

Program Review

How has FareStart been impacted by the recent economic downturn? Are we in a position to handle a greater demand for our services alongside presumably lower revenue?

What are FareStart's goals for 2009 and how has the economic downturn affected those goals?

Our plans for the next 5 years

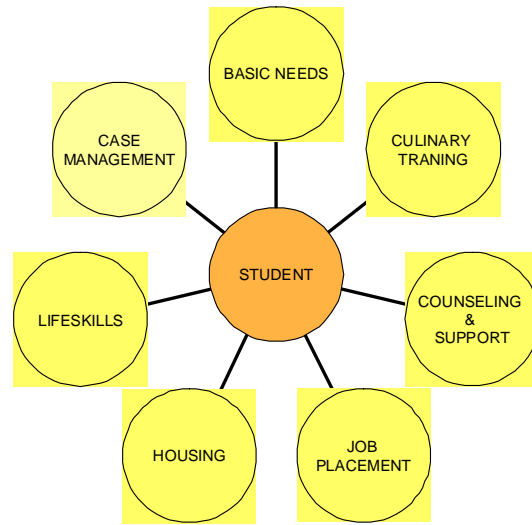
Any questions you have about FareStart's goals in 2009 and our plans for the future.



# ADULT PROGRAM REVIEW

PHASE I	PHASE II	PHASE III
CONTRACT KITCHEN -----	RETAIL KITCHEN -----	RETAIL KITCHEN & CAFES -----
SHELTER & CHILD CARE MEALS	COMMISSARY & CATERING	RESTAURANT & CAFES

- HOUSING
- CASE MANAGEMENT
- CLASSROOM
- COUNSELING & SUPPORT



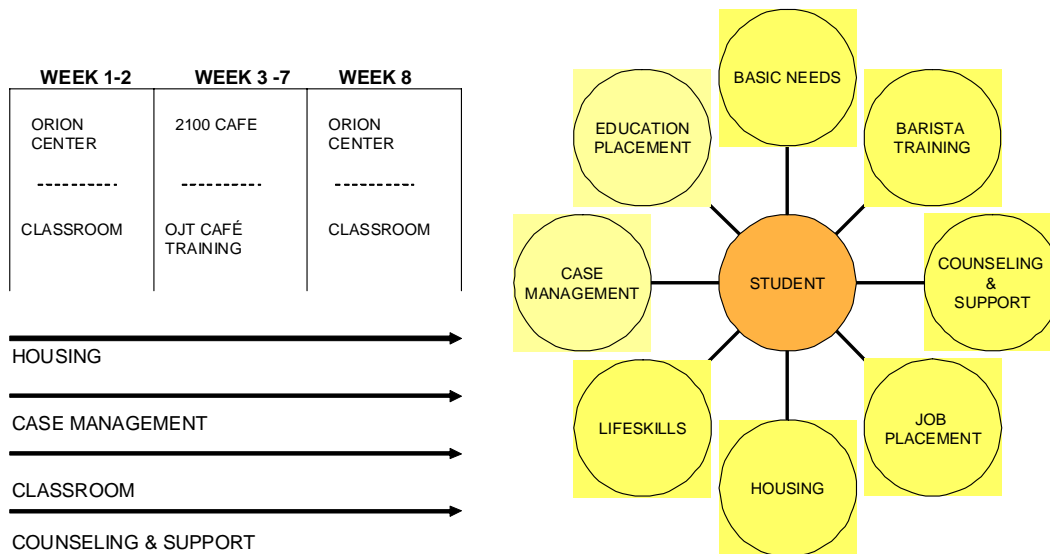
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The goal of the adult program is to provide a way out of homelessness.

Services other than the culinary training are most important in preparing our students to move toward self sufficiency.



# YOUTH PROGRAM REVIEW



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FareStart partners with Youth Care for this program.

FareStart provides all of the classroom and on-the-job training, including Life Skills; Youth Care provides the other services.

The Barista Training and Education Program serves youth from ages 15-21, the average age is 16.

- Increased need for services/training.
- Increased need for shelter meals.
- Increased need for housing
- Increased need for graduate support services.
- Job Placement is more difficult.



