

Section 1

Business Model, Financial Analyses, and Sensitivity Cases



Since our founding, Citizen Engagement Lab has always had the same goal- to **accelerate** the pace of **change** in order to tackle the biggest problems of our time.



The CEL Model

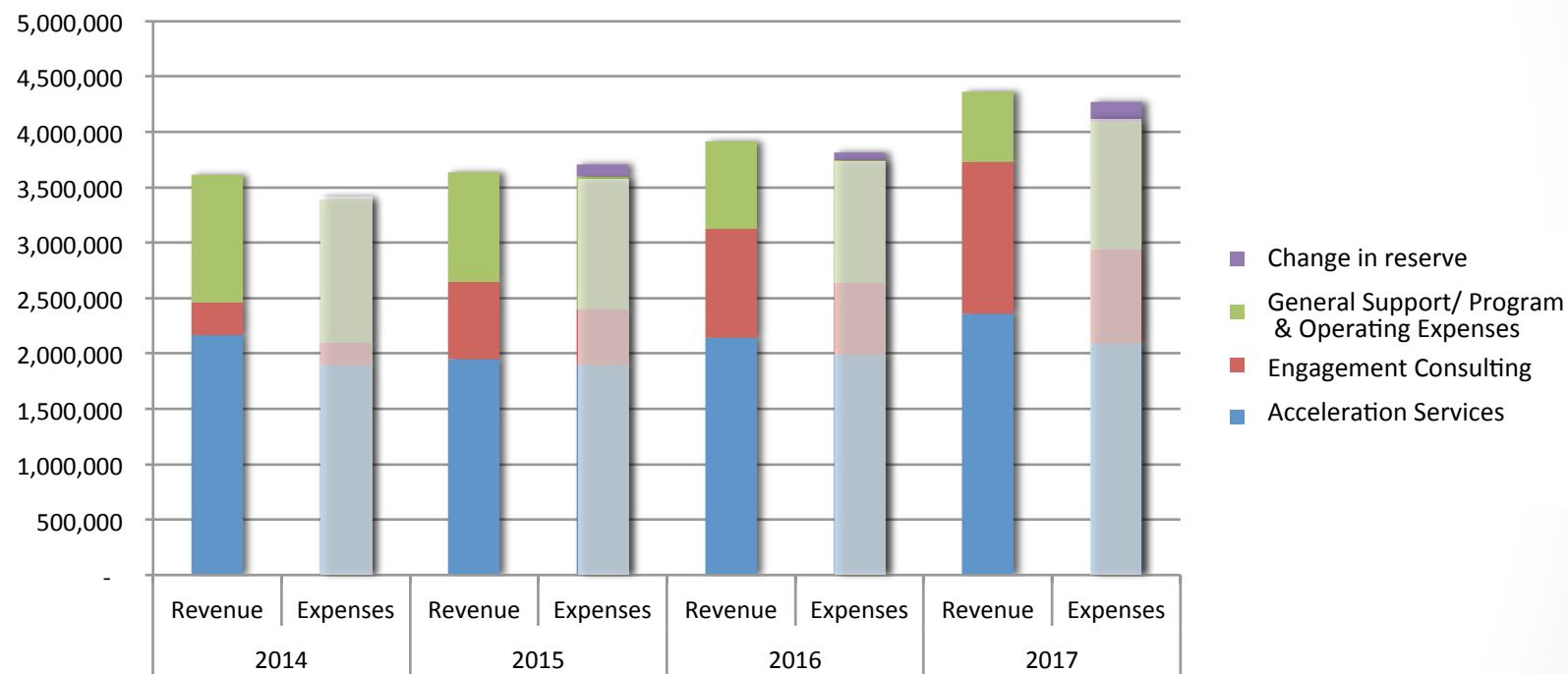
Since 2008, CEL has worked with more than 30 social change startups, dozens of entrepreneurs, and hundreds of philanthropic partners to expand the impact and reach of people-powered change.

