



“The single biggest ticket to a life of opportunity is a college degree. When one low-income student who is first in their family to graduate from college, the cycle of poverty is broken for that family and for future generations....and the whole world is a better place.” Kim Mazzuca, CEO, 10,000 Degrees

A. Executive Summary

The economic well-being of our nation depends on raising the educational achievement rates for our most underserved communities. California, considered a bellwether of many national trends, ranks 48th out of the 50 states in its direct college-going rate, while it has become among the most racially and economically diverse state in the country. To close the widening educational achievement gap in California, 10,000 Degrees has developed and is executing a three-year expansion initiative that will take its proven College Success Solution to underserved students in eight counties throughout the North Bay and beyond. 10,000 Degrees’ College Success Solution provides a powerful continuum of college preparation, financial and personal support to ensure that students 1) graduate from high school college-ready with a financial aid package that enhances grants and scholarships and minimizes or eliminates loans, 2) enroll in a college or university well-suited to their academic and career aspirations, and 3) earn their baccalaureate degrees timely. Our unique niche is the combination of intensive college preparation and completion programs coupled with significant, need-based scholarship support.

In its 30-year history, 10,000 Degrees has put 17,000 kids on the path to a college degree, and awarded over 30,000 scholarships worth more than \$47 million. Because of our experience and impact to date, including recently expanding programs beyond Marin County to Sonoma and Solano Counties, we believe we have a successful formula to enable us to scale and expand our programs to more high-need communities. To do so, we are developing a capital growth campaign to raise \$6 million over the next five years, to be realized through strategic fund development. We have created a comprehensive operating plan, with timeline, milestones and measurable goals, robust marketing and communications plans, and an evaluation plan for assessing impact. With a long history of experience, expertise, leadership and impact, 10,000 Degrees is well-positioned to take its successful College Success Solution to scale. In doing so, we envision the tide turning in California to realize a future where everyone, regardless of

circumstances, has the opportunity to make their dreams of college degree attainment a reality.

B. Industry and Market Analysis

1. Market Context and Need

California is 48th out of 50 states in its direct college-going rate.¹ And a nation is only as good as its educated citizenry.

With California being the eighth largest economy in the world², our state alone could make a significant impact on the nation's economy if we raise our college attainment rate. However, our state has been and will continue to be impacted by a confluence of significant trends and budget deficits. In addition to California's growing educational disparities throughout the K-12 pipeline, college tuition is rising at alarming rates (UCs have increased by more than 35% in the past five years while CSUs have almost doubled).³ Costs will continue to rise due to the current budget deficit which has resulted in even more recent drastic cuts to higher education (\$1.4 billion)⁴, and all while student aid is declining and family support is limited.

As in California, the nation as a whole faces an educational achievement gap of unprecedented scale. Our nation now ranks 10th among industrialized nations in the percentage of young adults (25 to 34 year-olds) with college degrees.⁵ Our college attainment rate of 39 percent (Americans holding a two-year or four-year degree) has held steady while leading countries boast young-adult populations in which more than half of the members are degree holders. Attainment rates in these other countries continue to climb while ours remains stagnant.⁶ This stagnation is even more evident with our nation's most underrepresented and underserved students—low-income students, students of color and first-generation students.

One in eight kids in the country attends California schools. Our student population skews disproportionately to English language learners (25% vs. 9% nationally) and to low income students (49% eligible for free or reduced lunch vs. 43% nationally) – populations that without the right support, enroll and complete college at much lower rates than the general population.

In 2000, the population in California was approximately 34 million people, 47% white and 33% Hispanic. Projections show that by 2025 the population will rise to well over 40 million and the white population will decrease to just over 30%, while the Hispanic population will increase to 46%, and to well more than 50% by 2040.

At every stage, low income students and students of color lag on every achievement measure compared to their more advantaged counterparts. Why? Many disadvantaged students have parents without college experience, so they have no family guidance and no advocates within the educational system. They attend segregated and poorly funded schools with few qualified teachers, inadequate facilities and scarce enrichment activities. Moreover, educators have low expectations, tracking students away from AP/Honors classes and giving limited college guidance. In college, they struggle to pay exorbitant college costs and find support systems.

Alarming, the achievement gap widens as children go through the school system. For every 100 9th graders, 68 graduate on time, 40 enroll in college by age 24, 27 are still enrolled a year later and 16 earn an Associate's degree within three years or Bachelor's within six years.⁷

Over the last few years, local and national dialogue around improving public education has shifted toward a focus on college access and success, driven in large part by the vast gap in earnings and employment rates between college and high school graduates. Nationally, earnings of college graduates were 53% more than those of high school graduates in 2008. Locally, the unemployment rate for college graduates in California was 6.3% as of March 2009 – less than half that of high school graduates. Moreover, projections recently developed by the Public Policy Institute of California show that the state is not producing enough new college graduates to keep up with long-term demand.⁸

The negative social and economic losses for California from the low educational attainment of its citizens are substantial. Tax revenues are reduced and government spending on health, crime and welfare is elevated, increasing the fiscal burden for all Californians. One significant component of the fiscal and social costs of low education is the higher rate of criminal activity. For example, high school drop-outs make up approximately two-thirds of all prison inmates.⁹ For a single-aged cohort of children aged 12 in 2009, the total losses associated with low education are \$34.51 billion and the total economic loss associated with having any high school drop-outs in California is \$46.15 billion.¹⁰ When children don't get the education they need, everyone loses.¹¹

All the while, there is a growing demand for a college educated workforce, and California is facing a serious shortfall. If current trends persist, the state will have a shortage of **1 million college graduates by 2025.**¹²

While these statistics are disheartening, it is also true that many students, when given information, financial resources and access to a rigorous college preparatory curriculum, can change this trend and earn their college degrees.

2. Current and Projected Demand

10,000 Degrees’ long history of working in Marin and our more recent expansion into Sonoma and Solano Counties have shown a continuing and strong demand for our college access and success resources and services. Each time 10,000 Degrees has brought its programs to new adopters, it has received a flurry of phone calls and emails from an ever-widening array of schools and organizations requesting that we bring our services to them. We see this as strong evidence of pent-up demand in communities that have long been ignored as potential growth areas for college access and success services.

In the next table, we detail the ease of market entry for our key adopters:

Table 1: Ease of Adoption for Students/Families and Funders

Ease of Adoption	Students/Families	Funders
Relative Advantage	We package college access resources in way that low-income, first-generation students and their families can easily access.	Our programs have proven impact, which is attractive to funders, who want a measureable return on investment.
Compatibility	We tailor our services to meet students and families where they are, whether they need materials in their native language or to have complex financial aid requirements presented in an easy-to-understand format.	Our funders are individuals and institutions that share our commitment to equal higher education access.
Simplicity/Complexity	We ensure that the information, resources and materials provided are easy to understand, based on feedback we receive during and after program activities. Program staff is available by phone and email to answer questions about any program services or materials.	As we scale our programs geographically, it becomes more complex to reach across the larger counties we endeavor to serve, both because of the logistics of covering the area and because of a learning curve as we research new areas, reach out to potential partners, and assess need and demand.

