



# Tacos Unidos

## Description:

*Tacos Unidos, a project of Roca, is a nonprofit business venture that sells healthy tacos and burritos to create training and employment opportunities for high risk young people ages 16-24 from Chelsea, Revere and East Boston.*

## Location:

Chelsea, MA

**Founded:** May 2005

**Current Budget:** \$135,000

## Geography and People Served:

High-risk youth and young adults, ages 16-24, in Chelsea, Revere and East Boston.

## Social Problem:

- Since 2000, there has been a 12% increase nationally in the number of youth that are both out-of-school and out-of-work.
- More than 70,000 young people in Massachusetts between the ages of 16 and 24 are both out-of-school and out-of-work, with 8,000 in Boston alone.
- Chelsea, MA has double the annual high school dropout rate, 3 times the teen pregnancy rate, and 2.5 times the youth poverty rate as compared to Massachusetts statewide averages.
- 11% of Chelsea public school students report gang involvement.
- Each of these disengaged youth represents a potential cost of \$250,000 to \$2 million over his or her lifetime.

## Key Accomplishments and Social Impact:

- Launched an ethnic food service social venture, is a vendor to MGH, and has catered events for up to 500 people in Chelsea and Boston.
- Received press coverage in *The Boston Globe* and on NPR.
- After only one season of operations, 3 out of 4 youth staff have successfully transitioned into full-time or stable employment.

## Goals - Two Years (June 2006 – July 2008)

- Reach \$100,000 in sales covering 60% of total business expenses
- Employ 22 youth through paid work experience
- Train 108 youth in critical hard and soft work skills

**Total Philanthropic Investment – Two Years: \$217,000**



## Social Innovator:

Sotun Krouch

## Contact Information:

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## Ways to Invest

### In-Kind Support

- Building the Tacos Unidos website.
- Developing strategy for branding & marketing.
- Developing a strategy for business development.
- Recruiting 1 board member with expertise in marketing, particularly in the food service industry.
- Developing an operations and employee handbook.
- Inviting Tacos Unidos to be a vendor in your building.

### Financial Support

- \$50,000+** Kitchen Expansion
- \$25,000** FT Business Assistant Manager
- \$10,000** PT Youth Assistant
- \$5,000** Push-Cart
- \$1,000** Serving Equipment for 2 In-Building Vendor Sites
- \$500** Have Tacos Unidos cater your next meeting or large event

## Need & Opportunity

### **Social Problem**

More than 70,000 young people in Massachusetts ages of 16 to 24 are both out-of-school and out-of-work, with 8,000 in Boston alone.<sup>1</sup> In what has been labeled a “youth crisis”<sup>2</sup>, this disengaged and idle “high-risk” youth population is growing in size and, surprisingly, continues to be largely ignored. According to Northeastern University’s Center for Labor Market Studies:

- The number of 16-24 year old youth who were both out-of-school and out-of-work increased 16% between 2000 and 2003,<sup>3</sup>
- “Federal resources for employment and training programs have been scaled back considerably over the past few decades, especially for youth programs,”<sup>4</sup> and
- “To a major extent, we have succeeded in running away from the youth labor market problem.”<sup>5</sup>

The potential implications of this trend are many. Because they are not increasing their value to the labor market through either education or experience, high-risk youth are at greater risk for:

- An increasingly difficult transition to either work or school (Chelsea’s annual dropout rate is more than twice the state average<sup>6</sup>),
- Engaging in criminal activities, anti-social behaviors and teenage parenting (11% of Chelsea public school youth report gang involvement<sup>7</sup>, and Chelsea’s teen pregnancy rate is three times the statewide rate<sup>8</sup>),
- A future of unemployment or underemployment and ending up being poor and economically dependent.<sup>9</sup>

Each of these young people represents a potential cost between \$250,000 and \$2 million over his or her lifetime.<sup>10</sup> The youth crisis has even been cited to place constraints on local economic growth by stagnating growth in the skilled labor supply. Neil Sullivan, director of the Boston Private Industry Council, states “**The plight of this invisible drop-out population and its impact on the quality of life in our cities is arguably the most consequential of all urban issues. Poverty, dependency and incarceration rates are only the tip of the iceberg.**”<sup>11</sup>

