



# Social Venture Partners

## BOULDER COUNTY

### Call for Letters of Inquiry

Deadline: January 9, 2012

1. Background on SVP Boulder County
2. Selection Criteria
3. The SVP Philosophy of Funding Levels
4. Frequently Asked Questions
5. Application Process
6. Timeline for Prospective Investees

#### **Please Note**

*To be eligible to submit a Letter of Inquiry, all prospective applicants **must attend** a one-hour **Prospective Investee Workshop** at The Community Foundation in Boulder.*

- November 29 at 4pm
- December 8 at 12pm
- December 21 at 9am

#### **1. Background on SVP Boulder County – Investing in Boulder County Non-profits**

*The mission of Social Venture Partners Boulder County is to strengthen organizational capacity and sustainability of local non-profits while inspiring the philanthropy and volunteerism of our partners.*

SVP Boulder County is a fund of The Community Foundation that has provided over \$1.1 million in cash grants, \$1.7 million of in-kind support, and thousands of hours of management consulting to 17 non-profits in Boulder County. We are a different kind of funding organization. We will not solely write a grant check to a great non-profit and ask to hear from you one year down the road. Nor is there a single decision-maker within our partnership. We are an active group of philanthropists working collectively to impact our community.

We have a team of partners (*who are both our donors and capacity building volunteers*) who serve on our Portfolio Grants Committee. The Committee will review Letters of Inquiry, chose finalists, conduct capacity assessments, review full proposals, conduct site visits and then make a recommendation to the full partnership on 2012 investments. All of our partners weigh in to make a decision on which groups we support with contributions of cash and consulting. While decisions will be made by the end of May each year, grants will not be disbursed until the second half of each year and may be made in more than one payment. Once chosen for investment, a non-profit will receive pro bono consulting support that is more valuable than the cash grant.

We seek to support organizations that will benefit from a long-term relationship with SVP Boulder County, including hands-on involvement by individual partners, who have a range of talents and skills to offer non-profit organizations.

SVP Partners are not your traditional volunteer. We ask that you think out of the box when you elaborate on ways Partners can help strengthen your organization. Partners are successful businesspeople, venture capitalists, entrepreneurs, and community leaders. They can consult in

numerous areas – from accounting to marketing. So when you look at how to best use SVP, think outside the realm of traditional volunteers, and think big: how could you use a consultant to effectively strengthen your organization? *This is one of the most important components of your Letter of Inquiry, and what makes your LOI to SVP different from a typical LOI to a more traditional funding organization.*

SVP makes initial single-year awards with the intent of establishing longer-term partnerships with its investees (typically lasting 3 years). At the end of each year of support, the program and organizational outcomes and relationship potential with each investee are re-evaluated for further support. Re-investment for up to three years is likely but not automatic. One of our long-term goals is to help develop the organizational capacity and sustainability of the non-profit organizations we fund.

An important element in our proposal review process is finding organizations that are ready and willing to benefit from SVP advice and direction on capacity building projects.

The areas in which SVP Boulder County partners currently provide consulting include:

- Management – i.e. breaking down organizational objectives and developing systems for monitoring and accountability at all levels of the organization; executive coaching
- Strategic Planning – i.e. facilitating strategic planning sessions for the investee's key stakeholders to define mission, vision, organizational structure, and planning; also conducting business planning as product of strategic planning
- Outcome Measurement and Program Evaluation – i.e. planning, reviewing and enhancing current tools, assisting in tool development, training board and staff on tools (i.e. logic models)
- Human Resources – i.e. assisting in the development of job descriptions, coaching investee staff through the interview process, advising staff on what to look for in a new hire, auditing employee benefits and handbooks; developing full organizational restructuring
- Replication and Expansion – i.e. leveraging capital, develop feasibility study to assess best strategies for expansion, scaling models
- Information Technology – i.e. auditing databases; researching solutions for data, web, or network systems; IT planning
- Finance and Accounting – i.e. developing cash flow analysis; developing new budgeting systems; transitioning an investee's accounting system to updated software, training staff on the new system, and facilitating data conversion
- Boards and Governance – i.e. Board recruitment, training, and development; board coaching
- Marketing and Communications – i.e. branding and marketing plans; collateral materials
- Legal – i.e. reviewing legal documents, providing legal counsel on various issues
- Real Estate – i.e. assisting with market analysis, real estate negotiations
- Fundraising, Earned Income & Social Enterprise – i.e. fund development planning, assisting with new donor cultivation and outreach, developing earned income strategies, development coaching
- Board Leadership & Development – i.e. auditing and/or developing a board recruitment and training process, board education, board member coaching

