

Businesspeople give 'social capital' to charity

Area entrepreneurs invest money, expertise, time in unique program

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Just as venture capital helps support business enterprises, Social Venture Partners supports charitable entities. Billing itself as "a community of social investors," the organization has spread to about 20 locations nationwide, including Boulder County.

The investors are usually businesspeople, not corporations, unless a corporation designates a specific employee who writes the check, according to Andrew Currie, co-founder and chairman of Social Venture Partners of Boulder County (SVPBC).

Running a
NON-PROFIT
PROFITABLY

Launched in September 2000, the 501c(3) organization, which Currie described as being "donor-advised of the Boulder Community Foundation," partners volunteer supporters with non-profit groups.

SVPBC's focus areas are youth development and early childhood development. Non-profits seeking grants from SVPBC must apply for them.

Currently, 29 volunteers are part of SVPBC. The organization employs one paid



DORY JOHNSON

Terry Morreale of Kalos Strategy Group, a member of the local chapter of Social Venture Partners, meets with Steve Callander, executive director of Boulder Day Nursery, at the construction site for a new nursery facility. Social Venture Partners has helped Boulder Day Nursery with financials, technology and building the organization's capacity.

staff person by using a small portion of partners' donations. Currie declined to comment on the organization's budget.

Although Currie tapped the initial volunteers that opened the Boulder County chapter, most volunteers hear about SVPBC through word-of-mouth.

"We purposefully kept a low profile because we wanted people to understand the model, get engaged with non-profits and

see if we could add value and help them," he said. "Our volunteers and non-profits refer us to other people, and Boulder Community Foundation has helped."

SVPBC also has begun advertising in local print media.

But SVPBC "is not like a club," Currie said. Investors must commit to donate a minimum of \$15,000 over the course of three years in \$5,000 annual installments.

"It's a substantial amount of money," Currie said. "For a lot of people, because this is a local group, the \$5,000 may represent a large portion of their annual local giving."

Each investor votes on what charity will be approved for a SVPBC grant.

"People love that because they are results-oriented and quantitative," Currie said. "This isn't a traditional way of doing philanthropy."

Currie said that currently, SVPBC has a short list of non-profits interested in funding and volunteer assistance. Because each charity is assisted for three years, SVPBC adds them slowly. Currently, it works with six of Boulder County's approximate 1,200 non-profits.

In addition to the monetary donation, the investor also must donate a valuable resource for any businessperson: time.

"SVPBC has given us funding, which is wonderful, and with it, they offer business insight for our organization," said Alisa Musser, executive director of Nederland-based Teens, Inc. Youth and Family Center, which provides safe recreation, support resources and youth employment and training.

"They have met with us about getting a business plan together," Musser said, "and we worked on cash flow, cash flow statements and breaking down the different classes we offer and the market we have to serve."

Non-profits have been very receptive to SVP's philanthropy model.

"It is extremely effective because it pairs financial support with technical expertise," said

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Steve Callendar, executive director of Boulder Day Nursery, which provides educational day care for working, low-income families.

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But SVPBC does not try to make non-profits into bottom-line obsessed corporations.

"They've been a great asset and helped us be more business-minded (while) taking into consideration our mission and non-profit status," Musser said. "We are trying to move toward more earned income. SVPBC has helped us to focus on that a little more."

Understanding these distinctions is important for the program's success.

"Our issues are different from a for-profit corporation," Callendar said. "In many ways there are similarities, but we do things in a different way.

"When we meet with SVPBC, there's a lot of conversation and brainstorming back and forth. We meet in the middle on common ground between the corporate world and non-profit."

Although many of the volunteers have started and are running their own businesses, they don't "tell (non-profits) what to do," said volunteer Andrea Ellis, who acts as a liaison between Teens Inc. and SVPBC. "We give them options.

"We find out where they want to go and then help them get there. SVPBC doesn't demand, they suggest."

Part of the reason for this approach is that charities are usually "specialized businesses," Currie said, "so they're in charge. They know their staff and clients."

But non-profit leaders' dedication to helping others means that business know-how may not be within their skill set.

"We help Teens Inc. become more self-sufficient," Ellis said. "They are very successful in

working with teens. What they needed was some business skills."

Considering the business background of the volunteers SVPBC recruits, the advice is likely to be quite good.

"Partners with SVPBC have already successfully had their own companies," Ellis said. "Their expertise makes a difference."

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Alisa Musser

**EXECUTIVE DIRECTOR,
TEENS, INC.**

YOUTH AND FAMILY CENTER