

**Expanding Solutions for
a Stronger Community**

2010-2011 Activities

1,311 AmeriCorps members engaged in service throughout Minnesota this year

\$18.1 million invested in nonprofit, community, educational and faith-based community groups through AmeriCorps programs

39,417 community volunteers managed or mobilized by AmeriCorps members

11,132 individuals mentored

21,864 disadvantaged children and youth served

Nearly 700 sites hosted AmeriCorps members across Minnesota

Table of Contents

- 4-5** 2010-2011 AmeriCorps Grants
- 6-7** Rewriting the Story:
Creating Successful Readers Through Service
- 8-9** Making Math Count:
The Right Equation for Lifelong Success
- 10-11** Setting the Stage:
A Healthy Start Through Early Learning
- 12-13** Raising Expectations:
Getting At-Risk Students Back on Track
- 14** Financials
- 15** Board/Staff/Donors



“What I love about AmeriCorps is the feeling you get knowing you’re making a difference for the country.”

– **Brett Eidem**, AmeriCorps Member
Minnesota GreenCorps

Dear Friends,

It has been a remarkable year for ServeMinnesota—one of unparalleled growth in service, partnerships and support. By investing in programs that are evidence-based and producing results, more people understand the value and impact of AmeriCorps programs.

We often talk about our work as a continuum of critical gateways that children must successfully pass through in order to gain the skills they need for educational and economic achievement. In this report, you'll meet children from two junctures on this continuum—those who are preparing for kindergarten and those who are experiencing the challenges of junior high and middle school—all who are receiving the extra support they need from well-trained AmeriCorps members.

Our flagship program, Minnesota Reading Corps, focuses on reading proficiency of children, age 3 to grade 3. It is expanding the capacity of preschools and elementary schools throughout the state and catching the attention of educators across the country. The success of the Minnesota Reading Corps relies on a strong public-private partnership focused on a proven solution. The governor and legislature agreed that Reading Corps is a critical part of Minnesota's early literacy solution and increased its funding by nearly 300 percent. Greater Twin Cities United Way invested in taking the program to scale in both the Saint Paul and Bloomington school districts; Target has invested in the Minneapolis Public Schools, plus created their own employee Target Reading Corps to provide supplemental support to needy students.

We will continue to build on proven approaches and move the needle on systemic problems. Because of your interest and support, we know that we have the capacity to help even more individuals, families and communities.

