

BOARD OF DIRECTORS

Friday, May 18th, 2018
8:30 a.m. – 10:30 a.m.

Lisa Schlosser Presiding

PwC

45 South Seventh Street, Suite 3400, Minneapolis, MN

AGENDA

- | | |
|---|---------------|
| 1. Call to Order (Lisa Schlosser) | 8:30 |
| 2. Introductions (Lisa Schlosser) | 8:30 – 8:35 |
| 3. Approval of Meeting Minutes (Lisa Schlosser) * | 8:35 – 8:40 |
| • March 23 rd , 2018 | |
| 4. Financial Update (Ed Foppe) | 8:40 – 8:50 |
| • April Financials | |
| • 2017 Audit Overview | |
| 5. Event Update (Patty Carruth, Margaret Anderson Kelliher) | 8:50 – 9:05 |
| • Bids & Bytes | |
| • Tekne Categories & Judging | |
| 6. MHTA Membership Update (Ray Hoover) | 9:05 – 9:10 |
| 7. Government Affairs Committee Update (Doug Carnival, John Dukich) | 9:10 -9:20 |
| 8. President's Report (Margaret Anderson Kelliher) | 9:20 – 9:25 |
| *enclosures – Presidents Report, Staff Report | |
| 9. Apprenticeship/Apprenti Model (Margaret Anderson Kelliher) | 9:25 – 9:35 |
| 10. Presentation – Matt Lewis, GreaterMSP | 9:35 -10:00 |
| 11. Presentation – Minnesota Department of Labor & Industry | 10:00 – 10:25 |
| 12. Other Business (All) | 10:25 – 10:30 |
| • Attendance at July 20 th BOD meeting | |
| 13. Adjourn | 10:30 |

***Denotes item with Board Action**

Next MHTA Board Meeting:
July 20th, 2018 8:30 – 10:30 a.m.
Location: TBD

UPCOMING EVENTS:

Upcoming Events Listing

May

- 8 WLIT
- 10 CIO Forum (Holiday Ind.)
- 11 MHTA Executive Committee
- 16 MHTA Foundation Board Meeting
- 18 MHTA Board of Directors

June

- 14 ACE Session 5
- 15 MHTA Executive Committee

July

- 11 MHTA Foundation Board Meeting
- 13 MHTA Executive Committee
- 20 MHTA Board of Directors

August

- 17 MHTA Executive Committee
- 21 WLIT

September

- 13 Bids & Bytes
- 14 MHTA Executive Committee
- 20 CIO Forum (Winnebago)
- 20 ACE Session 6

October

- 10 MHTA Foundation Board Meeting
- 12 MHTA Executive Committee
- 23 WLIT
- 26 MHTA Board of Directors

November

- 1 CIO Forum
- 16 MHTA Executive Committee
- 29 Tekne Awards

December

- 7 MHTA Board of Directors Meeting
- 12 CIO Panel
- 14 MHTA Executive Committee

Board of Directors Minutes

Sub -Chair Lisa Schlosser
8:30 am to 10:30 am
Friday, March 23rd, 2018

Associated Benefits & Risk
6000 Clearwater Drive, Minnetonka, MN 55343

Present: Margaret Anderson Kelliher, Kevin Boeckenstedt, Doug Carnival, Trent Clausen, Jacquelyn Crowhurst, , Ed Foppe, , Todd Hauschildt, Karen Hudson, Patrick Joyce, Sridhar Koneru, Harlan Kragt Jake Krings, Rick Krueger, Michael Lacey, Sandy Lee, Chuck Lefebvre, Mac Lewis, Tyler Middleton David Minkkinen, Cy Morton, Samuel Prabhakar, Pat Ryan, Lisa Schlosser, Scott Singer, Michael Lacey
Absent:, Jill Farrington, , Amy Fisher, David Frazee, Milla Hautman, Jay Heath, Bob Hirsch, Joy Lindsay, Paul Mattia, David Minkkinen, Chris Rence, Vinicius (Vinny) Silva, Dee Thibodeau, Ken Voss, Susanna Woods
Staff: Claire Ayling, Patty Carruth, Pat Dillon, John Dukich, Ray Hoover, Lonni Ranallo, Mo Schriener, Becky Siekmeier

1. Call to Order

Chair Lisa Schlosser called the meeting to order.

2. Introductions

3. Approval of January 26th, 2018 Meeting Minutes

Karen Hudson moved to approve the January 26th meeting minutes, Harlan Kragt seconded the motion, the motion carried and the minutes were approved.

4. Financial Update

Ed Foppe gave a financial update on January – February. Current net income at \$302,890. New membership running at plan, with renewals slightly behind, due to several larger renewals that have not come in for January. Tech.2018 income came in behind plan, and expenses were also under plan due to attendance numbers, net was close to plan. STEM activity running at plan. Audit fieldwork will begin in April and we are hoping to present 2017 financials at the May Board meeting.

5. Event Update

Jake Krings gave a presentation on the upcoming Spring Conference. Jake thanked all Spring Conference Committee members for their hard work putting together an excellent agenda. A handout of the agenda was distributed. Ray Hoover stated we have been working hard to close the 40K Sponsorship gap. Margaret Anderson Kelliher stated attendance is way down and we need your help making sure that the excellent agenda that has been put together by the committee gets attendees there. Lisa Schlosser told the Board how she promotes the conference to Thomson Reuters, stating it's a great value to Thomson employee's to get out of the office, meet people, learn new things, and do something different for the day. Patty Carruth also stressed the agenda of the Spring Conference and the track listing. Patty Carruth handed out a Tekne survey of categories to be filled out by the Board members. Karen Hudson also spoke of items in the Spring Conference agenda.

