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# Comprehensive Review of Workforce Development Programs and Competitive Grant Processes Preliminary Report

As required by Laws of Minnesota 2025 1<sup>st</sup> Special Session, Ch. 6, Art. 1, Sec.  
2, Subd. 3 (jjj)

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## Contact Information

MN Department of Employment and Economic Development  
Great Northern Building

180 East 5<sup>th</sup> Street  
St. Paul, MN 55101

Marc Majors, Deputy Commissioner, Workforce Development  
[marc.majors@state.mn.us](mailto:marc.majors@state.mn.us)  
651-259-7595

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## Introduction

The Minnesota Department of Employment and Economic Development (DEED) administers a wide range of competitive grant programs to support workforce development, economic opportunity and community resilience across the state. DEED's mission is to, "Empower the growth of the Minnesota economy, for everyone." Grant programs are essential tools the agency uses to accomplish this mission. Through the competitive grant process, DEED is able to ensure that public funds have the greatest impact and are spread across Minnesota.

For the FY26-27 biennium, DEED's Workforce Development (WD) Division is administering nine competitive grant programs totaling approximately \$51,496,000. The WD Division also administers 47 direct appropriations totaling approximately \$31,497,300. Competitive grant programs are intended to help ensure that Minnesotans have access to family-supporting jobs which, in turn, drives economic growth.

## Preliminary Report Overview

As outlined in Laws of Minnesota 2025 1<sup>st</sup> Special Session, Ch. 6, Art. 1, Sec. 2, Subd. 3 (jjj), DEED must conduct a comprehensive review of its workforce development grant programs and competitive grant processes, including how grants are announced, reviewed, awarded and administered, and how those processes impact how services are delivered. The law requires a preliminary report on the preliminary results of this review to be produced by February 15, 2026 and a final report on the findings of the comprehensive review by January 15, 2027.

This preliminary report is focused on building a foundational knowledge of the WD Division's grant processes. Through explanation and supporting documents, the report explains how a grant program is created, administered and completed. The Cannabis Industry Training Grant Program will serve as a case study to show the materials and outreach typical of a competitive grant program.

The report concludes with an overview of the community engagement efforts connected with the WD Division, in partnership with DEED's Office of Public Engagement, on competitive grant programs. This section describes ongoing engagement efforts to meaningfully connect and collaborate with community partners and key learnings from those conversations. The report then lays out the community engagement plan for past and potential grantees. The insights and learnings from this upcoming engagement process will be represented in the final report.

## Workforce Development Division Competitive Grant Program Principles

The WD Division's competitive grant process is guided by three principles:

- Accountability and oversight
- Accessibility of information
- Empowerment through community voice

These values are instilled in the development and administration of every competitive grant program.

### Accountability and Oversight

DEED has developed a financial oversight system for grants intended to protect public funds from misuse. The WD Division's oversight system is in compliance with Minn. Stat. §§ 16B.97, 16B.98, the applicable Minnesota Department of Administration's Office of Grants Management (OGM) policies, and DEED's Policy and Procedure Manual PPM 521 (Appendix A1) and PPM 522 (Appendix A2). The WD Division works to strike a balance between ensuring stringent financial oversight and deploying funds in a timely matter. When a potential issue is identified with an organization operating in good faith, the team works with the grantee to resolve the potential issue(s). Depending on the severity of the potential issue(s), payments may be held in a pending status until the potential issue is resolved. When circumstances are warranted, DEED will exercise its authority to terminate a grant agreement. This model allows DEED to focus on targeted financial reviews and outcome-based performance measurement.

### **Accessibility of Information**

Based on community feedback, DEED has simplified its application materials, translated key documents, and expanded outreach efforts. The aim is to remove barriers that have historically excluded smaller or newer organizations from participating in state-funded programs, while at the same time implementing processes and strategies to ensure accountability of state funds.

Grant contract language and risk assessment tools are included in Requests for Proposal (RFP) announcements to help applicants understand expectations from the outset. DEED posts grant opportunities for a minimum of 30 days and promotes them through community media, outreach to organizations and groups, GovDelivery emails, community meetings, and social media.

### **Empowerment Through Community Voice**

Since 2021, DEED has operated a robust community reviewer program, offering stipends, training, and support to ensure meaningful participation. Community reviewers are centered in the grant review process. DEED recruits and trains individuals with relevant lived experience and local knowledge as community reviewers to evaluate proposals. Reviewers typically evaluate 10 to 12 proposals over a 30-day period and provide critical feedback on equity, impact, and feasibility. These insights help ensure that funding decisions reflect the needs and priorities of the communities served by these programs and grants.

## **Overview of the Grant Lifecycle**

The lifecycle of a competitive grant program is as follows:

1. The competitive grant program is passed into law
2. DEED develops the program's guidelines, processes, and materials
3. The RFP is publicly announced and the application period is opened
4. While the application period is open, DEED staff promote the program and provide education to potential applicants
5. The application period closes, applications are reviewed, and awardees are recommended

6. Awards are announced and grant contracts are signed
7. Grantees implement their programs, with monitoring and oversight activities from DEED staff, through the end of the grant term as defined in the contract
8. Grant closeout

## Grant Program Development

### Legislative Establishment

The process begins when the Minnesota Legislature passes legislation that is signed by the Governor to authorize new or to continue previous grant programs. The legislature defines the purpose, scope and funding levels for each program. DEED then operationalizes these directives by designing and launching competitive grant opportunities.

In the example of the Cannabis Industry Training Grant Program, [Laws of Minnesota 2023 Ch. 63, Art. 3, Sec. 3.](#) established the grant program. DEED WD Division staff then partnered with the Minnesota Office of Cannabis Management to create a survey of potential applicants and those who may be interested in receiving services. The feedback from the survey, which was completed by over 180 participants, was instrumental in shaping the program to directly respond to participant and industry needs.

### Request For Proposal Development

DEED develops RFPs based on the program requirements described in statute or session law. The RFPs clearly outline:

- Program goals and eligibility criteria
- Application instructions and deadlines
- Scoring rubrics and evaluation criteria
- Required documentation and risk assessment tools

To promote transparency, the WD Division provides sample contracts and risk assessment forms online. DEED aligns the requirements with state law and policy. When DEED acts as the pass-through entity for grants funded through federal grant programs, staff utilize a similar process following the applicable federal guidelines. See Appendix C2 for the Cannabis Industry Training Grant RFP and Appendix C3 for the application.

### Public Announcement and Dissemination

The RFPs and applications are posted on DEED's [Grants and Contracts webpage](#) for a minimum of 30 days. They are also posted on the [Minnesota Grants Management webpage](#), and shared through:

- Email distribution lists
- Social media platforms
- Direct communication with interagency and external partners
- Announcements at community events
- Outreach through community media, organizations and groups, Tribal Nations via our Tribal Liaison, GovDelivery emails, community meetings and social media

See Appendix C1 for examples of outreach materials from the Cannabis Industry Training Grant Program.

## **Outreach and Technical Assistance**

To support applicants, especially those new to state funding, DEED's WD Division offers:

- Trainings on grant application writing: Step-by-step guidance on proposal development
- Webinars and Q&A sessions: Live and recorded sessions to answer applicant questions
- FAQs and resource documents: Templates, checklists and examples to clarify expectations

Additionally, application templates, scoring rubrics and PowerPoint presentations are available to help applicants understand how proposals are evaluated.

## **Award Selection**

### **Application Review**

Applications are reviewed for completeness and eligibility and to ensure the proposals meet the minimum requirements for consideration. Proposals are scored using a standardized rubric that evaluates:

- Alignment with program goals
- Organizational capacity
- Community impact
- Equity and inclusion strategies

### **Community Reviewers**

DEED engages community reviewers to ensure diverse perspectives in the evaluation process. Community reviewers are non-DEED staff. Reviewers receive training, stipends, and support to participate meaningfully. This feedback is incorporated into final funding decisions.

DEED has a goal that all grant review panels consist of approximately 25% community reviewers. DEED believes these reviewers make for a more inclusive process and better funding decisions. Community reviewers are recruited through an application process. Applicants provide qualifications and experience related to the types of grants they will be reviewing. All reviewers, including community reviewers, must submit a signed form verifying they have no conflicts of interest before receiving any grant proposals to review.

DEED programs must recruit and use community-based grant reviewers in the RFP review process, unless the Commissioner provides an official exemption due to particular circumstances.

### **Scoring and Risk Assessment**

DEED follows all of the requirements for risk assessment as outlined in Minnesota Statutes, Section 16B.981 (and further defined in OGM Policy 08-06, and DEED PPM 521) using the OGM forms and templates. Grant review panels review and score grant proposals. Each application is scored numerically. All applications and proposals under consideration undergo a pre-award risk assessment to evaluate an applicant's financial systems, past performance, and readiness to manage state funds. The process includes the following steps:

1. Check to ensure there are no outstanding Unemployment Insurance debts

2. Complete the transparency check on MMB’s website to verify if the grantee has worked with other agencies, determine if there have been any issues with current or past grants and ensure no contract termination has occurred
3. Check the Department of Administration’s website for suspended and debarred vendors
4. Complete verification of tax exclusions, through a review of documentation provided by the applicant about income that is excluded under tax federal or state law, such as IRS Form 990
5. Check the Secretary of State website for active business registration
6. Check the Attorney General Office website for charitable registration requirements, if applicable
7. Confirm organizational standing as an active 501c3 with Tax Exempt Organization search on the IRS website, as applicable
8. Review the Risk Assessment Form
9. Complete assets to liabilities ratio sheet, “acid test ratio” sheet, and debt-to-equity ratio sheet
10. DEED financial and/or program leadership review grantees and their applications to determine risk level
11. If DEED determines an organization to be high risk, special conditions are added to the grant agreement, including but not limited to early financial reconciliation. There are many reasons an organization may be deemed high-risk.

Pre-award risk assessments are required for all grants of \$50,000 or more that are subject to Minnesota Statutes, Sections 16B.97 and 16B.98 in accordance with OGM Policy 08-06 and Minnesota Statutes, Section 16B.981. Grant funding recommendations are submitted to the commissioner for review and approval. The Commissioner has final approval authority over grant award decisions.

### **Conflict of Interest**

OGM Policy 08-01 and DEED PPM 521 provide guidance on how to handle individual and organizational conflicts of interest.

DEED has additional conflict of interest requirements at the operational level. For example, at the time of contracting or if adding or changing any partners, DEED requires the grantee to fill out a “Compensated Partner Information” form. The “Compensated Partner Information” form asks grantees to disclose any actual, potential, or perceived conflict of interest with any subgrantee, contractor, vendor, or trainer to be compensated with state grant funds.

DEED also requires that grant reviewers certify that they do not have a conflict of interest before they begin reviewing grants.

### **Award Notification**

Successful applicants are notified by email with an award letter signed by the DEED Commissioner and Deputy Commissioner of Workforce Development and enter the contracting phase.

## **Contracting and Grant Management**

### **Contract Execution**

DEED program areas are required to execute a written agreement for all grants awarded. The grant agreements outline deliverables, timelines and reporting requirements. Each grantee is assigned a dedicated DEED grant manager who serves as a single point of contact throughout the grant lifecycle.

The process for completing an executed grant agreement includes:

- Grantees will receive notice via email that the organization has been approved for an award
- Grantee will receive an official award letter approving the grant award
- Grantee will register as a vendor with the State, if they haven't already
- Grantee will submit an updated work plan to reflect the final award amount, if different than what was requested
- Grantee will receive and sign a finalized grant agreement, and provide a copy via email to DEED

The terms of grant agreements are negotiated between DEED and the grantee. The agreement covers a wide range of terms and responsibilities that DEED and the grantee must follow. DEED does not make payments until a grant agreement is signed by all parties. Any work that a grantee does prior to an executed grant agreement for a competitive contract is not reimbursable.

## **Payments**

Grantees may request reimbursements or cash advances. Most grant payments are processed on a reimbursement basis, and under limited circumstances DEED will allow cash advances. According to Chapter 523 of DEED's Policy and Procedure Manual:

Before making an advance grant payment, DEED must be confident that the grantee will be able to account for the grant funds and abide by the terms of the grant agreement. This review will be based on any history of the organization's past behavior as a grantee for DEED or another state, federal, or local governmental agency; the evaluation of recent financial review or statements as required by OGM Policies 08-06 and 08-13 if the grant amount is above \$25,000; and the information contained on their application for a cash advance.

## **Reimbursements**

As grantees incur expenses, they are required to submit a Reimbursement Payment Request form to DEED. Requests for reimbursement must correspond to the approved grant budget line items, such as personnel costs, indirect costs, equipment, etc. DEED reviews all requests to ensure compliance with grant terms and state policy. Before approving payment, the requests are reviewed against the grant budget, grant expenditures to-date and the latest grant progress report.

New or "high risk" grantees must have a financial reconciliation completed before payment of their first Reimbursement Payment Request.

## **Advance Payments**

A small number of grantees do request cash-advanced grants and are regulated by DEED's PPM 523 Cash Management policy. See Appendix A3.

Before making an advance grant payment, DEED evaluates the request to ensure confidence that the grantee will be able to account for the grant funds and abide by the terms of the grant agreement. This review is based on the organization's history as a grantee for DEED or another state, federal, or local governmental agency, the evaluation of recent financial reviews or statements as required by OGM policies 08-06 and 08-13, and the information contained on their application for a cash advance.

In order to be considered for a cash advance, the grantee must mail or email a signed Application for Financial Advance (AFA) to DEED program staff administering the grant (See Appendix B3). The AFA defines the timing and frequency of the cash advance request based on the organization's financial hardship and cash flow management needs. Program staff will forward the AFA and required attachments to DEED's Internal Audit Office who will recommend the application for approval or rejection. The request is then routed to the Chief Financial Officer for final approval.

### **Compliance Monitoring and Ongoing Support**

The purpose of grant monitoring is two-fold. First, it is to ensure compliance with the grant contract and policies. Second, it is to provide support to grantees. DEED's WD Division grant staff put significant effort into providing this support. The support is ongoing throughout the grant implementation period through grant closeout. See Appendix B1 for the standard grant monitoring visit form.

Oversight activities include:

- Financial reviews (quarterly or annual, based on risk level)
- Site visits and virtual check-ins
- Performance reporting on outcomes such as job placements, training completions, or business development

Fraud prevention measures include random audits, eligibility checks, and documentation reviews. For grants over \$250,000, annual monitoring visits are required. The same oversight controls are applied to both federally-funded grants administered by DEED and state grants.

OGM Policy 08-09 requires grantees to submit written progress reports annually, at a minimum, until all grant funds have been expended and all terms in the grant agreement have been met. DEED requires grantees to submit progress reports quarterly for the first fully completed quarter.

These grant progress reports summarize grant activities and outcomes for a given period. The reports may have narrative, statistical, and financial elements. Information requested in a grant progress report may include, but is not limited to: goals and objectives, activities, outcomes, challenges, lessons learned and financial information.

DEED conducts at least one monitoring visit before final payment on all state grants over \$50,000 and conducts at least one annual monitoring visit on grants over \$250,000. The purpose of a grant monitoring visit is to review and ensure progress against the grant's goals and address any problems or issues before the end of the grant period. Grant monitoring visits are conducted either in-person, or as virtual meetings.

An effective grant monitoring visit may cover topics including, but not limited to: statutory compliance, challenges faced by the grantee, modifications made to the grant program, program outcomes, grantee policies and procedures, grantee governance and training, and technical assistance needs.

DEED also conducts a financial reconciliation of a project's expenditures at least once before final payment is made. A financial reconciliation involves reconciling a grantee's request for payment for a given period with supporting documentation for that request, such as purchase orders, receipts and payroll records.

When DEED staff identify an organization as "high risk," they conduct a monitoring visit within the first two quarters of a grant agreement.

In 2025, the Office of the Legislative Auditor (OLA) released an evaluation report titled, "Department of Employment and Economic Development Grants Management." As part of the report, the OLA engaged 62 DEED grantees to evaluate their grant experience. A significant number of these organizations were recipients of Adult Career Pathways grant program awards. Adult Career Pathways is a unit within the WD Division that administers numerous competitive grant programs as well as legislatively named grants.

- 95% of respondents agreed or strongly agreed with the statement that grant monitoring visits were useful for discussion of grant challenges and/or questions
- 88% agreed or strongly agreed with the statement that monitoring visits were useful for discussion of areas of concern and/or findings that require action
- 85% agreed or strongly agreed with the statement that monitoring visits were useful for review of grant program performance goals/outcomes.
- 85% agreed or strongly agreed with the statement that monitoring visits were useful for discussion of finances.

While the OLA report had a targeted focus, these results are indicative of the positive impact WD Division staff make through their support and oversight efforts.

## Grant Closeout

At the end of the grant period the following steps occur:

- Grantees submit final reports and financial documentation
- DEED verifies that all funds were used appropriately
- The grant is formally closed in the state's financial system

Grantees must submit their final payment request within 20 days of the end of the grant agreement. In addition to the final payment request, grantees must submit a final report on project outcomes. The final report must summarize grant activities and outcomes for the entire grant period.

DEED then reviews the final payment request and the final report and conducts a close-out evaluation of performance in meeting the objectives of the grant. Successful grantees receive a close-out notice confirming the completion of the grant and all documents will be placed in the grant file.

It is the policy of the State of Minnesota to consider a grant applicant's past performance before awarding subsequent grants, so the final report is a valuable tool for future award decisions. DEED also conducts post-award debriefs and gathers feedback to improve future processes.

See Appendix B2 for the standard grant closeout form.

## Community Collaboration

### Feedback from the DEED Office of Public Engagement and Other Outreach

The WD Division regularly engages workforce development organizations and the community for feedback on programs and processes. As part of this commitment, the WD Division partners with DEED's Office of Public Engagement (OPE) to provide dedicated outreach efforts. The OPE conducted a series of community listening sessions from 2023-2025. Numerous key insights were consistently highlighted including:

- Requests to simplify language in grant RFPs
- Delays created by the administrative processes for contracts, amendments and onboarding impacting start dates and creating complications
- Many organizations do not have the staff capacity, technical help or flexible funding they need to build basic organizational capacity and implement grants
- There is a need for additional one-on-one technical assistance
- Outreach to Greater Minnesota and non-English-speaking communities needs to be expanded to effectively serve those communities
- One-year grant contracts make it hard to keep staff and sustain programs
- The current DEED grant system is not designed to easily accommodate small, rural community-based organizations

The WD Division has made efforts to address specific feedback as it is received. Some feedback is actionable while others such as the one-year grant contracts are not adjustments the agency can make. One dedicated effort based on community feedback was additional trainings for application writing. The Summer 2025 Grant Application Writing Training Series was offered freely and provided attendees with:

- Step-by-step guidance on completing applications
- Mock scoring exercises and sample proposals
- Live Q&A with DEED staff
- Recordings and materials for ongoing use

These trainings have become a key strategy for building capacity among new and emerging applicants. Additionally, efforts to simplify languages across grant materials can be seen in Appendix C2: Cannabis Training Industry Grant Program RFP and Appendix C3: Cannabis Industry Training Grant Program Application. The questions in the application are straightforward and open-ended.

### Engagement Plan for the Comprehensive Review

To support the comprehensive review of WD Division competitive grant programs required in addition to this preliminary report, the following engagement plan is being implemented.

#### Goals

- Identify current strengths with outreach, grant application, grant implementation, grant oversight and grant completion processes

- Identify spaces for growth with outreach, grant application, grant implementation, grant oversight and grant completion processes
- Understand the reasons organizations in the workforce development space have not applied for DEED grants

#### **Team**

- The Office of Public Engagement staff
- Workforce Development Division staff
- The Office of New Americans staff

#### **Key Questions**

- What are the barriers in applicants learning about grant opportunities?
- What are the difficulties with applications?
- Can the grant administration process reduce burdens on grantees while maintaining necessary oversight?
- How can DEED better support organizations with limited capacity?

#### **Groups to be Engaged**

- Current WD Division grant program awardees
- Past WD Division grant program awardees
- Past WD Division grant program applicants that have not received funding
- Organizations engaged in workforce development that have not applied for WD Division grant programs
- Engagement efforts will work to ensure representation across workforce development sector, geographic and demographic groups

#### **Engagement Methodology**

- The OPE developed the Community Collaborative Conversation (C3) methodology in 2025. This innovative process standardizes analysis of the information that is shared by community groups. This allows community engagement data to be analyzed across content areas. Specifically, the transcripts and notes from each listening session are analyzed using thematic analysis. Thematic analysis is a qualitative research methodology that structures data analysis into defined codes based on themes that emerge. These thematic codes allow conversations to be reported in a way that captures the significance of the insights with clarity and specificity.
- The C3 process is implemented with privacy and data protections.
- Multiple engagement formats will be offered to make participation accessible including in-person, virtual and hybrid sessions.

#### **Timeline**

- February – August 2026: Conduct C3 Engagement Sessions
- September – November 2026: Data Analysis and Recommendations

## Conclusion

This preliminary report seeks to create a foundational understanding of the DEED WD Division competitive grant processes. The report also outlines the WD Division's ongoing commitment to collaborating with the committees it serves and the plan to undertake a dedicated community data-gathering process to further explore critical questions about how the system could be improved. Analysis of the data gathered through the engagement effort as well proposals for improving the competitive grant system will be included in the final report.

