

# Nonprofit Capitalization

**Taking the Plunge Together**

March 26, 2015

University of Pittsburgh

Co-Presented by The Philanthropy Forum at GSPIA

Partners of Western PA

# Key Facts

## Capital Aggregation at the Edna McConnell Clark Foundation (EMCF):

- \* Since 2007: \$155 million in growth capital from EMCF
- \* \$454 million in coordinated co-investment from 46 partners and the federal Social Innovation Fund; average co-investment \$6 million

# Campaigns for Individual Organizations

## Growth Capital Aggregation Pilot (GCAP) – 2007

***Nurse-Family Partnership -- \$50 million, 5 years,  
extended to 7 years***

- \* ***\$12 million EMCF***
- \* ***\$38 million from 7 co-investors and NFP board***
  - Citizen Schools -- \$48.8 million in two raises, 8 years
- \* ***\$18 million EMCF***
- \* ***\$30.8 million from 14 co-investors and CS board***
  - Youth Villages -- \$85 million in 2 raises, 10 years
- \* ***\$30 million EMCF***
- \* ***\$55 million from 15 co-investors and HCZ board***

# Campaigns for Individual Organizations

Harlem Children's Zone – 2010, \$80 million, 4  
years

- \* \$15 million EMCF
- \* \$65 million from 8 co-investors and HCZ board

# True North Fund -- 2011

12 Grantees – selected in mandated open competition

\* Grants (including match) ranged from \$7 to \$12 million over 3-4 years

BELL	Children's Institute	Reading Partners
Center for Employment Opportunities	Communities in Schools	The SEED Foundation
Carrera Adolescent Pregnancy Prevention Program	Gateway to College National Network	WINGS for Kids
Children's Home Society of North Carolina	PACE Center for Girls	Youth Guidance – Becoming a Man

# True North Fund

\$123 million

- \* \$30 million EMCF
- \* \$30 million Social Innovation Fund
- \* \$63 million from 14 co-investors
  - 50% General Fund
  - 25% Regional Partners
  - 25% Individual Grantees

7 institutional co-investors

7 living donors

Operating partnership with the Bridgespan Group and MDRC

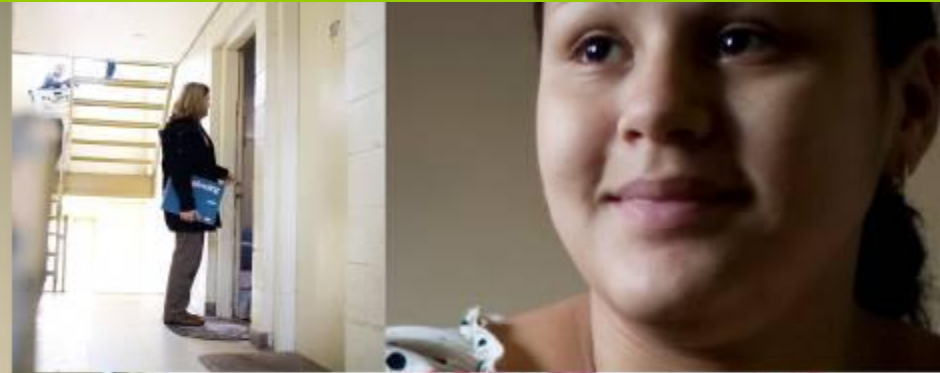
## ***Communities in Schools -- \$18.75 million, 6 years***

- \* ***\$12 million EMCF + SIF + Match***
- \* ***\$3 million co-investor follow-on***
- \* ***\$3.75 million EMCF follow-on***

# EMCF Investment Approach

## Key Elements

- \* Enterprise-level investments
- \* Unrestricted, payout contingent on performance
- \* Business planning
- \* Relationship management and support, board participation
- \* Performance measurement
  - \* Reporting against agreed milestones
  - \* Formal evaluation