6. Marketing & Communications Overview

Mo Schrinier introduced herself as the new Director of Marketing & Communications. Mo walked through the Spring Conference marketing to date, including social media, direct mail, ads and emails. Kare11 will be featuring three companies participating in Spring Conference on the Sunrise program. Mo requested that the Board members email her (mo@mhta.org) the company IT staff tech person for communications so she can connect with them. Mo described personal influence and being a brand ambassador and the importance of it for our conferences success. Mo explained the Edelman Trust Barometer, and how it is currently so low. Mo talked about building the tech community and how important it is to have personal outreach. Mo reminded the Board to “like” and “share” our posts on social media.

7. Membership Update

Ray Hoover talked about membership, its current status and the organization of the Membership Committee. We have a goal of 90K for new membership with 160K in the target list. We are also working on new methods of deepening engagement and relationship building.

8. Government Affairs Committee Update

Doug Carnival gave an overview of the legislative session so far. Minnesota has a 330 million dollar surplus. John Dukich explained the data center tax code issue, with the success of the tax breaks for data centers put in place in 2010, the Department of Revenue now wants to significantly modify the tax exemption, the government affairs committee is watching this issue closely. John also stated the other issues currently being worked on are extending and funding the angel tax credit, net neutrality and broadband.

9. Presidents Report

Margaret Anderson Kelliher thanked the Executive Committee for her review, and we are currently working on 2018 goals. We have had a change in the STEM area with Margaret working on workforce issues, we are looking at the details for strategic engagement. The TECNA CEO retreat is coming up in April. Margaret thanked the Board for helping get our 2018 ACE class to 32 participants.

10. Other Business

Lisa Schlosser thanked Sandy Lee and Associated for hosting the meeting, and also thanked the Spring Conference Committee for all of their work putting together some excellent speakers for the conference. Jacquelyn Crowhurst also spoke of the valuable conference and to help us get attendees there.

11. Adjourn

Tyler Middleton made a motion to adjourn, Doug Carnival seconded the motion, the motion carried and the meeting was adjourned.

MHTA P&L vs Budget April 2018

	Jan - Apr 18	YTD Budget	Annual Budget	\$ Over Budget
Total Membership	429,234	480,409	614,790	(51,175)
Total Promotion / Events	179,949	192,484	345,448	(12,535)
Total STEM Programs	120,072	129,414	484,500	(9,342)
Sub Total	729,255	802,307	1,444,738	(73,052)
Operate MHTA & Public Policy	469,365	474,826	1,438,865	(5,461)
Net Income	259,890	327,481	5,873	(67,591)

	Jan - Apr 18	YTD Budget	Annual Budget	\$ Over Budget
Income				
Total Membership	429,234	480,409	614,790	(51,175)
Total Promotion / Events	298,755	346,935	772,590	(48,180)
Total STEM Programs	209,985	204,414	1,461,600	5,571
Total Other Income*Sales & Marketing	13,116	11,780	15,000	1,336
Total Income	951,090	1,043,538	2,863,980	(92,448)
Expense				
Total Administration	62,653	64,370	195,240	(1,716)
Total 5000 · Association Staffing	392,010	393,123	1,169,625	(1,113)
Total 5400 · Sales & Marketing	12,484	13,780	43,000	(1,296)
Total Promotion / Event Expenses	118,806	154,451	427,142	(35,645)
Total STEM Program expense	89,913	75,000	977,100	14,913
Total Public Policy	15,333	15,333	46,000	(0)
Total Expense	691,200	716,057	2,858,107	(24,857)
Net Income	259,890	327,481	5,873	(67,591)



2018 Tekne Award Categories

Biotech/Pharmaceuticals (NEW)

Celebrates innovation and pioneering efforts in biotechnology or pharmaceuticals to provide game-changing advancement in the healthcare field. Examples include, but are not limited to: gene therapies, precision medicine, drug discovery and delivery, etc.

Building Design and Infrastructure

Honors the integration of technology in building design, construction and operation. Examples include, but are not limited to: smart grid, productive workplace design, green building materials, or applied innovative building design in occupant comfort and indoor air quality.

Clean Tech/Energy

Shines a spotlight on innovation that enhances energy efficiency, conservation or renewable energy generation and storage. Examples include, but are not limited to: solar or wind power, biofuels, petroleum replacement or personal transportation.

Community Impact

Recognizes the development or implementation of technology that serves an unmet community need. Entries should demonstrate significant improvement or modernization through a product, service or innovation that assists underserved populations, enhances quality of life, health or safety, or promotes an innovative job creation strategy. Two or more parties can be involved and submit a joint application. Both non-profit and for-profit organizations are eligible.

Cybersecurity

Recognizes innovative products or services that secure networks, computers, or systems from unintended or unauthorized access. Examples include, but are not limited to: identity management products or services, trusted authentication, disaster recovery, secure data storage, computer forensics, and verification processes.

Emerging Technologies (NEW)

Celebrates a cutting edge product or service that is pushing the boundaries of technology or application of technology and/or significantly disrupting an industry. Examples include, but are not limited to: Blockchain, predictive analytics, artificial intelligence, machine learning, integrated sensor technologies, etc.

Food/Ag Tech

Honors technological advances in agricultural operations or food production that enhance productivity and efficiency, improve environmental sustainability or contribute to food safety.

Health IT

Recognizes advances in the application of information technology to the healthcare sector, helping to diagnose diseases, increase efficiencies and improve patient outcomes. This category rewards technologies which have made a real impact to improve patient healthcare and quality of life.

IT Solutions Consulting

Celebrates the contributions of technology solutions providers and consultants whose research and technical expertise help clients to optimize workloads and systems for future-state readiness, reduce costs, speed time to market and/or protect infrastructure.

Medical Device (NEW)

Honors significant achievements in medical product design and engineering that improve the quality of healthcare delivery and accessibility. Examples include, but are not limited to: instruments, machines, implants, in vitro reagents or other related products that are intended for the diagnosis, cure, mitigation, treatment or prevention of disease or other conditions.

Science & Technology Startup

Recognizes an early-stage Minnesota science or technology company with commercialized products that demonstrates significant potential, creativity and a promising future. Company revenue for 2017 is \$5m or less and 50% or more of its employees are based in Minnesota.