## Appendix A. DEED Grant Policy and Procedures

### A1. Policy and Procedures Manual 521 DEED as a Grantor: Grant-Making

The state legislature and the federal government provide the Minnesota Department of Employment and Economic Development (DEED) with funds either to administer a program directly or to grant funds to another entity (a grantee) so that the entity may provide, or arrange for another entity to provide (a sub-grantee), the services for which the funds are intended.

#### Reason for Policy

All grants received by DEED where DEED acts as the pass-through agency, whether federal- or state-funded, must follow state statutes, and the policies of both Minnesota Management and Budget (MMB) and the Department of Administration's Office of Grant Management (OGM) regarding administration of grants or sub-grants. DEED further follows the guidelines set forth in the Code of Federal Regulations (CFR), *Title 2 - Grants and Agreements*, and the requirements of Federal funding agencies. The style and format of all materials prepared for public dissemination must conform to the State's accessibility and usability requirements, pursuant to [Minn. Stat. 16E.03\(9\)](#) and MNIT Service's [Accessibility Policy and Standards](#). (For the complete list of authorities, see the end of this policy.)

All DEED grants must be executed by authorized persons, entered into with responsible organizations and individuals, and contain requirements for effective performance. All grants will be managed, monitored, and audited as required to ensure that services are provided as specified and public funds are safeguarded.

#### Applicability

The policy applies to all divisions of DEED that make grants, and all grants where DEED acts as the pass-through agency, whether Federal or State. This policy does not apply to formula or general obligation (GO) debt bond grants as defined by section [Minn. Stat. 16A.695](#), capital project grants to political subdivisions as defined by section [Minn. Stat. 16A.86](#), or grants to individuals. It also does not apply to grants where DEED is the grantee.

#### Failure to Comply

Failure to comply with this policy and its procedures may result in disciplinary action.

#### Grant Funding Oversight

DEED's Legislative Steering Committee (The Legislative Steering Committee has a scope beyond grants and is comprised of the Deputy Commissioner and Chief Operating Officer, Chief Financial Officer, Agency General Counsel, Government Affairs Director, the Assistant Commissioner for the Office of Economic Equity and Opportunity, and relevant program directors as assigned by their Deputy Commissioner. The Deputy Commissioner and Chief Operating Officer are responsible for convening the group.) will review all new state and federal grants at the end of the legislative session, or as needed, and will meet with each program area to provide guidance on how to proceed with each appropriation.

In the case of Federal grants, Minn. Stat. 3.3005 requires that all executive branch agencies receive legislative approval before expending federal money. This may be obtained as part of the biennial or supplemental budget process, through specific authority in law, or by approval of the Legislative Advisory Commission (LAC). If the grant funds (whether new, extended, increased, or revised in any way) are submitted as part of the biennial budget process, DEED's Administrative and Financial Services (AFS) will prepare a Federal Fund Summary (FFS) and fiscal pages that will be delivered to the legislature as part of the Governor's budget. Outside of the budget process, AFS will submit the completed and signed Federal Funds Review Request Form (7250-01) and upload it to the MMB Budget Division's Document Management SharePoint site, informing the Executive Budget Officer (EBO) for DEED at MMB that the files have been uploaded. (See the following for details: MMB Statewide Operating Policy 0303-01, MMB Statewide Operating Procedure 0303-01.1, MMB Statewide Operating Policy 0306-01, MMB Statewide Procedure 0306-01.1, SharePoint Instructions, Instructions for Form 7250-01, Request for access to Budget's SharePoint site.) Unless the LAC recommends further study, the Federal Funds are approved 20 days after the LAC's regular meetings, or 10 days after a special meeting.

Once the grant has been reviewed by the LAC, and no exceptions have been found, AFS will forward it to the program area. As with State grants, the Steering Committee will determine if the Federal grant should be offered as a competitive request for proposal, or if the program area should claim a single source exemption from the Department of Administration. The grant will then be sent on to the program area with recommendations for action.

## **Grant Types**

### ***Sole and Single Source Grants***

Single and sole source grants are non-competitive grants that are awarded when only one entity is reasonably able to meet a grant's intended purpose and objectives, due to geographic location, specialized knowledge, relationships or specialized equipment.

DEED staff who wish to award a single or sole-source grant must complete the Single Source Grant Justification Form and submit it to DEED's Grants Administrator for approval routing.

**Exempted:** Legislatively named grants, grants under \$5,000, formula grants, grants to individuals, and grants from one state agency to another do not need to file a justification form. Grant programs in which DEED has identified its grantees in a federal grant application are also not subject to this requirement.

### ***Legislatively mandated grants***

Legislatively mandated grants are managed with the same level of oversight applied to other state grants, while respecting and maintaining the legislative intent. Legislatively named grantees shall be subject to the same requirements as other DEED grantees, including a Pre-Award Risk Assessment for grants over \$25,000. Legislatively named grants shall be monitored using the same standards applied to other types of state grants.

In situations in which the purpose and amount of a grant is stated in law, but the grantee organization is not stated, the Legislative Steering Committee will provide guidance to staff on whether to use a single or sole source or a competitive process to select the grantee.

## ***Competitive Grants***

Competitive grants are the preferred type of grant. Grantees may apply for them through an application process or by submitting a proposal, depending on the choices of the program area.

If the program area grants grant funds through a proposal process, staff will prepare a Request for Proposal (RFP) and submit it to their Deputy Commissioner for review and approval, before it is routed to the Commissioner. The Commissioner will review and give final approval on all RFPs. When the RFP is approved, DEED should email the notice and supporting documentation as attachments to DEED's Grant Administrator, who will work with the Communications Office to post the opportunity on DEED's Competitive Contract Opportunities page. All RFPs must be posted for a minimum of 30 days.

DEED has a weekly ad in the State Register publicizing grant opportunities available on our website. DEED program staff should pursue additional methods to share opportunities, including culturally-specific or community newspapers, community meetings, and other outreach. If authorizing legislation identifies specific organizations or groups to receive grants (such as metropolitan counties or universities), DEED program staff should directly notify all eligible organizations or groups.

### Competitive Grant Proposal Review

Competitive grant reviews shall be conducted using weighted criteria identified in the RFP that includes verifiable and measurable diversity, equity, and inclusion in outcomes or performance. Staff may also include criteria that provide points for applications that possess innovative and potentially highly-effective measures. To ensure the highest degree of precision, DEED requires staff and reviewers use a numeric (quantitative) scoring system only, instead of a qualitative rating or ranking system.

DEED programs must recruit and use community-based grant reviewers in the RFP review process, unless the Commissioner provides an official exemption.

Grant reviewers must complete and sign a Conflict of Interest Disclosure Form for each process in which they participate.

DEED program staff should screen proposals immediately after the submission deadline. Proposals must be disqualified if:

- They do not meet submission standards for size, content and format.
- They are submitted after the deadline.
- The prospective grantee is known to have a previous history of fraud with State funding.
- For Federal grants, the organization is listed as suspended or debarred in the federal SAM database.

DEED program staff should send acceptable grant proposals to the review panel to read and score them according to the quantitative scoring criteria identified in the RFP.

The lead staff member of grant review teams should collect all Conflict of Interest Disclosure Forms, scoring information, and any other documents, such as grant proposals containing written notes, from review team

members. Collected scoring-related documents should remain anonymous and be kept in the grant program file according to records retention schedules.

The Commissioner of DEED will make the final determination on grant awards. The decision of the Commissioner is final and not subject to appeal.

### **Conflicts of Interest**

Anyone involved in the grant award, payment, or monitoring processes is required to disclose any actual, perceived or potential, personal or organizational conflicts of interest, and to avoid even the appearance of a conflict of interest (see Minn. Stat. 10A.07, 15.054, 15.43, 16B.98 (2–4), 16C.04, 43A.38, and 471.87; and Office of Grants Management (OGM) Policy 08-01. Conflict of Interest Policy for State Grant-Making). An individual conflict of interest occurs when a person has competing loyalties to more than one organization, which may result in actions that are adverse to one or both organizations.

**This applies to all grant applicants, including legislatively-named and single-source grant applicants.** It also applies to employees, appointees, and other grant proposal reviewers, including board or council members that serve DEED's programs by assisting in proposal evaluation and award decision-making processes.

All individuals who will participate in a grant proposal review for a DEED program (including DEED staff) must complete the DEED Grant Reviewer Conflict of Interest Disclosure Form. Completed forms should be kept in program files according to records retention schedules.

DEED also requires grant applicants to complete both a Conflict of Interest Disclosure Form and an Affidavit of Non-collusion at the time of their proposal submission.

A DEED employee who discovers evidence of violation of laws or rules governing grants by another employee or a grantee or grant applicant is encouraged to report the violation or suspected violation to his/her supervisor and DEED's Internal Auditor, the Commissioner, or the legislative auditor (Minn. Stat. 16B.98(4)).

### **Risk Assessment of Nongovernmental Organizations**

Before awarding a grant of \$25,000 or over to **a nongovernmental organization**, DEED must assess a recent financial statement (internal financial statement, IRS Form 990, or certified financial audit) from that organization to ensure it is financially stable enough to carry out the purpose of the grant. **This applies to all grant applicants, including legislatively-named and single-source grant applicants.**

DEED program staff must also use the Pre-Award Risk Assessment Form to assess the capacity of the nongovernmental organization. Staff should discuss items of concern with their Division Director and DEED's Internal Auditor, who can further assess the situation and, where possible, help develop effective supports. Staff should then discuss concerns with the grant applicant. DEED's Internal Auditor must approve proposed resolution(s) before the grant is awarded.

Before awarding a grant of up to \$24,999.99, DEED staff must use the Financial Capacity Review Form to assess the capacity of the nongovernmental organization. Staff should discuss items of concern with their Division Director and DEED's Internal Auditor, who can further assess the situation and, where possible, help develop

effective supports. Staff should then discuss concerns with the grant applicant. DEED's Internal Auditor must approve proposed resolution(s) before the grant is awarded.

These forms and corresponding documentation should be kept in the grant program file according to records retention schedules.

### **Budget and Work plan**

DEED requires that a budget and work plan be included with any proposal from a competitive bid process. **Single-source and legislatively-named grantees must also complete a budget and work plan before money is distributed.** DEED program staff must evaluate the work plan in relation to the performance objectives defined in the RFP or in law, and analyze the budget in relation to the Risk Assessment and Financial Statement Review (if performed).

### **Administrative Costs**

DEED is responsible for negotiating the limits of administrative costs for state grants (Minn. Stat. 16B.98(1)). As a condition of receiving a state grant where administrative costs are allowed, DEED will require the recipient to limit administrative costs to no more than 10% of the budget, or the percent described in the authorizing legislation, whichever is less.

For Federal grants, the Uniform Code requires that pass-through entities such as the state of Minnesota limit administrative costs to 10% of modified total direct costs, or use an indirect cost rate negotiated with the Federal agency (CFR 200.331(a)(4) and 200.413). Minn. Stat. 16A.127 further requires that all federal agency indirect cost receipts be appropriated to the agency to pay administrative expenses, unless they are determined to be a reimbursement of general fund expenditures. DEED's standard administrative rate is 5%, and DEED expects grantees to show similar restraint in administrative spending. For more information on indirect costs for nonprofit organizations, see Appendix IV to Part 200 [of CFR Title 2] - Indirect (F&A) Costs Identification and Assignment, and Rate Determination for Nonprofit Organizations. Indirect costs to colleges or universities are covered in Appendix III to Part 200 - Indirect (F&A) Costs Identification and Assignment, and Rate Determination for Institutions of Higher Education (IHEs).

### **Grant Agreements**

DEED program areas must use an executed written agreement for all grants awarded. DEED Grant Agreement templates are available here.

To ensure the grant agreement being used for a grant program is current, staff should ensure they are using the most up-to-date template.

If there is language that needs to be added, removed, or altered based on program-specific authorizing statutes or appropriation language, staff should submit their updated template to DEED's Grants Administrator for review and approval.

Once program staff complete a draft grant agreement that is ready for processing, they must complete the steps outlined below.

Role	Step	Task
Program Staff	1	Create a Procure-it for the grant and attach the grant contract and all exhibits.
AFS Grants Administrator	2	Reviews the contract in Procure-it and provides Special Approval. Assigns to a Grants Specialist to encumber the funds within SWIFT, and signs the encumbrance verification.
AFS Grants Specialist	3	Returns the contract to the program staff person as an email (or hard copies).
Program Staff	4	Once given approval by the Contracts Coordinator to proceed, program staff may send the contract out to the grantee for signature via email as a PDF document attachment or by some other traditional means. After a grantee receives the contract, they must have someone with delegated authority on behalf of their organization sign the contract. The signed document may be returned to DEED via email as a scanned attached document.
	5	After receiving back a signed contract from the grantee, program staff must acquire the signature of an individual with delegated authority from the Commissioner for signing contracts on behalf of the respective DEED unit.
	6	Once all signatures have been obtained, provide copies of the contract back to the Contracts Coordinator for final processing.
AFS Grants Specialist	7	Dispatches the PO, closes the Procure-it, and distributes copies of the contract back to program staff.

### Grant Amendments

Because grant agreements are legally binding contracts, changes to any provision of the agreement must be documented by a legally binding amendment. For the standard form, see [Grant Amendment](#) (Microsoft Word). Amendments should be clearly numbered and approved in the same manner as the original contract and include a statement of why the amendment is necessary.

Examples of changes for which amendments are necessary include:

- Change in dates of project

- Change in method or amount of grant payments
- Changes to grantee duties

Once program staff complete a draft amendment that is ready for processing, they must complete the steps outlined below.

Role	Step	Task
Program Staff	1	Create a Procure-it for the grant and attach the grant contract, exhibits, and draft amendment.
AFS Grants Administrator	2	Reviews the amendment in Procure-it and provides Special Approval. Assigns to a Grants Specialist to encumber the funds within SWIFT, and signs the encumbrance verification.
AFS Grants Specialist	3	Returns the amendment to the program staff person as an email (or hard copies).
Program Staff	4	Once given approval by the Contracts Coordinator to proceed, program staff may send the amendment out to the grantee for signature via email as a PDF document attachment or by some other traditional means. After a grantee receives the amendment, they must have someone with delegated authority on behalf of their organization sign the amendment. The signed document may be returned to DEED via email as a scanned attached document.
	5	After receiving back a signed amendment from the grantee, program staff must acquire the signature of an individual with delegated authority from the Commissioner for signing contracts on behalf of the respective DEED unit.
	6	Once all signatures have been obtained, provide copies of the amendment back to the Contracts Coordinator for final processing.
AFS Grants Specialist	7	Dispatches the PO, closes the Procure-it, and distributes copies of the amendment back to program staff.

## Grant Payments

DEED will not issue grant payments until the funds are encumbered and the grant agreement is fully executed. Grant payments shall not be made on grants, or subsequent grant awards made to the grantee, with past due progress reports.

DEED's policy specific to grant payments is further outlined in PPM Chapter 523.

### **Grant Progress Reports**

A grant progress report summarizes grant activities and outcomes for a given period, in relation to the work plan and outcomes identified in the grant agreement. A progress report may have narrative, statistical, and financial elements. Information requested in a grant progress report may include, but is not limited to, goals and objectives, activities, outcomes, challenges, lessons learned, and financial information. A sample grant progress report template is available.

OGM Policy 08-09 requires that grantees of competitive, legislatively made, formula and single- and sole-source grants (not bonding and capital grants) submit written progress reports at least annually until all grant funds have been spent and all the terms of the grant contract have been fulfilled. DEED monitors progress on state grants by requiring grantees to submit written progress reports until all grant funds have been expended and all terms in the grant agreement have been met. DEED shall not make grant payments on grants with past due progress reports unless the program's Division Director has given the grantee a formal written extension.

### **Grant Monitoring**

DEED staff are required to conduct at least one monitoring visit before final payment is made on all state grants of over \$50,000 and to conduct at least annual monitoring visits on grants of over \$250,000. DEED staff must also conduct a financial reconciliation of grantees' expenditures at least once before final payment is made on grants of over \$50,000.

DEED's policy specific to grant monitoring is further outlined in PPM Chapter 522.

### **Grant Noncompliance**

Grantees are responsible for managing State grant funds in compliance with statutes, rules, grant agreements, DEED policies, and other applicable laws and requirements. Noncompliance is generally found through the review procedures of monitoring or reconciliation. When corrective actions are considered, the first goal is to bring the grantee back into compliance. Noncompliance can be less (level 1) or more (level 2) severe.

#### **Level 1: Failure to follow required administrative procedures**

Examples of Level 1 noncompliance may include but are not limited to: improperly completed forms or contracts; incorrect, insufficient, or late reporting; or incomplete files.

#### **Level 2: Failure to follow statute, rule, policy, or grant agreement**

Examples of Level 2 noncompliance may include but are not limited to: missing signatures or dates on contracts, overpayment on contracts, activities occurring outside contract starting or completion dates, expenditure of funds outside the terms of the grant agreement, or repeated instances of Level 1 noncompliance.

DEED's procedures specific to noncompliance are further outlined in PPM Chapter 522.

### **Grant Closeout Evaluation**

DEED considers a grant applicant's past performance before awarding subsequent grants to them. DEED staff are required to complete a Grant Evaluation Post Award Template within 30 days of the end of a grant agreement. The form should be submitted, and a copy kept in the grant program file according to records retention schedules.

### **Records Retention**

DEED's authorized representatives (or their successors) are required to keep a fully executed copy of each grant agreement, with all amendments and attachments, as well as relating documents on file for a minimum of six years from either the grant agreement end date, or the receipt and approval of all final reports, whichever length of time is later (Minn. Stat. 16B.98(8)) If individual programs have longer retention requirements, DEED's authorized representatives (or their successors) are required to comply.

For competitive grants, staff must also keep the following documents according to this schedule:

- The proposal and accompanying documents, including the Conflict of Interest Disclosure Form
- Reviewer documents, including Conflict of Interest Disclosure Forms, scoring sheets, and any other written comments
- Risk assessment documents
- Payment requests
- Progress reports
- Monitoring reports and any follow-up documentation
  
- Closeout evaluation

For Federal grants, all records pertinent to an award must be retained for three years from the date of submission of the final expense report or as identified in 2 CFR 200.334.

## **A2. Policy and Procedures Manual 522 Grant Oversight and Management**

### **Description**

DEED is charged with verifying that grant recipients are accountable for grant funds and are in compliance with the terms and conditions of the grant agreements, as well as applicable statutes, rules, regulations, policies, and procedures.

### **Reason for Policy**

The purpose of this policy is to establish clear expectations and processes for DEED's oversight of state grant funds.

### **Applicability**

The policy applies to all divisions of DEED that make grants, and all grants except those in which monitoring requirements are statutorily defined. Bonding and loan programs are not covered by this policy.

### **Failure to Comply**

Failure to comply with this policy and its procedures may result in disciplinary action.

### **Policy**

The Department of Employment and Economic Development (DEED) conforms to the Code of Federal Regulation Title 2, standards of our Federal granting agencies, state statutes, and the Office of Grant Management (OGM) policies regarding the monitoring of grant recipients for financial accountability and achievement of desired goals, as defined in grant agreements and work plans.

Under this policy, DEED staff will:

- Review payments on grants by comparing the grantee's Reimbursement Payment Request (RPR) or closeout with at least a sampling of supporting documentation for the request, such as purchase orders, receipts, and payroll records before payment is made.
- Monitor grants above \$50,000 at least once before final payment is made, and grants over \$250,000 annually.
- Conduct a financial reconciliation of grantees' expenditures at least once before final payment is made on grants of over \$50,000.
- Retain all documentation from monitoring visits and financial reconciliations for a minimum of 6 years from the grant agreement end-date. If individual programs have longer retention requirements, DEED's authorized representatives (or their successors) are required to comply.

Grant programs that seek an exception to this policy must complete a Grants Policy Exception Request and submit it to the Grants Administrator in Administrative and Financial Services (AFS) for review and routing. DEED's CFO will review and approve, and then transmit it to the Office of Grant Management for the approval of the Commissioner of Administration or his/her designee.

## Financial Oversight

Grantees must submit requests for payment according to the schedule set forth by DEED's authorized representative. When a Reimbursement Payment Request (RPR) is submitted with authorized signature(s), DEED's authorized representative (or his/her successor) shall:

- review the RPR against the line items in the approved grant budget (e.g. personnel costs, indirect costs, equipment costs), grant expenditures to-date, and the latest grant progress report;
- ensure expenditures are allowable expenses within the terms and conditions of the grant, state policies, and federal regulations; **and**
- reconcile at least a sampling of source documentation with the RPR before approving payment. Source documentation can include any new or amended contracts, agreements, or memorandums of understanding; detailed receipts or invoices; payroll records; and documentation, such as quotes or bids and purchase requests, demonstrating the grantee, sub-grantee, or sub-recipient followed its purchasing policy.

DEED program staff should authorize payment only on actual expenses, not on a percentage of the budget.

DEED program staff should be watchful for the expenditure of grant dollars for a purpose other than intended, which constitutes fraud (OGM Policy 08-05). Common examples of grant fraud are:

- Charging personal expenses as business expenses against a grant,
- Charging for costs which have not been incurred or are not attributable to a grant, and
- Charging for inflated labor costs or hours against a grant.

## Grant Progress Reports

A grant progress report summarizes grant activities and outcomes for a given period, in relation to the work plan and outcomes identified in the grant agreement. A progress report may have narrative, statistical, and financial elements. Information requested in a grant progress report may include, but is not limited to, goals and objectives, activities, outcomes, challenges, lessons learned, and financial information. A sample grant progress report template is available.