Audrey Suker
Chief Executive Officer

Kate Kelly
Board Chair

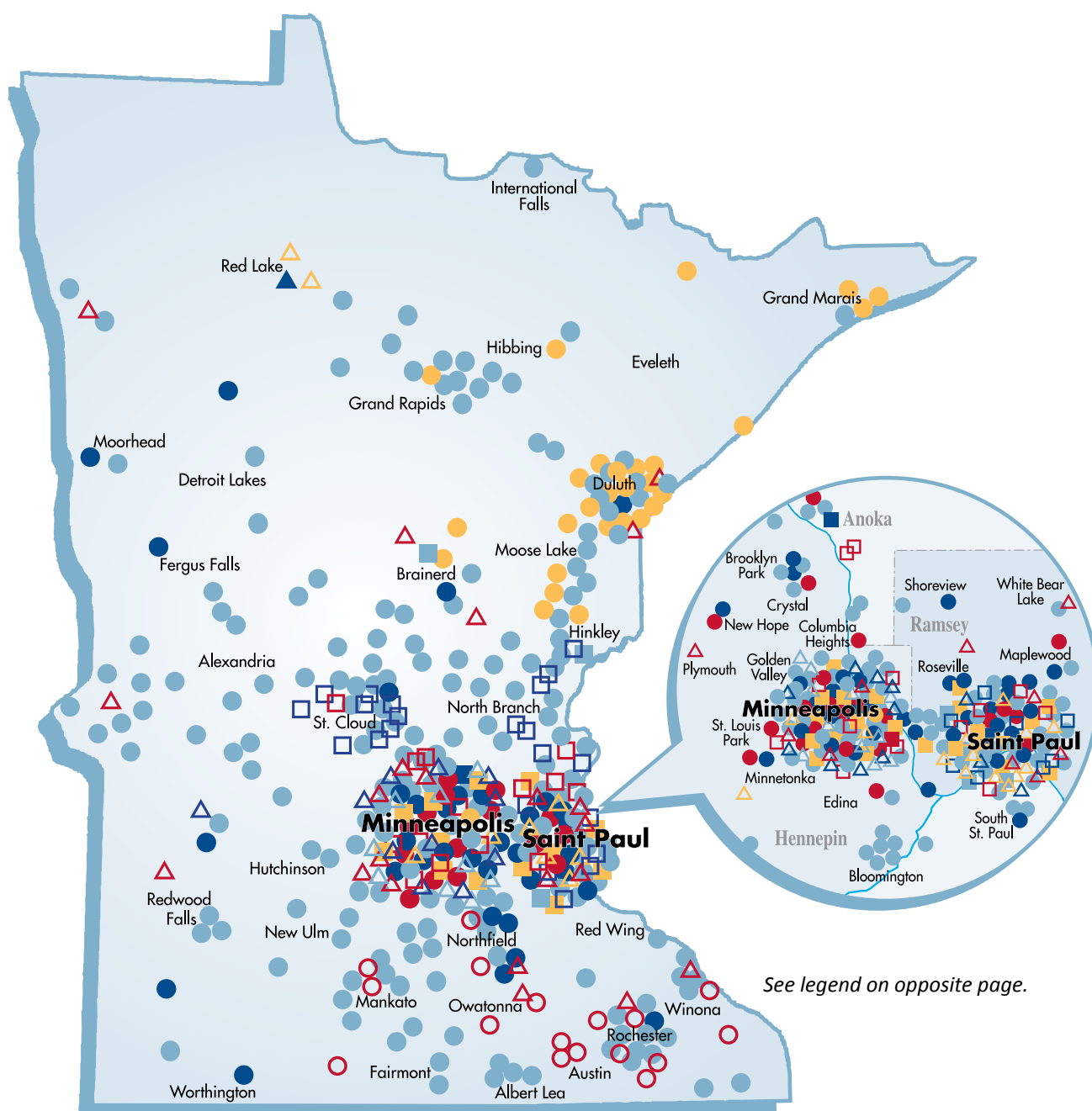


2010-2011 AmeriCorps Grants

The AmeriCorps program is a pathway for people to make significant contributions in their community through service. ServeMinnesota provides AmeriCorps grants to organizations across the state that focus on a wide variety of issues including educational achievement, economic opportunity and environmental protection.

AmeriCorps members dedicate a year of their lives to tutor and mentor youth to close the achievement gap, build affordable housing, teach computer skills, clean parks and streams, run after-school programs and help communities respond to disasters. Collectively, they recruit, train and supervise thousands of community volunteers to extend and complement their efforts.

By aligning this powerful group of dedicated individuals with issues that need attention, ServeMinnesota makes a significant impact on the state's most critical needs.



