The Extra Mile Academy

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**Section I. Executive Summary**

University Administrators state that they lose more students to credit card debt than to academic failure. Source: Utah Mentor 2003, The Voice Digital News, 2003. Based on this discovery The Extra Mile Academy (TEMA) was formed to help provide financial literacy training to students in the community. We want to be the ounce of prevention instead of the pound of cure required later.

What makes TEMA different is we train students to present the financial literacy material. Our student volunteers in the organization are called Ambassadors. TEMA has two goals. One is to promote financial literacy. The second is to provide career exploration opportunities for our students.

To accomplish this goal we have a two track system. Track 1 leads to an internship. Every Ambassador goes through this process. Track 2 is optional. This track leads to doing presentations. We created the two tracks so we don't eliminate anyone just because they don't like public speaking.

Here are the "Steps to Success" for Track 1:

1. What do you want to do for a career?

2. List three companies that hire for that career?

3. Prepare a resume for that career.

4. Prepare for an interview.

5. Sit in front of a panel interview.

6. Do a mock interview at one of the three companies listed earlier.

7. Job shadow at one of the companies listed earlier.

8. Do an internship for one of the companies listed earlier.

9. Open up a checking and savings account at a bank or credit union.

10. Put a % of all money received/earned into savings. 1% Bronze Medal Saver, 5% Silver Medal Saver, 10% Gold Medal Saver.

We are still working on making the last three happen.

11. Volunteer 300 hours and receive $1,000 for college. (Help maintain the website, Facebook page, other social media, or help with accounting.)

12. Have this experience meet the requirement for their Senior Project.

13. Get high school or college credit.

Track 2:

1. Attend/watch online Train-the-Trainer class or classes.

2. Study and learn the presentation.

3. Give the presentation in front of a TEMA member.

4. Give presentation in front of a live audience.

5. Become approved for public presentation.

6. Schedule date for presentation at a high school or other location.

7. Order presentation materials.

8. Invite someone from the business community to attend the presentation.

9. The presentation will have two TEMA Ambassadors, one TEMA representative, one or two business representatives. Each TEMA Ambassador will invite one person from the business community.

TEMA will be set up as a 501(c)(3) nonprofit. There will be a Board of Directors, Advisory Board, and Executive Team. Student Ambassadors of TEMA will be invited to be Advisory Board members. They will get to see how a board operates. They will provide valuable input to us on what students would want in a program.

TEMA is looking for a loan of $50,000. This will help support the startup costs. The biggest expense includes hiring a website developer and social media company. We will utilize a company to set up the website and then have them teach the Ambassadors how to maintain the sites. This includes the website and other social media tools like Facebook. We will find a company that is open to teaching our students. Also a company that is open to doing mock interviews, job shadows, and internships. It will benefit the company as well. It is expensive to hire the wrong person. After doing a mock interview with an Ambassador, we will ask the company if they would be open to having that Ambassador do a job shadow. Then if that goes well we will ask about an internship. It gives a lot of options for the company when looking for new talent.

The second biggest expense is hiring a Certified Public Account (CPA) firm. We want to be fully transparent with our books. The plan is to post our IRS Form 990 on the TEMA website. IRS Form 990 is equivalent to the IRS Form 1040 for individuals. We want donors to be comfortable knowing how their donations are being used. We are talking to largest CPA firms in Spokane. This provides two benefits. The first is creditability for our books. The second is providing mock interview, job shadow, and internship opportunities for our Ambassadors.

TEMA does not charge the schools or the students for the financial literacy classes. We do not sell any products. All funds for operations will come from grants and donations.

**Section II. Mission, Goals and Objectives**

**General Description of the Business**

The Extra Mile Academy (TEMA) teaches students how to present financial literacy training to those in the community. We also help our Ambassadors discover their passion for a career. Then we work to get them internships and other opportunities to reach their goal.

**Mission Statement**

The Extra Mile Academy (TEMA) strives to be the premiere nonprofit providing financial literacy and career exploration opportunities for the student we serve.

**Goals and Objectives**

**3-5 Years –** TEMA will have 1,000 Ambassadors. Each Ambassador will be required to accomplish the “steps to success”. This includes preparing a resume, sitting in front of a panel interview. Next the student must learn the financial literacy material to be presented. The presenters will paired up in twos to present the material, but must know the entire presentation themselves. The student will present the material in front of a designated TEMA member and an audience. The Next Generation Zone and YouthBuild are both willing to provide a student audience.