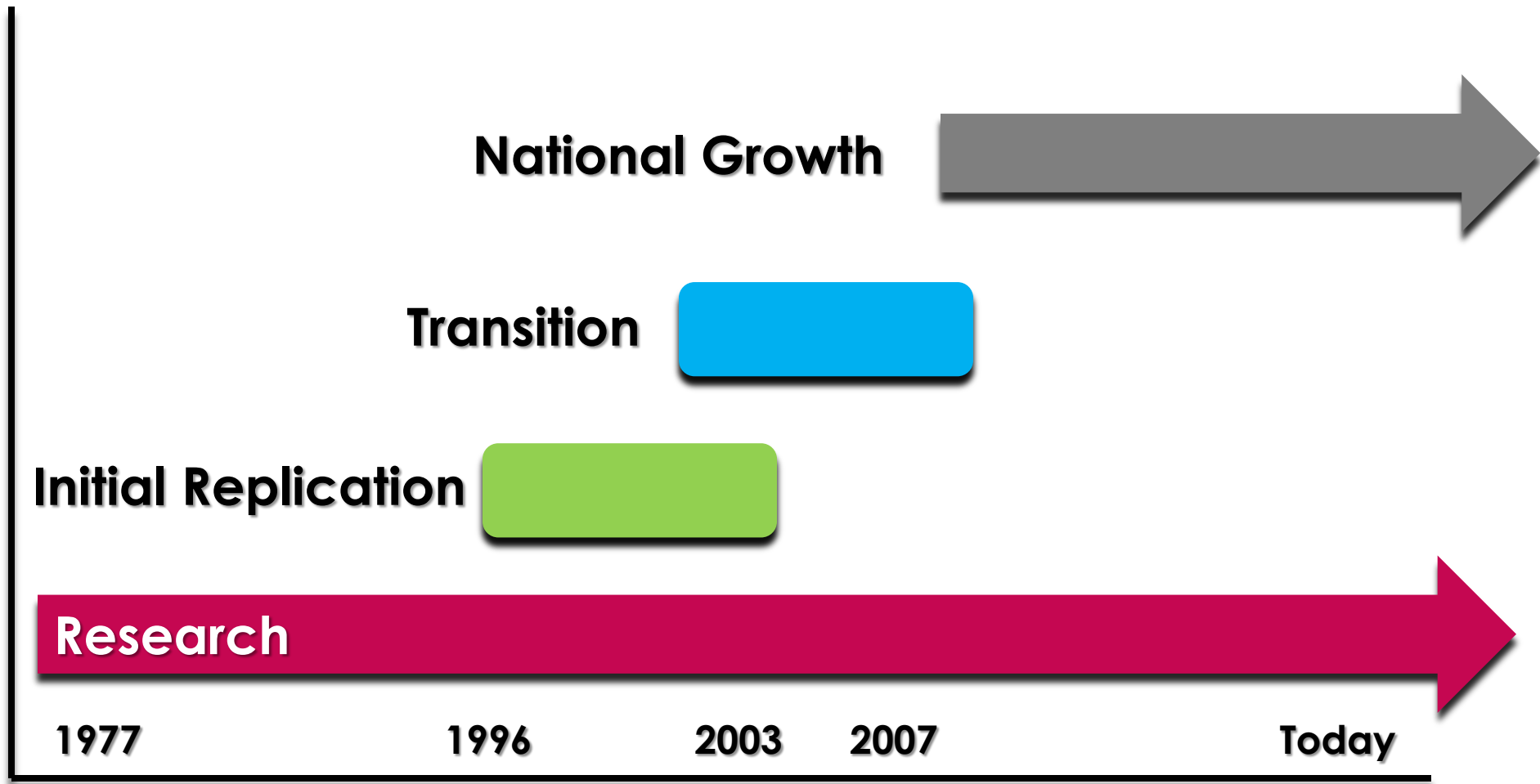
## The Philanthropy Forum, GSPIA

March 26, 2015

Tamar Bauer – Chief Policy & Government Affairs Officer



# Evolution of Nurse-Family Partnership

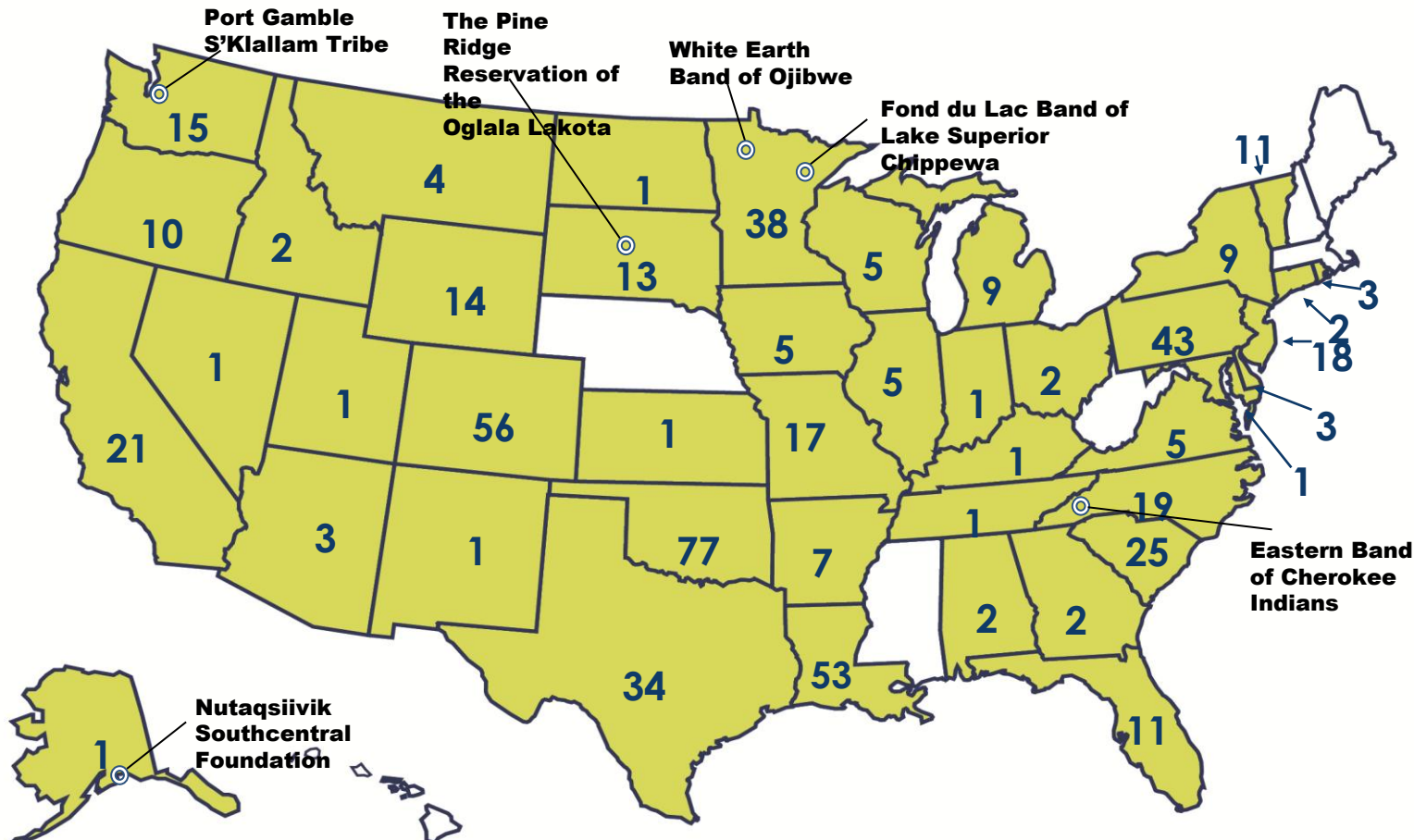


# Estimated Public Investment in Nurse-Family Partnership

<b>Year*</b>	<b>Total Investment</b>
<b>2007</b>	<b>\$73</b>
<b>2008</b>	<b>\$86</b>
<b>2009</b>	<b>\$105</b>
<b>2010</b>	<b>\$131</b>
<b>2011</b>	<b>\$137</b>
<b>2012</b>	<b>\$147</b>
<b>2013</b>	<b>\$187</b>
<b>2014</b>	<b>\$213</b>
<b>Grand Total</b>	<b>\$1,078</b>