### **Root Cause Factors**

High-risk youth are subject to a complex interplay of multiple economic, relational and social stressors in their lives. Disproportionately affected by poverty and economic downturns, many grow up single parent homes without the income to meet basic living requirements and with few positive role models to demonstrate strong education and work values. In the city of Chelsea, Massachusetts, Tacos Unidos’ base of operations, 29% of youth under the age of 18 live below the poverty line, nearly 2.5 times the state average.<sup>12</sup> It is the poorest city in

<sup>1</sup> U.S. Census Bureau, 2000 Census of Population and Housing

<sup>2</sup> *Youth Shut Out By Labor Market*, Center for Labor Market Studies, Northeastern University, Boston, MA, February 3, 2003. Available: <http://www.nupr.neu.edu/2-03/jobless.html>.

<sup>3</sup> Sum, Khatiwada, *Still Young, Restless, and Jobless: The Growing Employment Malaise Among U.S. Teens and Young Adults*, Center for Labor Market Studies, Northeastern University, Boston, MA, January 2004, pg 18. Available: [http://www.nyec.org/CLS&JAG\\_report.pdf](http://www.nyec.org/CLS&JAG_report.pdf)

<sup>4</sup> Sum, Khatiwada, Pond, Trub’skyy, *Left Behind in the Labor Market: Labor Market Problems of the Nation’s Out-of-School, Young Adult Populations*, Center for Labor Market Studies, Northeastern University, Boston, MA, November 2002, Pg 84. Available: [http://www.nupr.neu.edu/2-03/left\\_behind.PDF](http://www.nupr.neu.edu/2-03/left_behind.PDF).

<sup>5</sup> Ibid

<sup>6</sup> Massachusetts Department of Education, *Dropouts in Massachusetts Public Schools: 2003-2004*, October 2005. Available: <http://www.doe.mass.edu/infoservices/reports/dropout/>

<sup>7</sup> 2003 Youth Risk Behavior Survey, Chelsea Public Schools

<sup>8</sup> Massachusetts Department of Public Health, Division of Research and Epidemiology, *Massachusetts Births 2004*, February 2006. Available: <http://www.mass.gov/dph/bhsre/resep/resep.htm#birth>

<sup>9</sup> Sum, Khatiwada, Pond, Trub’skyy, *Left Behind in the Labor Market: Labor Market Problems of the Nation’s Out-of-School, Young Adult Populations*, Center for Labor Market Studies, Northeastern University, Boston, MA, November 2002, pg 8. Available: [http://www.nupr.neu.edu/2-03/left\\_behind.PDF](http://www.nupr.neu.edu/2-03/left_behind.PDF).

<sup>10</sup> Depending on their level of engagement in criminal activity. Cohen, M. (1998). The monetary value of saving a high risk youth. *Journal of Quantitative Criminology*, 14(1), 5-33 from Juvenile Offenders and Victims: 1999 National Report. (Pittsburgh, PA: National Center for Juvenile Justice, 1999), p. 82. Available: <http://www.ncjrs.org/html/ojjdp/nationalreport99/chapter3.pdf>.

<sup>11</sup> *Youth Shut Out By Labor Market*, Center for Labor Market Studies, Northeastern University, Boston, MA, February 3, 2003. Available: <http://www.nupr.neu.edu/2-03/jobless.html>.

<sup>12</sup> U.S. Census Bureau, 2000 Census of Population and Housing

Massachusetts, leads the Boston region in unemployment and has the state's highest crime rate.<sup>13</sup> Youth who live in such an environment are more likely to lack a sense of purpose, a sense of belonging and hope for the future, in addition to the lack of work skills and an actual job. Because of their disengagement, those at greatest risk are rarely reached by government and community-based education and training programs.<sup>14</sup> The cumulative effect of such risk factors is a high-risk youth population that can maintain only minimal job retention, even when employment is available, due to underlying issues with attitude towards work, attendance, punctuality and other critical soft skills. In other words, while they may find jobs, they have difficulty keeping those jobs.

