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COMMUNITY ACTION DULUTH

Measuring the Return on Investment for Participant Outcomes in Three Community Action Duluth Employment Programs

Prepared in partnership with
Community Action Duluth

Prepared by
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The following information is the result of a research project funded by the University of Minnesota’s Center for Urban and Regional Affairs (CURA) and the Northland Foundation, hosted at Community Action Duluth under the supervision of Executive Director Angie Miller, MSW and Family Employment Advocate Jamie Tester, MSW.
Executive Summary

The focus of this study was to examine the Return on Investment from Community Action Duluth Programs. The objective was to analyze the three programs; HOPE Program, Bridges to Employment and Jump Start Duluth Program. These Programs create economic value, which is easy to measure, but there are also many social impacts created, which may not be comparatively easy to measure. This report strives to identify such social impacts along with measuring the economic returns generated by these three programs.

For the Analysis, a simple Return on Investment Method was used. This is the most accepted and widely used method in cost-benefit analysis and Community Return on Investment Analysis.

The results of the community return of investment analysis indicate that the three programs have generated significant net benefits. The general rule of thumb is that a project, to be socially acceptable, must generate at least a positive Return on Investment (Sassone and Schaffer, 1978; Belli et al., 2001).

The summary of the Return on Investment findings are as follows:

<table>
<thead>
<tr>
<th>Program</th>
<th>Evaluation Period</th>
<th>Return on Investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>HOPE (Individual)</td>
<td>12 Months</td>
<td>505.94%</td>
</tr>
<tr>
<td>Bridges to Employment</td>
<td>12 Months</td>
<td>150.81%</td>
</tr>
<tr>
<td>Jump Start (Evaluation)</td>
<td>12 Months</td>
<td>47.82%</td>
</tr>
<tr>
<td>Jump Start (Forecast)</td>
<td>48 Months</td>
<td>189.51%</td>
</tr>
</tbody>
</table>

A very conservative approach was used for calculations and any assumption made.
Introduction

In today’s world it is very important for an organization, either a ‘for-profit’, or a ‘not-for-profit’ organization to demonstrate the value it is creating through its very existence and the different programs and projects they run. In the case of ‘for-profit’ organizations shareholders demand it, while in the case of ‘not-for-profit’, agencies, grant funders and community partners want to see the impact of their investment (See Appendix 1). For most of the business organizations the bottom line is to create economic value and generate maximum profits.

In the case of non-profit organizations, their operating philosophy is driven by “social causes” and the nature of their returns is different compared to the for-profit organizations. In the current economic times, the calculation of returns have become an increasingly important issue, but one that is extremely difficult to measure in the non-profit organization. This report will attempt to measure the return on investment created from three Community Action Duluth programs as well as mention about the different cost savings incurred.

Programs by non-profit organizations are constantly aiming to prevent and ameliorate life challenges such as problems related to employment, finance, health, and psychological wellbeing. Thus, program costs and outcomes determine the cost savings and overall benefit gained. However these cost savings are often difficult to present in numbers which serves as a limitation while presenting the analysis of the program. Also, due to privacy policies we could not get access to the numbers by government agencies that would help in determining the actual cost savings. Time constraint was another limitation. Cost savings by programs represent undoubtedly good societal investments, because funds are in fact saved in the long run by putting into practice such programs. The current report will be divided based on the three extensive programs and the Return on Investment will be calculated:

- Help and Opportunity in the Pursuit of Employment (HOPE)
- Bridges to Employment
- Jump Start
Methodology

During the spring of 2010, Nikhil Acharya, an MBA graduate student, worked with Community Action Duluth’s Executive Director, Angie Miller to measure the ROI of the CAD programs concerning search for employment and a better quality of life. The available database of program participants’ enrollment information was studied to gather the required information.

The project had three primary components. The first included a review of CAD’s three programs, and a literature research to understand the kind of programs run by similar agencies nationwide. The second included database compilation and analysis process. The third and final phase included the creation of final return on investment reports.

The ©Carter-Richmond Methodology™ was adapted to develop the Evaluation questions for all three programs to be evaluated. In general, all programs and services should be able to answer these basic evaluation questions which are the basis for the program specific evaluation questions that Community Action Agency programs are required to answer.

As applied to CAD programs the ©Carter-Richmond Methodology™ questions are:
1. How many families are you serving?
2. How many people were employed?
3. Who are they? (Demographics)
4. What services do you give them?
5. What does it cost?
6. What does it cost per service delivered?
7. What happens to the participants as a result of your service?
8. What does it cost per outcome?
9. What is the value of an outcome?
10. What is the return on the investment?
Project Limitations

Personal details from participant case files (such as cash assistance, food stamps, SSI or any other kind of assistance received) from the St Louis County were not accessible within the project time frame, and due to the lack of privacy information release signatures from the participants. Hence it was very difficult to measure the exact cost savings to the state and county. Self reported incomes earned by employed participants were used for calculations for the Bridges to Employment and Jump Start Programs (See Appendix 2).

Return on Investment Analysis

Investment can be termed “the investing of money or capital in order to gain profitable returns, as interest, income, or appreciation in value.” Return on Investment (ROI) is a measurement that clearly links the investments and their results (Richmond, 2008). A simple ROI method was used for analysis of the three programs. The following formulas were used for calculating the Actual ROI and the 12 month ROI.

Actual ROI = \( \frac{(Total \ Actual \ Return - Total \ Investment)}{Total \ Investment} \times 100 \)

12 Month ROI = \( \frac{(Total \ Projected \ 12 \ Month \ Return - Total \ Investment)}{Total \ Investment} \times 100 \)

ROI compares investment returns and costs by constructing a ratio, or percentage. In most ROI methods, an ROI ratio greater than 0.00 (or a percentage greater than 0%) means the investment returns more than its cost.

In the case of all three programs to be analyzed, an evaluation was done for the return on investment scenarios using past data, but in the case of the Jump Start program, since it is a program over a period of five years, an evaluation was carried out for the past 12 months and a forecast method was used to predict the upcoming 48 months. The forecast used a discounted factor to measure the cash returns in the form of incomes reported.
PROGRAM 1: HOPE

Mission: Help and Opportunity in the Pursuit of Employment

HOPE is part of a nation-wide initiative to promote social benefit programs and is run by several Community Action Agencies (CAAs) made available throughout the state. CAAs strive to eliminate poverty through programs like HOPE and believe everyone benefits when members of a community have the tools or assets needed to provide for themselves and their families. Funding for the HOPE program is allocated through both state and federal legislation and a variety of private and public funds (Community Action Duluth, 2010).

