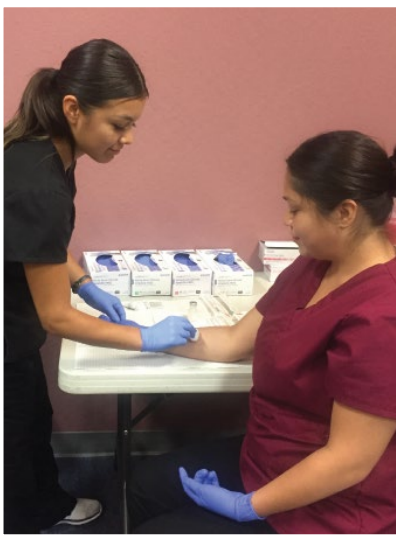


2017 ANNUAL REPORT



MESSAGE FROM THE CHAIR & INTERIM PRESIDENT AND CEO:

'Pathfinder' was chosen as a name for one of the first sport utility vehicles to hit the market. This name evokes part of what a sport utility vehicle is supposed to be - namely finding a way through rough terrain. There may be uneven paths, there may be barriers to getting through, but with a name like Pathfinder you had a solid sense that this vehicle would get you there. In 2017, JobTrain was a pathfinder for those we serve.

JobTrain published a report in December 2016 called '**The Broken Pathway - Uncovering the Economic Divide in the Bay Area.**' It highlighted the circumstances experienced by many of JobTrain's participants --namely the rough terrain of unemployment in the greater Bay Area. While the overall numbers of those who are unemployed in our country has been lower this year than in recent years, for those that JobTrain serves, finding a pathway to employment remains a real challenge.

In 2017, JobTrain continued to be a pathfinder for many people who experience barriers to employment. We are proud to offer a wide variety of skills-based training programs spanning technology, construction, health care, and business office administration, allowing people to find themselves in a job, and on a career path that can help sustain their families. JobTrain graduates from our Culinary and Business Office Administration classes work at Rendezvous Café at the Sobrato Center in Redwood Shores which expanded in 2017 to include catering.

2017 also marks the final year of our three-year strategic plan and affords us an opportunity to look back at the journey we have been on. We reached our goal to serve more people in our training programs, and, true to our mission, to serve a majority of those most in need. In fiscal year 2017, more than 95% of our students in vocational training programs were what the federal government considers "very low" or "extremely low" income, and 89% had at least two or more barriers to employment. These included anything from not finishing high school to having no higher education, from being low income to being homeless, to having a criminal record or even just being an older worker or a veteran, or someone in search of childcare.

Speaking of childcare, JobTrain's Child Development Center was awarded a 4 out of 5 rating for the Quality Rating and Improvement System - a rigorous voluntary quality rating. We applaud our childcare staff for their commitment to quality!

One secret to our over 52 years of success has been our ability to adapt to changing economies and workforce needs. Preparing for our next strategic plan, we are examining what has changed over the past few years. One of the biggest external changes has been the relatively robust job market and low unemployment rate. Surprisingly, though, even with "historically low" unemployment rates, since 2014, JobTrain has seen a 30% increase in those seeking skills-based training programs. It clearly has become more expensive to live in the Bay Area, and even those who are working need to increase their skills and find a job that can pay enough to sustain their families.

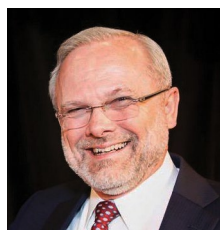
As our economy heats up, those most in need are at greater risk of being left behind and the challenges they are up against become ever more difficult. JobTrain's staff continued to work wonders as you will see in this annual report with 83% of our students completing their skills training and 81% of them being placed in jobs. This means the potential of more than \$8 million dollars in earnings annually for these graduates.

As we prepare for our next strategic plan, we will continue to strive to be the pathfinder for our clients, finding a way for them when the normal pathways are broken.



A handwritten signature in black ink, appearing to read 'T. Pichette'.


Tamar Pichette
Chair




A handwritten signature in black ink, appearing to read 'Steven Schmidbauer'.

