

Contestant Capacity

The Flikshop School of Business (FSB) mission is to expose returning citizens to a path of entrepreneurship through workforce readiness and business coaching. An organization launched to address a systemic gap for people touched by the justice system, FSB was created to expose entrepreneurs to experiential learning, authentic collaboration and professional development. The Flikshop School of Business was founded in Washington, D.C. where 1 in 21 adults are under some form of correctional control, affecting thousands of individuals, their families and entire communities. Marcus Bullock, the Founder and Dean of FSB, has developed an introductory entrepreneurship/life skills curriculum that is backed by his story of being incarcerated and self-taught business. Since its inception in 2015, FSB has touched over 160 individuals and families. FSB has gained national attention surrounding the success of the program, and has won several awards including the prestigious Booz Allen Aspen Ideas Award in 2016.

The Flikshop School of Business has instructed over ten cohorts, and created an ecosystem of support through mentorship and peer-to-peer coaching. The FSB model includes participants engaging in a competitively driven interactive learning environment where they are broken into small working groups. Each group completes the program by building a real business and pitching it in front of a panel of supporters. Participants gain access to entrepreneurial thinking in a fun and competitive environment, while also building a team of neighborhood support and preparing to launch themselves into the workforce. In addition to soft skills training, participants also receive comprehensive training in financial literacy, branding, marketing and legacy planning. FSB's team consists of successful businessmen and entrepreneurs, who are also previously incarcerated individuals who understand the needs of people returning home to the Washington metropolitan area.

The FSB's core team consists of a dynamic trio who has gone on to thrive in various businesses post-release. Marcus Bullock, the founder and Dean of FSB, also successfully launched his mobile app company Flikshop in 2012. The app was launched with the intent of keeping families connected to their loved ones during incarceration. Flikshop ships mail to over 2,000 facilities in the US and connects over 1250,000 families worldwide to their incarcerated loved ones. He is also the President of Perspectives Premier Contractors, and actively serves as a Board member for the Justice Policy Institute.

Anthony Belton, a lead instructor and advisor at FSB, has led two construction-industry firms (Tri-Xpress Janitorial Services and Perspectives Premier Contractors) to revenue over \$4 million annually in 2013 and 2014. Anthony has also trained over 120 formerly incarcerated individuals in GED Prep and Breaking Barriers courses.

Reginald Betts, an FSB advisor is also an acclaimed author and poet. Reginald has been a Spokesperson for the Campaign for Youth Justice, NAACP Image Award recipient for his memoir, and Yale Law graduate. After serving a 9-year prison sentence Reginald has defied every odd in front of him and brings his mantra of addressing trauma through writing and learning the power of storytelling into the classroom.

Entrepreneurial Education Delivery Solution

Collaboration, strategic partnerships and authentic relationships are core values within The Flikshop School of Business which have allowed for the successful recruitment of participants. Once participants complete the FSB program they become a walking brand for FSB, and serve as the best recruitment tool for programs. FSB has established credible partnerships with several local nonprofit organizations and government agencies that will serve as an additional pipeline for recruitment. Those organizations include; Free Minds Book Club and Writing Workshop, Latino Economic Development Center, D.C. Department of Youth and Rehabilitative Services, D.C. Department of Small and Local Business Development (DSLBD) and the Mayor's Office on Returning Citizens Affairs.

FSB currently serves as the reentry providers for the DC non-profit organization Free Minds Book Club and Writers Workshop (within their Free Minds Apprenticeship Program, which works with returning youth offenders and young adults). This program along with along with the Aspire to Entrepreneurship program will serve as feeder programs to FSB. The year-long Aspire to Entrepreneurship program is facilitated through DSLBD went through its first pilot in 2016-2017 with ten participants. While only two businesses were launched following the cohort, there were many lessons learned and shared with FSB through this process. Several members of the original cohort are interested in additional support and training to launch their businesses, and FSB with the assistance of the SBA Challenge grant is primed to provide those supports.

FSB's model has been built with the concepts of hands-on learning and revenue generation at the foundation of all programming. Participants weekly regimen will consists of being in an office three times a week and two days of "on-the-job" training. FSB operates from a lean startup model, which heavily focuses on revenue generation and self-sufficiency. During the first 90 days of the program, FSB with the assistance of DSLBD will help participants register and obtain licenses for the participants businesses. The first weeks of classes are used to build trust and relationships at a group and individual level. FSB does this by sharing stories, introducing participants to pathways to success after prison, and group projects where advisors participate as team members and not as instructors.

