Report to the Community December 31, 2016



"Today we will win.

We'll study our mistakes and become stronger.

We will win, each day,

we will win."

13101 Shaker Square Cleveland, Ohio 44120 216.921.3333 www.edwinsrestaurant.org

Dear Supporters:



As we look back on the accomplishments of the past year, it makes me even more hopeful for the future - not just for EDWINS and for our graduates, but for returning citizens everywhere.

We've seen the family of EDWINS supporters grow remarkably in a short time, from a handful of dedicated people to more than 20,000 diners annually who have joined our mission.

In the past three years, EDWINS has been able to do the impossible over and over again because of your support. You have helped us not only open and sustain ED-WINS Leadership & Restaurant Institute, but you have rallied around our 166 alumni. More than 70 of our region's best restaurants are employing EDWINS graduates, with another 35 who are eager to hire alumni as they are available.

Our fourth class at Grafton Correctional Institution completed their curriculum, instilling hope for a promising career when the Grafton graduates are released.

And in the past 12 months alone, we've accomplished what it takes many organizations years, maybe decades, to do by purchasing, renovating and opening the EDWINS Second Chance Life Skills Center, which features housing for 21 students and 8 alumni,

as well as a culinary library, test kitchen and fitness center.

We've launched EDWINS Culinary Clubs in 8 of Ohio's prisons with a goal to establish them in each correctional facility in the state. Our first Run for Re-Entry 5K brought the community together in the heart of Cleveland's historic Buckeye neighborhood when few believed we could.

As we ensure that EDWINS Leadership & Restaurant Institute is safeguarded, we are in motion for the next piece of our sustainability plan: the EDWINS Butcher Shop. Through it, we will create a stronger community for our students and returning citizens while working to reverse the poverty, powerlessness and exploitation of inner-city residents. I look forward to bringing you more news of this endeavor in the months ahead.

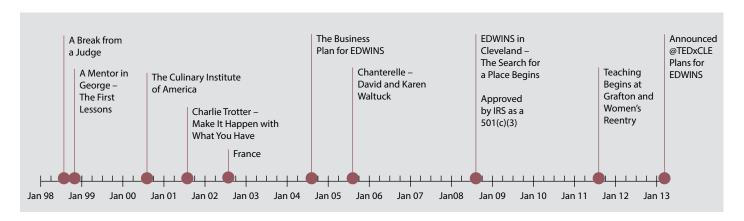
Thank you for supporting EDWINS yesterday, today and tomorrow.

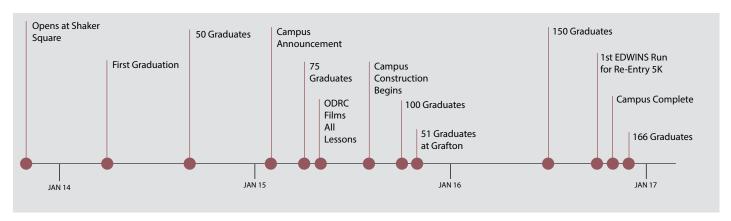
Merci!

Brandon E. Chrostowski Founder, President & CEO

Edwins Timeline and Vision

EDWINS - How it all began and where we are today





EDWINS Vision:



Alumni Success Stories



Craig Howard Graduate, January 2016 Server/Banquet Bartender The Burnham Restaurant

- An exemplary server, praised for his impeccable customer service
- Craig frequently receives glowing reviews from guests on TripAdvisor and Yelp
- A resident of the Alumni House and a mentor to current students
- Eager to parlay his hospitality strengths into a longterm career and is exploring different professional paths



Richard Anderson Graduate, January 2015 Line Cook Fire Food and Drink

- A graduate of the EDWINS program at Grafton Correctional Institution and also EDWINS Leadership & Restaurant Institute at Shaker Square
- Rich was motivated by how much people relished the food he made and hearing about how much their experience meant
- Loyal, hardworking and punctual, Rich's motto is, "Just make it happen!"
- He is working toward owning and operating his own food cart



Angela Sharpley Graduate, July 2016 Internship Michael Symon Restaurants

- Focused from the start on opening her own restaurant
- Working with EDWINS instructors to develop a menu, as well as a team of business professionals and restaurateurs to build a business plan and secure funding
- Participating in a restaurant operations internship with Michael Symon Restaurants
- Currently exploring locations to open her own restaurant, Pipe'N Hot Grill



Donnell Funderburk Graduate, January 2016 Line Chef Mable's BBQ

- Before Donnell started EDWINS, he was homeless and living at a shelter, unsure of what his next move was going to be
- Passionate about learning about new foods and began to really experience how great all different food can really be during his time at EDWINs
- While Donell has decided on a back-of-house career, he also really enjoyed learning about the front of the house and truly loves working closely with customers
- Donell says that the best part of being an EDWINS graduate is that he trusts he always has a constant support system here