Steven E. Schmidbauer
Interim President and CEO

OF THE **7,393** PEOPLE WE SERVED:

 **66%**
ADULTS

 **34%**
YOUTH

67%
UNEMPLOYED

18% DID NOT FINISH
HIGH SCHOOL

23% ON
PUBLIC ASSISTANCE

95% VERY AND EXTREMELY
LOW INCOME

34% FORMERLY
INCARCERATED
(IN OUR VOCATIONAL TRAINING PROGRAMS)

WHERE CLIENTS LIVED

27%



East Palo Alto

19%



Redwood City

19%



Balance of
San Mateo County

18%



Santa Clara
County

9%



Menlo Park

8%



Other

CLIENTS' ETHNICITY

52%



Latino

16%



Caucasian

13%



African-American

11%



Asian

7%

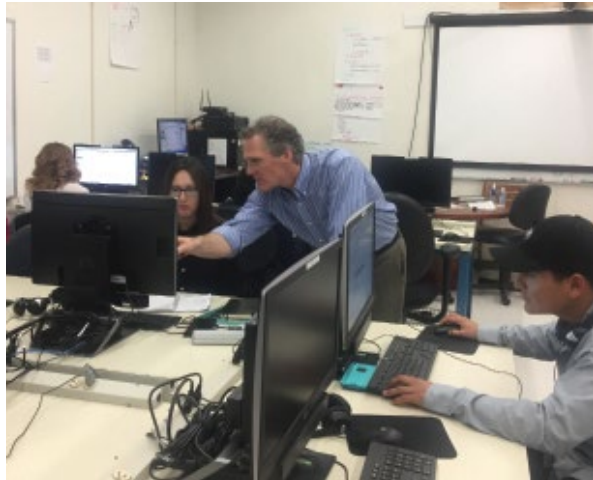


