



Executive Memorandum

To: Jessica Sotelo, Executive Director, Partners for Prosperity
From: Delverne Seaman, Community Development Specialist, Partners for Prosperity
Date: February 12, 2006
Re: Executive Summary

For the past year, I have worked been employed by Partners for Prosperity. In my first year, I had to learn the four community-level outcomes that drive the work of the NWAFF. I have my education and experience in fundamental economics, small business development and economic development; I had to learn new concepts of community economic development to incorporate into my work.

I have established the Prosperity Creation e-Commerce and small business development subgroup. The purpose is to generate interests and awareness of e-Commerce activities in hopes it will help entrepreneurs and small business prosper.

As a partner with the State of Idaho Individual Development Account (IDA) program, I represent Partners for Prosperity at advisory meetings and keep P4P management informed of decision made by the board.

I am also the coordinator for two large P4P initiatives, the Earned Income Credit (EIC) Campaign and the Economic Summit. As the EIC Campaign coordinator, I organized a coalition of 15 members from throughout Eastern Idaho, research numerous EIC Campaigns, and gathered EIC information in order to create P4P EIC brochures.

For the Economic Summit, I have organized the agenda, contacted keynote and other speakers to present at the summit, develop a promotion plan, and other related logistics. The summit will take place March 21-22, 2006 in Pocatello, Idaho.

REGIONAL E-COMMERCE & SMALL BUSINESS DEVELOPMENT SUBGROUP

e-Commerce

In July 2005, the regional e-Commerce Subgroup was established for the purpose of exploring economic opportunities on the Internet. Electronic commerce or better known as e-Commerce is the ability to conduct business communication and transactions over the World Wide Web. The meetings serve as a forum for subgroup members to express perspectives and experience of the Internet, brainstorm ideas and identify issues, and to determine the type of training that will be most effective to achieve success with e-Commerce.

The subgroup members include community members, entrepreneurs, and small business owners, mostly from communities near Blackfoot. I have worked extensively to recruit representatives from Idaho State University, Eastern Idaho Technical College, University of Idaho and Brigham Young University-Idaho since these educational institutions



have courses in e-Commerce. The main objective is to gather people that have a shared interest in e-Commerce development that will benefit individuals, families, and the local economy. We asked our members to attend meetings on a regular basis and we continue to strive to create an environment where everyone input is welcomed, in light that technology can be intimidating. There are no fees, dues, or financial commitment of any kind for participants to join and we meet on a monthly basis. The subgroup consists of active and committed 15 members.

During the subgroup early stage of planning, it was agreed by the subgroup to conduct a regional Internet survey to help identify issues people may have about e-Commerce. The survey has helped the subgroup decide to pursue two model of e-Commerce and to incorporate the information into the subgroup work plan.

- E-Bay Training
- Web-site Building Training to be incorporated into the development of a regional search engine or web mall

The Subgroup has planned to spend the next few meeting discuss the development of regional e-Bay trainings. We plan to have a certified e-Bay trainer do a presentation on the basics of e-Bay selling at February 2006 meeting. This is not training but to inform subgroup members about the process of selling on e-Bay. Educated member will be able to determine what is need to be in place in order for people to sell on e-Bay. Another component the survey revealed is the interest by people to learn how to build web-site and have it incorporated into a regional search engine or web mall to promote their business. I have suggested to the subgroup to consider hiring a consultant that has talents in community web-raising at low cost and the experience of working at the grass-root level. I have started to negotiate with Frank Odesz from Dillon, Montana to serve as an web-raising consultant to guide the subgroup through the process of community web-raising.

Small Business Development

I have spent the past year building a relationship with the local Small Business Administration (SBD) offices within our region. In Pocatello, there is the Small Business Development Center and in Idaho Falls, the Idaho Innovation Center. Both Christelle Edmo and Sonia Martinez have worked closely with the Pocatello to establish their small business trainings. Due to the nature of my work on a regional level, I work in partnership with the Small Business Development Center and Idaho State University (ISU) College of Business and ISU Workforce Training program to promote the small business training they offer. These trainings are open to the public, held every month and at no-cost. These trainings are offered Blackfoot and southward. I have also established a dialogue with the Idaho Innovation Center in Idaho Falls since they serve Idaho Falls northward and have the only Chapter of SCORE “Counselors to America’s Small Businesses” in our region. The strategy is to promote the trainings and counseling services by posting dates on the P4P calendar, make electronic copies of their flyers to be able to e-mail and make hard copies to pass out through our district coordinators contacts.

At this time, I am not serving on any economic boards, councils or coalitions until we have completed the Economic Summit in March 2006. I have participated in the Idaho



Economic Development Association where I was able to network and develop partnership for future P4P endeavors. I also have a good relationship with members of Idaho Commerce and Labor and the Idaho Rural Partnership. In the near future, I will be working to strengthen our partnership with all regional Chamber of Commerce and local economic development boards.

Due to my education in Economics, personal experience of working for an economic development organization, a small business owner and research I have done on poverty reduction through economic development, I can serve a great resources to P4P on micro-business development. I have read several papers including the NWAFF “On getting out and staying out of Poverty”, the Corporation for Enterprise Development’s “Entrepreneurship as a Rural Economic Development Strategy”, and Mihailo Temali “Community Economic Development Handbook”. It was due to these experiences that I developed the theme for the Economic Summit we are putting together.

