



Board of Directors Meeting

Iowa Center for Economic Success

October 15, 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.



Board of Directors Meeting Agenda

October 15, 2020

7:30am - Zoom

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|---|-------------------------|
| 1. Welcome | Bill Wright |
| 2. Mission Minute Video | Megan Milligan |
| 3. The Iowa Center Values | Katie Hentges |
| 4. Board Action | Bill Wright |
| a) Minutes from Aug. 2020 Meeting | |
| b) Vote to update signers to Slavic 403b | |
| c) Emergency Grant Program/Wells Fargo | |
| 5. Updates | |
| a. President's Report | Megan Milligan |
| i. FY21 Strategic Priorities | |
| ii. Virtual Services/Remote Working + End of year | |
| iii. Fundraising | |
| b. Direct Services Report | Ben Schultz |
| c. Finance Report | Alex Polzin/Mari Bunney |
| 6. Open Discussion | Board |
| 7. Adjourn | Bill Wright |

Mission Minute Video

Click on graphic for link



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.



August 2020 Minutes

Motion:

- Motion to approve August 2020 Minutes

Update Signers to Slavic 403b

Motion:

- We, the Board of Directors of Iowa Center for Economic Success vote to add Bill Wright as a signatory to our Slavic 403b plan. In addition, we will remove the following individuals: Brandon Pratt, Courtney Strutt Todd, and Larry Jackson, all of whom were added as signatories during their terms as board chair but never removed. We also support the policy to update the second signatory to the current board chair at the turn of each fiscal year. Slavic requires that this action is accompanied by board vote each year that is submitted to Slavic in writing with the signature of the current board secretary.

Emergency Grant Program/Wells Fargo

Motion:

- Wells Fargo has invited The Iowa Center to apply for a grant to fund a one-year small business grant program. The board of directors supports The Iowa Center staff in submitting this application and if awarded, in implementing such a program. The grants would be awarded to small businesses negatively impacted by Covid-19 and would be accompanied by grant application support and appropriate educational and coaching opportunities.



President's Report

This has been an active and impactful past two months since the board last met. Details are included in the board packet, highlights include:

- I have been able to work public speaking back into my routine (albeit over zoom). This includes the annual meeting for Commercial Real Estate Executive Women (CREW). Mari Bunney was a panelist at this event as well. I also serve on the advisory committee for UNI's entrepreneurship program and spoke at an event in which Debi Durham and I both discussed emergency funding.
- We are on people's radar. Organizations continue to reach out to us to partner and/or to hire us for services.
- Strategically and sensibly increasing the classes and coaching we offer to clients. Many of the new offerings have been on our wish list for quite some time. I am very impressed by this team who has executed long-needed ideas and initiatives.
- I've spent quite a bit of time researching our microloan growth and look forward to making a preliminary proposal to the executive committee in November with a hopeful presentation/update to the board in December.
- Fundraising is going well with a fall appeal that is generating responses as well as new grant applications that have gone out.



Identified Strategic Priorities

- ✓ New Headquarters
- ✓ Increase Education Opportunities
- ✓ Launch Distance Learning
- Grow Microloan Program
- Expand Direct Services
- Increase Funding (sources and amounts)

Stanley Gift:

Phase II: Microloans

- I 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 provided pro-bono work to us to help 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.
- Based on the information provided by the consultant, I will be submitting my recommendation for next steps to the executive committee at our November meeting. Alex and I will do some work on the financial side and I will work with the team on the program side of the proposal. I anticipate several one:one conversations as well as group conversations with members of the board prior to an update at our December board meeting.

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.



Fundraising

Fundraising is going well with a fall appeal that is generating responses as well as new grant applications that have gone out.

