seconds!

After 20+ years of working, 15 of those years in the financial industry, I suddenly didn't have a job. I had been in administrative positions throughout my career, but I wanted to stay in the financial industry. My resume was "old" and the only training I had received throughout the years had been company-sponsored. The licenses I held were industry-specific and about to expire.

The support I received from the Dislocated Worker program, operated by the Employment Action Center, was phenomenal. Through the program, I received the opportunity to attend continuing education courses on-line. I even received financial assistance that helped lessen my emotional-burden – essentially giving me that extra boost to apply for one more job, go to one more interview, and so on.

It wouldn't be right if I didn't mention that my career counselor, Bonita Kaye, is definitely the best thing since milk chocolate! Bonita was there for me in a way that I can't explain. She offered help when I needed it, had tissues ready for my visits, had gentle words of encouragement just when I needed them most and was, by far, my biggest cheerleader.



Because of Bonita and the Dislocated Worker program, my resume is no longer outdated, my licenses are current, and I am a Registered Administrative Assistant at Sterling Retirement Resources, a financial planning firm! It's not a "pit-stop" job, either. It's where I'm supposed to be. I'm doing everything I enjoy from answering phones to greeting clients to preparing client appointments to entering trades.

The Dislocated Worker program was a life saver; and Bonita, even more so for believing in me when I didn't.

Thank you!

In April of 2010, Minnesota gained a noteworthy title as the first state in the nation to apply for and be awarded a Formula Funds Replenishment National Emergency Grant. Funded through ARRA dollars, this grant has supplemented our available funding, allowing us to serve those impacted by small layoffs throughout the state. Eleven of our sixteen service providers are operating this NEG, serving over 1,900 individuals with \$5,527,108 through March 31, 2011.

Individuals laid off through the NWA/Delta merger comprise the largest layoff served by our Rapid Response team—1,457 workers, 613 of whom we will serve through our NWA NEG for \$2,635,901. Our second largest layoff during SFY 2010, BAE Systems, comprises its own NEG as well. With 612 laid off, we were awarded an NEG to serve 183 customers with \$786,901. We were recently granted a modification to serve an additional 15 individuals.

Minnesota also operates the STICH NEG serving affected workers from Seagate Technology, Target Headquarters, IBM, Celestica and Hutchinson Technology. We secured \$4,768,700 to serve 1,341 individuals through March 31 of 2011. Recently, we received a modification which will increase funding by \$919,588 to serve 1,373 customers. Minnesota is also operating an industry-focused NEG to serve individuals laid off from the Minnesota Automotive Retailers, totaling \$660,052 to serve 132 individuals through February 16, 2011.

Providing Vital Services: Rapid Response

Minnesota's Rapid Response team is the first responder to large layoffs, ensuring a quick initiation to essential services. Rapid Responders may find out about upcoming layoffs from varying sources: the employer, workers who have been or will be laid off, suppliers to the business, local government officials, local Rapid Response officials and/or members of the media. The Federal Worker Adjustment Retraining Notification (WARN) Act requires that employers notify the government in the event of a mass layoff (defined as 50 or more workers over a 30-day period). Many employers will notify the state even if their layoff affects fewer than 50 workers.

Upon notification, a Rapid Responder meets with the employer to discuss the size, scope and timing of the forthcoming layoffs. Our Rapid Response team also

looks for opportunities to avert the impacts of layoffs. If the layoff moves forward, the Rapid Response team informs all relevant stakeholders and schedules orientation meetings with workers during which they provide information about UI benefits and the services offered by the DW program.

“You know the old saying and I totally believe it: Keep your head high and positive. Everything happens for a reason. I would really like to thank all the workers at the Mankato WorkForce Center who were so nice and helpful, especially Mandy who always made me feel so great about myself and Heather for the great networking meetings.”

—Karen, Minnesota Dislocated Worker Program Customer

Services Offered

In order to facilitate a swift transition back into the workforce, most participants in the Dislocated Worker program access career counseling and some type of training. Upon first contact with a group of potential participants, members of the Rapid Response team ask these individuals to complete a survey that will inform the DW service providers of their most critical needs. In a recently completed Rapid Response survey, the three most commonly requested services were job replacement (access to job leads), resume and employment letter writing, and interviewing skills.

