



Social Venture Partners

BOULDER COUNTY

Capacity Building Report

2011 Impact

SVP Boulder County strengthens the organizational capacity and sustainability of local non-profits while inspiring the philanthropy and volunteerism of our partners.

Our vision is a community of strategic, engaged philanthropists collaborating to serve capacity building needs of all local non-profits.

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SVP Boulder County is a fund of The Community Foundation

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Social Venture Partners Boulder County

Report on Impact in Capacity Building

Fall 2011

Background

Social Venture Partners Boulder County (SVP) has a dual mission: developing philanthropy and volunteerism among its members (Partners) and building the capacity of nonprofit organizations (Investees).

This report pertains to SVP's effectiveness in building capacity among its Investees. SVP builds capacity through cash grants, technical assistance, and connecting Partners with nonprofits as volunteers. As a learning organization, SVP seeks to continually assess its progress and improve its performance. In assessing our impact in capacity building, we have prioritized these outcomes:

- Investee satisfaction with SVP
- Value added by SVP Partners
- Impact of capacity gains on program effectiveness

In July of 2011 we administered tools to gather data on Investee outcomes and received responses from the four (100%) Investees supported in the 2010-2011 grant year.

Methodology

The following data collection tools were used to generate this report:

- The Investee Survey, administered in July 2011 generated qualitative information related to Investee satisfaction and the perceived value of volunteer assignments, and quantitative data related to the value-added of SVP Partners.
- The Most Significant Change Tool, administered in July 2011, generated information about SVP's Impact on Program Effectiveness.

Limitations to the Data

The data that follows paints a meaningful and important portrait of SVP's impact in its work in building nonprofit capacity. It is nonetheless important to acknowledge several aspects of the research methodology that may impact the data, particularly as it relates to the Investee survey.¹

- Although the information provided by Investees was confidential, there is an inherent bias in surveys administered to grantees by funders. To minimize this bias, SVP administered the survey **after** re-funding decisions had been made and announced.
- The quantitative data related to calculating value added by SVP Partners are estimates by Investees. SVPI has reviewed the Investee data, but there is a degree of judgment in these numbers and they should be viewed as estimates.
- The data related to increased capacity gain and/or stories of significant change is subjective and was provided by Investees without independent review or verification.

General Information about Respondents:

- One Investee had just finished their 3rd year of funding from SVP; one finished their 2nd year; and two finished their first year
- The most recent cash grant to these Investees by SVP averaged approximately \$18,750.
- Investee annual budgets ranged from \$243,917 to \$3.5 million.

¹ Information providing more specific information about these limitations and the measures taken to minimize them is available through SVP.

Key Findings on Impact

Investee Satisfaction with SVP

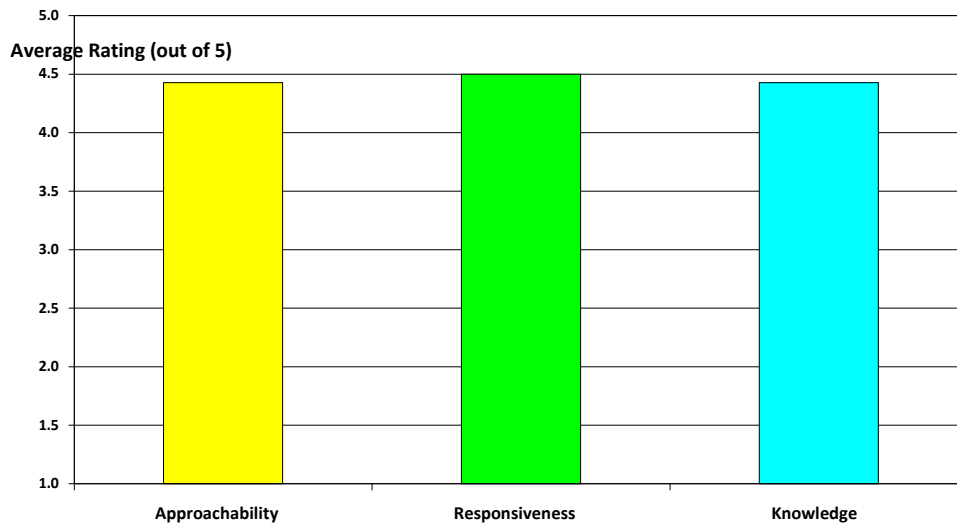
Tracking Investee perceptions of SVP is important because of the relationship-intensive nature of the relationship. SVP prides itself on its transparency with Investees and its high level of engagement requires a strong foundation of trust. As such, a high degree of Investee satisfaction with SVP relationship is a prerequisite for any meaningful capacity building work.

