

IMPACT REPORT 2019-2021

A PRE AND POST PANDEMIC LOOK
AT THE IMPACT OF OUR WORK IN
THE LATINO COMMUNITY OF
SOUTH LOUISIANA



El Centro

**Empowering the Latinx community through
Financial Literacy and Entrepreneurial Training**



EL CENTRO WAS ESTABLISHED IN 2018 TO
MEET THE FINANCIAL WELLNESS NEEDS OF
THE GROWING POPULATION OF HISPANOS



A MESSAGE FROM OUR EXECUTIVE DIRECTOR

"Since the launch of programming in August 2018 I've worked tirelessly to ensure El Centro is taking the proper steps to close the racial wealth gap for the growing community of Latinos in South Louisiana. We are honored and I am humbled to be able to play a role in the financial and entrepreneurial wellness of those around me."

El Centro's growth has been fueled with a team of 6+ employees, 5 board members and 8 seasonal volunteers.

Our programming has evolved since inception, starting as appointments and workshops to responsive cohort programming to meet the changing needs of the community as they moved beyond the Pandemic with limited access to financial guidance and resources.

Our team guided clients in accessing PPP/EIDL loans to tax preparation accessing Child Tax Credits and stimulus payments through VITA.

Our services are vital to the wealth and financial stability of the community. This report shares our journey.

OUR MISSION IS TO EMPOWER THE LATINX COMMUNITY THROUGH CULTURALLY RELEVANT AND COMPETENT FINANCIAL LITERACY AND ENTREPRENEURIAL TRAINING IN SPANISH.

“ We are inspired by the mission, work and impact of El Centro and proud to serve an organization that's driving economic inclusion by supporting Latino entrepreneurs and increasing financial literacy in our community.”

- Marina Manzanares, JPMorgan Chase Bank, El Centro Board President

2021 IMPACT AT A GLANCE

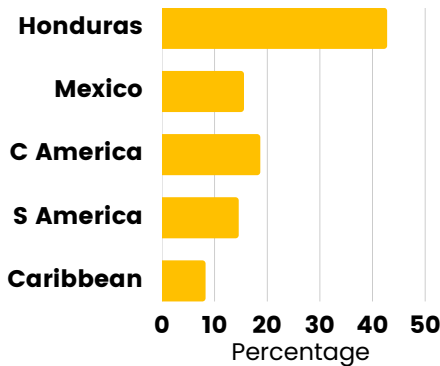
WHO WE ARE

El Centro meets its mission by providing individual consultations and small group workshops for both aspiring and established entrepreneurs as well as those interested in strengthening their financial and credit acumen. El Centro manages the only Latin business incubator in the state of Louisiana and serves as the only Latinx dedicated VITA site within 90 miles of the Greater New Orleans Area.



WHO WE SERVE

Countries of Origin



58%
Women 

60% **24%**
Jefferson Orleans

Add'l. Parishes Served
Ascension, Bienville, East Baton Rouge, St. Bernard, St. Charles, St. John the Baptist, St Tammany, and Terrebonne

Our customers have accessed

\$1,085,000
Small Business Loans

\$645,000
Personal Loans

El Centro is not a lender, we prepare our customers to be capital ready.

50%
Are Self-employed or Business Owners

32% **28%**
Age 25-40 Age 41-65

72% of customers reported income below the median household income \$43,000

Impact to Date (2018-2021)