### **Current Landscape**

Roca, a youth and young adult development organization serving Chelsea, Revere and East Boston, MA, has been lauded nationally for its unique ability to reach high-risk youth and create strong and lasting relationships with them. Roca's approach to service delivery emphasizes relentless street work and community outreach, and includes job preparation, job placement, health and social services, mentoring and on-going case management. Youth are involved in all aspects of Roca and are a primary reason the 18-year-old organization has such impeccable credibility with people on the streets. Despite its successes, even Roca has experienced that outstanding outreach, education, skills training and relational programming alone do not lead to long-term job retention and economic self-sufficiency for this high-risk population. While Roca's job placement department has achieved success in placing very difficult-to-employ youth, it discovered that over the past two years, 27% of youth lost their positions within one month and 43% lost their positions within two months.<sup>15</sup>

According to Abt Associates, promising programs targeting the at-risk youth population tend to integrate a work-based learning component.<sup>16</sup> Additionally, effective programs foster a sense of belonging<sup>17</sup>, establish strong relationships between youth and program staff, and provide comprehensive and flexible services that meet needs, especially over the long-term.<sup>18</sup> Examples of successfully addressing long-term job retention are organizations that launch "social ventures" specifically to hire difficult-to-employ individuals and positively alter their work habits for the long-term. Social ventures such as Peter Young Industries and Delancey Street that work with at-risk populations operate financially sustainable, income-generating businesses that provide on-the-job training and work experience in a real world business environment.

Roca has a promising opportunity to positively impact the work habits, soft skills and job retention of high-risk youth by leveraging its core competencies in outreach and relationship building with these youth. By implementing a proven and financially sustainable social venture strategy which integrates work-based learning and transitional employment opportunities into Roca's comprehensive portfolio of services, Roca holds great potential to start high-risk youth on a path towards lifetime independence and productivity.

## **Social Venture Opportunity**

### **Industry & Market**

Roca has launched Tacos Unidos, a food service social venture that will capitalize on both national trends as well as local market preference. Healthy, ethnic and convenient foods are all listed among the top ten food trends in the United States.<sup>19</sup> Tacos Unidos focuses on Mexican food, which is among the most popular ethnic foods

<sup>13</sup> Bash, C., M. Amato, and M. Sacks. January 2000. "Chelsea, Massachusetts: A City Helps its Diverse People Get Along." *Practical Perspectives*. Washington, DC: U.S. Department of Justice, Bureau of Justice Assistance. Available: <http://www.ncjrs.gov/pdffiles1/bja/179866.pdf>.

<sup>14</sup> Robert Ivry and Fred Doolittle, *Improving the Economic and Life Outcomes of At-Risk Youth*, Manpower Demonstration Research Corporation (MDRC), Spring 2003, p. 9. Available: [http://www.mdrc.org/Reports2002/hewlett\\_youthpaper/hewlett\\_youthpaper.pdf](http://www.mdrc.org/Reports2002/hewlett_youthpaper/hewlett_youthpaper.pdf).

<sup>15</sup> Roca Job Placement Department

<sup>16</sup> Lodewick, Hazlett, James, Schneider, Research and Evaluation Brief, *Strategies for Older Youth*, Volume 2, Issue 2, Abt Associates, August 2004. Available: <http://www.commcop.org/cre/documents/ResearchBrief2-02.pdf>.

<sup>17</sup> *Serving High-Risk Youth, Lessons Learned from Research and Programming*, Public/Private Ventures, September 2002. p. 16. Available: [http://www.ppv.org/ppv/youth/youth\\_publications.asp?section\\_id=9](http://www.ppv.org/ppv/youth/youth_publications.asp?section_id=9).

<sup>18</sup> Lodewick, Hazlett, James, Schneider, Research and Evaluation Brief, *Strategies for Older Youth*, Volume 2, Issue 2, Abt Associates, August 2004. Available: <http://www.commcop.org/cre/documents/ResearchBrief2-02.pdf>.

<sup>19</sup> *Emerging Top Food Trends in U.S. and Abroad*, Institute of Food Technologists, April 13, 2005. Available: <http://www.ift.org/cms/?pid=1001255>.

among American consumers.<sup>20</sup> On a local level, nearly 45% of the population in Tacos Unidos' local service area is of Hispanic/Latino origin.<sup>21</sup> This market segment is growing quickly and on average spends more on food.<sup>22</sup> A local market survey conducted by Roca revealed that 70 percent of respondents ate taqueria food once a week and would eat it more often except for a lack of availability, thus confirming a strong local preference and unmet need for healthy, Mexican fast-food.<sup>23</sup>

### **Competitive Advantage**

Tacos Unidos recipes have been developed with the expertise of established West coast chefs working in the Mexican restaurant industry. The recipes are inherently healthy and more flavorful than those of competitors. Tacos Unidos products have been described by customers as "delicious", "a great alternative to sandwiches for that next corporate event" and "the best tacos and burritos north of the Tobin Bridge."<sup>24</sup> The Tacos Unidos social mission is another important competitive advantage. Research shows that price and quality being similar, 86 percent of consumers are very/somewhat likely to switch from one brand to another if the other brand is associated with a good cause.<sup>25</sup> Finally, Tacos Unidos enjoys the benefit of its parent organization Roca's powerful local brand and existing relationships.

