

Contestant Capacity

Name of Organization: Youth Policy Institute

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1. Organizational Background

Incorporated as a nonprofit in 1983, the Youth Policy Institute (YPI) began as an extension of the Robert F. Kennedy Memorial Fund. In 1996, our current President & CEO, Dixon Slingerland, moved YPI from Washington, DC to LA to provide direct education and human services to low-income youth and families. We now serve over 115,000 youth and adults annually at 137 sites throughout LA, with a focus on place-based initiatives that saturate high-need communities like Pacoima, East Hollywood, and Pico-Union. YPI's core services include: early learning, K-12 academic support, college and career preparation, family services, and workforce development. YPI's workforce development and financial capability programs offer tremendous resources for individuals who have been formerly incarcerated and form the basis for our proposed solutions.

Through YPI's city-funded WorkSource Center in Pacoima, in the Northeast San Fernando Valley of Los Angeles, we offer individualized case management, work readiness workshops, job training, and job placement/retention support. Our Financial Opportunity Center (FOC) is co-located at the WorkSource Center and it specializes in bundling workforce development and financial capability services with the goal of long-term financial stability for clients. Our financial capability services include financial coaching, building credit, providing free tax preparation services, and creating access to products like Individual Development Accounts. With the building blocks of WorkSource and FOC services, YPI will work with key partners to create an entrepreneurial ecosystem to support formerly incarcerated individuals in starting their own small business. This will include dedicated entrepreneurship training, mentoring, and access to microloans and other financial products to help start a business, along with the supportive services and financial empowerment services described above.

Formerly incarcerated individuals in our area face multiple barriers to employment, including lack of skills, discrimination or stigma, and restrictions on certain occupations due to their criminal record. Participating in YPI's entrepreneurial ecosystem that is tailored to formerly incarcerated clients will open new opportunities for employment and long-term stability. Moreover, YPI's bundled entrepreneurship, workforce, and financial capability services are all offered from a single location, which reduces transportation-related barriers to access. This Aspire project builds on YPI's experience serving formerly incarcerated clients at our WorkSource Center, and leverages existing strong relationships, such as with the LA County Probation Department that has been a YPI partner since 2015, to put the formerly incarcerated on a path to stability and success and reduce recidivism.

2. Background of Management Team: *Brief biographies for each team member who will implement project.*

- **Angelica Solis-Montero**, Chief Community Development Officer. Solis oversees signature initiatives including the LA Promise Zone and key programs under the Workforce Development, YouthSource, and Financial Empowerment departments. These programs include Girls and Gangs and FaceForward, initiatives that support juvenile justice-involved youth and formerly incarcerated individuals.
- **Marguerite Avé-Womack**, Senior Director of Community Development. Avé-Womack has extensive experience overseeing programs that provide services to individuals involved with the justice system. Contracting with LA County Probation, Avé-Womack's work included assisting more than 100 young offenders to identify their strengths while building their interpersonal skills and gaining employment.
- **Angelica Martin**, Director of Workforce Development. Martin has over 15 years' experience in workforce and economic development. While working for VEDC, Martin assisted hundreds of entrepreneurs to start small businesses, taught entrepreneurship classes, and provided thousands of hours of business consulting. Once established, she prepared small business owners to gain access to capital through micro loans.
- **Patrice Madu**, Program Manager. Madu has over 7 years' experience in workforce development. As a re-entry advocate, she has worked to alleviate known re-entry barriers in partnership with other service providers, educators, attorneys, community supervision agencies, and community members.

Entrepreneurial Education Delivery Solution

1. Participant Recruitment Plan: *How does YPI intend to identify participants?*

The Youth Policy Institute (YPI) has extensive partnerships with agencies that offer services to formerly incarcerated individuals, and we will work hand-in-hand with them to outreach to and recruit program participants. YPI's effectiveness at recruiting this population for services is demonstrated by our track record: in 2015-16 (most recent full year of data available), we served 125 formerly incarcerated individuals. Partners that support with recruitment include: the LA County Probation Department, which is co-located at our WorkSource Center (WSC) and provides co-case management of parolees with YPI; CA Economic Development Department, also co-located at YPI's WSC providing resources for job seekers; Five Keys Charter, which offers adult literacy classes both within county jails and at the WSC; Center 4 Living and Learning, which provides target population with job searching help, substance abuse treatment, and homelessness prevention; Root and Rebound, which provides legal advocacy and education to agencies like YPI to provide tools to better assist target population; Chrysalis, a job-readiness provider for high-need clients (mainly homeless and formerly incarcerated); and the Los Angeles Mayor's Office of Reentry. YPI Case Managers will provide orientations at these partner locations as a method of recruiting new participants; this has proven to be an effective method for recruitment for us in years past. As well, with County Probation now co-located at our WSC, we have daily interaction with Parole Officers to identify candidates that would be a good fit for entrepreneurship training. YPI will enroll 30 clients total over 12 months, with 2 cohorts of 15 clients each. Each cohort will complete classroom instruction, receive business mentoring and financial coaching from Case Managers, connect with the local business community, and receive access to capital via microloans, Individual Development Accounts, and/or lending circles.

