



**Chicago Commons
Strategic Plan FY2016 – FY2018**

May 2015

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1. Executive Summary

Building on our 120+-year legacy of service to communities and families, Chicago Commons embarked upon a strategic planning process in late 2014 to engage all of our stakeholders in thought and conversation about the strategic pillars that will help guide our leadership through Fiscal Years 2016-2018. Our Board and staff came together to reflect on the settlement house history that has shaped our culture, values and focus, and the emerging trends that will impact our priorities and outcomes over the next few years.

We recognize that government cutbacks, increasing demand for our services, and the changing demographics throughout the Chicago metro area will require us to be incredibly adaptive, neighborhood focused and fiscally prudent as we always have been as we strengthen our core programs and explore new opportunities. We will continue to strengthen our ability to serve families and communities with the greatest needs for education, care and stabilization. As part of our growth, we will explore opportunities to expand our brand and services beyond our core communities yet continue to serve our mission without undue risk.

The Board and executive staff revisited the core values and beliefs that guide Commons, and discussed Commons' core mission (what do we do, why do we do it, who do we serve, and what benefits/changes do we create). A decision was made to form a small group in the near future, to revisit Commons' current mission statement, which is: "To partner with individuals, families, and communities to overcome poverty, discrimination, and isolation."

The Board and executive staff also identified the following 4 key strategic items that Commons needs to consider: (i) Sustainable Growth, (ii) New Opportunities, (iii) Delivering Value to Clients, and (iv) Leadership.

More specifically, we came up with the following 8 strategic priorities for Commons' next 3 years of growth:

1. **Accelerate growth including via acquisition** – we expect to grow our annual budget to \$42 million by FY2018, pursuing non-governmental, revenue-generating opportunities in senior care and child care, and increasing our impact in communities by using more integrated holistic approaches in our child care centers, senior care services and adult education programming.

2. **Develop social enterprise model** – we will develop sustainable, private pay models in our senior care and child care programs and services so that at least 10% of our total revenues will be derived from private pay activities.
3. **Ensure financial sustainability and establish an endowment** – we will reduce our reliance on government funding to 75% of the budget so that it is more in line with our peers while increasing our fundraising efforts to build a \$3 million endowment to sustain us during more difficult years.
4. **Strengthen Commons' brand name** – we will deepen Commons' reputation as the premier service provider and thought leader in all of our program areas.
5. **Establish Commons as a data-driven, outcome-focused organization supported by necessary infrastructures** - we will be the undisputed champion at measuring outcomes and communicating success as measured by relevant key performance indicators for each service.
6. **Increase employee engagement** – we will position Commons as the best place to work as we enhance our staff training, development, succession plans and work culture.
7. **Increase advocacy** – we will develop a culture of advocacy for policies and funding at all levels of government for our program areas.
8. **Strengthen and develop the Board** - we will develop a stronger, more cohesive, diverse and engaged Board to ensure its leadership and commitment to support the strategic plan.

Based on these strategic priorities, we further developed a set of actions for Years 1-3 that are necessary for us to undertake in order to achieve our strategic goals.

While we recognize that the eight strategic priorities are closely related and highly interdependent, we believe that each priority deserves an intentional focus and energy for Commons to continue to be a leader with a sustainable operating model. Our Board and staff are committed to overseeing and executing these strategic priorities in the next 3 years so that Commons is positioned to be a leader and innovator for the next hundred years.

2. History and Background

Brief Overview of Chicago Commons' History and Evolution

For 120+ years, Chicago Commons has been committed to partnering with individuals, families, and communities to overcome poverty, discrimination, and isolation. Today, Commons directly serves 3,000 children, youth, adults and seniors in four Chicago neighborhoods, while impacting 10,000 people annually including parents, caregivers and children of program participants. Emerging from its settlement house roots from its founding in 1894, Chicago Commons continues to maintain its deep neighborhood focus in select neighborhoods. At the same time, Commons is adapting to changing demographic and economic trends, and as the needs and opportunities arise, by offering some services beyond those specific neighborhoods. By being adaptable and nimble, we can serve more in-need population while becoming more financially sustainable at the same time.

Brief Recap of the Last Strategic Plan

The following were the five strategic objectives outlines in the previous strategic plan (developed for FY2012-FY2014), and the accomplishments to-date under each:

i. Lead neighborhood educational improvements

- Secured \$1 million grant from Chicago Public School, adding 50 additional Head Start slots
- Passed stringent Federal Head Start review
- Children showed various improvements in learning (e.g., 91% of 0-3 year-old's showed increases in social-emotional learning; 92% of 3-5 year-old's showed increases in language skills, etc.)

ii. Respond to community development needs in target neighborhoods

- Seamlessly took over Association House's Center for Working Families (CWF) in West Humboldt Park
- In FY2014, 56 CWF clients achieved 90-day steady employment
- Remaining as the only partner at Piccolo Elementary School in West Humboldt Park; established Parent University there; and serving 40 students from 3rd to 5th grades

iii. Expand senior care services

- Hired new leadership – VP of Senior Care, and Director of Home Care

- Successful relocation of Adult Day Service to Commons' 50th Street location, with major quality upgrade
 - Received necessary license to provide private pay services
 - Absorbed Bethel New Life's clients; doubled # served to 1,300
 - Enhanced verification and billing system
- iv. Improve condition of finances and agency technological infrastructure**
- Improved net assets and cash on hand
 - Hired new leadership – VP of External Affairs
 - Recruited 9 new corporate funders; several renewed & increased funding
 - Created key indicator dashboard
- v. Develop stronger, more engaged and influential Board**
- Added 3 new members to the Governing Board
 - Conducted Board fund-raising retreat
 - Transitioned Associate Board to Friends of Commons
 - Launched Chicago Commons Emerging Leadership Council

3. Key Strategic Questions

The strategic planning process aimed to address the following key strategic questions:

Mission & Value: Who is Chicago Commons? What are Commons' core beliefs?

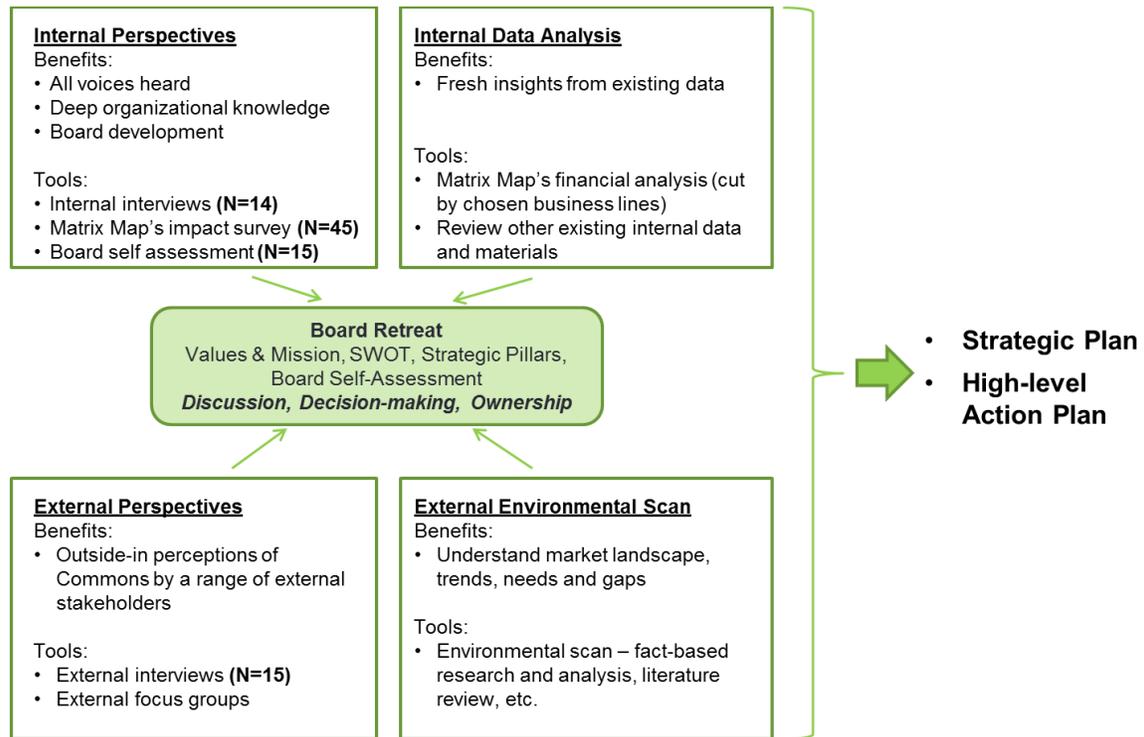
Priorities: How should Commons prioritize its activities? How should it strengthen its prioritized activities? How can it stay financially sustainable? What opportunities will Commons say “no” to?

Alignment: How can Commons better integrate silos to benefit from potential synergies? What roadblocks exist that might prevent Commons from achieving its goals? What resources and capabilities are needed to overcome the roadblocks, and build and grow Commons towards its goals? How can the Board best help to guide and provide oversight?

4. Overview of Strategic Planning Process

We retained a consulting firm, CiTTA Partnership, to help guide our strategic planning process. The CiTTA team conducted comprehensive internal and external assessments, using a variety

of instruments such as in-depth 1-on-1 interviews, focus groups, Board self-assessment and impact surveys, as well as performing external environmental scans and reviewing internal financial and other data. The following chart illustrates this multi-pronged approach that they took:



The numbers in brackets in the above chart show the number of individuals who were interviewed, or who responded to the impact survey or the Board self-assessment survey. The internal interviews included select Board members. The external interviews included a wide range of stakeholders, from funders to partners, clients and other consultants. In addition, the CiTTA team conducted two separate focus groups, one with Child Development's community partners and one with Child Development's Parent Policy Council members. In all interviews, surveys, and focus groups, anonymity was promised, in order to encourage individuals to provide honest feedback.

