



WINGS for kids

Expansion Plan

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A. Executive Summary

About WINGS

WINGS is an education organization that teaches kids how to behave well, make good decisions and build healthy relationships. We do this by delivering a program model directly to elementary school kids living in poverty in the extended learning time (ELT) setting and by advocating for the importance of social and emotional learning (SEL). Our program weaves a comprehensive SEL curriculum of 30 objectives into a fresh and fun after school program. By attending WINGS, kids get the life lessons they need to succeed and to be happy, *and* they get a safe place to call home after school.

Outcomes to Date

Studies from Yale University and the University of Virginia provide evidence that students enrolled in two or more years of WINGS demonstrate significantly higher math and reading scores, grades, and school attendance when compared to non-WINGS students. Additional metrics report WINGS students have higher self-esteem, less anxiety, and greater satisfaction with school than non-WINGS kids, and teachers report WINGS kids have greater school adjustment when compared to non-WINGS students. Using our own preliminary data, WINGS kids graduate at a rate 40% higher than their peers who did not receive WINGS. To further document our outcomes, the University of Virginia recently received provisional approval for a \$2.8 million Institute of Education Sciences grant to study the impact of WINGS. This will be a multi-year, randomized control trial study, the gold standard in program evaluation.

Scaling Initiative

Since the 2007 – 2008 school year WINGS has grown from one program to four, and we have increased the number of kids we serve daily from 116 to 450, a nearly 300% increase. Over the next four years we plan to grow to four regions and 16 schools, serving 2,160 kids daily. Beginning in the 2015 – 2016 school year, the expansion pace increases. By the 2018 – 2019 school year WINGS plans to be in 15 regions and 62 schools, serving 8,370 kids daily.

Scaling requires strong client and customer markets to attend and fund our programs. WINGS' clients are low-income kids who attend Title I elementary schools. Nationally, 42% of all children come from families living below 200% the federal poverty level, designating them as low-income. Low-income students have a documented history of underperforming their higher-income counterparts on academic achievement standards, school attendance, and high school graduation rates. Failure to graduate high school leads to an average personal lifetime income loss of \$630,000, plus those individuals cost society an additional estimated \$240,000 in social welfare and crime-related expenses. Given these statistics, there is a large client base of kids who need WINGS.

There is also a large customer or funder market for WINGS. WINGS is able to access local, state, and federal government funds; private foundation funding; individual donors; corporate giving initiatives; earned income streams; and substantial in-kind donation programs. The variety of sources allows for long-term, sustainable revenue and the continuation of the WINGS program.

Capital Requirements for Scaling

In order to scale over the next three years, WINGS needs to secure \$2.36 million in growth capital. These funds will be used to support the upcoming evaluation studies, as seed capital to start new regions, to fill the funding gap while new regions become financially independent, and to increase our operating reserves. The funding breaks down as \$230,000 in evaluation related

expenses, \$225,000 in new region seed capital (\$75,000 per region, incurred in the year prior to opening new sites), \$500,000 to fill funding gaps, and \$1.4 million to increase operating reserves. Of these items, the reserves increase may be seen as the most controversial. In order to expand into new markets WINGS needs the financial security to ensure programs will not be eliminated if fluctuations in funding cycles arise. Increasing WINGS' cash reserves to \$2.0 million provides that security.

Timetable for Scaling

A phased approach to scaling is planned to roll out over the next eight years. In fiscal year 2012, the 2011 – 2012 school year, the organizational capacity of WINGS in Charleston will be increased in preparation for regional growth and enrollment in our current schools will grow. Fiscal year 2013 will see expansion to an urban, out-of-state region and the addition of three new schools. Fiscal year 2014 will include expansion to a rural South Carolina region, giving WINGS a total of 11 schools within the organization. Fiscal year 2015 calls for a fourth region and 16 total schools. From fiscal years 2016 – 2019, growth becomes more rapid, and by the 2018 – 2019 school year, WINGS is projected to be in 15 regions with 62 schools, serving approximately 8,370 kids daily.

Proposed Sites and Locations

The first proposed expansion site is Charlotte, North Carolina. Charlotte has long expressed an interest in WINGS, and WINGS currently has strong contacts in the area. In addition, the student and population demographics of Charlotte meet our criteria. The second expansion location is planned for a rural setting within South Carolina. Initial conversations have been held with the Orangeburg and Sumter school districts. As we grow, we will target urban settings such as Atlanta, Washington, DC, and Chicago; suburban locations such as Savannah, GA and Durham, NC; and continue to evaluate rural sites.

Effective expansion requires a sustainable revenue plan. Geographic diversification is projected to lead to revenue diversification. The long-term revenue plan calls for 45% of funding to come from government sources, 30% from private foundations, 20% from individuals and corporations, and 5% from earned income initiatives.

B. Industry and Market Analysis

Market Context and Need

WINGS serves kids who live in extreme poverty. In the schools where we currently operate more than 97% of the students fall below 185% of the federal poverty guidelines, and according to the South Carolina Department of Education's Poverty Index, WINGS schools average a 97.01 rating (100.00 being most extreme poverty), placing them in the bottom 9% of all state elementary schools. Additional measures of need include approximately 90% of our kids come from single parent households; 62% of the housing in our service area is rated as poor, deteriorated, or dilapidated; the unemployment rate is 27% higher than the national average; and more than 40% of households are on Medicaid. The average on-time graduation rate of the high schools where our elementary schools feed is 50%, well below the district's average of 71.4% and the national average of 74.9%. Within WINGS' individual schools we target the highest need students as identified by behavior problems, teacher recommendations, test scores and report card grades.

These demographics are unfortunately not isolated to Charleston. According to the 2009 Annie E. Casey KIDS COUNT Survey, 42% (30.7 million) of all U.S. children fell below 200% of the federal poverty level and are classified as "low-income." Over the past five years the number of

children living in poverty has increased by more than 10%, indicating the poverty epidemic continues to worsen. The number of kids living in poverty is especially dire in African American and minority families. For example, 62% of black children and American Indian children and 63% of Hispanic children come from low-income families, whereas only 29% of white children are from low-income households.

The impact of poverty on academic development is devastating. When evaluating cognitive scores of preschool-age children, there is a 60% difference in achievement between the highest and lowest socioeconomic groups. Further studies show that 10-year-old students living in the poorest families are already 18 months behind their higher-income counterparts. Additionally, third-grade students from low-income families are shown to have vocabularies that are only a third of middle-income students. Attendance records of fourth-grade students from low-income schools show a 38% increase in the number of kids who miss three or more days per month than from higher income schools, and the gap widens to 47% in eighth-grade. These early-childhood trends continue into high school, where low-income students drop out at a rate 4.4 times greater than high-income students.

Daily jailing rates are substantially higher for individuals who fail to graduate from high school, particularly among males. One in 10 young male high school dropouts is in jail or juvenile detention on any given day, compared with only one in 35 young male high school graduates. This problem is compounded in the African American population, where 22.9% of young black male dropouts are incarcerated on any given day.

The cost to individuals and the broader economy due to students' failure to graduate from high school is staggering. The median income of persons ages 18 through 67 who have not completed high school was approximately \$23,000 in 2008, compared to \$42,000 for individuals with at least a high school credential. That translates into a personal loss of \$630,000 in lifetime income. Due to lower tax contributions, higher reliance on Medicaid and Medicare, higher rates of criminal activity, and higher reliance on welfare by individuals who fail to complete high school, there is an estimated additional cost of approximately \$240,000 per person to society for these individuals. As a program shown to increase students' attendance and attachment to school, contributing to higher achievement and graduation rates, the need for WINGS is substantial.

Current and Projected Demand – Consumer/Client

Within the current WINGS programs there is ample client demand. This school year WINGS maxed out enrollment at 450 kids per day while maintaining a waiting list of more than 120 eligible students. Year over year demand for WINGS is strong, with approximately 97% of eligible kids returning. WINGS regularly receives calls from parents and administrators requesting WINGS in their schools. These are anecdotal but strong reminders that there is demand for WINGS by more than simply the participants currently in our program.

In the after school or expanded learning time (ELT) sector there is a strong demand for quality programming. In South Carolina more than 395,000 students participate or would like to participate in after school programs. Nationally, 8.4 million children participate in after school programs annually, while another 18.5 million would participate if a quality program were available in their community. These numbers demonstrate a significant need and opportunity for expansion.

Current and Projected Demand – Customer/Funder

While client demand is apparent and largely goes without questioning, it is important to document customer or funder demand for WINGS. Funding is primarily driven by private foundations, individual philanthropists, corporations, government grants and programs, and in-kind donations. Typically nonprofits are only able to access funding sources that focus on one area of need or one population base. For example, The Nature Conservancy is only able to draw funders who support the protection of land and water resources. Due to our program model and the people we serve, WINGS is able to access funds across a variety of focus areas and populations. Sectors in which we operate include education, social and emotional learning, ELT or after school time, children and youth development, and economic development. The two primary populations we serve are children or youth and economically-disadvantaged individuals.