Triability and Risk Reduction	We offer a range of “one-stop” services (e.g., afternoon or evening workshops, responding to phone inquiries, etc.) that allow students or parents to “try” our services and programs without committing to participation in a longer-term program.	First-time funders often start with smaller gifts/grants, reducing their risk of investing in an organization previously unknown to them.
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3. Ecosystem Analysis. (See Appendix for Diagram)

10,000 Degrees is a comprehensive college access and success solution. Our unique niche is the combination of college prep programs coupled by large-scale scholarship output and financial aid with an 84% college completion rate. Our 30-year track record yields a well-tested model, demonstrable impact and a comprehensive infrastructure helping students pay for college.

In 2009 and again in 2011 we conducted an environmental scan of the postsecondary landscape and of other college access and success providers locally, state-wide and nationally. Although there is a plethora of programs and organizations providing much needed opportunities for people who are under-resourced, there are only a few that can compare to our track-record and scale in scholarship output. Furthermore, we have not identified any other organization that has committed 100% of its resources to **all low-income students, regardless of GPA or achievement**, and its promise to college graduation within six-years of enrollment. Hence, our name—10,000 Degrees. 10,000 Degrees also serves as one of the Bay Area’s top resources serving undocumented students. We provide training for school counselors, youth mentors and community-based organizations on helping undocumented students navigate the college-going process.

Two organizations compare in terms of scale and scholarship robustness: CollegeNext (formerly The Cleveland Scholarship Program) and the Santa Barbara Scholarship Foundation. However, the organizations are not competitors given their geographic focus, nor have they measured college graduation as their primary outcome. There are some organizations whose missions state, **“to increase the college enrollment rate”**; very few provide a pipeline program starting as early as elementary school and supporting students through college; only a handful of organizations provide scholarships coupled with support programs and no other college access organization in the country, with the exception of the two named above, can compare to 10,000

Degrees in terms of breadth, scope and track record in providing scholarships; more than 50% of our annual budget goes out to the community in the form of scholarships. We manage a robust infrastructure for scholarship development and administration, managing a portfolio of donor-designated, endowments and name scholarship funds.

As funding trends continue to move towards a focus on college access and success, we have witnessed many youth development organizations shifting to expand their missions to include college readiness. Some within California have also begun to provide scholarships through a new funding source, the College Access Foundation of California (CAF), founded in 2005 for the sole purpose of funding scholarships. This new foundation has put organizations in the business of giving scholarships, but they lack the technical experience and infrastructure, as well as a robust student support program, to ensure help ensure college graduation. 10,000 Degrees currently stands as one of the largest grantees receiving \$500,000, \$400,000 and \$200,000 respectively for the past three years for 4-year scholarship commitments for College Institute students.

The California Student Opportunity and Access Program (Cal-SOAP) of the California Student Aid Commission provides information about postsecondary education and financial aid to elementary through high school students while raising their academic achievement. The program currently operates in sixteen locations throughout the state. Services and programs differ depending on location. This particular program serves as an ally and welcomes 10,000 Degrees as a resource partner. Their services are broad in scope and typically are not resourced to provide small cohort and 1:1 guidance and counseling to ensure enrollment and college graduation. Some of the Cal-SOAPs award scholarships and some do receive funding from the CAF for scholarships but on a fairly limited scale in comparison to 10,000 Degrees. Other allies include the National College Advising Corp which serves one of our high schools in Solano (they provide on-campus support to our students who attend the College Institute) and some locally-based programs such as the Sonoma Mentoring Alliance. Within the Greater Bay Area, we consider modest competition from the organizations listed in the chart included in the Appendix (“Comparison with Local Competition”), with little to none in West Contra Costa, Sonoma, Solano, San Joaquin, and Kern Counties.

C. Strategy and Theory of Change (the “solution”)

1. Description of Organization and Mission

Mission: 10,000 Degrees believes everyone should have a chance at college. We advocate for equal educational opportunity and support students most in need to successfully access, pursue and **complete** higher education. Since our mission shift in 2002, 10,000 Degrees has focused all of its resources on serving those students who have

been traditionally underrepresented in higher education, to get them to and through college.

2. Description of the Initiative being Scaled

10,000 Degrees' College Success Solution provides a powerful continuum of college prep, financial and personal support to ensure that students 1) graduate from high school college-ready with a financial aid package that enhances grants and scholarships and minimizes or eliminates loans, 2) enroll in a college or university well-suited to their academic and career aspirations, and 3) earn their baccalaureate degrees timely.

Our 14-year process includes both low and high-touch points:

College Institute. Our core program includes the following components:

1. Summer Intensive. The Institute features a weeklong, residential summer intensive at a local university campus. The students attend as cohorts, depending on whether they are juniors or seniors and where they reside. This cohort model allows for more a more customized curriculum and builds camaraderie among participants in the program.¹³ Students are housed in dormitories and participate in a range of college preparation and planning and teambuilding activities, including an overview of the college admission and financial aid process, how admission decisions are made, interviewing skills, a college fair, a panel discussion featuring program alumni, campus visits, study and time management skills, essay writing instructions, and SAT test preparation.

In FY12, we will have 50 rising seniors at Dominican University in San Rafael, 70 rising juniors at Sonoma State University in Rohnert Park, and 35 rising juniors at a third site (to be determined -- possibly Sacramento State University), for a total of 155 new students.

2. Year-Round Support and Mentoring. In addition to the summer intensive, the Institute provides a full complement of year-round support to participants. Each student receives one-to-one mentoring for up to two years, starting when they are accepted to the program and continuing through high school graduation. Mentors are volunteers and college graduates or are close to graduating and include community members, educators and businesses leaders, many of whom are program alumni. Mentors participate in over 15 hours of training and meet at least monthly with their students. Students participate in a host of workshops and activities during the year, including college and financial aid application workshops and counseling, alumni panel discussions, tutoring in math and English, additional SAT test preparation, college

tours, college research assistance, Program staff also go out in the field to meet with Institute participants one-to-one throughout the year, at either their high schools or local youth and education organizations, making sure they stay on track to college.

In FY12, a new program component, an end-of-summer weekend college prep intensive for rising seniors who attended the 2010 summer intensive as rising juniors, will be added. This intensive will include a dormitory stay, college preparation and planning activities tailored to those preparing for their senior year in high school, and social activities to reinforce the students' connections with each other and 10,000 Degrees.

3. College Matching. Each student receives 1:1 guidance to research and apply to colleges that best suit their needs and aspiration. We develop opportunities to meet with college representatives and attend career exploration events and college fly-in programs. Following acceptances, we meet with each student and their parent or guardian to help them select the right college. This also includes a thorough review of the financial aid award letter.

4. Parent Education. To extend and reinforce the students' support system, parents of Institute participants are invited to every key program activity. Although the parents are already very involved in their students' educations, most have no college experience and thus the program affords them the opportunity to learn what to expect as their student prepares and plans for college. We provide free translation services and childcare at these events.

5. Support for Graduating Seniors. Institute participants who are graduating seniors receive individualized financial aid counseling in the spring preceding graduation, including review of their financial aid award letters, to ensure that they have a robust financial aid package. Staff works closely with the colleges and universities where participants plan to matriculate to ensure that their packages maximize free financial aid, minimize loan obligations, and reduce the need for excessive work hours during college.

