

City of Burlington / 2013 CDBG Application Form

Project Name: Women's Small Business Program

Project Location / Address: 255 South Champlain Street, Suite 8, Burlington, VT 05401

Applicant Organization / Agency: Mercy Connections

Mailing Address: See above.

Physical Address: See above.

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EIN #: 03-0369962`

DUNS #: 111725557

CDBG Funding Request: \$10,000

1. Type of Organization

Local Government

For-Profit Organization

Faith-Based Organization

Non-Profit Organization (please provide copy of your
IRS 501(c)(3) tax exemption letter)

Institution of Higher Education

2. **Conflict of Interest:** Please complete and sign attached form.

3. **List of Board of Directors:** Please attach.

Certification

To the best of my knowledge and belief, data in this proposal are true and correct.

I have been duly authorized to apply for this funding on behalf of this agency.

I understand that this grant funding is conditioned upon compliance with federal CDBG regulations.

I further certify that no contracts have been awarded, funds committed or construction begun on the proposed program, and that none will be prior to issuance of a Release of Funds by the Program Administrator.

Signature of Authorized Official

Name of Authorized Official

Title

Date

I. Demonstrated Need

1. Project Narrative: Provide a description of the project/program to be funded with CDBG. (Refer to NOFA for required information in this section.)

The Women's Small Business Program (WSBP) has been moving women out of poverty by giving them the necessary skills for self-employment for over 23 years. WSBP offers comprehensive entrepreneurship education in order to help women make informed choices for their economic well-being while creating new jobs for Burlington. The strategy employed by WSBP is reflected as a priority in the Objective EO-1.1 of the Consolidated Plan by encouraging economic self-sufficiency through local ownership. There are currently over 150 businesses open and active in the community owned by women who took WSBP's Start Up program, and more than 1500 individuals have taken WSBP courses. This fiscal year, standard WSBP programs are serving up to 56 women, of whom approximately 48% reside in Burlington and 65% are low income. WSBP offers two time-honored, regular programs:

- Getting Serious is an eight-hour course that helps people explore business ownership. Participants discover if business ownership is right for them, examine and expand business ideas, clarify their skills, define success, and create an action plan. This course is offered two times per fiscal year.
- Start Up is an intensive 15-week course where women develop business skills and a formal business plan to achieve professional and personal goals. The curriculum includes market analysis, financial statements, business promotion, and technology. The curriculum also includes personal and professional development to assist the students in removing barriers in order to achieve their economic goals. Business plans are reviewed and critiqued by volunteer bankers and business owners in the community. This course is offered two times per fiscal year.

In addition to these programs, the Program Coordinator also supports WSBP alumni through technical assistance and providing networking opportunities for advanced business development. WSBP is housed under the program offerings of Mercy Connections, described in Section III.1.

2. Innovation

a. What new programs and/or services will be provided as a result of CDBG assistance?

WSBP is proud to pilot a new program this year, the follow-up to Start Up, called "What's Next for the Active Business Owner?" This five-week course is the first of its kind to offer technical support to active business owners in the hallmark WSBP classroom environment. The goal of "What's Next" is to engage learners with an active experimentation cycle focused on putting one component of their revenue generation strategy into play. Small business owners will identify and move through obstacles they are currently experiencing in their business with the support of their peers. Participants will learn invaluable lessons that contribute to a sustainable decision-making framework to test their assumptions and continuing to adjust their strategy. CDBG assistance will go to the time spent by the Coordinator developing and administering the program.

b. How will existing programs and/or services be expanded as a result of CDBG assistance? Use actual numbers to demonstrate expansion.

