

REQUEST FOR PROPOSAL CITY OF TEMPE

REQUEST FOR PROPOSAL : **10-055 RFP** ISSUE DATE: 01/27/2010

Commodity Code(s): 918-20, 918-79, 924-55

PROCUREMENT DESCRIPTION: Entrepreneurship Program

PROPOSAL DUE Thursday, February 18, 2010, 3:00 P.M. Local Time

DATE/TIME:

Late proposals will not be considered

Vendor's Offer

It is required that Offeror complete, sign and submit the original of this form to the City Procurement Office with the proposal response offer. An unsigned "Vendor's Offer", late proposal response and/or a materially incomplete response will be considered nonresponsive and rejected.

Offeror is to type or legibly write in ink all information required below.

Company Name: Stealthmode Partners

Company Mailing Address: 2438 E. Whitton Ave.

City: Phoenix State: AZ Zip_85016

Contact Person: Title: Francine Hardaway

Phone No. 602.910.5622 FAX:602.532.7087 E-mail:francine@stealthmode.com

Company Tax Information:

Arizona Transaction Privilege (Sales) Tax No.: or

Arizona Use Tax No.: N/A

Federal I.D. No.: 073.32.6696

City & State Where Sales Tax is Paid: Arizona

If a Tempe based firm, provide Tempe Transaction Privilege (Sales) Tax No.: N/A

THIS PROPOSAL IS OFFERED BY

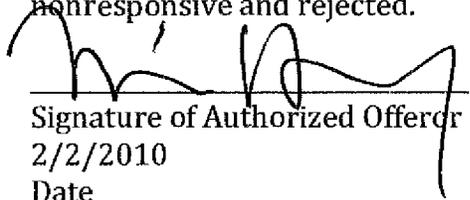
Francine Hardaway

co-founder, partner

REQUIRED SIGNATURE OF AUTHORIZED OFFEROR (MUST SIGN IN INK)

By signing this Proposal Offer, Offeror acknowledges acceptance of all terms and conditions contained herein and that prices offered were independently developed without consultation with any other Offeror or potential Offeror. In accordance with A.R.S. 35-391.06 and 35-393.06, et seq., the Offeror hereby certifies that it does not have scrutinized

business operations in Iran or Sudan. Failure to sign and return this form with proposal offer will be considered nonresponsive and rejected.

A handwritten signature in black ink, appearing to be 'M. N.', written over a horizontal line.

Signature of Authorized Offeror

2/2/2010

Date

Form 201-B (RFP)

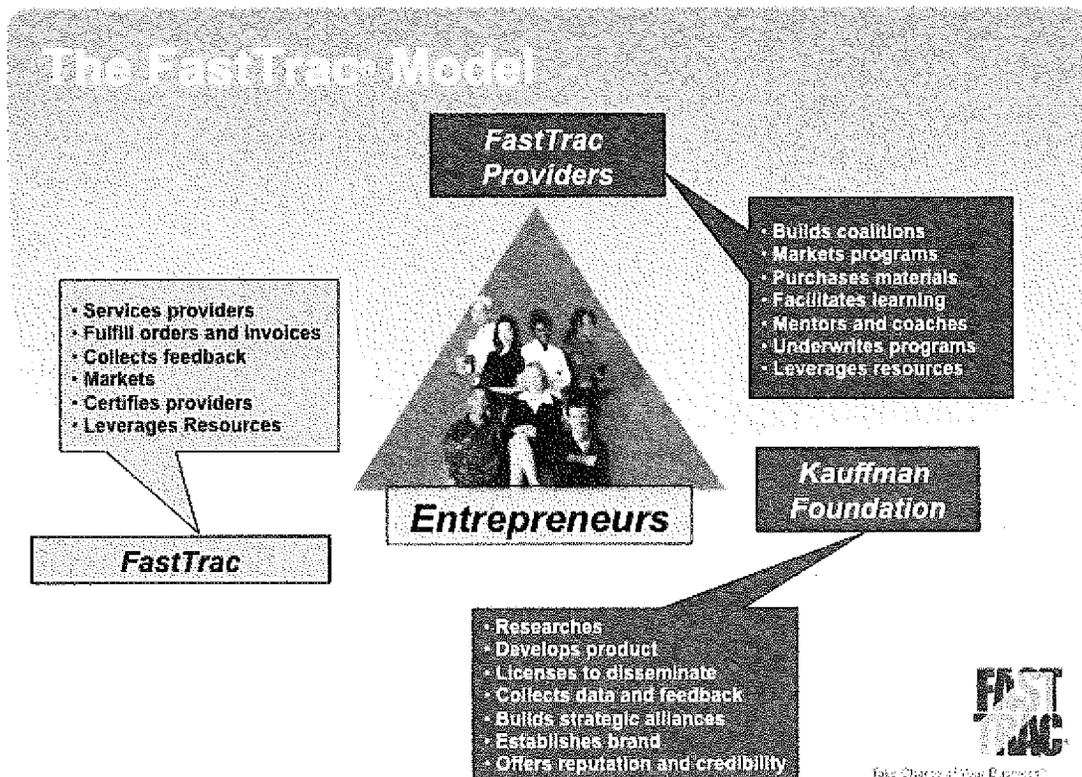
(H:/RFP 3-2008)