## **2. Selection Criteria**

Eligible nonprofit organizations will need to address one or more of SVP's community focus area priorities that are not currently being addressed by one of our investees. In 2012 SVP Boulder County will support one new Investee focused on serving local needs in Housing & Homelessness or Aging & Seniors; or, a non-profit with a current or emerging social enterprise. *SVP considers a social enterprise a venture that achieves its primary social mission using business method. To be eligible, the social*

*enterprise would need to support service to low-income individuals (e.g. providing funding for a non-profit that serves low-income individuals) or employ low-income individuals and be developed/offered by a non-profit organization.*

Our full list of focus areas includes: Aging & Seniors, Early Child Care & Development, Housing & Homelessness, Health Care Access, and Social Enterprise.

We recognize that there may be overlap among focus areas. Proposals that achieve the best fit within one area's highest priorities receive greater consideration than proposals that marginally address several priorities. Proposals that show a strong fit with one of the areas and at least one other of our full list of focus areas will receive the highest consideration.

**SVP Boulder County seeks to partner with organizations that have the following characteristics. Those items listed below that are followed by an \* are required.**

- Non-profit organization - 501(c)(3) status, or has a fiscal sponsor\*
- At least 50% of services must be provided in Boulder County\*
- Attend one of our Prospective Investee Workshops\*
- In need of and committed to incorporating SVP volunteer support to build and strengthen their organization's internal capacity to deliver programs and services\*
- Committed to using outcomes measurement/evaluation to provide effective programs\*
- A majority of service recipients (*more than 50%*) are low-income or qualify for reduced-rates\*
- Strong and passionate leadership, demonstrating qualities of a social entrepreneur
- Have a long-term perspective on their impact on the client population
- Collaborates with other non-profits
- Organizations must demonstrate either:
  - A track-record of successful program/service implementation, making measurable impacts on populations served and/or issues addressed;
  - Reasoned methodology, i.e. needs assessment or replication of a model program, to demonstrate potential for success;
  - Or in the case of some newer organizations, provide a revolutionary approach to solving a community issue.

Recognizing that organizational infrastructure is a necessity, SVP welcomes requests for general operating support, or specific program/project support if aimed at building organizational capacity. SVP Boulder County does not fund requests for endowments or capital campaigns.

### **3. The SVP Philosophy of Funding Levels during an Investee's Life-Cycle**

It is the intent of SVP to establish long-term partnerships with investees (*typically lasting 3 years*). SVP will provide varying levels of volunteer and financial resources over the life of its relationship with an investee. The first year of funding provides an opportunity to learn about each other and begin work on capacity building projects. Over year two, the SVP/investee partnership is strengthened and capacity building efforts move forward in earnest. By the final year of investment, SVP anticipates a focus on sustainability for the investee. Funding levels mirror this changing relationship. In general, an investee with a three-year relationship with SVP may expect to receive between \$35,000 and \$75,000 in funding.

## SVP Funding Levels Model

	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Total</b>
<b>High</b>	\$20,000	\$30,000	\$25,000	\$75,000
<b>Low</b>	\$10,000	\$15,000	\$10,000	\$35,000

- Funding levels and investments in capacity building are based on the needs of the investee and the available resources within SVP. Each investee will benefit from support tailored to their unique situation and should expect to receive different funding levels than other investees.
- Ideally, the percentage of SVP funding will be a smaller portion of the Investee's total revenue over time. It is SVP's mission to support the development of sustainability in local non-profits.
- These funding levels should be viewed as general guidelines. From time to time, SVP may chose to fund an organization at an amount outside of these ranges.
- Each year the SVP/investee relationship is reviewed and evaluated by the PGC and the full partnership votes on whether or not to continue funding. Although reviewed annually, the likelihood of a grant continuing for three years is high if the investee is performing as expected. SVP brings value to investees through developing relationships which are longer term than an annual gift, providing both financial and capacity support.