OGM Policy 08-09 requires that grantees of competitive, legislatively made, formula and single- and sole-source grants (not bonding and capital grants) submit written progress reports *at least annually* until all grant funds have been spent and all the terms of the grant contract have been fulfilled. DEED monitors progress on state grants by requiring grantees to submit written progress reports until all grant funds have been expended and all terms in the grant agreement have been met. **DEED staff shall not make grant payments on grants with past due progress reports unless the program's Division Director has given the grantee a written extension.**

## Grant Monitoring

The purpose of grant monitoring visits is to review and ensure progress against the grant's goals, to address any problems or issues before the end of the grant period, and to build rapport between DEED and the grantee. An effective grant-monitoring visit may cover topics including, but not limited to, statutory compliance, challenges faced by the grantee, modifications made to the grant program, program outcomes, grantee policies and

procedures, grantee governance, and training and technical assistance needs. Those grants identified as highest risk during the selection process should receive highest priority for monitoring. For new and high-risk grantees, this visit should take place in the first quarter of operations.

DEED must conduct monitoring visits (OGM Policy 08-10):

- At least once before final payment is made on grants above \$50,000
- At least once per year on grants above \$250,000

Documentation from monitoring visits must be kept in the grant file.

### **Grant Noncompliance**

Grantees are responsible for managing State grant funds in compliance with statutes, rules, grant agreements, DEED policies, and other applicable laws and requirements. Noncompliance is generally found through the review procedures of monitoring or reconciliation. When corrective actions are considered, the first goal is to bring the grantee back into compliance. Noncompliance can be less (level 1) or more (level 2) severe.

#### **Level 1: Failure to follow required administrative procedures**

Examples of Level 1 noncompliance may include but are not limited to: improperly completed forms or contracts; incorrect, insufficient, or late reporting; or incomplete files.

#### **Level 2: Failure to follow statute, rule, policy, or grant agreement**

Examples of Level 2 noncompliance may include but are not limited to: missing signatures or dates on contracts, overpayment on contracts, activities occurring outside contract starting or completion dates, expenditure of funds outside the terms of the grant agreement, or repeated instances of Level 1 noncompliance.

#### ***Procedure***

When DEED's authorized representative identifies Level 1 noncompliance, s/he must notify the grantee of the corrective action necessary to bring the grantee back into compliance. When DEED's authorized representative identifies Level 2 noncompliance, s/he must notify their Division Director and DEED's Internal Auditor. The Internal Auditor and Division Director will work with the authorized representative to notify the grantee of noncompliance in a letter, which will suggest corrective actions to bring the grantee back into compliance. The grantee must respond with a plan to address each corrective action; and DEED must approve the corrective action plan for the grantee to be back in compliance.

Upon finding noncompliance, DEED reserves the right to withhold payments on grants. If noncompliance is severe, or if work under the grant agreement is found by DEED to be unsatisfactory or performed in violation of federal or state law, DEED also has the authority to require the repayment of grant funds.

### **Grant closeout evaluation**

DEED staff are required to complete a Grant Evaluation Post Award Template within 30 days of the end of a grant agreement. The form should be submitted, and a copy kept in the grant program file according to records retention schedules. They will be centrally stored and available for Grant Coordinators to view.

### **Document Retention**

Documentation from monitoring visits and financial reconciliations must be kept in the grant file for a minimum of 6 years from the grant agreement end-date.

The following documents should be filed for financial reconciliations:

- DEED's request(s) made to the grantee identifying which payment was selected for reconciliation from which grant and the process for the grantee to follow
- The grantee's response and submitted documents
- DEED's financial review analysis or worksheets that demonstrate the payment was reconciled
- DEED's final result of the reconciliation:
  - Final report or summary document issued to the grantee that demonstrates the results:
- The reconciliation is completed (no questions or follow-up required), or
- The reconciliation resulted in questions: follow-up, and next steps the grantee needed to take

If the financial review was done as a desk review, staff must save:

- A sample of the documentation a grantee submits
- The report summarizing reconciliation results
- Work papers used for completing the reconciliation

If the financial reconciliation was completed as part of an on-site review, DEED should save:

- A list verifying which documents were reviewed to complete the reconciliation
- The agency report summarizing reconciliation results
- Work papers used for completing the reconciliation.

It is important to note that grantee documentation, including payroll documentation, should not contain sensitive information such as social security numbers, home phones, or home addresses.

### **A3. Policy and Procedures Manual 523: Grant/Sub-grant Cash Management and Cash Request**

#### **Description**

In accordance with PPM Chapter 521: Grant-Making, before a grant is awarded and the budget and work plan approved, the financial stability or health of a non-governmental organization (NGO) must be established.

#### **Reason for Policy**

The purpose of this policy is to provide a clear and consistent process for determining how cash payments shall be made to DEED grantees or their sub-grantees. The method and schedule of payments for each grant and sub-grant shall always be specified in the grant agreement, or any amendments.

#### **Applicability**

This policy applies to cash management processes at DEED for competitive, legislatively mandated, formula, single and sole source grants, and sub-grants; and to the DEED employees that administer the grants, grant payments, or cash management. The policy does not apply to general obligation (GO) bonding and capital project grants to political subdivisions, nor to grants in which payment terms are statutorily defined by the legislation.

#### **Failure to Comply**

Failure to comply with this policy and its procedures may result in disciplinary action.

#### **Policy**

DEED will follow all state policies and federal regulations regarding grant and sub-grant cash management and cash requests, and will ensure that all of its grants contain language that conforms to those policies or regulations.

#### **Conditions of Cash Management/Payment**

DEED will follow both federal regulations regarding grant and sub-grant cash management as set out in the Code of Federal Regulations, Title 2, 200.305, and the current policies of the Office of Grants Management (OGM) (Grants Management Policies, Statutes and Forms). Organizations receiving grant funds must be financially stable enough to fulfill the objectives and work plan of the grant. An organization, even if legislatively-named, must be subjected to financial review prior to an executed grant agreement.

No payments to grantees or sub-grantees will be made until:

- If applicable, DEED has successfully completed a financial review or assessment of the grantee or sub-grantees' financial stability or health.
- The grantee or sub-grantee has supplied a budget and work plan, and those documents have been approved by DEED.
- DEED has encumbered the grant funds.

- The authorized representatives of all parties to the grant agreement or their successors have fully executed the grant agreement.
- If applicable, requests for cash advance are considered and recommended for approval or disapproval by the Internal Auditor and formally approved or disapproved by the Chief Financial Officer (CFO).

Payments to existing grantees will also be contingent on the following:

- Progress reports submitted on time, unless DEED has given the grantee a written extension (OGM Policy 08-09); and
- Successful monitoring visits and satisfactory financial review of grantee's expenditures, and when conducted, satisfactory full financial reconciliation of grantees' expenditures.

Grantees must send names of employees who are authorized by the entity to request or draw cash grant funds in writing to the DEED CFO using the Authorized Signature Form for Cash Requests. If a cash request is not submitted by an authorized representative, it will be returned to the grantee for revision and resubmission by an authorized representative.

### **Reimbursement**

The preferred and standard method for payment of grant funds is by cost reimbursement.

To request reimbursement, the grantee must complete a Reimbursement Payment Request (RPR) and submit it, with authorized signature(s) and supporting documentation, to DEED's authorized representative (or his/her successor) according to the schedule set forth by DEED's authorized representative.

Upon receipt, the State's authorized representative named in the grant agreement (or his/her successor) shall:

- review each RPR against the line items in the approved grant budget (e.g. personnel costs, indirect costs, equipment costs), grant expenditures to-date, and the latest grant progress report before approving payment;
- ensure that all expenditures are allowable expenses within the terms and conditions of the grant, state policies, and federal regulations; **and**
- reconcile at least a sampling of source documentation with the RPR before approving payment. Source documentation can include any new or amended contracts, agreements, or memorandums of understanding; detailed receipts or invoices; payroll records; and documentation, such as quotes or bids and purchase requests, demonstrating the grantee, sub-grantee, or sub-recipient followed its purchasing policy.

Once the State's authorized representative (or his/her successor or designee), approves the expenses and cost reimbursement, s/he should submit the RPR and accompanying documentation to Administrative and Financial Services (AFS) for grant payment (cost reimbursement).

To ensure adequate cash flow management and cash balances of the grantee or sub-grantee, it is DEED's obligation to ensure prompt payment upon receipt of the RPR. Typically, this would be no later than three business days. DEED reserves the right to offset overpayments and disallowances by reducing the cash payment requested on any grant or sub-grant RPR.

Any changes in budget (budget modification) must be approved by DEED and a grant agreement amendment fully executed prior to the grantee or sub-grantee incurring the expense and requesting reimbursement.

Unless otherwise specified in the grant agreement, the final yearly request for reimbursement must be submitted by the grantee no later than 20 calendar days after the end date of the grant to ensure timely yearend closeout and reporting of the grant.

### **Cash Advances**

Before making an advance grant payment, DEED must be confident that the grantee will be able to account for the grant funds and abide by the terms of the grant agreement. This review will be based on any history of the organization's past behavior as a grantee for DEED or another state, federal, or local governmental agency; the evaluation of recent financial review or statements as required by OGM Policies 08-06 and 08-13 if the grant amount is above \$25,000; and the information contained on their application for a cash advance.

### **Applying to Receive Cash Advances**

In order to be considered for a cash advance, the grantee must mail or email a signed Application for Financial Advance (AFA) to DEED program staff administering the grant. The AFA defines the timing and frequency of the cash advance request based on the NGOs financial hardship and cash flow management needs. Program staff should then forward the AFA and required attachments to DEED's Internal Auditor, who will recommend the application for approval or rejection, and route the request to the Chief Financial Officer for final approval.

In order to receive approval for a cash advance, the grantee must also:

- Maintain written procedures outlining the cash management principles, policies, processes, and procedures they will use to manage those cash advances. If the grantee cannot show that they have policies and procedures, and a financial management system that can ensure efficient and controlled use of the advance payment to cover the costs of the program, then the advance payment process is not appropriate.
- Have cash management processes, procedures, methods, and systems that minimize the length of time elapsing between award of the advance (transfer of funds) and documentation of its disbursement by the grantee or sub-grantee. The timing and amount of the advance payments received must be as close as administratively feasible to the actual disbursements by the grantee of all allowable program and project costs and must report cash activity to DEED. The grantee must also impose a similar system of cash management for their sub-grantees.
- Demonstrate that they would experience a financial hardship if a cash advance is not available. An example of financial hardship may be inadequate cash flow to timely meet operational obligations such as two-week payroll, (wages, fringe benefits, insurance, etc.), space rental, one-time equipment purchases, other one-time start-up costs, deficit in unrestricted net assets, or an inability to meet other obligations without an advance payment.

If an entity has financial stability but lacks sufficient working capital because of recent entry onto the grant field, DEED may provide cash on a working capital advance basis. (See 2 C.F.R. 200.305(b)(1)).

For one-time advances, the amount will be calculated using a standard advance payment formula, e.g. original contract amount divided by the total number of weeks in the grant period. Once the cash advance payment has been satisfied and fully reconciled, the grantee shall revert to the cost reimbursement methodology for grant reimbursements for the remainder of the grant availability period.

### **Requesting Cash Advance Payments**

Once the grantee has been approved to receive cash advances, the grantee may request a cash advance by completing a Cash Advance Payment Request (CAPR) and emailing the completed form, with authorized signature(s), to DEED program staff in charge of administering the grant. The grantee may complete this form with the frequency required by their cash flow management and cash balances. Drawdowns should be timed so that receipt of cash by the grantee coincides with the grantee's mailing of checks to payees.

Program staff will verify the signatures and request before sending it on to AFS at DEED.grantpayments@state.mn.us for payment. It is the obligation of DEED to ensure prompt payment upon receipt of the CAPR; prompt payment is normally within one business day of the email being received in AFS Accounts Payable.

A grantee who has received a cash advance must document the cash management of the advance by completing the Financial Status Report (FSR) according to the schedule set forth by DEED's authorized representative and emailing a signed copy and supporting documentation to DEED's authorized representative. DEED's authorized representative or her/his successor shall:

- review the FSR against the line items in the approved grant budget (e.g., personnel costs, indirect costs, equipment costs), grant expenditures to-date, cash on hand, program income, and the latest grant progress report.
- ensure expenditures are allowable expenses within the terms and conditions of the grant, state policies, and federal regulations; **and**
- reconcile at least a sampling of source documentation with the FSR. Source documentation can include any new or amended contracts, agreements, or memorandums of understanding; detailed receipts or invoices; payroll records; and documentation, such as quotes or bids and purchase requests, demonstrating the grantee, sub-grantee, or sub-recipient followed its purchasing policy.

DEED reserves the right to offset overpayments and disallowances on the FSR by reducing a subsequent CAPR.

Grantees must impose a similar system of cash management for their sub-grantees, if any.

### **Use of Electronic Signatures**

Minnesota Department of Administration, Office of Grants Management policy number 08-04 and Minnesota Statute 325L.07 encourages authorized representatives of grant agreements to use electronic signatures. If an authorized representative chooses to use the electronic signature for grant payment requests, fulfillment of the electronic signature will be accepted by attaching the necessary cash request form to an email along with the following statement:

"By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements, and cash receipts are for the purposes and objectives set forth in the terms and conditions of the grant award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729-3730 and 3801-3812). By submitting this payment request via email, I affirm that I am authorized to provide approval of this request."

The request will be compared to the authorized signatories on file for that organization before payment is made.

Without an electronic signature from an authorized representative and the above statement included in the body of the email, the payment request with the electronic signature will be declined.

### **Sub-grants**

A grantee must include DEED's cash management requirements in grant agreements with all sub-grantees and all additional tiers of sub-grantees. All of the above provisions apply to any sub-grantees and applicable language must be included in the grantee/sub-grantee agreement.

### **Enforcement Options or Legal Remedies**

Omission of any material fact, or the inclusion of false, fictitious, or fraudulent information on the *Reimbursement Payment Request* or the *Financial Status Report*, or use of grant funds outside the specifications of the grant contract, will not be tolerated.

There are several enforcement options or legal remedies available once a grant is awarded. These include, but are not limited to:

- Suspension or temporary withholding of award payments pending correction of the deficiency
- Withholding of future awards
- Disallowance of all or part of the cost of the activity or action not in compliance. DEED reserves the right to offset overpayments and disallowances by reducing cash payments on any DEED grant.
- Requiring repayment of costs if costs are questioned or unallowable costs are submitted for payment
- Termination of all or part of the award
- Recommendation to suspend or debar entity
- Any other available legal remedies.

As directed by the Commissioner of Administration, the Office of Grants Management serves as the central point of contact for questions and comments about fraud and waste in state grants and about the violation of statewide grant policies. DEED's legal counsel also is available to assist with determinations of fraud and waste or violations and identifying action steps required given the specifics of the situation.

## Appendix B. Grantee Oversight Documents

### B1. Pre-award Grantee Risk Assessment

Competitive Grantee Pre-award Risk Assessment Checklist

**Grantee Name:** Click or tap here to enter text.

**Date:** Click or tap here to enter text.

**Reviewed by:** Click or tap here to enter text.

#### Applicability

This checklist is to be used for potential grantees that are either a municipality (political subdivision), nonprofit, or for-profit business that have been selected by an agency through a competitive process to be awarded \$50,000 or more. Completing this checklist will facilitate the required risk assessment per OGM Policy 08-06: *Pre-award Risk Assessment of Potential Grantees* and Minnesota Statutes §16B.981. Complete each section below as applicable to the potential grantee.

This potential grantee is a (check one):

Municipality (Political Subdivision)

Nonprofit

For-Profit Business

Agencies must verify that the potential grantee is not on the State of Minnesota suspended/debarred list or the federal debarment list before beginning this pre-award risk assessment. Potential grantees that are suspended/debarred are not subject to the appeal process described in Minn. Stat. §16B.981, subd. 4.

Potential grantee is not on the State of Minnesota suspended/debarred list.

Potential grantee is not on the federal debarment list.

#### All Potential Grantees

*Minnesota Statutes §16B.981 Subd 2 (1): Review the grantee's history of performing duties similar to those required by the grant, whether the grant requires the potential grantee to perform services at a significantly increased scale, and whether the grant will require significant changes to the operation of the potential grantee's organization.*

**1. Based on the description of services in the Request for Proposals (RFP), does the work of the potential grantee align with the requirements of the grant?**

Yes

No

Risk Noted

**2. Has the potential grantee received any other state grants from [granting agency]?**

Yes

No [If No, we **will/will not** require the following additional information... and **do/not do** additional oversight including....]

Risk Noted

**a. If the answer to question 2 is yes, were performance requirements met for those grants?**

Yes

No [If No, we **will/will not** require the following additional information... and **do/not do** additional oversight including....]

Risk Noted

**3. Does the potential grantee have a history of successfully performing with a grant of this amount or duties, at [granting agency] or other state agencies?**

Yes

No [If No, we **will/will not** require the following additional information... and **do/not do** additional oversight including....]

Risk Noted

*Minnesota Statutes §16B.981 Subd 3: The agency may require additional information and may provide enhanced oversight for grantees that have not previously received state or federal grants for similar amounts or similar duties and have not yet demonstrated the ability to perform the duties required under the grant on the scale required.*

**4. Based on the information above, has the potential grantee demonstrated that they can successfully perform the duties of this grant on the scale that is required?**

Yes

No

Risk Noted

*Minnesota Statutes §16B.981 Subd 2 (6): Certification, provided by the potential grantee, that none of its current principals have been convicted of a felony financial crime in the last ten years. For this section, a principal is defined as a public official, a board member, or staff with the authority to access funds provided by this agency or determine how those funds are used.*

5. Did the potential grantee provide the required certification that none of its current principals have been convicted of a felony financial crime in the last ten years and provide a list of those principals (such as a copy of their organizational chart or list of board members)?

- Yes
- No
- Risk Noted

**Specific to Potential Nonprofit Grantee**

*Minnesota Statutes §16B.981 Subd 2 (2): For a potential grantee that is a nonprofit organization, the potential grantee's most recent Form 990 or Form 990-EZ filed with the Internal Revenue Service. If the potential grantee has not been in existence long enough or is not required to file Form 990 or Form 990-EZ, the potential grantee must demonstrate to the agency's satisfaction that the potential grantee is exempt and must instead submit the potential grantee's most recent board-reviewed financial statements and documentation of internal controls or, if there is no such board, by the applicant's managing group;*

1. Per the RFP, was the potential grantee required to file a Form 990 or Form 990-EZ?

- Yes
- No
- Risk Noted

a. If yes:

i.  Obtain copy of 990 or 990-EZ.

Risk Noted

ii.  Perform a review of the Form 990 or 990-EZ using “Financial Review Form – Nonprofit.”

Risk Noted

b. If no: Based on the answer to the internal controls question on the questionnaire, does the potential grantee have adequate financial controls to accurately report expenditures and outcomes of the grant?

Yes

No

Risk Noted

i.  If exempt from filing, obtain copy of IRS determination letter.

- ii.  **Obtain a copy of the reviewed financial statements, unless they meet the requirements of Question 2 below.**
- iii.  **Perform a review of the financial statements using “Financial Review Form – Nonprofit.”**

Risk Noted

*Minnesota Statutes §16B.981 Subd 2 (5): if the potential grantee is required to complete an audit under section 309.53, subdivision 3, the potential grantee's most recent audit report performed by an independent third party in accordance with generally accepted accounting principles; and*

**2. Based on the RFP, is the potential grantee a charitable organization that made over \$750,000 in their last fiscal year and thus was required to have an audited financial statement per MS 309.53?**

Yes

No

Risk Noted

**a. If yes:**

**Obtain a copy of the audited financial statements.**

**Perform a review of the financial statements using “Financial Review Form – Nonprofit.”**

Risk Noted

*Minnesota Statutes §16B.981 Subd 2 (4) evidence of good standing with the secretary of state under chapter 317A, or other applicable law;*

**3. Per the RFP, did the potential grantee confirm that they were registered and in good standing with the Minnesota Secretary of State (SOS)?**

Save a print screen of the Business Record Details showing evidence of good standing from the SOS website.

Risk Noted

**Specific to Potential For-Profit Business Grantee**

*Minnesota Statutes §16B.981 Subd 2 (3) for a potential grantee that is a for-profit business, the potential grantee's most recent federal and state tax returns, current financial statements, certification that the business is not under bankruptcy proceedings, and disclosure of any liens on its assets. If a business has not been in business long enough to have a tax return, the grantee must demonstrate to the agency's satisfaction that the grantee has appropriate internal financial controls;*

**1. Per the RFP, was the potential grantee required to file their most recent State and federal tax returns?**

- Yes
- No
- Risk Noted

**a. If yes:**

- Obtain a copy of federally filed tax return.
- Obtain a copy of state filed tax return.
- Risk Noted

**b. If no: Based on the answer to the internal controls question on the questionnaire, does the potential grantee have adequate financial controls to accurately report expenditures and outcomes of the grant?**

- Risk Noted

2.  Obtain a copy of the potential grantee's most recent financial statements.  
 Perform a review of the financial statements using *"Financial Review Form – For-Profit."*

- Risk Noted

3. **Per the RFP, did the potential grantee disclose that they were under bankruptcy proceedings?**

- Yes
- No
- Risk Noted

4. **Per the RFP, did the potential grantee disclose that they had any liens on assets?**

- Yes
- No
- Risk Noted

*Minnesota Statutes §16B.981 Subd 2 (4) evidence of good standing with the secretary of state under chapter 317A, or other applicable law;*

5. **Per the RFP, did the potential grantee confirm that they were registered and in good standing with the Minnesota Secretary of State (SOS)?**

- Save a print screen of the Business Record Details showing evidence of good standing from the SOS website.

