

Special Olympics



SPECIAL OLYMPICS INTERNATIONAL

Master Plan 2013 *Executing toward Impact*

Final

Released 4 January 2013



Introduction

Dear Colleagues:

I am delighted to announce our 2013 Master Plan, the culmination of your efforts over the past few months to prepare for the year ahead.

The Master Plan brings together a single, high-level view of priorities and metrics that we can all use to understand and track our major focus areas for this year. It is created entirely from the major components of our planning and budgeting process:



Our theme for 2013 is *“Executing toward Impact”*, highlighting the importance of not only delivering on our plan but ensuring we capture and communicate the impact we have on communities all over the world. As a means of attracting new athletes, partners, donors and fans, our ability to demonstrate this impact is a critical success factor.

The Master Plan is divided by pillar, reminding us that the Strategic Plan continues to guide our work. Similar to last year, we have 10 Operational Priorities, each of which requires extra cross-functional collaboration, support and investment because of their urgency and importance. This is not to say that our multitude of activities outside the priorities is not important. It is simply to say that in an organization whose resources are always at full capacity, our collective attention and effort must be focused where they are needed most.

I would ask that you please read through the Master Plan carefully for a deeper understanding of what we are setting out to achieve in 2013. It is in a new format that is shorter and intentional in its effort to convey the big picture. Our Division and Region plans, which are available in summary or in full on MySOI, contain much greater detail as always and will continue to provide the backbone for our 2013 activities and tracking.

In publishing the Master Plan today, we have put ourselves in a great position to hit the ground running in 2013. It is a Plan that is full of promise, and I greatly look forward to congratulating you on the impact we’ve made a year from now!

Sincerely,

A handwritten signature in blue ink that reads 'Brady Lum'.

Brady Lum
President & COO



Strategic Overview

The year 2013 marks the mid-point of our strategy, an important year during which we will take our next steps from implementing the plan towards impact for the benefit of the Special Olympics Movement at every level. We have much to build on, and we still have much to do. Above all, what is vital now is to keep moving forward with continued commitment and urgency.

We have learned important lessons on the way, and we are using these to guide our thinking and our actions. As we move into 2013, we face a number of key external challenges and opportunities:

- **Changing sport landscape:** Training methods, coaching techniques, and competition offerings are changing rapidly due to technology, new science, sports organizations driving new strategies, and alternative sport development approaches
- **Awareness:** Our profile remains low in many countries around the world; we have to find innovative, cost-effective ways to generate awareness for our Movement
- **Impact focus:** We are in a highly competitive world for resources and support – donors and constituents at all levels are looking for impact, not simply programmatic success
- **Governments:** We have a unique opportunity to take a new position as important players in health and education in the eyes of Governments around the world and see more of a fair share of support for our Movement
- **Developing world:** Many of our Programs in the developing world are dependent on our grants to survive – we must work hard to help them become self-sustaining

While the first two years of our strategic plan called for significant investments in people and other resources, we are moving towards a more self-sustaining model in 2013. This will require us to be even more focused and aligned in our efforts to execute the plan, such as:

- Driving unrestricted **revenue** so that we can deliver core programmatic and management support to the Movement
- Leveraging our marketing **platforms** to build cross-functional integration and connect with private and public funders in a way that underpins our revenue goals
- Driving an intensive, organization-wide **operational focus** through our ten priorities
- Establishing a strong position at the forefront of **digital innovation** in sports
- Working closely with our Accredited Programs to guide and support their **leadership** as they seek to improve and expand their Programs

Making all of this happen requires us to continue leveraging strong cross-functional integration, and build on our investment in establishing platforms and priorities.

Sticking to this path, which has already generated significant positive momentum, will ensure that we reap the rewards our efforts deserve and enjoy more great progress during 2013.



Strategic Plan Pillar #1: Advance Quality Sports & Competitions

	2015 Strategic Plan Goals	2013 Deliverables
Growth Goals	1.9M new athletes (5.3M total)	313,000 new athletes
	286,000 new certified coaches (530,000 total)	21,400 new coaches
	88 new Programs offer Unified Sports® (223 total)	17 new Programs
Quality Goals	Athletes participate in at least 2 training sessions per week & 1 competition per quarter	Quality & frequency of athlete training surveyed
	30% of athletes register in a Personal Sports & Skills Development program	Athlete training app developed, piloted, & rolled out in SONA

Digital Sports

We will continue our development of a world class innovative digital platform targeted directly to athletes, coaches and support members. In 2012 we defined the platform's core features and in 2013 we will work through pilot studies with core constituents to help determine the extent of feature functionality and drive content development.

