

GRANT PROPOSAL GUIDELINES

- We **connect people who care with causes that matter, so their philanthropy makes a difference now & forever.**
- We are a **collection of Field of Interest & Donor Advised Funds** with **@\$3.5M granted annually** to nonprofits in Chester County & beyond.
- **99%** of our grants are made by our generous Fund Advisors, who make grant decisions all year.

Proposals submitted by nonprofits are considered for 2 types of grants:

Field of Interest & Donor Advised Funds (No Deadline)

- ◇ Grants **focus on Chester County** causes & issues, but are not limited to Chester County.
- ◇ Charitable nonprofits working **in all fields of interest** are considered for grant awards. (I.e. arts, culture, & humanities; education; community improvement; environment; religion; health; & human services)
- ◇ **General operating** grants are encouraged. Nonprofits should be specific about their mission, goals, & measurable outcomes.
- ◇ Proposals can be submitted **anytime all year.**
- ◇ Grant decisions are made **intermittently** all year, as Fund Advisors desire.
- ◇ Grant **awards** typically range from **\$500-\$7,500.**

Fund for Chester County Capacity Building Grants (Due 9/15)

- ◇ For eligibility in this grant program, nonprofits must be **located in & serve Chester County.** NPO's with budgets of \$500,000 or less are given preference.
- ◇ The goal of capacity building grantmaking is to **strengthen the effectiveness of NPO's serving the Chester County region,** in areas including:
 - Mission, Vision & Strategy
 - Governance & Leadership
 - Partnerships & Collaborations
 - Operations & Technology
 - Fundraising, Development & Marketing
- ◇ Proposals must be submitted by **September 15** to be eligible for consideration.
- ◇ Grant **awards** typically range from **\$500-\$5,000,** with monies distributed by **February.**

- Use this form @ www.chescocf.org to apply online for grants from all Community Foundation Funds.
- **Email proposals to grants@chescocf.org**
- Proposals are considered "complete" when CCCF has **confirmed** receipt of the **Grant Proposal Summary Sheet, Narrative & Attachments.**
- Proposals are shared electronically and online with Fund Advisors, Donors & Grant Panels.
- Per IRS Regulations, applicants **must be** charitable, tax exempt organizations with 501(c)(3) certification & **cannot** be individuals.

Please contact Grants Administrator **Kevin Baffa** at **(610)-698-8211** or grants@chescocf.org with any questions.

**I. CHESTER COUNTY COMMUNITY FOUNDATION
GRANT PROPOSAL SUMMARY SHEET**

One page only. This page will be shared electronically with Grant Panel Members & Fund Advisors.

Note: If Philanthropy Network's Common Grant Application is used, CCCF's Summary Sheet MUST accompany application.

To obtain an electronic version of this application, visit www.chescocf.org

Date

Contact Information

Organization Name: Chester County Economic Development Foundation ED/CEO Name: Gary Smith
Address: 737 Constitution Dr, Exton, PA 19341 ED/CEO E-mail: gsmith@ccedcpa.com
Phone: 610-321-8223 Board Chair Name: Craig Styer
Website: www.ccedcpa.com Board Chair Approval (check here): x
Year Incorporated: 1994 Primary Contact Name: MaryFrances McGarrity
FEIN: 23-2978513 Primary Contact E-mail: mmcgarrity@ccedcpa.com

Organization Information:

Field/s of Interest:

Arts, Culture & Humanities ___ Environment/Animal Welfare X Education
___ Health X Human Services ___ Religion

Mission:

Established by the Chester County Economic Development Council (CCEDC) in 1994, the Chester County Economic Development Foundation (CCEDF) is a 501(c)(3) organization created to engage in educational and workforce development activities and to create opportunities in economically disadvantaged areas. CCEDF's mission is most effectively fulfilled through a commitment to diversity, equity and inclusion as evidenced by its commitment to practices that support diversity, equity and inclusion across the full spectrum including age, economic circumstance, ethnicity, sex, race, range of ability, religion, sexual orientation, and gender identity/expression. As an organization, we believe that diversity, equity and inclusion are imperatives that contribute to long-standing business success, profitability and vital to preserving Chester County's unique "quality of place".

Geographic Area Served *(If not all of Chester County, specify primary Chester County regions served):*

We provide services to all areas in Chester County.

Describe Population Served & Annual Number of People Served:

CCEDF provides technical assistance, workforce development training, and entrepreneurship support for minorities and women, and career exploration programs for youth.

