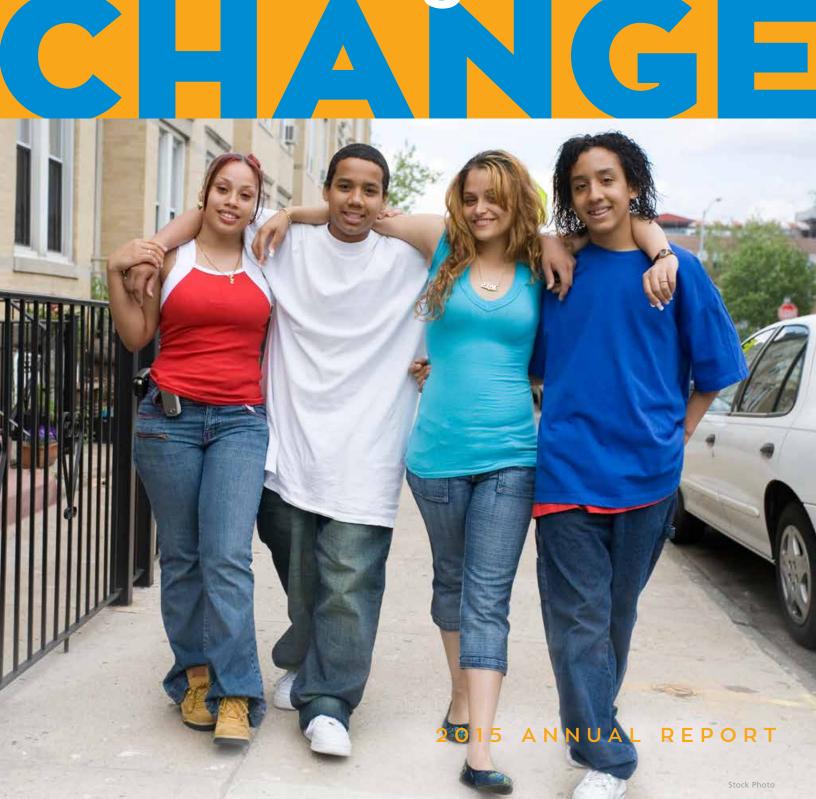
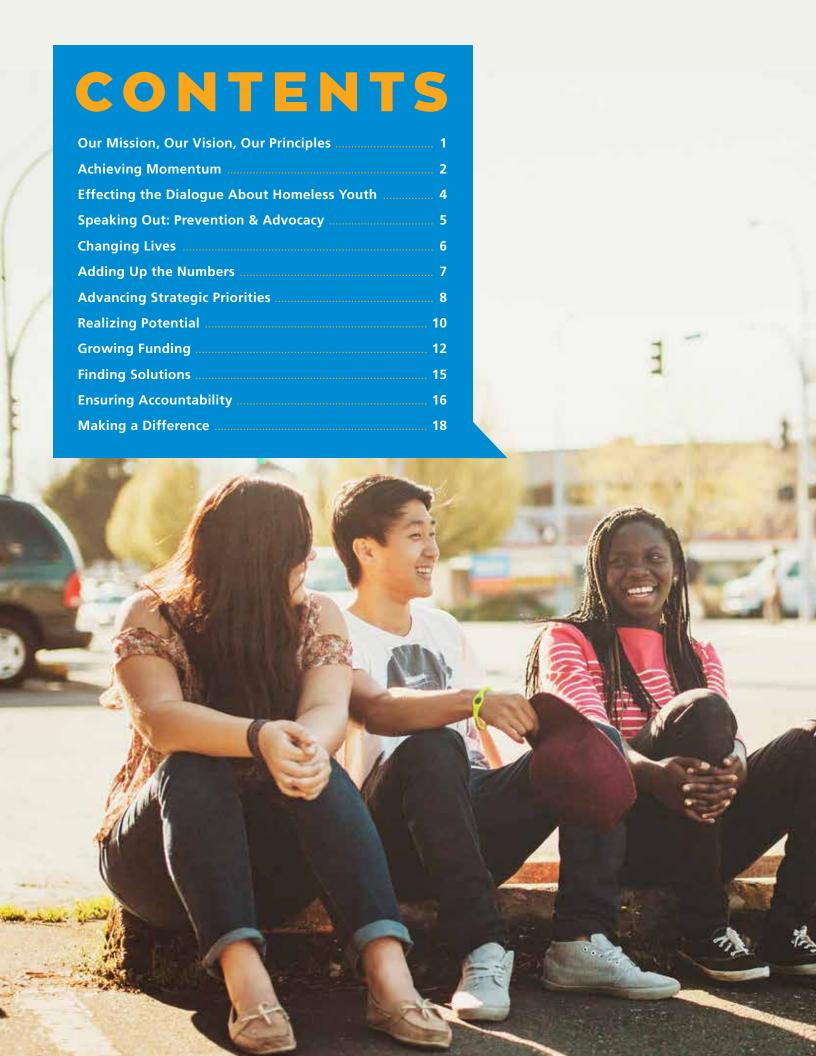


