

## **Executive Summary**

Founded in 2000 in Minnesota as “Admission Possible,” College Possible™ has spent more than 11 years perfecting and replicating its model for identifying, recruiting, training and motivating recent college graduates to provide a cost-efficient and results-effective program making college admission and success possible for low-income students. Based on its record of success in student results, replication and financial management, College Possible will continue its national expansion with a plan to grow from three metropolitan areas in Minnesota, Wisconsin, and Nebraska to serve 20,000 low-income high school and college students annually in 10 urban markets across the country. With the right support and investment, this goal can be achieved as early as 2015 and no later than 2020, continuing with expansion to a fourth market in 2012.



College Possible’s innovative model presents a uniquely scalable, high impact solution not currently available in the marketplace. The organization is ready for nationwide scaling with a(n):

- Proven, cost-effective, award-winning, results-driven model;
- Detailed scaling plan and national organization infrastructure;
- Committed national expansion launch funds;
- Experienced senior leadership team;
- Strong financial management with 11 years of no deficits, nine consecutive unqualified opinion audits and a healthy operating reserve; and
- Support network of key partners and policy initiatives encouraging growth.

Policymakers and industry experts have endorsed the College Possible model as one that should grow. President Obama cited College Possible’s student results during a bipartisan event at The White House highlighting innovative solutions for scaling. The President said of College Possible’s then two-state operation, “...imagine if it was in 10, or 20, or 50.” The National College Access Network and the National Association for College Admission Counseling, the two foremost associations in college access, honored College Possible with their 2009 awards of excellence, followed by the College Board’s 2010 CollegeKeys Award. Following in-depth due diligence processes in 2011, College Possible was selected for New Profit’s national investment portfolio and the Social Impact Exchange’s Contribution Center to encourage further financial investment in the organization’s scaling plan.

Current school and community-based college access solutions either do not offer the intensity necessary for student success or do not have the cost-efficiency to do so at scale. Very few focus on both access to and success in college. As the first organization in the country to leverage the AmeriCorps national service model for college success, College Possible is able to provide the intensive intervention required in helping low-income students overcome significant barriers to a college education and is able to do so at a fraction of the cost of similarly intensive solutions: 1/7<sup>th</sup> the cost of the most similarly intensive federally funded model. At no cost to high schools or students, College Possible brings new resources into schools – recent college graduates serving as AmeriCorps members – while providing the fulltime college mentorship low-income students lack.

The program is as effective as it is cost-efficient. The intensive two-year, after-school core high school program begins in the junior year. A fulltime coach provides critical services including academic support through ACT/SAT preparation, admissions and financial aid consulting, and transition guidance, while also encouraging early planning with workshops for underclassmen. The college

program provides coaching support to help students reach degree completion. Since the inception of the program:

- High school juniors have raised their college entrance ACT exam scores from the bottom 16<sup>th</sup> percentile to the 35<sup>th</sup> percentile of test takers, putting college admission within reach.
- Compared to the national low-income student college enrollment rate of 59 percent, 98 percent of College Possible students have earned admission and 94 percent have enrolled. Nearly 80 percent of college enrollees are working toward their college degree or have already graduated. Nationwide, only 8% of young people from low-income backgrounds earn a college degree by age 24, as compared to 82% from upper income families.
- A social return on investment study of College Possible found a 333 percent ROI to society.

A 2011 Harvard study demonstrated that College Possible more than doubles a low-income student's chances of enrolling in a four-year college compared to like profile peers. Harvard is continuing this work as a two-year randomized controlled trial with results due out in 2013. This "gold standard" of evaluation techniques will provide further insights to be shared among scholars and practitioners.

College Possible has grown 250-fold since its founding from a pilot program of 35 students to annual service to 8,700 young people while maintaining excellent program and financial results. The organization has successfully replicated programming into 29 high schools in 12 cities and 10 school districts across three metro areas, with college program services now reaching students enrolled on nearly 200 college campuses nationwide. It has assisted other leaders in the successful, independent replication of College Possible-based models in four more geographically diverse urban areas where roughly an additional 2,700 low-income students are served annually. Based on these successes, College Possible's Board of Directors launched a 12-month strategic planning process in 2009 with the support of McKinsey & Company management consultants resulting in the organization's plan for further national expansion as a single 501(c)(3) organization, growing at the rate of one to two new markets per year.

Phase one of the organization's national growth strategy calls for the development of a \$10 million growth fund to provide essential investment in organizational capacity building ahead of aggressive growth, thus ensuring sound performance management and reliable growth planning. With an anticipated cost for each new market added to the College Possible portfolio of approximately \$2 million over three years, funds from the growth fund may also be used to help seed a new market launch acting as a challenge to local funders. Whether financed locally or with seed national funds, by the end of three years, each new market will be financed entirely through local and AmeriCorps funding and will make college possible for a growing number of low-income students in that market.

In January 2010, College Possible began putting into place its new centralized national office structure and began new site development and fundraising efforts. The national office provides support and oversight to mature and emerging markets and identifies and builds support for new markets while safeguarding the organization's reputation and program fidelity through results-based management. Each College Possible market is led by an Executive Director.

College Possible envisions a day when the future of America's children is determined *solely* by their potential and effort. Working to fulfill this vision through expansion not only provides low-income families with a path out of poverty, but the United States with an educated workforce.

## Industry and Market Analysis

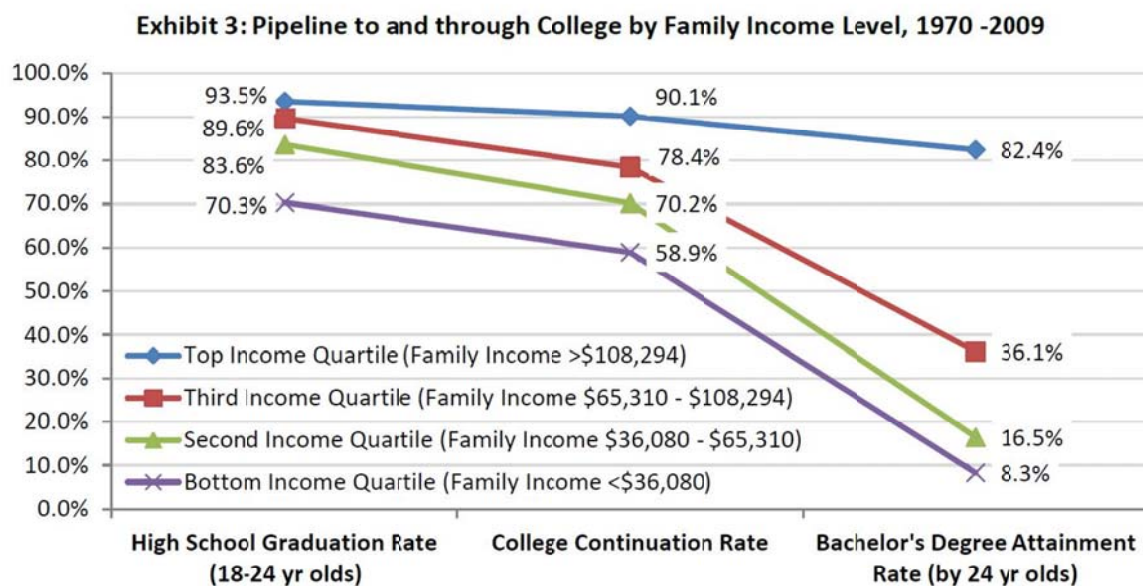
*“Throughout your mom and my life here in America, we tried so hard to achieve the American dream. If it wasn't for [College] Possible, my children would have never been able to get to college, and because they have, it completes one of the dreams that your mother and I have.”* –father of Song, College Possible’09; College of Saint Benedict

### ➤ Market Context and Need

Too few low-income students are making the critical transition to college, and yet a college education is the likeliest path to a solid middle class life. This disparity perpetuates the achievement gap, contributing to multi-generational poverty for families and ongoing dependence on costly social services, and threatens the country’s workforce vitality and global competitiveness.

*Low socioeconomic status is a key barrier to college-capable students entering college*

There is a significant gap in accessing college based on income level in the United States. The chart below shows the gap in bachelor’s degree attainment based on family income level. Students from upper-income families are ten-times more likely to earn a college degree than students from a low-income family (*Postsecondary Education Opportunity, 2010*).



Note: College continuation rate refers to is the percent of students that enrolled in college somewhere in the U.S. during the fall following high school graduation  
 Source: Family Income and Educational Attainment: 1970 to 2009, Postsecondary Education Nov 2010 ([http://www.postsecondary.org/last11/221\\_1110pg1\\_16.pdf](http://www.postsecondary.org/last11/221_1110pg1_16.pdf))

Additional research from the US Department of education shows that socioeconomic status trumps even academic achievement when it comes to attending college, placing the highest achieving low-income students on par with the lowest achieving upper-income students in accessing college

*Educating the workforce is an issue of global competitiveness & economic recovery*

According to Lumina Foundation research, the United States is tied for tenth in college degree attainment worldwide. While the U.S. position has declined, success in the new “knowledge economy” is increasingly tied to postsecondary attainment rates. During the current economic recession, the overall unemployment rate hovers around 10 percent while that among college graduates is closer to 4.5 percent. Policy and business leaders alike are increasing their focus on the knowledge economy in the race for innovation, competitiveness and economic recovery, aiming to

raise college attainment rates by closing the achievement gap that persists among low-income, minority and first-generation students in both college entry and degree attainment. First-generation students are usually defined as the first in their families to attend an institution of higher education.

*Population shifts contribute to focus on low-income and minority students*

Projections show the number of annual U.S. high school graduates has peaked at 2.9 million and will continue to decline through approximately 2015, bringing with it sharp demographic shifts. While white and more affluent high school graduates decline in number, poor and working-class students are growing as are the number of minority students, particularly those of Hispanic and Asian descent (Western Interstate Commission for Higher Education). Of the predicted overall U.S. population growth of 56 million by 2020, 46 million will be members of minority groups. The U.S. is projected to become a “majority minority” country by 2050 (Lumina 2009).

