

Aspire Grant Application \$75,000.00

From: Fresno (California) Metro Black Chamber of Commerce DUNS# 101299258 / CAGE code 7KXK6

For Program: *Fresno Recently Incarcerated Entrepreneur Network & Development (FRIEND)*

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Organizational Background: The Fresno Metro Black Chamber of Commerce (FMBCC) began in 1999 with the goal of serving as an advocate for the creation, development, growth, and general welfare of the African-American business community in the greater Fresno area. Growth has developed strategic partnerships with other local and statewide Chambers and community based organizations including Fresno Area Hispanic Foundation. We have served hundreds through our programs including AmeriCorp Vista Economic Opportunity program, Women's Entrepreneurship Network, Central Valley Diversity Expo, and local SBA office. In 2015, Southern California Edison named FMBCC, Diverse Partner of the Year. Technical assistance, capacity building, and training are core competencies of FMBCC. Financial literacy, small business certifications, government contracting, business plan development, feasibility studies, and micro-loan referral services are part of the regular curriculum, teaching, and referral activities of FMBCC. Official Contact: Fresno Metro Black Chamber of Commerce, 1444 Fulton Street, Fresno, Ca 93721, Attn: Tara Lynn Gray, CEO FMBCC, 707-208-2231, president@fmbcc.com

Fresno County is comprised of 46 municipalities, with Fresno, Clovis, Sanger, Reedley and Selma being the largest. In addition, there are three state correctional facilities in neighboring Chowchilla and Corcoran. Fresno County receives approximately 2,000 formerly incarcerated individuals per year, and has an unemployment rate of 9.6% (double the national average). It is imperative for recently incarcerated individuals to become self-sustainable, with self-employment proving to be the way out of the poverty cycle. The intent through this grant is to reduce recidivism and hopelessness while improving economic opportunity for all of County residents. The proposed county-wide FRIEND program will provide in-depth entrepreneurial training and mentoring to 2 cohorts, each with 10-15 formerly incarcerated individuals, and assist in the provision of micro-loans for initial start-up financing for at least 25% of the participants who complete the program curriculum and develop solid business plans. The program focuses on three pillars of entrepreneurial success: entrepreneurship training, community based activities and a faith component. The entrepreneur ecosystem is comprised of a Fresno County-centric, public-private collaboration of local Chambers, nonprofits, churches, halfway homes, mentor network, private businesses, and financial institutions.

The program assesses each participants' aptitude, propensity for self-employment, and ability to assess emerging opportunities through *DISC Profile* testing, *ICE House Entrepreneurship Opportunity Discovery*, and assessment of basic technical skills. This combination of assessments informs program instructors of each individual's strengths, their interpersonal skills, group behavior, and aptitude for technical tasks.

Background of Management: T. Gray, FMBCC President, has 14 years experience in small business training and entrepreneurship development. Gray and C. Rieger are certified to teach Kauffman Foundation entrepreneurship curriculum. R. Hickman, retired CA Secretary of Corrections, and K. Keyes, Mentoring Center certified Trainer, have a combined 50 years experience working with recently incarcerated individuals followed by 15 years educating and mentoring recently incarcerated juveniles. L. Archie, J. Archie, and C. Pilhart all currently provide transitional services to recently incarcerated individuals through their community-based organizations and form an important part of the FRIEND project's community-based collaborative team.

