



Organization Overview

Summer 2019

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What is CPA?



A purchasing cooperative that has:

1. Developed 30 rooftop solar projects,
2. Aggregated \$17 million /year across 105 contracts,
3. Shifted more than \$9.6 million/year in service contracts to minority owned vendors, and
4. Built a model for replication / regional growth.

75

**Member-
Owners**

\$7.9 M

**in
Savings**

11

**Program
Offerings**



Electric



Waste



Solar



Landscape



Copier



Cleaning



Supplies



Gas

CPA's Founding Aims



1. Savings

Member Value

2015: \$550k
2016: \$1 M
2017: \$1.4 M
2018: \$1.2 M

Total: \$7.9 M
Members: 76 Orgs
Participants: 160 Orgs

2. Dividends

Business Engine

- Model that returns annual dividends
- Replicable Co-op Model

3. Organizing

Building Capacity

- New Vehicle for Social Change
- Builds the capacity to do more

4. Impact

Social & Envir.

- \$4M shifted to Black businesses
- 250 jobs with better wages & benefits
- 30+ Solar Projects
- 100+ powered by 100% Wind
- Worker co-op conversions



Religious



Education



Community



Housing



Labor



Social Enterprise

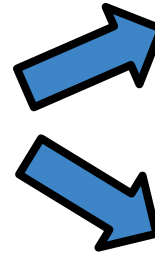
Overview of CPA Co-op Model



**Relational
Meetings
+
Peer Group
Meetings**



**Practical
Collaborations**
(i.e. Group RFPs,
Individual
Contracts)



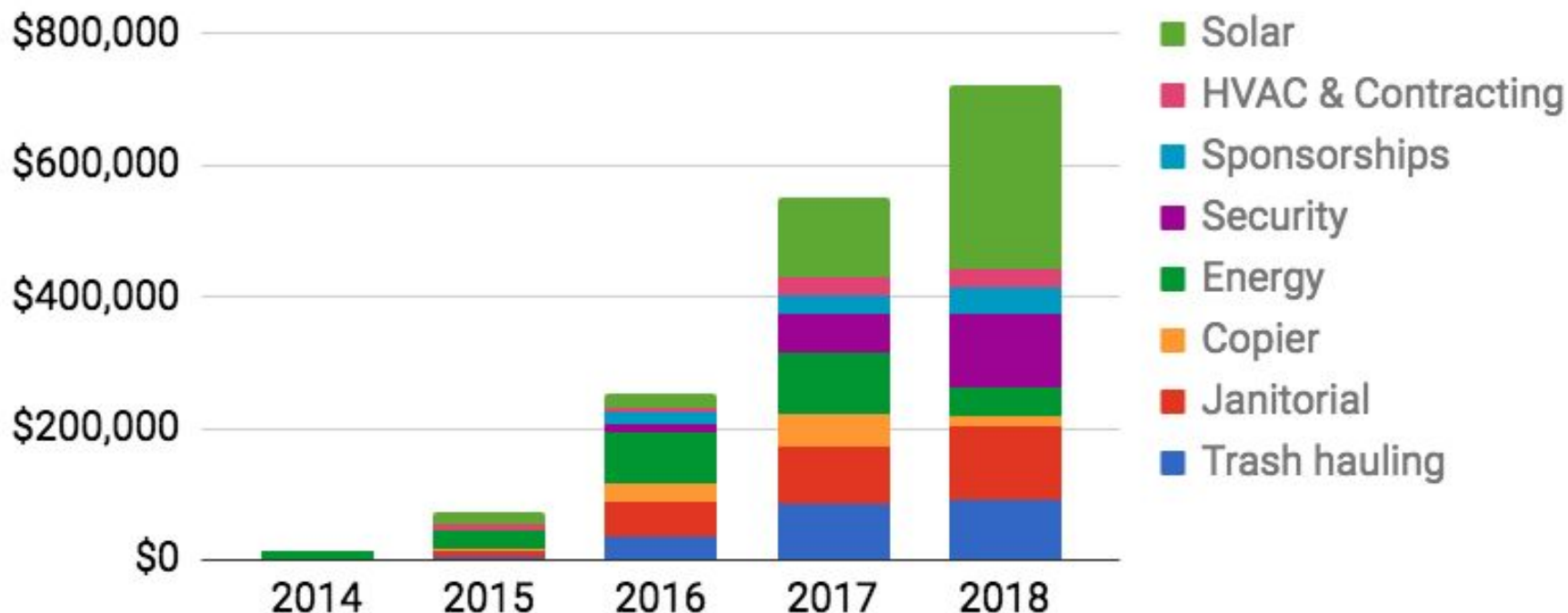
Savings for
Participants

**Local,
Minority
Vendors** get
Better Access
& Opportunity

Rebate Revenue Over Time



CPA's Earned Income Growth



Rear Wheel: Business Engine

(in thousands ,000s)	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Income	\$50	\$265	\$600	\$750	\$900
Net	-\$35	\$60	\$80	\$40	\$80
Staff	1 FTE	1-3 FTE	3-5 FTE	5-7 FTE	7-9 FTE