The new program offering, partially made possible by CDBG assistance, will present an opportunity to reach a greater audience of people residing in and around Burlington. A projected 36 new constituents will be served as a result of this program (a 12-person class run 3 times per year). Given this is a pilot year for the program, however, actual data remains undeterminable; WSBP will report actual numbers demonstrating expansion as they become available.

c. Are there other programs in the community that address similar issues? No

II. Proposed Outcomes

1. How will this project/program impact individuals and contribute to the City's anti-poverty strategy?

This project encourages economic self-sufficiency through local ownership and directly supports Objective EO-1.1 of the consolidated plan. WSBP is also supported in a number of City planning Efforts: 1) Burlington Legacy Project's Action Plan: Becoming a Sustainable Community: A priority action is to "support micro and small business development, including women- and minority-owned enterprises" (p. 16) in order to improve self-

reliance.” 2) Common Ground: A Strategic Plan for the Old North End Enterprise Community: Enterprise Strategy 17 is to “Expand Women’s Small Business Project” by “develop[ing] an aggressive outreach campaign within the Enterprise Community (p. 118).” 3). The South End Arts Business Association is compiled of many WSBP graduates who are now owners of art studios and businesses and participants of this effort.

The Women’s Small Business Program offers a comprehensive, inclusive education environment that serves women of diverse background in gaining the personal confidence and technical skills necessary to take successful action in moving into self-employment and out of poverty. For 23 years, WSBP has provided the support for more than 150 businesses to open and remain active in the Burlington area and for more than 1500 women to gain confidence and skills to become better, stronger employees. Over the years, more than 60% of program participants have resided or opened their business in the City of Burlington. Encouraging women to become self-sufficient through small business development is a recognized, effective strategy for women to break out of poverty and to create long-lasting changes in their lives and communities. WSBP also offers opportunities for women to build their social networks, an evidence-based anti-poverty strategy. WSBP registers women from a wide range of socioeconomic backgrounds. By convening these diverse women, all sharing dreams of entrepreneurship, Mercy Connections creates common ground which can inspire non-traditional friendships and mentoring relationships. In this way, WSBP reinforces the roots of individual and community change: mutual understanding, compassion and camaraderie, and concrete skills and business plans. As a result, many graduates find work, create work and move towards greater self-sufficiency for themselves and their families.

2. List your goals/objectives, activities to implement and expected outcomes (# of units, # of individuals, etc.)

Note: Only CDBG-eligible Outcomes are reported.

Goal/Objective	Activity Funded	Outcomes
Empower women to be economically self-sufficient	WSBP Program Coordination	10 Start Up graduates will complete a bank ready-business plan 4 Getting Serious program participants will select business ideas to pursue further 12 Getting Serious program participants will determine if self-employment is the right choice for them 5 Start Up graduates will make an informed decision to modify or put aside this business plan in order to be self-sufficient 1 What’s Next participants will identify a solution that will result in improved revenue generation in their business and ability to maintain/grow their business
Create economic opportunities for women	WSBP Program Coordination	4 program participants will start a business within a year of completing Start Up 3 program participants will start a business within 2-5 years of completing Start Up 2 program participants will create employment opportunities for others through their businesses 1 What’s Next participants will form strategic alliances with other business owner participants that will result in improve visibility and higher revenue generation
Improve confidence and skills for stronger workforce	WSBP Program Coordination	5 women in Start Up will complete a business plan that is not “bank-ready” but with their new understanding of business and life management skills they will grow their skills and resources toward self-sufficiency 8 program participants will put their

		businesses on hold and either take a new higher paying position, stay in their current position or return to school
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Projected Burlington Participants and Low/Moderate Income BTV Participants in Programming FY

Total # BTV Participants Anticipated	Total # Low/Moderate Income BTV Participants Anticipated
20	16

III. Experience / Organizational Capacity

1. What is your agency's mission, and how do the proposed activities fit with your mission?

WSBP operates as a program of Mercy Connections whose mission as an educational values-driven non-profit organization is to, "live the legacy of the Sisters of Mercy, with an enduring concern for women. By compassionately nurturing self-sufficiency through education, mentoring and community, people are empowered to make significant life changes." WSBP's role is to foster women's economic independence by preparing them for entrepreneurial success. Leadership, ongoing support, marketing and collaborative opportunities through Mercy Connections enhances our ability to serve low-income women with entrepreneurial aspirations. Low income women have the opportunity to explore business ownership and build the social network necessary to be successful in life and business. The classes are led by professional business women who are also skilled educators. Students gain access to a diverse alumni community who often provide mentoring, peer support and business-to-business partnering potential. Networking opportunities extend to meeting knowledgeable business people who volunteer their time to review their business plans and participate in panel discussions.

