

THE DR. JACOB SAVAGE NFTE YOUTH ENTREPRENEURIAL SCIENCE INITIATIVE AT OB

A Strategy for Creating Entrepreneurs and Building Asset Management Skills

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APPROVED BY DR. CHRISTINA CLAMP - _____

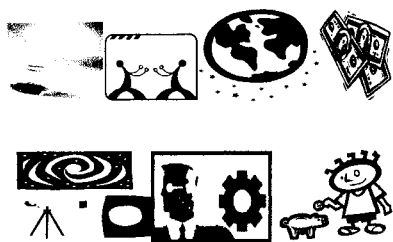


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ABSTRACT

Due to an era of City administrative neglect, Boston inner-city youth have been exposed to a variety of socio-economic barriers that have distracted them from competing within the local, national, and global economy. These distractions have been fueled by a lack of positive venues and a decline in the availability of educational resources and tools. As a result of these barriers the communities in which the youth reside lack viable businesses that contribute to a better quality of life and are plagued with high unemployment, record level crime waves and inadequate housing stock.

In response to the local economy, Boston public high schools and local community organizations are working to include financial literacy and entrepreneurial training in the high school curriculums. The John D. O' Bryant School of Mathematics and Science (OB) is an ethnically diverse Boston Public exam school. It is located in Roxbury and combines the schools rich legacy of scientific expertise with the necessity of invention and business marketing. The school program uses youth individual development accounts coupled with civic involvement and mentoring.

This is a joint project between the National Foundation for Teaching Entrepreneurship, the Neighborhood Development Corporation of Grove Hall (NDCGH) and the John D. O' Bryant School of Mathematics and Science. It reestablished a class elective in entrepreneurship, developing a youth microenterprise program for 60-75 participants of the school over a two-year period. The school is located in an area targeted by the Neighborhood Development Corporation of Grove Hall. The NDCGH currently works with local businesses and will use this pool of business owners to mentor the youth selected for the program. Each participant will go through an entrepreneurship-based class and 15 students will be selected to further participate in a small business development-training program coordinated with the NDC. The evaluation will use the following measures: (a) whether the 60-75 participants attend classes and develop a business plan (b) whether 15 students complete the after school program over a two year period (b) whether the after school participants start businesses that make money or survive the first year of the program; (c) increased participation in local community affairs as measured by participation in the community organizing component of the program.

Executive Summary

The Dr. Jacob Savage Youth Entrepreneurial Science Initiative at John D. O' Bryant School of Math and Science (OB) is a youth IDA program. The program was born out of the need for youth in Boston to be exposed to financial literacy training and additional sources of revenue in a challenging economy. IDA's stand for Individual Development Accounts and are tools that enable low-income families to start a business among other saving goals. The concept involves a matched savings program that allows families or individuals to save while leveraging a matched savings commitment from a financial institution. The matching savings have typically been a 1:3 ratio.

After years of neglect by the City of Boston, public facilities in the inner-city lacked resources and upkeep. Educational standards declined as a result of lack of sufficient resources. Although it is an exam school, the John D. O' Bryant School of Mathematics and Science, known as OB for short, found itself located in a community steeped in blight, high crime and unemployment. Its students were also not accessing the needed resources to compete with the national and global standards of a competitive education.

The Neighborhood Development Corporation of Grove Hall recognized the need to collaborate with its neighborhood institutions. It developed a partnership with OB that allows the school to foster a relationship with local businesses and community members. As part of the collaborative effort, NDCGH offers one-to-one mentors to the aspiring entrepreneurs. The model that is being used by the students to attain the entrepreneurial skills and financial literacy training is the National Foundation for Teaching Entrepreneurship program. This program had been part of the OB curriculum in the past and already had a track record for success with the school.

The National Foundation for Teaching Entrepreneurship is in several Boston Public schools. What makes the OB program unique is that it focuses on developing a subset of its participants for marketing useful scientific inventions to the community. In addition, the program at OB is not only designed to support students as part of the school curriculum but is also positioned to support an after-school component that complements classroom learning. The program also utilizes partnerships with the community to foster mentoring and the IDA component is unique to OB as well.

The program exposes 30 students a year as part of the curriculum to the NFTE model during a daily 45-minute class session. These students then either have the option of developing individual or group business plans. The students then compete within the school, the region and then within national competitions. 15 student slots are also available for qualified students to participate in an after school program that allows the students to participate in a one-on-one mentoring program and the IDA program. The students earn \$250 for 10 hours of community service. They then become eligible for a matching \$250 in a 5-year forgivable loan structure where \$50 is forgivable for each year that they remain in business. If they stop the business after 1 year they are responsible for \$200 that gets paid back into a revolving loan fund for future students.