\*12 months preceding 9/30

# Nurse-Family Partnership National Map



Tribal agencies are denoted by Band

Map does not include program in U.S. Virgin Islands



# This We Believe...

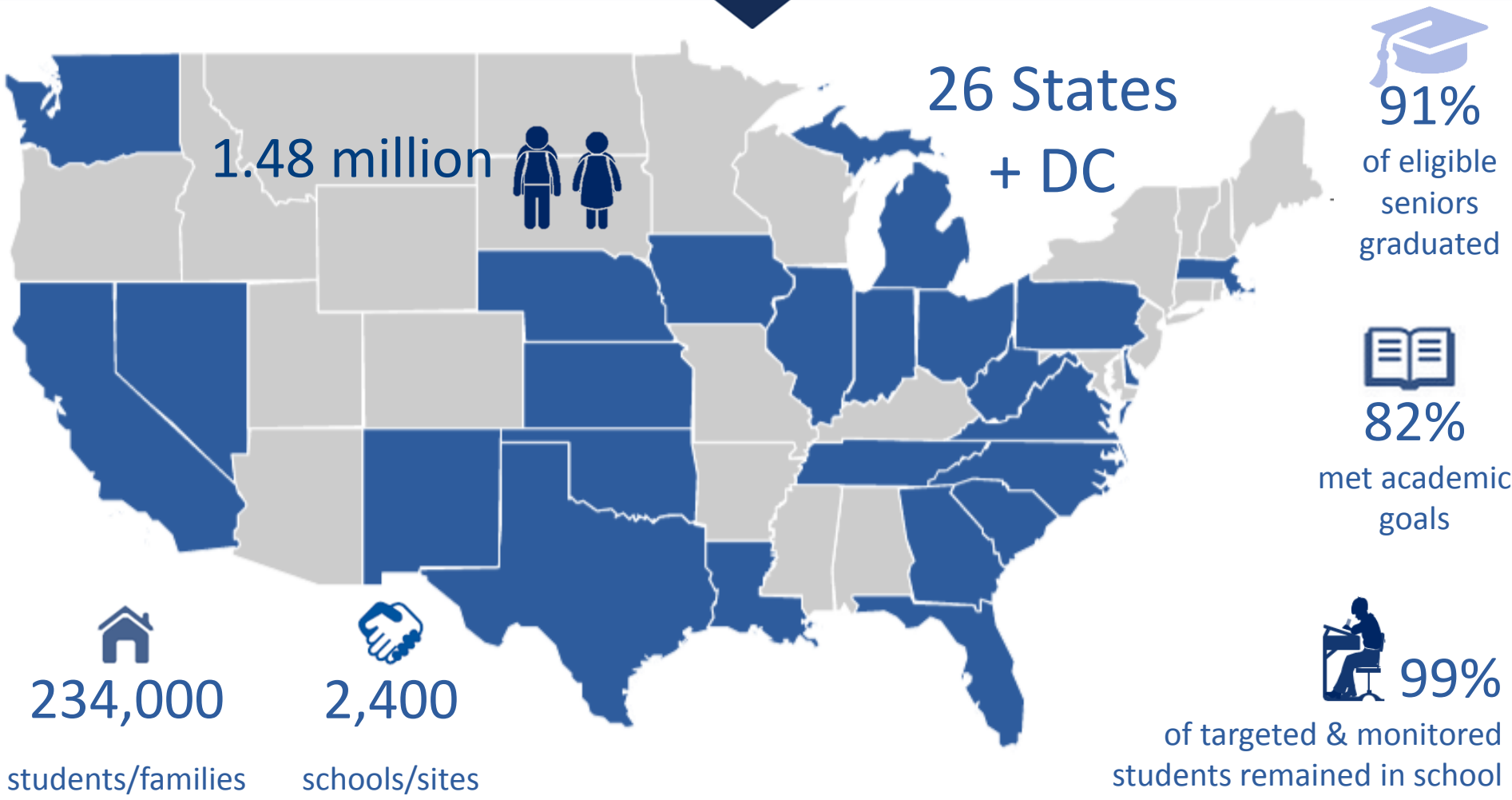
Every child is our child.

No child is forgotten.

Relationships, not programs, change lives.

