Invest Health Phase I Web-Based Learning Groups: EDUCATION AND TRAINING

September 9, 2016
If you have technical difficulties, call WebEx support at 1-866-229-3239 for assistance.

You may also submit questions using the Q&A feature on the right hand side of your screen. (Chat is disabled.)

- Please choose All Panelists from the “Send to” menu.
- Type your question and click Send.
Invest Health Competency Model

Power & Influence
Data Analysis & Use
Community Development Pipeline
High Performing Action Teams
Community Engagement
Community Systems
Access to and Use of Financial Capital
Health Equity & SDoH

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Audio difficulties? Send us a question in the Q & A panel.
Gain new program knowledge on education as a collaborative partner in community-building, as well as on school financing and construction. Other topics include:

• Financing of early childhood and charter school facilities
• Understanding how lenders review a school’s operations when considering a loan request
• Learning about business planning support for educational providers, and using supply and demand analysis to identify where investments are most needed
Agenda

1. Introduction (Karya Lustig)
2. Education and Training (Sara Vernon Sterman, Molly Melloh, Bevin Parker-Cerkez)
3. Discussion (All, Facilitated by Karya Lustig)
4. Closing (Karya Lustig)
Sara Vernon Sterman

- Serves as Vice President, Strategic Investments at Reinvestment Fund, where her focus includes expanding the organization’s work in Healthy Communities by focusing on investment models that integrate the organization’s lending and policy work in health care, childcare, food, education, social services, and affordable housing.

- Former Chief Lending Officer at Reinvestment Fund responsible for leading business development, originations, and relationship management.

- Former elementary school teacher in New York City and Washington, D.C., with the Teach for America program. Served as a program director for Teach for America in eastern North Carolina.

- Holds an MSW from the School of Social Work and an MBA from the Wharton School of the University of Pennsylvania.
Molly Melloh

- Serves as Director, K-12 Education at Reinvestment Fund, where she manages the underwriting and originating of loans financing charter school facilities
- Works with early stage, growing, and established schools to structure and deliver flexible financing that supports needs
- Former Loan Officer and Analyst at Reinvestment Fund
- Degrees in Public Administration, Nonprofit Financial Management (NYU, MPA) and Business Administration, Finance, and Marketing (Villanova University, B.S.)
Bevin Parker-Cerkez

- Serves as Director, Early Childhood Education at Reinvestment Fund and Project Co-Director of the Fund for Quality, a targeted investment fund that is expanding the availability of quality early childhood education and care opportunities for low-income families in Philadelphia
- Former Loan Officer and Analyst at Reinvestment Fund
- Served as Program Manager for the Philadelphia Parks Alliance
- Degree in Economics and Policy Studies (Syracuse University, B.A.)
Education and Training

Sara Vernon Sterman, Molly Melloh, Bevin Parker-Cerkez

Reinvestment Fund
Agenda

• Introductions
• Assessing School Operations
  • Program & Organizational Capacity
  • Business Operations
• Managing the School Facility Development Process
  • First Steps
  • Timeline
  • Project Budget
  • Project Challenges
Reinvestment Fund has invested over $354 million in 92 K-12 schools and has provided nearly $20 million, to create 17,000 child care slots in early learning settings.

- Bevin Parker-Cerkez, Director, Early Childhood Education
- Molly Melloh, Director, K-12 Education
- Sara Vernon Sterman, Vice President, Strategic Investments
Assessing School Operations: *Program*

**Mission / Programmatic Niche**
- Quality program
- Services for specific populations

**Market Knowledge**
- Understanding community needs
- Data informed decisions

**Enrollment / Demand**
- Driven by program and market
Assessing School Operations: *Program*

**Organizational Systems**
- Quality and performance tracking
- Strong financial accountability

**Staffing & Governance**
- Board development
- Strong management
- Cultivating leadership and succession planning
Assessing School Operations: *Business*

**Historic Financials**

- Financial statements
- Trends
- Liquidity
- Leverage
Assessing School Operations: Business

Cash Flow Projections

- Realistic assumptions
- Managing public / private funding
- Program vs. occupancy expense (10-20% occupancy)
- Debt service or lease coverage
Facility Development Process: *First Steps*

**Define Project:**
**Lease, Buy, or Build?**

- Needs assessment, affordability and feasibility analysis
- Analyze multiple options & deliver workable solutions
- Facility project aligned with program goals: short term and long term
- Facility project aligned with community need
Facility Development Process: *First Steps*

**Identify Project Manager:** Who is guiding process?

- **Internal capacity** – Key use of board or advisors, identify point person
- **Professional capacity** – Explore engaging with project manager, experienced architect and contractor
Project budget should include:

- Predevelopment costs
- Acquisition
- Hard costs (construction)
- Soft costs (permits, legal fees)
- Contingencies (10% hard cost, 5% soft cost)
- FF&E
- Closing costs & financing fees
Facility Development Process: *Project Budget*

Predevelopment costs:

- Architect fees
- Appraisal
- Environmental studies
- Property assessments
- Permits
- Professional services
Facility Development Process: *Project Budget*

Identify project budget SOURCES:

- At least 10% equity
- If grants are available, will they be received when needed?
- How much debt can the school support?
- How will predevelopment costs be paid?
Facility Development Process: *Where to look for help?*

**Common stumbling blocks:**
- Equity / Project Gaps
- Predevelopment costs
- Human capacity
- Project navigation (title, permits, zoning, environmental)

**Resources:**
- Data and Market Analysis
- Grants
- Technical Assistance
Facility Development Process: Example

www.FundForQuality.org
INVEST HEALTH
Strategies for Healthier Cities
A Project of the Robert Wood Johnson Foundation
and Reinvestment Fund

DISCUSSION

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Dial-in Instructions

Please see the instructions below to link your online presence with the teleconference.

1. Click on the phone icon with the question mark at the bottom of the Participants panel to request to dial in. (See red circle in Figure 1.)

2. Choose “I will call in” from the pop-up dialogue box.

3. Then, use the three-step dial-in information (Figure 2) to join the teleconference. You should then see a phone icon (📞) next to your name.

4. Please mute the audio on your computer to avoid interference.
Participate in the Discussion

If you would like to contribute to the discussion, please

• **raise your hand** to be called on (and unmuted); or

• write to us using **Q&A**.

Please send typed comments/questions to **All Panelists** and hit **Send**.
Thank you!

www.investhealth.org

Upcoming Learning Group Webinars:
Housing 9/19
Transportation 9/20

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