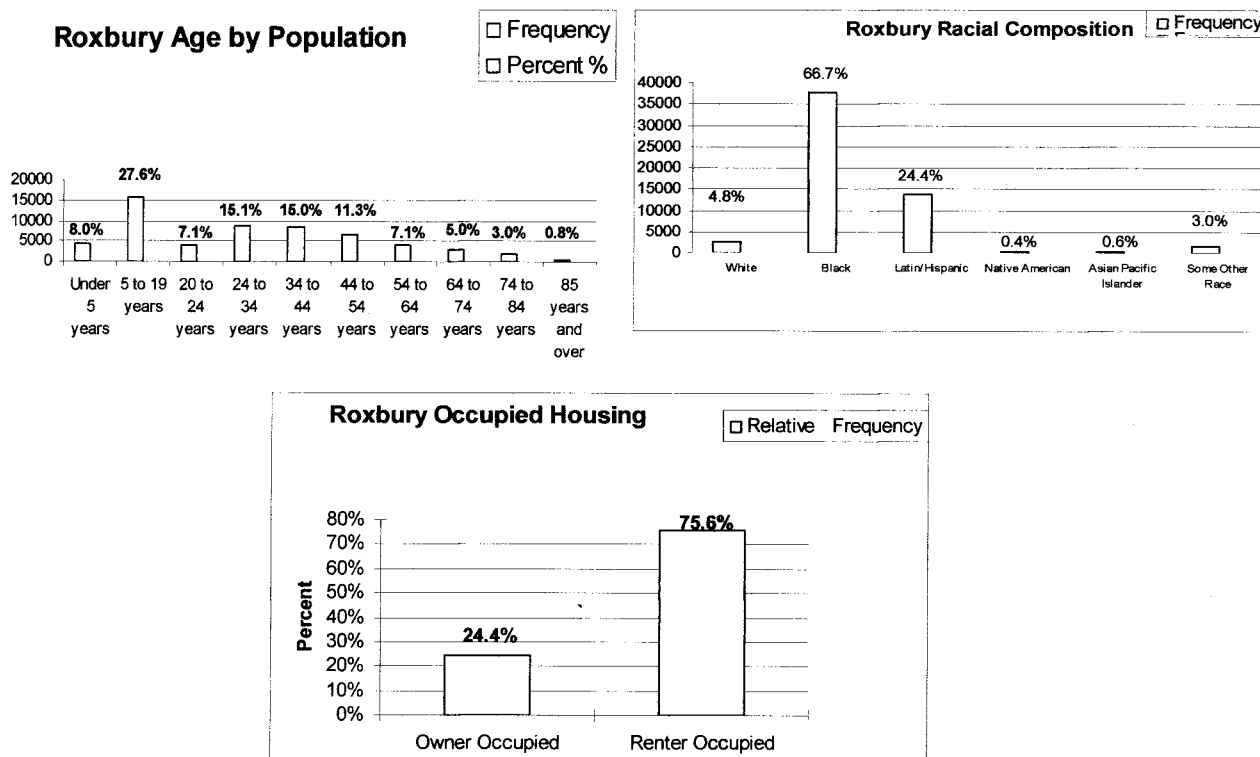
I. COMMUNITY NEEDS ASSESSMENT

This needs assessment is based on the findings of the community needs assessment conducted by NDCGH. The NDC of Grove Hall's Community Needs Assessment was conducted in two stages. First the board and staff members identified what they believed to be the most pressing community needs and this was followed by research conducted by Bonner Enterprises. As part of the needs assessment, board and staff identified 21 pressing community needs that were grouped in seven categories. The top three community needs identified by board members included:

- a. Lack of Community Awareness, Education and Involvement
- b. Need for additional Community focused Economic Development and
- c. Education

B. Current and Future customer recommendation:

While income in the Grove Hall census tracks has increased steadily in the last ten years, the majority of the residents in the NDCGH's catchments area continued to be defined as low-income families. This is especially true for the 02121 zip code area surrounding the agency where the average income is \$11,500 less than the National average of \$38,315. Over the last 10 years the African American population has slightly decreased, yet continues to be the largest segment of the population living within the area. Most importantly, over 44% of the population living in the immediate area ranges in age between 0 to 24 years old (Bonner Enterprises 2000). The large number of young families with children living in the area suggests an ongoing need for the agency's future programs and service to provide economic empowerment opportunities to the large youth population. See **Appendix 1** for additional CNA documentation.



Graphs highlight Roxbury population, racial composition and housing stock statistics (Austin 2004).

II. STATEMENT OF PROBLEM

- 1. Problem statement:** For years the City of Boston ignored many inner-city neighborhoods that were predominantly populated by low-income African Americans. One such neighborhood is the Grove Hall Community that is comprised of Roxbury and North Dorchester. With disinvestment, the community housing and commercial stock became dilapidated and blighted. Public Schools were also given minimal funding and attention and the standards of education sunk to the lowest levels in the City. The local high school in the community performed so low that it eventually lost its accreditation. With low educational standards and a lack of available resources many young people were unable to attend colleges and lacked the skills for higher paying positions after high school graduation. Coupled with the fact that there is no venue for youth to get involved with entrepreneurship, many young people are trapped in the cycle of poverty they inherited from their parents. As a result of poor educational opportunities and disinvestment there are poor employment opportunities. With no other venue for additional income, the average income for the area is \$26,815, \$11,500 less than the national average of \$38,315 (Bonner Enterprises 2000). There are also no youth owned and few locally owned businesses in the community. The Neighborhood Development Corporation of Grove Hall engages in community economic development projects in order to eliminate blight, attract new investments and residents, and build economic stability. Part of the Mission of the organization is to inform, train, educate, and provide resources to neighborhood residents and businesses, giving the capabilities to control their own destinies.

Project Mission: the mission of the Dr. Jacob Savage NFTE Youth Entrepreneurial Science program OB project is to inspire youth to invest in themselves and the world community by using financial literacy, training, business development, civic involvement and scientific invention tools.

- 2. PROJECT TARGET COMMUNITY:** The project will target the John D. O' Bryant, School of Mathematics and Science students that are part of one of the computer classes selected to participate in the NFTE programming. The program will also target youth who live in Roxbury within the 02119 zip code.
- 3. PROJECT GOAL (S) IN CED TERMS:**

(A) Goals

The goal of this project was to bring back the NFTE program as a component of the school curriculum. There is also an opportunity to integrate a youth IDA as a savings option and a mentoring component. The program was designed to give back to the community by incorporating a community organizing stipend as a means of generating the start-up capital. The main elements of the goals include:

- Re-establishing the NFTE curriculum;
- Improving financial skills and economic self-sufficiency;

- Improving short and long-term savings behavior through a matched savings account and education;
- Assistance in building an asset-based wealth-leveraging tool for youth;
- Channeling assets into a business and;
- Improving civic involvement.

(B) GOAL DEFINITIONS

The definitions of the project goals further explain what specific avenues of work were needed to be explored in order for the goals to be accomplished and include:

- NFTE was part of the school curriculum two years ago and needs investments of training, time and money in order to reinstitute the program;
- Expose youth to NFTE Model in class;
- Set-up youth IDA program;
- Open savings/checking accounts with local bank;
- Assist in development of business plans for 30 students;
- Give \$250 start-up capital grants/get mentors to sponsor;
- Do matching grant with three contest finalists as start-up funding kick-off and;
- Match backgrounds and interests of mentors and participants with survey instrument between NDCGH and OB.

(C) *FEASIBILITY* ASSESSMENT OF ESTABLISHED GOALS

The NFTE was part of the OB curriculum 2 years ago. It left the school however when the teachers involved with it left the school. By speaking with the previous teachers, we were able help to create a new and better program. The previous program did not have an after school program to supplement classroom learning. To judge the feasibility of the goals the following tasks were conducted:

- On going communication with facilitators of the program;
- Will reassess budget and program outline if funding not confirmed half way through the school year;
- Will assess recruitment mentors from family, if not identified half way through the school year.

(D) MONITORING INDICATORS

Because the NFTE model is already proven, it comes with evaluation tools as part of the package. Some of the monitoring instruments and methods put in place to insure that the program is on track include:

- Participants will take a standard pre-test and fill out a behavioral questionnaire;
- The CDC director will evaluate the program progress quarterly after funding obtained;

- Mentors/students will fill out evaluation forms after each phase of program development (quarterly);
- Students will take comprehensive tests and quizzes and;
- Students will take a posttest at end of program curriculum.

4. PROJECT OBJECTIVES

Out of 30 youth exposed to the classroom curriculum 15 youth are selected to participate in the after school component. The youth that were selected consisted of youth that were interested in starting a business, willing to open a savings account and demonstrate interest in community service. The tasks that need to be specifically carried out in order for the goals to be met include:

- Assist 15 youth accountholders in small business development and startup and complete 12 month training;
- Have each accountholder who saves the full amount in his/her IDA realize their asset goal with a 1-to-1 match of \$250 within 1 year of reaching his/her savings goal and roll savings into a business;
- Increase civic involvement through 25 hours of community service and;
- Assist 15 youth accountholders in small business development and startup and complete 12 month training.

