

04 - 0591

Twin Cities RISE!
Report to the Department of Employment and Economic Development
On Grant # SPAP-03-1001-P-FY04

November 12, 2004

I. Introduction

The mission of Twin Cities RISE! is to provide employers with skilled workers, primarily men from communities of color, by training under- and unemployed adults for skilled jobs that pay a living wage of at least \$20,000 annually. Our philosophy is that employers are the customers of TCR!. Their needs and norms set our standards for training. Employers pay us a fee when they hire our graduates, based on the economic value we have created for them. This ensures that our graduates receive both the highest quality training and are received as assets by the employer.

Twin Cities RISE! training is comprised of basic occupational, academic and personal development skills conducted in classes, one-on-one professional coaching and on-the-job training. It is unique due to its core focus on personal development, which is taught through a series of courses called "Empowerment Skills Training". Empowerment principles emphasize respect for self and others, personal accountability, professional standards, and integrity. It provides participants with the tools needed to find solutions to problems, and to empower them to feel and act in a way that will help them accomplish their personal and professional goals.

This report is submitted to the Department of Employment and Economic Development (DEED) in compliance with requirements for Grant No. SPAP-03-1001-P-FY04. The report covers the period July 1, 2003 through September 30, 2004. It also provides projected outcomes for this grant through December 31, 2004.

II. Results

Participants benefit from attending Twin Cities RISE! in many ways. When considering our broadest definition of success, this includes a positive result for 145 low-income adults in 2003, and to date in 2004 a positive result for 141 low-income adults. The contract with the State of Minnesota, however, contains a very narrow definition of graduate that holds up to the highest standard. The contract was written this way purposefully to incent Twin Cities RISE! to attain the best possible outcome for participants. The remainder of the report focuses on these specific outcome for this contract.

The pay-for-performance grant with the State of Minnesota is working as expected. 38 Twin Cities RISE! graduates qualified for payment under the contract during the period from 7/01/03 to 9/30/04. This includes 27 graduates who were placed into living wage

employment during this period, and 11 graduates who were placed in 2002 or 2003 and experienced one year of retention during the grant period. There are a total of 35 individuals impacted, because three of the individuals who achieved the one-year retention outcome also achieved placement during the grant period. Twin Cities RISE! has invoiced DEED \$342,000 for this activity.

Twin Cities RISE! expects to place an additional 7 participants who are eligible for the state grant through the end of the year (10/1/2004 – 12/31/04), and an additional 5 graduates will achieve one-year retention through 12/31/04. If this is the case, Twin Cities RISE! will use almost 90% of the budgeted placements and retentions under the grant by the end of 2004, even though the grant period continues through 6/30/05. As a result, it is highly likely that by the end of the grant period, the number of placement and retentions that meet qualification requirements will exceed available funding.

Table 1: Summary of Results through 12/31/2004

Category	Budget	Total	Projected Activity	Projected Total
	7/01/03 - 6/30/05	7/01/03 - 9/30/04	10/1/04 - 12/31/04	7/01/03 - 12/31/04
Placements	37	27	7	34
One-year Retentions	19	11	5	16
Total	56	38	12	50

III. Information on Placements

There were 27 graduates who were placed between 7/01/03 and 9/30/04 and who qualified for payment under the contract. They made an average hourly wage of \$11.73 at placement, or \$24,203 on average per year with full benefits. 90% of the 27 graduates who have been placed are retained to date.

At program start, 66% of placements were unemployed. Average income in the calendar year prior to starting the program was \$3,037. The average length of time in training was 12 months.

Below is a list of placement and retention companies and positions:

Placements:

- ACS / Team Lead
- African American Family Services / Receptionist/Secretary
- Crompton, Seager & Tufte, LLC / File Clerk
- Deluxe Corporation / Customer Management Representative
- Experior Assessments, LLC / Candidate Support Specialist
- Express Scripts / Customer Service Associate
- Faegre & Benson, LLC / Legal Assistant Trainee
- Kinko's / Branch Shipping Specialist

MDI / Administrative Assistant
Nash Finch / Mail Clerk
Pearson Professional Testing
RBC Dain Rauscher / Document Processing and Distribution Associate
Regulus / Mail Processor
Shadin Company / Administrative Assistant
SuperValu / Order Selector
Target Corporation / Collector
Target Corporation / Backroom Team Member
Target Corporation / DC File Clerk
Target Corporation / TSC Operations Team Member
The Goodin Company / Warehouse Worker
Turning Point / Billing Clerk
U.S. Bank / In Store Banker
University of Minnesota / Cashier
Walmart Tire / Lube Service Manager
Wells Fargo / Teller
Wells Fargo Home Mortgage / Administrative Assistant
Wells Fargo Mortgage / Work Director

One-year Retentions :

Breaking Free / Health Specialist
Data Recognition Corporation / Document Editor
EcoLab / Credit Specialist
North Memorial Hospital / Environmental Services Aide
SuperValu / Human Resources Assistant
SuperValu / Management Assistant
Time Warner Cable / Customer Service Representative
Wells Fargo / Teller

IV. Information on All Graduates

The following information is provided for all 35 individuals who were eligible to receive state pay-for-performance funding under the contract, which includes 24 placements, 8 one-year retentions, and 3 individuals who have achieved both placement and retention outcomes during the grant period.

Demographic Information:

- 49% are African American, 20% are Caucasian, 17% are African, 11% are Asian / Pacific Islander, and 3% are Latino
- 80% are female
- 26% are immigrants or refugees
- Average age is 34 years, median age is 32 years
- 74% are custodial or non-custodial parents

Information on Barriers to Employment:

- On average, the 35 graduates funded by the state experienced 3 barriers to employment, ranging from one to seven barriers.
- Top barriers included:

Unemployed at program start (66% of graduates)
Receiving public assistance at or within 6 months of program start (51%)
A history of criminal conviction (43%)
Received chemical dependency treatment in past (26%)
Unemployed 12 months or longer (23%)

V. Financial Information

The contract with DEED pays Twin Cities RISE! \$9,000 per eligible placement and \$9,000 per eligible one-year retention. From 7/01/03 to 12/31/04, Twin Cities RISE! has invoiced DEED \$342,000 for the 38 placements and retentions described above.

Twin Cities RISE! budgets on a calendar year basis, so requested financial information has been provided below for all of 2004.

Table 2: Twin Cities RISE! 2004 Revenue

Revenue Source	2004 Projected Revenue
Philanthropy	1,200,000
United Way	146,000
Employer Fees / Foundation pay-for-performance fees	86,000
State Contract (2004)	288,000
ABE Funding	180,000
Rental Income	41,600
Other	26,000
Total	\$1,967,600