

**Conversation between GiveWell and Michael Curtin, CEO of DC Central Kitchen,
August 30, 2010**

GiveWell: My understanding of DC Central Kitchen (DCCK) is that it's basically half a food delivery organization and half an employment assistance organization. Is that right?

DCCK: Yes, that's basically right. From our perspective, the job training piece is really key to what we do. We recognize that we're never going to feed our way out of hunger. Our goal has always been to shorten the line rather than just feed it. So, it's not just the feeding that's important, but what we do to try to prevent people from begin at-risk of hunger.

GiveWell: OK, let's discuss your employment program first. Can you describe your employment program?

DCCK: We offer four 12-week courses over the course of the year. One of the pieces we've improved in the past few years, which has positively affected our attrition, graduation, and placement rate is the intake process. We put a lot of emphasis on that, and we've looked very seriously at the factors that determine success of the students. By success, I don't just mean finding employment but retaining it over time.

We've developed a system for evaluating potential students, including an interview, a lengthy application, and a 3-day trial period where potential students volunteer in the kitchen and are evaluated by alumni who now work in the kitchen. We do all this before students even start in the program.

The program itself is about 50/50 in terms of straight culinary education and what we refer to as "personal empowerment skills" (others call it "soft skills"). Those are the pieces that will allow the students to keep the job over time and perform well once they've found employment. There are several other pieces along the way, including a pretty intense externship program we offer towards the end of the program.

GiveWell: Is the goal for most participants to work in your kitchen or to find jobs elsewhere?

DCCK: The goal is full-time, long-term employment. If there are opportunities in the Kitchen, we look to our class. Roughly half of our staff are graduates of our program. Everyone who works in the kitchen, itself, are graduates of our program. Some of our drivers are graduates; a graduate of the program may become our IT person.

We recognize that we don't have enough jobs to employ all of our graduates, nor can we make the default that just by finishing the program, you get a job with us. But, one of the things we are doing now, is expanding our social enterprise ventures, which will likely increase the number of jobs available to graduates.

GiveWell: When we've looked at employment organizations in the past, we've asked them for outcomes data on number of students who apply, enroll, graduate, find jobs, how long they keep jobs, and what wage they're paid. Are these numbers you collect and could share with us?

DCCK: Yes, we have and can share those with you.

GiveWell: We'd prefer as much history on those numbers as possible. How far back do they go?

DCCK: We have good numbers for last 3 years. We have numbers in terms of graduates and other basics going further back, but it's the last 3 years where we've been hyper sensitive about maintaining a real good database.

GiveWell: What populations do you target? Do you track (and can you share) data on your clients' job/earnings situations before entering your program? Other background characteristics (such as employment history, criminal record, substance abuse, age etc.)?

DCCK: Employment history is not something we've focused on. We have information on criminal and addiction history. We focus very heavily on the ex-offender population, and we do that for economic reasons as much as anything else.

It costs about \$40,000 to keep someone in prison for a year. It costs us \$7,000-\$10,000 to train a student. In Washington D.C., 73% of the people that get out of prison will re-offend within the next year, mostly because they can't find a job. For those that come through our program and find employment, the recidivism rate is 2.5%.

So, if you took the percentage of our students that are ex-offenders, you can see that it's economically beneficial to support our programs. Our clients become contributing members of the local economy as opposed to a significant drain on it.

So, we can give you the percentage of our students that are ex-offenders, ex-offenders who also have addiction issues, and students who just have a history of substance abuse.

GiveWell: What are the requirements for enrolling in your program? You mentioned an alumni evaluation earlier – is that a key part of the application process?

DCCK: The alumni evaluation is one piece, but not the whole thing.

First, you have to be clean and sober for 120 days. There's no drug test that will tell you whether someone has been clean for 120 days, but we've found that most people are really honest with us. One of the reasons our application is long is that we ask the same question in a few different ways throughout to see if an applicant's answers match up.

You have to be in a housing program. None of our students are living on the street. All of the students need to be in some sort of stable housing: a transitional house, a halfway house, etc.

You need someone outside of the program that we can reach out to if there are issues (a social worker, parole officer) such as not going to meetings, not taking meds.

If the student is a single parent, they need to have some sort of stable day care situation. We do this because it's basically nearing the type of requirement people would face in order to get a job. If you're a single-parent without day care you can't get a job.

I can send you a big package of all our job training materials: our scorecard, the application, the list of requirements that we send to the agencies where we recruit.

After meeting the baseline requirements, there's the peer evaluation by the alumni, interviews with the job training team, and the three day trial.

GiveWell: Do you know roughly how many students you accept vs. how many apply?

DCCK: I can get the exact numbers for you. Roughly, over the last couple of years we've had 75-100 applicants per year, and we accept 25 in each class.

