

## City Year Joins Other AmeriCorps Nonprofit Organizations to Optimize Technology for Operational Efficiency

### Customer View

**“Getting this working group together was key for us. Cisco and IBSG understand the nature of our issues and work with us to find solutions. The partnership helps all of our organizations solve common problems, including the survival of AmeriCorps.”**

—Sarah Reinstein, Senior Corporate Partnerships Manager, City Year

What do you get when you put four nonprofit organizations, all competing for the same pool of funding and volunteers, together in one room? With the help of Cisco Systems® and Cisco® Internet Business Solutions Group (IBSG), all four nonprofits benefited from innovation, knowledge sharing, and a collaborative plan that will help each organization save millions of dollars per year in administrative expenses.

### BACKGROUND

In the same spirit of teamwork that they instill in their young volunteers, four nonprofit organizations joined together to address critical gaps in operational efficiency that affect their core missions. City Year, Teach For America, Public Allies, and Jumpstart are all members of AmeriCorps ([www.americorps.com](http://www.americorps.com)), a network of 900 nonprofit organizations created in 1993 by former President Bill Clinton. Their collaborative effort is being led by City Year, an organization that had initiated a transformation to technology three years earlier. The organizations came together with a common vision that would help each further their individual goals:

- **City Year**, an “action tank” for national service, manages a full-time youth service corps, unites thousands of people each year for community revitalization projects, and hosts “cyzygy,” the Annual Convention of Idealism.
- **Teach For America** aims to eliminate educational inequity in the United States through more than 10,000 exceptional young adults, each committing two years to teach in low-income rural and urban communities.



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- **Public Allies** identifies young adults and future social entrepreneurs from diverse backgrounds, advancing their leadership skills through a 10-month program of full-time, paid apprenticeships; weekly leadership training; and team service projects.
- **Jumpstart** invests in helping to ensure educational success for young children by getting families involved in their children's learning experiences, and inspiring college students to become future teachers and leaders in education.

## CHALLENGE

After completing a year of full-time service with an AmeriCorps member organization, a volunteer is eligible to receive an education award of US\$4725. For volunteers to receive that funding, however, the member organization must verify that the volunteers have served the requisite number of hours through a system that was designed specifically for AmeriCorps nonprofits.

### Paper Process: An Impediment to Growth

As the AmeriCorps community approached 75,000 members and nearly US\$1 billion in funding, a fully functioning online system quickly became essential to avoid the delays and obstacles created by the predominantly manual process that the organizations were previously using.

"The paper process was causing huge headaches," says John Sarvey, vice president of Civic Leadership, City Year. "Corps members needed to fill out timesheets and then we had to manually enter that data, route it for approval, recalculate the math numerous times, input it into our own payroll system, then enter the data into our Web-based reporting system, or WBRS, and AmeriCorps' accounting system..."

**"WE HAD WORKED WITH CISCO THROUGHOUT OUR MULTIYEAR TECHNOLOGY PUSH TO HELP US SCALE, IMPROVE OPERATIONAL EFFECTIVENESS, AND PROVIDE OUR STAFF AND CORPS MEMBERS WITH TECHNOLOGICAL TOOLS THAT SUPPORT POWERFUL SOCIAL ENTREPRENEURSHIP." CISCO'S COMMITMENT AND CONTRIBUTION OF BOTH FUNDING AND EQUIPMENT ENABLED US TO SUCCESSFULLY CONNECT OUR 15 SITES ACROSS THE NATION THROUGH A WAN."**

**Sarah Reinstein, Senior Corporate Partnerships Manager, City Year**

To proactively address this growing problem, four of the largest AmeriCorps non-profits—City Year, Public Allies, Jumpstart, and Teach For America—formed a team intent on finding a solution. Then they reached out to the Cisco Community Fellowship Program for help.

"We had worked with Cisco throughout our multiyear technology push to help us scale, improve operational effectiveness, and provide our staff and corps members with technological tools that support powerful social entrepreneurship," says Sarah Reinstein, Senior Corporate Partnerships manager. "Cisco's commitment and contribution of both funding and equipment enabled us to successfully connect our 15 sites across the nation through a WAN."

In addition, City Year found that Aguirre, the company responsible for writing WBRS, the online reporting tool used by AmeriCorps, could write a middleware interface that would help enable all of AmeriCorps' members to perform online data collection for their volunteers and port the information directly into the federal system.

