Donors Forum is the premier resource for networking and education, information and knowledge, and leadership and advocacy on behalf of philanthropy and non-profits in Illinois.
Member Benefits and Services

Opportunity to help build a vibrant ecosystem
Access to latest research
Facilitation for Member Networks
Leadership/professional development
Cross-sector networks
Peer exchanges
Formal education and training
Technical assistance
Information services
Discounts

Other possible services:
- Innovation hub ("1871 for social sector")
- Landscape scan
- Talent recruitment
- Board development
- Access to capital
- Project management
- Cross-sector collaborative
- Funder collaborative
- Fiscal sponsorship

Serving Members’ Needs at All Stages of Development
The Good
Greyston Bakery
Great Desserts by Great People
doing Great Deeds

Yonkers, NY
Pressure Washing

Graffiti Removal

Snow Removal

Landscaping

Litter Abatement & Recycling
Service Delivery Model

**OBJECTIVE**

- Recruit Motivated Individuals
- Develop Sustainable Life and Career Skills Through Intensive, Customized Training and Internship Opportunities
- Create Real Opportunities Through Quality Employment
- Sustain Real and Lasting Success

**PROGRAM ELEMENT**

- Referral & Admissions
- Clean slate
- Other Internships
- Life & Career Skills Development
- Quality Job Placement with Advancement Opportunities
- Retention & Stability Support

**DETAIL**

- **Student Demographics**
  - 56% are women
  - 73% have a high school diploma / GED
  - 44% have a prior conviction
  - Average age: 40
- **Referrals**
  - Over 100 community partners
- **Admissions Candidates must:**
  - Be motivated
  - Complete a phone screening
  - Attend a one-on-one interview
  - Pass a drug test
  - Remain clean and sober
- **Integrated Life and Career Skills Training**
  - Prepares students for lives of personal and professional success
  - Lessons include:
    - TCP’s Five Transformations - Change Your Behavior, Look with New Eyes, Think Outside the Box, Don’t Relax, Know the Deepest Truth of Who You Are
    - Team Building, Conflict Management, Professionalism and Customer Satisfaction
    - Resume Building, Interview Techniques, and Professional Networking
    - Financial Literacy and Budget Planning
    - On the Job Professional Development, Building Leaders and Skill Matching
- **Internship opportunities include:**
  - Clean slate, The Cara Program’s social enterprise, and various corporate internships
  - Students are considered “job ready” when they have (with the aid of staff):
    - Had a sample application and resume approved
    - Secured stable housing and childcare
    - Prepared an interview prep folder, completed interview class and class homework
    - Achieved a satisfactory score in mock interviews
    - Obtained appropriate documentation of education, background, and medical conditions, as applicable
    - Consistently adhered to The Cara Program’s dress code policy
    - Demonstrated adequate skills in conflict management, time management, team building, professionalism, and communicationism
- **2009 Employment Facts**
  - $5.2M = Total annualized earnings of employed students
  - $782K = Paid in tax contributions

**OUTCOMES**

- Admit 542 motivated candidates, with 461 to attend first day of training in 2010.
- Prepare at least 311 students to be “job ready” in 2010.
- Place 280 students into quality, permanent jobs in 2010.
- Achieve a one year job retention rate of 70% in 2010.

**Aggressive Outreach to Encourage Retention**
- Regular meetings and phone calls to check on students’ status and progress
- Coordination with students’ supervisors
- On-going attention to goals in Comprehensive Advancement Plan, including housing stability, education, debt repayment
- Matched savings program, with a 5:1 match
- Rental assistance and emergency utility payments
Performance Update
PY13 Results as of June 30, 2013

Performance Indicators

- **300** Permanent Job Placements
- **276** Transitional Job Placements
- **70%** Remain Employed in Initial Placement for At Least One Year
- **1,388** Tons of Waste Collected (including 296 Tons of Recycling)
- **630** Acres Mowed

Successful First Year of Strategic Plan

In July of 2012, The Cara Program began a new fiscal year (FY2013), and kicked off year one of a bold strategic plan to create or secure 3,500 jobs over five years. To put this into context, The Cara Program created or secured the same number of jobs (transitional and permanent) in just over a decade. The goal in year one of the plan was to secure at least 455 permanent and transitional jobs for TLP "students" (program participants – adults affected by homelessness and poverty). In addition, The Cara Program launched a $5 million campaign to fund this growth.

In year one, a great success. In total, The Cara Program created (through social enterprises) or secured 576 jobs – 390 permanent and 186 transitional – eclipsing the goal of 455. In addition, thanks to generous supporters and an active Revenue Development Committee, we raised more than $2.5 million of our $5 million fundraising goal. We are thrilled with this outcome and thank our entire community of supporters – volunteers, donors, employment partners – who made these incredible outcomes possible. We look forward to topping 600 jobs in FY14!

Mission Statement

The Cara Program prepares and inspires motivated individuals to break the cycle of homelessness and poverty, transform their lives, strengthen our communities, and forge paths to real and lasting success.