2. Classroom Instruction: *How will YPI's Aspire program deliver an intensive entrepreneurship education curriculum to formerly incarcerated individuals?*

YPI's Aspire program will offer in-person entrepreneurship training that focuses on work readiness, financial literacy, and small business development. This training will provide participants with a foundation of critical skills and strategies that will help them as they begin their path toward entrepreneurship. This 8-week, 32-hour program has 3 phases. The first 10 hours focus on *basic work readiness skills training* with a focus on computer skills, customer service, time management, and leadership development. YPI's work readiness workshops are developed using the California Economic Development Department's curriculum for workforce development. The next 6 hours focus on *financial literacy*; workshops were created using FDIC-approved MoneySmart curriculum and emphasize creating a monthly budget, building and repairing credit, and avoiding predatory lending practices. These strategies are especially important for this population, as they re-engage in the workforce and plan for economic stability. These foundation classes are led by YPI staff members and lead up to the 16-hour *Entrepreneur Start-up Training* led by partner Valley Economic Development Corporation (VEDC). All instruction is based at YPI's WorkSource Center. VEDC's mission is to help create jobs and promote small business development in under-served communities. With over 40 years of experience, their curriculum has been well vetted and has created lasting impact in their targeted communities. Working with formerly incarcerated individuals is a long term goal and strategy.

VEDC's training comprises the following key topics: organizational structures, business growth plans, generating sales, marketing, salesmanship, customer service, finance, operations, legal, personnel, purchasing, IT, and culminates with each participant presenting their business plan to their cohort. Instructors and participants offer constructive feedback to strengthen plans. Along the way, participants meet with their Case Manager weekly and Business Services Representative as needed for coaching and guidance as they explore their interests and develop a vision for their business. This 32-hour program guides participants through a layered curriculum that focuses on the mechanics of opening a business, as well as critical workforce development and financial knowledge that supports long-term success. As well, Case Managers provide access to online resources to augment classroom instruction by working with the Small Business Development Center

at College of the Canyons, which offers free online activities to support classroom learning. Lastly, at the conclusion of the program, YPI staff provide resources for accessing capital, described further on page 4. YPI's Aspire program starts with a re-introduction to the workforce for the target population, and gradually introduces key skills and strategies over the course of 8 weeks to help formerly incarcerated individuals acquire the skills needed to open a successful business. YPI's holistic approach to working with the target population – individualized case management and business mentoring – will ensure that at least 90% of participants complete the full 8 weeks of classes and that 100% of those individuals complete a business plan (completed in the training) for their innovative product and/or strategy.

3. Mentoring: *How will YPI provide individualized support to develop entrepreneurial skills and strategies?*

Each enrolled client will be assigned a Case Manager and complete an Individual Service Plan. YPI's Case Managers serve as mentors and meet with clients weekly. They help clients develop short- and long-term goals, assess progress, and troubleshoot challenges. Case Managers provide individualized support around developing entrepreneurial skills and strategies. Case Managers work closely with the WorkSource Center's four Business Service Representatives who provide labor market information, information related to career ladders and pathways, and best practices around staff training and development. This information helps to create successful teams, critical in starting a new business. Case Managers meet with clients weekly to ensure they have a full understanding of the material covered in class and facilitate discussions to reinforce learning strategies. As part of each client's Plan, Case Managers will ensure each participant is on track to complete the entrepreneurial training and accompanying financial literacy classes, and taking appropriate steps to prepare for accessing capital to jumpstart the small business development process. By providing this individualized support, clients will be more likely to complete the program with positive results. YPI will also ensure we work with other service providers in the community to ensure access is not a barrier to long-term success.

