



VB MENTORING

# JOURNEY TO SUCCESS

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*3<sup>RD</sup> Grade to College Bound Mentoring & Tutoring Program*



## BUSINESS PLAN



VB Mentoring

## **The Company**

VB Mentoring is a newly formed 501 (c) Non-Profit academic Child Mentoring Organization that provides mentoring and tutoring services to assist their advancement in school and socially until they are ready for college. VB Mentoring is located in the North end of Hartford, Connecticut granting us closer access to our students. With an experienced and talented staff, VB Mentoring provides measurable results

## **Mission**

Our Mission is to be the premier leader in quality Child Mentoring and Tutoring services for At-Risk, underprivileged youth and provide a positive impact on their lives to help them graduate high school and to go to college.

## **Services**

The company provides comprehensive mentoring and tutoring services in the City of Hartford. These services include but are not limited to

- Mentoring Services,
- Tutoring Services
- Assist with Homework Assignments including but not limited to Reading, Math, Science.
- Bring Mentees on Educational/Recreational Field Trips

## **Marketing and Sales Strategy**

We differentiate ourselves in the market by aiming to only target 3<sup>rd</sup> grade students in the urban areas of Hartford, CT and provide quality mentoring and tutoring services. By providing mentoring and tutoring services to this niche market represents a customer base that has not been utilized. By focusing our tools and resources in monitoring the advancement of our mentees up until they reach college, gives us a competitive advantage over most mentoring organizations that suspend mentoring/tutoring efforts after mentees reach a certain age group. One of our strategic concepts would be to increase Brand Awareness. By increasing our Brand Awareness we will be able to gain visibility in this market and reach a larger potential donation base. We will achieve this by implementing promotional advertising on various websites, and by sponsoring promotional events in the community with reputable organizations such as the Police Department, and Department of Child Services.

## **The Competition**

The Child Mentoring Industry is a mature industry that is highly concentrated with an entrenched level of competition. Due to the high level of competition, and market leaders such as Big Brothers Big Sisters, Mentoring USA, and Kids Hope USA, entry into the market must be specifically targeted. We intend to focus our tools and resources specifically on the tutoring and development of 3<sup>rd</sup> grade students to ensure increase scores in standardized testing which would help lead to an increase in high school graduation. In addition our organization in relation to our competitors provides the support needed to encourage our group of students to continue towards collegiate levels of education. By providing quality mentoring and tutoring services and following our students throughout their educational journey to ensure they enroll into college, we differentiate ourselves from other organizations and provide a more personalized touch that many of our bigger rival companies do not offer.

## **Operations**

Our Child Mentoring Program operates by working closely with all necessary stakeholders to define the strategic, tactical, and operational requirements that will meet or exceed the needs of our Mentees, Mentors, and all stakeholders.

We will provide quality mentoring and tutoring services to underprivileged students in the North end of Hartford, CT, helping them with their homework assignments and improving their skill sets in the areas of math, reading, science, and other academic areas of needs. By crafting strategic partnerships with Inter-Connection; a Non-Profit organization that refurbishes and ships computers and laptops worldwide to nonprofit organizations, it enable us to secure desktop computers to be utilized by our Mentees and staff.

Our friendly staff plans to engage in community based mentoring in which we introduce our Mentees to educational/recreational outings at discounted/ free admissions, by way of securing strategic partnerships with local community vendors such as the Wadsworth Antheneum, Connecticut Science Center, & Trampoline World

## **Financials**

If we garner the right relationships and are able to lock in funding of \$5,000 from at least ten reputable state, federal and private organizations, VB Mentoring can maximize gross revenue of up to \$160,000.00 within the first three years of operation.

## FINANCIALS

By securing at least ten grant funding under contract for \$5,000-\$6,000 each we can show great revenue of up to \$160,000 within the first three years.