Program Development

- Set feature functionality for Athlete Training Application (ATA): personalized workouts, rewards, community, and fan support
- Set feature functionality for Online Sports Academy (OSA): coaching resources, officials resources, community engagement resources, nutrition guides, etc.
- Pilot multiple ATA & OSA iterations with multiple user groups including athletes, families, partners, officials, and coaches

Communications & Awareness

- Leverage Nike "Designed to Move" global report and relationship

Fundraising & Partnerships

- Finalize multi-year funding package and secure funding

Focus Sport – Global Football

In 2013 we will continue to focus on developing relationships and awareness in every area of the football community, establishing new relationships with multiple football federations and governments, expanding the number of SO footballers, and building awareness.

Program Development

- Target growth of 41,750 new footballers, 5,400 new coaches
- Introduce Unified Football in 24 Programs
- Agree MoU with FIFA and 5 Confederations
- Confirm MOU, dates and plan for Unified Cup in Brazil
- Host Unified Cup qualifier competitions involving 75 Programs

Communications & Awareness

- Build and implement a communications strategy for Unified Cup
- Showcase SO Global Football at all Soccerex Events worldwide

Fundraising & Partnerships

- Raise \$400,000 through football
- Secure multi-year partnership support from FIFA and other potential Corporate Partners



Advance Quality Sports & Competitions (cont.)

Unified Sports

Effort in 2012 was focused on creating a strategic vision and 3-year plan for Unified Sports, as well as initiating greater engagement of the Global Unified Sports Advisory Group. This groundwork will allow us to focus on expanding Unified into new Programs and sports, as well as communicate our best practices and lessons from around the world in 2013.

Program Development

- Target growth of 63,000 new Unified Athletes and Partners
- Distribute grants to 19 Programs

Communications & Awareness

- Leverage new ESPN partnership in targeted global markets
- Communicate best practices using enhanced SOI website
- Disseminate marketing and educational materials explaining new Unified models



Fundraising & Partnerships

- Develop one new partnership to support Unified growth
- Identify new funders to bridge gap between current funding levels and expansion budget

World/Regional Games

The year begins immediately with focus on 2013 World Winter Games in Korea. We will also continue to work on getting more defined plans with 2015 and 2017 Games while reopening our bid process for 2019 Games. The year will also be a heavy planning year for 2014 Regional games.

2013 SO World Winter Games (PyeongChang): Our main aim is to provide high quality sports and non-sports events, a world class guest experience, and a strong national and global legacy. We will deliver on a wide range of success measures, including:

- 2-3 sports partnerships with international sports federations
- Attendance by 5-6 government leaders with global development responsibility
- 3-5 new major donor and/or sponsor prospects
- 90% satisfaction with accommodation, transportation and food services

Future World Games:

- Los Angeles 2015 – implement a new collaborative fundraising model with the GOC
- Austria 2017 – establish an effective GOC
- TBD 2019 – Award the Games to a host city

Regional Games:

- 2013 – Asia-Pacific Regional Games: target participation of 1,750 athletes from 26 Programs
- 2014 – MENA, SOEE, SONA: develop legacy and operating plans; hit fundraising targets

Other Sports Highlights

Sport development models

Coaching & Athlete development models (CDM, ADM) will be finalized and educational training conducted in at least 6 Regions

Focus Sports

In addition to Football, we have designated Basketball and Athletics as focus sports globally during 2013, with targets of enhanced growth, increased federation partnerships, accelerated Unified Sport participation, and updated Sport Development tools. Additional attention will be devoted to Aquatics, Alpine Skiing and Table Tennis.



Strategic Plan Pillar #2: Build Communities

	2015 Strategic Plan goals	2013 Deliverables
Growth Goals	123,000 new Athletes in leadership roles	15 new Programs starting ALPs
	100% expansion of Young Athletes per region	20 new Programs starting YA
	20% of all volunteers will be youth (12-25 yrs)	67,000 new youth volunteers
	10 new countries offer Healthy Athletes	4 new countries, 14 Healthy Communities
Quality Goals	90% of Programs meet at least one target	84 Programs start athlete input councils Translate YA toolkit - 5 languages
	60% of Programs meet targets in the Athlete Leadership, Health, family initiatives	All Regions represented at Global Family Leaders Summit in Korea

Health

We are launching our global Healthy Communities initiative thanks to the generous grant from Golisano Foundation. We will also continue to expand core Healthy Athletes work to help move the needle from episodic screenings to continuous, longitudinal, technologically driven care.