CAD developed the HOPE program to help people build better lives and to reduce poverty in St Louis County. For more than three years, Family Employment Advocates have interacted with people with low or no income to build social capital and connect them with opportunities that will gain them employment and enhance their lives.

There is certain criteria set that must be met in order to qualify for the HOPE program benefits. HOPE is aimed at helping families’ who are receiving Minnesota Family Investment Program (MFIP) benefits. MFIP is the welfare reform program governed by the state, for low-income families who have children. MFIP assists a family’s progress to work and focuses on serving and helping families. It comprises both, assistance in forms of cash and food assistance by providing food stamps. While, a large amount of families first apply for cash assistance, they are expected to take part in the Diversionary Work Program, or DWP. This is a four month program to facilitate and encourage caretakers immediately to go to work rather than receive benefits.

Individuals who are eligible are given a financial counselor, who keeps a record of the every month money check in limit. A job counselor is made available to help participants prepare and find a job. Participants who are struggling with securing
employment may be referred to Jamie Tester, the Family Employment Advocate (FEA) and program head.

In most cases, the participants who are recommended to the HOPE program have many barriers to finding employment. Some of the individual barriers faced by the participants are (I) medical conditions, (ii) lack of appropriate skills required to obtain employment, (iii) emotional or psychological obstacles such as depression, lack of confidence in oneself, and (iv) possible ‘outside individual’ factors such as limited or lack of resources, lack of opportunities or lack of job availability. FEA Jamie Tester provides counseling and assistance to these individuals by examining the possible barriers with the individual and then creating necessary strategies to cope or deal with those particular barriers. For example, lack of physical assets such as house, telephone, car, clothing or soft skills such as how to approach a company, behavior in an interview or maintain good relations and contacts.

The function of the FEA is to support the participant in ways that are feasible. For example, the FEA may talk to housing management to obtain shelter for a homeless participant. The FEA may also provide a security deposit initially if needed through funds allocated in the HOPE Program for participant support. These funds may be returned by the individual when they obtain employment.

A number of families may possibly be referred to MFIP when they initially apply for support or once they come to an end of the four months of DWP. MFIP aids families shift to economic stability. Parents are expected to find employment, and are supported in effective working situations. Most families are only eligible for cash assistance for 60 months or five years.

**Program Inputs** - Program inputs are materials and resources that the program uses in its activities or processes to serve clients, such as staff, equipment, volunteers, facilities, monetary aid etc (See Appendix 3). These are often easy to identify and many of the inputs seem common to many programs.

The HOPE program proposed to provide assistance by means of various forms of inputs. An Advocate works with the family to determine the current family status with regard to emotionality, relationships, and difficulties facing families, as well as
background and status of employment related goals. Based on individual family needs, home visits are provided and help and support in identifying and coping with the barriers in the family are investigated, and support with identifying realistic and appropriate skills to coping with these barriers are explored.

Barriers to healthy living as discussed above are explored and strategies to handle them are brainstormed. For example, a project HOPE participant was facing the problem of homelessness. She was not eligible for public housing for another 18 months, did not have a support system, and was struggling to obtain admission in a university program. Discussions with the FEA helped her identify her problem of feeling like a failure, isolating her-self from others, limiting her social interactions and thus restricting her scope for opportunities. Between January 1, 2008 and December 31, 2008, 26 individuals were enrolled in HOPE at some point in time.

**Program Outputs**- These are the components of service regarding the program, for example, the number of people taught, trained, counseled, sheltered, fed, clothed, etc, the number of clients who participated and took the benefits of the program. The program proposed to improve participants’ relationships building skills, help in forming new relationships and building connections to the community.

FEA Jamie Tester was involved with informal interviews with the participant. In the above mentioned example, the FEA interacted with the participant informally, helped her in filling out forms and apply for job positions. In another case of an African American family, the child suffered from a severe dental health issue and did not have health insurance. Health insurance was applied for with the help of the FEA and obtained. Once health insurance was secured a dentist willing to accept public health insurance was located and visits to the dentist were made. Approximately 17 families are currently being served by this program.

**Program Outcomes**- These are actual impacts/benefits/changes for participants during or after being enrolled in the program. For example, for the HOPE program, selected outcomes achieved are “participants gain social supports in the community” or
“participant gains employment” (notice that this outcome is quite different than outputs, such as the "number of participants who were given counseling services").

Program outcomes can be defined as what the program proposed to achieve and what it actually achieved after the input and output. These outcomes are determined by their duration being short term which is usually expressed in terms of knowledge and skills, behaviors are determined to be medium term outcomes and/or long term such as values, conditions and status. Examples of program outcomes achieved during the year are listed below.

**Short term**: Improved knowledge of how to apply for jobs, telephone, visit to the doctor for immediate need, acknowledging necessity for change in order for current situation to be altered.

**Medium term**: Optimistic approach to life, open to interactions and socializing, sign up for housing, commitment to make efforts to change their own and family members’ lives, increase social support system.

**Long Term**: Gain experience by working at a job, out of abusive relationships, full time employment, enrollment in a university program, safer living environment and improved quality of life.

**Cost Savings**- All the participants who were referred to program HOPE during the 12 month evaluation period, were on some kind of welfare such as Cash Assistance, Food stamps etc. (See Appendix 3 for types of costs incurred to state and county). After being referred to FEA, Jamie Tester, many participants were employed and got off this assistance which is a major cost savings for the state. One of the main limitations of this project as mentioned above is that we did not have access to exact details of different personal case files and hence it was very difficult to calculate the cost savings to the county and state. Time was one more limitation in gaining this information from the county. Due to lack of access to crucial cost savings information, it was difficult to
calculate the overall cost savings for this project, but to give an example of the huge cost savings Program HOPE can cause, we can consider an individual case of a participant who was receiving $479 monthly as cash assistance and also receiving food stamps during his/her unemployment period. After being referred to the FEA, and receiving a lot of guidance and counseling, the participant gained employment and reported an income of $12,574 and also stopped receiving cash assistance and food stamps they previously received. In this case, the total gain created due to the HOPE program was a cost savings of $5,748 in form of reduced cash assistance to the state and a taxable income of $12,574. So the total gain in this participant’s case was $18,332 with a Return on Investment of more than 673%. The ROI calculations for the HOPE program were done using individual cases as we had information from only four participants (Income tax returns). The overall cost of the program was divided per participant and the total individual program cost was used along with the total individual gain (income from employment and reduced/avoided public assistance) to calculate the Individual Return on Investment. (See Appendix 10)

Other ‘Intangible’ benefits created like, securing admission in the university, removing oneself from an abusive relationship, getting health insurance and safer living environments are few examples of social impact caused due to program HOPE. Thus, there is reduced risk or threat to life, reduction is use of counseling as well as reduced financial expenses which could have been grave if there was no insurance, no safety in living environments and no involvement in school with financial aid.