### **Fit with Social Mission**

By operating a food service business, Tacos Unidos benefits from a low barrier to entry and provides an entry-level gateway into the workforce for individuals who may lack education credentials and/or marketable job skills. Employees are trained on-the-job in a real but protected business environment that follows the standard rules of profit and loss, and gain skills that help them gain positions with growth-potential in the food service and hospitality industries. The product is able to attract interest in the local community amongst competition from larger players and provides interesting work for employees, particularly via the customer-facing aspect of the business. Most importantly, the venture offers the potential to scale significantly in a financially sustainable manner, thereby employing an increasing number of youth.

## **Social Innovation in Action: Tacos Unidos Model**

Tacos Unidos, a project of Roca launched in Summer 2005, has designed and implemented a model that combines a social venture employing high-risk youth with Roca's core competencies in outreach and building transformational relationships with those youth. Tacos Unidos prepares fresh, healthy tacos and burritos for sale via push carts, catering and in-building vendor sales. Its transformational relationships allow Tacos Unidos to successfully improve three critical soft skills found to be at the center of low job retention: Attitude, Attendance, and Punctuality<sup>26</sup>. The transformational relationship building process involves four key phases:

- Belonging - Youth are made to feel a sense of belonging to a caring group.
- Generosity – Youth develop a feeling that they have something to offer.
- Competence – Youth develop job skills as well as the more critical positive attitude and soft skills.
- Independence – Youth become self-sufficient and productive citizens.

The Tacos Unidos social venture provides the following program services in which youth participate for a period of two months.

<sup>20</sup> *Hispanic American Influence on the U.S. Food Industry*, USDA, Agricultural Research Service, National Agricultural Library, September 2002. Available: <http://www.nal.usda.gov/outreach/HFood.html>.

<sup>21</sup> U.S. Census Bureau, 2000 Census – Chelsea, East Boston, MA.

<sup>22</sup> The Food Processing Center, University of Nebraska at Lincoln. Available: <http://fpc.unl.edu/ProductCategories/ethnic/HISPANIC.HTM>.

<sup>23</sup> Roca survey of 208 individuals in Chelsea and Revere.

<sup>24</sup> Tacos Unidos customer testimonials.