187
Workshops

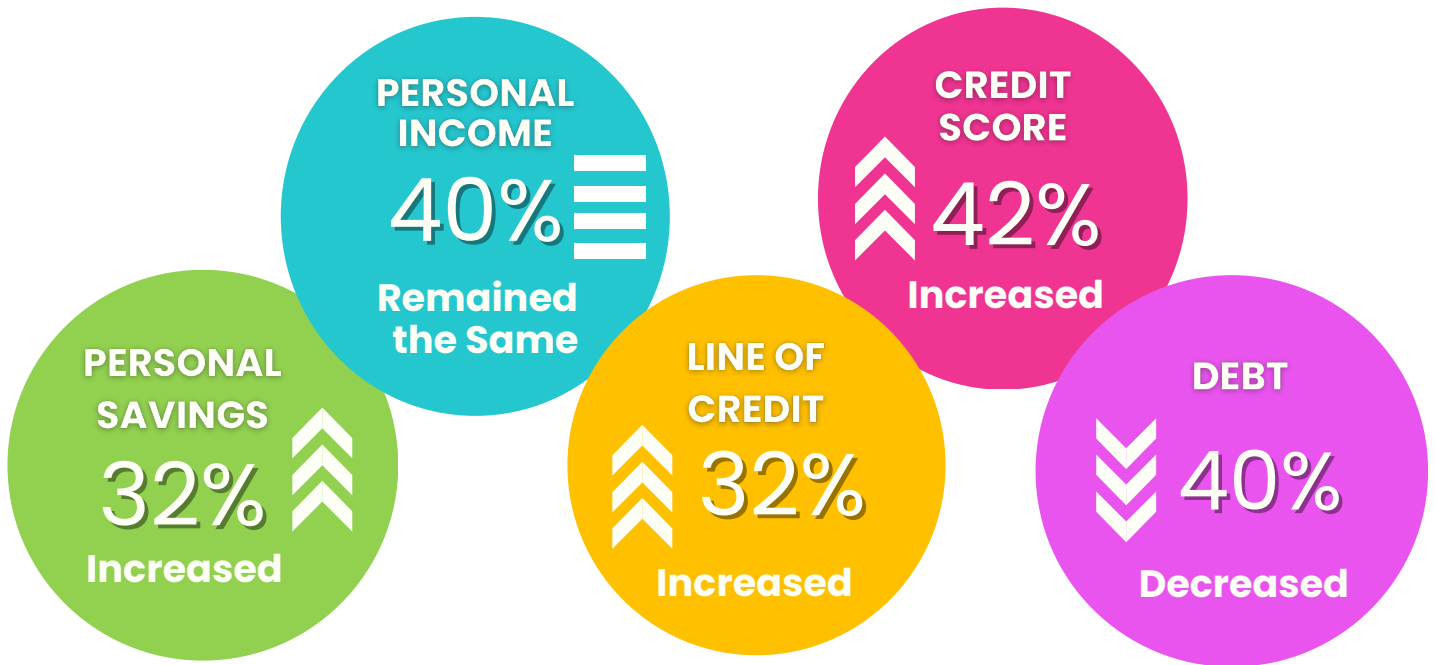
3,500+
Workshop Attendees

957
Coaching Appointments

144,483
Virtual Reach

Survey Says...

In 2022, we conducted an impact survey of 88 customers served between 2019 and 2021, the following was found:



On average El Centro clients valued the services they received at \$465.

La Ventanilla de Educación Financiera



El Centro received seed funding in 2018 from the Mexican Consulate for managing the Ventanilla de Educación Financiera (Financial Education Window). Over the past 4 years our commitment has included workshops, personalized financial coaching, and 30 minute *Capsulas* to address the immediate needs of the community during the pandemic. In 2020 we joined the National Financial Literacy Week for Mexicans in the Exterior hosting daily workshops. Since its launch the program has served more than 1311 individuals, had 67,066 views and reached 77,417 via Facebook Live.

“ We are proud of our alliance with El Centro and look forward to strengthening our partnership in perpetuity. ”