Risk Noted

### Results of Pre-award Risk Assessment

**Minnesota Statutes §16B.981 Subd 5:** An agency that identifies an area of significant concern regarding a grantee’s financial standing or management may award a grant to the grantee if the agency provides or the potential grantee otherwise obtains necessary technical assistance. If the agency cannot provide and the grantee cannot otherwise reasonably obtain necessary technical assistance, the agency may award the grant if the agency establishes additional requirements in the grant contract agreement. Additional requirements may include but are not limited to enhanced monitoring, additional reporting, or other reasonable requirements imposed by the agency to protect the interests of the state.

**Risk Noted:**

**Follow-up steps completed and potential grantee response:  
Impact to grant monitoring plan:**

**Risk Noted:**

**Follow-up steps completed and potential grantee response:  
Impact to grant monitoring plan:**

**Risk Noted:**

**Follow-up steps completed and potential grantee response:  
Impact to grant monitoring plan:**

**Risk Noted:**

**Follow-up steps completed and potential grantee response:  
Impact to grant monitoring plan:**

**Risk Noted:**

**Follow-up steps completed and potential grantee response:  
Impact to grant monitoring plan:**

### Awarding Decision Questions

**1. Are all significant identified risks resolved or mitigated in order to award the grant?**

Yes

No

**Date award or notification of risks letter sent to potential grantee:**

**2. If the risks were not resolved or mitigated, was the potential grantee able to provide additional information or work with the agency to develop a plan to resolve or mitigate the identified risks within 15 calendar days?**

Yes

No

**Date award or non-award letter sent to potential grantee:**

## B2. Monitoring Visit Documentation



# MONITORING REPORT

PROGRAM YEAR (PY25) STATE FISCAL YEAR (SFY26)

### I. Summary of Grant & Items Reviewed

<b>Grantee:</b>	<i>Enter the name of the Grantee.</i>
<b>Program:</b>	<i>Enter the name of the grant program reviewed (WIOA Adult, International Trained Professionals, WIOA Dislocated Worker, etc.)</i>
<b>Grant Number:</b>	<i>Enter the grant number.</i>
<b>Date of Monitoring Visit:</b>	<i>Enter the dates of the monitoring visit.</i>
<b>Location:</b>	<i>Enter the location of visit or enter remote</i>
<b>DEED Staff:</b>	<i>Enter the names of DEED staff who participated in the visit.</i>
<b>Amount of Award:</b>	<i>Enter the total amount of the grant award.</i>
<b>Grant Dates:</b>	<i>Enter the start and end-dates of the grant.</i>
<b>Population Served:</b>	<i>Enter a brief list of the target population served</i>
<b>Last Grant Modification:</b>	<i>If the grant has been modified, provide summary of the modification.</i>

### Person(s) Interviewed:

Name	Position/Title	Organization
<i>Grantee Attendees</i>		

### Purpose of the Monitoring Review:

*Include paragraph below for all monitoring visits. Add text as needed.*

The Department of Employment and Economic Development (DEED) is responsible for the oversight of the operations of all DEED funded state and Federal award supported activities. The purpose of this review is to assure compliance with applicable state and Federal requirements/policies, and to ensure that performance expectations are met. Applicable policies may include: Federal Regulations, DEED policies, and State Statutes. Additionally, the approved work plan and program expenditures are reviewed to assure compliance with the Minnesota Office of Grants Management Policies.

### Items Reviewed:

*List items reviewed during the Monitoring Visit. Add additional items as needed. Remove items not reviewed.*

Annual Assessment Guide/Local Unified Plan  
Annual EO/ADA Assessment  
Fiscal Monitoring Guide  
Grantee Policies/Procedures, as applicable  
Grantee Subcontracts, as applicable  
Grantee Work Plan and Budget  
Legislation  
Notice of Grant Action (NGA)  
Previous Monitoring Reports  
Program Monitoring Guide  
Reimbursement Payment Requests (RPRs) or Financial Status Reports (FSRs), as applicable  
Request for Proposals (RFP)  
Workforce One (WF1) Electronic Document Storage (EDS)  
Workforce One (WF1) Reports

All back-up documentation, notes, and the completed monitoring guide are maintained at DEED's Employment and Training Programs (ETP) Division in St. Paul.

**Grant Summary:**

*Write a 3-6 sentence grant summary. Include in your summary: the objectives of the grant, the intended participants, the service delivery area, the services provided, the training provided, performance goals, and whether they subgrant/contract the grant to subrecipients.*

Example: Juxtaposition Arts was awarded a Direct Appropriation grant in the amount of \$237,500 to mentor and provide career exploration services to youth ages 14-21. Legislation requires they serve Minnesota youth by providing workforce readiness, employment exploration, and skills development. With the support of DEED funding, Juxtaposition Arts Inc. provides hands-on paid training experiences to engage youth workers in urban planning and art design. The youth apprentices work 9 to 16 hours per week and earn wages between \$12.75 to \$13.75 an hour. JXTA Labs' primary beneficiaries consist of North Minneapolis youth residents, the youth of color, and youth from low and moderate-income backgrounds. Number of youth who will receive services: 70.

**Subawards/Contracted Partners:**

Compliance reviews for **federal grant subrecipients** must be completed by Grantees on an annual basis, as applicable. Compliance reviews for **state grant recipients** with grants over **\$50,000** must be completed by Grantees before final payment is made and must include a financial reconciliation. Additionally, annual monitoring reviews are required for state grants over **\$250,000**, per MN OGM Policy 08-10.

*Include section below for Grantees that subgrant or contract their grant funds. Add additional rows as needed. If grantee does not have subrecipients, you may delete this section from your report or enter "Grantee does not*

*subgrant this award.” Depended upon grant requirements, Adult Career Pathway (ACP) Monitors may also add partners to this list.*

**The grantee subgrants/contracts funds to the following organizations.**

<b>Sub-Grantees</b>	<b>Purpose</b>	<b>Dates</b>	<b>Award Amount</b>
<i>Enter Organization Name</i>	<i>Enter the Purpose</i>	<i>Enter Contract Dates</i>	<i>Enter the Award Amount</i>

**Summary of Subawards**

*Summarize the Grantee’s monitoring of their Sub-Grantees. Summarize monitoring event outcomes or capture their scheduled plan for monitoring their subgrants.*

**II. Summary of Monitoring Visit**

*Summarize the monitoring visit into 4-5 brief sentences. However, monitors may need to expand further if there are findings. Provide an overview of observations during the visit, include a few strengths, whether there were any promising practices, any areas of concern and corrective actions.*

Example: It was found during the monitoring visit that grantee has met their MN Trades Academy internship enrollment goals. They attribute the success to the relationships they have with high schools. The MTA internship has a solid reputation of success and schools are happy to partner and spread the word amongst the students. In addition to the internship, MTA participants completed financial literacy training and obtained their OSHA 10 security card. During the grant period a total of

1,822 activity kits were distributed to over 18 organizations. Grantee estimates that 1,544 students attended Construct Tomorrow events. XXXX does an extensive amount of outreach in the community and via social media. They were able to report that 35k users visited ConsturctionCareers.org website from the previous term. One notable promising practice is the unity amongst the varied organizational staff. Representatives from XXXX, XX Tomorrow, and XXXX attended the monitoring visit. Each partner was passionate about the role their organization plays in the success of the grant.

The financial reconciliation revealed that the grant was fully expended by the end of the grant period as expected. It also revealed the purchase and distribution of gift cards to meet program needs. The

Grantee shared that gift cards are purchased for MTA trainers at each location. Trainers use the gift cards to purchase supplies for the program as needs arise. Trainers also use gas cards to drive participants (in vans, not their personal vehicles) to training centers. Gift cards are also used for volunteers (as a form of appreciation, rather than giving cash). Grantee does not have a gift card policy and was not able to provide sufficient evidence (receipts) that the gift cards were used on allowable program expenses. Additionally, grantee was unable to provide signatures for the volunteers and program staff that received gift cards as evidence of tracking. This issue has resulted in a corrective action.

**III. Performance Measures**

Below is a summary of the programmatic performance of the grant for the period to date. The performances measures are the input and end outcome performance goals for the grant.

Monitors must review the work plan to identify the performance goals that were originally agreed upon and assess the grant recipient’s progress toward meeting those goals. Choose the end-date of a quarter for your review. The performance quarter end-date must align with the budget review below. Add or delete rows within the chart as needed. In most cases, the actual outcomes are found within WF1 or within SPARQ (SCSEP), however, if the grant program isn’t entering data into these two systems, the monitor will need to refer to the most recent grantee quarterly report.

1. **Total Planned** - Enter the total work plan goals for each performance goal and enter the end-date of the grant. The Participant Plan Goals will vary depending upon the funding stream and each Program’s Work Plan.
2. **Planned Quarter by** - Enter the number planned for the quarter reviewed and end-date of the quarter reviewed.
3. **Actual Achieved** - Enter the data per Workforce One (WF1) Reports and the end-date of the quarter reviewed.
4. **% Achieved** -
  - a. **Quarter** – Divide the “Actual Achieved” by the “Planned Quarter” and multiply by 100. Enter percentage Achieved under “Quarter.” Round percentage to the nearest whole number.
  - b. **Total** - Divide the “Actual Achieved” by the “Total Planned” and multiple by 100. Enter percentage Achieved under “Total”. Round percentage to the nearest whole number.

**Plan Versus Actual:**

The participation plan as compared to actual performance is as follows. See **EXAMPLE** below:

Participant Plan	Total Planned 7/1/2024- 3/31/2024	Planned Quarter by 3/31/2024	Actual Achieved 3/31/2024	% Achieved Quarter	Total
Total Participants Enrolled	Enter Total Planned from Work Plan	Enter Planned by Quarter from Work Plan	Enter Actual Achieved from WF1	Divide Actual Achieved /Planned Quarter by and multiply by 100	Divide Actual Achieved /Total Planned and multiply by 100
Total Credentials Obtained					
Total Measurable Skills Gains					
Total Participants Exited into Unsubsidized Employment					
Total Exits					
<b>TOTAL</b>					

<b>EXAMPLE- Participant Plan</b>	<b>Total Planned 09/17/2021- 06/30/2023</b>	<b>Planned Quarter by 9/30/2022</b>	<b>Actual Achieved 9/30/2022</b>	<b>% Achieved Quarter</b>	<b>Total</b>
Total Participants Enrolled	195	50	14	28%	7%
Total Participants Completed Training	156	32	5	16%	3%
Total Participants Earned Credentials	136	30	5	17%	4%
Total Exits into Employment	126	28	1	11%	2%
1. At or above \$15/hr.	120	24	1	13%	3%
2. In Related Field	120	22	1	5%	.8%
Exits into Post-Secondary Training	15	5	0	0%	0%
All Other Exits	54	5	0	0%	0%
Total Exits	195	38	3	8%	2%

**Reports Reviewed:**

*Briefly list the Workforce One (WK1) or SPARQ used to report “Actual” outcomes for quarter. For some programs, the performance data may not be captured within WF1, but must be obtained directly from the grantee or the progress report.*

The following WF1 reports were reviewed: Advance Search, Activity Detail, Demographic Summary, Employment Status Detail, and Grant Information Summary.

**Performance Summary:**

*Write 4-5 sentences summarizing whether the grantee is falling short, on-track, or exceeding their grant performance outcomes. Provide evidence of your findings and if grantee is falling short, provide a reason and indicate whether it is an Area of Concern or a Corrective Action.*

**Example:**

**ON-TRACK:** Grantee is on track with meeting their planned participant enrollment and planned exits to employment. The grant is 100% enrolled through the end of the 2<sup>nd</sup> quarter and 68% enrolled compared to the total grant. There are no concerns whether the grantee will be able to meet their planned credentials by the end of the grant period.

**NOT ON-TRACK:** Not on track to meeting their planned credentials earned, through the end of the 2<sup>nd</sup> quarter.

**NOT ON-TRACK:** Grantee is not on track with meeting their total enrollments, completed training, credentials earned, or exits into employment. Grantee shared during the monitoring visit that staff turnover caused delays with Workforce One data entry. Additionally, some of the training delays have been attributed to the

construction delays with their intended training space at the building. There is concern that the grantee will not meet their performance measures by the end of the grant period. **See Findings & Corrective Actions.**

#### IV. Budget

Below is a summary of the budget performance of the grant for the period to date.

*Monitors must review the Work Plan Budget that was originally agreed upon and assess the grant recipient's progress toward meeting those goals. The budget quarter end-date must align with the performance quarter review date above. Add or delete rows within the chart as needed. The budget categories will vary depending upon the funding stream of the program.*

1. **Total Budget** - Enter the total budget amount allocated to each budget category within the executed work plan and enter the start and end-dates for the grant.
2. **Budget Planned by** - Enter the budget amount planned listed within the Work Plan and end-date of the quarter reviewed. (Youth Grants don't list planned budget by quarter, therefore, in this case, you may enter NA.)
3. **FSR/RPR Actual** - Enter the expended budget line items per the FSR/RPR for each budget category listed in Column D and enter the end-date of the quarter reviewed.
4. **% Achieved**
  - a. **Quarter** - Divide the "FSR/RPR Actual" by the "Planned Budget" and multiply by 100. Enter percentage Achieved under "Qtr." Round percentages to the nearest whole number.
  - b. **Total** - Divide the "FSR/RPR Actual" by the "Total Budget" and multiply by 100. Enter percentage Achieved under "Total". Round percentages to the nearest whole number.

#### Plan Versus Actual:

Per the work plan:

See **EXAMPLE** data below in blue.

Budget Category	Total Budget DD/MM/YY- DD/MM/YY	Planned Budget by DD/MM/YY	FSR/RPR Actual DD/MM/YY	% Achieved Quarter	% Achieved Total
(833) Administrative Costs	Enter Total Planned Budget from Work Plan	Enter Planned Budget by (Quarter) from Work Plan	Enter FSR/RPR Actual (From Column D)	Divide FSR/RPR Actual with Planned Budget by and multiply by 100	Divide FSR/RPR Actual with Total Planned Budget and multiply by 100.
(857) Career Services					
(838) Direct Customer Training					
(828) Supportive Services Costs					

<b>TOTAL</b>					
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<b>EXAMPLE - Budget Category</b>	<b>Total Budget through-12/31/2022</b>	<b>Planned Budget by 09/30/2022</b>	<b>Actual (September 2022 RPR)</b>	<b>% Achieved Qtr.</b>	<b>% Achieved Total</b>
(833) Administrative Costs (10% max.)	\$20,000.00	\$8,258.00	\$7,292.97	88%	36%
(885) Direct Services	\$98,724.00	\$44,214.00	\$49,468.52	112%	50%
(833) Administrative Costs (10% max.)	\$20,000.00	\$8,258.00	\$7,292.97	88%	36%
(885) Direct Services	\$98,724.00	\$44,214.00	\$49,468.52	112%	50%
(886) Direct Services WR-GED-ABE	\$14,910.00	\$9,447.00	\$4,970.00	53%	33%
(838) Direct Customer Training	\$54,513.00	\$30,225.00	\$21,480.58	71%	39%
(828) Support Services Costs	\$11,853.00	\$3,507.00	\$5,262.44	150%	44%
<b>TOTAL</b>	<b>\$200,000.00</b>	<b>\$95,651.00</b>	<b>\$88,474.51</b>	<b>92%</b>	<b>44%</b>

**Percent Spent Per Cost Category**

The Percent Spent per Cost Category Chart demonstrates whether grantee is on track to meeting the minimum and maximum Cost Category requirements.

*To calculate grantee's percent expended per cost category, divide each Actual line item by the Total Actual Expenditures. The cost categories will vary depending upon program. Monitors should refer to the grantee Work Plan to identify any required cost categories.*

Example:

Administrative	14%
Career Services	70%
Direct Customer Training	16%
Supportive Services	0%

**Budget Summary:**

*Write a 2-3 sentence summarizing whether grantee is falling short or on track with meeting Cost Category requirements/goals. If grantee is falling short, indicate whether it is an Area of Concern or a Corrective Action.*

Example: Grantee is currently over expending their Administrative Cost Category. Administrative Costs cannot exceed 10% of total funds spent by the end of the grant. Grantee may need to return funds to DEED if they do not fully expend their grant by the end of the grant period. **See Areas of Concern.**

Grantee is under expended in those categories that are highlighted in red. The Grantee indicated that invoices from Sub-Grantees should accomplish expenditure goals.

Grantee is 92% spent in Direct Customer training for the end of the 5<sup>th</sup> quarter. The Grantee is under spent in administrative cost and career services. The Grantee is 67% spent overall. The Grantee shared that there was a delay in spending of the PY22 funds because they were still spending down PY21. There is a concern the Grantee will not meet all the planned expenditure goals by the end of the grant. **See Areas of Concern.**

#### **V. Financial Reconciliation**

*In addition to a program review, a financial reconciliation is required for all Federal Grants of any amount and State grants greater than \$50,000. The review must be completed before the final grant payment is made. Please see the financial reconciliation worksheet for specific instructions.*

*Write a 5-8 sentence summary of your findings. Include in your statement: the period reviewed, whether any concerns were noted within the General Ledger, which RPR/FSR was reviewed, the amount reviewed, a summary of the expenditures reviewed, cost categories included, whether the expenditures were able to be traced back to the original invoices, and finally whether there were any notable findings.*

**(NO CONCERNS)** A financial reconciliation was conducted for this grant (**Example**):

- The General Ledger through June 2022 was reviewed and compared to the cumulative RPR expenditures of \$25,461.00. No concerns were noted.
- The RPR for June 2022 in the amount of \$4,563.00 was reviewed. Expenditures were compared and reconciled with the June General Ledger.
- All expenditures were captured in the correct cost categories and expenditures were within the allowable limits. Two sample expenditures were selected from Admin, Career Services, Direct Customer Training, and Support Services. All expenditures were traced back to original invoices. Records were thorough. No discrepancies were noted.

**(AREA OF CONCERN):** A financial reconciliation was conducted for this grant.

- General Ledger through December 2021 was reviewed and compared to the cumulative RPR expenditures of \$18,271.35 No concerns were noted.
- The RPR for December 2021 in the amount of \$6,002.60 was reviewed. Expenditures were compared and reconciled with the December 2021 General Ledger.
- All expenditures were captured in the correct cost categories but expenditures were not within the allowable limits in the Administrative Cost category. At least two sample expenditure was selected from the Administrative and Career Services cost categories. All expenditures were traced back to the original invoices. Records were thorough. No discrepancies were noted. **See Areas of Concern.**

**(CORRECTIVE ACTION)** A detailed General Ledger for June 2022 and a cumulative General Ledger through June 2022 was requested to conduct a financial reconciliation for the XXXXX Direct Appropriation Grant. Monitor was unable to complete a financial reconciliation for this grant.

- An excel spreadsheet was provided that included grant expenditures and funds received through the month of June 2022. The total cumulative expenses of \$259,988.06 was compared with the cumulative total from the June RPR \$389,842.21. The difference of \$129,854.15 was unexplained.
- Chart of accounts did not align with the excel spreadsheet provided by the grantee.
- Grantee did not provide monitor with a detailed General Ledger for the month of June 2022 as requested, therefore monitor was unable to reconcile the June expenditures with the June 2022 RPR.

## VI. Equal Opportunity (EO)/Program Complaints

*As part of the pre-visit preparations of a Monitoring visit, Monitors must contact the DEED's Office of Diversity & Equal Opportunity to inquire whether grantee has any formal EO complaints. If there are any complaints, monitor will provide a 3-4 sentence summary, include whether the issue has been resolved, and indicate whether is the complaint warrants an Area of Concern and/or a Corrective Action. Monitor must also verify that Grantee is using the most recent "How we Use your Personal Information/Equal Opportunity is the Law (EEO Notice)" form. Date on the form is 2017 and Heather Stein is the DEED Contact.*

***If there are NO EO CONCERNS** - Include paragraph below for monitoring visits without EO/program complaints. For Grantees with EO CONCERNS, include a summary of the concerns and indicate whether the issue will result in a corrective action.*

There were no formal or informal EO or program complaints as of the date of this monitoring visit per inquiry to DEED's Office of Diversity & Equal Opportunity. A copy of the DEED form "How We Use Your Personal Information/Equal Opportunity is the Law" is reviewed with and given to each participant at the time of enrollment.

## VII. Participant File Review

Participant files will be reviewed virtually within Workforce One (WF1). A random sample of 5 participant files was reviewed within WF1 for compliance. Items reviewed included: citizenship or Right to Work status, selective service compliance, complaint procedures, data privacy information, wage detail consent forms, eligibility documentation, WF1 activities, consistent direct participant contacts and case noting, Individual Employment Plan (IEP)/Individualized Service Strategy (ISS), training, support services, exit and follow up.