The CiTTA team presented the research data and insights at a 2-day retreat attended by Commons' Board members and senior executives. After the presentation, retreat attendees broke out into small groups to have focused conversations as facilitated by the consultants. Attendees discussed the key mission and values for Chicago Commons, as well as reached

consensus around the strategic priorities for Commons in the next three years, and the key, high-level, action items that are necessary to achieve those strategic goals.

The following sections describe the outcome from those conversations, and Section 9 provides a summary of the environmental scan research data and insights.

5. Mission and Values

Chicago Commons' current mission is

“To partner with individuals, families and communities to overcome poverty, discrimination and isolation.”

The Board and senior executives sought to validate this mission and developed the following words to describe the essence of Commons – its core purpose:

- Help, Impact, Empower
- Forward, Growing, Vitality
- Caring, Compassionate
- Learning, Resourceful
- Commit
- Lead
- Transcend
- Maintain Integrity
- Innovate

The following are Ideas that the Board and senior executives agreed were so important that we can never violate them under any circumstances:

- Ethics, Integrity, Doing the Right Thing
- Quality
- Connect to / Support Community
- Care About and Respect People
- Stay True to the Spirit of the Mission
- Empowering Clients
- Serve Those with Fewest Opportunities
- Be Sustainable
- Support Nuclear Family
- Settlement House Roots

Based on these core purpose and beliefs, the Board and senior executives proceeded to answer the following key mission questions:

- What do we do?
- Why do we do it?
- Who do we serve?
- What are the benefits/changes that we create?

Appendix I shows the group’s responses to these questions. Retreat attendees then agreed that a small group will be organized to revisit Commons’ mission statement by Spring 2016 - Sarah Frick, Senior VP of External Affairs & Strategy, will lead that process.

6. Strategic Vision for Chicago Commons

The Board and senior executives identified the following 4 key strategic items that Commons needs to consider:

- a. Sustainable Growth
- b. New Opportunities
- c. Delivering Value to Clients
- d. Leadership

More specifically, we came up with the following 8 strategic priorities for Commons’ next 3 years of growth, as informed by the environmental scan research summarized in Section 9:

| Strategic Priority | 3-Year Vision - “In 3 years’ time, Commons will...” |
|--|--|
| 1. Accelerate growth including via acquisition | <ul style="list-style-type: none"> • Position child care centers to act as family hub creating a holistic model of services integrating Adult Education programming on-site to serve 60 families annually where 75% will increase earnings, find employment and receive customized family treatment plans. • Increase budget to \$42 million (including: \$4.0 million in private pay (non-governmental), \$4.7 million in Managed Care; and \$2.0 million in private donations). • Offer a formalized skills-based volunteer program utilizing 50 volunteers annually, growing by 20% each year. • Develop holistic program model to expand |

| | |
|--|---|
| | <p>programs by: Senior Care to serve 1,000 more clients annually; achieve 100% family enrollment for Child Care; Expand Adult Education Program to serve 1,000 clients through the integration of family hub model.</p> |
| 2. Develop social enterprise model | <ul style="list-style-type: none"> ● Offer fee-based private-pay services in child care and/or senior care, contributing to at least 10% of revenue. ● Explore launch of 1 new fee-for-service child care facility. |
| 3. Ensure financial sustainability and establish an endowment | <ul style="list-style-type: none"> ● Reduce government funding to 75% of revenue through strategic alliance and acquisition. ● Secure \$3 million endowment. |
| 4. Strengthen Commons' brand name | <ul style="list-style-type: none"> ● Position Chicago Commons as thought leader in all program areas as measured by: # of requests for Chicago Commons' voice at presentations / decision-making opportunities. ● Fully integrate customer-centric enrollment strategy as measured by achieving: 100% enrollment; 50% referrals; 95% rated at or above expectation in customer satisfaction surveys. |
| 5. Establish Commons as a data-driven, outcome-focused organization supported by necessary infrastructures | <ul style="list-style-type: none"> ● Be the undisputed champion at measuring outcomes and communicating success as measured by relevant key performance indicators for each service. ● Use an IT system that integrates information through all programs and tracks outcomes to support continuous improvements across the organization. ● Be data-driven with fully functional billing & CRM across all service lines that supports projected growth in revenue to \$42 million and improved efficiency. ● Create a dashboard with metrics that will support decision-making and will be reviewed at each Board meeting. |
| 6. Increase employee engagement | <ul style="list-style-type: none"> ● Provide leadership development and training for second-tier management so the organization has built-in succession plan. ● Position Commons as best place to work as measured by: increase of 20% applications; 70% retention rate. |

| | |
|--|---|
| | <ul style="list-style-type: none"> ● Ensure all of Commons' employees are vested in its outcomes, mission, growth and success as measured by individual performance plans. ● All of Management are entrepreneurship-minded/trained to implement strategic initiatives of the organization. |
| <p>7. Increase advocacy</p> | <ul style="list-style-type: none"> ● Gain a stronger position legislatively as demonstrated by developing minimum of 20 meaningful relationships with legislators resulting in \$100,000 capital grant. ● Develop a culture of advocacy as measured by # of letters sent by Commons employees and supporters; # of advocacy days (2) attended by staff; host bi-annual trainings for staff and participants. ● Establish line item in state budget for child care. ● Monitor senior care policy to ensure program remains funded at capacity. |
| <p>8. Strengthen and develop the Board</p> | <ul style="list-style-type: none"> ● Have a stronger, more cohesive, engaged Board as measured by each Board member attending at least 85% of all Board meetings and at least 50% of all Commons' special events; effectiveness of working groups; event participation. ● Have a more diverse Board as demonstrated by break out of gender, race, ethnicity and professional background in creative ideas flowing from Board, with some added focus on child care and senior care. ● Have a Board where 100% of its members have participated in estate planning training. ● Ensure CELC provides value as demonstrated by # of individuals they connect on behalf of Commons, \$ raised and is self-run. ● Develop approximately 10% of CELC members to be ready for transition to the Board as vacancy allows. |

7. Year 1 Actions Towards Achieving Strategic Vision

Strategic Priority 1: Accelerate Growth, Including Via Acquisition

3-Year Vision:

- Position child care centers to act as family hub creating a holistic model of services integrating Adult Education programming on-site to serve 60 families annually where 75% will increase earnings, find employment and receive customized family treatment plans.
- Increase budget to \$42 million (including: \$4.0 million in private pay (non-governmental), \$4.7 million in Managed Care; and \$2.0 million in private donations).
- Offer a formalized skills-based volunteer program utilizing 50 volunteers annually, growing by 20% each year.
- Develop holistic program model to expand programs by: Senior Care to serve 1,000 more clients annually; achieve 100% family enrollment for Child Care; Expand Adult Education Program to serve 1,000 clients through the integration of family hub model.

Year 1 Catalyst Deliverables:

- Develop Family Hub growth model
- Working with consultant, develop list of high potential acquisition targets
- Implement strategic volunteer plan

| Action # | Description | Deliverable | Skills or Resources Required | Who Will Execute? | Dependencies | Revenue Opportunity? (Y/N) |
|----------|---|---|---|---|--------------|----------------------------|
| 1.1 | Develop a growth strategy through Family Hub Implementation | A growth strategy grounded in facts, while containing stretched goals, key milestones, and ownership, that will allow Chicago Commons to achieve the 3-year vision as outlined in Section 7 above | Dedicated resource to take the research from the strategic planning process, and conduct additional detailed research as needed, to develop the growth strategy | Hiring a consultant or consultant team/ Management Team | N/A | Y |
| 1.2 | Identify child care acquisition target | A list of high-potential (non-and for-profit) targets, with rationale and | Research, business planning, financial (M&A), and legal | Consultant, Sarah, Edgar, Dhiren | N/A | Y |

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|-----|-------------------------------------|---|---|---|-------------------------------|----------------|
| | | estimated investment needs, vetted by the Board | expertise | | | |
| 1.3 | Explore joint venture opportunities | Proposal on potential joint ventures, if any, with rationale, vetted by the Board | Research, business planning, financial (M&A), and legal expertise | Consultant , Sarah, Edgar, Will, Dhiren | N/A | Y |
| 1.4 | Implement volunteer program | A staff member developed to oversee program | Development/volunteer experience | Sarah and Carolyn | Funding for staffing position | Y – indirectly |

Strategic Priority 2: Develop Social Enterprise Model

3-Year Vision:

- Offer fee-based private-pay services in child care and/or senior care, contributing to at least 10% of revenue.
- Explore launch of 1 new fee-for-service child care facility.

Year 1 Catalyst Deliverables:

- Creation of two financial projection models to determine feasibility and how best to execute fee-based services (includes securing \$500k grant to explore options)
- Evaluate opportunities to export Reggio model, positioning Commons as leader in education trainings
- Hire VP of Education with entrepreneurial background

| Action # | Description | Deliverable | Skills or Resources Required | Who Will Execute? | Dependencies | Revenue Opportunity? (Y/N) |
|----------|---|--|---|-----------------------------|----------------------|----------------------------|
| 2.1 | Conduct financial modeling of social enterprise model, for private-pay senior care and private-pay child care | Two financial projection models, each with scenario analysis based on sound assumptions and sector / market research | Chicago Commons Leadership and Business and financial modeling skills, market research & analysis | Dhiren, Sarah, Janice, Cary | Capital, credit line | Y |

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| 2.2 | Secure \$500,000 grant to develop a social enterprise business model/fee for service model | A prospect list generated and \$500,000 grant secured | Grant writer, funder relationship building | Sarah, Grant Writer, Carolyn | Ability to secure funding | Y |
| 2.3 | Conduct a (real) feasibility study to evaluate exporting the Reggio model | Completed feasibility study report with recommendations | Resources for planning and executing the feasibility study (suggest starting with existing community partners) | Sarah, Edgar, Janice | Development of draft Reggio training materials to test the market with | Y |
| 2.4 | Hire VP with entrepreneurial background to implement private pay model | HR to complete job description | Self-motivated; entrepreneur, collaboration | Carman and Edgar | Financial Constraints | Y |

Strategic Priority 3: Ensure Financial Sustainability and Establish an Endowment

3-Year Vision:

- Reduce government funding to 75% of revenue through strategic alliance and acquisition.
- Secure \$3 million endowment.

