



# MONEY SMART

for Small Business

## Town Hall Quarter 1, 2018 Webinar

March 29, 2018  
2-3 PM ET





**MONEY  
SMART**  
for Small Business

# AGENDA

- Welcome remarks
- WebEx tutorial
- MSSB Reminders
- Cathay Bank
- Liberty Bank

# MONEY SMART for Small Business

Welcome remarks by:

**Lessie Evans**

FDIC Washington DC  
Community Affairs  
Section Chief

**Donald Smith**

SBA Washington DC  
Director Office of  
Entrepreneur  
Education

**Paola Diaz**

FDIC Washington DC  
Community Affairs  
Specialist  
MSSB National Point  
of Contact

Submit your questions to “Panelists”  
Message Joan Gustafson at [JGustafson@FDIC.gov](mailto:JGustafson@FDIC.gov) for troubleshooting

The screenshot shows the Cisco WebEx Event Center interface. At the top, the title bar reads "Cisco WebEx Event Center". Below it is a menu bar with "File", "Edit", "View", "Communicate", "Participant", "Event", and "Help". The main content area is divided into several sections: "Event Info" (with "MSSB\_TownH..." selected), "Participants (69)" (listing NB N Bishop, AW Angela Wu, MB Manuel Battle, MA Mark Allio), and "Q&A" (with "All (0)" selected). A "Send" button is highlighted in a green circle. A "Recording" indicator is visible in the bottom left corner.

1. Icon  
2. Menu Bar  
3. Chat Function  
4. Q&A Function  
5. Participants List  
6. Panelist (Speakers) List  
7. Typing window  
8. "Send" to transmit your message  
9. Poll

[Poll Questions will be in this area]

Asic: All Panelists

Select a panelist in the Ask menu first and then type your question here. There is a 256-character limit.

Send

Recording

Connected



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# MSSB Reminders

- MSSB Town Hall Meeting recordings
- Join the Money Smart Alliance online
- MSSB Train-the-Trainer Curriculum
- Update of Banking and Credit Module

Download MSSB Modules and flyers in  
English and Spanish at:

<https://catalog.fdic.gov/>

Links to join alliance, recordings and more  
details at:

[www.fdic.gov/moneysmart](http://www.fdic.gov/moneysmart)

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# MONEY SMART FOR SMALL BUSINESS PROGRAM

## Cathay Bank

- \$15B in Assets
- Founded in Los Angeles in 1962
- 68 locations in 9 states\* and 3 overseas locations in Hong Kong, Shanghai and Taipei

\*California, New York, Illinois, Massachusetts, New Jersey, Texas, Washington, Nevada, and Maryland



Think Success  
Think Cathay Bank

# Esther Wee, SVP/Director of Community Development

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- 40 years in banking – Commercial Lending, International Trade Finance, Capital Markets, Marketing & CRA
- 6 years small business development and business training
- Organized and taught MSSB workshops since 2013
- Translated MSSB PowerPoints into Chinese with Chinatown Service Center
- Teach MSSB in Chinese, English, and Spanish



CATHAY BANK

# About Cathay Bank

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- Mission Statement “An Open Door for All”
- Low and Moderate Income Programs - Smart Business Loans, Community Homebuyer Loan, Community Checking Account, Financial Education Pre-requisite
- MSSB:
  - Target market: Present or aspiring small business owners
  - 6 years conducting MSSB workshops



CATHAY BANK



# Cathay Bank Foundation

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- Founded in 2002
- Mission: Enhance the growth & success of communities the Bank serves
- Grant Focus Areas:
  - **Affordable Housing**
  - **Community & Economic Development**
  - **Education**
  - **Health & Welfare**



CATHAY BANK

# MSSB Program Design

- **Complete MSSB Workshops**
  - **Format:** All 13 modules
  - One English, one Chinese every year in Los Angeles
  - Spanish since 2017
  - **One-Day workshops:** 9 am to 3 pm on 2 consecutive Saturdays
  - **Average Number of attendees:** English: 20, Chinese: 50
- **Half-Day sessions:** One or two modules 9 am to 1 pm
- In 2017 alone, we conducted, in aggregate, 11 complete workshops and half-day sessions



