## El Camino College SBDC and WkLRC Contestant Capacity

### Organizational Background

The Small Business Development Center (SBDC) and the Workplace Learning Resource Center (WpLRC) are two programs within the economic development division of El Camino College in Torrance, California. Both programs have existed since the mid-1990s to assist the business community and provide economic impact for the region. The SBDC is focused on small business assistance through no-cost business advising/consulting, training, and loan packaging services also at no-cost the small business owner. The WpLRC provides grant-funded and customized contract training to employers. The SBDC and WpLRC both have experience with delivering programing to incarcerated individuals as described below in the management bios.

The geographical service area will be Los Angeles County, primarily the Los Angeles/South Bay/Long Beach area. Along with the SBDC, entrepreneurial services are offered through LA County, the City of Los Angeles, SCORE and Operation Hope, to name a few. There are also numerous online resources provided by organizations such as US Bank, Hewlett Packard, BP.com, and Entrepreneur.com. The region supports a healthy economic environment. According to Lacounty.gov, if Los Angeles County were a nation, its economy would be the 19th largest in the world. It is home to more than 244,000 businesses, with more minority and women-owned businesses than any other in the nation. It is the nation's top international trade center and manufacturing center.

In terms of the needs of formerly incarcerated individuals, the California Department of Corrections and Rehabilitations states that the average three year recidivism rate for adult felons is 61%, and for LA County, 50.4% (fiscal years 2002-03 to 2008-09). A 2015 study commissioned by U.S. Department of Justice, Federal Bureau of Prisons, indicated that "Regardless of the efforts to plan for a seamless transition, reentering individuals face enormous challenges establishing prosocial lifestyles....including the ability to find and maintain employment due to a lack of job-search experience, education, vocational skills, and/or work history, as well as employers' reluctance to hire those who have been involved in the justice system."

A recent survey by the Ella Baker Center for Human Rights found that 76% of former inmates said finding work after being released was difficult or nearly impossible with two thirds of the respondents unemployed or underemployed five years after being released from prison. In LA County, this translates into thousands of individuals who are potentially unemployed in the region. The Los Angeles County Probation Department currently supervises 12,000 state parolees, and 60,000 adult probationers throughout the county. Self-employment is a path to financial stability and with the Aspire Challenge funding, in-depth education and training in entrepreneurship will be accessible to many of these individuals.

#### Background of the Management Team

Star Van Buren has served as the director of the SBDC at El Camino College since 2008. The SBDC is sponsored in part by the SBA and the college and is part of the national SBDC program. She and her team of advisors provide one-on-one business advising/consulting, training, and funding assistance to small business owners and those individuals looking to start a business. She has an MBA and a doctorate in educational leadership. She provided entrepreneurial training and assistance to 40+ inmates at the Terminal Island Federal Prison in 2015. She is the official contact person and can be reached at 310.973.3167, and/or via email svanburen@elcamino.edu.

Philip Sutton is the director of the WpLRC at El Camino College where he has managed multi-year training contracts with the Federal Bureau of Prisons at correctional facilities at Terminal Island and the Metropolitan Detention Center in downtown Los Angeles for the past ten years. He has experience with workplace training program administration, contract training development with business and industry, strategic planning, and online curriculum and staff development for the California Community College system. He received his master's degree from California State University, Long Beach and is an experienced English teacher.

### **Entrepreneurial Education Delivery System**

#### Participant Recruitment Plan

Our organization will recruit participants through our relationship with the Terminal Island Federal Prison, and the Metropolitan Detention Center, to identify individuals nearing release and/or have been released, who could benefit from participation in the project. We also have contacted organizations such as Friends on the Outside – Los Angeles, and the California Department of Corrections and Rehabilitation who have agreed to work with us on the project and assist with recruitment. Other possible referral relationships include Root Community Health Center, Volunteers of America, Operation Hope, and the Local Initiatives Support Corporation (LISC), all who deal with ex-offenders in some capacity.

#### Classroom Instruction

The SBDC will use components from three proven, existing intensive entrepreneurship curriculum (Ice House Entrepreneurship Program, NxLevel, and Money Smart) via a 15-week, 2.5-3 hour per session training course for the Aspire Challenge that covers entrepreneurial thinking, money management, leadership, business planning and business plan development. The attendees will learn how to think like an entrepreneur, how to research their ideas, manage their resources, and create a plan for a successful business. The Ice House Entrepreneurship Program (Small Business Edition) is an experiential, problem-based learning program designed to expose participants to the fundamental aspects of an entrepreneurial mindset and the limitless opportunities it can provide. The program was developed by The Entrepreneurial Learning Initiative, an organization dedicated to creating entrepreneurial mindset education programs and training services for academic institutions, government and non-government organizations and corporate clients worldwide. The business plan development curriculum was created by NxLevel, a non-profit entrepreneurial training network. Since 1994, more than 300,000 students have participated in NxLeveL training, and more than 7,500 people are certified as NxLevel instructors. Training has been implemented in 49 states, American Samoa and Puerto Rico. NxLevel is also used in many other countries around the world. Money Smart for Small Business was developed by the Federal Deposit Insurance Corporation (FDIC) and the Small Business Administration to provide a practical introduction to topics related to starting and managing a business. Description of the curriculum:

#### **Entrepreneurial Thinking**

## **Power of Choice**

The ability to choose is fundamental to an entrepreneurial mindset, empowering participants to create the life they imagine.

### **Recognizing Opportunity**

An entrepreneurial mindset sees problems as potential opportunities, recognizing that solving problems for others is the key to small business success.