Comparative Indicators

- **50%** One-Year Job Retention
- **70%** Wage
- **$8.25** Average Wage Earned Cara Students
- **$10.79** Average Wage Earned Cara Students
- **$629** Average Savings
- **$199** Average Savings

Employment & Industries

### Top Employers

<table>
<thead>
<tr>
<th>Employer</th>
<th>Placements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chicago Transit Authority</td>
<td>49</td>
</tr>
<tr>
<td>University of Chicago Medicine</td>
<td>19</td>
</tr>
<tr>
<td>Walmart</td>
<td>15</td>
</tr>
<tr>
<td>Engineered Glass Products</td>
<td>13</td>
</tr>
<tr>
<td>AEP Industries</td>
<td>8</td>
</tr>
<tr>
<td>River Casino</td>
<td>8</td>
</tr>
<tr>
<td>Sodexo</td>
<td>8</td>
</tr>
<tr>
<td>Terrace Paper Company</td>
<td>8</td>
</tr>
<tr>
<td>The Habitat Company</td>
<td>8</td>
</tr>
<tr>
<td>TBI Properties</td>
<td>6</td>
</tr>
<tr>
<td>Gate Gourmet</td>
<td>6</td>
</tr>
</tbody>
</table>

### Employment Facts

- **For all Cara Students placed into permanent jobs in FY13**
  - Fact: Cumulative Hours Worked: 506,166
  - Fact: Annualized Earnings: $6,317,287
  - Fact: Annualized Tax Contributions: $947,563
- **For all Cara Students placed into transitional jobs in FY13**
  - Fact: Cumulative Hours Worked: 307,190
  - Fact: Annualized Earnings: $2,725,211
  - Fact: Annualized Tax Contributions: $206,518

### Industries Hiring Students

<table>
<thead>
<tr>
<th>Industry</th>
<th>Avg. Wage</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transportation</td>
<td>$9.93</td>
<td>18%</td>
</tr>
<tr>
<td>Healthcare</td>
<td>$13.58</td>
<td>14%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>$10.12</td>
<td>12%</td>
</tr>
<tr>
<td>Facilities Management</td>
<td>$12.16</td>
<td>8%</td>
</tr>
<tr>
<td>Retail</td>
<td>$9.26</td>
<td>8%</td>
</tr>
<tr>
<td>Food Service</td>
<td>$9.73</td>
<td>8%</td>
</tr>
<tr>
<td>Staffing</td>
<td>$10.12</td>
<td>7%</td>
</tr>
<tr>
<td>Non-Profit</td>
<td>$11.81</td>
<td>6%</td>
</tr>
<tr>
<td>Hotels/Cruise</td>
<td>$11.10</td>
<td>4%</td>
</tr>
<tr>
<td>Financial Services</td>
<td>$11.39</td>
<td>3%</td>
</tr>
<tr>
<td>Entertainment/Gaming</td>
<td>$11.67</td>
<td>3%</td>
</tr>
<tr>
<td>Other: Service Providers</td>
<td>$12.43</td>
<td>9%</td>
</tr>
<tr>
<td>Other (Food, Healthcare, etc.)</td>
<td>$13.30</td>
<td>11%</td>
</tr>
</tbody>
</table>

- **At Admission**
  - 30% in Permanent Housing
- **At 12 Months**
  - 74% in Permanent Housing
## Social Return on Investment (SROI)

### Our Social Impact:
- **Annualized Contributions to Society**
  
  Income Taxes Paid, Social Security, Sales Tax Dollars Spent

  $1,193,140

- **Annualized Savings to Society**
  
  Temporary Assistance for Needy Families, Food Stamps, Unemployment, Health Care, Substance Abuse Treatment, Housing, Recidivism and Rearrest for Prison and Jail, Children Returned though the Department of Children and Family Services, Medicaid

  + $4,023,673

**Total One-Year Social Impact**

$5,216,813

### Determining the Social Return on Investment:

- **Present Value of Social Investments (Over Five Years)**

  *Present Value* = ‘Total One-Year Social Impact’ x 5; then discounted based on 30-year treasury bond data, plus an additional 5% to acknowledge the risk inherent in this work.

  $20,934,326

- **The Cara Program’s One-Year Operating Cost**

  $4,166,508

**Social Return on Investment**

502.4%
Neighborhood beautification business founded in 2005

Originally created to provide transitional jobs for individuals with significant obstacles to employment, including recent incarceration

On-the-job training and work experience

Completely aligned with mission and program services

Required $200,000 of start-up capital

Generated $2.0 mio. of revenue in 2013, or 30% of TCP total revenue

Net profit of $16k in 2013 (including govt TJ grant)

Created 220 transitional jobs per year
The Bad
Property maintenance business started in 2009

Owned by two separate non-profits

Employed people with criminal backgrounds

Received $1.0 mil. in start-up capital

Received commitments from major banks as customers

Many of the ingredients for success, but then . . .
ABC Corporation

- Underestimated the challenges of the technology needed
- Was not prepared for difficult regulatory environment
- Relied on one customer - 80% of revenue
- Hired poor leadership
- Struggled under joint ownership structure
- Lost $500,000 in 2013
- Declared bankruptcy in 2014
The Ugly
• Health & beauty products business started in mid-1990’s
• Employed women struggling with domestic violence and poverty
• Produced high-quality products and established a strong market following
• Many of the ingredients for success, but then . . .
“XYZ Corporation”

- Became highly leveraged
- Never clarified the mission vs. margin
- Hired ineffective leaders
- Had a disengaged board
- Never considered viable exit strategies, such as merger
- Declared bankruptcy after 10 years in business
The Cool
What Have We Learned?

- Don’t underestimate the challenge of balancing mission and margin.
- Transitional jobs are challenging and don’t always contribute to profitability.
- Scale is important, particularly for businesses with high fixed costs and significant infrastructure needs.
- Expertise and direct experience are critical success factors for more “technical” social enterprises.
- Joint ventures can be tricky.
What Have We Learned (cont’)?

- Seek corporations as strategic partners, if possible.
- Create legal structure that protects the mission!
- An engaged board is critically important.
- Retail businesses are particularly challenging because of slim margins.
- Measuring impact is difficult, but increasingly important.
- Failure is part of the process – do you have the appetite and balance sheet for risk?
Does the social enterprise align with the Non-Profit’s:

• Mission?
• Programs?
• Capacity?
• Financial Goals?
• Culture?
Thank you!

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