Annual Budget <u>2,108,230</u>	___ # of Full-Time Equivalent Paid Staff
<u>89</u> % of budget for program expenses	<u>35</u> # of Board Volunteers
<u>11</u> % of budget for administrative expenses	<u>1033</u> # of Active Non-Board Volunteers
___ % of budget for fundraising expenses	<u>12,396</u> # of Volunteer Hours

100 % total

Top 3-5 funding sources:

PA Dept of Labor and Industry, County of Chester; EITC support from local Banks (see <https://ccedcpa.com/our-foundation/> for the list of bank supporters); West Foundation (supporting youth STEM initiatives)

Is this grant proposal for: Capacity Building **X** or General Operating _____

If Capacity Building Proposal, the focus is:

____Mission, Vision & Strategy ____Governance & Leadership **X**Partnerships & Collaborations
____Fundraising, Development & Marketing ____ Technology Other: _____

Grant Amount Requested from the Community Foundation: \$____\$10,000_____

Proposal Summary:

The Chester County Economic Development Council (CCEDC) established the CCEDF as a non-profit corporation in the Commonwealth of Pennsylvania to assist with workforce development, international trade, and small business development in the region. CCEDF was approved by the IRS as a 501(c)(3) educational and economic development non-profit organization in January 2000. Since its initial formation, the CCEDF has evolved to focus on the following key areas:

- **Youth STEM innovation /career exploration-** Partner with area K-12 schools, community colleges, universities, and businesses to deliver employer-led student outreach that grows the ‘pipeline’ of talent and helps keep graduates employed in our region. We also design culturally appropriate programs to reduce inequality in STEM careers for women and minorities.
- **Micro-Lending** – Develop and operate microloan funds to meet the capital needs of small business with a focus on improving access to capital for minority and woman owned businesses.
- **Technical Assistance for Entrepreneurs (e.g. New Business Champions)** – Support entrepreneurs and small businesses, particularly minority and woman owned businesses, by providing comprehensive training, mentorship, and business networks to expand opportunities and optimize their chance for success.
- **Diversity, Equity, and Inclusion** – Promote the importance of diversity, equity and inclusion as a contributor to a business’s success and profitability.
- **Exploring Agriculture (minority & women)** – Provide comprehensive business and economic development services to agricultural based businesses with a focus on access to capital, farm transition, innovation, and workforce training.

Chester County Economic Development Foundation works to reduce the inequality that minority and woman-owned entrepreneurs face with lending and access to business resources. Grant funds will help Chester County Economic Development Foundation expand our New Business Champions Program for minority and women entrepreneurs. The New Business Champions program assists with business plan development, accounting & financial training; entrepreneurship training, including marketing; customer development & networking; HR training & optimization; and other small business-essential skills for business owners. This funding would expand our successful 6-month pilot program which served 51 small businesses, providing the customized training (additional funding of \$8,000) each of diverse companies needs and the staff time to organize and manage these new owners.

The goal for this funding is to enhance targeted technical support to small businesses less than 3 years of age with priority for minority and women-owned small businesses in the County. Recent data shows from the U.S. Census Bureau shows that despite the pandemic and related economic challenges, new small business creation surged 24% in the U.S. between 2019 and 2020, from 3.5 million to 4.4 million new businesses formed. The diversity of business ownership also increased, with Black, Hispanic or Latinx and female-led entities accounting for a greater share of new businesses than previous years. But, there is still disparity between white and black new businesses. Only 3% of new business owners were black or African American in recent years, but that number rose to 11% in 2020. Similarly, 49% of entrepreneurs in 2020 were women, compared to 27% in preceding years.

According to the U.S. Small Business Administration, 20% of small businesses fail in the first year, 50% fail after five years, and only 33% survive 10 years. These data suggest targeted assistance to young small businesses is an essential method of supporting a diverse workforce and vibrant entrepreneurial culture in Chester County. Research suggests it is *new* company formation (as opposed to long-standing small businesses) that accounts for the largest shares of the economy's net job creation in each period (PIEE). However, newly formed companies are also at the greatest risk of failure. This data suggests targeted assistance to young small businesses will be an effective method of supporting a diverse workforce and job growth in the coming years.

Most recently, Chester County Economic Development Council launched a satellite office in the City of Coatesville to increase visibility and services for minority and women. Through our partnership with 2nd Century Alliance, Kutztown University Small Business Development Center and West Chester University Cottrell Entrepreneurship Center, we seek to develop effective pathways for historically marginalized African Americans to earn, grow and pass on wealth. Historically, minority entrepreneurs have faced greater challenges in launching, operating, and growing small businesses compared to their white counterparts. Currently, there is no program of this kind in Chester County which target minority and women owned businesses.

CCEDF intends to achieve the following goals for the program:

25% increase in minority and women owned businesses that access our programs

25% increase in young and start-up companies accessing services in the County.