Software (2)

- Established Companies, \$50m+ in 2017 revenue
- Small & Growing Companies, < \$50m in 2017 revenue

Honors innovation in software development or applications to solve strategic business challenges, guide business decisions or enhance productivity and efficiency. Examples include, but are not limited to: website plug-ins, back-end organizational software, mobile development, stream processing, scheduling, supply chain, etc.

STEM Workforce Development

Celebrates innovative approaches to talent development in the STEM fields, including efforts to close Minnesota's STEM skills gap and provide solutions to address Minnesota's STEM workforce shortage.

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**MHTA President Report
April 11, 2018**

BOARD AND STAFF UPDATES

Becky at SciTechsperience is in the process of hiring a new Student Outreach Coordinator. Norbert Abayisenga left that position April 27 to return to Rwanda.

We are happy to welcome to the Board of Directors Barry Mason, Managing Director and Senior State Executive at IBM.

I recently met with Dorothy Bridges, Senior Vice President responsible for community development, outreach and public affairs at the Federal Reserve Bank. The Fed Reserve is interested if they may be able to have their CIO serve on the MHTA Board of Directors, I am awaiting more detail on his background from Dorothy.

We have also had interest expressed by the President of AT&T Minnesota, Paul Weirtz in joining the MHTA Board. I have also had contact with both Collabrio and Code42 about possible Board service.

Meetings of Note

- Had an introductory meeting with the new MN-IT Services Commissioner, Johanna Clyborne. We are working with Commissioner Clyborne on a number of fronts.
- Ray and I met with Jake Krings from Target, where we continue to work to find a path for Target to renew membership.

TEKNE AWARD APPLICATIONS AND SPONSORSHIP

Thank you for your help in shaping the Tekne Award Categories. The award categories are attached. Applications will open on June 11. Please encourage the companies you know to apply, who fit into these award areas.

WLIT

The WLIT advisory board has two new members, from Robins Kaplan and Cargill. This week WLIT was focused on Resilience. The May 8 event had two new event sponsors, Paramount IT Consulting and the CSOM Science in Supply Chain Management MS program. There are still sponsorship opportunities available for the rest of the year. Contact Ray Hoover for more details.

Government Affairs Update

There are 11 days remaining in the 2018 Legislative Sessions, with a number of outstanding issues to be resolved including a tax bill, supplemental budget bill and bonding bill. Funding for Angel Investment Tax Credit is included in both the House and Senate Omnibus Tax Bills (\$10 million in the House and \$5 million in the Senate). Governor Dayton's budget includes \$10 million in funding for AITC.

Other issues MHTA is working on include broadband and defending the data center tax exemption. MHTA is working with stakeholders to ensure that there are not any changes made to the state's data center tax exemption. Next is a brief overview of broadband funding and policy.

Government Affairs continued - Broadband funding and policy

Gov—\$30 million for one year. No policy changes.

House—\$15 million for one year. Policy change: Opens grant program up to satellite providers, subsidizing consumers for the purchase of satellite equipment.

Senate—\$15 million for one year. Policy change: When administering the grant program, requires DEED commissioner to give priority to providers that commit to adhere to net neutrality principles.

Minnesota Computer Project

MHTA is working with TPT-Twin Cities PBS to produce a one-hour documentary capturing the unparalleled role Minnesota holds as a leader in the creation of the computer industry, and as the birthplace of the first “High Speed, Large Scale Electronic Digital Computer.” In an entertaining and approachable format, this production will feature the stories behind early industry entrepreneurs, and the successful high tech companies and products they cultivated - from startup to international acclaim.

This project has received \$100,000 from a Minnesota Historical Society grant research to work in collaboration with the UMN Babbage Institute and the Dakota County Historical Society. We are now seeking to close our fundraising gap with sponsorship support to complete this major documentary.

MEDIA/SPEECHES/IMPACT

Highlights include:

- I was one of four panelist on the topic of Cybersecurity at the Minnesota State Capitol, *Date?* with our own Pat Joyce, from Medtronic, MN Secretary of State Steve Simon and Commissioner of MN It Services (MN IT) Johanna Clyborne and moderated by MN IT’s CISO Aaron Call. There were about 60 people in attendance, including legislators, members of the public, higher education institutional representatives and business folks.
- Interview with Twin Cities Business Magazine on Amazon’s plans to add 200 IT workers at its Minneapolis office. <http://tcbmag.com/news/articles/2018/may/amazon-adding-200-tech-jobs-in-minneapolis>
- Interviews with Minnesota Public Radio and WCCO AM Radio on Minnesota’s application to land the U.S. Army’s new Futures Command office to speed up R&D for military technology. <https://www.mprnews.org/story/2018/05/07/army-eyes-minneapolis-for-tech-command-center>
- Attended the Technology Associations of North America (TECNA) CEO Retreat in Winnipeg April 24-26. I was elected Vice Chair of TECNA, where I will take a key role in public policy on behalf of TECNA. We have a two Vice Chair model at TECNA.
- Attended May 3 grand opening of Amazon’s Minneapolis tech hub. Sen. Klobuchar and Mayor Frey both recognized MHTA during their welcome speeches.

Memorandum

To: MHTA Executive Committee

Date: 5/11/18

From: Margaret Anderson Kelliher

Pages: 1

RE: Apprenticeship Model

MHTA recently convened a meeting of the Minnesota Department of Labor and Industry, CompTIA, Creating IT Futures and Apprenti to explore the possibility of creating a new IT apprenticeship program in Minnesota. The objective is to help fill Minnesota's tech workforce shortage. Under the proposal, MHTA would serve as an intermediary between Apprenti which provides the structure of the apprenticeships, and the companies that hire the apprentices.

More details are provided in the overview memo from Apprenti but this type of program is something that would not only benefit Minnesota's tech community, it will strengthen MHTA's reputation and enhance the work we are already doing around workforce.