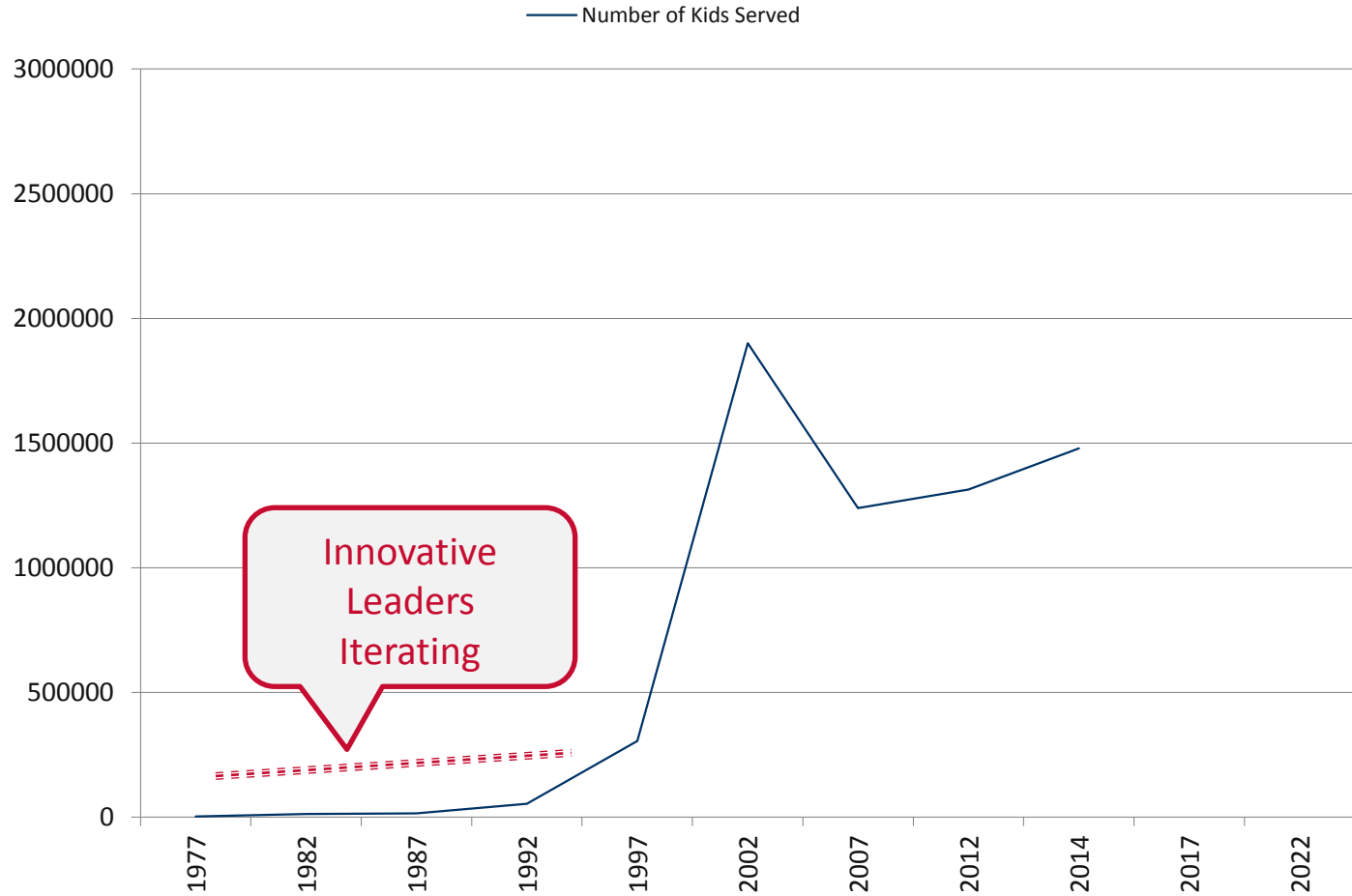
We commit to a future in which every child has the opportunity to shape his or her world, and ours, for the better.