Financial Aid Application Clinics/College Access Outreach. Through our hands-on Financial Aid Application Clinics, high school juniors and seniors and their parents have the information and skills necessary to navigate the financial aid application process. We seek to ensure that all eligible students complete the FAFSA and Cal Grant application, and conduct over 40 workshops at schools and CBOs. We also assist students and families with applying for additional scholarships and financial aid through individual appointments and workshops.

In addition to the Financial Aid Application Clinics, 10,000 Degrees' program staff proactively conducts College Access Outreach, going out into the community to deliver college preparation and planning workshops to parent groups and CBOs serving low-income and underserved communities, and participating in many community events focused on college preparation and planning, including college fairs.

Scholarships. College scholarships provide financial support to hundreds of low-income students each year. Through financial aid counseling, we secure an additional average \$14,800 in grants and scholarships per recipient, per year. With a substantial aid package, these students enter college with a greatly reduced financial burden, lessening their dependency on work and loans and allowing them to focus on their studies.

College Completion Support. This program helps to ease the transition from high school to college and from community college to the 4-year university. Students receive an array of retention-focused services throughout a student's college years. Key services include ongoing counseling and financial aid review, scholarship support, academic plan development, summer internship and career guidance, and resource referrals.

The two programs below are lower touch points, but are programs that serve to plant the seed of a college dream in elementary school and go on to nurture that dream throughout the pipeline. Once a 10,000 Degrees program is established in a community by way of the College Institute, we would ideally bring these other program offerings to selected schools with our targeted population.

College4Kids. Research shows that early exposure to higher education plants the seed of college aspiration. College4Kids brings elementary and middle school students to Bay Area college and university campuses, inspiring them to envision college in their future through a variety of interactive, engaging experiences.

College Day Tours. Low-income and first-generation high school students spend a day at a Bay Area college or university, attending classes, talking to admissions and financial aid representatives, and meeting college students from their communities. For many high school students, this is their first time on a college campus.

a) How it advances the organization's Theory of Change. The expansion initiative, described below, advances 10,000 Degrees' theory of change by putting into place in communities of high need the programs that will act as levers to move more underserved students through the educational pipeline to college degree attainment, thereby accelerating scalable impact. From extensive research and evaluation, and our

30 years of experience, we know what works to make this happen and how to expand and grow strategically to meet the need.

b) Evidence of outcomes/impact to-date. 10,000 Degrees has demonstrated both the outcomes and organizational capabilities to scale impact in many ways and consistently over the last several years.

- In 2002, following our new strategic plan and mission, we launched an aggressive outreach campaign, “You CAN Go To College” throughout all the public high schools in Marin County and increased the demand for postsecondary scholarships by 40% in one year.
- Since 2002, we have quadrupled the number of underrepresented students served; and in FY10 we touched 2,300 students with college and financial aid counseling and guidance, college tours, College Institute, mentoring and scholarships.
- From 2004 to present, we launched a successful advocacy campaign, Marin Educational Equity Campaign in which we disseminated a white paper authored by 10,000 Degrees, highlighting the educational disparities relative to race, ethnicity and socioeconomics. The campaign resulted in multiple dialogues with Boards of Education and funders. Our local community foundation launched a new educational initiative in 2009 as a result with the goal of closing the achievement gap and preparing our targeted student population for college.
- We have served more than 500 students through the College Institute since its launch in 2000. 100% of the College Institute Classes of 2008, 2009 and 2010 graduated high school and enrolled in college. This year, students of color represent 78% of those served by our outreach programs, compared to 6% in 1999.
- In 2009, we expanded to Sonoma County and rolled out our first expansion site of the College Institute at Sonoma State University. In 2010, we doubled the numbers in Sonoma and expanded to serving students from Solano County. We are planning for a fourth Institute for summer 2011 at Dominican University allowing us to double the number of students served from Solano County and increasing both Sonoma and Marin students by 50%. We are also ready to launch an environmental scan of Richmond in West Contra Costa County to expand services to their students and are in very promising conversations with the University of San Francisco, San Francisco State University and Sacramento State University for a fifth Institute to open in summer 2012; students served in all three counties are now being served with the Institute, year-round support, volunteer mentoring and are all receiving scholarships.
- Since our founding, we have put 17,000 kids on the path to a college degree, and awarded over 30,000 scholarships worth more than \$47 million that our Board of Directors has raised. In 2009, we awarded 584 scholarships worth \$1.7 million and

we leveraged an additional \$14,802, on average, in additional free financial aid for each of our 228 undergraduate recipients.

- Our scholars have an **84%** college graduation rate as compared to the national average of 24% for low-income students; and have attended hundreds of top-ranked colleges and universities throughout California and nationwide.
- We have 15,000 alumni, of whom 350 are active members; Alumni serve on a Board of Directors and staff. College Institutes are staffed by 14 alumni of previous College Institute classes.
- We have long-standing partnerships with K-12 schools and colleges and universities across the country, and have served as the “scholarship arm” of Marin Community Foundation, one of the largest community foundations in the country, for 30 years.

External Evaluation. In 2009, we engaged the TCC Group to conduct an external evaluation. We conducted a pre- and post-event survey with students of the 2010 College Institute, a longitudinal survey of 10,000 Degrees alumni to gain an understanding of the overall impact of all 10,000 Degrees programs, and focus groups with students, mentors and parents. Key findings included:

- Quantitative analysis of the Longitudinal Survey data yielded **two outcome clusters** through which perceived impact can be described in the aggregate, plus **Access to Resources** as a **critical factor in participants’ decisions and readiness to pursue a college education**.
- **Confidence, Skills and Aspirations** as three clusters with **Access to Resources** again being qualitatively and quantitatively identified as a critical factor in participants’ decisions and readiness to pursue a college education.
- Participants also showed significant *positive change* in the level of education they aspire to complete, increasing desired level of educational attainment of *one full degree level* as a result of the College Institute.

The external evaluation tested and refined our Theory of Change and Logic Model and identified the core elements of the model. Please see the Appendix for Key Assumptions, Beliefs, Theory and Logic Model.

D. Scaling Plan

10,000 Degrees’ scaling plan is based on our organization’s readiness to scale our College Success Solution throughout California, and then beyond. Our growth plan builds upon a trajectory of our learning and success over time.

In addition to our external evaluation which refined our logic model and articulated the core elements of our program, we have also scaled deep in our home community over

the last several years for purposes of getting the model right. In 2009, we engaged in a feasibility study to gauge potential for growth, conducted extensive research and surveyed the postsecondary landscape to document the need, demand, and trends. In 2010, the TCC Group facilitated a business planning process with our Board and staff.

Based on our analysis and potential for spreading impact, our scaling plan includes two mechanisms for delivering our College Success Solution: primarily, *branching* into new communities, and secondarily, *affiliating* with existing community-based organizations and schools.

- *Branching* will target those communities with great need who are underserved, with minimal college access and support services, and will begin with the College Institute. 10,000 Degrees will need to have a strong presence to ensure strategic coherence, alignment, high quality program implementation, and evaluation.
- *Affiliating* will entail building out College Success Centers in existing community-based organizations and schools. This may include serving as the sole provider of the College Success Solution or providing technical assistance and training so that others can provide the services.

1. Description of Scaling/Expansion Plan.

a) Strategy. 10,000 Degrees' will scale its College Success Solution throughout California and focus on the organization's target population of low-income and first-generation students.