As a learning organization we have evolved our model into three distinct approaches to meet the needs of the field:

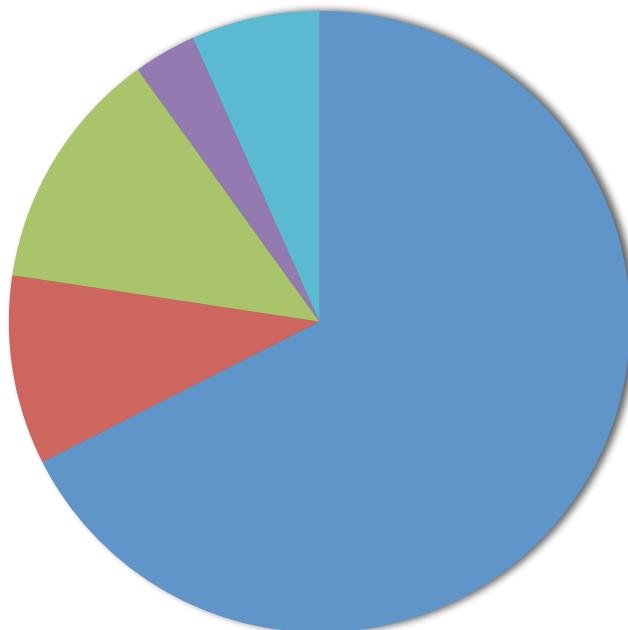
- **Acceleration Services** provide a tailored suite of support to a rigorously selected set of entrepreneurs, increasing the chances for lasting impact.
- **Innovation Labs** create issue specific test-beds where innovative experiments can be designed, tested, and refactored to get substantive results.
- **Engagement Consulting** is a mechanism for CEL to provide our expertise to the field and for diversifying our revenue and increasing our sustainability.



2014 Actuals, 2015-2017 Projections: A changing mix



Expense Mix 2014



- Personnel:
\$1,934,348
- Consultants &
Contractors: \$282,407
- Technology &
Design: \$362,855
- Travel & Meetings:
\$93,416
- Office & Operations:
\$191,396



CEL Base Scenario Detail

Growth assumptions

	2015	2016	2017
Consulting Revenue		40%	40%
Consulting Cost		30%	30%
Acceleration Revenue		10%	10%
Acceleration Cost		05%	05%
General Support		-20%	-20%
Operating expenses		10%	05%

Business Mix

Consulting Revenue	700,000.00	980,000	1,372,000
Consulting Cost	(503,290)	(654,277)	(850,560)
<i>Consulting Margin</i>	28%	33%	38%
Acceleration Revenue	1,947,210	2,141,931	2,356,124
Acceleration Cost	(1,890,950)	(1,985,497)	(2,084,772)
<i>Acceleration Margin</i>	3%	7%	6%
General Support	987,000	789,600	631,680
Gross Revenue	1,239,970	1,271,756	1,424,471
Program & Operating Expenses	(1,201,319)	(1,101,450)	(1,156,523)
Change in Reserve	38,651	170,305	267,948.54
<i>Net Margin</i>	1%	6%	9%



Partners and Clients

	Acceleration Services	Engagement Consulting	Detail
2014	13	3	<ul style="list-style-type: none">• One new partner added to Acceleration Services
2015	22	5	<ul style="list-style-type: none">• Focus on Acceleration Services growth – 6 new fully incubated groups already signed as well as diversified offering to 3 more groups• Two large Engagement Consulting clients have been secured, one more is to be developed, augmented by smaller contracts
2016	25	8	<ul style="list-style-type: none">• Slight growth in Acceleration Services with a focus on structure and systems at new size• Continued growth in Engagement Consulting
2017	27	14	<ul style="list-style-type: none">• Scalable growth in both lines of service, planning for pursuing more/smaller projects in Engagement Consulting



CEL Low Growth Scenario Detail

Growth assumptions

	2015	2016	2017
Consulting Revenue		15%	15%
Consulting Cost		20%	10%
Acceleration Revenue		-10%	-10%
Acceleration Cost		-10%	-10%
General Support		0%	-10%
Operating expenses		0%	0%