PREREQUISITES TO THE OBJECTIVES

The NFTE model is typically integrated into a classroom curriculum. At OB, the idea has been to take the NFTE financial literacy model a step further by adding an after school component, coupled with an IDA program. The prep work that was conducted in order to perform the objectives included:

- Get school and start after school program to adopt NFTE curriculum in one class;
- Establish relationship with financial institution;
- Coordinate social service organizations relationship with students;
- Access business plan template from NFTE and;
- Communicate with local IDA coordinators about existing programs.

PROJECT RESOURCES TO FULFILL PREREQUISITES

The good thing about the OB model is that the youth have access to computers and are able to acquire useful and timely information for their product and service needs. The items and conditions needed for the prerequisites to be accomplished were:

- Youth micro-enterprise was already established as a successful model of small business;
- Access to the internet for best practice research;
- Set aside 2 hours 2x's a week for making all necessary calls and follow-up;
- Visit class 2x's a week;

- Worked with the school and built up a rapport with network of teachers and the principal;
- Locate and assess condition of old books and software programs and;
- Access to past facilitators for guidance.

III. PROJECT DESIGN

1. REVIEW OF THE LITERATURE:

IDAs are subsidized savings accounts targeted for special purposes like homeownership, business capitalization, and postsecondary education, but in some cases it is also used for home repair, vehicle purchase, and retirement. The subsidy is provided in the form of match funds to supplement the account holder's own deposits and interest, when withdrawn for allowable asset purchases. (Gale 2006) The Dr. Jacob Savage NFTE science initiative at OB focuses exclusively on the business capitalization.

The Center for Social Development, funded by the Ford Foundation identifies the use of Individual Development Accounts (IDAs) as part of the new age of social development tools that focus on development and building capacities of individuals, families, and communities, in contrast to more traditional social services programs that focus on maintenance and problem solving (Center for Social Development). In this way, IDAs can be viewed as wealth building and financial literacy tools that are based in the popular education model. The popular education model invites participants to learn as active subjects and calls for a more appreciative planning process rather than a traditional problem solving model (Vella 1995). The appreciative planning process builds off of successes of the past rather than focusing on solving problems. Instead of focusing on the socio-economic problems like crime, abuse or neglect of community resources, appreciative planning process focuses on positive behaviors like building assets to combat blight. IDA programs have social costs because the resources used for matches and administrative expenses could be used for other purposes (Ng 2001). Despite the social costs however, IDAs have gained popular acceptance for policy makers and economic development practitioners and are currently part of "welfare reform" and there are 35 states with IDA policy legislation. Federal government programs provide \$125 million to stimulate IDA development (Ford Foundation 2006)

The Dr. Jacob Savage NFTE Youth IDA Science Initiative at OB allows for youth to save money by participating in a community-organizing program for 25 hours and receiving a \$250 stipend. This format was designed because most of the OB students were unemployed. Typically people who participate in an IDA saving program save by altering savings habits. A study conducted in Tulsa, Oklahoma by the Center of Social Development showed that the most common strategies for setting aside money for IDA deposits were changes in consumption behavior, particularly using existing resources more efficiently and reducing consumption quality or quantity. For example 70 percent said they shopped more carefully for food, 68 percent ate out less, and 64 percent spent less on leisure. These findings reveal participants are willing to alter current consumption choices for possible asset accumulation (Moore 2001).

Similar projects in the Boston community were identified through research of books, articles, web sites and reports. The sources included; two youth IDA programs and four NFTE programs all modeled in New England and other articles that highlighted the mentorship component. These programs were reviewed in relationship with the Dr. Jacob Savage Science Initiative at OB. Both IDA programs were initiated as Southern New Hampshire University, School of Community Economic Development (SNHU CED) Projects. The first report is called the Hyde/Jackson Square Youth IDA project and is based in Boston and includes the Roxbury project area, but mainly focuses on the Jamaica Plain community, an ethnically diverse predominantly Hispanic community. The second youth IDA program is based in New Hampshire and is called the New Hampshire IDA for Higher Education and also focuses on the Latino community. The NFTE program was started in 1997 and is headquartered in N.Y. Since its inception it has exposed over 120,000 young people from low-income communities in 45 states and 16 countries. Boston alone boasts 7,000 students as having participated in the NFTE model. A Harvard School of Education report about the effectiveness of the NFTE program in Boston Public Schools published for academic years 2001-2002 revealed that there was a 32% interest in attending college; and occupational aspirations increased by as much as 44% for NFTE participants. It was also reported that independent reading and leadership behavior also increased. Latino students were also found to have better grades and to be less tardy. In comparison to the other IDA programs, the Hyde Square Youth IDA both hosted 15 youth for the IDA component but the OB program simultaneously also exposes 30 youth a year to the NFTE entrepreneurial training. The Latino program targets 20 participants. The Hyde square and New Hampshire Latino model does not use NFTE. Like the Hyde square program, The Dr. Jacob Savage program is tied into a nonprofit CBO that emphasizes community organizing. However the OB program is hosted at the school and is part of the daily curriculum for the class. The Hyde Square program also allows the IDA participant to use the program for saving for housing, education and business start-up. The OB program focuses on entrepreneurship exclusively. The New Hampshire Latino IDA focuses exclusively on education. The Hyde Square program also allows for savings of 10-50 dollars a month with a 4:1 match where the OB program allows students to earn up to \$100 a week in volunteer hours at a rate of \$25 an hour and incorporates a 1-to-1 match. The Latino program has a mentoring component that the OB program is modeling. The NFTE program is a national initiative. In Boston there are several schools that house the initiative as well. English High School, West Roxbury High, Brighton High, East Boston High and Excel High are just a few of the schools that house the NFTE program. Each school has a different approach to integrating the program into its curriculum. The Excel High school model best resembles the model that O' Bryant is creating. Excel High School is integrating the NFTE curriculum into an existing math class and is also adding an after school program.

The other Boston High schools that have the NFTE curriculum have different approaches. English High which has housed the program for 4 years has 6 classes as opposed to two classes that O' Bryant is seeking to develop. Brighton has integrated its curriculum into a marketing class. West Roxbury has divided its school into 4 academies of which two will offer NFTE, including the formation of Brook Entrepreneurship Academy. East Boston includes the curriculum as part of its Travel and Tourism Track.

4. COMMUNITY ROLE:

The target community of O'Bryant students will serve on the board for identifying program participants and will help identify the best program components for its needs by being presented with aspects of the best practices of similar programs nationally. They will add to the pool of potential recruits. Some of the business community members will also act as mentors. The business community will act as a steering committee.

The stakeholders are the community within the Grove Hall service area of Roxbury and North Dorchester, the students and teachers of O' Bryant, and the New England NFTE coordinators. The community's level of participation includes: referrals, mentorship support, and steering committee. The stakeholders will help the program and identify the best program components for its needs. They will also serve on the selection committee and help to identify the best-qualified candidates. The stakeholders will also help to strengthen future grant applications by providing letters of support for funding.