Branching: The delivery of programs in a new community will be based on students' needs and the other resources available in the community. The ideal model will be to bundle 10,000 Degrees' programs rather than provide them in a stand-alone manner. If funding is incremental over time, however, the organization will launch programs in a new community in the following sequence: 1) College Institute; 2) Mentoring; 3) College and Financial Aid Counseling, 4) Scholarships, and 5) College Completion Support. The uniqueness of our expansion model is two-fold: 1) the sequence of program offerings above (information, guidance, financial aid and support) and, 2) the combination of the program model with our successful track record in both administering and fundraising for scholarships within the community.

The rationale of beginning with the College Institute is predicated on two core beliefs: 1) If we want to change students' beliefs (from "I can't go to college" to "I CAN go to college") and behaviors, we need to create a community around them where those new beliefs can be practiced, expressed and nurtured over time. Each College Institute cohort is a small community that consists of 50 students, 50 mentors and 50 other adult allies including parents, college advisors, teachers, etc. 2) A small close-knit group made up of the right people has the power to exponentially magnify the belief and message.¹⁴ We believe, and our external evaluation has demonstrated, that creating

many small movements with each Summer Institute cohort can create a larger, growing movement. As students progress, 50 alumni are added and new cohorts are added, ultimately becoming a generative cycle leading to systemic change.

Secondly, as we expand, it will be important for communities to experience success as early in the process as possible, in order to deepen their commitment to the movement. With each institute, students from the respective community go off to college within two years (success!), persist over time, achieving educational progress, and graduate (SUCCESS!). As we serve students from a particular community, increased enthusiasm for the program should emanate from constituents including schools, students and parents, civic leadership, service clubs and local philanthropists. This element is particularly important to both developing financial capital for program implementation but also to seed the second part of our scaling effort which is to develop a community giving program for the purposes of need-based scholarships.

In order to perpetuate a college-going culture and create systems change, alumni return as role models not only as volunteer mentors, but to the community at large. They go on to become teachers, principals, civic leaders, board members, and parents who raise second-generation college students, among others.

And thirdly, beginning with the expansion of the College Institute allows us to further test the community's will and need against our expansion criteria and allows the community of adopters to test the services before they make a full-scale commitment.

Several large and underserved counties, Sonoma, Solano Contra Costa (focusing on West Contra Costa County), Fresno, Kern, Sacramento San Joaquin, and Stanislaus counties have been identified as potential First Phase Roll-Out Communities for initial expansion. Given that we have already brought the College Institute to targeted students in Sonoma and Solano, we will roll-out expansion by building out capacity and pipeline of programs in those areas first.

Affiliation: This mechanism will allow us to achieve more leverage by distributing our services through other channels, thereby scaling impact without having to significantly scale the size of our organization. In fact, in certain cases, the affiliate model is designed to yield an earned income stream. We would work through other distributors, secondary schools and community-based organizations. This model would be implemented in and appropriate for communities that may have established infrastructure and a captured audience, but require the content expertise to deliver services, or training to build their own capacity to deliver the services effectively. This could include a moderate affiliation with a school that desires the 10,000 Degrees' College Success Center, or a loose affiliation through the purchasing of discreet

workshops from our Workshop Menu or technical training of volunteer mentors and counselors.

b) Target Customers or Beneficiaries. As described in the next section, our target customers are K-12 schools, community-based organizations, volunteer mentors, donors/investors and businesses. Our target beneficiaries are students and their parents.

c) Distribution Plan. The initial point of contact with target customers will be through the public high schools and eventually community-based organizations serving our targeted population, where we typically conduct significant outreach to the student body. However, once the success of the program is established, viral marketing begins to take shape from word-of-mouth. For example, we are now serving 3rd and 4th siblings in our College Institutes.

As noted in the table below, there are several adopters needed for successful scaling. For the most part however, there is already a substantial level of public support for our change strategy. With each new community, as we have learned in both Sonoma and Solano counties, there is a sequence of touch points that we use to build support and ease of adoption. Although it requires time, it is crucial to building alliances with key critical partners and obtaining a competitive advantage. The ease of adoption begins with our compelling case statement, track-record and success in achieving demonstrable outcomes and fundraising results, and a robust social network serving as persuasive influencers through our Board of Directors, donors, key partners, students, parents and alumni.

Table 2: Distribution Plan

Adopters	Outreach/Marketing	Channels	Purchase	Delivery of Solution
<p>Students And their parents (Beneficiaries)</p>	<p>Presentations, Social Media, Website,</p>	<p>Intermediaries: Schools, CBOs, Peers, Social Media, Website, County, Youth Commissions, Parent Networks</p>	<p>On-line Applications, soft copy at schools; interviews, New Student Orientation, Benchmark check-ins and activities</p>	<p>College Campuses, high schools, CBOs, Facebook, texting</p>
<p>Schools, CBOs (Customers)</p>	<p>Presentations, website, mail, student stories</p>	<p>Intermediaries: Superintendent’s District Office,</p>	<p>10,000 Degrees staff, Website</p>	<p>School-sites, Webinars</p>

		School Boards, targeted Schools, CBOs,		
Volunteer Mentors (Customers)	Presentations and Information Sessions, Website, Mentor Recognition, Scholarship Night , student stories	CBOs, Schools, Alumni, teacher's network, volunteer centers	On-line Applications, Interviews with 10,000 Degrees staff, Orientation and Training Series	Community Sites, CBOs, Webinars
Donors/Investors (Customers)	Presentations, collateral material through website and mail, social media, Board of Advocates network; Growth Capital Prospectus, Events: Breakfast Meetings, Scholarship Night, student stories	Foundations as intermediaries, Rotary and other service clubs, college alumni, 10,000 Degrees donors and Board of Directors	Website, meeting with 10,000 Degrees staff; scholarship admin engagement description	Individually-based: website and electronic communication, mail, meetings; donor breakfast meetings,
Businesses (customers)	Presentations, website, mail, Board of Advocates outreach, Business Investment Dinner, Scholarship Night, student stories	Rotary and chambers, corporate relations departments	On-line request form, site visits	Business locations;
Civic Leadership	Presentations, website, Scholarship Night, student stories	County Board of Supervisors, Mayors, City Council		Civic board meetings; site visits
General Public	PSAs, Op EDs, Website, annual reports, social media, Facebook	Intermediaries: adopters who spread the good word	All communication channels	

d) Competitive Advantage and Barriers to Entry.

Competitive Advantage. 10,000 Degrees has a well-established record of success in positively impacting the rate of college degree attainment among low-income and first-generation students. We enjoy longstanding, close working relationships with all of the schools in Marin County and are establishing partnerships with the schools in Sonoma

and Solano Counties. Schools welcome our presence and participation in getting their students college-bound, as we meet them where they are, i.e., offering complementary solutions customized to their needs and not imposing a “one size fits all” approach that may actually undercut or interfere with existing services. As such, our partner schools perceive us as allies that are lessening their burden of providing college access services to their students.