During the first month of the program, participants will take a deep dive into sales training and business break-even analysis. In addition to the introductory sales concepts, participants will receive a needs assessment to mitigate any barriers to success. FSB understands the unique challenges of working with a population that faces many obstacles when returning from incarceration, and knows that those challenges have to be addressed early on to ensure stability. Barriers are typically addressed through mentoring, peer-to-peer coaching and referral services when needed. Soft skill training is woven into the curriculum with exercises that discuss communication, self-assessment and professionalism.

During the second month of the program, business analytics and the concepts of advertising, marketing and sales are introduced. This phase of the program is called "The Road to Launch" and experiential learning is emphasized. Through guest trainers and an Introduction into project-based training

participants begin to practice all that they have learned through project design. With a strong foundation the second phase of the program is meant to create collaborative relationships among participants and encourage experiential learning through various project designs. During the second ninety days participants build-out their own businesses based on their learning and become apprentices within the two businesses of Flikshop and Perspectives Premier Contractors. Perspective Premier Contractors (a construction firm) will give participants an opportunity to learn about various construction trades and project design through existing markets. Experience has shown the FSB team that construction and hands-on training not only teaches work ethic and discipline, but also serves as a good entry point for entrepreneurs. Participants will also have numerous networking opportunities with the FSB Advisory Board, who will donate their time and networks for employment coaching and internship opportunities.

Mentoring is essential throughout the FSB program, and is designed through a proven transformative mentoring approach. The lead advisors, Marcus Bullock and Anthony Belton, have successfully created a loop between returning citizens into the job market, via evidence-based coaching methods and unorthodox approach to classroom self-governance. FSB uses a cognitive behavioral therapy approach to problem solving, developing alternative ways of thinking and behaving, which aims to reduce psychological distress. FSB understands that due to the trauma that participants have experienced, negative and unrealistic thoughts can cause distress and result in barriers.

Finally, at the completion of the program, FSB will host a Pitch Day event at the FSB headquarters, allowing each cohort member to pitch their business ideas to LEDC Executive Director, FSB dean, Free Minds staff member, and a private investor using a panel platform (resembling a *Shark Tank* format). This will serve as the opportunity for the cohort to be exposed to funding resources and crowdfunding strategies.

Access to Capital

In order to connect participants to a microlender, FSB will collaborate with the Latino Economic Development Corporation of Washington, DC (LEDC). If awarded, FSB will draft a memorandum of understanding with LEDC to function as our lending partner.

LEDC is a non-profit 501(c)(3) organization incorporated in 1991 in response to that year's civil disturbances in the Mount Pleasant community. For 25 years LEDC has delivered comprehensive linguistically and culturally competent community and economic development services to build the capacity of metropolitan Washington DC Latinos and other underserved communities. This nonprofit's mission is to stabilize and grow participants finances so that they can support their families and give back to their communities. LEDC is certified by the U.S. Treasury Department as a Community Development Finance Institution (CDFI) and are an SBA Micro Lending Intermediary. On an annual basis they serve over 4,000 Greater Washington, DC. Ninety percent (90%) of their clients are minorities (Latino and African-American).

LEDC's goal is to drive the economic and social advancement of low- to moderate- income Latinos and other underserved communities in the the Washington and Baltimore metropolitan areas. To date LEDC

has provided more than \$11 million in capital to support over 1,000 entrepreneurs in the Greater DC metro area.

LEDC's lending team provides small business and consumer micro-loans. LEDC's small business micro-loans range from \$5,000 to \$50,000. Their consumer loans include a Credit Builder Loan capped at \$1,000 to help establish or repair credit. The Credit Builder Loan is offered with a fixed 8 percent interest rate and a maximum maturity of 12 months. In fiscal year 2017 they will begin piloting a new small business micro-loan, a Seed Loan, designed for low-income and/or low credit score clients and returning citizens. The loan is aimed at individuals running startup (less than 12 months of operations) small businesses or planning to launch a startup small business within 18 months. The goal is to help aspiring entrepreneurs overcome financial barriers in the launch of their business, improve their credit score, and position them to have access to more significant financial options. This loan will be capped at \$3,000 and offered with a fixed 10% interest rate and a maximum maturity of 18 months.

As a CDFI, LEDC's loan officers are trained to provide comprehensive technical assistance to their borrowers. The technical assistance includes analyzing and when necessary repairing credit reports, helping clients separate their household expenses from business expenses, helping clients develop profit and loss statements, and helping clients produce revenue and expense projections. Given the lack of wealth and credit standing among historically marginalized communities, particularly returning citizens, LEDC does not use credit scores as an indicator for rejecting clients, and loan officers work with clients to think out of the box when identifying collateral. Furthermore, LEDC was recently selected as a participant in the Department of Security Insurance and Banking (DISB) cash collateral program to minimize the risk LEDC takes with clients who have insufficient collateral. This opens the door for LEDC to work with higher risk clients/insufficiently collateralized loans, given that the DISB matches selected loans at 50 percent.