Overall Satisfaction

Overall, 100% of SVP Investees characterized their relationship with SVP as excellent.

Satisfaction according to the specific criteria of Approachability, Responsiveness, and Knowledge was as follows:²

Investee Satisfaction with SVP Overall



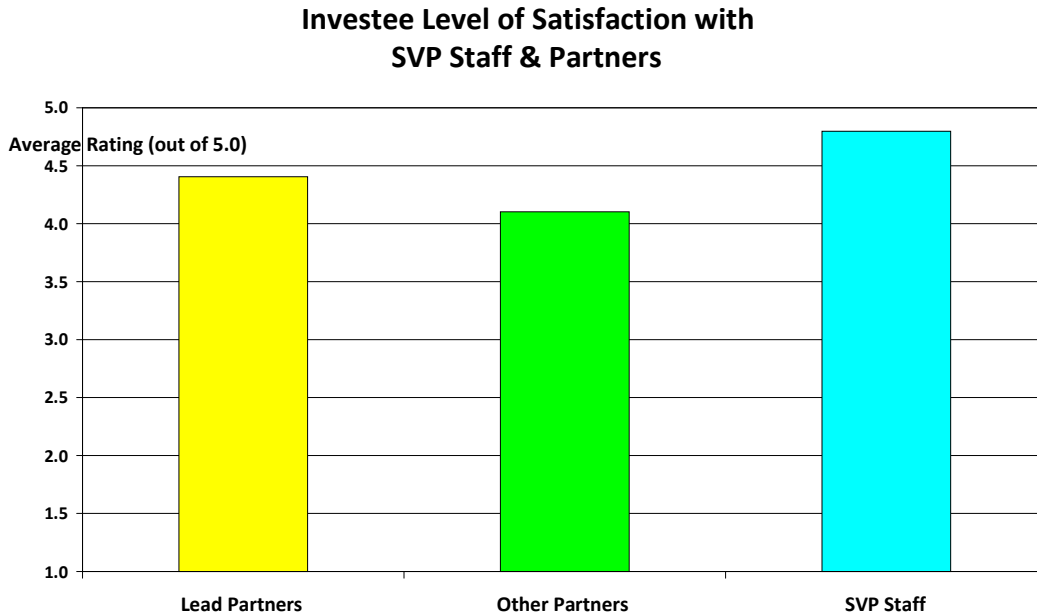
² Approachability – The investee staff knows how to contact the Partner/staff/lead; feels comfortable contacting; feels receptiveness to their questions or feedback

Responsiveness – The investee staff feels that the Partner/staff/lead replies in a timely way; the response is useful or thoughtful; and that the Partner/staff/lead demonstrated openness to the investee staff's feedback

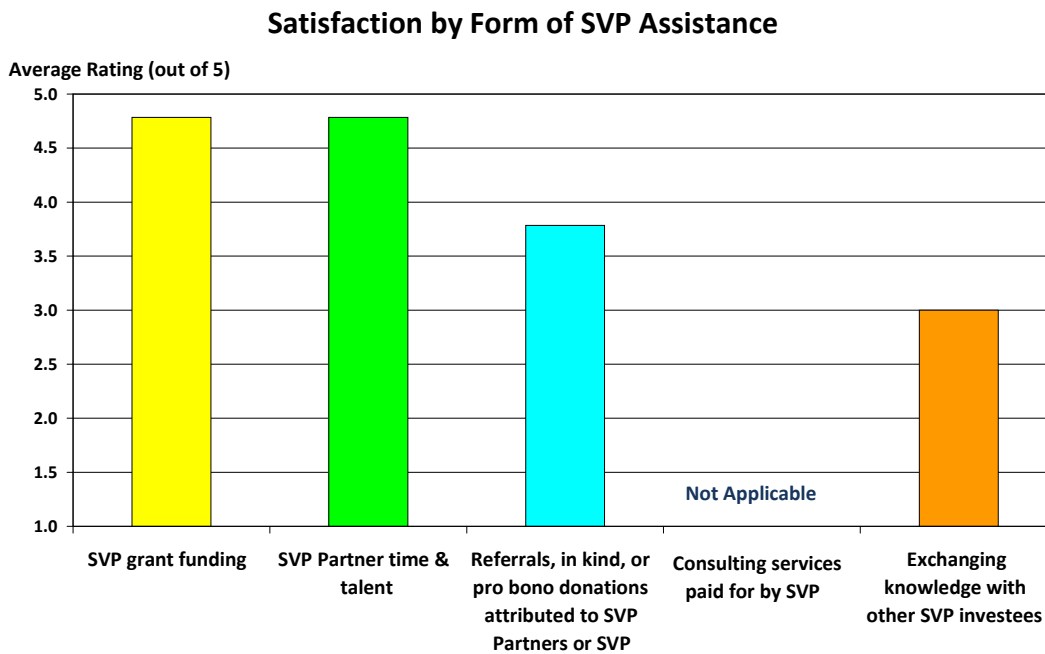
Knowledge – The investee staff feels that the Partner/staff/lead is able to offer resources or ideas in response to their questions or request for information; that the Partner/staff/lead reflects understanding of their organization's mission and needs