Barriers to Entry. Potential barriers in any particular geographic region may include lack of funders; lack of readiness in schools serving low-income students due to limited resources or lack of personnel that are willing to devote the time required to develop and participate in a partnership; well-established community-based organizations that have longstanding community support and who are engaged in similar activities; local education foundations that perceive 10,000 Degrees as competing for limited funding; and competition for volunteers by volunteer/mentoring organizations.

e) Core Program Elements and Success Factors

Core program elements are described in Section C (Strategy and Theory of Change), subsection 2 (Description of Initiative Being Scaled), above. Success factors include:

- A clear need and demand for the programs and a demographic profile that matches the organization’s focus on low-income and first-generation students.
- Funding.
- Proposed work aligned with the organization’s core competencies.
- The potential for partnerships with complementary organizations to leverage existing resources.
- Community will as demonstrated by the District’s Superintendent and selected individuals to mentor and join Board of Advocates.
- A College Institute at selected college and university campuses.

2. Timetable,¹⁵ Milestones & Measurable Three-Year Performance Goals

Goals: Putting 10,000 kids on the path of a college degree each year; to significantly increase the number of students directly impacted by 10,000 Degrees, thereby impacting their respective communities and to achieve the benchmarks that will be critical to sustainable growth:

- Demonstrate that the model can work at scale and can be sustained in communities in Northern and Central California.
- Generate stronger evidence of both short-term direct impact (putting kids on the path to college) and longer-term systemic impact (increasing college attainment rates and impact on community’s college-going culture and public policy).
- Create organizational capabilities and capacity for strategy and sustainable growth.

Objectives:

- Expand 10,000 Degrees from 2 to 4 communities and from 2,500 to 10,000 students served annually.
- Achieve sufficient scale in each community: (5 years to achieve maturity)
 - Summer Institute, Mentoring, Scholarships, College and Financial Aid Counseling.
 - Regional Board of Advocates Board and Regional Director.
 - Financial Sustainability of the site through community support.
 - Program alumni return to build College Advising Corp.
 - College graduates alumni return as staff, board, mentors, donors.
- Build infrastructure required for site replication and scaling. → Operating Platform
- Document impact and refine model and replication strategy. → Program Evaluation→ Logic Model

Milestones: In order to achieve these goals and objectives, 10,000 Degrees will:

- 1. More than Quadruple Students Served**
- 2. Refine Model and Document Impact**
- 3. Demonstrate Long-Term Sustainability**
- 4. Populate a robust Operations Platform**

1. More than Quadruple Students Served.

By 2016, 10,000 will have expanded program from two to five communities, and from 2,500 to 10,000 students served annually.

- Deepen and expand the College Institute to multiple college campuses in California, increasing our capacity to serve more students.
 - Add a third institute at Sonoma State University and add mentoring component for Sonoma students at selected high schools.
 - Enroll students from Vallejo High School in Sonoma and Marin Institutes. Consider adding students from two Richmond High Schools.
 - Add a 4th Institute (3rd college campus) in summer 2011, at USF, UC Davis, Sacramento serving students from Marin, Sonoma, Vallejo, and possibly one new community.
 - Add 5th Institute (4th college campus) in summer 2012 at USF, UC Davis, Sacramento, Fresno, etc. serving students from Marin, Sonoma, Vallejo, and possibly one new community; 6th Institute (5th college campus), summer 2013.
- Deepen reach in the respective communities and deliver pipeline of college access and success programs within selected school districts.

2. Refine Model and Document Impact.

Stemming from our recent external evaluation, 10,000 Degrees has launched an external evaluation in order to build our internal capacity to conduct an ongoing evaluation and analysis of programs so as to be able to influence the conduct of programs in a timely manner. This will also be important so that we can maximize our levers of change while maintaining high- quality and cost efficiencies.

- Conduct external evaluation, document impact and identify key outcomes for measure that would pertain to all sites.
- Build internal capacity for evaluation, analysis and program development.
- Build and train cadre of volunteer mentors to cost-effectively serve more students.
- Institutionalize the Next Step program for alumni and develop this group as mentors, staff, etc. to cost-effectively serve more students.

3. Demonstrate Long-Term Sustainability.

Over the course of the next five years, 10,000 Degrees will demonstrate that the 10,000 Degrees college access and success model is both scalable and sustainable within a respective community. The long-term sustainable model will build on our success thus far in fundraising and will be developed through our future work in pursuing Growth Capital Prospectus and campaign.

- In consultation, 10,000 Degrees will develop a long-term sustainable model and prospectus. This will include cost modeling that each site will have to achieve in order to become sustainable within a set time-period.
- A comprehensive development plan will include a pipeline of revenue sources including institutional and individual giving, and volunteer and staff resources needed at both the operating platform (home office) and at each site.
- Regional advisory boards will be developed in each new community and serve as connectors to social and financial capital.
- Alumni associations will develop in each of the communities over time and return to pay-it-forward.

4. Populate a robust operating platform.

10,000 Degrees will need to invest in infrastructure in order to maintain quality across all sites, recruit and develop staff through ongoing learning, ensure outcomes and preserve the 10,000 culture.

- Promoting brand awareness: 10,000 Degrees, unveiled a new Targeted media is also underway with NPR and local networks.
- Information and Technology: 10,000 Degrees is currently upgrading IT systems to incorporate a robust student tracking system, migrating from FoundationPower to Salesforce in order to house a donor database and to MIP accounting software. Currently, our scholarship application is conducted on-line and is imported into our database.

- Program staff need to be equipped with the appropriate technology in order to conduct more of their work within the schools and outside of administrative offices. (Laptops interfacing with network, phone and mail)
- Develop internal R&D for program evaluation and growth and strategy planning.
- Fund Development: The existing Board of Directors will need to build their infrastructure for a major gifts cultivation and stewardship and additional staff will need to be hired in particular for soliciting scholarship endowments and managing a growth capital campaign.
- Volunteer Resources will increase as we serve more students both through mentors and alumni. A Volunteer Coordinator will need to be hired ideally in 2011 to provide the ongoing recruitment and training of our mentors.

3. 12-month Operating Plan. (See Appendix)

4. Marketing Plan. *“We’ve built a lean, mean college graduate machine.”*

For underprivileged kids, the idea of higher education rarely enters the picture. It needs to be introduced at a young age, then nurtured over time. At the right moment, these kids need to be mentored and given firm guidance through foreign experiences like SATs, college tours and applications. Once they’re accepted to college, they need something equally critical—financial aid. But it’s still not over—these young pioneers need emotional support and practical advice to help them stay in school and graduate.

The road is long. But the impact of turning kids in need into college graduates is profound. It transforms individuals, families, entire communities and creates role models and dedicated leaders who are highly motivated to reinvest in their roots. With each successful cycle, the world changes for the better.

The combination of guidance and financial support is hard to deliver. But we’re cracking the code. We’ve learned how to deliver it as effectively and efficiently like no other organization in the country. Now we have the systems, program, people and in-the-trenches experience to replicate impact on a large scale.

The goal of the marketing plan is to support accelerated growth and scale the impact of our College Success Solution, by getting our story in front of our target audiences and influential people, and raising our profile dramatically. In order to accomplish this we will have to expand our marketing operations to reach and aggregate both our primary customers (students) and other stakeholders with purchasing power.