Team Organization	Name	Position	Training	Finance	Exp. w/Ex-Offenders	Expertise
Center for Business Innovation	Chuck Rieger	Exec. Dir	X	X		Icehouse / Fasttrac
Clara's Home	Clara Pilhart	Pgm. Dir.		X	X	Re-entry Housing & Support
Fresno CDFI	Joi Eubanks	Loan Dev	X	X		SBA Micro-Lending
Fresno Metro Black Chamber	Tara Lynn Gray	CEO	X	X		Icehouse / Fasttrac
Hickman & Associates	Rod Hickman	CEO	X		X	Secretary CA Dept. Corrections
Moments Of Blessing Outreach	James Archie	Pastor	X		X	Recovery & Coaching
Pacific Western Bank	Greg Matthews	VP		X		SBA Lending/Financial Literacy
The Mentoring Center	Kevin Keyes	Trainer	X		X	Mentoring
Vassar House	LaTonya Archie	Exec. Dir.			X	Re-entry Housing & Support

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Recruitment: Recruitment will be accomplished through collaborative efforts with partners who already work with recently incarcerated individuals. They include (2) Halfway Homes and (1) local ministry: Clara's Home (for Women), The Vassal House (for Women), Celebrate Recovery Ministry and Moments of Blessing Church. These organizations will provide 8-12 participants per cohort. Outreach will also occur to two other organizations that work with ex-offenders: Turning Point of California and the Evangel Home. These organizations will provide additional participants as necessary.

We will work with the above organizations to identify potential participants. Using the intake assessments used when the participant entered the above organizations, and the behavior and status of the participant during their time with the organization, potential participants will be invited to attend an orientation session during which the FRIEND program is thoroughly explained, along with goals and expectations. The purpose of the informational session will be to receive agreement and commitment from potential participants to the program. As part of the informational session, we will administer two program-specific assessments:

- 1) DISC assessment - A behavioral assessment, which centers on four different traits: dominance, inducement, submission, and compliance. The assessment will assist the instructors in learning more about: 1) the program participants, 2) how participants deal with others, and 3) how participants deal with situations where interpersonal relationships are involved. Each of these are key when starting and running a business.
- 2) Business type assessment – A series of 54 questions designed to offer insight into the type of business a participant may want to consider starting (e.g., builder, caregiver, counselor, technologist, trainer, etc.).

Classroom Instruction: Our classroom instruction is a three-track approach based upon two very successful Kauffman Foundation programs (the Ice House Entrepreneurship Program and the Fasttrac Program), plus supplemental topics. Together these teach about the mindset and self-development needs necessary to start and run a business, as well as the logistics and planning of starting and running a business.

Our program supplements the Kauffman curricula with basic financial literacy (by Pacific Western Bank), business planning, modeling and loan preparation (by the Center for Business Innovation) and "Leadership is a Lifestyle" and "Ethics" (by Roderick Q. Hickman & Associates), and "Financing Your Business" (by FMBCC), legal requirements, technology considerations and understanding risk. The result of this program is an executable business plan, with potential financing, for each participant.

This 12-course program weaves together in-person classes, with personal assignments, 1-on-1 online class coaching and in-person mentorship meetings, culminating in a "business plan competition" for the best business plan. In-person classes will be held at: Celebrate Recovery Fresno Church, 847 Waterman Ave, Fresno CA 93706

Course # →	1	2	3	4	5	6	7	8	9	10	11	12	
Orientation	x												
In-Person Classes													
Ice House Program	x	x	x	x	X	x	x						
Fasttrac Program	x	x	x	x	X	x	x	X	x	X	x	x	
Supplemental Topics	-	-	-	-	-	-	-	-	-	-	-	-	-
Legal Requirements		x											
Ethics			x										
Leadership				x									
Banking Basics					x								
Understanding Risk						x							
Technology Considerations							x						
Business Financials								x					

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Community Connections: As outlined above, the entire FRIEND program is predicated upon solid community involvement. FMBCC strongly believes this is a major element on the path to success for program participants. It takes a concerted community effort to help reduce recidivism for recently incarcerated individuals, especially for those who are attempting to become self-sustainable by building a successful business. It is expected that program participants will be low on resources and positive community connections. They will need strong local support during re-entry. For this reason, FMBCC has received commitments of participation from local community resources (such as Clara's Home, the Vassal House and Celebrate Recovery Ministry) and local community mentors. Additionally, FMBCC is positioned to bring additional resources to bear by strengthening existing ties to County health services providers and other social services to help meet the needs of program participants as they arise.