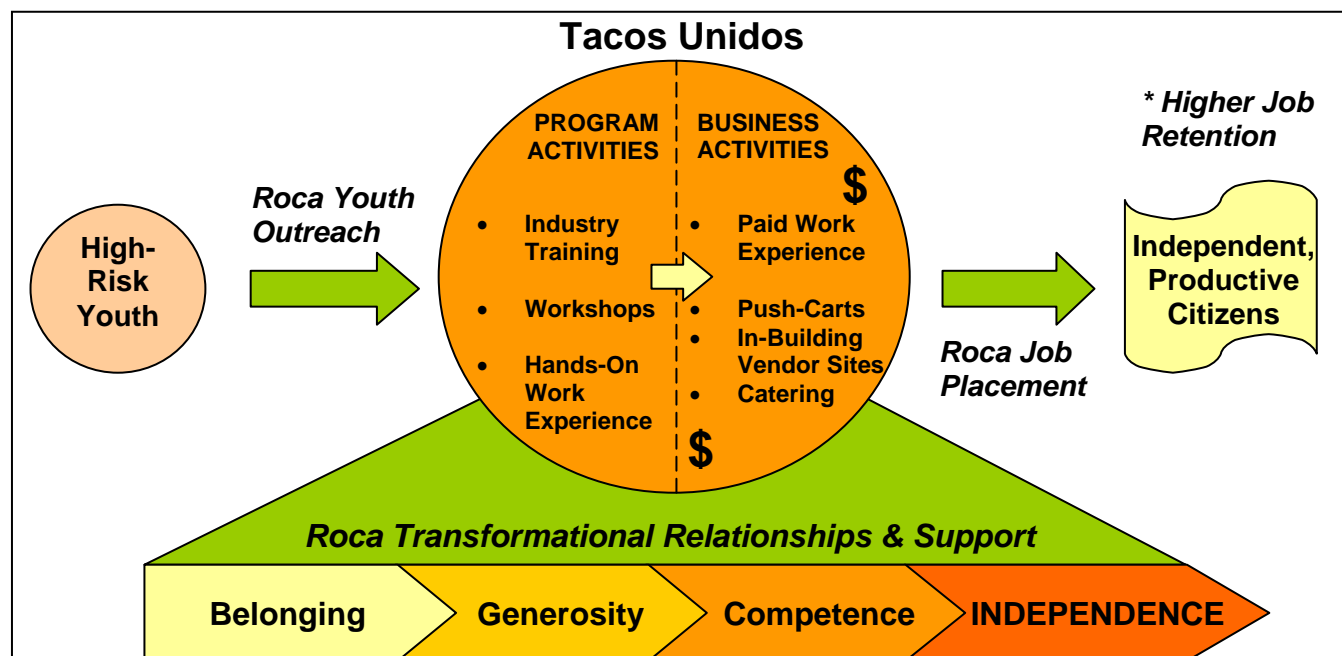
<sup>25</sup> *2004 Cone Corporate Citizenship Study*, Cone, Inc. Boston, MA, December 2004. Available: [http://www.coneinc.com/Pages/pr\\_30.html](http://www.coneinc.com/Pages/pr_30.html).

<sup>26</sup> Roca Job Placement Department

**Program Activities (Pre-Employment Component)**

Industry Training	Workshops	Hands-On Work Experience
Youth trainees are certified in the National Restaurant Association ServSafe (a certification required to work in food preparation and hospitality).	Youth participate in workshops on business development and entrepreneurship.	Youth trainees work in various positions within the Tacos Unidos business operation and earn an internal incentive payment.

Youth who excel in the Pre-Employment component are invited to become paid, part-time staff in the tacos/burritos business for a period of six months, earning the standard local market wage for fast food service employees. When they are ready to do so, youth staff and trainees not hired by Tacos Unidos transition into external employment with the assistance of Roca’s job placement department and its relationships with area food service and hospitality employers. Youth staff may also be promoted internally into positions of greater management responsibility. By experiencing the transformation process while simultaneously learning marketable skills, youth staff and trainees are able to gain and maintain stable employment.



**Business Activities (Transitional Employment Component)**

Tacos Unidos currently operates three business lines: Push-Carts, In-Building Vendor Sites and Catering. These business lines target different customer segments via separate distribution channels, thus allowing Tacos Unidos to leverage its fixed costs. By selling equivalent product items through all channels, Tacos Unidos is able to achieve economies of scale and lower unit production costs. By employing on-point sales during peak times with its push-carts and in-building vendor service, Tacos Unidos is able to capture maximum traffic flow in multiple locations. These public sales locations also serve a marketing function to promote the Taco Unidos catering business line and the overall social mission of Tacos Unidos and Roca.

	<b>Push-Carts (May – September)</b>	<b>In-Building Vendor Sites</b>	<b>Catering (Drop-offs and Special Events)</b>
Target Customer Market(s)	<ul style="list-style-type: none"> <li>• Office employees</li> <li>• Festival attendees</li> <li>• Local community event attendees</li> <li>• Commuters</li> </ul>	<ul style="list-style-type: none"> <li>• Office employees</li> <li>• Roca members and staff</li> <li>• College students</li> </ul>	<ul style="list-style-type: none"> <li>• Office employees</li> <li>• Special Event Attendees</li> </ul>
Competition	<ul style="list-style-type: none"> <li>• Taquerias</li> <li>• Local fast food</li> <li>• Canteen Trucks</li> <li>• Festival food vendors</li> <li>• Beach vendors</li> </ul>	<ul style="list-style-type: none"> <li>• Taquerias</li> <li>• Local fast food</li> <li>• Canteen Trucks</li> </ul>	<ul style="list-style-type: none"> <li>• Restaurants with drop-off services</li> <li>• Caterers</li> </ul>
Competitive Advantage	<ul style="list-style-type: none"> <li>• Healthy, tasty recipe</li> <li>• Social Mission</li> </ul>	<ul style="list-style-type: none"> <li>• Healthy, tasty recipe</li> <li>• Social mission</li> <li>• Convenience (allows office workers to buy lunch without leaving the building)</li> </ul>	<ul style="list-style-type: none"> <li>• Healthy, tasty recipe</li> <li>• Social Mission</li> <li>• Roca's existing relationships</li> </ul>

