

**FY 2022
Financial and
Programmatic Review**

December 2022

The Fedcap Group: FY 2022 Key Takeaways

Year-Over-Year Revenue Increase of 9% Primarily Reflects Organic Growth

Served **324,670 people in 2022** –an increase of 125,356 over FY 2021

Achieved Industry-Leading outcomes; placed **24,000 people in jobs**

Significantly Expanded Education and Workforce Development capabilities

Civic Hall@Union Square, nation's largest digital skills center under construction; set to open mid-2023

Acquired Power52 Clean Energy Access Institute's Solar Technician program, expanding high-demand, well-paying green energy job training to underserved communities

Launched Virtual Reality Training Program

Strengthened our partnership with Paul Smith's College

Top Tier Performance

300 Contracts
Across 4 Countries

Achieved 99%
of contract
deliverables

Leveraged
Evidence
Based Tools
and
Interventions

Ensured Value
Through
Governance,
Corporate
Policies and
Structure

Invested in
Communities
Where We
Work

Impact Highlights

Leveraged the Strength of Recent Acquisitions and Start-Ups to Build out Education Practice

Signed lease for launch of innovative digital training center—leveraging Apex and Civic Hall – the estimated 85,000 sq foot digital training center is set to train up to 3,000 students a year.

Partnered with Paul Smith's College to integrate our education programs into their curricula. Creates a college pathway for Power52's graduates-will award 6 college credits to individuals who complete the program.

Apex Technical School partnered with Paul Smith's College to create a college pathway for its Home Automation program—will award six college credits to individuals who complete the program.

Education Impact Highlights

Early Education (Children Ages 0-8) Served 2,272 children ages 0-8 with 100% from inclusive childcare program entering regular kindergarten settings. Increased needs for those who require assistance with support services such as emergency food and clothing.

--Broke ground for a greatly expanded preschool program in Port Jervis that is expected to open next September.

--Expanded the preschool program in Carmel and opened an additional classroom.

Special Education—Fedcap School in New Jersey: In the last year, 100% of the seniors graduated. 38% of youth were accepted into college and another 54% were accepted into Trade Schools and secured employment. 8% entered training at the Department of Vocational Rehabilitation.

Transitional Education —Greenleaf Neurodiversity Community Center in Austin, Texas assisted 75 youth/young adults with autism through our educational and vocational programs.

Technical Training 2,028 students achieved certifications in high growth sectors from Apex Technical School and Career Design Schools

Expansion of Proprietary Single Stop Platform

In FY2022 Single Stop served over **87,000 individuals**, facilitating access to benefits and needed supports **valued at \$374M**.

Households who have completed our benefit screening were found eligible for an average value of **\$13,000** in needed supports per household.

We have added Pell Grant, Affordable Connectivity Program and National School Lunch Program to our benefit screening

In FY 2022 we expanded operations to Connecticut, Maine, Massachusetts and Texas

We served over **22,000 college students** in FY 2022 across **50 college campuses**.

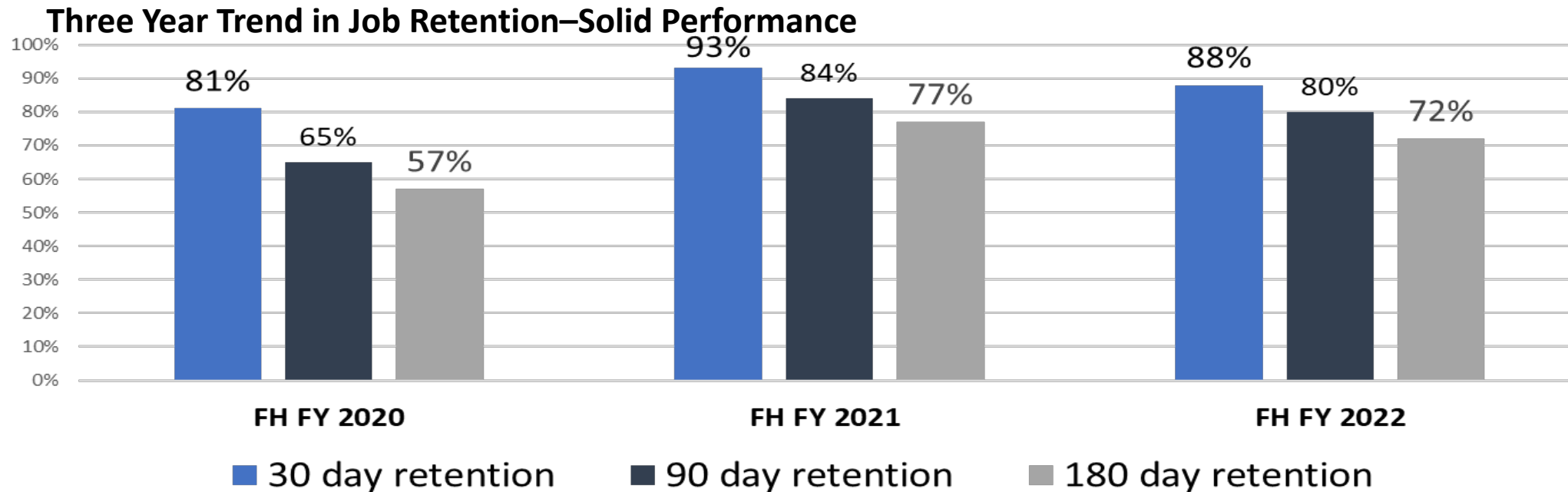
Benefits Screener provides users with information about federal and state benefits that meet their needs based on information they provide.