Business Mix

Consulting Revenue	550,000	632,500	727,375
Consulting Cost	(483,948)	(580,738)	(638,811)
<i>Consulting Margin</i>	12%	8%	12%
Acceleration Revenue	1,947,210	1,752,489	1,577,240
Acceleration Cost	(1,890,950)	(1,701,855)	(1,531,669)
<i>Acceleration Margin</i>	3%	3%	3%
General Support	987,000	987,000	888,300
Gross Revenue	1,109,312	1,089,396	1,022,434
Program & Operating Expenses	(1,220,661)	(1,020,661)	(1,020,661)
Change in Reserve	-111,348	68,735	1,773
<i>Net Margin</i>	-3%	2%	0%



CEL High Growth Scenario Detail

Growth assumptions

	2015	2016	2017
Consulting Revenue		40%	30%
Consulting Cost		40%	20%
Acceleration Revenue		20%	20%
Acceleration Cost		10%	10%
General Support		-25%	-25%
Operating expenses		10%	10%

Business Mix

Consulting Revenue	750,000	1,050,000	1,365,000
Consulting Cost	(550,000)	(770,000)	(924,000)
<i>Consulting Margin</i>	27%	27%	32%
Acceleration Revenue	2,163,567	2,596,280	3,115,536
Acceleration Cost	(1,890,950)	(2,080,045)	(2,288,049)
<i>Acceleration Margin</i>	13%	20%	27%
General Support	987,000	740,250	555,188
Gross Revenue	1,459,617	1,536,485	1,823,674
Program & Operating Expenses	(1,201,319)	(1,321,450)	(1,453,596)
Change in Reserve	258,298	215,034	370,078
<i>Net Margin</i>	8%	5%	7%



Our Vision and Chorus' Role

In 2017 we have a healthy and diverse mix of general support and earned income that enables us to maximize our impact, move quickly, and make investments in new strategies and ideas in service of the field.

- In 2015 we will invest in CEL's core infrastructure including strategic investments in our Engagement Consulting operations and new office facilities to accommodate growth.
- In 2016 we will improve efficiencies of Acceleration Services and exhibit modest growth to maintain high degree of selectivity, while also continuing to invest in Engagement Consulting.
- In 2017 we will further reduce our dependence upon general support and will have diversified our business, providing CEL more flexibility to apply our assets to supporting change-making in our various modes to maximize impact and sustainability.

Base Request: General support at \$300,000 over 3 years (3 x \$100,000)

These funds allow us to continue to serve the movement through our flagship programs with focus on new Culture and Economy Labs

Additional Request: Sustainability investment of an additional \$100,000 in 2015 and \$50,000 in 2016

These funds allow us to make needed investments to achieve future sustainability model: CRM system investment, communications to support business development, and office move to accommodate more cost effective staff growth.



2015/16 General Support Plan

Funder	2015 Commitments	2015 Projections*	2016 Projections*	2017 Projections*
Nathan Cummings Foundation			\$100,000	\$100,000
Delaney	\$75,000		\$75,000	\$75,000
The Libra Foundation	\$75,000		\$75,000	\$75,000
Voqal	\$32,025		\$32,025	\$32,025
Rockefeller Brothers Fund	\$75,000			
Mathieu	\$10,000			
Ford Foundation		\$300,000	\$150,000	\$150,000
Hull Family Foundation		\$10,000	\$10,000	\$10,000
Rudd		\$25,000		
The Chorus Foundation		\$200,000	\$150,000	\$100,000
Villers		\$5,000		
Wallace Global Fund		\$35,000		
Totals	\$267,025	\$575,000	\$592,025	\$542,025
Base Case Need	\$970,000		\$789,000	\$631,680
Still to be Raised	\$702,975		\$789,000	\$631,680

*Projections for 2015 represent pending requests and renewals, while 2016 and 2017 are best guess estimates.



