

WP5 1st Workshop: Micro-Colombia Fund and Tuck Social Venture Fund - A comparison and Takeaways

Type of Academic Institution

- ❖ Columbia - IVY League Private Institution
- ❖ Tuck - Public institution

Institution:

- ❖ What is the Institute mission for the fund?
- ❖ Only for specific projects and entrepreneurs or open?
- ❖ Who will be responsibility to find the investors/money?
- ❖ To manage the fund?
- ❖ Who will be manage the fund? HEI? Students local Union? Or maybe co-managing

Deal Flow character

- ❖ Columbia - Finance inclusion ventures
- ❖ Tuck - General measured for profit social ventures

Investment Capital

- ❖ Columbia - 10-25K - 2 years
- ❖ Tuck - 25-50K Long term

Education

- ❖ Columbia - Focusing on community education on impact investments, MBA's students - consulting through experiential learning
- ❖ Tuck - Experiential learning for participating students




Structure and Collaboration format


- ❖ Columbia - affiliated to the Tamer Center for Social Enterprise in Columbia business school
- ❖ Tuck - Open to enterprises from academic institutions and field, calling for collaboration with peer funds

Fundamentals

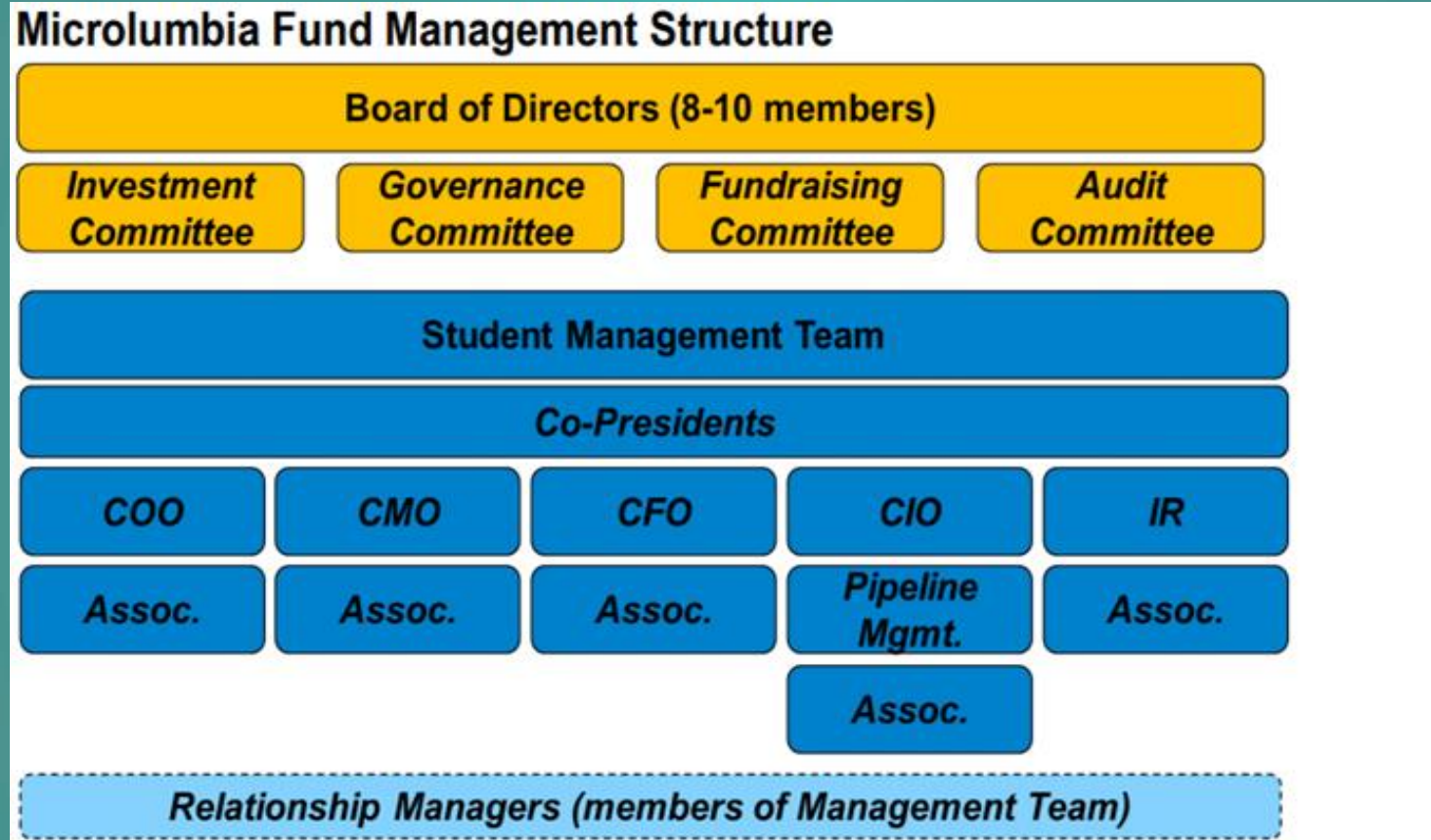
	Microlumbia	Tuck Social Ventures
Year when the fund started out	2007 - Developed bottom-up	2015
Assets under Management	~\$125,000	25K in Cnote, 25K in New/Mode 25K in CollegeBacker, 25K in Brightfield
Source of funds:	Donations, initial fundraising of \$3,000	\$100,000 in alumni contributions
Requirements to participate	Lecture Series: None Consulting Projects: MBA Student	Probably be part of the MBA program
Investment Amount	\$10,000 - \$ 25,000	\$25,000 - \$ 50,000
Investment Vehicles	Debt investments into Social Lending Enterprises, as well as selected CNote and Streetshares	Equity and Debt Investments Pre-Seed Capital Rounds For-profit social enterprises