Premium case management tool allows partner organizations to follow individuals throughout their continuum of benefits.

Workforce Development Impact Highlights

Job Placements

- 24,000 individuals placed in jobs
- This is compared to 13,316 individuals placed in jobs in FY 2021 and 8,889 job placements in FY 2020.



Salary

- **29%** (6,871) of new job placements earned \$17.00 or more per hour.

Health Impact

Over **43,177** people engaged in wellness services including health care, behavioral health care and housing services that assist individuals in achieving long-term, sustainable, economic well-being.

14,915 veterans and their families were impacted by an array of wellness services from Dixon Center for Military and Veterans Services.

Dixon Center awarded \$50,000 from Britt Worldwide to expand services.

ReServe has received multiple contracts in New York City totaling \$10M, deploying **734 ReServists** to address the COVID-19 pandemic in the neighborhoods most adversely impacted. Specific services included: **made 438,682 appts** for care coordination, **made 78,593 vaccine referrals/appointments**, held 352 community education events, **distributed over 1,250,000** Covid materials including PPE, testing kits and health information and **made 1,800 referrals for employment.**

Economic Development Impact Highlights

A total of 1,010 people are employed in our commercial businesses. Individuals employed in our commercial businesses have a disability or barrier to employment.

156 new jobs were added in Total Facilities Management—our largest commercial enterprise. **Average annual salary \$42,550.**

We received a Federal Technical Assistance grant of \$125,000 to establish a CDFI

Green energy is quickly becoming a source of jobs within our commercial businesses.



**International:
Strong
Performance
and Planned
Growth**

Fedcap UK-Strong Performance Contributes to Growth

Fedcap continues to grow in the UK: revenue grew to **£47.6M**, from the previous year's **£23M**. **FY23 forecast to grow by 20%**.

Served **32,391** people In FY 2022

Placed **12,226** people in jobs across programs in England and Scotland—with **5000** unique employers.

Fedcap's Customer Success Centre in the UK was crowned Team of the Year – Hidden Heroes at the highly prestigious ERSA Employability Awards 2022. The team was awarded the honor in recognition of the part it plays in improving and even saving the lives of our customers.

