

## **OPPORTUNITY FUND**

Innovative Capital Strategies, Inc. has been selected to administer the BCLI Opportunity Fund--grant money injected into small businesses to fund working capital, infrastructure development, compliance, etc. to help them become Capital Ready. Of course, it also helps improve their bank rating and financial statements. This is an important resource as many small businesses need positive cash flow NOW and can be used while accessing SBA/business loans.

It is largely built off the SCORE model ([www.SCORE.org](http://www.SCORE.org)) which has successfully helped small businesses for over 50 years. In fact, the Opportunity Fund was created by current and former SCORE mentors, SBDC advisors, and business lenders. Similar to SCORE, participants in our Opportunity Fund would volunteer just an hour or two per week to serve as a Small Business Advocate and interface with key influencers, i.e., churches, chambers, business organizations/associations, etc. in their community to determine if they'd like to host a Small Business Capital Ready Certification Class and, subsequently, facilitate the Class. SBA's are not required to teach the class but may co-teach, if desired.

Details on the Opportunity Fund:

1. Capital Ready clients can become a Small Business Advocate to receive up to \$10,000 per month in grant stipends.
2. NOT debt-based—money does not have to be repaid (no loans).
3. Fund is unrestricted and can be used for real estate, payroll, debt reduction, personal credit improvement, training, travel, marketing, company car, etc.
4. Opportunity Fund disbursements are paid daily as 1099 payments and reflect as earned income on your business' financials.

## **SMALL BUSINESS ADVOCATE ROLE**

The process of being a Small Business Advocate is simple with very little training being required.

Here is what you'll do:

1. Identify prospective hosts for the Small Business Capital Ready Certification Class in your community. An ideal host will provide the venue (space) and have a sphere of influence of small business owners to invite.
2. Simply approach prospective hosts using the attached Memorandum of Understanding (MOU) and speaker's bio.
3. If the prospective host has questions, wants to learn more, and/or is ready to schedule a Class, then you'll schedule a three-way call with Thomas Montgomery, our National Director of Education & Community Outreach.

## **SMALL BUSINESS ADVOCATE COMPENSATION**

Small Business Advocates are paid in grant-stipends, through the Opportunity Fund, minimally \$1,000 but up to \$2,500 for each Small Business Capital Ready Certification Class established and held.

Technically, the Small Business Advocate receives \$50 per registered attendee and is paid the next business day after the class is held. With minimum attendance of 20, at least \$1,000 is guaranteed and a full class of 50 generates \$2,500. Small Business Advocates can facilitate up to four (4) classes per month receiving a maximum of \$10,000 monthly.

## **NEXT STEPS**

If you'd like to be considered for the Opportunity Fund and serve as a liaison in your community by allocating at least 1-2 hours per week in exchange for up to \$10,000 per month in grant-stipends, simply email [OpportunityFund@InnovativeCapitalStrategies.com](mailto:OpportunityFund@InnovativeCapitalStrategies.com) and let us know your plan for creating key influencer relationships.

**Innovative Capital Strategies, Inc.**  
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# **Memorandum of Understanding For Hosting A Small Business Capital Ready Certification Class**

## **Memorandum of Understanding**

Between

Business Credit Literacy Initiative, a 501(c)(3) non-profit (BCLI)

and

\_\_\_\_\_ (Host)

This Memorandum of Understanding (MOU) sets for the terms and understanding between BCLI and the Host to collaborate on conducting a Small Business Capital Ready Certification Class.

### **Background**

Most entrepreneurs do not qualify for affordable bank and SBA business financing as they are not properly prepared to meet the underwriting requirements. Furthermore, few small business owners understand the proven process of accessing capital under their EIN without the use of their personal credit, commonly referred to as “business credit”. Without access to capital, most small businesses will fail to reach their potential reducing the positive economic impact from successful small businesses, i.e., jobs, community stabilization, etc.

BCLI has exclusively been selected to develop and implement a one day Small Business Capital Ready Certification class for small businesses to prepare them to access SBA loans and business credit. With the inclusion of the award-winning curriculum developed by the FDIC and promoted by the United States Small Business Administration (SBA) along with input from current/former business bankers, SBA lenders, SBDC advisors, SCORE mentors, and others, this one day class provides a core foundation required to access capital for pre-launch, start-up, and existing businesses.

Many refer to this as the most valuable “Business Financial Literacy” available that is needed by nearly every small business owner. While there are many small business training programs, workshops, and classes available, this is the ONLY one with a:

1. Laser-focused curriculum on accessing capital versus general education topics;
2. Hands-on workshop versus a lecture; and
3. \$100,000 capital raise guarantee for participants who complete the one day class and available programming thereafter.

## **Purpose**

This MOU will outline the opportunity for Host to make a significant economic impact by hosting a Small Business Capital Ready Certification class.