Please refer to Appendix 4 for the responses to Carter-Richmond Methodology™ Questions for program HOPE.
ROI Analysis

Evaluation Period - 12 months (January 2008 through December 2008)

Program costs - $70,752.26 (See Appendix 7)

Total Participants - 26

Total Cost per Individual - $2,271.24

Total Outcomes Created - 8 Jobs

Total Participants Considered for individual ROI analysis - 4

Total Costs for four Participants - $10,885 (See Appendix 10)

Total Gain - $55,071 (See Appendix 10)

Return On Investment - 4 Participants - 505.94%

Individual Participant 1 ROI – 301.96%

Individual Participant 2 ROI – 527.19%

Individual Participant 3 ROI – 521.31%

Individual Participant 4 ROI – 673.30%
PROGRAM 2: BRIDGES TO EMPLOYMENT

Mission: To place Native American and African American job seekers into employment in Duluth. To develop job placement opportunities for participants, provide ongoing job retention support to participants, and to encourage the development of long term employment/career goals that will move them into self sufficiency.

This program is in partnership with St. Louis County and the purpose is to increase employment outcomes for African Americans on the MN Family Investment Program. According to the 2007 “Minnesota Legislative Report Card on Racial Equality” published by Jermaine Toney of the Organizing Apprenticeship Project, there are growing disparities between whites and Minnesotans of color, racial disparities that in some cases are among the worst in the nation.

Bridge to Employment is a program that counters this dilemma by offering culturally specific mentoring from a person who understands their experiences and advocates for equal and fair hiring practices in Duluth. The program is designed to provide assistance to African Americans that are receiving public assistance for families; heads of these households are mandated to find employment and transition off of public benefits within a certain time frame. Many who obtain employment have problems with retention.

The program Employment Developer/Advocate Allegra Henderson addresses the barriers to employment such as preparedness, childcare, transportation and culturally specific support. Bridges to Employment is a partnership with Community Action Duluth, St. Louis County, Duluth at Work, and the Minnesota Chippewa Tribe.

The program is intended to locate a variety of positions for participants, and offer hiring incentives to employers such as the Welfare to Work Tax Credit, Work Opportunity Tax Credit, On the Job Training wage subsidies and other public benefits, that depending upon eligibility of participant may be available to employers.
**Program Inputs** - Please refer to page 9 of this report to get an overview of what is meant by program inputs. Constant counseling is provided to the participants so that the current situation can be known. Twenty nine participants were enrolled in the year 2009.

**Program Outputs** - Please refer to page 10 of this report to get an overview of what is meant by program outputs. On-going communication and support for job development and job retention services are the main two services provided to the participants. This is to help participants retain and maintain their current jobs at hand, and not to fall back on the unemployment threat due to poor or lack of attendance or lack of new skills and knowledge required. Encouragement to deal with ongoing problems and challenges and obstacles is provided.

**Program Outcomes** - Please refer to page 10 of this report to get an overview of what is meant by Program Outcomes. Nineteen participants of the 29 enrolled received placements and obtained employment.

*Short term:* Improved skills for a particular job, refined strategies looking for job, prepare resume to apply for jobs, job readiness, and job placement.

*Medium term:* Application for job, immediate employment.

*Long Term:* Full time employment, stable life style, stability in job, relationships, improved quality of living, career goals planning.

**Future Cost Savings** - The benefits of this program exceed its costs. Evaluation indicates that participants have significantly improved their capacity in strategic planning and positive outlook towards self, family and work. Participants gain confidence in self and learn techniques towards ways to approach job opportunities and skills required for job retention. This is a large cost saving since there is less risk of falling back into unemployment status and relying on support from programs such as Bridges to Employment which are constantly involved in serving the individuals who need it the
most. As mentioned in the project limitations, it was difficult to measure the exact costs saved after the participant joined the program and was employed.

This reduction in use of public assistance by Employed African American families saves a lot of state and county money, and the skills learned, such as job readiness and career goal planning leads to constant efforts and actions in the direction of seeking and gaining employment. All these factors together help them to connect to community and also improve their quality of life.

Please refer to Appendix 5 for responses to Carter-Richmond Methodology™ Questions for program Bridges to Employment.

**ROI Analysis**

**Evaluation Period**- 12 months (March 2009 through February 2010)

**Total Number of Participants**- 29

**Program costs**- $65,653.74 (See Appendix 8)

**Total Outcomes Created**- 19 Jobs Created

**Return on Investment - Actual** - 150.81%

**12 Month ROI** - 262.32% (See Appendix 11)
PROGRAM 3: JUMP START DULUTH

**Mission:** Assisting qualified individuals in the purchase of reliable, fuel-efficient vehicles

This program was initiated in 2009 to assist participants with the purchase of a safe, reliable, fuel efficient vehicle. The program participants, on meeting the minimum eligibility criteria secure a low-interest car loan and are also provided down payment assistance by Jump Starts Transportation Advocate Heidi Jaros. The individuals can also participate in the car ownership/financial education and case management support provided by the Transportation Advocate.

**Program Inputs** - Please refer to page 9 of this report to get an overview of what is meant by Program Inputs. The program is aimed to facilitate job retention and also explore the opportunities of a better job or increased working hours for participants through helping them purchase reliable, fuel efficient vehicles.

**Program Outputs** - Please refer to page 10 of this report to get an overview of what is meant by Program Outputs. Participants were helped with meeting the criteria for buying a car that is reliable, affordable, low-mileage and energy efficient vehicle. Very low interest rate loans are provided, and assistance with repaying the down payment is provided by the advocate.

**Program Outcomes** - Please refer to page 10 of this report to get an overview of what is meant by Program Outcomes. Eighteen people purchased cars in the year 2009. To better understand the exact impact and the different changes due to owning a Jump Start Vehicle, a follow up survey was sent to the participants. Out of the 20 surveys sent out, nine participants responded. *All respondents (100%)* said Jump Start vehicle helped them to improve their overall financial security and they were very satisfied with the program. About 89% of the respondents revealed they worry less about transportation after being enrolled in the program and there are lesser expenses on transportation and more quality time with family. Approximately 78% of the respondents replied their
quality of life improved after getting a vehicle through the Jump Start program and the use of public assistance reduced. Few respondents commented that they got great training about ways to save and budget in future.

