

THE  
**FEDCAP**  
GROUP

The Power of Possible

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**FY 2019 YEAR-END FINANCIAL AND  
PROGRAMMATIC RESULTS**

# 2019 FISCAL AND PROGRAMMATIC PERFORMANCE ALIGNED WITH STRATEGIC OBJECTIVES

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ACHIEVED  
INDUSTRY-LEADING  
OUTCOMES FOR  
INDIVIDUALS WITH  
BARRIERS TO ECONOMIC  
WELL-BEING



SUSTAINED AND GREW  
OUR EXPERTISE IN CORE  
MARKETS



LEVERAGED  
SUCCESSFUL PROGRAMS  
IN NEW FORMATS AND  
NEW GEOGRAPHIES



UTILIZED TECHNOLOGY  
ACROSS PRACTICE  
AREAS TO ENGAGE  
POPULATIONS AND  
MEASURE RESULTS



SERVED AS A GROWTH  
PLATFORM FOR LIKE-  
MINDED  
ORGANIZATIONS WITH  
SYNERGISTIC MISSIONS

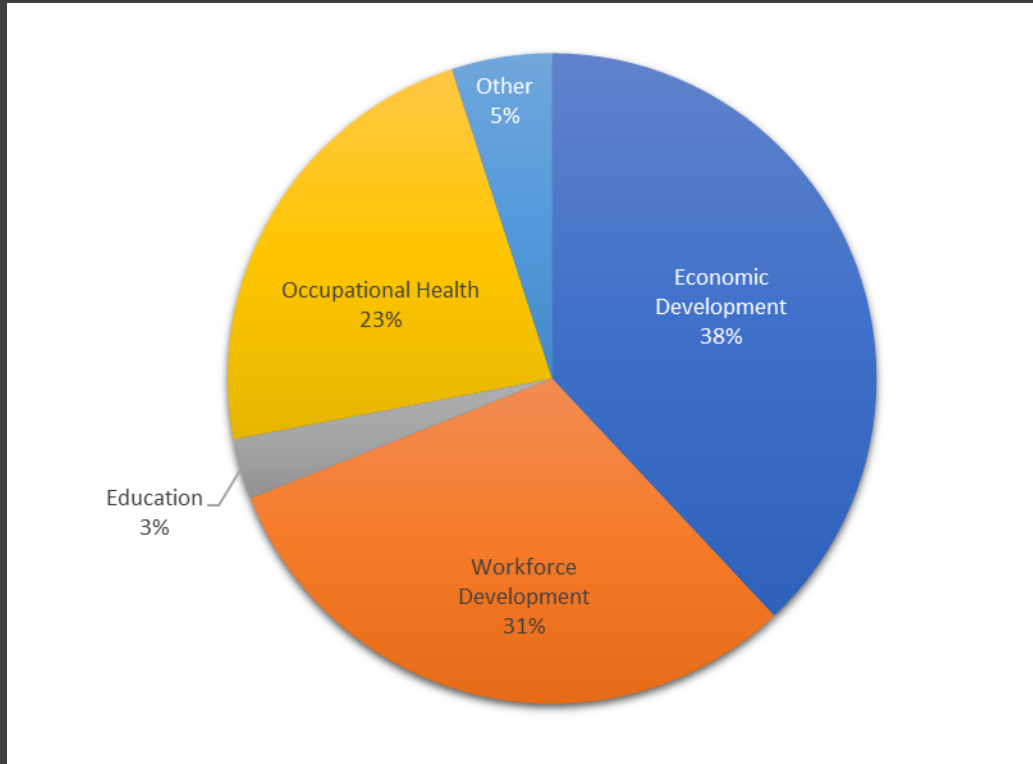
# THE FEDCAP GROUP



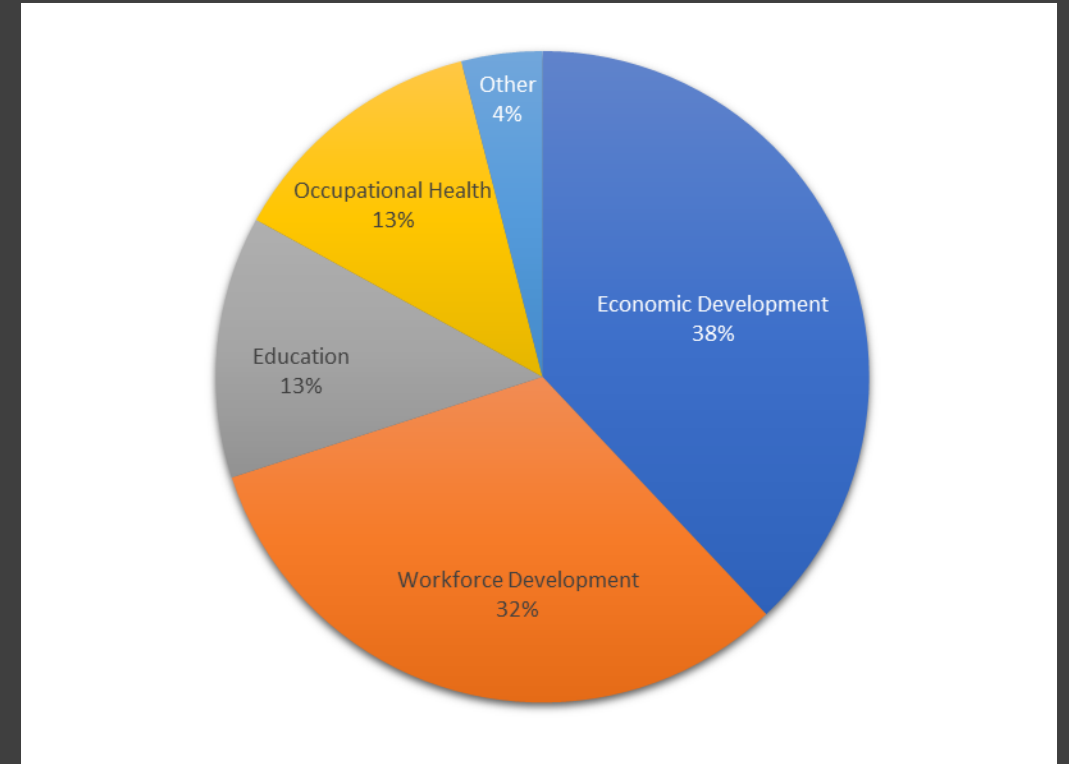
## OUR MISSION

THE FEDCAP GROUP IS COMMITTED TO IMPROVING THE LONG-TERM SOCIAL AND ECONOMIC WELL-BEING OF THE VULNERABLE AND DISADVANTAGED.

# MID-YEAR 2019



# YEAR-END 2019



## DIVERSIFIED BUSINESS MODEL

At Year End in FY 2019, Economic Development represented 38% of our total revenue, well-balanced by Workforce Development 32% and Education and Occupational Health each at 13%.

