Activate Fund
Earned Revenue Accelerator FAQ

A. The Basics

What is the Earned Revenue Accelerator? There are four programs under the Activate Fund:

1. Nonprofit Fundamentals - direct capacity building grants to 501c3 organizations serving Wayne, Oakland, Macomb or Washtenaw counties
2. Collaboration Pilot - in-kind services such as facilitation and graphic design to support 501c3 organizations partnering formally with at least one other organization (non-profit, for-profit or government) to tackle a community challenge or issue they would not be able to address individually
3. Capacity of the Capacity Builders - through a cohort model, technical service providers of the Activate Fund will have the opportunity to convene, network, strengthen skills and shape a connected capacity building system for the region
4. Earned Revenue Accelerator - a fixed-term, cohort-based program, that includes mentorship, educational and networking components in addition to in-kind services like branding and marketing

What is the Activate Fund? The Activate Fund is a $1.5 million grant fund to support capacity building and collaboration of nonprofits in Southeast Michigan.

Why is the Activate Fund needed? Many of the capacity building programs that exist are available through foundations that may also provide other operating and programmatic support crucial to the mission of community organizations.

The Activate Fund provides funding for capacity and collaborative activity through a neutral nonprofit support organization.

Who runs the Activate Fund? Co.act Detroit administers the Activate Fund.

Co.act Detroit works with other intermediary partners and cross-sector community leaders from around the region who serve as strategic partners, advisors and external jurors to the fund.

Who funds the Activate Fund? The Ralph C. Wilson, Jr. Foundation (RCWJRF) is the inaugural funder of the Activate Fund.

What is the objective of the Activate Fund? The Activate Fund is a grantmaking strategy to support nonprofit impact in our community that invests in two core areas:

1. Building Nonprofit Capacity to Meet Mission
2. Building Network Capacity for Social Change

B. Eligibility

Who can apply to the Accelerator?

Non-profit organizations who:
1. Are a registered 501c3 in good standing with the IRS
2. Serve Wayne county*
   Organizations may serve additional counties or states, but at minimum must serve at least one community or population within Wayne county
3. Have a minimum viable product or service (MVP) already in production
4. Have minimal customer discovery and identified a target customer profile
5. Have at least six consecutive months of commercial sales history
   a. Organizations must be <u>selling</u> a product or service to be eligible. Donation-based products or services are not eligible.
   b. We recognize a lot has happened in 2020. We recognize six consecutive months of sales may have occurred pre-pandemic in 2019 or earlier. There is no time limit to when the six consecutive months of sales history has occurred, however competitive applicants are able to demonstrate more recent sales history.

c. Organizations who are pre-revenue or with less than six months of sales history, but who are planning to sell their product or service are welcome to apply. However, applicants with six-months of consecutive sales history will be given priority selection to ensure maximum value of the program offering is received.

Who is ineligible to apply?

1. Individuals.
2. Organizations that require a fiscal sponsor.
3. Organizations that discriminate on the basis of race, color, religion, gender, national origin, citizenship status, age, disability, sexual orientation or veteran status.
4. Faith-based - Organizations that require membership in certain religions or advance a particular religious faith. (Faith-based organizations may be eligible if they welcome and serve all members of the community regardless of religious belief.)
5. For-profit organizations or organizations operated to benefit for-profit organizations.
6. Academic Institutions - Community college, college and university programs that concentrate primarily on degree-granting activities.

Can I apply with a fiscal sponsor? If your organization is not a registered 501c3 in good standing, you are not eligible to apply.

Are churches eligible? Organizations that require membership in certain religions or advance a particular religious faith are ineligible. However, faith-based organizations may be eligible if they welcome and serve all members of the community regardless of religious belief through specific programming and meet other program criteria.

Only one application is permitted per organization.

C. Accelerator Details

What do I receive if selected to join the Earned Revenue Accelerator Program? Participants receive a chance to engage in **virtual** curricula led by experts on topics including:

1. Business plan, cash flow mgt., customer discovery
2. Financing, tax and legal considerations
3. Board Engagement, stakeholder buy-in, staffing + operations
4. Marketing, branding, e-commerce
5. Storytelling, pitch development + delivery
6. Navigating and pivoting operations, post-COVID

In addition, to workshops on the above topics, the cohort will have access to one-on-one office hours with the class speakers. The Accelerator is expected to run from March – June 2021.

