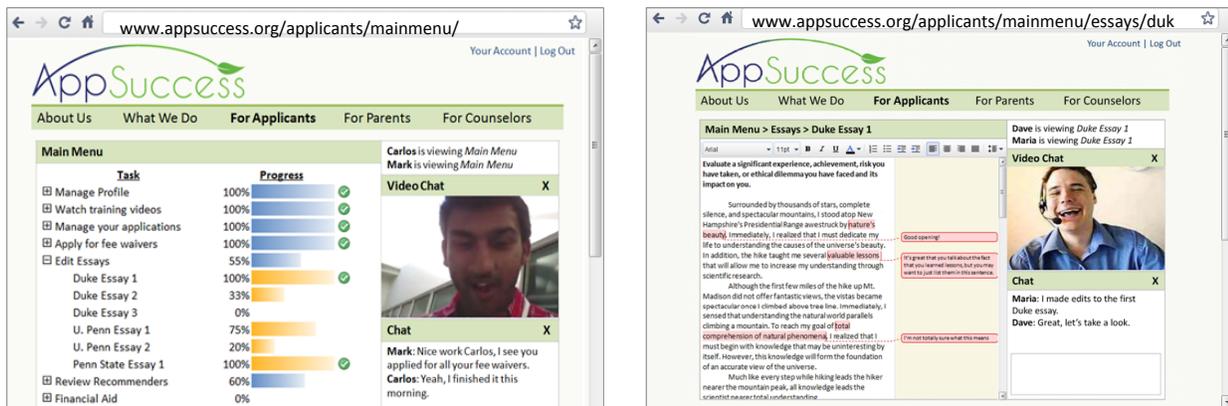




## Executive Summary

**The Problem.** In 2009, 440,000 low-income high school seniors who were qualified to go to college did not enroll; 85% of them never even filled out a college application. This is in large part because low-income students face a college application information gap: their schools are drastically understaffed—one college counselor may serve as many as 740 students—and less than half of these students report receiving any help from an adult in preparing for college. Attending college is one of the best ways to advance economically: high school graduates earn a million dollars less than college graduates over their lifetime, and are 70% more likely to be unemployed. Yet without the information and guidance necessary to apply to college, many low-income students are deprived of the opportunity to escape poverty.

**The Concept.** AppSuccess is an online platform that bridges the college application information gap by matching low-income high school seniors (“Applicants”) with college students at top universities (“Mentors”) who will help the Applicants navigate the application process: selecting their colleges, completing competitive college applications, and applying for financial aid. This relationship takes place entirely on our web-based collaborative platform (Figure 1). Mentors use an in-depth curriculum to provide the same services for free that currently only privileged students can afford. Because the process is online, we can overcome geographic and logistical barriers that impede the effectiveness of similar organizations.

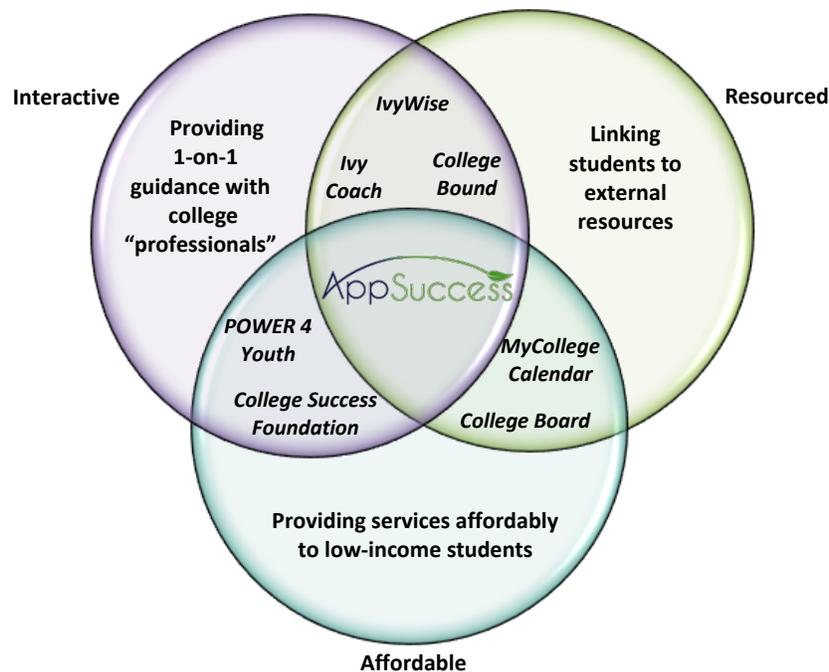


**Figure 1.** Sample website screenshots. Functionality includes an algorithm to match Mentors and Applicants; foundational videos for Applicants and their parents; tutorial and training videos for Mentors; and an interactive platform where Applicants and Mentors can edit, chat, and video chat.

**The Industry.** College admissions have grown considerably more competitive recently, prompting an increase in demand for college counseling services across all student demographics. This trend will likely continue in the future, as the primary drivers of demand—a growing population of college-aspiring high school graduates and a dearth of overworked in-school college counselors—will remain relevant and pervasive. Some companies, such as Kaplan, have entered the college counseling space to meet the increasing demand, but profit incentives often steer these firms toward higher-

income students. New federal regulation will also spur industry growth: during the early Obama administration, Congress proposed the bipartisan Pathways to College Act, which aims to improve the college-going rates of low-income students. The federal government will disburse funds to organizations that provide assistance and information to students and their families on preparing for college, navigating the college application process, and paying for colleges.