effecting







# our mission

... is to serve suffering children of the street and to protect and safeguard all children ... with absolute respect and unconditional love

# our vision

To lead change that challenges homeless youth to pursue a life of opportunity.

# our principles

# **IMMEDIACY**

Kids come to us in crisis and we provide for their basic human needs – food, clothing, a shower and medical attention – immediately.

# SANCTUARY

We provide safety to protect our kids from violence and degradation.

# **COMMUNICATING VALUES**

We show our youth that caring relationships are based on trust, respect and honesty.

### **STRUCTURE**

We provide structure and reasonable expectations so our kids can focus on their futures.

# CHOICE

We help our youth make positive choices and encourage them to believe in themselves.

Learn more about our services at: CovenantHouseToronto.ca

# achieving MOMENT

# AS WE WORKED THROUGH THE THIRD YEAR OF IMPLEMENTING OUR STRATEGIC PLAN, WE ACHIEVED SIGNIFICANT RESULTS ACROSS ALL KEY PRIORITY AREAS.

Our progressive five-year plan seeks to fill service gaps by providing our youth with more opportunities for housing, employment, education and support, particularly for youth with mental health and addiction issues, LGBTQ youth and those who have been victims of sex trafficking. (See our Strategic Priorities on page 8.)

We continued to see record-high daily numbers of youth staying with us longer – an indication that they need more help to move forward. (See By the Numbers on page 7).

We have been working to secure more apartments through private and public sector partnerships that we can offer at reduced rents to youth as part of our transitional housing plan. We expect to accommodate a total of 20 youth in the coming months.

Through this innovative initiative, our youth are able to gain real-life experience while they continue to rely on our support as they transition to independent living.

We are also moving ahead with our transitional housing program for female sex-trafficked victims – the first of its kind in Ontario. We acquired a location with the support of the City of Toronto and Toronto Community Housing. The program is the first step in our comprehensive response model, including prevention and improved victim services.

In our newly renovated Employment Centre, our enhanced program and employer partnerships offer young people more help to find jobs. As well, we provided more tech-skills training with the help of Global Knowledge. We also secured federal funding to continue our culinary arts job training program this year where about 70 percent of participants gain employment.

We bolstered staff capacity to help youth with mental health issues through our partnership with Youthdale, a leading children's mental health treatment program. We also now have a dedicated addiction and mental health counsellor. To ensure we are better supporting LGBTQ youth, we provided staff training and connected with more community agencies for referrals.

With provincial funding, we have added more Youth in Transition (YIT) workers to give young people a better chance of moving successfully to independence,





particularly those who have left the child welfare system. Last year, we also piloted an aftercare program to enable youth who have left us to stay in touch.

We have established a research agenda that includes program evaluation, data collection systems and thirdparty research projects. These include partnerships with CAMH, Ryerson University and the Canadian Observatory on Homelessness. As well, we have started a study about the social return on investment and the social impact of our programs. These initiatives are designed to better inform our youth services and the outcomes they deliver.

Additionally, we continue to build our advocacy efforts on behalf of our youth. We focused on the need for the Ontario government to extend support to at-risk youth in troubled homes, aged 16 and 17, who have not been involved with child welfare to prevent them from becoming homeless.

We were recognized for our expertise and leadership over the past year. Our innovative transitional housing program was featured as a national model. Our sexMeanwhile at the Board level, governance continued to be a key focus as we worked to diversify the composition and enhance member selection process.