Once the Ambassador has been approved for public presentation, it is time to schedule a class. Our class is called Pizza, Pop, and Pedagogy or P3 for short. The location for the class will be during a high school class period or in front of other students (younger or older) in another venue.

When the class has been scheduled, we now look for a person from the business community to sit in on the class. This could be a banker, CPA, financial advisor, business owner, or business leader. Each Ambassador is required to find someone in the business community to attend the class. Ideally it would be someone in the field the Ambassador hopes to pursue as a career. These business professionals will not be required to give a presentation but to add real life experiences to the material being presented.

The two Ambassadors will be responsible for ordering the materials for the presentation and making sure to handle all the logistics of getting the pizza and drinks to the class on time.

In this P3 class, we will have the high school teacher and his students, two TEMA Ambassadors presenting, two business professionals, and a TEMA representative. The TEMA representative will ensure quality control and if it is a high school or college class, discuss the opportunity of becoming a TEMA Ambassador at the end of the presentation.

The benefits to the students becoming a TEMA Ambassador will be increased awareness of financial literacy and the pitfalls of credit cards and student loans. They will know what field they want to pursue after high school or college and they will have the internship opportunities to try a career out to see what they think.

TEMA will meet all the requirements for the high school student’s senior project. They will also receive high school or college credit for their involvement as a TEMA Ambassador. Once funding comes in, we will start providing scholarships and other incentives as well.

The way we get to 1,000 Ambassadors is 1 class a day x 5 days a week. We add four Ambassadors per class = 20 (5x4) Ambassadors a week. 20 a week x 50 weeks = 1,000 Ambassadors in one year.

**1 Year –** Select some students to be the first TEMA Ambassadors like four for example. Have them complete the process described earlier. Test it out on one high school. Once the process has been refined and the concept proven, roll out to other high schools. The goal is to eventually roll out to all high schools in the Spokane/Coeur d’Alene area.

**Section III. Background Information**

**Industry Background Information**

Providing financial literacy has been a concern, but it has been difficult for law makers to pass bills and get funding for projects. TEMA being a private sector nonprofit can bridge the gap between funding from the business community and providing all the resources from different agencies that already exist to the students we serve.

**Current/Future Industry Trends**

Financial literacy is a hot topic. Our last recession was blamed on our lack of financial literacy education and the “spend more than you make” mentality. This trend will only become more important as we see more and more baby boomers not able to stop working.

**Business Fit in the Industry**

TEMA will be able to increase the number of students taking advantage of programs that are already in place. For example there are programs that help students get internships. Not enough students know about these programs.

**Section IV. Organizational Matters**

**A. Business Structure, Management, and Personnel**

**Business Structure**

TEMA will be set up as a nonprofit 501(c)(3)

## **Management**

The organization will start with at least four Board of Directors as required by Washington State Law. A President, Treasurer, Secretary, and at least one other person. The Executive Team will include at least the Executive Director, Chief Financial Officer (CFO), and Chief Operating Officer (COO).

**Personnel**

As the organization grows, we will add more personnel. One area we will look for personnel is the AmeriCorps volunteers. Educational Service District 101 said they would be willing to provide full time and part time AmeriCorps volunteers.

## **Organizational Chart – Outside Services and Advisors**

The initial organizational chart reflects the start-up nature of the company:



**Training, Consulting and Support Services**

The TEMA Ambassadors will receive training from organizations such as Junior Achievement and Money Management International (MMI) formerly Consumer Credit Counseling, another nonprofit organization.

**Risk Management**

TEMA will work to put in place all the required insurance to protect the organization.

 Business:

 Personal:

**B. Operating Control**

**Recordkeeping Functions**

All bookkeeping and financial records will be handled by a local CPA firm. All cash in the form of donations, etc. will be handled by the finance team. This team will be led by the CFO.

**Section V. The Marketing Plan**

**A. Products/Services**

**Product 1**

Teaching students to give financial literacy presentations.

 Features/Benefits: The students will have a better understanding of financial literacy. The TEMA Ambassadors through the process of being an Ambassador will have accomplished all of the following. They will have created a resume. Prepared for and sat in front of a panel interview. This is required for acceptance as an Ambassador. They will understand financial literacy topics at a deeper level since they teach the subject. They will have a better understanding of what they want to be when they grow up. TEMA Ambassadors are given internship opportunities in the career fields of their choice.

