

Proposal Summary  
Meeting Date: 6/5/2018

**Future Founders Foundation  
Request # 115678**

<b>Project Title:</b>	Future Founders Startup
<b>Duration:</b>	24 months
<b>Request Date:</b>	4/16/2018
<b>Request Amount:</b>	\$400,000
<b>Recommended Amount:</b>	\$402,000 as \$352,000 Direct - \$50,000 match
<b>Program Area:</b>	Education\College/University &
<b>Population Served:</b>	General Public
<b>Type of Support:</b>	Program Support
<b>Grantee Location:</b>	Chicago, IL
<b>Primary Contact:</b>	Ms. Kathryn Sowa

**Project Abstract**

Funds from The Coleman Foundation will support the expansion and impact of Future Founder’s *Startup* over the next two years. The program connects college-age students to the best entrepreneurial resources, events, and activities in the entrepreneurial ecosystem.

**Organizational Background**

Future Founders (FF) began in 2006 as a high school supplemental program that brought business executives and owners into classrooms. Between 2012-2014, CFI fostered a loose collaboration between NFTE and FF that took advantage of NFTE’s established curriculum and FF volunteers and experiential activities. The NFTE Chicago partnership ended when NFTE reorganized. *Startup* was launched in 2014 with funding from CFI, Hughes Foundation and Capital One and the addition of Katie Sowa to the FF staff.

**Annual Revenue Sources**

Grants	32%	Government	0%	Earned Income	0%
Fees	0%	Private Support	67%	Other	1%

**Finances**

	<b>Budget</b>	<b>Actual</b>	<b>Actual</b>
	06/30/18	06/30/17	6/30/16
<b>Revenues</b>	\$910,000	\$895,511	\$833,154
<b>Expenses</b>	\$894,935	\$770,274	\$734,764
<b>Surplus (Deficit)</b>	\$15,065	\$125,237	\$98,390
<b>Net Assets</b>		\$820,837	\$678,100

**Program Description**

*Startup*: promotes inter-school collaboration, increases the capacity and relevance of university programs by broadening their reach into the community; helps emerging collegiate entrepreneurs connect to the local entrepreneurial community and grow sustainable businesses. Through *Startup*, FF

brings together universities, incubators, community organizations and businesses to provide a dynamic suite of experiences and services for emerging entrepreneurs, promotes inter-school collaboration and increases university program capacity and relevance by broadening their reach into and connection with the entrepreneurial community. Program components include: *(Prior outcomes and Goals follow each)*

**E-Pass, In-Class Workshops:** The E-Pass is a virtual, all-access pass to curated and relevant entrepreneurial opportunities, resources, events and activities in the community. In-class workshops covering key, real world, entrepreneurial topics add capacity to university offerings and connection to the entrepreneurial community.

*2017-18 (Actuals July 2017-March 2018): 34 in-class workshops engaging 942 students; 2,200 E-Pass newsletter subscribers*

*2018-19 Goal: 35 in-class workshops engaging 800 students; 2,400 E-Pass newsletter subscribers*

*2019-20 Goal: 40 in-class workshops engaging 875 students; 2,600 E-Pass newsletter subscribers*

**U.Pitch:** A collegiate elevator pitch competition helps students gain exposure to the entrepreneurial community and practice startup communication skills. It also serves as a marketing recruitment channel for the Fellowship.

*The 2017 competition showcased: 18 student competitors; 17 universities in 10 states; 17 community mentors and experts as judges; engaged the 2017 Fellowship cohort as peer roundtable leaders for all semi-final rounds; 200 attendees from the community as audience members. \$11,000 for 7 cash prizes to 7 students. (At our prompting FF identified a sponsor for the event)*

**Fellowship:** A calendar year-long cohort for top collegiate entrepreneurs. Fellows receive intensive mentoring, guidance, access to a peer community, virtual programming and intensive entrepreneurial retreats to accelerate their success as founders and leaders.

*2017-18 Actuals: 17 Fellows representing 15 schools in 9 states were accepted into the program; 14 Fellows Graduated; 10 New Alumni engaged*

*2018-19 Goal: 16-20 Fellows Accepted; 13-15 Fellows Graduate; 8-12 Eligible Alumni engaged*

*2019-20 Goal: 16-20 Fellows; 13-15 Fellows Graduate; 8-12 Eligible Alumni engaged*

**Alumni Accelerator:** An accelerator was piloted in 2017 after data from the first two Fellowship cohorts showed that the most significant business successes (i.e. revenue secured, financing raised, jobs created/retained) grew in the 12-24 months immediately following the Fellowship. Graduating Fellows are invited into the Alumni Accelerator based on the business traction and entrepreneurial intentionality demonstrated during the Fellowship. The first official program was launched in 2018 with 23 alumni. Participants contribute a small fee of \$300 per person to put some skin-in-the-game. The Alumni Accelerator incorporates some elements of the Fellowship but is focused on more advanced training and mentoring.