## **4. Frequently Asked Questions**

### What can you say about your investees? What are their characteristics?

The organizations that SVP Boulder County currently funds are in need of and committed to an infusion of SVP volunteer support to build and strengthen their organization's capacity to deliver programs. Most of the time they are not start-ups nor fully mature organizations, but organizations in a growth stage. The non-profits are committed to developing or enhancing program evaluation and measuring outcomes. And, finally, they have a long-term perspective on their impact on the target population.

### What kind of people do you look for in the investees you fund?

SVP Boulder County's investees are led by social entrepreneurs -- innovative, passionate leaders with vision and ideas about effecting change and solving problems in the community, and creating more social value from their limited resources. They often use traditional business skills to achieve their goals and make creative use of limited resources to doggedly pursue their social mission. They deeply value volunteer involvement in their organizations and have a mechanism to work effectively with volunteers.

### How large are the individual awards given by SVP Boulder County?

Past awards have ranged in size from \$10,000 - \$30,000. SVP Boulder County's awards are typically general operating support. *(Please see the Funding chart on Page 3.)*

### What criteria will SVP Boulder County apply to choose investees?

SVP Boulder County seeks potential investees with strong leadership, bold ideas that have achieved success, people with vision to have a broader, growing impact on the community, and measures of performance. An important element is finding organizations that are ready and willing to partner with us and benefit from SVP advice and direction on capacity building projects.

How many investees will SVP select in spring of 2012? SVP will most likely select one new investee to partner with in 2012. Assuming the relationship is strong, and benchmarks are achieved, SVP will support the new investee(s) for up to two additional years following the initial year's funding.

## **5. Application Process**

The **prospective investee workshops** are scheduled in November and December of 2011, at The Community Foundation, 1123 Spruce St. in Boulder. **Attendance at one of the three workshops by prospective investees is required.** Please contact Jennie Arbogash at 303-442-0436 x114, or via email at: [jennie@svpbouldercounty.org](mailto:jennie@svpbouldercounty.org) to RSVP. The goal of this workshop is to introduce you to the concept of partnering with SVP Boulder County and to address any questions you may have about the application and selection process. Questions are welcome any time. To be considered for support, organizations should submit a Letter of Inquiry (LOI) **by January 9, 2012**. LOI should not exceed two pages and should include **no attachments**. Font may not be smaller than size 11 and margins should be one inch.

The letter of inquiry must include the following information:

- Your organization's name, address, and website. Along with a contact name, email address and phone number.
- One paragraph summarizing your organization's mission and history.
- A summary of your organizational goals and specific activities. Please include details around the population you serve and how it addresses one, or more, of the focus areas SVP will fund in 2012.
- A **specific** description, including **two to five proposed consulting projects or ways**, of how you could use SVP partners' strategic consulting assistance if given an SVP award (***this is a critical component of your letter***).
- A description of how you will know – and measure – if the partnership with SVP Boulder County is a success, *and* your organizational objectives/program objectives are met.
- A one-sentence description of your Executive Director's philosophy of leadership and a one-sentence description of your board chair's philosophy of leadership.
- Budget figures: a) the amount of financial support requested from SVP in 2012; b) the total budget for the requested project, if project-specific support is sought; c) the organization's total 2012 operating budget. **Please note:** *You do not have to submit a line item budget. For example, non-profits need only state, "We are requesting \$15,000 in general operating support from SVP. Our total agency budget for FY2012 is \$524,000."*

**Please submit Letters of Inquiry by 5:00pm on January 9, 2012, via email**, with the Letter of Inquiry attached, (and attachment file named the same as your organization's name followed by *LOI 2011*, (i.e. *Corporation for National & Community Service LOI 2012*), to [jennie@svpbouldercounty.org](mailto:jennie@svpbouldercounty.org).

## **6. Timeline\* for Prospective Investees**

- 2011: Prospective Investee Workshops at The Community Foundation, Boulder. **Attendance** at one of the three workshops by prospective investees is **required**.
- January 9, 2012, 5:00pm: Letters of Inquiry Due
- End-of-January, 2012: All applicants notified of finalist results
- February to March, 2012: Prospective investees complete SVP Capacity Assessment Tool
- March, 2012: Full Proposals Due
- April, 2012: Site Visits (*scheduled individually*)
- June, 2012: Investees notified of awards