



Executive Committee Meeting

Iowa Center for Economic Success

September 17, 2020

Iowa Center for Economic Success

Mission

Our mission is to empower Iowans with the potential to succeed as they pursue opportunities for financial success.

Priorities

Education · Capital · Networking

Our Why

The Iowa Center is committed to empowering people to strengthen and stabilize their financial futures through business ownership and investment. It is our belief that to be successful in small business, one needs support in three core areas: education, capital, and networking. We have built key programs that support those core areas and empower individuals to succeed, families to prosper, and communities to thrive. Success to us is people supporting themselves and their families through the execution of their own ideas.



The Iowa Center Values

Our work always serves our mission. This empowers us to be good stewards of our donors' time, talent, and treasure and ensures everything we do is for our clients, including those we are currently serving and those we have yet to meet.

All of this is because of all of us. Our progress, outcomes, and success is not because of any one team member, it's because we all contribute.

Individual growth contributes to team growth. We encourage team members to challenge themselves, grow, and evolve both professionally and personally.

We are always ready. We are open and adaptable to take on unexpected opportunities that align with our mission.

What makes us different is what makes us better. We celebrate the unique backgrounds of our team members. Our different genders, countries of origin, ethnic and race background, orientation, childhoods, politics, and socio-economic foundations are what make us strong as a team. Not only do we value diversity, we only succeed because of it.

Our support extends outside of our walls. We intentionally support our small business community by also becoming their customers.

All of us contribute to creating a healthy work environment. We encourage and support emotional and physical wellbeing, time to focus on home and family, and open communication between team members.

We leave things better than we found them. We work and make decisions with environmental sustainability in mind.



Executive Committee Meeting Agenda

September 17, 2020

7:30am - Zoom

- | | |
|--|---------------------------------|
| 1. Welcome | Bill Wright |
| 2. President's Report | |
| a. Return to office update/Distance Learning | Megan Milligan |
| b. Always Ready + Financially Savvy | Megan Milligan |
| 3. Program Update | Katie Hentges |
| 4. Stanley Gift | Megan Milligan/Group Discussion |
| a. CDFI/Microloans | |
| 5. Financial Update | Alex Polzin |
| 6. Open Discussion | |

Return to Office & All Access @The Iowa Center

- Our team is incredibly cohesive right now; working together and communicating very effectively.
 - We have an all-staff zoom meeting every morning where we share fun facts as well as what we are working on, review client files, and touch on upcoming opportunities and due dates. This has proven engaging and effective.
 - All vacant positions are now filled. Any new hiring this fiscal year would be “growth-opportunity” positions. We are a team of 12 individuals.
- All of our events, classes, and many of our coaching sessions are now broadcast from The Iowa Center.
 - We are striving to build a cohesive brand so whether a participant is at The Iowa Center in person or streaming from their home near or far, they feel like they are receiving the entire Iowa Center experience.
 - This sets us up for when we are all back at the office and offering things in person (Live @ The Iowa Center) and/or streamed...this is all part of our intentional “All Access @ The Iowa Center” approach to our programs – whether there is a pandemic or not.
 - Staff broadcast these events alone; maintaining our current policy of only one staff person in the building at a time.
- Onsite Work
 - Direct Services staff that are hosting/broadcasting a class or event will be onsite. Those broadcast times are reserved and blocked on the calendar.
 - Members of the admin team (Alex, Megan, Katie) utilize the office during reserved times for certain administrative tasks.
 - Additional staff may need access from time to time; they are able to “reserve” the office through a shared calendar.
- We anticipate maintaining this system through the end of the calendar year but are ready to pivot at any time and are consistently reassessing.



alwaysready

As a small business owner, you won't ever really know the unexpected challenges or opportunities that await you in life and business. Always Ready is a working session for you to learn how to financially prepare your small business for the next step in your journey.