Program Grants

| Program | Members | Grant Amount | Program Impact |
|--|---------|--------------|--|
| ▣ Bridges to Self Sufficiency | 27 | \$371,250 | Financial Literacy Services/ Employment Skills |
| △ City of Lakes AmeriCorps | 36 | \$419,375 | Tutoring/Homework Assistance, After-School Programs, Mentoring |
| △ City Skills | 30 | \$343,750 | Workforce Development |
| ■ Community Technology Empowerment Project (CTEP) | 30 | \$412,491 | Digital Divide/Computer Education, Employment Skills |
| ■ Conservation Corps Minnesota | 77 | \$632,500 | Environmental Protection, Youth Development |
| ■ Green and Healthy Homes | 15 | \$206,247 | Energy Efficiency, Healthy Living Education |
| ○ Learning Early Achieves Potential (LEAP) | 22 | \$275,000 | Early Childhood Social/Emotional Development, School Readiness Skills |
| ● Minnesota Alliance With Youth Promise Fellows | 81 | \$1,099,995 | Tutoring/Homework Assistance, Mentoring, Leadership/Civic Engagement |
| ■ Minnesota College Success Corps | 20 | \$275,000 | Academic Assistance, Supplemental Instruction |
| △ Minnesota GreenCorps | 31 | \$462,700 | Environmental Improvement |
| □ Minnesota Math Corps | 53 | \$979,223 | Math Tutoring Algebra by 8th Grade |
| ● Minnesota Reading Corps | 672 | \$10,334,090 | Literacy Tutoring Reading by 3rd Grade |
| △ Multicultural Communities in Action | 40 | \$544,777 | Tutoring/Homework Assistance, After-School Programs |
| ▲ Partners in Service to America | 25 | \$343,746 | Tutoring/Homework Assistance, After-School Programs, Cultural Activities |
| ● True North AmeriCorps | 97 | \$885,286 | Tutoring/Homework Assistance, After-School Programs, Mentoring |
| ● Twin Cities Habitat for Humanity/ Project for Pride in Living | 41 | \$539,498 | Affordable Housing, After-School Programs |
| Planning Grant | | | |
| Metropolitan Area Agency on Aging | 0 | \$50,000 | Accessibility for Seniors |

Rewriting the Story: Creating Successful Readers Through Service

Minnesota Reading Corps

The numbers say it all: Half of Minnesota's children are not ready for kindergarten and nearly one in four third-graders is not reading at grade level. This translates into nearly 75,000 children who are not on track to become successful readers by third grade. Without reading skills as the foundation for education and economic achievement, these children are at risk for lifelong negative consequences associated with illiteracy. Decades of research shows that when students get off to a poor start in reading, they rarely catch up and become 'in-school dropouts' as early as 4th grade.

Minnesota Reading Corps, a strategic initiative of ServeMinnesota, is an early literacy program that is turning around this unacceptable reality. In more than 450 schools across the state, in both elementary and preschool settings, AmeriCorps members employ research-based techniques proven to help children achieve reading success.

Stacey Schuessler, kindergarten teacher at Moreland Elementary in West Saint Paul, has seen first-hand how the Reading Corps program works. "Mahamud came to kindergarten very excited about learning," says Stacey. "Because of his experience with Reading Corps, he's able to hear sounds, differences in rhyming and he's very ready for reading. The Reading Corps program really makes an impact so kids can be successful."

The Minnesota Reading Corps' preschool program is a holistic and cutting-edge approach to early literacy. It incorporates research-based literacy components into every activity of the day, from getting off the bus to meal time and play centers, so that children receive constant reinforcement.

"Every moment of my day I'm trying to incorporate something in the Big Five—letter naming, letter sounds, vocabulary, alliteration and rhyming," says Sharon Furth, PreK teacher and Reading Corps member at Moreland. "And I can see the results. In just a few short months, they're understanding the stories, they're shouting out answers to questions. Not just yes/no questions, but real open-ended, higher level thinking questions."

Reading Corps tutors and participating preschool teachers are trained side-by-side, so that both can reinforce the critical literacy concepts in the classroom. Not only does this help the students, but the teachers also grow in their own professional development, which in turn benefits the school as a whole.

When hearing what her colleague Stacey had to say about her former student Mahamud, Sharon smiles. "It makes you want to work even harder so that every kindergarten teacher can say that about every child who's been in our program."



*"I love AmeriCorps
because I love that
when I go home I feel
like I changed a life."*

— Dominique Edwards
AmeriCorps Member
Minnesota Reading Corps



Reading Corps graduate Mahamud with his kindergarten teacher, Stacey Schuessler.

An Integrated Approach

Minnesota Reading Corps is a proven model that is an integrated component of Minnesota's solution to childhood illiteracy. Nearly 800 AmeriCorps members currently serve as literacy tutors in more than 450 sites across the state, helping children age 3 to grade 3 become proficient readers.



"This is the first time I've had research-driven, data-based assessment tools. I want these children to have every opportunity to be successful in kindergarten, and to build from there so they can read by third grade."