To: Margaret Kelliher, CEO, MHTA
CC: John Dukich, Director of Public Policy, Workforce & Research, MHTA
From: Jennifer Carlson, Executive Director, Apprenti
Date: May 9, 2018
RE: Apprenti Overview

Program Overview & Purpose

Apprenti is a registered tech apprenticeship program that originated in Washington State and filed nationally with the U.S. Department of Labor; its mission is to serve the tech sector's talent development and diversity hiring needs. At present it operates in six states with plans to expand into five additional states during calendar year 2018. As the industry intermediary, Apprenti's role evolved from its initial expectation of serving the tech sector by filing standards, to addressing its business operating needs in its attempts to adopt registered apprenticeship as a talent development platform.

The Apprenti program comprehensively recruits, qualifies and trains future tech workers with an emphasis on underrepresented groups including women, minorities, veterans and persons with disabilities. An industry-built and recognized program, Apprenti follows the core principals of registered apprenticeship at both state and federal levels. As a hybrid competency and time-based apprenticeship program, candidates that exhibit a minimum level of aptitude via our standardized online assessment and interview screening process are offered an apprenticeship contingent on completion of occupationally relevant, industry recognized certifications. Apprentices receive three to five months of immersive, full-time, classroom training before beginning one-year (2,000 hours) of paid on-the-job training with a participating hiring partner.

As we convened large tech employers in Seattle to discuss how to go about creating a program that would adhere to the rigors of an apprenticeship system, while allowing for program contours that would meet our sector's shifting needs and accelerated timelines, it became clear that what we were building would need to serve companies beyond our borders. Apprenti was designed to scale nationally through trade associations like the Washington Technology Industry Association (WTIA) and Chambers of Commerce, both of whom have direct access to hiring companies and can leverage those relationships to secure headcount and even grow membership through program delivery as the WTIA does.

The U.S. at the close of 2017 had 2.8 million unfilled tech jobs across all sectors; as a country we confer 4-college degrees in Computer Science on 60,000 people per year; 15% of our current tech workforce is eligible for retirement in the next 5 years, during that same time, we are forecasted to create an additional 1 million tech jobs. We cannot close this workforce gap domestically without investing in an alternate option.

Apprenticeship is not intended to replace the college system, but rather augment and increase the candidate pool by offering an additional pathway into tech jobs for a broader, more diverse population, based on competency – the ability to do the work – rather than pedigree. With a median age of 31 in tech apprenticeship, companies are benefitting from a new crop of talent who bring other work and life skills, along with maturity, along with a demonstrated desire to learn.

Apprenti has defined the role of the Intermediary as:

We are the link between Company, Talent, Training and Governance. We serve as a trusted resource, consultant, bridge and buffer between the six audiences engaged in creating a healthy talent development system (Employer, Intermediary, Apprentice, Trainer, Labor and Funder).

Companies rely on Apprenti to collaboratively define and file standards that can work across all companies and sectors, standardizing the potential output of the tech apprenticeship system. And, as a 501(c)3 and organization designed to support company needs, our hiring partners rely on us to identify funding streams that can subsidize aspects of apprenticeship like training and apprentice support services, provide best practices and key learnings from companies who have successfully implemented apprenticeship, manage apprenticeship statutory compliance on their behalf, source and certify competent and diverse candidates, and help them understand how to manage apprentice mentorship.

At employer direction, Apprenti developed the proprietary assessment tool embedded in ApprentiCareers.org to screen for baseline competency in Algebraic Math, Logic & Critical Thinking and Emotional Intelligence, including a digital referral system for those who do not perform successfully, with integrated CRM tools custom-built to manage the apprenticeship system and a process by which we screen and develop candidate cohorts on behalf of companies to deliver the best possible talent as efficiently as possible.

How is the program funded?

Apprenti has developed a funding strategy that is both competitive with how companies currently source talent, but also nominal enough to not be cost prohibitive. While companies get the benefit of the continuity of standards, registration, compliance, and education consulting and facilitation at no cost, MHTA would earn revenue as follows:



Affiliate Revenue Forecast

YEAR 1		YEAR 2		YEAR 3	
EXPENSES (40 Apprentices)	AMOUNT	EXPENSES (100 Apprentices)	AMOUNT	EXPENSES (200 Apprentices)	AMOUNT
Direct Hire Apprentices	50,000 <i>\$2500 placement fee</i>	Direct Hire Apprentices	125,000 <i>\$2500 placement fee</i>	Direct Hire Apprentices	250,000 <i>\$2500 placement fee</i>
Contract Hire Apprentices	50,000 <i>\$2500 placement fee</i>	Contract Hire Apprentices	125,000 <i>\$2500 placement fee</i>	Contract Hire Apprentices	250,000 <i>\$2500 placement fee</i>
Contract Fee Income	15,000	Contract Fee Income	37,500	Contract Fee Income	75,000
Re-marketed Apprentices	20,000 <i>10% available for remarket</i>	Re-marketed Apprentices	50,000 <i>10% available for remarket</i>	Re-marketed Apprentices	100,000 <i>10% available for remarket</i>
TOTAL REVENUE	135,000	TOTAL REVENUE	337,500	TOTAL REVENUE	675,000