In 2009, overall philanthropic giving from individuals, foundations, corporations, and bequests was approximately \$303.75 billion. Of that total approximately \$89.9 billion was directed towards organizations that have a focus area aligned with ours. When looking at foundation giving alone, \$42.9 billion was donated by more than 75,000 U.S. foundations in 2009. A sampling of their giving found that approximately 45% of total grant dollars went to the sectors in which WINGS operates. Similarly, approximately 48% of total grant dollars went to programs that serve children and economically disadvantaged individuals. These figures illustrate a great potential to access philanthropic funding for future growth and ongoing operations.

There still exists a strong market from government funding sources, even in the midst of budget cuts. The U.S. Department of Education administers a budget of \$69.9 billion in discretionary spending through a variety of programs. Two specific line items that tie directly to WINGS are Title I funds for low-income schools of \$14.4 billion and 21st Century Community Learning Centers funds for ELT education of \$1.1 billion. State and local funding are also strong sources of revenue that provide the largest portion of education funding in the U.S., including ELT programs.

Using Charleston as our test market, WINGS has demonstrated year over year growth in revenue and customer demand. From fiscal years 2006 through 2010, we experienced 152% growth in revenue while also increasing funding diversification. More recently, the growth over the past fiscal year was 21%, even as the broader economy began to deteriorate. Access to new markets will allow for further revenue expansion.

Ease of Adoption and Market Entry

WINGS currently serves 450 kids daily in four Charleston County schools. Over the next five years we plan to grow to a total of five regions and 22 schools, serving 2,970 kids daily. Our growth strategy is based on establishing new regions of three to five schools. Initial market entry will occur in Charlotte, North Carolina, with future regions identified in the coming months.

Our organization offers a number of relative advantages over other education and after school programs. We use a codified, research-based curriculum that requires we enter data on a daily basis to track our kids' progress and to ensure we are able to deliver on our documented outcomes—that we are proving our effectiveness at increasing social and emotional skills, behavior, attendance, and academic performance.

Organizationally, we have a documented history of financial solvency, strong leadership, an active Board of Directors, and the WINGS program offers high compatibility and support from our clients and customers. Parents are highly supportive of programs that improve the wellbeing

of their kids, and kids want to return day after day to WINGS. Even if the social and emotional learning (SEL) components of WINGS were removed, the high-quality childcare being provided is valued by our clients. By proving positive effects on attendance and academics, we are aligned with the organizational objectives school districts and we continue to receive district support year after year.

Conceptually, providing an after school program is simple to understand. However, it takes time for constituents to understand how SEL is incorporated into everything we do. Implementation of the WINGS program is more difficult than traditional education or after school programs due to the high staff-to-child ratio and training curriculum. However, the results achieved by WINGS are far greater than traditional programs.

We offer a moderate amount of triability for adopters. School districts and funders have the opportunity to visit WINGS programs before making the commitment to bring WINGS into their schools or make financial contributions. Once the decision is made to bring WINGS to a school, school districts are committed to our program for the entire year. Children and their parents are also required to commit for the entire year; however, if there is need, kids may be exited from the program. With that said, in order for the WINGS model to succeed, there needs to be a long-term commitment and promise of service from all parties.

Environmental Conditions

Political and administrative structures – School district policy and politics, government funding availability (AmeriCorps, 21st CCLC, etc.), philanthropic funding
Economics and markets – Low income and rural areas with poor access to client funds, governmental budget deficits
Geography and infrastructure – Need ample access to college students, transportation for kids, space for program to operate at the school
Culture and social fabric – Lack of role models at home for kids, many family responsibilities for young kids, peer group of dropouts, community pressure

Resource Providers:

- Financial*
- Foundations
- Individual philanthropists
- Government (school districts, local, state, federal)
- Corporations
- In-kind donation providers
- Earned income contracts
- Human*
- Professional staff
- College students
- AmeriCorps Members
- Knowledge*
- SEL thought leaders
- Evaluation experts
- Networking*
- Other SEL programs
- Out of school time programs
- Technological*
- Outcome and evaluation tracking (ETO)
- Incorporation of technology into program model
- Brokers/intermediaries*
- Local community leaders and groups
- School districts

Competitors:

- Existing after school programs
- SES providers
- School districts
- Other education organizations
- After school activities (sports, etc.)

Affected or influential bystanders:

- Gangs and organizations that thrive on low income individual
- Conservative foundations who want to see less government involvement but recognize positive outcomes may become major funders
- Media outlets to raise awareness

Complementary Organizations and Allies:

- Early childhood programs for kids before they enter elementary school
- Linking partners into middle school
- Choice Time leaders from the community
- Philanthropic funders and foundations
- Parents
- Teachers
- Schools
- Community churches
- Colleges for staffing and promotion
- AmeriCorps
- 21st CCLC

Beneficiaries and Customers:

- Low income kids (clients)
- Data driven funders (customers)
- Society as a whole by adding productive members to the workplace

Opponents and Problem Makers:

- Political adversaries who reduce funding
- Parents who do not make the commitment to allow their kids to participate
- Poor after school programs using scarce resources
- Negative peer group
- Drugs
- Transportation issues

Impact: Kids graduate from high school, stay out of jail, and avoid teenage parenthood. By doing so, they have a good chance of success and happiness in life.

C. Strategy and Theory of Change

Description of Organization and Mission

WINGS is an education organization whose mission is to teach kids how to behave well, make good decisions and build healthy relationships. We do this by weaving a comprehensive social and emotional learning (SEL) curriculum into a fresh and fun after school program. We also advocate for the importance of social and emotional education and help adults teach these skills. Through our curriculum, kids get the life lessons they need to succeed and to be happy, *and* they get a safe place to call home after school.

WINGS is unique in two ways: 1.) our program model meets two critical needs at the same time – social and emotional education and safe and enriching after school care for kids and 2.) we are the only organization in the U.S. focusing solely on providing social and emotional education within an after school setting.

Description of the WINGS Program

The WINGS model is rooted in our rigorous, research-based curriculum, staff training and meaningful outcomes created and measured by our staff.

Students enrolled in WINGS receive our service three hours a day, five days per week for the entire school year. Kids must commit to WINGS for the entire year since each week builds upon the previous. Our Theory of Change is based on students attending for two years; however, we do all we can to keep students in the program for their entire elementary school career. On average, kids stay in WINGS for four years. To put a number to the amount of time a student would potentially spend in WINGS, consider that a child in a three-hour after school youth program like ours, who attends from kindergarten through sixth grade, will spend up to twice as many hours in youth care as a college student with perfect attendance will spend in the classroom to obtain a college degree.

The WINGS curriculum instills 30 learning objectives intentionally embedded into every activity to develop self-awareness, relationship skills, social awareness, self-management, and responsible decision making. The learning objectives and curriculum are the same at all school sites to maintain program fidelity. Key components include:

- The WINGS Creed – learning objectives in language kids understand.
- Community Unity – the first 30 minutes of each day is focused on creating a caring community and teaching specific social and emotional skills. In addition, kids receive a nutritious snack.
- Choice Times – 9-week blocks of well-prepared art, music, sports and innovative activities that the kids select, which infuse SEL objectives and academic standards.
- Academic Centers – 40 minutes per day where students receive academic support. Use of time is guided by the school principal.
- WINGSWorks –Community service focused on helping others and strengthening attachment to school.
- WildWINGS – weekly 90 minute activity including innovative games, discussions and role-playing which culminates the weekly learning objective.

Our staff is carefully recruited and trained. Each school is run by a full-time Program Director, who must have more than two years of WINGS experience. Our Program Directors are each supported by an Assistant Program Director. The part-time staff at WINGS, called

WINGSLeaders, works with our kids in a 1:10 – 12 ratio. Additionally, each program has a Peace Manager, who serves in a behavior management role. In order to serve as positive role models of academic success for our kids, we feel it is important for WINGSLeaders to be college-aged and enrolled in school. Each WINGSLeader undergoes more than 65 hours of dedicated training so they can effectively implement our curriculum. A full week of pre-service training is held annually, and more than 25 additional hours of in-service training and supervisor evaluations are conducted throughout the course of the year.

Theory of Change

In 2007 our Theory of Change was formalized with the guidance of Dr. David Hunter, former Director of Evaluation at the Edna McConnell Clark Foundation (EMCF).