Under the direction of the Board, we were successful in being accredited by Imagine Canada's Standards Program. This national program sets rigorous requirements that ensure transparency and accountability.

All of this critical and exciting change is the result of the support we receive from donors like you who share our mission to give our youth every possible opportunity for better futures.

**Bruce Rivers** Executive Director

Dune Lucyo

. Duncan Hannay Board Chair



# effecting THE DIALOGUE ABOUT HOMELESS YOUTH

# HOMELESS YOUTH ARE OFTEN OVERLOOKED AND MISUNDERSTOOD.

Myths persist about why kids are on the street – they are from low-income families, rebelling against parental rules and seeking adventure.

The reality is that most homeless youth have fled or been forced out of homes where there is abuse and neglect.<sup>1</sup> Family breakdown, bullying, struggles with mental health, or sexual orientation or identity may also force kids to the street. They may also be victims of sexual exploitation and sex trafficking. According to Canadian research, about 50 percent of homeless youth come from middle- and upper-income households.<sup>2</sup>

At Covenant House, we see youth from every background and every part of the country, as well as some from other countries.

In a survey last year, about 32 percent of our youth reported that they struggle with mental health issues, 31 percent said they have been involved with child welfare and 30 percent identified as LGBTQ.

On the street, the young are at high risk of violence and exploitation. An estimated 30 percent of Canadian street youth have been involved in some form of the sex trade<sup>3</sup> and we estimate a similar number among our youth.

Another study shows Canadian homeless youth are up to 40 times more likely to die young than their peers.<sup>4</sup>

We continue to strengthen our advocacy efforts on behalf of at-risk, homeless and trafficked youth to raise awareness of their plight and bring about change to make a difference in their lives.

Last year, we took our message to all levels of government to address the need for more housing and employment opportunities to help end the cycle of homelessness. We also appealed for more support for at-risk youth to prevent them from finding themselves on the street.

We continue to build our leadership role with national and international advocacy organizations to address the issue of youth homelessness, including the Canadian Observatory on Homelessness, Canadian Alliance to End Homelessness, Child Welfare League of Canada, Canadian Housing and Renewal Association and the International Forum for Child Welfare.

- 1. St. Thomas University (2006): 101 Things You Need to Know About Youth Homelessness.
- 2. ibid.
- 3. No Way Home: Canada's Street Kids. Canadian Broadcasting Corporation, 2003. DVD.
- Stephen Gaetz, Bill O'Grady, Kristy Buccieri, Jeff Karabanow,
   Allyson Marsolais (2013): Youth Homelessness in Canada:
   Implications for Policy and Practice, 2013. Toronto: Canadian
   Homeless Research Network Press.

Through our Youth Homelessness Awareness and Prevention school programs, we educate young people about the issues that can lead to youth homelessness and give them information to make better choices.

Our expert staff reach about 32,000 students in grades 6 to 12 across the GTA annually in interactive sessions to discuss the problems they can face – bullying, drugs, family breakdown, and abuse and neglect. This year, we have expanded our advice about Internet safety to include online luring and sexual exploitation.

We let students know about the dangers of the street and the challenges that homeless youth face. Both presentations promote social responsibility and encourage students to volunteer in their communities.

Prevention has also been a major focus of our advocacy efforts. As the provincial government continues to review its child protection laws, we urged it to extend support to at-risk youth, aged 16 and 17, who have not been involved with children's aid. Without access to help available to their peers in care, these kids often end up on the street.

We delivered a petition signed by more than 13,000 supporters appealing to the province to find creative ways to help these youth find housing, stay in school and get the guidance they need.

# speaking out: PREVENTION & ADVOCACY



# changing VES

WHEN KIDS DON'T HAVE TO WORRY ABOUT
WHERE THEY'RE GOING TO SLEEP OR WHEN
THEY'RE GOING TO FIND THEIR NEXT MEAL,
THEY CAN START TO FOCUS ON THEIR FUTURES.

We take care of kids' immediate needs and offer them every opportunity possible to change their lives.

We give at-risk, homeless and trafficked youth the support they need every step of the way, from preventing them from finding themselves on the street to providing them with the services they need to build independent and productive lives. In the words of one of our youth:

# "Covenant House helped me grow up all over again."

This past year, we enhanced and expanded our services to include more help for our youth to find jobs, increased support for youth with mental health and addiction issues, and more help for female victims of sex trafficking.