Year 1 Catalyst Deliverable:

- Host strategic tours with legacy board members (6 in FY 16)
- Create 4 new corporate relationships out of 8 identified

| Action # | Description | Deliverable | Skills or Resources Required | Who Will Execute? | Dependencies | Revenue Opportunity? (Y/N) |
|----------|--|--|----------------------------------|--|---|----------------------------|
| 3.1 | Legacy Board members go on "tours" to visit former | At least 6 tours conducted, resulting in \$2 million | Relationship building, "selling" | All Board Members, Sarah, Edgar, Carolyn | Former volunteers engagement with Commons | Y |

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| | Commons supporters for planned giving | commitment from supporters | | | | |
| 3.2 | As new companies move to Chicago, extend a welcome and find out how Commons can leverage a partnership model | At least 4 new corporate relationships built, with 8 potential partnerships identified | Relationship building, partnership building | Sarah, Carolyn, Edgar, Will, Mary | A system and process to track new companies and progress with corporate relationship building | Y |

Strategic Priority 4: Strengthen Commons' Brand Name

3-Year Vision:

- Position Chicago Commons as thought leader in all program areas as measured by: # of requests for Chicago Commons' voice at presentations / decision-making opportunities.
- Fully integrate customer-centric enrollment strategy as measured by achieving: 100% enrollment; 50% referrals; 95% rated at or above expectation in customer satisfaction surveys.

Year 1 Catalyst Deliverables:

- Establish Communications Task Force (board and staff)
- Draft Chicago Commons value proposition
- Meet with 6 SVP of Community Relations
- Develop customer-centric marketing strategy

| Action # | Description | Deliverable | Skills or Resources Required | Who Will Execute? | Dependencies | Revenue Opportunity? (Y/N) |
|----------|---|--|--|---|---|----------------------------|
| 4.1 | Establish a task force on brand, marketing, and communications strategy | Task force established | Brand, marketing, and communications expertise | Board Marketing Expert, Sarah and Carolyn | N/A | N |
| 4.2 | Define Chicago Commons' value proposition | A well-written, clear and concise copy describing "why | Marketing, branding, communications | Brand, Marketing and Communications Task | The timely establishment of this task force | N |

| | | | | | | |
|-----|--|--|--|--------------------------|---|----------------|
| | | Chicago Commons” | | Force, Sarah and Carolyn | | |
| 4.3 | Secure meetings with every SVP of community affairs in Chicago to explain what we do (it’s not about asking for money) | Meet with at least 6 new SVPs. A documentation of successes, challenges, and the SVPs’ feedback. | Marketing, communications, outreach, relationship-building | Sarah, Edgar, Carolyn | The timely establishment of this task force. And, a system and process to track outreach to these SVPs. | Y – indirectly |
| 4.4 | Develop a customer-centric marketing strategy | Completed customer-centric marketing strategy document | Marketing. Research (interviews, surveys, etc.). | Sarah and Carolyn | The timely establishment of this task force. | Y – indirectly |

Strategic Priority 5: Establish Commons as a Data-driven, Outcome-focused Organization Supported by necessary infrastructures

3-Year Vision:

- Be the undisputed champion at measuring outcomes and communicating success as measured by relevant key performance indicators for each service.
- Use an IT system that integrates information through all programs and tracks outcomes to support continuous improvements across the organization.
- Be data-driven with fully functional billing & CRM across all service lines that supports projected growth in revenue to \$42 million and improved efficiency.
- Create a dashboard with metrics that will support decision-making and will be reviewed at each Board meeting.

Year 1 Catalyst Deliverable:

- Obtain 2-year grant to hire consultants
- Develop effective external communication vehicles
- Ensure staff across organization have clear understanding of core data deliverables

| Action # | Description | Deliverable | Skills or Resources Required | Who Will Execute? | Dependencies | Revenue Opportunity? (Y/N) |
|----------|--|----------------------------------|--|-----------------------------------|--------------|----------------------------|
| 5.1 | Obtain a 2-year grant to hire consultants to develop | Grant secured, consultants hired | Grant writing. RFP process management. | Sarah, Edgar, Grant Writer, Cary, | Budget | N |

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|-----|--|--|-----------------------------|--|-----|---|
| | fully functional outcomes management, billing, and CRM systems | | | Janice, Dhiren, Rahman | | |
| 5.2 | Develop external communication vehicles | Effective cross-functional communication vehicles developed and used by all staff with ease - positive feedback from staff, clients, partners, and funders | Operations and HR expertise | Sarah, Carman, Cary, Janice, Rahman | N/A | N |
| 5.3 | Create a data-driven organizational culture | Staff across the organization have clear understanding of core data deliverables | Data-driven staff | Carman, Sarah, Edgar, Dhiren, Cary, Janice, Rahman | N/A | N but has potential to drive data which supports grant-making/fundraising efforts |

Strategic Priority 6: Increase Employee Engagement

3-Year Vision:

- Provide leadership development and training for second-tier management so the organization has built-in succession plan.
- Position Commons as best place to work as measured by: increase of 20% applications; 70% retention rate.
- Ensure all of Commons' employees are vested in its outcomes, mission, growth and success as measured by individual performance plans.
- All of Management are entrepreneurship-minded/trained to implement strategic initiatives of the organization.

Year 1 Catalyst Deliverable:

- Launch training sessions for staff aligned with IT
- Develop talent acquisition plan and timeline
- Outline potential pay-for-performance plan
- Distribute employee engagement survey

| Action # | Description | Deliverable | Skills or Resources Required | Who Will Execute? | Dependencies | Revenue Opportunity? (Y/N) |
|----------|---|---|--|---------------------|--------------|----------------------------|
| 6.1 | Seek volunteers to do IT professional development for the staff | Training sessions for appropriate staff who support the IT function | Volunteer IT professional with key skills | Dhiren and Carman | N/A | N |
| 6.2 | Develop a talent acquisition strategy and process | Talent Acquisition Strategy Plan and Timeline | Train and/or hire talent acquisition manager | Carman and Team | N/A | N |
| 6.3 | Implement Pay-for-Performance | Pay-for-Performance Implementation Plan | Benchmark pay for performance plans in non-profits | Carman, Edgar | N/A | N |
| 6.4 | Conduct Gallup employee engagement survey | Develop an action plan based upon baseline assessment | Baseline assessment | Carman and Team | N/A | N |
| 6.5 | Develop internal communication vehicles | Launch intranet for staff, employee newsletter | Technology, web | Carman, IT, Carolyn | | |

Strategic Priority 7: Increase Advocacy

3-Year Vision:

- Gain a stronger position legislatively as demonstrated by developing minimum of 20 meaningful relationships with legislators resulting in \$100,000 capital grant.
- Develop a culture of advocacy as measured by # of letters sent by Commons employees and supporters; # of advocacy days (2) attended by staff; host bi-annual trainings for staff and participants.
- Establish line item in state budget for child care.
- Monitor senior care policy to ensure program remains funded at capacity.

Year 1 Catalyst Deliverables:

- Outline advocacy strategy that identifies key issues impacting Chicago Commons
- Generate dollars through relationship building, trips to Springfield, donor tours
- Management staff work collaboratively to determine advocacy goals
- Advocate for line items in FY'17 state budget

| Action # | Description | Deliverable | Skills or Resources Required | Who Will Execute? | Dependencies | Revenue Opportunity? (Y/N) |
|----------|--|--|---|--|--------------|--|
| 7.1 | Research Federal/State policies and vet them against our goals | Advocacy Strategy Plan which identifies key advocacy issues that Commons can influence | Hire advocacy consultant to perform research and develop a plan | Sarah, Edgar, Shaw | N/A | N – though indirectly will influence funding |
| 7.2 | Establish relationships at Federal, State and City levels | Dollars generated because of relationship; participation in Commons' event | Relationship building skills | Sarah, Edgar, Cary, Janice, Rahman, Shaw | N/A | Y – opportunity for capital grants |
| 7.3 | All program directors and VP's must work with SVP External Affairs and lobbyist to determine advocacy goals for department | Goals established which support advocacy plan (above) | Strong understanding of legislation impact | Sarah, Edgar, Cary, Dhiren, Carman, Janice, Rahman, Shaw | N/A | N |
| 7.4 | Position programs with specific line item in state budget | Child Care and Senior Care line items in state budget; funding remains constant | Strong relationship; understanding of programming, etc. | Sarah, Edgar, Shaw | Politics | Y |

Strategic Priority 8: Strengthen and Develop the Board

3-Year Vision:

- Have a stronger, more cohesive, engaged Board as measured by each Board member attending at least 85% of all Board meetings and at least 50% of all Commons' special events; effectiveness of working groups; event participation.
- Have a more diverse Board as demonstrated by break out of gender, race, ethnicity and

professional background in creative ideas flowing from Board, with some added focus on child care and senior care.

- Have a Board where 100% of its members have participated in estate planning training.
- Ensure CELC provides value as demonstrated by # of individuals they connect on behalf of Commons, \$ raised and is self-run.
- Develop approximately 10% of CELC members to be ready for transition to the Board as vacancy allows.