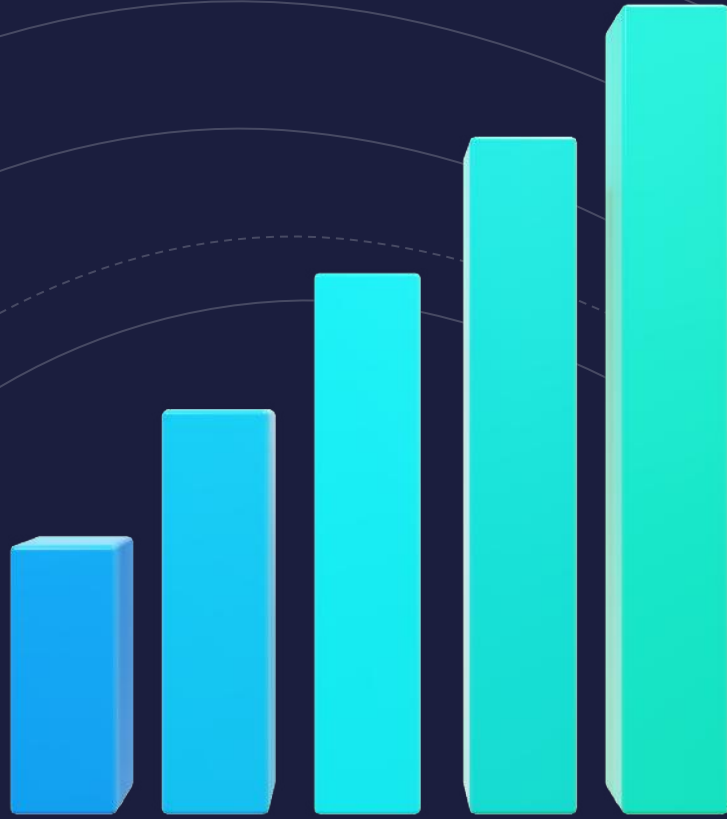
Fedcap remains a trusted partner of the Scottish Government, delivering its 'dignity and respect, fairness and equality in work' agenda through its services across Southwest and Central Scotland, and as far north as Aberdeenshire. As part of our Scottish programs, we've worked with 200 displaced Ukrainian citizens, with 70 placed into the workforce



Fedcap Canada – Strong Impact Results

- Won an additional catchment –the Halton Region-- which will begin integrated services in April of 2023. Contract totaling \$12.8M.
- Current Contract:
 - Served 27,000 people across the Hamilton-Niagara catchment area in the province of Ontario.
 - 84% completed employment plans and 78% found jobs.
 - **We significantly out-performed the required targets in each of the six target groups.**

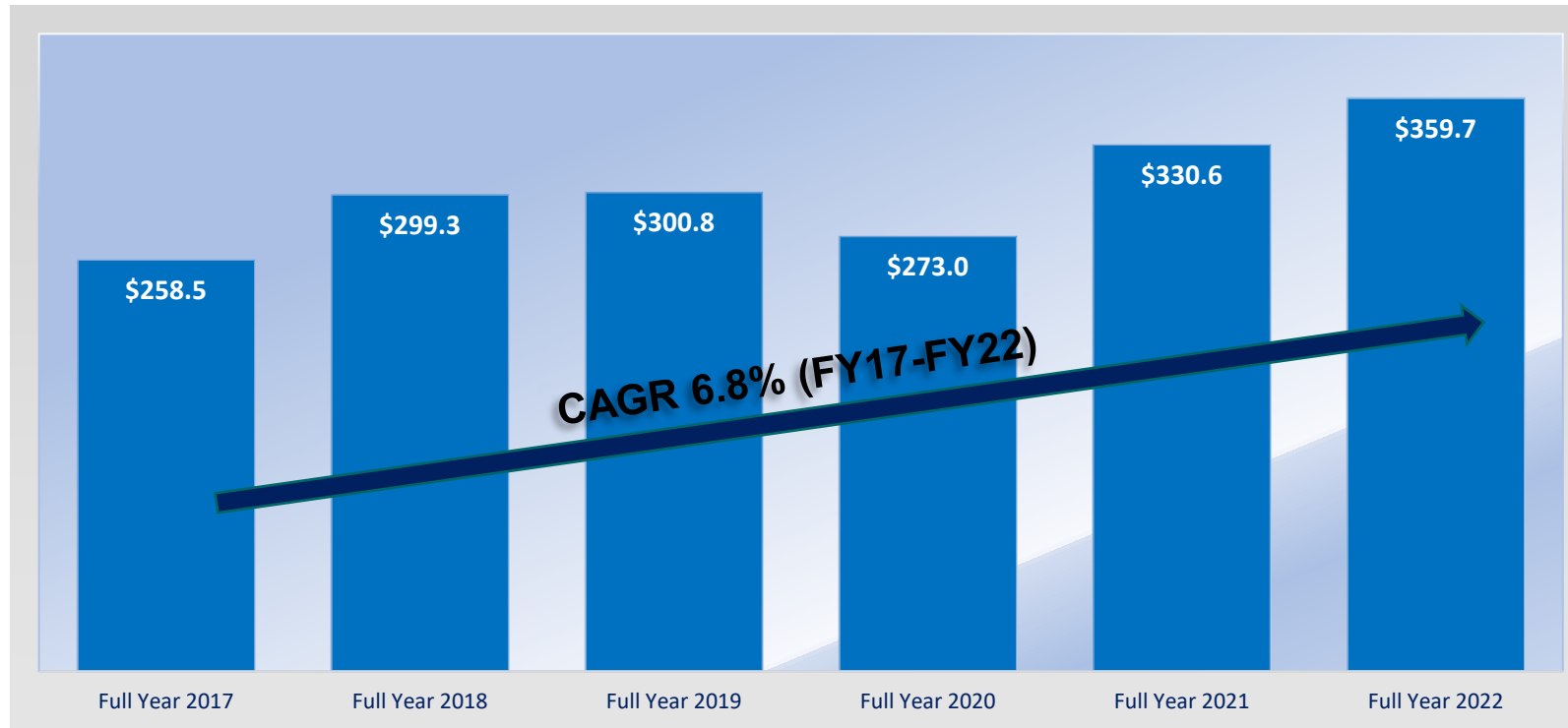
Inclusion Group	KPI Target %	Actual %	% Achieved
Francophone	1.30%	4.0%	306.6%
Disability (General Population)	7.20%	40.3%	560.0%
ODSP (rec'ving disability benefits)	4.20%	9.7%	231.6%
Indigenous	3.20%	5.7%	177.7%
Newcomer	3.90%	8.1%	208.3%
Youth with Higher Support Needs	13.60%	20.1%	148.0%