### START-UP-COSTS

START- UP-COSTS		
<b>Equipment</b>	Telephones	\$500.00
	Furniture	\$1500.00
	Computers	-
<b>Facilities</b>	Initial Rent	\$1200.00/month
	Deposit/Security	\$500.00
<b>Materials/Supplies</b>	Office Supplies	\$1,200
	Business Cards	\$100.00
<b>Fees and Other Costs</b>	501 c (3) Tax Filing	\$400.00
	1021-EZ Form	\$275.00
	Commercial General Liability	\$500.00
	Article of Incorporation	\$50.00
	Advertising/Promotional Activities	\$5,000
<b>Total</b>		<b>\$11,225</b>

### INCOME STATEMENT (THREE-YEAR PROJECTION)

INCOME STATEMENT THREE YEAR PROJECTION				
YEAR	2017	2018	2019	2020 Projection
<b>Net Sales</b>	<b>\$50,000</b>	<b>\$50,000</b>	<b>\$60,000</b>	<b>\$160,000</b>
<b>OPERATING EXPENSES</b>				
<b>General &amp; Administrative Expenses</b>				
Salaries & Wages \$11/hr. Mentor/\$25,000	\$38,728	\$38,728	\$38,728	\$38,728
Insurance	\$500	\$500	\$500	\$500
Tax & Filing Fees	\$675	\$675	-	-
Marketing and Advertising	\$2000	\$2000	\$2000	\$2000
Office & Facility Supplies	\$2800	\$2800	\$2800	\$2800
Rent	\$650	\$650	\$650	\$650
Equipment – IT/Telephones	\$500	\$500	\$100	\$100
<b>TOTAL OPERATING EXPENSES</b>	<b>\$46,403</b>	<b>\$43,178</b>	<b>\$43,178</b>	<b>\$43,178</b>
<b>Net Income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## INDUSTRY ANALYSIS

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The Child and Youth Services NAICS Code (624110) comprises establishments primarily engaged in providing nonresidential social assistance services for children and youth. These establishments provide for the welfare of children in such areas as adoption and foster care, drug prevention, life skills training, and positive social development. The goal of youth mentoring programs is to improve the well-being of the child by providing a role model that can support the child academically, socially and/or personally. This goal can be accomplished through school work, communication, and/or activities implementing approach methods such as:

- School-Base
- Community Based
- Individual
- Group

### **Industry Growth**

The Child and Youth Services Industry represent an industry of continual growth and market potential.

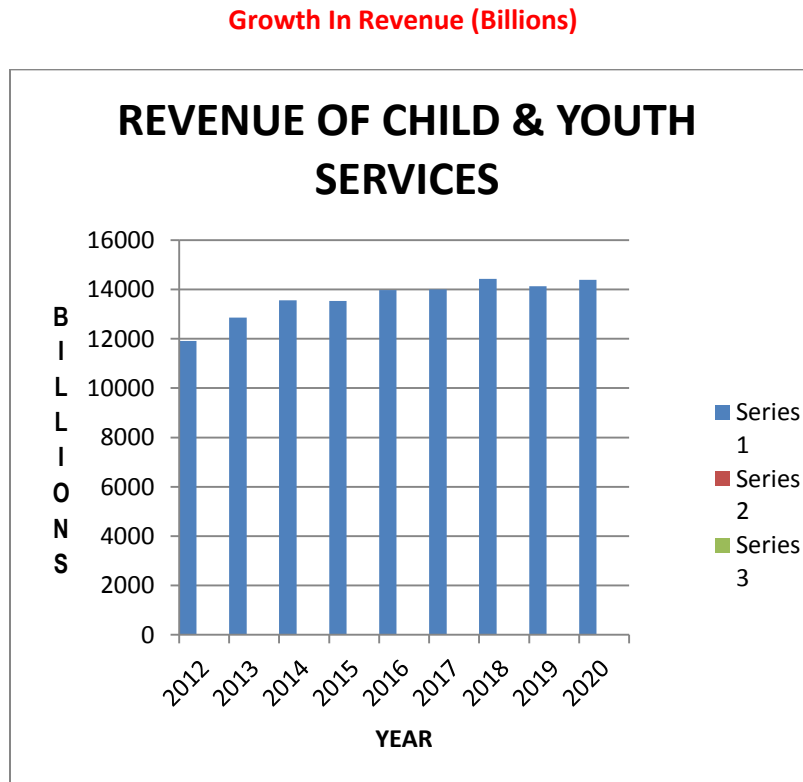
This industry represents a stable mature market with revenue increasing from \$12,855 billion a year in 2012 to \$14,393 billion dollars for year 2020, almost 3% increase per year. This market continues to grow and add value as shown in value added to Gross Domestic Product which increased from \$98.688 million in 2013 to \$116,460 million in 2015.