Program Development

- Introduce HA in 4 Programs
- Strengthen bioinformatics capabilities; begin piloting
- Implement 14 Healthy Communities programs

Communications & Awareness

- Launch Health Champions program
- Target strategic communication outreach to global development organizations

Fundraising & Partnerships

- Match funding for Golisano grant with \$3 MM in new funds
- Community outreach & partner development

Youth Activation & Education

We will focus our youth activation efforts in 5 areas: sustaining current Project Unify programs, expanding to new Programs, developing materials & resources, securing partnerships & funds, increasing advocacy, and continuing research & evaluation.

Program Development

- Target growth of 34,000 new youth, primarily reached through Project Unify expansion
- 100 participants from 23 Programs at Global Youth Activation Summit
- Execute final phase of Lane global Project Unify grant

Communications & Awareness

- Improve assets and activities for March 6 Spread the Word Day
- Expand research and evaluation capabilities and support

Fundraising & Partnerships

- Partner with 3 global organizations that focus on youth development
- Secure multi-year support for continued globalization of Project Unify
- Secure continued support for US Project Unify support



Build Communities (cont.)

Other Communities Highlights	
Athlete leadership	<ul style="list-style-type: none">• Conduct global ALPs Awareness Campaign• Conduct 4 new ALPs Universities
Families & Young Athletes	<ul style="list-style-type: none">• Translate Family toolkit materials into 6 official languages• Finalize Research Evaluation Report from 5 Programs
Research	<ul style="list-style-type: none">• Secure research and evaluation resources by tapping major project grants• Continue to submit competitive research funding proposals (at least 4) globally





Strategic Plan Pillar #3: Connect Fans & Funds

2015 Strategic Plan Goals		2013 Deliverables
Growth Goals	Double revenues across the movement	Raise \$66m in cash & pledges to SOI Establish Program revenue baseline
Quality Goals	75% of Programs support an organization-wide brand standard	60% of Programs support an organization-wide brand standard

Private Fundraising

We will intensify our focus on driving Movement revenue, which enables delivery of mission-critical priorities and provides for SOI day-to-day operational activities. We have an aggressive target for revenue to cover our core budget. This will be accomplished by increasing our unrestricted revenue with the expansion of the IDMP program in the United States, creating new fundraising events and ensuring that major gift budgets are well structured to include appropriate budget relieving expenses. We will drive new cause marketing relationships, and will continue to seek multi-million, multi-year commitments from new and existing donors. In support of the wider Movement, we will develop training materials and resources that will build the fundraising capacity of Regions and Programs.

Program Development

- Begin implementation of Salesforce for the entire M&D Division
- Centralize a research function for all M&D Departments
- Develop and pilot new fundraising training materials

Communications & Awareness

- Secure new cause marketing partnerships

Fundraising & Partnerships

- Raise a total of \$66,438,900 in cash and pledges for mission-critical priorities
- Raise and release a total of \$26.3 million in budget relieving revenue that allows us to financially cover our 2013 core budget
- Secure \$7.5 million in multi-year commitments towards revenue for future years. This will allow us to do better budgeting and help ensure we reach our annual fundraising goals

Branding & Marketing

We will incorporate the positive lessons of early input and creating communities of sharing as we continue our branding rollout in 2013 by offering interactive training, developing tools and additional online resources, and capitalizing on our partnership with Nielsen.

Program Development

- Roll out Law Enforcement Torch Run Brand alignment
- Monthly webinar training series
- Exceed strategic plan target of 75% brand compliance

Communications & Awareness

- Implement Online marketing site resource
- Update core brand materials including brochures, website and templates

Fundraising & Partnerships

- Develop an Awareness campaign by garnering \$20 million in VIK Media placement and 5 billion print broadcast and online impressions worldwide



Global Development & Public Fundraising

The creation of a new team focused on Global Development and Government Relations has positioned Special Olympics as a powerful catalyst for political and social change around the world. 2013 will see a combination of strategic planning and actions that: 1) enhance Special Olympics' reputation and value proposition in the global development space, and 2) continue the expansion of strategic partnerships with international development organizations and governments. Our goals include:

