

Organization Name: Jannus, Inc. Economic Opportunity Program

Official Contact: Karan Tucker, Executive Director, 208-336-5533 x252, ktucker@jannus.org

Program Director: Gina Bessire, 208-336-5533, gbessire@jannus.org

ECONOMIC OPPORTUNITY – MOVING BEYOND RECIDIVISM TO REJOINING THE BUSINESS COMMUNITY

ORGANIZATIONAL BACKGROUND: The mission of Jannus is to bring people together to create lasting solutions that advance the health, education, and social and economic well-being of individuals, families and communities. Incorporated in 1974, Jannus, formerly known as Mountain States Group, is a diverse 501c3 organization with twenty programs addressing the persistent demands and possibilities of the human condition. Jannus has a capable, responsive nine member governing board, fully engaged in the vision and financially committed to the Jannus mission. Progressive organizational practices support one hundred and thirty employees who engage over 15,000 diverse constituents each year, and provide voice to tens of thousands of Idahoans. Our core administrative support functions are robust and integral to each program's success. Jannus programs operate throughout Idaho with the largest direct service programs in the southwest region of the state. Economic Opportunity, a community development initiative of Jannus, that has been operating since 2002, has a portfolio of services including business development, credit building, and lending that provide low-income entrepreneurs and the vulnerable at large, opportunities to increase household income through self-employment, save money through credit building, and access affordable capital and the mainstream financial system. Business development services include one-on-one counseling, technical assistance, and mentoring as well as business plan workshops and classes. Credit building services include group instruction and one-on-one credit coaching. Lending services include small business microloans up to \$35,000 and small personal emergency loans up to \$1000. We focus on low income men and women, refugees and immigrants, Native Americans and Latinos, and have worked with many formerly incarcerated individuals. Since 2012, Economic Opportunity (EO) has provided its business development services to more than 1,200 individuals who have started more than 600 businesses and created more than 800 jobs. EO services helped business owners gain access to start-up capital of more than \$1,749,000; and have helped those with no credit score reach the mid-600s within six months and those with existing credit scores inch up 40-60 points within a year.

For more than two years, Economic Opportunity (EO) services have been a valuable resource for Boise and Caldwell offices of the Idaho Division of Vocational Rehabilitation (IDVR). Idaho has one of the highest rates of incarceration in the country and IDVR is committed to changing lives and reducing recidivism. They have been referring returning citizens that have a promising business concept or would like to reactivate a former business to our program. EO specialists review their existing business plans or assist with creating new ones. Our efforts have helped clients get businesses funded and kept clients from using valuable taxpayer or personal resources to launch businesses that have little or no chance of financial viability. EO has robust community and business partnerships that support this work, provide valuable advisors and mentor for our clients.

The current **Economic Opportunity team** is made up of three very experienced professionals. Gina Bessire, Co-Director of Economic Opportunity has worked at Jannus for five years-- first as a Green Business Development Specialist, and currently as Program Manager for Financial Capability. Gina brings over 25 years of experience as a business entrepreneur, and a design, advertising, and marketing professional. Her current work is focused on business support services and managing credit building activities for low-income clients. Samir Busuladzic, Co-Director of Economic Opportunity and Project Manager for Financing, has worked in finance for over 15 years-- the last six at Jannus. He is an entrepreneurial-minded small business lender. Samir provides underwriting and post-loan technical assistance for those seeking business startup and personal loans. Michelle Britt, Business Development and Credit Specialist came to Jannus with over 15 years' experience as a small business owner and trainer. She has provided training and education to diverse groups from Boise, Idaho to Calcutta, India. Her work at Jannus is focused on business development and credit building activities for our diverse clientele. The team has some scheduling and program assistance from two Jannus Administrative Support Specialists.

ENTREPRENEURIAL EDUCATION DELIVERY SOLUTION

PARTICIPANT RECRUITMENT PLAN: The EO (Economic Opportunity) staff at Jannus will partner with four community agencies to offer a robust recruitment and support strategy to the project. We will reach at 50-60 returning citizens with our program. The Society of St. Vincent de Paul in Idaho is a new grantee of the Vincentian Reentry Organizing Project which has been working in Ohio, Florida, Wisconsin, Massachusetts and Louisiana. They are launching *Systemic Change of Idaho*, with a vision to create a safer, stronger, and more restorative community through systemic advocacy and removing barriers to reentry for formerly incarcerated people. St. Vincent DePaul Southwest Idaho Council has been engaged in the work of supporting returning citizens for many years. They offer weekly Re-Entry Conferences for individuals to get help immediately after release with such things as clothing, food, housing and job search assistance. We will continue our referral relationship with Idaho Division of Vocational Rehabilitation (IDVR), a state-federal program whose goal is to assist people with disabilities and returning citizens to prepare for, secure, retain or regain employment or self-employment. IDVR has referred many formerly incarcerated individuals following the completion of an individualized assessment at IDVR.