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Access to Capital: There are two (2) significant aspects to starting and running a business. The first is proper planning and the second is proper financing. The FRIEND Program places substantial emphasis on each of these components.

As outlined in "Classroom Instruction", the FRIEND Program includes five (5) topics (plus personal assignments) on assisting participants to become financially ready:

- 1) *Banking Basics* (by Pacific Western Bank) focuses on teaching the basics of good money management. The lessons examine financial concepts and decision-making including checking and savings accounts, budgeting, credit, debt, lending basics, simple interest, etc.
- 2) *Business Financials* (by Fresno CDFI) begins to lay the groundwork for understanding how a business works. We assume no prior financial experience. We work with participants to help them understand the size of a business needed in order for them to become self-sufficient. Emphasis is placed on record keeping, and the concepts of accounts payable and receivable, inventory, sales, expenses, equity, cost of goods sold, depreciation and payroll.
- 3) *Financial Modeling* (by CBI) assists participants develop a simple Excel model of their potential business. It depicts revenues, expenses, finance requirements, taxes and profits, leading to business-specific income statements, cash flow statements and balance sheet
- 4) *Financing Your Business* (by FMBCC) helps participants understand the different types of financing that may be available to them, and which one(s) might be best for their individual situation. These include both traditional sources of funding (e.g., banks, micro-lenders, 3-F's, etc.) and nontraditional sources (e.g., peer-to-peer lending, crowdfunding, internet lending, etc.).
- 5) *Loan Application Preparation* (by CBI) is support for the actual creation of a loan application or package for those participants who have developed their business plan.

Gregory Matthews, Senior Vice President, CRA/Community Development Officer with Pacific Western Bank has agreed to set up a fund with the Fresno CDFI specifically for graduates of the FRIEND Program. Joi Eubanks, Lead Business Development Officer with the Fresno Community Development Financial Institution (CDFI) has agreed to work with the FRIEND Program to assist eligible participants apply for SBA or local micro-loan financing.

Since 1993, the Fresno CDFI has acquired funds from a variety of sources and has used these funds to empower local residents and business people. In 2010, Fresno CDFI became a Small Business Administration (SBA) intermediary micro-lender. In 2012, Fresno CDFI became a SBA Community Advantage 7a Lender.

Through our partnership with Fresno CDFI, other doors to micro-lending opportunities will become available. Fresno CDFI is also a member of other California micro-loan organizations including the State of California CalCAP program (which provides matching funds into a loan loss reserve for entrepreneurs starting a business), and the California Association for Micro-Enterprise Opportunity (which provides micro-enterprise credit and loan assistance). These additional organizations have the capacity to improve the chances of FRIEND Program participants to receive funding for their start-up businesses, and in turn, improve the chances of program participants becoming self-sustainable.

Aspire Grant Application Appendix

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Appendix

Appendix - Letters of Commitment

We, the undersigned, commit to partake in, and assist in delivering the FRIEND Program as described in pages 1-4 of the application.

Delivering Entity	Responsible Party	Title	Reviewed and Signed Electronically	Letter of Commitment on File
Center for Bus. Innovation	Chuck Rieger	Exec. Dir	2/10/17	Yes
Clara's Home	Clara Pilhart	Pgm. Dir.	2/11/17	Yes
Fresno CDFI	Joi Eubanks	Loan Dev	2/10/17	Yes
Fresno Metro Black Chamber	Tara Gray	CEO	2/10/17	Yes
Hickman & Associates	Rod Hickman	CEO	2/11/17	Yes
Moments Of Blessing Outreach	James Archie	Pastor	2/11/17	Yes
Pacific Western Bank	Greg Matthews	VP	2/10/17	Yes
Kevin Keyes	Kevin Keyes	Trainer	2/11/17	Yes
Vassar House	LaTonya Archie	Exec. Dir.	2/11/17	Yes