*2017-18 Actuals: 25 Total Invited; 23 Active Alumni Members*

*2018-19 Goal: 23-28 Total Invited; 18-25 Active Alumni Members*

*2019-20 Goal: 25-30 Total Invited; 20-27 Active Alumni Members*

## Expected Outcome

### Prior *Startup* Outcomes:

FF reports these outcomes from the 39 entrepreneurs who graduated from the 2015, 2016, and 2017 Fellowship cohorts:

- Created 234 jobs (102 full-time jobs; 132 part-time jobs)
- Generated \$9.1 million in gross revenue
- Raised \$3.3 million in outside capital
- 3 company acquired
- 82% of the Fellows still running businesses today
- 20 Fellows are working on their businesses full-time; 12 Fellows are working part-time
- 11 Fellows made their first business revenue while participating in the program

As compared to previous years:

- Fellows' gross revenue grew from \$3.4M in 2016 to \$5.7M in 2017
- Created 97 jobs and raised an additional \$2 million in capital in 2017

Selected expected outcomes include:

78% of participants report developing at least one entrepreneur/professional mentor through the program

75% of participants report/demonstrate improvement in key skills

60% of mentors report improved participant key skills and abilities

75% of participants are working with a mentor on their business

70% of participants are highly engaged with entrepreneurial resources

50% of participants engage in U.Pitch or other competitions

## Program Budget

Selected Elements

- **Salary & Benefits** - 3.5 FTE for program strategy, leading school sessions/workshops, coaching founders, event planning, and partner/mentor recruitment (52% of request)
- **Founders Weekends & Alumni Accelerators** - Event/weekend retreat costs for year-long Fellowship and Alumni Programs. Held 5-6 times annually. (45% of request)
- **Entrepreneurs in Residence** – 6 Seasoned entrepreneurial coaches for Fellows and Residents @ \$90/hr with 24-80 Contact hrs (46% of request)
- **Marketing, PR & Website** - E-Pass and Marketing/PR campaign for program events and student success (12% of request)
- **U.Pitch Competition & Showcase** - Venue, food and prizes for our national pitch competition (Sponsored)
- **General Operating Expenses** - Overhead allocation (1871 rent, accounting, phone, insurance, etc.); 1871 lease includes usage of auditorium and conference rooms for program events

**Prior Grants**

**Last Grant Date:** 1/18/2018  
**Last Grant Amount:** \$2,950.00  
**Number of Prior Grants:** 11  
**Total Amount Granted:** \$773,450

**Recommendation**

*Startup* aligns with 5 of the 7 funding targets:

- Improves grantee program ability build core self-employment skills
- Increases the quality and quantity of experiential activities
- Increasing practitioner engagement
- To fund Chicago metro area community-based experiential and support networks (accelerators, incubators, makerspaces)
- To explore mutually beneficial programmatic collaborations across the community-based support providers and between community-based providers and the academic programs

While we continue to believe *Startup* continues to provide significant program impact, fundraising concerns exist. Financial support is concentrated in a small number of board members, corporate sponsors and foundations. A goal is to develop FF Board commitment to an expanded development plan and donor base or hiring dedicated fundraising consultants or staff. The recommendation is for CFI to directly support \$352,000 of the 2 yr \$402,000 recommended, with the balance of \$50,000 to be a 1:1 match to new donors. Match funds could be earned in years 1 and 2

<b><i>FF Startup: 2018-20</i></b>				
<b><i>Date: April 16, 2018</i></b>				
<b><i>Total Project Budget: \$800,000 over 2 years</i></b>				
<b>Revenue</b>	<b>Funds Needed</b>	<b>Funds Requested</b>	<b>Recommended</b>	<b>Funds Committed</b>
The Coleman Foundation	\$ 400,000	\$ 400,000	\$ 402,000	\$ -
Other Sources	\$ 607,000	\$ 607,000		\$ -
<b>Revenue Total</b>	<b>\$ 1,007,000</b>	<b>\$ 1,007,000</b>	<b>\$ 402,000</b>	<b>\$ -</b>
<b>Expense</b>	<b>Project Budget</b>	<b>Coleman Funds</b>	<b>Recommended</b>	<b>Other Sources</b>
Salary & Benefits	\$ 546,000	\$ 283,000	\$ 283,000	\$ 263,000
Founders Weekends & Alumni Accelerators	\$ 128,000	\$ 58,000	\$ 58,000	\$ 70,000
Entrepreneurs in Residence	\$ 78,000	\$ 36,000	\$ 36,000	\$ 42,000
Marketing, PR & Website	\$ 54,000	\$ 10,000	\$ 10,000	\$ 44,000
Business Stipends	\$ 50,000	\$ -		\$ 50,000
U.Pitch Competition & Showcase	\$ 43,000	\$ -		\$ 43,000
Program Activities	\$ 40,000	\$ 5,000	\$ 5,000	\$ 35,000
Program Evaluation	\$ 6,000	\$ 2,000	\$ 2,000	\$ 4,000
General Operating Expenses	\$ 51,000	\$ 6,000	\$ 8,000	\$ 45,000
<b>Total</b>	<b>\$ 996,000</b>	<b>\$ 400,000</b>	<b>\$ 402,000</b>	<b>\$ 596,000</b>