We have identified several target audiences through research efforts conducted by our consulting partners including the TCC Group, Big Mouth and Zoetica. The target audiences that that we wish to influence and the target message are as follows:

- Internal: Nobody does this better than us. Let's do it on a grander scale.
- Students: Here's something cool to think about—college.
- Donors: Nobody's gonna make your donations work harder.
- Alums: Here's what you can do with all that gratitude you feel.
- Partner organizations: Working with us will make you stronger and more effective. Let's support each other actively.
- School districts: Your mission is our mission. Let's support each other

The Marketing and Communications committee of the Board consists of experts in public relations and communications, staff Communications Manager and consulting partners. Consulting partners include Big Mouth, the TCC Group and Zoetica. In addition, we are currently interviewing firms to commission a new website design(s).

The Marketing Plan includes several objectives:

- 1) Creation of Brand Communication Strategy: conduct perception audit, create and unveil new name, promote brand awareness through print, website and other electronic communications, link key messages and outreach strategy with identified target group.
- 2) Message Development and integration into all communication strategies; Integrate Social Media strategy.
- 3) Target Marketing: See Distribution Plan. Target marketing consists of a range of mechanisms used and includes target outreach to social networks and funders by Board members and Board of Advocates, CEO and Board presentations across multiple sectors within the community.
- 4) Partners and Sponsors. This effort will build upon our portfolio of current corporate and business sponsors including Wells Fargo, Bank of America, Citi, Dodge & Cox, Goldman Sachs, Bank of Marin, Sonoma State University, and Dominican University of California among other CSUs and UCs.

Upon completion of new website, new print material and Zoetica's project of integrating social media, our Board committee will complete a detailed marketing plan that outlines specific strategies for targets, timeline, budget and monitoring and evaluation.

5. Projected Social Impact. *Huge Promise.*

Every community where 10,000 Degrees has a presence will put 10,000 kids on the path of a college degree each year. Our work in the first three years of scaling will serve as a demonstration project in the selected counties and ultimately, in every county throughout California, and then beyond. We will build capacity at the project sites, with regional Board of Advocates leveraging their community's education, business and social service resources, secondary and higher education institutions.

On a broader level, the communities we serve and the state and nation as a whole will benefit from having more college graduates. By breaking the cycle of low educational achievement by helping low-income and first-generation students access and completion college, our students and their communities reap the myriad benefits of a college education:¹⁶

- Increased tax revenues
- Increased workforce flexibility
- Higher salaries and benefits
- Improved working conditions
- Greater productivity
- Higher savings levels
- Personal and professional mobility
- Decreased reliance on government financial support

By funding college access today, we not only help ensure a qualified pool of students entering tomorrow's workforce and the resulting economic benefits, but also secure an array of social benefits, both for the community and the college graduate:¹⁷

- Increased civic participation
- Social cohesion and appreciation of diversity
- Reduced crime rates
- Improved quality of life for the next generation
- Increased community service and charitable giving
- Improved ability to adapt to and use technology
- Improved health and life expectancy
- Better consumer decision-making

6. Vision for Influencing Sector or System Change. *College graduates who change the world.*

Through our work with underrepresented students, systemic change will be created as **students reach their potential and become change agents in their respective communities.** As college educated adults, they will go on to be productive members of society, active participants in civic life, serve as role models for the next generation of students and go on to raise second-generation college-going children.

A college-going culture will be seeded and cultivated over time within schools, districts and communities. All students will be held to the same set of high expectations and will be given the same educational opportunities: academic rigor, extra-curricular activities, information and guidance and tuition assistance for post-secondary education. There will be policy change in need-based aid at higher education institutions and aid will be based on need rather than merit. Not only will the college enrollment rate of traditionally underrepresented students increase, but the college completion rate will double over the next decade. California will have a 60% college completion rate, aligned with the Lumina Foundation for Education's Big GOAL and be well on its way to helping our nation and President's "race back to the top". And the world will be a better place.

E. Evaluation Plan & Knowledge Dissemination Plan

Building upon our recent external evaluation, our growth plan and outcomes will be evaluated by third-party experts. The Evaluation Leadership Team, consisting of Board members, staff and TCC evaluators, participated in a series of evaluation planning exercises, including the refinement of a logic model, discussion of components of and content of an evaluation framework, and, most recently, the prioritization of evaluation questions, and has developed evaluation protocol and data collection methods for ongoing evaluation. 10,000 Degrees will engage TCC to apply protocol and evaluate program efficacy and impact of the expansion sites.

In addition to more traditional forms of dissemination, such as press releases, news releases, we will create a global resource network offering and targeted writings to key constituencies in the targeted communities and to existing and prospective individual and institutional supporters. This strategy includes hiring a communications coordinator to manage all external relations functions for the organization.

F. Organization

1. Organization History

10,000 Degrees has a distinguished track record as a premier college access and success organization. During its first 20 years, 10,000 Degrees was primarily a technical scholarship processing organization. In 2000, Mazzuca led the Board through a strategic planning process resulting in a powerful transformation to a values-based and mission driven organization focusing 100% of its resources on underrepresented students and on a combination of college access, scholarships and college completion programs. Over the last ten years, the organization has evolved to become a leading college access

and success organization, providing low-income youth and families with the tools necessary for degree attainment.

Given our long history as a scholarship organization serving students in need, outstanding results and committed leadership, we are well-positioned to serve communities of students with greatest need and to help them achieve their education goals. Since 1981, we have awarded over 30,000 scholarships totaling more than \$47 million to low-income and first-generation college students. Our scholarship recipients attend hundreds of colleges and universities in California and nationwide, including many top-tier public and private institutions. Eighty-four percent of our recipients have earned their baccalaureate degrees after five years, compared to the national average of 56 percent. We have pioneered the effective combination of college access programming with scholarship support, ensuring that students have the necessary complement of tools, information, support and resources for college readiness, enrollment and completion. We have worked with every high school in Marin County to reach thousands of low-income students with our college access programs and scholarships, and have recently expanded to Sonoma and Solano Counties to reach more students in need. Alumni of our programs serve as interns, mentors, board members and donors and enjoy successful careers in a host of professions.

2. Organization Structure and Governance

We are very proud to report that 10,000 Degrees selected the first alumnus, Saul Pena, as Chair of the Board of Directors this year. Mr. Pena received his baccalaureate degree in Economics from the University of San Francisco and was a recipient of 10,000 Degrees' Distinguished Graduate Award in 2000. He has served on the Board of Directors since 2002 and was recently appointed Chair. Mr. Pena is a Vice-President at Dodge & Cox Investment Managers in San Francisco.

10,000 Degrees is governed by a 25-member board, 19 voting members and 6 Emeritus and Honorary members, representing trustees of both secondary schools and higher education institutions, alumni, philanthropy, financial services, business and public relations. The committee structure includes Executive, Finance, Audit, Program Development and Evaluation, Advancement and Revenue Generation, Governance and Alumni. The Board meets ten times per year and committees meet monthly with the exception of Executive, Audit and Alumni. Each committee is governed by a charter that is updated annually.

The Governance Committee is charged with accountability of the Board's performance, Board development, recruitment, orientation and evaluation. Each year, the Board engages in a self-assessment, reviewing its performance both as a collective and as individual board members. Presently, the Governance Committee is developing a Prospective Board Candidate Outreach and Sourcing Plan, with the intent of growing

our Board up to 30 members by 2013 and developing a Board of Advocates for expansion communities. Upon the successful pilot of a new site, a Board of Advocates beginning with 3-5 community connectors and philanthropists will be developed to work with the 10,000 Degrees Regional Director. Their primary task will be to leverage social and financial capital through new regional donors, both corporate and individuals, ultimately achieving a giving program within the respective community.