Our Theory of Change states:

- Kids receive a comprehensive social and emotional education within an after school program for two years or more*
- They develop high social and emotional skills
- They utilize those skills in everyday life
- Kids demonstrate good behavior and a high attachment to school
- They graduate from high school, stay out of jail, and avoid teenage parenthood
- They have a good chance of success and happiness

**Dosage of two or more years came as a result of evaluations performed by Yale researchers*

Our Theory of Change follows a well-thought-out logic model:

Inputs → Research-based curriculum development, staff recruitment and training, partnership development, financial support

Activities → The WINGS social and emotional learning program delivered in the after school setting

Outputs → The number of kids we serve on a daily basis, approximately 120 – 135 per school site

Outcomes → We have developed short-term, intermediate and long-term outcomes for our kids. Each outcome is measured by a set of quantifiable indicators.

Short-Term Outcomes (to be achieved within 1 year of participation):

Students will develop high social and emotional learning skills.

Measures: 90% of our kids will be able to recite the WINGS Creed
80% will be able to cite examples of SEL in action
80% will pass weekly testing of social and emotional skills

Intermediate Outcomes (to be achieved within 1.5 – 2 years of WINGS participation):

1. *Students will utilize SEL skills.*

Measures: 85% will receive average or higher social development grades from school reports cards
85% will receive fewer than two office referrals for disciplinary problems

2. *Students demonstrate high attachment to school.*

Measures: 90% will receive average or higher than average school attendance grades

Long-Term Outcomes (to be achieved throughout and after high school):

Students will graduate from high school, stay out of jail, and avoid teenage parenthood. As a result, they will have a good chance at success and happiness in life.

Measures: WINGS students will outperform their peer group high school graduation rates
Students will demonstrate lower incarceration and teenage parenthood rates

Goal Alignment → Our outcomes serve as stepping stones towards individual success and happiness in life. Our indicators were selected after an evaluation of social and emotional research so that we can track short-term changes that project long-term success.

Evidence of Internally Documented Outcomes and Results

We document our results through the use of our performance management software program, Effort to Outcomes (ETO). ETO allows for real-time monitoring of student progress and for site supervisors to monitor the individual efforts our WINGS Leaders are putting into student development. Results from the past school year include:

Short-Term Outcomes – Students develop high social and emotional learning skills:

- 96% of WINGS kids were able to recite the Creed
- 97% of WINGS kids were able to give meaningful examples of the Creed
- 98% of WINGS kids passed weekly SEL quizzes

Intermediate Outcomes – Students utilize SEL skills and demonstrate high attachment to school:

- 71% of WINGS kids received average or higher behavior grades from school reports cards
- 96% of WINGS kids improved on their standardized test scores
- 98% of WINGS kids received fewer than two office referrals for disciplinary problems
- 98% of WINGS kids attended school at least 90% of the time

Long-Term Outcomes – Students graduate from high school, stay out of jail, and avoid teenage parenthood

- Preliminary results demonstrate the graduation rate of WINGS kids is 40% higher than comparison group

Third Party Research on WINGS and Proposed Evaluations

In order to further document the impact of WINGS, our program has gone through research studies performed by Yale University and the University of Virginia, and beginning in January 2012 we have been provisionally approved to undergo the gold standard of program evaluation, a randomized control trial study (RCT). To assist in our understanding of evaluation protocol we formed the WINGS Evaluation Advisory Committee (WEAC). The WEAC serves as an intermediary between the evaluation professionals and the WINGS staff in order to make sure we are performing the right types of program evaluations and documenting the outcomes we need. Michael Bailin (former president of the Edna McConnell Clark Foundation), Dr. Kristin Moore and Dr. Karen Walker are the current members of the WEAC, with two to three additional members to be recruited. Dr. Moore and Dr. Walker are researchers with Child Trends, a child development research center.

The Yale studies from 2004 and 2005 show evidence that students enrolled in two or more years of WINGS had significantly higher math and reading scores, better grades and higher school attendance when compared to non-WINGS students. When looking at social and emotional intelligence results, WINGS students also measured well—reporting higher self-esteem and less

anxiety than non-WINGS students. Students attending WINGS for two years also reported greater satisfaction with school, and their teachers reported greater school adjustment, compared with non-WINGS students.

In 2008, a team from the Curry School of Education at the University of Virginia conducted an evaluation that demonstrated high attendance in WINGS contributes to increases in social developmental outcomes. WINGS kids were also rated lower in SEL development during baseline testing, demonstrating WINGS is starting with the most at-risk students. A follow-up study demonstrated enrollment in WINGS was tied to gains in teacher-rated classroom behavior across 7 of 12 dimensions.

A qualitative assessment was performed by evaluation experts Dr. David Hunter and Michael Bailin, in 2010 to assess program fidelity and curriculum implementation. The report states, “WINGS for kids is by almost all measures a comparatively strong, performance-driven organization with a robust program model designed with extraordinary attention to detail. The program is managed and delivered with fidelity by the organization’s staff.” A set of recommendations were made following this assessment, which WINGS is currently evaluating and implementing. One key recommendation was to tie outcome measures to middle school indicators. Moving forward, additional time will be spent following our kids in middle school to provide yet another set of measures to track them towards graduation.

Impact of WINGS

WINGS serves the most at-risk kids in the most at-risk schools. The graduation rate of the high schools we currently feed into is a dismal 50%, well below district, state, and national averages. Based on our preliminary studies, for every 100 kids that WINGS serves, an estimated 20 more will graduate from high school that otherwise would not. In the current fiscal year, that equates to 90 additional graduates out of the 450 kids in WINGS. Those 90 students will earn a collective \$56.7 million more than had they not gone through WINGS and they will have saved society \$21.6 million in social welfare costs.

WINGS also creates a strong financial impact in the school districts we serve. We consistently document that WINGS kids attend school more frequently than non-WINGS kids. When school districts receive state level funding based on classroom attendance, this can have a significant positive financial impact on WINGS schools and districts.

The long-term impacts of any program are difficult to measure; however, preliminary results are strong, and the randomized control study at WINGS will provide definitive measures of our value and the impact we are having on our kids’ lives.

D. Scaling Plan

Scaling Strategy and Implementation

The WINGS expansion strategy is to scale out in order to spread our impact to new communities. We will grow the organization by creating branches of WINGS in new regions. Each region will have three to six school sites. Region size will be dictated by staffing and funding availability and district support.

This is not the first time we tried to expand the WINGS program. In the 2007 – 2008 school year, we field tested WINGS by growth through affiliation at eight programs in Charleston, SC and Washington, DC. These programs carried the WINGS name and were given a curriculum from

us, but they were not run directly by our organization. We found those programs failed to maintain high fidelity to the WINGS model, devaluing the experience the kids had and the WINGS brand. Based on that experience, we learned that we are not yet ready for affiliate programs. Following a branching strategy allows for much tighter quality control and increases the likelihood of positive student outcomes during replication.

WINGS is also more than just a set of programs. By growing the overall organization, the ethos of WINGS will be transferred to new regions, giving them strength and support that an affiliation model would not allow. After successfully scaling by branching, we will evaluate the merits of limited, tight affiliation growth, which if controlled will allow for faster expansion in the future.

In addition to growing our organization and the number of programs run by WINGS, we plan to further disseminate our ideas and principles through training and curriculum modules. This aligns with our mission to advocate for the importance of social and emotional learning and has the potential to serve an earned-income component to our revenue stream.

In order to implement the expansion plan, we will use the following steps when moving into a new region:

- April – August (1+ year prior to expansion)
 - Begin exploration for new region
 - Driven by WINGS corporate staff
- November (9 months prior to expansion)
 - Formally identify new region
- January/February (6 months prior to expansion)
 - Hire Regional Executive Director and Regional Director of Programs (DOP)
 - Focus on revenue sources specific to the region
 - Driven by Regional Exec. Dir.
- February/March (5 months prior to expansion)
 - Begin active WINGSLeader recruitment for new schools
 - Initiate Program Director searches
- April (4 months prior to expansion)
 - Create local Advisory Committee
 - Developed by the Regional Exec. Dir.
 - Compiled of 9 – 12 local community leaders and influential individuals
 - Begin aggressive partnership development
 - Driven by Regional DOP
 - Focus on Choice Time partners and in-kind donations
- May (3 months prior to expansion)
 - Student recruitment begins
- August
 - WINGSLeader training
 - Student recruitment continues
 - First day of WINGS

Target Customers and Beneficiaries

Customers and funders need to be identified early in the expansion process to ensure the long-term financial solvency of the new region. The most important customer from a point of entry perspective is the local school district. Districts are initially identified based on their number of

low income and low performing schools. The schools must also be within close proximity of a college to source qualified WINGSLeaders.

Local community foundations, corporations, individual philanthropists, and regional specific government funding are then targeted. We specifically solicit funds from organizations with a history of giving towards education programs, social and emotional learning organizations, and organizations that serve economically disadvantaged individuals and children. The regional Advisory Board will be instrumental in providing initial contacts with key community stakeholders.

