

WasteCap Resource Solutions

A 501c3 based in Milwaukee, WI that uses a consulting-style model to reduce waste and costs for its clients

Investment Memo Presented by The USIT Foundation in Spring 2023

WasteCap Resource Solutions

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Charity Summary

Charity
Overview

Donation
Thesis

- **WasteCap’s unique theory of change model creates the most effective sustainable impact**
 - WasteCap’s Wisconsin (WI) projects averaged an **85.3% diversion rate (WasteCap’s nationwide project average: 73.1%)** in comparison to the recommended diversion rate of about 75% ¹
 - WasteCap Resource Solutions helps the environment by reducing waste. **Program funds (86.20% of total funding)** are specific to each project and are primary used for funding activities and operational management. Funds are derived from government funds (**85%**), membership donations (**12.5%**), and other donations (**2.5%**)
- **WasteCap’s partnerships have a high retention rate and are successful**
 - The average retention rate is 3-7 years, and the most common reason for being phased is an establishment of internal teams after achieving a zero-waste certification
 - The majority of projects are state-requested projects and large-sized establishments, and WasteCap is now expanding their focus to small businesses
 - Clients choose a personalized package of activities that include waste audits, operational audits, green certifications, etc.
- **WasteCap is focusing on piloting its Sustaining Small Businesses program in Wisconsin**
 - The SSB program is projected to operate on a budget of \$35k/year in 2027
 - Although this isn’t the highest profit generating focus, WasteCap believes it will make a positive community impact
- **The USIT Foundation has an opportunity to partner with WasteCap in the long term**
 - Management has been eager to provide information and communicates quickly and with transparency

Financial Snapshot

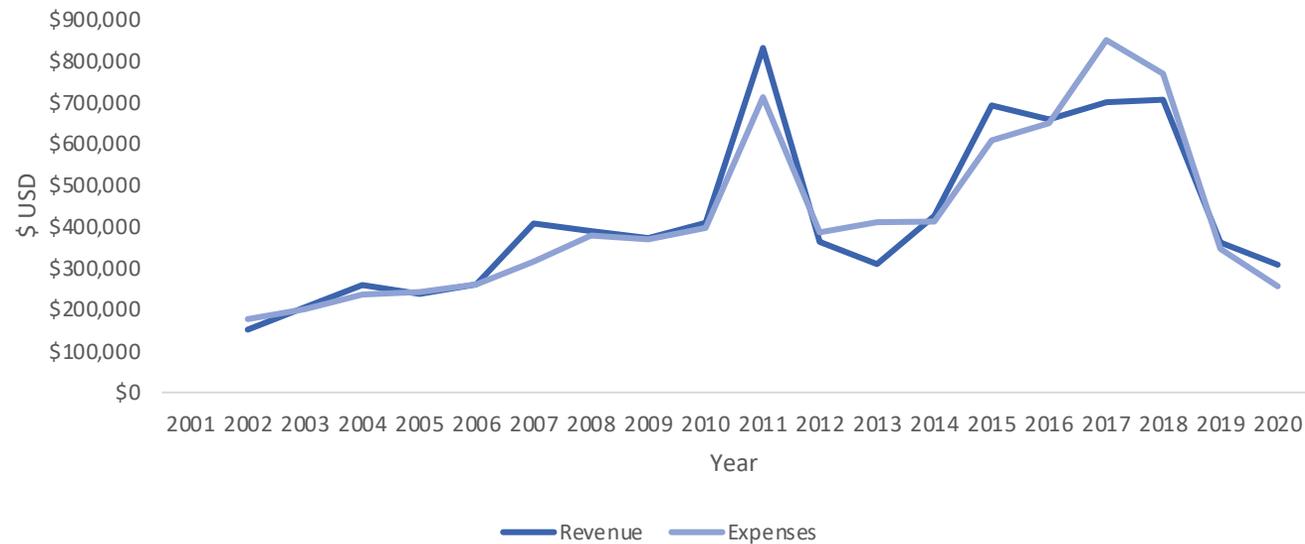
WasteCap has a historical growth trend but faces challenges due to market instability

Reason for peak in 2011: High demand for services allowed program service revenue to increase by 3 times

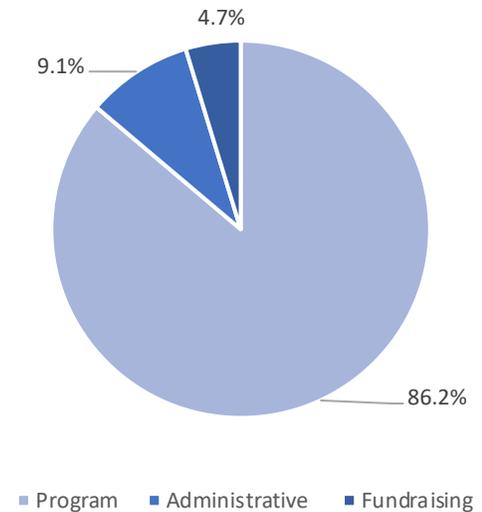
Self-stated reasons for fluctuation in 2019:

- Projects, big contracts, purchasing habits, and billing issues differ and are unpredictable
- Razed and Found was a program (physical store with 13 employees for salvaged materials) that shut down after 5 years (2014-2019)
- Resource management for the University of Wisconsin-Milwaukee project was difficult because WC handled the billing (2018/2019)
- COVID-19 proved difficult because WasteCap’s process involves directly traveling and visiting sites

Revenue and Expenses Over Time



2017-2019 Average Expense Breakdown



Program Summary

Sub-categories that characterize the variety of people served

Sustaining Small Businesses (SSB)

- **Partnerships:**
 - **Plastic Free MKE (Milwaukee) Coalition:** target single-use plastic reduction and waterway protection
 - **BizStarts:** target cost-saving sustainability practices
- **Goal:** “Reduce local emissions, stimulate local economic growth, and promote healthier communities by providing low-income small businesses (**5-25 employees**) in Milwaukee with cost and waste reduction”
- **Activities:** Community workshops, customized support, one-on-one site visits, waste audits, baseline tracking, networking access (piloting in 2023 with a nine-month takeoff plan)
- **Payment:** Businesses pay what they can with a minimum fee of \$200 per 3 full time employees¹
- **Analyst Verdict:** This program aligns with PIT’s values and is where WC identified the USIT Foundation can make the most impact

Fee-for-Service

- Offer services to medium-large corporations, state-contracts, and public universities (usually located in WI) **that can afford the fee**
- Manufacturing, construction, electric & utilities, retail, grocery stores, etc. (large-scale waste producers)
- **Examples:**
 - Outpost Foods (local): food waste prevention program
 - Land’s End (local, global)
 - Inpro Campus HQ
 - University of WI – Milwaukee
 - Winona State University
 - Crandon Community Center
- The average company spends **~\$10k-\$12k** on WC’s services in total

Wisconsin Recycling Directory³

- For two decades, the WI Recycling Directory was a **print directory** of local reuse, recycling, and compost options in the state²
- **Currently: online**
 - Provides a single place to search for haulers, processors and drop-off sites
 - Wide range of materials in WI, provides a map of locations, and allows business to include profiles and handling instructions
- WC conducts research and builds this network
 - Costs: **\$4,500/year** to maintain website and **200+ hours** to staff/update
- WC can see the number of searches per month, what people were searching for, which area they were searching, and the top 3 search results
- The directory gets ~300 searches per month
- They plan to improve flaws in June 2023

Program Summary

Sub-categories that characterize the variety of people served

Miscellaneous Events¹

- **Block Build MKE Diversion (Yearly)**
 - Partnered with Revitalize Milwaukee (NPO that builds homes for disadvantaged people) to manage their waste during the event
 - 13% recycling rate for the event (~1 acre of habitat and 60 trees were saved)
 - 3.8 tons of metal and wood were recycled with no contamination
- **Reusing Gypsum in Ag. Study (2001)**
 - Provided services to Alliant Energy Corporation; a goal was to find a recycling market for drywall scrap
 - Given a Solid Waste Management Assistance Grant from the EPA and collected **60+ tons** of scrap drywall and delivered it to the Royster-Clark plant, which made high-grade commercial fertilizer from it²
 - In 2004, the WI DNR approved a low-hazard grant of exemption, allowing the repetition of this process across the state **permanently**³
- **Near West Side Partners partnership:**
 - Built a bus stop from salvaged deconstruction materials
- **Alliance Partnerships (organizations whose missions align and exchange services with WC):**
 - US Green Building Council
 - Wisconsin Sustainable Business Council
 - Milwaukee Riverkeeper
 - City of Milwaukee’s Environmental Collaboration Office
 - Sustain Dane
 - Part of the Plastic Free Milwaukee Coalition

Risks and Mitigants

Past financial fluctuation is the primary concern for future stability

Risks	Mitigants	Assessment
<p>The increasing conservative political climate in Wisconsin creates concerns of state budget being impacted by environmental policies¹</p>	<ul style="list-style-type: none"> • Although WC relies on a set funding amount from the government, WC also heavily relies on donations and grants • WC has a position that is solely responsible for grant-writing and funding 	
<p>Finances fluctuate heavily between years, reflecting instability</p>	<ul style="list-style-type: none"> • WC is always able to receive a baseline of funding from government projects • Past financial data shows that WC is able to overcome difficult financial times 	
<p>The integrated fee-for-service model may take too much attention from helping disadvantaged businesses/non-profit work, etc.</p>	<ul style="list-style-type: none"> • WC believes their model to be a strength, increasing the interconnectedness of businesses in the Milwaukee area • WC claims fee-for-service clients are necessary to support small business work 	

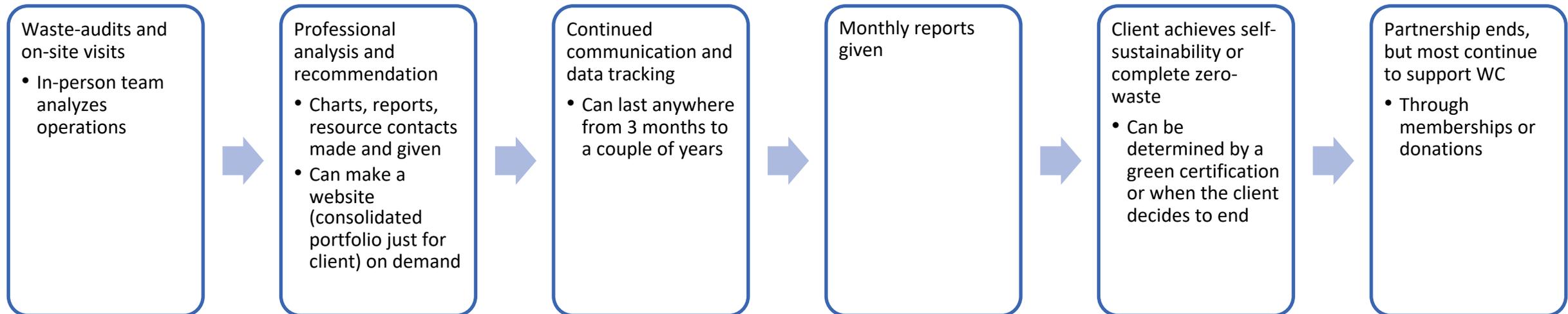
[1] https://madison.com/news/local/govt-and-politics/wisconsin-gop-lawmakers-ranked-2nd-most-conservative-in-nation-by-cpac/article_233c251b-f877-56c6-b776-48ba90f0c588.html

Program Activities

A list of offered activities that clients can choose from

Overview of Model

A personalized consulting-style model

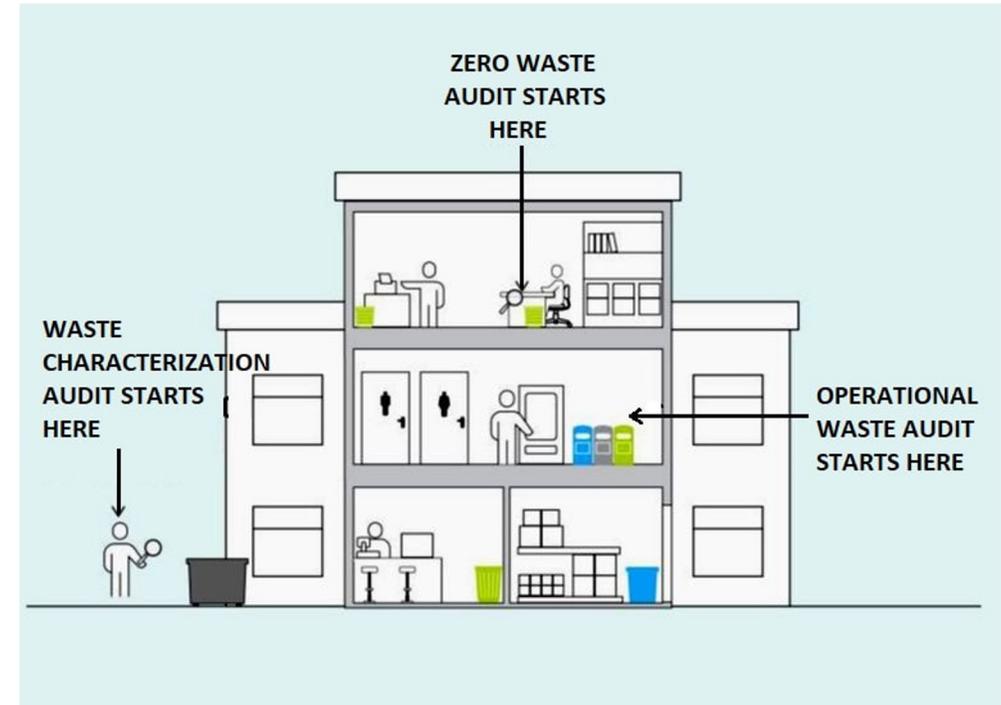


Program Breakdown

The process starts with a waste audit and continues with data tracking

1. Each process is personalized and highly varies based on the client's needs, but each journey starts with a waste audit
2. From there, clients are given initial recommendations and can see which areas need the most attention
3. Data is tracked using ReTRAC Connect, a third-party waste-specific data tracking tool that WasteCap pays a flat fee for