Year 1 Catalyst Deliverables:

- Board introduces Chicago Commons to key contacts (2 each)
- Revise recruitment and onboarding processes of board members
- Board Committees established and calendar provided
- Begin mentorship of CELC members
- Develop formal give/get policy
- Host Board retreat in Spring 2016

| Action # | Description | Deliverable | Skills or Resources Required | Who Will Execute? | Dependencies | Revenue Opportunity? (Y/N) |
|----------|---|---|---------------------------------|--------------------|--------------|----------------------------|
| 8.1 | Board opens up personal and professional networks to open doors | Introductions to key contacts and mailing lists for fundraising and advocacy | Cultivation of networks | TBD @ June Meeting | N/A | Y |
| 8.2a | Identify and orient new leaders with passion and mission focus. | Recruit and orient new Board members to ensure 20 Board member capacity | Recruiting and cultivation | TBD @ June Meeting | N/A | Y |
| 8.2b | Increase diversity on the Board including representation from the community | Develop a recruiting strategy for cultivating candidates that meet our diversity criteria | Research and cultivations | | | |
| 8.3 | Design Board and committee meetings to focus on strategic growth and innovation | Meeting agendas and content focused on strategic priorities, innovation and | Planning and strategic thinking | TBD @ June Meeting | N/A | N |

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|-----|--|--|-------------------------------|--------------------|-----|---|
| | | providing Board with better understanding of programs | | | | |
| 8.4 | Grow CELC and establish mentor program | Mentor assignments to CELC | Mentoring | TBD @ June Meeting | N/A | N |
| 8.5 | Increase attendance at Board and committee meetings | Survey Board members to determine best time for Board and committee meetings; design Board meetings to be more social | Research and planning | TBD @ June Meeting | N/A | N |
| 8.6 | Detail Board member fundraising expectations | Develop a formal give and get policy for Board members and individual Board member plans (quarterly updated) | Understand policy and by-laws | TBD @ June Meeting | N/A | Y |
| 8.7 | Enhance Board member connections to the organization | Increase greater connectivity between Board and CEO/Senior Staff by greater involvement of staff in Board presentations; have more involvement | Meeting planning | TBD @ June Meeting | N/A | N |

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| | | at sites and with clients; design Board meetings to be more social; plan annual Board retreats with dates set for next 3 years | | | | |
| 8.8 | Build leadership capacity and skills on the Board | Develop a leadership succession plan for the Board | Planning | TBD @ June Meeting | N/A | N |

8. Years 2-3 Actions Towards Achieving Strategic Vision

Strategic Priority 1 - Accelerate Growth, Including Via Acquisition

With growth strategy developed and acquisition targets identified in Year 1, Chicago Commons should focus in Years 2-3 on building up its financial capability to execute on these growth and acquisition plans, in order to achieve the aforementioned 3-year growth vision. To do that, the entire Board and management team must be fully engaged and lay out clear implementation milestones. By Year 3, the acquisition should be complete.

Strategic Priority 2 - Develop Social Enterprise Model

Using research from Year 1, Chicago Commons will work with the Governing Board in Year 2 to determine what fee-based model is feasible and strategically aligned with Chicago Commons. Once this is determined, Year 3 will be focused as a 'pilot' year.

Strategic Priority 3 - Ensure Financial Sustainability and Establish an Endowment

In Years 2-3, further build on the success from Year 1, building more relationships and partnerships, to reach the goals of \$3 million endowment and \$42 million operating revenue by the end of Year 3. Secure also at least two substantial donors who are committed to providing ongoing support.

Strategic Priority 4 - Strengthen Commons' Brand Name

In Years 2-3, continue to increase Commons' visibility by fully integrating the customer-centric marketing strategy, conducting aggressive outreach, and distilling on a clear message on "who is Commons, and why Commons." Pro-actively manage any questions raised by other stakeholders on why Commons is venturing into the private-pay arena (i.e., questions on whether Commons is straying away from its mission). In addition, collect outcome and impact data from multi-generational pilots, and pro-actively communicate them to key stakeholders and communities.

Strategic Priority 5 - Establish Commons as a Data-driven, Outcome-focused Organization
Supported by Necessary Infrastructures

With consultants on board, in Years 2-3, complete the development of and begin fully utilizing all the new outcome management, billing and CRM systems. Improve on, increase use of, and increase the communications of the impact dashboard. Obtain more feedback from internal and external stakeholders to inform continuous improvement on the internal communication vehicles and culture. By Year 3, as part of Commons' brand name, Commons will be recognized through awards, etc. as the standard for data excellence.

Strategic Priority 6 – Increase Employee Engagement

In Years 2-3, develop the culture and structure to increase communications between management and operation. Develop a recruitment strategy that attracts high performing staff and have a clear plan for their development. Create an environment that supports staff as they adopt more desirable new behaviors.

Strategic Priority 7 - Increase Advocacy

Using the relationships and momentum from Year 1, Years 2 and 3 will be focused on securing major funding streams. Capitalizing on the relationships, Chicago Commons will use Years 2-3 to establish a line item for state budget to support Child Care and Senior Care programming. Years 2 and 3 will also be focused on establishing an advocacy education platform for Chicago Commons' supporters through 'lunch and learns', coordinated trips to Springfield and year-round engagement (tours, dinners, etc.) with legislators.

Strategic Priority 8 - Strengthen and Develop the Board

In Years 2-3, Board members are equipped with the skills and talking points to discuss estate planning with current donors. Develop a recruitment strategy that increases the product line

expertise at the Board level. Develop tools that allow the Board to use data to govern and provide oversight. Board members create an individual action plan that supports the strategic plan and allows them to share their talents. In Year 2, we will identify and invite relevant speakers to Board meetings. Focus on innovation in fundraising target and broaden fundraising options.

9. Summary of Environmental Scan Findings

As part of the strategic planning process, an extensive environmental scan was conducted, to develop a clearer understanding of the internal and external trends and dynamics that would impact Commons' decision-making.

Benchmarking findings confirmed that, compared with peer organizations, Chicago Commons ranks highest in its reliance on government funding – at over 95% of total revenue, compared with a majority of peers at 70-90% of total revenue, with some others at an even lower ratio. This highlights the risk that Commons faces, especially in the fast-evolving political landscape in the state of Illinois, which sworn in a new governor just recently at the time of the writing of this strategic plan. It is imperative that we diversify our revenue streams, to maintain our financial sustainability and reduce our financial risks. Benchmarking research further showed that some peers have been pursuing social enterprise business models as part of their diversified revenue mix, and are doing so relatively successfully – a lesson that Commons can certainly learn from. As an external interviewer said: “No Margin, No Mission!”

In addition, it is evident that there are fundamental marketing and operational improvements that can be made, to strengthen Chicago Commons' name awareness in the communities and increase client enrollment especially at the Nia Family Center, the Taylor Family Center, and the two Adult Day Services' centers.

External research also identified geographical and demographic trends that are particularly relevant to Chicago Commons' strategic growth decisions. This includes a trend in population decrease in many of the low-income neighborhoods within the city of Chicago, including within three current Commons' service areas (West Humboldt Park, Back of the Yards, and Grand Boulevard), especially for families with children. In addition, Pilsen's population of children ages 0-5 living below poverty as a percentage of all children ages 0-5 in that neighborhood has seen a decrease from 54% to 44% between 2010 and 2013. Coupled with a relatively larger number of peer human service agencies providing services in Pilsen compared with some other

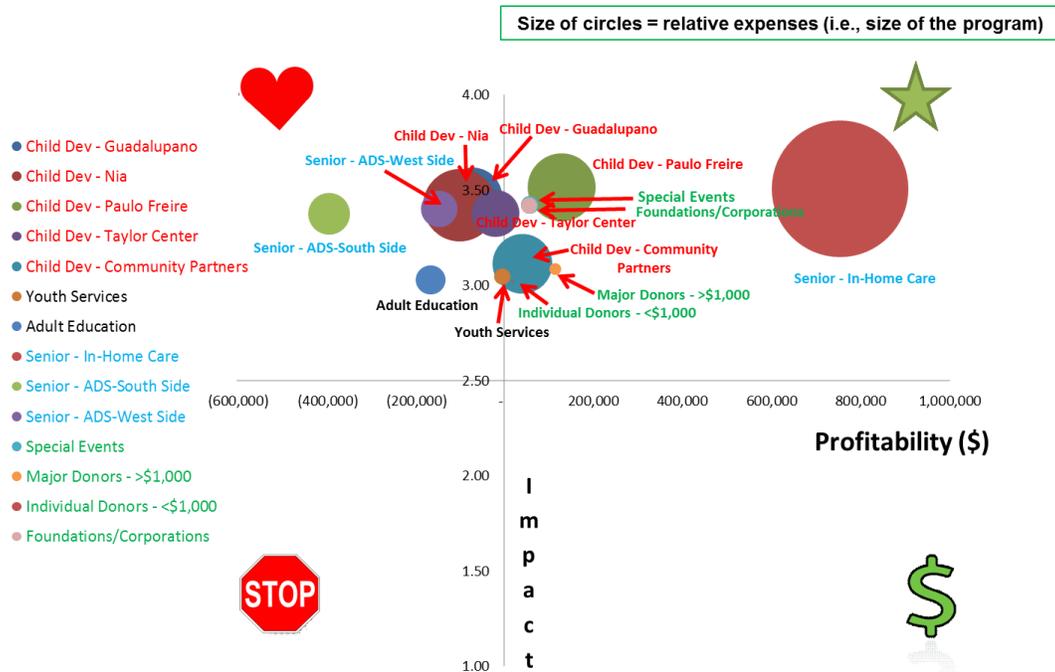
neighborhoods, it may be time to re-evaluate Commons' role in this neighborhood. There has also been a significant increase in population living below poverty in Chicago's suburbs – almost doubling from 323,000 to 630,000 between 1990 and 2011, while the same metric has remained unchanged within the city of Chicago during the same time period, at about 630,000. This may present an opportunity for Commons to explore expansion into some of these suburban neighborhoods. An over-arching question, however, is this: should Commons follow a particular population trend, or should it instead focus on strengthening specific communities so that they become attractive to families to stay? The answer to this question, to an extent, depends on Commons' overall role definition between the following two categories – is Commons an agency that first-and-foremost focuses on uplifting those who are ready and able to help themselves, or is it an agency that focuses on helping people overcome fundamental barriers to a stable and safe life?