# MSSB Program Design...

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- Serves as Business Management 101
- On-site Classroom style provides networking opportunities with presenters and peers
- Bank created small business loans for micro-enterprises
- Small gifts to encourage participation
- Pre-registration through community partner is required, but no eligibility requirements
- \$20 fee for Saturday workshops (paid to community partner) to discourage “No Shows”



CATHAY BANK

# MSSB Partners Roles

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- **Cathay Bank:** organize community resources, train-the-trainers, provide venue and food
- **Registration, and follow-up counseling:** Asian Pacific Islander Small Business Program, Chinatown Service Center, Operation HOPE, PACE (Pacific Asian Consortium in Employment), Los Angeles LDC, Bethel LA CDC, Pacific Coast Regional (in 2018)
- **Instructors:** Bankers, community partners and subject matter experts (CPA, Insurance)
- **Bank MSSB grant awardees:** Latino Business Chamber of Greater Los Angeles and Bethel LA CDC



CATHAY BANK

# Economic Impact

MSSB & Community Partners' follow-up counseling (6 to 12 months post-MSSB)

## MSSB (Chinese) with Chinatown Service Center

Yr.	# of New Businesses created	New Jobs created	# of Business plans	# of Loans
2014	3	14	6	N/A
2015	4	21	5	1
2016	2	10	7	N/A
2017	1	3	4	1



CATHAY BANK

# MSSB Collateral Material

## Money Smart for Small Business

### 小企業聰明理財入門課程

An introductory 2-day business course designed for new business owners, self-employed individuals, and aspiring entrepreneurs

專為有意創業、自僱、富於進取的企業家量身打造，兩個週六的理財入門課程！



**Dates** 日期 4/21/2018 and 4/28/2018  
**Time** 時間 9:00a.m. to 3:00p.m.  
**Location** 地點 Cathay Bank 國泰銀行  
9650 Flair Dr., El Monte, CA 91731

**Fee** 學費 \$20  
payable to 支票付款請寫:  
Chinatown Service Center  
**Language** 語言 Mandarin 普通話

#### Course Topics 課程主題

- Startup Planning 創業計劃
- Organizational Types 各種商業形態
- Risk Management 風險管理
- Credit Reporting 信用報告
- Business Insurance 商業保險
- Time & Financial Management 時間和財務管理
- Recordkeeping 簿記
- Tax & Business Planning 商業稅務及規劃
- Selling & Succession Planning 生意買賣及傳承
- Banking Services for Small Businesses  
小企業銀行服務

Breakfast, lunch, and course materials will be provided by Cathay Bank.  
國泰銀行將提供早餐、午餐及講義。

Limited Seating  
Advanced Registration Required  
名額有限，必須預先報名。

To register, please contact Stanley Moy  
at [smoy@cscla.org](mailto:smoy@cscla.org) or call (213) 808-1768  
報名請洽梅澤軒  
電郵 [smoy@cscla.org](mailto:smoy@cscla.org) 或致電 (213) 808-1768

Participants will be eligible for free business counseling and discounted registration for the Entrepreneurial Training Program in May 2018 by the Chinatown Service Center.  
參與者將有資格享用免費商業輔導服務和以特惠價優先報名參加於2018年5月開辦的加強版創業教室，以上服務由華埠服務中心提供。

Curriculum developed jointly by the FDIC and the SBA.  
課程由美國聯邦存款保險公司(FDIC)和小企業管理局(SBA)共同研發。

Hosted by 聯合主辦:



## Small Business Workshop for NEW & EXISTING BUSINESSES

An introductory one day business course designed for new business owners, self-employed individuals, and aspiring entrepreneurs.