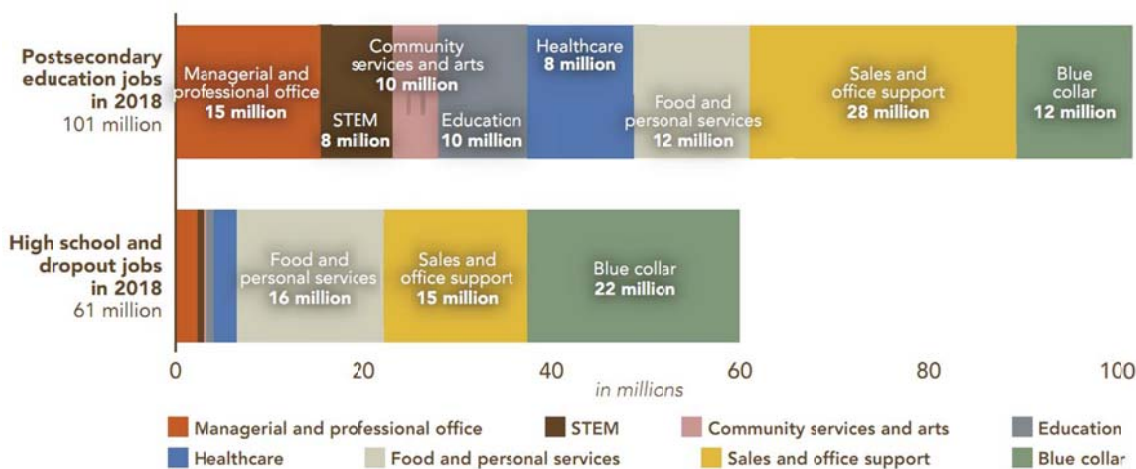
➤ **Current and Projected Demand**

*Size of target student population*

The Congressional Advisory Committee on Student Financial Assistance has offered estimates stating that annually more than 400,000 college-qualified low- and moderate-income students will graduate high school prepared to attend a four-year college but will be unable to do so, and approximately 200,000 of these students will attend no college at all. This estimate does not account for other barriers low-income students face that may keep them from reaching graduation at all; students living in low-income families drop out of school at six times the rate of their higher-income peers.

*Workforce demands for college educated students*

Recent data from the Georgetown University Center on Education and the Workforce demonstrates that by 2018, 60 percent of U.S. jobs will require postsecondary education. That is the equivalent of 22 million new postsecondary educated workers, which also equates to a shortage of 300,000 graduates per year through 2018 (*Help Wanted: Projecting Jobs and Education Requirements*; June 2010).



*Geographic demands*

Similar analysis conducted by the Lumina Foundation calls for reaching 60 percent postsecondary attainment by 2025, up from today’s approximately 40 percent U.S. attainment rate. Lumina breaks out their research by geography. That state by state needs analysis is provided in *Appendix 11*.

### *Market entry*

School resources are not built for intensive college guidance support. Student to counselor ratios across the country average about 475 to 1 (National Association for College Admission Counseling, nacacnet.org), and schools must keep teachers focused on academic preparation. This opens the door to community involvement in schools as a formula for college success. Current community options are either cost prohibitive for scaling, due largely to the expense of professional counselors employed to work with students in small ratios, or they have scaling potential but do not lead the sector in results for students, typically because of a less comprehensive and intensive approach. A proven model with vast scalability could become a nationwide solution to this demonstrated need.

### ➤ **Ecosystem Analysis**

While viewpoints, reasons and pathways to goal differ, there is currently clear alignment among policy leaders, government officials, educators, employers, nonprofits and investors that increasing the U.S. college-going rate must be a national priority. President Obama has issued a call for increasing attainment rates to 60 percent, and major funders of education initiatives such as the Bill and Melinda Gates Foundation are investing heavily in this effort. Moreover, the current economic climate requires innovative and cost-effective solutions to the problem, with the federal government looking to public-private funding partnerships to scale social innovations from the nonprofit sector.

### *Education partners – high schools, colleges and scholarship providers*

School districts nationwide are working with increasingly streamlined budgets and academic performance metrics that must be met. There is a tremendous market for a program such as College Possible to enter schools, with no fees charged, to provide comprehensive programming to promising but at-risk student populations. Each year, more high schools in College Possible's current markets request the program and provide high level partnership to ensure programmatic success that boosts the school's overall performance rates. See school demand list in *Appendix 12*.

Colleges and universities value diversity on their campuses but struggle to identify low-income, first-generation students who could succeed. Again, the partnership potential is evident from successes to date. College Possible students are enrolled at nearly 200 institutions nationwide. (See *Appendix 13*) A College Consortium, providing an earned revenue stream for College Possible, was formed by a network of private colleges seeking diversity, and a college fair with more than 150 national, selective schools is held annually for the organization's students.

Private scholarship providers dedicated to making college affordable are surprised by the lack of qualified applications they receive. Utilizing a national database of providers, College Possible students put together high quality applications for local, regional and national providers, and receive a high percentage of awards. For example, more than 25 College Possible students have won the prestigious, full ride Gates Foundation Millennium Scholarship.

### *Workforce development partners*

The current White House Administration has placed a premium on identifying cost-effective, results-producing solutions and matching public investment with private sector funding in order to take initiatives to scale. To this end, initiatives such as the Department of Education's Investing In Innovation Fund and Social Innovation Fund at the Corporation for National and Community Service were launched. At the White House bipartisan event announcing these plans in 2009, President

Obama spoke of College Possible directly as an example of a solution that should be scaled by such initiatives. Similarly, during his term as Minnesota Governor, Tim Pawlenty called for investment in the future by increasing the number of students participating in college access programs, recommending that the state “expand successful programs such as [College] Possible,” which has “a demonstrated track record of success.”

#### *Public policy alignment with AmeriCorps model growth*

While appropriations levels are debated annually, the 2009 passage of the bipartisan Edward M. Kennedy Serve America Act authorized increasing AmeriCorps positions from 75,000 to 250,000 annually, creating scaling opportunities for the most successful national service programs. College Possible, which utilizes AmeriCorps members for service delivery, has earned a reputation as a highly effective and well-managed program during its ten years managing state AmeriCorps and VISTA grants. This reputation earned a 2008 site visit from the Corporation for National and Community Service’s (CNCS) CEO as well as College Possible’s first nationally administered CNCS AmeriCorps grant in 2010, one of only 16 new investees nationwide. Also, AmeriCorps Director, John Gomperts, featured College Possible in his “State of AmeriCorps” address in September 2011 by highlighting the high number of former program participants who have completed college and come back to serve as AmeriCorps members with the organization.

In the current economic climate the employment opportunities for recent college graduates are another partnership motivator. This generation of young people is especially motivated by the opportunity for civilian service. The added benefit of offering recent college graduates fulltime, career-building service opportunities with a living stipend, is the increased productivity in the economy while simultaneously addressing growing need in the community.

#### *Competitors*

Other organizations have stepped in to help address gaps in college access for low-income students, including the Federal TRiO programs (Upward Bound, Educational Talent Search and other 100 percent federally-funded programs), state-run GEAR UP programs, and other nonprofit local and national solutions. Most programs fall into one of three models:

- 1) Programs such as federally-funded Upward Bound or other nonprofits provide intensive support and mentoring to minority and low-income students, but at a relatively high cost due to professional salaries paid to fulltime staff. Even when demonstrating excellent results, a leading barrier to significant scale is cost. Programs such as Upward Bound offer intensive support similar to College Possible but are seven times more expensive.
- 2) Other programs, both federally-funded programs such as Educational Talent Search and other national and local programs, are scalable but offer either no evidence of college going outcomes or produce outcomes that are significantly less than College Possible, whose results are among the best in the country. Typically these fast growing solutions are information-only in nature, producing expansive student reach but failing to address barriers for low-income students.
- 3) The third model is one that serves a whole class or school, such as GEAR UP programs or nonprofit organizations like College Summit, which target students of all income levels and provide curriculum and trainings to schools and staff. These models are complemented nicely by a more targeted and intensive approach like that of College Possible, which provides a fulltime mentor and time on task needed for a defined cohort of low-income student success.

## **Strategy and Theory of Change**

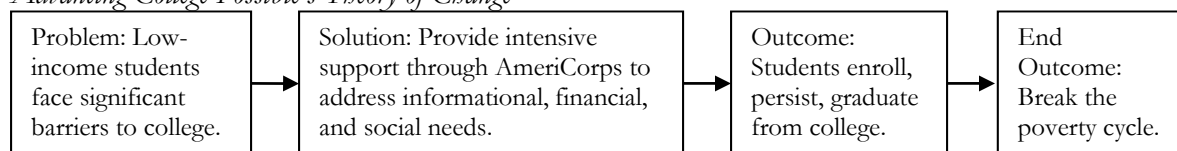
*"I want my children and their kids to attend college, and break away from that way of life. There is a better life out there and they can have it."* -Michael, College Possible '09; Augustana College

### ➤ **Description of Organization and Mission**

Founded in 2000, College Possible is a 501(c)(3) nonprofit organization making college admission and success possible for low-income students through an intensive curriculum of coaching and support. College Possible's core programming is delivered during the students' junior and senior years of high school by recent college graduates serving as fulltime, near-peer mentors. The comprehensive two-year, after-school curriculum includes academic preparation through SAT and ACT test preparation, college admissions and financial aid consulting, and guidance in the transition to college. Seniors in the program help lead college planning workshops to freshmen and sophomores, further leveraging the near-peer model. When the high school program ends, students become part of College Possible's college program and support network as they work toward degree completion and workforce readiness. The organization currently serves students in 29 high schools across 12 cities in three major metropolitan areas: Milwaukee, Wisconsin; Minneapolis-St. Paul, Minnesota; and Omaha, Nebraska; and on nearly 200 college campuses nationwide.

### ➤ **Description of the Initiative Being Scaled**

*Advancing College Possible's Theory of Change*



College Possible envisions a day when the future of America's children is determined *solely* by their potential and effort. The College Possible model, designed to help low-income students obtain a college education, will directly reduce the achievement gap that persists today along socioeconomic lines and acts as a multi-generational barrier to prosperity for families in poverty. By creating a pipeline of qualified students for colleges and universities and providing support through graduation, College Possible also helps provide the future leaders and college educated workers needed by the United States in a globally competitive economy. The firsthand College Possible experience of these future leaders will build the movement of college graduates working within their own families, communities and professions to help fulfill College Possible's vision.