Program Development

- Create 5 year global development plan
- Establish new organizational department in global development and government relations
- Significantly enhance and streamline grant administration and management processes for SOI, regions and Programs alike, reducing turnaround time for overall grant processing by 25%

Communications & Awareness

- Plan and execute major high-visibility events, such as the Global Development Summit, participation in CGI America, a Healthy Communities site visit and US Capitol Hill Day
- Work with colleagues and departments to secure engagement of key influencers from government, UN entities, INGOs, aid agencies, foundations, corporations, and philanthropy

Fundraising & Partnerships

- Activate 3 new strategic global partnerships with high potential value to the movement
- Provide the highest level of stewardship to existing partnerships (e.g. Lions Clubs International) and generate increased, multi-year funding commitments where possible
- Expand Peace Corps partnerships with Programs by 50%
- Foster 7 new country-level collaborations between SOI and UNICEF worth \$500,000
- Secure a minimum of \$500,000 in new funding for core initiatives in Accredited Programs
- Develop new partnerships with 3 global/regional health partners (minimum value of \$1mm)

Other Fans & Funds Highlights

A Very Special Christmas	<ul style="list-style-type: none"> • Expand international marketing efforts and media partnerships to achieve \$2M in revenue
Global Ambassadors	<ul style="list-style-type: none"> • Announce 3 new global ambassadors aligned with sports priorities • Align 3 existing global ambassadors with our marketing platforms • Generate \$250K in revenue





Strategic Plan Pillar #4: Develop Movement Leadership

	2015 Strategic Plan Goals	2013 Deliverables
Growth Goals	75% of Program leaders complete Special Olympics leadership training	25% of Program Directors and Board Chairs complete SO training
Quality Goals	25% of Programs have a multi-year strategic plan	40% have multi-year strategic plan
	100% of Programs have annual plan and budgets that include leadership development components	80% of annual plans and budgets include leadership development

Program Quality

Two major projects form the bulk of Program Quality work next year. The first is securing input and buy-in for the Program Quality Standards through consultations in each Region, and subsequently publishing the standards. The second significant piece of work is beginning the production of Program Leadership training materials, working with subject matter expert groups. Towards the end of the year we will begin work on Program evaluation and recognition, with a view to piloting new tools in 2014.

Program Development

- Publish Accredited Program Quality Standards
- Develop one set of training materials for 7 leadership development areas (e.g. fundraising)

Communications & Awareness

- Provide General Rules education opportunities in at least 5 Regions

Fundraising & Partnerships

- Seek partners in leadership recruitment and training development/delivery

Other Movement Leadership Highlights

Accredited Program Development	<p>Regions will grow our number and quality of Accredited Programs by improving their governance, sustainability and quality. 'Focus Programs' for this work are:</p> <p>MENA: Algeria, Egypt, Iran (athlete growth) Qatar, Saudi Arabia and UAE (fundraising)</p> <p>SOA: Botswana, Mauritius, Seychelles, Swaziland, Zimbabwe, Ethiopia, Ghana (staff, board development; founding committee); Cote d'Ivoire, Kenya, Malawi, Nigeria, Rwanda, South Africa, Tanzania, Uganda (athlete, coach growth)</p> <p>SOAP: India, Indonesia and Bangladesh (athlete growth) American Samoa, Papua New Guinea (founding committee)</p> <p>SOEA: China - largest Program with significant potential Korea - host of 2013 World Winter Games</p> <p>SOEE: Great Britain, Spain, Israel, Russia (Program growth); France (Program funding)</p> <p>SOLA: Argentina, Brazil, Chile, Colombia, Guatemala, Nicaragua, Uruguay (leadership)</p> <p>SONA: South Carolina, New Jersey (games), Washington DC, Maryland (leadership), Caribbean/Haiti (fundraising), New York (health)</p>
Program Data	<ul style="list-style-type: none"> • Establish data capture and reporting systems for 95% of key metrics • Initiate 2013 Census process before the end of May, 2013
Peace Corps	<ul style="list-style-type: none"> • Activate Peace Corps Reserve volunteers in 6 of 7 Regions



Strategic Plan Pillar #5: Establish Sustainable Capabilities

	2015 Strategic Plan Goals	2013 Deliverables
Growth Goals	Reduce administrative costs by 25%	Reduce admin. costs by \$250K
Quality Goals	Create an integration eCRM	Implement Salesforce eCRM

We know that the strategic plan will not be successful without the supportive culture, core systems and infrastructure, and established processes that best support our growth, enable fact-based decisions, and deliver measurable impact over time.