2. How long has your agency been in operation?

The Women's Small Business Program has been operating since 1989. Mercy Connections has been serving Burlington and managing WSBP for 11 years.

3. What programs and services do you offer?

Mercy Connections is located in the vibrant, small-business-oriented South End of Burlington. WSBP works alongside two other core Mercy Connections programs: The Vermont Women's Mentoring Program, supporting formerly incarcerated women returning to the community, and the Education and Transition Programs, primarily serving those in poverty with the skills they need to build their resources and improve their circumstances. These programs serve as an extended learning community that can support WSBP participants before, during and after their business programs.

4. If you plan to pay for staff with CDBG funding, describe what they do in relation to the specific service(s) / activity(ies) in your Project Narrative.

Specific Service / Activity	Position/Title	Work Related to CDBG-Funded Activity	# of Hours per Week spent on this Specific Service / Activity	% of Hours per Week spent on this Specific Service / Activity to be paid with CDBG
Start Up	WSBP Program Coordinator	Teacher supervision	1.5	1.95%
		Student support	3	3.91%
		Recruitment & enrollment	3.5	4.56%
		Evaluation	1	1.30%
		Alumni relations	3	3.91%
		Program Planning	3	3.91%
Getting Serious	WSBP Program Coordinator	Teacher supervision	1	1.30%
		Student Support	0.5	0.65%
		Recruitment & enrollment	0.5	0.65%
		Evaluation	0.5	0.65%

		Program Planning	0.5	0.65%
What's Next	WSBP Program Coordinator	Teacher supervision	0.5	0.65%
		Student Support	1	1.30%
		Recruitment & enrollment	2	2.61%
		Evaluation	0.5	0.65%
		Program Planning	2	2.61%

5. Explain how your agency has the capacity to carry out the proposed activity (i.e., staff qualifications and years of experience related to this type of activity, etc.)

WSBP has been uniquely providing affordable, reliable, high-quality, comprehensive entrepreneurial training programs in Burlington for over 23 years. It remains the only program of its type that empowers women in an interactive classroom environment to write a bank-ready business plan and gain the skills they need to explore and/or open their business. The Program Coordinator, Gwen Pokalo, has a Master's Degree in Community Development and Applied Economics and has been developing entrepreneurship programs and education curricula for over six years. WSBP is fortunate to have its team of instructors, who are recognized experts in their fields and have qualified credentials to teach in this program. Mercy Connections as a whole is a well-respected organization with an engaged Board of Directors and professional staff and participant in the statewide Benchmarks Initiative.

6. Have you received Federal or State grant funds in the past three years? No

7. Were the activities funded by these sources successfully completed? N/A

IV. Proposed Low & Moderate Income Beneficiaries / Commitment to Diversity

1. Will the program target any specific group of people? (check one below):

None listed.

2. For your proposed project, please estimate how the Burlington residents will break out into the following income categories.

Service / Activity	Unduplicated Total # of Burlington HH / Persons to be Served	# Extremely Low-Income	# Low-Income	# Moderate-Income	# Above Moderate-Income
Getting Serious	7	2	2	2	1
Start Up	13	3	5	4	1
What's Next	5	0	1	2	2

3. Explain how the target population is selected, qualified and monitored.

WSBP particularly targets low and moderate income women as this is consistent with Mercy Connections' mission. With the two other core Mercy Connections programs offered under the same roof, WSBP has the opportunity to recruit and serve low income folks through multiple avenues. The Getting Serious course requires a registration form be submitted up to three days before the class runs, and placement is on a first-come, first-served basis. The Start Up and What's Next courses require an application and initial interview to ensure the program is a good fit. Participants are admitted to Start Up if they have a specific, tangible business idea and have basic math and reading/writing skills to produce pieces of a plan. To be admitted to What's Next, participants must have written a business plan, completed Start Up, or be a current, active business owner. Basic math and reading/writing skills are required for this course as well. The Program Coordinator makes phone or in-person contact with each program participant in each class and checks in throughout each course. Every week, time is set aside for the instructors to consult with the Program Coordinator about student progress and action-planning for each student. Students complete regular evaluations on the program and their needs.