ISSUES IN STAKEHOLDER AND COMMUNITY PARTICIPATION:

The challenges of bringing multiple stakeholders with multiple interests to the table include adopting a "give and take" methodology. The principal wants a sustainable program which doesn't fiscally burden the school each year. In response to his concern we have structured match money as a forgivable loan rather than a gift for savings. This means that the \$250.00 of match money is fashioned as a loan where \$50.00 is forgiven for each year the business is in operation. The NDCGH does not want the youth to engage in businesses that distract them from their studies and is thus more interested in training seniors. Potential mentors would like more flexible visitation schedules rather than being locked into a regular school schedule. There are also screening concerns from the school that are being addressed through a standardized NFTE screening process. The itemization of the challenges for stakeholder participation includes:

- A difference of opinion as to the type of program possible, NDCGH wanted a day program with no competition for other school activities. They also wanted a program without the technology goes home computer training loan program. OB was more interested in an inventors marketing business program than a business marketing class without the scientific focus;
- The level of involvement of mentors given the tight time constraints of business owners; getting the business owners to commit to a lot of time has proven itself to be difficult. The owners were able to make three 45 minute visits during the course of the year.
- The qualifications necessary for the program include: maintaining teacher involvement and commitment. Annual trainings will need to be observed and factored into the budgetary process and;
- Process of CORI Reform infringing upon good mentors. CORI stands for the criminal Information Record Information Act. It is the state record library for criminal activity. Business owners may be apprehensive about the screening process.

SOLUTIONS

The solutions for bringing multiple stakeholders with multiple interests to the table include a win-win model of cooperation. The principle's idea of a sustainable program is a real concern with money even drying up in the federal IDA budget. Most businesses cannot get equity, so creating a forgivable loan model might be the most realistic model. In approaching NDCGH's business versus class work conflicts, the school is targeting freshmen. Freshmen have less rigorous schedules than upperclassmen. Also the behaviors summoned in order to run a successful business develop the skills needed in aggressive class room learning. It should also be noted that in a focus group sponsored by NDCGH in 2004 revealed that the majority OB students who participated in the session believed that they did not need to wait until after school to start a business. Only two out of seven thought businesses should start after college. (Ziyad 2004) Because of a lack of mentors this year, 4-5 students have been grouped together and share mentors. Visitation has thus far been confined to class time and has eliminated the need for screening and extra scheduling. The list of the solutions for stakeholder participation included:

- Communicating budgetary and time restraints upfront and specifying the most flexible areas for input. By setting an upfront communication contract as to the areas of the project that are the most flexible, the stakeholders felt like they had input.
- Projecting a program that highlights a real world approach to education where business and financial management complement classroom work. The NFTE model allows students to go through all of the rigors of setting up a business including making use of math, critical thinking and computer skills.
- Promoting other programs with mentor participation that have worked. NFTE has a proven track record within the Boston Public School System and uses mentors as part of their program design and;
- Promoting a program that gives value to the idea of selection. Success during the first year is important for program sustainability and longevity. If there is no criteria for picking students for the program there is no value placed on the program. If the program is deemed to have no value then the students will come and go and the program will not demonstrate successful businesses.

5. HOST ORGANIZATION:

HOST ORGANIZATION (S) AND AFFILIATES:

Grove Hall NDC (host)

John D. O'Bryant School of Mathematics and Science (host)

National Foundation for Teaching Entrepreneurship

ICE Inner-city Entrepreneurs

MIT Sloan Entrepreneur program

ORGANIZATIONAL ROLES:

Grove Hall NDC is a neighborhood development corporation committed to improving the quality of life for residents and businesses of Grove Hall. John D. O'Bryant is an exam school focused on math and science. The National Foundation for Teaching Entrepreneurship is a national organization that promotes entrepreneurship training through a proven model. ICE is a business development program that trains already successful businesses that have been around for 5 or more years with strategic plans and a mentor. MIT Sloan School of Management is one of the top MBA programs in the nation and is located in Cambridge MA. MIT is a sister school to Boston Technical which later became O'Bryant. Representatives of the school have had on-going communication with MIT to do some collaborative work.

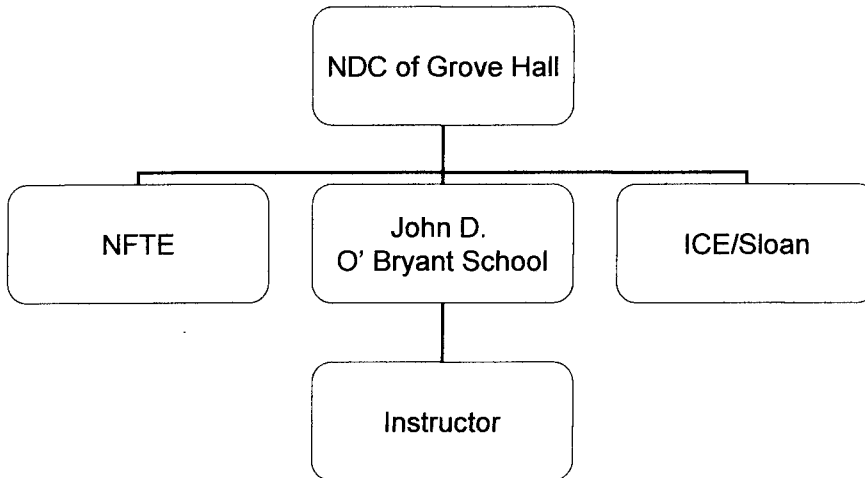
PARTICIPATION OF EACH GROUP:

NFTE is responsible for the delivery and cultivation of the curriculum. They are also committed to some funding. Grove Hall is responsible for housing the computer classes, bringing together meetings and leveraging business mentors. The NDCGH is responsible for coordination and fundraising for the project through the efforts of a part-time coordinator. ICE will refer mentors. MIT Sloan students will refer mentors and offer technical assistance to students. MIT students will also assist with the technical design of the student's products and the mechanical functioning of scientific inventions.

The coordinator is responsible for:

- Researching best practices and identifying choices;
- Facilitation of discussions with partners and community;
- Designing an applications process and monitor the work of the participants;
- Coordinating funding efforts for the program;
- Recruiting class participants for after school programming and;
- Creating a sustainable plan.

Organizational Chart for NDCGH Youth Microenterprise Program



6) METHOD

The combination of microenterprise, mentoring, community service, scientific invention and IDA is an original idea created at OB. A working relationship between the O'Bryant school and the community has been strengthened as a result of the IDA program. The framework set-up for facilitating communication between mentors and students has created a new relationship with local vendors. The relationships between the mentors and students are helping to anchor the participants to stay in the program while giving them a support for bumps, hurdles and questions along the way.

Creation

During the creation process other programs that worked well were identified and the best parts were incorporated into OB Project. The results were coupled with input from the community. The coordinator assisted with research and facilitated the discussions between the school and community.

Fundraising

The coordinator identified already popular youth microenterprise funding sources and IDA federal funding sources. The program competed for the Bank of America Excellence Award in June 2005 and was not awarded funding. The program then solicited funding from the National Basketball Association and Dr. Jacob Savage. The program was named in honor of the lifetime achievement of Dr. Savage who was a scientist and businessman.

