Portfolio Management

How much do we do? Who belongs to our community?

The Impact Commons Toolkit

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Purpose & Outcomes

- Review the available data in the field scan as it relates to fiscal sponsors’ portfolios with the focus on:
  - Size and complexity of the portfolio
  - Supports vs portfolio
  - Portfolio balance by type of organization and mission
- Review other portfolio measures influencing day-to-day management, new project intake, and investment related decisions
- Review tools and systems that could be used to oversee and manage the present portfolio and plan for future change/growth
What are the key drivers of shared business model?

Do you maintain sufficient cash balances (operating capital) for your organization and the portfolio to operate?

What are your whole costs-to-deliver your support?

Organizational and Portfolio Liquidity

Portfolio Size and Complexity

Awareness of Full Costs

Cost Recovery Approaches

How diversified, forecastable, sustainable and renewable your portfolio is?

Do you and the portfolio have sufficient working capital (net assets) to innovate, take risks, and grow?
Field Scan Results
Sponsors with portfolios over 100 projects accounted for 72% of all reported project expenses under management.

Sponsors with $1-$50M in overall expenses managed the greatest diversity of portfolio sizes and the majority of overall projects: 10,414 projects or 85% of all projects reported, but only 14% of overall expenses.

51% of respondents’ portfolios were >60% of overall organizational expenses.
What does your portfolio look like?

<table>
<thead>
<tr>
<th>Area of Impact</th>
<th>Total</th>
<th>Median</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall organizational expenses (n=99):</td>
<td>$3,870,409,607</td>
<td>$5,353,534</td>
<td>$38,704,096</td>
</tr>
<tr>
<td>Overall organizational revenues (n=99):</td>
<td>$4,486,634,197</td>
<td>$5,977,890</td>
<td>$44,866,342</td>
</tr>
<tr>
<td>Number of sponsored projects (n=100):</td>
<td>12,184*</td>
<td>29</td>
<td>122</td>
</tr>
<tr>
<td>Total sponsored project portfolio expenses (n=96):</td>
<td>$2,464,522,820</td>
<td>$3,226,137</td>
<td>$25,672,113</td>
</tr>
<tr>
<td>Total sponsored project portfolio revenues (n=59):</td>
<td>$2,602,508,804</td>
<td>$4,727,191</td>
<td>$44,110,319</td>
</tr>
<tr>
<td>Government funding to sponsored projects reported by respondents (n=46):</td>
<td>$576,396,746</td>
<td>$542,385</td>
<td>$12,530,364</td>
</tr>
<tr>
<td>Number of sponsored project employees (n=55):</td>
<td>7,433</td>
<td>26</td>
<td>135</td>
</tr>
<tr>
<td>Number of sponsored project independent contractors (n=63):</td>
<td>11,169</td>
<td>63</td>
<td>177</td>
</tr>
<tr>
<td>Total employee payroll (n=50):</td>
<td>$412,194,079</td>
<td>$1,093,473</td>
<td>$8,412,124</td>
</tr>
<tr>
<td>Total conactor expenditures (n=52):</td>
<td>$188,203,895</td>
<td>$951,909</td>
<td>$3,619,306</td>
</tr>
</tbody>
</table>
Portfolio and support staff comparison

# of Projects vs. Support Personnel by Budget size

- Extra Large (50M and above)
- Large (between 10M and 49M)
- Medium/Large (between 1M and 10M)
- Medium (between 500K and 999K)
- Small (between 100K and 499K)
- Extra Small (under 100K)

# of projects sponsored vs. # of support staff
## Portfolio and support staff comparison (excluding Large Model C Only projects)

<table>
<thead>
<tr>
<th>Portfolio Size</th>
<th># of projects sponsored?</th>
<th># of staff supported?</th>
<th>Support staff per project</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extra Small (Under 10 Projects)</td>
<td>78</td>
<td>49</td>
<td>63%</td>
</tr>
<tr>
<td>Small (10 to 29 projects)</td>
<td>457</td>
<td>137</td>
<td>30%</td>
</tr>
<tr>
<td>Medium (30 to 99 projects)</td>
<td>1,406</td>
<td>494</td>
<td>35%</td>
</tr>
<tr>
<td>Large (over 100 projects)</td>
<td>2,460</td>
<td>377</td>
<td>15%</td>
</tr>
</tbody>
</table>
Regular public reports on the work &/ impact of FS program?
What do we want and need to measure?
Do you use a portfolio management tool(s)?