In addition, the program participants reported a reduction in public assistance use after participating in the program. After enrolling in this program, just as the program intended, a few participants had an improvement in their credit score after one year of program participation. An improvement in credit score is valuable since it would enable many participants to avail of home loans or education loans to further enhance their lives. Each participant contributes not only time and effort, but also a $500 participation fee, as well as a minimum down payment amount. This down payment varies depending on income and family size.

*Short term:* Instant ownership to a vehicle, transportation barriers resolved,

*Medium term:* Immediate employment, more time with children and family members, convenience in case of necessity and emergency.

*Long Term:* Full time employment, stable life style, improved quality of living, improved family relationships, safe living environment.

**Cost Savings** - Low-interest vehicle loans helped save extra money which could be utilized in better ways such as investing in business, buying insurance, or savings in case of emergency. As mentioned in the limitations section of this report, access to personal case files were not available and hence an exact value of the different cost savings could not be done.

Please refer to Appendix 6 for responses to Carter-Richmond Methodology™ Questions for program Jump Start Program.

**ROI Analysis**

**Evaluation Period** - 12 Months (January 2009 - December 2009)

**Program costs** - $60,477.58 (See Appendix 9)
Total Number of Participants - 31
Total Outcomes Created - 30 Jobs
Total Gain after joining Program - $28,917.36
Return on Investment - First Year ROI - 47.82%
Total Gain after 4 years - $495,649.18
ROI for next 4 years - 189.51% (See Appendix 12)
Conclusions

The HOPE program had an Individual Return on Investment of 505.94%, which means that every dollar spent on the HOPE program returned $5.05 worth of benefits, either in form of incomes earned due to employment or cost saved by the county or state by getting participants off public assistance.

Every dollar spent on the Bridges to Employment program had an ‘actual’ Return on Investment of 150.81% and a projected ROI of 262.34% for the 12 month period, which means that every dollar spent on the Bridges to Employment program returned a benefit worth $2.62 in form of income or public assistance cost savings.

The Jump Start Program had an actual ROI of 47.82% for the first twelve months of the evaluation period and a projected ROI of 189.51% over the next four years.

Apart from the ‘Tangible’ economic benefits created in form of incomes generated due to employment, reduction or elimination of public assistance costs, there are many Intangible “Social” Returns on Investment which are equally important. Social Return on Investments like Improved Quality of life, improved relationships and last but not the least better communities to live in are some of the major returns and social impacts created by programs like HOPE, Bridges to Employment and Jump Start.
References


www.communityactionduluth.com

http://www.dhs.state.mn.us
### APPENDIX 1- Stakeholders in Community Action Duluth Programs

<table>
<thead>
<tr>
<th>Key Stakeholders</th>
<th>Outcomes</th>
<th>Returns Scenario</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal government</td>
<td>Reduction in case load</td>
<td>Dollars saved or avoided, tax generated exceeding expenditure</td>
</tr>
<tr>
<td>State government</td>
<td>Reduction in case load</td>
<td>Dollars saved or avoided, tax generated exceeding expenditure</td>
</tr>
<tr>
<td>Local government</td>
<td>Increase in economic development, job creations</td>
<td>Boost in community’s economy</td>
</tr>
<tr>
<td>Funding Foundation (Family Collaborative Grant)</td>
<td>Efficient and effective use of funds.</td>
<td>Maximum returns on investment would enable decision making for future programs</td>
</tr>
<tr>
<td>Agency (Community Action Duluth)</td>
<td>Reduced client dependency on public and private human service system</td>
<td>Increased positive outcomes: less dependency on welfare and increased self sufficiency for participants</td>
</tr>
<tr>
<td>Tax Payers</td>
<td>Efficient and effective use of funds. Participants will be off welfare and reduced dollars spent</td>
<td>Increased productivity demonstrating increased self sufficiency and less dependency on government.</td>
</tr>
<tr>
<td>Program Participants</td>
<td>Increased income, employment benefits, less use of subsidized programs</td>
<td>Increase in self-sufficiency is expected to have a positively significant impact on their life.</td>
</tr>
</tbody>
</table>
**APPENDIX 2 - Participant Information Form**

Program Name: ____________  Family Number : ______

<table>
<thead>
<tr>
<th>(1) Outcome created</th>
<th>(2) Wage per hour</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full Time Employment</td>
<td>Above Minimum</td>
</tr>
<tr>
<td>Part Time Employment</td>
<td>Minimum</td>
</tr>
<tr>
<td>No Employment</td>
<td>None</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>(3) Level of Benefits received</th>
<th>(4) Subsidized Benefits Avoided</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Salary</td>
<td>Level of Subsidized Benefits</td>
</tr>
<tr>
<td>Insurance</td>
<td>None</td>
</tr>
<tr>
<td>Health</td>
<td>Partial</td>
</tr>
<tr>
<td>Life</td>
<td>Complete</td>
</tr>
<tr>
<td>Disability</td>
<td>MFIP (Minnesota Family Investment Program)</td>
</tr>
<tr>
<td>Sick Leaves</td>
<td>DWP (Diversionary Work Program)</td>
</tr>
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<td>Vacations</td>
<td>MSA (Minnesota Supplementary Aid)</td>
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<tr>
<td>Taxes Paid</td>
<td>Food Stamps</td>
</tr>
<tr>
<td>Federal tax Paid</td>
<td>Food Banks</td>
</tr>
<tr>
<td>State Tax</td>
<td>Housing (Shelter, Transitional, GRH)</td>
</tr>
<tr>
<td>Earned IT Credit</td>
<td>Total Subsidized benefits Avoided</td>
</tr>
<tr>
<td><strong>Total Benefits</strong> 0</td>
<td>0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>(5) Self Sufficiency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Successful: Very Good</td>
</tr>
<tr>
<td>Secure: Good</td>
</tr>
<tr>
<td>Stable: Fair</td>
</tr>
<tr>
<td>Exposed: Weak</td>
</tr>
<tr>
<td>Emergency: Very Week</td>
</tr>
</tbody>
</table>
APPENDIX 3- Typical Costs Incurred and Outcomes Created

I. Costs incurred by Community Action Duluth to run these programs
   1. Salaries and benefits
      a. Health, life and disability insurance
      b. Retirement
      c. Workers compensation
      d. Social security and Medicare
      e. Vacations and sick leaves
   2. Overheads
      a. Office space, deprecation, security, insurance
      b. Utilities (telephone, electricity etc)
      c. IT costs (computers, fax)
      d. Travel and conveyance (house trips)
      e. Training and HR (classes)
      f. Materials and stationary supplies
   3. Donations
      a. Cash
      b. Other services
      c. Volunteer hours

II. Possible costs incurred to the county and state
   1. Case management costs
   2. Training and education
   3. Food stamps
   4. Medical assistance
   5. Emergency services
   6. Child care
   7. Transportation
   8. Cash assistance

III. Economic Outcome and Value created due to these programs
   1. Income from employment
   2. Tax Revenues generated
   3. Savings from Elimination or reduction in food stamps costs
   4. Savings from elimination or reduction in emergency services costs
   5. Savings from reduction in cash assistance
APPENDIX 4- HOPE Carter-Richmond Methodology

**Program Name:** Help and Opportunity in the Pursuit of Employment (HOPE)

**Family Employment Advocate:** Jamie Tester

Carter-Richmond Methodology™ Questions

1. **How many families are you serving?**
   
   26 families were served between January 2008 and December 2008 however the program is currently serving 17 families.