Implementation

The NFTE teacher was sent to training. After training the teacher incorporated the NFTE

curriculum into a computer learning class. The after school component will be phased in next year as funding becomes available. The program allowed for the coordinator to set up mentoring and support for participants. The program was also designed as an IDA so that savings could be used as start-up capital for the youth business.

Education

The instructor used the NFTE curriculum in the classroom to identify all the nuts and bolts about business.

Monitoring- Check in with mentors/students quarterly.
Evaluate progress of each student monthly.
Survey the program annually for 2 years to monitor success.

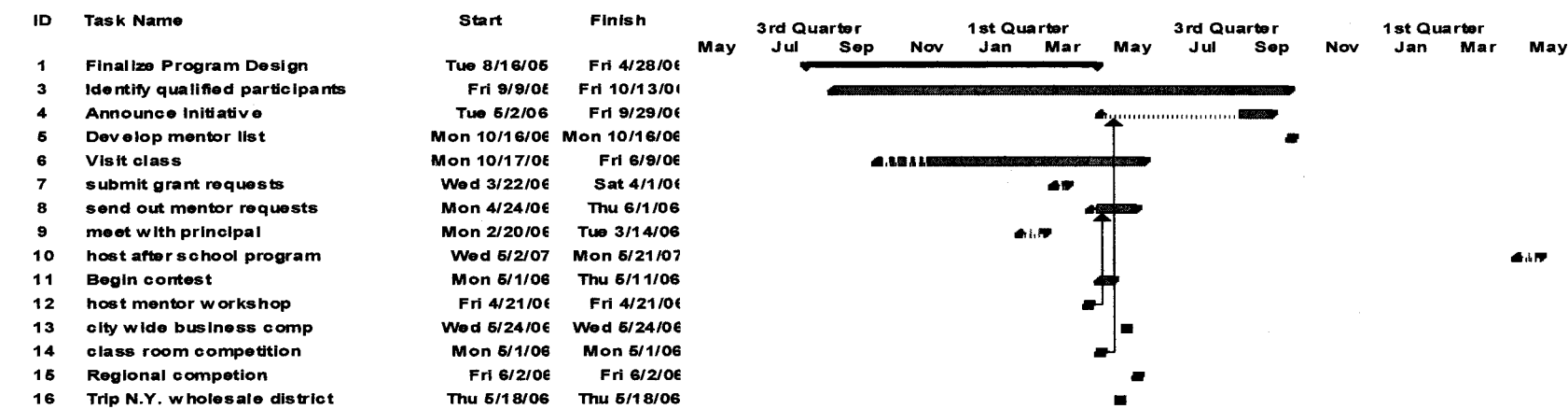
PRODUCTS AND OUTPUTS

Project accomplishments include:

- The creation of a youth financial literacy and entrepreneur program at OB;
- 30 students participated in the NFTE class at OB;
- 5 mentors have met with groups of students at least four times over a period of 4 months.
- Development of 15 business plans;
- Creation of 5 businesses and;
- A \$10,000 second year of funding for 2006-2007 programming and \$84,000 in pending applications with 2 foundations.

PROJECT IMPLEMENTATION - TABLE I.

Program and Curriculum	Purchase NFTE Curriculum	Coordinator	November 05	Internet Access Phone Access Funds
Identify 15 participants	Recruit from NFTE class and rest of school Develop qualifications list and Applications Create Board	Coordinator Instructor	January 06- October 06	Phone Ability to write letters Follow-up skills Pool of 30 applicants
Develop Mentor/students Component	Host retreat Get list from CDC of local community business owners and other leaders Contact list Fill out applications Develop Survey Instrument Monitor relationships quarterly with calls and survey Conduct CORI	Coordinator ED	April 06	Data Base Program Phone access Access to network list Similar models for applications and relationships
Implement Program	Ensure that teacher is trained and has books. Assist with trip to New York and follow-up selling event. Sponsor contest amongst students.	Coordinator NFTE Instructor	July 05-May 06	Computer Room with Internet Access
Monitor Program	Set up data base to keep log of activities and key info Grade materials Set-up measures of success to be achieved through meetings with NDC, Community and school.	Coordinator NFTE Teacher	October- April 06	Computer Data Base Log Book
Obtain Funding	Promote and Market program through: Local journals Paper Similar program networks Banks New grant funds	Coordinator Grove Hall NDC	Jan-April 2006	Well documented 1 st year report of success Internet Referrals from existing grant organizations Documented need



LIST OF TASKS PERFORMED FOR PROJECT - GANTT CHART I. The following bullets further explain tasks listed on chart.

- Finalize program design: the program was an adaptation on the NFTE model. The program used the NFTE curriculum but combined it with the IDA program and emphasized scientific invention.
- Identified qualified participants: the teacher picked one of her more mature classes and added elements of the NFTE model with computer learning skills.
- Announce initiative: a letter went home to the parents explaining the students' involvement in the program and expectations for future participation.
- Develop mentor list: identify list of potential participants for the program and connect with organizations with pools of potential recruits.
- Visit class: Visit with 9th grade classroom from 8:15-9:05 am Tuesday and Thursdays and assist teacher and present to students
- Submit grant request: for Bank of America June 2005; Jan 2006 for NBA and Roberts, Roberts and Associates.
- Send out mentor requests: Send out requests for mentors to MIT clubs and individual students via e-mail.
- Meet with principal: met with Principal bi-annually to seek approvals for program activities and to coordinate funding applications.
- Host after school program: did not implement because of lack of funding.
- Begin contest: NFTE program sponsors a business competition within each of the schools in the NFTE program network.
- Classroom competition: took place between OB students and winners were picked. The 1st and 2nd place winners went on to compete at a city wide competition.
- Regional Competition: OB students did not go on to compete in the regional competition.
- Trip to New York: students traveled to wholesale district and were given 50.00 as a loan.

2. STAFFING PATTERN:

There are three staff positions associated with the program (see **Appendix 2**). The Executive Director of the Non-Profit and the fiscal host, Grove Hall Neighborhood Development Corporation provides general oversight of the Coordinator and programming. The Coordinator assists with day-to-day administrative operations. The NFTE Instructor is responsible for the teaching of the NFTE Curriculum to the participants.

3. BUDGET

Full *pro forma* see **Appendix 3**.