Hospitality Partners are challenged.

Non Profit Partners are challenged.

Govt. Partners are challenged.

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Our weekly intake has been affected by larger numbers of applicants. 20% of case managers' time is taken up by intake – filtering potential students from folks who are just looking for services (primarily housing). When an applicant is ineligible, or unable to commit to, the program we connect them with other service providers.

To address our increased needs for graduate support services and job placement, we have shifted our resources – dedicating more time to job development and placement.

Funds are being cut from our government and non-profit partners, limiting the services they are able to provide to our students - services such as housing, mental health support, chemical dependency support, and government assistance programs. High end restaurants are significantly challenged – limiting their ability to hire grads and participate in our events.

**Question:** In general, how long does it take to place grads?

**Answer:** 30-90 days. Our placement rate has been as high as 95% and averages just over 80%. Though the first quarter generally trends low, we have seen, in 2009 so far, placement dip below 80%.

**Question:** Are graduates who continue receiving support services past 90 days “taking” jobs from the graduates who follow?

**Answer:** Not necessarily. Matching grads up with the best job to fit their needs/challenges is the focus. This helps them **stay** employed. This matchmaking process can take longer for some students. It does increase costs and stretches resources to support grads for longer.

**Question:** Does FareStart pay for services provided by non-profit partners?

**Answer:** We pay for some of those services, with housing being the biggest cost.

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CONTINUE TO MEET THE PROMISE – If ever there is a time we are needed, it is NOW.

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We are prepared.

Because of the investments you made in FareStart, not only were we able to increase enrollment last year by 50%, but we were able to end the year in a good financial position.

For each of the past 3 years we've seen 30% growth, this year we have projected 3% growth. At the end of the first quarter we are ahead of budget.

We have always been conservative in both our spending & monitoring. Just like every company, we have implemented cost savings plans. They include postponing staff raises, delaying hiring, creating more efficient mechanisms to focus on what is most important – serving our student population.

Our plan for 2009 – is NOT to get in a bunker.



### LOCAL –

Meet the Promise to our community

Measure Long Term Impact.

Design & Implement Programs for greater long term impact.

### NATIONAL –

Building on the Kitchens with Mission Pilot program, create a National Federated Program of FareStart Affiliates.

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Since moving into our new building in early 2007, FareStart adopted the motto: “Meeting the Promise.” When campaigning for support to build this new and expanded facility, FareStart promised to double its impact on the community over the following five years. We are well on our way to exceeding our goal of doubling the number of students we serve by 2010 – one year ahead of schedule.

Tracking graduates beyond 90 days has proven to be a major challenge. Our newly approved strategic plan includes exploring and implementing measures to meet this challenge.

Kitchens with Mission started 4 years ago providing consulting services for organizations that want to replicate the FareStart model.

**Question:** How is KWM funded?

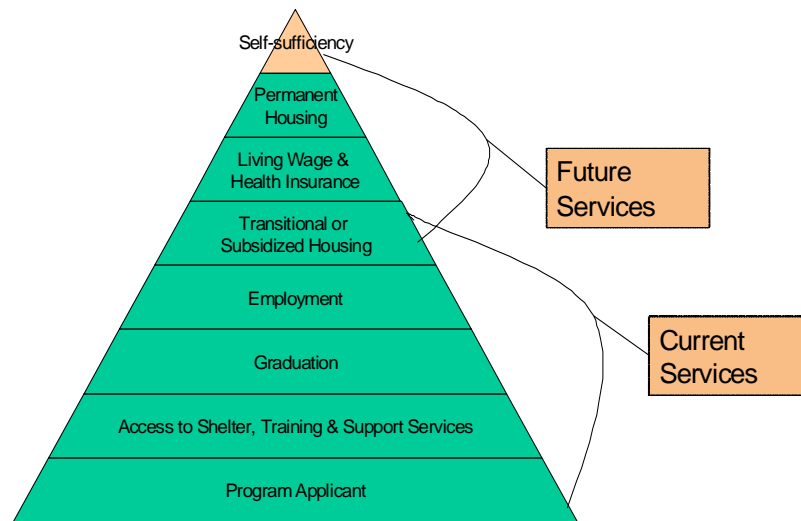
**Answer:** It is a self-generating financial model similar to FareStart’s. We collect consulting fees and are subsidized by foundations.