Separately, through interviews and focus groups, many silos within Chicago Commons were identified. These silos are detrimental to Commons' growth. They lead to lost opportunities in cross-referrals between Commons' different service lines; they hamper Commons' ability to leverage synergistic opportunities; and they reduce internal and external efficiency, which not only impact Commons' bottom line but also negatively impact Commons' reputation to external stakeholders. It is imperative that Commons addresses these silos without delay. This and other useful insights from stakeholder interviews and focus groups are summarized in **Appendix II**.

Below are summary of the environmental scan's findings in some more details:

a. Matrix Map

A Matrix Map analysis was conducted as part of the strategic planning process, to provide a snap-shot view of how all the core activities of Commons fare relative to each other in terms of their impact and financials. **Appendix III** provides an overview of what a Matrix Map is. The following chart shows the results:



Note that the numbers along the X-Axis (“Profitability”) and the numbers used to produce the size of the circles (“Relative Expenses”) were analyzed using Commons’ Fiscal Year 2014’s financial data, after fully-allocating all revenues and costs to each core activity. The values along the Y-Axis (“Impact”) were obtained by conducting an online Impact Survey, sent to 92 internal and external stakeholders of whom 45 responded, where they were asked to rate 4 impact criteria for each core activity.

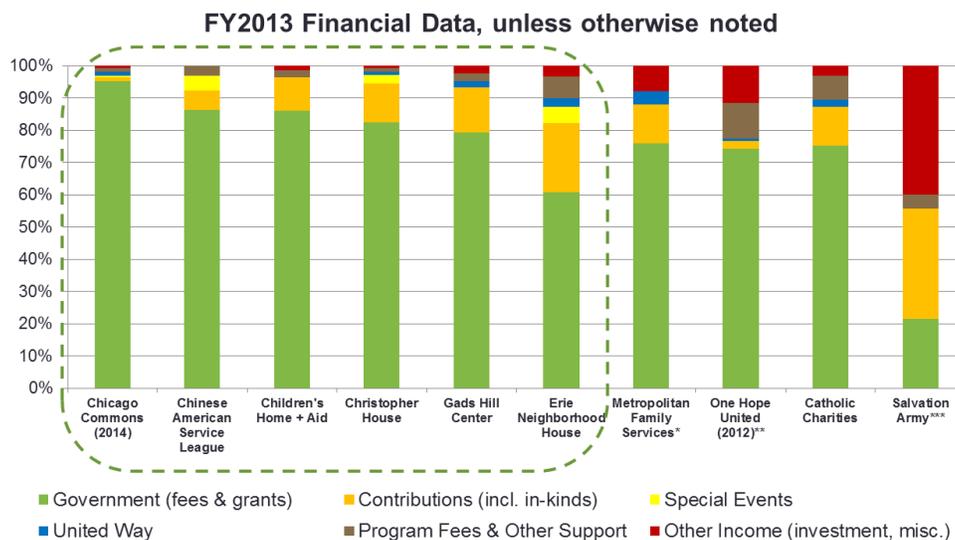
As explained in **Appendix III**, the Matrix Map is a *current state* view, not a future view, about Commons, but it provides useful baseline information for Commons to build upon for its future directions. The above plot shows clearly that unrestricted funding (from: special events, major donors, individual donors and foundation/corporations’ funding) are a very small part of Commons’ funding mix. Senior (In-Home Care) is by far the largest single program, although when adding up all the Child Development programs across sites it would be at a comparable size. Of all four Child Development sites, only Paulo Freire Family Center is profitable, primarily because of enrollment challenges at the other sites. Currently, Child Development’s government contracts limit its surplus-generating ability, i.e., all funding except the state’s child care subsidy funding must be completely expensed. On the other hand, Senior Care’s contracts do not have as much limitation. To become more financially sustainable, it would be important for Child Development to develop service lines that are not restricted in their surplus-generating ability, such as offering additional for-fee services and consulting/training to partners and/or

parents, and opening private-pay child care centers. Within Senior Care, the Adult Day Services (ADS) centers also require a more careful examination on whether they would stay as mission-important programs that would continue to require subsidy from other service lines going forward, or how to make them become more financially sustainable; alternatively, can Commons make better use of these ADS centers as cross-referral sources for other services of Commons? Finally, are there significant, new, growth opportunities for Commons' Adult Education services and Youth Services?

Appendix III shows a break-down of the revenue sources for each of the four major service lines of Commons: Child Development, Youth Services, Adult Education, and Senior Care. All except Youth Services rely heavily on government funding. Youth Services derived 43% of its total funding from foundations and corporations, in FY2014.

b. Benchmarking with Peers

Benchmarking findings show that, compared with peer organizations, Chicago Commons ranks highest in its reliance on government funding – at over 95% of total revenue, compared with a majority of peers at 70-90% of total revenue, with some others at an even lower ratio – see the following chart:

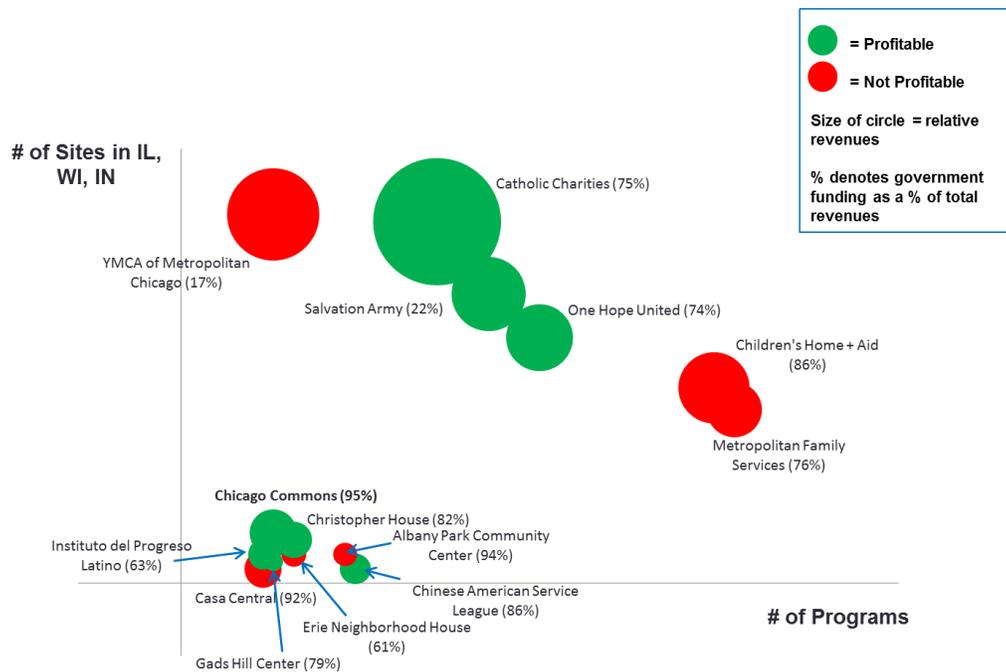


* Metropolitan Family Services – included 14% “program service fees” into “Government (fees & grants)”; and 5% endowment payout into “Other”
 ** One Hope United – included 8.2% “net assets released from restrictions” into “Other”
 *** Salvation Army’s 40% “Other Income” includes 34% sales to public through retail shops

Commons’ strong fiscal management approach has allowed us to stay profitable – not a feat that many of our peers have achieved – but nonetheless, the above chart highlights the high risk

that we face in our revenue source portfolio, especially in the fast-evolving political landscape in the state of Illinois that has introduced significant uncertainty in government funding availability. This risk must be addressed as part of this strategic plan.

The following chart shows additional benchmarking comparison, using the latest financial data available per organization as well as additional web searches on non-financial data:



This chart indicates that a group of agencies have stayed relatively small, in terms of total revenues and their number of programs and sites. Chicago Commons is part of this segment. Out of this segment, with the only exceptions of Chicago Commons and Erie Neighborhood House, those agencies that have stayed profitable (Instituto del Progreso Latino, Gads Hill Center, Christopher House, and Chinese American Service League) rely on government funding for at most 86% of their total revenue (range of 63% to 86%), whereas those that are not profitable (Casa Central and Albany Park Community) rely on government funding at 92% or more of their total revenue. Other agencies have chosen to grow larger, by expanding their number of programs and/or number of sites – but growth alone does not guarantee profitability, as shown in the above chart. The “white space” on the above chart (intermediate number of programs/sites) implies that agencies tend to either stay relatively small and focused programmatically and geographically, or they choose to grow to quite significant sizes.

As part of the benchmarking exercise, brief case studies were developed to examine the growth model of five peer agencies that were profitable in the most recent years. Below is a summary of those findings, while more details can be found in **Appendix III**:

- (i) **One Hope United**: is a federation of partner agencies, grown through forming joint partnerships and merger & acquisition. They have a Social Enterprise business model, where 30% of their child care revenue comes from private-pay child care centers that they have opened in more affluent neighborhoods (e.g., Wilmette, Glenview), and used to subsidize their other child care centers at lower-income neighborhoods. They recognize the “no margin, no mission” reality, and understand that the act of serving more affluent customers in fact helps to strengthen, not reduce, their ability to serve their target in-need population.
- (ii) **Harlem Children’s Zone**: used a focused geographical expansion model, growing block by block within Harlem, while providing holistic and comprehensive services to all the families with the goal of ensuring all kids graduate college. Majority of their revenues comes from wealthy private donors. Their endowment has grown to almost \$290 million.
- (iii) **Salvation Army**: utilizes an army of volunteers and staff in its ministries. They also use a Social Enterprise model by way of their retail stores – accounting for one-third of their revenues. Of all of Commons’ peers, Salvation Army relies the least on government for its revenues – only 21.5%.
- (iv) **Christopher House**: started as a settlement house, similar to Commons. In the past ten years, they have exited from a range of services including senior care services in order to focus their growth on education, especially education for low-income children.
- (v) **Chinese American Service League**: offers culturally-focused, cradle-to-grave social services predominantly to the Chinese-American community in Chicago.

c. Geographical and Demographic Trends

Within Chicago, geographic and demographic trends suggest a tale of two cities. One tale of poverty, where for more than a decade, many lower-income neighborhoods within the city of Chicago have seen a decrease in overall and child population. And the other of affluence, where middle and upper middle income neighborhoods have shown increases in overall and child population.

