

SVP Vancouver Investee Selection Framework – Scaling Grants

Background

Through our venture philanthropy (time + money) model, we help strengthen the organizational capacity of innovative, emerging non-profits who service children in-need and youth at-risk.

SVP Vision

To ensure more children and youth reach their full potential.

SVP Scaling Investment Goals

- To provide a mezzanine/middle-stage investment to help scale Investee organizations
- To effectively engage Partners in helping Investees scale their organizations

Scaling Definition

Scaling, for the purposes of SVP Vancouver grants, refers to increasing reach and/or impact in order to meet higher demands, ultimately reaching more people to deliver on mission, in a transformative manner. This may be achieved through a new platform, delivery model, network effect, collaboration, leverage point outside of their organization, advocacy or policy initiative, etc.

Key Operating Principle: Scaling

- Emphasized throughout the Investee/SVP partnership
- By the end of an investment engagement, the enterprise or project should:
 - Demonstrate increased reach and/or impact
 - Be on track towards financial sustainability at the scaled level of operations, without SVP funding.
 - Have built enduring relationships with one or more Partners and/or other high capacity volunteers

Key Guidelines

- Investments of time + money to scale programs/organization
- The criteria below are used to guide discussions regarding selection, however individual context is critical. Some factors have more weight than others, depending on the organization’s mission.
- Scaling must be clearly defined and discussed in goals throughout the Investee relationship

Proposed Investment Selection Criteria

	Criteria	Explanation
Must Have	Compelling theory of change related to SVP's mission of serving children and youth at risk. Evidence of impact. Possibility to drive systemic change through scaling.	<ul style="list-style-type: none"> • Thoughtful consideration of how change happens • Evidence based community development model • Beyond ‘charitable services’ approach
	Investee must have an ambitious growth plan where scaling is already a stated goal.	<ul style="list-style-type: none"> • Scaling is a goal regardless of SVP funding
	SVP investment will enable a significant increase in impact from a proven solution/program through a new platform, delivery model, network effect, collaboration, leverage point outside of their organization, advocacy or policy initiative, etc.	<ul style="list-style-type: none"> • Recognition of different approaches to ‘scaling’ • Creative thinking with regards to increasing impact
	Current operations are financially sustainable without SVP, as demonstrated by several years of operating at current level.	<ul style="list-style-type: none"> • Organization is stable • Organization has demonstrated resilience

	Leadership and board of directors are stable and committed.	<ul style="list-style-type: none"> SVP recognizes the key role talent/leadership plays in small orgs
	SVP lead partner team is committed to a further 2-year engagement.	<ul style="list-style-type: none"> Scaling grant is supported with ongoing commitment of SVP
	Financial statements have been prepared by a designated professional (CA, CGA, CPA) and signed off by board. Appropriate financial control policies are in place.	<ul style="list-style-type: none"> Third party review provides some objectivity/control As org grows, appropriate policies are in place
Should Have	History with SVP at the 'sustain' or 'innovate' stage.	<ul style="list-style-type: none"> SVP is focused on going deeper with existing commitments
	Systems to track performance data / impact.	<ul style="list-style-type: none"> Thought/effort has been put into how to measure success
	OCAT results that demonstrate solid baseline of capacity.	<ul style="list-style-type: none"> Organizations are primed to scale
	SVP scaling investment is no more than an additional 30% of the organizations overall budget in the first year of scaling.	<ul style="list-style-type: none"> Scaling grant is proportional to actual operating budget

Selection Process

PHASE 1 – Executive Director/LP Screen

1. Lead Partner and SVP ED identify candidate Investees for Scaling grants.
2. LP/ED conducts an interview specifically on scaling needs.
3. Selected Investees are invited to complete a written application that is sent to Opportunities Committee for review.

PHASE 2 – Investee Application

4. Investee proposal must include:
 - a. Current state of organization (1 paragraph)
 - b. Basic theory of change – how do you make change happen? (1-2 paragraphs)
 - c. Impact to date (1 paragraph)
 - d. Stakeholder validation – letters of support, testimonials, etc. (3-5 pieces of support, format is flexible)
 - e. Overview of organizational infrastructure and sustainability of ‘core’ operations (1-2 paragraphs)
 - f. Current vs. previous year financials (1 page)
 - g. Listing of SVP funding and partner engagement to date (1/2 page, bullet points)
 - h. Brief discussion of governance & financial controls in place (1-2 paragraphs)
5. The scaling plan must include:
 - a. Rationale for pursuing growth at this time (2 paragraphs)
 - b. Outline of growth model (2 paragraphs)
 - c. 1,3,5 year scaling objectives and metrics for determining success (Table format)
 - d. 10-year vision for organization (1 paragraph)
 - e. Summary operational plan for scaling that includes: timeline, key resources, risk (2-5 pages)
 - f. Budget for organization, detailing where grant will be used (1 page)

PHASE 3 – Opportunities Committee

6. The SVP Opportunities Committee (OC) reviews the application and determines if it fits scaling criteria.
7. The OC meets monthly to review new opportunities and votes on whether a new opportunity should be funded (75% approval required).
8. Once complete, the Proposal is submitted to the Investment Committee for review and potential funding.

PHASE 4 – Investment Committee

9. The Investee will then present its Proposal to the Investment Committee to be voted on (75% approval required) for funding.
10. If Investment Committee approval is granted, the Investee will work with the SVP ED and Lead Partner(s) to:
 - a) Craft a signed Letter of Agreement clearly defining goals and objectives for the project;
 - b) Agree upon a schedule for disbursement of funds and in some cases, SVP reserves the right to seek co-funding from other funders in the community. This will be discussed with the Investee early in the process.
 - c) Fill in a Capacity Assessment Tool document which helps both parties establish baseline data about the organization. This assessment is reviewed annually.

Re-Funding Process

Scaling grants are intended as one time investments. Investees must provide a report on the year's progress and in exceptional circumstances, a proposal may be considered for subsequent years.