RFP #10-055

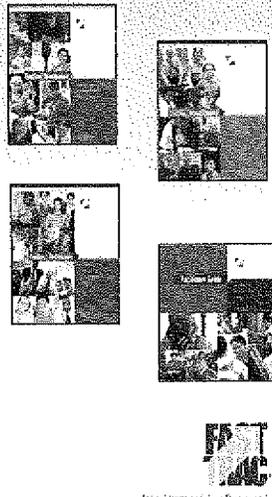
Scope of Work

Proposed Program

The program we propose is an expanded version the Kauffman Foundation's FastTrac Entrepreneurial Education program, which we have been offering in the Valley since 2003, in Phoenix, Tempe, Mesa, and Gilbert. We will supplement it with site visits and 1:1 meetings as necessary.



- **FastTrac® NewVenture™**
 - To explore the feasibility of a business idea.
- **FastTrac® GrowthVenture™**
 - To unleash the growth potential of a business.
- **FastTrac® TechVenture™**
 - To build a technology-based venture.
- **First Step FastTrac®**
 - To explore the feasibility of a business idea for a microenterprise.



FastTrac® NewVenture™

Sample curricula

Tech Venture Feasibility:

Exploring Entrepreneurship -Derek Neighbors, Integrum Technology

Identifying Market Needs -Jeff Moriarty, Sitewire

Setting Financial Goals - Alexander Lawrence, Funding Universe

Planning the Product - Sean Tierney, JumpBox

Researching and Analyzing the Market -Paula Satow, Satow Strategies

Growth Venture:

Sizing Up Your Business Brian Roy, Just Signal

Exploring Growth Opportunities- Eric Keosky-Smith, Schwaag

Making Strategic Decisions- Lon Safko, The Social Media Bible

Using Financial Tools- Ryan Zacher, CPA

Strengthening Your Product or Service, Sprout Marketing

Seizing the Market- Tyler Garns, InfusionSoft

Leading the Organization- Joan Koerber Walker, Core Purpose

Managing Operations for Growth - Dave Cooke, The Sales Cooke

Charting Financial Performance - Dave Bittner, Beanstalk CFOS

Making it Happen – Banker, Chamber of Commerce and other Community Partners panel

Outcomes:

A business plan, if the business is preparing for funding

An operational plan with financial statements

A network of other entrepreneurs with whom to connect and collaborate

A network of local and national resources

Introductions to bankers, SBA financing representatives, and other community resources

An entrepreneur who is capable of sustaining himself/herself in a viable business, even through a downturn like the one we are going through. We have served over 400 entrepreneurs in this program. We believe based on our database, that we have roughly a 75% success rate of retaining businesses and jobs, as well as creating them.

According to Kauffman Foundation research, most entrepreneurs will still not be hiring for growth in 2010. However, we position them to hire when the economy is right for it. Also according to Kauffman, the credit markets are still the biggest reasons new businesses aren't forming or hiring.

Our target population can be any of three: existing Tempe businesses, such as retail merchants; new ventures, such as newly licensed businesses; and tech ventures, which have special needs. Almost all our entrepreneurs in new businesses fit the Federal requirements for low and moderate income, as do their hires. We usually enroll from 8-25 participants per program, depending on the amount of marketing support we get from the community.