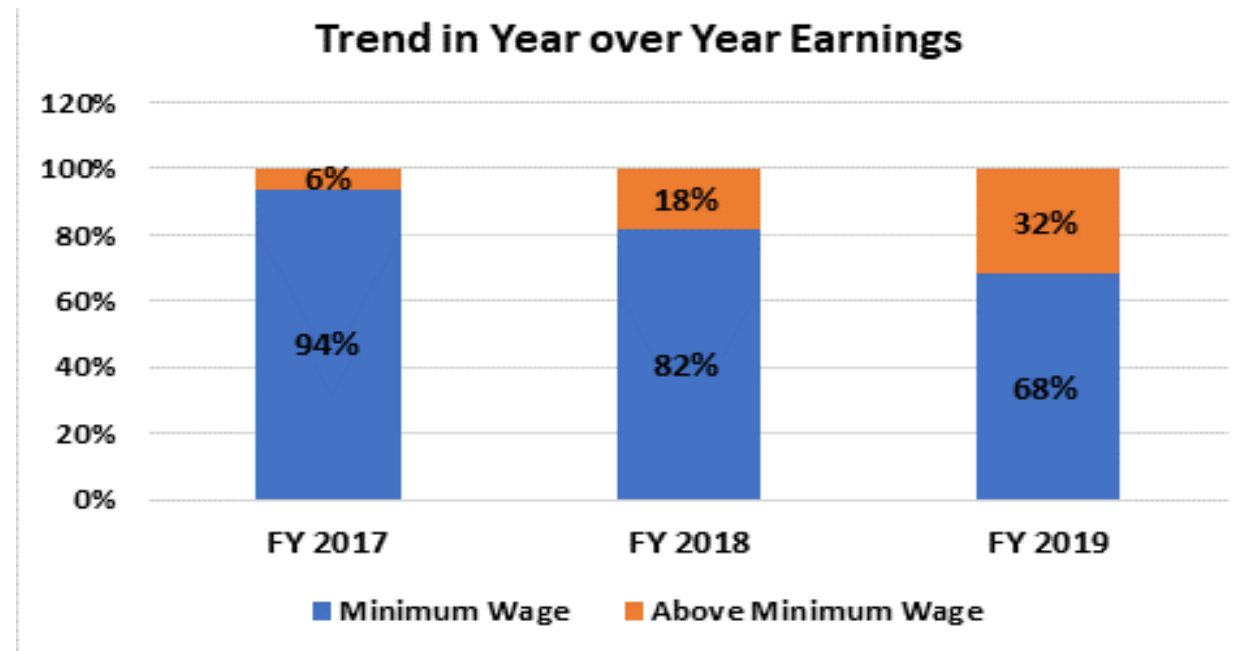
# FY 2019 HIGHLIGHTS

- **Provided Services To 245,000** Children, Youth And Adults
- Experienced International Growth and Expansion— serving 10,250 individuals abroad, well beyond year-one projections
- Dixon Center received a \$1M gift
- Dixon Center impacted the lives of over 25,000 veterans and their families
- The Fedcap Group launched new programs and services valued at \$42M—these included:
  - Fedcap Inc.—A \$6.1 million contract to provide technology services to WeCARE III NYC
  - Easterseals New York—added two additional pre-schools and acquired TOTS increasing capacity to serve 300 additional children—expanding our overall services to over 5,200 children
  - Fedcap U.K. –awarded \$12.9 million in annual contracts
- **Launched 5 Bold Goals for:** Youth transitioning from foster care, people with intellectual/developmental disabilities, the previously incarcerated, children ages 0-6 and individuals on public assistance.