Deal Pipeline: Microlumbia

CURRENT INVESTMENTS						
ORGANIZATION	BUSINESS MODEL	COUNTRY	INVESTMENT DATE	INVESTMENT AMOUNT	CO-INVESTOR	NOTES
 asaak	SME lending	Uganda	April 2019	\$25,000	N/A	Renewed loan after discussion w/ team and board
 SALYM FINANCE	Microfinance	Kyrgyzstan	March 2019	\$25,000	Envest	
 TULAA	Agricultural input lending	Kenya	June 2019	\$12,500	N/A	

PAST INVESTMENTS, SINCE 2016-2017 SCHOOL YEAR:						
ORGANIZATION	BUSINESS MODEL	COUNTRY	INVESTMENT DATE	INVESTMENT AMOUNT	CO-INVESTOR	
Quest Financial Services	Microfinance	Zimbabwe	October 2016	\$25,000	Envest	
 asaak	SME lending	Uganda	March 2018	\$25,000	N/A	

MicroLumbia Fund Management Structure



Fund Sources

	Total	
	Feb 1, 2019 - Feb 1, 2020	Feb 1, 2018 - Feb 1, 2019 (PY)
Income		
Donations	8,649.59	10,187.53
Interest Revenue		
Interest Income	5,396.33	4,371.25
Total Interest Revenue	\$ 5,396.33	\$ 4,371.25
Investments		
Interest-Savings, Short-term CD	22.66	27.92
Other Investment Revenue		
Total Investments	\$ 22.66	\$ 27.92
Total Income	\$ 14,068.58	\$ 14,586.70
Gross Profit	\$ 14,068.58	\$ 14,586.70
Expenses		
Accounting Fees	58.00	
Business Expenses		
Bank Fee	156.90	80.00
Business Registration Fees		62.41
Paypal Service Charge	144.00	214.47
Total Business Expenses	\$ 300.90	\$ 356.88
Contract Services		
Accounting Fees	1,750.00	1,750.00
Total Contract Services	\$ 1,750.00	\$ 1,750.00
Marketing	65.00	
Internet domain expense	561.88	345.88
Total Marketing	\$ 626.88	\$ 345.88
Office/General Administrative Expenses	410.78	523.56
Total Expenses	\$ 3,146.56	\$ 2,976.32
Net Operating Income	\$ 10,922.02	\$ 11,610.38
Net Income	\$ 10,922.02	\$ 11,610.38

PROFIT AND LOSS	
February 2015 - January 2016	
	TOTAL
Income	
Donations	3,620.00
Investments	
Dividend, Interest (Securities)	4,466.25
Interest-Savings, Short-term CD	16.39
Total Investments	4,482.64
Other Types of Income	
Miscellaneous Revenue	58.10
Total Other Types of Income	58.10
Total Income	\$8,160.74
Gross Profit	\$8,160.74
Expenses	
Marketing	
Internet domain expense	104.05
Total Marketing	104.05
Office/General Administrative Expenses	185.40
Quickbooks Subscription Fee	307.35
Total Office/General Administrative Expenses	492.75
Travel, Meetings and Events	404.56
Total Expenses	\$1,001.36
Net Operating Income	\$7,159.38
Net Income	\$7,159.38