#### *Key contributors to low college access rates*

Expert research has repeatedly identified the key contributors to the lower rates of college access and success for low-income students to be: 1) lack of social capital; 2) little or no preparation for standardized college entrance exams; 3) absence of a trusted, knowledgeable mentor and guide; 4) limited understanding of the process of getting into college; and 5) lack of support in identifying and applying for financial aid.

#### *Initiative being scaled*

College Possible has built an award-winning model for identifying, recruiting, training and motivating AmeriCorps members to provide a cost-efficient and results-effective program helping low-income young people prepare for and earn college admission, and to stay in college and graduate ready for the workforce. College Possible was the first organization in the country to apply the AmeriCorps national service infrastructure to the critical issue of college access. Through its innovative utilization of



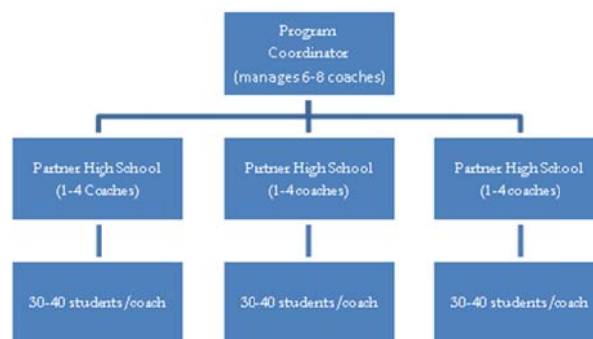
AmeriCorps members – recent college graduates provided a modest living stipend of \$12,100 for fulltime service – the intensive intervention required to help low-income students overcome barriers to a college education can be deployed at nearly one-seventh the cost of the most similar federally-funded program (*Upward Bound, US Dept. of Ed., [www.ed.gov](http://www.ed.gov)*).

*Population served: low-income students without a clear path to college*

The College Possible model targets low-income high school students in the ‘academic middle’ who could be good candidates for admission to a four-year college or university but would not be likely to succeed without significant support. Program eligibility requirements are: 1) High school sophomore. Students apply as sophomores and enter the two-year program as juniors. 2) Low-income. This is determined by median household income in city/county and by free and reduced lunch eligibility. 3) GPA of 2.0 or above. This is a guideline. Some students may be accepted with a lower GPA. 4) Application and interview. Completing this process provides reviewers with additional family background, academic preparation, and aspirational information about the students. Students currently in the College Possible program are 91 percent students of color and have an average family household income of less than \$25,000. A recent survey of students showed 88 percent of respondents would be first-generation college graduates.

*Role of AmeriCorps members*

AmeriCorps members, called high school coaches, work with cohorts of 30-40 students, all either juniors or seniors in high school. The low student-to-coach ratio allows each coach to provide intensive, targeted support to each student and to closely support and guide them through the college admissions process. Recruiting on college campuses nationwide, College Possible selects AmeriCorps team members annually for a full-year term of service and has one of the highest AmeriCorps retention rates of organizations nationwide at 96 percent. This model allows for intensive student support at a low cost, but requires significant training and management for AmeriCorps members who have little prior training in the field. AmeriCorps members receive an intensive three-week orientation followed by ongoing training and development every Friday in the market’s regional office. This training covers all relevant aspects of the college admissions process and is provided either by College Possible topic experts, or experts in the field from partner organizations such as college financial aid officers or high school guidance counselors. College Possible program coordinators are responsible for the management of between six and eight coaches each, meeting weekly and conducting on-site performance checks.



*Program Model*

Students meet after school with their coach for two-hour sessions twice weekly in small groups of 10-15. The cohort size and consistent meeting schedule allow students to build a peer group of support, which research shows to be a key factor in student academic success. According to a 2008 study from Princeton University, “results indicate that students with larger high school peer groups upon entering



college outperform their counterparts with fewer co-enrolled classmates, and they are also more likely to remain enrolled after four semesters.” Throughout the course of the program, students spend 320 hours of time on task, working through a copyrighted curriculum that covers topics addressing the academic, financial, psychological and informational gaps that are key barriers for low-income students: (See the high school logic model in *Appendix 8*, and curriculum outlines for junior and senior year in *Appendix 20*.)

- 1) Building a foundation- Students learn about the benefits of college and its accessibility to them, breaking down psychological barriers to college pursuit often found in students from low-income, first-generation backgrounds.
- 2) Providing academic support- Each coach provides individual and group academic support, including English, math, science, reading, and writing support needed to help students master crucial knowledge and skills that are important not only for score increases on the ACT exam, but also for preparedness for the rigor of college-level courses.
- 3) Preparing for the test- Most of the junior year is spent on intensive ACT test preparation and reinforcing academic content knowledge, including four full-length practice exams prior to the official exam administered in April.
- 4) Selecting target schools- In their senior year, students receive individual support in finalizing a list of schools with which to begin the college admissions process. Research shows that low-income students tend to select colleges not rigorous enough for their academic abilities.
- 5) Preparing applications- Most of the senior year is spent preparing college applications. This includes helping students prepare essays and working with teachers to write reference letters.
- 6) Consulting on financial aid- Each student is given intensive support identifying and applying for a wide range of financial aid, including extensive scholarship searches.
- 7) Guidance in transition to college – Senior year, students learn about reading financial aid packages, balancing a budget, managing time, and navigating campus resources.

#### *On-site at high school partners*

There is no cost for students or their families to participate in College Possible, and currently no cost to partner high schools. In exchange for program services, all students participate in community service projects organized by College Possible each year. This helps instill an ethic of leadership and service in students, while improving the vitality of the communities in which students live. Partner high schools provide College Possible coaches with office space Monday-Thursday and classroom space after school in which to conduct lessons. Coaches serve fulltime on site at schools hosting office hours during the day and after-school group sessions. While students meet twice weekly, the coach is responsible for three cohorts, conducting six sessions weekly.

#### *College planning workshops for underclassmen*

College planning workshops are delivered to 9<sup>th</sup> and 10<sup>th</sup> grade students by high school seniors supported by their AmeriCorps coaches. These workshops leverage the near-peer mentorship model to encourage early planning school-wide in partner high schools and help create a college going culture across the school. College planning workshops for sophomores are tied to College Possible information sessions during student recruitment season. Workshops also provide a key leadership development opportunity for seniors in the program.

#### *College program*

Upon completion of the high school program, students become part of College Possible’s college program, which employs a similar, but less intensive coaching model to help ensure college retention

and graduation of College Possible students. College coaches utilize a structured curriculum to focus on academic, financial, and cultural factors that research has identified to be barriers to college success for low-income students (See the college program logic model in *Appendix 8*, and the curriculum outline in *Appendix 20*). Coaches work to connect students to their campus resources, to each other, and to potential employers in order to help build a network that will support them as they make the difficult transition from high school to college and beyond. Helping students on college campuses nationwide, college coaches also provide targeted troubleshooting using Web 2.0 tools, one-on-one assistance (in person and by phone), group workshops, and on-campus support. The college program works with students for up to six years, or longer if they are continuing to actively pursue their degree.

### ➤ **Definition of Social Value Proposition**

College Possible offers a powerful value proposition for investors as the organization’s model creates effective social change. In exchange for a comparatively low investment, College Possible helps thousands of low-income high school students – an underrepresented population in higher education – attend and graduate from college. These students bring diversity to campuses and help build the needed future workforce, providing a clear pathway out of poverty for those students and their families. In addition, the AmeriCorps model utilized by College Possible provides entry-level opportunities for college-educated young people to gain professional experience while serving their country in a meaningful way. The Princeton Review has named College Possible among the top 150 “Best Entry Level Job” employers nationwide. Many of these young people will go on to be future counselors, teachers, and nonprofit entrepreneurs and work from *all* sectors with a shared understanding of the achievement gap and solutions to the barriers.

### *Evidence of outcomes and impact*

To date, College Possible has been extremely successful in meeting and even exceeding its goals. Since the inception of the program independent evaluations have found that College Possible has had a significant impact on students. A 2011 Harvard study by Dr. Christopher Avery, renowned scholar in the field of college access for underrepresented students found that College Possible has a clear impact on enrollment. Dr. Avery analyzed historical data comparing College Possible students with peers who did not participate in the program, and found that participating in College Possible are 140% more likely to attend a four year college than their peers (*Appendix 7*). To provide further evidence of the effectiveness of the College Possible model, the organization has launched a two-year study with Dr. Avery, to be funded by the Spencer Foundation. This randomized controlled trial, considered the “gold standard” of techniques, will follow two groups of students: one participating in the program and a similar group that will not. The results of this study will be available in 2013.

The Wilder Foundation conducted a 2005 two-year external evaluation of College Possible’s program certifying the results as unmatched by other programs including College Summit, Upward Bound and others. In 2009, ICF International completed a second independent verification of the program’s college admission and ACT score improvement rates. See *Appendix 4* and *Appendix 5* for evaluation summaries. Other internally tracked results show the following impact on students:

- 1) Supported academic readiness for juniors helped them meet college admissions standards by increasing ACT scores an average of 21 percent, from a baseline score in the bottom 15<sup>th</sup> percentile of all test-takers, to an official test score of 18, a score most admissions offices say allow students to demonstrate the strength of their full application. By comparison, for-profit test preparation companies advertise average increases of 12-14 percent.
- 2) Seniors in the program have achieved a 98 percent college admission rate

- 3) Ensured college enrollment, as 94 percent of admitted students have enrolled in college. By comparison, the national college enrollment rate among low-income students is 46 percent.
- 4) At least 95 percent of seniors apply for federal financial aid and private scholarships annually, helping fulfill unmet financial needs. Historically, seniors have earned \$2 million or more annually in scholarship support alone.
- 5) Nearly 80 percent of College Possible's enrolled students are persisting in college or have already graduated. According to a 2010 study by Postsecondary Education Opportunity, only 8 percent of low-income students earn a bachelor's degree within six years.

#### *Society's Return on Investment*

According to independent social return on analysis conducted for the 2011 published book *More Bang for Your Buck*, College Possible's program model [at scale] produces a 333% return to society over a student's lifetime, driven by increased contributions to the tax base and reduced costs of incarceration and social services. See *Appendix 6*.

#### *Ripple effects of the program*

Alumna: Jessica. For the first time in 2009, former program participants returned as AmeriCorps members to coach their younger peers following their own college graduation, and that cycle has since become an annual one. One of the first alumni coaches was a young African American woman named Jessica who credited College Possible not only for her college degree but for saving her life.

