

**STATE BOARD OF COMMUNITY COLLEGES  
New Allocation to Select College Small Business Centers  
For Project GATE – Year 2  
2009-2010**

**Request:**

The State Board is asked to approve allocations of \$24,100 to each of the Small Business Centers (SBC) at eight community colleges to fund the Growing America through Entrepreneurship (GATE) Project – Year 2 for a total amount of \$192,800. The community college sites operating the GATE project are: Isothermal CC, Lenoir CC, Randolph CC, Richmond CC, Robeson CC, Rockingham CC, Surry CC, and Western Piedmont CC.

The Project GATE grant funds made available by the USDOL are received and managed by the NCCCS and allocations made from the SBCC to the specified eight community colleges. The management plan for this project provides for a service contract with the NC Rural Center. The NC Rural Center will contract with NC REAL and other providers as needed or required. The NC Rural Center will also be responsible for the disbursement of funds, on an as-needed basis, to the specified eight community colleges, for the Tuition/Training Assistance.

**Method of Allocation:**

North Carolina’s team approach for Project GATE offers (1) entrepreneurial training, (2) counseling, (3) capital access, (4) networking and other support to the Workforce Investment Act (WIA)-eligible dislocated workers in eight rural sites in North Carolina that have high recent layoffs and high unemployment rates.

These college sites were selected based on the following characteristics of the counties:

Announced Layoffs and Closings 2006-2008	Labor Force 4/08	Layoffs/ Labor Force	Unemployment 4/08	Unemployment Rate 4/08
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**Rational for Allocation:**

The N.C. GATE program elements for FY2008-2011 are:

1. Outreach and registration
2. Eligibility assessment and program enrollment
3. Case management and counseling
4. Entrepreneurship training
5. Small business loans to those who qualify
6. Program management and development
7. Program evaluation and reporting
8. Tuition/Training Assistance

The primary vehicle for additional service to dislocated workers will be a half-time GATE counselor employed by each of the eight Small Business Centers at the community colleges. That counselor will work closely with the local JobLink Career Center and the

WIA case manager to identify and serve dislocated workers who have an interest in self-employment and entrepreneurial potential. The key to expanding options for WIA-eligible dislocated workers is not in creating new services, but ensuring the linkages among existing services and filling gaps. Project GATE is designed to leverage existing resources and make entrepreneurship training and resources more accessible and useful for dislocated workers. The principal capacity expansion to the delivery system of entrepreneurial training for dislocated workers is the addition of a half-time GATE counselor for the eight sites across the state.

GATE counselors will be housed in the Small Business Centers at the Community Colleges sites, and they will be active partners in the JobLink Career Centers and with other workforce partners in their region. Many JobLink professionals are limited in their ability to devote time and attention to entrepreneurship, but the GATE counselor will be a dedicated resource for WIA-eligible dislocated workers. Counselors will build close relationships with workforce partners so referrals, linkages and hand-offs will work smoothly. This additional capacity for building one-on-one personal relationships should remedy many of the barriers that keep dislocated workers from achieving self-employment.

The GATE counselor will develop a customized, tailored package of assistance for each individual served, drawing upon partnerships with a variety of business development services and education programs. Through Project GATE, North Carolina expects to serve 720 WIA- eligible dislocated workers, averaging 30 participants per year at each of the eight sites over the three-year project. The community college Small Business Centers along with the Rural Center will track services and outcomes for all GATE participants and provide regular reports that help demonstrate impact for sustainability.

Activities, progress, and outcomes of the GATE project will be tracked through the Small Business Center Networks Client Management System (SBCN CMS). The CMS will be used to track the number of dislocated workers that:

1. Complete the entrepreneurship self-assessment
2. Undertake and complete a personal financial analysis
3. Undertake and complete entrepreneurship training
4. Undertake and complete vocationally oriented community college courses
5. Develop a business plan
6. Submit small business loan requests
7. Obtain small business loans
8. Inject owners equity into a small business
9. Start a small business

Additionally, the SBCN CMS will track activity of the GATE counselor and SBC Director in their efforts in assisting dislocated workers. Tracked activities will include:

1. Numbers of dislocated workers served
2. One-on-one, as well as preparation hours counseled
3. Hours spent working with GATE partners such as the Joblink Career Center and other community outreach programs.

Project GATE is a research and demonstration grant offered by the Department of Labor with the intent of securing expansion funding to offer the service nationwide. The Rural

Center will work together with IMPAQ to integrate an evaluation process into the project design to ensure a sufficient level of data collection for this purpose. GATE participants will be treated as scholars and recipients of an extra service that they have been awarded. This extra service will be measured and evaluated over the term of the project. The Rural Center will work with IMPAQ and the Department of Labor to ensure that this process is designed to offer the highest level of service to as many dislocated workers as possible.

Listed below are the allocations to the eight Small Business Centers by year:

<b>College</b>	<b>1<sup>st</sup> year 2008-09</b>	<b>2<sup>nd</sup> year 2009-10</b>	<b>3<sup>rd</sup> year 2010-2011</b>	<b>Total Per Site</b>
Isothermal	\$25,000	\$24,100	\$23,718	\$72,818
Lenoir CC	\$25,000	\$24,100	\$23,718	\$72,818
Randolph CC	\$25,000	\$24,100	\$23,718	\$72,818
Richmond CC	\$25,000	\$24,100	\$23,718	\$72,818
Robeson CC	\$25,000	\$24,100	\$23,718	\$72,818
Rockingham CC	\$25,000	\$24,100	\$23,718	\$72,818
Surry CC	\$25,000	\$24,100	\$23,718	\$72,818
Western Piedmont CC	\$25,000	\$24,100	\$23,718	\$72,818
<b>Total</b>	<b>\$200,000</b>	<b>\$192,800</b>	<b>\$189,744</b>	<b>\$ 582,544</b>

**Allocation Amount and Time Period**

A total allocation of \$192,800 is being requested for Year 2, with \$24,100 being awarded to each of the eight Small Business Centers beginning July 1, 2009 through June 30, 2010.

**Fund Availability:**

The official funding source is the USDOL-ETA through the Workforce Investment Act (WIA) with funding issued through the Division of Workforce Development (DWD), North Carolina Department of Commerce.

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