The following chart displays the past and future growth potential of Child Mentoring Services Industry:

#### *PAST and FUTURE GROWTH OF 624110 - CHILD MENTORING SERVICES*

<b>Factor</b>	<b>2 Yrs Ago</b>	<b>Past Year</b>	<b>This Year</b>	<b>Next Year</b>	<b>Year 2020 (Avg)</b>
Total Revenue	\$13,562 billion	\$13,539 billion	\$13,973 billion	\$14,003 billion	\$14,393 billion
Total Mentees	3 million	4 million	4 million	NA	NA
Total Employment	305,200	316,730	NA	NA	324,000
Industry GDP	109,582 million	116,460 million	NA	NA	NA

The following graph displays revenue earned in Child & Youth Services Industry from Year 2012 thru Year 2020.



Source (Statista 2015)

### **Mature Industry**

The Child and Youth Services Industry is a mature industry that is highly concentrated with an entrenched level of competition. A few top competitors are:

- Big Brothers Big Sisters of America
  - Mentoring USA
  - KidsHope USA
  - Including Over 500 hundred mentoring agencies in Connecticut
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- Nationwide, The Facilities Support Service Industry has created 305,200 jobs in 2014 and is projected to create up to 324,200 by 2020, a 44% increase. Source ([Bureau of Labor Statistics, Office of Occupational](#)

[Statistics and Employment Projections](#). Reference below table.

### EMPLOYMENT PROJECTIONS

TITLE	NAICS CODE	EMPLOYMENT 2014	EMPLOYMENT 2024	EMPLOYMENT CHANGE (Thousands)	EMPLOYMENT CHANGE (% CHANGE)
Child,Family, and School social workers	21-1021	305.2	324.2	19	6.2

*Table 1. Source (U.S Bureau of Labor Statistics 2016)*

### **BARRIERS TO ENTRY**

The barriers to entry for this industry are:

- Highly entrenched level of competition

Due to the low cost start-up fees and low governmental regulations there are very few barriers to entry in entering this market. However, due to the high level of youth mentoring programs that currently exist, there is a highly entrenched level of competition which requires a more targeted approach.

## OPERATIONAL PLAN

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Our strategic concept in operating our Child Youth Mentoring and Tutoring Program includes being located in the downtown North side of Hartford, CT, and having a small experienced staff focused on providing quality child mentoring services to our mentees. Our Youth Mentoring Program enrolls twenty 3<sup>rd</sup> graders providing one-on-one mentorship while managing and crafting strategic partnerships with vendors to offer free admission and/or flexible rates to local educational/recreational events.

### **LOCATION:**

- Downtown North side, Hartford, CT
- 2-3 year lease at warehouse facility

### **HOURS OF OPERATION:**

- Mon- Sat 3:30pm-7:30pm
- Summer Schedule 8am -12pm

### **FIELD TRIPS:**

- We will partner with local vendors in order to receive free admissions and or/dischonced rates to sporting events, zoos, museums, parks, art galleries, Trampoline World, hiking trails and other events recommended by staff and supporters.

### **NUMBER OF KIDS:**

- Goal is to reach Twenty 3<sup>rd</sup> grade kids for total capacity for the year
- We will accept five to ten kids into the program the first year. Second year we perform an assessment based on performance and capacity to determine how many more students to accept into the program.