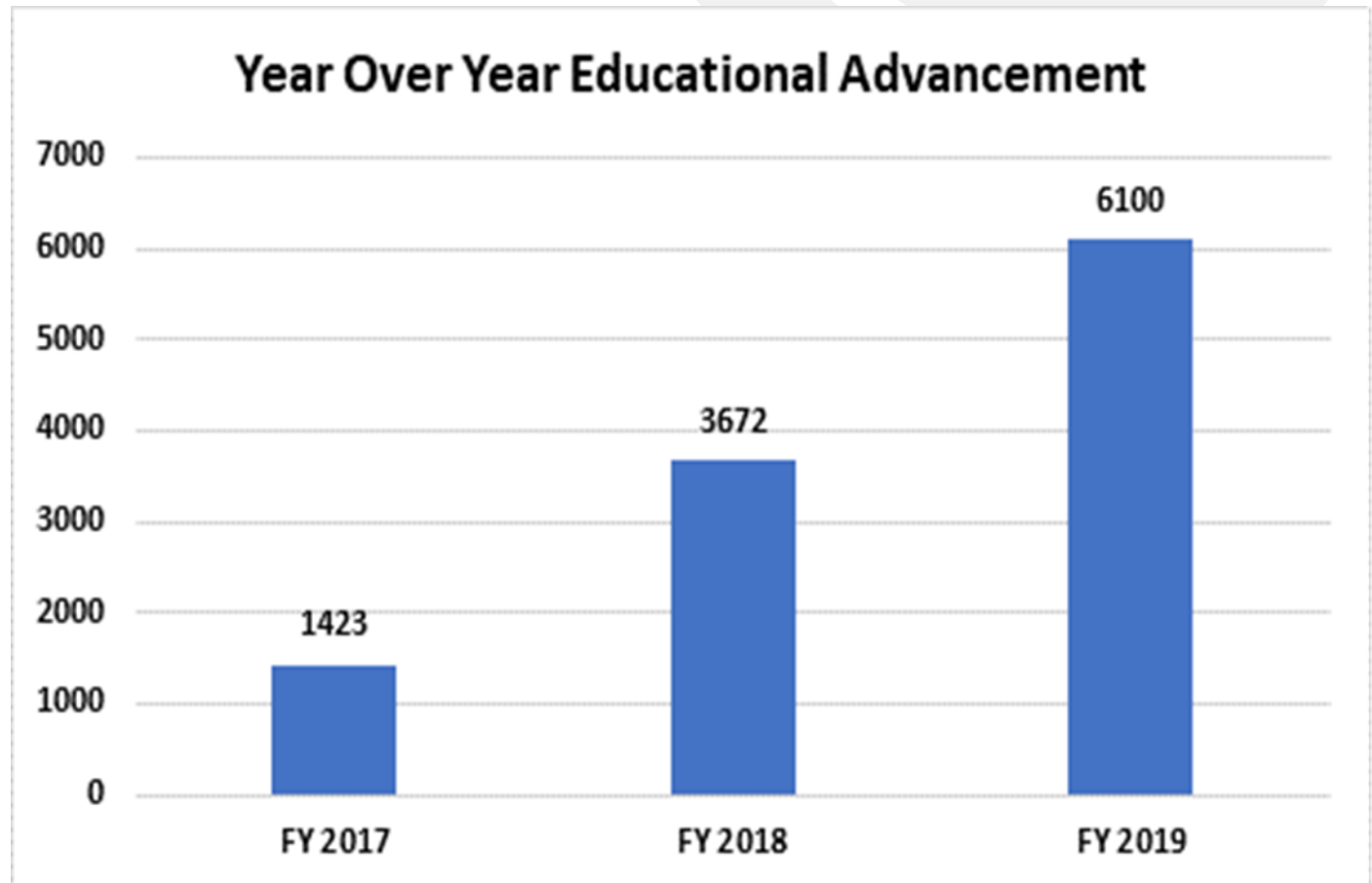
# EMPLOYMENT OF INDIVIDUALS WITH BARRIERS TO ECONOMIC WELL-BEING

- Placed **13,297** people with barriers to economic well-being in jobs –32% above minimum wage (comparable to FY 18)
- Employed **1,700** individuals with barriers in our own commercial businesses with contracts throughout the eastern seaboard. Average pay of \$33,700.00
- Helped **246** individuals with a criminal justice background find jobs.
- Helped **2,700** people with physical, intellectual and developmental disabilities find jobs.
- Assisted **1,300** chronically unemployed individuals struggling with mental health, physical disabilities or substance use disorder obtain stability and employment