**Wednesday, October 25, 2017**  
**From 8:30am to 12:00pm**

**PACE Business Development Center**  
11100 Valley Blvd. #116  
El Monte, CA 91731

#### 3 Ways to Register

Online: Visit [www.pacelabdc.org/calendar](http://www.pacelabdc.org/calendar)  
Email: Daniel Ing at [ding@pacela.org](mailto:ding@pacela.org)  
Phone: 213-989-3209

Language: English

FREE with RSVP  
Seats are limited  
RSVP by Monday October 23, 2017

Breakfast and course materials will be provided by Cathay Bank.

#### Course Topics

- Credit Reporting  
- How Credit Affects You and Your Business
- Banking Service  
- Banking Services For Your Business
- Organizational Types  
- How To Structure Your Business
- Doing It Right: Getting License and Permits
- Panel Discussion: Financing Your Business
- Small Business Resources  
- Financial assistance and support



Curriculum developed jointly by the FDIC and the SBA

# Customization

- Did not change or add to the MSSB curriculum, mostly used as is, highlighting with personal stories/experiences
- Interaction with subject matter experts has worked best
- Steps taken to implement MSSB
  1. Work closely with community partners
  2. Train bank volunteers on how to present effectively
  3. Use MSSB Instructor guides



# What happens after the training?

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- No graduation ceremony
- Participant follow-up by community partners
- Participant feedback:
  - “workshops are very helpful”
  - work with community partners post-workshop to develop business plans or more advanced business management training



# Final Advice

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- **What worked:**
  - MSSB, a good introduction to basic business management
  - No other comparable program that we can depend on
  - Local FDIC spearheaded launch of MSSB and always ready to help. FDIC Community Affairs Specialist Steve De Jesus (responsible for Hispanic programs) participated in the 1<sup>st</sup> Spanish MSSB workshop
- **What did not work:** Nothing in particular. Program is well-crafted.
- **Success story:** Owner of bakery attended MSSB and follow-up training with Chinatown Service Center; We provided a \$48,000 line of credit to finance the growth of his business. He continues to do well.



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# Contact

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**Norman Cerswell**

FVP & Deputy CRA Officer

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# Questions and Answers Segment

Use chat function to submit questions to “Panelists”, “Paola Diaz”, or Q&A Coordinator: “Joan Gustafson”

The Liberty Bank logo, featuring a stylized torch with a flame above the word "LIBERTY" in a bold, sans-serif font, with the word "BANK" centered below it.

**LIBERTY**  
**BANK**

**Money Smart for Small Business**

55 Locations, Connecticut  
<http://www.liberty-bank.com>

**Loans for every size business.**



# Pam Days-Luketich, AVP, Community Outreach Officer

- 30 years of banking experience
- 15 years working with Money Smart Programs
- Adjunct Professor, Three Rivers Community College: Macro Economics, Financial Fitness Week
- Nonprofit involvement: United Way, Higher Edge Inc., SECHA



PDays-Luketich@LIBERTY-BANK.com  
860.704.2489 | NMLS# 1641318



# Glenn Davis, VP, CRA Officer

- 20 Years of Small business Experience
- 15 Years of training Experience
- 5 years Teaching Money Smart For Small Business
- Board Involvement: Naugatuck Economic Development corporation, Charter Oak State College Foundation, Mutual Housing of Greater Hartford

NMLS# 1455455





# About Liberty Bank

- Established in 1825
- \$4.7 billion in assets
- Consumer and commercial banking, home mortgages, insurance, and investment services.
- “Top Workplace” by the Hartford Courant for six consecutive years
- Mission: To build lasting relationships and enrich financial futures
- SBA Top Lender
- 2017 Outstanding CRA Rating by FDIC



# Liberty Bank Foundation

- Vision: We believe that people at the lower end of the economic ladder deserve to achieve their goals and realize their potential.
- Funding Priorities:
  - Education for Economic Success
  - Affordable Housing
  - Nonprofit Capacity Building
- 20<sup>th</sup> year anniversary

<https://libertybankfoundation.org>





# Liberty Bank's Financial Education Programs

- Money Smart
  - Money Smart for Adults
  - Young Adults
  - Older Adults
  - Small Business
- Online Learning Center
  - Multiple Topics: Money Management, Homeownership, Paying for College, Small Business
  - Financial Tools: Calculators and estimators on business valuation, saving to start a business, loan payments
- Money Manager (Online Banking)

Your money is important. Give us one minute  
and we'll teach you something new.