Describe the appropriateness of the program and how the curriculum fits business community needs.

This international program, developed by the largest foundation in the country dedicated to entrepreneurship, The Kauffman Foundation, takes existing businesses in the community and makes them stronger, or encourages budding entrepreneurs to undertake a feasibility study to make sure their business ideas make sense. Many entrepreneurs contemplate a business that 1) nobody needs, or that 2) can't make enough money to support them. Our program intervenes between startup and failure, minimizing the number of failures and helping the startups. Most of our programs grow by word of mouth. Every year, we hold the "Arizona Entrepreneurship Conference," bringing outside speakers, funding sources, and entrepreneurs to meet our local businesses.

The Kauffman programs are heavy on teaching how to use financial tools and read financial statements. Each participant is given a free 90-day subscription to the Hill Libraries, the most comprehensive business library online, and access to a librarian, so they may do the kind of market research they should do to start or grow a business. They are also provided with a tool kit of financial templates, and community resources to help them through using financial templates and making a marketing plan. The outside resources we use in the program typically come from the community in which we are offering it: Tempe attorneys, ad agencies, leadership coaches, etc.

The most difficult of your defined objectives to meet will be the one involving funding, because of 1) the current state of the credit markets, and 2) the turmoil in the VC industry.

1) Debt financing is still not available for entrepreneurs without hard assets, although Obama has tried to increase SBA lending. Most entrepreneurs in the early stages (the stage in which they would ordinarily generate the most jobs), do not have the assets to attract a bank loan. Their homes don't have the equity left for HELOCs, and credit card rates are higher than they used to be. According to Kauffman, this makes it all but impossible for new businesses to grow. You can add to that the fact that banks don't want to take TARP money, which comes with strings.

We also have a partnership with Funding Universe, from Salt Lake City, which is a front-end for thousands of small lenders and SBA financiers.

2) On the equity front, we have connections to angels and VCs in both Arizona and the Bay Area. However, the VC industry itself is undergoing massive changes, due to the lack of exit strategies for their existing portfolios.

We try to be realistic with the people we serve: we don't want them to think funding is simple. **WE THEREFORE ADVISE OUR PROGRAM PARTICIPANTS TO FUND THEIR BUSINESSES THROUGH CUSTOMERS, and we teach them how to do that.**

In addition to our classroom program, we do 1:1 site visits and counseling by appointment.

We have served Hispanic, Asian, African-American, and women entrepreneurs. We are a WBE ourselves.

Resumes of Instructors

Francine Hardaway

Entrepreneur, Educator, Writer, Investor, Fasttrac Facilitator

Francine@stealthmode.com

Summary

Stealthmode Partners is an advocate and accelerator for entrepreneurs and intrapreneurs: a network of people and companies working together to help support and accelerate new initiatives - be they new or emerging growth companies or new directions, projects, or products within existing companies.

We have a database of investors, entrepreneurs, professionals, and affiliates at our website, www.stealthmode.com, and we hold a monthly Stealthmode Partners CEO and Founder Roundtables.

I write a blog on technology, entrepreneurship, and society at <http://blog.stealthmode.com>.

Specialties

technology, health care, real estate, financial services are my verticals. Startups are my specialty; I'm an entrepreneurship coach. I serve on many advisory boards and run an incubation program.

Experience

Board of Governors at Arizona Biofuels Council

March 2007 - Present | [View on LinkedIn](#)

Acting Executive Director, Founder at Opportunity Through Entrepreneurship Foundation

June 2005 - Present | [View on LinkedIn](#)

The Opportunity Through Entrepreneurship Foundation (OTEF) provides training and support to help at-risk youth and adults improve their lives by creating and growing entrepreneurial ventures.

Partner at Stealthmode Partners

June 1999 - Present | [View on LinkedIn](#)

Coach, connect, consult with entrepreneurs and their resources. Invest when appropriate.
21 recommendations available upon request

Member at American Biofuels Council

2007 - 2008 | [View on LinkedIn](#)

VP Marketing at Innovative Environmental Products

November 1997 - June 1999 | [View on LinkedIn](#)

Corporate and product marketing for an environmental cleaning products company with a

Ed Nusbaum

Ed Nusbaum: Stealthmode Partners, AZIPA, TopLinked.com, LION.
linkedin@stealthmode.com

LinkedIn member since 2007

Summary

I have helped start and/or grow many different companies and organizations, a sampling of which are listed below.