**The Competition.** Existing competition fits into three categories: (1) For-profit coaches (e.g. IvyWise), which sometimes charge as much as \$40,000 for their services; (2) Online information sites (e.g. CollegeBoard), which do not provide interactive guidance for applicants and do little to tailor such assistance to individual students; (3) Non-profit local mentoring (e.g. POWER4Youth), which are rarely located in rural areas and are confined by limited local resources. AppSuccess will be the first to provide *free, personalized* college assistance to *low-income* students *anywhere in the country* (Figure 2). This gives us a first-mover advantage, establishing AppSuccess as the main source for college counseling to low-income students.



**Figure 2.** Competitive Landscape

**The Market.** AppSuccess plans to target the 440,000 low-income students who are qualified to go to college but do not enroll. We will recruit Applicants at Title I schools, which have the largest concentration of low-income students, by reaching out to teachers and staff. In our first year, we will pilot with 90 Applicants, and scale to serve over 6,000 by our sixth year.

**The Metrics.** To ensure high-quality, high-efficiency delivery of AppSuccess services, we expect to track our progress in four critical target areas of performance, including (1) driving operational success for our Applicants; (2) providing high-performing website functionality; (3) ensuring high levels of customer service; and (4) maintaining cost-efficiency. Together, the metrics in these four categories of performance will comprise our executive scorecard (Figure 3) that will holistically guide our operational, financial, and growth decisions.

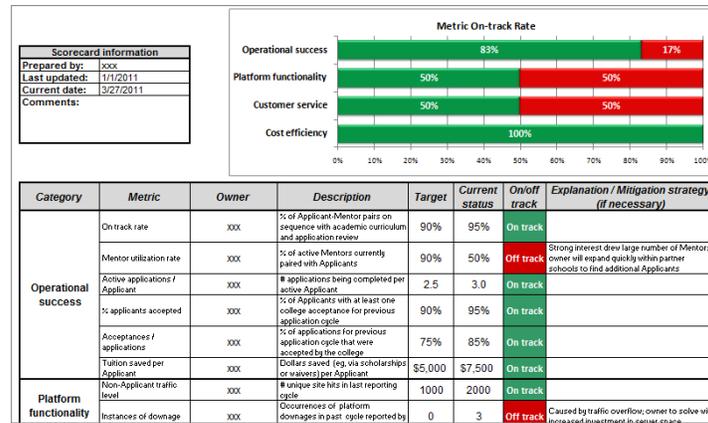


Figure 3. Executive scorecard.

**The Finances.** Our model projects that we will be cash-flow positive by our third year of operation (Figure 4). Our expenses will be driven mainly by web-development and personnel costs, and will gradually grow from \$290,000 in year one to \$580,000 in year six as we double our headcount to accommodate increased web traffic and recruitment efforts. We will be financed mainly by foundations and government grants, and will slowly introduce additional revenue streams including advertising and corporate partnerships.

**The Social Return on Investment.** The financial return to society for a program like AppSuccess is substantial. Not only does it provide intangible benefits to the Applicant in the form of increased exposure to diversity of ideas and cultures, but also to society in the form of economic benefit. The net present return on investment in an AppSuccess Applicant is over \$45,000, the bulk of which is derived from the increased income open to college graduates and graduates of higher tier institutions. We expect this sort of return to attract strong foundation investment, especially after proof-of-concept (Figure 5).

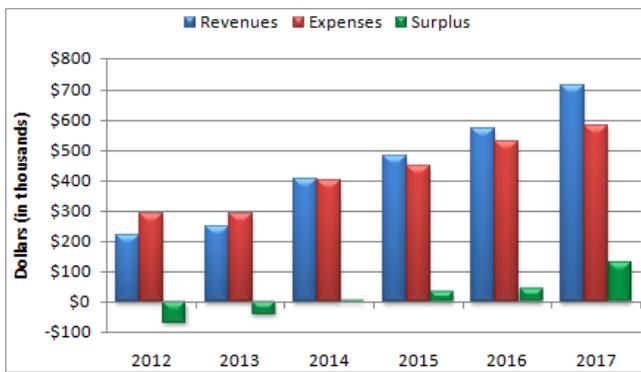


Figure 4. Financial forecast.

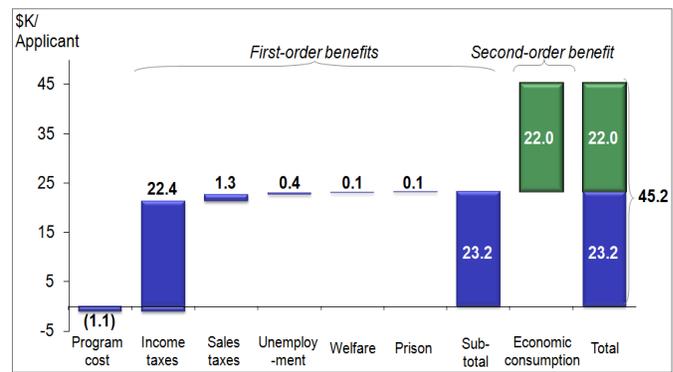


Figure 5. Social return on investment.

**The Team.** AppSuccess has five founding members: the CEO was a Teach For America teacher and worked at D.C. Public Schools; the CTO is a computer science student and has extensive experience in web development; the COO worked at Boston Consulting Group where he advised urban school districts; the CAO was a Teach For America teacher and works extensively with the YMCA to develop leadership programs for college students; the CFO served for 20 years as a portfolio manager at Fidelity and Wellington Management Company. We will hire web developers to help build the website, and will grow our staff commensurate with the growth of our organization. By our sixth year, we plan to have a total of eleven people on staff.