10,000 Degree's Board of Directors has demonstrated a solid commitment to the mission of the organization and to the goal of scaling impact throughout California. Building on our track record and strategic plan, the Board of Directors has invested significant resources over the past few years to set a launching platform for scaling. This has included a feasibility study, external evaluation, business planning process, board development, and an operational plan to add a fund development department and to institutionalize a major donor stewardship program of the Board. It should be noted that 10,000 Degrees was 100% funded by our local community foundation up until 1999. We have not only increased our annual budget but have diversified our funding streams and have more than quadrupled our fundraising results in the last 6 years. Each of our Board members contributes significant time, talent and treasure and collectively raises more than \$1 million annually.

The overall culture of the organization is set by our Board of Directors and overarching core values. We are passionate about our mission and work and have never wavered from our values or vision's path. Our job is not 9-5, it is our cause. We are a learning organization which is reflected in a myriad of ways including our results and data driven programs, our annual Board self-assessment, 360 talent evaluations of all staff and management, and evaluation leadership team which has inculcated a learning culture. We are a vibrant and diverse organization. Our staff and Board include people from all walks of life—racial and multiracial, bi and tri-lingual, recent college graduates and alumni, gay, lesbian, and transgender, mentors, philanthropists and parents. We friend on Facebook, tweet on Twitter, and track by texting. Our soon-to-be new website integrates social media optimization and Kim's new blog.

Our brand personality: Unconventional, and highly professional.

3. Current Size and Reach

10,000 Degrees currently has 14 FTE with an annual budget of \$3.5million and one office, 4500 sq. ft., located in San Rafael, California, with program staff holding program hours at local high schools and community-based organizations. We currently reach more than 2250 students with both low and high-touch programs and have recently expanded on a small scale to serve students at six high schools in Sonoma County and

one high school in Solano County. In addition, we have several allies and are partners in our new counties and have already begun developing our first Board of Advocates for Sonoma County.

In order to pursue the 3-year growth plan, staffing will need to increase in program, and incrementally in both fundraising and general administration, increasing from 14 FTE to 35 by 2013. Office space will need to diversify, as noted in Section G.

4. Management Team (including succession planning)

Kim Mazzuca, President and CEO, is a first generation college graduate and has served the social impact field for her entire career. Almost immediately upon taking the helm in 1999, Kim lead the organization through a significant transformation beginning with a mission shift in 2000 from a technical processing center to a premier college access organization serving students who have been traditionally underrepresented, now delivering a full service college readiness program yielding an 84% college completion rate. Under her leadership, the organization launched an aggressive outreach campaign increasing student demand by 40%, the College Institute, that has a college-going rate of 100%, a major advocacy campaign for “education equity” and a fundraising program that now raises more than \$1 million in annual gifts among endowments and bequests. Most recently, Kim, lead the organization through a business planning process resulting in a growth and scaling plan and name change, and is currently setting the stage for a major capital growth campaign.

Kim has an outstanding thought-partner and internal operations executive in Traci Lanier along with executive team members, Susan Mitchell, Chief Development Officer, Aimee Little, CFO and Katherine Underwood, Executive Assistant.

Traci Lanier Vice-President and COO, joined 10,000 Degrees in 2003 and developed the organization’s first-ever fundraising and advancement plan and co-founded Marin Educational Equity Week advocacy campaign. She was named Vice-President and COO in 2007 and oversees all programs and scholarships. She is the technology guru of 10,000 Degrees, is leading program expansion efforts and serves as an advisor to the National Scholarship Providers Association and steering committee member of the Marin College Access Network.

As part of the 3-year growth plan, the Executive Team will expand to include a Chief Growth and Strategy Officer, responsible for conducting environmental scans and research, sketching recommendations and pro formas for growth scenarios and

developing start-up operational plans. This position is absolutely critical to the organization's capacity for growth and expansion.

Over the course of the next 5 years the core Development team will grow its' staff from 2.5 to 4 FTE. The Chief Development Officer is responsible for planning and executing a fundraising plan in each community we serve, and for the organization as a whole. As each site is established the Regional Director will be responsible for establishing community connections and developing relationships with potential local business and individual donors.

The staffing will consist of an Operating Platform located at our home office in Marin County and Regional Staff located in their respective communities to implement program and fundraise. In order to build a robust operating platform that can adequately support growth and the ongoing development and implementation of programs at multiple sites, the operating platform will have to Mentor/Volunteer Coordinator, Director of Business Growth and Strategy, Director of Scholarships, Planning and Evaluation Associate and Development Assistant over the next 5 years.

G. Infrastructure Requirements

1. Investments in Infrastructure Required to Support Expansion

Facilities and Technology

This business plan has implications for both facilities and technology that will be addressed in greater detail in a supplemental operations plan. In summary, our objective would be to maximize technology, helping us achieve greater efficiencies and eliminate any unnecessary overhead in occupancy costs.

10,000 Degrees will maintain a small administrative office in the North Bay Area to house all scholarship and general administration but aims to deliver all of its programs in community-based sites including college campuses, secondary schools, other organizations that are natural gathering places for our students, and via webinars for mass trainings of mentors and school personnel. Our plan sets out the following:

- Administrative Offices located in the North Bay Area. (2500 sq.ft.)
- An additional administrative office located in Solano County (600 sq.ft.) and one office in Central California. (2500 sq.ft.) in Year 3 or Year 4.
- Program staff will be equipped with appropriate technology and dispersed throughout the community at student gathering sites, i.e. high schools and other community-based organizations, i.e. Youth Centers. We anticipate some minimal occupancy costs may apply.

In comparison to other like non-profit organizations, 10,000 Degrees has a sophisticated and comprehensive contact database and scholarship module through Foundation Power. However, in order to achieve a more user-friendly and cost-affordable environment, we migrated our donor database from FoundationPower to Salesforce and our accounting database to MIP. In addition, we are in the midst of enhancing our student tracking system through a Facebook and Salesforce Platform, Beyond 12. We are also redesigning our website to meet students, donors and customer's needs along with an integrated social media strategy.

Other technology needs include a web interface to conduct Webinar Trainings, search engine and social media optimization, and equipping staff with more flexible and accessible communications technology to better support community-based operations.

2. Other Capacity Building Needs

In addition to staff, technology and space, we will need to specifically increase staff capacity in evaluation, mentor management, and fundraising and communications.

H. Financial Plan for the Scaling/Expansion Initiative

1. Capital Required to Finance Expansion, by Type of Support (e.g., grants, debt) In order to carry out the expansion mapped out above, 10,000 Degrees will need to raise \$4.5 million over three years through grants and contributed support. See strategy below.

2. Fund Development Strategy - Description of Sustainable Economic Model and Timetable: This will require our organization to strengthen its fundraising capacity, develop a robust fund development plan that can be brought to scale and engage all Board members and advocates, senior staff members, and volunteers in implementing it. The expansion of 10,000 Degrees will requires a build-out of existing fundraising strategies including institutional and individual giving programs. However, in order to appropriately finance scaling and in an effort to achieve a sustainable model, 10,000 Degrees will pursue new financing options. These include a "scaling grant" from an intermediary, a Growth Capital Campaign to generate unrestricted revenues over time for purposes of growth, expansion and operations and earned revenue from our Scholarship Management Services and Center on Technical Assistance. The specifics of each of these strategies are described below.