Satisfaction with SVP Partners and Staff

Satisfaction with SVP Lead Partners, Other Partners and Staff was as follows:



Satisfaction According to Different Forms of SVP Assistance



SVP asked Investees for their perception of the value of the different forms of assistance that they received. They were asked to rank their satisfaction with the following types of assistance:

1) cash grants, 2) Partner time and talent, 3) Referrals, in-kind or pro bono donations by

Partners or through SVP, 4) consulting services paid for by SVP, and 5) exchanging knowledge with other Investees. The two rated highest by Investees were:

- Cash grants (average rating of 4.75/5.0)
- Partner time and talent (average rating of 4.75/5.0)

Satisfaction with Partner Volunteers

SVP works with Investees to identify the particular areas of capacity it needs to develop, and then provides targeted resources to strengthen those areas. SVP asked Investee for their perceptions of value of Partner support for different areas of capacity building. They were asked to rank their satisfaction with the following types of assistance:

- | | |
|---|--|
| 1) Mission, Vision, Strategy and Planning | 5) Information Technology |
| 2) Outcomes Measurement and Evaluation | 6) Financial Management |
| 3) Human Resources, | 7) Fund Development |
| 4) CEO/ED/Senior Management Team Leadership | 8) Board Leadership |
| | 9) Legal Affairs |
| | 10) Marketing, Communications and External Relations |

SVP matched a total of 27 Partners to 45 projects that strengthened these areas of capacity.

The areas where Investees reported receiving the most value were:

- Financial Management (5.0)
- Mission, Vision, Strategy and Planning (4.67)
- CEO/ED/Senior Management Team Leadership (4.67)

The table included in Appendix A provides more detail about the number of volunteer assignments and perceived value for each capacity area.

Value Added by SVP Partners

SVP's strategy for building capacity is to provide a complete package of money, professional-level volunteers (Partners), consultants and networking opportunities to its Investee organizations.

In fact, the cash grants are only a small portion of the value that Investees gain by being part of SVP. Through the Investee survey, we attempt to quantify the value added by SVP Partners by

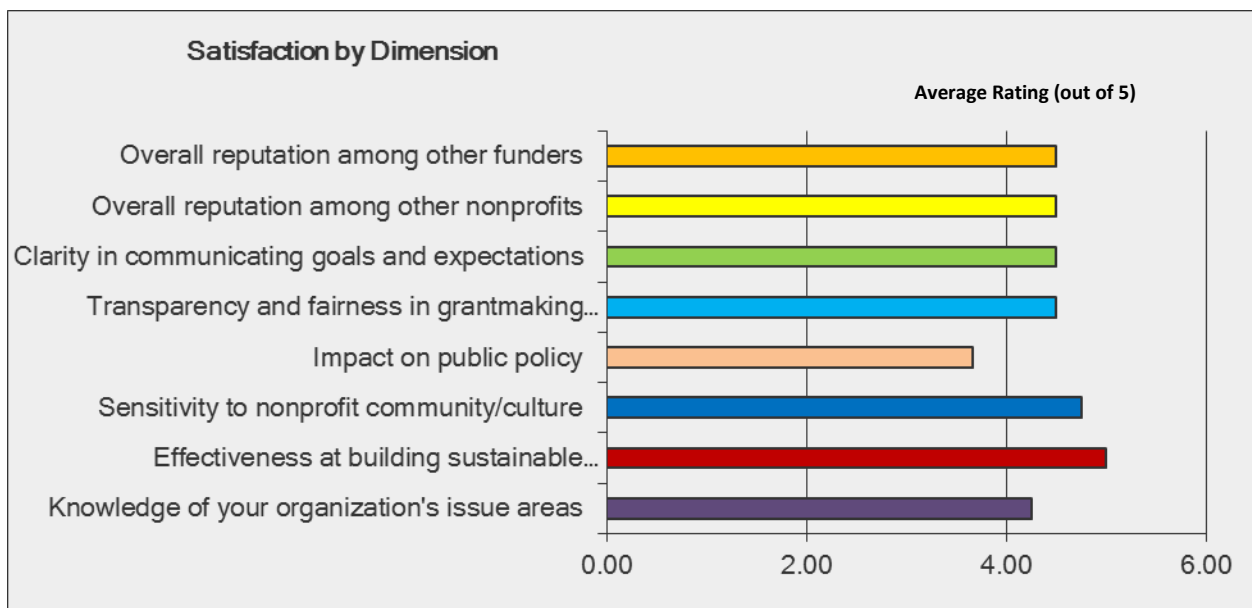
asking Investees for information about Partner volunteer time for strategic volunteer projects³ (we did not include Partner time dedicated to tutoring or mentoring).