2. **How many people were employed?**
   
   8

3. **Who are they?**
   
   All were single moms who at the time of their enrollment in the HOPE Program were receiving both cash and food benefits from the government.

4. **What services do you give them?**
   
   Housing advocacy, teaching soft skills for employment, resume help, referrals, mentoring, support, help locating child care

5. **What does it cost?**
   
   $70,752.26

6. **What does it cost per service delivered?**
   
   $2,271.24

7. **What happens to the participants as a result of your service?**
   
   Participants gain confidence in their ability to provide a different type of life for their family. They gain skills in areas they may not have realized they were lacking skills in that were dramatically impacting their ability to move their families forward. Participants are able to secure and supportive network of people around their families and they access more programs that are beneficial to their family.

8. **What does it cost per outcome?**
   
   $2,271.24
9. What is the value of an outcome?
   
   **Economic Value for 4 participants** - $55,071

   **Social Value for all participants** - Through confidence and experience participants begin to see that it is possible for them to be self sufficient and they enjoy the independence of not being accountable to the government. So not only is there a dramatic financial value to the HOPE Program, there is a significant emotional value for each individual participant that is impossible to measure through numbers alone.

10. What is the return on the investment?
    
    **ROI for 4 Participants** - 505.94%  
    Participant 1 ROI – 301.96%  
    Participant 2 ROI – 527.19%  
    Participant 3 ROI – 521.31%  
    Participant 4 ROI – 673.30%
APPENDIX 5- Bridges to Employment Carter-Richmond Methodology

Program Name: Bridges to Employment

Family Employment Advocate: Allegra Henderson

Carter-Richmond Methodology™ Questions

1. How many families are you serving?
   29 participants

2. How many people were employed?
   19

3. Who are they?
   All participants are of African American ethnicity.

4. What services do you give them?
   Constant counseling, exploring and analyzing the current situation of participant’s problems, aspects such as preparedness for job, responsibilities with regards to childcare, transportation, on-going support for job development and retention, consistent encouragement to deal with challenges at home as well as work front. Culture specific mentoring is the most important service aspect of this program.

5. What does it cost?
   $65,653.74

6. What does it cost per service delivered?
   $2,263.92

7. What happens to the participants as a result of your service?
   Participants have refined strategies looking for job, prepare resume to apply for jobs, job readiness, job placement and improved skills for a particular job. Participants gain confidence to apply for jobs and many receive immediate employment.
   The program has also placed 4 participants in volunteer positions during the interval which allowed them to meet the MFIP work participation requirement.

8. What does it cost per outcome?
   $3,455.46
9. What is the value of an outcome?
   *Economic Value* - $99,010.30

   *Social Impact* - Bridging the gap from unemployment to employment is a major financial value gained for an individual as well as the stakeholders. Full time employment, stability in job and career goals planning are the valuable benefits acquired. In addition, emotional value is attained through stable life style, improved relationships, improved quality of living and better outlook towards self and work. Most importantly, along with efforts to bridge the gap between unemployment to employment, this program also achieves the value of helping participants from African American minority to not be subjects to racial discrimination and stand chances to equal opportunities as others.

10. What is the return on the investment?
   *Actual ROI* - 150.80%

   *12 Month ROI* – 262.34%
APPENDIX 6- Jump Start Carter-Richmond Methodology

Program Name: Jump Start Duluth

Transportation Advocate: Heidi Jaros

Carter-Richmond Methodology™ Questions

1. How many families are you serving?
   31

2. How many people were employed?
   30

3. Who are they?

   Overall participant self identified race statistics: n=31
   16 Caucasians (51.6%)
   7 African Americans (22.5%)
   6 Native Americans (19.3%)
   2 Multi-racial (6.4%)

   Household Information:  n=31
   22 single mothers (70%)
   7 single persons (22.5%)
   2 single fathers (6.4%)

   Average Federal Poverty Guideline (FPG):  n=31
   136% with a range of 56% FPG to 221% FPG

4. What services do you give them?

   Jump Start Duluth delivers assets of independence to low-income families and individuals in a variety of ways: including a down-payment assistance, financial and credit repair education, case management support, and personalized car maintenance education.

   Down Payment Assistance: In order to encourage participant ownership in the car buying process, Jump Start Duluth participants are asked to contribute a minimum down payment on a sliding fee scale. This unique scale is based upon the federal poverty guidelines and the minimum amount needed each month for a car payment and insurance. We have a formula in place that takes into account the participant’s individual circumstances as well as the need to preserve the down payment funds we have available. The minimum down payment required of participants ranges from $300 to $585. In most cases, this minimum will be matched 4 to 1, and down payment assistance in the amount of $1200 is given to ensure the monthly vehicle payments are affordable.
Financial and Credit Repair Education: As a way to better integrate Jump Start Duluth participants into the mainstream financial world and to expand the impact of CAD’s financial education classes, all Jump Start Duluth participants are required to take the Common Cents financial education class. All participants also have the opportunity to work 1:1 with a financial educator/coach to further improve their credit and ability to gain assets into the future.

Case Support: All Jump Start Duluth participants receive case support from our transportation advocate. The transportation advocate works with the participant to help them choose the right vehicle, obtain car insurance, become educated on the fundamentals of car ownership and communicate with the credit union regarding their loan.

Personalized Car Maintenance Education: All Jump Start Duluth Participants meet with a local mechanic, free of charge, within one week of obtaining their vehicle. The mechanic tutors the participant on car maintenance specific to their vehicle and answers any questions they might have. Moreover, each participant contributes to a repair fund pool that acts a bit like an extended warranty. If any major repairs are needed, like engine or transmission, participants can apply to the pool for monetary assistance for the repair. Each participant will also have an individual car maintenance savings account where they will save $20 a month. Participants can then access this account to pay for routine maintenance like oil changes or new tires. Any money saved at the end of the program is theirs to keep.

