

Aspire Challenge

America's SBDC Iowa, Lead Center

Lisa Shimkat, State Director

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Contestant Capacity

We are a Small Business Development Center (SBDC) resource partner with the U.S. Small Business Administration. America's SBDC Iowa was established in 1981 with Iowa State University as its host sponsor. This partnership still continues today and has grown to include 15 Regional Centers located throughout the state of Iowa. America's SBDC Iowa partners with the Regent universities in Iowa, community colleges, and other economic development groups to provide services and resources to small business owners and potential small business owners. We are the only nationally accredited entrepreneurial development organization in Iowa.

America's SBDC Iowa is a statewide organization that provides no fee, confidential, customized business counseling in all 99 counties in the state. Our organization also provides in-depth market research services to its clients, so they can better understand their target markets or customer identification, strengthen their business plans, and ultimately obtain the funding needed to start or grow their businesses. America's SBDC Iowa is well-established and we are the experts for small business resources and services statewide.

The North Central Iowa Regional SBDC Center has been providing trainings at the Fort Dodge Correctional Facility (medium security) and the North Central Correction Facility (minimum security) since 2007. In partnership with the SBA of Iowa, Smart Start workshops have been held at these facilities as module within the Life Skills program to incarcerated individuals approximately every 13 thirteen weeks.

Fort Dodge Correctional Facility

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North Central Correctional Facility

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The focus of the Smart Start workshops is to present small business ownership as a potential career once the individuals are outside of the correctional facility. Materials for the workshops include: what is needed to start a small business, how to define your target market, understanding small business finances, and what additional resources are available to assist someone interested in starting a small business.

Lisa Shimkat, State Director of America's SBDC Iowa – Lisa is a Certified Business Advisor and has also obtained Economic Development Finance Professional (EDFP) certification. Lisa was named to the Security and Exchange's National Advisory Committee for Small and Emerging Business. She previously was the Regional Director in North Central Iowa and established the partnership with correctional facilities for the Smart Start workshops.

Stefanie Koenig, Regional Director for the North Central Iowa SBDC – Stefanie is a Certified Business Advisor and has been providing services and resources to clients in the north central Iowa area for over two years. She has experience in presenting the Smart Start workshops in both the Fort Dodge and North Central Correctional Facilities over the past two years.

Additional Regional Directors may be involved in the program to assist with ongoing one-on-one counseling and mentoring for individuals wishing to pursue a small business. All of the Regional Directors have years of experience working with small business clients and teaching various workshops and trainings as well as some co-

teaching of the prison workshops. These skills are the primary core of our organization and the services we are able to provide.

America's SBDC Iowa will work with our existing contacts to help identify formerly incarcerated individuals and expand this to include additional correctional facilities in the Des Moines area. Since the SBDC is already involved in the Life Skills program and provides the basic information on starting a business during their trainings to individuals currently in the correctional facilities, we have already started to establish a relationship with these individuals. In order for an individual to be accepted into the Life Skills program they must be near release. The Life Skills program has helped to reduce recidivism by 24% among its participants. America's SBDC Iowa will work to foster these relationships with the individuals that express an interest in starting a small business and can work with them before they are released. This can allow these individuals to be prepared to work more quickly on starting a small business once they have completed their sentence.

The Iowa Department of Corrections has established a strategic plan for 2016 to 2020. One strategic goal of this plan is to expand collaboration with other agencies and organizations to provide for an improved offender reentry. America's SBDC Iowa is currently one of these agencies and this grant would allow us to expand the program further and take it to the next level with continued support within the Life Skills course and after.

Entrepreneurial Education Delivery Solution

America's SBDC Iowa will establish two cohorts per year in both the Fort Dodge region and the Des Moines region (expanded district). These cohorts will be a minimum of 10 individuals and a maximum of 25 individuals in order to maintain a collaborative and productive learning environment.

Participants will meet in a classroom setting over the course of two months. During the classroom meetings, the instructor will present information on the parts of a business plan and how to complete the various sections. During this classroom time, expert speakers will also be brought in to provide additional perspectives and information on areas such as business entity formation, market research, tax instructions, financing and marketing. Along with experts for the various parts of a business plan, we will continue to work with the Life Skills curriculum and instructors to include training on items such as financial literacy, etiquette, customer service and leadership skills. Part of each class time will be available for the individuals to work on their business plan and receive additional help from the instructor.

Between classroom sessions, participants will be encouraged to reach out to SBDC counselors for assistance in moving their business plan forward. They would be able to set up time to talk with a counselor either in person, on the phone or through email. A portion of the America's SBDC Iowa website will also provide materials and additional resources specifically for the training recipients.

The first session of the classroom time will be dedicated to the basics of entrepreneurship. The participants will hear from a formerly incarcerated individual who has established a small business. This person would talk about their experience starting a small business, their challenges and their successes. They will also address the hard work and time it takes to not only start a small business, but also to keep that small business going. The participants will engage in an assessment to explore their strengths as an entrepreneur. This process will also include exploring the types of businesses the participants are involved in and mapping out how their strengths, abilities, and talents can be transformed into a small business.