Chicago Commons must take a deeper look at these neighborhoods and their changing demographics to explore where there might be the best opportunities to partner, expand sustainably and deliver programs with the greatest impact.

Current Neighborhoods

The population of children ages 0 to 5 has decreased in all four neighborhoods currently served by Commons (West Humboldt Park, Back of the Yard, Grand Boulevard, and Pilsen). However, of the young children who still reside in these neighborhoods, the percentage that lives below poverty remains high – in 2013, this percentage ranged from 44% (Pilsen and Grand Boulevard) to 56% (West Humboldt Park) across these four neighborhoods, compared with overall Chicago average of 32% and nationwide average of 24%. Also, in the West Humboldt Park and Back of the Yards communities there still remain significant numbers of children ages 0-5 who may qualify for Early Head Start and Head Start.

All Commons' neighborhoods have experienced growth in the elderly population except for Grand Boulevard, which has shown a decline greater than 20%. This may be a contributing factor to the South Side Adult Day Service program's lower attendance rates. Double-digit unemployment persists in all of the neighborhoods Commons serves, which is an opportunity to expand Adult Education in all of the locations.

| Neighborhoods Served by Commons | EHS* | HS** | Median HH Income | 0-5 yo. Growth | Over 65+ yo. Growth | Unemployment Rate- Age 16+ | Partners |
|---------------------------------|----------|----------|------------------|----------------|---------------------|----------------------------|--------------------------------------|
| Humboldt Park | >1000 | >1000 | \$36,056 | -9% to 0% | 10-19% | 17.3% | W. Humboldt Park Development Council |
| Pilsen | 601-1000 | 601-1000 | \$42,383 | -24% to -10% | >+20% | 15.8% | The Resurrection Project |
| New City | >1000 | >1000 | \$32,344 | -9% to 0% | No to Little Change | 23.0% | The Resurrection Project |
| Grand Boulevard | 201-600 | 201-600 | \$31,185 | -24% to -10% | >-20% | 24.3% | |

*Number of children eligible for Early Head Start

**Number of children eligible for Head Start

Humboldt Park (in particular East Humboldt Park) has experienced significant gentrification in the past few years. In the early half of 2014, median home sale price in Humboldt Park saw a whopping 62% increase compared with just 11% for Chicago overall. This neighborhood was rated as one of the Top 10 “Hottest Neighborhoods of 2014” by Redfin, a real estate brokerage firm. This trend is primarily driven by real estate price increases in surrounding neighborhoods such as Logan Square, Wicker Park, and Bucktown, together with improving transportation accessibility. While this trend is most likely occurring in East Humboldt Park at this time, it is advisable to observe how it may affect West Humboldt Park in a few years’ time.

Pilsen has also been experiencing significant gentrification. While its percentage of children ages 0 to 5 living under poverty is still high, at 44% in 2013, this percentage was much higher, at 54%, just a few years ago in 2010. Coupled with a relatively larger number of peer human service agencies providing services in Pilsen compared with some other neighborhoods, it may be time to re-evaluate Commons’ role in this neighborhood.

Part of the evaluation that should happen in all of Commons’ neighborhoods is determining how Commons can have the greatest impact. Is it to be one of many stabilizing factors that allow a neighborhood to improve like in Pilsen? Or is it to be where there are the greatest needs to fill a gap like in West Humboldt Park? Should it stay in neighborhoods that are experiencing gentrification to serve a population at risk of being displaced and help them benefit from gentrifying factors? Or should it enter communities where there has been low growth and high levels of disinvestment?

In evaluating each community for Commons’ continued presence in offering services, the following evaluation criteria are recommended:

- Potential growth in the demographic sectors that directly impact the service areas: Age 0-5, 65+, Unemployed adults
- Whether a critical mass exists of low-income children, families and seniors
- Potential growth in adjacent communities in key areas
- Continued support from existing community partners and potential for expansion of community partners
- Funder support of continued and/or expanded operations in community
- Identification of diverse revenue streams to support and expand operations in each community

Prospective Neighborhoods

Lower-Income Neighborhoods

Perhaps most prominent was the significant increase in population living below poverty in Chicago's suburbs – almost doubling from 323,000 to 630,000 between 1990 and 2011, while the same metric has remained unchanged within the city of Chicago within the same time period, at about 630,000. This may present an opportunity for Commons to explore expansion into some of these suburban neighborhoods.

Yet significant needs still remain in the lower-income neighborhoods in the city of Chicago. There are several lower-income communities that still have high numbers of children eligible for Early Head Start (EHS) or Head Start (HS) and/or a growing elderly population, even if their child population is decreasing. When considering which communities to investigate further in terms of expanding not just one of our services, but several of our services into, we should consider multiple factors as noted in the table below:

| Neighborhood | EHS* | HS** | Median HH Income | 0-5 Growth | Over 65+ Growth |
|---------------------|-------------|-------------|-------------------------|-------------------|------------------------|
| Austin | >1000 | >1000 | \$35,694 | -24%to-10% | 10% - 19% |
| Belmont Cragin | >1000 | >1000 | \$42,842 | -9% to 0% | -19% to -10% |
| Logan Square | 601-1000 | >1000 | \$48,284 | 1%-10% | No to Little Change |
| North Lawndale | >1000 | >1000 | \$25,797 | -9% to 0% | -19% to -10% |
| South Lawndale | >1000 | >1000 | \$33,593 | -9% to 0% | No to Little Change |
| Brighton Park | >1000 | >1000 | \$42,846 | -9% to 0% | >-20% |
| Gage Park | 601-1000 | >1000 | \$43,119 | -9% to 0% | No to Little Change |
| Chicago Lawn | >1000 | >1000 | \$37,029 | -9% to 0% | -19% to -10% |
| West Englewood | >1000 | >1000 | \$34,456 | -24%to-10% | No to Little Change |
| Englewood | >1000 | 601-1000 | \$23,925 | -24%to-10% | >-20% |
| Auburn Gresham | >1000 | 601-1000 | \$33,663 | -24%to-10% | 10% - 19% |
| South Shore | >1000 | >1000 | \$33,182 | -24%to-10% | No to Little Change |

*Number of children eligible for Early Head Start

**Number of children eligible for Head Start

A few lower-income Chicago neighborhoods that saw an increase in population in children ages 0 to 5 between 2010 and 2013 include: Washington Park, and parts of West Town and Near West Side

More Affluent Neighborhoods

The most significant growth in the Ages 0-5 population has been in neighborhoods that are experiencing growth in overall population and income. These are the neighborhoods with the greatest opportunity to expand child development operations without the use of government funds. The challenge is that they will also likely have the greatest amount of competition by private pay providers. These communities include:

| Northwest | North | Central | Southwest | Southeast |
|------------------|--------------|-----------------|------------------|------------------|
| Edison Park | Uptown | Near West Side | Clearing | Hegewisch |
| | North Center | Loop | Mt. Greenwood | |
| | Lakeview | Near South Side | | |

These communities have large numbers of middle and upper middle income families, homeowners, stable or growing communities and relatively low rates of crime. Yet the communities highlighted above, in the Central region of Chicago, offer an opportunity to serve low to moderate income families as well due to their adjacency to major job centers, schools and transportation.

Other Communities with Growing Children Population

Other communities that have a growing 0-5 population but at a slower rate may be of interest particularly in the communities adjacent to Commons' existing neighborhoods, such as Logan Square, West Town, West Lawn and Washington Park. These communities include:

| Northwest | North | South |
|------------------|----------------|------------------|
| Norwood Park | West Ridge | Archer Heights |
| Jefferson Park | Lincoln Square | West Elsdon |
| Forest Glen | Lincoln Park | West Lawn* |
| Dunning | | Washington Park* |
| Montclare | | |
| Hermosa | | |
| Logan Square* | | |
| West Town* | | |

*Adjacent to existing Commons neighborhoods

See **Appendix III** for more details in geographical and demographical trends.

d. Observed Organizational Silos

Interviews, focus groups and other research conducted as part of this strategic planning process have unveiled the existence, and the negative impact, of silos within Chicago Commons. Staff working in a given program is often not familiar with services of another program offered by Commons, for example, and therefore does not pro-actively cross-refer clients to those other programs. This results in lost opportunities to increase program enrollment, especially with existing client sets. Silos also reduce the ability for different program areas to work synergistically together, to deliver better, more holistic services to clients. In addition, with the existence of silos, internal communications are not as effective as they could be. As a result, some external constituents, including funders and partners, have expressed frustrations at the need to repeat what they said or did when dealing with multiple people within Commons. We are taking steps now to address this important issue, so that we can be better positioned to seize new opportunities as they arise, enhance our efficiency, and improve our service to external stakeholders.

e. Program Area Trends

Child Development

A great need exists for high quality, early childhood education that is accessible to low income families, like the early childhood services provided by Chicago Commons. Overall supply gaps exist for both Head Start and Early Head Start. Only 57% of children eligible for Head Start are enrolled in Head Start program as shown in **Appendix III**. While this gap will be filled partially for ages 3-5 year olds because Chicago Public Schools has received federal money to expand pre-K for 4-year olds, there is a dearth of Early Head Start slots for 0-2 year olds. Only 4% (1,585) of the 39,413 children eligible for EHS were enrolled in a program as shown in **Appendix III**. In December 2014, Chicago received a federal grant to expand EHS for an additional 1,100 slots. While this nearly doubles the available slots, it still leaves a large unmet need for ages 0-2.