Surrounded by gang activity as teenager and growing up in a single parent household with a mom working double shifts, Jessica was pushed to enroll in College Possible where she found a coach who believed in her. While her own counselor told the private college to which Jessica applied to "be nice and humor her unqualified application," Jessica and her College Possible coach fought the stereotyping and tracking that so often happens to students without an advocate. Four years later, Jessica had a degree from a prestigious private university and a corporate offer she put on hold to return to College Possible as an AmeriCorps coach where, as Jessica said, "I have a responsibility to help students in the way I was helped." In 2011, Jessica is on a management track program for one of the country's largest retailers. In total, more than 25 former College Possible students have returned to serve as AmeriCorps members with the program in the past three years.

Alumnus: Fabian. Jessica is just one of many stories of College Possible alumni entering the workforce in positions requiring bachelor's degrees. She joins the 550 College Possible college graduates who have entered the workforce or continued on to advanced degrees, a number that grows exponentially with each passing year of increasingly large class sizes reaching the four and six year graduation benchmarks. Fabian, in College Possible's class of 2004, graduated from a private college in 2008 and now serves as a credit analyst with one of the country's leading providers of telecommunication services. When interviewed in 2010, Fabian said, "When you think about college coming from a low-income family, it seems far-fetched...I really can't fathom how different my life would be without College Possible. I'm just thankful I didn't have to be without it."

Former Corps. Over 400 College Possible AmeriCorps members are also adding their firsthand experience to the professions they enter with high percentages of each Corps class entering poverty-relief related organizations in the nonprofit sector and the field of education, both K-12 and higher education. In Minnesota, where the program has been in operation for 11 years, former AmeriCorps members can be found in prominent college and university admissions and financial aid offices and in multicultural centers working to improve admission and retention rates of low-income students.



### *Target Beneficiaries and geographic markets*

College Possible will continue to grow its school-based college access program targeting low-income high school students and will continue offering ongoing support to high school program alumni through its college program as students work toward their degrees. College Possible relies on market-by-market analysis for identifying geographic need. Early expansion for College Possible targets those markets where the model can be most easily leveraged to create the greatest immediate impact: heavily populated metro areas with large concentrations of low-income, first-generation students. Utilizing College Possible's metrics developed with the support of McKinsey & Company for assessing expansion markets (see below and detailed in *Appendix 9*), the map above indicates the top 14 target markets for initial expansion: Atlanta, Chicago, Dallas, Detroit, Memphis, Oklahoma City, Orlando, Philadelphia, Phoenix, Pittsburgh, Portland, San Antonio, Seattle, Tampa.

Initial expansion target markets include a balanced combination of the following criteria:

- Age eligible low-income students
- Density of low-income student population
- Availability of competing college success programs for students
- Funding leads in market

### *Distribution plan*

College Possible works with school districts and individual high schools to reach students with its services. Approaching schools of high need, the organization enters into partnership at the invitation of administration. This relationship track record is strong, with partnership demand outpacing supply in current markets. In markets where the model is new, a more proactive sales approach is used. However, in the organization's first out-of-state expansion, the required number of high schools was easily identified and a waiting list existed within the program's third year of operation. Coaches are trained and supported by program staff based in the market's regional support office. College Possible will open a new regional office in each new market and will provide organizational and program training to the head of that office, an Executive Director hired by College Possible's national office in consultation with local leaders. Prospective AmeriCorps members are historically recruited from area college campuses. Much like high schools, the supply of recent college graduates interested in College Possible has outpaced demand with five applications for every one Corps position. Aggressive on-campus marketing begins in November for placements the following year.

### *Competitive advantage*

College Possible has a proven record of achievement, growing from a start-up serving 35 students; building a diverse long-term partnership portfolio; attracting high quality resources and talent to its mission; and maintaining top-of-field program results.

<b>Partners/Beneficiaries</b>	<b>2000-2001</b>	<b>2004-2005</b>	<b>2009-2010</b>	<b>2010-2011</b>
Cities	2	2	9	9
High Schools	2	9	23	24
Students*	35	895	6,929	7,375
Fulltime Staff	1	5	21	29
AmeriCorps**	0	21	61	72
Donors/Funders	209	434	807	1,201
Grants/Gifts (rounded)	\$209,000	\$930,000	\$3.1M	\$6.3M

\*College planning workshop programming began in 2005-06; 3,200 students were served by workshops in '09-'10

\*\* Year one started with four part-time employees while the organization secured its first AmeriCorps grant

Led by an award-winning social entrepreneur, College Possible has won several regional and national awards including two 2009 awards of excellence – the National College Access Network’s Organizational Award of Excellence and the National Association for College Admission Counseling’s Human Relations Award – demonstrating support for the College Possible model from leading experts in the field. In her 2010 book *The American Way to Change*, national service policy expert Shirley Sagawa highlights College Possible as one of 25 notable service organizations ready and organized for scale.

In 2011, College Possible underwent significant due diligence processes and was selected for inclusion in New Profit’s national investment portfolio and the Social Impact Exchange’s Contribution Center, both for high results scaling innovations. College Possible was also the sole 2011 nonprofit pro bono client of Weber Shandwick and was selected as one of only six scaling nonprofits for AchieveMission’s Talent Initiative.

#### *Barriers to entry*

The four leading barriers to successful new market entry are: 1) centralized capacity to support growth into an additional market; 2) local fundraising commitments in accordance with expansion metrics; 3) talent acquisition for the new market; and 4) in-market competitor presence. College Possible has been successful in these areas to date, but entry into each new market will require these critical factors be in place every time in mitigating risk to the overall organization and fidelity of the program in a new market. Risk management planning is detailed later in this plan.

#### *Core program elements and success factors in new market program expansion*

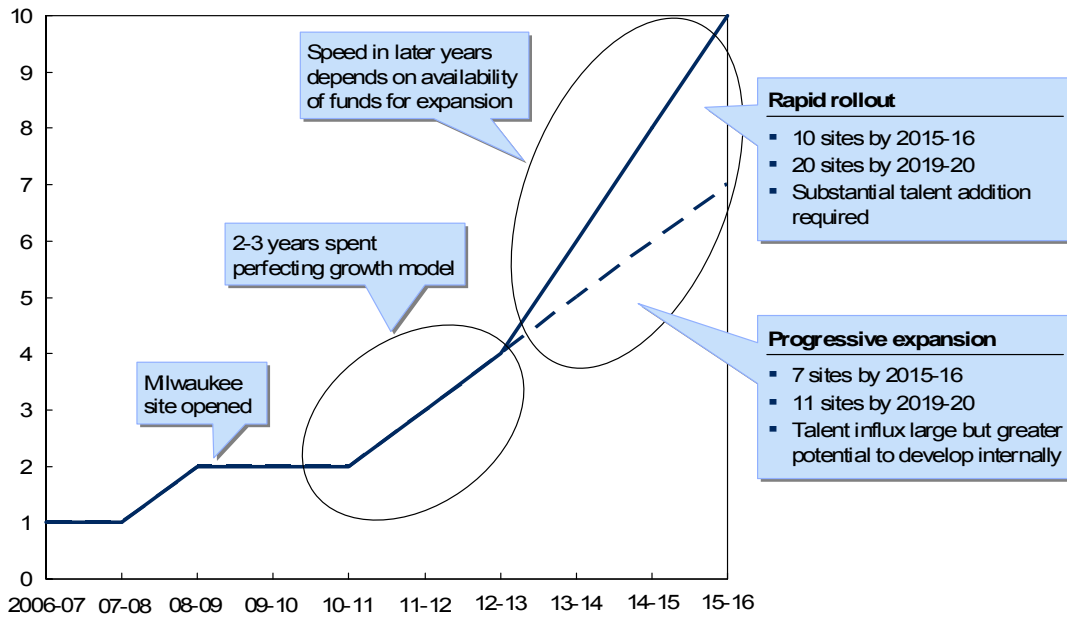
- Identifying, securing and training new market Executive Directors, staff & AmeriCorps
- Ensuring program and fundraising results in markets during ongoing expansion
- Administering high quality organizational training and support
- “Idealistic Leader” culture inspiring all team members to do “whatever it takes”

#### ➤ **Timetable, Milestones, Measurable Three-Year Performance Goals**

College Possible will continue to add markets at a rate of one per year at a minimum, not likely to exceed two new markets in a given year, in an effort to balance responsible growth with the urgency of the problem being addressed. Continued growth in current sites during this time is equally important in meeting the goal of serving 20,000 no later than 2020. Expansion begins with a market selection period during which competing markets are considered.

Once selected, a market Executive Director is hired and given a 6 to 12 month pre-operational period in which to build the support needed for program success. Student services begin the following fall with a minimum of 60 students in two partner high schools. Markets continue to grow on a moderate to accelerated pace based on fundraising success, with a minimum goal to serve 1,600 students annually within three years. The graph on the following page represents both a progressive expansion and a rapid rollout.

## Progressive and Rapid Rollout for College Possible Expansion



### Performance metrics

College Possible’s expansion philosophy translates to the following minimum performance metrics for each market as well as the organization’s overall portfolio performance:

#### Plans for expansion

**Markets would be governed by performance criteria based on year in service; markets failing to meet metrics receive mandatory intervention**

Phase	Startup (first year of service to students)	Second year	Third and fourth years	Mature site
<b>Low income students</b>	At least 50 juniors completing program	At least 150 students in program	At least 240 students in program	At least 400 students in program
<b>Student achievement</b>	Average ACT score increase of 10%	Average ACT score increase of 12% Four year college acceptance rate of 80%	Average ACT score increase of 14% Four year college acceptance rate of 85% College freshman enrollment rate of 80%	Average ACT score increase of 18% Four year college acceptance rate of 85% College freshman enrollment rate of 85%
<b>Student recruitment</b>	At least 120 recruits for incoming class	At least 160 recruits for incoming class	At least 200 recruits for incoming class	At least 200 recruits for incoming class
<b>Funding (non-AmeriCorps, non-seed funding)</b>	At least 50% of first year budget funded from site-level fundraising =<75% of funds from top 3 funders	At least 70% raised locally =<65% of funds from top 3 funders At least 5 other funders at \$1,500 or more	100% raised locally =<80% of funds from top 3 funders At least 10 other funders at \$1,500 or more	100% raised locally =<50% of funds from top 3 funders
<b>School relationships</b>	At least 3 schools set for second year	At least 4 schools set for third year	At least 5 schools set for next year	At least 5 schools set for next year
<b>AmeriCorps</b>	At least 1.25 applications per available spot	At least 1.5 applications per available spot	At least 2 applications per available spot	At least 2 applications per available spot

### Program effectiveness, performance management & intervention

College Possible’s centralized structure provides expert oversight and management toward program effectiveness measures in markets. In addition to real-time data available for review through



accounting, fundraising and program databases, a monthly scorecard summarizes all critical programmatic, financial and operational progress against benchmarks at the market level. It is examined by national office staff and discussed on monthly calls with national senior staff members and Executive Directors. National staff provide guidance to help sites improve performance against benchmarks. Annual results are reviewed by national staff and the Board of Directors. If all minimum performance standards are not met by a market, a more significant intervention is implemented to address concerns, including replacement of market leadership if necessary. (See scorecard in *Appendix 14*) Individual performance reviews are conducted annually at all levels.