We have developed new partnerships with two organizations that maintain ongoing relationships with formerly incarcerated individuals logging over 1300 visits a month to their center for support groups and case management. These partners will support a very active, targeted and personal recruiting strategy. IMSI Hope Community Phase II and the Peer Wellness Center, Inc. are both located in Boise and largely run by volunteers with lived experience of incarceration. IMSI Hope Community offers ongoing support for recovery and reentry. They serve as a community for resource and referral and peer support for individuals after incarceration. They offer recovery programs and regular support groups. The Peer Wellness Center is a recovery community center that exists to advocate for and support individuals seeking to initiate or maintain recovery from behavioral health and/or substance abuse issues. Their free services are provided largely by peer mentors and the Center provides a safe place for skill building, education, information, support and socialization for those in recovery. Both organizations are enthusiastic about the opportunity for Economic Opportunity specialists to present Business Launch services at their sites, and to offer entrepreneurship training for the men and women they serve. We will execute a contract with both IMSI Hope Community and Peer Wellness Center to conduct outreach and referral. They will assist returning citizens who express an interest in starting a business, by administering and discussing a self-assessment survey developed by the Idaho Department of Labor that provides insight into and stimulates discussion about their entrepreneurial mindset. Peer specialists will consider the interest level and readiness of the individual and provide a signed letter of referral to our program. We recognize that specialists working with returning citizens on a daily basis have a much better idea of an individual's readiness to take on a new venture – many qualities are quite subjective like sociability, reliability, progress in recovery and motivation, but these behaviors can be observed by experienced peer coaches. While most experts agree that there is no single profile or specific set of characteristics that defines a successful entrepreneur, there do appear to be some common attributes, abilities and attitudes. This step is not intended to discourage or eliminate any candidate; however, support staff working at each agency is in a favorable position to help clients assess their readiness to participate in a demanding process. We want to increase their likelihood of success by referring them at the best time in their journey. Business Launch classes, the introduction to entrepreneurship, will be offered at both agencies where participants have established familiar and trusting relationships, and the other program components will be offered at Jannus. We are pleased to collaborate with all of these partners to share our program widely and refer prospective candidates for whom self-employment as an entrepreneur can be a life changing step and prevent recidivism.

CLASSROOM INSTRUCTION: After a referral from one of our community partners is received, or a client comes to an Economic Opportunity because of a poster or word of mouth, the first step for the prospective entrepreneur is to participate in the Business Launch class. **Business Launch** is a 2-hour overview of the business planning process and how to do business in Idaho. Each 2-hour session accommodates 10-20 participants. It helps clients gauge the success of their business venture and aids them in determining their readiness to start,

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expand or get financing for their business. This workshop is offered twice each month and will be held at partner agencies where returning citizens may be more comfortable initially as well as at the Jannus location. Business Launch and the following programs are open to all aspiring entrepreneurs, so we anticipate great networking opportunities and a diverse learning community, not limited enrollment to formerly incarcerated individuals.

GUIDED Business Plan™: Following the completion of Business Launch, individuals will decide if they feel ready to go on. Three groups of those who complete Business Launch will create a cohort that moves together into **GUIDED Business Plan™**. We have been implementing this nationally recognized curriculum with great success and offer it in a single six hour course, one Saturday a month. GUIDED Business Plan™ workbooks are provided to each participant for the purpose of walking them through the foundation of their business ideas, and discussions about marketing, financials and SWOT analysis. The GUIDED Business Plan™ | Starter booklet enables participants to independently explore other areas of their plan such as industry overview, competition, target market, management and operations. A list of online resources will be provided to help participants with market research and financial projections, learning about successful entrepreneurs, learning basic Excel, and how to make a business pitch and create Power Point presentations. Participants are able to complete a good portion of their business plans during the six hour class and then will have follow up sessions with mentors and open computer lab sessions for input to reach completion. A new portable computer lab created in partnership with our local Hewlett Packard site in Boise and volunteers from HP will facilitate client work on all aspects of preparing their business plans and presentations.