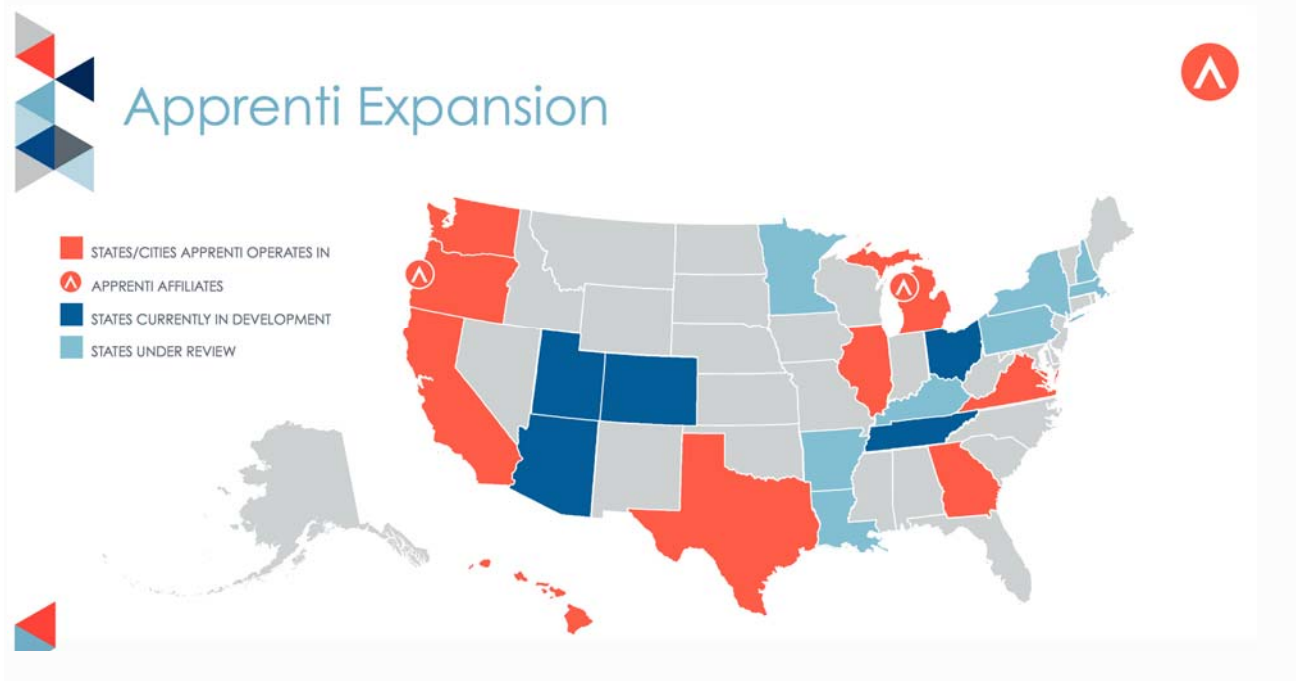
Each market is expected to become financially self-sustaining in approximately three years; though exact placement fees are determined locally, income is also derived from secondary placements post apprenticeship (re-marketing of those not retained) and management of apprentices via the contract model.

Operating Needs

Recommended staff to operate the program include a corporate outreach lead which could already exist as part of MHTA’s current responsibilities; a strong program manager to screen and interview candidates; and a senior admin to manage compliance, scheduling and training enrollments. Apprenti’s team provides support services for working with the State Labor and Industries department as well as establishing employer training needs. Having shared resources on finance and administration, in kind office space and other general business support can help keep expenses down and accelerate the breakeven window originally projected at three years.

Likely resources for partnerships that MHTA would need to cooperatively establish include CompTIA as a baseline training partner for many occupations, code academies (based on industry feedback and VA approval) and private certified training partners for corporate certifications. To fill the candidate pipeline, relationships with local organizations that work with target populations and community colleges plus government would be key. Apprenti will lend both best practices and public relations support at inception to help with outreach.

MHTA would also benefit from being part of a broader network of Apprenti Affiliates, capitalizing on corporate best practices, participating with multi-state employer needs like Amazon who currently hires apprentices in five states and could be a partner in Minnesota, and where possible, could join in larger grant opportunities with other states (see map below for current network and planned future expansion).



What does it cost to create and manage an apprentice based on Apprenti's current active markets? The company pays an apprentice 60% of the wage paid to a fully qualified college grad – for example a Web Developer wage on the West Coast is \$75k, so apprenticeship wage would be \$45k, plus benefits and taxes.

Cost to become an Apprenti Affiliate is \$25,000 annually. The benefits are many including, but not limited to:

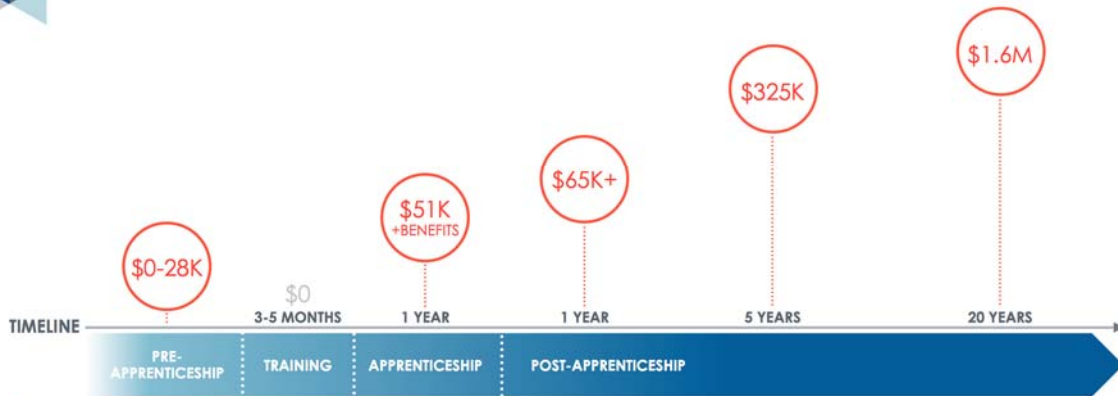
- A comprehensive national set of standards for companies to work from – continuity
- Support in defining and drafting any new standards identified by local companies; with national vetting to file with U.S. Department of Labor
- Subject matter expertise on Apprenticeship and the registration system
- The Assessment Portal including a locally managed testing structure, referral list and managed candidate list.
 - The portal also serves as the compliance repository where documentation and apprentice management takes place
 - Apprenti supports local Affiliate during audits to ensure standards are met
- Public relations and brand support – materials, presentations, website, etc.
- All policy, handbooks and apprentices and employer agreements with continuous maintenance
- Education and training support, where possible negotiated pricing structures and comparative curriculum from other markets
- Data – local applicant and apprentice participation data plus ability to draw on national data for local use and comparative analysis

ECONOMIC IMPACT

The economics of apprenticeship pay out for businesses by creating a locally developed, secondary pipeline of talent to fill job openings that are costing tens of millions of dollars in lost productivity by staying vacant. Further, there is an economic incentive for companies through reduced wages to cultivate talent into your company's culture, and if consistent with other industry outcomes, will lead to longer tenures due to increased loyalty. States and the Federal government reap increased revenue over a lifetime through significantly improved taxable earnings, which justify investment in training and living subsidies at the start.