DW counselors meet with participants to determine which services would result in the most successful outcome for the individual. Service providers offer a variety of flexible core, intensive (also known as service-related), training, and support services with federal and state program funds.

Core Services:

- WIA eligibility determination;
- One-Stop services orientation;
- Basic skills assessments via MinnesotaWorks.net;
- Workshops for job-seeking skills including Creative Job Search Workshops;
- Self-service tools, including MinnesotaWorks.net;
- Job search and placement assistance;
- General career guidance; and
- Review of economic data and labor market information relating to chosen field.

Service Related:

- Comprehensive assessments;
- Employment plan development;
- Counseling and career planning;
- Case management; and
- Short-term pre-vocational services.

Training Services:

- Occupational skills;
- On-the-job training;
- Entrepreneurial support;
- Literacy and adult basic education;
- Job readiness; and
- Customized training.

Support Services:

- Transportation cost assistance;
- Family care cost assistance;
- Health care cost assistance;
- Housing or rental assistance;
- Emergency health or financial assistance; and
- Personal, financial and/or legal counseling.

If companies are losing jobs to foreign competitors, some workers may be entitled to additional benefits under the federal Trade Adjustment Assistance (TAA) program. An individual laid off from a TAA-certified work site is eligible for a wider range of benefits, including additional training dollars and in some cases, extended UI benefits, known as Trade Readjustment Allowance (TRA). In Minnesota, every TAA customer is co-enrolled in the DW program.

In addition to these services, Minnesota consistently seeks ways to better specialize our services and contribute to research that will impact future programming. Specifically, our program encourages dislocated workers to consider entrepreneurial opportunities and self-employment as an option. In January of 2009, Minnesota launched its second Project GATE: Growing America Through Entrepreneurship, offering business consulting and classroom training to dislocated workers who are at least 45 years of age as they launch or grow a small business. The close of SFY 2010 marked eighteen months of program operation, at which point we served 219 participants through business consulting and 93 into classroom training. As of June 30, GATE participants in Minnesota had launched 57 businesses, 30 of which have been operating for at least one year.

Service Process

A network of 49 WorkForce Centers in Minnesota employs hundreds of career counselors, providing the core and service-related support to Minnesota's dislocated workers. These counselors also research and approve the training provided by accredited educational institutions across the state. Compliant with the Workforce Investment Act (WIA) of 1998, the state of Minnesota established 16 Workforce Service Areas (WSAs) as local partners (see map on back cover). A local Workforce Investment Board (WIB) governs each area's priorities and operations.

In addition to the 16 WSAs, there are ten WIA-certified, independent service providers:

- Arrowhead Economic Opportunity Agency
- Career Solutions
- Employment Action Center
- Goodwill/Easter Seals
- HIRED
- Jewish Vocational Services
- Teamworks, Inc.

These three independent service providers are also authorized to serve dislocated workers from small layoffs:

- Career Management Services
- Quality Career Services
- Teamsters Service Bureau

Dislocated workers who are part of a closing or mass layoff are typically served through project or formula funds. Projects are slightly different from smaller layoffs because the workers form a committee to select a single provider to serve the full group affected by the layoff. In addition to selecting the provider, the selection and planning committee outlines the services they will require. Customers then grade service providers based on their performance, which informs committees in future layoffs in their own deliberations about service providers. This process promotes program quality and consistency.

A dislocated worker who is part of a small layoff can simply select a WorkForce Center, or one of the three previously mentioned independent service providers authorized to serve such workers. The funds that serve these customers are distributed on the basis of a formula which takes into account the rate of unemployment in each WSA, along with other appropriate factors.

Success Story

JOHN BALL, THE SENIOR COMMUNITY SERVICE EMPLOYMENT PROGRAM, AND THE WASHINGTON COUNTY WORKFORCE CENTER



When John Ball first met with Karen, his Dislocated Worker program counselor at the Washington County WorkForce Center in January 2009, he had just been laid off for the third time in six years. Leading up to that point, he was making changes in his personal life, focusing on his commitment to social action and helping others.

Following completion of the career exploration class, John learned that his results reflected his interest in human services. After several informational interviews, he decided on a short-term training option through American Indian OIC, with funding from the Minnesota Dislocated Worker program, PELL and Minnesota state grants.