The target beneficiaries of WINGS are the low-income students attending the selected schools. Schools must be identified as a Title I location, have a history of performing poorly on academic achievement standards, feed into low performing middle and high schools, and lack an effective after school program. Targeted students are recruited to WINGS beginning in May. Students are given preference if they have a history of poor behavior, attendance, and/or academic achievement. The students are initially identified by the schools along those criteria. Once those students have been recruited, and if space remains, applications are made available to the rest of the student body.

Distribution Plan

In preparation for expansion, information about WINGS needs to be disseminated to our customers and beneficiaries. To excite school district interest, phone calls and face to face meetings will be set up with district representatives and principals of targeted schools. They will be shown videos of the WINGS program, print marketing materials, and taken on site visits of running WINGS programs.

Once the school district has been recruited as a WINGS supporter, funders need to be aggressively targeted in order to start building a financial base in the local region. The Regional Executive Director will create social media campaigns, speak with community oriented groups, meet with local businesses and corporations, and develop local foundation contacts.

Distribution of information to our clients will take place through school-based and community meetings and door-to-door solicitations. Based on our experience, new clients are eager to join the WINGS program.

Competitive Advantage and Barriers to Entry

WINGS offers both a strong social and emotional learning curriculum and a high-quality after school program. We are admittedly more expensive than traditional programs due to our low staff-to-kid ratios and the high cost of supplies and training; however, we document and deliver superior outcomes when compared to other organizations. By being able to clearly document our outcomes, we are able to offer our funders a measureable return on their investment and a direct way to quantify their social impact.

Programmatically, we are a clear choice for schools and clients. However, we face barriers to entry surrounding funding and staffing. The first barrier is at the school district level – the district must be willing to fund a portion of WINGS. A second hurdle is finding qualified staff for the expansion sites. WINGS is labor intensive and requires 12 – 15 college students at each school. In certain areas there is a dearth of qualified college students, which makes expansion difficult. The final barrier is financial support. WINGS costs approximately \$2,300 per kid to

operate. Before committing to a region, we need to have assurances that between local support and assistance from the WINGS' corporate office, new programs will be solvent.

Core Program Elements and Success Factors

WINGS is ready to scale. Expansion and evaluation plans were originally laid out in 2008 with our 5-year Flight Plan. Since then we have taken steps to improve our program model locally so that it may be replicated, and our CEO has started making contacts in new regions to assess interest. New and different growth models have also been evaluated.

The key resources for us to grow are working capital and staff. To address capital requirements, an intensive expansion focused development campaign will be initiated during fiscal year 2012. This will provide the financial security to scale the following year. We do not want to overextend ourselves to a new region unless we feel confident in the financial future of the expansion sites. The expectation is through state specific grant opportunities and new funders, the new region will become self sufficient over a four year period. In the interim, the WINGS corporate office will fund the operating deficit. Professional staff recruitment will begin five – six months prior to expansion, shortly followed by WINGSLeader recruitment. We can take our scalable approach to recruitment from the Charleston region and implement it in new locations.

Existing partnerships with schools and funders demonstrate the receptivity of our model in Charleston. Based on conversations with prospective districts, they are willing to explore future partnerships. Oftentimes WINGS fills an unmet need for quality after school care for the students we serve, and in these high-need cases, client buy-in is typically not an issue.

Timetable, Milestones & Measureable Three-Year Performance Goals

Our direction for the next three years is clear: strengthen our programs locally; expand into Charlotte, North Carolina; and expand into a rural South Carolina region.

In fiscal year 2012 (the 2011 – 2012 school year), we plan to increase our organizational capacity and to grow our current four-program operation. This will bring the total number of youth served to approximately 480 kids. In order to prepare for regional expansion, a scalable position of Regional Director of Programs (DOP) will be created, staff training initiatives will be started, and WINGSLeader recruitment will be improved. The creation of the DOP position will better define the roles between the corporate WINGS staff and the Charleston regional staff. The DOP position will also be replicated in each new region. The key to a strong WINGS program is a well-trained staff. In order to prepare Program Directors for the rigors of their position, we are implementing a Program Director Training Institute during the summer and offering training sessions for perspective Program Directors throughout the academic year. The goals of the increased training programs are to have a better staff in the current year and to have a strong set of applicants for future years. The final key improvement to the WINGS model is WINGSLeader recruitment. A strong marketing effort will be used to increase the number and quality of applications.

The second half of fiscal year 2012 will bring the hiring of the new Regional Executive Director and DOP. These two positions will be charged with their local staff recruitment and in establishing partnerships with funders and school districts.

In fiscal year 2013 we plan to expand to three schools in a large, urban North Carolina district, and preliminary discussions have been held with Charlotte-Mecklenburg Schools (CMS). CMS provides ample Title I locations for us to serve, and the Charlotte metro area meets our funding

demographics and staffing requirements. This will bring the total number of WINGS schools to seven, where we will serve approximately 910 kids daily. During the 2013 fiscal year the framework for additional regional expansion in fiscal year 2014 will be set.

In fiscal year 2014 we will add two schools to the Charlotte region and expand into two schools in a rural district in South Carolina. This will bring the total number of WINGS schools to 11, serving approximately 1,485 kids daily.

We see fiscal year 2015 as the time we begin a more rapid expansion phase. The initial part of our impact study will be complete, further documenting the positive effect WINGS has on low-income students. We will also have shown success with out-of-state, rural and urban expansion; demonstrating the replicability of our model in a variety of locations.

WINGS' long-term growth projections:

Fiscal Year	Number of Regions	Number of Schools	Kids Served Annually
2011 – 2012	1	4	480
2012 – 2013	2	7	910
2013 – 2014	3	11	1,485
2014 – 2015	4	16	2,160
2015 – 2016	6	28	3,780
2016 – 2017	9	40	5,400
2017 – 2018	12	53	7,155
2018 – 2019	15	62	8,370

Definitive locations beyond 2014 have not yet been specifically identified, but we will target rural locations and push for urban growth in such cities as Atlanta; Washington, D.C.; Chicago; Houston; and others. Given our criteria for expansion, rural locations will be more difficult to identify, but we have already begun evaluating areas such as Orangeburg and Sumter, South Carolina.

Before moving to a new location certain milestones must be hit. Key items are:

- Local school district must be supportive and schools selected
- Regional Executive Director and DOP are hired
- Regional Advisory Board is initiated
- WINGSLeader recruitment plans are outlined
- Community meetings are held
- Local foundations are contacted and speaking engagements with funders are scheduled
- Government and private grants are written to begin local financial support

These milestones are all to be completed in the fiscal year prior to the opening of a new school in order to ensure programmatic and financial success.

Milestones and performance goals for WINGS over the next three years include:

Fiscal Year 2012

- Growth of four current Charleston programs to serve 480 kids

- Implementation of summer Program Director Training Institute
- Initiation of media campaign to further develop the WINGS brand and increase staff recruitment to five qualified applications per available position
- Addition of Charleston regional Director of Programs (new position to provide Program Director training and support and to ensure program fidelity)
- Initiation of formative evaluation and Institute of Education Sciences grant
- Select school sites for expansion in fiscal year 2013
- Hire key staff for expansion sites

Fiscal Year 2013

- Scale to three new school sin Charlotte, NC, serving 910 kids
- First cohort of kindergarten students are selected for the IES randomized control study/impact study in Charleston region
- Finalize rural expansion plans for fiscal year 2014

Fiscal Year 2014

- Scale to one new region and four new schools for a total of 11 schools serving 1,485 kids
- Select second cohort of students for the IES study
- Review the first year of the impact study

12-month Operating Plan

Fiscal year 2012 is integral to laying the foundation for the effective growth of WINGS. Key components are:

- **July 2011:** Hire new Chief Program Officer – this is not a new position – the current CPO will transition into the role of Charleston Director of Programs; continue conversations with Charlotte Mecklenburg Schools (CMS) in preparation for expansion in August of 2013
- **August 2011:** Inaugural Program Director Summer Training Institute for Program Directors and Assistant Program Directors serving in the upcoming school year; week-long training for WINGSLeaders, start of the 2011 – 2012 WINGS program
- **September 2011:** Select current WINGSLeaders to be included in the Program Director Rotational Training Program
- **November 2011:** Finalize school site selection with CMS
- **December 2011:** Apply for national AmeriCorps grant, evaluate regional government funding sources for upcoming year, begin media campaign to raise awareness for WINGS in Charlotte
- **January 2012:** Begin IES study, hire Regional Executive Director and Regional DPO for Charlotte, have them split time shadowing the Charleston staff and working to establish a presence in Charlotte
- **February 2012:** Begin WINGSLeader recruitment in Charlotte, continue Charleston recruitment efforts, initiate Program Director search for new region, assess results of media campaign and evaluate future direction
- **March 2012:** Conduct formative evaluation
- **April 2012:** Create regional Advisory Board, begin aggressive partnership development in Charlotte

- **May 2012:** Actively recruit kids for the WINGS program in Charlotte, maintain student recruitment in Charleston
- **June 2012:** Have all key staff positions filled in new region and in Charleston

Marketing Mix and Plan

In developing the WINGS marketing plan, we used the four Ps framework: Product, Price, Place, and Promotion:

Product: The WINGS research-based social and emotional learning program. The WINGS program has been field tested and refined in Charleston and is now ready for expansion to additional regions. The WINGS program has a history of quantifiable outcomes and results, documenting improvements in student social and emotional skills and academic achievement.