Annual Savings

Select Participants



\$10,876



\$34,532



\$91,147



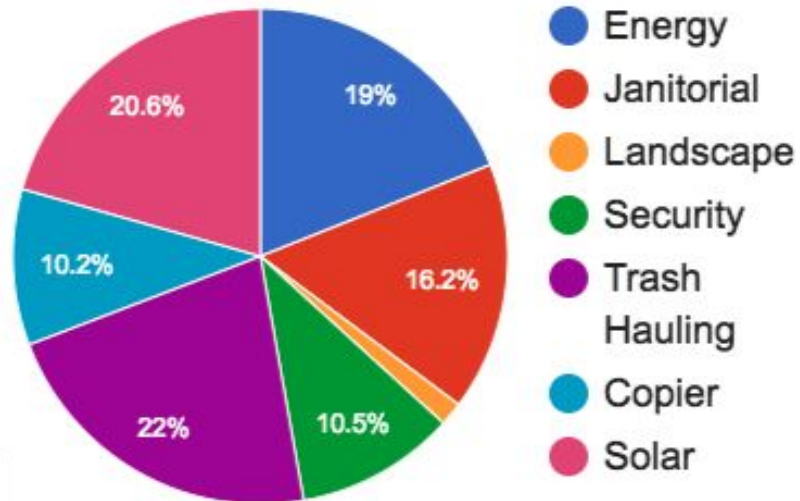
\$56,356



\$126,500

2017 Savings **\$1.4 M**

Diverse Revenue



Why CPA & History?



- **Purpose:** Brings Community Institutions together for Group Purchasing, Peer Learning, Strategic sourcing
- **Value Propositions:** Getting the job done (procurement); Risk Reduction; Cost Savings
- **Mission:** savings, funding model for organizing, sustainability, worker equity & local “anchor mission”
- **Early Days.** Energy buying group; 2011-12 Grows; Generates \$65k for Metro IAF
- **Re-Organizing as a Co-op.** 2013-14 Metro IAF sponsors start-up / feasibility planning by investing the \$75k; Founding members invest \$60k; \$35k + \$15k from NCB (+\$15k 2016); \$110k from duPont fund
- **Growth & Impact.** 2015-18 Programs focus on meeting needs of schools; Group meetings become central to building community and recruiting



Lessons Learned



- Build trust & over-deliver early.
- Don't be afraid to shift.
- Build leaders. Inspire with bigger frame & purpose.



Example of Impact: Security



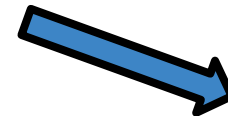
National



Local, Black-Owned



3 FTE → 100 FTE



\$2.2M/yr

TOOLKIT.CPA.COOP



Toolkit for Cooperation



The CPA Co-op Toolkit is sponsored in part with support from the National Cooperative Bank: ncb.coop



So, what's in this toolkit?

1. **Cover Letter:** Welcome!
2. **Outline & Overview** of the Toolkit (2-pages, Google Doc below)
3. **Problem & Solution** (1-pager)
4. **Threshold Tests:** What you may need to be sure a co-op will work in your area (1-pager)
5. **Feasibility Guide:** Interview questions & Illustrative Projections (Google Slides above)
6. **Videos:** Who We Are & What We're Doing (YouTube Channel [here](#) or Top Videos [here](#))
7. **Resource Library** (feasibility interview questions, business plan guide, pro-forma financials, sample RFPs, bylaws, membership agreements, vendor agreements, marketing templates and more) *[We're happy to make this part is available - just give us a call.]*