# prevention

In-school youth homelessness awareness and prevention programs educate students and help them make better choices.

# crisis care

Food

Shelter

Clothing

Street outreach

On-site health care

# independence

Community apartments

On-site transitional residence

Practical life-skills workshops

Cooking for Life culinary arts job training

Jobs via community partnerships and internships

**Employment services** 

On-site high school

Customized care for youth in the community

# support & mentorship

**Drop-in services** 

Programs for youth with mental health issues

Counselling

Pastoral services for youth of all faiths

Family reconnection

Aftercare

Housing assistance

# TRENDS

high daily numbers of youth staying longer and using more services

# LENGTH OF STAY



78% INCREASE
IN PAST 10 YEARS
& 50% INCREASE
IN LAST 5 YEARS.

# youth survey

30% LGBTQ, 32% MENTAL HEALTH, 31% INVOLVED WITH CHILD WELFARE

# adding up THE NUMBERS

# LAST YEAR'S HIGHLIGHTS

1,827 KIDS USED OUR DROP-IN SERVICES

702 youth were treated at our on-site health care clinic for 6,899 visits, an increase of 27%





161 YOUTH RECEIVED ONE-ON-ONE SUPPORT IN THE COMMUNITY, a 52% increase

supported  ${f 46}$  human-trafficking victims, a  ${f 130}^{\%}$  increase provided  ${f 18}$  local and national presentations/training sessions

866

youth stayed
in residential
programs



448 YOUTH WERE REUNITED/ RECONNECTED WITH THEIR FAMILIES, a 30% increase

436 JOB AND JOB-TRAINING PLACEMENTS WERE REALIZED BY OUR YOUTH



YOUTH PAIRED WITH MENTORS, a 64% increase

# STIRLATIE ETC

# HOUSING AND AFTERCARE

including new community-based transitional and specialized housing options, enhanced lifeskills training, more aftercare and expanded support for youth leaving the care of children's aid.

- Provided almost 1,000 youth with shelter and transitional housing; four youth placed in community apartments
- Secured transitional house for victims of sex trafficking and developed program model
- Reconnected 30% more youth with family
- Paired 64% more youth with mentors
- Place nine more youth in community apartments for a total of 12 (obtain additional units for a total of 20)
- Open transitional housing program for trafficked victims; establish two designated safe beds in crisis shelter
- Expand mentorship beyond CH to other agencies
- Establish aftercare program through Youth in Transition workers

# EMPLOYMENT OPPORTUNITIES

including more job and apprenticeship training with industry partners; social enterprise and more educational opportunities.

- Delivered pre-employment programing to 200 youth in renovated Employment Centre
- Supported 44 youth in our culinary arts program and secured funding for 2016
- Decided not to implement social enterprise initiative as it proved to be unfeasible

- Implement a "Front of the House" restaurant job training program
- Focus on pre-employment workshops and motivational interviewing to increase job readiness
- Secure funding to operate an adult-education program

# OUTCOMES AND COMMUNITY SUPPORT

including partnerships to better assist sexually exploited and trafficked victims, those who have mental health and addiction issues, and LGBTQ youth. Track program effectiveness across all of our services and improve outcome measures.

- Provided staff training on mental health issues; established collaboration with Youthdale, a children's mental health program, to increase staff capacity
- Established addiction and mental health counsellor position and designated special circumstance beds
- Completed youth satisfaction survey
- Developing infrastructure and tools to evaluate program effectiveness; created research agenda and expanded external partnerships
- Add sex trafficking to research agenda
- Conduct youth survey
- Create evaluation framework and outcome criteria
- Enhance on-site addiction support for youth
- Implement social-return-oninvestment (SROI) analysis and social-impact evaluation

# DIPLIFIES 2015/16 OVERVIEW

# ADVOCACY TO OFFER A STRONGER PUBLIC VOICE

including influencing public policy to improve the lives of at-risk, homeless and trafficked youth.