# The CIS Network:



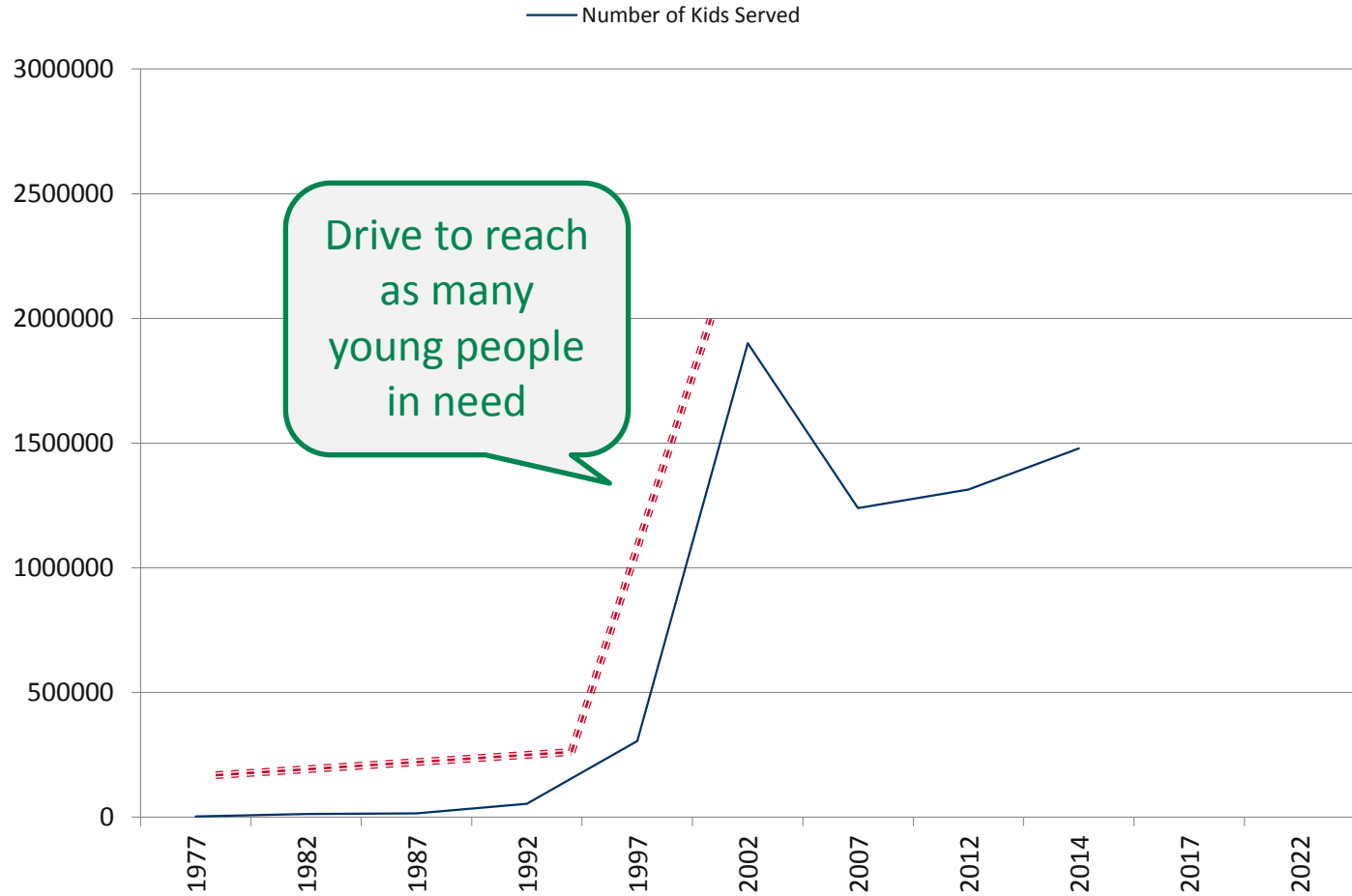
# Our Journey

Innovation = Impact

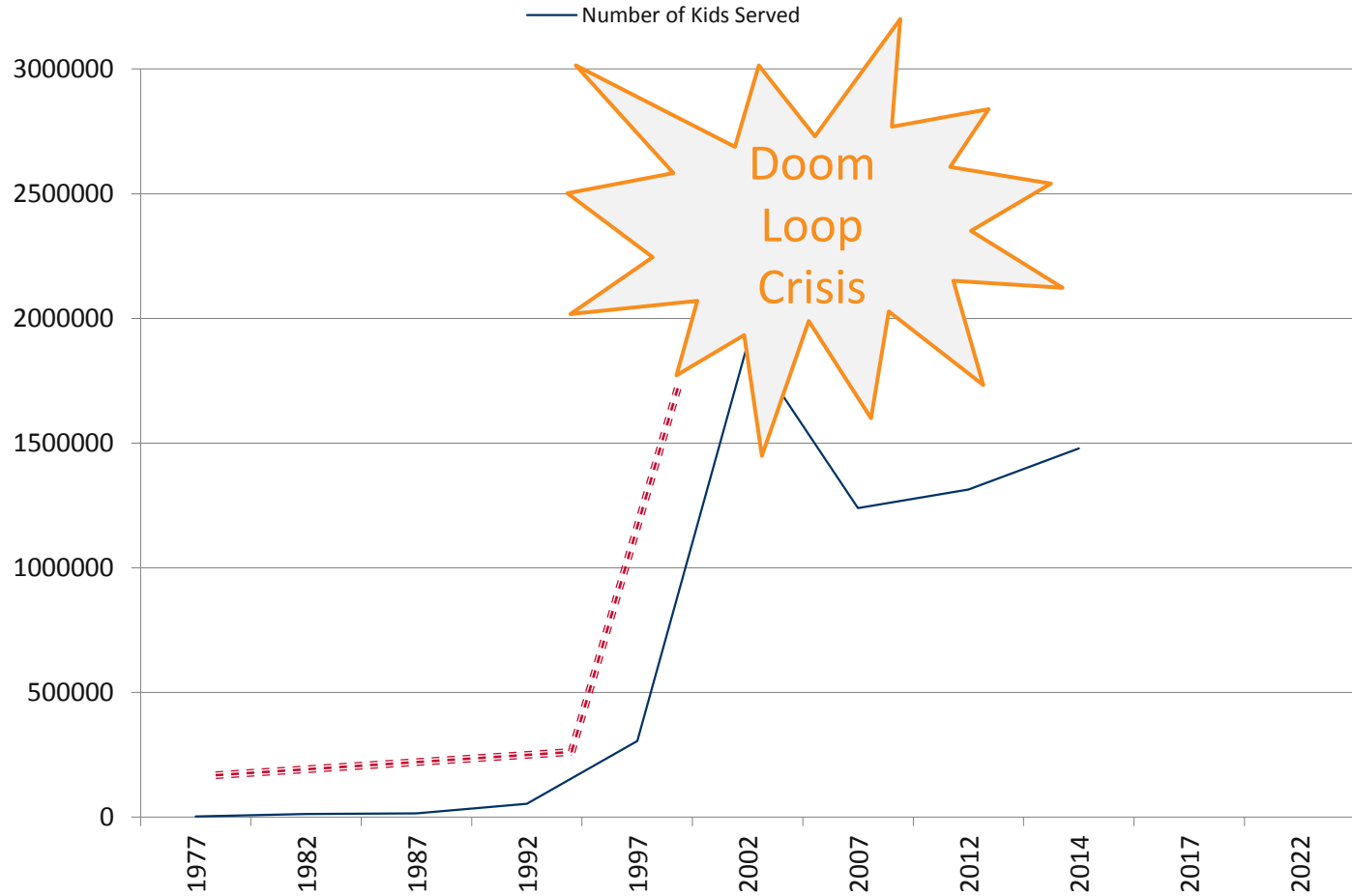


# Our Journey

Growth = Impact



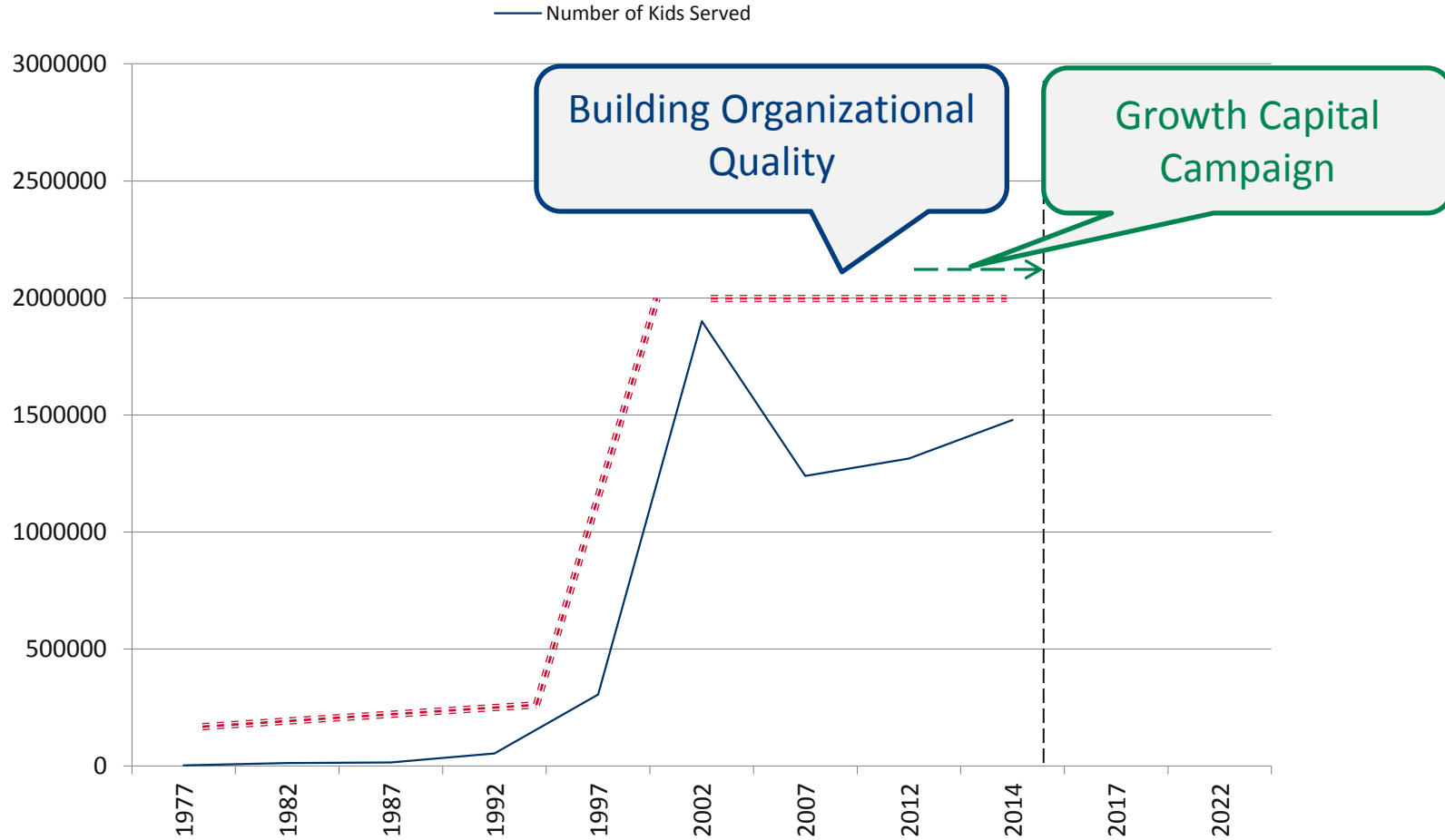
# Our Journey





# Our Journey

Growth + Quality = Impact



# Quality Improvement Fueled by Capital Aggregation

**2007**

**217 state/local orgs  
1.24 million students**



**2015**

**165 state/local Orgs  
1.5 million students**

**2007**

**\$199 m  
Network Revenues**



**2015**

**\$199 m  
Network Revenues**

**CIS Raise/Expended \$2.4 b  
CIS Served 9.3 m Students  
Cumulatively**

**Consistently Strong  
Outcomes**

# Building Evidence to Improve Policy and Practice

John Martinez

Deputy Director of Program  
Development

# What is MDRC?

- Nonpartisan, nonprofit, independent
- Education and social policy
- Develops and evaluates solutions to problems