### **MENTOR SELECTION:**

- Total of 3 Mentors men and women aging (18-65)
- All Mentors must complete a Mentor Application.
- All Mentors must complete a background check, drug & mental health Test.

### **WORK DAY ACTIVITIES/SCHEDULE:**

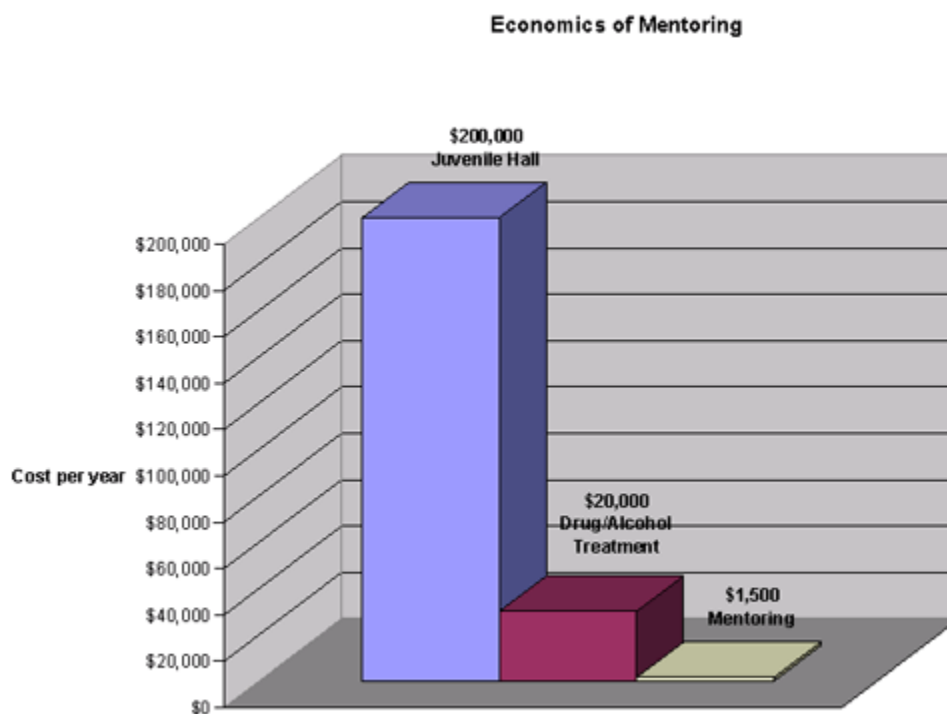
- We provide tutoring in subjects such as Reading/Math/Science for 3<sup>rd</sup> Grade students and help them with their Homework. In addition we group 3<sup>rd</sup> grades by how well they performed in school so the right amount of attention can be focused on their needs.
- Our older students will receive assistance with their homework and be accompanied on Field trips.



## Cost Per Child

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Our Child Mentoring Program includes cost-effective intervention methods that improve the chances of high school graduation. Statistics show 98% of all youth mentored complete their high school education. This fact increases their employability, income and, and ability to support and strengthen the economy, rather than become a drain on it. The below chart displays the \$1,500 cost per mentored youth per year in order to mentor a child. We will work to try and lower these costs. As noted, it costs 20 times more for a youth to receive drug/alcohol treatment in a single year and over 130 times for a youth in the juvenile justice system than it does to mentor.



This \$1,500 mentoring cost includes:

- mentor recruitment;
- mentor background clearance and processing;
- mentor training;
- database and IT costs;
- mentee applications and processing;
- mentee interview;

- mentee-mentor matching;
- mentee-mentor match oversight and support;
- mentee-mentor activities;
- office costs
- Grant Writer
- Salaries

#### **EQUIPMENT:**

- We will implement strategic partnerships with InterConnection; a Non-Profit organization that refurbishes and ships computers and laptops worldwide to nonprofit and non-governmental organizations. Interconnection normally awards either desktops or laptops pre-installed with Windows 7 and Microsoft Office 2010, with the following minimum specifications: Core 2 Duo processor / 2 GB RAM / 80 GB HDD. We may request up to 20 computers while being responsible for all shipping costs, however we would only require Ten (10) desktop computers.