### *Milestones*

College Possible's expansion success will be measured against key milestones associated with new site selection, market performance, financial management of the overall portfolio, and organizational capacity. Charts and graphs demonstrating progress measurement are listed above and in *Appendix 9*.

### ➤ **12-month Operating Plan**

In this phase of the scaling plan, College Possible will:

- Build a human capital strategic plan through support of Talent Initiative consultancy
- Hire for the newly-created Chief Operating Officer position
- Increase national investors in \$10 million growth fund
- Complete the external randomized controlled trial of the high school program
- Implement marketing plan to grow organization recognition in target expansion markets to garner “pull” for future market expansions
- Identify market partnership for sites four and five
- Diversify experience of the Board of Directors of a newly-national organization
- Standardize new hire training plans with special focus on most commonly hired positions
- Upgrade technology infrastructure to support additional sites and users

### ➤ **Marketing Plan**

*Positioning model as uniquely effective provider of low-income student access and success services*

College Possible has been effective in positioning the organization's unique, life-changing work with audiences in its current operational markets. As it undertakes further national expansion, College Possible has two overall strategic communication goals in successfully reaching potential stakeholders:

- National reputation recognition in order to create: 1) Pull of the College Possible model into regional markets by employers and community leaders concerned about the health of local economies and who have the financial resources to invest in the program model; 2) Desire by colleges and universities nationwide for the qualified college applicants College Possible can provide; and 3) Passion among recent college graduates nationwide to serve in a growing number of national service positions with College Possible.
- Site-level reputation understanding to build: 1) Financial support and partnerships for sustained growth in student services from local market employers and community leaders concerned about the health of their economy and their businesses; 2) Commitment of low-income students to the two-year model with the trust it will help them succeed; and 3) Desire by area colleges and universities to recruit and provide financial aid to low-income students they believe can be successful at their schools.

### *Utilizing a fully integrated communication strategy of techniques*

College Possible uses a fully integrated communication strategy of online communications, social networking, earned and purchased media, marketing products and campaigns, and direct outreach and relationship building in achieving these goals to reach stakeholders. A top-of-the-line constituent resource management database (The Raiser's Edge) is used by all markets in maintaining updated, clearly catalogued contact information to ensure ongoing communication with all audiences.

### *Historical success of techniques*

College Possible has been successful in earning media attention in the markets in which it currently operates and increasingly on the national level, including in the *New York Times* and *USA Today*. In 2010-11 alone, it was featured in 105 media stories, including in strategically targeted national publications such as the *Chronicle of Philanthropy*, *Education Week*, and the National Association for College Admission Counseling's *NACAC Journal*. (See media coverage log in *Appendix 15*)

### ➤ **Projected Social Impact**

College Possible's growth plans will create significant social impact over the next five to ten years as College Possible grows to reach 20,000 students on an annual basis in 10 markets nationwide.

- **For students:** Thousands more low-income students will enter and complete college. They will have the chance to change the course of their lives, and those of their families, with increased earning potential averaging \$1 million more over their lifetime than with a high school diploma; reduced chance of interacting with social services or incarceration systems; and healthier lives for themselves and their children. College graduates are twice as likely to be in 'very good health' according to a 2009 Robert Wood Johnson study.
- **For colleges:** Becoming the recipients of thousands more well-prepared applications from students with first-generation, minority and low-income backgrounds will bring desired diversity to their campuses. In addition, those students will bring to college the federal, state and private financial aid earned through the College Possible program.
- **For employers:** With postsecondary educated worker shortages of 300,000 nationwide already each year, this work will help build the workforce communities and employers need to remain competitive in a global economy, meeting increased worker needs as baby boomers retire and building a diverse workforce.
- **For society:** Every person moving out of poverty and into productive employment contributes more to shoulder the tax burden – an average of \$300,000 more for college graduates over their lifetime (U.S. Census) – and decreases reliance on costly social services provided by taxpayers.

### ➤ **Vision for Influencing Sector or System Change**

College Possible is transforming communities by increasing the number of future leaders who have shared in the challenge of overcoming the higher education achievement gap and will spend their lives working to create change. As the College Possible model expands nationwide, system and sector change will continue to take place through the influence of both its program participants and the organization itself. With each passing year more students will break the cycle of poverty for their families and become leaders in their communities and workplaces with an understanding of the private and public policies required for change; colleges will see low-income students as assets and further alter institutional barriers such as entrance exam score requirements and financing; federal and state governments, institutions and private funders, seeing the positive economic impacts, will eagerly provide funding necessary for low-income student educational success; college access and success

service providers, observing the success of results-based management and model cost-efficiency, will use these as success markers creating sector change.

Much like more mature movements such as that driven by Teach For America, College Possible expects to see and support its Corps and student alumni in launching social innovations and altering the institutions at which they work from the inside out. As College Possible continues to refine its model and achieve significant scale, it intends to leverage its own direct service knowledge and national reputation to enter the policy arena helping to close the achievement gap. Positioned as a nationally respected authority on educational access serving roughly 20,000 students across the nation, College Possible believes it will have the power to influence legislative policy and appropriations decisions with nationwide impact: from complex FAFSA processes, to Pell grant financing, to K-12 authorizing legislation. Central to this reform agenda is the nearly billion federal dollars spent annually on college access. College Possible believes there would be significant power in marrying those college access programs, such as the TRiO programs, with cost-efficient AmeriCorps positions that could deliver high intensity services through community partnering with schools nationwide. With national positioning as an authority on higher education access, College Possible will also target much of its advocacy work directly toward institutions of higher education where policies and procedures alterations would encourage even better access by currently underserved populations.

## **Evaluation & Knowledge Dissemination Plan**

### **➤ Plan for Assessing Outcomes/Impact**

College Possible is committed to both internal and external evaluation of its efforts. (See external evaluations *Appendices 4, 5, 6 and 7*) College Possible has systems in place for tracking both programmatic outcomes and organizational performance as it expands to ensure a managed rate of growth as well as a timeline for revisiting the national expansion plan based on lessons learned:

- All students have a unique record for tracking in a web-based student database, Naviance, used organization-wide. Coaches for both high school and college students store all programmatic data here, including ACT scores, college and scholarship applications and acceptances, college enrollment data and more. Program staff in each market pull reports weekly against organization benchmarks for these inputs and outcomes. Results are shared through team meetings and with senior management, allowing for real-time intervention where needed.
- Programmatic results, along with progress in employee satisfaction, budget spend rates and fundraising roll up into a monthly market scorecard completed by Executive Directors and used by national staff to manage performance utilizing historic data standards and benchmarks.
- New site expansion progress and organizational management of the enterprise are reviewed quarterly through four standing committees of the national Board of Directors (Budget & Oversight, Fund Development, Human Capital, and Committee on Directors) and by the full Board of Directors. Lessons learned regarding national expansion are reviewed according to the Board-approved strategic plan timeline, which requires annual review of the national expansion plan goals to ensure alignment or make adjustments based on experience. (See *Appendix 16*)

### **➤ Plan for Communicating Impact of Scaling Initiative**

Growing as a single 501(c)(3), College Possible uses an apprenticeship model for communicating the knowledge needed by the Executive Director for new market launch of the model. Beginning with the pre-operational (six to 12 months) phase, the newly-hired Executive Director is provided extensive training both at College Possible's headquarters and in market. The apprenticeship, under the tutelage

of the CEO and the COO and supported by the national office directors, provides in-depth training in College Possible's systems, policies and philosophies in the areas of finance, fundraising, operations, program, and communications. During this critical phase, emphasis is placed on deepening understanding of the organizational culture of idealism, (See the Seven Traits of an Idealistic Leader in *Appendix 17*) and the performance management philosophy (*Appendix 18*) and techniques by providing firsthand experience through visits to staff meetings, AmeriCorps member trainings and school site classroom visits at the flagship program in Minnesota.

The Executive Director receives a policies and procedures binder along with significant and ongoing national office support as the community Advisory Board is launched, initial staff are hired and the inaugural cohorts of AmeriCorps members and students are recruited during the pre-operational start-up phase. AmeriCorps members arrive in late summer and immediately participate in the intensive centralized AmeriCorps orientation provided to all AmeriCorps members serving with the organization. Traveling to Minnesota for one week of the three-week orientation training assists in the transfer of the organizational culture and helps members see the broad-based movement of which they are part. (See *Appendix 19* for Table of Contents of position manual)

## **Organization**

### **➤ History**

In the spring of 2000, the organization was incorporated in Minnesota as Admission Possible, registered with the Attorney General's office, and received 501(c)(3) not-for-profit status from the IRS. The nonprofit formally began operations on September 11, 2000, with a pilot program of 35 juniors in two high schools in Minneapolis and St. Paul. Services to students have expanded rapidly since, growing 250-fold. The organization's first out-of-state expansion was launched in the spring of 2008 with the opening of the Milwaukee, Wisconsin program. A 12-month planning process regarding further national expansion launched in 2009, resulting in Board approval of a national expansion plan calling for an organization restructuring to support new market expansion.

