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**Invest Forward — Micro-Enterprise**

 Part of the Strategic Plan for every new or existing Teen Challenger center is to become self-sufficient financially, and equip graduates to become trained an prepared with skills that empower them to become productive citizens.

 Each center should be able to identify products or services that are needed in their individual locations. Once identified, a simple business plan can be developed that will detail the product, training and marketing strategies, and required funding.

 The micro-enterprise endeavor must be looked at in its entirety to ensure that a reasonable plan has been designed and the need exists, as well as ensuring that personnel are available to make the venture successful prior to making funds available for the enterprise.

 When funding is deemed necessary, the thought process should be that of an investment rather than a loan. Amounts may vary from $500 to $25,000. The investment will be repaid to the General Investment Fund established with Global Teen Challenge. Each individual enterprise will have a plan that is tailored to pay forward the investment they received, along with a minimal interest rate charged that will cover administrative costs and ensure the growth and future of the General Investment Fund. Each project should start small enough to require minimal funds and ensure long-term success. When the investment is brought forward, the opportunity for additional funds can be considered. By returning the investment to the General Investment Fund, there will always be funding for new micro-enterprises in new areas.

Action steps to obtain an investment.

1. The initial enterprise discussion should take place between the GTC regional director, appropriate representatives within the country, and the director of the TC center. It is important that the national leaders are engaged. At this point, we never discuss that actual dollars are available, nor amounts that may be available. We address the need for the center to be self-sustaining, as well as possible products or services that are needed in the area that could be profitable.
2. The next step is to give the local director the Simple Business Plan Questions. This will accomplish several things. It requires them to do research, due diligence, and really investigate an idea or possibilities. The regional director or Invest Forward department can assist in direction, but the work should come from the field. If the local director does not answer the questions, we aren’t obligated to do the work for him.
3. When the Invest Forward team is satisfied with the submitted answers and possibility of success for the project, it is time to give the local director the Business Plan template. It is at this point where our involvement is important. Members of the Invest Forward team will be able to review the Business Plan as it is submitted, and ask questions for more complete answers that may require more research. This process allows each member of the Invest Forward team to give input and advice based on their knowledge and experience.
4. When the Business Plan is complete and accepted, it is time to submit the application for investment funds. The team will be able to assess the ministry’s financial solvency, long term debt, and ability to pay forward the investment. It may also be decided to have the TC center invest earnest money in the project.
5. When financial review and approval has been completed, a formal Invest Forward investment agreement will be completed and signed. Payment structure will be outlined and an amortization schedule will be attached. Funds will be wire transferred to the appropriate account.
6. GTC will require updated financial statements, pictures of the business or services provided, and ongoing dialogue during the entire period of investment. This will allow us to share successes and intervene at an early stage if there are difficulties or problems. The regional directors should be involved at this juncture, along with the assistance of the sustainability department.

**Mission**

Our Mission is to assist in the development and implementation of Micro-Enterprises for Teen Challenge centers worldwide.

**Vision**

Our Vision is to put hope within reach of every addict by assisting local Teen Challenge centers with business plans, funding sources and marketing strategies in order to become self-sufficient and empower individuals with skills that enable them to become productive individuals and break the poverty cycle.

**Core Values**

Integrity: “Living and working with excellence.”

Compassion: “Embracing hope, love, and reconciliation.”

Community: “Working together and supporting one another.”

Vision: “Seeing beyond the present.”

Stewardship: “Faithfully managing God’s call and resources.”

Faith: “Believing God for the impossible.”

Servanthood: “Dedicating ourselves to the success of others.”

**Invest Forward — Micro-Enterprise**

**Simple Business Plan Questionnaire**

1. What product or service do you believe is needed in your area that people would be willing to pay for?
2. What kind of training will it give to students?
3. How much would it cost to produce the product or service?
4. How much do you believe the product or service can be sold for?
5. How will you tell people about your product or service?
6. What is the cost to distribute this product or service to customers?
7. What other costs are associated with running your business?
8. How much will it cost to get your business started?
9. How much can you make above costs on your product or service?
10. Who will help you understand how to run this business?
11. Can you project how many units of your product or service you will sell in a month or a year?
12. Has your Board of Directors approved this project?
13. Are there any legal restrictions to establishing a for profit business to support your ministry?