Note: The timeframe of a project can range from several months to several years



Theory of Change

A personalized ToC that maximizes recommendations implemented and environmental impact

Issue Overview

Wisconsin has a landfill problem

1. In 2019, Wisconsin produced the **7th most trash** in landfills per capita in the US¹
2. Landfills account for **more annual methane emissions** than almost any other single U.S. source

How Wisconsin compares to the US state average in terms of trash²

	WI	US State Average	Multiplier
Tons of trash in landfills per capita	26	19.768	WI is 1.37x greater than the US state average
Cubic feet of gas produced by landfills per day per capita	14.6	9.168	WI is 1.59x greater than the US state average

Issue Overview

In the status quo, recycling outshines reduction

In the status quo:

1. Waste Management (WM), a major corporation working towards sustainability, has committed to “investing the equivalent of 2% of net income in targeted social impact programs”¹
2. There is an abundance of recycling charities, but very few focus on reduction, a more effective method. We know this method is exponentially effective because the energy expenditure to recycle can often be more than the energy to produce. For example, it takes more water to recycle one plastic bottle than it would to simply avoid buying it². WasteCap expressed a difficulty in finding grants for waste reduction
3. Major waste charities focus on providing management (WasteAid) or diverting surplus (Ruth’s Reusable Resource)³. This doesn’t *reduce* waste and its environmental impact

Reducing is significantly more effective than recycling⁴

- It takes about 32 million BTUs of energy to produce 1 ton of paper
- It takes 22 million BTUs of energy to produce 1 ton of recycled paper
- It saves 32 million BTUs of energy to produce 1 ton less of paper that isn’t needed

Issue Overview

Small businesses are uneducated on waste management and face financial barriers

Small businesses are uneducated about the importance of waste management¹

- **39%** of the small businesses are unaware of their negative environmental impact and are “only concerned about environmental legislation”
- **31%** of small businesses that produced wastewater did not have prevention measures in place, and **59%** were unaware of where stormwater drains flowed

Small businesses that are educated about the importance of waste management still lack human resources, finances, and time²

- **59%** of small businesses believe the barriers are external (e.g., lack of storage, lack of facilities, lack of government support)
- **“Lack of Financial Resources”** and **“Lack of Fund”** barriers have been addressed as the major causes for waste management in small business compared to large business
- **78%** of small businesses cited costs as their primary concern for waste prevention, while only **22%** cited insufficient benefit/concern as their primary reason

Issue Overview

Small businesses that receive recommendations face difficulties implementing them

Percent of small businesses implementing recommendations¹

	At Least 50% of Recommendations Implemented	At Least One Recommendation Implemented	All Recommendations Implemented
Prevention	46.6%	46.6%	27.6%
Reuse/Recycle	57.9%	60%	44.2%

Although small businesses sought out recommendations, many didn't implement them due to their inability and lack of easily accessible resources. WasteCap provides personalized recommendations that are easy to implement and a directory of resources and connections, eliminating this problem.

Root Cause Analysis

WC's specialized model addresses two root causes: high costs and lack of awareness

- Many believe the root causes of improper waste management to be negligence due to **costs and inconvenient methods** and lack of **awareness**¹
- WC targets these root causes through their two focuses: **a high diversion rate** and **lower client costs**
- WC launched its Sustaining Small Businesses (SSB) program not to completely solve the issue, which persists across all operations, but to target an underserved population that is negatively disadvantaged

WC's personalized process:

1. Increases the percentage of recommendations implemented from consultants, combatting the low percentage of recommendations being implemented
2. Maximizes a donation through its effectiveness

Root Cause Analysis

WC's motivation for starting the SSB Program

1. Customer and Brand Loyalty

- 81% of customers across generations strongly believe that companies should be helping improve the environment¹
- 68% of US consumers say a company's social responsibility reputation influences their purchasing decisions²

2. Employee Safety and Retention

- Businesses that took sustainable actions saw an increase in employee satisfaction, retention, motivation, and productivity
- 83% of employees are more loyal to environmentally responsible companies³

3. Environmental Health

- Small businesses impact their local communities, and make of 99.9% of US businesses
- Improper and large-scale waste management can lead to air pollution and climate change

WasteCap aims to assist small businesses in the WI region in the same way these three businesses have reaped benefits (found on their website):

1. The Herald Review in Grand Rapids, MN

- Saved **\$18,000** in hauling and disposal expenses, **\$2,600** in ink, **\$900** in toner, and **more at no cost**

2. Prestige Cleaners in Scottsdale, AZ

- Encouraged customers to reduce waste by providing reusable garment bags, **saving \$18,000 per year** through the hanger reuse program

3. A review of 114 restaurants across 12 countries found that the average restaurant **saved \$7 for every \$1 invested in reducing kitchen food waste**⁴

Theory of Change Summary

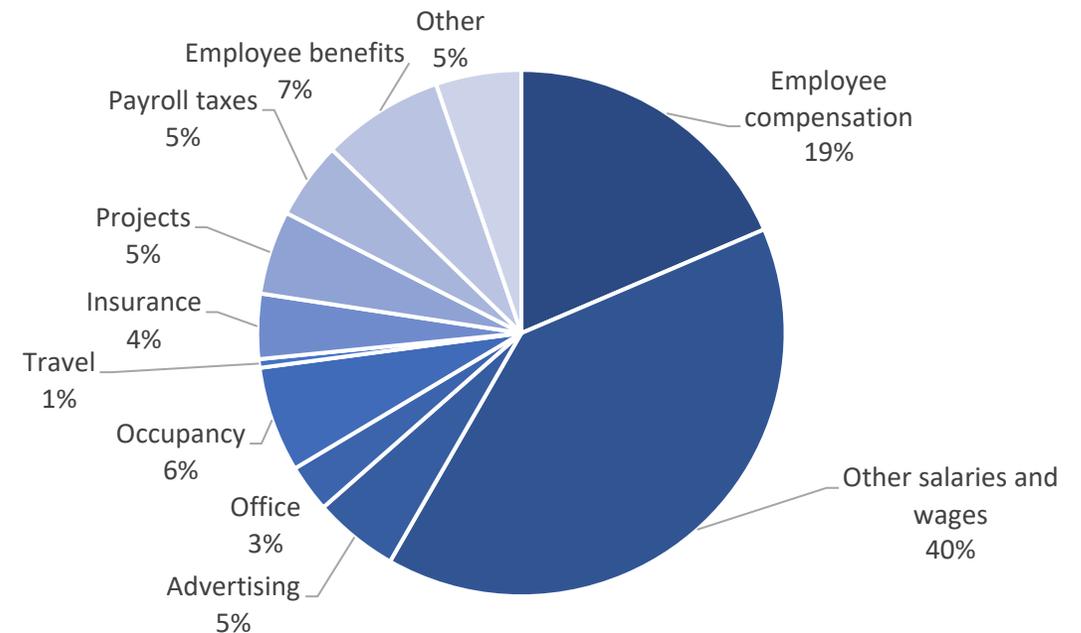
Inputs	Activities	Outputs	Outcomes	Impacts
<ul style="list-style-type: none"> • Team of 3 skilled-staff – experts who directly take on work • Support from local non-profits to partner with for programs • 2020 Inflow: \$308,604 • Clients served at any given time: <ul style="list-style-type: none"> ○ State client = biggest client (30-35 projects) ○ 8-10 larger clients ○ Couple of small projects 	<p>Customized support through:</p> <ul style="list-style-type: none"> • Evaluation <ul style="list-style-type: none"> ○ One-on-one site visits ○ Waste audits/characterization ○ Baseline tracking • Operational and construction waste diversion recommendations • Demolitions and deconstruction recommendations • Data collections: <ul style="list-style-type: none"> ○ Hosted through ReTRAC Connect • Third-party certifications: <ul style="list-style-type: none"> ○ LEED, Living Building Challenge, STARS, True Zero Waste • Sustaining Small Businesses Program (2023) • Community workshops on source reduction strategies 	<ul style="list-style-type: none"> • Long-term sustainability: <ul style="list-style-type: none"> ○ A decrease in dependency on outside assistance • Newly educated team within clients <ul style="list-style-type: none"> ○ Greater self sufficiency • WI projects: 85.3% diversion rate (WasteCap’s nationwide project average: 73.1%) 	<p><u>(Total since 2005)</u></p> <ul style="list-style-type: none"> • Waste diverted from landfills: 1,104,919 tons • Dollars saved for clients: \$36,386,234 • MTCO₂e prevented: 863,391 MTCO₂ • Habitat saved due to recycling: 9,053 acres • Water saved due to recycling: 6,942,370 years of drinking water • Trees saved due to recycling: 700,690 trees • Days of life added to WI landfills: 48.11 days • <u>Wisconsin Recycling Directory</u> 	<ul style="list-style-type: none"> • “If you can change a culture in a small business, the impact is exponential over time” – Dan Hartsig, Executive Director • Greater interconnectedness between community • Reduced climate effects, targeting decreased mass in landfills • Sustainable infrastructure that reduces the need for repeated individual modeling over time • Positive feedback loop cycle for impacts

Inputs

WasteCap Inputs

- Team: 4 skilled-staff – experts who directly take on work
- Clients will encounter on-site reviews, documentation reviews, and initial meetings
- There are currently 10 board of directors that support the team through industry knowledge
- WasteCap works with local non-profits to provide their services/do community outreach events. WasteCap is mainly funded by the WI state because of the high request of state projects
- **Outstanding resources needed (based on communication with management):**
 - A grant-writer/funding-specific role
 - A bigger team of full-time employees

2019 Detailed Expense Breakdown



Activities

Operational Waste Audit & Example from CUNA Mutual Group HQ

What is it?

- An operational waste audit reviews the material handling process for the building or organizational unit. While characterizations and zero waste audits look at the "who, what, and where," the operational waste audits look at the "how and why"
- A well executed operational waste audit provides insight on critical failures in the process and ways to reduce contamination. Benefits include critical data for cost/benefit analysis of material handling changes

Summary of contamination findings:

- One office, print shop, and store had average recycling streams, but one office had an incredibly high contamination rate. This affected other efforts, meaning that 49% of CUNA's recycling effort was ending up in the landfill. The amount of divertible material was thought to be 6-20%, but was found to be 71-89%

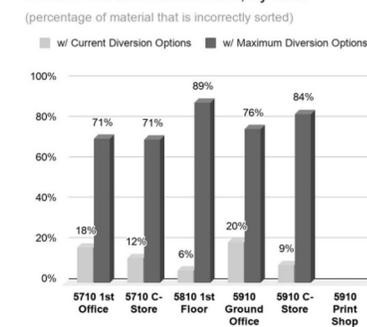
Contamination

Recyclables that contain food and trash not only contaminate their own container, but have the potential to contaminate other recyclables as they get aggregated and transported to a separation facility.

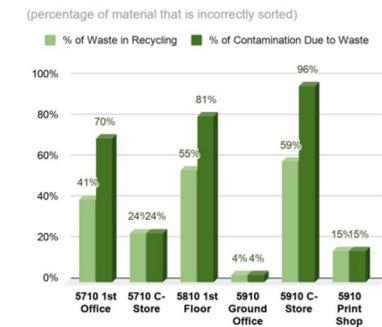
Over the week audited, contamination of the current recycling stream was very high, as much as 96% in the 5910 C-Store. 5910 office did well to produce a clean stream, and the 5910 print shop and 5710 C-store were about average. 5710 office had a very high contamination rate for an office, largely due to an entire bag of trash placed in this stream. Unacceptably high rates of contamination in the 5910 C-Store recycling and 5810 recycling, however, mean up to 49% of CUNA's overall recycling effort may be ending up in the landfill.