### **Ideas into Action**

An entrepreneurial mindset is action oriented, testing ideas in the real-world before making large scale investments of time, effort, and money.

# **Pursuit of Knowledge**

An entrepreneurial mindset ignites curiosity and encourages the self-directed pursuit of knowledge through formal and informal methods

#### **Creating Wealth**

An entrepreneurial mindset is resourceful, leveraging limited resources to achieve goals.

#### **Building your Brand**

An entrepreneurial mindset builds a brand of reliability where actions speak louder than words and following through on simple solutions leads to unforeseen opportunities.

## **Creating Community**

An entrepreneurial mindset understands the power of creating an intentional network of experienced entrepreneurs who can provide critical guidance and support.

## The Power of Persistence

Perseverance and determination are vital to an entrepreneurial mindset, enabling ordinary people to face challenges and overcome setbacks on the road to success.

## **Business Planning (Nxlevel Curriculum)**

Planning and research

Legal structure

Marketing/Product Development

Financial overview-books, records and controls,

understanding

financial statements

Money management/financial literacy

Understanding your credit score

Financing your business
Deal making: Negotiation

Risk management

HR

Contracting

## **Money Smart Curriculum**

Is owning a business a good fit for you?

Managing cash flow? Organization types Time management

Financial management

Planning for a healthy business

Credit reporting Risk management

Insurance

Banking services

Selling a small business and succession planning

Tax planning and Reporting

Case studies and hands-on exercises will be utilized to ensure an in-depth learning experience. Participants will be broken up into small teams to complete the exercises and provide presentations on the outcomes. Online resources for free training are embedded as part of the curriculum and will be demonstrated in class.

Part of the curriculum helps participants identify their strengths and weaknesses and provides potential business ideas based on their interests and capabilities. Leadership skills will be developed through the application of case studies and exercises to simulate the problems and challenges an entrepreneur will encounter and to assist the attendees in understanding the potential barriers in their journey to self-employment. Process, strategy, financing, marketing HR, leadership, contracting, and market/product development are all topics incorporated into the curriculum. The curriculum is designed to walk the participant through the creation of a business plan section by section. With the completion of each assignment, the end result will be a draft of a business plan for the participant's company.

A minimum of two cohorts, with 20 students per cohort during the 12 month period, will be offered with the possibility of offering more including a special cohort for ex-offenders ages 18-24, and a cohort for female ex-offenders. A business plan competition will be held for each cohort to further engage the participants in developing their business.

#### Mentoring

The SBDC will provide one-on-one business advising with an experienced business consultant to help the participant get his or her business started. This includes assistance with completion and/or review of the business plan, guidance with legal structure and issues, marketing, accounting, financial analysis, HR, and other issues related to starting a business. The SBDC will also work in partnership with SCORE-Los Angeles, another SBA program, to provide additional mentoring support to the participant. A SCORE volunteer is in the SBDC office once a week to mentor potential and current business owners.

### Community Connections

A Community Connections forum/panel will be held to educate participants on the resources that are available. Representatives from organizations such as Operation Hope, the local One-Stop, El Camino College, Volunteers of America and many of the resources listed at <a href="https://voala.org/services/adults/">https://voala.org/services/adults/</a> will be invited to participate. A listing of resources will also be provided as part of the overall program.

## **Access to Capital**

## Access to Micro-Lending

The SBDC works with a variety of micro-lenders including Pacific Coast Regional Development Corporation (also hosts an SBDC), Valley Economic Development Corporation, Advantage Certified Development Corporation, CDC Small Business Finance Corporation, PACE Business Development Center, Grow America Fund, Accion USA, and the Opportunity Fund.

We have two small business loan experts on staff who assist clients with loan preparation including preparation/review of business plans, assistance with determining start-up costs and preparation of financials, completion of the loan application, and locating an appropriate lender. Most importantly, the loan advisor helps the client determine his or her readiness to apply for financing and ensuring the client has a realistic plan for the use of the funds.

The advisor refers clients to the lender depending on the type of business and the needs of the client. The advisor works with the client to ensure the proper documentation is submitted and to guide the client throughout the process. The advisor also communicates with the lender as to the status of the application and to assist the client if additional information is needed.

### Connection to Capital and Funding Opportunities

The SBDC works with numerous banks and non-traditional lenders such as the Jewish Free Loan Association, and can assist with peer-to-peer lending and crowd funding. Our investor advisors provides assistance with pitch preparation and working with investors for those clients who have a product or service that lends itself to this type of funding.

Though we also have expertise in angel investing, and venture capital, most pre-ventures do not have the initial capability to obtain funding through these avenues. However, the SBDC does encourage clients to educate themselves in preparation for potential funding from an investor.

The SBDC informs clients of match making events and business pitch events either through personal invitation or via email/electronic newsletter. For example, we partner with Expert Dojo, an organization that hosts a start-up festival where pre-venture businesses can observe the pitch process. We also participate in the quarterly Growth Capital Conference in Los Angeles. The conference brings together capital sources, entrepreneurs seeking capital, advisors and deal makers. The event includes a capital sources panel where early stage investors are featured on the panels to discuss topics on how to submit your firm for funding, how to pitch your firm to investors, winning features and fatal errors in pitches, valuation guidelines and examples, current developments in funding, and good and not so good investment examples.

Participants who complete the training program be invited to attend funding opportunity events learn about the process. The SBDC will pay for attendance from the program funding.

In addition, participants will be invited to the SBDC Road to Business Credit Conference, a free one-day event that features an overview of the credit score process and how to better manage your credit (3 hours), business loan programs (2 hours) and a lenders panel where three to four lenders discuss their specific programs, loan criteria and what they look for in an application.