If you would like to expand your network, please feel free to send a LinkedIn invitation to direct connect.

email: linkedin@stealthmode.com

Specialties

I help entrepreneurs, ventures, and communities grow and succeed.

Experience

Partner at Stealthmode Partners

September 1999 - Present www.stealthmode.com

Stealthmode Partners (www.stealthmode.com) is the invisible support network behind many successful entrepreneurs and ventures.

5 recommendations available upon request

Co-Founder and Executive Director at AZIPA (Arizona Internet Professionals Association)

May 1998 - Present www.azipa.org

AZIPA (www.azipa.org) is the catalyst for people doing Internet-related work in Arizona to get together, learn together, and work together. We currently interconnect 15,000+ subscribers on our main Announcement List and 3000+ subscribers on our largest Discussion List. My current AZIPA-related crusade is to bring all of the AZIPA community onto LinkedIn so as to be further interconnected with one another as well as with the rest of the world... So, if you are part of the AZIPA community and/or just wish to be connected with it, please feel free to invite me (linkedin@stealthmode.com) into your network as a common node so as to keep the possible interconnections as varied and valuable as possible...

1 recommendation available upon request

Facilitator at FastTrac

October 2003 - May 2007 www.fasttrac.org

FastTrac (www.fasttrac.org) is the entrepreneur education program of the Kauffman Foundation.

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Data Collection

We are already collecting, and have been collecting for six years, the Federally required data.

Company Name	DUNS	New?	Expanding?	Relocating?	Most Needs?	Job Creation			Employer Sponsored New Benefits?	Actual Jobs Created Fall Into Which Category?									
						Total	P/T	Low/Mod		Professional	Technicians	Sales	Other Clerical	Craft	Operatives	Laborers	Service		
						Estimated Actual	Estimated Actual	Estimated Actual		Managers									
C-Pools, LLC	13-999-9798	No	Yes	No	Yes	2	0	1	2	0	0	0.5	0	0	0	0	0	0	0
Cheesy Babe	82-563-4964	No	Yes	Yes	Yes	1	1	1	0	0	0	0	0	0	0	0	0	0	0
Vigors With Attitude	01-262-4652	No	Yes	No	Yes	1	1	2	0	0	0.5	0	0.5	0	0	0	0	0	0
Single Mother Mafia	83-002-6626	Yes	Yes	Yes	N/A	2	1	0	0	0	0	0	0	0	0	0	0	0	0
Consulting & Training of Nonprofits	82-682-9038	Yes	Yes	No	N/A	1	0	1	1	1	0	0	0	0	0	0	0	0	0
Resource	88-649-7396	Yes	Yes	No	N/A	3	0	2	0	0	0	0	0	0	0	0	0	0	0
Coopers on Mill, LLC	80-899-4216	No	Yes	No	Yes	3	0	5	0	0	0	0	1.5	0	0	0	0	0	0
Jay Dumping	83-002-5624	Yes	Yes	Yes	N/A	3	2	10	0	0	0	0	0	0	0	0	0	0	0
Totals	N/A	4/4	8/0	3/5	4/0	13	5	22	3	1	0.5	0.5	2	0	0	0	0	0	0

Company Name	# Previously Unemployed	Extremely Low	Low	Moderate	Hispanic	For Each Holder of an Actual New Job Created											
						Amer Ind/ Alaska Nat	Asian	Black/AA	Hawaiian/ Pacific Isls	White	Amer Ind/ White	Asian White	Black/AA White	Amer Ind/ Black/AA	Other Multi-Race		
C-Pools, LLC	0	0	1	0	0	0	0	0	0	0	1	0	0	0	0	0	0
Cheesy Babe	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Vigors With Attitude	1	1	0	0	0	0	0	0	0	1	0	0	0	0	0	0	
Single Mother Mafia	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Consulting & Training of Nonprofits	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	
Resource	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Coopers on Mill, LLC	1.5	1.5	0	0	0	0	0	0	0	1.5	0	0	0	0	0	0	
Jay Dumping	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Totals	2.5	2.5	1	0	0	0	0	0	0	4.5	0	0	0	0	0	0	

Costs

The cost of this program is \$15,000 per session. We can deliver two sessions per calendar year. Total cost: \$60,000 over two years

Implementation Strategy

We use community connections and our databases to market the program twice a year. We would welcome cooperation from the Downtown Merchants Association, City of Tempe, and Chamber of Commerce in marketing the program to their members and prospects. In addition, we collaborate with Tempe Tech Oasis (which we started ten years ago) to draw participants. We may need a site for the programs, although we are usually good at getting one donated by past participants. Although we provide all the outside resources and speakers, we would be happy to have suggestions and volunteers from Tempe-based entrepreneurs and service providers. We like to keep it "in the family."