V. MONITORING/EVALUATION

Initially the evaluation plan consisted of gathering information from the classroom on monthly basis and meeting with the CDC Executive Director to discuss progress reports. However without funding, meetings evolved to progress reports with the teacher on a monthly basis and biannual meetings with the CDC Executive Director and Principle. Lack of funding also affected the number of visits from mentors and changed the one-on-one mentoring model to a group mentoring format. In the group format of mentoring, 4-5 students met with a single mentor on multiple occasions. Most of the mentors came from the NFTE volunteer pool. When funding was minimized the program was fashioned with a contest that allowed the best and most enthusiastic students to compete for 1st, second and third prize. The judges were supplied by NFTE and the winners were then allowed to compete in a citywide competition. Each of the winners was further mentored by an MIT Sloan student for suggestions for improving of the business plans once they got to the final stage of competition. At OB, the first place winner was awarded \$125.00, the second place winner was given \$100.00 and the third place winner was awarded \$75.00. However, the money has not yet been dispersed because the IDA accounts have yet to have been established. Because the money saved for the IDA is exclusively for business, the principle proposed that the matching funds be structured in the form of a revolving forgivable loan. This would allow for \$50 of the \$250 matching funds to be forgiven on an annual basis as an incentive for the business to stay open. It would also allow for businesses that acquire the matching funds to give them back to a funding pool in which future students could benefit allowing the school to have a sustainable funding source. This is critical because fundraising was difficult and the school has different programs and priorities that are grandfathered into the general budget that compete for funding. The after school component of the program never developed because of funding, but the school program held a few after school trips and extra mentoring sessions after regular school hours.

Performance Indicators:**Input and Outcome –Table II.**

Project Inputs			
Tasks to be performed	Time Frame	Outcomes	Accomplishment benchmarks
Assist instructors with getting support for after-school component	1 month	One on one instruction for students in business	Funding by February 2006 at least 100/month for 3 months.
Assist 3 students with getting matching start-up capital through a contest	1 month	Three funded businesses	3 students with \$300 worth of funding
Implement curriculum in 1 class of 30 students	4 months	30 students with entrepreneurial exposure	15-30 Business plans depending on partnerships
Assist two teacher(s) with curriculum training	1 week	Teacher(s) trained	Certificate of completion and access to teaching materials/acquire \$2,000 training funding
Develop collaborative between school and NDCGH	6 months	student/mentor component of program	More confident student identified by pre/post test
Identify 15 participants from class lists	1 month	15 stipends of 250 awarded to 15 students	15 businesses started by youth
Give Pre-test	1 month	Screened and qualified participants	Gauge level of understanding of participants prior to their participation in the training
Revise Budget	1 month	Secure sources of funding	Initiate after-school part of program
Identify community obligation for participants	5 months	15 participants with greater community consciousness	15 volunteer community assistance assignments
Conduct Mentor/student retreat	1/2 day	30 networked students and mentors	30 paired participants
Develop Fundraising Plan	1 months	Increase program stability	Budget Outline
Implement fundraising Plan	5 months	Paid for program	Secured program
Establish long-term programming	4-6 months	Stable environment for understanding entrepreneurship	Sustained class

MANAGEMENT INFORMATION SYSTEM: By gathering the monitoring information from the teachers, like pre-post tests and monthly reports, the project was kept on schedule and problems could be anticipated. The tests and reports also measured progress and evaluated the programs success. The monthly reports included information about grades and participation, mentor and student times and activities, improvements in business plan implementations and measures of success like dollars earned, customer satisfaction reports and widgets sold.

EVALUATION PLAN & REPORTING:

The Principal, Executive Director and instructor met individually with the program coordinator biannually in order to evaluate project performance and get debriefed on the project status. Measures of success are outlined on the following page and include:

MEASURES OF SUCCESS – TABLE III.

MEASURES OF SUCCESS	ANTICIPATED MEASURES	ACTUAL MEASURES	LESSONS LEARNED
Number of completed business plans	30	15	Youth businesses have a tendency to partner-up.
Number of new businesses	30	5	Without a passion for a specific business the youth were not motivated to actually follow-through long term.
Money earned per business	\$400-600	\$50	NFTE gave each student \$50 and they went to the wholesale district in NY and sold goods at school and at fair to payback NFTE loan. Students did not access the expected 500 start-up capital.
Amount of money spent per business	\$300-500	\$50	Business plans had varied start-up costs that varied from \$300-\$500.
Amount of money lost	\$0	\$0	Because money was paid out in small amounts of \$50 students were able to pay it back.
Number of mentor/student interaction	12	7	NFTE mentors used 4x's and MIT students came 3x's. Lack of funding prevented early participation.
Number of community service hours accumulated	25	0	Lack of funding.
Number of businesses closed	0	0	N/A
Number of old books assigned to class	16	16	Increased awareness of business concepts.
Number of new books	15	0	Students did not have access to most recent information because teacher did not apply to superintendent for additional resources.
Number of mentors	15	6	Funding did not compensate for organizing additional mentors.
Amount of funding	\$60,000	\$4,300	Bank of America grant denied, The OB put in 2,000 for teacher training and NFTE put in 2,000 for school trip and I put in 300 for school business contest.
Number of teachers teaching curriculum	2	1	Funding only available for training one teacher and the math teacher had a full schedule of classes due to a curriculum change that was catered toward MCAS preparation.
Number of students with online access to business information	30	31	A senior student with a study period was allowed to sit in the class.
Number of IDA accounts opened	15	0	Account has not been established with financial institution and matching funding not identified

It is recommended that family members be targeted as the first group of mentors. The second group of mentors should come from staff and faculty that already have relationships with the youth. The third group of mentors can be filtered through the screening process of the NFTE process and can be recruited from local business networks. This third group is more of a cold market and seems less engaged in working with youth long-term. The idea of using a contest to jumpstart the program is also good because with limited resources you actually market the program while promoting the best examples and recruiting other future participants. Finally, consider creating an IDA that focuses on pay back. The very concept of acquiring something free in business takes away the value of the dollar and encourages poor decisions with little accountability. The following recommendations are encouraged when identifying critical elements of a successful program:

- Build Governing Board that can assist with the development and fundraising efforts;
- Start with Contest with three winners in order to create a success story;
- Look for funding immediately to deliver some measures of success;
- Phase plan in stages, so that momentum is built and a start is not delayed;
- Incorporate Family Support in order to leverage resources;
- Create Self-Sufficiency Plan that allows for a revolving, forgivable loan fund and;
- Revise after school component to be phased in after a classroom start.

Another method of evaluation included a pretest and survey instrument designed by NFTE. If survey questions results changed or improved between the pre-test and post test, those changes could be measured. The difficulty with the use of this instrument is that the post test was never taken by students and the results could not be compared with the pretest results. The following chart is the results of the pretest evaluation. It is important to note that only 22 of the 30 students took the pretest, so the results are a sample of the total classroom environment. In addition, the teacher only allowed the students to take the test on one day, so students that did not finish the pretest and survey during the allotted time did not complete it. Table IV. outlines the questions on the survey that were answered by students enrolled in the NFTE class. For a complete listing of the questions (see **Appendix 5**).

ANSWERED QUESTIONS FROM NFTE PRE-TEST AND SURVEY INSTRUMENT -TABLE IV.