#### **GRANT FUNDING:**

- We are filing to become a 501 (c) 3 tax exempt Non-Profit Organization
- We have submitted grant applications with some of the following Organizations for grant funding
  - **Currently, the U.S. Congress** - Funds a single youth mentoring-specific grant program. This program is housed at the U.S. Department of Justice and managed by the Office of Juvenile Justice and Delinquency Prevention (OJJDP). It provides funds (\$90 million in fiscal year 2016) for national and multi-state mentoring organizations to support and expand quality mentoring efforts serving at-risk youth.
  - **U.S. Department of Education**- Assistance is provided to promote mentoring programs for children with the greatest need. Grants are provided to programs that: (1) assist such children in receiving support and guidance from a mentor; (2) improve the academic performance of such children; (3) improve interpersonal relationships between such children and their peers, teachers, other adults, and family members; (4) reduce the dropout rate of such children; and (5) reduce juvenile delinquency and involvement in gangs by such children. Under this program we estimate that the funding amount will range from \$100,000 to \$200,000 per project year. Projects will be funded for up to 36 months, contingent upon the demonstration of substantial progress each year toward meeting project goals and objectives and the availability of future funds.
  - **Wells Fargo Corporate Giving**- Funding for agencies serving low- and moderate-income individuals and families in one of the following areas: community development, education, arts and culture, civic engagement, human services, and the environment.
  - **Global Fund For Children**- small, grassroots organizations (i.e., those with budgets of \$200,000 or less) that work directly with children and youth. Priority will be given to organizations that focus on young people outside the reach of mainstream services, operate with community input, and engage children and youth as active participants in their own development. The foundation will respond directly to organizations invited to submit a full proposal.  
<http://ncfy.acf.hhs.gov/funding/global-fund-children>

### **START UP-COSTS**

Below are the startup-costs required in order to launch our Child Mentoring Program.

<b>START UP COSTS</b>		
	<b>Description</b>	<b>Costs</b>
<b>Facilities</b>	Initial Rent	\$ 650.00/month
	Deposits/Securities	\$ 650.00
<b>Equipment</b>	Furniture	\$ 1,500.00
	Computers	-
	Telephones/Internet	\$ 500.00
<b>Materials/Supplies</b>	Office Supplies	\$ 1,200.00
	Stationary/Business Cards	\$ -
<b>Fees &amp; Other Costs</b>	501 ( c ) 3 Tax Filing	\$ 400.00
	1023-EZ Form	\$ 275.00
	Article of incorporation	\$ -
<b>Insurance</b>	Commercial General Liability	\$ 500.00
<b>Marketing</b>		\$ 2,000.00
<b>Salaries</b>	\$11/hr for 1 Mentors	\$ 13,728.00
	Program Director	\$ 25,000.00
<b>Total</b>		<b>\$ 46,403.00</b>

Table 1.

### **MEASURING SUCCESS:**

- At VB Mentoring and Tutoring, we will perform In-house (NWEA & SBAC) testing of our students quarterly in the areas of reading and math to prepare them for these standardized tests. Our measures of academic progress will prepare our students for the Connecticut Smarter Balance Assessment Consortium and North-West Evaluation Association.

## SWOT ANALYSIS & TARGET MARKET

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### SWOT ANALYSIS

<p style="text-align: center;"><b><u>STRENGTHS</u></b></p> <ul style="list-style-type: none"> <li>• Low Overhead/Low costs</li> <li>• Personalized service/relationship</li> <li>• Work Experience with 25 years as Hartford Public School Teacher</li> <li>• Experienced Mentor</li> <li>• Large pool of grant funding to choose</li> <li>• No charge for service</li> </ul>	<p style="text-align: center;"><b><u>WEAKNESSES</u></b></p> <ul style="list-style-type: none"> <li>• Limited Cash Flow</li> <li>• Limited Human Resources</li> </ul>
<p style="text-align: center;"><b><u>OPPORTUNITIES</u></b></p> <ul style="list-style-type: none"> <li>• New Markets</li> <li>• Small Businesses located in Historically Underutilized Business Zones (HUD Zone) through the assistance of these programs, we benefit by creating jobs, &amp; closer proximity to our clients</li> <li>• Continual Training</li> </ul>	<p style="text-align: center;"><b><u>THREATS</u></b></p> <ul style="list-style-type: none"> <li>• Bigger rival companies with more resources</li> </ul>

