

The Emergence Program

Albany Community Together, Inc. is a non-profit organization and CDFI in Albany Georgia that services the Southwest part of the state. ACT! provides financial assistance to small businesses who lack access to traditional sources of capital, i.e. banks. We often work in partnership with banks to meet the credit needs of small business owners. ACT! has operated loan funds for 15 years, to include SBA Microloans, and also provides loan underwriting services for the City of Albany's economic development loan programs. ACT! services have allowed the organization to assist 105 businesses directly with financial and technical assistance. Our mission is to aid in overall economic recovery and development of the Greater Albany Area and Southwest Georgia region by providing access to capital to entrepreneurs that are unable to obtain traditional financing. Thelma Johnson is the CEO and point of contact. She can be reached at 229-420-4600, and or taact1@bellsouth.net.

Located in Southwest Georgia we are in prime position to deliver entrepreneurship training to formerly incarcerated individuals. Georgia is home to the nation's largest and busiest deportation jail. In 2011 the privately run Stewart Detention Center in Southwest Georgia held 1,614 detainees per day. In 2014 Georgia's total incarcerated population was close to 51,931 (Hall, Bailey V. "Prison Population Trends in Georgia Since 1994"). While this number is high, Georgia is now leading the nation in prison reform efforts. Governor Deal's criminal justice overhaul introduced senate bill 367 as an extension of work started in his first term and left thousands fewer inmates in costly prison beds (Bluestein, Greg "Georgia to Embark on New Phase of Criminal Justice Reform"); With more of those previously incarcerated individuals emerging into our community, non-profit programs like Albany Second Chance and Post Release Intervention Counseling Services (PRICS) are here to assist those individuals with the life skills and physical needs they have re-entering society. We have an entrepreneurial ecosystem in place that can help them control their financial freedom.

Albany is home to the Microbusiness Enterprise Center, a building which hosts a business incubator, co-working space and is a focal point for entrepreneurial learning. MBEC has hosted 30 plus workshops with over 200 attendees and contracted staff has individually assisted close to 100 on their business ideas. SBA also has a presence here, both physically and virtually, offering classes and information sessions at the local Small Business Development Center. In addition SBDC has further assisted by offering one-on-one coaching, workshops and mentoring. Georgia Tech's local Procurement Assistance Center has assisted 2,568 businesses state wide with counseling, instruction and bid opportunities. The Chamber of Commerce most recently reported 900 members for which they provide networking, marketing and learning opportunities. The local SCORE chapter is also housed at the chamber and they offer mentoring for entrepreneurs. Our educational institutions, including the local school board all offer classes on entrepreneurship starting in high school leading through secondary and post education. Albany Community Together, Inc. plays a major role in this ecosystem as we are a funding source to those entrepreneurs that would otherwise not be able to "sit at the table". As mentioned before we offer funding through our products as well as through the local Department of Community and Economic Development; between the two we have provided business loans in excess of \$3 million over the past three years ranging in size from \$5,000 to \$250,000.

Thelma Johnson, CEO, has worked with the City of Albany as a certified Economic Development Finance Specialist, a Certified Credit Counselor through the National Association of Certified Credit Counselors. She has served as a grant reviewer for federal grant awards, other nonprofits and local grant awards. She has attended numerous training workshops on entrepreneurship and economic development. Her

involvement in the solution is crucial. Johnny Hamilton has served as VP for ACT! lending activities since March 2009. He has over twenty years of experience managing community and economic development programs and activities, as well as grants management. Those programs include housing development, business incubator development and operation, job training and economic development lending. He has also served as a technical assistance provider for small business owners. Tonita McKnight is responsible for property and project management and coordination of activities and services for the Microbusiness Enterprise Center Incubator. All three representatives have worked extensively providing technical assistance and training to business owners.

ACT intends to work with Albany Second Chance and PRICS to identify individuals looking to emerge into the marketplace as business owners. Both organizations already have working relationships with ACT and the MBEC and have utilized the facility to hold classes with an audience of formerly incarcerated individuals.

ACT currently offers workshops through MBEC on writing a business plan, marketing, understanding your financials and getting capital ready. We use a mix of curriculums, one being the Guided Business Plan-First Time CEO by Melanie Rae, and others to form a program that is intensive but novice friendly. "Understanding Your Financials" is a part of the series that focuses on financial literacy and helps the participant get familiar with financial statements (Balance Sheet, Profit/Loss, and Cash Flow). They learn how to read and create them for their own operations. "Getting Capital Ready" is a workshop that focuses on the personal credit of the business owner and the relationships they must build to be successful with lenders and investors. This course also allows for participants to have their credit pulled to see firsthand where they stand. The "Business Marketing" is twofold, focusing on the basics of traditional marketing and then going into social media and other electronic forms of marketing. The "Guided Business Plan-First Time CEO" starts at the idea of starting a business and takes you through each component of the traditional business plan.