### **➤ Organization Structure and Governance**

College Possible functions as a single 501(c)(3) nonprofit organization, with a national office coordinating functions and providing administrative support and quality assurance across markets. The organization is governed by a national Board of Directors. Each local site is headed by an Executive Director reporting to the COO and who works with a local Advisory Board to build support within the community and ensure the program meets local needs (*Appendix 2*).

### *National Office*

The national office is led by the CEO who is accountable to the national Board of Directors. The Board is responsible for governance, policy and strategic direction and for helping locate needed resources. The CEO works with the Board to determine organizational vision and is responsible for mobilizing the staff in their execution of that vision. The national office provides support in key areas to mature sites, cultivates the growth of emerging sites, and identifies and builds support for new sites while safeguarding the organization's reputation through results-based management.

The national office provides leadership for the organization in the following key areas:

- **National fundraising**: working to secure support of national funders, coordinating efforts to approach common funders across sites, providing infrastructure (proposal language, national research, donor database) to support fundraising at the site level

- Communications and branding: safeguarding the College Possible reputation, developing communication tools and templates to be used across all markets, producing organizational marketing materials, providing media relations and government relations support
- AmeriCorps: securing AmeriCorps resources for markets, managing grants and reporting, providing recruitment and selection structure for annual recruiting and selection process
- Programming: developing common curriculum, training, and data management tools for local market use and insuring local site fidelity to program design
- Administrative support: providing centralized finance and human resource management and support, including production of financial statements, negotiation of best pricing on purchasing, and benefits and performance evaluation structures
- Performance management: providing common leadership training for key staff members in local markets to ensure a common culture and adherence to key practices, supplying markets with a common reporting structure to ensure consistency where needed across markets, offering consulting expertise to markets as needed to address concerns or improve outcomes

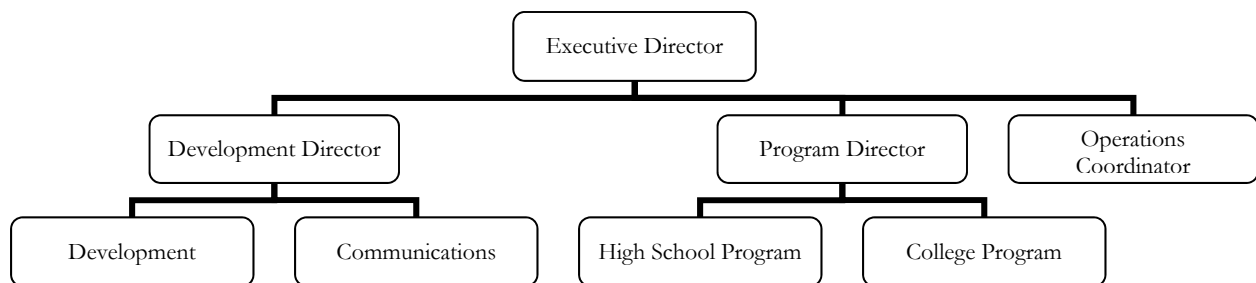
*Local Markets*

Each local market is led by an Executive Director, who is responsible for overseeing the College Possible program in the local community, including serving as chief fundraiser for the market and internal manager of the local organization. Executive Directors report to the COO and also work closely with the CEO and national office support team to externally communicate the mission and program results to local customers and stakeholders, and to ensure consistency in the market with performance and operation standards. Each market has an Advisory Board made up of a diverse group of community members helping with community relationship building and ensuring the program meets the local community’s needs. These boards do not have governance responsibility.

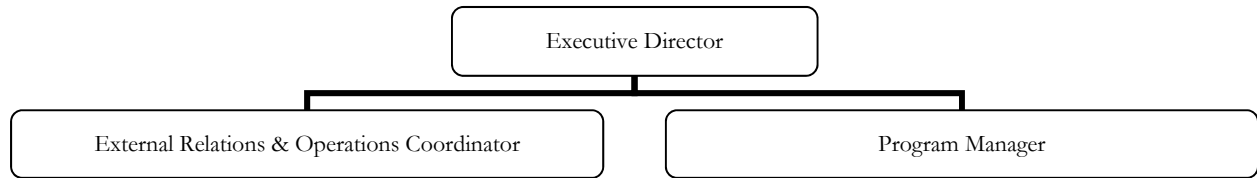
*Key Staff Responsibilities*

- Executive Director: In coordination with the local Advisory Board and national office team, the Executive Director is responsible for creating a strategic plan for the market encompassing revenue, programmatic and budgetary needs. S/he must build support for and recognition of College Possible in the local community; leads fund development locally; and represents College Possible in local media and communication efforts.
- At market maturity, each Executive Director is supported by a Development Director, who leads fundraising and communications efforts; a Program Director, who heads high school and college programming; and an Operations Coordinator, who provides administrative and office management support. In early stage market development with more significant national office support, these functions may be combined, and/or led by more junior staff.

**Mature Market Structure**



## New Market Structure



### ➤ Current Size and Reach

Overall, nearly 8,700 students are currently served annually by College Possible’s programming in 29 partner high schools in 12 cities across three major metro areas – Minnesota’s Greater Twin Cities, Milwaukee, Wisconsin, and Omaha, Nebraska – and on nearly 200 college campuses across the United States:

- 1,900 low-income juniors and seniors through the core high school program
- 3,500 freshmen and sophomores through college planning workshops
- 3,275 program alumni through the college program

### ➤ Management Team

The fourteen-member national staff is currently led by a senior management team of the CEO and three directors, and will soon include a Chief Operating Officer and Chief External Officer. The team has significant expertise in finance and operations, fund development and communications. The senior managers bring past experience in organizational development and management from national and international nonprofits including City Year, Teach For America and Center for Victims of Torture; expertise in curriculum and instruction; and policy experience from the Harvard Kennedy School and The White House. Each director is supported by professional staff team members who bring previous applicable experience to their role. Five national office staff have previously served at College Possible at the market level, leveraging that experience in building management and oversight tools. See more detailed biographies in *Appendix 1*.

#### *Key Staff Responsibilities:*

- **Chief Executive Officer:** The CEO is responsible for building nationwide support for College Possible among targeted stakeholders through communication of College Possible’s mission and results. The CEO reports to and sits on the Board of Directors and provides the strategic direction for the organization in coordination with the Board of Directors, and ensures that the organization has the resources necessary to execute on that vision. The CEO safeguards the organizational culture by providing overall inspirational leadership to staff including directly managing the work of the COO, CXO, national directors and the market Executive Directors.
- **Chief Operating Officer:** The COO is responsible for overseeing the implementation of College Possible’s strategic plan, providing programmatic leadership and input, designing and managing internal systems, and supervising all internal operations, including programs, operations, evaluation, finances, technology, and human resources. In partnership with the Director of Finance and Operations the COO will ensure the continued financial viability of College Possible’s operational units through sound fiscal management and support the CEO in management of the Board, funders, and external partners.
- **Chief External Officer:** The CXO is responsible for leading and managing the development, external relations, marketing and communications, and partnerships functions. The CXO

plays a key role in the planning and execution of College Possible's broader strategic plan, which includes expansion to new regions. The CXO serves as the organization's primary fundraiser and spokesperson and oversees effective management of relationships that ultimately impact the organization's mission and program impact goals, including donor and community engagement, government relations, new site development, district partnerships and stewardship of College Possible's brand. The CXO position replaces the current Director of External Relations position. The current Director is staying on board through the sourcing of a candidate for the CXO role to ensure a smooth transition before her planned departure due to relocation.

- Director of Programming & Evaluation: The Director is responsible for program development and ensuring consistently excellent programmatic results, leading on development of the curricular and training tools needed in local markets, and heading communication efforts as related to high schools and colleges and universities. The Director leads the federal fund development strategy, including AmeriCorps funding, reporting and leading the organization's AmeriCorps recruitment strategy and implementation. S/he also leads the organization's internal and external evaluation practices.
- Director of Finance & Operations: The Director is responsible for overseeing the financial health of the organization and ensuring that all staff members have the human resources training, development, and compensation needed to be successful. The Director manages the organization's centralized finance and accounting, human resources and technology systems and practices. As such, the Director works closely with the COO on national contracts and vendors and provides financial oversight in all operations.

#### *Succession plan*

College Possible has a Board-approved succession plan that outlines permanent and interim plans for departure of the organization's CEO. Built into the succession planning is the recognition that a permanent CEO replacement may come from outside the organization, as is regularly the case in a growing nonprofit organization. The search committee is assembled and led by the Board chair and vice chair and is made up of members of the national Board and external experts in the field, and will utilize a search firm specializing in nonprofit executives.

## **Infrastructure Requirements**

### **➤ Investments in Infrastructure Required to Support Expansion**

As it moves from a local organization to a national enterprise, College Possible has a plan in place for meeting infrastructure needs as it grows. These infrastructure developments are primary priorities in the run-up to aggressive expansion, and have budget implications summarized here and included in the *Financial Scaling* section below.

#### *Office Space*

In the first 12 months of its growth plan, the national office was created. The national office and existing market operations are built for efficient use of space. As each current location grows, there will be a need to acquire additional or new office space to accommodate staff size. As new sites come on board, office start up costs will not only include the space itself, but furniture, fixtures, technology, and any leasehold improvements.

- Estimated three-year costs for upgrades to national office: \$100,000-\$150,000
- Estimated three-year costs for upgrades to existing local sites: \$15,000
- Estimated costs for establishing offices in new sites: \$25,000



### *Technology hardware and software*

College Possible continues to update its technology infrastructure investment schedule to ensure adequate support of its geographically expanding network, as well as to acquire more advanced database systems for fundraising, accounting, and program management. Having completed conversions to more sophisticated software for fundraising, accounting and program management (The Raiser's Edge, Intacct LIFE, Naviance Succeed), the organization is finalizing development of associated policies, procedures and operating manuals. The 2011 addition of a Virtual Private Network now allows for highly efficient remote access to network files for school-based coaches, and completion of Microsoft Office 2010 and Server 2008 will occur this year. Plans for the next year include reviewing all administrative reporting and adopting more efficient practices, for example, replacing manual time card reporting with an electronic time recording database.