Core Financial Health

Capacity to Support Growth and Expansion

FY 2022 Revenue Growth: 2017-2022 (in Millions)



The Fedcap Group has achieved a 5-year compound first half growth rate of 6.8% from 2017 – 2022.

Balance Sheet Highlights

(\$MM)	Full Year 2017	Full Year 2018	Full Year 2019	Full Year 2020	Full Year 2021	Full Year 2022
Cash and Investments	\$29.1	\$29.0	\$18.5	\$34.2	\$53.9	\$60.6
Total Assets	\$155.6	\$172.0	\$178.8	\$192.0	\$215.0	\$217.4
Long-Term Debt	\$64.0	\$73.3	\$93.0	\$93.5	\$120.6	\$106.0
Net Assets	\$35.6	\$37.0	\$37.6	\$38.1	\$43.5	\$48.9

Key Financial Ratios

Income Statement

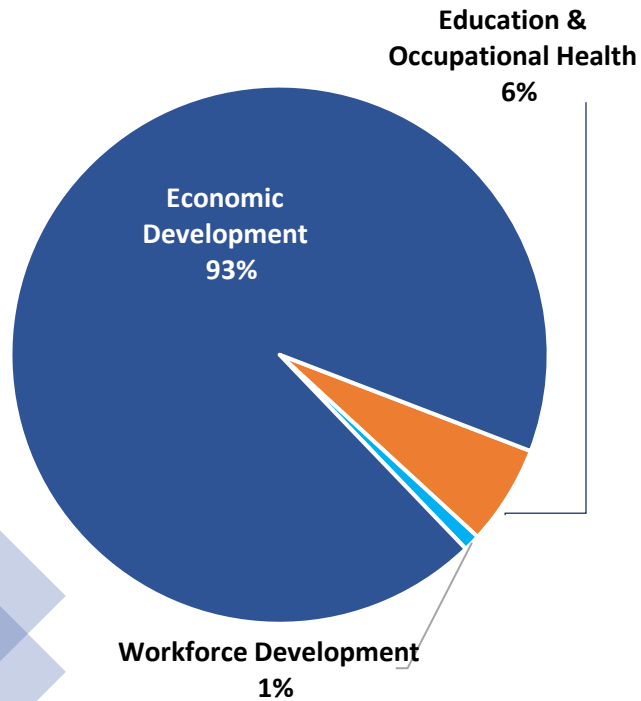
- **Operating Margin: 1.48%**
- **Personnel Cost Ratio: 54%**
- **Program Expense Ratio: 88%**