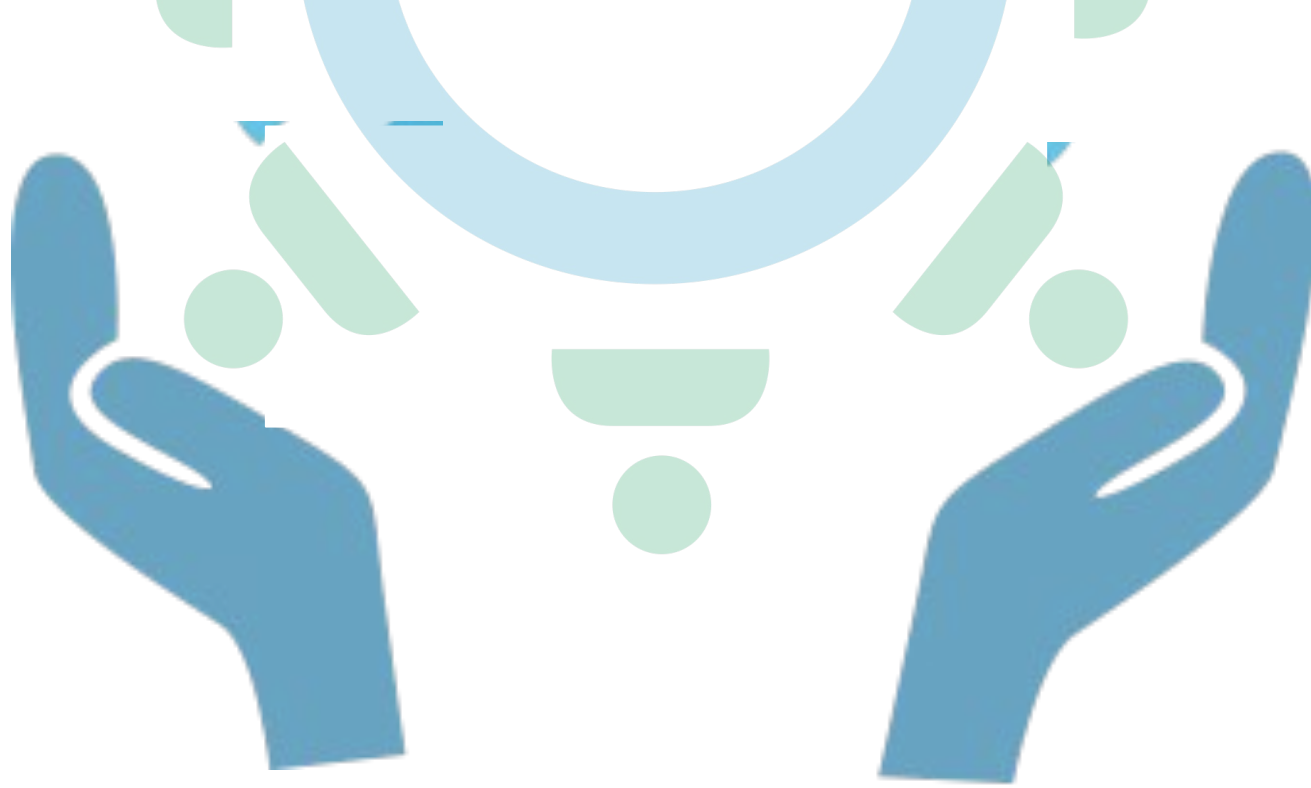
You can download 1 through 5 of the above as a single .pdf file [here](#).

Dividends Return to Members



- 60% of Net Income goes to fund Community Organizing.
- 40% of Net Income goes to Member Dividends.
 - In 2016, Net Income: \$60,000
 - In 2017, Net Income: \$80,000





“Not only has CPA saved us money through partnership on projects ranging from solar to print management, but CPA has also become a go-to forum to collaborate with our charter peers and drive positive operational and financial impact.”

- Nate Schwartz, Dir. of Business Operations, KIPP DC



Landscaping:

Savings ~ **\$5,000 per year**

Options include snow removal
@ pre-negotiated pricing

"We got pricing 30-40% lower than the competition, and we can count on them to do what they say they will & in a professional manner."

- **Ellen Agler, Executive Director**



Security Services:

Savings ~ **\$2,000 per year**

- Specialized services for schools
- CPA-negotiated pricing & terms
- Better accountability with performance incentives & penalties
- Consultations & Upgrades: Visitor protocol, camera systems, & building access

"I like having someone to narrow my options; so that we have confidence that we are making a good choice... For me, CPA is wonderful for saving money and time."

- **Jane Rutherford, Administrator**



Recycling & Trash Hauling:

Savings ~ **\$2,600 per year**



- No Fuel Surcharges, No Environmental or Tipping Fees: Just one fixed price.
- No Auto-Renewal provisions
- Accountability for missed pick-ups or problems
- Pre-negotiated contracts

"We will save \$23,000 on trash pick-up this year because of CPA. We're taking that money and expanding our food pantry ministry for those who most need access to good food."

- **Bill Knight, Facilities Administrator**

Changing the Market in Solar



	<u>System Size (kW)</u>	<u>Electric Production (kWh/Yr)</u>	<u>Annual Electric Savings (@ \$.13/kWh)</u>	<u>Additional Payments / Year</u>	<u>Total Savings (Over 10 years)</u>
Paul PCS*	100	110,000	\$14,300	\$5,000	\$193,000
KIPP-Smilow	120	132,000	\$17,160	\$6,000	\$231,600
KIPP-Bening*	108	118,800	\$15,444	\$5,400	\$208,440
Capital City *	400	440,000	\$57,200	\$20,000	\$772,000
Perry St Prep*	230	253,000	\$32,890	\$11,500	\$443,900
Two Rivers*	100	110,000	\$14,300	\$5,000	\$193,000
Maya Angelou*	180	198,000	\$25,740	\$9,000	\$347,400
IDEA	130	143,000	\$18,590	\$6,500	\$250,900
City Arts	80	88,000	\$11,440	\$4,000	\$154,400
Academy Hope*	100	110,000	\$14,300	\$5,000	\$193,000
EL Haynes PCS	140	154,000	\$20,020	\$7,000	\$270,200
(*)Notes Signed contracts	1,688	1,856,800	\$241,384	\$84,400	<u>\$3,257,840</u>

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Our “private label Yelp”



www.MARVL.org

Opportunities Abound



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