Direct Services Report: Ben Schultz, Client Services Coordinator

- Volunteer Update
- Client Triage Update
- [Class Catalog](#)

FS Dashboard Discussion Points

September 2020, FY21

Income Statement Variances

One-Off:

- **Contract Income:**

- GDMP Small Business Recovery Grant administration income recognition of \$50,000
- Iowa Economic Development Energy Grant administration income recognition of \$10,000
- Iowa Economic Development Covid Small Business Relief Grant administration income recognition of \$40,000

- Grants - Federal:

- SBA Covid 2020-21 (CARES Act) has been awarded totaling \$415,982

Income is recognized as funds are authorized to be withdrawn from SBA = \$173,325.83 fiscal YTD

- **Timing Differences:**

- Contributions - expected contributions are budgeted evenly over 12 months
- Personnel - finalized current year staffing in August 2020
- Tax Sites - DHS EITC 2021/VITA IRS 2021: VITA20 ptr expense not recorded in prior period

FS Dashboard Discussion Points

September 2020, FY21

Balance Sheet Notes

- Restricted Funds now shows the remaining Stanley Foundation gift received FYE 6/30/2020
- Accounts Receivable has increased to reflect the full SBA Covid 19 2020-21 grant awarded
- Deferred Income reflects the amount SBA Covid 2020-21 remaining to be recognized
- Other Liabilities includes remaining \$122,000 funds for the GDMP Small Business Recovery Grant program
 - Megan & Alex are working with GDMP to close this program and disburse all remaining funds

FINANCIAL DASHBOARD
 SEPTEMBER 2020
 FISCAL YEAR ENDING JUNE 30, 2021

Income Statement					
	YTD Actual	YTD Budget	Variance	Annual Budget	Amount Remaining
Revenue					
Contributions	8,700	95,356	(86,656)	381,426	372,726
Grants - Federal	237,849	98,913	138,936	397,593	159,745
Grants - State	48,750	48,750	-	195,000	146,250
Contract Income	161,760	60,902	100,858	243,610	81,849
WeLend Loans	-	-	-	-	-
Program Income	1,695	5,850	(4,155)	23,400	21,705
Membership Fees (Angel Fin)	-	-	-	-	-
Interest Income	4	2,170	(2,167)	8,736	8,733
Investments	-	-	-	-	-
Miscellaneous Income	-	-	-	-	-
Total Revenue	458,758	311,942	146,816	1,249,765	791,007
Expense					
Personnel	200,683	247,616	46,932	892,678	691,994
Professional Services	12,877	-	(12,877)	4,200	(8,677)
Occupancy	13,479	14,303	823	57,210	43,731
Office Expense	18,950	6,794	(12,156)	24,446	5,496
Marketing	349	450	101	1,800	1,451
Programming	19,452	16,100	(3,352)	32,055	12,603
Tax Sites	31,904	-	(31,904)	190,000	158,096
Travel	-	4,025	4,025	12,700	12,700
Insurance	1,470	1,456	(14)	5,825	4,355
Professional Development	-	638	638	4,500	4,500
Amortization & Depreciation	3,434	3,540	106	14,160	10,726
Total Expense	302,599	294,921	(7,678)	1,239,574	936,974
Net Income (Loss)	156,159	17,021	139,138	10,192	(145,967)

Receivables Outstanding	
Internal Revenue Service	18,000
DHS	40,392
IEDA	63,035
GDMP Donors	25,000
SBA	407,809
Other	23,795
Total	578,030

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	422,989	1,303,103	(880,113)
Restricted Funds - Stanley Gift	319,425	100,914	218,511
Endowment	25,842	25,842	-
Accounts Receivable	578,030	379,356	198,674
Loans Receivable	39,297	39,297	-
Prepaid Expenses	830	1,660	(830)
Prepaid Deposits	-	-	-
Fixed Assets	72,351	73,679	(1,328)
Total Assets	1,458,764	1,923,850	(465,086)
Liabilities			
Accounts Payable	42,898	63,032	(20,134)
Payroll Liabilities	12,631	7,955	4,675
IEDA Loans	-	30,000	(30,000)
Deferred Income	265,122	22,466	242,656
Other Liabilities	150,093	968,530	(818,436)
Total Liabilities	470,745	1,091,983	(621,239)
Equity	988,019	831,867	156,152
Total Liabilities & Equity	1,458,764	1,923,850	(465,086)

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	1,200	(14,376)
			-
			-
			-
Total	381,426	8,700	(372,726)



Open Discussion

Next Meeting

- Next Board meeting: December 17 @ 7:30 via zoom