GiveWell: After the baseline, you're looking for people who are most likely to succeed in your program, right?

DCCK: Yes. We do say we've become more selective, but I need to be careful. Sometimes people think that we're taking Georgetown graduates, but our students are still predominantly ex-offenders, mostly unemployed, low-income folks. Because of the experience we've had, we can cull from within that group those that are most likely to succeed. In the current class – today starts week 7 and they're just getting over the mid-way – all 25 are still in the class, and that doesn't happen often. Usually, we graduate 17-23.

GiveWell: Could you tell me more about the specifics of the program and what skills you hope students take away?

DCCK: I'd like to tell you about our externship program because it particularly shows, much to Robert Egger's chagrin, a shift in the way we look at the program and probably makes it more professional and academic.

About 4-5 years ago, I started asking questions like, "when are students dropping out?" and I got a lot of answers mostly anecdotal. We went back about 5 years and made some line graphs of when students dropped out of the program and saw a spike in the first few weeks – some self selecting and drug testing – and things were fairly stable until week 10. And I couldn't understand. At week 10, you're basically done, why now?

We interviewed students and found that by then, we had given students, some for the first time in their lives, a supportive environment and at week 10, we told them to start looking for jobs. That caused a great deal anxiety for the students.

So we created an externship program, so half the class would go to externships individually in week 8 and half in week 9. They worked in hotels, mostly because I come from a restaurant background, and restaurants are high pressure and I worried restaurants would use these guys for 40 hours a week of free labor. So, we asked the hotels for a day in five different business areas: delivery, pastry, etc. We said, “These are the skills we want them to get exposure to.” We now have more sites that want to host these externships than students that want to participate and we pretty much eliminated the spike at the end.

A lot of the students have gone on to find jobs at the places they worked for their externship. We told employers that this wasn’t an extended interview, but it’s worked out that some graduates worked there. Now, at some places – for example the Fairmont Hotel – we have graduates who are managing the students coming in on the externship.

So, back to your original question: most of the original students self-select out of typical restaurant jobs. There’s a lot of temptations like alcohol around restaurants, which got some of our students into trouble in the first place. There are a lot of students who go to restaurants, but, a lot go to hotels or convention centers. A lot will go to more institutional food service like Aramark or Restaurant Associates, working on the dining rooms on Capital Hill, in the cafeterias at the Smithsonian museums, or other non-profits that offer food programs.

GiveWell: What enables students to get these jobs? That is, what skills, specifically, do you think DCCK gives them that helps them?

DCCK: The personal empowerment stuff is important in helping students keep these jobs. There’s a level of humility we teach students that they don’t have, having spent the better part of their lives in prison, on the streets, addicted. The employers tell us that the politeness, professional demeanor our students show during interviews is a significant factor in hiring them.

We do have a culinary advisory board from the industry which tells us what chefs are looking for for their kitchen staff. We’ve found that knife skills are very significant in terms of getting the job and being able to work through it from a technical perspective. Several years ago a lot of students weren’t as fast with knife skills, and so, we spent a significant amount of time improving our knife skills training.

Our students will graduate as licensed food managers, and they have knowledge of basic sauces, how to de-bone a chicken, etc. But, the most important feedback we’ve received from employers is about knife skills. Once you have those skills, the chef can show you how to do specific things with them.

GiveWell: It sounds like most students find jobs working in the kitchen?

DCCK: Most students are in the kitchen doing that type of work. There are some other opportunities in the cafeteria: cashier – we don't do any front-of-the-house skills. Some folks may want to be more in the utility (moving food in and out, cleaning), we don't encourage that but some do it.

GiveWell: Is the certification you mentioned earlier an official license that one needs to work on the kitchen?

DCCK: It is official, but it's not necessary to get a job. There's food handler and food handler manager. It's through international restaurant association. We teach the food handler manager's course. If the food service operation is open, one person in the kitchen needs to be a licensed food manager, and that gives our graduates a leg up because if you went into most restaurants, most people aren't certified. It's a course you have to take, memorize all sorts of things like bacteria, temperatures, and food-borne illness. So, it's not a requirement, but it's certainly an advantage for our students

GiveWell: Can you share with us the specific jobs and, more generally, types of jobs that your students find?

DCCK: Yes, we track those jobs. Also, a couple of years ago, we added a position for someone who works with employers, to follow up with employers about how our students are performing on the job. One of our requirements for enrollment is that students have someone outside the program they can contact. So, this person serves as someone the employers can contact. If employers have an issue, they can let us know.

GiveWell: There's a decent set of rigorous (randomized, controlled trial), academic evaluations of job-training or welfare-to-work type programs. Do you look this set of evidence at all?