Section 2

Programmatic Overview



Mapping to Chorus' Strategic Approaches

Movement Support

- Acceleration Services Program
- Engagement Consulting

Collaboration and Movement Building

- Innovation Labs
- OPEN-US
- Shared technology innovation

Cultural Organizing

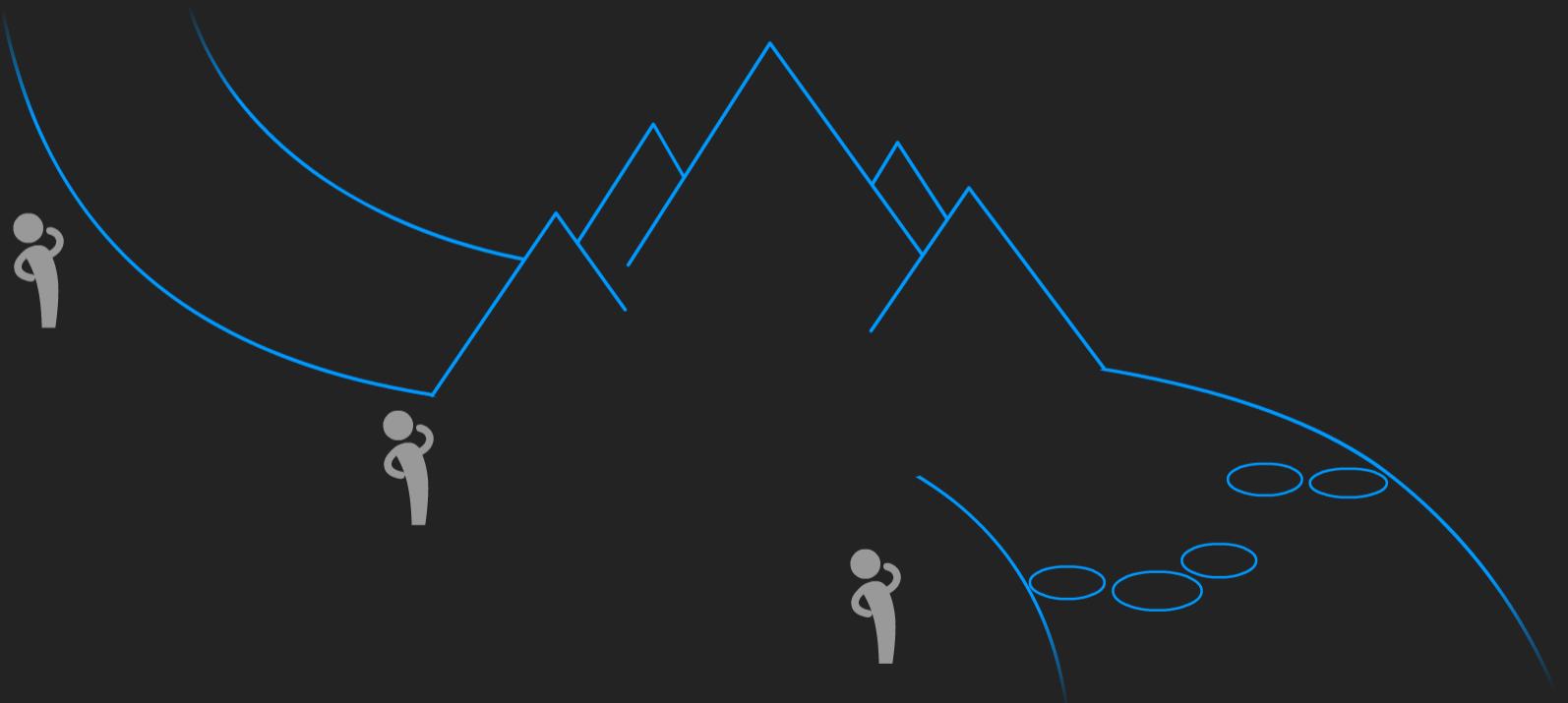
- Culture Lab



BRIDGING THE DIVIDE

CEL was created to meet changemakers' varied needs.

We provide resources, expertise, and capacity, so change actors can scale, innovate, and collaborate to move us closer to the more equitable and sustainable world we need.



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ACCELERATION SERVICES CASE STUDY: ULTRAVIOLET

CEL provides the technical, structural, and strategic support to bring ideas to scale.

In 2011, UltraViolet and CEL began a partnership to develop a nimble and energized online organization focused on gender equity. CEL has provided the interlocking support and services for UltraViolet to grow to scale.