- 40 years of experience

# What data should organizations collect?

- WHO is being served (and not served)?
- WHAT services are being delivered?
- HOW MUCH service is being received (dosage/intensity)?
- HOW are those being served doing (outcomes)?
- Having a LOGIC MODEL or THEORY OF CHANGE is extremely helpful!

# What questions can internal data answer?

- Is the organization serving who they think they are?
- Is the program/intervention being delivered as planned?
- Do recipients of services appear to be benefitting?
- Key tool for performance management

# Role of third party (rigorous) evaluation

- Objective assessment
- Opportunities to further strengthen/improve
- Can answer the question: what difference does a program make
- Should be an important tool in performance measurement/program improvement
- Provides valuable information for scaling

# Some “DOs” and DON’Ts” to 3<sup>rd</sup> party evals

- Shouldn’t simply provide a “thumbs up” or “thumbs down”
  - Important to ID what worked, what didn’t, why, and if possible, how to improve
- Shouldn’t be a “one and done”
  - Important to continue to build evidence
- Evaluator shouldn’t be solely “driving the bus”
  - Eval should also answer organization’s ques



# Communication: I have results, now what?

- Research reports
- Reframe and repackaging results to speak to a wide range of stakeholders (“Translate”)
- Actively disseminate results so it gets into the hands of policy makers

# A FUNDER'S GUIDE TO USING EVIDENCE OF PROGRAM EFFECTIVENESS IN SCALE-UP DECISIONS

Michael Bangser  
May 2014

**Social Impact  
EXCHANGE**  
TURNING KNOWLEDGE INTO ACTION TO SCALE

**mdrc**  
BUILDING KNOWLEDGE  
TO IMPROVE SOCIAL POLICY



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