Question	Pretest & Survey	Post Test & Survey
1. Average business math test result for class	52%	Not done
2. Students who have already started a business	0%	Not done
3. Students who have worked for pay	41%	Not done
4. Students who have opened up a bank account	50%	Not done
5. Students who have participated in a club or activity in school	82%	Not done
6. Students who have volunteered in community service product	36%	Not done
7. Students who have participated in a club or activity outside of school	73%	Not done
8. Held a leadership position within the ranks of the club or activity	32%	Not done
9. Within the last month spoke with an adult about business	36%	Not done
10. Hold a current job	5%	Not done
11. Can't envision themselves being their own boss	5%	Not done
12. Envision themselves already to be the boss	18%	Not done
13. Will be the boss between 1-2 years	0%	Not done
14. Will be the boss between 3-5 years	9%	Not done
15. Will be the boss between 6-10 years	23%	Not done
16. Will be the boss between 11-20 years	18%	Not done
17. Strongly agree that grades are important	36%	Not done
18. Agree that grades are important	23%	Not done
19. Disagree that grades are important	0%	Not done
20. Unsure that grades are important	5%	Not done
21. When not in school I <u>never</u> spend time reading about business topics	23%	Not done
22. When not in school I <u>seldom</u> spend time reading about business topics	18%	Not done
23. When not in school I <u>sometimes</u> spend time reading about business topics	14%	Not done
24. When not in school I <u>spend a lot</u> time reading about business topics	0%	Not done
25. I am confident I could talk to a group 30 adults on a topic that I know (strongly agree)	9%	Not done
26. I am confident I could talk to a group 30 adults on a topic that I know (agree)	23%	Not done
27. I am confident I could talk to a group 30 adults on a topic that I know (neither agree or disagree)	18%	Not done
28. I am confident I could talk to a group 30 adults on a topic that I know (disagree)	5%	Not done
29. I took this class because I was interested in the topic	27%	Not done
30. I took this class because it was required	14%	Not done
40. When I want to buy something I <u>never</u> figure out how long it will take to buy it	5%	Not done
41. When I want to buy something I <u>seldom</u> figure out how long it will take to buy it	14%	Not done
42. When I want to buy something I <u>sometimes</u> figure out how long it will take to buy it	23%	Not done
43. When I want to buy something I <u>a lot of time</u> I figure out how long it will take to buy it	9%	Not done
44. When I want to buy something I <u>always</u> figure out how long it will take to buy it	23%	Not done
45. Percentage of Males that identified gender	36%	Not done
46. Percentage of Females that identified gender	27%	Not done
47. Percentage of African Americans that identified race	18%	Not done
48. Percentage of Asians that identified their race	23%	Not done
49. Percentage of Hispanics that identified their race	5%	Not done
50. Percentage of Whites that identified their race	0%	Not done
51. Percentage of others that identified their race	14%	Not done
52. Median Age	15	Not done
53. Mode Age	14	Not done
54. Median Grade Level	9	Not done
55. Mode Grade Level	9	Not done

OUTLINE OF OBJECTIVES - GANTT CHART II.

Project Objective																	
	YEAR	05	05	05	05	05	05	05	05	05	05	05	06	06	06	06	06
	MONTH	F E B	M A R	A P R	M A Y	J U N	J U L	A U G	S E P T	O C T	N O V	D E C	J A N	F E B	M A R	A P R	M A Y
Research best practices																	
Implement curriculum in 1 class of 30 students																	
Assist teacher with curriculum training																	
Develop collaborative between school and NDCGH																	
Identify 15 participants from class lists																	
Administer pre-test process																	
Revise Budget																	
Identify mentors																	
Conduct Mentor/student retreat																	
Revise Fundraising plan																	
Implement fundraising plan																	
Establish long-term programming																	

LOGIC MODEL –TABLE V.

inputs	processes	outputs	short-term outcome(s)	intermediate outcomes	long-term outcomes
<ul style="list-style-type: none"> - Free Books - Mentorship Program - Funders - Teachers - Volunteers - Computers/web 	<ul style="list-style-type: none"> - Read to understand course work- - Provide mentor-assistance models in which business owners support each youth - Provide matching funding for asset management: - Directed Learning - provide guidance and support - Provide free, on-line training program 	<ul style="list-style-type: none"> - 30 students with books - that used mentorship models - 15 business funded - completed in class and after-school training programs - coordinated programming - 30 learners who finished Basics of research based Learning 	<ul style="list-style-type: none"> - increased awareness of business concepts - Increased confidence of youth - Increased assets of youth - Increase computer software skills - Access to needs - Increased access to information and efficiency 	<ul style="list-style-type: none"> - basic business skills - develop bond between youth and community - Developed financial management skills - Application based learning - support services - Strong basic computer skills for learners 	<ul style="list-style-type: none"> - Improved attitude toward self and society for graduates - Improved network graduates - Improved income - Improved technical skill - Progressive and coordinated program - Improved global outlook

VI. Sustainability Plan

1. **Field Observations:** Were conducted bi-weekly because of the revised budget and slow start. Contest finalist's mentor/student partners also met once with the coordinator.

2. **Sustainability Elements:** Encourage mentors to pay \$250 stipend to students to do community service work. This would allow participants to acquire funding and take the burden of continued fundraising off of the school. It would also build a sense of value for the mentor and student, by knowing that personal finance was invested.

Also, phase in an after school program in September 06. Encourage second teacher to participate with after school program and summer training so that the program has twice the chance of survival. Having more than one teacher trained for the program strengthens the probability that the program will stay around if one teacher leaves or loses the class. In addition, the principle wants the program to be structured so that the second \$250 be a five year forgivable loan where \$50 is forgiven each year the business is operational. This idea will encourage students to take business serious and it will also support the accumulation of a pool of resources for future students.

3. **Institutional Plan:** The school has invested in training the teachers and purchasing books. The teacher set-up an up front contract with the school to only get training if classes would be taught for more than two years. There will be an ongoing student governing body created as a youth chamber of commerce to offer ongoing peer support in house. Also ties with the mentoring community should establish long-term.

Conclusions and Recommendations

Initially there were two classes planned for incorporating the NFTE curriculum into the classroom at OB, a computer class and a math class. In addition, the after school component was suppose to simultaneously start with the classroom instruction. However, only one classroom could be positioned for the first NFTE session. After making this change, I learned that it is simpler and more economical to train one teacher at a time. The program was found to be the envy of both teachers and students. Other students surmised that the classroom students picked for the program were favored by the teacher in some way and were special. There was a natural desire to want to be part of the class that went on a trip to New York. This special class was getting help to start businesses and participate in school flea markets. Teachers already put bids in for mentoring students and future field trips. Even given the opportunity to start out with two classrooms, I would opt for one class so that the kinks could be worked out before adding more. The after school component of the program also needs to be phased in because the expenses were high for starting up the program. The after school program should not begin until there is a swell of student interest that warrants it. The only apprehension to this idea of waiting for student interest is considered when looking at the talented students at the school who were creative and passionate and did not happen to be part of the assigned NFTE classroom. For example, in an unrelated citywide inventor's competition this year, six students from OB became finalists. The competition hosted nine students altogether. One of the OB students actually won first place. She was an eighth grader who invented a nail polishing machine. As a result of the competition