2014 > 565,813 MEMBERS

ORGANIZATIONAL
& LEADERSHIP
DEVELOPMENT

STRATEGIC
EXPERIMENTATION

FUNDRAISING &
DEVELOPMENT RESOURCES

TECHNOLOGY
& CAMPAIGN SUPPORT

FINANCIAL/OPERATIONS SUPPORT
& FISCAL SPONSORSHIP

2011 >

INNOVATION LAB CASE STUDY: CLIMATE LAB

CEL's in-house labs find and fill gaps in targeted issue areas.

Our risk-taking laboratories ensure that we're always evolving our understanding of how social change happens. The Climate Lab was launched to survey the climate organizing landscape and fill critical gaps in the field.

GAP

Climate change denial still accepted in U.S.

SOLUTION

150,000 grassroots activists create accountability

IMPACT

Tech giants leave climate-denying lobbying group ALEC



GAP

Real people missing from fracking reporting

SOLUTION

Profiles and data visualization show human costs of fracking

IMPACT

Stories and photos reprinted in dozens of publications nationwide

GAP

Climate community lacks strategic response to extreme weather

SOLUTION

Climate-framed fundraising for impacted communities

IMPACT

\$20k raised for victims of typhoons in Philippines

GAP

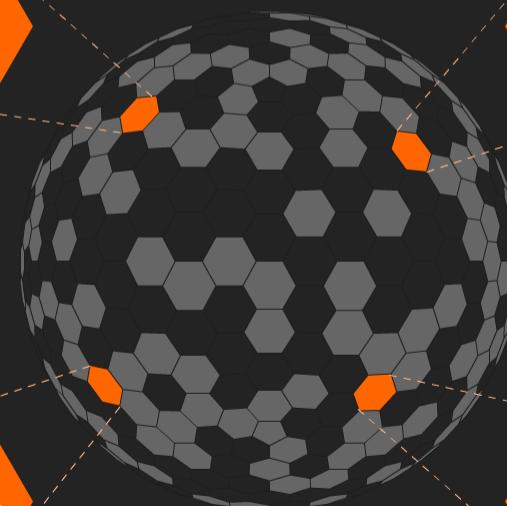
Parents underorganized on climate issues

SOLUTION

Community of 40,000 parents organize online

IMPACT

Climate curriculum adopted in 12 states



INNOVATION LAB CASE STUDY: CULTURE LAB

In 2014, CEL launched the Culture Lab to use tech-savvy strategies to fill the gap in cultural organizing.

The Culture Lab develops cost-effective systems and resources to help changemakers leverage pop culture to advance social progress.

Gap

Changemakers aren't effectively leveraging visual and narrative mediums to create easily sharable cultural products

Solution

Justfilms Social Change and Documentary Workshop

Gap

Changemakers lack information on how to use cultural content.

Solution

Cultural Pulse Prototype



Gap

Changemakers lack the resources to keep up with how their issues are playing out in the cultural realm.

Solution

Culture Field Audit

Gap

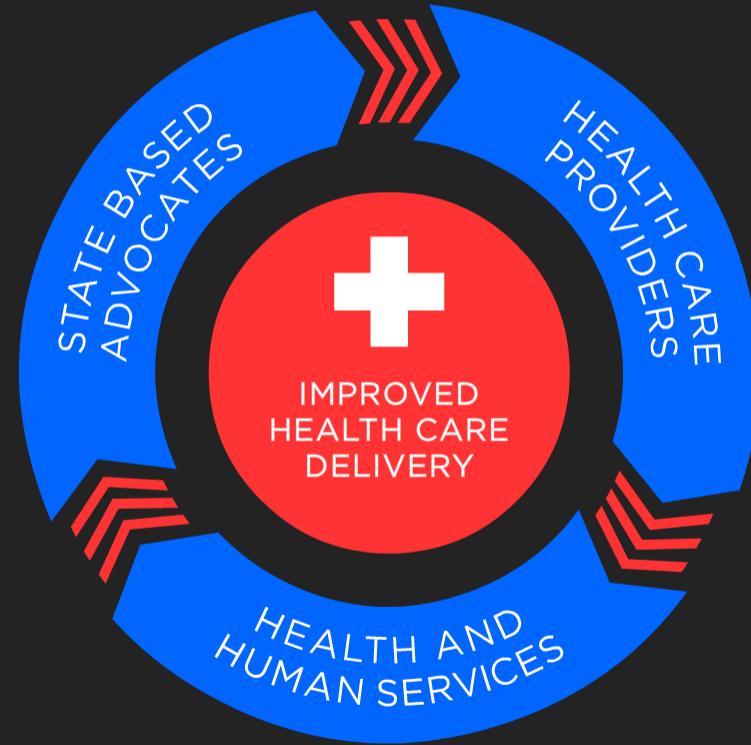
Changemakers need more knowledge and access to use cultural memes effectively.