5. What does it cost?
   $60,477.58

6. What does it cost per service delivered?
   $1,950.89

7. What happens to the participants as a result of your service?

   "This Program has truly changed my life. I say a prayer of thanks each day for this program"
   - Susan Christenson- Mother & Jump Start Participant

   For many of the families we work with, a Jump Start vehicle is a means to acceptance, participation and greater inclusion in the mainstream social and economic fabric of the Duluth community.

   The Jump Start program has had a large impact on the participants we’ve worked with. The following are a few examples:
Denise is a single mother who was in jeopardy of losing her job because her car was constantly breaking down causing Denise to be late to work. As her job required her to meet with clients at various locations throughout Duluth, taking the bus was not always an option. Having purchased 2007 Ford Focus through the Jump Start program, Denise is not only secure in her employment, but working more hours with the ability to take on more clients. Denise also has more free time now which she devotes to volunteering in the Duluth community.

"The impact of having the car that the Jump Start program helped me to finance has done wonders in my life. I am now able to get to work, doctor’s appt, grocery store, etc. on time without worries. It feels so good to go outside and my car starts every time. I truly appreciate having a reliable vehicle to depend on. I will live up to my obligations to the program. Having a good running vehicle takes away the worry and I am able to prepare and perform my job better and to always progress. I am forever grateful. Thank you" - Denise

Joyce, a single mother, first applied for the program on March 12, 2009. At that time her credit score was 520, she had $3936 in collections, two outstanding judgments and a history of bad checks. Because of her current credit situation we were unable to approve her for a purchase of a Jump Start vehicle. The Jump Start Duluth transportation advocate helped Joyce create and stick to a credit repair plan. On September 8, 2009, having satisfied all of her judgments and paying off over 60% of her collections, Joyce was able to re-apply for the program with a credit score of 567 (47 points higher than when she first applied). As a result of her hard work and dedication to repairing her credit and the guidance of Jump Start Duluth's transportation advocate, Joyce was approved for the program and purchased a 2008 Hyundai Sonata on September 29, 2009. Since purchasing her car, this single mother has not only been able to work more hours at her job at a local hotel, but has also gone back to school. Joyce is also able to take her son to and from confirmation classes now - something that was very important to both her and her son. To date, Joyce has made all of her Jump Start Duluth payment’s on time and is utilizing the maintenance and repair savings fund for regular maintenance of her vehicle.

"The Jump Start Program was life changing for me and my son. A great feeling of security and safety. Also, the program helped me get my credit to a better score and also the common cents class helped me to budget better and taught me how to save for the future once I get working I want to enroll in the FAIM program so I can buy a house. Like I said above, the programs at Community Action are a blessing." - Joyce

Jill, a Jump Start Duluth participant, is a single mother who was working a low-wage job and going to school. She was barely able to make ends meet and rarely able to see her son. Upon graduation, she was offered a full-time position in her chosen field, with benefits. Jill was ecstatic about the offer, until she learned the
position required a vehicle. Jill’s car had broken down and she did not have the ability to purchase a new one. Through work with the Jumpstart program, Jill was able to purchase a 2007 Ford Fusion in March of 2009. Jill is now working as a full time RN for the State of Minnesota. Jill is making more money has full benefits and is able to spend more quality time with her son.

“The Jump Start Program has helped me tremendously. I would not have gotten the job I have now without it.” - Jill

8. What does it cost per outcome?
   $2,015.92

9. What is the value of an outcome?
   Economic Value - $133,562.20
   Social Impact - A dependable vehicle is not only a practical necessity and a key to gaining remunerative work; it is also a means to acceptance, participation and greater inclusion in the mainstream social and economic fabric of the Duluth community. Access to stable and reliable transportation can remove barriers and enable families to participate more fully in work, school and the larger Duluth community. Jump Start Duluth enriches the economic and social lives of our participants.

   Jump Start Duluth not only enriches the economic and social lives of our participants, but that of the entire Duluth community as well. The ultimate benefit to the community is a reduction of the number of people living in poverty and the conditions that often accompany it in Duluth.

10. What is the return on the investment?
    Actual ROI – 47.82%
    Four Year ROI - 189.51%
APPENDIX 7- Total Costs for HOPE Program

<table>
<thead>
<tr>
<th>Program Costs</th>
<th>Jan 2008 to Dec 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Costs</td>
<td>$59,602.26</td>
</tr>
<tr>
<td>Administrative</td>
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<tr>
<td><strong>Total Program Costs</strong></td>
<td><strong>$70,752.26</strong></td>
</tr>
</tbody>
</table>
APPENDIX 8- Total Costs for BRIDGES TO EMPLOYMENT Program

<table>
<thead>
<tr>
<th>Program Costs</th>
<th>Mar 2009 to Feb 2010</th>
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</thead>
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<td>Direct Costs</td>
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<tr>
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<tr>
<td>Equipment Purchase And Maintenance</td>
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<td>Technology Upgrade</td>
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<td>Audit Expenses</td>
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<tr>
<td>Insurance</td>
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<tr>
<td>Postage And Delivery</td>
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<td>Printing And Reproduction</td>
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<tr>
<td>PR &amp; Communication</td>
<td>$250.00</td>
</tr>
<tr>
<td>Publications/Memberships</td>
<td>$400.00</td>
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<tr>
<td>Other</td>
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</tr>
<tr>
<td>Supplies</td>
<td>$3,350.00</td>
</tr>
<tr>
<td>Training And Travel</td>
<td>$2,000.00</td>
</tr>
<tr>
<td>Total Administrative Costs</td>
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<tr>
<td>Total Program Costs</td>
<td>$65,653.74</td>
</tr>
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</table>
APPENDIX 9- Total Costs for JUMP START Program

<table>
<thead>
<tr>
<th>Program Costs</th>
<th>Jan 2009 to Dec 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Costs</td>
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<tr>
<td>Administrative</td>
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<tr>
<td>Rent And Maintenance</td>
<td>$2,500.00</td>
</tr>
<tr>
<td>Equipment Purchase And Maintenance</td>
<td>$850.00</td>
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<tr>
<td>Technology Upgrade</td>
<td>$500.00</td>
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<tr>
<td>Audit Expenses</td>
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<tr>
<td>Insurance</td>
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<td>Postage And Delivery</td>
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<td>Printing And Reproduction</td>
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<td>Publications/Memberships</td>
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<td>Supplies</td>
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<td>Training And Travel</td>
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<td>Total Administrative Costs</td>
<td>$11,150.00</td>
</tr>
<tr>
<td>Total Program Costs</td>
<td>$60,477.58</td>
</tr>
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</table>
APPENDIX 10 - HOPE Individual Participant Incomes and ROI Calculations