4. How do you ensure that your programs are accessible to all, inclusive and culturally appropriate?

Mercy Connections' training facilities are handicapped accessible. WSBP identifies the reading, mathematical and computer literacy of participants as well as any learning disabilities and provides additional support and tutoring to enhance participant success in the program. The organization is exploring the possibility of supporting students

through remedial pre-requisite offerings in the future. WSBP instructors have been supported in enhancing equity in the classroom through trainings in Differentiated Instruction. The Mercy Connections hiring policies are non-discriminatory and diverse constituents are actively recruited and included on the advisory groups and the Mercy Connections Board of Directors. The organization is currently engaged in a program review process beginning to re-examine: need, content, viability, demand, quality, community impact, outreach and sustainability.

5. What steps has your organization/board taken in the past year to become more culturally competent?

- Professional Development/Training in Cultural Competency for board & staff by Consortium for Inclusion & Equity
- Participation in Benchmarks conferences, institute and trainings
- Staff leadership and participation in class/ economic discrimination in church forum
- Students and interns and mentors participated in Mentoring Training that includes related issues
- Professional Development/Training on Transgendered People and Issues for staff and volunteers by MaryBeth Barrett
- Gender responsive program planning with partners/ collaborators
- Consultation with other providers and community members for preparation for our Bhutanese Citizenship Class

V. Budget / Financial Feasibility

1. Project Budget

Line Item	CDBG	Other	Total
WSBP Coordinator	\$ 10,000	\$ 21,981	\$ 31,981
Executive Director/Program Planning/Marketing Staff		\$ 10,700	\$ 10,700
Instructors		\$ 25,343	\$ 25,343
Scholarship		\$ 7,500	\$ 7,500
Marketing/Printing/Postage		\$ 6,513	\$ 6,513
Other Program Expenses: Supplies, Subscriptions		\$ 11,567	\$ 11,567
Administrative		\$ 12,673	\$ 12,673
TOTAL	\$ 10,000	\$ 96,277	\$ 106,277

2. Funding Sources

	Project		Agency	
	Current	Projected	Current ('12-'13)	Projected ('13-'14)
CDBG	\$ 6,000	\$ 10,000	\$ 6,000	\$ 10,000
State (specify) Department of Corrections Contract			98,000	98,000
Federal (specify)	N/A			
United Way	N/A			
Private (specify) Key Foundation	5,000	5,000		5,000
Hearst Foundation	2,000	2,500		2,500
Mercy Connection Annual Fund	5,000	377	230,000	210,000
Program Income	83,740	88,400	88,040	98,000
Other (specify) Grants			123,715	187,000
Investment Income			53,000	53,000
Total	\$ 101,740	\$ 106,277	\$ 598,755	\$ 663,500

3. Of the total project cost, what percentage will be financed with CDBG?

$$\text{\$ 10,000} \div \text{\$ 106,277} = \text{9.4\%}$$

CDBG Funding Total Project Cost Percentage

4. Of the total project cost, what would be the total cost per person?

$$\text{\$10,000} \div 80 = \text{\$125}$$

CDBG Funding # Proposed Beneficiaries Cost Per Person

5. Why should CDBG resources, as opposed to other sources of funding, be used for this project?

The Women's Small Business Program was conceived in conjunction with the Burlington CEDO and Trinity College 25 years ago. This legacy and successful partnership is worth preserving. The program still and significantly aligns with CDBG goals. WSBP is a vehicle for achieving CDBG goals: Mercy Connections provides a supportive and safe environment for learning. Given CDBG's focus on economic development, this funding source is a natural fit. Other sources are explored and tapped to support WSBP and Mercy Connections programs as well.