### **Current Operations**

Tacos Unidos currently operates one push cart on a seasonal basis and maintains in-building vendor sites at three building locations including Massachusetts General Hospital Chelsea, the Department of Social Services Chelsea and the Massachusetts Water Authority. The catering business line has catered events for up to 500 people in Chelsea and Boston. The social venture currently employs 5 youth staff and provides employment training services to 7 youth trainees.

### **Business Growth**

In order to reach its sales goals, Tacos Unidos has chosen a growth strategy that maintains a tight balance between profitability and its social mission. The following assessment compares the three Tacos Unidos business lines according to the criteria of profitability, social impact and scalability.

	<b>Profitability</b>	<b>Social Impact</b>	<b>Scalability</b>
Push Carts	Low	Medium	Low
In-Building Vendor Sites	Medium	High	Medium
Catering	High	Low	High

Tacos Unidos' growth strategy involves focusing on growing its highest profit and most easily scaleable catering business line in order to subsidize the growth of its other two business lines. These Push-Cart and In-Building Vendor lines provide greater social impact due to the public nature of their operations, and also serve as an important marketing channel for Tacos Unidos. The relative growth of each business line, as well as the resulting growth in youth staffing is detailed below.

<b>Organizational &amp; Business Health Measures</b>	<b>FY 2006E<sup>27</sup></b>	<b>FY 2007E</b>	<b>FY 2008E</b>	<b>FY 2009E</b>	<b>FY 2010E</b>	<b>FY 2011E</b>
<b>Business Lines</b>						
Push-Carts	1	1	1	1	1	1
In-Building Vendor Sites	3	4	6	8	8	8
Catering Customers	4	10	16	22	28	34
<b>Staffing</b>						
Youth Staff employed per 6 month cycle	5	6	7	8	8	9
Youth Staff employed per year <sup>28</sup>	9	10	12	14	14	16
Youth Trainees per year	21	48	60	78	78	78

\* *Tacos Unidos fiscal year is July through June*

## Social Impact

Tacos Unidos will leverage Roca's outcomes measurement resources to assess the social impact of the social venture on its youth staff and trainees. The outcomes and evaluation system utilizes three tools: 1) the Street Log (completed by an adult staff person quarterly); 2) the Structured Interview (conducted every six months between an adult staff and the youth member); and 3) the Circle of Development Survey (completed by the youth member annually). Having launched in May 2005, Tacos Unidos has thus far graduated four youth staff from the program.

The following measures will be tracked to evaluate social impact on a continuing basis:

<b>Measures</b>	<b>Current Result</b>
<b>Job Placement (Short-Term)</b>	
• Number of Tacos Unidos youth successfully placed into external jobs	3
• Placement Rate : Percent of Tacos Unidos youth successfully placed into external jobs	3 out of 4
<b>Job Retention (Medium-Term)</b>	
• Percent of youth still employed and/or involved in career advancement activities after three months	na
• Percent of youth still employed and/or involved in career advancement activities after six months	na
<b>Career Advancement (Longer-Term)</b>	
• Percent of youth showing an increase in Personal Vision	na
• Percent of youth earning their GED	na
• Percent of youth receiving a salary/wage increase	na
• Percent of youth receiving a promotion or obtaining a higher-level position	na

## Financial Sustainability

### Financial Goals

Tacos Unidos aims to generate enough sales to break even on its business expenses by FY 2011, a five-year time period, and will then begin contributing to its program expenses. Business expenses are those strictly associated with the operation of Tacos Unidos business activities: Push-Carts, In-Building Vendor Sites and

<sup>27</sup> July 2005 through June 2006

<sup>28</sup> Except for those in management positions, a new group of youth staff is rotated through Tacos Unidos every six months.