The Senior Community Service Employment Program (SCSEP) proved a perfect option for John. Carol Turenne, a counselor with SCSEP, has proven herself a dynamo in the SCSEP for Washington County.

John completed a student internship at AIOIC as Carol identified employment opportunities. In January 2010, he began a paid internship with Senior Recovery, an agency in Maplewood devoted to “meeting the unique needs of seniors experiencing life-threatening substance abuse problems.”

By July 2010, John was hired on as the outreach coordinator with Senior Recovery, putting to work his skills in marketing within a human services agency. He continues to learn and is absolutely thrilled as he states, “I finally figured out what I wanted to do when I grow up, after 50 years.”

Success Story

SUCCESSFUL BUSINESS LAUNCH: TIM GULDEN, OWNER OF WINONA RENEWABLE ENERGY, LLC AND THE WINONA COUNTY WORKFORCE CENTER

Tim was working as a senior electronic technician at Watlow Controls in Winona when he was laid off in December of 2008. After eleven years with the company, this layoff came as a shock to Tim, who expected to retire from the company.

Before he was laid off, Tim began working with a counselor with the DW program, who discussed all of the services available to him. At that point, Tim thought he was going to go into the same career but for a different employer. While researching labor market information, he found that electronic technician positions were non-existent.

One of Tim's friends suggested he attend a solar energy workshop at Winona Senior High sponsored by Winona County Environmental Services on July 22, 2009. Tim remembers this date because during this workshop, he had a "light bulb moment." Since he had owned his own business prior to working at Watlow, and was interested in solar energy, he decided to start his own solar business. His counselor enrolled Tim into Project GATE II, a pilot program designed to support dislocated workers who are at least 45 years of age with launching or growing their own businesses. Through Project GATE II, Tim worked with the local Small Business Development Center representative for assistance with financial issues relating to business ownership.



On January 15, 2010, the State of Minnesota notified Tim and his business partner that their company, Winona Renewable Energy, LLC, was officially recognized and that they were legally able to conduct business. Tim's financial outlook is good. He anticipates that his annual income will be more than double that of his previous job.

Tim states, "the Dislocated Worker program was helpful. My case worker informed me of job leads, and identified resources when I decided to start a business. Being part of the Project GATE II program allowed me to fully concentrate on business start-up while continuing to receive Unemployment Insurance benefits." The 15 months from date of layoff to business start-up was the perfect length of time to start his company.

Success Story

ANDY STONE AND RURAL MINNESOTA CONCENTRATED EMPLOYMENT PROGRAM, INC.

When the water recreation industry faced a severe downturn, Andy Stone's employer had to cut production and close plants. As a result, Andy lost his job in May 2008 and found few opportunities left in the industry. As a 50-year-old father of four, Andy worried about finding a secure job in this economy.

It wasn't until a year later that Andy saw the job posting for a diesel mechanic at Stanley Widmer Associates, an industrial design firm in Staples. The position required work on a high-tech, one-of-a-kind diesel boat engine created by Steyr Mannlicher. He had no experience on the engine, but that was little deterrent. "I knew I was the right guy for the job, it was just that I was missing one piece."

That missing piece was specialized training from the German engine manufacturer, a week-long course offered only in Panama City, Florida. Needless to say, Andy worried about securing the funds to finance the trip and training. He had been out of work for almost a year and applied for healthcare, energy, and unemployment assistance.

After enrolling into Minnesota's Dislocated Worker program, his counselor at Rural Minnesota CEP, Inc. offered financial assistance to cover Andy's flight, car rental, and hotel, leaving just under \$500 for the training that he saw as a wise investment if he could secure the job. He asked Stanley Widmer, the company president, for a conditional job offer and started in June right after he returned from Florida. "He wouldn't have called me back otherwise," Andy said. "People have to be persistent (in this job market)."



His work at Stanley Widmer allows him to apply his technical expertise and innovative spirit to create a one-of-a-kind prototype of a boat the military plans to use in combat. With a multi-million military contract at stake, Andy continues to work alongside Widmer, a design engineer, to build the prototype that they will take to the water next summer. The boat is made of a type of plastic that is lighter than water, making it unsinkable. "It's exciting because it's a new concept and the sky's the limit," Andy said.