**Question:** How are you currently keeping grads engaged?

**Answer:** Job club, weekly graduate lunch, AA meeting on site, monthly community dinner, counseling services.



## LOCAL EXPANSION – 5 YEAR DIRECTION



### Conclusion and Decisions:

- Design and implement a multi-year impact evaluation to better measure and understand the impact of FareStart services on students' lives - post graduation.
- Design & Begin programs that move FareStart students closer to Self Sufficiency.

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**Question:** Are there service providers already doing the things at the top of the pyramid?

**Answer:** Yes, many of our partners are. The pyramid is about making our partnerships intentional and purposeful.

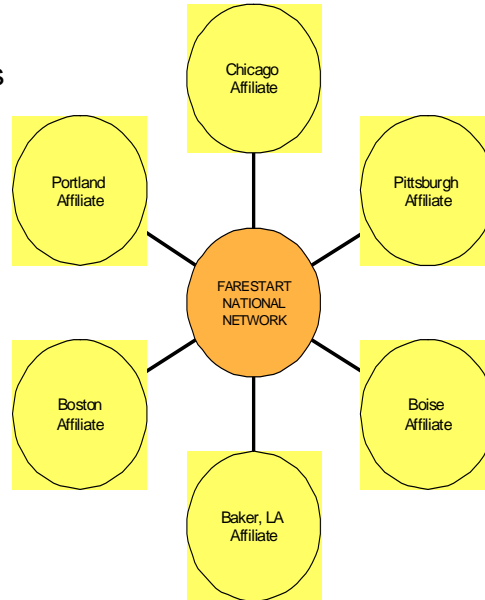


## NATIONAL EXPANSION – 5 YEAR DIRECTION

**GOAL:** Create a National Network of FareStart Affiliates impacting 6000 lives and providing 6 million meals to people in need.

The Network will provide:

- Staff training and curriculum support
- Shared Best Practices
- Shared Outcome Measurement
- Business Consultation & Support
- National Contracts that leverage the larger scale created by all partners (equipment, food vendors, services, sponsorship)



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We currently work with over 20 cities.

**Five years from now, FareStart is a leader in ending homelessness.**

**Locally**, we are recognized as a leading social enterprise organization:

We graduate 300+ students per year.

We understand our impact on those we serve.

We realize our broader Social Return on Investment (SROI).

We are a learning organization, with the infrastructure and culture in place to incorporate knowledge from our evaluation into service and program which will benefit our students and increase our SROI.

**Nationally**, we have built a collaborative network of communities helping to end homelessness:

We are helping build and operate strong, successful, enduring programs by providing startup and consulting services.

We have fostered a vibrant knowledge sharing culture among these communities resulting in more people being served in better ways.

## Q& A

**Q:** Has FareStart considered training in another industry?

**A:** Yes, but we have chosen not to. Using Jim Collins' model from his book, *Good to Great*, we have decided to focus on:

- What are we good at? The social enterprise model
- What is our passion? Transforming Lives
- What drives our resources? Creating community and food is the key

Furthermore the food service industry is a forgiving industry, which is useful when it comes to placing graduates who have criminal records. It is a turnover industry, which makes it is easier to find jobs.

**Q:** Are grads staying in food service?

**A:** Some are, but many use the industry as a stepping stone to first get back on their feet before pursuing other career paths. The counseling and support services we offer go beyond food service.

**Q:** Has FareStart considered becoming an employer of its own graduates?

**A:** Yes, but we have yet to come up with any solid plans. We would likely start with an internship program.

**Q:** Is a 50% graduation rate good enough?

**A:** Obviously there is a lot of room for improvement. However it is important to note that even those who do not complete the program still benefit from our services, some folks leave the program early because they find employment. We compare ourselves to ourselves – are we strong? Are we improving?

**Q:** What do you want us to do?

**A:** Stay involved, continue to patronize our businesses, share our mission with others, ask questions, and raise concerns.