We would love to have the City's database of businesses in a format we can use for online marketing efforts, or some support from the City in sending out emails for us before each program.

Describe the program's implementation process and provide a timeline. We usually begin after the summer and after the first of the year, working around school vacations. The program runs ten weeks, one evening a week, from about 5:30-8:30, with "office hours" before and 1:1 site visits by appointment. Each week,

there is some discussion of reading materials, a presentation by an outside resource, such as an entrepreneur, an attorney, a banker.

Program Success

We have a six-year history of success in Phoenix, Tempe, and Gilbert. We are most successful when we have community participation: for example, early Tempe programs were done in partnership with the Tempe Chamber, and one was done with the DMA. More than 75% of the businesses that have been through the program are still in business, still in touch with us, referring others to our programs, and serving as resources for the programs themselves.

Program References

City of Phoenix CDBG 2004-2006, FastTrac New Venture, FastTrac Tech Venture, FastTrac Growth Venture: Over 100 entrepreneurs served, more than 50 jobs retained and generated

Contact: Barbara Bellamy, Grants Compliance, 602.262.7845, **fax:** 602.495.5097

ASBA: FastTrac Growth Venture 2007

Contact: Joan Koerber Walker, 480.332.9636 fax: 480.759.1251

Town of Gilbert, CDBG: 2008-2010, FastTrac Growth Venture

Over 60 entrepreneurs served, statistical review under way

Contact: Dan Henderson, Economic Development Director 480.7208779, fax: 480.503.5080

Exhibit A

IMMIGRATION LAW AND REGULATIONS CERTIFICATION

The President's Executive Order 13465 of June 6, 2008 and Arizona Revised Statutes (A.R.S.) Section 41-4401, require the City of Tempe to ensure that each government entity, contractor and subcontractor it conducts business with complies with federal immigration laws and regulations that relate to their employees and A.R.S. Section 23-214, Subsection A. All governmental entities, vendors, contractors and subcontractors MUST certify use of the E-Verify system established by the Department of Homeland Security.

All applicants must certify compliance with items 1 and 2 below.

1.

The government entity, organization or company shown below is in compliance with the Immigration Reform and Control Act of 1986 in relation to all employees performing work in the United States and does not knowingly employ persons in violation of the United States Immigration laws. The government entity, organization or company shown below will obtain this certification from all subcontractors who will participate in the performance of this contract and maintain subcontractor certifications for inspection by the County if such inspection is requested; and

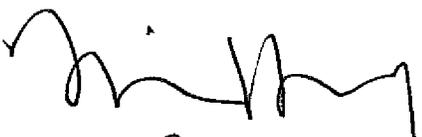
2.

By the date of the delivery of the product and/or performance of services, the government entity, organization or company shown below will have implemented or will be in the process of implementing the E-Verify program for all newly hired employees in the United States who will perform work on behalf of the Maricopa County.

I certify that the government entity, organization or company shown below is in compliance with items 1 and 2 above and that I am authorized to sign on its behalf.

Name: FRANCINE HARDAWAY / STEALTHMODE PARTNERS

Date: 2/1/2010

Authorized Signature: 
602 910 5622

Financial Services
Central Services

April 8, 2010

Ms. Francine Hardaway
Stealthmode Partners
2438 E. Whitton Ave.
Phoenix, AZ 85016

Subject: *Best and Final Offer to RFP #10-055 Entrepreneurship Program*

Dear Ms. Hardaway:

In accordance with the City procurement rules, your firm is hereby invited to submit a Best and Final offer to RFP #10-055 Entrepreneurship Program. This is your opportunity to ensure that the best possible offer has been submitted. The Best and Final offer should include responses to the following areas:

1. Proposed Program
 - a. Identify ways in which your program and curriculum is adaptable to the unique need of the participants and the economic conditions of the City. Provide examples.
2. Costs
 - a. Provide a cost structure that includes an estimated cost per participant (i.e. the fees charged to the City would be based on the number of participants in the program).