Price: The WINGS program will cost approximately \$2,300 per student in the upcoming fiscal year. The cost of the program is paid by WINGS' customers/funders so that clients are able to attend free of charge. The goal is to deliver the program as cost effectively as possible; however, the low staff-to-student ratio, intensive training curriculum, and high-quality supplies and materials create a program that is more expensive than many lower-quality after school programs. A conscious decision was made to focus on quality, even if that increases program costs.

Place: WINGS is delivered in low-income, Title I elementary schools. The WINGS program runs five days per week, three hours each day for the entire school year.

Promotion: Each target market requires a different promotional strategy:

School Districts, Foundations, Corporations, Individual Philanthropists – Key strategies include: direct phone calls, face-to-face meetings, video and print marketing materials, outcome documentation, and site visits of current programs. These customers require high levels of individual involvement.

State and Federal Government – Strategies include: phone calls and meetings with key representatives and staffers, site visits of programs, and detailed explanation on the positive economic impact of WINGS on their communities.

Program Partners – Strategies include: demonstration of how partnerships are mutually beneficial and outcome documentation.

Parents of WINGS kids – Strategies include: school based and community meetings, door to door solicitation for parent support, and explanation of WINGS as effective childcare and strong skill development.

Projected Social Impact and Vision for Influencing System Change

WINGS creates two measures of social impact – direct and indirect. Our direct impact is with the kids we work with on a daily basis. Our work with them leads to improved social and emotional skills, behavior, school attendance, academic achievement, and high school graduation rates. This impact is limited to the number of kids we work with and the positive influence they bring to their peers and communities. Based on our growth plan, the number of kids we will be directly working with by the year 2019 will increase by more than 1,750%.

Our second and potentially broader impact surrounds system change through the advocacy of social and emotional learning programs and our ability to point to our positive outcomes as proof points for sector change. With strong results, we see social and emotional education becoming a mainstay of the academic curriculum in and out of the classroom. WINGS will have

been the catalyst for the inclusion of SEL at all educational levels. The WINGS after school program will be the gold standard for effective extended learning time activities, and our behavior management techniques and learning objectives will be incorporated into school day and after school activities performed by other organizations. Due to higher SEL skills, students will graduate at unforeseen rates, stay out of jail, avoid teenage parenthood, and work towards being educated, happy, and productive members of society.

E. Evaluation Plan & Knowledge Dissemination Plan

Plan for Assessing Outcomes/Impact

Outcome documentation and third party evaluations are crucial for the long-term success of WINGS. The WINGS management team believes if our outcomes cannot be independently verified social investors would be better served placing their investments with other organizations. The gold standard of program evaluation is a randomized control trial (RCT) study, and plans have been laid to begin an RCT in January 2012.

The first evaluation step was taken in fiscal year 2010 with our Implementation Assessment. The Implementation Assessment not only provided strong results but also a set of recommendations to help us improve our program. During fiscal year 2011 we implemented those recommendations.

In fiscal year 2012 we are planning to undertake a full formative evaluation. The goal of the formative evaluation is to document program fidelity and to ensure we are delivering WINGS in the manner we claim to be. This evaluation will be performed by experts in the field, and we are working with the WEAC to establish a clear RFP and set of selection criteria. Upon completion of the formative evaluation, we will be ready for the RCT. The RCT will go through a planning stage early in 2012 and will start with the first student cohort in the 2012 – 2013 school year.

Dr. David Grissmer, Principal Scientist at the University of Virginia's Curry School of Education, recently received preliminary funding approval for an Efficacy and Replication grant from the Institute of Education Sciences (IES). Dr. Grissmer's four-year, three-cohort, block randomized control study will address questions about the effects of WINGS on child outcomes, effects of WINGS related to child characteristics, and variation in effects of WINGS related to fidelity of implementation. A qualitative component will be used to assess our children's relationships and behaviors at home, family characteristics, and home experiences. Within each of the three cohorts, approximately 16 kindergarteners will be randomly assigned to WINGS and 10 to a no-treatment Control group at each school. In total, approximately 312 kindergarteners will participate in the study. The impacts of WINGS will be assessed after each year for each cohort. Multiple methods (parent interviews, teacher ratings, observations of children in classrooms, direct assessments, school administrative data) will be used to assess the child outcomes that are hypothesized in our Theory of Change. Funding is proposed initially for four years, with the likelihood and intention of receiving additional funding to track students through high school.

In addition to the aforementioned third party evaluations, we will continue to track our own outcomes through the use of Efforts to Outcomes, our performance management system. Internally we track the metrics outlined in our Theory of Change, as well as other measures requested by funders.

Plan for Communicating Impact of Scaling Initiative

The WINGS communication plan is multifaceted:

- Presentation at national and regional conferences focused on education, social and emotional learning, and extended learning time.
- U.S. Department of Education’s Institute of Education Sciences What Works Clearinghouse (WWC) – The WWC is the standard for documentation of education research. As we go through our evaluations, results will be submitted for review and publication by the clearinghouse.
- Social Media Channels – WINGS already has a strong social media presence. As scaling occurs, we will promote our progress and impact through our social media network and engage in a larger degree with other non-profits and organizations within these new communities.
- Print Media – The WINGS Director of Communications actively pitches WINGS news stories to local and national medial outlets. This will continue, and targeted media pitches will ramp up in respective markets, as scaling begins.
- Partner Organizations – As we scale we will continue to develop local and national partnerships. As part of our partnership agreements, promotion of WINGS’ impact will be required. Distribution of information to current partners will be maintained.
- WINGS eNews – WINGS currently has more than 3,000 subscribers to our monthly electronic newsletter. Impacts of scaling will be published and distributed in the eNews.
- Staff Recruitment Outlets – A byproduct of aggressive marketing for staff positions is that the organization is also promoted. Impressive scaling results make WINGS a more attractive place to work, so these impacts will be highlighted clearly.

F. Organization

Organization History

WINGS has grown and evolved since its inception in 1996. Key program highlights and developments include:

- 1996-97 – WINGS is founded by Ginny Deerin and initial summer camp model is developed
- 2000-01 – After school program model developed at Memminger Elementary School
- 2003-05 – Middle school model is developed, summer day camp model is refined
- 2006-07 – Strategic decision is made to focus on further development of elementary after school program using Memminger as a lab school
- 2006-07 – Field-tests conducted with 8 programs NOT run by WINGS
- 2007-08 – Making use of field tests leads to further model refinement, formalization of Theory of Change and creation of the WINGS Flight Plan under the guidance of Dr. David Hunter; ETO performance management system is designed and implemented; adds full-time Assistant for Development and Communications to increase and stabilize fundraising efforts; partnerships with other programs are ended due to poor program implementation
- 2008-09 – Replicates after school program at Chicora Elementary; continues at Memminger Elementary; serves total of 252 kids, exceeds \$1 million in revenue
- 2009-10 – Replicates program at North Charleston Elementary; continues Memminger Elementary and Chicora Elementary programs; serves total of 397 kids; adds full-time Director of Business Affairs to build organizational capacity for expansion; Implementation Assessment is completed by external researchers

2010-11 – Replicates program at James Simons Elementary School; continues existing three programs; serves total of 450 kids; becomes an AmeriCorps program; adds full-time Director of Development and Performance Management Administrator to build organizational capacity; founder and CEO Ginny Deerin retires and long-time Chief Program Officer Bridget Laird becomes new CEO

WINGS has been singled out as a “high-performing” nonprofit by the Alliance for Effective Social Investing for the quality and effectiveness of our work. Other organizational highlights include:

- The South Carolina Association of Nonprofit Organizations’ highest award for “excellence in nonprofit management”
- *The Charleston Post and Courier* bestowed WINGS its Jefferson Award for Public Service
- The pre-eminent journal in the field, *New Directions in Youth Development*, and *Scholastic Magazine*, have spotlighted the WINGS program
- WINGS was featured as a “School that Works” by Edutopia, the multimedia publication created by George Lucas to feature innovative solutions and resources that contribute to better education.
- WINGS Founder, Ginny Deerin, was honored in December 2010 with the highest civilian honor in the state of South Carolina, the Order of the Palmetto, for her tireless efforts and service to thousands of children in the state of South Carolina.
- The Charleston branch of the American Marketing Association honored WINGS with a Torch award for excellence in non-profit marketing for our work on the two-day marketing stunt, Dialin’ and Dancin’, which raised \$124,000 over the course of 28 hours.