*— Sharon Furth, PreK Teacher and Minnesota Reading Corps Member
Moreland Elementary, West Saint Paul*

Early Literacy: The Big Five

- Letter Naming
- Letter Sounds
- Vocabulary
- Alliteration
- Rhyming



Four Paths to Proficiency

Math Corps members tutor students in four math strands:

- Numbers & Operation
- Algebra
- Geometry & Measurement
- Data Analysis & Probability

“Math is so important for these kids’ future prospects—they need to be able to be thinking in the ways that we’re teaching them. Even if they’re not pursuing a career oriented to math, we’re working with them on thinking skills and problem-solving skills that are going to pay off in big ways.”

— Jeff Rush, Minnesota Math Corps Tutor
Washington Technology Magnet, Saint Paul



Tom Koreltz (seated) and Jeff Rush (standing) work with students to increase math proficiency and confidence.

Making Math Count: The Right Equation for Lifelong Success



Minnesota Math Corps

Proficiency in algebra by 8th grade is now a statewide standard. Unfortunately, only 60 percent of Minnesota 8th graders are proficient in math, putting high school graduation in jeopardy. But math skills mean more than a diploma. Economists predict that by 2018, 70 percent of jobs in Minnesota will require postsecondary education; by not achieving basic math competency, the future economic security of these students is at risk.

By partnering with the Minnesota Math Corps, a strategic initiative of ServeMinnesota, schools can help these struggling students beat the odds. Math Corps tutors meet with students an average of 90 minutes per week to deliver research-based math interventions, address specific learning gaps of each individual student, assess progress and share data with classroom teachers.

“Our Minnesota Math Corps tutors have been a tremendous asset; they really make a difference in the ability of students to comprehend math topics,” says Mike McCollor, principal of Washington Technology Magnet School in Saint Paul. “The result has been not only in math scores on standardized tests, but an increase in students’ confidence.”

At Washington, 97 percent of Math Corps participants increased by 13 points on their math assessments. “The national average is just over four points,” says Thomas Koreltz, math teacher and Math Corps site supervisor. “In my 19 years of teaching, I’m not aware of any other program that can make that progress.”

Students fall behind in math for a variety of reasons. But by combining strong classroom teaching with the extra practice, attention and discipline of consistent Math Corps tutoring, all students can make meaningful gains and become proficient in math. “If you want to help kids do great things, Math Corps is a very fulfilling role,” says Jeff Rush, one of four Math Corps tutors at Washington.

One of Jeff’s 7th grade Math Corps participants, Vichai, increased his math assessment by 22 points between fall and winter. “He’s reached that tipping point where he now sees what he can do,” says Jeff. “He’s taken off in this program.”

But it’s not just about solving equations. Success in math during middle school years is a critical contributor to long-term academic achievement. “The work I do is not only helping students improve math scores and math skills, which alone is really important, but it’s making them more confident in their ability to succeed. That makes an impact on the success of their lives,” says Jeff. “You can see the confidence growing in every session.”



“These kids are really proud of the gains they are making and it’s fulfilling to see them grow. They’re going to do great things in the future.”

– Jeff Rush
AmeriCorps Member
Minnesota Math Corps

Setting the Stage: A Healthy Start Through Early Learning

Learning Early Achieves Potential (LEAP)

Four-year old Ashley peers out the window of her Head Start class in Saint Peter, Minnesota. As the class meteorologist for the day, it's Ashley's job to deliver the weather report to her peers.

Ashley is just one of nearly 300 at-risk children who are served through Learning Early Achieves Potential (LEAP), an AmeriCorps program that focuses on helping children learn the developmental skills necessary for school and life success. Research shows that social-emotional skills, such as the ability to work cooperatively and resolve conflicts with peers, are core characteristics of successful students and, ultimately, a strong workforce.

AmeriCorps member Kevin Dumke is focused on helping children interact with other kids in a healthy manner through a series of research-based techniques. As children acquire strategies to calm themselves when they feel frustrated or angry and start solving issues on their own, they can direct their attention to learning. "I'm here with my kids everyday, eight hours a day," says Kevin. "We're making an impact on their lives. You see how much they progress and how they now come to school excited about learning."