It is also worth noting that materials that could be diverted but are incorrectly placed in the trash are also seen as contamination of the landfill stream. If we include only current recyclables, this amounts to between 6% and 20% of the trash stream, which is low for a typical office building, but if we include film, bathroom waste and organics, the total percent of divertible material jumps to 71-89%.

Landfill Contamination Rate, by area



Recycling Contamination Rate, by area



Activities

Waste Characterization Audit & Example from Winona State

What is it?

- A waste characterization audit is the "macro" view of an organization's waste. It provides a solid foundation for strategic planning efforts and the overall health of the organization's system. The audit gathers all material generated by a building or unit, across each of its waste streams
- A well executed waste characterization provides data that can be confidently scaled to provide rough estimates of the monthly or annual operational profile and be used in communication efforts to state the current and potential waste diversion rates of the organization. Benefits also include critical data for cost/benefit analysis of material handling changes and right-sizing collection

Waste Audit

The waste audit reviewed 183.18 pounds of material comprised of 132.06 pounds of material from the waste dumpster, 43.02 pounds from the paper/cardboard dumpster, and 8.1 pounds of material from the commingled recycling totes. After review and separation, this was found to be composed of 60.82 pounds of landfill waste, 44.28 pounds of paper and cardboard, 33.98 pounds of commingled recyclables, and 44.1 pounds of organics. As the waste stream sample size was only 47% of the total amount of trash present in the building's two two-yard dumpsters and the commingled sample size was 144% due to the presence of additional material from PAC and the library, the overall weight of landfill waste, recycling, and organics was adjusted to account for the sample sizes. Adjusted for sample size there were 128.03 pounds of landfill waste, 53.41 pounds of paper/cardboard, 54.35 pounds of commingled recyclables, and 93.83 pounds of organics.

Location	Commingled Recycling	Paper/Cardboard	Organics	Trash	Total
Somsen Trash	20.00	8.10	44.10	59.86	132.06
Somsen Commingled Recycling	7.14	0.00	0.00	0.96	8.10
Somsen Paper/Cardboard	6.84	36.18	0.00	0.00	43.02
Sample Size	Commingled Recycling	Paper/Cardboard	Organics	Trash	
Somsen Trash	47%	47%	47%	47%	
Somsen Commingled Recycling	144%	144%	144%	144%	
Somsen Paper/Cardboard	100%	100%	100%	100%	
Adjusted for Sample Size	Commingled Recycling	Paper/Cardboard	Organics	Trash	Total
Somsen Trash	42.55	17.23	93.83	127.36	280.98
Somsen Commingled Recycling	4.96	0.00	0.00	0.67	5.63
Somsen Paper/Cardboard	6.84	36.18	0.00	0.00	43.02

Audit Photos



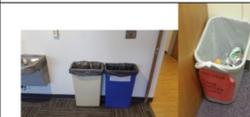
Sustainability Director Nathan Engstrom, Dan Hartsig with WasteCap, and AVP for Facilities Jim Goblirsch conduct the waste audit



A couple bags of athletics training waste was in the trash with what appeared to be blood and other bodily fluids on the bandages.



Two of the more unique finds in the trash were a stack of unused Caribou Coffee to-go cups and a rubber ducky.



Examples of missing and inconsistent signage.



Hallway container arrangements and bag colors are inconsistent across many locations.

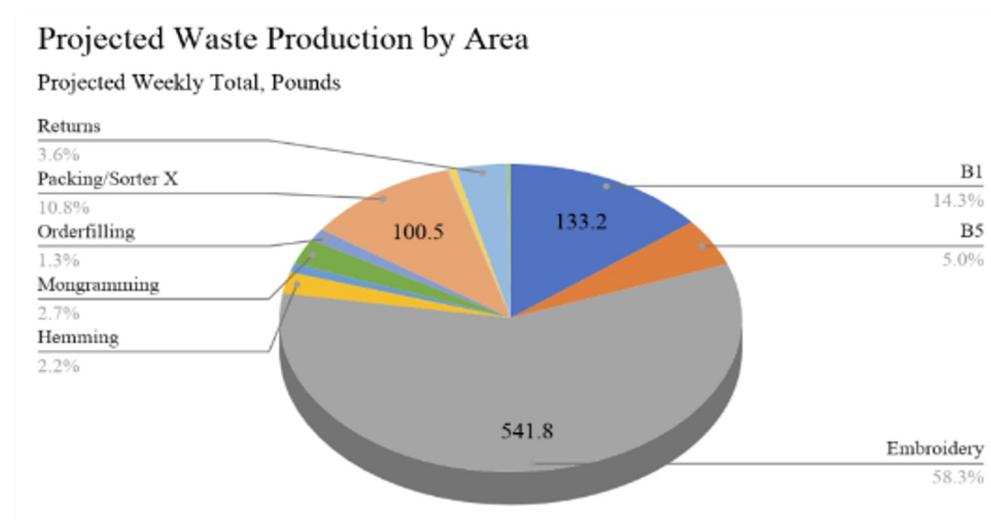
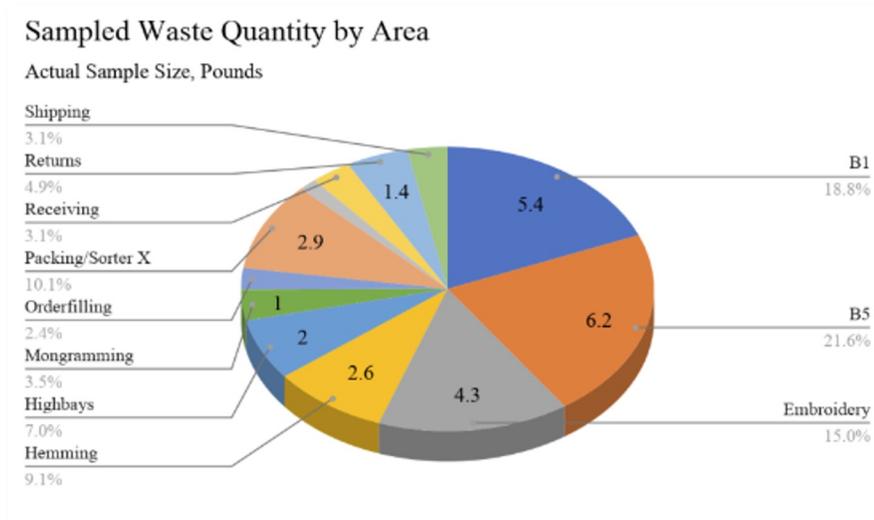


Container placement in the Business Engagement Center does not correspond to the wall signage.

Activities

Zero Waste Audit & Example from Lands' End

- A zero-waste audit is the "micro" view of an organization's waste. It provides the full value stream for specific materials found in the waste stream, from purchase through use and disposal. The audit samples the material at its entry point into the facilities waste systems and interviews its purchasers and users
- A well executed zero waste audit identifies the individuals and the decisions they made along each object's path, as well as the costs incurred for its purchase, use and disposal. It provides the full cost of use data needed to eliminate the need for materials, reduce their rate of consumption, or change the material to one that can be reused or reprocessed. Benefits are primarily cost savings but can include reduced contamination rates
- An example reports the date and action of bags of waste being delivered to WasteCap and analyzed by the team



Activities

Initial Improvements & Example from Winona State

- Initial improvements are provided after an initial audit, which serves as a guide for potential future steps, as well as simple actions that could save a large sum of money
- Gap analyses ask if your contract with waste management lines up with what you're getting
 - Past gap analyses have saved clients \$5k within minutes
 - How are current resources being used?

Potential Improvements

Overall the building's low diversion rate leaves significant room for improvement.

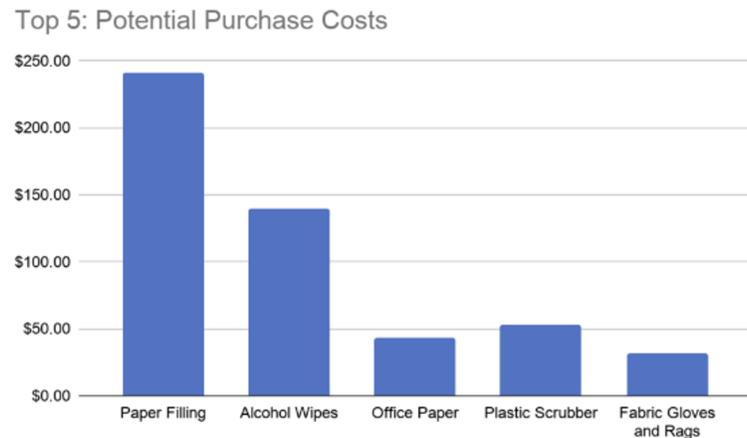
1. The Caribou Coffee location should be targeted for future organics collection.
2. Existing outreach and education efforts to students, faculty, and staff should be strengthened and expanded.
 - a. Outreach to offices is needed as there is significant confusion as to what can properly be placed in desk-side bins. Are they paper only? Commingled? Nobody seems to know.
 - b. What is/is not acceptable in the paper/cardboard stream is not well known or publicized. More outreach, signage, and other communications are needed to provide this information clearly.
 - c. The existing campaign to standardize on-container and wall signage should be continued to reach all areas.
3. More care should be given by GMWs to ensure that recycling containers are placed under the "Recycling Area" signs.
4. Staff should work to standardize the use by GMWs of clear bags for recycling. The use of black or grey bags for recycling leads to more material being rejected at the sorting facility.
5. The Print Shop should be provided with a commingled recycling container.
6. Several office areas are strong candidates for centralized trash and recycling including Business Administration, IT, Advancement Office, Presidents Office, Adult & Continuing Education, Academic Affairs, Marketing, and the Business Office.
7. Trash and recycling for classrooms could also be centralized, or all classrooms need to be provided with both recycling and trash containers.
8. If centralized office trash/recycling is not pursued and for areas that aren't good candidates for centralization, all offices need to have both trash and recycling containers.
9. Efforts to consolidate WSU's seven separate Shred-It contracts should continue to be pursued. Centralized shredding should also be considered.
10. Overall "drumbeat" institutional messaging is needed that is widely broadcast, repetitive, simple, and goal oriented.

Activities

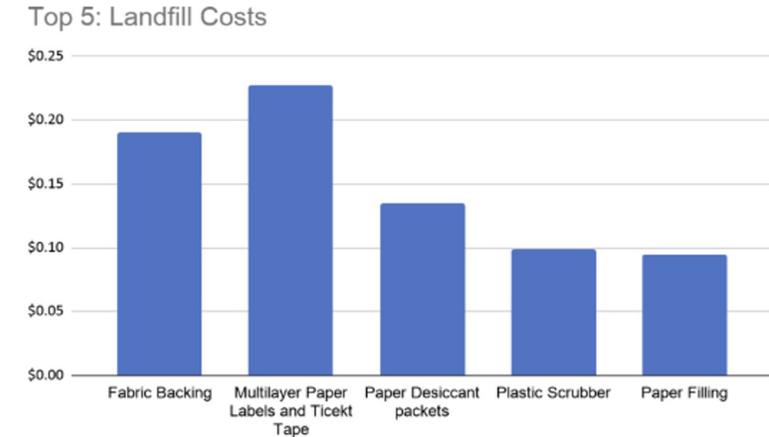
Purchasing Audit & Example from Lands' End

- Purchasing Audits involve assessing landfill materials by purchase costs, landfill costs, and potential landfill costs
- Data reveals which items result in the highest landfill costs, and can thus be reduced if possible

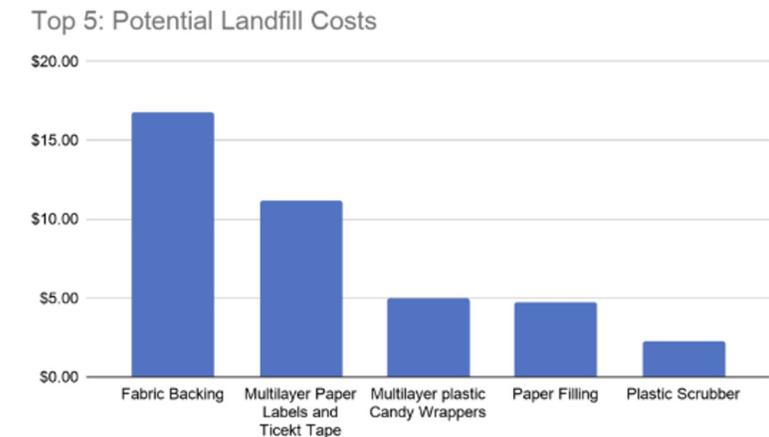
Extrapolated weekly purchasing costs, top 5 waste materials by cost:



Actual landfill costs, top 5 waste materials by cost:



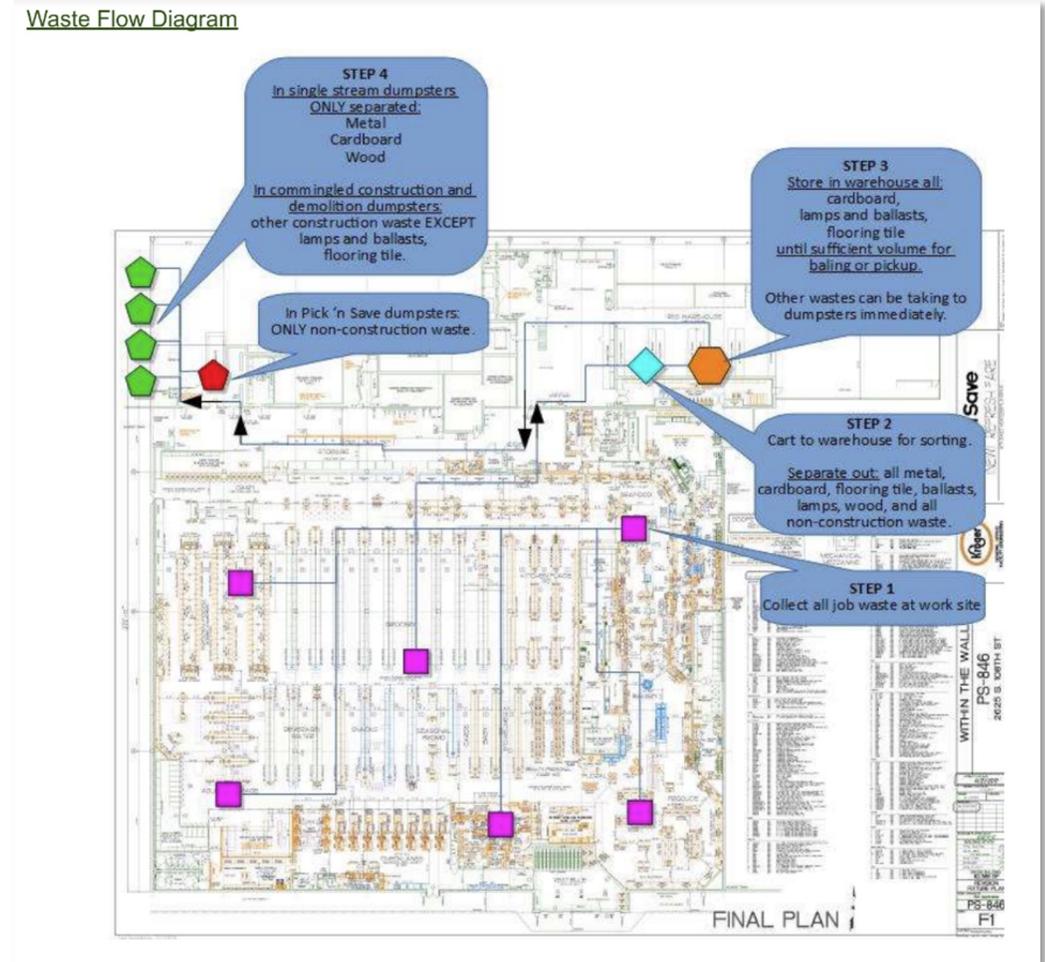
Extrapolated weekly landfill costs, top 5 waste materials by cost:



Activities

Waste Management Plan & Example from the Atlas Building Group

- The plan will begin the plan-do-check-act (PDCA) management approach for continuous improvement and involve a review of waste streams and processes, mapping collection points, highlighting overlooked opportunities, interviewing material purchasers, custodial staff, and waste haulers
- WasteCap is capable of setting up a customized project management website to contain all critical pieces of resource management efforts, allowing full transparency to all stakeholders and efficient communication
- Step 1: “Collect all job waste at work site”
- Step 2: “Cart to warehouse for sorting and separate out...”
- Step 3: “Store... until sufficient volume for pickup...”
- Step 4: Separated dumpsters for specific streams are noted



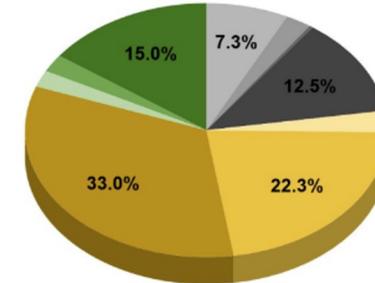
Activities

Tracking & Example from the CUNA Mutual Group

- Waste audits are utilized throughout the process, not only at the beginning
- For example, a Waste Characterization Audit may, over time, induce a decrease of plastics and landfill and an increase in organics
- This data is extracted through sorting and physical analysis
- These profiles are useful in creating a plan for where certain bins can efficiently be moved to more fitting stream

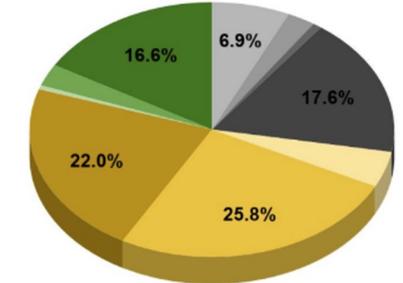
CUNA Mutual HQ Weekly Profile:

Landfill + Commingled Recycling



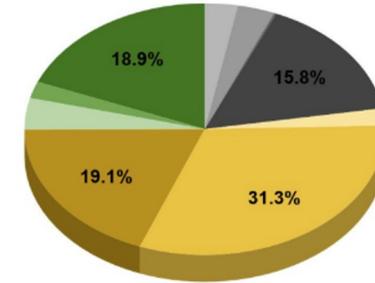
5710 Weekly Waste Profile:

Landfill + Commingled Recycling



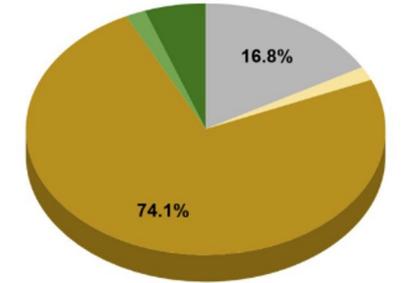
5910 Weekly Waste Profile:

Landfill + Commingled Recycling



5810 Weekly Waste Profile:

Landfill + Commingled Recycling



Activities

[WI Recycling Directory](#)

How it works:

- The Wisconsin Recycling Directory provides a single place to search for haulers, processors and drop-off sites. It covers a huge range of materials in Wisconsin, provides a map of locations, and allows business to include profiles and handling instructions
- Step 1: Enter the address of your job site or facility in "Location"
- Step 2: Select the material you want to reuse, recycle, compost or process in the search bar
- Identify haulers and/or processors on the next page

Operation Information:

- WasteCap Resource Solutions maintains the directory, but it is open for all haulers, processors and collection/drop-off locations to list the materials they accept, their hours and contact information, service areas, material handling requirements and much more
- This costs \$4,500 per year to maintain the website and 200+ hours to staff and update it
- WC can see the number of searches per month, what people were searching for, which area they were searching, and the top 3 search results
- The directory gets ~300 searches per month
- They plan to improve flaws in June 2023

Outputs

Waste reduction is driven by variable high prices

Waste reduction through variable charging programs: its sustainability and contributing factors

This study investigates sustainability and determinant factors of waste reduction through variable charging schemes¹

1. Waste reduction was achieved by variable charging and was sustained over an average of at least 10 years. The results regarding the sustainability of the price effect were inconclusive
2. The main factors contributing to the combustible waste reduction achieved through variable charging were two-tier pricing and the price of waste bags. The effect of two-tier pricing programs was positive
3. Wastepaper recycling and variable charging reinforce each other to promote waste reduction

Key takeaway: To avoid the effects of pricing programs, organizations seek out waste reduction efforts and are motivated by this reason to continue long-term sustainable waste reduction efforts in order to save money

Outcomes | Key Performance Indicators

WasteCap produces real results

WasteCap Annual Statistics	To Date
Diversion Rate	73.2%
Quantity Diverted From Landfills/WTE (UST)	1,104,919
<i>Total Waste (UST)</i>	<i>1,509,955</i>
<i>Diversion (In Garbage Trucks)</i>	<i>122,769</i>
<i>Diversion (in 40 yard dumpsters on I94 from MAD to MKE)</i>	<i>8.05</i>
<i>Habitat saved due to paper, wood, metal recycling (Acres)</i>	<i>9,053</i>
<i>Water saved due to paper, wood recycling (years of drinking water)</i>	<i>6,942,370</i>
<i>Trees saved due to paper, wood recycling</i>	<i>700,690</i>
Landfill Space Conserved	To Date
Days of life added to Wisconsin landfills	48.11
<i>In avoided landfills (2.5 million yd³)</i>	<i>0.44</i>
<i>In Lambeau Fields (565,000 yd³)</i>	<i>195.56%</i>
<i>In inches of trash on I94 from MKE to MAD</i>	<i>9.03</i>
<i>In amount of available Wisconsin landfill space</i>	<i>0.93%</i>
Hauling Cost Savings	To Date
TOTAL	\$36,386,234
Interesting Recycling Metrics	To Date
MTCO₂E Reduction	863,391
MTCO₂E Reduction (in cars removed each year)	11,457
Full time jobs created each year	175
Net wage income generated	\$125,864,845
Net tax income generated	\$21,054,042

Outcomes | Key Performance Indicators

KPIs over time

	2005-2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Diversion Rate	85.3%	86.2%	87.3%	31.3%	63.8%	63.1%	51.6%	69.4%	81.0%	64.2%	59.9%	74.7%
Quantity Diverted From Landfills (UST)	338,208	103,047	100,394	28,313	72,084	68,858	35,781	106,463	119,522	38,669	32,537	60,044
Total Hauling Cost Savings	\$24,063,558	-\$3,126,942	\$7,298,996	\$2,057,938	\$2,033,404	\$1,164,494	\$901,810	-\$4,743,033	\$8,837,758	\$2,079,594	-\$1,948,040	\$1,048,981
Days of Life Added to WI Landfills	14.77	4.49	4.37	1.23	3.14	3.00	1.56	4.64	5.20	1.68	1.42	2.61

Impacts

Waste reduction brings significant environmental benefits

- “The implementation of waste reduction management at the **design and construction stage** can effectively reduce construction wastes and bring significant environmental benefits”
- “Applications of any single waste reduction measure are limited while **multiple waste reduction measures** must be implemented simultaneously to achieve the **maximum benefits of waste reduction**”
- “Simulation results highlight that the reduction management can **reduce 40.63% of waste generation**. The reduction management achieves good environmental benefits including the reduction of greenhouse-gas emissions of 12,623.30 kg or **13.9 tons**, saving waste landfill of 3901.05 m³ or **137,764 cubic feet** and reducing the use of public vacant site for the illegal dumping of 688.42 m³ or **24,296 cubic feet**”¹
- WasteCap has **an 85.31%** diversion rate for statewide projects and a **73.1%** diversion rate for national projects. Most recommendations target a 0-50% diversion rate within the first two years, then 75% after²
- The long-term soft impacts include toxicity reduction, waste-volume reduction, a redesign of products and materials used, and greater encouragement of more environmentally-friendly items³