The Iowa Center staff will show you what you need to do to always be ready to apply for a loan, file for taxes, and buy or sell goods and real estate. We'll also show you how to repair and build your credit. This class is especially for you if you've ever been denied a loan or need a helping hand to get your financials on track.

Frequency: Select times 3 weeks out of every month.

financially SAVVY

You don't need to be a financial expert to own a healthy and whole small business, but you do need to understand your financials enough to make good judgments. Join The Iowa Center and local financial experts to increase your awareness of best practices for financial management. Expect to gain practical knowledge on the following areas of your small business:

- Budgets
- Financial statements
- Business financing
- Cash flow
- Recordkeeping
- Banking
- Credit Reports
- Tax Planning

Frequency: 2 time a week, for 4 weeks – will be held every other month

Cost: \$80

Program Update

- FocusME {September 21}
 - BizPREP: Applying for a loan {September 22 & 24}*
 - Always Ready {September 23}*
 - The Story of Todd Sommerfeld, CEO of Kreg Tool {October 2}
 - Financially Savvy {October 5}*
 - DreamBuilder {Graduation October 8}
 - DreamMaker {October 15}*
 - bizFLUENT {October 28}*
- Small Business Essentials: Every Tuesday at 12pm
 - Getting the Most Out Of The In-Box {September 22}
 - Understanding Your Credit Report {September 29}
 - QuickBooks Workshop {October 6}
 - Handling and Presenting Customer Conflict {October 13}

*New Programming



Program Update {Cont.}

VITA

- Site partner applications to go out end of this month

Microloan

- New client triage process in place to create a better flow into loan pipeline (Always Ready, loan triage, loan application)
- TJ and Alex will be leading the Always Ready sessions—attendance is a requirement for most prior to applying for loan

Grants and Reports

- The Iowa Center WBC Grant submission due September 30 and year-end reporting due October 30
- IEDA Quarterly report due October 9
- IRS funding for VITA should be confirmed late September

Staff Recommendation for Growth Funded by Stanley Gift

Distance Learning:

- Invest in camera, mic, sound system
- Create better online library/resource page on website
- Direct Marketing
- Curriculum (Live Plan, etc)
- Hosting platforms

Microloan Growth:

- Consultant to investigate/apply for CDFI status
- Additional lending officer
- Direct Marketing
- Partial salary of Loan Manager
- Infrastructure

Development Director:

- Fulltime person to manage annual fundraising plan including appeals and online giving

Direct Services:

- Portion directed to Triage Coordinator Salary
- Grow Back office support services, Phase I
 - Accounting + finance volunteers
 - Business tax volunteers

Stanley Gift: Phase II: Microloans

- I have met (virtually) with a Microloan Consultant who came recommended by a large CDFI in Minneapolis/St. Paul (Propel). She worked for Department of Treasury in their CDFI department and now consults for organizations exploring ways to grow their microloan portfolios.
- She is working pro-bono right now to assess our CDFI eligibility.
 - Alex and I sent her information to help her in her analysis and have had several conversations.
 - CDFI certification is pass/fail. Either an organization qualifies or it does not.
 - If we do qualify, we can easily get certified and this opens us up for additional opportunities.
 - If we don't qualify but are close, we can do a training year under CDFI regulation and work our way to full certification.
 - If we are not close or decide not to pursue CDFI certification, there are other opportunities to explore that can still power a strong microloan portfolio.
- Once the consultant has assessed our status, she will provide a proposal to us (with an associated fee) to help guide us through the processes she recommends/we choose.
- Once I have the proposal I will bring it back to exec to review and if we approve, bring to full board for vote. I am hopeful this will be before the October board meeting.