Pacific Islander

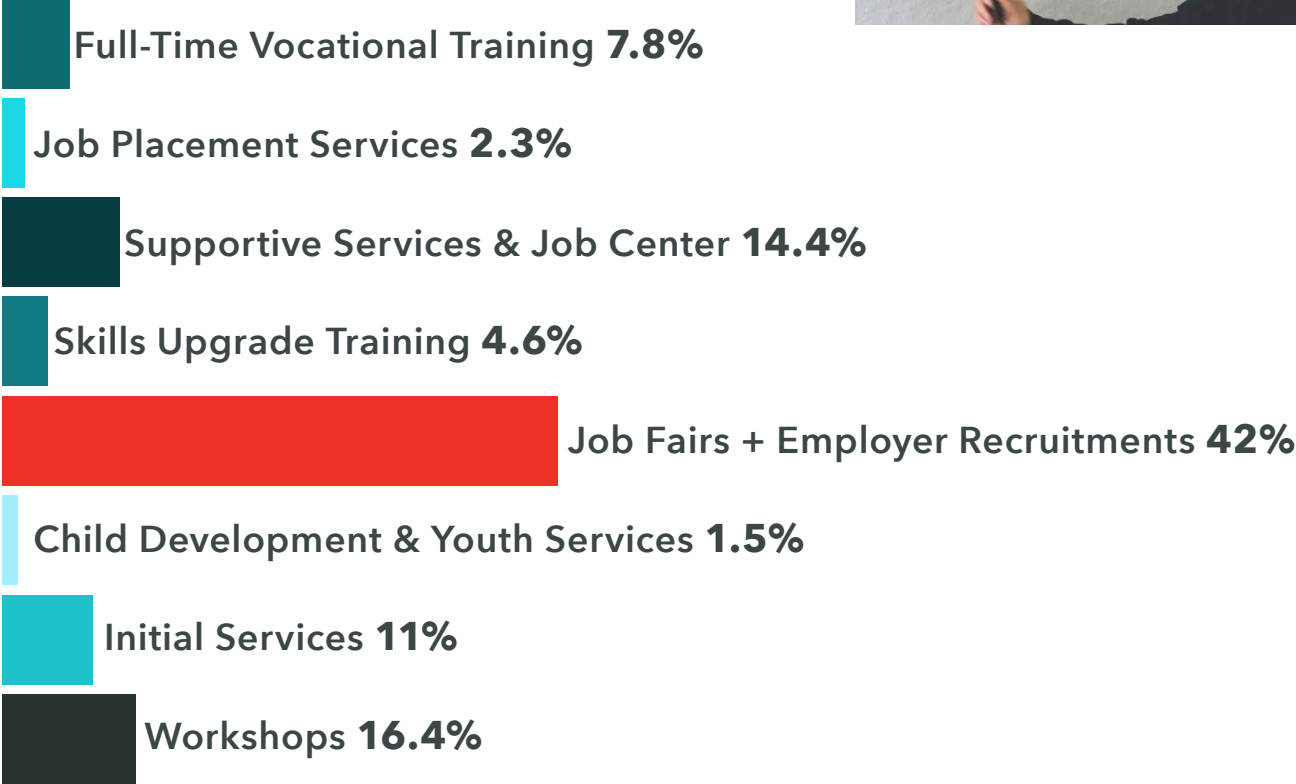
1%



Other



HOW WE SERVE THEM

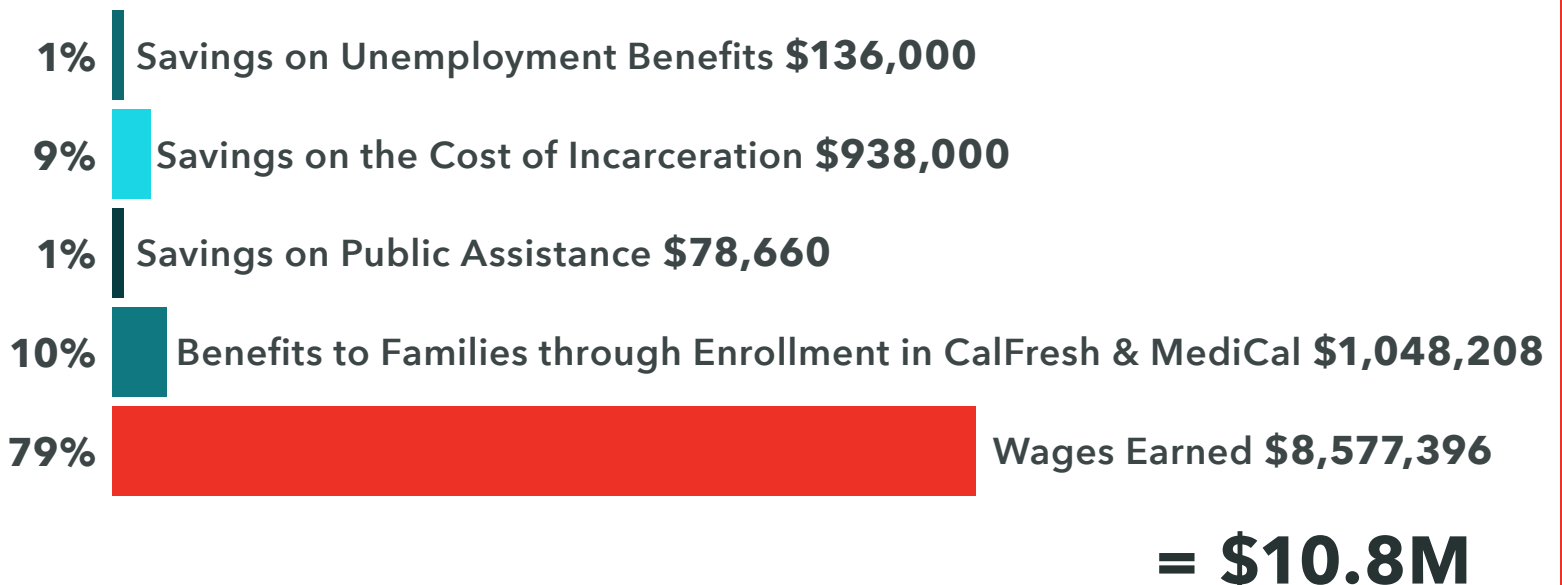


IMPACT RESULTS

In Fiscal Year 2017, JobTrain's placement and retention rates for its vocational training were high: **83%** completed their training program; **81%** of these graduates were placed in jobs, and of these **85%** had a job one year later and many had been promoted. For our population of formerly incarcerated participants, our recidivism rate is **37%**, well below the statewide average of almost **60%**.