- Announced plan for trafficked victims' transitional housing
- Gained over 13,000 petition signatures to urge the Ontario government to do more for at-risk youth
- Participated on the Ontario
   Expert Panel on Homelessness

- Continue to build relationships with key government officials in support of strategic plan initiatives, particularly housing, employment and sex trafficking
- Continue to build public profile and demonstrate our "hands-on expertise" around youth homelessness issues, including trafficking
- Expand prevention work in schools to include luring

# FISCAL STEWARDSHIP

including diversifying and expanding revenue sources, re-investing reserves in youth services and pursuing government funding, where appropriate.

- Increased donors by 13,000 by continuing investment strategy
- Generated \$500,000 in low-cost revenue programs
- Secured \$572,000 in government funding

- Continue investment in increasing donors, particularly online and monthly donors
- Continue to seek more government funding
- Launch \$10-million anti-trafficking major gifts campaign

# EXPANSION/INNOVATION

including exploring the potential for another site outside of Toronto and working toward a national/international youth homelessness prevention strategy.

- Focused expansion on sex trafficking as a national issue; developed a framework for a comprehensive model, including prevention and enhanced victim services
- CH transitional housing toolkit featured on the Canadian Observatory on Homelessness' national research site as a model for youth-serving agencies
- Addressed an international conference in London, UK about youth homelessness
- Begin implementation of comprehensive anti-trafficking Urban Response Model, including prevention, enhanced victim services and establish framework for on-going research
- Work with CAMH and other community partners on major research project funded by the province to gain insights into ending the cycle of homelessness



something that I'm good at."



computer skills training project held in our Employment Centre last year.

Through a partnership with staff from Global Knowledge Canada, our youth learned webpage coding skills to help them qualify for jobs in the tech industry. The project netted the company an international Microsoft YouthSpark Award, the Canadian IMPACT Digital Literacy Award and a finalist spot in the Canadian IMPACT Community and Citizenship Award.

training, plans to expand the coding project this year.

Finding meaningful employment and a career path are among the toughest challenges our kids face. Employer partners like Cineplex and Purolator are helping our youth to gain entry-level jobs and get a start.

Last year, more than 200 youth participated in our pre-employment program in our renovated Employment Centre.

# growing DING

Our donors provided 82 percent of our total revenue last year and your support has enabled us to provide life-changing programs to thousands of young people.

We ended the year in a much stronger position versus budget with a \$144,000 operating surplus. This was the result of healthy fundraising increases and reduced expenses despite lower government funding and investment income over the previous year.

Fundraising revenues exceeded budget by about \$450,000. This was a result of higher revenues in almost all our fundraising programs. In our direct marketing area, our investment to grow our donor base resulted in 13,000 additional new donors.

We received \$311,000 less in government funding than in the previous year. We continued to receive grants from the Ontario government in support of our Youth in Transition program and a new grant for our anti-trafficking initiatives; however, we did not receive Service Canada funding for our culinary arts training program until fiscal 2016.

We also saw a reduction of about \$230,000 in our investment income resulting from volatility in the financial markets, particularly during our last quarter. We reduced our expenses by more than \$650,000 through prudent financial management in order to address these shortfalls.

We continue to re-invest our surplus to fund our strategic plan initiatives and capital projects to upgrade our facility and systems. As a result, we are budgeting for a \$240,000 operating deficit to cover the cost of our \$10-million anti-trafficking major gifts campaign and capital spending of \$420,000 in fiscal 2016.

**OPERATING RESERVES** 

equivalent to 5.2 months of 2015 operating budget \$9.9 million

**79%** Individuals 8% Corporations/ 2% **Foundations** Government **SOURCES OF** Amortization of Deferred **Funding DONATIONS Capital Contributions** \$18,172,373 9% **Events** 1% **Investment Income** 4% & Other **Catholic Charities REVENUES** \$21,766,131 Donations Public Education, including **Health Care Runaway Prevention 16% Community Support** Services & Outreach **INVESTMENT IN** MISSION/YOUTH Fundraising, Development **15% SERVICES** & Communications \$14,144,641 Long-Term **Transitional Housing** 6% Management & Administration **EXPENSES 59%** \$21,846,911 **Shelter & Crisis Care** ACCREDIT **65%** The Standards Program Trustmark is a We are most grateful to Catholic Charities Youth Programs mark of Imagine Canada used under for their continued support of our licence by Covenant House Toronto. transitional housing, Youth in Transition and mentorship programs. For our full financial statements, go to:

CovenantHouseToronto.ca



For Andrew, every step forward seemed to end up a step back when he tried to make his way on his own. Orphaned as a child, he grew up in several foster homes.