There are several Chicago communities that have large numbers of children eligible for Early Head Start and Head Start, two of which are communities that Chicago Commons currently serves (West Humboldt Park and Back of the Yard), as shown in **Appendix III**.

Within Child Development, there are several ways to grow sustainably that we should consider:

- Reaching full capacity at its existing centers
- Expanding into new neighborhoods where families have a high need for affordable childcare – by building or partnering
- Expanding into new neighborhoods where families can afford to pay the full cost of high quality child care – by building or partnering
- Acquiring existing childcare centers, with the potential for offering private-pay services
- Expanding fee for service opportunities with Reggio training and/or wrap-around services
- Expanding vertically to serve slightly older children in K-3rd grade

In any case, the childcare segment locally is fragmented and highly competitive with Chicago Public Schools providing the most significant competition.

Based upon parent surveys and focus groups, we know that parents who have experienced Commons love it. Referrals from family and friends are the largest source of new children that are recruited. Even though many families recognize Commons' quality, the Nia and Taylor Centers still struggle as shown in **Appendix III**. There are many external and internal factors that may be contributing to Nia's and Taylor's performance including significant competition from other centers and home-based care, demographic trends, visibility and awareness, marketing techniques and management styles.

As we look to strengthen our existing programs and expand into new areas, our high quality programs must be highlighted and become a differentiating factor in parent choice.

Youth Services

Commons' Youth Service Program is the smallest program but has the lowest percentage reliance on government support. The youth programs offer an opportunity to extend Commons' impact beyond the early childhood arena. Since many organizations offer youth services, covering many different elements, from enrichment services to services helping youths overcome barriers, Commons may need to have a partner or more tightly link the youth programs to the early childhood programs for us to exert the greatest impact. If Commons is to grow Youth Services, we must:

- Define clearly what our goals are
- What do we want to focus on within Youth Services (age groups, geography, programs)?
What would we not focus on?

- With limited and at-risk public funding, how can we grow Youth Services sustainably through increased private contributions?
- How can we best leverage partnership and/or existing programs to be most efficient and most effective?
- How can we use it to build up our volunteering / advocacy base?

Adult Education/Workforce Development

Commons' neighborhoods struggle with and are expected to continue to have higher unemployment rate than citywide post-recession given that many in these communities have a low level of educational attainment and job readiness skills.

For Commons, there are good reasons to grow the workforce development component of Adult Education, because these programs align very well with our overall mission and approach of uplifting neighborhoods.

A more skilled labor force attracts companies to set up businesses in or near the community. Great synergy exists with our other programs, where our Workforce Development clients can be trained for jobs with Commons like serving as Health Care Aides for our Senior Care division. Existing Senior Care aides can also take classes at our Adult Education division to upgrade their skills for higher level positions. Commons can provide two-generational services by reaching parents in its childcare centers and offering adult education classes to provide them with skills to enhance their job prospects. Also, by enhancing our workforce development program, it allows Commons to have more of a voice, a place at the table, in discussions about economic development with a larger set of influencers in the city and region, as well as access to an expanded set of funders and partners. For example, there is an opportunity to tap into funds from the Workforce Investment Act, which pays up to 80% of a new hire's wages while the new hire is in training for the first 6 months

Senior Care

As shown in **Appendix III**, the senior population (age 60+) is increasing in Illinois from a little over 15% of the state's population in 2010 to a projected 24% in 2030, and therefore, there will be a greater demand for senior care services. The fastest growing segment of the senior population will be the 85+ segment, which will need the greatest level of care.

While government at the federal and state levels has recognized the aging of the population, the funding for services to support the elderly have not kept pace with the growth of the demand for service. This trend will not likely change given the funding pressures at all levels of government.

We do know that how and where senior care services are delivered drives the big difference in the cost of care. It is far more cost effective to care for a senior in their own home than in a nursing home or provide any other type of care including assisted living. As shown in **Appendix III**, the cost of care is \$9,696 for Commons' Community Care Program (CCP) with services provided in a client's home versus \$81,030 for a private pay nursing home facility. Most importantly, most seniors prefer to receive the support they need to stay in their home.

Based upon the State of Illinois' FY13- FY15 State Plan on Aging, their priorities indicate an opportunity for Commons to benefit. One of their primary goals is to rebalance the long-term care system by shifting resources to consumer directed alternatives from nursing home care. This has meant utilizing home health care services like the ones offered by Chicago Commons will be preferred as a source of senior care over nursing home or assisted living services. The State is seeking to provide better coordination among its providers in the aging network to provide families resource connections and a more holistic approach. Compliance and case management accountability has been a priority for the State, which has been difficult for smaller players but allows Commons to stand out in a positive way. While the change in administration at the State may change the particulars of the plan, there will still likely be an effort to reduce costs by shifting more resources toward home health services and away from nursing homes.

Seniors will face challenges in paying for long term care. Costs for home health care services are still out of reach for many seniors since most seniors' income in Illinois place them in or slightly above poverty. And for those that can pay initially, their income and assets may be depleted quickly. The average cost of home health care services for a year averages at 88 percent of household income for older adults. Two-thirds of people aged 65 and older do not have sufficient financial assets to pay for more than two years of home health services

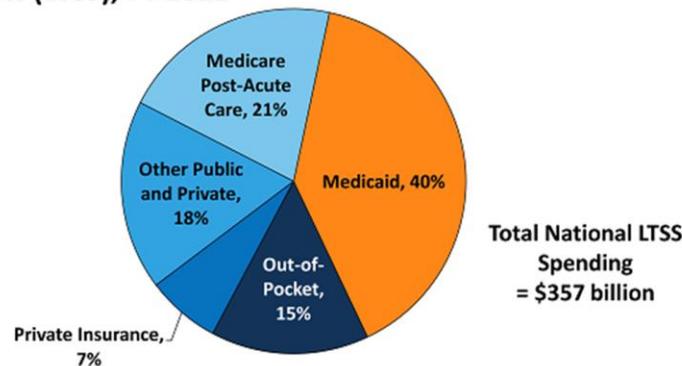
Nearly 48 percent of the elderly population is at financial risk if their income is cut even slightly. Older blacks and Hispanics are especially vulnerable, as the vast majority of them live on the financial edge.

Seniors will continue to have financial challenges since baby boomers earned less than prior generations and are on track to have less income and wealth in old age, than people born in the 1930s and 1940s.

Government spending will drive the long term care market since 61% of the \$357 billion long term care market is composed of Medicare and Medicaid spending.

Figure 2

Medicaid is the Primary Payer for Long-Term Services and Supports (LTSS), FY 2011



NOTE: Total long-term care expenditures include spending on residential care facilities, nursing homes, home health services, personal care services (government-owned and private home health agencies), and § 1915(c) home and community-based waiver services (including home health). Long-term care expenditures also include spending on ambulance providers. All home and community-based waiver services are attributed to Medicaid.
SOURCE: KCMU estimates based on 2011 Centers for Medicare & Medicaid Services (CMS) National Health Expenditure Accounts data.



Adult Day Services benefit the community by allowing family members to continue working and maintain their source of income, while maintaining primary care and enhancing the quality of life for their loved ones. Services are designed for seniors (64%) and younger adults with disabilities (36%). More funding for adult day services decreases Medicaid costs by reducing full-time institutional care while still providing consistent health monitoring, thereby avoiding Medicare costs as well.

f. Human Services Trends

There are several human services trends that will start or continue to have an impact on Chicago Commons' operations and should be factored into any planning:

- **Non-traditional partnerships** – Human service organizations with a goal of providing better service to its clients with fewer resources are exploring partnerships with other organizations. In Commons' case, we have maintained a partnership with five other similar non-profits in a database that allows us to benchmark and share information across all

services except for Senior Care. In addition, we are exploring expanding our service delivery partnerships in our proposed Family Hub Model. There may be more ways to partner in our childhood development services as well.

- **Data Driven Decision Making** – More agencies are collecting and analyzing data to better understand community needs and how their programs and services have made an impact. Many funders are evaluating organizations and making funding decisions based upon measurable impact of programs and services.
- **Health and Human Service Integration: Wrapping Around the Whole Person** - There is a recognized need in human service agencies that a single service or program is unable to address the complexity of issues many individuals and families may face. Many organizations are providing the full range of services a client may need to lead full lives, either in direct service or by partnering or referring to other agencies that may be able to complete the service delivery.
- **Consolidation** – As resources for social service organizations continue to decrease, many organizations have sought to consolidate their operations to share resources, sustain their mission and leverage their impact. Consolidations can take shape in the form of joint ventures, mergers, acquisitions or project collaborations. Commons has participated with several other social service agencies in a back office collaboration, which allows us to collectively generate substantial savings and efficiencies via shared purchasing of administrative and financial services and products.
- **Social Enterprise** – Many organizations have pursued opportunities to generate earned income in order to diversity their revenue streams, while retaining a mission-driven focus. These organizations are designed to help sustain operations while helping the clients and communities that they serve. Commons has an opportunity to expand its business model to incorporate a social enterprise component, in almost all of its program areas – Child Development, Workforce Development, and Senior Care Services.

10. Conclusions

Chicago Commons is at an exciting cross-road. Our financial prudence in the past few years have allowed us to remain sustainable while growing at a steady pace, both in terms of strengthening our internal human capital, as well as in the number and types of programs and

services that we provide. Building on this strong foundation, and by remaining adaptable, we are now ready and committed to tackle our next phase of growth with confidence, as guided by the strategic priorities and action items outlined in this plan.

11. Strategic Planning Process Contributors

Chicago Commons thanks the many active participants in the strategic planning meetings, including members of the Board of Directors and Chicago Commons staff, as shown below. We would especially like to recognize the leadership of James Hill, III (Chair of the Board of Directors), all members of the Strategic Planning Working Group (see below), and guidance by consultants from the CiTTA Partnership consulting firm (www.cittapartnership.com), Belinda Li and Rena Henderson Mason. Finally, we are very grateful for the many external stakeholders (funders, partners, clients), too numerous to name here, who provided us with invaluable inputs through interviews, focus groups and/or surveys conducted during this strategic planning process.