Table 3: SFY 2010 Minnesota Dislocated Worker Program Performance Measures

Performance Measure	SFY 2010 Goal	State	Federal	Total
Entered Employment Rate (Did the customer exit to employment?)	83.0%	85.9%	89.8%	86.7%
Six Month Retention Rate (Did the customer keep that job for six months?)	88.0%	88.9%	87.9%	88.7%
Average Earnings (What did the customer earn for six months after exit?)	\$16,400	\$21,058	\$18,173	\$20,356
Credential Rate (Did the customer who secured a job also obtain a certificate or credential following the training activity?)	62.0%	65.6%	65.9%	65.4%

Measuring Program Success

Each year, we measure success based on four primary outcomes. First, we look at the percent of program participants who exit the program and enter employment. Secondly, we look at the percent of those individuals who retained that employment for at least six months. Third, we note the average earnings for program exiters over six months; and finally, we measure the percent of newly employed program participants who also obtain a credential. Each year, we negotiate performance goals with the United States Department of Labor (US DOL). We use these standards for both the federal and state programs.

Service providers in the Minnesota Dislocated Worker program exceeded all four standards negotiated with DOL for the 20,507 dislocated workers served in the program during SFY 2010.

For most performance standards, Dislocated Worker program service providers maintained their program performance (Table 3, Figure 5) compared to last year. During SFY 2010, 85.9 percent of individuals exiting from Minnesota’s DW program entered into employment, a slight decrease from SFY 2009 during which 88.9 percent of program exiters entered unsubsidized employment, indicative of the challenging economy. The rate of retention has remained high, which demonstrates that those dislocated workers who are securing jobs are keeping those jobs. Average semi-annual earnings have increased by \$1,773 since SFY 2009, indicating increasing stability in wages for program exiters.

Finally, 65.6 percent of those receiving training services from the state DW program are securing credentials, exceeding our goal of 62 percent.

“I would have never thought it would be such a blessing to be a part of the Minnesota Dislocated Worker program. It was there that I learned networking skills, negotiation skills, and how to sum up my life in 30 seconds!”

—Jennifer, Minnesota Dislocated Worker Program Customer

Customer Satisfaction

To express customer satisfaction, the Minnesota WorkForce Center System uses the Minnesota Customer Satisfaction Index (MnCSI), which is based largely on the American Customer Satisfaction Index (ACSI) as used in the private sector.

Specifically, we average the responses to the following questions, which are based on a scale of 1 (lowest or least satisfied) to 10 (highest or most satisfied):

- What is your overall satisfaction with the services?
- To what extent have the services met your expectations?
- How well did the services you received compare with the ideal set of services?

Averaged, these numbers generate a single number, the actual MnCSI, which falls on a scale of 0 to 100. A score of 70 translates to an average customer response of “7” to two of the three questions, and an “8” on the third.

As in previous fiscal years, both businesses and job seekers reported high levels of satisfaction with the Minnesota WorkForce Center system, where most DW program customers receive their services. For the period April 2009 to March 2010, job seeker customers across the state of Minnesota reported MnCSI score of 73.2 with all WorkForce Center programs, an increase of 0.5 from SFY 2009. Employers who post job orders and employers who receive business services reported MnCSI scores of 79.5 and 81.1, respectively. The overall National ACSI as of March of 2010 was only slightly higher than our MnCSI score for WorkForce Center programs, with a score of 75.9¹. During 2009, customers rated overall government and public administration with lower satisfaction: 68.5², substantially lower than that of Minnesota’s WorkForce Center programs. These scores provide evidence that, even during challenging times, service providers strive to do their very best and that their customers are content with their services.

¹The American Customer Satisfaction Index, derived on November 19, 2010. http://www.theacsi.org/index.php?option=com_content&task=view&id=31&Itemid=35

²Special Report on Government Services Scores, derived on November 19, 2010. http://www.theacsi.org/index.php?option=com_content&task=view&id=132&Itemid=139

Success Story

SUCCESSFUL BUSINESS LAUNCH: MICHELLE WILLIAMS, OWNER OF M.A. WILLIAMS AUCTIONS AND APPRAISALS, AND THE ANOKA COUNTY WORKFORCE CENTER



With twenty years of experience in marketing and sales, Michelle always knew she would work for herself some day. Last year, she came to the WorkForce Center with a wide array of skills and experience. Through one of the assessments offered by her Dislocated Worker program counselor, she learned that she had a specific set of skills that equipped her to be an auctioneer. She knew that auctioneering was the right path after a brief visit to the Continental School of Auctioneering in Mankato.