During the day-long class, BCLI will conduct an in-person, hands-on learning experience addressing the following:

- Increasing awareness of the 27 most common mistakes that keep small businesses from accessing capital (and how to get approved).
- Understanding and optimizing personal and business credit scores to meet the 165 FICO SBSS requirement to qualify for up to a \$150,000 SBA 7(a) Express Loan that is available even for start-ups.
- Comprehending the importance of having a solid bank rating to qualify for funding and innovative strategies even for cash-strapped businesses.
- Learning strategies for building business credit under the EIN without the use of personal credit.
- Development of personalized documents for a SBA 7(a) Express Loan but can be used for other loans:
  - A lender-compliant business plan
  - A lender-compliant revenue projection
  - A lender-compliant expense projection
  - A lender-compliant personal financial statement (PFS)
  - A lender-compliant uses of funds

If less than twenty (20) participants enroll, registered participants will have the option to complete on-line or attend another in-person class. Once enrolled, the registration fee is not refundable.

## **Grant-Stipends**

Attendees each pay \$299 to BCLI to register for the Small Business Capital Ready Certification Class and Host shall earn \$50 per participant who attend the Class hosted by Host. With a minimum of twenty (20) attendees, Host shall earn a minimum of \$1,000 which is paid the day after the class is held via a bank to bank transfer. However, with a class of fifty (50) participants, host can earn up to \$2,500 for the one day class.

Host may collaborate for a single class or, preferably, on an on-going basis based upon demand.

## **Host Responsibilities**

Host shall be responsible for the following:

- Working with BCLI to select a date for the one-day class;
- Providing the venue (physical space and accommodations) for the one day class including the A/V equipment;
- Identifying a local sponsor to provide refreshments for attendees or providing itself; and
- Promoting the one day class to its sphere of influence to generate at least twenty (20) participants.

**Duration**

This MOU is at-will and may be modified by mutual consent of authorized officials from BCLI and Host. This MOU shall become effective upon signature by the authorized officials and will remain in effect until modified or terminated by any one of the partners by mutual consent. In the absence of mutual agreement by the authorized officials, this MOU shall end in one year.

**Contact Information**

Business Credit Literacy Initiative  
Thomas Montgomery  
National Director of Education & Community Outreach  
100 South 4<sup>th</sup> Street, Suite 550, St. Louis, MO 63102  
314-797-5150  
thomas@businesscreditliteracy.org

Host entity name:

Host representative name:

Position:

Full address:

Telephone:

E-mail:

\_\_\_\_\_ Date: \_\_\_\_\_  
BCLI Signature

\_\_\_\_\_ Date: \_\_\_\_\_  
Host Signature

## Bio of Thomas J. Montgomery, MHA, MBA

### Contact Information:

Thomas J. Montgomery  
Tyler Small Business Development Center  
TJC West Campus  
1530 SSW Loop 323, Suite 100  
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### Experience:

Thomas Montgomery has a passion for helping entrepreneurs start and grow businesses to create jobs and strengthen communities. He has a specific competency in assisting small business owners in creating Capital Acquisition Plans which serve as a road map to access the funding needed based upon the unique goals, circumstances, and preferences of each entrepreneur.

In response to the overwhelming need most entrepreneurs have for capital, Montgomery developed the Three Tranche Model of Accessing Capital that can provide small businesses with \$500 to \$5.5 million to start or grow a business. This innovative approach provides multiple tiers of funding each with different underwriting standards including options without regard to personal credit scores or time in business.

Paid through a grant from the United States Small Business Administration (SBA) to be an Advisor with the Tyler Small Business Development Center (SBDC), Montgomery enjoys conducting workshops to educate small business owners on practical topics to become "capital ready" to meet the underwriting requirements for various sources of capital including SBA loans, lines of credit, and EIN-based sources of capital. He is also an adjunct faculty member teaching college-level business and entrepreneurial courses.

Previously, he owned several small businesses and held key positions and roles that prepared him for his current contributions to entrepreneurs:

- Senior Financial Consultant with Deloitte (one of the world's largest accounting and consulting firms);
- CEO of a large medical group with 100+ employees and a \$1,000,000+ monthly budget;
- Administrator of five Independent Physician Associations encompassing 100+ physicians of all specialties;
- financial literacy educator with State Farm Bank teaching a grant-funded curriculum;
- former SCORE Workshop Chair for an eleven (11) county area and Certified Mentor; and
- taught Accounting, Economics, and Entrepreneurship at a Dallas-Forth Worth area high school and adult education at North Central Texas College.

Montgomery has a unique blend of experience and competencies including:

- identifying and accessing sources of capital for pre-launch, start-up, and existing small businesses;
- creating business plans for start-ups and small businesses;
- building credit (both personal and business credit) using infrequently used strategies;
- developing and maintaining collaborative and strategic relationships;
- expertise in helping entrepreneurs with business plan creation, funding strategies, asset protection, website development, CRM implementation, sales automation, sales forecasting, etc.;
- developing and implementing organizational strategic planning;
- creatively identifying and implementing new sources of revenue and funding; and
- business funding strategies.

### Education:

Montgomery has a Master in Health Administration with an emphasis in Strategic Planning from the prestigious University of Minnesota's School of Public Health (ranked as the 3<sup>rd</sup> best MHA program in the nation by US News & World Report) and a Master in Business Administration with an emphasis in Finance from the University of Minnesota's Carlson School of Business (ranked as the 27<sup>th</sup> best MBA program in the nation by US News & World Report). His undergraduate degree is in business with a dual emphasis in Health Care Administration and Accounting.