 Life Cycles/Seasonality: This program will run 12 months a year even during the summer. There are community groups like a home for teen moms, that would like a class on budgeting. These classes can be given by our Ambassadors during the summer as well.

1. **Market Analysis**

**Customer Analysis**

We have several customers. The first is the students in the community that we provide a financial literacy class. The second is the TEMA Ambassador that we provide training on how to give a financial literacy presentation. We also give them career exploration opportunities with internships. The last customer is the leaders of student organizations. This is a teacher, principal, or superintendent.

**Competitive Analysis**

There are plenty of banks and other organizations giving financial literacy presentations. There are no other organizations training high school students to give financial literacy presentations in the community.

**Market Potential**

There are other organizations giving financial literacy training out in the community. We can’t oversaturate the population with too much financial literacy training.

**Current Trade Area Description:**

**Market Size and Trends**

When you consider all the schools (high school, middle school, and grade school) in the Spokane/Coeur d’Alene area. Then all the organizations that service the youth, the market size is extremely large. The trend for the need of financial education will not go away anytime soon.

**Sales Volume Potential (Current and Growth)**

The goal is to get to 1,000 Ambassadors. At that level we will be giving an average of 200 presentations a day.

1. **Marketing Strategies**

**Location/Distribution**

We will start with a pilot program at one high school then roll out to all the high schools in the Spokane/Coeur d’Alene area.

**Price/Quality Relationship**

TEMA will not charge the students or the schools for the services provided. We will be fully funded from grants and donations.

**Promotional Strategies**

Word of mouth will be the primary way of growing. We will join networking organizations like the Spokane Valley Chamber of Commerce..

**Placement/Selling Strategies**

We will start with one high school and then keep approaching other high schools to do the same thing.

**Customer Service Strategies**

We will use feedback forms and have a TEMA representative at every presentation to provide quality assurance.

**Section VI. The Financial Plan**

1. **Financial Worksheet**

**Salaries/Wages & Benefits**

Executive Director $35,000/yr

**Sales Forecasts**

Hours of time donated by TEMA Ambassadors and other staff will be counted as revenue.

Fund Raising Plans

Sponsorship Levels

Bronze Level Sponsor| Donate $250 - $999

Benefits Include:

The Opportunity to Support a non-profit organization exclusively dedicated to teaching financial literacy to our students.

A Tax Deductible Donation and Donation Receipt

Tickets for you and guest to our annual awards presentation and dinner.

Silver Level Sponsor| Donate $1,000 - $4,999

Benefits Include:

Bronze Level Sponsorship Benefits listed above

Your logo on TheExtraMileAcademy.org Website that links to your company’s website.

Gold Level Sponsor| Donate $5,000 - $10,000

Benefits Include:

Bronze Level Sponsorship Benefits listed above

Silver Level Sponsorship Benefits listed above

Opportunity to display Sponsor Banner at the awards dinner

Opportunity to provide promotional item at the awards dinner

Sponsor is recognized in announcements at the awards dinner

Platinum Level Sponsor| Donate $25,000 or More

Benefits Include:

Bronze Level Sponsorship Benefits listed above

Silver Level Sponsorship Benefits listed above

Gold Level Sponsorship Benefits listed above

**An Endowment Created in Your Name!** The donation will be conservatively invested and only a portion of the earnings will be used for a scholarship each year. These funds will be kept separate from operating funds. You can create the requirements for the scholarship. One suggestion would be to award the scholarship to an essay winner. The topic of the essay could be how the student plans to graduate college with no student loans.

The Platinum Level Sponsors will be asked to donate $30,000 and $100 a month going forward. $25,000 will go to create an endowment. This will be not used by TEMA for operations. $5,000 of the $30,000 will go towards operations as well as the $100 a month.

The first year we will have 10 Platinum Level Sponsors. They will be business people from the community that were asked to attend one of our financial literacy presentations. Once they see the value TEMA provides, they will want to be involved. $30,000 might sound like a lot of money. For a Financial Advisor, they can look at their book of business and find clients to donate. $1,000 from this client. $5,000 from this client. It will add up quickly.