The Issue:

Total population in jail & prison: \$6,851,000 (as of year-end 2014, Bureau of Justice Statistics)

The Total Cost of Incarceration: \$1,200,000,000,000 (Institute for Advancing Justice Research and Innovation)

Average cost to incarcerate: \$30,619 (2014, Federal Register)

% of those returning to prison within 3 years (recidivism): 43.3% (United States Sentencing Commission)

Average cost to re-incarcerate: \$28,999 (2014, Federal Register)

A Solution:

The cost to educate a student at EDWINS in fiscal year 2016: \$4,566

EDWINS Results

165

Number of graduates

80

Number of restaurants who have hired our students

75

Number of graduates of our programming at Grafton Correctional Institution 35

Number of restaurants eager to hire our graduates

40%

Percentage of program costs covered by restaurant profits and restaurant contributions

74.1%

Percentage of program costs covered by restaurant profits, including restaurant operations Number of new classes that begin each year

Recidivism rate for EDWINS graduates

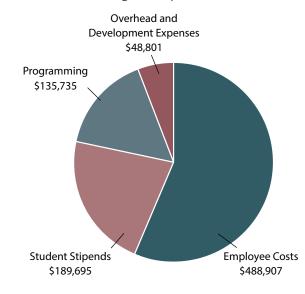
Financials

EDWINS FY16 Operating Budget		Aug '15 – Jul '16 Actual
Income		
Program Support		
Unrestricted		
Individuals	24.6%	\$271,891
Corporate Support	27.2%	\$300,502
Foundation Support	14.1%	\$156,240
Restaurant Contributions (Tips)	21.2%	\$234,075
Restaurant Profits	10.3%	\$114,024
Income from Program Operations	2.6%	\$28,740
Total Program Support		\$1,105,472
Expenses		
Program Expenses		
Employee Costs	56.6%	\$488,907
Student Stipends	22.0%	\$189,695
Programming	15.7%	\$135,735
Overhead and Development Expense 5.7% 5.7%		\$48,801
Total Program Expenses		\$863,138

FY16 Program Support: \$1,105,472

Restaurant Profits \$28,740 Individuals \$271,891 Restaurant Contributions \$234,075 Foundation Support \$156,240 \$300,502

FY16 Program Expenses: \$863,138



The Insitute would not exist without the Restaurant, as the Restaurant provides a training ground for students at the Institute. While the Restaurant costs approximately \$1.2 million to run each year, the Restaurant's expenses are entirely offset by its profits, a portion of which the Restaurant is able to then give to the Institute to help cover the educational programming expenses each year.



Edwins in the News

Recent Press

- The Steve Harvey Show, January 26, 2017: View the cilp here
- The Plain Dealer, January 10, 2017: Rare bourbon given to Edwins for fundraiser
- Cleveland Scene, January 9, 2017: EDWINS to Open Butcher Shop in Buckeye Neighborhood in Mission to Better Lives of Many
- The Michaela Show, HLN, December 12, 2016: Chef Trains Ex-Offenders in Culinary Arts
- Crain's Cleveland, October 19, 2016: Edwins Second Chance Life Skills Center awarded \$200,000 for development efforts in Cleveland's Buckeye neighborhood
- Freshwater Cleveland, October 6, 2016: How big is Cleveland's Heart?
- . The TD Jakes Show, October 2016: View the clip here
- . HR Magazine, September 26, 2016: Hiring Job Seekers with Criminal Histories
- The Daily Beast, August 31, 2016: The Restaurant Staffed Entirely by Former Prisoners
- Cleveland Scene, August 24, 2016: EDWINS Expands its Reach with New Dorms, Second Chance Life Skills Center
- The Washington Post, July 12, 2016: 10 top places to eat in Cleveland, for convention-goers and the rest of us
- The New York Post, July 5, 2016: Rock Out in Cleveland During the GOP Convention
- . The Huffington Post, June 25, 2016: Chef Who Spent Time In Jail Now Trains Other Ex-Offenders In Culinary Arts
- FSR Magazine, June 14, 2016: Rockin' the Rust Belt
- . Univision, May 1, 2016: Edwins, el restaurante que reintegra a ex convictos como cocineros
- Huffington Post, April 27, 2016: Restaurant Teaches Former Inmates to Cook, Helps Them Get Back on Their Feet
- Yahoo News!, April 7, 2016: Restaurant Serves up Second Chances for Ex-Convicts
- . Crain's Cleveland, April 3, 2016: Edwins Founder Helps Carve Successful Paths for Grads
- . CNN Heroes, March 27, 2016: Restaurant gives ex-offenders a recipe for success

Recent Awards

- . Anisfield-Wolf Memorial Award October 2016
- . CNN Hero March 2016
- Frank J. Battisti Memorial Award April 2016