Solution

Culture Switch Service

ENGAGEMENT CONSULTING CASE STUDY: THE AFFORDABLE CARE ACT PARTNERSHIP

CEL acts as a catalyst, providing expertise and technical support to help changemakers in different areas engage their base, share information, and create elegant solutions in real time.



COLLABORATION CASE STUDY: OPEN-US NETWORK



Online Progressive Engagement Network



HELPING STARTUPS MAKE HISTORY

GLENN BECK OFF FOX

Faced with a nationwide protest over Glenn Beck's racist comments, Fox News drops him from their lineup.

SOPA & PIPA DEFEATED

A historic internet "blackout" helps shut down two Congressional bills that would have significantly limited internet freedom.

DACA ENACTED

A strategic use of media, online education, and coordinated actions push forward a policy exempting eligible U.S. immigrants' children from deportation.

VAWA REAUTHORIZED

Over 100,000 people participate in online, in person, and media actions that motivate Congress to pass an expanded and improved Violence Against Women Act.

TECH GIANTS DROP ALEC

A multi-year multi-layered campaign convinces key tech players, including Facebook, Google, and eBay, to stop supporting the climate change-denying lobbying group.

NET NEUTRALITY SAVED

A huge public and political outcry leads to Congressional approval for new Net Neutrality rules that give Internet users stronger protections.