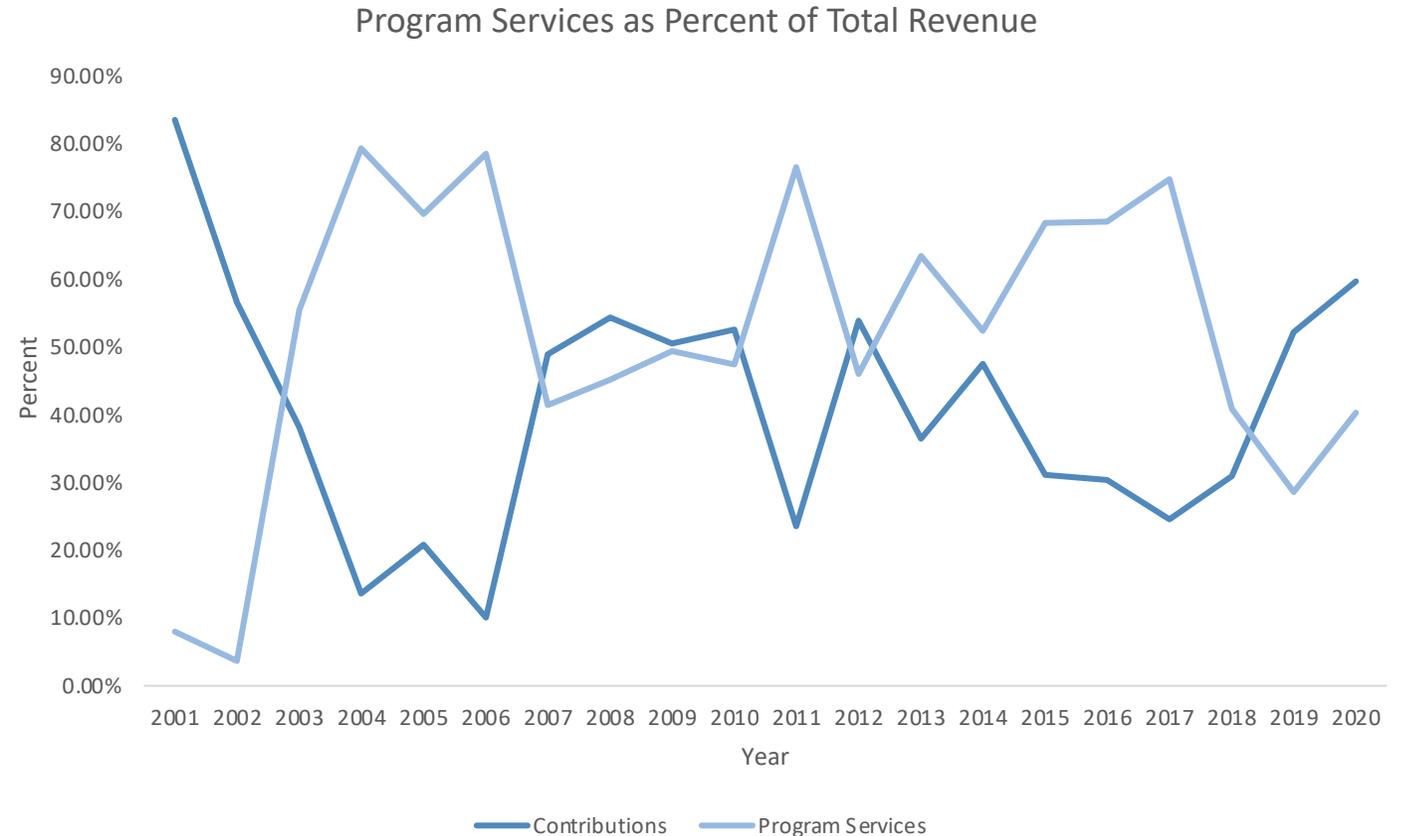
Charity Financials

WasteCap's financials vary based on market trends and project numbers but always receive a steady inflow

Sources of Inflows

The majority of inflows are from program services

- **Sources of inflows**
 - **As of 2020:**
 - **Contributions: 59%**
 - **Program Services: 41%**
- **Funding landscape/categories**
 - Contributions: Grants, donations, membership
 - Program Services: Includes state-funding as part of a state contract, fee-for-service payments **(majority of funds, historically)**
 - State funding is flat (program services); DNR contract is the most stable funding source (since 2006)
- **Membership**
 - Past clients often become members
 - Purchased 1-year terms that provide companies with small sponsorship benefits
 - Benefactor (\$500) + Bronze or Higher (\$1,000)



Funding and Expense Details

Program spending varies by project

- On average, programs account for **86.2%** of expenses, a solid percent of their expenses
- Program spending varies by project, as no two businesses require the same exact waste management. However, from the three pricing examples WC has sent:
 - The rate of services (waste audit, project setup, information gathering) averages **\$125-\$135 per hour** (waste consultant businesses usually charge from \$2k-\$10k just for a waste audit)
 - A selected package/service (simple audit, management plan, gap analysis, baselining) averages **\$2k-\$4k per package**
 - The average company spends **~\$10k-\$12k** on WC's services in total

Funding and Expense Details

Example: Audit

[Example: Redacted Simple Audit \(Timeframe: 2 months\)](#)

Waste and Commingled Recycling Audits plus walkthroughs, 1 WC Staff, 3 Illumina Staff

Andritz Steel MFG, 50k sf, 20 FTE, 6 total cu yds streams	People	Hours / Days	Hours	Rate	Subtotal (\$)	Margin	Total
Simple Audit					\$ 2,445.00	20%	\$3,060.00
Project Setup, Communication, Billing	1	1	1	\$130.00	\$ 130.00		
Site information gathering, audit coordination	1	1	1	\$130.00	\$ 130.00		
Pre-audit and Post-audit Meetings/Meeting Prep	1	2	2	\$130.00	\$ 260.00		
Waste Audit (On-Site)	1	4	4	\$130.00	\$ 520.00		
Final Report - 2 streams 3 categories	1	4	4	\$130.00	\$ 520.00		
Travel (Hours)	1	1	1	\$130.00	\$ 130.00		
Travel (Mileage/Per Diem)	1	50		\$ 0.60	\$ 30.00		
Flight	0	0		\$845.00	\$ -		
Hotel	0	0		\$125.00	\$ -		
Food	1	25		\$ 25.00	\$ 625.00		
Equipment Coordination and Purchase	1	1		\$100.00	\$ 100.00		

Funding and Expense Details

Example: Gap Analysis

Example: Gap Analysis (Timeframe: 8 months)

Gap Analysis	# of People	Hours / Miles	Rate	Subtotal (\$)	Margin	Total
				\$ 2,756.50	10%	\$3,070.00
Project Setup, Billing	1	1.5	\$ 125.00	\$ 187.50		
Communications	1	1.00	\$ 125.00	\$ 125.00		
Documentation review	1	8.00	\$ 125.00	\$ 1,000.00		
Review (On-Site)	1	3	\$ 125.00	\$ 375.00		
Travel (Hours)	1	0.5	\$ 125.00	\$ 62.50		
Travel (Mileage)	1	10	\$ 0.65	\$ 6.50		
Final Report	1	8	\$ 125.00	\$ 1,000.00		
Equipment				\$ -		

Funding and Expense Details

Example: Demolition + Construction

Example: Demolition + Construction (Timeframe: expected 1+ year, starting in March 2023)

Project Activities	Quantity	Hours/mo.	Subtotal (hrs)	Rate	Subtotal (\$)	Margin	Total
Construction Management Plan					\$ 2,007.56	20.00%	\$2,509.45
Initial Meeting (prep, execution, followup)	1	2	2	\$ 125.00	\$ 250.00		1st month
Travel	1	1	1	\$ 125.00	\$ 125.00		
Milage	1	14		\$ 0.54	\$ 7.56		
Database Review	1	1.5	1.5	\$ 125.00	\$ 187.50		
Draft Plan Generation	1	1.5	1.5	\$ 125.00	\$ 187.50		
Coordination of vendor selection	1	1.5	1.5	\$ 125.00	\$ 187.50		
Vendor Interviews	1	1.5	1.5	\$ 125.00	\$ 187.50		
Final Plan Generation	1	3	3	\$ 125.00	\$ 375.00		
Plan updates during construction	1	0	0	\$ 125.00	\$ -		
GBH Credit Completion	1	0	0	\$ 125.00	\$ -		\$3,150 First Month
Final Meeting (prep, execution, followup)	1	1	1	\$ 125.00	\$ 125.00		\$640 Each Additional Month
Travel	0	1	0	\$ 125.00	\$ -		\$947 Per session
Milage	0	14		\$ 0.54	\$ -		
Final Reporting	1	3	3	\$ 125.00	\$ 375.00		
GBH Reporting/Credit Completion	0	0	0	\$ 125.00	\$ -		\$12,750 Expected total

Note: This is a projected budget. The first month is more expensive than additional months due to initial reviews.

Funding and Expense Details

Razed and Found, a previous demolition store, was a self-stated attribute to fluctuating financials

- **WasteCap Architectural Salvage and Reuse Warehouse or Razed & Found** (A previous division of WasteCap at 2123 W. Michigan St.)
- **Primary mission:** “To preserve Milwaukee's rich architectural history by turning what would normally be seen as waste, into cherished resources”
 - Offered deconstruction services, hosted do-it-yourself workshops, and operated a retail store that sold salvaged materials
- **Closed in 2019 due to these reasons:**
 - Costs grew with revenues, and the difference between the two was diminishing, projected to be in the black by 2021
 - In 2018, too many negative factors aligned
 - Habitat for Humanity saw WC as competition, rather than a partner, even though they traded in different materials. HfH could do salvage work and take donations for free because they had a volunteer staff and corporate funding. WC had to pay staff and had no national income. This overall limited the number of salvage opportunities
 - The city slowed the rate of deconstruction projects, which WC counted on for a base load of material
 - The tax law changes put in place in 2017 eliminated the benefit of itemizing small deductions and fewer people saw benefits in donating materials
 - The general political outlook going forward from 2016 meant fewer businesses were looking to show off 'sustainable' credentials by taking the extra cost to deconstruct rather than demolish buildings
 - Customers' purchasing showed valleys
 - Energy and rent costs had increased
- **News articles:**
 - [On Milwaukee](#)
 - [CBS 58 News](#)

Impact Calculations

WasteCap yields an SROI of 26.86

Social Return on Investment | Overview

Standard cost assumptions

National average statistics ¹

- Cost to recycle: \$30 per ton
- Cost to landfill: \$50 per ton
- Cost to incinerate: \$65-\$75 per ton
- Additional cost for transportation: \$110 per ton (increases in rural areas and with smaller containers)
- WI landfill gate charge: \$45 per ton

Factors that increase costs of disposal:

1. Distance from the landfill
2. Lower quantity/smaller containers

Key takeaway: reduction eliminated multi-variable costs associated with disposal

WasteCap's motivating principle for cost-saving foundations:

- “In Milwaukee, **\$4** is the cost to landfill a pallet of paper, **\$3** to recycle it in a commingled stream, or **\$2** to recycle it in paper only stream. However, you save **\$1500** to not buy the paper at all” ²

Social Return On Investment | Calculations

Benefit Calculations and Assumptions

Dollar Benefit - Carbon Capture	2022E	2023E	2024E	2025E	2026E
US Tons of Waste Diverted Per Year	70000.00	71400.00	72828.00	74284.56	75770.25
Carbon Tons Reduced By Ton of Waste	1.70	1.70	1.70	1.70	1.70
Carbon Tons Reduced By Waste Diversion	119000.00	121380.00	123807.60	126283.75	128809.43
Dollar Cost of Carbon Ton on Agriculture	\$ 23.10	\$ 23.33	\$ 23.56	\$ 23.80	\$ 24.04
Dollar Cost of Carbon Ton on Energy	\$ 2.50	\$ 2.53	\$ 2.55	\$ 2.58	\$ 2.60
Dollar Cost of Carbon Ton on Mortality	\$ 25.00	\$ 25.25	\$ 25.50	\$ 25.76	\$ 26.02
Dollar Cost of Carbon Ton on Sea-Level Rise	\$ 0.40	\$ 0.40	\$ 0.41	\$ 0.41	\$ 0.42
Composite Dollar Cost of a Carbon Ton	\$ 51.00	\$ 51.51	\$ 52.03	\$ 52.55	\$ 53.07
Total Dollar Benefit of Waste Diversion	\$ 6,069,000.00	\$ 6,252,283.80	\$ 6,441,102.77	\$ 6,635,624.07	\$ 6,836,019.92
Discount Factor	1.00	1.08	1.16	1.24	1.32
Total Discounted Return Calculation	\$ 6,069,000.00	\$ 5,789,151.67	\$ 5,552,674.80	\$ 5,351,309.74	\$ 5,178,802.97

Total 20Y Benefit of Waste Diversion	\$ 99,716,616.91
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Control Panel - Income	
2.00%	Rate of Increase - Waste Diverted Per Year
1.00%	Rate of Increase - Dollar Cost on Agriculture
1.00%	Rate of Increase - Dollar Cost on Energy
1.00%	Rate of Increase - Dollar Cost on Mortality
1.00%	Rate of Increase - Dollar Cost on Sea-Level Rise
8.00%	Discount Rate

Social Return On Investment | Calculations

Outflows Calculations and Assumptions

Dollar Cost - Charity Outflows	2022E	2023E	2024E	2025E	2026E
Program Expense Spend	\$ 220,157.39	\$ 224,560.54	\$ 229,051.75	\$ 233,632.78	\$ 238,305.44
Proportion of Program Expenses	86.20%	86.55%	86.90%	87.23%	87.56%
Admin Expense Spend	\$ 23,241.67	\$ 23,009.25	\$ 22,779.16	\$ 22,551.37	\$ 22,325.86
Proportion of Admin Expenses	9.10%	8.87%	8.64%	8.42%	8.20%
Fundraising Expense Spend	\$ 12,003.94	\$ 11,883.90	\$ 11,765.06	\$ 11,647.41	\$ 11,530.94
Proportion of Fundraising Expenses	4.70%	4.58%	4.46%	4.35%	4.24%
Total Outflows	\$ 255,403.00	\$ 259,453.69	\$ 263,595.97	\$ 267,831.56	\$ 272,162.23
Discount Factor	1.00	1.08	1.16	1.24	1.32
Total Discounted Return Calculation	\$ 255,403.00	\$ 240,234.90	\$ 227,237.91	\$ 215,993.20	\$ 206,183.51

Total 20Y Charity Outflows	\$ 3,712,416.47
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Control Panel - Charity Outflows	
2.00%	Rate of Increase - Program Expense Proportion
1.00%	Rate of Decrease - Admin Expense Proportion
1.00%	Rate of Decrease - Fundraising Expense Proportion
5.00%	Rate of Increase in Outflows