4. Community Connections: *How will YPI connect with the local business community and social service providers to increase participants' financial literacy and improve their economic well-being?*

Through a combination of in-house services and external referrals, YPI, through our individualized case management system, will ensure participants are connected with the local business community and social service providers to improve their economic well-being and long-term stability. All Aspire clients will work with a Case Manager who will, in their Individual Service Plan, include external referrals for services like housing, health care, and legal assistance. Each client will also be enrolled in YPI's Financial Opportunity Center (FOC), which supports the bundling of both workforce development and financial capability resources. Specifically, the FOC will connect Aspire clients with a Financial Coach (in addition to their Case Manager) who will complete an individual financial assessment and then identify both short-and long-term financial goals. The Financial Coach and Case Manager work collaboratively to provide each client with wrap around resources to aid in a successful transition back into the community. Additional resources provided by the FOC include financial literacy education (offered as part of the entrepreneurial training), free tax preparation services, credit building and repair resources, and access to matched savings accounts to start saving toward opening their business.

YPI's Business Service Representatives maintain strong partnerships with the local business community and will bring in guest speakers to discuss personal stories of opening small businesses, and will work with partners like the Valley Economic Development Center, the Los Angeles Area Chamber of Commerce, ICON Community Development Corporation, and LA's BusinessSource Centers, which provide free business assistance services to individuals and businesses. Case Managers will schedule guest speakers during the entrepreneurial training to provide real-world insight into small business development, effective strategies for starting a new business, and potential pitfalls to avoid. Through YPI's extensive network of partners, we will ensure all Aspire clients have access to both the local business community and social service providers to break down any barriers that would otherwise prevent clients from achieving long-term success.

Access to Capital

One of YPI's main objectives within our workforce and education programs is to connect individuals to asset building products to promote long-term financial stability. We offer these products once individuals have completed our financial literacy education modules to ensure a strong foundation for understanding budgeting and capital. When it comes to developing a small business, we see this component of service delivery as paramount to the entire process. YPI's Case Managers and Financial Coaches will outline appropriate asset building products based upon a participant's short- and long-term financial – and business – goals, and support with required steps in order to access the capital they need to fund their business start-up.

1. Access to micro-lending: *How will YPI link participants with micro-lenders to fund and grow new businesses?*

YPI will link participants to the following micro-lending opportunities: micro loans, matched savings accounts, and lending circles. Creating these linkages will enable participants to fund and grow their new business. YPI's partners, VEDC and the Local Initiative Support Corporation (LISC), have both expressed an interest to create greater access to their microloan platforms for our target population. YPI also works with other micro lenders including Lurn, Opportunity Fund, and Self Help Credit Union. YPI Case Managers will work with these partners to develop a streamlined application process for graduates of the Aspire program. In addition to microloan opportunities, YPI offers two types of matched savings accounts that will be available to participants. The first is through our Families Save program in partnership with Citibank, and another through an Individual Development Account in partnership with the U.S. Department of Health and Human Services. These two accounts utilize a Citibank microfinance platform and allow Aspire participants to open a savings account for *free* (all fees are waived for a defined amount of time depending on account), and YPI provides matching incentives to encourage higher saving rates. YPI is able to monitor monthly savings amounts among account holders, and will review financial goals with participants during weekly check-ins to encourage greater savings. Lastly, YPI recently formed a partnership with Mission Asset Fund (MAF), who supports with the creation of lending circles. Lending circles allow a group of individuals to lend and borrow with each other when bank loans are not an option. Lending circles help high-need individuals access affordable loans, build credit history and create financial stability. These three products will help Aspire participants fund and grow their business, even with limited – or damaged – credit; YPI's services break down these barriers to promote greater access.

2. Connection to capital and funding opportunities: *How will YPI provide assistance to meet with capital providers, including matchmaking events with local lenders and coordinate business pitch events?*

YPI's service delivery model is based on providing individualized case management and support for all Aspire clients. As such, YPI will provide assistance to all clients as they prepare to meet with capital providers and lenders, including reviewing and preparing required documentation, and in some instances providing transportation assistance (e.g. bus tokens) and clothing vouchers so that they are suitably attired for meetings. YPI will create matchmaking events with these lenders and host events at our WorkSource Center. This will sustain our effort to offer all Aspire programs and services at the same location, reducing any undue burden on our participants, who often state that transportation is the greatest challenge to securing steady employment and accessing services. At the conclusion of each cohort's entrepreneurial education program, YPI will work with local business owners, chambers of commerce, business partners, lenders, and other key stakeholders to attend a *business pitch* event to allow participants the opportunity to put their skills to the test. In total, YPI will host two matchmaking events and two business pitch events, one at the end of each graduation cohort, to maximize potential partnerships and capital supports for Aspire participants. YPI's Case Managers and Business Service Representative will be responsible for coordinating these events. With small cohorts of 15 participants each, this will allow for more interaction between all participants, leading to greater feedback and perhaps even future business partnerships and/or opportunities. It also supports YPI's effective model of individualized support and mentoring to tailor services and referrals to each individual's needs and aspirations.