*The participant file review may vary across funding streams. Some programs have more information than others entered within WF1. If source documentation is not uploaded into WF1, monitor may need to request grantee upload documents into EDS at the minimum of the IEP/ISS, Intake Forms, and Eligibility Documentation. (Until DEED has established an electronic file policy, monitors will need to be flexible with how source documentation can be obtained.) Write a 4-6 sentence summary of your file review including: number of files and items reviewed.*

Of the 5 Participant Files Reviewed: *(Enter the number of files reviewed.)*

*Since each program stream varies, monitors will need to adjust the file categories as needed. Provide a summary of your findings. Include both positive as well as any Areas of Concern and/or Corrective Actions. List the participant WF1 numbers for any files with findings so grantee may review and make corrections as needed. If item is an Area of Concern or Corrective Action, notate this following each summary statement such as, See **Areas of Concern or See Findings & Corrective Actions.***

Eligibility (Example):

All participants met the eligibility criteria for enrollment into the program.

#### **Individual Employment Plan (IEP)/Individual Service Strategy (ISS)**

All participant files had an updated IEP.

#### **Assessments (Math & Reading Grade Levels)**

All files contained math/reading assessment scores where necessary.

#### **Activities/Training**

10 participants were enrolled in Classroom Training (Credentialed Training)

#### **Credentials**

Entered credential date aligned with source documentation uploaded into WF1.

#### **Case Notes**

1 participant's profile had a break in contact (WF1 ID# 111111111); **See Areas of Concern**

1 participant profile was missing an exit case note (WF1 ID# 111111111); **See Areas of Concern**

#### **Support Services**

- No Support Services were provided.

**The program review findings were discussed with the Grantee during the exit interview.**

#### **VIII. Areas of Concern**

Administrative, management, or programmatic practices that are not specific compliance violations, but may negatively impact a program and/or could lead to a finding in the future if not addressed.

*Add a bulleted list for any Areas of Concern below. If there are no Areas of Concern, include, "There were no Areas of Concern during this monitoring event."*

Example:

- MOUs with compensated partners lack specific deliverables, dates of agreement, and subaward amounts.
- Support services reported in WF1, but not requested as reimbursement within the RPR.
- Case files missing uploaded copy of credential earned.
- Case files lack timely data entry into WF1.
- Case files missing intake case notes.
- Case files without contact for multiple months.
- Grantee is over expending their Administrative Cost Category. Administrative Costs cannot exceed 10% of total funds spent by the end of the grant.

**Future findings of the above will result in corrective action and/or disallowed costs.**

#### **IX. Findings & Corrective Actions**

Items below represent **Findings** in violations of federal, state, law, legal statute, rule, program guidance or policy and may result in questioned costs and/or disallowed costs if not satisfactorily resolved. **Corrective Actions** are the result of findings, which require grantee to correct and/or eliminate grant deficiencies. A response to the

findings and a corrective action plan for each item is required from the grantee within thirty (30) calendar days of this monitoring report.

*For each finding, write statements using the 4 Cs: Condition, Cause, Criteria, and Corrective Action. For more details, see the staff procedures on the 4 Cs. If there are no findings, include, "There were no findings noted during this monitoring event." A deadline must also be provided to Grantee for their response.*

#### **FINDING #1**

**Condition:** *Write a clear concise and specific statement describing the violation of law, regulations.*

**Cause:** *Write the reason the condition occurred. (What was the grant recipient doing or not doing that resulted in the condition?)*

**Criteria:** *Identify the legal citations that supports the condition.*

**Corrective Action:** *Identify the action(s) required to eliminate the cause, and thus the condition.*

**The Grantee must provide evidence that the following Corrective Action has been satisfied by Month day#, 2024.**

#### **Example:**

#### **FINDING #1**

**Condition:** Grantee is unable to provide evidence that they have monitored and conducted a financial reconciliation of their compensated partners.

**Cause:** Grantee meets regularly with their subrecipients; however, they have not provided a report demonstrating that they completed a monitoring review of their subrecipients.

**Criteria:** According to Minnesota Office of Grants Management and Policy 08-10, it is the policy of the State of Minnesota to conduct a monitoring visit at least once on grants exceeding \$50,000. Similarly, according to Exhibit 4 of XXXX grant contract with DEED, XXXX must conduct at least one monitoring visit and complete a financial reconciliation of expenditures for their subrecipients receiving over \$50,000 in State funds. The monitoring and financial reconciliation must be completed before final payment is made. Grant Agreement, Exhibit 4; Grant Agreement, Amendment 1, Revised Exhibit 3 – Partnership Chart & Revised Exhibit 4.

**Corrective Action Plan:** Grantee must submit a plan for approval to DEED to complete a monitoring visit for each subrecipient receiving over \$50,000 including, XXXX, XXXX, and XXXX. The monitoring visits must be completed by March 31, 2023. The plan must include the following: a proposed monitoring schedule, a template monitoring guide, a template for financial reconciliation, and a template for the summary of the findings from the monitoring visit that the grantee will use to monitor their compensated partners. DEED's approval of the plan following submission will constitute completion of this Corrective Action item.

#### **FINDING #2**

**Condition:** Grantee is not meeting their direct appropriation performance goals. XXXX actual performance and expenditure outcomes are evaluated based on the approved work plan and budget.

**Cause:** Only 14 participants have been enrolled and trained since the inception of the grant. Delays have occurred with the building construction.

**Criteria:** Grant Contract, Amendment 1, Revised Exhibit 1 – Work Plan.

**Corrective Action Plan:** Grantee must submit a corrective action plan for approval by DEED on the steps they will implement to meet, by June 30, 2023, each measurable outcome identified on pages 11-12 of the work plan outlined in Revised Exhibit 1 to the amended grant contract.

### **FINDING #3**

**Condition:** The General Ledger (excel spreadsheet) does not balance to the RPR presented to DEED. The monitor was unable to complete a financial reconciliation as differences were unexplained.

**Cause:** Expenditures are missing from the General Ledger (GL). It is unclear when a transaction listed is a credit vs. debit. The chart of accounts does not align with the ledger. Transactions lack descriptions. Dates lack order. Invoicing is inconsistent (XXXX vs. XXXX).

**Criteria:** Generally Accepted Accounting Practices (GAAP) which provides accounting principles and standards that help ensure complete, consistent, and comparable financial statements.

**Corrective Action Plan:** Grantee must submit a **complete, cumulative and chronological GL dating** from the **inception of the appropriation of the grant through October 2022**. Grantee will provide sufficient detail on the GL to allow DEED to match the expenditures from the RPR grantee has submitted to DEED with the expenditures as recorded/registered on the GL.

### **X. Promising Practices, Recommendations, & Technical Assistance**

#### **Promising Practices (Example):**

*Briefly describe any notable best practices deemed useful or that play an integral role in advancing the purpose of the grant. Review the quarterly report as needed to capture a best practice.*

- Counselors have long-standing relationships with training providers. For example, CDL providers, Prime Digital (IT), ST Thomas and the University of Minnesota for project management.
- Training for counselors to work more effectively with persons with disabilities, those with cultural differences and other barriers.

#### **Recommendations (Example):**

*List recommendations for grantee such as references to program guidance or encourage grantee to reach out to the program coordinator to request additional technical assistance on a particular area of need for areas of improvement.*

- Recommend Grantee implement a plan to ensure their actual Admin Costs are less than 10 percent at the end of the grant.
- The monitor also recommends that the Grantee reviews and complies with the following policies:

DEED Dislocated Worker (WIOA & State) Case Management Policy

(<https://apps.deed.state.mn.us/ddp/PolicyDetail.aspx?pol=530>)

- WIOA Adult & Dislocated Worker Data Entry Timeliness Policy (<https://apps.deed.state.mn.us/ddp/PolicyDetail.aspx?pol=552>)

#### **Technical Assistance (Example):**

*Summarize technical assistance provided to grantee during visit. If no technical assistance was needed, indicate that there was no need for assistance.*

*Grantees with FSRs/CAPRs Only:*

- Grantee was reminded that Advanced Payments (these are submitted on a Cash Advance Payment Request, CAPR) are limited to the minimum amounts needed and be timed to be in accordance with the actual, immediate cash requirements of carrying out the approved program or project. Grant recipient must:
  - have policies and procedures in place to minimize the time elapsing between cash advance and distribution.
  - Liquidate existing advances before requesting additional funds.
  - Account and report all interest earned on Federal grants.

Best Practice – advances of no more than 2-4 days of operational expenses.

- Appropriate Invoicing
- Roles and Responsibilities as a Grantee
- Cost Category Guidance

### B3. Application for Financial Advance



#### Application for Financial Advance

**Instructions:** The preferred practice for making payments to grant recipients is through reimbursement. Organizations that have been awarded a grant by DEED and would experience a financial hardship by following a reimbursement practice may request advance payments. The information below must be completed by the sub-recipient (you) and submitted to the designated DEED program representative.

1. Name of Organization:  
Address:  
Primary Contact:            Phone:
2. Type of Organization: (Check below)  
\_\_\_ City/County \_\_\_ Non-profit \_\_\_ Private Sector \_\_\_ Other: \_\_\_\_\_
3. Program name(s) administering on behalf of DEED:
4. Grant ID number(s) (if known):
5. Period of request for one year: Begins \_\_\_\_\_ through \_\_\_\_\_  
*(Note: sub-recipient is responsible for renewing requests. This form will be required for all new State Fiscal Year (SFY) 2018 requests and carryover grants from previous years.)*
6. Frequency of requesting advance payments: (e.g. bi-weekly, monthly, etc.)
7. Reason for cash advance request:
8. What is the organization's current ratio? (Current ratio is the current assets (CA) divided by current liabilities (CL).)
9. What is the acid-test ratio? (*i.e.*, CA minus inventory divided by CL.)
10. What specific liabilities will the cash advances be used to liquidate?
11. Describe the specific liabilities that your organization would have difficulty liquidating in a timely manner without the benefit of a DEED cash advance. Demonstrate how the current assets would not be sufficient to meet current liabilities. Use actual numbers as support.
12. What is your organization's payroll cycle? What are the beginning and ending dates for a payroll period and when is the payroll liability liquidated?
13. What is your organization's current liability for one payroll cycle?

14. Cash management standards require DEED and its grantees to minimize the amount of time from the date on which cash is transferred to the date on which funds are disbursed. The number of days elapsing between those dates is called the clearing pattern. What is your organization’s expected clearing pattern as defined by days? (For example, if DEED grant funds were available for use on Monday, May 27 and the grantee disbursed those funds on Friday, May 31, the clearing pattern is four days.)
15. Other than a cash advance, what other funding sources are potentially available which would allow the entity to meet current liabilities?
16. Does your organization have a line or lines of credit with any financial institutions, or have you applied for a line of credit? If you have credit lines, please state the limit(s).

**Subrecipient Certification:**

**“I certify that my organization has implemented controls that will help ensure that cash advances are used to meet immediate cash needs. The information provided is an accurate description of the entity’s cash needs and liquidity. Without the use of cash advances, my organization would experience financial hardship and may not be able to meet the specific current liabilities described in this application.”**

Grantee/Subrecipient Signature: \_\_\_\_\_ Date: \_\_\_\_\_

DEED Program Rep. Approval: \_\_\_\_\_ Date: \_\_\_\_\_

DEED Finance Approval: \_\_\_\_\_ Date: \_\_\_\_\_

## Appendix C. Cannabis Industry Training Grant Program

### C1. Cannabis Industry Training Grant Program Flyer and Digital Outreach

*Deadline Extended to January 8, 2026*

#### REQUEST FOR PROPOSALS:



## Cannabis Industry Training Program (CanTrain)



#### Does your organization provide workforce training for people to work in the legal cannabis industry in Minnesota?

- Your organization may be eligible for grant funding!
- CanTrain grant funding application deadline extended to January 8, 2026!
- Find out more

CanTrain is a competitive grant funding opportunity through the Department of Employment and Economic Development's (DEED's) Office of Adult Career Pathways. CanTrain grant funding is available for eligible organizations to train people for work in the legal cannabis industry and eligible individuals to acquire such training in Minnesota. Grant funding may also be used for eligible organizations to develop training programs and curriculum specific to the legal cannabis industry.



#### Training organization eligibility requirements

Organizations seeking funding must be capable of providing training relevant to the legal cannabis industry, particularly for individuals facing barriers to education or employment. Eligible organizations may include educational institutions, nonprofit organizations, private businesses, community groups (with the legal structure eligible for contracting and receiving payments), units of local government, labor organizations that represent cannabis workers in the state, or partnerships between different types of organizations.



#### Deadline extended to January 8, 2026

All applications must be time-stamped received by DEED no later 5:00 p.m. (CST) on January 8, 2026. Proposals should be submitted via email to [acpgrants.deed@state.mn.us](mailto:acpgrants.deed@state.mn.us) with the subject line "CanTrain Application – [insert applicant organization name]." The application form and all associated attachments should be saved and submitted as one PDF attachment (.pdf). Please respond in full to each prompt and submit all required attachments as instructed. Late or incomplete proposals will not be accepted.



#### More information

Access the application materials, view frequently asked questions and get more information about this grant program at <https://mn.gov/deed/about/contracts/> - just snap the QR code to access these online resources.



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## Minnesota Department of Employment and Economic Development's Post



Minnesota Department of Employment and Economic Development

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Minnesota organizations offering workforce training for the legal cannabis industry: you may qualify for CanTrain grant funding! The application deadline is now January 8, 2026.

Learn more: <https://bit.ly/3XJRNU6>

***Deadline Extended to January 8, 2026***

**REQUEST FOR PROPOSALS:**



**Cannabis Industry  
Training Program  
(CanTrain)**



6

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**From:** DEED Communications <MNDEED@public.govdelivery.com>  
**Sent:** Monday, October 13, 2025 8:18 AM  
**To:** Hathaway, Carol (DEED); Johnson, Heidi A (DEED); Balk, Lena (She/Her/Hers) (DEED); Lang, Mike (DEED); Haugen, Mary R (She/Her/Hers) (DEED); Couchene, Kanika (She/Her/Hers) (DEED); govdeliverycmc@careeronestop.org; Cordes, Alicia (She/Her/Hers) (DEED); Deanne.white@state.mn.us; Tschida, Brittany (DEED); Wold, Ryan (He/Him/His) (DEED); CareerForce, CareerForce (DEED); Larsen, Arthur (DEED); Henry, Devin (He/Him/His) (DEED); Riviera, David (He/Him/His) (DEED); Caldwell, Samantha (She/Her/Hers) (DEED); Pribbernow, Christine (DEED); East, Vanessa (She/Her/Hers) (DEED); Drilling, Jenilee (She/Her/Hers) (DEED); kelly.brown; Eck, Darren (DEED); Carr, Liam (He/Him/His) (DEED); Anderson, Heather (DEED); Clayton, Samantha (She/Her/Hers) (DEED); Fettig, Sam (He/Him/His) (DEED); Beatty, Rita (DEED); Winge, Laura (She/Her/Hers) (DEED); Zayethri, Sydney (She/Her/Hers) (DEED); Apaloo, Rita (DEED); Bisbee, Carol (DEED)  
**Subject:** Courtesy Copy: Request for Proposals: Cannabis Industry Training Program (CanTrain)

This is a courtesy copy of an email bulletin sent by David Riviera.

This bulletin was sent to the following groups of people:

Subscribers of ACP Grantee Contact List 2022-2023, Career and Education Explorer stakeholders, DEED Contract or Grant Opportunities, Employment and Training Adult Program Providers Various, or Partner Express Newsletter (16881 recipients)



## Request for Proposals: Cannabis Industry Training Program (CanTrain)

The Cannabis Industry Training (CanTrain) Program is a competitive grant funding opportunity through the Department of Employment and Economic Development's (DEED's) Office of Adult Career Pathways.

Grant funding is available for eligible organizations to train people for work in the legal cannabis industry and eligible individuals to acquire such training in Minnesota. Grant funding may also be used for eligible organizations to develop training programs and curriculum specific to the legal cannabis industry.

### Eligibility

Organizations seeking funding must be capable of providing training relevant to the legal cannabis industry, particularly for individuals facing barriers to education or employment. Eligible organizations may include educational institutions, nonprofit organizations, private businesses, community groups (with the legal structure eligible for contracting and receiving payments), units of local government, labor organizations that represent cannabis workers in the state, or partnerships between different types of organizations.

### CanTrain Request for Proposals

- [Request for Proposals](#)
- [Application](#)

### Deadline

All applications must be time-stamped received by DEED no later **5:00 p.m. (CST) on December 2, 2025**. Proposals should be submitted via email to [acpgrants.deed@state.mn.us](mailto:acpgrants.deed@state.mn.us) using the subject line "CanTrain Application – [insert applicant organization name]." The application form and all associated attachments should be saved and submitted as one PDF attachment (.pdf). Please respond in full to each prompt and submit all required attachments as instructed. Late or incomplete proposals will not be accepted.

### Technical Assistance

An informational webinar will be held **October 20, 2025 10:00 a.m. CST**.

- [Join the webinar](#)

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Questions? [Contact Us](#)



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DEED is an equal opportunity employer and program provider.

## C2. Cannabis Industry Training Grant Program Request for Proposal (RFP)



### Addendum 1 – Cannabis Industry Training Competitive Grant

*The RFP posted on October 13, 2025 was amended on December 2, 2025.*

- *Proposal Due Date Extended to : January 8, 2026 at 5:00PM CST*

## Cannabis Industry Training Program Request for Proposals

Please read through this Request for Proposals (RFP) in its entirety and review the Cannabis Industry Training Program Application Checklist, Application Form, and all associated attachments BEFORE you begin drafting application materials.

### Office of Adult Career Pathways

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The Minnesota Department of Employment and Economic Development (DEED) is the state's principal economic development agency. DEED programs promote business recruitment, expansion, and retention; international trade; workforce development; and community development. DEED is committed to empowering the growth of the Minnesota economy, for everyone.

The Cannabis Industry Training (CanTrain) Program is a competitive grant funding opportunity through DEED's Office of Adult Career Pathways.

The Office of Adult Career Pathways (ACP) serves Minnesotans at all stages of their educational and career journeys through the development and implementation of workforce training programs. ACP serves adults who traditionally face multiple barriers to employment, need enhanced educational services, wrap-around support, and supportive services in order to be successful in securing long-term family-sustaining wages. Services are intended to help eliminate racial disparities and large economic gaps for the purpose of increasing Minnesotans' literacy and access to high-growth, high-wage jobs.

### Grant Overview

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Pursuant to the [Laws of Minnesota 2023, Chapter 63, article 3, section 1](#), and amended by [Laws of Minnesota 2025, Chapter 6, article 4](#), the CanTrain Program was established by DEED to award grants to (1) eligible organizations to train people for work in the legal cannabis industry.

**Eligible Recipients:** Organizations seeking funding must be capable of providing training relevant to the legal cannabis industry, particularly for individuals facing barriers to education or employment. Eligible organizations may include educational institutions, nonprofit organizations, private businesses, community groups (with the legal structure eligible for contracting and receiving payments), units of local government, labor organizations that represent cannabis workers in the state, or partnerships between different types of organizations.

Applicant organizations and their partners must have a registration in good standing with the Minnesota Secretary of State. Nonprofit organizations must have 501(c)(3) status or other recognized tax-exempt designation and be in good standing with the Internal Revenue Service (IRS). All applicants must have a physical location open to the public at designated times, in the State of Minnesota. These requirements must be met at the time of application and throughout the term of the grant.

**Total Funds:** The total amount of funds available from this program is \$2,720,354.

**Maximum Award:** Interested parties may request up to \$500,000 total in state funds through this Request for Proposals (RFP). The amount of the request should reflect the geographic reach, scale and comprehensiveness of the expertise and services that the grant-supported project will provide. Applicants may only submit one application totaling \$500,000.

Evaluation and Selection: Funding will be allocated through a competitive process. The review committee will consist of DEED staff and community members with expertise in Workforce Development, Education and Training, and/or program-specific Business and Industry. The review committee will evaluate all eligible and complete applications received by the deadline.

To the extent possible, DEED will avoid offering partial awards. However, to meet the geographic and community equity objectives of this funding, DEED may offer partial awards to ensure more areas and communities of the state can benefit from these services. If your proposal is offered a partial award, DEED will proportionally reduce the outcomes/total participants served based on the original cost per participant proposed.

Scoring will be on a 100-point scale with points available in 7 sections: Organization Capacity and Relevant Experience; Program Description, Program Implementation Workplan; Outreach and Community Engagement Workplan; Partnerships and Collaboration; Performance, Evaluation and Reporting; and Budget/Fiscal Capacity.

If an awarded organization is unable to expend the award or complete the grant execution, DEED reserves the right to reallocate awarded funds to other organizations who have been awarded ACP Grant Program Competitive Grants funds, have demonstrated satisfactory grant performance, and the ability to utilize additional funds.

Grant Cycle: Anticipated start date of January 2026 through June 30, 2027.

Definitions: See [Exhibit A](#) for the defined definitions of the following terms: barriers to education and/or employment, cannabis industry, local unit of government, and on-the-job training.

## Important Dates

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RFP Release: October 13, 2025

Proposals Due: December 2, 2025, time stamp received by DEED by 5:00 PM Central Standard Time (CST)

Proposals should be submitted via email to [acpgrants.deed@state.mn.us](mailto:acpgrants.deed@state.mn.us) using the subject line “CanTrain Application – [insert applicant organization name].”

The application form and all associated attachments should be saved and submitted as one PDF attachment (.pdf). Please respond in full to each prompt and submit all required attachments as instructed.