Balance Sheet

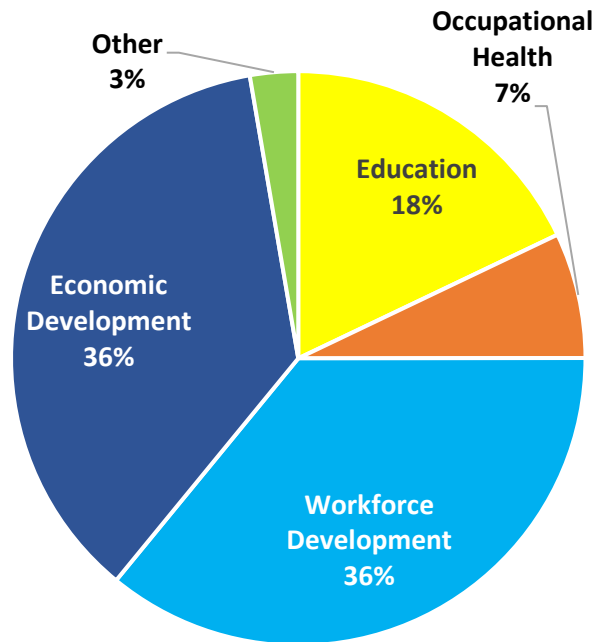
- **Debt Coverage Ratio: 2.71**
- **Current Ratio: 1.85**
- **Average DSOs: 50 Days**

Revenue Diversification

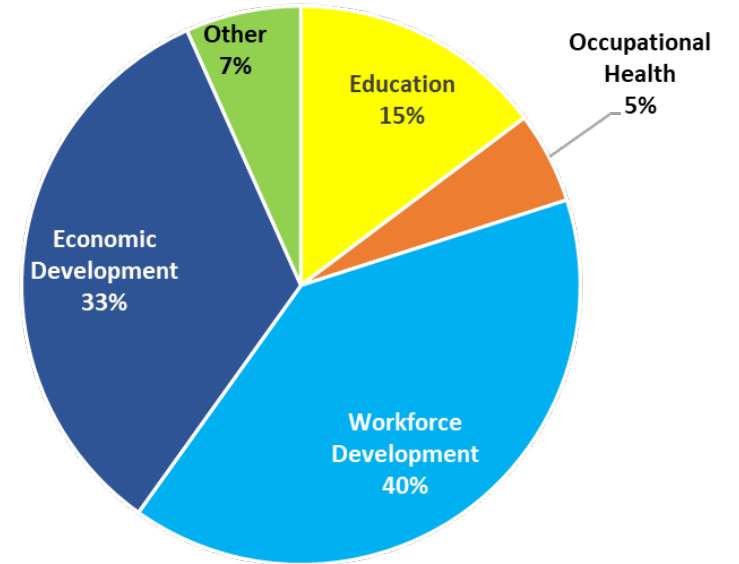
FY2010 - \$74 Million



FY2021 - \$331 Million



FY2022 - \$360 Million



SUMMARY and OUTLOOK

Multiple Catalysts for Long-term Economic Well-being

Substantial benefits from Apex and Civic Hall acquisitions and partnership with Paul Smith College – addressing the reskilling and upskilling of workers, supplying a trained workforce to meet demands of transforming economy.

New Training Curriculum in Green Technologies and acquisition of Power 52 will expand our ability to educate, prepare and train individuals for employment in the high demand areas of clean energy and renewables.

Commitment to innovation—identifying new strategies to affect change in people’s lives and the systems within which services are delivered.

As we make a positive impact on society, we are also managing to the highest Environmental, Social and Governance Standards (ESG) by reducing our energy usage, maintaining a collaborative working environment and prioritizing transparency.

QUESTIONS

Fiscal and Programmatic Performance Aligned with Strategic Objectives



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

OUR MISSION

The Fedcap Group is committed to creating opportunities and improving the lives of people with barriers to economic well-being.

THE
FEDCAP
GROUP

FEDCAP
inc.

RE  **SERVE**

 **easterseals**

FEDCAP
Rehabilitation

WW
THE WAY TO WORK

 **Single Stop™**

 **Wildcat**
POWER OF OPPORTUNITY

**CIVIC
HALL**

FEDCAP
Canada

 **DIXON
CENTER**
Reaching America

 **GRANITE
PATHWAYS**

FEDCAP
Scotland

 **TOTS**

APEX
TECHNICAL SCHOOL

 **Community
Work
Services**
ON THE WAY TO WORK

 **MVLE**
Working
with Purpose

 **benevolent**

FEDCAP
Employment

**SEACOAST
PATHWAYS**