1. Scaling Grant: Multi-year financial and strategic support provided by an intermediary organization, that pool investments from a large number of investors to help programs scale on a national level. A scaling grant would assist us in solidifying the launching platform, enhance the leadership team and infrastructure to prepare for scaling.

2. **Growth Capital Campaign:** This campaign will follow the scaling or seed grant with a goal of providing unrestricted revenue to support significant transformation of impact, scale and quality. This type of funding mechanism will require expertise in structuring, tracking and communicating the offering to potential investors. 10,000 Degrees executive staff and the Revenue Generation Committee of the Board of Directors have consulted with the Growth Capital Division of the Nonprofit Finance Fund (NFF) and intend to engage NFF or like firm for the formulation of a campaign prospectus. The campaign will draw on our loyal and major gift donors.

3. **Community Giving:** 10,000 Degrees has been extremely successful in developing community giving including foundations, individuals, rotary clubs and service organizations and businesses and we currently administer numerous several scholarship programs from each. This particular strategy is intended to achieve scale in each 10,000 Degree community and will build upon a seed grant(s) from institutional giving and the successful pilot of a College Institute in a new site. As each new site establishes a track record with both student success and community relationships, 10,000 Degrees, with the support of the local staff and regional Board of Advocates, will develop and implement a community giving program including businesses, foundations, rotary clubs and other service organizations and in particular, individuals. This particular strategy is largely dependent on developing the Regional Board of Advocates as connectors and fundraisers. Sonoma County is currently in the nascent stage, with our CEO and Board Governance Committee identifying and recruiting specific individuals to establish our first Board of Advocates

4. **Scholarship Endowments:** This strategy is very specific to cultivating and establishing permanent endowed funds. 10,000 Degrees serves as the direct beneficiary of our own endowments and many community foundation donor-advised funds and endowments, absent of any deliberate marketing (totaling \$1 million) earmarked for scholarships. In addition to annual and multi-year scholarship giving, we currently receive approximately \$525,000 in endowment distributions annually for scholarships. This is a strategy, if resourced and marketed appropriately, could potentially generate several million dollars in endowed scholarships.

5. **Earned Revenue Enterprise**

As part of a business planning process to guide organizational expansion, we are developing a marketing plan for two earned revenue enterprises that are also important to our scaling impact. They are **Scholarship Management Services** and **The College Success Center**, the technical assistance center.

Scholarship Management Services

The feasibility of expanding its work in **Scholarship Management** (the organization already works in this area for Marin Community Foundation clients) has received the greatest amount of attention to date which was demonstrated through the feasibility

study conducted by TCC in 2009. We currently administer several hundred-thousands of dollars for a fee with Marin Community Foundation, several donor-advised funds of the foundation and several private clubs. We are also in second stage conversations with two other major foundations.

The likeliest customers for this type of service are community foundations holding large amounts of money under management and disbursing considerable amount of grants annually. Smaller, less complex organizations that exist primarily to disburse scholarships have to date not been receptive to the idea of outsourcing this service. The main service to be provided is administration and support of the scholarship application distribution, selection and awards process. Other possible services include conducting the outreach to potential scholarship applicants, integrating the use of scholarship committees in the review and recommendation process and donor development, and providing the college completion support to ensure the graduation of college scholars.

Fees charged for these services range from 20% of total administrative expenses to 1 percent to 10 percent of scholarship assets held under management. It is evidently possible to provide scholarship management services at a price that is both competitive and profitable, as the continued success of organizations such as Scholarship America/Scholarship Management Services and ACT's Recognition Program Services demonstrates. However, it may also be the case that the business of scholarship management becomes feasible only when economies of scale can fully be maximized.

These earned income streams will yield unrestricted funds for general operations along with other benefits including 1) broadening our access to additional pools of resources for both financial and social capital, 2) broadening our overall general visibility in communities and 3) influencing a needed shift from merit to more need-based aid. For example, if we administer scholarship funds for selected service organization, this provides our student pool access to additional need-based scholarships to fill their financial need gap and at the same time, the organization's membership becomes a resource for additional mentors, ambassadors and donors.

We are able to compete with organizations like Scholarship America and the Hispanic Scholarship Fund, because our scholarships are community-based, meaning funds come from the community for students in the community and we charge a relatively low fee in comparison. In addition, scholarship donors can be involved in the process through our Scholarship Selection Committees. We provide technical set-up and guidance for all committees. Furthermore, our services completes the financial aid package for the

student as opposed to giving a single scholarship and all of our scholars can access our college completion program which yields an 84% graduation rate.

2. **College Success Center.** This enterprise is an additional strategy to scaling impact through existing channels of distribution--developing a college-going culture while helping others help their students. This strategy is specific to the Mentoring Training, giving mentors, teachers, counselors and schools the necessary tools and information to facilitate a college-going culture and to help their students become college ready and prepared. Based on a fee for service contract with schools and other mentoring organizations, we could train multiple and large groups of adult allies.

During the first year of the business plan, we will market test scholarship management services and our technical training and consultative services. We will not aggressively market either one of these services in the first year, but will develop a simple collateral piece defining the service, value proposition and fee structure.

Other Earned Income: 10,000 Degrees also provides a fiscal agent solution for related advocacy campaigns and services. We currently serve as the fiscal agent for MarinKids, a public-awareness campaign for creating educational equity.

3. Current Funders and Commitment. (See Appendices)

4. Projected Funding by Sources of Support (e.g., government, foundation, earned income) and Recurrence Likelihood) (See Appendices)

5. Pro Forma Financial Projections for 3 Years (See Appendices)

¹ Lumina Foundation for Education, A Stronger Nation Through Higher Education Policy Brief, 2009.

² U.S Commerce Department, Associated Press, 2011

³ California Department of Postsecondary Education Commission.

⁴ California Governor's Budget-Proposed, 2011-2012

⁵ Organisation for Economic Co-operation and Development, Education at a Glance, Policy Brief, Lumina Foundation for Education, 2008.

⁶ Ibid.

⁷ Measuring Up 2006: The Nation Report Card on Higher Education—California Report, 2006.

⁸ Public Policy Institute of California, Closing the Gap, 2010.

⁹ California Dropout research Project, UC Santa Barbara, 2009.

¹⁰ Ibid.

¹¹ Education Impact Guide, Full Circle Fund, 2007.

¹² California Business for Excellence in Education

¹³ The organization's recently completed external evaluation has identified the cohort component of the Institute as a powerful, effective means of reinforcing and supporting students' progress through the college preparation, application and matriculation process.

¹⁴ See, e.g., Gladwell, M. (2000). *The Tipping Point: How Little Things Can Make a Big Difference*. New York: Little, Brown and Company.

¹⁵ See 12-Month Operating Plan (Appendix).

¹⁶ The Institute for Higher Education Policy. *Reaping The Benefits: Defining the Public and Private Value of Going to College*. The New Millennium Project on Higher Education Costs, Pricing, and Productivity, March, 1998.

¹⁷ Ibid.