Michelle enrolled into Project GATE II, a program offering business consulting and classroom training to dislocated workers who are at least 45 years of age, which provided the final push to help her launch her business.

Through her first year in operation as a personal property appraiser and auctioneer, she has learned valuable lessons about successfully starting a business, which include the importance of communicating the right marketing message, finding a good mentor, networking and continuing the learning process. After being laid off and deciding it was time to launch her business, it was clear that Michelle was a perfect candidate for Project GATE II. As a successful new business owner, Michelle wakes up every day eagerly anticipating the challenges that await her.

To learn more about Michelle’s business, visit her website: <http://minnesota-auctions.com>.

Success Story

JODI ZUTTER AND RURAL MINNESOTA CONCENTRATED EMPLOYMENT PROGRAMS, INC.



In October of 2007, I was laid off from Homecrest for the second time in two years. Both layoffs were due to foreign competition and poor economic times, leaving me feeling as though the rug had been ripped right out from under me. It wasn't until a group of former Homecrest employees started working with Rural Minnesota CEP, Inc. that I began to feel hopeful about my future.

The CEP staff have been so helpful, very patient and extremely gracious. Without their assistance, I would not have had the courage and strength to consider returning to school to begin a whole new career at the age of 45. Over two years, they have been a continuous source of encouragement and support. My case worker frequently contacted me, asking for progress reports as well as offering positive reinforcement when I needed it.

I graduated from the licensed practical nurse program with high honors in December 2009 and am currently employed full-time at a mental health facility, as well as part-time at a long-term care facility. I love the work I do and can now look back on the whole experience as a life-changing event with a happy ending.

“Without their assistance, I would not have had the courage and strength to consider returning to school and begin a whole new career at the age of 45.”

—Jodi, Minnesota Dislocated Worker Program Customer

Accomplishments

In addition to continued outstanding program performance and overall success among program participants, Minnesota’s Dislocated Worker program can celebrate several accomplishments. Several of these have directly contributed to our ability to serve customers during our busiest time in program history:

- **Continued focus on taxpayer accountability through grant implementation and performance management**

During SFY 2010, we successfully administered over 200 individual project grants, holding grantees to high standards of fiscal reporting through monthly financial status reports, steady participant status reports, and on-going program performance measures of each of these grants.

- **GATE II participants launched 57 businesses**

The close of SFY 2010 marked eighteen months of operating Project GATE II (Growing America Through Entrepreneurship). Project GATE II is a 2.5 year, \$2 million pilot project designed to assist at least 500 dislocated workers over the age of 45 who are interested in self-employment. These dislocated workers receive support from consultants in Small Business Development Centers throughout the state as they start or grow their own businesses. The U.S. Department of Labor (US DOL) has been helpful to Minnesota in expanding our eligibility criteria, lowering the age requirement, and broadening the customer base to include those served through National Emergency Grants. As of June 30, 2010, 391 individuals have participated in 1,311 activities through Project GATE II, launching 57 businesses.

- **As the first state awarded Formula Funds Replenishment National Emergency Grant (NEG), Minnesota tightly operated a total of seven NEGs over the course of SFY 2010, serving 3,795 individuals with a total of \$14,378,662**

We continue to listen to our local service providers, who have on-going concerns about the increased demand from growing numbers of customers. US DOL awarded Minnesota \$5,527,108 to serve 1,841 current and waitlisted customers through the Formula Funds Replenishment NEG. Further, we were awarded \$2,635,901 to serve 613 individuals laid off from Delta/Northwest Airlines,

and 1,671 workers with other NEGs. **Nearly all of these individuals first benefit from Minnesota's DW program as we secure and implement NEG funding.**

■ **Fully integrated Trade Adjustment Assistance, serving 2,954 individuals**

Minnesota continues to mandate co-enrollment between TAA and the DW program. As required in recently established US DOL policy, state merit staff members provide 100 percent of our TAA case management. In the past year, TAA staff members have redesigned the customer application intake process, the interface with DW counselors, the application materials, and the DW counselor training process. Minnesota has also begun publishing clear state-level policies to implement the new TAA law, to ensure consistent integration with the DW program statewide.