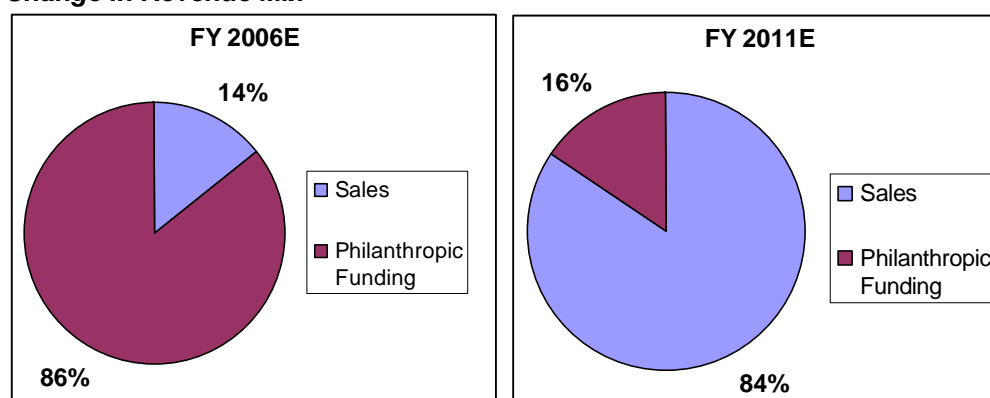
Catering. Program expenses are those associated with Tacos Unidos program activities: Industry Training, Workshops and Hands-On Work Experience. To support its operating budget during this initial growth period, Tacos Unidos has received funding from several foundations, as well as its parent organization Roca.

### Financial Projections

	FY 2006E <sup>29</sup>	FY 2007E	FY 2008E	FY 2009E	FY 2010E	FY 2011E
<b>BUSINESS ACTIVITIES</b>						
<b>Sales</b>						
Push-Carts	\$3,520	\$17,114	\$20,856	\$25,286	\$29,382	\$34,701
In-Building Vendor Sites	\$16,218	\$22,115	\$40,469	\$66,931	\$78,426	\$89,981
Catering	\$9,962	\$19,800	\$38,460	\$62,100	\$106,310	\$138,150
<b>Total Sales</b>	<b>\$29,700</b>	<b>\$59,029</b>	<b>\$99,785</b>	<b>\$154,317</b>	<b>\$214,118</b>	<b>\$262,831</b>
Philanthropic Investment	\$77,643					
<b>Total Revenue</b>	<b>\$107,343</b>	<b>\$59,029</b>	<b>\$99,785</b>	<b>\$154,317</b>	<b>\$214,118</b>	<b>\$262,831</b>
Business Expenses & COGS <sup>30</sup>	\$107,343	\$140,271	\$165,601	\$195,398	\$216,186	\$243,639
<b>Net Gain (Deficit) for Business Activities</b>	<b>\$0</b>	<b>(\$81,243)</b>	<b>(\$65,817)</b>	<b>(\$41,081)</b>	<b>(\$2,068)</b>	<b>\$19,192</b>
<b>PROGRAM ACTIVITIES</b>						
Contribution from Business Profit						\$19,192
Philanthropic Funding	\$84,250	\$40,750 <sup>31</sup>				
Program Expenses <sup>32</sup>	\$84,250	\$53,124	\$57,857	\$63,909	\$65,673	\$67,551
<b>Net Gain (Deficit) for Program Activities</b>	<b>\$0</b>	<b>(\$12,374)</b>	<b>(\$57,857)</b>	<b>(\$63,909)</b>	<b>(\$65,673)</b>	<b>(\$48,358)</b>
<b>TOTAL SOCIAL VENTURE</b>						
Sales	\$29,700	\$59,029	\$99,785	\$154,317	\$214,118	\$262,831
Total Philanthropic Revenue	\$161,893	\$40,750				
<b>Total Revenue</b>	<b>\$191,593</b>	<b>\$99,779</b>	<b>\$99,785</b>	<b>\$154,317</b>	<b>\$214,118</b>	<b>\$262,831</b>
Total Expenses	\$191,593	\$193,395	\$223,459	\$259,307	\$281,860	\$311,190
<b>Total Net Gain (Deficit)</b>	<b>(\$0)</b>	<b>(\$93,617)</b>	<b>(\$123,674)</b>	<b>(\$104,990)</b>	<b>(\$67,742)</b>	<b>(\$48,358)</b>

\* Tacos Unidos fiscal year is July through June

### Change in Revenue Mix



<sup>29</sup> July 2005 through June 2006

<sup>30</sup> Business expenses are those strictly associated with the operation of Tacos Unidos business activities: Push-Carts, In-Building Vendor Sites and Catering.