Organization Structure and Governance

WINGS is governed by a Board of Directors and registered bylaws. The management and strategic planning of WINGS is ultimately vested with the Board, and the Board holds the staff accountable for the goals and objectives of WINGS. Members of the Board have made strong commitments to the WINGS in terms of their time, guidance, and personal finances. The average tenure of current members is more than six years, demonstrating their longstanding commitment to the organization. Board members have been recruited due to their diverse set of skills so that their contributions compliment one another. A brief sampling of the professions of members include a retired chief financial officer of a multi-national corporation, real estate developers, venture capitalists, financial planners, a marketing executive, CPAs, government strategists, social activists, and directors of charitable foundations. Finally, our Board’s financial commitment towards WINGS has been, and remains, strong. In this current fiscal year, Board members pledged and donated more than \$120,000 to WINGS. Historically 100% of the Board makes an annual financial contribution to WINGS.

The CEO is employed by the Board, and all other employees are hired by the CEO. Reporting directly to the CEO are Chief Program Officer (CPO), Director of Business Affairs, Director of Communications, and Director of Development. Individual after school programs are run by full-time Program Directors, who currently report to the CPO. As part of our scaling initiative, a Regional Director of Programs (DOP) role will be created. At that point, Program Directors will report to the DOP, and the DOP will report to the CPO. The CPO will transition into a more global and expansion oriented position. AmeriCorps members will serve as full-time Assistant Program Directors and part-time WINGS Leaders and Peace Managers. The Assistant Program Director initiative was created as a way to train high-quality Program Directors for expansion sites. The WINGS Leaders implement the program with the kids on a day to day basis and the

Peace Mangers serve as the behavior management specialists at each school. WINGS also has a Performance Management Administrator whose role is to evaluate WINGS' outcomes and to identify highlights and areas in need of improvement within each school. The Performance Management Administrator is important in maintaining quality control and fidelity across all WINGS locations. An organizational chart is attached in Appendix B.

The WINGS Board hires an outside accounting firm to provide them with an annual audit. The audit is used to ensure WINGS is maintaining compliance with mandated financial reporting and fiscal management polices.

Current Size, Reach & Track Record of Success

WINGS is currently in four Charleston County elementary schools: Chicora School of Communications, James Simons Elementary School, Memminger Elementary School and North Charleston Elementary School, reaching approximately 450 kids daily. For the 2011 fiscal year, WINGS has a projected operating budget of \$1.6 million. Since its inception in 1996, WINGS has served more than 3,100 kids.

During the 2007 – 2008 school year WINGS was in only one school. Since then we have successfully replicated at one additional school per year. The local growth of WINGS allowed us to poke holes in our replication model within a safe setting. The entire organization remained under one roof and it was easy for management to evaluate programs. As expansion hurdles were discovered, they were addressed. For example, high quality Program Directors and WINGSLeaders were difficult to find and retain, and alternate funding sources needed to be secured as federal grants diminished. Through improvements to our model we addressed each of the hurdles we faced, and by the fourth year of replication the problems were corrected.

In addition to growing our program year over year since 2007, WINGS has been able to increase its cash operating reserves by 38% to ensure long-term sustainability. This increase occurred in the midst of one of the worst economic crises in history. The combination of programmatic and financial success during a difficult funding period demonstrates WINGS' readiness and ability to move forward with expansion.

Management Team

The senior management team consists of the following:

Bridget Laird, CEO – Bridget has worked on the WINGS staff since 1998, training alongside WINGS' spirited founder, Ginny Deerin. Throughout her 13 years with WINGS she has gained experience with all aspects of the organization, specifically: developing program curriculum; hiring of staff; overseeing the opening of each WINGS program; and spearheading important grant applications and research projects. Due to Bridget's wide range of prior duties, she is well prepared to lead the organization during this growth phase. Bridget holds an undergraduate degree from North Carolina State University and a master's degree in education, with a concentration in school-age development from Concordia University in St. Paul, MN.

Nicole Lovecchio, Chief Program Officer – Nicole joined the WINGS staff in 2002 and worked as the Program Director at Memminger Elementary School for four years. She then successfully opened a new program at Chicora Elementary in 2008 and then again at North Charleston Elementary in 2009. Nicole has a degree in Criminal/Juvenile Justice from Shippensburg University. During expansion, Nicole will be transitioning into the role of Charleston Director of Programs so that she can remain in a hands on position with the local schools. She will be

working closely with the incoming CPO to make sure s/he is up to speed on all programmatic aspects of WINGS.

Adam Pomerantz, Director of Business Affairs – Adam joined WINGS in 2009. He holds his MBA and Masters of Arts in Teaching degrees from The University of North Carolina at Chapel Hill. His prior work experience as a teacher and in commercial real estate give him insight on how to grow an organization effectively within the confines of school districts.

Erica Harris, Director of Communications – Erica is a relatively new addition to WINGS, coming onboard in 2010. Before WINGS she spent four years in New York City representing various travel destinations and brands at the world’s largest PR firm, Weber Shandwick. Erica’s private sector experience is integral to the WINGS communication and marketing plans as the organization enters new markets.

Liz Mester, Director of Development – Liz has been with WINGS since 2007. In her time with WINGS she has grown individual and foundation giving to our organization. Liz will work closely with the Regional Executive Directors on implementing their donor and development strategies.

In addition to the staff members listed, WINGS will be bringing in a new CPO in July 2011. The search is currently underway for an individual who has experience successfully scaling a nonprofit to new regions.

Expansion Task Force

The management team realizes that it does not have extensive experience with regional growth. In order to better prepare for expansion, the WINGS Expansion Task Force is being organized. The current members all have for-profit experience with business development and expansion. The final member of the Task Force will have nonprofit expansion experience. The current members are:

Dr. Michael Knowles – Dr. Knowles founded Village Family Dental, with five locations in North Carolina. He has extensive experience with organizational growth and development.

R. W. “Beezer” Molten III – Beezer is president and founder of Half-Moon Outfitters, an eight-location, two-state specialty outdoor sports retail store.

Chad Walldorf – Chad has been involved with WINGS since 2003. Professionally, he founded Sticky Fingers Restaurant and grew it into a sixteen store, five state chain. He and his partners were named the “Entrepreneurs of the Year” for the Carolinas in 2004.

G. Infrastructure Requirements

Investments in Infrastructure and Other Capacity Building Needs to Support Expansion

WINGS is a labor intensive organization with few fixed costs and physical infrastructure requirements. The primary capacity building needs are financial support of our evaluation initiatives, seed capital for new regions, gap funding in new regions, and a strong cash operating reserve to ensure the long-term sustainability of new programs.

The keys inputs to growth are the hiring and training of strong staff members, developing program partnerships at the local level, and growing the donor base for continued financial

support. Staff hiring and training require financial resources and partnership development and donor support require the time of the staff. In order to make the commitment to a new region, we must have strong enough cash reserves at the corporate level to support staff costs prior to opening the doors to the new program and to fill funding gaps over the first four years.

H. Financial Plan for the Scaling Initiative

Capital Required to Finance Expansion

The capital needed to finance expansion is directed towards evaluation funding, opening of new regions, funding new regions as they move towards independent sustainability, and operating reserves growth.

Positive evaluations are anticipated to be the basis of new funding in the future. We liken our evaluation period to the research and development or clinical trial phase of a pharmaceutical – it takes a great deal of time and capital investment before we can reap the benefits. In our case, the benefits of positive evaluations will be greater access to funding. Evaluation related costs to WINGS of approximately \$230,000 over the next three years. This breaks down as \$130,000 in FY 2012 to fund the formative evaluation and WEAC and \$50,000 in both FY 2013 and 2014 to support the IES grant requirements.

Before opening a new region, costs of approximately \$75,000 are incurred in the prior fiscal year. These costs include the hiring and training of the Regional Executive Director and Regional Director of Programs, recruitment and hiring of Program Directors and WINGS Leaders, and marketing WINGS to the local philanthropic community. Over the next three years, approximately \$225,000 is needed in regional seed capital.

The projected funding gap of a new region is projected to be \$200,000 in its first year of operation, \$100,000 in year two, \$75,000 in year three, and \$25,000 in year four. By the end of a region's fourth year it should be financially independent of the corporate office. With the opening of a new region in FY 2013, \$200,000 needs to be dedicated as support. In FY 2014 a second new region will be opened, requiring an additional \$200,000 in support. The first new region will also need \$100,000 in funding assistance from the WINGS corporate office.