■ **Served 7,034 Customers through ARRA**

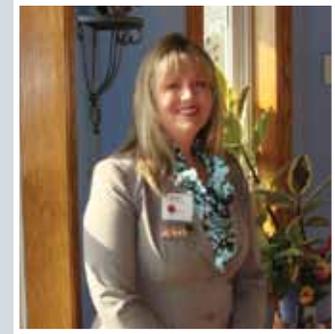
We worked closely with service providers to bring successful closure to the American Recovery and Reinvestment Act (ARRA). Minnesota served 7,034 dislocated workers through ARRA, 2,659 of whom were served solely through ARRA funding. Many of these individuals were enrolled within weeks of the passage of the act in February 2009. We altered our client and performance tracking databases to accommodate this funding source, easing our reporting processes as we progressed with the program.

"I will be forever grateful to the Dislocated Worker program. Without their help, I wouldn't have been able to go to school and find a new career in the medical field. Being a part of the Dislocated Worker program was one of the best experiences I have ever had. I greatly appreciate everything they did for me."

—Tammy, Minnesota Dislocated Worker Program Customer

Success Story

MARYANN STOECKEL AND CENTRAL MINNESOTA JOBS AND TRAINING SERVICES



Maryann Stoeckel had management experience but did not have a degree in management. When she was laid off from her customer service and sales job, she discovered that no one would consider her for a management job without the degree.

Maryann heard about Minnesota's Dislocated Worker program and met with Kristel, an employment specialist in Isanti County. Maryann's goal was to complete the two years of schooling she needed to earn her Bachelor of Science in Management. Maryann enrolled in Metro State University in St. Paul during the fall of 2007 and started a part-time job. In 2009, a supervisory position opened up. Maryann was selected because her employer knew she was completing her degree, which she did in August of 2009.

In January 2010, JC Penney selected Maryann for their Sales Management Training program. In June, she moved to her own store as a manager.

Maryann is thankful for the Minnesota Dislocated Worker program, for the tuition assistance she received, and for the help as she developed her resume as positions became available. "I could not have accomplished this without help from Central Minnesota Jobs and Training Services and Kristel."

“Although I had a rocky road along the way, thanks to the support of others, and my own determination, I have achieved something to be truly proud of!”

—Jim, Minnesota Dislocated Worker Program Customer

■ **Served 851 Customers with CAAs over three years**

On June 30, 2010, Minnesota closed its Career Advancement Account (CAA) Demonstration Program. Granted \$2.3 million in December of 2006 by US DOL, we served 851 individuals over three years as they sought varying forms of training to enhance their capacity for re-employment. Minnesota tightly integrated CAAs within its one-stop system, ensuring that customers both inside and outside programs like the DW program had access to these resources. We continue to discuss the potential for self-service tools and eagerly await the forthcoming report that will reveal the empirical findings from this demonstration project.

■ **Improved Partnership with Business Services**

We continue to deeply integrate our Rapid Response and Business Services throughout the state of Minnesota. We trained our statewide team of 30+ Business Service Specialists, all of whom already have significant inroads into the employer community, to deliver early response services in layoff situations. This has resulted in better and earlier warning of key layoffs.

■ **Hosted Third Annual Job Seeker Counselor Conference, bringing together 240 counselors**

In April, we reconvened an annual conference for job seeker counselors, which included counselors for DW, WIA Title 1B Adult, and Veterans Employment. This professional development opportunity provides the counselors with policy updates, peer learning opportunities, and an opportunity to celebrate success. Staff from the US DOL regional office came to provide essential information on new TAA law and how Minnesota’s integration efforts with DW can improve even more dramatically. ■

Goals and Priorities for State Fiscal Year 2011

■ Leverage Additional Financial Resources to Serve more Customers

As our rate of new registrants has steadied and in some areas decreased, and our customers' average length of time in the program has increased, we find ourselves in a challenging place: working to serve more customers with fewer resources. We entered state fiscal year 2011 with most of our state and federal program dollars already obligated. Therefore, we continue to look for opportunities for additional federal funding, such as pilot programs like Project GATE II.