<sup>31</sup> Funding committed by two foundations.

<sup>32</sup> Program expenses are those associated with Tacos Unidos program activities: Industry Training, Workshops and Hands-On Work Experience.

### **Required Investment**

The Tacos Unidos social venture will require a total philanthropic investment of \$438,000 over five years (FY 2007 - FY 2011) to reach the business breakeven point. At this point, the entire social venture will have achieved a revenue mix of 84% earned revenue and 16% philanthropic revenue. Subsequently, the Tacos Unidos business operation will continue to grow, employ more youth and increasingly contribute to program expenses, thereby supporting the growth of program activities as well. This investment will allow Tacos Unidos to focus its resources on business growth, as opposed to fundraising, and will generate:

- 60 youth employed through paid work experience
- 342 youth trained in critical hard and soft work skills for the food and hospitality industries
- A potential \$100.5 million in saved costs to society over the lifetime of these youth<sup>33</sup>
- A self-sufficient business operation which no longer needs philanthropic investment and contributes to program expenses

For an initial two-year (FY 2007, FY 2008) philanthropic investment of \$217,000, Tacos Unidos commits to meeting the following milestones:

- Reach \$100,000 in sales, covering 60% of business expenses
- Employ 22 youth through paid work experience
- Train 108 youth in critical hard and soft work skills

### **Leadership**

Sotun Krouch (Tun), Business Manager, began his relationship with Roca as a youth participant at the age of 12. After several years of work on a volunteer basis, Tun took on his first staff position as a Project Coordinator. He subsequently worked as a Roca Street Worker and moved up to the highest levels of Youth STAR, an AmericaCorps program for high potential young adults. After several years as the manager of Roca's information systems, Tun led the development of Tacos Unidos as a social venture operating within the larger Roca organization. He brings to the position several years of family business experience in the food services industry.

Tacos Unidos currently has three members on its board of directors. Board members bring experience in the restaurant, catering and general food service industries.

### **Key Funders:**

- Roca
- Herrera's Mexican Grill
- Plymouth Rock Foundation
- The Charles Stewart Mott Foundation
- The Harry and Jeanette Weinberg Foundation, Inc.

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<sup>33</sup> Calculated based on minimum \$250,000 cost per youth. Cohen, M. (1998). The monetary value of saving a high risk youth. *Journal of Quantitative Criminology*, 14(1), 5-33 from Juvenile Offenders and Victims: 1999 National Report. (Pittsburgh, PA: National Center for Juvenile Justice, 1999), p. 82. Available: <http://www.ncjrs.org/html/ojdp/nationalreport99/chapter3.pdf>.

## Success Stories

### Linear Quinones, Tacos Unidos Youth Assistant

“If I wasn’t at Roca I’d probably be sitting in jail right now.”

Linear Quinones was born in Boston, MA and grew up in Chelsea and Revere. With very few family members in the area, Linear lives with friends, an often-unstable situation. After getting expelled from high school for getting into trouble, it wasn’t long until she was on the streets and getting into even more trouble. Before long she was picked up and found herself in the justice system. This was the point at which Roca first entered her life seven months ago. Linear was required to do 100 hours of community service and thus her relationship with the organization began, a relationship that she believes will never end.

“At the beginning I was one of the ones they had to hunt down,” she says. “I was always blowing it off, just hanging out. Now they don’t have to come find me, I’m always here. I want to be here.”

Linear did her community service in the classroom at Roca as a teacher’s aid. From there she began to develop relationships with the staff and started coming to take classes herself. Today she is only months away from earning a GED.

“Roca helped me a lot, even with the court stuff, they really advocated for me, they basically got me out of jail and gave me something to do.”

Linear works part-time for Tacos Unidos where she does food preparation, cooking and service. She helps to run the kitchen, participates in business planning and does customer service at the various locations where Tacos Unidos serves. Her work with Tacos Unidos has prepared her for a career in the food service industry and after she earns her GED, she plans on attending a culinary school to further her education in the industry.



**“I’ll always be here (at Roca) somehow,” she says, “you get addicted to it. The people here don’t judge you, you get respect and it feels like a community, a family here.”**

*Linear Quinones*