Participants in this cohort can expect to walk away with the following elements to advance their revenue generating idea(s):

- Business Plan + Cash Flow Projections
- Impact Measurement Criteria + Metrics
- Pitch Deck + Pitch Ready
- Branding + Design Materials
- Opportunity to receive a cash award to advance idea(s)

Do participants receive funding? Some participants may receive a small Cash Award to advance idea(s). All participants will receive in-kind (non-cash) services.

Key Milestones:

- Applications launched (Jan 2021)
- Applications close (Jan 2021)
- Notifications to Participants (March 2021)
- Participants On-boarding (March 2021)
- Curriculum (March-May 2021). **Virtual** curriculum includes a rotating bi-weekly cadence of 3-hour workshops and one-on-one office hours, switching every other week.
- Pitch Preparation (May 2021)
- Graduation Celebration (May-June 2021)

D. Application Details

How do I apply? Applications must be submitted online through **Submittable** at **www.submittable.coactdetroit.com.** Applications must be submitted in full with all required attachments. Incomplete applications will not be considered and deemed ineligible.

When are applications due? 11:59pm EST January 29th, 2021

Why should I apply? The Accelerator will help your nonprofit to diversify your funding sources by growing an existing revenue-producing product or service with a three-month intensive learning cohort.

Do I have to create a Submittable account as part of the application process? Yes. Creating a Submittable account gives you access to the application and allows us to follow up with additional information, questions and opportunities. The account will allow you to easily update your application throughout the application window and receive confirmation of your submission. An email address and password is required to create an account. If you have submitted an application to the Activate Fund in the past, you can and are encouraged to use your existing profile.

Can I submit multiple applications? No. Organizations may submit one application. Organizations that submit multiple requests will automatically be deemed ineligible.

If I have questions or need help filling out my application, what should I do? Interested applicants can watch a recorded information session at https://coactdetroit.org/activate-fund/

Interested applicants may also contact Co.act Detroit directly:
activatefundinfo@coactdetroit.org ⬚OBJ⬚
313-789-1386

E. Selection Process

What is the process for selecting participants in the Accelerator cohort? Up to six (6) organizations will be chosen to participate in the cohort in a competitive selection process.

A diverse cross-sector committee of community leaders and Co.act staff will review proposals and produce a recommendation for grant awards.

> **Step One:** Eligibility Review by Co.act Staff - applicants that do not meet all eligibility criteria will be deemed ineligible and notified they will not be considered.

> **Step Two:** Scoring Review by Selection Committee - eligible applicants will receive at least two scores from the review committee.

> **Step Three:** Finalist Review and Recommendation by Jury - The jury will take into account aggregate scores as well as applicant's organization and leadership demographic data to ensure a diverse and representative grantee cohort that fosters a culture of peer learning is selected.

Notification by Co.act Detroit - all applicants will receive a notification whether or not they are selected.

How are applications scored? Applicants are scored on four criteria:

1. Demonstrable Viability and Demand - is there a demonstrated demand for this product or service?
2. Demonstrable and Catalytic Impact - how will this award help grow the organization's earned revenue stream and accelerate the ability to meet mission?
3. Capacity to participate - does the organization have available capacity to full participate in a three-month intensive cohort between March – June.
4. Alignment with Co.act Values - how do you practice and uphold transparency, equity and inclusion, quality/excellence, a collaborative learning culture and/or disrupting the status quo?

How long does the selection process take? It is anticipated participants will be selected by March 2021.

F. Additional Information

What is expected of Accelerator participants? All participants are expected to attend the twelve-week virtual course, which includes three hours of live, virtual office hours per week. We recommend organizations assign two leadership staff to attend each class so that in the event of emergency, no participant organization falls behind.

While recordings of the sessions may be available for reference, we highly encourage full, live participation to ensure that key foundational content is delivered. However, Co.act staff and class facilitators will work with awardees on a case-by-case basis in the event an awardee organization cannot attend all sessions.

Participants will also be required to participate in a final project/pitch event and submit a copy of their final business plan, cash flow analysis, pitch deck and design materials to Co.act Detroit staff. Participants may be required to sign an agreement that outlines terms and conditions for participating, including a request to share their story in response to media opportunities cultivated by Co.act Detroit.

NOTE: Out of concern for public health, all program classes, office hours and events will be provided virtually. If you have any accessibility requirements, please contact Co.act staff directly for accommodations.

How is applicant information used? Applicant information is shared with Co.act Detroit and the review committee/jury. If Co.act Detroit cannot directly help a nonprofit, we will seek to connect nonprofits with other resources.

Applicant data is used only for the award selection process and providing nonprofit support. Applicant data is not sold.