Outline of Classroom Sessions

Session One – Exploring Entrepreneurship

Session Two – Basic Components of a Business Plan

Session Three – Who is the target market for your business – Customer Identification?

Session Four – What types of products/services do you need to start your business?

Session Five – How much money do you need and where can you find it?

Session Six – What to expect as you get started

Session Seven – Marketing (Social Media – When and How)

Session Eight – Opening & Growing

Throughout the training, additional counseling and support is provided by the SBDC counselors. This counseling may be in the form of additional face-to-face counseling, online counseling or virtual counseling to meet the client needs during times that the client is able to meet.

Financial Analysis Tool

America's SBDC Iowa utilizes a financial software program called **IndustriusCFO** to help prepare the financial portion of a business plan. Financial analysis will be available to the participants to show them how to best utilize the information and recognize how to find gaps in their financial plan. It is a very powerful tool that makes the finances of a business easy to understand. The reports and information provided from the program has been well received by the financing community. It is also capable to comparing a small business in various industries to similar sized business across the nation to provide an even more in-depth understanding of the financial health of a business.

Business Legal Resource

The SBDC network in Iowa has established a partnership with the Drake Law Clinic in Des Moines. Through this partnership, small businesses are able to receive assistance with legal questions and assistance navigating some of the legal intricacies of starting up. The Drake Law Clinic utilizes students from its law school to help business with items such as incorporating, partnership agreements, and other legal issues. This partnership is extremely valuable to both organizations. Our clients get legal help at no cost to them and the law students get real world experience working with businesses. This resource will be a great help to this program and will be available as needed for the participants.

Current Program in Place

The SBDC network in Iowa is familiar with and has worked with the Life Skills programs that are already working in the correctional facilities. These programs are provided by the community colleges in Iowa, which are also partners with the SBDC and host many of our centers. America's SBDC Iowa can provide additional support to these programs through the community colleges and help to expand the option of entrepreneurship to formerly incarcerated individuals even further.

America's SBDC Iowa has many components already in place to make this a successful program in the state of Iowa. We have experience with providing trainings to incarcerated individuals and understand the challenges faced by them when released. We have almost ten years of experience working with the Life Skills program and understand the goals of helping formerly incarcerated individuals become valuable and productive members of society. We are ready to take what we have established and grow this into an even more successful program and provide a positive impact to the formerly incarcerated individuals as well as the economy of the state of Iowa.

Access to Capital

America's SBDC Iowa works with a variety of financing options on a daily basis. Each of the Regional Centers and their Directors are well established in their communities and are able to help make community connections. The resources of the SBDC network are vast throughout Iowa. We will provide information to the participants on the various financing options that they qualify in their areas of the state. This may be pitch contests, microloan programs, or local lenders. Many SBDC personnel or advisory board members sit on financing committees throughout Iowa. Their local expertise will be drawn upon to make sure the participants in the program are properly prepared before they submit their plans for funding. Revolving loan funds as well as city and county programs will be reviewed for every project.

There are numerous revolving loan funds within the state. They all have different scopes of work, which means that they have different criteria. Here is a link to a listing of the revolving loan funds, https://www.rd.usda.gov/files/IA_rlf.pdf. This link is only a sampling of the number of revolving loan funds (RLF) within the state. These are RLFs that are generated/awarded from USDA funds. There are also RLFs from EDA funds and community foundations.

The North Iowa Area SBDC Center has developed a financial literacy program to help individuals and small businesses better understand how their finances and their credit scores affect their ability to borrow money for their businesses. This provide will additional information to formerly incarcerated individuals to help both the personal and professional aspects of small business ownerships. The financial literacy program is an integral part of the target market understanding how to finance their business and taking positive steps towards being able to qualify to apply for additional funding through a variety of sources.

Summary

America's SBDC Iowa is a well-established statewide organization that has the infrastructure in place and the experience to expand one of our already existing and successful programs to include additional correctional facilities in the state of Iowa. The organization has been part of the Life Skills program in the correctional facility system for nearly ten years working with individuals that are about to be released to provide information and resources about small business ownership as a means to provide an income for themselves and their families.

Our organization has developed and delivered the Smart Start program numerous times to individuals in the correctional facility setting as well as additional groups. The program is well vetted and ready to be expanded to include additional locations to reach even more about to be released incarcerated individuals along with formerly incarcerated individuals. The classroom training curriculum is based on the experience we have working with potential small business owners and brings in additional real-world examples and experts.

America's SBDC Iowa network of 15 regional centers brings a ready built in mentoring program to the table. Our counselors are well-established leaders in their communities with expert connections. Additionally, we have resources such as **IndustriusCFO** and market research services to provide even more of an in-depth approach to helping these individuals have the best chance of success.

With the funding provided through the Aspire Challenge, America's SBDC Iowa would be able to take a proven and successful program and reach even more individuals. This ultimately would be a positive impact on the individuals coming out of the correctional system, society, and the economy of Iowa.