Income Statement - Microlumbia			
in USD	Feb '11 - Jan 12	Feb '10 - Jan 11	% Change
Income			
Interest on loans	423	447	-6%
Interest-Savings, Short-term CD	30	29	4%
Total Income from Investments	453	476	-5%
Other income: Gross Donations	40,181	20,766	93%
Total Income	40,633	21,242	91%
Expense			
Operating Expenses	399	234	70%
Bank Fee	17	38	-56%
Paypal Service Charge	64	84	-24%
Total Business Expenses	479	355	35%
Foreign Exchange Loss on loans	1,547	0	100%
Conference, Convention, Meeting	4,458	872	411%
Total Expenses	6,485	1,227	428%
Net Income	34,149	20,015	71%
Balance Sheet - Microlumbia			
in USD	31-Jan-12	31-Jan-11	% Change
Assets			
Cash	76,675	32,527	136%
Loans outstanding*	0	10,000	-100%
Total Assets	76,675	42,527	80%
Liabilities and Equity			
Unrestricted Net Assets	42,527	22,512	89%
Net Income	34,149	20,015	71%
Total Equity	76,675	42,527	80%

Fund Assets

	Total	
	As of Feb 1, 2020	As of Jan 31, 2019 (PP)
ASSETS		
Current Assets		
Bank Accounts		
PayPal Account	16,720.87	22,242.01
TD Bank Checking	37,983.97	69,103.81
Total Bank Accounts	\$ 54,704.84	\$ 91,345.82
Accounts Receivable		
Interest Receivable	313.00	
Total Accounts Receivable	\$ 313.00	\$ 0.00
Other Current Assets		
Loans to Others	0.00	0.00
Asak Loan	25,000.00	25,000.00
Envest - Salyim	24,750.00	
Tulaa Loan	12,500.00	
Total Loans to Others	\$ 62,250.00	\$ 25,000.00
Total Other Current Assets	\$ 62,250.00	\$ 25,000.00
Total Current Assets	\$ 117,267.84	\$ 116,345.82
Other Assets		
CNote Investment	5,000.00	
StreetShares Investment	5,000.00	
Total Other Assets	\$ 10,000.00	\$ 0.00
TOTAL ASSETS	\$ 127,267.84	\$ 116,345.82

BALANCE SHEET	
As of January 31, 2016	
	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
Citibank Business Account	0.00
PayPal Account	4,834.56
TD Bank Checking	41,873.35
Total Bank Accounts	\$46,707.91
Other current assets	
Loans to Others	43,750.00
Total Other current assets	\$43,750.00
Total Current Assets	\$90,457.91
Other Assets	
Other Assets	0.00
Total Other Assets	\$0.00
TOTAL ASSETS	\$90,457.91

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founds:

- ❖ What is the fund mission of the founds? Business or Social Entrepreneur?
- ❖ Only for students? Or for all the HEI members (staff et al,,)?
- ❖ What is the contact between the academic programs (courses, business centers) and the fund?
- ❖ What is the financial condition? Is that fund? Or maybe kind of loan?
- ❖ What is the collaboration with the business organization who are give the money?

Takeaways:

- ❖ Long term vs. short term investing
- ❖ Fund structure - core academic or an outsourcing? Board of governor's type?
- ❖ Deal flow type (financial inclusion is less relevant to Israel)
- ❖ Investment source and capital - depend on funding source and ideology
- ❖ Partnership - open source (with peer investments), professional (from financial sector), internal (as part of a faculty/school center)
- ❖ Consulting - is it embedded in the fund activity, provided as extra?
- ❖ The risk of extra focus on consulting - Where is the fund on the scale between VC and Philanthropy?
- ❖ Experimental education - traveling to the field, global or local, theoretical only?
- ❖ For profit only or NGOs as well?
- ❖ Measurements and evaluation - as part of the deal?
- ❖ Students' motivation in case of a long-term investment: are we risking it or planning properly?
- ❖ Is there clear influence on the institution type? Besides fund raising ability, Not very clear.... (advantage of IVY league for instance)

Source:

Initial endowment of the tuck fund