Social Return On Investment | Calculations

Outflows Calculations and Assumptions

Unit Economics	
Per Ton of Waste 20Y Benefit	\$ 55.25
Per Ton of Waste 20Y Investment	\$ 26.86
SROI	
Cumulative Total 20Y Benefit	\$ 99,716,616.91
Total Uncertainty Factor	1.00
Total Adjusted Return Calculation	\$ 99,716,616.91
Cumulative Total 20Y Cost	\$ 3,712,416.47
SROI	26.86x

Relative Impact | Comparable Charities

WasteCap outperforms charities that follow the same model

	WasteCap	Waste Reduction Partners ¹	Industry Standards
Waste Reduced (tons per year)	~50,224 Diversion rate: 85.3%	~13,360	N/A
Consultant Recommendations Implemented	“All clients implement all recommendations, though not immediately”	52%-76%	Only 46.6% of clients in a study implemented at least 50% of recommendations ²
Jobs created (per year)	175	96	N/A
MTC02e prevented (per year)	50,787	26,720	N/A

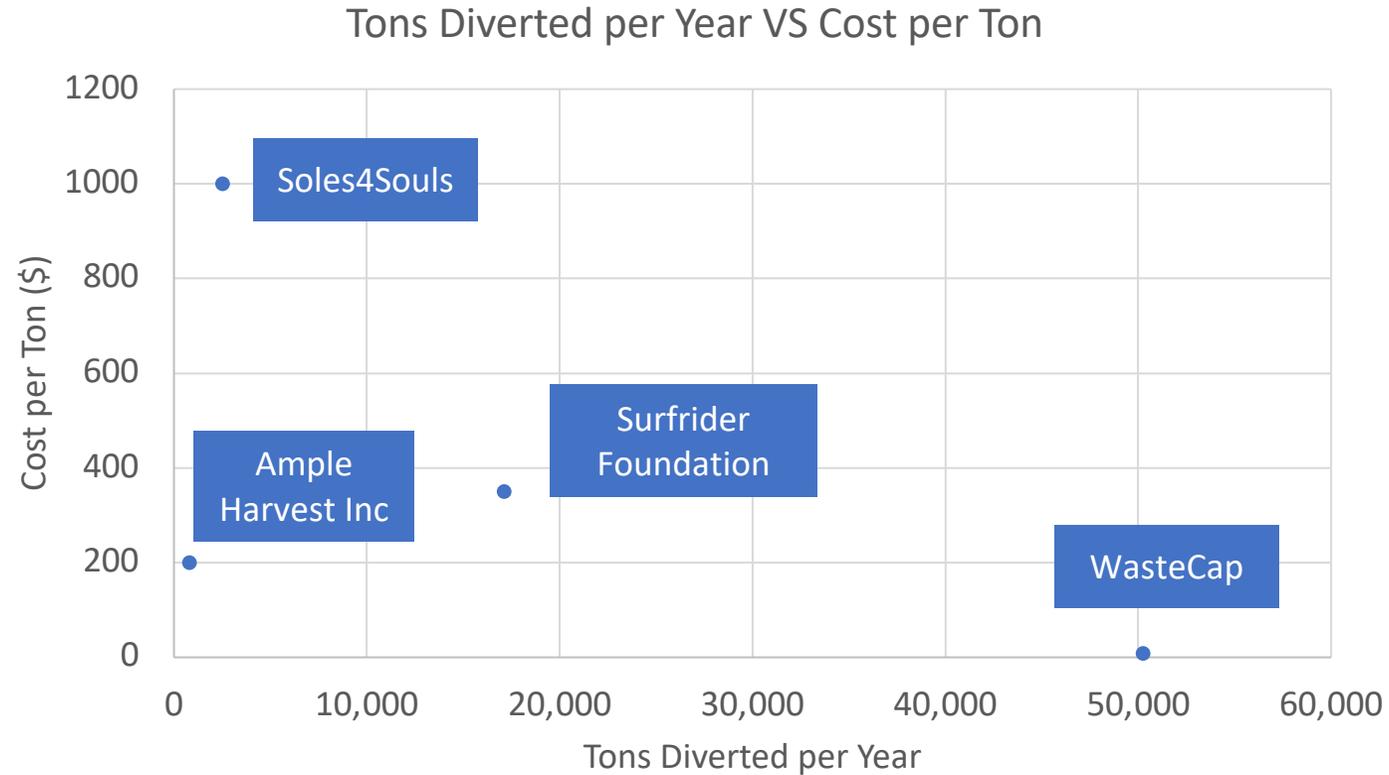
Relative Impact | Comparable Charities

WasteCap outperforms waste reduction charities that utilize a different model



Relative Impact | Comparable Charities

WasteCap outperforms waste reduction charities that utilize a different model



Note: cost per unit is roughly calculated by dividing expenses by tons diverted per year

Relative Impact | Comparable Charities

WasteCap outperforms waste reduction charities that utilize a different model

Charity Name	Purpose/Background	Revenue	% Programming Spend	Total Unit	Cost/Unit
WasteCap (WI)	Consulting style services to promote zero-waste companies and reduce costs	\$362,462	80.4%	~50,224 tons diverted per year	\$8 per ton
Surfrider Foundation (CA) ¹	Tackles plastic pollution in water through legal pressure and beach-cleanups	\$12,597,004	81.3%	~17,105 tons diverted per year	\$350 per ton
Ample Harvest Inc (USA) ²	Minimizes food waste by connecting local gardeners to food pantries	\$169,908	67%	~800 tons per year	\$200 per ton
Soles4Souls (TN) ³	Donates shoes that would otherwise be waste to small businesses in low-income communities	\$121,693,413	97.6%	~2,500 tons per year	\$1,000+ per ton

Note: cost per unit is roughly calculated by dividing expenses by tons diverted per year

Relative Impact | The USIT Foundation Portfolio

WasteCap reduces a significant amount of carbon for a lower cost across the USIT portfolio

Charity Name	Purpose/Background	Revenue	% Programming Spend	Total Unit	Carbon Tons Reduced per Unit	Total Carbon Tons Reduced per Year	Cost/Unit
WasteCap (WI)	Consulting style services to promote zero-waste companies and reduce costs	\$362,462	80.4%	~70,000 tons of waste diverted per year	1.7 carbon tons per ton of waste	119,000.00	\$8 per ton of waste diverted
Well Done Foundation (Midwest USA) ¹	Plugs orphaned or abandoned oil and gas wells	\$58,024	69.43%	~9 wells plugged per year	~61,415 carbon tons per well (per lifetime)	17,100 (by a cohort of 9 wells)	\$25,000 per well
Green Forests Work (Appalachian USA) ²	Plants trees on formerly mined lands in Appalachia	\$1,331,000	99.3%	~1,156,551 trees planted per year	0.75 carbon tons per tree	867,413.25	

Management Engagement & Further Partnership

Management Structure

The WasteCap team is small but powerful



Daniel Hartsig

Executive Director
LEED AP BD+C, O+M,
TRUE Advisor

- Joined in 2017
- Has 10+ years of experience in sustainable building design, construction and business operations



Megan Wolf

Senior Project Manager
LEED AP BD+C, TRUE
Advisor,
Fitwel Ambassador

- Joined in 2021
- Has 5+ years of experience in sustainable building design, construction and business operations



Rob Schaefer

Business Manager

- Joined in 2011
- Has a Business degree from UW-Milwaukee
- Concentrates on accounting, budgeting, AP, AR, insurance



Miranda Wojciechowski

Senior Development Officer

- Joined in 2022
- Has a Ph.D. in English
- Has 6+ years of experience in funding strategy, grant proposals, partnerships, and donors

Note: left team in 2022

Management Structure

WasteCap Board of Directors are industry experts

Board Members:

- John Gardner, Chairperson, University of Wisconsin-Milwaukee
- Michael Brandt, HM Brandt
- Marty Oxman, AMP Robotics
- David Pellitteri, *Treasurer*, Pellitteri Waste Systems
- Neil Peters-Michaud, Cascade Asset Management
- Brian Gaughan, Heritage Environmental Services
- Andrew Avery-Johnson, University of Wisconsin-Milwaukee
- Taylor Lemke, Northwestern Mutual
- Shelley Heilman, *WNDR Liaison*, WI Department of Natural Resources
- Chelsea Malacara, Marquette University Sustainability

Selection Process:

- Directors must have expertise in related areas
- Directors must volunteer their time, provide industry expertise, and steer WasteCap
- Directors are elected for two-year terms and may serve no more than three total terms
- Directors must fill out an application

Management Structure

SSB Program Roles & Note

- **Dan Hartsig:** primary contact for connecting/reaching out to small businesses
- **Megan Wolf:** primary work executer
- **Rob Schaefer:** supporting business manager

Note: Miranda Wojciechowski, *Senior Development Officer*, has decided to not return to WasteCap for 2023. This decision is a result of personal benefits in a different offer. She was the original primary contact for the USIT Foundation until communication was transferred to Dan Hartsig, *Executive Director*.

Charity Engagement

WasteCap's team exhibits professionalism and a timely-response

Analyst Verdict:

- WasteCap's team was extremely welcoming and friendly to a possible relationship with the USIT Foundation
- Email turnaround time averaged two days, with the quickest being within the hour and the longest being almost a week
- WasteCap offers a step-by-step donation walkthrough with donors before, during, and after funding to ensure satisfaction. They suggested the SSB program as a target donation area for PIT based on need-for-funding and PIT's values
- WasteCap's team shows genuine passion for sustainability, frequently attending connecting with partners and promoting diversion efforts at places such as the Sustain Dane Annual Summit and the Wisconsin Sustainable Business Council's Annual Conference

Potential improvements:

- Hire a new grant-writer/funding communications role to fill Miranda's absence, which will assist in obtaining more projects
- An increased team size would be ideal to handle a growth in the number of projects per year

Charity Growth

5-year SSB Operating Plan

- **Target:** 12+ small businesses in the fifth year; 5 small businesses in the pilot year
- **First year funding need:** \$20k
- **Fifth year funding need:** up to \$35k
- Because the project is scalable, WasteCap believes any number of institutions can be reached, possibly up to 5x the number per year

Cohort Option

WasteCap has a cohort option, which replaces personalized assistance at one business with a community workshop for about the same cost. With the cohort, they expect to reach 10x as many businesses but have only the same overall result, as they can't guarantee anyone at the workshop actually implements and achieves the same results - but they'll match the approach to the community.

Charity Growth

5-year SSB Operating Plan Role/Cost Explanations

Personnel Salaries:

Project Director (ED): \$2,884.50 (\$38.46/hr x 75 hrs) The Project Director will be responsible for ensuring timely completion of all aspects of the project, oversight of staff, and compliance with program budgets, timelines, and grant terms. He will also develop curriculum for and lead cohort education sessions for participating businesses).

Waste Management Specialist (PM): \$1,226.25 (\$28.85/hr x 425 hrs) The Waste Management Specialist will travel to businesses and provide the three one-on-one consulting services included for program participants: gap analyses, waste mapping for baseline, and waste audits. She will also assist in tracking waste diversion progress and developing waste management curriculum for cohort education sessions.

Program Coordinator (DO): \$3,000.94 (\$26.44/hr x 113.5 hrs) The Partnerships & Events Coordinator will coordinate program outreach efforts (flier design, distribution, etc.), coordinate non-profit partner and volunteer participation as needed, plan & manage program events, coordinate networking/mentoring between program participants and program sponsors, and compile program reports for funders.

Supplies and Equipment:

Waste Audit Equipment: Each audit requires N95 respirators (\$25/10 masks), non-latex gloves (\$10/100 small pairs), safety glasses (\$7/pair x 5 pairs); 33-gallon clear trash bags (\$40/100 bags); an Electronic hanging scale (\$23); a Mechanical hanging scale (\$13); First-aid kit with gel and eye wash (\$48); and a spill containment kit (\$56). Equipment estimates are based on current available rates on Amazon.

Flyer Printing: \$100 (200 flyers x \$0.50/flyer) Flyers will be printed to promote the program and attract participants throughout Milwaukee. They will be placed at bulletin boards & prominent community locations and neighborhood centers.

Site Visit Travel Mileage: WasteCap compensated employees for site visit travel to small businesses in Milwaukee at a rate of \$0.65/mile. Each business in the program's cohort will receive in three consulting site visits to their main operations building for an average of 25.4 miles of travel to each. Mileage calculations based on WasteCap's average for similar projects.