- Estimated three-year costs of continued development of databases: \$25,000
- Estimated three-year costs of an upgraded network environment: \$100,000

### *Policies and Procedures*

As College Possible seeks to replicate its model in new sites, it is increasingly important to document the operating policies and procedures. Significant accomplishments have been made in building out protocols and procedures in the fund development, communications, programming, financial, and other operational areas. This is allowing for more clarity about the requirements for operating within the organization and documented best practices so that, in each functional area, new sites are able to learn from the experience of the organization and the national team can ensure that local sites are performing according to organizational expectations and requirements, therefore mitigating the risk of poor performance in a location. In the past year, College Possible has hired a Development Manager, HR Manager, and Communications Manager to directly support this effort. This phase of the plan will focus on training existing and new staff and working toward consistent improvement of the new procedures.

## ➤ **Other Capacity Building Needs**

### *Governance*

The College Possible Board of Directors, currently composed largely of Minnesota-based members, is in the process of shifting to more national representation. The Board's Committee on Directors is recruiting Board members from a geographically diverse pool and has sought advice from a Board recruitment firm to help build the processes for future Board development work. Future Directors may also be drawn from local Advisory Boards where members have shown tremendous commitment and potential for national Board service. Additional governance requirements including those listed below help mitigate risk the enterprise could face from poor organizational management:

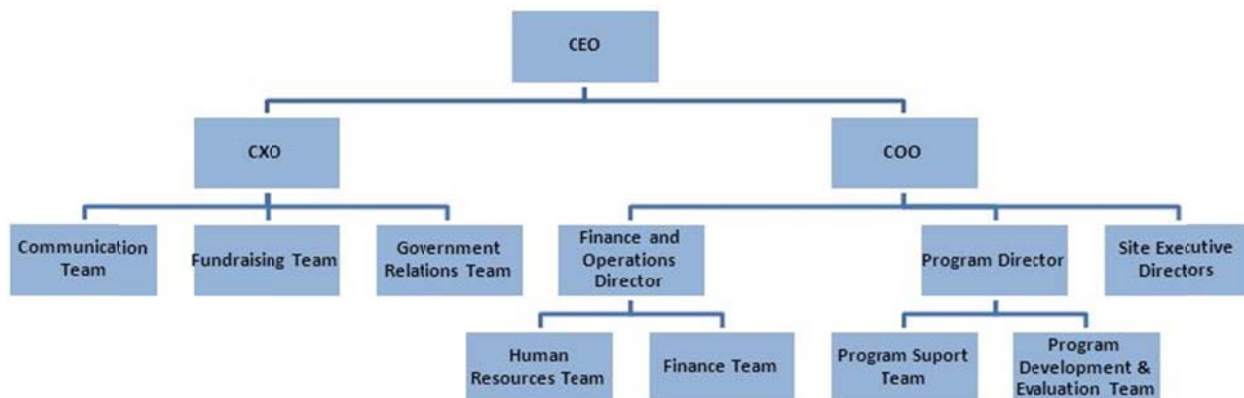
- Development of more robust consolidated and site-specific financial and programmatic reporting mechanisms
- Creation of Board self-assessment tools
- Toolkits and reports for Advisory Board use

### *Human Resources*

The national office staffing needs will grow in accordance with the needs of a growing organization achieving increasing economies of scale as previously needed site-level positions are reduced by the structure of a centralized model. As the national office continues to grow, additional staff support for fund development, financial reporting, human resources, and program management will be sought to

support a growing multi-site organization during a time when finances become more complex, fundraising efforts more widespread and training and performance management more geographically dispersed. College Possible is now using executive search firms for talent acquisition for new market Executive Directors and senior staff additions or transitions in the national office. A six-month consultancy to evaluate and improve the organization’s human capital strategic plan will commence in January 2012 with a multi-year actionable plan to follow. Plans are also in place to invest in expert consulting support on national fundraising.

### Growing National Office Structure



In this phase of the plan, College Possible’s national team is further developing plans for systematic orientation, training, and ongoing professional development of staff members. With a large potential talent pipeline for leadership coming from the pool of AmeriCorps members as well as program graduates, the organization will focus work in years two and three of this plan on execution of its strategy – coming out of Talent Initiative planning – for acquiring and retaining leadership talent as human resource needs continue to grow. Identifying high quality talent to lead the organization as it grows is central to success of expansion.

### Financial Plan for the Scaling Initiative

#### ➤ **Capital Required to Finance Expansion by Type of Support**

Phase one of College Possible’s national expansion plan calls for building a \$10 million growth fund from public and/or private sources that will provide the organization with the ability to grow at an aggressive but sustainable rate as it becomes a 10-market organization serving 20,000 low-income students annually. Growth funding will provide the resources needed to identify and launch new markets that will become financially self-sustaining through local resources.

#### ➤ **Fund Development Strategy – Sustainable Economic Model & Timetable**

##### *National-local funding balance and financial stability*

College Possible’s national growth fund will provide funds to build organizational capacity ahead of growth to ensure effective performance management across sites and aggressive new site development and execution in reaching growth goals. Each new market added to the portfolio will be at the cost of approximately \$2 million over three years. Seed funds for site launch may be drawn from the growth fund up to a maximum of \$1 million over three years. In this situation local funders would match seed funds one to one. However, experience in replication to date has demonstrated the strongest market entry to be that in which 100 percent of seed funds come from local funders thus maximizing local adoption and commitment to program. In either scenario, by the start of year four, each new

market will be financed entirely through local and AmeriCorps funding and will make college possible for a growing number of low-income students in that market.

*Creating “pull” and long-term local commitment*

Because College Possible will always be in conversation with multiple potential new markets but will open only one to two markets per year, local philanthropists and community leaders are motivated to build the local coalition of funders and partners to win the opportunity to become a College Possible market, as was the case in the third market launch. The long-term success of the model is then fully owned by those successfully drawing it into the market, producing an effective three-year funding challenge campaign to further diversify the local funding base.

College Possible Board approved metrics require a minimum commitment of \$150,000 for initial launch, interest from a diversified group of funders, and a pathway to annual support of \$750,000 in future years. (See *Appendix 9*) In College Possible’s first market launch under this expansion plan, \$1.8 million was secured prior to even initial launch. At the end of those three years when the benefits of the program are clear and initial \$2 million in investments exhausted, founding funder support becomes only a portion of those funds provided by a broad-based constituency of local champions dedicated to the long-term success of the model.

*History of diversified fund development success demonstrates proof of long-term financial sustainability*

College Possible’s model has historically been funded through a mixture of local private sector support (80 percent) and AmeriCorps funding (20 percent). College Possible was founded entirely on private-sector support and has built a strong support base in the Twin Cities, Milwaukee, and now Omaha, demonstrating the long-term financial sustainability of its model. Since its founding in 2000:

- Corporate foundations have contributed \$9.3 million (~27 percent of all funds raised);
- Private foundations have donated over \$13.5 million (~39 percent of all funds raised);
- Individual donors have contributed nearly \$4.2 million (~12 percent of all funds raised);

➤ **Current Funders and Commitments**

Since national fund development efforts launched full scale in September 2010, several funders have made early commitments to support national capacity building, fund national operations, and help open new markets. College Possible has also obtained a national AmeriCorps grant, allowing the organization to place members in any market around the country.

<b>Funder</b>	<b>Grant Amount</b>	<b>Grant Term</b>	<b>Purpose</b>
<i>The Kresge Foundation</i>	\$ 750,000	3 years	Expansion
<i>AmeriCorps</i>	\$ 728,000	3 years	National Operations
<i>TG Public Benefit Grant Program</i>	\$ 294,450	1 year	Capacity Bldg.
<i>Best Buy, Inc.</i>	\$ 122,500	1 year	National Operations
<i>I.A. O’Shaughnessy Foundation</i>	\$ 100,000	1 year	Expansion
<i>ING Foundation</i>	\$ 25,000	1 year	Expansion

➤ **Projected Funding by Sources of Support**

Growth funding will come from private foundations, corporations, and individual philanthropists focused on growing powerful solutions to educational equity and workforce development. This national funding will be complemented with federal resources through AmeriCorps and potentially

new innovation funding programs such as the Social Innovation and Investing In Innovation Funds, and with local fundraising done in direct support of markets.

➤ **Pro Forma Financial Projections for Four Years**

College Possible is one national 501(c)(3) operating in multiple markets; therefore, all financial statements are produced at the organizational level. However, internal budgets exist and are tracked for each market. At maturity, each market is expected to raise enough funds to cover its annual operating costs as well as the centralized costs associated with the market specifically. The national office will engage in fundraising efforts at the national level, both from philanthropic sources and relevant federal government programs, to help provide funding support.

<b>4 Year Revenue Projections</b>		<b>2011-2012</b>	<b>2012-2013</b>	<b>2012-2013</b>	<b>2013-2014</b>
Local Corporate		\$1,650,000	\$2,145,000	\$2,895,750	\$3,619,688
Individuals		\$630,000	\$819,000	\$1,105,650	\$1,216,215
Local Foundations		\$1,212,000	\$1,575,600	\$2,048,280	\$2,662,764
AmeriCorps		\$988,000	\$1,469,000	\$1,872,000	\$2,288,000
Other Government		\$64,000	\$80,000	\$100,000	\$125,000
National Funders		\$862,500	\$1,200,000	\$1,200,000	\$1,200,000
Earned Revenue		\$125,500	\$110,000	\$100,000	\$100,000
Investment Income		\$100,000	\$100,000	\$100,000	\$100,000
In-Kind		\$9,600	\$11,520	\$13,824	\$16,589
<b>Total Revenue:</b>		<b>\$5,641,600</b>	<b>\$7,510,120</b>	<b>\$9,435,504</b>	<b>\$11,328,255</b>

*Revenue Assumptions*

Local Corporations: Assumes growing this category by 30% each year as a result of adding new sites.

Individuals: The organization has a strategic focus on increasing support from individuals. This plan assumes more aggressive growth than has been recently seen in this area, largely because of an increased focus in this area, and an investment in staffing to accommodate this new focus.

Local Foundations: The plan assumes a much more modest increase in support in the Twin Cities market than historic trends suggest based on projected longer term impact of the economy on private foundations. Projections for new markets assume significant funding by local private foundations, which are traditionally eager to support the development of promising new ideas.

AmeriCorps: Funding commitments exist for the next two years in the Twin Cities, and one year in Milwaukee, at this level. Last year, College Possible secured one of only 16 new National Direct AmeriCorps grants, allowing flexibility to add members throughout the country. With its high performance among AmeriCorps grantees, there is confidence in the ability to secure additional resources needed to run the programs projected in each market even in a budget cutting climate.