# EDUCATIONAL ADVANCEMENT

In fiscal 2019 we assisted **6,100 individuals** achieve educational advancement such as become school ready, graduate from high school or achieve GED, or enter college.



# LEVERAGED TECHNOLOGY TO CREATE EFFICIENCIES AND EXPAND IMPACT

## Oracle Upgrades

- We went live with Oracle HCM Cloud for core Human Resource and Benefits administration, reducing time spent on documentation, allowing for more time to focus on consumer needs.

## Salesforce Upgrades

- Created an interconnected organization with full integration between systems, people, and processes
- Leveraged proactive marketing functionality to open new markets, increase revenue, and allow for predictable revenue forecasting





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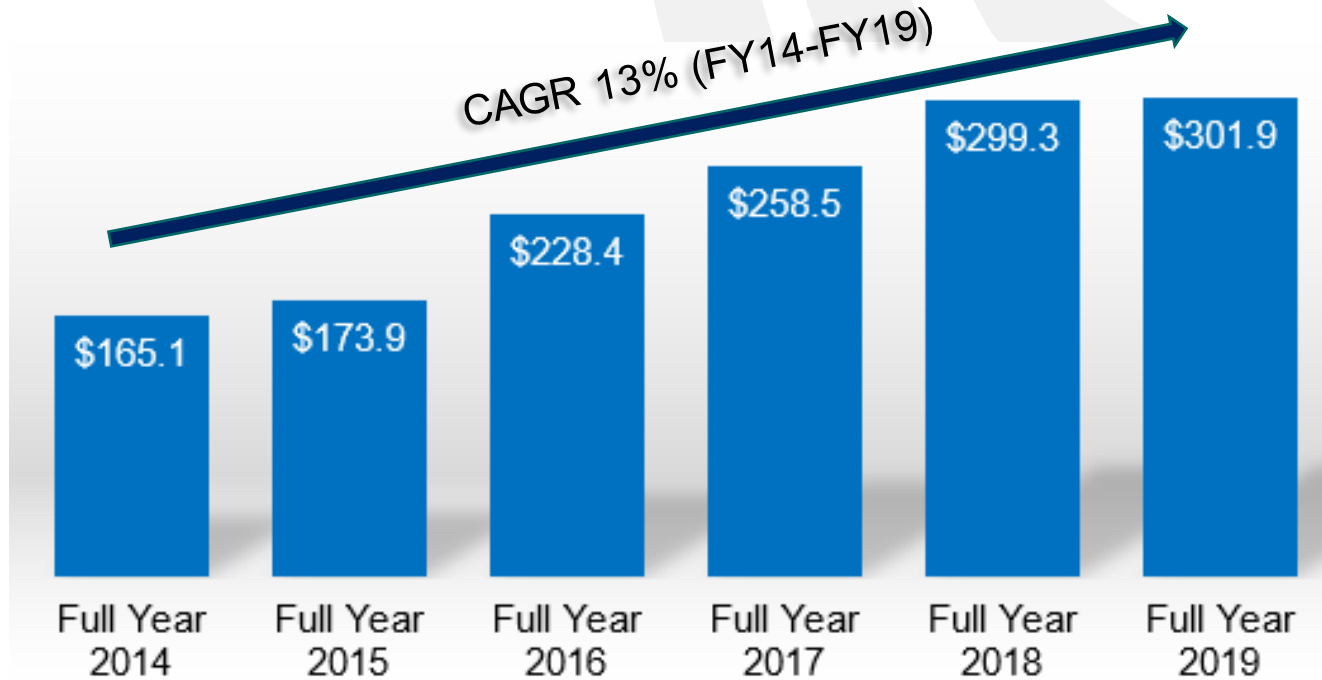
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**FINANCIAL  
RESULTS**