Charity Growth

Pilot Year SSB Operating Plan (2023)

Number of Businesses: 5

Sustaining Small Businesses Pilot Program Budget			
	Explanation (Calculation of rates & costs)	Cost Per Participating Business	Program Total (for an estimated pilot cohort of 5 businesses)
Personnel/Salaries			
Project Director (ED)	Director will be responsible for	\$600.00	\$2,884.50
Waste Management	\$28.85/hr x 425 hrs. The Waste	\$2,500.00	\$12,261.25
Program Coordinator (DO)	Partnerships & Events Coordinator	\$1,000.00	\$3,000.00
	SUBTOTAL PERSONNEL	\$4,100.00	\$18,145.75
Supplies & Equipment			
Waste Audit Equipment	Each audit requires two respirators (\$25/10 masks), Non-latex gloves	\$50.00	\$250.00
	SUBTOTAL SUPPLIES & EQUIPMENT	\$50.00	\$250.00
Events			
Flyer Printing	be printed to promote the program	\$20.00	\$100.00
Site Visit Travel Mileage	for site visit travel to small	\$19.50	\$97.50
	SUBTOTAL EVENTS	\$39.50	\$197.50
Indirect Costs			
	Calculated at 15%	\$622.50	\$2,788.99
	SUBTOTAL INDIRECT	\$622.50	\$2,788.99
	PROJECT TOTALS	\$4,812.00	\$21,382.24

Note: Increased efficiency and increased inflation for mileage/printing/equipment costs are accounted for

Charity Growth

First Year SSB Operating Plan (2024)

Sustaining Small Businesses Pilot Program Budget			
	Explanation (Calculation of rates & costs)	Cost Per Participating Business	Program Total (6 businesses)
Personnel/Salaries			
Project Director (ED)	Director will be responsible for	\$600.00	\$3,240.00
Waste Management	Management Specialist will travel to	\$2,500.00	\$13,500.00
Program Coordinator (DO)	Partnerships & Events Coordinator	\$1,000.00	\$5,400.00
	SUBTOTAL PERSONNEL	\$4,100.00	\$22,140.00
Supplies & Equipment			
Waste Audit Equipment	(\$25/10 masks), Non-latex gloves	\$50.00	\$309.00
	SUBTOTAL SUPPLIES &	\$50.00	\$309.00
Events			
Flyer Printing	be printed to promote the program	\$20.00	\$123.60
Site Visit Travel Mileage	for site visit travel to small	\$19.50	\$120.51
	SUBTOTAL EVENTS	\$39.50	\$244.11
Indirect Costs			
	Calculated at 15%	\$622.50	\$3,403.97
	SUBTOTAL INDIRECT	\$622.50	\$3,403.97
	PROJECT TOTALS	\$4,812.00	\$26,097.08

Number of Businesses: 6

Operating Efficiency Multiplier: 0.9

Cost Inflation Multiplier: 1.03

Note: Increased efficiency and increased inflation for mileage/printing/equipment costs are accounted for

Charity Growth

Second Year SSB Operating Plan (2025)

Sustaining Small Businesses Pilot Program Budget			
	Explanation (Calculation of rates & costs)	Cost Per Participating Business	Program Total (8 businesses)
Personnel/Salaries			
Project Director (ED)	Director will be responsible for	\$600.00	\$3,840.00
Waste Management	Management Specialist will travel to	\$2,500.00	\$16,000.00
Program Coordinator (DO)	Partnerships & Events Coordinator	\$1,000.00	\$6,400.00
	SUBTOTAL PERSONNEL	\$4,100.00	\$26,240.00
Supplies & Equipment			
Waste Audit Equipment	(\$25/10 masks), Non-latex gloves	\$50.00	\$424.00
	SUBTOTAL SUPPLIES &	\$50.00	\$424.00
Events			
Flyer Printing	be printed to promote the program	\$20.00	\$169.60
Site Visit Travel Mileage	for site visit travel to small	\$19.50	\$165.36
	SUBTOTAL EVENTS	\$39.50	\$334.96
Indirect Costs			
	Calculated at 15%	\$622.50	\$4,049.84
	SUBTOTAL INDIRECT	\$622.50	\$4,049.84
	PROJECT TOTALS	\$4,812.00	\$31,048.80

Number of Businesses: 8

Operating Efficiency Multiplier: 0.8

Cost Inflation Multiplier: 1.06

Note: Increased efficiency and increased inflation for mileage/printing/equipment costs are accounted for

Charity Growth

Third Year SSB Operating Plan (2026)

Sustaining Small Businesses Pilot Program Budget			
	Explanation (Calculation of rates & costs)	Cost Per Participating Business	Program Total (10 businesses)
Personnel/Salaries			
Project Director (ED)	Director will be responsible for	\$600.00	\$4,200.00
Waste Management	Management Specialist will travel to	\$2,500.00	\$17,500.00
Program Coordinator (DO)	Partnerships & Events Coordinator	\$1,000.00	\$7,000.00
	SUBTOTAL PERSONNEL	\$4,100.00	\$28,700.00
Supplies & Equipment			
Waste Audit Equipment	(\$25/10 masks), Non-latex gloves	\$50.00	\$545.00
	SUBTOTAL SUPPLIES &	\$50.00	\$545.00
Events			
Flyer Printing	be printed to promote the program	\$20.00	\$218.00
Site Visit Travel Mileage	for site visit travel to small	\$19.50	\$212.55
	SUBTOTAL EVENTS	\$39.50	\$430.55
Indirect Costs			
	Calculated at 15%	\$622.50	\$4,451.33
	SUBTOTAL INDIRECT	\$622.50	\$4,451.33
	PROJECT TOTALS	\$4,812.00	\$34,126.88

Number of Businesses: 10

Operating Efficiency Multiplier: 0.7

Cost Inflation Multiplier: 1.09

Note: Increased efficiency and increased inflation for mileage/printing/equipment costs are accounted for

Charity Growth

Fourth Year SSB Operating Plan (2027)

Sustaining Small Businesses Pilot Program Budget			
	Explanation (Calculation of rates & costs)	Cost Per Participating Business	Program Total (12 businesses)
Personnel/Salaries			
Project Director (ED)	Director will be responsible for	\$600.00	\$4,320.00
Waste Management	Management Specialist will travel to	\$2,500.00	\$18,000.00
Program Coordinator (DO)	Partnerships & Events Coordinator	\$1,000.00	\$7,200.00
	SUBTOTAL PERSONNEL	\$4,100.00	\$29,520.00
Supplies & Equipment			
Waste Audit Equipment	(\$25/10 masks), Non-latex gloves	\$50.00	\$600.00
	SUBTOTAL SUPPLIES &	\$50.00	\$600.00
Events			
Flyer Printing	be printed to promote the program	\$20.00	\$244.80
Site Visit Travel Mileage	for site visit travel to small	\$19.50	\$238.68
	SUBTOTAL EVENTS	\$39.50	\$483.48
Indirect Costs			
	Calculated at 15%	\$622.50	\$4,590.52
	SUBTOTAL INDIRECT	\$622.50	\$4,590.52
	PROJECT TOTALS	\$4,812.00	\$35,194.00

Number of Businesses: 12

Operating Efficiency Multiplier: 0.6

Cost Inflation Multiplier: 1.02

Note: Increased efficiency and increased inflation for mileage/printing/equipment costs are accounted for

Charity Growth

Additional Areas of Growth/Need for Funding

Although auditing business operations and troubleshooting waste reduction undoubtedly has a larger dollar for dollar impact when working with larger companies and larger volumes, WasteCap refrains from asking donors to assist in reaching out to larger companies, as many people aren't interested in that.

Identified areas of need **in addition to SSB:**

1. Outreach to large and mid-sized businesses/institutions

- The small staff plays dual roles in seeking and executing work, with their skill set heavily leaning towards execution
- A part or full-time staff member with the role of outreach would increase the number of possible projects to engage on
- Filling this role would require between \$35-70k per year, and it would provide work for 1-3 more full-time staff for a total of \$40-180k per year

2. Expanding marketing research and the public directory

- WasteCap's directory provides a list of all reuse, recycling, composting, waste to energy, and landfill options in WI
- With turnover and market fluctuation, it requires regular and intense updating
- WC conducts annual surveys of material hauling and processing options in WI to determine an average "cost to dispose" of a short list of materials. This cost data helps people determine their ROIs and target their diversion efforts
- These tasks are low skill but time consuming, and they provide useful data for businesses, institutions, and individuals across WI – including WasteCap
- A series of business interns or a short-term workforce development individual can fill this role for about \$6k/year

3. Educational resources

- WasteCap wants to dedicate more resources to condensing their work and learnings into free, public educational material. This wouldn't bring in direct income, but it would serve the community
- Currently, all staff power is consumed by finding and executing work
- Tools are developed for internal use, but WC doesn't have the time to create videos, manuals, case-studies, or infographics
- WC directs others to third-party materials, but WC is unsatisfied with the quality of them
- A series of marketing interns or a short-term workforce can fill this role for about \$15-30k a year

Appendix

Contact History & Relevant Links

WasteCap Resource Solutions

- **Contact History**

- First email to Dr. Miranda Wojciechowski (Senior Development Officer) on 11/09/22
- Phone call with Dr. Miranda Wojciechowski on 11/18/22
- Change contact to Dan Hartsig starting 1/1/23
- Zoom call with Dan Hartsig on 2/3/23

- **Links**

- [Website](#)
- [All 990s](#)
- [Charity Navigator Ranks](#)
- [GuideStar](#)
- [CauseIQ Summary](#)
- [High Level Drive](#)
- [WasteCap News](#)

FAQs

Frequently asked questions

- **What are the incentives of a non-profit using a fee-for-service model? Should this model be used?**
 - This isn't uncommon. Nearly half of the total revenue for US public charities came from fees for services and goods¹
 - Engaging with fee-for-service clients allows for greater funding to do more pro-bono work and continue operations
 - Waste management systems are interconnected – this provides greater network benefits for all clients (Ex. WI Recycling Directory)
 - High retention and success rates continue onto all clients (WI projects: 85.3% diversion rate; Nationwide average: 73.1%)
- **What does a donation/long-term partnership with WasteCap's look like/cover?**
 - A donation to WasteCap could go to the SSB program, launching this year, which needs funding and matches our values
 - New programs are created by assessed need, and WC's team works with donors step-by-step to ensure satisfaction with where the money is being used
 - Areas for growth include: SSB and increasing the team size for greater efficiency
 - The steady inflow from the state contract covers baseline operations (ex. Construction, demolition, planning, tracking)
- **Would the Sustaining Small Businesses program be more expensive/less incrementally effective than helping larger businesses given the scale of diversion?**
 - Short answer, yes. However, if you can change the culture in a small business, the impact is exponential over time
 - Larger companies will undoubtedly have a larger dollar/dollar impact due to the nature of economies of scale
 - If WC had unrestricted grant funding, they could focus on making their services completely pro-bono
 - Focusing only on managing the waste of businesses who can afford services won't solve the state-wide landfill problem, nor will it address the systematic disadvantages small businesses face. WC wants to target an underserved population and help a business grow to "be the next Patagonia"
- **How many clients does WC have at any given time?**
 - State projects: 30-35 projects
 - 8-10 larger clients
 - A couple of smaller projects throughout year

Outstanding Questions

- When working with small businesses, are the impacts from working with larger corporations completely transferrable?
- Would this business model be better utilized as a complete for-profit model?

Physical Assets and Locations

WasteCap Office and Operating Locations

Office:

- 2123 W. Michigan St, suite 100, Milwaukee, WI 53233
- It is a renovated warehouse office with six desks and a conference area for 15 people

Primary operating locations:

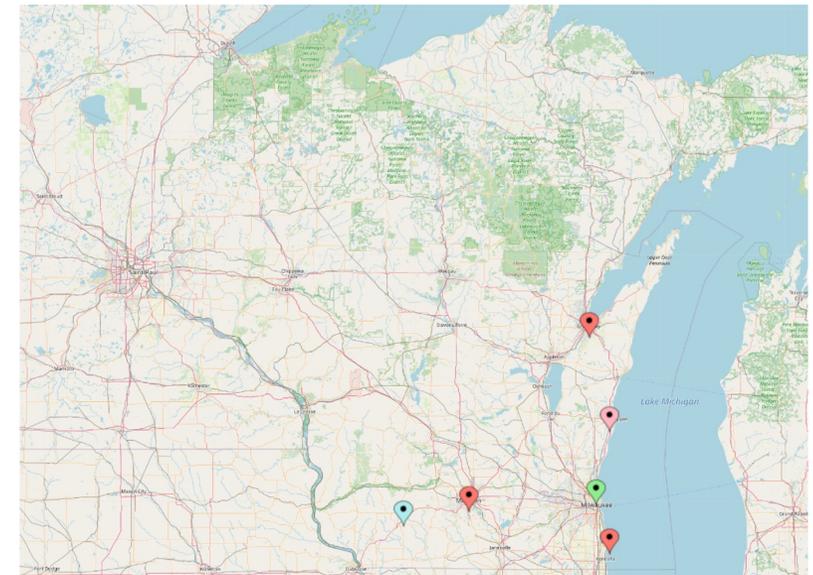
- Wisconsin triangle between Racine, Green Bay, and Madison
- Miscellaneous projects in North WI, West WI, Minnesota, and Michigan

US Mainland consultations:

- North Carolina, Texas, California, and South Dakota

Global Operations:

- Lagos (Nigeria), Cairo (Egypt), Puerto Rico
- WasteCap worked afield more often in the 2000s, when construction and demolition waste management training sessions were in demand. They regularly traveled to several US states, had sessions in Puerto Rico, and participated in a joint study between the State of Wisconsin and several cities in Germany
- Previously, WasteCap has worked with global companies like Kohler, Lands End, Weyco Group and Merz. WasteCap will work anywhere as long as they can bill a US company



Physical Assets and Locations

Razed and Found (closed in 2019)

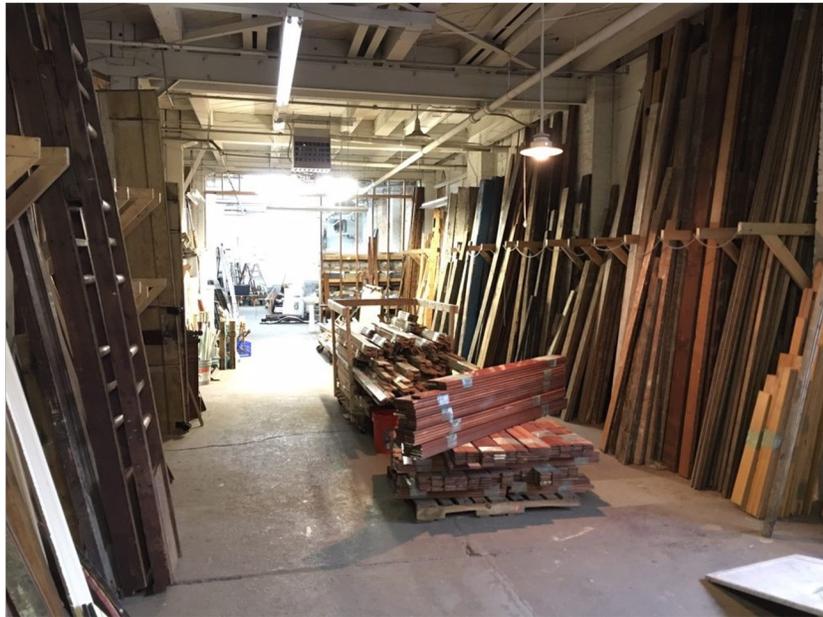


Made using items from Razed and Found



Physical Assets and Locations

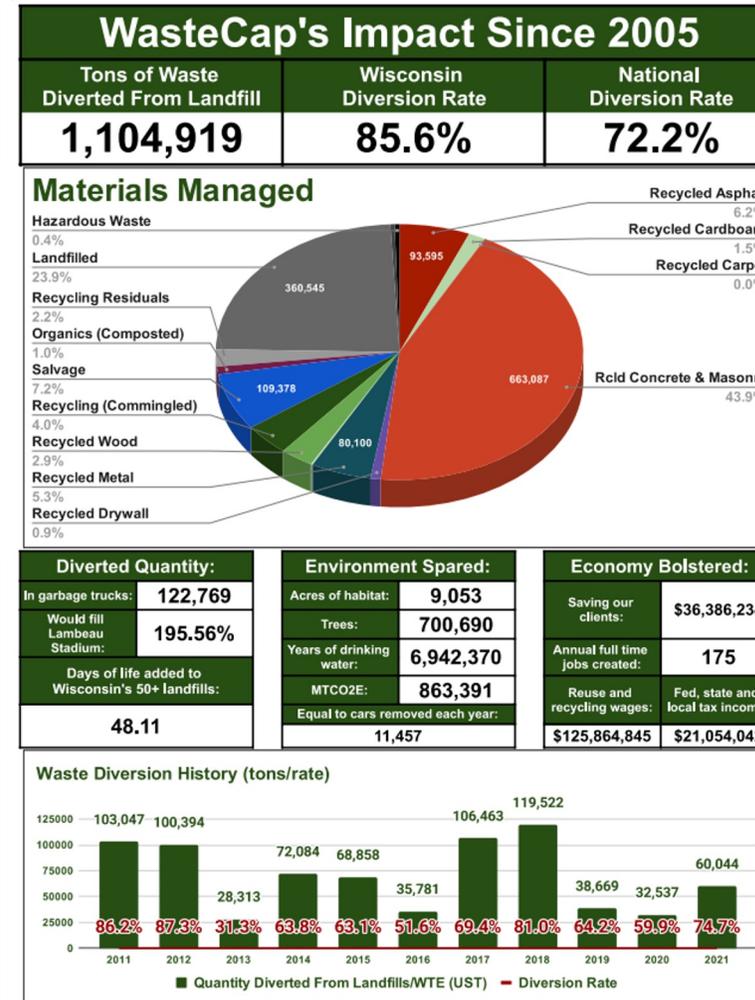
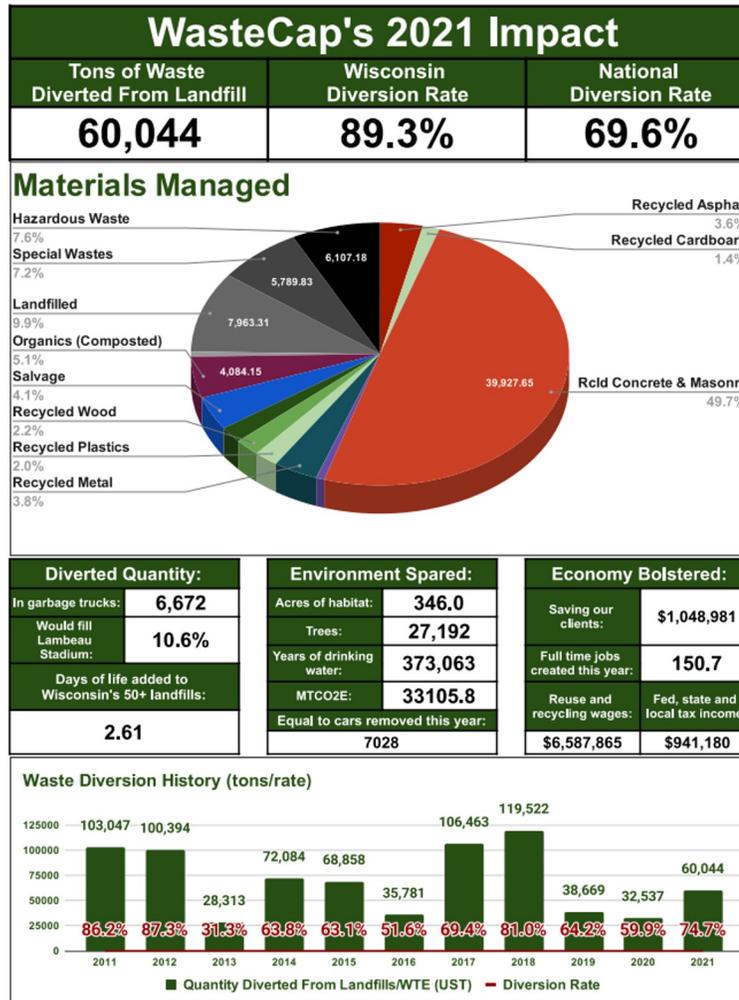
Razed and Found (closed in 2019)



Razed & Found

Impact Reports

2021 and cumulative since 2005



Primary Interviews

Qualifying check with Kyle Granger, Owner of Smash My Trash – Los Angeles

Kyle Granger is the owner of Smash My Trash – Los Angeles, a national mobile waste compaction service that compacts commercial waste volume up to 70%, benefiting customer costs and the environment¹

A call with Granger on 3/22/2023 resulted in this as his professional opinion:

- A review of impact metrics reveals that WasteCap’s results are significant and have a proven positive impact on the environment
- The waste industry is costly, so it makes sense that WasteCap would require a high budget to cover operating costs
- There are potentially larger areas that can be tapped to generate more money from WasteCap’s operating procedure, such as targeting larger companies and charging more
- Partnering with the WI government could provide greater inflows, as well as possibly exploring the push for government mandated “green” levels
- A bigger team should be the next target
- Small businesses likely don’t benefit as much as large corporations, as none of them would be willing to pay for costs implemented and overall consulting unless it saves them significant costs
- The model that is used leans more towards a for-profit model, and the team could benefit a lot more by becoming a business

[1] <https://smashfranchise.com/#:~:text=Smash%20My%20Trash%C2%AE%20is,businesses%20positively%20impact%20the%20environment.>

Primary Interviews

Qualifying check with Shelley Heilman, WI Dept. of Natural Resources Liaison and WasteCap Board Member

Shelley Heilman is the WI Dept. of Natural Resources (WDNR) Liaison for WasteCap and a member of the WasteCap Board of Directors. At WDNR, she serves as the Environmental Business Support Coordinator. As Liaison, she brings extensive knowledge of state policies and waste regulation.¹

- Heilman has been involved with WasteCap since its creation by the DNR before becoming a 501(c)3. She assisted with the transition and has been liaison to WasteCap's Board of Directors since. She partakes in board meetings as a non-voting member/liaison and has been on different sub-committees over the years
- Heilman expressed that WasteCap is "soon embarking on a strategic planning process". In five years, she predicts WasteCap will grow in numbers of staff and services offered
- Heilman recounts many difficulties WasteCap had with the pandemic and a nation-wide slow down in building projects (due in part to the increased cost of lumber and other building supplies). However, leadership strategically cut back and has plans to regain some of the areas it cut back on
- The State of Wisconsin will continue to utilize WasteCap's tracking system and planning assistance on future building projects
- WasteCap works on about 30 State of Wisconsin projects per year. When the state approaches 75% construction documents on a design for a new building or renovation, they notify WasteCap to review the design and the building operators need to ensure they have the infrastructure in place to successfully manage their current and future waste streams. When the state issues the notice to proceed on a project over \$3 million or any building demolition project, WasteCap reaches out to the construction manager and guides them through the creation of a waste management plan. WasteCap then follows the project through completion, ensuring the construction manager is reporting their waste quantities. At project completion, WasteCap provides an environmental impact report. The planning, tracking and reporting is done through WasteCap's online platform, built by ReTrac
- Heilman believes the state and community benefits in many ways. Local recycling companies return material to beneficial use, jobs are created, the demand for virgin material is reduced sparing habitat and reducing emissions, and fewer landfills need to be built

The USIT Foundation

usitfoundation.org | texasusit.org

The USIT Foundation

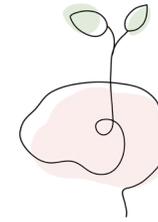
About the USIT Foundation

The USIT Foundation is the 501(c)(3) parent organization of the University Securities Investment Team, the largest student-run investment fund at The University of Texas at Austin. Comprised of alumni who started their investing journeys with the team, the USIT Foundation works closely with student leadership in the contexts of investing, data science, and philanthropy.

The USIT Foundation supports and advises the USIT student organization and marshals and engages its alumni to promote personal and professional growth through active charitable giving. In Spring 2020, the alumni of the USIT Foundation initiated a philanthropic Giving Pledge to commit time and resources to better our communities.

Philosophy and Approach

The USIT Foundation is committed to evidence-based philanthropy and continuously builds upon a model of effective, responsible capital deployment. In its months-long competitive annual process, the Foundation identifies and performs deep diligence, including client testimonials, data room modeling, and impact stress testing, on charities. In the 2022-23 academic year, the Foundation plans to provide \$100,000 in donations to several charities that operate within the three observed impact verticals, with the initial donation opening the door for years-long engagement and follow-on investments.



Education

Ensuring that students of all ages receive high-quality, equitable education while community members are properly supported.



Justice & Opportunity

Breaking down systemic barriers to assist the reentry transition and reduce nationwide recidivism.



Climate Change

Reducing emissions and waste to invest in a cleaner planet and higher quality of life for communities.

Philanthropy Investment Team

History

The Philanthropy Investment Team was formed in Spring 2020 at The University of Texas at Austin by request of the University Securities Investment Team (USIT) Foundation and Alumni Network, which wished to establish a partnership with the student organization to source charitable investment opportunities.

This fund generates ideas and performs diligence on charities that merit a donation with a value investing framework. Through the primary and secondary research of undergraduate Analysts, the Philanthropy Investment Team is developing a model of impact measurement, both for initial investment diligence and subsequent staged donations. Its funds are replenished yearly, comprising 1% of the total Annual Gross Income of the Alumni Network.

Portfolio Manager Contact

Manu is a sophomore majoring in Finance and Philosophy. In his free time, he enjoys sampling local coffee shops and reading postmodern philosophy. Last summer, he interned as a Long Short Equity Analyst at Tenebrist Global. For any questions about this project, you may contact him at mramineni@utexas.edu.



Junior Analyst Contact

Grace Zhou is a first-year undergraduate student at The University of Texas at Austin. She is passionate about integrating technology to create the most effective change. For any questions about this project, you may contact her at gzhou@utexas.edu.