6. Describe your use of community resources. Include any resources not listed in your budget.

Overall, Mercy Connections has experienced a growth in the number of volunteers that support our mission. The WSBP finds its great success in the dedication of its expert volunteers. Volunteers are used to review and provide feedback on bank ready business plans, provide their expertise through lectures throughout the class, and serve as keynote speakers at graduation. Business support specialists from CEDO, SBDC, SBA, and other agencies volunteer their time to attend a networking night at Mercy Connections to provide an overview of the support services landscape. The University of Vermont provides access to its research computer lab in the library and a staff member volunteers her time describing the research resources available there. A college intern is working on contacting all WSBP business and updating our directory and compiling. Mercy Connections consistently uses interns from all local colleges and has over 130 engaged volunteers for operations and program support. Mercy Connections has been able to leverage the WSBP and CEDO funding as part of grants received by the greater organization. One project made possible by this leveraging is an agency-wide upgrade of its database in order to better track outcomes. CDBG funds also help us attract support funds for scholarships from Key Bank. Lastly, the organization recognizes the importance of social networking and is developing a marketing strategy that includes social networking as a vehicle to communicate with volunteers, students, donors, and participants.

7. Has your organization experienced any significant changes in funding levels during the past year?

No

8. What cost-cutting measures has your organization implemented?

- Review and consolidation of staffing roles
- Postponement of new equipment and technology enhancements
- Postponement of new hires
- Application of Results-Based Accountability measures to programs and operations
- Increased use of interns and professional volunteers
- Enrollment and participation in food bank
- No COL increase for ED
- Reduced travel and emphasis on carpooling
- Vendor cost reviews and changes when appropriate
- Recycling and caution with materials

VI. Community Support / Participation

1. What other organizations or key individuals (if any) have given support to this project?

As stated previously, WSBP is deeply grateful for its strong network of experts who volunteer their time and expertise for the program. Financial support has come from Melinda Moulton of Main Street Landing and the Key Foundation. Numerous people from area banks, credit unions, law and accounting firms, small businesses, and private small/micro business consultants routinely participate in Start Up by conducting lender interviews, reading business plans and guest lecturing. WSBP is closely linked with Community and Economic Development Office and the Adult Education Council as well as SBDC, The Micro Business Alliance, the Vermont Women's Business Center in Barre, and Champlain Valley Office of Economic Opportunity. Mercy Connections collaborates with the Burlington Housing Authority, Vermont Works for Women, Vocational Rehab, the District Court system, and the Department of Children and Families.

2. How are the community or program participants involved in decision-making and/or identifying the program need, design and/or evaluation?

WSBP actively solicits feedback from program participants, instructors, and volunteers in written evaluations, interviews and conversations, surveys, and consensus. WSBP collects data from program participants, graduates and instructors to maintain and assess the relevance, responsiveness and quality of our programs. This information is reviewed and discussed with the Program Coordinator, Executive Director, Director of Programming, and Instructor Team to ensure the program is utilizing best practices and remaining effective. Written evaluations and surveys are routinely revisited to maintain relevance. The Program Coordinator maintains close contact with the alumni of the program and solicits feedback through networking events and email correspondence. For example, it was from the requests of alumni expressed at various business support networking events that the ‘What’s Next’ program was conceived. The Mercy Connections Board and committees include community members and program participants.

VII. Readiness to Implement

1. Is the project ready to begin on July 1, 2013 and be completed by June 30, 2014?

Yes

2. List any conditions (i.e., obtaining permits, availability of other funding, etc.) that may affect your ability to begin or complete this project. None.