At 18, Andrew moved into a place with roommates and took on two part-time jobs. Each time these arrangements didn't work out, he found himself on the street, back in shelters and starting over.

Not only did Andrew struggle with financial challenges and instability, he was trying to cope with the trauma he'd experienced in his past. Now, 15 of our youth like Andrew, who are striving to live independently, will get the support they need to succeed thanks to an innovative research project – a collaboration between our agency, CAMH and other leading organizations and experts.

Over the next two years, these young people will have access to housing, life-skills training, counselling and mental health support while they live in the community. The project will also help them go back to school or find jobs. In addition to providing youth for the pilot, we will also have an additional transitional support worker who will guide them.



# ORGANIZATIONAL EFFECTIVENESS Decisions regarding Covenant House Toronto's strategic Covenant House measures its effectiveness by its ability direction are made by the Board of Directors based on to successfully deliver and expand its services for at-risk, homeless and trafficked youth. This is managed through an environmental scan, as well as recommendations from a continuous-improvement framework that focuses on its management and the Standing Committees of the Board. The direction is set based on ongoing evaluation of its operations, including its program effectiveness, fundraising ability and efficiency, governance practices and stewardship. current programs, a review of available community services, feedback from its stakeholders and economic conditions. **DECISION-MAKING** FISCAL STEWARDSHIP

The Board of Directors is responsible for the stewardship of the agency and for the oversight of its management and business affairs.

Covenant House's governance structure includes policies, guidelines and practices that provide a framework for decision-making and operations across the agency, such as Board recruitment, succession planning, senior staff compensation and evaluation, Board and Committee mandates, risk management, strategic and annual planning, and financial management and controls.

# AND TRANSPARENCY

Covenant House Toronto is somewhat unique among social service organizations in that about 80 percent of our annual operating budget comes from donors, where many others receive most of their revenues from government funding or other organizations.

While we are working to access more government funding, we also want to ensure our services to youth are viable over the long term and that we have the flexibility to respond to their changing needs.

"...we also want to ensure our services to youth are viable over the long term and that we have the flexibility to respond to their changing needs."



As a primarily self-funded agency, we recognize that we must have a diverse portfolio of fundraising programs and revenue sources, each with its own cost structure in order to reduce our risk and ensure our financial viability.

We have been working toward the development of lowercost fundraising sources for the past several years, such as monthly giving and major gifts programs, as well as expanding our bequest income. However the latter can be quite unpredictable.

With minimal government funding and comparatively low bequest revenue, Covenant House must raise funds through a variety of means which can be more costly. On average, we spend about 27 percent of our total budget annually on fundraising, which may appear high when compared to charities whose revenues are mainly derived from government or other organizations. These funds are critical to support our ongoing operations.

Our fundraising efficiency is in line with government and industry standards.

# **RESERVES**

Covenant House's policy is to maintain a maximum reserve fund up to six months of its current operating budget to be used for emergency situations and for the agency's future development. We do not have an endowment fund.

Since the organization is so heavily reliant on donations, we must guard against situations where economic conditions, fundraising performance fluctuations or postal disruptions can put the agency's programs at risk.

# **INVESTMENTS**

The agency has developed an Investment Policy Statement (IPS) to address the manner in which its investment portfolio is managed. The IPS provides investment objectives, performance expectations and guidelines for the management of the agency's short-term and long-term investments. Overall responsibility for the agency's investments lies with the Board, while the Finance/Property Committee provides guidance and oversight.

For more details on this policy visit our website at **CovenantHouseToronto.ca** 

# **RISK MANAGEMENT**

The agency is committed to an ongoing program of risk management to protect the organization and its assets (people, property, income and reputation). Management is responsible for the delivery of a Boardapproved risk management policy which deals with program delivery, governance, operations, finance and regulatory compliance.

Over the past several years, the agency has implemented a risk-management process that includes risk assessment to identify those issues that can pose threats, mitigation plans to deal with these issues based on priority and a risk registry to track progress.

Mitigation plans include our complaints policy, processes and procedures for youth, staff, donors and the general public; our code of conduct; and whistle-blower policy.