FINANCIAL DASHBOARD
AUGUST 2020
FISCAL YEAR ENDING JUNE 30, 2021

Income Statement					
	YTD Actual	YTD Budget	Variance	Annual Budget	Amount Remaining
Revenue					
Contributions	8,600	63,571	(54,971)	381,426	372,826
Grants - Federal	101,196	75,075	26,121	397,593	296,397
Grants - State	32,500	32,500	-	195,000	162,500
Contract Income	38,831	40,602	(1,771)	243,610	204,779
WeLend Loans	-	-	-	-	-
Program Income	-	3,900	(3,900)	23,400	23,400
Membership Fees (Angel Fin)	-	-	-	-	-
Interest Income	3	1,446	(1,443)	8,736	8,733
Investments	-	-	-	-	-
Miscellaneous Income	-	-	-	-	-
Total Revenue	181,130	217,094	(35,963)	1,249,765	1,068,635
Expense					
Personnel	142,958	175,942	32,984	892,678	749,720
Professional Services	4,271	-	(4,271)	4,200	(71)
Occupancy	9,070	9,535	465	57,210	48,140
Office Expense	16,570	4,878	(11,692)	24,446	7,876
Marketing	-	300	300	1,800	1,800
Programming	15,410	15,017	(393)	32,055	16,645
Tax Sites	17,448	-	(17,448)	190,000	172,552
Travel	-	1,835	1,835	12,700	12,700
Insurance	704	971	267	5,825	5,121
Professional Development	-	425	425	4,500	4,500
Amortization & Depreciation	2,289	2,360	71	14,160	11,871
Total Expense	208,721	211,262	2,542	1,239,574	1,030,853
Net Income (Loss)	(27,590)	5,831	(33,422)	10,192	37,782

Receivables Outstanding	
Internal Revenue Service	9,000
DHS	21,142
IEDA	60,125
GDMP Donors	114,000
SBA	37,500
Farmer's Bank	2,500
Other	34,575
Total	278,841

(1)

Other items
SBA (WBC) grant year: September 30, 2019 - September 29, 2020
VITA (IRS) grant year: August 1, 2020 - July 31, 2021
VITA (DHS) grant year: July 1, 2020 - June 30, 2021
IEDA (TSB) contract term: August 16, 2018 - June 30, 2021
*Merchant lease ends February 29, 2030

Balance Sheet			
	YTD	2020 FY	Variance
Assets			
Operating Checking	640,639	1,303,103	(662,464)
Restricted Funds	100,898	100,914	(16)
Endowment	25,842	25,842	-
Accounts Receivable	278,841	379,356	(100,515)
Loans Receivable	39,297	39,297	-
Prepaid Expenses	1,383	1,660	(277)
Prepaid Deposits	-	-	-
Fixed Assets	71,390	73,679	(2,289)
Total Assets	1,158,290	1,923,850	(765,560)
Liabilities			
Accounts Payable	136	63,032	(62,896)
Payroll Liabilities	10,499	7,955	2,544
IEDA Loans	-	30,000	(30,000)
Deferred Income	22,466	22,466	-
Other Liabilities	320,919	968,530	(647,611)
Total Liabilities	354,020	1,091,983	(737,963)
Equity	804,270	831,867	(27,597)
Total Liabilities & Equity	1,158,290	1,923,850	(765,560)

Contributions			
Corporation/Organization:	Anticipated	Received	O/S
Wells Fargo-Grant	100,000		(100,000)
Principal-Grant	30,000		(30,000)
US Bank	52,500	2,500	(50,000)
Banker's Trust	2,500		(2,500)
Regions Bank	2,500		(2,500)
Kreg Tool	25,000		(25,000)
Bank Iowa	250		(250)
Iowa State Bank	1,000		(1,000)
Community Foundation	9,700		(9,700)
Drake University	5,000		(5,000)
AARP	7,400	5,000	(2,400)
Additional Fundraising/Contracts	130,000		(130,000)
Individual	15,576	1,100	(14,476)
			-
			-
			-
Total	381,426	8,600	(372,826)

Next Meeting

- Next Board meeting: October 15 @ 7:30 via zoom
- Next Executive Committee Meeting: November 19 @ 7:30 via zoom