The final component of our growth capital campaign is to increase our operating reserves. The goal by the end of fiscal year 2014 is to have reserves of \$2.0 million. In order to reach \$2.0 million in reserves, \$1.4 million in surplus revenue needs to be funded over the next three years. The objective of the operating reserves is to be able to maintain operations in the midst of funding variations.

The National Center for Charitable Statistics published an Operating Reserve Policy Toolkit for Nonprofit Organizations in 2010. Their guidelines recommend maintaining a minimum of 25% of the operating budget in a reserve account. As we begin a growth phase, we see a much higher risk in funding for our organization. We will have performed our due diligence to mitigate as many risks as possible, but we will be moving into new regions, school districts, and funding circles. With that in mind, the goal of \$2.0 million, or 38% of our operating budget was set. These funds are tied to our growth capital campaign since without them the WINGS management team does not feel comfortable expanding.

At the end of fiscal year 2014, the reserves target will be reevaluated. We will have successfully opened two new regions and seven new schools, diversifying our revenue sources and allowing greater certainty in our year over year revenue streams.

The capital required to fund our growth is expected to come from private foundations grants (60%), individual philanthropists (30%), and corporate donations (10%). While government funding makes up a significant percentage of our overall revenue strategy, government funds oftentimes are only eligible for reimbursable expenses and cannot be used to build our reserves.

Fund Development Strategy

The long-term sustainable revenue model calls for funding from the following sources:

- Private Foundations: 30%
- Individual Philanthropists and Corporations: 20%
- Local, State, and Federal Government Sources: 45%
- Earned Income: 5%

In fiscal year 2012, the funding mix for continued operations is projected to be:

- Private Foundations: 21%
- Individual Philanthropists and Corporations: 28%
- Local, State, and Federal Government Sources: 49%
- Earned Income: 2%

We project transitioning to our sustainable revenue model over the next four years as our overall operating budget grows and results of our evaluations and research studies are made public. Strong third party evaluations are critical to our growth as funders and government organizations continue to focus on documented outcomes. The following further explains our revenue strategy:

Private Foundations – Many foundations provide large, reoccurring, multi-year grants to organizations that meet the mission of the foundations and are able to document their outcomes. Given the large number of foundations focused on youth development, education, extended learning time, social and emotional learning, and economically disadvantaged individuals, we feel strongly about the availability of funds. As our impact, size, and brand recognition grow, we will be able to present a strong win-win scenario with foundations. We will be funded with long-term, sustainable revenue, and the foundations will be able to promote the effective use of their funds and our impact on kids.

Individuals and Corporations – As a percentage of overall revenue, we anticipate this category to be reduced from its current level in coming years; however, we anticipate the overall number and dollar amount of donations to increase. Individual solicitations can be labor intensive and costly. In order to maximize our return on development spending, we will focus on more profitable areas. Within this category, key targets where we will spend energy are high net worth individuals, community leaders and influencers, and corporations that may lead to long-term partnerships. Corporate donations is an area we consider to have a strong potential for revenue growth.

Local, State, and Federal Government – As an education organization, there are a variety of government funding opportunities available to us, and many are reoccurring. Funding from any one jurisdiction or grant is subject to budget cuts, but by diversifying our government revenue

streams at school, district, and state levels we are able to mitigate the impact of risk to the organization. We are also working towards attendance-linked funding, where schools receive extra funds based on the number of days kids are present. WINGS has a history of strong government funding, and as our outcomes are further documented, we expect this source of revenue to continue.

Earned Income – Earned revenue comes out of a result of our advocacy work and dissemination of our curriculum and training program, and behavior management techniques. While earned income is not expected to be a large proportion of our budget moving forward, there are opportunities for it to expand.

Future Possibilities – The aforementioned categories are how we expect revenue to be sustained given the current funding landscape. As an innovative organization, we are constantly looking for new revenue strategies, especially when they align with our outcomes. For example, we have our eyes on the development of social impact bonds. We are also open to segmenting the market for WINGS into paying and non-paying consumers. If we were to move into a fee-based system, we would need to first assure our supporters that our core mission of working with low-income students would not be diminished.

Current Funders and Commitments

Below is a sample of current funders and grants contributing over \$5,000 annually:

21st Century Community Learning Centers	Jenny Sanford	Sisters of Charity Foundation
Chad and Jena Walldorf	John and Kate Huey	Sullivan Foundation
Charleston County School District	Katharine and John Crawford	Suzan and Stephen Zoukis
Coastal Community Foundation	Kelly and Martin Skelly	The Banbury Fund
Corporation for National and Community Service	Miss Ray and James Coker	The Jerry and Anita Zucker Family Foundation
Dixon Hughes, PLLC	Open Grants Fund	The Post and Courier Foundation
First Federal of Charleston	Pat and Cheryl Ilderton	The Rion Family Fund
Fred and Peggy Snyder	Patrick Family Foundation	The Wachovia Wells Fargo Foundation
Henry and Sylvia Yaschik Foundation	Roof Endowment	The Wallace Foundation
Herzman-Fishman Foundation	Rusty Bennett	Trident United Way
Jeff and Ainsley Goldstein	Ruth and Bob Scott	Trident United Way Donors
	Sam and Jim Boyd	
	Singing for Change	

Pro Forma Financials
Three-Year Pro Forma Income Statement

Fiscal Years 2012 - 2014

<i>Revenue for Continuing Operations, Expansion & Funding Gaps</i>	2011 - 2012	2012 - 2013	2013 - 2014
Philanthropy			
Foundations	\$465,000	\$861,772	\$1,459,538
Individuals	514,355	565,791	678,949
Corporations	95,600	150,040	175,660
Government	1,070,192	1,794,487	2,798,490
Earned Income	50,000	75,000	100,000
Total Revenue for Continuing Operations, Expansion & Gaps	\$2,195,147	\$3,447,089	\$5,212,637
<i>Revenue for Reserves Growth</i>			
Foundations	\$281,929	\$280,200	\$280,200
Individuals	140,965	140,100	140,100
Corporations	46,988	46,700	46,700
Total Reserves Growth Revenue	\$469,882	\$467,000	\$467,000
Total Revenue	\$2,665,029	\$3,914,089	\$5,679,637
Expenses			
<i>Continuing Operations</i> ⁺			
Personnel	\$1,466,132	\$2,441,615	\$3,730,627
Miscellaneous Expenses*	63,905	102,920	149,882
Supplies	276,101	511,539	828,236
Contractual Services**	374,909	360,579	457,690
Computers and Equipment	17,800	30,437	46,202
Total Expenses from Continuing Operations	\$2,198,847	\$3,447,089	\$5,212,637
Net Income/Funds for Reserves Growth	\$469,882	\$467,000	\$467,000
Operating Reserves Balance at Year End	\$1,066,000	\$1,533,000	\$2,000,000

Notes to Income Statement

+Breakdown of Fixed vs. Variable Expenses

Fiscal Year	2011 - 2012	2012 - 2013	2013 - 2014
Fixed/Regional Expenses	\$930,355	\$1,146,202	\$1,477,163
<i>Percentage of Expenses</i>	42%	33%	28%
Variable/School Dependent Expenses	\$1,268,492	\$2,300,887	\$3,735,475
<i>Percentage of Expenses</i>	58%	67%	72%

FY 2012 includes a higher percentage of fixed expenses due to evaluation and expansion initiatives

*Includes meetings, events, student field trips, faculty support, staff travel, etc.

**Includes evaluation, utilities, annual audit, student bus transportation, grant writing, marketing and design, computer consultation, performance management system, etc.