The first year 10 people x $5,000 that TEMA uses for operations = $50,000 plus $100 a month or $1,200 a year going forward. The second year we will bring on 20 new Platinum Level Sponsors. 20 x $5,000 = $100,000 and $100 a month x 20 or $24,000 a year on going.

**Outside Services**

Bookkeeping ($200/mo x 12) $2,400/yr

CPA Filing the Form 990 $3,500/yr

**Cost of Projected Product Units**

Presentations (1 a week x 50 weeks = 50)

Cost for one presentation for 40 people

Pizza 3 slices per student = 12 large pizzas at $14.99 $180

Drinks 24 pack costs $10 x 2 = $20 $20

Paper plates and napkins $15

Each presentation will cost around $215. The presentation materials are provided to us at no cost.

Cost for 50 presentations (50 x $215) $10,750/yr

**Insurance**

$1,000,000 in General Liability Insurance $1,500/yr

Board of Directors Liability Insurance $750/yr

**Fixed Assets**

**Advertising Budget**

Website managed by Web.com with SSL payment option $169.95/mo x 12 $2,040/yr

Facebook boost service by Web.com 3 posts a week etc. $189/mo x 12 $2,268/yr

Spokane Valley Chamber of Commerce – Basic Business $395/yr

Greater Spokane Incorporated $500/yr

BNI (Leads Group) Annual membership fee plus monthly dues $1,000/yr

**Growth (or Start-Up) Expenses**

Start-Up Expenses are listed in the other categories.

**Occupancy Expense**

Office space is an executive suite that offers a board room and class room $6,000/yr

Phone ($40/month x 12) $480/yr

**Miscellaneous Expense**

Gas and maintenance ($150/mo x 12) $1,800/yr

Office supplies $500/yr

Client gifts $300/yr

**Total First Year Expenses $69,183**

1. **Cash Flow Projections**

**Break-Even Analysis**

Break-Even Analysis for a nonprofit is different than a for profit company. I will show hours volunteered and donations (money and items) as revenue.

**Monthly Cash Flow Projections—Year One**

Executive Director $2,117/mo

Bookkeeping $200/mo

CPA Filing the Form 990 ($3,500/yr/12=$291/mo) $291/mo

Costs to do 4 presentations a month (4 x $215 = $860) $860/mo

**Insurance**

$1,000,000 in General Liability Insurance $1,500/yr $125/mo

Board of Directors Liability Insurance $750/yr $62.50/mo

**Advertising Budget**

Website managed by Web.com with SSL payment option $169.95/mo

Facebook boost service by Web.com 3 posts a week etc. $189/mo

Spokane Valley Chamber of Commerce – Basic Business $395/yr $33/mo

Greater Spokane Incorporated $500/yr $42/mo

BNI (Leads Group) Annual membership fee plus monthly dues $1,000/yr $83/mo

**Occupancy Expense**

Office space is an executive suite that offers a board room and class room $500/mo

Phone $40/mo

**Miscellaneous Expense**

Gas and maintenance ($150/mo x 12) $150/mo

Office supplies $500/yr $42/mo

Client gifts $300/yr $25/mo

**Total Monthly Cash Flow Projections – Year One $4,930**

**Annual Cash Flow Projections—Years Two and Three**

Executive Director $4,167/mo

Bookkeeping $200/mo

CPA Filing the Form 990 ($3,500/yr/12=$291/mo) $291/mo

Costs to do 12 presentations a month (12 x $215 = $2,580) $2,580/mo

**Insurance**

$1,000,000 in General Liability Insurance $1,500/yr $125/mo

Board of Directors Liability Insurance $750/yr $62.50/mo

**Advertising Budget**

Website managed by Web.com with SSL payment option $169.95/mo

Facebook boost service by Web.com 3 posts a week etc. $189/mo

Spokane Valley Chamber of Commerce – Basic Business $395/yr $33/mo

Greater Spokane Incorporated $500/yr $42/mo

BNI (Leads Group) Annual membership fee plus monthly dues $1,000/yr $83/mo

**Occupancy Expense**

Office space is an executive suite that offers a board room and class room $500/mo

Phone $40/mo

**Miscellaneous Expense**

Gas and maintenance $300/mo

Office supplies $700/yr $58/mo

Client gifts $500/yr $42/mo

**Total Monthly Cash Flow Projections – Years Two and Three $8,882**