Late or incomplete proposals will not be accepted.

Informational Webinar: 10:00 AM – 11:30 AM October 20, 2025. To join the meeting from your smartphone, tablet, or computer, select the [Webex](#) webinar or use the audio-only call-in number 1-855-282-6330 United States Toll Free

All webinars will be recorded, and content will be made available online on the [DEED’s Competitive Grants and Contracts webpage](#).

## Timeline

RFP posted on the DEED [website](#)..... October 13, 2025  
Informational [webinar](#) ..... October 20, 2025-10:00 AM CST  
Questions accepted via [email](#) ..... October 13 to December 31, 2025  
Proposals due no later than 5:00 PM CST ..... January 8, 2026  
Award notification ..... January 2026

Grant start date .....February 2026

Grant end date.....June 30, 2027

Disclaimer: All costs incurred in responding to the RFP will be borne by the responder. This RFP does not obligate the State to award a contract or complete the project. The State also reserves the right to cancel the solicitation if it is in its best interest.

Alternative Format: Upon request, these materials will be made available in alternative formats and additional languages.

Awards are expected to be announced on or around February of 2026. If selected, no costs may be incurred prior to the grant execution date (date all parties sign). Any costs incurred prior to the grant execution date will not be reimbursed.

If awarded, DEED reserves the right to require changes to the awarded proposal at time of grant agreement negotiations.

### **Minimum Requirements**

Applicants must meet the minimum requirements to be considered for this grant opportunity. Applicants must be an eligible applicant as listed in the eligibility section and submit a completed and signed application with required forms and attachments time-stamped received by DEED no later than 5:00 PM on January 8, 2026.

Applicant organizations and their partners must have a registration in good standing with the Minnesota Secretary of State. Nonprofit organizations must have 501(c)(3) status or other recognized tax-exempt designation and be in good standing with the Internal Revenue Service (IRS). All applicants must have a physical location open to the public at designated times in the State of Minnesota. These requirements must be met at the time of application and throughout the term of the grant.

These requirements must be met by every applicant to be considered for funding under this Request for Proposal (RFP).

## Priorities

It is the policy of the State of Minnesota to ensure fairness, precision, equity, and consistency in competitive grant awards. This includes implementing diversity and inclusion in grant-making.

[Department of Administration, Office of Grants Management \(OGM\) Policy 08-02](#) establishes the expectation that grant programs intentionally identify how the grant serves diverse populations, especially populations experiencing inequities and/or disparities. This grant will prioritize those who have barriers to education or employment and those who have historically experienced a disproportionate, negative impact from cannabis prohibition and cannabis use.

Grant outcomes will include:

- Outcomes as required in [Minnesota Statutes 116L.98](#).
- Outcomes as listed within the “Measurable Outcomes” section of “Form 3. Work Plan” in the application.

Priority will be given to organizations with a history of successfully providing career training to those who face barriers to education or employment. For the purposes of this RFP, the definition of “barriers to education or employment” has been adopted from the [Workforce Innovation and Opportunity Act \(WIOA\)](#). The strongest applications will effectively demonstrate the applicant organizations and its partners’ cultural competency amongst this target population.

The commissioner shall also give priority to applications where the proposed training will:

- result in an industry-relevant credential; or
- include opportunities for hands-on or on-site experience in the industry.

## Collaboration

An organization may partner with another organization to utilize grant awards, provided that the organizations must not be funded by the grant to deliver the same services. Partnerships are encouraged. Applicants are required to include a letter of support from each agency or other partner they will collaborate with to provide the services outlined in the proposal. Responders must include all established partnerships in the Partnership Chart within the application.

Examples of types of partnerships include:

**Educational partners:** For certification or credential level training programs, accredited institutions of higher education or private career schools licensed by the Minnesota Office of Higher Education. Due to the nature of this emerging industry, exceptions to this guidance may be considered within the proposal and final grant contract if a strong rationale is provided. Preference will be given to programs with training providers based in the State of Minnesota.

**Employer partners:** An employer who has collaborated in the development of the grant program and commits to providing participants with opportunities for work-based learning or prioritizing graduates for open positions with the company.

It is highly encouraged to have multiple partners for these grants. Letters should be unique to the partner, include the role of the partner in the grant, their relevant experience, and any existing collaborations. For employer partners, include how the proposed training program will align to employer needs, any required credentials necessary for employment with the partner, and any commitment to offer work-based learning such as work experience and internship opportunities.

Partners may include:

- Subgrantees (individuals, organizations, institutions, businesses, trade associations or any other entities) that

WILL be receiving compensation from the grant.

- Individuals, organizations, institutions, businesses/employers, trade associations or other entities that will NOT be receiving compensation for their participation in this grant.

If a partner has a potential or perceived conflict of interest, such as providing donations to the applicant or sitting on the applicant's board of directors, ownership interests, etc., attach a letter of disclosure explaining the relationship of the partner to the applicant organization.

## Funding Availability

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[Laws of Minnesota 2023, chapter 63, article 9, section 9\(d\)](#) authorizes \$2,000,000 in State Fiscal Year (SFY) 2024 and \$2,000,000 in SFY 2025 for grants to eligible organizations to train people for work in the legal cannabis industry. \$2,240,354 is available for funding under this RFP.

[Laws of Minnesota 2025, 1st Special Session, chapter article 1, section 2, subd. 3, paragraph \(m\)](#) \$250,000 each year is available for SFY 2025 and 2026.

DEED will use 4% of the appropriated funds to administer and monitor the program. A total of up to \$2,720,354 is available for grants through this funding opportunity.

Maximum Award: Interested parties may request up to \$500,000 total in state funds through this Request for Proposals (RFP). The amount of the request should reflect the geographic reach, scale, and comprehensiveness of the expertise and services that the grant-supported project will provide.

Pursuant to [Minnesota Statutes 16B.98, subdivision 1](#), the Grantee agrees to minimize administrative costs as a condition of this grant. In order to comply with Minnesota Statutes 16B.98, subdivision 1, no more than 10% of the total project budget can be dedicated to administrative costs.

## Technical Assistance

For technical assistance in interpreting instructions and other questions, please contact Vanessa Roman at [Vanessa.Roman@state.mn.us](mailto:Vanessa.Roman@state.mn.us).

Questions must be submitted in writing via e-mail. DEED staff will post responses to frequently asked questions on DEED's website by way of the [Competitive Grants and Contracts webpage](#).

Individuals with disabilities who need alternative formats can contact DEED at 651-259-7578 for assistance.

## Scope of Work

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### Minimum Requirements

Applicants must meet the minimum requirements to be fully considered for this grant opportunity. Applicants must conform to all instructions, conditions, and requirements included in this Request for Proposals (RFP). The applicant must submit the application form and all required attachments for the proposal to be considered complete. See the CanTrain Application Checklist for a full list of the required application materials. Responders are expected to examine all documentation and other requirements. Failure to observe the terms and conditions in completion of the proposal are at the Responder's risk and may, at the discretion of the State, result in disqualification of the proposal. Acceptable proposals must offer all services identified in the Scope of Work and agree to the contract conditions specified throughout the RFP. These requirements must be met by every applicant to be considered.

### Eligibility

The applicant/grantee must be an educational institution, nonprofit organization, private business, community group, a unit of local government including a Tribal Nation, or a labor organization that represents cannabis workers in the state or partnerships between different types of organizations with expertise in the cannabis industry in Minnesota.

To receive grant funding, an eligible organization must submit a written application to DEED, using a form developed by DEED, explaining the organization's ability to train individuals for successful careers in the legal cannabis industry, particularly individuals facing barriers to education or employment.

An eligible organization's grant application must also include:

- a description of the proposed training;
- an analysis of the degree of demand in the legal cannabis industry for the skills gained through the proposed training;
- any evidence of the organization's past success in training individuals for successful careers, particularly in new or emerging industries;
- an estimate of the cost of providing the proposed training;
- the sources and amounts of any nonstate funds or in-kind contributions that will supplement grant money, including any amounts that individuals will be charged to participate in the training; and
- any additional information requested by the commissioner.

Proposals are actively encouraged from organizations that focus on serving individuals who face barriers to education or employment, as defined by the [WIOA](#), and those from communities that have historically experienced a disproportionate, negative impact from cannabis prohibition and cannabis use.

**Entities that received awards under the SFY24-25 CanTrain RFP that was published on March 24, 2025, are not eligible for funding under this RFP.**

**Applicant organizations and their partners must have a registration in good standing with the Minnesota Secretary of State. Nonprofit organizations must have 501(c)(3) status or other recognized tax-exempt designation and be in good standing with the Internal Revenue Service (IRS). All applicants must have a physical location open to the public at designated times, in the State of Minnesota. These requirements must be met at the time of application and throughout the term of the grant.**

### Program Requirements

Objectives of the CanTrain Program

The development of trainings and delivery of these services will support Minnesotans as they seek to enter and succeed in

the legal adult-use cannabis industry. Through this program, eligible organizations will develop and/or deliver a training program relevant to the legal cannabis industry and provide such training to individuals seeking to enter the legal cannabis industry workforce. These programs must provide training for a broad range of careers in the legal cannabis industry, including both potential business owners and employees, and work in the growing, processing, and retail sectors of the legal cannabis industry. All awarded programs must prioritize serving individuals with barriers to education or employment, and those from communities that have historically experienced a disproportionate, negative impact from cannabis prohibition and cannabis use.

The anticipated overarching results from these requirements are as follows:

- Development of a cannabis industry training program and curriculum
- Provision of workforce development services, including:
  - job skills training
  - career counseling
  - case management
  - cannabis-specific credential attainment
  - cannabis-relevant credential attainment
  - supportive services
- Experiential Learning
  - Paid work experience, internships, structured on-the-job training
- Job Placement and Retention

All programs are required to complete one or more of the program components. This may include the development of cannabis industry training curriculum development and/or providing workforce development services including cannabis-specific or relevant training and job placement and retention services.

Cannabis industry training experiential learning activities are allowable; however, they are not required.

## Target Populations

Eligible participants for this program must be:

- 21 years of age or older
- Minnesota Residents
- Authorized to work in the United States

Additionally, priority for enrollment must be given to those who have barriers to education and employment, and to those who have historically experienced a disproportionate, negative impact from cannabis prohibition and cannabis use.

## Allowable Expenses

Grant funds must be used for developing and/or administering a workforce training program to individuals relevant to the legal cannabis industry. Services provided through grant funding must be provided at no cost to the end recipient. The application must clearly define the estimated cost of developing and the estimated final cost of providing the proposed training program. Applicants must also identify any other sources and amounts of any state or nonstate funds or in-kind contributions that will supplement grant money.

Purchases of equipment required for the proposed training program are allowable but must follow the requirements set forth within this RFP. Capital expenditures are not allowable.

For certificate or credential-level training programs training must be provided by in-state accredited institutions of higher education or private career schools licensed by the Minnesota Office of Higher Education. Due to the nature of this emerging industry, exceptions to this guidance may be considered within the proposal and final grant contract if a strong rationale is provided. Preference will be given to programs with training providers based in the State of Minnesota.

All expenses must be within the parameters specified in the [Office of Adult Career Pathways Cost Category Guidance](#).

No expenses may be incurred or obligated prior to an awarded grant contract's full execution date.

Pursuant to [Minnesota Statutes 16B.98, subdivision 1](#), the Grantee agrees to minimize administrative costs as a condition of this grant. In order to comply with Minnesota Statutes 16B.98, Subd. 1 no more than 10% of the total grant funds can be dedicated to administrative costs.

DEED reserves the right to offset overpayments and disallowances by reducing a subsequent cash payment or requiring repayment of costs.

## Tasks & Deliverables

Successful applicants will be required to:

- Utilize Workforce One as the case management system for the grant, in compliance with [Minnesota Statute 116L.98](#).
- Enter and enroll all participants in Workforce One within 15 business days of the participant application date.
- Maintain current Workforce One data entry throughout the grant agreement period. All information must be entered into Workforce One within 15 business days of the event date.
- Enter all case notes, activities, credentials, employment data, etc. within 15 business days of the event date into Workforce One.
- Participate in grantee onboarding training within the first 60 days of grant agreement execution.
- Submit a quarterly narrative that describes the progress of the grant (due the 30<sup>th</sup> of the month following the end of the quarter).
- Participate in 30, 60, and 90-day check-in meetings with the ACP Grant Coordinator.
- Participate in quarterly engagement sessions with other grantees.
- Actively participate in evaluation and data collection efforts that assess the impact of this initiative.
- Submit monthly Reimbursement Payment Request Forms (RPRs) to the designated contact within DEED. RPRs must accurately reflect actual grant expenditures and obligations consistent with rates of participation that grant administrators will be able to track.
- Purchases of equipment over \$5,000 must be pre-approved by DEED, outlined within the agreed upon grant agreement, and follow the bidding process outlined within the [Adult Career Pathways Program Operations Guide](#).
- Comply with applicable state and Federal requirements/policies. Applicable policies may include but are not limited to: Federal Regulations, DEED policies, State Statutes, Uniform Guidance, and the Office of Grants Management Policies.

Grantees providing direct services to individuals are required to follow DEED program administration guidelines including reviewing and following all program requirements as outlined in the [Adult Career Pathways Program Operations Guide](#).

## Proposals

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Proposals must conform to all instructions, conditions, and requirements included in the Request for Proposals (RFP). The applicant must submit all items on CanTrain Application Checklist for the application to be considered complete. Responders are expected to examine all documentation and other requirements. Failure to observe the terms and conditions in completion of the proposal are at the Responder's risk and may, at the discretion of the State, result in disqualification of the proposal. Acceptable proposals must offer all services identified in the Scope of Work and agree to the contract conditions specified throughout the RFP.

**DEED reserves the right to require adjustments to awarded submissions during the final grant contracting process.**

### Submission and Due Date

To submit a proposal, you must email the completed application materials to [acpgrants.deed@state.mn.us](mailto:acpgrants.deed@state.mn.us) with the subject line "CanTrain Application – [insert applicant organization name]." The application and all attachments should be saved and submitted as PDF (.pdf). The application and all required forms must be completed in their entirety, or the submission will not be considered for funding.

**All applications must be timestamped and received by DEED via email no later than 5:00 p.m. Central Time by January 8, 2026.** Late applications will not be considered. The applicant will incur all costs incurred in applying to this RFP.

### Proposal Evaluation and Selection

The review committee will be reviewing each applicant on a 100-point scale. A standardized scoring system will be used to describe how the applicant will be rated on the various criteria and used by reviewers to determine the extent to which the applicant meets the criteria.

Proposals will be reviewed, and scored by reviewers who will provide a recommendation to the Commissioner for final review and award decisions. The review committee will consist of DEED staff and community members with expertise in Workforce Development, Education and Training, and/or program-specific Business and Industry. The review committee will evaluate all eligible and complete applications received by the deadline.

Scoring will be on a 100-point scale with points available in 7 sections:

1. Organizational Capacity and Relevant Experience (15 points)
2. Program Description (25 points)
3. Program Implementation Workplan (20 points)
4. Outreach and Community Engagement Workplan (10 points)
5. Partnerships and Collaboration (10 points)
6. Performance, Evaluation and Reporting (10 points)
7. Budget/Fiscal Capacity (10 points)

#### **1. Organizational Capacity and Relevant Experience (15 points)**

- a. Strong proposals will demonstrate:
  - i. Relevant staff expertise and cultural competency amongst target populations;
  - ii. An organizational history of providing successful career training to individuals and communities who have faced barriers to education or employment;
  - iii. Past success in coordinating collaborative, partnership-based efforts; and

- iv. Organizational experience in grants management

**2. Program Description (25 points)**

- a. Strong proposals will:
  - i. Clearly articulate the proposed training and workforce program;
    - ii. And include information on any experiential learning opportunities
    - iii. And demonstrate an emphasis on employment placement and retention upon completion
  - ii. Provide an analysis of the degree of demand in the legal cannabis industry for the skills/credentials gained through the program, and
  - iii. Provide a strong justification for the request for support, demonstrating need and explaining how the program will meet the CanTrain program objectives.

**3. Program Implementation Workplan (20 points)**

- a. Strong proposals will:
  - i. Effectively operationalize the project description by breaking it down into action steps; and
  - ii. Provide a detailed and realistic project timeline.

**4. Outreach and Community Engagement Workplan (10 points)**

- a. Strong proposals will:
  - i. Clearly explain how the applicant organization and its partners plan to engage target populations.
  - ii. Include innovative outreach methodologies to reach those who are not currently engaged in the education or workforce systems.
  - iii. Include information about employer engagement.

**5. Partnerships and Collaboration (10 points)**

- a. Strong proposals will include:
  - i. Partners that are complementary and offer unique expertise needed to successfully implement the proposed program; and
  - ii. A clear division of both programmatic and administrative responsibilities.

**6. Performance, Evaluation and Reporting (10 points)**

- a. Strong proposals will:
  - i. Outline detailed plans for defining, tracking, and measuring project outcomes; and
  - ii. Include a plan for required data entry and tracking in Workforce One.

**7. Budget/Fiscal (10 points)**

- a. Strong proposals will feature:
  - A balanced organizational budget;
    - i. A realistic project budget; and
    - ii. Provide information on any leveraging of matching funds, if available.

### **Performance Measurement**

Performance measurement is a **critical element of accountability for public resources**. During the funding period, DEED will enhance its review and evaluation of program performance by examining the multiple performance data reported in Workforce One. Some key performance measurements will be: Job Placements, Wage Rate, Job Retention and Credential Attainment.

DEED believes that these four critical performance indicators, along with quality demographic data will highlight the comprehensive work our partners perform, and it will provide reliable data on the effectiveness and efficiency of the funded programs and thereafter help with making future program and funding decisions.

All programs funded in whole or in part by state funds are subject to the requirements in the RFP, and as found in [Minnesota Statute 116L.98 Workforce Program Outcomes](#).

In accordance with [OGM Policy 08-13](#) past performance on awarded and closed Minnesota state grants will be considered when evaluating proposals for future grants. New Grantees will not be held to this policy, and former Grantees who have met outcomes as defined in the grant agreement will be considered compliant.

**The Commissioner of DEED will review all committee recommendations and is responsible for award decisions. The Commissioner of DEED reserves the right to prioritize resources to proposals that address racial equity and geographical location, and to increase or decrease the amount of the funding requested. The award decisions of DEED are final and not subject to appeal.**

## Additional Requirements & Information

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### Conflicts of Interest

State grant policy requires that steps and procedures are in place to prevent individual and organizational conflicts of interest, both in reference to applicants and reviewers per [Minnesota Statute 16B.98, Subd. 2-3](#) and [OGM Policy 08-01 Conflict of Interest in State Grant-Making Policy](#).

Organizational conflicts of interest occur when:

- a grantee or applicant is unable or potentially unable to render impartial assistance or advice to the Department due to competing duties or loyalties
- a grantee's or applicant's objectivity in carrying out the grant is or might be otherwise impaired due to competing duties or loyalties

In cases where a conflict of interest is in question or disclosed, the applicants or grantees will be notified and actions may be pursued, including but not limited to, revising the grant work plan or grantee duties to mitigate the risk, requesting the grant applicant to submit an organizational conflict of interest mitigation plan, disqualification from eligibility for the grant award, amending the grant, or termination of the grant-agreement.

Grantees must disclose any actual, potential, or perceived conflict of interest with any subgrantee/contractor/vendor/trainers to be compensated with state grant funds listed in Partnership Chart upon grant agreement execution and/or disbursing payments to the partners. All grantees are required to comply with [Minnesota Office of Grants Management Policy 08-01](#), with particular attention to "Organizational Conflicts of Interest". All partners to be compensated with state grant funds must complete a [Compensated Partner Information Form](#).

### Public Data

Per [Minnesota Statutes 13.599](#):

Names and addresses of grant applicants and amount requested will be public data once proposal responses are opened.

All remaining data in proposal responses (except trade secret data as defined and classified in [Minnesota Statutes 13.37](#)) will be public data after the evaluation process is completed. For the purposes of this grant, data will be considered public when all the grant contract agreements have been fully executed.

All data created or maintained by DEED as part of the evaluation process (except trade secret data as defined and classified in Minnesota Statutes 13.37) will be public data after the evaluation process is completed. For the purposes of this grant, Data will be considered public when all the grant contract agreements have been fully executed.

## **Grant Provisions**

Grant contract agreement templates are available for review at: [Office of Grants Management Policies, Statutes, and Forms/Forms and FAQs tab.](#)

## **Accountability and Reporting**

Grantees are required to collect and report data on participants during service delivery. Grantees must input participant data into DEED's case management system – Workforce One. All programs funded in whole or in part by state funds are subject to the requirements in the RFP, as found in [Minnesota Statutes 116L.98 Workforce Program Outcomes.](#)

Grantees are also required to submit quarterly grant reports and monthly financial reports each year of the grant period.

This information will be used to monitor grantees' service delivery, confirm grant reimbursement requests, and measure performance.

## Post-Selection Requirements

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If you are selected from an award from this program your organization will be required to comply with the following post-selection requirements.

### Pre-Contracting Requirements

The following requirements apply before a contract is executed with your organization.

### Tax Identification and UEI Numbers

DEED grantees are required to have both state and federal tax identification numbers, and a valid Unique Entity Identifier (UEI) number created in SAM.gov. A UEI number is a unique, twelve-digit identification number for each physical location of your business. UEI numbers are free for all state vendors and can be obtained via the [SAM.gov website](https://sam.gov).