<table>
<thead>
<tr>
<th>Participant</th>
<th>Cash Assistance Avoided</th>
<th>Income Earned during 2008</th>
<th>Individual Participant cost</th>
<th>Total Gain</th>
<th>Individual ROI</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$5,244.0</td>
<td>$2,973.0</td>
<td>$2,721.2</td>
<td>$8,217.0</td>
<td>301.96%</td>
</tr>
<tr>
<td>2</td>
<td>$5,244.0</td>
<td>$9,102.0</td>
<td>$2,721.2</td>
<td>$14,346.0</td>
<td>527.19%</td>
</tr>
<tr>
<td>3</td>
<td>$4,644.0</td>
<td>$9,542.0</td>
<td>$2,721.2</td>
<td>$14,186.0</td>
<td>521.31%</td>
</tr>
<tr>
<td>4</td>
<td>$5,748.0</td>
<td>$12,574.0</td>
<td>$2,721.2</td>
<td>$18,322.0</td>
<td>673.30%</td>
</tr>
<tr>
<td><strong>Total for 4 Participants</strong></td>
<td>$20,880.0</td>
<td>$34,191.0</td>
<td>$10,885.0</td>
<td>$55,071.0</td>
<td><strong>505.94%</strong></td>
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</tbody>
</table>
APPENDIX 11- BRIDGES TO EMPLOYMENT Participant Incomes and ROI Calculations

<table>
<thead>
<tr>
<th>Participant</th>
<th>Income/hr</th>
<th>Income Raise</th>
<th>Raise</th>
<th>Raise</th>
<th>Average Income/hr</th>
<th>Hours Per week</th>
<th>Average Income per week</th>
<th>Total Actual Income earned while employed- (Hours worked X Weeks)</th>
<th>Projected Income per month (Avg Weekly income X 4)</th>
<th>Projected Income per year- This is considering average wage over time</th>
<th>Individual ROI</th>
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<tbody>
<tr>
<td>1</td>
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<td>$8.75</td>
<td>-</td>
<td>-</td>
<td>$8.13</td>
<td>25.00</td>
<td>$203.13</td>
<td>$10,875.00</td>
<td>$812.50</td>
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<tr>
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<td>$8.50</td>
<td>$7.50</td>
<td>$8.00</td>
<td>$8.00</td>
<td>$8.00</td>
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<td>$256.00</td>
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<tr>
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<td>$7.80</td>
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<td>$175.50</td>
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<td>-</td>
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<td>$7.80</td>
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<td>$234.00</td>
<td>$1,404.00</td>
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<td>$11,232.00</td>
<td>396.13%</td>
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<tr>
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<td>-</td>
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<td>-</td>
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<td>15.00</td>
<td>$117.00</td>
<td>$568.00</td>
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<tr>
<td>6</td>
<td>$7.80</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>$7.80</td>
<td>30.00</td>
<td>$234.00</td>
<td>$1,404.00</td>
<td>$936.00</td>
<td>$11,232.00</td>
<td>396.13%</td>
</tr>
<tr>
<td>7</td>
<td>$6.75</td>
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<td>-</td>
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<td>$7.28</td>
<td>40.00</td>
<td>$291.00</td>
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<td>516.98%</td>
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<tr>
<td>8</td>
<td>$6.75</td>
<td>$7.80</td>
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<td>$7.28</td>
<td>40.00</td>
<td>$291.00</td>
<td>$1,125.00</td>
<td>$1,164.00</td>
<td>$13,968.00</td>
<td>516.98%</td>
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<td>9</td>
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<td>-</td>
<td>$7.25</td>
<td>25.00</td>
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<td>$720.00</td>
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<td>14</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>$11.00</td>
<td>30.00</td>
<td>$330.00</td>
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<td>$1,000.00</td>
<td>$8,850.00</td>
<td>396.13%</td>
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<td>15</td>
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<td>$7.50</td>
<td>30.00</td>
<td>$225.00</td>
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<td>$936.00</td>
<td>$11,232.00</td>
<td>396.13%</td>
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<td>16</td>
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<td>-</td>
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<td>$7.50</td>
<td>30.00</td>
<td>$225.00</td>
<td>$8,658.00</td>
<td>$936.00</td>
<td>$11,232.00</td>
<td>396.13%</td>
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<tr>
<td>17</td>
<td>Volunteer</td>
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<td>Met MFIP Requirement</td>
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<tr>
<td>18</td>
<td>Volunteer</td>
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<td></td>
<td></td>
<td></td>
<td>Met MFIP Requirement</td>
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<td></td>
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<tr>
<td>19</td>
<td>Volunteer</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Met MFIP Requirement</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$99,010.30</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Total Program Cost | $65,653.74
Total Program Outcome | $99,010.30
Individual Participant cost | $2,263.92
Total Gain | $33,356.56
Actual ROI | 150.81%
Projected ROI | 262.34%

Notes
The wages and hours worked used in the calculations are all self-reported by the participants.
The number of weeks used for monthly income calculations are rounded down to use a conservative approach.
Certain participants reported different hours per week, in such cases an Average was considered for calculation.
Three participants who were placed as volunteers met the MFIP Work participation requirements but were not used for calculating the ROI.
The projected ROI assumes that the participants continue to work over a period of 12 months at the average wage they received.
The individual ROI is calculated using the projected incomes of participants assuming they work the same hours per week for one year.
To keep the ROI calculations conservative, only nine participants who replied to the survey sent out were considered.

One participant is currently unemployed but could get employed anytime in the near future and that could increase the ROI for the program drastically.

To keep the ROI calculations conservative, only nine participants who replied to the survey sent out were considered.

Note
ROI compares investment returns and costs by constructing a ratio, or percentage. In most ROI methods, an ROI ratio greater than 0.00 (or a percentage greater than 0%) means the investment returns more than its cost.