Children are not equipped to deal with the very grown-up realities of poverty, substance abuse and homelessness, yet in many cases they have to. LEAP ensures that children have access to high quality early learning experiences both at home and in community-based settings, through a range of parent education, family support, early care and education, preschool, and intervention services.

"Supportive relationships like the ones LEAP members provide as well as enriching environments promote healthy brain growth—the foundation of child development," says Stephanie Hulscher, a mental health advisor with Minnesota Valley Action Council's Head Start program and Kevin's supervisor. "Through our program, we're giving kids a place to grow and develop the critical skills they need in order to be successful in life."

The program also provides parents with resources to create a more positive home environment and reinforce strategies taught in the classroom. Members share information on everything from reading tips to the importance of sleep, nutrition and outdoor play for their child's well-being.

"This has been completely life-changing," says Kevin. "I get to serve a community that needs extra help and is very willing to make sure their kids have all the opportunities they deserve."

"Even though I might not get to see these kids 15 years down the road, I get to see the daily progress. They're learning, growing and dealing with issues that are in their lives," he continues. "I know these kids are going to be able to avoid the pitfalls that come from high-risk backgrounds."

Stephanie Hulscher
Minnesota Valley Action Council





Behind from the Beginning

Social-emotional development in children from birth to five years of age is defined as the child's ability to express and regulate emotions, form close and secure relationships and explore environments and learn.

According to the Minnesota Department of Education's 2009 Minnesota School Readiness study, 47 percent of sampled children are not proficient in the social-emotional skills needed for kindergarten.

In the 20 southern Minnesota counties served by the AmeriCorps LEAP Initiative, nearly 15,000 children will experience social-emotional deficits when they reach kindergarten.

"This has been completely life-changing, I get to serve a community that needs extra help and is very willing to make sure their kids have all the opportunities they deserve."

— Kevin Dumke, AmeriCorps Member
LEAP, Saint Peter





*"Kids were shy at first,
but now they can see
their grades improve.
It's really paying off!"*

– Dana Riles
AmeriCorps Member
Minnesota Alliance
With Youth Promise Fellows



*"Anything we can offer students as an
intervention to close that achievement gap
is a resource we have to utilize. Being able
to focus on a group of students and make
a great improvement in a small amount of
time—it's been very valuable!"*

– Denise Clairmont, Principal
Morgan Park Middle School, Duluth



The ABCs of Student Success

- Attendance
- Behavior
- Core Subject Competence
(Reading and Math)

*The Morgan Park Student Success Team reviews weekly progress (top).
Promise Fellows Dana Riles and Morley Spencer (bottom).*

Raising Expectations: Getting At-Risk Students Back On Track

Minnesota Alliance With Youth Promise Fellows

Through the years, some things never change: Middle school can be a tumultuous transition from elementary to high school. Children who might not have struggled in early grades can begin to show warning signs of academic failure: disciplinary issues, slipping grades and absenteeism. These factors contribute to Minnesota's dubious distinction of having the largest achievement gap in the country and a growing drop-out rate.

Promise Fellows, a statewide AmeriCorps program, focuses on reaching at-risk students early at schools with the highest dropout rates in Minnesota. Children are identified for the program based on their ABCs: **A**ttendance, **B**ehavior and **C**ompetence in core subjects.

At Morgan Park Middle School in Duluth, Promise Fellows work in concert with school staff to identify and work with children who need extra assistance. "These children are not choosing to fail, they're choosing to survive," says Deb DeVaney, teacher and AmeriCorps supervisor. "Our Promise Fellows are here every day and our teachers rely on them to be part of the team and part of the solution with the child and the parents."

Because of budget cuts and a tightening economy, class sizes are expanding. As a result, students who don't qualify for special services may not get the help they need. "These are the ones that fall through the cracks," says Deb. "They need consistent help and if they don't always have it at home, they need it here."

Before becoming a Promise Fellow, Dana Riles worked at the Duluth Boys and Girls Club and saw AmeriCorps in action. "I kept seeing the members doing so much all the time. I wanted to know what they were doing and wanted to part of it."