DCCK: To be honest, I don't think we have. We're very focused on the population that we deal with and have been dealing with for 20+ years. We rely, maybe too much, on our experience, particularly with the group we're dealing with now. So, the job training folks will go to conferences and we share our data with other folks doing the same things we do, but we don't look at a lot of external data.

GiveWell: We've talked a lot about the employment part of what you do. I want to shift gears and discuss your food delivery operations. How do you choose whom to serve?

DCCK: From a very basic standpoint, this is where DCCK parts ways with others in the anti-hunger world. We work with agencies that we think are successful and doing good work. Every agency that we provide food to signs an agreement that the money the agency saves because we're giving them food for free is reinvested to help their clients. If they don't do that, we'll take our food somewhere else. And, that's a line a lot of people don't like us taking. They say, "How can you take food away from hungry people?"

Our response is, “How can we pretend that all the time/money/effort is doing something good when we know it’s not.” We don’t want to be a crutch to help an underperforming nonprofit get by. We want the agencies we work with to get results from our clients and we feel that we have the carrot and stick, and we have both of those to get people out of the line.

So, when an agency comes to us and is in need of food, we do a site evaluation, someone on our staff will do site visits, interview clients, and the agency needs to be open with us, answer our questions, share their numbers: how many people are they moving out, will our providing them food enable them to serve their clients better? You need to show us that providing food will benefit the people they serve.

We serve programs that are ESL, childcare programs, women for victims of domestic abuse – whatever it is. We don’t have any set lines along program lines. We have none of those kinds of restrictions or requirements. You have to be actively working to change the lives of your clients.

GiveWell: What’s your evaluation process for determining whether you’ll work with an agency, and what could you share with us?

DCCK: There’s a whole site evaluation that I can send you with job training materials. It’s not totally empirical and scientific.

Someone will go to the after school for kids and see what the facility looks like. We talk to parents, and we know that in talking to people, we find out who’s doing good work. Something could be as simple as we’ll give you food, but in the next few months, you need new carpets in the room, bookshelves repainted, and new books that aren’t 20 years old. It could just be something like that that shows us it’s worth us spending our resources to give them meals or snack to help them make their program better.

It’s very much based on site visits and the workers and talking to the counselors and folks in the program.

GiveWell: What part of the program does food provide? Does it provide food for people who are extremely hungry (e.g., at a soup kitchen)?

DCCK: We usually don’t provide food for soup kitchens, and we are not a soup kitchen. We are what Robert defined as a “community kitchen.” The only meal served in our kitchen is for our staff.

In theory, our food goes out to agencies that don’t have kitchens and can’t provide food to clients to supplement programs, or in terms of after-school programs, as a tool to get kids to come to programs.

We use food as a tool and we offer it to partner agencies so they can use it in their program. Instead, they can just spend their money on what *they* do. And, we can spend money on food for them.

We don't usually deliver to soup kitchens because most of those places have kitchens to prepare food. We've also started delivering food to stock the shelves in food pantries in low income communities because we have a bunch of food coming in and we can have a huge immediate impact there.

GiveWell: Can you share the amount of food you delivery by agency/program type?

DCCK: Yes, we have a breakdown of all of that and can share.

GiveWell: What are programs you serve doing to serve food before you step in to provide it?

DCCK: A lot of times, they're not offering food. There are some that are relying on donations and have a difficult time sourcing those on a regular basis and keeping up with the demand for that. One of the things we've seen is that we're based on getting surplus food and in the last few years, we've seen a decline in the quantity and also quality of surplus food.

A lot of programs relying on donations have dried up. Maybe they relied on a church's parishioners who made meals, but as people age or move out, the program falls apart.

A lot of after-school programs haven't had food and they hoped kids would come in anyways. And, we've significantly increased the food we've given to after-school programs because kids are more apt to go there if they can get food. I could get more specifics on that if you like.

GiveWell: What is your process for checking the quality of the food you provide/deliver? Have you done formal assessments that you can share?

DCCK: All of our staff, including drivers, are certified food managers and all food that comes into kitchen is triaged by the chef. We go through everything through to make sure it's been maintained at temperature while held and when we get it.

When the kitchen started 21 years ago, most of the food was from restaurants, hotels and caterers. Very little comes form those source now. That's good. If a restaurant gives us food that's prepared but not served, it's pure lost profit for the restaurant. We'd prefer our restaurants' partners are successful instead of just giving us food. And, quite frankly, it's easier for us to create meals with raw product instead of cooked product. When we get cooked product now, it's from larger places – the World Bank, IMF– so we get it in bulk. There are a couple restaurants in town that specifically cook some things for us as part of their philanthropy. So, in those cases, the cooked food it's the perfect shape and ready to go.

It doesn't make sense for us to run around in trucks and drive across town when we could just send a driver to Costco and buy ten cases of turkey for about the same cost. And that's a much more productive use of our resources than to get a couple pans of already-prepared chicken breasts.