Fiscal Year 2011 – 2012 Cash Flow Projections

	Jul 11	Aug 11	Sep 11	Oct 11	Nov 11	Dec 11	Jan 12	Feb 12	Mar 12	Apr 12	May 12	Jun 12
Operating Income and Revenue												
General Contributions												
Collections on Pledges	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167	\$4,167	\$19,167	\$4,167	\$4,167	\$4,167	\$4,167	\$39,167
Foundation Grants	150,000	20,000	35,000	10,000	10,000	50,000	25,000	5,000	5,000	5,000	30,000	120,000
Corporations	0	0	10,000	5,000	5,000	35,600	0	5,000	5,000	5,000	0	25,000
Individual Donations	0	15,000	5,000	5,000	5,000	100,000	25,000	10,000	10,000	10,000	44,355	135,000
Total General Contributions	\$154,167	\$39,167	\$54,167	\$24,167	\$24,167	\$239,767	\$69,167	\$24,167	\$24,167	\$24,167	\$78,522	\$319,167
Earned Income												
ETO Implementation Revenue	\$0	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0
Total Earned Income	\$0	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funding												
ABC Childcare Program	\$0	\$1,500	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$500
21st Century Community Learning Centers	0	0	60,000	60,000	60,000	60,000	60,000	60,000	46,683	29,998	20,000	20,000
AmeriCorps Funding	0	25,631	25,631	25,631	25,631	25,631	25,631	25,631	25,631	25,631	25,631	25,631
Total Federal Funding	\$0	\$27,131	\$87,631	\$87,631	\$87,631	\$87,631	\$87,631	\$87,631	\$74,314	\$57,629	\$47,631	\$46,131
Local Government Funding												
Charleston County School District	\$0	\$18,182	\$18,182	\$18,182	\$18,182	\$18,182	\$18,182	\$18,182	\$18,182	\$18,182	\$18,182	\$18,182
Total Local Government Funding	\$0	\$18,182	\$18,182	\$18,182	\$18,182	\$18,182	\$18,182	\$18,182	\$18,182	\$18,182	\$18,182	\$18,182
In-Kind Donations												
USDA Snack Program	\$0	\$5,957	\$5,957	\$5,957	\$5,957	\$5,957	\$5,957	\$5,957	\$5,957	\$5,957	\$5,957	\$0
Federal Work Study Funds	0	0	0	6,000	6,000	6,000	6,000	6,000	2,000	0	0	0
Total In-Kind Donations	\$0	\$5,957	\$5,957	\$11,957	\$11,957	\$11,957	\$11,957	\$11,957	\$7,957	\$5,957	\$5,957	\$0
Total Income	\$154,167	\$100,437	\$175,936	\$151,936	\$151,936	\$367,536	\$186,936	\$141,936	\$124,619	\$105,934	\$150,291	\$383,479
Expenses												
Personnel												
Total Wages and Stipends	\$41,219	\$71,644	\$96,185	\$96,185	\$96,185	\$141,878	\$96,185	\$103,282	\$103,282	\$103,282	\$104,482	\$125,551
Total Taxes and Benefits	18,657	16,965	17,015	23,253	18,253	24,253	31,883	22,616	21,166	20,361	26,707	45,643
Total Personnel	59,876	88,609	113,200	119,438	114,438	166,131	128,068	125,898	124,448	123,643	131,189	171,194
Miscellaneous Expenses*	5,413	5,890	3,901	4,179	4,179	6,068	5,879	4,579	4,679	4,279	5,334	5,827
Supplies***	9,653	23,944	23,589	23,569	23,569	23,324	23,386	23,789	26,505	25,585	28,060	21,127
Contractual Services****	26,846	18,346	30,593	19,756	31,406	15,993	33,406	19,186	61,154	56,686	30,086	31,454
Computers and Misc Equipment	6,067	6,667	367	317	267	167	217	2,767	367	217	217	167
Total Expenses	\$107,855	\$143,455	\$171,649	\$167,258	\$173,858	\$211,681	\$190,956	\$176,218	\$217,153	\$210,410	\$194,886	\$229,769
Net Income, Excluding Reserves Growth	\$46,312	(\$43,018)	\$4,287	(\$15,321)	(\$21,922)	\$155,855	(\$4,019)	(\$34,282)	(\$92,533)	(\$104,475)	(\$44,594)	\$153,711
Cash Balance, Excluding Reserves Growth	\$642,430	\$599,412	\$603,699	\$588,377	\$566,456	\$722,311	\$718,292	\$684,010	\$591,477	\$487,002	\$442,407	\$596,118

*Includes meetings, events, student field trips, faculty support, staff travel, etc.

**Includes evaluation, utilities, annual audit, student bus transportation, grant writing, marketing and design, computer consultation, performance management system, etc.

Regional Revenue and Expense Assumptions/Cost per Unit of Service

Scalable Government Revenue by School Site	2011 - 2012	2012 - 2013	2013 - 2014	Notes
Local School District	\$30,000	\$35,000	\$40,000	Current funding per school ranges from \$20,000 - 55,000
AmeriCorps	66,375	66,375	66,375	5.31 MSYs at \$12,500/MSY
21st Community Learning Centers or Equivalent	125,000	125,000	125,000	Conservative estimate based on current funding levels
In-kind USDA Snack Program	17,483	18,007	18,547	Nets out with line item expense
In-kind Federal Work Study	8,000	8,000	8,000	Based on historical averages
Total Government Program Revenue	\$246,858	\$252,382	\$257,922	
Scalable Expenses by School	2011 - 2012	2012 - 2013	2013 - 2014	
Personnel	\$241,606	\$248,854	\$256,320	
Miscellaneous Expenses	5,339	5,499	5,664	
Supplies	63,513	65,418	67,381	
Contractual Services	9,085	9,358	9,638	
Computers and Equipment	2,250	2,318	2,387	
Total Program Expenses	\$321,793	\$331,447	\$341,390	
Deficit with Government Only Funding	(\$74,936)	(\$79,065)	(\$83,468)	Deficit is to be funded through philanthropic sources
<i>Cost per student (135 students per school)</i>	<i>\$2,384</i>	<i>\$2,455</i>	<i>\$2,529</i>	
Regional Fixed Expenses (excluding Charleston)	2011 - 2012	2012 - 2013	2013 - 2014	
Regional Executive Director	\$66,150	\$68,135	\$70,179	FY12 salary of \$49,000
Regional Dir of Programs	59,400	61,182	63,017	FY12 salary of \$44,000
Communications/Development	54,000	55,620	57,289	FY12 salary of \$40,000
Non-personnel, non-program costs	100,000	103,000	106,090	
Total Fixed Costs	\$279,550	\$287,937	\$296,575	
Expansion Related Expenses*	2011 - 2012	2012 - 2013	2013 - 2014	
Personnel	\$46,281	\$47,669	\$49,100	
Miscellaneous Expenses	3,500	3,605	3,713	
Supplies	12,250	12,618	12,996	
Contractual Services	8,900	9,167	9,442	
Computers and Equipment	2,400	2,472	2,546	
Total	\$73,331	\$75,531	\$77,797	

*Costs occur in fiscal year prior to the opening of a new region

I. Risk Assessment & Contingency Plan

Identification of Risk and Mitigation Strategies

The following have been identified as risk factors of the WINGS scaling plan:

Evaluation Risk – We do not excel in the formative and impact evaluations as expected.

Risk Mitigation – Steps were taken in fiscal year 2010 to go through a pre-evaluation, or implementation assessment, in order to identify areas of concern within a relatively safe environment. As a whole, WINGS came through strongly, and in areas where weaknesses were identified, we have since improved upon our practices. We have also gone through quasi-experimental studies on our kids, finding positive results, and we maintain our own data-driven metrics. These give us strong indicators that we will see positive results from the randomized control trial study.

Staffing Risk – At the heart of a strong program is a strong staff. Historically we have experienced high Program Director turnover at the school sites largely due to failure of Program Directors to meet our high expectations. WINGSLeaders also must be of high quality since they implement our rigorous curriculum.

Risk Mitigation – This summer will introduce our first Program Director Summer Institute to better train new and returning Program Directors for the demands of the position. Topics will include leadership, staff management, financial management, effective communication, and a variety of social and emotional themed objectives. In the 2011 – 2012 school year all schools will have an Assistant Program Director who will receive on the job training and will be better prepared to lead a program during expansion. WINGSLeaders will also be encouraged to apply for a rotational Program Director training curriculum throughout the year. The goal is to offer WINGSLeaders a clear route to transition into Assistant Program Directors and then Program Directors over time.

Financial Risk – During the initial phase of expansion, this poses a great risk. We will be expanding into new markets and relying on more philanthropic dollars than ever before. Compounding this risk, we will be expanding at a time when government funding is becoming more fickle.

Risk Mitigation – The first step to mitigate financial risk is to significantly build our operating reserves prior to expansion. At the regional level, there is the expectation that the corporate office will provide support over the first four years as the region becomes financially independent. Other steps towards financial security include requiring financial support at the school district level before entering a new market and continuing to diversify our funding streams with uncorrelated sources. This includes stronger foundation support, especially through reoccurring grants; the start of an earned revenue component; development of corporation giving; multiple government avenues; and continued individual donor diversification. With the successful completion of our evaluations, we believe funding will be less of a risk due to our documented outcomes.

Fidelity Risk – As we grow our program could become diluted.

Risk Mitigation – Through the branching expansion model, the corporate office will be able to maintain tight quality control on all new regions and school sites. We will also have annual organization-wide conferences and training sessions to ensure all sites are receiving the same information.

Contingency Plans

Throughout our growth, we will maintain a quality first mindset, not quantity first. When dealing with financial and fidelity risks, we are prepared to temporarily limit or stop additional growth in order to fully fund, staff, and supervise existing sites. If our evaluations come back poorly, our contingency plan calls for a reorganization of the WINGS curriculum or a full shut down of functioning WINGS sites. We are aware that there are limited funding resources; however, our core mission is for kids to become successful in life. If another program is proven to generate better outcomes than WINGS, we will need to step back and reevaluate our model.