100X Return on RSI



Lifetime Growth of Earnings Potential

Program stats to date from Washington, Oregon & Virginia are:



Current Apprentice Salary Change



• Median Salary of Previously Employed:	\$30,275
• Unemployed Prior to Apprenti:	33%
• Median Salary of All Prior to Apprenti:	\$28,900
• Median Salary in Apprenticeship:	\$51,000
• Early Retention Rate:	83%
• Median Retained Salary:	\$88,200
• 4-Year College Degrees:	56%
• Youngest Placed:	18
• Eldest Placed:	61



For additional program information please visit www.ApprentiCareers.org.

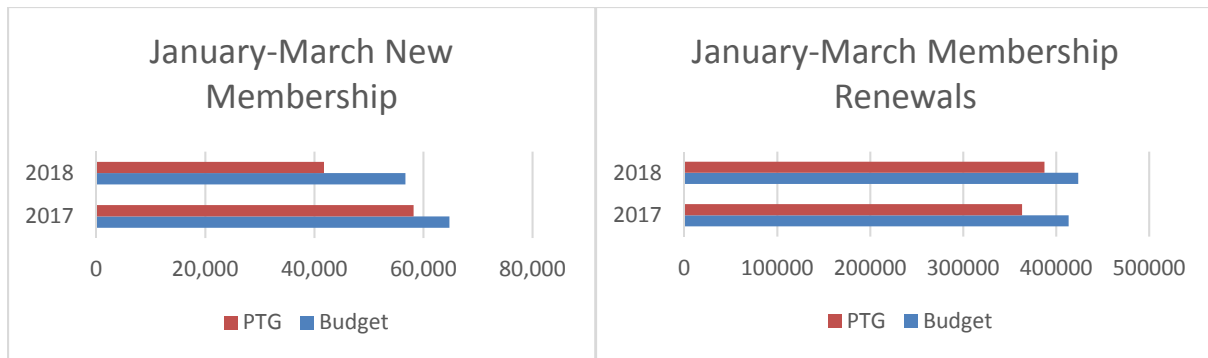


MHTA STAFF REPORT

April 2018

New MEMBERSHIP <http://www.mhta.org/about/members>

Qumu	
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Renewals

Current budget target: 423,695
 Renewal PTG: 387,462.50

New Membership

New membership budget: 90,000
 New membership PTG: 41771.50

Membership Committee

We have a full committee. Meetings have started between committee members, target companies, and the membership director, and we have increased our targeted list to include companies worth more than \$160,000. Ray and Mo have begun to create other materials necessary to support membership work, such as an onboarding packet and leave behind material. Materials and membership committee communications have been related to Sales Force.

Other notes

- Past months' renewals are nearly complete, with additional pressure being applied to the remaining companies
- The next Membership Committee meeting will take place following the Board meeting on the 18th.
- Data audit parameters are nearly set for a review of Sales Force. Additional fields have been identified.
- Meetings with representatives from the following companies have taken place:
 - Dunham Engineering, Cushman & Wakefield, Redpath, Bank of America, US Bank, Novella Clinical, Nutanix, Advanced Robotics for Manufacturing Institute, Sprint, Verizon, General Mills, Amazon, TriCom, Skuid, Oracle, WeWork, Multi-tech, DigiKey, Minnesota Vikings, Minnesota Twins, August Asj. ASI Datamyte, Traust Consulting, Genesis 10, Endeveran

OUTREACH & EVENTS

ACE: The ACE Leadership Program has 32 participants. The budget called for 28 participants. The fourth session was held on May 8th, during which participants chose their small group projects. Topics include: State Election Security, Army Command Futures Location, MHTA Events (how to improve, partners, Spring Conference 2019), MN.IT Services (system improvement, branding), Workforce & Skills for Success, and Evaluation of Broadband Grants for Small Areas. The next session is June 14th at the Carlson School of Management, during which Joan Moser of Spoken Impact will give public speaking tips and advice.

WLIT: The 3rd WLIT event of the year took place on Tuesday, May 8. 187 registered; 162 in attendance (including 9 walk-ins). The "Power of Resilience" topic featured panelists from Travelers, Robins Kaplan, Bremer Bank and Wells Fargo. The event was supported by three event sponsors in addition to the three annual sponsors. New WLIT advisory board members are Robin Brown, CIO/Cargill Protein Group and Alyssa Lawson, Robins Kaplan Associate, IP & Technology Litigation.

CIO Forum: The second CIO Forum of the year took place on May 15 at Holiday Companies in Bloomington. This quarter's topic was Digital Transformation: Innovation & Delighting the Customer. 23 registered; 17 in attendance. Computex sponsored. Speakers: Tammylynne Jonas of Holiday, Melissa Flicek of Medtronic and Rahoul Ghose of Winnbego.

Bids & Bytes, Sept 13: The MHTF event committee held its second planning meeting on May 7. Key highlights/decisions thus far:

- MHTF goal is to net \$65k...a 60%+ increase over 2017. MHTF also wants to increase the number of live auction experiences, predicated on getting more people to attend.
- A silent auction component may be added instead of having the activity stations.
- Ticket prices will remain at \$65/individual or \$120/pair.
- Goal to have 5 live auction experiences confirmed by 5/31/18 so as to utilize in event promotion and sponsorship sales.