We plan to divide the curriculum for the proposed solution plan into 5 different parts working on each part covering a time span of two weeks per class and meeting for two hours a week. This gives the participant 4 hours of in-class time (each) and they can work on materials from the class independently at home using handouts and SBA.gov as guides for their assignments. As a prerequisite we would email participants that signed up for the course a short questionnaire to see what their entrepreneurial interests and visions are, we would then address those interest as they matriculate the course. The order of the course is as follows:

1. "Know Yourself/ Know Your Business"- participants discuss the interest they have in entrepreneurship from the responses to the questionnaire. We then talk with them about their purpose and have them do independent research for business idea (outside of class). They will be exposed to the process of getting a business license and if needed certificate of incorporation based on the business entity they choose.
2. "Know Your Customer"- after coming up with a service or a product to sell, we have the participants "test it". They identify their customer when they address the need for their product or service, they then further explore that customer base by surveying potential clients and doing independent research on the market using the "Size Up Tool" on the SBA.gov website. Size Up helps them to identify competition, buying trends and how they would measure up. This class will help the participant further develop their product/service and their market.

3. "Know Your Marketing Efforts"- focuses on how you plan to reach that audience you identified in the second class. We then introduce our "Business Marketing" curriculum to this course so that participants can see the different and effective marketing avenues available to them. They will be able to come up with a marketing strategy based on this class. Also if the government is identified as a client they would like to target we will refer those participants to GTPAC for individual counseling and technical assistance with government contracting.
4. "Start Small Business Plan"- will engage the participants to use what they have already learned to write a business plan. We will use the workbook we have designated from the "Guided Business Plan-First Time CEO" curriculum to help structure their plan. We will also supplement information and print outs from SBA.gov writing a business plan section. They will work independently on the first 6 sections of the plan and we will discuss the sections in class as a group to make sure they incorporate logic and discipline into their business plan. We will discuss their business organization and management at this time as well to reinforce the need and importance of setting up a good team and support system. They will also be able to understand leadership and their role as the owner of their business, the management of their team and human resources, and lastly how to mesh the two together for successful execution of day to day operations.
5. "Know Your Financials/Credit"- will focus on the participants understanding of financial statements and their personal credit. The curriculum we have for "Understanding Your Financials" and "Getting Capital Ready" will be introduced and they will have the opportunity to create mock statements based on independent research of their industry. They will also have the opportunity to pull their own credit and discuss with a certified credit counselor ways that will help improve or maintain their credit so that they will be attractive to lenders and investors. ACT will help to reinforce what lenders look for, proper documentation and building relationships with lenders so that a narrative accompanies their credit report and financial statements (projections in their case).
6. Graduation- after completing all the courses we will have a graduation for the participants that have shown commitment to course and starting a business. Participants will have a business plan that they created and can actually execute. They will have gone through the process of getting the necessary documents (e.g. business license, articles) We will continue to work with them and refer them to our resource partners for mentorship.

ACT will provide individualized support through mentorship and coaching, as well as technical assistance in getting the participants capital ready. We will refer them to our partners at SCORE for mentoring opportunities and encourage the relationships with SBDC and GTPAC for further assistance in specific areas. We will introduce the participants to Chamber of Commerce key staff and make sure they attend networking events hosted monthly to ensure they connect with the local business community. Lastly we will introduce and encourage relationships with local lenders. We know the importance of having a relationship with lenders and the difference it can make between being approved or declined. They will have an opportunity to meet some key lenders in the community and forge a relationship throughout the program.

By working with Albany Second Chance and PRICS we know that those referrals from their programs have access to transitional services and other services that improve the economic well-being of those returning citizens.

ACT, as a public-private economic action partnership, has funding available for qualified business owners, up to \$250,000. In working directly with participants we will be grooming them to be in a qualifying position and educating them on documentation, credit and what is expected as far as debt coverage ratios traditional and non-traditional lenders look for. We also partner with the City of Albany in managing and underwriting their EDA Revolving Loan Fund with loans up to \$50,000. We are able to educate the participants on qualifiers and what the funds can be used for. We also have some “gap funding” products that require private lender investment and in this instance we have direct relationships with private lenders which we would be used to introduce the participants to actual lenders in the community. Before introductions are made participants will have completed the first 3 parts of the course. After that time we plan to invite our lending partners out to the workshops to discuss their particular institution and share scenarios of “good” and “bad” deals. They would also share the proper documentation to have when applying for capital. Upon completion of the course and after graduation we will have a business pitch competition where key members in the entrepreneurial ecosystem will judge and we will have winners who could possibly qualify for capital to fund and grow their business.

In closing, ACT has the capability to carry off such a solution plan because we are currently executing parts of a similar program using the described curriculum and we have a relationship with agencies that serve the targeted group. We have the passion and experience to sustain a project of this nature and would be able to execute in a timely matter. We appreciate the opportunity to fill in the gap and create pathways toward entrepreneurship and access to capital resources.