She talks about the connections she's building with her students, all who were failing at the beginning of the school year. "Kids were shy at first, but now they can see their grades improve," she says. "It's really paying off!"

Dana and her teammate, Morley Spencer, work with students in several ways. They are in the classroom, they work one-on-one with students and they tutor in after-school programming. Then with a group of faculty members, called the Student Success Team, they review data on each student and determine the appropriate strategies to help them progress. Promise Fellows monitor attendance, behavior and academics—making sure that their students stay on track.

"Middle school is not fun for a lot of kids. But these kids are seeing how a positive, strong adult in their lives can make a difference," Morley says. "Grades have improved, and attitudes have REALLY improved. They want to be successful and we see it happening every day."

Deb agrees. The potential exists in these students—it just has to be tapped. "You don't get a candy bar when you're successful here," Deb declares. "We give them something far more important—skills that will last their entire lives."

Statement of Financial Position

August 31, 2011 and 2010

Major Program Expenses

| | |
|-------------------------|--------------|
| Minnesota Reading Corps | \$10,225,953 |
| AmeriCorps Programs | \$ 6,678,385 |
| Minnesota Math Corps | \$ 1,070,185 |

"AmeriCorps matters because it fills a need that the community has. It gives back—not only to the people you serve—but also to yourself."

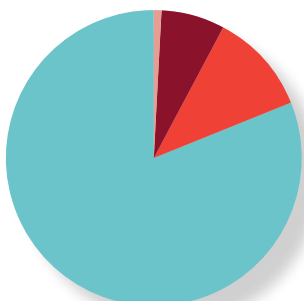
— Anna Frey
AmeriCorps Member
Minnesota Reading Corps



ServeMinnesota's IRS Form 990 is available on request or on our website: serveminnesota.org.

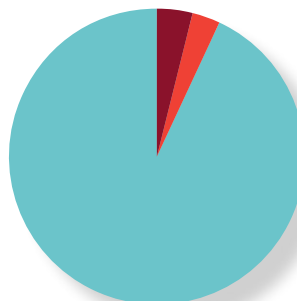
| | 2011 | 2010 |
|---|--------------------|--------------------|
| Assets | | |
| Current Assets | | |
| Cash & Cash Equivalents | \$836,063 | \$841,260 |
| Grants Receivable | \$1,636,855 | \$1,329,034 |
| Pledges Receivable | \$839,166 | \$749,266 |
| Prepaid Expenses | \$17,786 | \$12,848 |
| Total Current Assets | \$3,329,870 | \$2,932,408 |
| Non-Current Assets | | |
| Equipment – Net | \$3,225 | \$7,294 |
| Security Deposit | \$3,798 | \$3,798 |
| Total Assets | \$3,336,893 | \$2,943,500 |
| Liabilities & Fund Balance | | |
| Current Liabilities | | |
| Accounts Payable | \$75,445 | \$67,205 |
| Grants Payable | \$1,521,893 | 1,206,583 |
| Total Current Liabilities | \$1,597,338 | \$1,273,788 |
| Net Assets: | | |
| Unrestricted: | | |
| Designated | \$150,000 | \$150,000 |
| Undesignated | \$127,764 | \$146,516 |
| Total Unrestricted | \$277,764 | \$296,516 |
| Temporarily Restricted | \$1,461,791 | \$1,373,196 |
| Total Net Assets | \$1,739,555 | \$1,669,712 |
| Total Liabilities and Net Assets | \$3,336,893 | \$2,943,500 |

REVENUE



| | | |
|--------------|-------------|----------------------|
| Interest | 1% | \$ 2,340 |
| Private | 7% | \$ 1,369,096 |
| State | 11% | \$ 2,215,052 |
| Federal | 81% | \$ 15,441,958 |
| Total | 100% | \$ 19,028,446 |

EXPENSES



| | | |
|------------------|-------------|----------------------|
| Program Support | 4% | \$ 783,219 |
| Support Services | 3% | \$ 529,626 |
| Grants | 92% | \$ 17,645,758 |
| Total | 100% | \$ 18,958,603 |