2011

2012

2013

2014

2015

colorofchange

DEMAND
PROGRESS

Photo: Jill Greenberg/GQ

presente
TRAIL OF DREAMS

ultra violet

Photo: Leadership Conference on Civil and Human Rights/Flickr

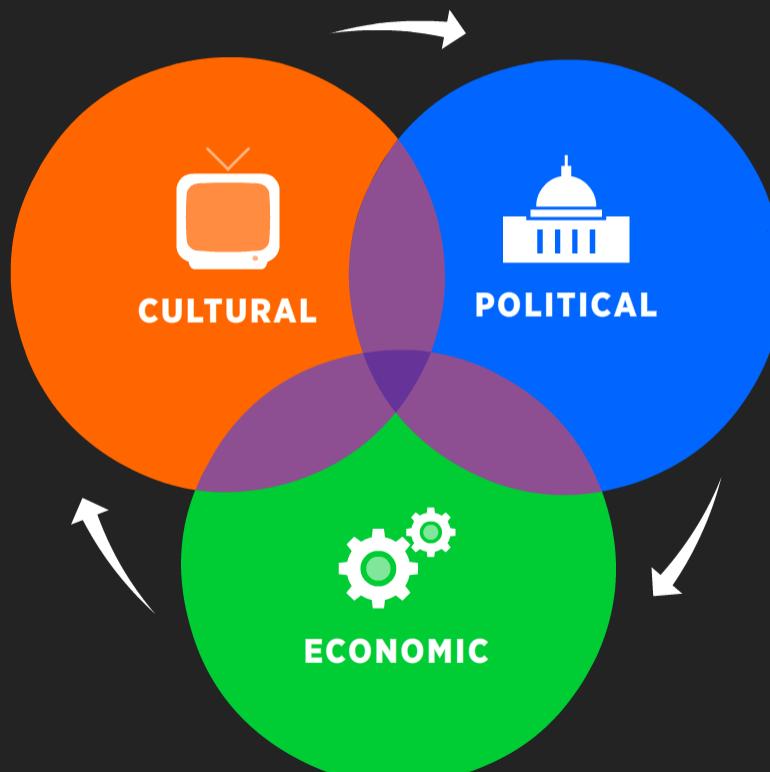
FORECAST
THE FACTS

Photo: www.phillipcantor.com

DEMAND
PROGRESS
ultra violet
presente
18MILLIONRISING

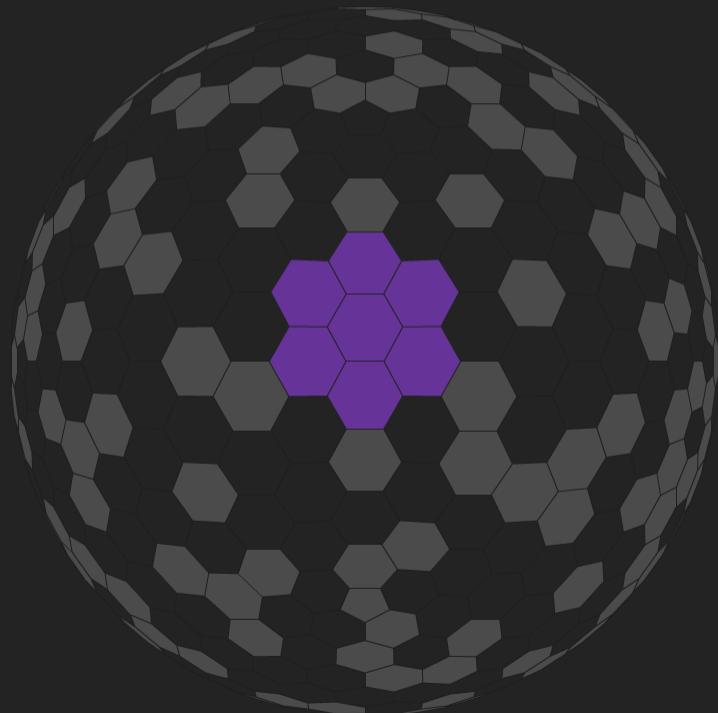
OUR THEORY OF CHANGE

Real and lasting change requires a holistic investment in cultural, economic, and political solutions.



NEXT-STAGE DEVELOPMENT

In 2015 CEL is supporting a new slate of projects that map to these three change realms.



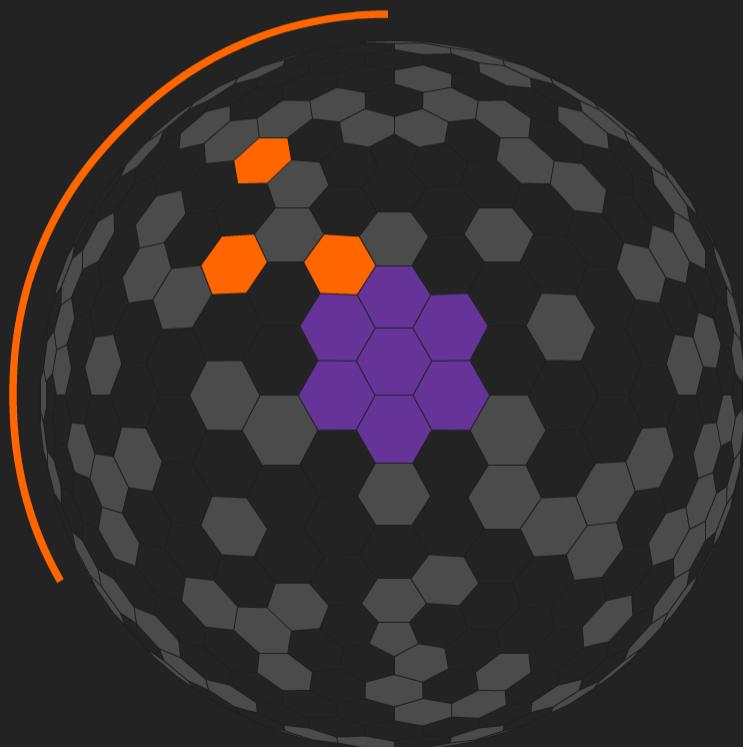
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Culture