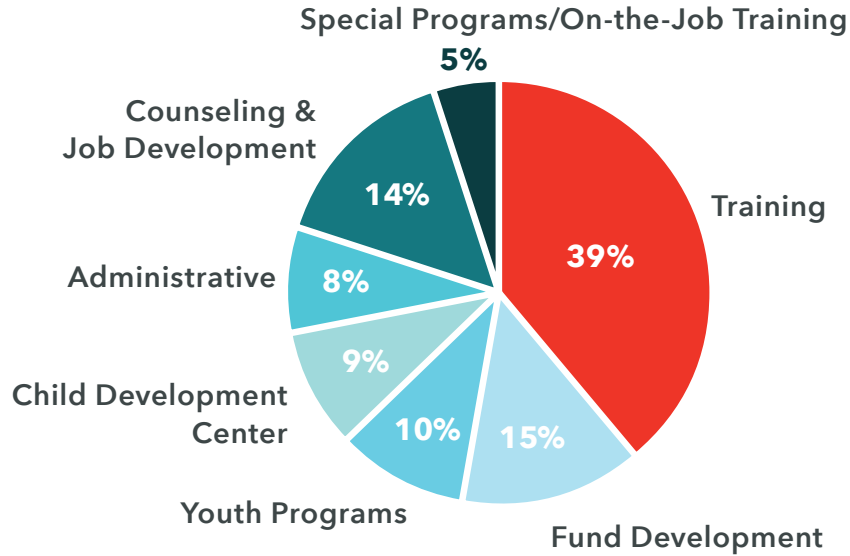
It is difficult to estimate the economic impact of all of JobTrain's many programs; however, we do know the economic impact of our vocational training and other services.

BENEFITS TO THE COMMUNITY FROM JOBTRAIN'S PROGRAMS

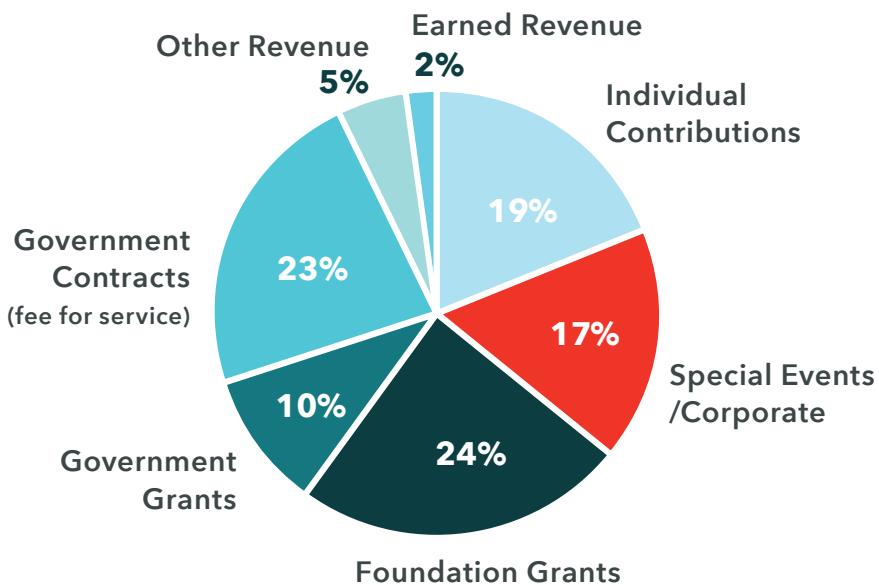


The benefits returned to the community from JobTrain programs exceed the cost of operating JobTrain.

HOW FUNDS WERE USED



WHERE FUNDS CAME FROM



BALANCE SHEET

FY17**

ASSETS

Current assets	
Cash and cash equivalents	\$ 2,007,780
Investments in Securities	1,963,363
Other current assets	338,494
Total current assets	4,309,637
Non-current assets	
Fixed assets	6,931,302
Less depreciation & amortization	(4,452,075)
Total non-current assets	2,479,227
Total Assets	\$ 6,788,864

Liabilities and Net Assets

Current liabilities	
Accounts Payable	\$ 271,368
Accrued payroll and benefits	309,432
Other Current Liabilities	1,062,939
Total current liabilities	1,634,739
Long-term liabilities	
Capital Lease Obligation	82,270
Notes Payable	300,000
Total long-term liabilities	382,270
Total Liabilities	2,026,009
Total Net Assets	4,762,855
Total Liabilities & Net Assets	\$ 6,788,864

**Unaudited; Exclude depreciation expenses and capital lease adjustment