



**RCA
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 17
AGENDA DATE: Thu 04/28/2005
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SUBJECT: Approve execution of Amendment No.1 to the contract with GOODWILL INDUSTRIES OF CENTRAL TEXAS, Austin, TX, in an amount not to exceed \$49,776, to provide targeted workforce skills training and job placement services, for a total 2005 contract amount not to exceed \$212,898, with three (3) 12-month renewal options in an amount not to exceed \$163,122 per renewal option, for a combined total cost to the City not to exceed \$702,264.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$49,776 is available in the Fiscal Year 2004-2005 Operating Budget Special Revenue Fund of the Health and Human Services Department. No City match is required.

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

REQUESTING Health and Human
DEPARTMENT: Services

**DIRECTOR'S
AUTHORIZATION:** David Lurie

FOR MORE INFORMATION CONTACT: Vince Cobalis, Asst. Director for Human Services, 972-5011; Susan Gehring, Program Manager, 972-5026; Linda Terry, Agenda Coordinator, 975-5023

PRIOR COUNCIL ACTION: 11/18/04, Resolution #0411180-01. Approved execution of 40 contracts with social service providers, including Goodwill Industries of Central Texas.

BOARD AND COMMISSION ACTION: N/A

PURCHASING: N/A

MBE / WBE: N/A

Background

In December 2004, the Austin/Travis County Health and Human Services Department (HHSD) initiated a pilot project, Employment Connections, which uses a modified approach to provide eligible clients with the knowledge and skills to obtain and retain employment in the Austin job market. The City executed an administrative contract award with Goodwill Industries. The project targets clients who are residents of areas in East Austin that have the highest unemployment and poverty rates in the city.

WorkSource -Greater Austin Area Workforce Board recognized the potential of the Employment Connections project and awarded the City of Austin a nine (9)-month grant starting April 1, 2005 in the amount of \$49,776 to expand the workforce training pilot project initiated and funded by the City.

Traditionally, workforce training for this population includes training in life skills management, customer service, computer skills, and clerical skills. It is followed-up with job search preparation and job placement services. The success rate of clients retaining employment for at least six months is 50 percent.

The Employment Connections pilot project modifies this approach by soliciting participating employers "upfront," selecting a client who has the potential to be "trained into" the employer's position, and



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tailoring each of the client's training components to the stated needs of the participating employer. Following placement, clients receive a "work release" from their employers – nominally one-half day per week –to receive their tailored training. Another key aspect that differentiates this program from the traditional approach is that clients also receive substantial supportive services and job retention coaching for up to six (6) months after placement that enables and motivates clients to maintain their employment. History has shown that, under the traditional approach, clients are at risk of dropping their employment due to various circumstances such as loss of child care, employer/employee relationship difficulties, etcetera. The provision of follow-up supportive services and coaching can significantly reduce this dropout risk. The purpose of this Employment Connections pilot project is to demonstrate that this modified employment training approach will result in (1) improved retention and job satisfaction for low-income clients, and (2) improved employer satisfaction. The program goal is to raise the success rate of clients retaining employment for at least six months after placement from 50% to 75 percent. The WorkSource funding will sponsor 40 clients, all of whom will have entered employment by the grant end date, December 31, 2005.

The amendment amount of \$49,776 is one-time only, and not subject to the renewal options.

Performance Measures

Related Department Goal

Provision: Social Services – Promote and foster increased self-sufficiency, healthy behaviors, and lifestyle among targeted populations.

Output Measure

<u>Goal</u>	<u>Current Goal</u>	<u>Increase</u>	<u>New</u>
Number of clients receiving intensive case management job (training tailored to the needs of the employer partners), supportive services, and job retention services (unduplicated)	78	40	118

Results Measure

Percent of clients retaining their employment for six months after placement (reported monthly).	50%	25%	75%
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Requested Council Action

Council is requested to approve execution of Amendment No. 1 to the contract with GOODWILL INDUSTRIES OF CENTRAL TEXAS, Austin, TX, in an amount not to exceed \$49,776, to provide targeted workforce skills training and job placement services, for a total 2005 contract amount not to exceed \$212,898, with three (3) 12-month renewal options in an amount not to exceed \$163,122 per renewal option, for a combined total cost to the City not to exceed \$702,264.