Arts in a Changing America
Colibri
M-Power



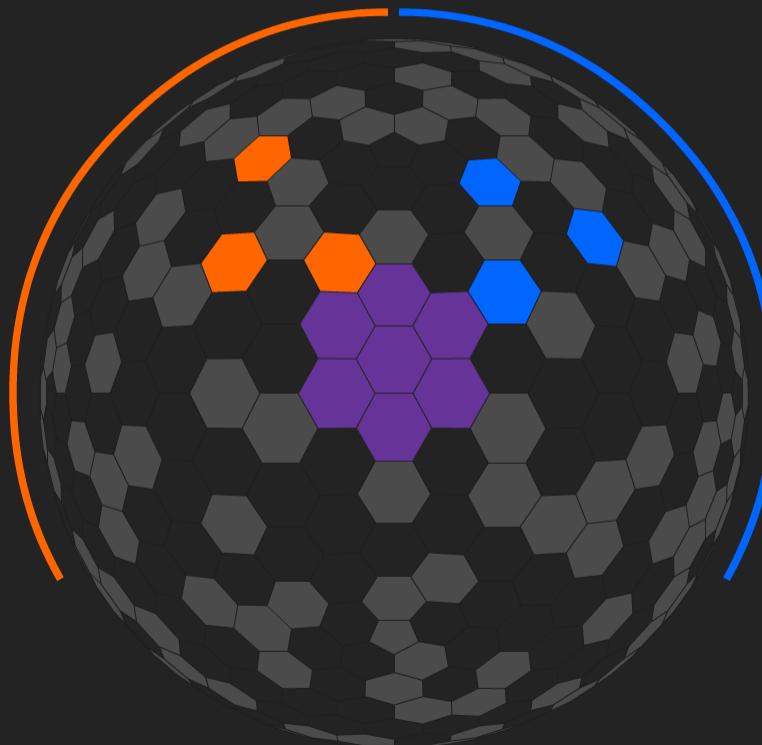
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Arts in a Changing America
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Politics

CounterPac
Voting in America
Long Distance Voter

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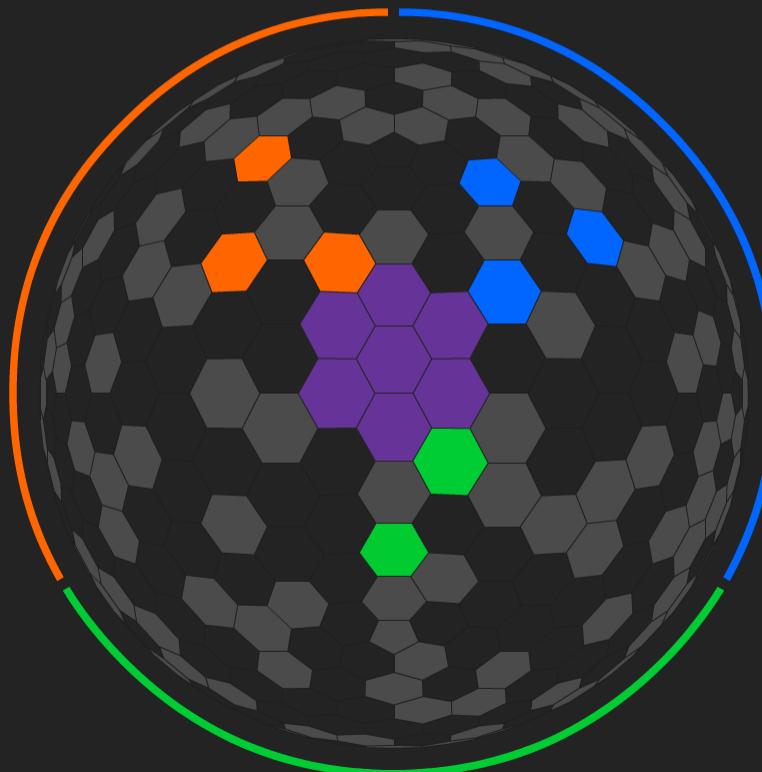
Culture

Arts in a Changing America
Colibri
M-Power



Economy

Stellar
Transform Finance



Politics



CounterPac
Voting in America
Long Distance Voter

GREATER INNOVATION AND NEW SOLUTIONS

As we look forward to building projects in all these areas, we are looking at launching new labs to support greater innovation.

