

# Paving the Way for School Success

## The Investment Partner

In the early 1980's, a group of mothers at the Cameron Valley Housing Project got some disheartening news. Their children would not be allowed to attend first grade because they had failed kindergarten and not acquired the fundamental social and academic skills deemed necessary to succeed in school. These mothers were bewildered, dismayed, and even angry. But they followed their instincts to protect and provide for their children. They created a center in a small office space at the recreation center and hired a talented teacher willing to help prepare their youngsters for school. There were only six children in that first class of preschoolers. Remarkably, all of them were classified as "gifted" when they entered the public kindergarten the following year.

Today, more than 25 years later, Child and Family Network Centers (CFNC) reaches approximately 200 three- and four-year-old children living in Alexandria's and Arlington's poorest neighborhoods through seven accredited preschool programs. Many of their parents do not speak English and need support services. So, in addition to preparing children for kindergarten, CFNC is a guide for the entire family, showing moms and dads how to

parent, how to find jobs, and how to navigate a complicated social service system. Like the mothers who started that first preschool, CFNC is preparing children—and their families—for learning and for life.

## The Investment Opportunity

CFNC aspired to grow its impact by expanding its program to reach more at-risk children and the adults who care for them. In December of 2001, VPP provided an initial investment of \$300,000 for organizational capacity building, planning, fund development and board development. The investment focused on helping CFNC management and its board define a clear direction and a scale of growth that it felt was achievable. The business planning process resulted in a solid roadmap for CFNC's future expansion. Grounded in research and demographic data, the plan was consistent with the vision of the organization and provided for reasonable and achievable growth in the Alexandria and Arlington communities—to almost double the number of children served in three years.

In 2003, VPP and CFNC entered into a two-year investment agreement to support the implementation of specific components of its strategic plan.

VPP provided an additional \$300,000 plus strategic assistance bringing its total investment to \$600,000 over a four-year period. The second investment was designed to support CFNC's senior management team expansion, fund development resources, organizational and executive coaching, and senior talent recruitment. VPP's strategic assistance supported CFNC's leadership in strengthening their organization, securing support from the Philip L. Graham Fund as a co-investor with VPP, and in engaging Patton Boggs to explore public funding opportunities.

Shortly after the completion of the planning process, the organization experienced some difficulties. Specifically some members of the board and the Executive Director were not aligned regarding the direction of the organization. As a result, there was some turnover among the board in key positions. At this time, VPP minimized its direct involvement with CFNC to allow the organization to work through its leadership challenges. CFNC successfully did so, recruited new directors and created a board unified in its support of CFNC's strategy and the vision of the Executive Director.

## Actions and Results

CFNC made a number of significant achievements throughout the duration of the investment.

- CFNC hired a Chief Operating Officer and Development Director and established clear roles and responsibilities for each.
- CFNC expanded its services into the West End of Alexandria and Arlington.
- CFNC successfully built a development function that resulted in significant foundation funding: CFNC was recognized as an Annie E. Casey Families Count honoree and received a \$500,000 grant over a three-year period. By leveraging its expansion strategy, CFNC was able to attract \$450,000 from the Freddie Mac Foundation.
- CFNC adjusted its financial model to fund the West End expansion through the City of Alexandria government subsidies. This required specific effort to identify families that qualify for this funding while still providing quality preschool education to CFNC's most needy families.
- CFNC was able to secure funding from Arlington County in the amount of \$200,000 and used the board's capacity to secure a federal earmark in the amount of \$250,000.
- During the investment period, CFNC converted all of its preschool classes to full day, improving the education and development experience for the children and families served.
- CFNC adopted the Rensselaerville Institute's model of outcomes approach and measurement on an organization-wide basis,

elevating the accountability for outcomes measurement and discipline within CFNC by integrating this work into staff evaluations

- CFNC improved the reporting, oversight and communications processes and procedures of the finance and human resource functions.

## Results

During the investment period, CFNC grew both its numbers and organizational strength. Significant results include:

- Increasing the number of children served to 207 from 120;
- Almost doubling the amount of time children spend in the program by converting from half-day to full-day programs; and
- Increasing its revenue 136% from \$1.1 M to \$2.6 M.



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