## CAPACITY TO SUPPORT GROWTH AND EXPANSION

### Full Year Revenue Growth: 2014-2019 (in Millions)



- Fedcap has achieved a 5-year compound annual growth rate of 13% from 2014 - 2019
- Full Year FY 2019 revenues of \$301.9MM are \$2.6MM greater than Full Year FY 2018
- Credit lines totaling \$28MM available for working capital needs
- FY 2019 Total Assets exceeded \$180MM with approximately 47% in Fixed Assets

# BALANCE SHEET HIGHLIGHTS

(\$MM)	Full Year 2014	Full Year 2015	Full Year 2016	Full Year 2017	Full Year 2018	Full Year 2019
Cash and Investments	\$23.6	\$29.1	\$28.3	\$29.1	\$29.0	\$19.1
Total Assets	\$111.5	\$142.5	\$142.5	\$155.6	\$172.0	\$180.5
Long-Term Debt	\$59.4	\$75.8	\$77.1	\$64.0	\$73.3	\$94.3
Net Assets	\$34.8	\$34.9	\$35.3	\$35.6	\$37.0	\$37.5

Long-Term Debt includes the following:

- FY 2019 – includes renewal, \$10MM increase of working capital line of credit to \$25MM, and a reclass from Short-Term Debt to Long-Term Debt.

# KEY FINANCIAL RATIOS

## Income Statement

- **Operating Margin: 0.16%**
- **Personnel Cost Ratio: 61%**
- **Program Expense Ratio: 88%**

## Balance Sheet

- **Debt Coverage Ratio: 1.2**
- **Current Ratio: 1.8**
- **Average DSOs: 72 Days**

# COMMITMENT TO SUSTAINABILITY, RELEVANCE AND IMPACT

## **Sustainability: A commitment to long term financial health.**

None of our work is possible if we don't remain financially healthy. Sustainability requires that we establish core indicators of corporate health, that we measure our performance against those indicators, and we build strategies and structures to ensure success.

Sustainability advances our ability to innovate and stay relevant.

## **Relevance: A commitment to continuous innovation and modernization.**

An organization must remain ahead of the curve—understanding the emerging trends in practice, funding and technology, and their impact on service design and delivery. We simply cannot do what we have always done.

Relevance means that we are positioned to thrive regardless of the inevitable twists and turns of the marketplace.

## **Impact: A commitment to measurable improvements.**

Because we are committed to solving (not just serving) problems, we have set bold goals to improve the long-term outcomes for specific populations. We measure our success by tracking the national outcomes of these groups, not just those who walk through our door.

We are embedding research into our program models and then replicating and scaling our evidence-based interventions.



# SUMMARY

## Reputation

- *Recognized subject matter experts in key markets: Economic Development, Workforce Development, Education and Occupational Health*
- *Credible, reliable top performer*

## Financial Strength & Growth Potential

- *Strong Balance Sheet*
- *Growing Family of Brands benefits from added qualifications and expertise*

## Engagement

- *Positive client outcomes result in increasing individual and corporate donors, business partnerships and foundation support*

## Talent & Technology

- *Significant investment in human capital, technology and infrastructure*

THANK YOU!

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