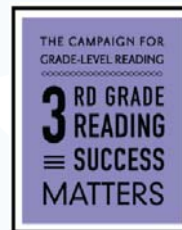


The Campaign for Grade Level Reading

Financial Sustainability: *Model for Economic Viability*

September 12, 2012



Opening Remarks

The Campaign for Grade-Level Reading

3RD GRADE READING SUCCESS MATTERS



Today's Agenda

What	Who	When
Opening Remarks	The Campaign for Grade Level Reading	1:00 – 1:10
Financial Sustainability: Model for Economic Viability	Community Wealth Ventures	1:10 – 1:35
Discussion	All participants (lead by Community Wealth Ventures)	1:35-1:45
Peer Learning: Local Site Perspective	Greg Landsman: Executive Director of The Strive Partnership	1:45 – 1:55
Tools for Action / Next Steps	Community Wealth Ventures	1:55 – 2:00

Who Is Community Wealth Ventures?

Community Wealth Ventures (CWV) is a management consulting firm...

that emboldens and equips leaderships teams...

to innovate, grow and sustain impact.



Objectives

■ Objective of First Three Webinars:

- Network members will gain:
 - Knowledge on how to approach the sustainability of a campaign
 - Steps to begin creating a financial sustainability plan

■ Today's Objectives:

- Review drivers of sustainability
- Understanding your model for economic viability
- Discuss a peer site experience
- Share tools for action



Quick Poll: Who is on the line?

■ Which region are you calling in from?

- Northeast
- Midwest
- West
- South

■ Which best describes you?

- Nonprofit organization
- School/school district
- Government agency/Mayor's office
- Funder
- Other

Financial Sustainability Webinar Schedule

Session #1

- Drivers of sustainability
- Components of a sustainability plan

August 8th

Session #2

- Model for economic viability: resources, operating costs, revenue streams

Today

Session #3

- Funder stakeholder engagement

October 10

Review: What is Sustainability?

Sustainability means your community does, and is positioned to continue to, create long lasting and relevant social impact on 3rd grade level reading.



Review: Three Sustainability Myths

1. Sustainability is only about money.
2. Sustainability is an end point.
3. Sustainability is achieved through growth.

Review: Six Key Drivers of Sustainability



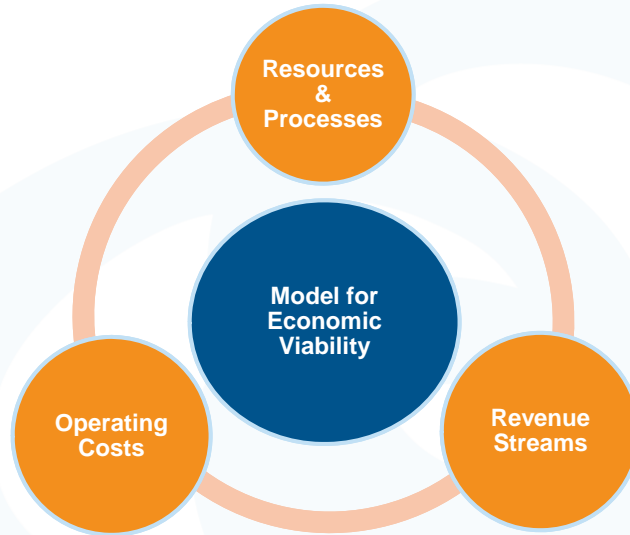
The 6 drivers of sustainability are the core of your financial sustainability plan



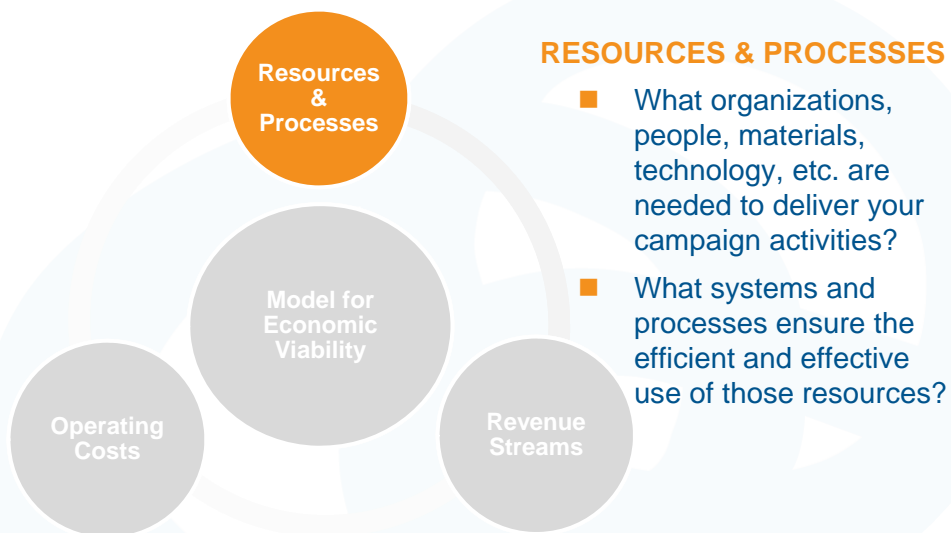
There are three components to economic viability that we will discuss today.