**Invest Forward — Micro-Enterprise**

**Business Plan Application**

|  |  |
| --- | --- |
| **Section** | **Purpose** |

|  |  |
| --- | --- |
| **A.****Executive Summary** | * **Mission Statement**
* **Describe the business and its goals.**
* **List the skills and experience needed to start the business.**
* **What type of training is needed?**
* **Discuss why you feel there is a need for the business.**
* **Summarize your overall plans and strategy.**
 |
| **B.****Marketing** | * **Discuss the products or services you will offer and why they are needed.**
* **Identify the customer demand for your product/service.**
* **Identify your market, its size and locations.**
* **Provide an analysis of your competition.**
* **What are the distinguishing characteristics of your product or service?**
* **Explain how you plan to advertise and market your product/service.**
* **Explain the pricing strategy.**
* **Define how much market share you can gain.**
 |
| **C.****Financial Management** | * Explain the source and amount of initial capital needed to start this business.
* **Develop a monthly operating budget for the first year showing gross sales, expenses and net profit.**
* **Develop an expected return on investment and monthly cash flow for the first year.**
* **Provide projected income statements and balance sheets for a two-year period.**
* **Discuss your break-even point.**
* **Discuss who will maintain or advise you on your accounting records and taxes, and how the records will be kept.**
* **Provide “what-if” statements that address alternative approaches to any problem that may develop.**
 |
| **D.****Operations** | * Explain how you will manage the business on a day-to-day basis.
* Discuss hiring, personnel procedures, and training.
* Discuss insurance, lease or rent agreements, and issues pertinent to your business (i.e., transportation, fuel, office expenses, insurance, etc.).
* Account for the equipment necessary to produce your products or services.
* Account for production and delivery of products and services.
 |
| **E.****Conclusion** | * Summarize your business goals and objectives and why you are confident this will be successful. Attach pictures or other information that will help explain your venture.
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Business Plan Application

|  |  |
| --- | --- |
| Individual Completing Application | Full Address |
|  |  |
| Name of Ministry | Date |
|  |  |
| Street Address of Ministry |
|  |
| City | Country | State | County | Zip |
|  |  |  |  |  |
| Email Address | Website |
|  |  |
| President of Board | Address |
|  |  |
| Phone | Email |
|  |  |
| Name of Proposed Business | Date Established |
|  |  |
| Address |
|  |
| Website | Email | Phone |
|  |  |  |
| **USE OF INVEST FORWARD PROCEEDS:** | **AMOUNT REQUESTED FOR EACH:** |
| Land Acquisition | $ |
| New Construction/ Expansion Repair | $ |
| Acquisition and/or Repair of Machinery and Equipment | $ |
| Inventory Purchase | $ |
| Working Capital, employee training, marketing, etc. | $ |
| **Total Loan Requested** | $ |
| **Term of Loan Requested** (Length of time desired to repay the investment) |  |

|  |
| --- |
| **TOTAL CURRENT INDEBTEDNESS** |
| To Whom Payable | Borrower’s Name | Original Loan Amount | Outstanding Balance |
| 1. |  | $ | $ |
| # |  |  |  |
| 2. |  | $ | $ |
| # |  |  |  |
| 3. |  | $ | $ |
| # |  |  |  |
| 4. |  | $ | $ |
| # |  |  |  |
| **LEADERSHIP TEAM** |
| 1. Name:
 | Position: |
|  Address: | Email: |
| 1. Name:
 | Position: |
|  Address: | Email: |
| 1. Name:
 | Position: |
|  Address: | Email: |
| 1. Name:
 | Position: |
|  Address: | Email: |
|  |  |
| Signature of Teen Challenge Director | Date |
|  |  |
| Signature of Teen Challenge Board President | Date |
|  |  |
| Signature of GTC Regional Director | Date |
|  |  |
| Signature of Director of Sustainability | Date |
|  |  |
|  |  |