GiveWell: If hotels and restaurants used to be the main sources of food, what are the source of food now?

DCCK: A lot of wholesalers and food purveyors. We get food directly from them. So, if a company is trying a new tomato sauce or something and may have ordered a ton of sauce for a restaurant but then the chef decides to change their recipe, the wholesaler would have a lot of product to offer at discount.

We have great relationships with wholesalers, so if they have cuts of meat that aren't selling, they'll sell it to us for 10 cents instead of \$1. A lot of wholesalers have us on the list if there's stuff that they can't get out in time before it goes bad, or shipped wherever before it goes bad, they'll shoot it over to us instead.

A lot of what we're doing now is working largely with local farms. And donations from farms have increased, and now that we've purchased a lot from farms, they're more likely to use us to manage their overage.

So, we developed this whole program where we buy these "unclassifieds" which are perfectly good food, but aesthetically doesn't match what we consumers want.

So, we've been able to go to produce auctions and get a lot of great produce at significantly reduced costs, and while we're there, we picked up 125,000 pounds in donated food in addition to what we purchased.

GiveWell: What portion of your food is donated vs. purchased?

DCCK: We're about 60% donated, 40% purchased. I can send details.

GiveWell: When assessing food quality, do you do any formal audits?

DCCK: We don't do any formal audits. The biggest issue we have is working with our donors. We're prepared for donors, and we give them an aluminum pan that they put out for us and we pick it up at a set time. We have problems when donors use the pans and put say, salmon, coleslaw and croissants all in the same pan. If they do that, all the food has to be thrown out.

And, that's a problem for us because it's a waste. We have in the past cut off donors because they were unable or unwilling to give us food in a way that we could use.

GiveWell: What portion of food you receive do you end up throwing out?

DCCK: I can get that for you.

GiveWell: How would your activities change if you had more revenue than expected?

DCCK: The biggest thing that we're doing right now – we've just taken on 2 new huge social enterprise ventures – we're running pilot programs in DC public schools for health, scratch-cooked foods.

We also just started food service at University of District of Columbia. Both of these are geared towards generating revenue and facilitating job opportunities for our graduates.

We also are planning to open a satellite location that we'll probably sign a lease on next week, sometime in October or November when we get into that building. Our biggest need for funds right now is to operate that location which will have huge ramifications for all our programs.

With the new facility, we'll be able to bring in more local food to go out to agencies, which will reduce food costs because we can reduce canned and processed products. The beauty of it is that there needs to be money going in for equipment, vehicles but it'll also create employment opportunities for new graduates.

GiveWell: You said the new facility is going to reduce costs. Is it going to save more money than it costs?

DCCK: We've done some different scenarios. We think it'll be net positive but probably for not about 2.5 years, so we need grants and funding until it becomes net positive.

GiveWell: If it'll be net positive, ever thought about taking out a loan instead of donations?

DCCK: Yes, and we've talked to some foundations about a combination of grant and loan. One foundation is talking about a recoverable grant: a no-interest, long-term loan which may be forgiven if certain benchmarks are met. At the moment, our financial situation allows us to begin this process because we do have a decent portfolio and a decent line of credit – that year-to-date we're not into at all – and we've talked to our banker about the possibility of combining those things.

GiveWell: Do you see the pilot programs as a continuation of what you've been doing or something new?

DCCK: We've been doing food service at schools for a long time. We've been doing food service there going on 3 years; we do food service for a day care center; we've done a charter school.

These are an offshoot of the catering company that we started 10-13 years ago. So, it's a big leap in terms of volume of food but not a leap in terms of stuff that we have been doing.

The DC public schools program is intensive because it's close to 3,000 meals/day and we have to learn how to manage our relationship with the DC schools system.

I've had several discussions with people, and, they say, you sound more like a business than a nonprofit. We are a business. We are motivated by social good and what we want to do, but I believe that through these social enterprise ventures (our catering company, etc.) where we have the opportunity to create more jobs, we're close to fulfilling our real mission.

GiveWell: How does the catering company fit in with your other, charitable programs?

DCCK: No donated food goes into the catering program. That was our first social enterprise venture, 12-13 years ago. It was intended as our first attempt at generating revenue to support our programs so we're not entirely dependent on philanthropy to support our program. It also creates jobs everyone that works in the company is a graduate of our program.

The company is part of the 501(c)(3) but it is a distinct program.

GiveWell: What gives you confidence in the counterfactual impact of employment? I.e., what makes you confident that your students are getting jobs they otherwise would not have?

DCCK: One of the biggest barriers a lot of our folks have is a significant gap in employment history or a criminal background. A lot of employers would overlook those things coming from us that they might not if they just came off the street. I do believe that.