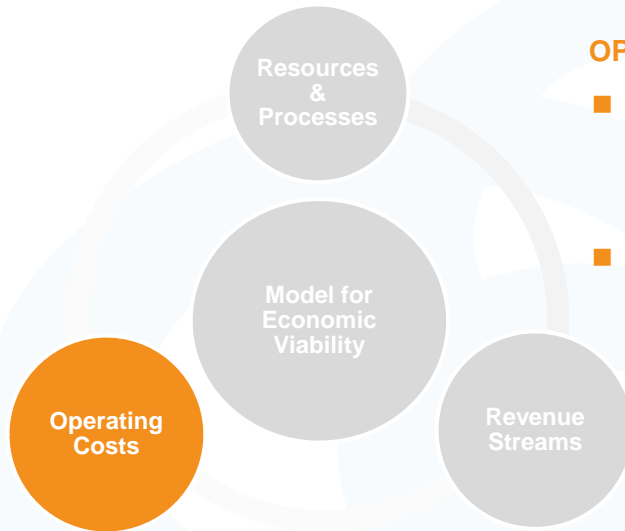
Understanding your Model for Economic Viability is important for financial sustainability



Identifying resources and processes leads to a better understanding of costs



Understanding operating costs across partners is critical for financial sustainability

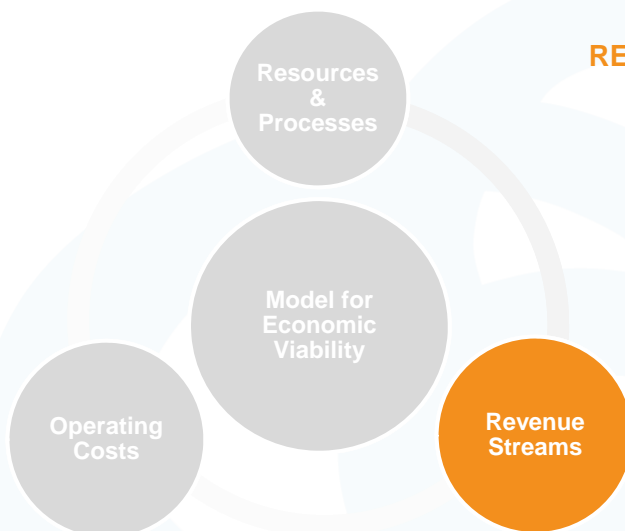


OPERATING COSTS

- Across your partners, what does it cost to deliver campaign activities?
- What are the collective expenses that must be accounted for and by whom?

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When operating costs are identified across partners, financing the campaign is clearer



REVENUE STREAMS

- Who might have an interest in supporting the cost of delivering your campaign activities?
- What is the size of the capital market?
- What is the value you offer to each of those potential funders?

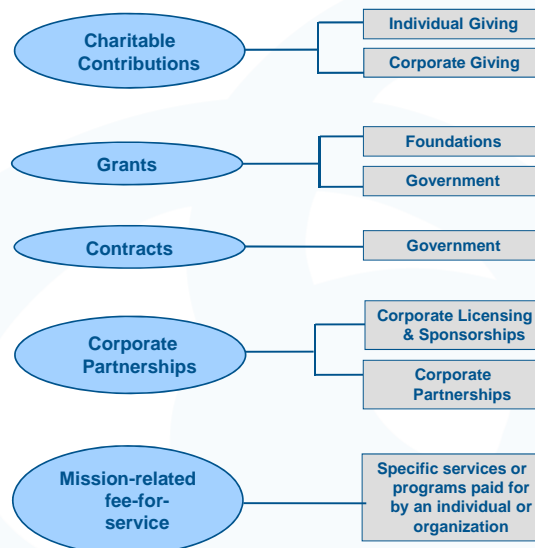
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Quick Poll: Clarity around model for economic viability

Q: How clear is your understanding of the collective resources/ processes and operating costs associated with running your campaign across all the partners?

1. We are limited in our understanding (we have more work to do)
1. We have some understanding (we are moving forward on this)
1. We have a solid understanding (we are comfortable with our knowledge)

Multiple sources of funding exist for community campaigns



Quick Poll: Where does the majority of your funding come from?

1. Charitable contributions
2. Grants
3. Contracts
4. Corporate partnerships
5. Mission-related fee for service

Tactical Areas of Improving Financial Sustainability

Tactical Focus	Why it Matters	Strategies
Long-term growth	Impact takes time.	Secure multi-year commitments
Working capital	Important to have cash on hand.	Prioritize and manage costs; build reserves
Breakeven/surplus	No margin, no mission.	Prioritize and manage costs; access flexible capital
Diversify revenue	Reduces risk.	Track frequency and predictability of each source
Resource allocation	Covers solution delivery costs.	Uncover hidden costs, focus on improving efficiency; track resources to impact

Preparing a financial sustainability plan takes upfront investment



For Discussion

- What sustainability challenges have you faced and can you share any advice or solutions that have helped you to overcome those challenges?

Peer Learning: Local Site Perspective

Greg Landsman

Executive Director



Gincinnati | Covington | Newport

Tool for Action

■ **Model for Economic Viability Worksheet**

- Focuses on identifying:
 - Resources and processes
 - Operating costs
 - Revenue streams

Upcoming

- **Third Webinar: October 10th at 1:00PM (ET)**
 - **Focus:** Funder stakeholder engagement

Contact Information

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