Click [Present with Slido](https://app.slido.com/) or install our [Chrome extension](https://chrome.google.com/webstore/detail/slido-app/bokeplkalfklajbfimlpggbljmgclmgn) to activate this poll while presenting.
What do you measure?

Click Present with Slido or install our Chrome extension to activate this poll while presenting.
Why portfolio management is important for you?

Click Present with Slido or install our Chrome extension to activate this poll while presenting.
Key performance indicators - Portfolio

- Total # of projects supported
- Total revenues under management vs overall organization
- Total expenses under management vs overall organization
- Total shared cost collected vs overall organization
- Total beginning and ending net assets and cash for the portfolio vs overall organization
- Spending Rate vs overall organization
Key performance indicators - Portfolio

- Average effective rate charged
- # of employees employed, # of employees providing supports
- # of contractors contracted, # of grants issued
- Total Government funds managed
- Total International funds managed
- # of states and countries operated
Key performance indicators - Projects

- Projects by mission type
- Projects by type of support (models?)
- Projects by financial activity (revenues, expenses, shared costs)
- Projects by relationship life-cycle (new, transitioning, inactive)
- Projects by support manager
- Projects by level of effort of support provided & or estimated
Key performance indicators - Projects

- Liquidity (Available Cash)
- LUNA (Available Net Assets)
- Largest and smallest contributors
- Projects by revenue composition
- Projects by expense composition
- # of employees by project
- # of contracts, grants by project
Key performance indicators - Projects

- Leadership model
- Demographics of the leader
- Stage of Advisory board
- Leadership transition
Key performance indicators - Changes

- Change in overall revenues and # of revenue streams
- Changes in projects’ net assets and cash balances over time
- Changes in expenses and # of contracts, # of employees
- # of projects staying static or becoming insolvent
Starting point
Considerations and recommendations

- Build (and consistently update) tools that help you understand your current portfolio.
- Use this data to inform future portfolio aspirations, assess current portfolio sustainability, project changes over time, and inform additional resources and investments.
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58% of respondents were organizations operated between $1 million and $49 million in expenses, with the largest single cohort ("Medium/Large" at 41%) operating between $1 million and $10 million.

<table>
<thead>
<tr>
<th>Organization's features</th>
<th># of Organizations responded</th>
<th># of Projects sponsored</th>
<th>Total expenses of fiscally sponsored projects</th>
<th>Total expenses of organizations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very Small (under $100K)</td>
<td>4</td>
<td>18</td>
<td>$72,313</td>
<td>$160,611</td>
</tr>
<tr>
<td>Small (between $100K and $499K)</td>
<td>10</td>
<td>211</td>
<td>$8,767,724</td>
<td>$2,134,613</td>
</tr>
<tr>
<td>Medium (between $500K and $1M)</td>
<td>12</td>
<td>284</td>
<td>$4,796,166</td>
<td>$9,185,201</td>
</tr>
<tr>
<td>Medium/Large (between $1M and $10M)</td>
<td>41</td>
<td>4,178</td>
<td>$122,312,983</td>
<td>$187,113,798</td>
</tr>
<tr>
<td>Large (between $10M and $49M)</td>
<td>17</td>
<td>6,236</td>
<td>$239,277,689</td>
<td>$366,410,846</td>
</tr>
<tr>
<td>Very Large ($50M and above)</td>
<td>16</td>
<td>1,257</td>
<td>$2,089,295,945</td>
<td>$3,305,404,547</td>
</tr>
<tr>
<td>Grand Total</td>
<td>100</td>
<td>12,184</td>
<td>$2,464,522,820</td>
<td>$3,870,409,607</td>
</tr>
</tbody>
</table>