A summary of the value added by SVP Partners across all responding Investees is as follows:

Value Added by SVP Partners	
Volunteer Time (1,025 hours @ \$100/hr)	\$102,500

In the past twelve months, the total value added by SVP Partners was approximately \$102,500. During this same period, cash grants to Investees totaled \$75,000. This means that the value added by SVP Partners was 137% the value of cash grants – more than doubling real investments in local non-profits!

Satisfaction with SVP along Related Dimensions



Impact on Growth & Learning

When asked what have been the three greatest areas of growth and learning as a result of SVP's investment in their organization, respondents answered:

- 1) Respondent A answered:
 - Figuring out how to move the Board growth process forward

³ The value was calculated using a market-based uniform rate of \$100 per hour. Although market rates vary according to type of project, we chose a single rate at the low end of the range (\$75-\$200) to maximize ease and reliability of data collection.

- Gathering an outside perspective on the organization, what's working, and what's holding us back
 - How to more effectively use social media as an important tool as we grow
- 2) Respondent B answered:
- Funding increase
 - Board development
 - Market position
- 3) Respondent C answered:
- Leadership
 - Strategic planning
 - Board development
- 4) Respondent D answered:
- Increased cash flow through increases in business management
 - Internal communication
 - Leadership skills

Impact on Programs and Community

The effort SVP has made to strengthen the organizational capacity of its Investees has led to significant improvements in program effectiveness and social benefit. Although it is not possible to quantify these social gains, we have asked Investees to document stories of the most significant change that they have experienced in their organizational capacity as a result of their relationship with SVP. A story from the last year that best exemplifies the type of change that SVP is trying to promote is found below:

For many years, Dental Aid, like many non-profits, survived from one grant cycle to the next. Grant cycles are on a longer rotation than our payroll cycles. This created a scenario where every payroll potentially required more cash than was available. The organizational history was to use a Line of Credit as needed to meet payroll. The grant dollars as they came in were then used to pay down the line of credit. This cycle was repeated through the years. The line of credit was utilized approximately every 4 to 6 weeks in the first ten months of 2010. This resulted in a significant debt load and net loss at the end of the year – totaling in the hundreds of thousands. The new CEO assumed his duties in the middle of November and financial hardships were not yet fully understood within the organization. It quickly became apparent the organization would not be sustainable if these practices were not changed.

In November of 2010, two SVP Lead Partners began meeting with the new CEO on a weekly basis. The financial condition of the organization became the first capacity area identified as an urgent area of focus. In other words, a major business overhaul was needed. The first major task identified was the

need to improve financial oversight and current operational practices. The SVP Partners counseled the CEO on handling and implementing these necessary changes.

The next task became increasing revenue. Dental Aid, unlike many non-profits, has the capacity to generate significant revenue from its four dental clinics. The SVP Partners quickly learned dental terminologies, the organization’s internal jargon and typical dental health care business models. Dental Aid increased production and cash flow by placing more responsibility on the individual dentists for clinic management and patient flow. The CEO through the input, counseling, and guidance of the SVP Partners created and managed a major restructuring of the organization that included eliminating positions and modifying compensation.

Dental Aid has improved internal communication and created a more open and trusting environment in the last nine months. The debt has been reduced by nearly 75%. Every payroll since November of 2010 has been met without utilizing the Line of Credit. Individual clinic efficiencies have increased as evidenced by increases in productivity. The time and efforts of SVP will eventually lead to Dental Aid having a long-term sustainable business model. The underserved and at-risk populations of Boulder County will have access to essential oral health care for the foreseeable future due to the work of SVP.

Appendix A

Partner volunteer time for strategic volunteer projects

	Number of Volunteers	Number of Hours
Mission, Vision, Strategy and Planning	6	180
Outcomes Measurement and Evaluation	2	20
Human Resources	2	75
CEO/ED/Senior Management Team Leadership	7	170
Information Technology	3	80
Financial Management	3	95
Fund Development	5	70
Board Leadership	7	130
Legal Affairs	2	10
Marketing, Communications and External Relations	4	75
Other	4	120
Total	45*	1,025**

**This number reflects some Partners whom worked on more than one Investee project.*

*** This conservative estimate of hours provided for investee projects does not include coaching.*