# making a DIFFERENCE

Many individuals and organizations made contributions to Covenant House Toronto during our fiscal year ending June 30, 2015.

Event sponsors, third-party fundraisers, anonymous contributors and those who provided in-kind items and services make a significant difference and are essential to our operation.

To all our supporters, we express our sincere gratitude. Your assistance enables us to care for the young people who rely on us.



# helping around THE HOUSE

Home Depot's Gerrard Street location selected Covenant House two years in a row as their charity of choice for their Toonie Campaign, when they ask customers to add \$2 to their bill to support homeless youth in Toronto.

From supporting renovations and capital projects around Covenant House to sending their employees to volunteer for us, the Home Depot Canada Foundation is a valued partner.

Through its Orange Door Project, the Foundation has raised significant funds to help end youth homelessness in Canada.

Home Depot staff (from left) Zahra Dehazzare, Jason Reilly, Kelly-Ann Dunleavy and Stephanie Koenig pitch in to help with our youth.



# top execs sleep out for HOMELESS KIDS

Led by co-chairs Belinda Stronach, chairman and president, The Stronach Group and Tim Leiweke, MLSE president and CEO, more than 70 top business and community leaders slept out in -18°C weather last November at our Executive Sleep Out event. This third annual event raised almost \$1 million.

Last spring, 57 up-and-coming leaders slept out in the rain at our second annual Next Generation event, raising nearly \$250,000. Over the past four years, both events have raised almost \$2.5 million.

With only sleeping bags and pieces of cardboard, participants in our sleep outs get a small glimpse of the challenges faced by homeless youth.

Event Co-chair Belinda Stronach with our Executive Director Bruce Rivers.

# actions speak LOUDER THAN WORDS

"Not everybody gets the same breaks or comes from a supportive background," say donor Jonathan Lansky. "Simply put, I feel a responsibility to give back." He says Covenant House's work with homeless youth fits with his philosophy of where wants to help.

Jonathan feels especially concerned about youth leaving the care of the child welfare system who have nowhere to go. Covenant House, he says, is uniquely positioned to assist those young people.

"That's a very tenuous, scary time in a kid's life. If your support network is family or friends, that's one thing; if that's not available, thank goodness Covenant House is."

As a new dad, Jonathan wants to instill the value of giving in his own daughter.





# delivering SUCCESS

# BOARD AND SENIOR MANAGEMENT

# chair

# **Duncan Hannay**

President
D&H Canada

# vice chair

### **Peter Yien**

Partner, Enterprise Risk Services MNP LLP

# secretary/treasurer

### **Kevin Patterson**

Senior Executive Vice President Technology and Operations CIBC

# past chair

## **Michael Whelan**

Vice President, Development Build Toronto Inc.

# directors

### William Blair

Former Toronto Police Chief

# **Lynn Factor**

Child Victim Program – Boost Child and Youth Advocacy Centre

### **Harris Fricker**

CEO GMP Capital Inc.

# **Jeremy Gayton**

Partner, Vice President & General Manager lg2

# Jan Hatanaka

President/Founder
Grief Reconciliation
International Inc.

# **Diane Karnay**

Counsel
Wilson Vukelich LLP

### **Andrew Lapham**

*Director*Northern Private Capital

### **Dan McGrath**

Chief Operating Officer Cineplex Entertainment

### Ken Morell

Global Group Managing Partner
Dentons LLP

# **Jeff Stapleton**

National Sales Manager & Senior Vice President Mega-Lab MFG. Inc

### **Rahul Suri**

### Dr. Joanne C. Turner

Professor Emerita
Renison College,
University of Waterloo

# senior management

### **Bruce Rivers**

**Executive Director** 

# **Shirley Broderick**

Director, Finance & Purchasing

### Josie do Rego

Director, Development & Communications

### **Carol Howes**

Director, Program Services

# **Cindy Metzler**

Associate Executive Director

# **COVENANT HOUSE INTERNATIONAL**

Covenant House Toronto is part of a 27-location network, spanning from Alaska to Latin America that served more than 57,000 at-risk, homeless and trafficked youth last year. Covenant House is the largest privately funded child care agency in the Americas.

Our thanks to our designers, photographer and printer for their contributions to the production of this Annual Report.

Charitable Registration Number 10699 0195 RR0001



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