### Vendor Registration

Grant recipients new to DEED-funded grants must complete a master grant agreement before DEED will disburse any funds. The State of Minnesota's accounting and procurement system is called State-Wide Integrated Financial Tools (SWIFT). Every organization or subgrantee doing business with the state is considered a vendor. Vendors must be registered with the State of Minnesota. Vendors can interact with the state through the [Supplier Portal](#), which is part of SWIFT. The Supplier Portal allows vendors to login and view payment detail as well as maintain address and contact information related to their vendor record. For new prospective grantees (vendors), if you are awarded a grant, it will be necessary to register as vendor via the [Vendor Registration link](#).

Upon approval of an application and before beginning work on the grant project and receiving reimbursements, the applicant must:

- Complete an IRS W-9 form or register as a vendor in SWIFT, the state's accounting system, or confirm that the information in SWIFT is still correct.
- Submit any other required documentation within 30 days of award notification.
- Submit documentation to meet the pre-award financial review requirements.
- Sign a grant contract agreement showing their intention to complete the proposed tasks. The agreement also authorizes DEED to monitor the progress of the project. This agreement must be signed within 30 days of being sent to the grantee.

Eligible expenses may only be incurred after the contract has been signed by all parties. Grant contracts will have an end date no later than June 30, 2027, and cannot be extended.

### Other State and Federal Requirements

DEED grantees must also comply with all state and federal requirements including, but not limited to:

- Worker's compensation;
- Affirmative action;
- Data privacy;
- Equal Employment Opportunity;
- The Americans with Disabilities Act (ADA);
- Voter Registration; and
- Unemployment Insurance. \*

\*A grantee's Unemployment Insurance account must be current. Please complete Form 4: Unemployment Insurance Account Consent as part of your application.

## Financial and Capacity Review

All grantees as defined in [Minnesota Statutes 16B.981, subdivision 1\(c\)](#) applying for grants in the state of Minnesota must undergo a financial and capacity review prior to a grant award of \$50,000 and higher.

Depending on the results of the financial review, per Minnesota Statutes 16B.981 and Laws of Minnesota 2023, [Chapter 62](#), article 7, section 11, subdivisions 3-5, DEED has the authority to:

- Provide or require enhanced grant oversight.
- Request additional information from a potential grantee to determine whether there is a substantial risk that the potential grantee cannot or would not perform the required duties of the grant agreement.
  - The potential grantee has 30 business days to respond.
- Develop a plan to address the risk or concerns identified.
- Not award the grant.
  - The granting agency must provide notice of this determination to not award the grant to the grantee and the Commissioner of Administration.
  - The notice must include the following:
    - The reason for postponing/not awarding the grant.
    - The timeline for the process for contesting the agency's decision.

## Required Documents for a Financial Capacity Review

[Minnesota Statutes 16B.981](#)/Laws of Minnesota 2023, [Chapter 62](#), Article 7, Section 11 requires that a financial and capacity review is conducted prior to grant awards of \$50,000 or more.

In order to comply with this requirement, the following information and documents will need to be submitted before the grant contract agreement is fully executed:

- i. Capacity Responses: All potential grantees: Form 9
- ii. Certification: No current principals have been convicted of a felony financial crime in the last ten years: All potential Grantees: Form 10
- iii. Evidence of good standing: For-profit and nonprofit potential grantees: Form 11
- iv. Nonprofit grantees as applicable: Form 12
  - a. Includes most recent Form 990 or Form 990-EZ
  - b. Most recent audited financial statement of a charitable organization which has received total revenue in excess of \$750,000 for the 12 months of operations covered by the statement per Minnesota Statutes 309.53
  - c. Most recent board-reviewed (or managing group if applicable) financial statements, description of internal controls over business expenditures and outcomes of grant funds, if awarded, and evidence of exemption
- v. For-profit financial documentation: Application Form 13: For-Profit Required Documents, Lien Disclosure, and Certification: For-Profit applicants must attach the financial documents listed below:
  - a. Most current federal and state tax returns
  - b. Current Financial Statements

The submission of inaccurate or misleading information will be grounds for disqualification from the grant contract agreement award and may subject an organization to suspension or debarment proceedings, as well as other remedies available to the State, by law.

### **Additional Considerations**

A program providing experiential learning must ensure the employer on record complies with the employee safeguard laws: Sick and Safe Time and Paid Family and Medical Leave.

Earned Sick and Safe Time: [Effective Jan. 1, 2024](https://www.dli.mn.gov/sick-leave), Minnesota's earned sick and safe time law requires employers to provide paid leave to employees who work in the state. For more information see: <https://www.dli.mn.gov/sick-leave>

Paid Family and Medical Leave: Effective January 1, 2026, paid family and medical leave benefits to provide Minnesotans with paid time off when a serious health condition prevents them from working, when they need time to care for a family member or a new child, for certain military-related events or for certain personal safety issues.

The two main types of leave:

- **Family Leave** to care for a family member with a serious health condition, or if they are bonding with a new baby or child in their family.
- **Medical Leave** when their own serious health condition prevents them from working.

Additionally, Minnesotans will be able to take leave to support a family member in the military deploying overseas, or if them or a family member are facing a significant personal safety issue. For more information see: <https://mn.gov/deed/programs-services/paid-family/>.

## Post-Grant Contract Agreement Requirements

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These requirements apply once a grant contract agreement has been executed with your organization.

### Reporting

Grant recipients must report to the Commissioner of DEED on the outcomes of the grant program, including but not limited to the number and demographic information of the small businesses/entrepreneurs recruited and served, the amount of hours services provided, number of licenses obtained, and number of events and training sessions.

Grant recipients will be required to submit quarterly and annual program reports. Grantees must submit quarterly progress reports including the outcomes listed in the workplan using a template sent when the grant contract is complete. A final report is due when the project is finished and closed out within 30 days of project end. If awarded, reporting forms will be provided by DEED. Reporting requirements may vary depending on the project type and delivery method.

In addition, grantees must actively participate in evaluation and data collection efforts as described in the grant proposal that assess the impact of this initiative. Whenever possible, program participants will be asked to participate in entry and exit surveys that will be standardized and collected by DEED. If awarded, DEED will provide further instruction.

### Authorized Representatives

Pursuant to [Minnesota Statutes §16B.98, subd. 5 \(d\)](#), grantees must clearly post on the grantee's website the names of, and contact information for, the grantee's leadership and the employee or other person who directly manages and oversees a grant contract agreement on behalf of the grantee.

### Grant Payments

Per OGM [Policy 08-08](#) reimbursement is the preferred method for making grant payments. All grantee requests for reimbursement must correspond to the approved grant budget. The State shall review each request for reimbursement against the approved grant budget, grant expenditures to-date and the latest grant progress report before approving payment. Grant payments shall not be made on grants with past due progress reports, unless DEED has given the grantee a written extension.

On a monthly basis, grantees must prepare and submit Reimbursement Request Forms with supporting documentation (invoices, canceled checks, time sheets, etc.) as requested to a grant administrator within DEED. These forms must accurately reflect expenditures and obligations consistent with rates of participation which grant administrators will be able to track. Upon request, grantees must provide proof that grant project work has been done by submitting details of each purchase on receipts or invoices, and proof that the vendors have been paid.

### Ineligible Expenses

Ineligible expenses include but are not limited to:

- Capital costs associated with construction, reconfiguration, renovations, or similar expenditures.
- Fundraising
- Taxes, except sales tax on goods and services and payroll taxes
- Lobbyists, political contributions
- Bad debts, late payment fees, finance charges, or contingency funds
- Parking violations and traffic violations

- Out of state transportation and travel expenses. Minnesota will be considered the home state for determining whether travel is out of state.

## Grant Monitoring

[Minnesota Statutes 16B.97](#) and OGM [Policy 08-10](#) Grant Monitoring require the following:

- One monitoring visit during the grant period on all state grants of \$50,000 and higher.
- Annual monitoring visits during the grant period on all grants of \$250,000 and higher.
- Conducting a financial reconciliation of grantee's expenditures at least once during the grant period on grants of \$50,000 and higher. For this purpose, the grantee must make expense receipts, employee timesheets, invoices, and any other supporting documents available upon request by the State.

The monitoring schedule will be: Scheduled in cooperation with the grantee.

## Grantee Bidding Requirements:

### A. Municipalities

Grantees that are political subdivisions or municipalities must use these guidelines:

- A. Municipalities are required to comply with [Minnesota Statutes §471.345, Uniform Municipal Contracting Law](#).
- B. The Grantee and any subrecipients must comply with prevailing wage rules per [Minnesota Statutes §§ 177.41 through 177.50](#), as applicable.
- C. Municipalities and any subrecipients must not contract with vendors who are suspended or debarred by the State of Minnesota or the federal government: [Suspended and Debarred Vendors, Minnesota Office of State Procurement](#)
- D. The Grantee must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award, and administration of contracts.

### B. Nongovernmental entities

Grantees that are nongovernmental entities must use these guidelines:

- A. Any services and/or materials that are expected to cost \$100,000 or more must undergo a formal notice and bidding process.
- B. Services and/or materials that are expected to cost between \$25,000 and \$99,999 must be competitively awarded based on a minimum of three (3) verbal quotes or bids or awarded to a targeted vendor.
- C. Services and/or materials that are expected to cost between \$10,000 and \$24,999 must be competitively awarded based on a minimum of two (2) verbal quotes or bids or awarded to a targeted vendor.
- D. The grantee must take all necessary affirmative steps to assure that targeted vendors from businesses with active certifications through these entities are used when possible:
  - a. [State Department of Administration's Certified Targeted Group, Economically Disadvantaged and Veteran-Owned Vendor List](#)
  - b. [Metropolitan Council Underutilized Business Program](#)
  - c. Small Business Certification Program through Hennepin County, Ramsey County, and City of St. Paul: [Central Certification Directory](#)
- E. The grantee must maintain written standards of conduct covering conflicts of interest and governing the actions

of its employees engaged in the selection, award and administration of contracts.

- F. The grantee must maintain support documentation of the purchasing or bidding process used to contract services in their financial records, including support documentation justifying a single source bid, if applicable.
- G. Notwithstanding the above, the State may waive bidding process requirements when:
  - a. Vendors included in response to competitive grant request for proposal process were approved and incorporated as an approved work plan for the grant; or
  - b. It is determined there is only one reasonably able and available source for such materials or services and that grantee has established a fair and reasonable price.
- H. The Grantee and any subrecipients must comply with prevailing wage rules per [Minnesota Statutes §§177.41 through 177.50](#), as applicable.
- I. The grantee and any subrecipients must not contract with vendors who are suspended or debarred by the State of Minnesota or the federal government: [Suspended and Debarred Vendors, Minnesota Office of State Procurement](#)

## Audits

Per [Minnesota Statutes 16B.98](#), Subd. 8, the grantee's books, records, documents, and accounting procedures and practices of the grantee or other party that are relevant to the grant or transaction are subject to examination by the granting agency and either the legislative auditor or the state auditor, as appropriate. This requirement will last for a minimum of six years from the grant agreement end date, receipt, and approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later.

## Affirmative Action and Non-Discrimination requirements for all Grantees:

- A. The grantee agrees not to discriminate against any employee or applicant for employment because of race, color, creed, religion, national origin, sex, marital status, status regarding public assistance, membership or activity in a local commission, disability, sexual orientation, or age regarding any position for which the employee or applicant for employment is qualified. [Minnesota Statutes 363A.02](#). The grantee agrees to take affirmative steps to employ, advance in employment, upgrade, train, and recruit minority persons, women, and persons with disabilities.
- B. The grantee must not discriminate against any employee or applicant for employment because of physical or mental disability regarding any position for which the employee or applicant for employment is qualified. The grantee agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified disabled persons without discrimination based upon their physical or mental disability in all employment practices such as the following: employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. [Minnesota Rules, part 5000.3500](#).
- C. The grantee agrees to comply with the rules and relevant orders of the Minnesota Department of Human Rights issued pursuant to the [Minnesota Human Rights Act](#).

**Voter Registration Requirement:**

The grantee will comply with Minnesota Statutes 201.162 by providing voter registration services for its employees and for the public served by the grantee.

**Contact Information**

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All costs incurred in responding to the Request for Proposal (RFP) will be borne by the responder. The State reserves the right to cancel this solicitation if it is considered to be in its best interest. The State reserves the right to negotiate modifications to the application or to reject any and all applications received as a result of this Request for Proposals. The State does not intend to award a grant contract agreement solely on the basis of any response made to this request or pay for information solicited or obtained.

Applications must be submitted via email by January 8, 2026 time-stamped received by DEED by 5:00PM (CST) to:  
DEED Employment and Training Division

Office of Adult Career Pathways

Email: [acpgrants.deed@state.mn.us](mailto:acpgrants.deed@state.mn.us)

Applicants will receive an autoreply to confirm receipt of their submission. If your submission does not receive an autoreply confirmation within one hour of submission, please contact: [Vanessa.Roman@state.mn.us](mailto:Vanessa.Roman@state.mn.us)

## Exhibit A: Definitions

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**Barriers to Education and/or Employment:** Pursuant to the [Workforce Innovation and Opportunity Act \(WIOA\)](#), barriers to education and/or employment may include but are not limited to:

- Training, materials, and testing costs;
- Poverty or inability to pay for living expenses;
- Immigration status;
- Criminal histories;
- Differing abilities and/or needs for accommodations;
- Childcare or dependent care needs;
- Ease and cost of transportation;
- Inconsistent internet access;
- Inadequate or unstable housing; and/or
- Language barriers.

Pursuant to [Laws of Minnesota 2023, chapter 63, article 1, section 1](#) and for the purposes of this grant program the terms defined below have the following meanings given:

**Cannabis Industry:** every item, product, person, process, action, business, or other thing related to cannabis flower and cannabis products and subject to regulation under Minnesota Law, Chapter 63.

**Local Unit of Government:** a home rule charter or statutory city, county, town, or other political subdivision.

**On-the-Job Training:** On-the-job training (OJT) is a contractual agreement between the training provider/grantee and an employer. The employer agrees to employ and train the participant, and the training provider/grantee agrees to reimburse a portion of the participant's wages (50 percent or more, depending on various criteria) for an agreed upon length of time. The participant is retained as a full-time, unsubsidized employee by the employer upon the expiration of the contract.

### C3. Cannabis Industry Training Grant Program Application



## Cannabis Industry Training (CanTrain) Program: Application & Checklist

Please complete all fields within this application and sign where indicated. Incomplete submissions will not be considered. Save the completed application as PDF and submit via email to [acpgrants.deed@state.mn.us](mailto:acpgrants.deed@state.mn.us) with the subject line "CanTrain Application – [insert applicant organization name]."

Remember, you must submit all documents listed below for the application to be considered complete:

- Form 1. [Cover Sheet](#)
- Form 2. [Narrative Responses](#)
- Form 3. [Work Plan](#)
- Form 4. [Budget](#)
- Form 5. [Partnership Chart](#)
- Form 6. [Unemployment Insurance Account Consent](#)
- Form 7. [Applicant Conflict of Interest Disclosure Form](#)
- Form 8. [Affidavit of Non-Collusion](#)
- Form 9. [Performance Capacity](#)
- Form 10. [No Conviction of Felony Financial Crime by Principal](#)
- Form 11. [Evidence of Good Standing](#)
- Form 12. [Required Nonprofit Grantee Documents](#)
- Form 13. [Required For Profit Documents](#)

**All applications must submit the organizational chart as listed in Form 11 and the required financial documentation as listed within Forms 12 or 13 with the application.**

**Applications must be submitted by the applicant via email and time stamp received by DEED by December 2, 2025, at 5:00PM CST.**

**Late applications will not be considered.**

## Form 1: Cover Sheet

Provide the following information for the organization submitting the proposal and/or fiscal agent.

Organization Name: \_\_\_\_\_

Organizational Type:

- Non-Profit: Enter designation: \_\_\_\_\_
- For-Profit Designation
- Local Unit of Government
- Other: (please specify): \_\_\_\_\_

Organization Website: \_\_\_\_\_

Physical Address: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Federal Tax ID (required): \_\_\_\_\_ Minnesota Tax ID (required): \_\_\_\_\_

UEI Number (required): \_\_\_\_\_ SWIFT Vendor ID (if known): \_\_\_\_\_

**Executive Director Name:** \_\_\_\_\_ **Title:** \_\_\_\_\_

Telephone Number: \_\_\_\_\_ Email Address: \_\_\_\_\_

**Program Contact Name:** \_\_\_\_\_ **Title:** \_\_\_\_\_

Telephone Number: \_\_\_\_\_ Email Address: \_\_\_\_\_

## Proposal Information

Proposal Name: \_\_\_\_\_

Provide a brief summary of your proposal:

Geographic Area Served (select all that apply):

- 7-County Metro Area     Greater Minnesota     Statewide     Virtual Only

Target Populations Served by Proposal (All participants must be 21 years of age or older, a Minnesota resident, and authorized to work in the United States.):

Total Amount of Funds Requested: \_\_\_\_\_

Anticipated Number of Participants Enrolled by Proposed Program: \_\_\_\_\_

Estimated length of training program: \_\_\_\_\_

Proposed Cost Per Participant (Total funds requested divided by projected total participants served): \_\_\_\_\_

Proposed Cost Per Exit to Employment (Total funds requested divided by projected total participants exited to employment): \_\_\_\_\_

Program Components:

- Program/Curriculum development ONLY
- Program/Curriculum development
- Workforce Development services
- Experiential Learning
- Job Placement and Retention Services

Name of Certificate(s) and/or Credential(s) to be awarded: \_\_\_\_\_

Training Provider(s):

Is/are the Training Provider(s) Minnesota Office of Higher Education Compliant? (All training providers must be [Minnesota Office of Higher Education](#) compliant or compliant with regulatory body with oversight as applicable.)

Yes  No

Compensated Partners:

Employer Partner(s):

I certify that the information contained herein is true and accurate to the best of my knowledge and that I am authorized to submit this application on behalf of the applicant.

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

## Form 2: Narrative Responses

Please respond to the questions in Sections 1-7 below. Each question is assigned a point value for its thoroughness and ability to address the question within the outlined word limit.

### Section 1: Organizational Capacity and Relevant Experience-Total Points: 15

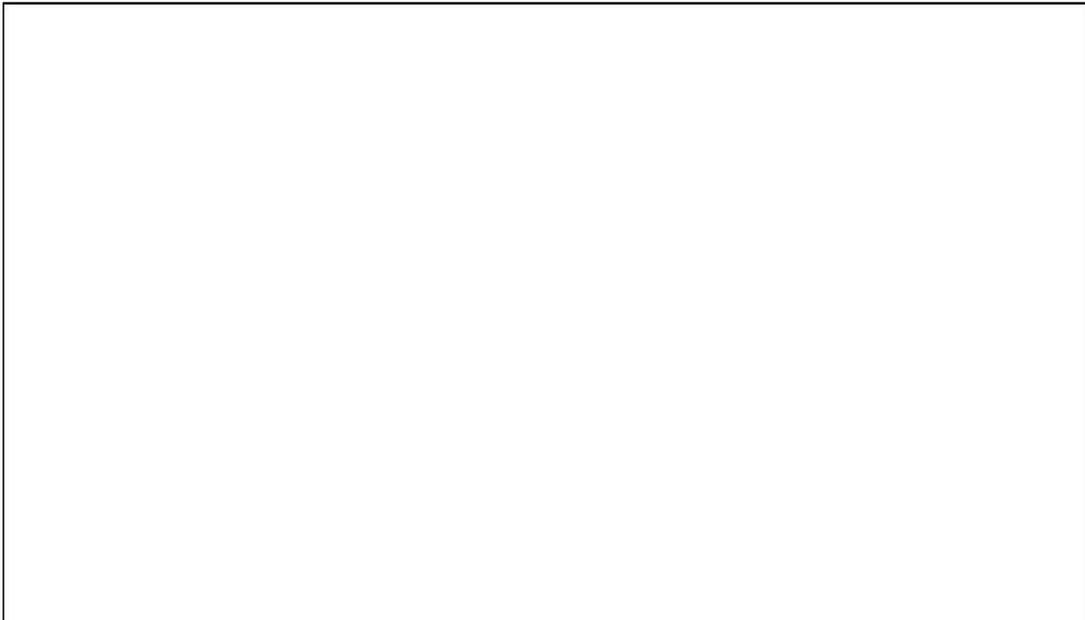
1. Provide a summary of your proposal. Include your organization's age/history, purpose, mission, organizational structure, and unique strengths.

2. Provide a summary of any staff expertise and cultural competency directly related to providing successful career training to individuals and communities who have faced barriers to education or employment.

3. Describe any past successes in coordinating collaborative, partnership-based efforts. Particularly address any successes in developing workforce and training programs for new or emerging industry sectors.



4. Describe your organization's experience in grants management, specifically any management of DEED Employment and Training and/or ACP grants



## Section 2: Program Description (25 points)

If proposing a curriculum/training program development only, answer these questions relative to how the program will operate and who it will serve upon launch of the program.

1. Provide a detailed overview of your proposed program.

2. What is the length of the proposed program? \_\_\_\_\_
3. When is the anticipated start date (mm/dd/yyyy) of the training program? \_\_\_\_\_
4. State the geographical physical and service location(s) your project will serve.