Economic Summit

The Economic Summit is collaboration between the Northwest Area Foundation and P4P. The summit is scheduled for March 21-22, 2006 at the Pond Student Union Building on the campus of Idaho State University in Pocatello, Idaho. The theme of the summit is “Strengthening Prosperity in Eastern Idaho by building an Entrepreneur Culture.

For decades, the economic development strategy has been to recruit, retain, and expand companies from other states and overseas. Relying on this strategy has not been the answer to many struggling rural and low resource communities. There needs to be a balance between the recruitment effort and the policies and resources-available to support homegrown development. In order to create systemic change to the regional culture, we need to support the concept of an Entrepreneurship Development System (EDS). The EDS is a two part process:

- Expanding the pipeline of entrepreneurs
- Enhancement of business services for entrepreneurs

The Economic Summit goal is to have economic development professions, community member, existing and future entrepreneurs come together to address the issue and build support for home-grown economic development.

We have scheduled four keynote speakers including:

- Norris Kruguer, Boise State University Professor
- Jennifer Malkin, Corporation for Enterprise Development (CFED)
- Mihailo Temali, Neighborhood Development Center, Minneapolis MN
- Mike Skinner, Association for Enterprise Development (AEO)

We have schedule over 7 different workshop topics each day of the Summit on the subject of entrepreneurship. The workshops are designed to help out entrepreneurs while educating the professionals on the importance of entrepreneurship.



IDAHO INDIVIDUAL DEVELOPMENT ACCOUNT (IDA) PROGRAM

In July 2005, United Way of Treasure Valley was awarded the Assets for Independence (AFI) federal grant for \$500,000. It is the first time Idaho has been awarded this grant to establish an Individual Development Account (IDA) Program. This will be a state-wide program, with the grant being administered by United Way of Treasure Valley. They have hired Ellie Pharis as the IDA Program Manger. There are six Community Action Partnership (CAP) agencies in the state of Idaho that will administer the program in each region they serve.

Partners for Prosperity have committed \$25,000 to each of the CAP agencies in our region; Southeastern Idaho Community Action Agency (SEICAA) and Eastern Idaho Community Action Partnership (EICAP). The AFI grant will match our commitment and Eastern Idaho will have \$100,000 to start the program. P4P will provide technical assistance to the CAP agencies in terms of assistance with promotion and fundraising.

Under the current IDA plan, the IDA program is set to start February 2006 and at existing leveling of funding from P4P and AFI grant, up to 12 individuals for each CAP can enroll into the program. There is restriction that participants have to be existing members of the CAP, however P4P is leveraging to have more of an inclusive approach to the IDA program in Eastern Idaho.

Financial Education

I have proposed to maintain the momentum of the Earned Income Credit Coalition to focus their attention to developing financial education trainings. We have several banks that are greatly involve with community work and their been interest by these institutions to have training courses. We need to keep these groups engaged until we start planning for next year's campaign.

I realize the CAP agencies are limited in funds to suppor the IDA Program and P4P can offer technical assistance to the program by exploring the various financial education programs. I believe we can open the workshops to other community members since financial education are very important for long-term financial security.

EARNED INCOME CREDIT CAMPAIGN

In January 2006, Partners for Prosperity kicked off the Earned Income Credit (EIC) Campaign. EIC is a special tax benefit for working people who earn low or moderate incomes. It has several important purposes: To reduce the tax burden on these workers, to supplement wages, and to provide a work incentive. Single or married people who worked full time or part time at some point in the year can qualify for the EIC, depending on their income.

The purpose of the P4P campaign is to expand awareness of EIC in order to increase the number of eligible individuals and families to apply for the tax credits; create awareness and utilization of free tax filing assistance available in their area to avoid the costs associated with rapid refund options; make readily available educational materials of using tax refunds



to strengthen long-term financial security through asset building and debt reduction programs. The campaign will cover the 16 counties area of Eastern Idaho and the Fort Hall Indian Reservation.

We started the planning meeting since September 2005 with a group of five members. At that time, we identified the members we needed to include in the coalition and what research materials that were available on an EIC Campaign. It was then I started my research and study the following papers:

- Iowa State University EIC Campaign
- United Way EIC Campaign
- Center for Budget and Policy Priorities EIC website
- National Coalition Tax Coalition website
- National Child Care Information Center website

From my search, I was able to gather information and make recommendation on what is need to have in promotional materials in order to have a good campaign. By the time we had our final meeting in early January 2006, we had over 15 active coalition members including five banks, AARP, a representative of the Internal Revenue Service, United Ways, Idaho Health and Welfare to name a few. The AARP provided us locations, dates, and times they would have no-cost tax filing sites within our region. We gather this information and created the P4P EIC brochure that included information on EIC and the Child Tax Credit as well as contact information for more information. We have printed over 5,000 of the P4P brochures and received over 10,000 IRS EIC brochures and another 5,000 Careline brochures. We have been distributing this information to almost every county within our region. Through our district coordinators, we have public service announcement on radio and TV interviews on small local networks.

I have also identified the Booking Institution on research they have done on measuring the rate of people applying for EIC by county from 1997 to 2002. We had Paul Zelus gather this information and put into charts to serve as our benchmark. We will be able to see by August 2006 on the impact on EIC Campaign had in the 16 counties of Eastern Idaho and the Fort Hall Indian Reservation. AARP will able to track the increase in the rate people come to their sites for no-cost tax filing.