Community Support

INDIVIDUAL DONORS

William Arendt & Mary Wells
Colleen Arendt & Joseph Masciopinto
Kevin Arendt
Dean Barton
Jennifer Bellmont
Mary Brozic
Dick and Joyce H. McFarland Family
Fund of the Minneapolis Foundation
Robin Diedrich
Keith Dixon
Michael Eide & Mary Arendt
L. Peter Erickson
Christine Fankhanel
Scott & Meagan Galbari
Robert Gotwalt, Jr.
Pamela Harris
Stephanie Hart
Tom Horner
Mary Ellen Isaacs
Janet Johnson
Kate Kelly
Lynn Lewis
Carol McFarlane
David Metzen
Sakawdin Mohamed
Sadie O'Connor
Anna Peters
Kera Peterson
Nathan Prouty
Megan Remark
Jason Ripple
Amanda Rohde
Joyce Rudningen
Robert Rumpza
Judith Russell
Kathy Saltzman
Martha Jones Sichko
Audrey Suker
Deborah van den Honert
Daniel Watje
Bob Wedl
Christine Wiegert
Lisa Winkler
Michael Zuniga
5 Anonymous Donors

CORPORATE AND FOUNDATION DONORS

Ameriprise
Blandin Foundation
Boston Scientific Foundation
Cargill
Cargill Foundation
Carolyn Foundation
Cub Community Cares Foundation
F. R. Bigelow Foundation
Greater Twin Cities United Way
Health Partners
Horizon Milling
Lloyd K. Johnson Foundation
Mardag Foundation
The McKnight Foundation
Minnesota Bank & Trust
Morgan Stanley
Otto Bremer Foundation
Sheltering Arms
Target Corporation
The 12 Foundation
The Whitney Foundation

*"It feels good to make a
difference. I know that someone
is better off after I helped them
than they were before."*

— MILES JOHNSON
AmeriCorps Member
Community Technology
Empowerment Project



Board Members

William Arendt
Dave Beal
Bradley Bourn
Brenda Cassellius
Jennifer DeJournett
Keith Dixon
Corey Elmer
Jayme Fanucci
Robert Gotwalt, Jr.
Pamela Harris
Thomas Horner
Martha Jones Sichko
Kate Kelly, Board Chair
Rep. Andrea Kieffer
Cal Larson
David Metzen
Sakawdin Mohamed
Kera Peterson
Nathan Prouty
Megan Remark
Robert Rumpza
Judith Russell
Rep. Bev Scalze
Sam Schuth
Christine Wiegert

Staff Members

Karin Abel – Vice President,
Development and Program Innovation
Marc Hosmer – Program Officer
Janet Johnson – Vice President, Operations
Lynn Lewis – Accountant/Grants Officer
Sadie O'Connor – Vice President,
Reading Corps National Replication
Stacey Scherschligt – Senior Program Officer
Brenda Squiers – Executive Associate
Audrey Suker – Chief Executive Officer
Lisa Winkler – Vice President, Marketing
and Communications
Michael Zuniga – Administrative Coordinator
As of March 1, 2012

VISION

Inspiring action to change Minnesota communities for the better.

MISSION

ServeMinnesota is a catalyst for positive social change, working with AmeriCorps and community partners to meet critical needs in Minnesota.

We get measurable results through:

Innovation

Researching and applying the best methods to create powerful local solutions.

Investment

Raising and allocating funds for AmeriCorps program development, and people serving in those programs, to maximize return.

Alignment

Aligning with local community and government priorities and setting consistent program standards to ensure measurable results.

*"I will get things done for America—
to make our people safer,
smarter and healthier.*

*I will bring Americans together
to strengthen our communities.*

*Faced with apathy,
I will take action.*

*Faced with conflict,
I will seek common ground.*

*Faced with adversity,
I will persevere.*

*I will carry this commitment
with me this year and beyond.*

*I am an AmeriCorps member,
and I will get things done."*

—AmeriCorps Pledge