■ Prioritize Funding to Serve more Customers

Our primary use of remaining federal WIA resources will be as “bridge” grants to provide initial core and intensive services to job seeker customers from Trade Act-certified sites, so that Minnesota can continue to make full use of the Trade Adjustment Assistance program and its resources for training. This will test the full integration of DW and TAA in new ways.

■ Continue Strategic Approach in Pursuing and Operating National Emergency Grants

Minnesota commits to further incorporation of National Emergency Grants to support those workers who are losing jobs in concentrated regions of the state. Given the administrative challenges that accompany NEGs, we will continue to operate these funding sources tightly and with transparent accountability.

■ Transform Workforce One

This year, this agency will begin a transformation of its case management system, Workforce One. The main purpose is the recoding to a .NET platform, so that the underlying software can maintain appropriate technical support. This will also be an opportunity to improve the layout and usability of this critical tool. This multi-year effort will result in even fewer seams in the delivery of services from multiple programs, including those funded by WIA.

■ Further Develop Connections with UI

Our linkages with Unemployment Insurance (UI) continue to tighten. In addition to ongoing joint delivery of Rapid Response services and information, UI staff will continue co-locating at one-stop centers to assist customers and partners with program issues. UI staff trained in Trade Readjustment Allowance (TRA) will also begin accompanying TAA staff who supplement Rapid Response visits at trade-impacted sites. Minnesota believes that this early in-person touch dramatically enhances customer service.

■ Continue to Support Aspiring Entrepreneurs

We will continue to make participation in Project GATE II as seamless as possible, working with Unemployment Insurance and Small Business Development Centers to deepen these working relationships as we serve customers.

■ Offer Professional Development Opportunities for Counselors

We will reconvene our annual job seeker counselor conference for the fourth consecutive year.

In Minnesota, the Dislocated Worker program will continue to face challenges as our workforce recovers from the great recession. The long list of customers waiting to begin training through the DW program in Minnesota is evidence of the program's positive reputation and impact. As our labor market transforms, the DW program continues to provide support to Minnesota's workforce. Having previously distinguished ourselves throughout the nation with prioritized funding, innovative programming, and consistent outcomes, all involved with Minnesota's Dislocated Worker program commit to this standard of service, as well as to on-going efforts in providing quality services despite the struggles we will face throughout state fiscal year 2011.

State Dislocated Worker Program SFY 2010 Provider Performance

	New Registrant	Exited	Served	Numerator DW EER	Denominator DW EER	DW Entered Employment	Negotiated Standard	Percent of Standard Achieved	Numerator DW Retention	Denominator DW Retention	DW Retention
State	8,495	6,814	20,507	4,497	5,234	85.9%	83.0%	103.5%	4,094	4,607	88.9%
Anoka County	421	290	820	218	235	92.8%	83.0%	111.8%	233	263	88.6%
Career Management Services (CMS)	608	503	1,346	366	426	85.9%	83.0%	103.5%	316	356	88.8%
Central MN Jobs and Training	505	423	1,334	269	296	90.9%	83.0%	109.5%	154	176	87.5%
City of Duluth	52	27	99	23	25	92.0%	83.0%	110.8%	11	12	91.7%
Dakota/Scott Workforce Services	755	417	1,353	298	362	82.3%	83.0%	99.2%	292	333	87.7%
Employment Action Center	379	273	1,100	185	193	95.9%	83.0%	115.5%	170	187	90.9%
Hennepin/Carver ETC	1,193	904	2,537	680	792	85.9%	83.0%	103.4%	562	642	87.5%
HIRED	305	585	1,044	357	445	80.2%	83.0%	96.7%	293	315	93.0%
MN Teamsters Service Bureau	628	589	1,283	409	513	79.7%	83.0%	96.1%	527	597	88.3%
Mpls Employment and Training	174	222	493	173	199	86.9%	83.0%	104.7%	147	168	87.5%
NE MN Office of Job Training	164	219	579	92	108	85.2%	83.0%	102.6%	79	95	83.2%
Northwest PIC Inc	17	54	94	46	57	80.7%	83.0%	97.2%	58	60	96.7%
Quality Career Services	279	200	1,041	76	99	76.8%	83.0%	92.5%	99	112	88.4%
Ramsey Cty Workforce Solutions	1,156	540	2,287	360	419	85.9%	83.0%	103.5%	366	408	89.7%
Rural MN CEP Inc	187	306	814	221	238	92.9%	83.0%	111.9%	184	207	88.9%
S Central Workforce Council	282	275	780	175	197	88.8%	83.0%	107.0%	142	163	87.1%
SE MN Workforce Development	532	373	1,303	209	254	82.3%	83.0%	99.1%	162	189	85.7%
Stearns/Benton E&T	299	161	620	90	102	88.2%	83.0%	106.3%	92	96	95.8%
SW MN PIC Inc	226	120	422	76	82	92.7%	83.0%	111.7%	81	84	96.4%
Washington County	218	192	544	120	132	90.9%	83.0%	109.5%	85	96	88.5%
Winona Cty Workforce Council	90	126	476	54	59	91.5%	83.0%	110.3%	41	48	85.4%