We will significantly increase our professional effectiveness, taking advantage of the economies of scale offered by using common procedures, processes, and systems to keep our administrative costs in check and provide better tools Movement-wide.

There are a couple of important macro objectives for 2013:

- **Administration Expense Challenge:** We will seek \$250K reduction in administrative costs across SOI via a mix of -- Printing costs & copies, Cell phone usage, Telephone costs, Meeting planning, Banking fees, Exchange rate management, Office supplies, Credit card processing, Tax exemption status, Travel discounts and External storage
- **Technology Roadmap:** We are committed to delivering a multi-year technology investment and implementation plan for SOI with implications for the broader Movement.

Other Capabilities Highlights

Legal	<ul style="list-style-type: none"> • Monitor use of the new accreditation system application • Ensure accreditation applications are reviewed and approved within two weeks of completed application date
Finance	<ul style="list-style-type: none"> • Continue roll-out of new finance, expense, and travel management systems -- no glitches after 6 months of data processing
Human Resources	<ul style="list-style-type: none"> • Conduct employee engagement survey and develop action plans • Implement program for online and professional development • Revamp the employee onboarding process at all levels
Technology	<ul style="list-style-type: none"> • Create disaster recovery preparedness plan • Document all SOI hardware and software systems



Financial Overview

Guiding Principles

Our primary objective in budgeting for 2013 is to match revenue sources with actual budgeted expenses. In particular, we strive to have certainty in covering fixed costs of operations from budget relieving revenue and the release of available temporarily restricted funds. To do so, we will support:

- Better alignment of fundraising goals around budget-relieving targets
- Better packaging of our work to capture more budget-relieving revenue
- Better financial systems to track and report projects in addition to functional department expenses
- Careful stewardship of cash as we build up cash reserves to more sustainable levels

Key Budget Assumptions

We have restructured our budget to build clearer accountability around these guiding principles:

- 2013 spendable revenue: The total of all revenue which can be applied to offset expenses in 2013. Our target for total spendable cash and pledges available for use in 2013 is \$85M.
- Future-year revenue: The total of multi-year cash or pledges which are recognized in current budget year, but whose expenses occur in future years. Our target for total future-year cash and pledges raised in 2013 is \$7.5M.
- Budget relieving revenue: The portion of current year spendable revenue that covers SOI's core operating and personnel costs. Our target is to raise \$26.5M in budget relieving revenue for 2013.
- Personnel: Strict management of positions and personnel costs; no net increase in positions, except as mandated by grants
- Operating Expenses: Reduced by 5-10% over prior year budget

Consolidated Profit & Loss (P&L) Statement

	2013 BUDGET				
	UNFUNDED	FUNDED	TOTAL SPENDABLE	RELATED TO FUTURE YEARS	TOTAL
REVENUE					
Private Fundraising	\$ 47,578,900	\$ 11,360,000	\$ 58,938,900	\$ 7,500,000	\$ 66,438,900
Government	-	11,373,078	11,373,078	-	11,373,078
Revenue Released from Prior Years	-	7,857,021	7,857,021	(7,857,021)	-
Other Revenue	7,419,515	-	7,419,515	-	7,419,515
TOTAL REVENUE	54,998,415	30,590,099	85,588,514	(357,021)	85,231,493
EXPENSES					
Salaries & Benefits	17,414,548	2,986,405	20,400,953	-	20,400,953
Operating	9,914,844	6,478,666	16,393,510	-	16,393,510
SUBTOTAL OPERATING EXPENSES	27,329,392	9,465,071	36,794,463	-	36,794,463
OTHER EXPENSES					
Direct Mail	19,100,000	-	19,100,000	-	19,100,000
Grants and Distributions	13,529,037	12,551,184	26,080,221	-	26,080,221
Depreciation	154,694	-	154,694	-	154,694
Estimated Incremental Expenses	-	3,459,136	3,459,136	-	3,459,136
SUBTOTAL OTHER EXPENSES	32,783,731	16,010,320	48,794,051	-	48,794,051
TOTAL EXPENSES	60,113,123	25,475,391	85,588,514	-	85,588,514
NET INCOME BEFORE INVESTMENTS	(5,114,708)	5,114,708	(0)	(357,021)	(357,021)
BEGINNING NET ASSETS			51,700,202	17,181,074	68,881,276
ENDING NET ASSETS			\$ 51,700,202	\$ 16,824,053	\$ 68,524,255