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BOARD OF DIRECTORS

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 - Holly M. Baumgart, Director, Harley-Davidson Motor Company
 - Joel Brosk, General Counsel, Server Central Network
 - Shonte Coleman, Parent Representative Board Member
 - Alfred E. D’Ancona, Owner, D’Ancona & Company
 - Annette Dezelan, Owner, Gohmann Inc.
 - Willard S. Evans, Jr., President, Evans Advisory Group, LLC
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12. Appendices

Appendix I - Mission Review Exercise

Based on the core purpose and beliefs identified by the Board and senior executives, as described in Section 5 in the strategic plan, we proceeded to answer the following key mission questions:

- What do we do?
- Why do we do it?
- Who do we serve?
- What are the benefits/changes that we create?

The group's responses to these questions are shown below:

What do we do?

Support Families and Communities

- We build families and neighborhoods
- We assist families and individuals in improving their lives
- We support families who are the underserved in the neediest communities

Services

- Provide education to children and families
- Solution-oriented services
- Impactful human/social services
- Provide early childhood development and senior services

Personal Growth

- Provide opportunities for individuals to learn and become financially stable
- We make people's lives better
- Provide social programs to help people grow and improve/be safe
- Help people help themselves

Why do we do it?

Transformation – Personal and Community

- Everyone cannot fend for themselves completely
- There is no Plan B
- Compassionate, Transformative

- Give everyone an opportunity to succeed and be happy
- To help position people to succeed on their own
- Committed to neighborhoods: program \$ are available

Filling a Gap

- Respond to community need
- Support the community for kids and seniors
- We can do a better job than our peers with our community focus – we are the only option

Who do we serve?

By Age Segment:

- Children, youth, adults, seniors – the whole family
- Seniors and young children
- Families - Kids - Seniors
- Children, Parents, Employees, Community, Elders, Caregivers
- We serve families with children
- Families, children, government agencies, regulatory bodies

By Socio-Economic Status:

- Those who are most vulnerable
- Underprivileged Chicagoans – and we are beginning to serve regionally
- Low to moderate income individuals
- Underprivileged

By Geography:

- Community

What are the benefits/changes that we create?

- Create stable, economically sound families and communities
- Quality care and nurturing to our constituents
- Kids that become positive society members and seniors that age in grace and peace
- Provide a sense of community
- Open up more opportunities for children
- Stability
- More stable Chicago
- Opportunity and health

- Empowerment
- Communities gentrify and conditions improve
- Education - children, adults, job readiness, senior support, communities

Additional Comments:

- Families being the focus - how we serve them at each stage of their lifecycle
- How many employees we hire adds stability when they live in the community
- We provide jobs with benefits
- We serve society in general to better society for all
- We have helped many communities grow
- How do we become employer of choice, and a premier human service organization?
- Do we know if we are delivering value?
- We are focused on service rather than policy
- We have a survival gene
- We are an infrastructure for any population that needs undergirding
- Our legacy - fighting isolation
- Include advocacy in our mission

Appendix II - Insights from Stakeholder Interviews and Focus Groups

What Did Chicago Commons' External Stakeholders Say? Interviews and Focus Groups, Conducted by CiTTA Partnership (Nov. 2014 to Jan. 2015)

| | What is going well? | What can be improved? |
|----------------|--|--|
| Funders | <p><u>Reputation</u></p> <p>Commons is an organization that is a really trusted source in the community.</p> <p><u>Responsiveness</u></p> <p>Responsive - from leadership to case managers who are providing direct service, there's always been quick responses. Up-down-and-across their staffing structure.</p> <p><u>Community Focused</u></p> <p>They are part of that caliber of organizations that does an excellent job of remaining attuned to what's going on with the community, and really empowering the community.</p> <p><u>Quality</u></p> <p>I vote them as one of the best providers not just in the city but in the country. When I brought the Assistant Secretary of Education to see Nia – they said “these people are providing better services than at Google.”</p> <p>They are well organized and committed to providing good service. We don't get a lot of complaints about them. Pass audits programmatically and fiscally. People are committed and professional and this has an impact on the organization.</p> <p><u>Partnerships</u></p> <p>They don't try to throw us under the bus. They really see us as partners, make it easy to work with them.</p> | <p><u>Compliance</u></p> <p>Their Federal Stimulus compliance can be better.</p> <p><u>Internal Communication</u></p> <p>Their internal communications can be better. We deal with finance, HR, programs – not always the same person.....We would get emails later to say nobody know about it – no work was done.</p> <p><u>Outreach and Holistic Support</u></p> <p>All senior care agencies can do better at outreach and letting clients know about the resources that are available in their communities outside of what they are providing. People work in silos but the clients may need other services outside of what they are providing. Better connection of resources at community level - one stop shopping, better linkages. More holistic approach to service delivery.</p> |

| | What is going well? | What can be improved? |
|-----------------|---|--|
| | <p><u>Advocacy</u></p> <p>Commons has been good at coming to Springfield to advocate, and also at saying collaboration is important.</p> <p><u>Managing Diversity and Change</u></p> <p>Commons has a good track record in W. Humboldt Park. But also ability to cross the line – so that both African American and Hispanic can be served. Leadership – adapted with changing times, as a social service agency.</p> | |
| Partners | <p><u>Community Focused</u></p> <p>Dedicated to not only their jobs, but to the work that they do in the community. There is definitely a culture that's community centered.</p> <p><u>Quality</u></p> <p>When I send people to their Centers for Working Families, the response I got back is positive. Follow-through. I can tell people who went through their CWF training were prepared – dressed right, hand shake, eye contacts.</p> <p><u>Innovativeness</u></p> <p>Commons' willingness to try new things. In meetings, their staff is often the value-add at the table – help move the conversation forward. They are very committed to measuring their impact, having a positive impact on children and families.</p> <p><u>Impact</u></p> <p>It's the right direction to grow Workforce Development. Not just thought of as a social service agency, but also an economic development agency. Commons is a good organization to do it because they are the only one that serves</p> | <p><u>Impact</u></p> <p>Really flushing out the cradle to college to career pathway – biggest missing piece in W. Humboldt Park.</p> <p><u>Systems</u></p> <p>Institutionalizing their data system (where they measure outcomes). The turnover makes it hard to have an institutionalized system.</p> <p><u>Focus</u></p> <p>Hard for them to be ahead of the curve in the Workforce Development when you are a multi-service agency.</p> <p><u>Visibility</u></p> <p>They are probably less visible than some other social service agencies. Not having a downtown presence can't help them... Thresholds has their main office in Ravenswood but just opened up one in downtown – the Loop is where things are all happening (Donors Forum, Foundations, United Way, etc. are downtown!).</p> <p><u>Expansion</u></p> <p>Wish they would take on more of the job training in W. Humboldt Park.</p> <p>Should do more work in E. Garfield Park. There are not many organizations</p> |

| | What is going well? | What can be improved? |
|----------------|---|---|
| | <p>50% African American and 50% Latino. Their work could be a case study for the entire city. They are serving the population that is unemployed in the city and can serve as a benchmark.</p> | <p>operating in that neighborhood doing what Chicago Commons does. They need all of the services that Commons offers.</p> |
| Clients | <p><u>Caring Environment</u></p> <p>They care about what’s happening with my mom. She is comfortable there. Getting them involved with the craft and activities there – the staff is good at that.</p> <p>Making the clients and family feel like they are part of the community. It’s such a warm and caring place. Appears that everyone who works there is happy to be there.</p> <p>While visiting I was impressed by the space and learning materials available for students. The environment was welcoming and staff was happy to answer questions.</p> <p><u>Training</u></p> <p>They help the parents learn more about what the children need – get them onto more equal footing with the better informed, better educated (more affluent) parents.</p> <p><u>Supportive Services</u></p> <p>Open door for parents’ voices to be heard.</p> <p>Their support for special needs referrals is wonderful – we can call them and they get it taken care of.</p> <p><u>Quality</u></p> <p>Even their toddlers are very independent – very good at social-emotional skills; well-behaved.</p> <p>My child has grown so well after the</p> | <p><u>Communication</u></p> <p>Bethel had regular Caregiver Meetings, so we can suggest something, communicate about parents, etc. Would be nice to have that here.</p> <p>They should have a roundtable with us to share what we need to know (we are talking with peers and found out stuff that Commons should have told us). Send us advanced notice of what’s needed – not tell us the day before it’s due (sometimes it’s from Head Start).</p> <p><u>Support Services</u></p> <p>They need to keep engaging her more in the activities. The physical aspects concern me. It would be nice if they offer Physical Therapy.</p> <p><u>Awareness</u></p> <p>Getting the word out there that they exist. There are not a lot of high quality ADS serving the south side. Most of them are on the North and NW sides. It took a long time for me to find Commons (1.5 years) and I was referred by a person from a support group not by a social worker.</p> <p><u>Innovation</u></p> <p>I want my husband to be in an intergenerational environment and was hoping that Commons had a facility like that. He is cognitively like a toddler. For him to be able to work with kids would be wonderful.</p> <p><u>Systems</u></p> <p>Access to COPA, then we can self-entry</p> |

| | What is going well? | What can be improved? |
|--|---|---|
| | <p>foundation he received at Commons.</p> <p>Overall – this is the best early childhood program I have seen so far.</p> | <p>instead of sending in paperwork that they lose. Improve communications between the monitors – we sent applications in, but another person called us saying we didn't send it in...</p> <p><u>Training</u></p> <p>The partners don't do Reggio model – would be nice if we also get trained in that too (may be willing to pay).</p> <p>Train parents to become a better advocate for the children, and on how to navigate the system.</p> |

Appendix III - Board Retreat's Presentation Slides

See separate PDF file.