### APPENDIX 12 - JUMP START Participant Incomes and ROI Calculations

#### Jump Start Return on Investment - One Year Evaluation (Jan 2009 to Dec 2009)

<table>
<thead>
<tr>
<th>Participant</th>
<th>Employment</th>
<th>Hourly Wage</th>
<th>Hours per week</th>
<th>Previous Monthly Income</th>
<th>Previous Annual Income (Monthly income X 12)</th>
<th>Length of time with program (Months)</th>
<th>Actual Income while in program (Monthly income X number of months in program)</th>
<th>Projected Annual Income if participant remains 12 months in program (New Monthly income X 12)</th>
<th>Difference in Income due after Joining Program</th>
<th>Assumption</th>
<th>Individual ROI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beverly Downs</td>
<td>No</td>
<td>$0.00</td>
<td>0</td>
<td>$472.80</td>
<td>$5,673.60</td>
<td>12</td>
<td>$0.00</td>
<td>$0.00</td>
<td>($5,673.60)</td>
<td>-390.82%</td>
<td></td>
</tr>
<tr>
<td>Susan Christenson</td>
<td>Yes</td>
<td>$16.50</td>
<td>40</td>
<td>$2,035.04</td>
<td>$24,420.48</td>
<td>8</td>
<td>$21,120.00</td>
<td>$31,680.00</td>
<td>$7,559.22</td>
<td>272.11%</td>
<td></td>
</tr>
<tr>
<td>Tanya Danner</td>
<td>Yes</td>
<td>$9.74</td>
<td>35</td>
<td>$1,210.61</td>
<td>$14,527.32</td>
<td>10</td>
<td>$13,636.00</td>
<td>$16,363.20</td>
<td>$2,727.20</td>
<td>-59.60%</td>
<td></td>
</tr>
<tr>
<td>Denise Lewis</td>
<td>Yes</td>
<td>$10.25</td>
<td>8</td>
<td>$311.41</td>
<td>$3,736.92</td>
<td>12</td>
<td>$3,936.00</td>
<td>$3,936.00</td>
<td>$0.00</td>
<td>-89.80%</td>
<td></td>
</tr>
<tr>
<td>Maria Rojas</td>
<td>Yes</td>
<td>$9.50</td>
<td>40</td>
<td>$526.32</td>
<td>$6,315.84</td>
<td>7</td>
<td>$10,640.00</td>
<td>$18,240.00</td>
<td>$7,600.00</td>
<td>511.22%</td>
<td></td>
</tr>
<tr>
<td>John Miller</td>
<td>Yes</td>
<td>$9.30</td>
<td>40</td>
<td>$1,167.29</td>
<td>$14,007.48</td>
<td>2</td>
<td>$2,976.00</td>
<td>$17,836.00</td>
<td>$3,884.52</td>
<td>97.27%</td>
<td></td>
</tr>
<tr>
<td>Jill Lockwood</td>
<td>Yes</td>
<td>$23.35</td>
<td>40</td>
<td>$1,302.00</td>
<td>$15,624.00</td>
<td>12</td>
<td>$44,832.00</td>
<td>$44,832.00</td>
<td>$0.00</td>
<td>1397.16%</td>
<td></td>
</tr>
<tr>
<td>Joyce Wolden</td>
<td>Yes</td>
<td>$9.00</td>
<td>40</td>
<td>$308.52</td>
<td>$3,702.24</td>
<td>8</td>
<td>$11,520.00</td>
<td>$17,280.00</td>
<td>$5,760.00</td>
<td>595.98%</td>
<td></td>
</tr>
<tr>
<td>Laura Olson</td>
<td>Yes</td>
<td>$12.97</td>
<td>40</td>
<td>$1,386.43</td>
<td>$16,637.16</td>
<td>12</td>
<td>$24,902.40</td>
<td>$24,902.40</td>
<td>$0.00</td>
<td>233.67%</td>
<td></td>
</tr>
</tbody>
</table>

Total for all Participants | | | | $8,720.42 | | 12 | $104,645.04 | $133,562.40 | $26,941.38 | $70,444.56 |                |

Note
ROI (Retain Job for next 4 years) 189.51%

### Jump Start Return on Investment - Next 4 Year Forecast (Jan 2010 to Dec 2013)

<table>
<thead>
<tr>
<th>Participant</th>
<th>Projected Annual Income for Year 1 (12 complete months in program)</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
<th>Year Discount Factor (10%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beverly Downs</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>1</td>
</tr>
<tr>
<td>Susan Christenson</td>
<td>$3,568.00</td>
<td>$3,205.69</td>
<td>$27,459.72</td>
<td>$24,963.18</td>
<td>$22,693.99</td>
<td>2</td>
</tr>
<tr>
<td>Tanya Danner</td>
<td>$16,363.20</td>
<td>$15,601.70</td>
<td>$14,183.46</td>
<td>$12,893.97</td>
<td>$11,721.79</td>
<td>3</td>
</tr>
<tr>
<td>Denise Lewis</td>
<td>$3,936.00</td>
<td>$3,752.83</td>
<td>$3,411.66</td>
<td>$3,101.51</td>
<td>$2,819.56</td>
<td>5</td>
</tr>
<tr>
<td>Maria Rojas</td>
<td>$16,240.00</td>
<td>$17,391.16</td>
<td>$15,810.14</td>
<td>$14,372.86</td>
<td>$13,066.23</td>
<td>5</td>
</tr>
<tr>
<td>John Miller</td>
<td>$17,856.00</td>
<td>$17,025.03</td>
<td>$15,478.30</td>
<td>$14,070.27</td>
<td>$12,791.16</td>
<td>5</td>
</tr>
<tr>
<td>Jill Lockwood</td>
<td>$44,832.00</td>
<td>$42,745.63</td>
<td>$38,859.67</td>
<td>$35,326.97</td>
<td>$32,115.43</td>
<td>5</td>
</tr>
<tr>
<td>Joyce Wolden</td>
<td>$17,280.00</td>
<td>$16,475.83</td>
<td>$14,978.03</td>
<td>$13,616.39</td>
<td>$12,378.54</td>
<td>5</td>
</tr>
<tr>
<td>Laura Olson</td>
<td>$24,902.40</td>
<td>$23,743.51</td>
<td>$21,585.01</td>
<td>$19,632.73</td>
<td>$17,838.85</td>
<td>5</td>
</tr>
<tr>
<td>Total for all Participants</td>
<td>$175,089.60</td>
<td>$166,941.38</td>
<td>$151,764.89</td>
<td>$137,968.09</td>
<td>$125,425.53</td>
<td>5</td>
</tr>
<tr>
<td>Total Costs</td>
<td>$60,477.58</td>
<td>$57,683.11</td>
<td>$52,421.01</td>
<td>$47,655.46</td>
<td>$43,323.15</td>
<td>5</td>
</tr>
</tbody>
</table>

Total Costs for next 4 years | $261,540.31 |
Total Outcomes for next 4 years | $757,189.49 |
Total Gain | $495,649.18 |
ROI | 189.51% |

Note
It is assumed that all participants continue in this program for next 4 years as it is a 5 year loan period.

The annual incomes and total costs for next 4 years are discounted at a rate of 10%

One participant is currently unemployed but could get employed anytime in the near future and that could increase the ROI for the program drastically.

To keep the ROI calculations conservative, only nine participants who replied to the survey sent out were considered.
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