Minnesota residents with a focus on this/these geographical locations:

5. All applicants must have a physical location open to the public at designated times, in the state of Minnesota. Provide information on your organization/business, including where it is located, when and how often potential participants are able to receive services on location.

6. Provide any relevant data that will support the demand for the project in your service delivery area, specifically discussing demographics, historic needs, and any growing or emerging cannabis sector employers.

7. How will the proposed program be delivered?  In-Person  Virtual  Hybrid

8. Is this a new or existing training program?  New  Existing

If new, how long will it take to develop and begin offering the training? \_\_\_\_\_

9. Who is/are the training provider(s) for this program? \_\_\_\_\_

Is/are your training provider(s) registered with the Minnesota Office of Higher Education?  Yes  No

Is your training provider(s) based in the state of Minnesota?  Yes  No

10. What credentials and/or certificates will a participant completing your proposed program obtain?

11. Provide information on potential career pathways, specific job titles, and employment outlook that a graduate would have upon completion of this program.

12. Provide details on any additional workforce development services being provided, such as financial literacy training or industry sector contextualized work readiness.

13. Describe any support services and/or incentives provided to participants.

14. Provide information on any experiential learning opportunities that will be available to participants such as internships, paid work experience, or on-the-job training contracts with employer partners.

15. Provide the process used to develop this new program concept and how it was determined to be the best choice for the Cannabis sector. If it is existing, how was it determined to fit the Cannabis industry?

### **Section 3: Program Implementation Workplan (20 points)**

1. Provide a narrative description of your plan for implementing the proposed program.

2. Discuss any challenges you foresee in creating the training program, recruiting participants, sustaining enrollment, and placing graduates.

3. Provide details on who will manage, lead, and work on this program from your organization, including the role of the navigator/case manager and any contracted providers. Include information on if these are new or existing positions.

4. Provide a timeline for the implementation of the program.

#### **Section 4: Outreach and Community Engagement (10 points)**

1. Name any outreach or community engagement partners and describe their role within the proposed program, any compensation/fees for service, and their experience:

2. How will your organization engage communities that have historically experienced a disproportionate, negative impact from cannabis prohibition and cannabis use?

3. How will your organization engage with employers to develop and implement the proposed workforce and training program to ensure that program participants are able to obtain employment in the legal cannabis sector?

## Section 5: Partnerships and Collaboration (10 points)

Name any partners and describe their role within the proposed program, any compensation/fees for service, their experience, and why they are the best fit for this program:

Training providers of credentialed or certificate training

--

Training providers of pre-employment skills, financial literacy, etc.

--

Other/Additional Providers/Partners

--

Employer partners

--

## Section 6: Performance Evaluation and Impact (10 points)

1. Describe the programmatic capacity of your organization to effectively manage and administer grants from public and private sources.

2. Describe how you will evaluate the success of this program, outside of the measurable outcomes as listed in the work plan.

3. Provide any experience your organization has utilizing Workforce One (WF1), the required state system for tracking case management and outcomes for all state-funded employment and training programs. If your organization does not have experience with WF1, describe any experience using electronic case management and outcome tracking databases.

4. List already secured leveraged funds, if any, and how those funds will support your proposed services.

5. Describe how you will sustain the proposed services beyond the grant period.

**Section 7: Budget/Fiscal Capacity (10 points)**

1. Total DEED funds requested: \_\_\_\_\_

2. Explain why this is the most effective and productive way to use the funds.

3. Describe your organization's financial management capacity. (Accounting, timekeeping, and funds management, etc.)

4. List already secured leveraged funds, if any, and how those funds will support your proposed services.

5. Describe how you will sustain the proposed services beyond the grant period.

### Form 3: Work Plan

Complete the work plan table completely. Awarded applicants will be requested to provide a quarterly breakdown for the entire grant period at time of contracting. DEED reserves the right to require adjustments to program design, activities, and outcomes during the grant contracting process. Custom measurable outcomes will be negotiated with any grantees awarded to provide curriculum/training program development only at time of contracting.

Measurable Outcomes	Total Participants to	Percentage
Total Enrollments		100%
Total Enrolled in Training		
Total Participants Completing Work Readiness Training		
Total Participants Obtaining a Certificate (Non-Credentialed)		
Total Participants Obtaining a Credential		
Total Participants Placed in an Experiential Learning Opportunity		
Exits to Employment		
<ul style="list-style-type: none"> <li>Exits to Employment at or above \$20/hour</li> </ul>		
Exits to Post-Secondary Programs		
All Other Exits		
All Exit Totals		

## Form 4: Budget

Complete the budget table completely. Awarded applicants will be requested to provide a quarterly breakdown for the entire grant period at time of contracting. You are also not required to use all of the listed cost categories. Please see [Cost Category Definitions](#) for descriptions. Programs proposing curriculum/program development only should use only the Administrative Costs<sup>1</sup> and Capacity Building cost categories.

**TOTAL COST PER PARTICIPANT** (Total DEED funds requested divided by the total number of participants): \_\_\_\_\_

Office Use Only	Cost Category	Total Requested Amount Per Cost Category	Total Percentage of Requested Budget per Cost Category	Leveraged Funds (if applicable)
833	Administrative Costs <sup>1</sup>			
885	Direct Services			
886	Direct Services-WR-GED-ABE			
838	Direct Customer Training			
828	Support Services Costs			
830	Outreach			
884	Capacity Building			
<b>Total:</b>				

<sup>1</sup> Administrative Costs cannot exceed 10% of total funds requested.



## Form 6: Unemployment Insurance Account Consent

Before awarding a grant, DEED will need to verify that your organization does not have any outstanding Unemployment Insurance tax liability. If you choose not to provide this consent, DEED staff may determine that you are ineligible for DEED funding.

This authorization to release unemployment insurance data is not valid until the requirements listed below are met.

You need to:

1. Check the appropriate box authorizing what data the MN Unemployment Insurance program can release
2. Have an active user listed on the MN Unemployment Insurance employer account:
  - a. Sign and date this consent form
  - b. Print their name below their signature

The consent form will expire three months after the signature date.

If you have any questions about your private data, how to complete this consent form, or if you want to withdraw your consent, call Aaron Tell (651) 259-7567.

### EXPLANATION OF YOUR RIGHTS

#### Purpose of this form

You must complete, sign and return this form if you want to authorize a person or organization to receive certain private or nonpublic information that we collect to administer the Unemployment Insurance (UI) Program.

You have the right to choose what data we release. This means you can let us release all of the data, some of the data, or none of the data listed on this consent.

You have the right to allow us to release the data to all, some or none of the persons or entities listed on this form. This means you can choose which entities or persons may receive the data and what data they may receive.

You may withdraw your permission at any time. Withdrawing your permission will not affect the data that we have already released because we had your permission to release the data.

#### 1. Data Subject

Your name or name of organization: \_\_\_\_\_

Minnesota Unemployment Insurance (UI) Employer Account No.: \_\_\_\_\_

\_\_\_\_\_  
Address City State ZIP Code

## 2. Authorized person or organization

I authorize the following person or organization to receive the private and nonpublic data checked below:

Fiscal Program & Monitoring staff  
DEED, Employment and Training Programs Division  
Great Northern Building  
180 East 5th Street, 12th Floor Saint Paul, MN 55101

## 3. UI Data

Types of data that I agree to be released:

- Payment- Employer UI account status
- Other – information about all outstanding UI account debt, including the age, amount owed and when the debt was incurred. Status of wage detail submission.

## 4. Signature

I voluntarily authorize DEED to release the selected private data to the above individual/organization. I am aware of the purpose for releasing the private data and I understand that there may be consequences for releasing the data to the individual/organization.

---

Your signature or signature of corporate officer, partner or fiduciary

Print your name (and title, if applicable): \_\_\_\_\_

Phone: \_\_\_\_\_ Date(mm-dd-yyyy): \_\_\_\_\_

## Form 7. Conflict of Interest Disclosure

This form gives applicants and grantees an opportunity to disclose any actual or potential conflicts of interest that may exist when receiving a grant. It is the applicant/grantee's obligation to be familiar with the Office of Grants Management (OGM) [Policy 08-01: Grants Conflict of Interest](#) and to disclose any conflicts of interest accordingly.

All grant applicants must complete and sign a conflict-of-interest disclosure form.

I or my grant organization do NOT have an ACTUAL or POTENTIAL conflict of interest.

If at any time after submission of this form, I or my grant organization discover any conflict of interest(s), I or my grant organization will disclose that conflict immediately to the appropriate agency or grant program personnel.

I or my grant organization have an ACTUAL or POTENTIAL conflict of interest. (Please describe below):

If at any time after submission of this form, I or my grant organization discover any additional conflict of interest(s), I or my grant organization will disclose that conflict immediately to the appropriate agency or grant program personnel.

Printed name: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Organization: \_\_\_\_\_

## Form 8. Affidavit of Non-Collusion

Instructions: Please return this completed form as part of the Request for Proposal Response submittal. I swear (or affirm) under the penalty of perjury:

1. That I am the Responder (if the Responder is an individual), a partner in the company (if the Responder is a partnership), or an officer or employee of the responding corporation having authority to sign on its behalf (if the Responder is a corporation).
2. That the attached proposal submitted in response to the CanTrain Competitive Grant Program Request for Proposal has been arrived at by the Responder independently and has been submitted without collusion with and without any agreement, understanding or planned common course of action with any other Responder of materials, supplies, equipment, or services described in the Request for Proposals, designed to limit fair and open competition.
3. That the contents of the proposal have not been communicated by the Responder or its employees or agents to any person not an employee or agent of the Responder and will not be communicated to any such persons prior to the official opening of the proposals.
4. That I am fully informed regarding the accuracy of the statements made in this affidavit.

### Authorized Signature:

Responder's firm name: \_\_\_\_\_

Print authorized representative name: \_\_\_\_\_

Title: \_\_\_\_\_

Authorized signature: \_\_\_\_\_ Date (mm/dd/yyyy): \_\_\_\_\_

## Form 9. Performance Capacity

INSTRUCTIONS: Please respond to these performance capacity questions as required by 16B.981 Subd. 2 (1) and as part of the response to this Grant Request for Proposal.

1. Please describe your history of performing the work that will be funded by the grant:

This includes describing your organization's current staffing, current budget, and internal capacity to meet specified measurable outcomes.

2. Have you been awarded or have an active grant from DEED in the past 5 years?  Yes  No

If Yes, please specify the program(s) and dates (mm/dd/yyyy) of the contract(s).

## Form 10: No Conviction of Felony Financial Crime by a Principal

Please sign below to finalize response and submit this document as part of the grant application materials/response to the Grant Request for Proposal.

**Please upload or attach an organizational chart or list of principals that you are certifying for below.**

16B.981 Subd. 2 (6) requires that no current principals of a grantee have been convicted of a felony financial crime in the last 10 years. A principal is defined as a public official, a board member, or staff (paid or volunteer) with the authority to access funds provided by this grant opportunity or to determine how those funds are used.

By signing here, I warrant that no current principal of my organization has been convicted of a felony financial crime in the last 10 years.

I certify that this information is true, correct, and reliable.

The submission of inaccurate or misleading information may be grounds for disqualification from the grant contract agreement award and may subject me/my organization to suspension or debarment proceedings, as well as other remedies available to the State, by law.

---

Printed Name and Title

---

Signature

Date

## Form 11. Evidence of Good Standing

**INSTRUCTIONS:** Potential grantee must certify that the organization has a status of “In Good Standing” with the Secretary of State as required by [16B.981 Subd. 2](#) (3) and as part of the response to this Grant Request for Proposal.

Is your organization (for-profit or nonprofit) registered with the Secretary of State and has a status of “In Good Standing”?

Yes  No

Business Type: \_\_\_\_\_

File Number: \_\_\_\_\_

Renewal Due Date (mm/dd/yyyy): \_\_\_\_\_

## Form 12: Required Nonprofit Grantee Documents as Applicable

Please answer the following questions and provide the requested information

1. Were you required to submit a 990 or a form 990-EZ for your organization's last fiscal year?  Yes  No
2. If you are exempt from filing or your organization has been in business for less than one year, please describe the internal controls you have over business expenditures and outcomes of the grant funds, if awarded. Examples of internal controls include but are not limited to documented policies and procedures; segregation of duties such as having different staff who enter receivables versus those who post payments; using a payroll system; requiring usernames and passwords, along with appropriate levels of access to systems; supervisor review and approval of payments and timecards; and other internal controls to ensure compliance with laws and regulations and safeguard use of grant funds
3. Are you a charitable organization that made over \$750,000 in your last fiscal year and were required to have an audited financial statement per Minnesota Statute [Sec. 309.53](#)?  Yes  No

Non-profit grant applicants may be required to submit the following documents, as applicable to the organization and as required by Minnesota Statute [Sec. 16B.981 Subd. 2 \(2\) and Subd. 2 \(5\)](#) as part of the pre-award risk assessment:

- Applicants with an annual revenue more than \$750,000 must submit their most recent certified financial audit as required, under Section 309.53, Subdivision 3.
- Applicants with an annual revenue \$50,000-\$750,000 must submit their most recent IRS Form 990
- Applicants with an annual revenue under \$50,000 must submit their most recent IRS Form 990-EZ or board-reviewed financial statements.
- If not in existence long enough or not required to file Form 990, Form 990 EZ or most recent audit, the nonprofit grant applicant must:
  - Demonstrate exemption (i.e. Provide a copy of the IRS determination letter); and
  - Submit the most recent set of board-reviewed (or managing group if applicable) financial statements.

## Form 13: For-Profit Required Documents, Lien Disclosure, and Certification

Please answer the following questions and provide the requested certification.

1. Has the for-profit entity filed its most recent state and federal tax returns?  Yes  No
2. If you have been in business less than a year, please describe the internal controls you have over business expenditures and outcomes of the grant funds, if awarded. Examples of internal controls include but are not limited to documented policies and procedures; segregation of duties such as having different staff who enter receivables versus those who post payments, using a payroll system, requiring usernames and passwords along with appropriate levels of access to systems, supervisor review and approval of payments and timecards, and other internal controls to ensure compliance with laws and regulations and safeguard use of grant funds.

3. Asset lien disclosure:  
 I do not have any liens on assets  
 I do have liens on assets: Please describe the assets and associated liens below:

4. Certify not under bankruptcy proceedings

By signing below, I certify that the business is not under bankruptcy proceedings. I certify that the information is true, correct, and reliable.

The submission of inaccurate or misleading information may be grounds for disqualification from the grant contract agreement award and may subject me/this for-profit entity to suspension or debarment proceedings, as well as other remedies available to the State, by law.

---

Printed Name and Title

---

Signature

Date

For-profit business grant applicants may be required to submit the appropriate documents pursuant to Minnesota Statute [Sec. 16B.981 Subd. 3](#) as part of the pre-award risk assessment:

- **Most recent federal and state tax returns**
- **Current Financial Statements**

CanTrain Program Application

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## C4. Cannabis Industry Training Grant Program Application Reviewer Scoresheet

### Cannabis Industry Training Grant Program

#### Objective of grant

Eligible organizations will develop and/or deliver a training program relevant to the legal cannabis industry and provide such training to individuals seeking to enter the legal cannabis industry workforce. Funds may also be used to provide scholarships to eligible individuals to pursue a training program relevant to the legal cannabis industry. These programs are eligible to provide training for a broad range of careers in the legal cannabis industry, including both potential business owners and employees, and work in the growing, processing, and retail sectors of the legal cannabis industry. All awarded programs must prioritize serving individuals with barriers to education or employment, and those from communities that have historically experienced a disproportionate, negative impact from cannabis prohibition and cannabis use.

<b>Reviewer ID Number</b>		<b>Date Reviewed</b>	
<b>Applicant Organization</b>		<b>Total Score</b>	
<b>Funding Recommendation</b>	Choose an item.	<b>Intentionally Blank</b>	N/A

*\*Each section has a different point range available. For example, if the section has 20 points available, and you award them 10 points, it would be 50% of the available points and be “Fair”. If they were awarded 17 points it would be 85% and “Excellent”. This is helpful to keep in mind for each section. You do not need to calculate percentages, only input the raw point score for each section. \**

Scoring Criteria		High Impact			Medium Impact			Low Impact		
		100-91%	90-81%	80-71%	70-61%	60-51%	50-41%	40-31%	30-21%	20-0%
	Raw SCORE	Exceptional	Excellent	Very Good	Good	Adequate	Fair	Poor	Very Poor	Inadequate
<b>Proposed Services:</b>	<b>N/A</b>	<p><i>This RFP offers the following eligible services:</i></p> <ul style="list-style-type: none"> <li>• Program/Curriculum development ONLY</li> <li>• Program/Curriculum development</li> <li>• Workforce Development services</li> <li>• Experiential Learning</li> <li>• Job Placement and Retention Services</li> <li>• Individual Scholarships</li> </ul> <p><i>Choose the services the applicant is proposing to execute:</i></p>								

	<input checked="" type="checkbox"/> Program/Curriculum development ONLY <input type="checkbox"/> Workforce Development Services <input type="checkbox"/> Experiential Learning <input type="checkbox"/> Job Placement <input type="checkbox"/> Program/Curriculum development
<p><b>Organizational Capacity and Relevant Experience (15 points available)</b>  <i>(Section 1, Question 1-4)</i></p> <p><i>Does the organization clearly explain who they are, their expertise in what they do, their experience in serving marginalized communities, and other relevant experience?</i></p>	<p><i>Comments:</i></p>
<p><b>Program Description (25 points available)</b>  <i>(Section 2, Questions 1-15)</i></p> <p><b><i>Were all questions answered?</i></b></p> <p><i>Does the applicant provide a comprehensive overview of the proposed program?</i></p> <p><i>Do they have a location in MN? Do they support the need for the project, and provide details on the services a participant can expect from the program upon enrollment or when the program is completed for curriculum programs only?</i></p>	<p><i>Comments:</i></p>
<p><b>Program Implementation Workplan (20 points available)</b>  <i>(Section 3, Questions 1-4)</i></p> <p><b><i>Were all questions answered?</i></b></p>	<p><i>Comments:</i></p>

<p><i>Does the organization provide a strong, realistic plan for program launch?</i></p> <p><i>Do they have a plan for overcoming challenges to recruitment, sustaining participants, and placing graduates?</i></p> <p><i>Is there a timeline that is feasible?</i></p>		
<p><b>Outreach and Community Engagement (10 points available)</b></p> <p><i>(Section 4 Questions 1-3)</i></p> <p><b>Are all questions answered?</b></p> <p><i>Does the applicant have a strong plan for outreach to the community?</i></p> <p><i>Do they discuss how they will engage those who have been historically harmed by cannabis prohibition?</i></p> <p><i>Do they have a plan for employer engagement?</i></p>		<p><i>Comments:</i></p>
<p><b>Partnerships and Collaborations (10 points available)</b></p> <p><i>(Section 5)</i></p> <p><b>Are all questions answered?</b></p> <p><i>Does the organization list partners and detail their role in each respective question?</i></p>		<p><i>Comments:</i></p>

<p><b>Performance Evaluation and Impact (10 points available)</b></p> <p><i>(Section 6 Questions 1-5)</i></p> <p><b>Are all questions answered?</b></p> <p><i>Does the organization describe their capacity to effectively manage and administer grants from public/private sources?</i></p> <p><i>Do they discuss any additional measures of success they will review?</i></p> <p><i>Amount being requested and any leveraged funds to further support these services.</i></p> <p><i>Do they detail any experience with Workforce One or other case management software?</i></p>		<p><i>Comments:</i></p>
<p><b>Budget/Fiscal Capacity (10 points available)</b></p> <p><b>Are all questions answered?</b></p> <p><i>Does the application make a case for the effectiveness for use of funds?</i></p> <p><i>Does the application discuss their financial capacity?</i></p> <p><i>Does the application have any leveraged funds?</i></p> <p><i>Do they have a sustainability plan for when the grant is over to continue program operations?</i></p>		<p><i>Comments:</i></p>
<p><b>Forms</b></p> <p><i>Did the applicant complete Forms 3, 4, &amp; 5?</i></p> <p><i>Are the forms complete?</i></p> <p><i>Do the participant and budget numbers seem reasonable?</i></p> <p><i>Are the funds being primarily contracted out?</i></p>	<p><b>Yes</b></p> <p><b>No</b></p>	<p><i>Comments:</i></p>

Please note any significant errors or concerns.		
<b>Total Score (100)</b>		

**Summary Notes**

*Please include **at least** 1 strength and 1 area of improvement.*

**Strengths:**

**Areas of Improvement:**

### Total Score Ledger

Degree of Impact	Score	Descriptor	Guidance on Strengths/Weaknesses
<b>High</b>	91-100	Exceptional	Exceptionally strong with essentially no weaknesses
	81-90	Excellent	Extremely strong with negligible weaknesses
	71-80	Very Good	Very strong with some minor weaknesses
<b>Medium</b>	61-70	Good	Strong but with numerous minor weaknesses
	51-60	Adequate	Strong but with at least one moderate weakness
	41-50	Fair	Some strengths but with a few moderate weakness
<b>Low</b>	31-40	Poor	Some strengths but at least one major weakness
	21-30	Very Poor	Few strengths with few major weaknesses
	10-20	Inadequate	Numerous major weaknesses
<b>Definitions:</b>			
<b>Minor:</b> weakness can be addressed easily and does not lessen the impact of the project			
<b>Moderate:</b> weakness lessens the impact of the project			

**Major:** weakness severely limits the impact of the project