The next and most critical step was the development of a business case to show the Corporation for National and Community Service, AmeriCorps' parent organization and decision maker, that the plan was financially feasible.

## **SOLUTION**

Cisco Systems and the Cisco IBSG team offered to help create the business justification and develop a comprehensive return-on-investment (ROI) study designed to encompass potential benefits across the spectrum. "We knew that IBSG used proven methods that have helped numerous other nonprofits make sound business decisions in complex environments," Reinstein says. "These decisions have resulted in accelerated paybacks on investments in training and implementation of new technologies. We wanted to use that experience as the basis for an ROI analysis."

City Year initially met with Bill Fowler, managing partner, Education Practice, Cisco IBSG, in March 2004, to move the process forward and begin data collection for the business case. Dr. Tracey Wilen-Daugenti, senior manager, Public Sector, IBSG, conducted a series of workshops to develop the metrics that would help the organizations estimate their potential cost savings.

### **A Method for Measurement**

"We didn't have a systematic way of measuring the data," says Paul Moeller, CIO, City Year. "IBSG helped us through the decision-making process, helped us develop forecasted measurable results in terms of cost savings with the four organizations, and then extrapolated that to the rest of the 900 AmeriCorps organizations."

For the next several months, each of the four organizations documented various elements that would help them to determine AmeriCorps-member savings. Metrics included tracking initial set-up time into WBRS and all changes to the data required during the year. They also logged timesheet input, including the time it took per timesheet to accumulate data, manage files, and organize and verify manual calculations.

## **RESULTS**

Results of the analysis demonstrated that manual data entry cost AmeriCorps organizations more than US\$7.2 million annually, while the potential savings of implementing the middleware would be approximately US\$3 million.

"We have agreed to fund US\$50,000 to put this middleware in place, using City Year as a beta test," Fowler says. "Once we get proof of ROI—including reducing cost per member, as well as eliminating other costly operational inefficiencies—we'll then help all the other AmeriCorps companies roll it out."

The team believes that a new reimbursement model will help David Eisner, CEO of the Corporation for National and Community Service, meet some of his targets for eliminating costly operational inefficiencies in the AmeriCorps system and reducing the cost per member—an important metric addressed by the business case.

## NEXT STEPS

Three initiatives emerged from the workshops. The first is focused on solving the WBRS data-entry issue. Once that issue is resolved, the team will begin work on the second, to create a permanent means of knowledge sharing among the AmeriCorps organizations. This may include a buying consortium or another cooperative venture to reduce administrative overhead and context activities, returning focus to each group's core mission.

The third initiative will identify a method of technology transfer from key partners, such as Cisco, to help reduce the cost of communication and maintain contact with other AmeriCorps members. This track will also explore new methods of delivering services through wireless technology.

"Pulling together this working committee, using Cisco's guidance, and working with the WBRS organization to develop the specs for the system enhancement will not only save us time," Sarvey says, "it will save WBRS time as well, which will reduce the cost for all of us."

## MORE INFORMATION

For further information on Internet business solutions, visit <http://www.cisco.com/go/ibsg>



### Corporate Headquarters

Cisco Systems, Inc.  
170 West Tasman Drive  
San Jose, CA 95134-1706  
USA  
[www.cisco.com](http://www.cisco.com)  
**Tel:** 408 526-4000  
800 553-NETS (6387)  
**Fax:** 408 526-4100

### European Headquarters

Cisco Systems International BV  
Haarlerbergpark  
Haarlerbergweg 13-19  
1101 CH Amsterdam  
The Netherlands  
[www-europe.cisco.com](http://www-europe.cisco.com)  
**Tel:** 31 0 20 357 1000  
**Fax:** 31 0 20 357 1100

### Americas Headquarters

Cisco Systems, Inc.  
170 West Tasman Drive  
San Jose, CA 95134-1706  
USA  
[www.cisco.com](http://www.cisco.com)  
**Tel:** 408 526-7660  
**Fax:** 408 527-0883

### Asia Pacific Headquarters

Cisco Systems, Inc.  
168 Robinson Road  
#28-01 Capital Tower  
Singapore 068912  
[www.cisco.com](http://www.cisco.com)  
**Tel:** +65 6317 7777  
**Fax:** +65 6317 7799

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