Concurrent with Business Launch and Guided Business Plan classes, participants will engage in a **Credit as an Asset class** which is largely based on a curriculum developed by Credit Builders Alliance. Our experience bears out how poor credit or no credit can negatively impact an otherwise promising venture. For business entrepreneurs, access to capital through our micro-enterprise lending or traditional lenders is dependent on a minimum credit score of at least 600. Our proven approach helps people understand how the U.S. credit system works, why it's important to have good credit, and how to build and maintain good credit. They also learn how to budget, understand billing statements, set up online and auto bill pay, and assess their own credit reports. Economic Opportunity Credit Building services are culturally-informed and hands-on. Our unique program helps people avoid predatory lending and build good credit. The two-hour group credit education class is followed by one-on-one credit coaching sessions at approximately six-month intervals or more frequently if needed. We provide low interest business microloans and personal loans for emergency purposes and monthly payments are reported to the credit bureaus. Those who enroll in our Credit Building service will have expanded access to a full suite of quality, affordable financial products, delivered by trustworthy providers, with respect for the customer. Establishing in some cases or improving one's credit score can take several months or years but once achieved can have an almost immediate effect on employability, cost of auto loans and insurance, and ability to access affordable business capital. We've helped many participants renegotiate high interest debt and obtain secured credit cards to help build credit. As the cohort moves from group class to personal coaching, they will be encouraged to support one another by meeting informally at Jannus or the Peer Wellness Center and they will regroup for several additional program components including a culminating presentation event.

CULMINATING EVENT: Guide all participants, by the end of the training, to refine and draft a complete business plan; At the completion of several sessions of the Guided Business Plan program (depending on the number in each cohort) and as participants are ready; we will plan an invitation-only "Lift Off" event in front of community leaders, mentors, our advisors and other entrepreneurs. Participants will make a five minute pitch presentation with a 12 slide power point about their business idea. They will respond to questions for several minutes after their 'pitch' and get feedback from the audience.

MENTORING: We are eager to include a variety of mentoring opportunities to support client success and motivation. All participants are invited to attend quarterly Speed Mentoring sessions. Speed mentoring is an event that offers participants time with business professionals such as accountants, attorneys, marketers,

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insurance agents, and lenders who field questions. Participants move from one table to the next every 15 minutes to meet a new expert. Sessions will be held for 90 minutes one evening every three months. Staff will arrange to have business experts and successful entrepreneurs representing some of the industries of interest to the cohort available for networking and mentoring. EO advisors will tap robust community partnership to staff Speed Mentoring events and other networking sessions where entrepreneurs can meet with local business community members.

Each participant will also be matched with a volunteer mentor who shares their business or industry interest. Participants are expected to meet with their mentors and coaches regularly, invest considerable time and make progress on researching and refining their ideas. Our recruiting partners may also recommend successful returning citizens to participate as mentors.

TRANSITIONAL SERVICES: Our partnerships with Idaho Division of Vocational Rehabilitation, St. Vincent de Paul Re-Entry Conferences, IMSI Hope Community Phase II and the Peer Wellness Center will help us ensure that all participants have the necessary transitional services that they need to improve their well-being. Each of these partners has robust networks of faith-based communities that support their work. Assistance with housing and food, clothing and jobs are readily available immediately after release and ongoing from these organizations. As returning citizens may have needs arise we will continue to make referrals to these partners as needed. The credit building process will help move individuals from unbanked to banked, resolve disputed or outstanding debt issues and build financial literacy that will also help them meet their own essential needs.

ACCESS TO CAPITAL

Jannus Economic Opportunity operates a certified consumer lending program in partnership with Mountain West Bank that provides small consumer loans to our clients. Personal loans of \$100-\$1,000 help borrowers remedy bad credit or no credit history. These loans can be used to pay down high interest debt, or costly car emergencies such as an unexpected car repair.

Jannus EO is currently the only approved SBA Microloan Intermediary serving southwestern Idaho. SBA and Department of Commerce studies show the importance of lower dollar loans to small business formation and growth in underserved communities. Traditional commercial banks are constrained in part by the relatively high costs of their business underwriting models. As an approved SBA Intermediary Lender we can assist individuals and eligible entrepreneurs secure affordable financing backed by this well-established government program. This solution is useful for both startups and existing small businesses as the underwriting standards and loan terms are more flexible than with traditional financial institutions. EO services can help secure up to \$35,000 in funding to finance a business start-up or expand an existing business. The SBA Microloan Program provides small businesses with loans for working capital or the purchase of inventory, supplies, furniture, fixtures, machinery and/or equipment. Furthermore, additional funds for post-loan technical assistance help ensure the borrower's success. Loan applications are submitted to Jannus and all credit decisions are made on the local level.

The primary objective of this program is to enable small businesses to access increased financing in order to establish and expand microenterprise businesses, and to promote employment opportunities for low-to moderate-income residents. Returning citizens with entrepreneurial aspirations fit well into the SBA program; these entrepreneurs often need only \$25,000 - \$35,000 or less to get a business started. We can offer pre-loan technical assistance and will use nonfederal sources to provide the support that clients need to prepare their application. The post-loan technical assistance will be provided through the SBA Technical Assistance award.

In summary, our robust collaboration, long standing dedication to underserved populations and success with new business start-ups positions Economic Opportunity to change lives through entrepreneurship education and business capital lending for individuals who have been marginalized by former incarceration, but are eager for a new start.