VIII. Impact / Evaluation

1. Describe how this project will effectively measure outcomes.

Mercy Connections was recently selected to be one of the 17 organizations participating in the statewide Benchmarks Initiative. As such, WSBP has implemented a Results-Based Accountability (RBA) framework for determining programmatic outcomes by developing tangible indicators that allow the program to answer: How much did the program do? How well did it do it? Is anyone better off? As a member participant in the Benchmarks Initiative, Mercy Connections has a host of support from experts in evaluation to implement these measures in programs.

2. What strategies will you implement to collect the data necessary to analyze your results?

WSBP uses surveys, exit interviews, focus groups, and business plan assessments as tools to measure data. WSBP has an evaluation system requesting input from students three times through the course, from our business community partners when they meet with our students, and from teachers and the WSBP coordinator. Alumni of Start Up are also surveyed two years after completing the program to determine whether the course has impacted their career and financial solvency.

3. How are clients better off as a result of your program?

WSBP addresses the barriers that women face in starting businesses: a general lack of business and management skills; insufficient access to capital; absence of a peer support network; and the need to balance family and work responsibilities. WSBP uses participant evaluations and data on course completion, business plan completion, business start-up, business capitalization, income generation, and jobs created as evidence of our effectiveness in addressing their barriers. Some program graduates open their businesses and contribute to the Vermont economy as well as the vitality of women in the business workforce. This fiscal year, 40% of participants in the Start Up course completed a business plan and have already opened or plan to open their business within a year. Women who participate in these programs are empowered to make informed decisions about proceeding with business ideas. Regardless of plan completion, participants report being stronger, more effective employees and more satisfied in their lives as a result of program completion. As a result of participating, participants gain skills, knowledge, confidence, and social networks, all essential and evidence-based strategies to becoming self-sufficient.

IX. Sustainability

1. How will this project have a long-term benefit to the City of Burlington? If this project ends, will that benefit continue?

WSBP is an active participant in the economic development of Burlington by helping create new businesses in the area. The City of Burlington has identified locally owned, small businesses as key to the success of our

regional economy: WSBP encourages economic self-sufficiency through local ownership and directly supports Objective EO-1.1 of the Consolidated Plan. As such, the businesses assisted by WSBP directly support the region's economic success. This program helps participants move towards greater self-sufficiency and end their reliance on public assistance, contributing toward an overall reduction in poverty as well as creating new jobs. The businesses our graduates start, such as My Little Cupcake, August First Bakery and Sweet Lady Jane, play an essential part in keeping downtown Burlington viable in the face the ongoing current economic struggles. Many businesses that began over the past 23 years will continue to flourish contributing to Burlington's economic health. Through social media, networking and business-to-business support and strategic partnerships, alumni will continue to support each other. If the program ends, however, there would no longer be this unique economic revitalization and self-actualization opportunity.

2. Provide evidence of long-term support for this project.

WSBP is a recognized organization for creating business growth and influencing institutional change in Vermont. For 23 years, WSBP has been actively and consistently providing training to women with diverse backgrounds; more than 1500 women have participated in our programming, more than 150 businesses are currently running, and through the support of the program, many women have found success and satisfaction in their jobs. There is a clearly demonstrated community need for WSBP programming as programs are consistently filled to maximum participant capacity and additional programs are often offered to meet the high demand. The highly qualified and deeply dedicated volunteer base of more than 80 expert lecturers and community resource providers is yet another indicator of the proven support and confidence in WSBP. WSBP is supported in a number of City planning efforts, such as Burlington Legacy Project's Action Plan: Becoming a Sustainable Community: A priority action is to "support micro and small business development, including women- and minority-owned enterprises" (p. 16) in order to improve self-reliance."

3. If CDBG funding ends, will the project be able to continue?

Funds that are received from CDBG are used to offset the salary of the WSBP Coordinator. If this funding source were to end, tuition would need to be increased significantly. Increased tuition makes the program less affordable to women in lower income levels. This tuition hike, coupled with the current reality that there are a reduced number of VSAC grants available now than years passed, would make the program inaccessible to many interested applicants of low to moderate income. Preservation of CDBG funds for as long as possible will help WSBP plan for the potential loss of CDBG.