# Liberty Bank's Academy for Small Business (ASB)

- **MSSB** taught by bankers and community partners
- Launched the **Academy for Small Business** in 2016 in three markets: New Haven, Meriden and Willimantic
- Resulted in **49 loan originations**
- Deployed \$245,000 of the \$400,000 allocation



# ASB Methodology

- A 10 week Comprehensive Training program
- Instruction and guidance on operating a small business
- Provides a source of micro capital for the growth and prosperity of small business
- Provides working capital and networking with professionals in the community
- Interactive, but not assigned work for next class
- Walk-ins not allowed, registration required
- Establishes a banking relationship



# Eligibility Requirements for Line of Credit

1. Start-ups to 3 years in business
2. Be in good standings with local, State and Federal Taxes
3. Must complete all 10 classes
4. Must open a Liberty Bank Business Checking Account
5. Must not be subject to criminal activity in last 6 months
6. Must not have filed Bankruptcy in Last 5 years
7. Must supply documented support for funding need



# Academy Class Schedule

- 2 days a week
- 2 Hours per class
- 5 weeks long
- 6 -8 Times a year, in 8 locations
- Each class in the same location





# ASB Program Highlights

- 3 Classes in 2016: 8 sessions each class
- 6 Classes in 2017: 8 sessions each class
- Lines of Credit: 119
- Success rate: 76%
- Average class size: 17
- Instructors: Liberty Bank employees and Community Partners
- Graduation celebration



# Community Partners

- **SCORE:** Will provide class instruction
- **Community Economic Development Fund:** Provide Coaching and Counseling
- **Norwich Community Development Corporation:** Provide training space, offer business incubator facility
- **SBDC**
- Local CPA's, Attorneys and Business Owners



# Ensuring Program Sustainability

- Opportunity to extend line of credit to \$10,000 after one year
- Community partners provide technical assistance for businesses throughout the year after the class
- A support System for the business owner – Peer to Peer networking







# Success Story

## Grounded Coffee Company

- “Grounded Coffee Co. is a coffee shop located in Willimantic, CT. We are excited to partner with a range of roasters both at home and abroad. The coffees we serve are of the highest quality while continuing to be sourced with farmers and producers in mind. We believe that coffee has the power to raise the quality of life for everyone. Our shop is inspired by the endless ways people brew and enjoy coffee all over the world. “

<http://groundedcoffeecompany.org/>



# Final Advice

- Establish an ongoing program
- Make improvements after every session
- Collaborate with the FDIC Community Affairs Team
- Work with your local SBA District Office and your local SCORE



# MONEY SMART for Small Business

Questions and Answers for:

**SBA  
HQ**

**FDIC**

**Cathay  
Bank**

**Liberty  
Bank**

Use chat function to submit questions to “Panelists”, “Paola Diaz”,  
or Q&A Coordinator: “Joan Gustafson”

# Poll



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1. What I learned today I will implement in:
  - a) The next 1-6 months
  - b) One Year
  - c) Don't know
2. I represent:
  - a) A financial institution
  - b) Other type of organization
3. In future Town Halls I want to hear:
  - a) Success stories from financial Institutions
  - b) More about how can SBA or FDIC assist me to implement MSSB
  - c) More details about a particular module
  - d) Other (please email your suggestions!)



# Thanks for your participation!!

**MSSB National Point of Contact: Paola Diaz**

Senior Community Affairs Specialist, FDIC

[pdiaz@fdic.gov](mailto:pdiaz@fdic.gov) 202-898-7184

or FDIC Community Affairs contacts  
nationwide at:

[www.fdic.gov/communityaffairs](http://www.fdic.gov/communityaffairs)

For more information go to:

[www.fdic.gov/moneysmart](http://www.fdic.gov/moneysmart)

[www.sba.gov/moneysmart](http://www.sba.gov/moneysmart)