Other Government: These projections assume no new funding from federal sources, an area not traditionally tapped. However, several potential streams of funding are currently being tracked, which align well with the organization’s mission, including the Department of Education’s Investing In Innovation Fund; the Fund for Innovation in Post-Secondary Education; CNCS’s Social Innovation Fund; and the Department of Justice’s Youth Mentoring grants.

National Funders: Assumes three separate gifts of between \$800,000 and \$1.2 million paid out over four years to fund growth.

*Expenses (including fixed and variable costs)*

<b>4 Year Expense Projections</b>	<b>2011-2012</b>	<b>2012-2013</b>	<b>2013-2014</b>	<b>2014-2015</b>
<b>Staff Salaries &amp; Benefits</b>				
Fulltime Staff	2,163,684	2,997,000	3,696,000	4,124,500
Staff Benefits	522,074	723,144	891,806	1,113,615
<b>Subtotal Staff:</b>	<b>\$ 2,685,758</b>	<b>\$ 3,720,144</b>	<b>\$ 4,587,806</b>	<b>\$ 5,238,115</b>
<b>AmeriCorps Members</b>				
Stipends, Health Benefit & FICA	1,258,095	1,774,100	2,289,600	2,904,000
<b>Total staffing expenses:</b>	<b>\$ 3,943,853</b>	<b>\$ 5,494,244</b>	<b>\$ 6,877,406</b>	<b>\$ 8,142,115</b>
<b>Program Expenses</b>				
Consulting Services	\$ 214,944	\$ 297,615	\$ 363,751	\$ 402,331
Professional Fees	81,000	112,154	137,077	151,615
Service Fees	145,822	198,529	252,992	309,213
Occupancy	247,095	295,095	391,095	439,095
Maintenance	71,711	86,053	103,264	123,917
Teaching Materials & Supplies	194,328	240,611	327,458	399,368
Telecommunications Services	54,757	74,549	95,000	116,111
Insurance	11,332	13,598	16,318	19,582
Hiring, Training, & Recognition	194,097	264,253	336,747	411,579
Transportation & Meetings	186,509	253,922	323,582	395,489
Communications	81,377	112,676	137,715	152,321
Depreciation	25,271	30,000	30,000	30,000
<b>Subtotal Program:</b>	<b>\$1,508,243</b>	<b>\$1,979,054</b>	<b>\$2,514,999</b>	<b>\$2,950,621</b>

*Expense Assumptions*

The organization does have some fixed costs, as do all companies. However, virtually all assumptions about expenses are driven by decisions about program size, as most costs are driven largely by the number of students served. Therefore, the main assumptions involved in estimating expenses are as follows

		<b>2011-2012</b>	<b>2012-2013</b>	<b>2013-2014</b>	<b>2014-2015</b>
<b>Twin Cite</b>	Number of Schools	19	21	23	23
	Number of High School Students	1450	1550	1700	1750
	Number of College Students	3000	3450	4700	4325
<b>Milwaukee</b>	Number of Schools	8	10	11	12
	Number of High School Students	350	430	525	600
	Number of College Students	140	300	450	660
<b>Omaha</b>	Number of Schools	2	7	10	11
	Number of High School Students	60	275	525	650
	Number of College Students	0	0	50	240
<b>Market 4</b>	Number of Schools	0	4	8	10
	Number of High School Students	0	125	350	575
	Number of College Students	0	0	0	90

Market 5	Number of Schools	0	0	5	8
	Number of High School Students	0	0	150	425
	Number of College Students	0	0	0	0

This projection also assumes market six will be added in 2014-1015.

Organization Totals	2011-2012	2012-2013	2013-2014	2014-2015
Number of Schools	29	42	57	69
Number of High School Students	1860	2380	3250	4150
Number of College Students	3140	3750	5200	5315
Number of Corps Members	79	109	140	172
Number of Staff	39	53	66	74

*Other Expense Assumptions:*

- The national office added manager-level communications and development professionals, and a staff member dedicated to managing the AmeriCorps and VISTA programs in 2011-12.
- In the next 12 months, the national office will add a Chief Operating Officer, a Chief External Officer, and an executive assistant to the CEO and COO, a college program manager, and a payroll/accounting specialist.
- The organization will continue to see efficiencies through the centralization of services such as payroll processing, benefits administration, AmeriCorps grant administration, technology consulting, etc.

*Capital Costs*

In addition to operating expenses outlined here, there will be capital costs incurred in the next three years as national growth unfolds. These costs are outlined in the *Infrastructure* section of this plan. With capital costs identified, College Possible is working to raise funds for these specific costs.

*Cash Flow*

Some decline in College Possible's cash position may occur in the short term due to the investment needed to support infrastructure while fundraising is underway. A strong financial position with healthy operating reserves governed by a high liquidity policy of the Board's Budget & Oversight Committee, makes timing issues in cash flow more easily managed should they become an issue during infrastructure building.

Cash Flow Projections	2011-2012	2012-2013	2013-2014	2014-2015
Cash and Cash Equivalents, Beginning of Year	\$5,079,932	\$5,259,836	\$5,296,658	\$5,339,758
Total Cash Inflows	\$5,632,000	\$7,510,120	\$9,435,504	\$11,328,255
Total Cash Outflows	(\$5,452,096)	(\$7,473,298)	(\$9,392,404)	(\$11,092,736)
Net Change in Cash	\$179,904	\$36,822	\$43,100	\$235,519
<b>Cash and Cash Equivalents, Year End</b>	<b>\$5,259,836</b>	<b>\$5,296,658</b>	<b>\$5,339,758</b>	<b>\$5,575,277</b>

### *Sources/Uses of Funds*

Of the cash inflows projected above, approximately \$4.4 million is projected from national funders. These funds will be used to support growth in new sites and to build the national infrastructure needed to support the overall organization. Approximately \$21.5 million is anticipated from local corporations, foundations, and individuals; these funds will pay for the costs of running their local sites, along with AmeriCorps and other government funding, projected at approximately \$7 million.

Remaining sources of funds include a small earned income stream from partnerships with colleges, and investment income. Those funds will be used as needed to cover shortfalls, to provide additional match if necessary, or to help maintain an operating reserve to mitigate fundraising risk. As the organization grows, a more robust strategy will be developed to investigate College Possible's ability to expand these non-philanthropic revenue streams.

### *Cost per Unit of Service*

College Possible calculates the cost per student as a main measure of organizational efficiency. When a new site begins, cost per student is high because of the needed infrastructure and organizational development to lay the groundwork for excellent management and program outcomes. Therefore, new site cost per student is often significantly higher than at maturity. As the program grows and is able to operate at full capacity, markets are considered "mature," and therefore operating at maximum capacity by year six of operation.

At maturity, College Possible's core program is approximately \$1,500 per high school student per year which captures the cost of 9<sup>th</sup> and 10<sup>th</sup> grade student participation in college planning workshops. The college program is a significantly reduced cost per student based on the reduced intensity required for the program; FY11 college program costs are projected at about \$200/student.

## **Risk Assessment & Contingency Plan**

College Possible's national expansion plan has been prepared over two years involving senior leadership, the Board of Directors, external partners and a pro bono 12-month consulting engagement with McKinsey & Company, a leading management consulting firm. The growth plan to reach 10 markets serving 20,000 students annually by no later than 2020 is based on direct organizational replication experience. While this planning does much to mitigate threats, risks remain. The primary risks are talent acquisition to support aggressive expansion; a philanthropic giving funding model; and annual appropriations of and grant competitions for AmeriCorps positions and funding.

### *Talent acquisition*

If high quality leadership talent in a new market cannot be acquired during the pre-operational launch phase for a new market, even with the use of executive search firms, College Possible would elongate the pre-operational phase with student services starting one academic year behind. While this does not put students at risk nor take on additional in-market costs, it does mean reducing economies of scale in fixed costs of the national infrastructure. More broadly, an inability to locate national office talent resources may also result in a decision to slow expansion in a given year, instead focusing resources in support of current markets.

### *Philanthropic giving funding model*

Primarily dependent on philanthropic giving for funding support, fund development will remain a risk of doing business, even more so as the organization raises expenses with national office and systems investment to mitigate against other risks in future expansion. If revenues in support of the growth



fund do not develop as expected, three scenarios are available in closing the gap. Local new site fundraising efforts would definitely need to fully fund expansion costs, including centralized support, in the new market from start up and moving forward. Another option would be to slow new site expansion in a given year with priority given to student growth only in current markets where infrastructure is already in place along with economies of scale. Finally, a temporary shortfall could be absorbed by the organization's healthy operating reserve. However, if by year three of this plan fundraising shortfalls have occurred annually, expansion would halt and expenses would need to be cut. In continuing its commitment to current students in the core high school program, non-personnel cuts would lead, to then be followed by staff and AmeriCorps reductions tied to a reduction in sophomore student recruitment. This would occur in the markets where fundraising was not meeting budgets and in the national office. A lead priority would be protection of all current markets that are financially self-sustaining.

#### *AmeriCorps funding*

While 2009 saw historic bipartisan congressional support for national service, and specifically the AmeriCorps model, the AmeriCorps program and the number of positions available annually nationwide are part of each year's appropriation cycle. In a budget cutting climate, all federal funding is at risk. However, because this program is also a competitive grant program, meaning nonprofits and organizations compete for positions and funding, College Possible has long had in place contingency plans. In the case of a short-term loss of support, privately raised program continuation funds designated for this purpose would ensure continuity of program services at current levels, and annual expansion would slow or cease temporarily. In a longer-term scenario, College Possible's model would remain intact with placement of recent college graduates in the role of coaches to students; however, they would be privately funded. While College Possible could continue to grow under this strategy, it would be less cost efficient and would slow growth thus requiring a review, and potentially significant alteration, to the current growth strategy.

#### *Reassessing plan and exit strategy*

College Possible's growth strategy calls for ongoing review by the Board and senior management to ensure alignment and to allow for changes based on experience or unforeseen situations. The Board and national staff leadership will slow or stop expansion of a current site if programmatic, financial or operational performance market metrics are not being met, and the same will be true for new site expansion if the overall enterprise is not meeting minimum metrics of performance. College Possible will always prioritize commitments to students already in the program and to markets conducting self-sustaining operations.