she was awarded a \$15,000 scholarship and legal assistance for her patent, however without her having the option to participate in the NFTE program during after school, she and the other five students had no business plan for their unique ideas. So opening the after school program next year could most likely benefit a larger passionate, more talented crowd of students if made available to entire school body and neighboring community. The original goals of the project were more ambitious than could be delivered without complete funding. Funding is a much easier when committee is formed to pull together resources. One person working without the support of a fundraising team is extremely difficult and ineffective. The original plan of service for the project called for 30 students over the course of two years. The plan objectives were revised to cultivate 15 students to have actual businesses and 30 students to develop business plans. Focusing on 15 businesses is more realistic because it takes a really passionate young person to pursue a business beyond just architecting a plan. The objectives also did not include the idea of partnerships or incorporated businesses, in that fewer businesses were actually produced for 30 students when they partnered up together. By not obtaining funding in November 2005 many of the goals and objectives were scaled back. None of the youth were able to access the start-up capital to date. Besides the winnings for the three contest finalist, the only money available to them was given by the NFTE program. This money consisted of a \$50 loan that had to be paid back to NFTE after a wholesale venture to New York and allowed the entire class to participate. However the wholesale district trip was not consistent with most students business plans because the trip was really designed as an activity for hands on learning rather than as funding mechanism for a long-term business plans. This approach should not be altered because it allows students to participate in business activity regardless of their maturity and passion. Although the contest was devised as an economical approach to providing limited funding to motivated students with good ideas, the contest seems to be a logical way of promoting the program and financially supporting the youthful entrepreneurs with out a waste of resources. The mentor program was designed to be a one-on-one program and it was changed to utilize the support of family members and NFTE volunteers when funding was not readily available. This change is recommended to others because one-to-one mentoring only seems necessary when a student has invested a certain level time and resources into the business. Until it seems necessary, the youth should be peered up in groups rather than individually. This peering assists with building confidence and the sharing of ideas. This works okay in that a number of the groups are working in partnership anyway and generally need the same instruction. If this project is successfully completed, it will be the first time a youth IDA program would be tied into the NFTE model and combined with a mentoring and scientific program. To date IDA accounts have not been established at a local financial institution because not matching funding source has been identified and the bank has not yet agreed to the program. The principle recommended communication with a parent who is the manager of the United Bank, a local black owned bank within a 5 min walk from OB. After meeting with United, it was decided that other key bank representatives needed to be brought into future discussions. Those meetings will take place over summer 06. The city also has Community Block Grant CBDG funding set aside for IDAs that will also be solicited for matching funds for the IDA component of the program. In addition, the pretest was designed to highlight attitudes, interests, feelings and skills related to financial management and business. The post test was designed to show improvements and was not implemented by the teacher. It is difficult monitoring and communicating with the teacher in a timely fashion, not being a member of the school community. Despite not being able to compare the pretest with the post test, the results of the pretest still raise interesting data that is

useful when designing a youth program that matches youth interest and habits with business savvy. For instance, being that this is a youth IDA or savings program, it was interesting to note that at least 23% of those surveyed were already in the habit of developing savings goals as a strategy for purchasing. A surprising 50% of the students had already opened a bank account. Considering that the mean grade level of the class was 9th grade and most of the students were only 14 years olds from the urban area, this percentage seemed high.

It was also interesting to note that only 5% of those surveyed were working and it appeared that 100% of those working were seniors, indicating that the most realistic age for a high school IDA saving participant is 17 years of age. However 40% of those surveyed had some paid work experience, perhaps indicating the need for a summer savings model for sophomores and juniors as a natural progression of the school program. Also with 82 % of the students doing after school activities with clubs at school, it would seem that any additional after school activity would need to be limited so that it would not compete with homework, unless of course, the introduction of the NFTE program became a replacement activity.

Mrs. Williams said that she picked the second period class because they seemed like they were more mature and disciplined than other classes that she taught during different periods. However, the classes pre-testing scores averaged 52 out of 100%. A significant number of surveys were incomplete. At least 9 out of the 22 surveys that were attempted were not finished; more than 41% were left unanswered. These questions were simply behavioral questions rather than mathematical or based on understanding information. There was no right or wrong answer. If this percentage is coupled with the other 8 students who did not take the pre-test, it yields 57% unanswered data questions that could not be compared to a post test, even if it had been administered. The percentage of unanswered questions skews the results and lends to the portrayal of false information like the majority of the class appearing to be Asian, when the actual result is that Asian youth took the time to complete the ethnicity identification questions. With 40% of the students believing that they could run a business in another 6-10 years and the median age of the correspondents being 15 years of age, it can be surmised that between 21-25 years of age is the best age perceived for a youth to start a business if they are not exposed to NFTE training. This age group falls in the bracket of youth who have finished college.

Recommendations:

Reliance on the coordinator to do all of the project tasks is not realistic. A seven person taskforce or governance board needs to be created that can assist with fundraising and project visioning. The program in itself is multidimensional and needs an expert from each of the project areas to leverage their expertise and resources. The key areas of expertise include: project fundraising, IDAS, youth mentoring, community service, the principal, the NFTE instructor and coordinator. Because funding is unpredictable, it may be useful to break the project up into manageable segments that can be phased into a larger plan. Mentors can also be solicited for sponsoring matched savings plan resources. Seniors should be encouraged to participate as natural participants in the program. Sophomores and juniors should be reached in advance of the summer in order to save for the following year's participation in the program. The school is located in enterprise zone and savings can be matched by CBDG funding from the City. It is recommended that family members be targeted as the first group of mentors. The second group of mentors should come from staff and faculty that already have relationships with the youth.

The third group of mentors can be filtered through the screening process of the NFTE program and can be recruited from local business networks. This third group is more of a cold market and seems less engaged in working with youth long-term. The idea of using a contest to jumpstart the program is good. A contest helps when resources are limited and promotions help in recruiting other future participants. Finally, consider creating an IDA that is structured by loaning matching funds with a forgivable loan product. The very concept of acquiring something free in business takes away the value of the dollar and encourages poor decisions with little accountability. The NFTE model of loaning \$50 makes the youth anxious to payback their debt so that they can earn a good profit margin.

The best practices that I found particularly useful included: limiting the number of participants to fewer than 20 students, utilizing a savings tool with an entrepreneurial program and encouraging on going mentoring with youth and business partners. Encourage philanthropic participation by encouraging community activism. Organize a community service fair that can highlight the community agencies that could be the host sights for the youth's community service stipends and philanthropic interests. Select community service representatives by the interests of students outlined in their entry surveys. Lastly make sure that all participants take the pretest and survey the first week of class and collect all surveys early. Tabulate them in order to cater the curriculum to any consistent weaknesses among students. Also do the post-test before the New York City field trip and citywide competition because students' loose interest after all of the popular aspects of the program are finished for the school year.

VII. Appendices

1. Needs Assessment
2. Staff Job Descriptions
3. Program Budget and detailed Pro Forms
4. Project PowerPoint presentation
5. NFTE Pre-test
6. Other