II. CHESTER COUNTY COMMUNITY FOUNDATION GRANT PROPOSAL NARRATIVE

Provide clear, concise information. 3 pages maximum.

1. Nonprofit's history, goals, key achievements & distinctiveness

The Chester County Economic Development Council, formed in 1960, provides comprehensive business and economic development services to Chester County and the surrounding region. The CCEDC created the Chester County Economic Development Foundation (CCEDF) in 1994 specifically to provide workforce and education programs and services. Combined, these two entities have been serving Chester County nearly 90 years. During that time, the following milestones have been achieved:

- CCEDC/CCEDF programs and services have created over 100,000 jobs and retained over 150,000
- CCEDC/CCEDF has served over 100,000 participants through its workforce and youth programs
- In response to the COVID pandemic, CCEDC/CCEDF facilitated grants and loans to nearly 1,500 businesses through various programs including the Chester County Main Street Program.
- Over 150 Next Generation Farmer loans have been approved to facilitate the transfer of farms to the next generation in the interest of preserving our agricultural industry.
- Organizational Capacity - The staff at CCEDC has tremendous expertise and longevity. The 7-person management team, on average, has been at CCEDC for 16 years.

2. Description of key initiatives

CCEDC/CCEDF seeks to reduce the inequality that minority and women-owned entrepreneurs face with lending and access to business resources. These funds will help CCEDC/CCEDF expand our New Business Champions Program for minority and women entrepreneurs. The New Business Champions

program assists with business plan development, accounting & financial training, entrepreneurship training, including marketing, customer development & networking; HR training & optimization; and other small business-essential skills for business owners. Our key initiatives include but are not limited to the following:

- Create technical assistance for minority and women owned businesses to receive PA Business License, Meet IRS Business Requirements, and Industry License for business operations
- Training to help participants understand the role of marketing and networking for business success
- Identify opportunities for business to access resources for lending and mentorship

3. Specific needs & issues to be addressed

As referenced above, CCEDF is seeking to address and serve the rapidly growing population of minority entrepreneurs. By effectively serving these entrepreneurs, CCEDF seeks to reduce racial wealth inequality by developing opportunities for minorities and women to become entrepreneurs and increase work skills to become financially independent. Only 6.2% of Chester County residents are African American. Because of the small population of minorities in Chester County, resources and programs that target the needs, technical support, and mentorship are non-existent. Specifically, the entrepreneurs from the at-risk community of Coatesville have racial disparities in income, asset accrual and economic mobility. Entrepreneurship is one of the most effective pathways for historically marginalized African Americans to earn, grow and pass on wealth. Historically, minority entrepreneurs have faced greater challenges in launching, operating and growing small businesses compared to their white counterparts.

4. Why it is important to fund this now

According to the U.S. Department of Commerce, minority-owned businesses are more likely to forgo applying for loans for fear of rejection, less likely to receive them when they do apply, and more likely to pay higher interest rates on business loans compared to their non-minority counterparts. A U.S. Federal Reserve study found that black entrepreneurs were denied loans twice as often as white business owners. According to the Federal Reserve Bank of New York, about 58 percent of black-owned businesses were at risk of financial distress before the pandemic, compared with about 27 percent of white-owned businesses. Kristen Broady a fellow in the Metropolitan Policy Program at Brookings Institution states “Black small businesses already had lower access to capital and credit, and lower average revenues making them less prepared to face the financial hardship caused by the pandemic.” CCEDF recognizes that now is the time to close the gap and support minority and women entrepreneurs.

5. How impact & results will be demonstrated

- 25% Increase the number of minority and women owned businesses that access CCEDF programs

80%+ of New Business Champion program participants responding affirmatively to the following questions:

1. Did this program increase your knowledge of/access to local workforce development & business support programs
2. Did the activity in this program increase your businesses’ stability and/or long-term viability?
3. Did the activity in this program increase your likelihood of remaining employed in your business, retaining employees, or of hiring in the next 12 months?
4. Did this program increase your knowledge or skills needed to conduct your job/run your business effectively?
5. Would you recommend other small business & workers in Chester County take advantage of the New Business Champions to aid their skill development and business growth?

III. ATTACHMENTS

E-mail or mail this support information

1. Copy of 501 (c) (3) federal tax-exempt letter
 2. List of Board of Directors, with their affiliations
 3. Most recent annual report & financial statement, audited if available
 4. Itemized organizational operating budget with actual results for prior fiscal year & current fiscal year to date
 5. If capacity building initiative, itemized budget (including external consultant's proposal, if applicable)
 6. Current strategic plan. If your nonprofit does not have a current strategic plan, explain why.
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