Minnesota Venture Conference: Planning to hold this event on Wednesday, Nov 7 at the Radisson BLU in downtown Minneapolis. Contract pending.

Tekne: Planning is underway for Tekne award applications to open on Monday, June 11 using our new SmarterSelect platform. Promotion began on May 1. Award categories are below. Judging panel formations to also begin in May.

1. Biotech/Pharmaceuticals
2. Building Design and Infrastructure
3. Clean Tech/Energy
4. Community Impact
5. Cybersecurity
6. Emerging Technologies
7. Food/Ag Tech
8. Health IT
9. IT Solutions Consulting
10. Medical Device
11. Science & Technology Startup
12. Software—Established
13. Software—Small and Growing

14. STEM Workforce Development

WORKFORCE DEVELOPMENT www.mhta.org/educate/; www.mhta.org/work/

Hi-Tech Alliance

[MSP TechHire](#) is working with MHTA and DEED to conduct a survey of IT firms around recruiting, hiring, and retention of workers. The survey was delayed from a February sendout date to account for additional organizations participating in the survey (recruited by MHTA). The survey is now in the process of compiling lists and will be sent out in May.

Development of the PIPELINE apprenticeship project, now a program of the MN Department of Labor, continues to progress. Margaret has had one meeting with the MN Department of Labor for updates on the program and has another one scheduled, which will include representatives from the State of Washington's apprentice program and CompTIA.

MHTA continues to publish a weekly [MN Workforce report](#) available at the MHTA website and covering IT, Life Sciences, Science & Engineering, and overall STEM occupations. To promote the Workforce Reports, they were featured on the MHTA home page and TECH Tuesday e-newsletter, which did result in some additional visitors to the reports. The Workforce Reports are also promoted on MHTA social media each week as well.

getSTEM

The [getSTEM site](#) continues to facilitate connections between educators and the business community with Asks/Offers. Weekly emails with new Asks/Offers are sent out to subscribers. Among the top viewed for 2018: the PACER Center 'Ask' for summer camp teachers for its STEM camp and the International Wolf Center 'Offer' for its WolfLink distance learning virtual field trips. The website has also added ambassadors and attracted over 2,100 users (78 percent new users).

Tech Experience Tours

[Tech Experience Tours](#) for the 2017-2018 school year are continuing through May with the companies and schools that were matched prior to Tim Barrett's end of tenure at MHTA. As an example of interactions working professionals are providing to students interested in STEM, a tour hosted on April 4 by Best Buy for students from Anoka High School included a panel of women IT leaders, including Best Buy CIO Colleen Dunn.

MHTA Foundation

Science & Technology Festival

The Foundation board continues to have interest and is working on plans to progress on the festival as MHTA transitions from the groundwork by Matt Hill.

Bid & Bytes Benefit

Planning has begun for the September 13, 2018 event. Thomson Reuters has already agreed to serve as the Presenting Sponsor and Unisys will be the Printing Sponsor.

STEM Scholarships

Reviews are underway for 2018 STEM Scholarship applications. We received a total of 102 completed applications. Ann Thureen, director on the Minnesota High Tech Foundation Board, is managing the scholarship review process, which will conclude with final selections in July.

The SciTechsperience Internship Program

- It's crunch time: As of May 7, we've placed 243 students (42 more than last year at this time).
- While we are ahead of last year, we are currently on track to reach about 335 hires, which is just shy of our goal of 340 if we have the same number of hires between now and the end of August as we did last year. We appear to be on track to reach the legislated goal of 300 placements.
- However, there are at least 140 jobs still open with more coming in each week, so it's possible we could place as many as 383 students. Hires are coming in daily now and will for the next couple of weeks.
- We will begin scheduling summer site visits in the next few weeks; we hope to get to 75 companies before the end of the program year in August.
- Phone interviews for a new Student Outreach Coordinator are nearly complete. We have several great candidates who have experience working with college students, which is great. Norbert was an international student, so his OPT was coming to an end and we weren't able to keep him with us.
- Becky was accepted into the Twin Cities Greater Metropolitan Workforce Council IT Sector Skills Academy. This is a workforce development initiative that is similar to MHTA's ACE program in terms of time commitment. The work will involve a multi-sector approach to addressing the IT workforce shortage. The kickoff takes place in early June.

MN-SBIR {www.mhta.org/mn-sbir}

MN-SBIR is the State's focal point to seed, early stage, emerging and existing firms to access federal research and development funding to support innovation, investment and commercialization of technologies.

Research Partnerships

- Gillette's Children Specialty Care – nurturing a research relationship with Gillette on behalf of clients in the pediatric rehabilitation research and market space.

Outreach

- University Enterprise Laboratories (Bi-Monthly)
- University of Minnesota, Office for Technology Commercialization (Bi-Monthly)
- Mayo Clinic Business Accelerator and Collider (Monthly)

- **James J. Hill Center**
April 17, Show Me The Money, one of four panelists representing financial sources for entrepreneurs

- **Agriculture Utilization Research Institute**
April 12, Attended the New Uses Forum to highlight current and potential innovative uses for the agricultural commodities produced in the state and region.

- **Minnesota Innovation and Commercialization Consortium**
The Minnesota Innovation and Commercialization Consortium (MICC) is a new statewide effort to drive innovation, research, technology transfer and commercialization in small businesses (startups and existing) by connecting, collaborating, coordinating and communicating among government, industry, academia and others for social and economic impact. There are four Hubs in this first phase: Duluth, St. Cloud, Rochester and Mankato. Additional cities will be added in 2019.

St. Cloud Hub– Greater St. Cloud Development Corporation Innovation Committee presentation on April 19th.

Duluth Hub – University of Minnesota , Natural Research Resources Institute (NRRI) and UMD presentation on April 26th. NRRI is a committed member of the Duluth Hub.