### **Target Market**

Our target market is 3<sup>rd</sup> grade students from low income families in Hartford, CT that attend public schools in or around the surrounding areas. This target market also includes children who have parents that are incarcerated and whose parents are involved in drug related crime and are therefore missing that nurturing parental guidance.

This is a niche market for us with the opportunity for continual growth.

## Strategic Position

The objective is to position ourselves as the first Child Mentoring Program focusing on providing tutoring and mentoring services to 3<sup>rd</sup> grade students throughout their educational journey increasing their chances of high school graduation.

To achieve that goal we should focus on:

- Providing Personalized One on One mentoring with students
- Niche market with Enrollment of children who are in the 3<sup>rd</sup> grade
- Strategic Partnership with local Vendors such as Wadsworth Atheneum, Connecticut Science Center, Trampoline World for free/discounted admission
- Strategic Partnership with Hartford Police Department

Our strengths lie in our ability to provide one on-one mentoring and tutoring services to our mentees at no fee.

This one on-one attention enables us to focus on our Mentees' strengths and problem areas and work together for better solutions. Our no-fee business model gives us the opportunity to reach a broader range of disadvantaged youth, giving them the opportunity to perform better in school. In addition, we pride ourselves on having extensive experience involving the academic and social development in young children. Members of our staff have volunteered for the Big Brother Big Sister Program, while our director has a proven track record of success as an elementary school teacher in the Hartford Public School System with nearly years of experience working hard to enhance her student's knowledge in the areas of reading, math and science.

Lastly, our strength lies in our ability to maintain low overhead costs by maintaining a small staff and being strategically located in the North End of Hartford prioritized as a HUD Zone. This HUD Zone status opens the door to State and Federal Funding and additional assistance.

By focusing on 3<sup>rd</sup> grade enrollment, we are creating a niche market enabling us to harness the tools and resources needed for the successful journey of this group to college. By focusing on this specific group of 3<sup>rd</sup> graders we can utilize our energy, tools, and resources such that we monitor their success and increase their chances of graduating high school.

Through our Strategic Partnership with local vendors such as the Wadsworth Atheneum, Connecticut Science Center, Trampoline World, Mystic Aquarium, and the Hartford Police Department, we will enable our mentees to explore wholesome educational trips at little to no cost. By forging a strong relationship with the Hartford Police Dept. engaging in private tours, and fun events, we will help our mentees build a healthy, respectable relationship with local law enforcement.

Some of our opportunities include being strategically located in the North End of Hartford prioritized as HUD Zone. This location opens the door to state and Federal funding and additional assistance. In addition, due to the vast amount of training our mentors require, we will have the opportunity to engage in continual training, strengthening our capabilities to provide quality mentoring services to our clients.

One major weakness to acknowledge is our limited cash flow, however with a strong grant proposal and fundraising efforts we intend to shore up enough grant funding from credited state and federal organizations. One major threat we will encounter is rival companies wanting to drive us out of the market. Organizations like Big Brother Big Sister, KIDS HOPE USA and Mentoring USA who have strong corporate sponsorships could threaten our position in entering this market. However by incorporating our low cost/low overhead strategy, HUD Zone priority location, & focusing our resources on 3<sup>rd</sup> grade students through their educational journey up until college, we distinguish ourselves from the bigger Organizations that have been in the market for many years.

By allowing our organization to operate with a personalized touch dedicated to focusing on our 3<sup>rd</sup> grade enrollment group of students up until college, distinguishes our brand, helping to create a competitive advantage over our bigger rivals.