Negotiated Standard	Percent of Standard Achieved	Numerator DW Credential	Denominator DW Credential	DW Credential	Negotiated Standard	Percent of Standard Achieved	Numerator DW Average Earnings	Denominator DW Average Earnings	DW Average Earnings	Negotiated Standard	Percent of Standard Achieved
88.0%	101.0%	957	1,459	65.6%	62.0%	105.8%	\$84,126,502	3,995	\$21,058	\$16,400	128.4%
88.0%	100.7%	42	51	82.4%	62.0%	132.8%	\$4,091,403	226	\$18,104	\$17,205	105.2%
88.0%	100.9%	114	173	65.9%	62.0%	106.3%	\$8,982,974	316	\$28,427	\$17,933	158.5%
88.0%	99.4%	84	97	86.6%	62.0%	139.7%	\$2,422,161	153	\$15,831	\$14,287	110.8%
88.0%	104.2%	6	11	54.5%	62.0%	88.0%	\$139,815	11	\$12,710	\$13,354	95.2%
88.0%	99.6%	40	59	67.8%	62.0%	109.3%	\$5,937,438	292	\$20,334	\$16,943	120.0%
88.0%	103.3%	16	24	66.7%	62.0%	107.5%	\$3,531,780	163	\$21,667	\$17,933	120.8%
88.0%	99.5%	102	152	67.1%	62.0%	108.2%	\$11,547,686	532	\$21,706	\$19,775	109.8%
88.0%	105.7%	36	70	51.4%	62.0%	82.9%	\$7,604,710	291	\$26,133	\$17,933	145.7%
88.0%	100.3%	114	194	58.8%	62.0%	94.8%	\$14,647,590	527	\$27,794	\$17,933	155.0%
88.0%	99.4%	34	43	79.1%	62.0%	127.5%	\$2,390,133	123	\$19,432	\$18,509	105.0%
88.0%	94.5%	43	62	69.4%	62.0%	111.9%	\$1,136,128	79	\$14,381	\$11,186	128.6%
88.0%	109.8%	12	26	46.2%	62.0%	74.4%	\$649,426	58	\$11,197	\$13,328	84.0%
88.0%	100.4%	19	56	33.9%	62.0%	54.7%	\$1,974,292	99	\$19,942	\$17,933	111.2%
88.0%	101.9%	49	75	65.3%	62.0%	105.4%	\$6,252,521	364	\$17,177	\$18,758	91.6%
88.0%	101.0%	54	64	84.4%	62.0%	136.1%	\$2,832,428	176	\$16,093	\$12,022	133.9%
88.0%	99.0%	30	55	54.5%	62.0%	88.0%	\$2,246,419	136	\$16,518	\$14,354	115.1%
88.0%	97.4%	62	114	54.4%	62.0%	87.7%	\$2,635,854	158	\$16,683	\$16,237	102.7%
88.0%	108.9%	20	26	76.9%	62.0%	124.1%	\$1,626,139	91	\$17,870	\$12,440	143.6%
88.0%	109.6%	24	29	82.8%	62.0%	133.5%	\$1,185,394	81	\$14,634	\$14,370	101.8%
88.0%	100.6%	37	54	68.5%	62.0%	110.5%	\$1,801,172	78	\$23,092	\$20,056	115.1%
88.0%	97.1%	19	23	82.6%	62.0%	133.2%	\$491,039	41	\$11,977	\$11,333	105.7%