Education

- The Director taught two National Science Foundation Proposal Preparation Courses on May 2 and 3, 10 am – 5 pm, with 12 attendees. Course content included: Commercialization Section (Elevator Pitch, Market Opportunity, Financing Strategy, Revenue Projections, Customer Discovery and R&D Plan Requirements, Letters of Support, Budgeting and Indirect Cost Rate Calculations, Proposal Advance and Guidance, Electronic Registrations.
- The National Science Foundation provides small businesses with equity-free funding to conduct research and development (R&D) work. Phase I proposals are expected to outline research and development projects with the aim of establishing technical feasibility or proof of concept of unproven, risky technologies. Successful applicants will receive a grant of up to \$225,000 over a period of 6 to 12 months (the period to be decided by the applicant).The funding is intended to allow recipients to bring innovative new products and services to market that drive the commercial success of the small business. The NSF SBIR program seeks innovative proposals that show promise of commercial and societal impact.

Federal and State Awards and Proposal Activity:

State Applications

Spinal Cord Injury and Traumatic Brain Injury
MN Department of Higher Education

Minneapolis	SCI/TBI	MN	An augmented reality system for improving motor function after spinal cord injury	\$124,345
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Federal Award - Activated Research Corporation, Minneapolis

Berd Spokes

National Science Foundation, SBIR Phase I, award in process

Coaching Advice and Guidance Highlights

Four clients were selected to be in the Boston Scientific gBETA Medtech cohort; a free, seven-week accelerator that works with medical device, healthcare-related software, biotech and diagnostics startups.

NeuroVASx	Kobara Medical
Quench Medical	Soundly

Other Proposal Activities:

Program	Phase	Agency	Title	Funding Request	Submission Date
SCI TBI	N/A	MN OE	An augmented reality system for improving motor function after spinal cord injury	\$124,345	4/12/2018
SCI TBI		MN OE	Gait Trainer	\$125,000	4/12/2018

SBIR	1	NIH	Device to Measure Cerebral Blood Flow Dysregulation in Brain Injury	\$267,231	4/5/2018
SBIR	1	NIH	Patient Monitoring for Enhanced Healing of Chronic Leg Wounds	\$289,819	4/5/2018
SBIR	FT	NIH	Repeatable Supervised Machine Learning For Cancer Research	\$2,300,000	4/5/2018
SBIR	1	NIH	Single comprehensive cardiac rhythm management lead	\$300,000	4/5/2018

PUBLIC POLICY {www.mhta.org/advocate}

There are only two weeks remaining in the 2018 Legislative Session. Omnibus bills are now being introduced and heard in committees, to later be negotiated between the House and Senate.

The Governor has proposed \$10 million in funding for AITC for tax year 2018. The Senate released it Omnibus Tax bill, which includes \$5 million in funding for AITC. The House Omnibus Tax bill includes \$10 million in funding for AITC.

Governor Dayton included \$30 million in defunding for the state’s Border to Border Broadband Grant Program for fiscal year 2019. The House and Senate each has included \$15 million in funding for the grant program in their respective Supplemental Budget bills.

The proposals by the Governor and Department of Revenue to significantly scale back the state’s data center tax incentive are not included neither the House nor Senate Omnibus Tax bill.

COMMUNICATIONS

Communication strategies are being focused on elevating MHTA’s reputation and brand through more targeted outreach efforts and richer content to share with constituencies.

Social media update:

Social media channels continue to gain followers and engagements:
 Twitter followers – 4,212 – an increase of 128 followers since mid-March

LinkedIn:

Followers – 2,129 – an increase of 112 followers since mid-March
 Engagement – 233 likes in past 30 days, a 15 percent increase from previous 30 days.

Through connections developed with communications/ marketing staff, MHTA provided communications to support members:

- Cybersecurity breakfast panel April 18 with Margaret and Patrick Joyce, along with the Minnesota Secretary of State and MN-IT services – Tweets had good engagement
- Margaret interviewed Patrick Joyce for MHTA’s podcast, Tech Hotdish, on the cybersecurity panel and cybersecurity issues, which was shared with MN-IT and Medtronic communication staff
- 3M Nobel Prize Inspiration Initiative event on April 25 at the U of M, hosted by the College of Science and Engineering – Tweets had good engagement
- Entrust Datacard – Security Forum 2018 by Industrial Internet Consortium on May 10 at Mystic Lake, promoted via TECH Tuesday and social media

MHTA Media Coverage:

Twin Cities Business Magazine – Technology Section story on May 1, “Amazon Adding 200 Tech Jobs in Minneapolis,” quoted Margaret and cited MHTA workforce reports:

<http://tcbmag.com/news/articles/2018/may/amazon-adding-200-tech-jobs-in-minneapolis>

Minnesota Public Radio – News story during All Things Considered on May 7, “Army eyes Minneapolis for tech command center,” quoted Margaret regarding the city’s innovation industry and research centers:

<https://www.mprnews.org/story/2018/05/07/army-eyes-minneapolis-for-tech-command-center>

WCCO-AM Radio – News story on Army considering Minneapolis for tech command center, Margaret interviewed about the application in process

Op-ed collaboration in progress: Collaborating with Medical Alley to submit an op-ed to the Rochester Post Bulletin on benefits of the Angel Investment Tax Credit, particularly for health technology startups, which Rochester has seen an explosion of in the past 3 years. We have preliminary interest from Executive Editor Jay Furst about the issue. We also plan to connect with Mayo Clinic public affairs/ communications staff prior to submitting the op-ed.

OPERATIONS & FINANCIAL

April YTD financials are showing net income at \$259,890 vs a budgeted net of \$327,481, net income running behind plan by 67K.

Revenue is running behind plan by 92K, most of that being in the membership area, with renewals behind by \$36K and new behind by \$15K. Spring Conference came in \$37K under plan. Expenses mostly running right on track.

Audit fieldwork was completed on April 27th. We are wrapping up some items, but should have the audit to present at the May meeting, with the 990 to follow at the July Board of Directors meeting.

Work will begin on an IT assessment, and a disaster recovery plan.