Best and Final offers shall be due in the Procurement Office on Thursday, April 15, 2010 at 5:00 P.M. (Arizona Time). You may FAX your Best and Final offer to (480) 350-8661 or email it to lisa_goodman@tempe.gov. If you fail to respond to this request your immediate previous offer shall be considered under the final evaluation process. You may also completely withdraw your offer at this time.

If you have any questions regarding the above please feel free to contact me at 480-350-8533. Thank you for participating with us on this procurement and taking the time to present your firm. We look forward to reviewing your Best and Final offer.

Sincerely,


Lisa Goodman, CPPB
Procurement Officer

Goodman, Lisa

From: francine.hardaway@gmail.com on behalf of Francine Hardaway [francine@stealthmode.com]
Sent: Friday, April 09, 2010 2:13 PM
To: Goodman, Lisa
Subject: Re: Best and Final Offer

Lisa,

If you do not need this as an attachment, here it is:

Best and Final Offer
Stealthmode Partners
2438 E. Whitton Avenue
Phoenix, AZ 85016

1. The specific program we offer in Tempe was developed to further the image of the city as a Mecca for tech companies. We successfully offer both Growth Venture and Tech Venture aimed either at growing tech companies or startups, and we change off every year. In addition, one year we offered Growth Venture specifically for the retailers in Tempe and the Downtown Merchants Association. The beauty of the Kauffman Foundation's programs is that the material they develop, which we have now been delivering for seven years, is the business side of the business and can be easily adapted to almost any business. For Tempe, we prefer to offer assistance to "creative" companies -- the ones that Richard Florida believes will generate the best jobs in the future.

As speakers, we draw on members of the local community, providing a marketing opportunity for people who are either already in business in the community or have come through our programs. For instance, we have had Lisa and Sharla from Here on the Corner come through our programs, and now we use them as speakers, so our new participants can meet them. Many participants in our network still do business with each other. Same thing with our locations: we use local businesses in the community and give them exposure to our speakers and participants. The whole idea is to strengthen the community for EVERYONE in Tempe.

Many of these businesses are home-based, and use contractors instead of employees. We know the specific legal and tax issues around those kinds of businesses, and how to make them generate FTEs based on any employment and contracting model.

2. Because of the ongoing nature of the incubation (we offer a large entrepreneurial network to our graduates and we keep them involved both in repeat programs and 1:1 mentorship) our cost per participant is not charged by participant. We typically bill the Cities with whom we work (Phoenix, West Mesa CDC, Tempe and Gilbert for the administration, marketing, and facilitation of the program in \$15,000 increments. (\$30,000 annually for two programs). For this, we provide three facilitators, ten outside speakers, the Kauffman Foundation's national connections, and ongoing incubation at the participant's desire.

The cost per participant may be \$1500 in a given year, (assuming twenty participants), but that participant is receiving ongoing incubation services over a long period of time, often two or three years. Don't let anyone tell you differently: it takes more than six months to grow a business. It takes closer to five years.

Fasttrac participants receive not only classes, but the opportunity to be in our entrepreneurial network of over 400 people, exposure at the Annual Entrepreneurship Conferences, and our large network of service resources and funding connections, such as the Arizona Angels, Arizona Technology Investors' Forum, and--for non-tech businesses, --Funding Universe. We don't just come in, deliver something, and leave. We stay connected to the people we serve.

On Thu, Apr 8, 2010 at 11:38 AM, Goodman, Lisa <lisa_goodman@tempe.gov> wrote:

Hi Francine,

Please respond to the attached Best and Final offer to RFP 10-055 for the entrepreneurship program.

<<bafo stealth.pdf>>

If you have any questions, please let me know.

Lisa Goodman

Procurement Officer
(480) 350-8533

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Francine Hardaway, Ph.D, Stealthmode Partners
<http://blog.stealthmode.com>
<http://twitter.com/hardaway>
<http://www.linkedin.com/in/francinehardaway>
GV: 816-WRITTEN (9748836)