- Tito Livio Morales,
Consul General, Consulado de Mexico en New Orleans



COVID-19 Response and Impact

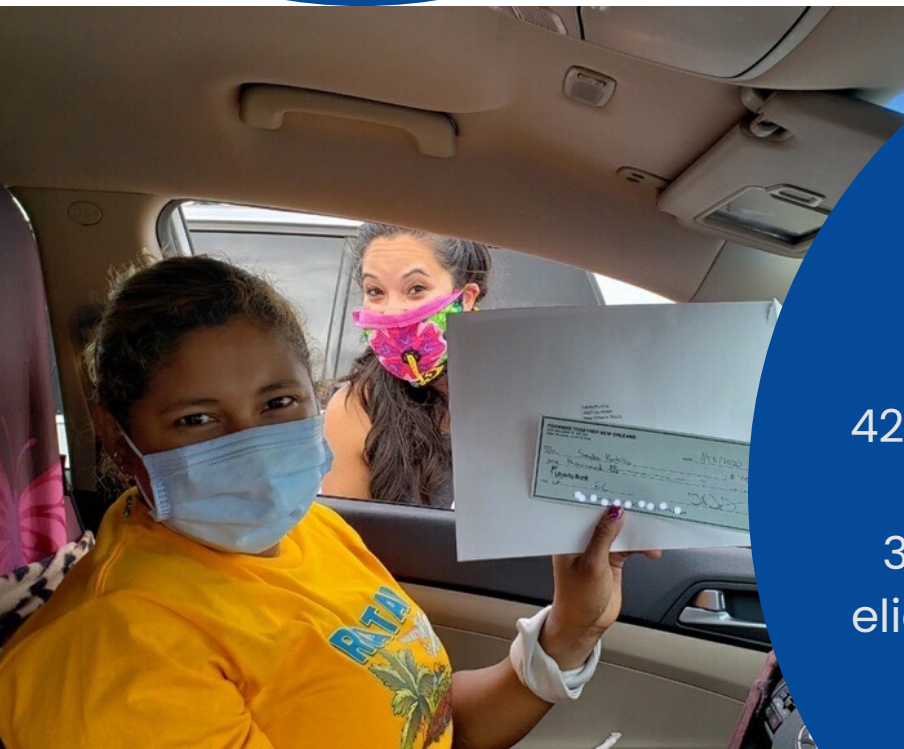
In 2020:

In El Centro's independent assessment of 60 entrepreneurs:

- 28% experienced a business closure;
- 73% reported losing work;
- 22% applied for a PPP loan, and
- 8.3% received one.

The COVID-19 pandemic disproportionately affected the Latino community of South Louisiana. In 2020, El Centro was instrumental in deploying **\$174,000** in microgrants to tax payers who were ineligible for federal financial assistance since they were ITIN holders.

- In collaboration with the Family Independence Initiative and UpTogether we were able to benefit 150 individuals with \$500 microgrants.
- In partnership with Forward Together New Orleans, 99 individuals received \$1000 microgrants.



Survey findings

86% of the businesses were interested in financing, but 42% did not know where to start

38% did not know if they were eligible for federal relief funding.

EMPODERATE NOLA

BIWEEKLY WORKSHOPS AND INDIVIDUAL CONSULTATIONS

El Centro hosts a variety of biweekly workshops that are designed to foster community. We provide an opportunity for interaction and idea exchange, as well as an interactive exercise related to the topic covered in each session. We host these workshops in our training space and cover the following topics:

- Achieving Financial Goals (Budgeting)
- What is Credit History and why does it matter?
- Starting a business:
 - First Steps (Legal Formation)
 - Preparing a Start-up Budget.
 - Developing Products and Services
 - Marketing Basics (P's of Marketing)
- Marketing 101: Creating a Customer Profile
- Social Media and your business (Part 1 and 2)
- What is financing and what are your options?
- From Idea to Concept using the Lean Canvas Model
- How to purchase a home with an ITIN

Workshops were 2 hours and shared via Facebook Live.

Since 2019, El Centro began partnering with the LSBDC of the Greater New Orleans Region and the Hispanic Chamber of Commerce of Louisiana to lead a monthly workshop on how to start a business.

2019

55 WORKSHOPS | 1,163 ATTENDEES
24,850 | VIRTUAL REACH
107 INDIVIDUAL CONSULTATIONS

2020

40 WORKSHOPS | 97 ATTENDEES
77,520 | VIRTUAL REACH
107+ INDIVIDUAL CONSULTATIONS

2021

46 WORKSHOPS | 590 ATTENDEES
22,994 | VIRTUAL REACH
205 INDIVIDUAL CONSULTATIONS



EMPODERATE NOLA

CLIENT SUCCESS: LYNDA & LUIS CLEANING SERVICES

Mariela Sarmiento, manager of Lynda & Luis Cleaning, is a Honduran native. Her family moved to the US in 1995 and established their business in 2004. Mariela is a former nurse, but after her mother was diagnosed with breast cancer, she stepped in to manage the family business. After her first appointment Mariela began applying the information gained to daily operations transitioning the operations from manual staff management into automated software systems and processes.



“ En el 2020, bajo el programa de EMPODERATE NOLA, nos ayudaron a tener acceso al EIDL loan, y en el 2021, despues del Huracan Ida, gracias a El Centro, logramos conseguir otro prestamo del SBA. ”

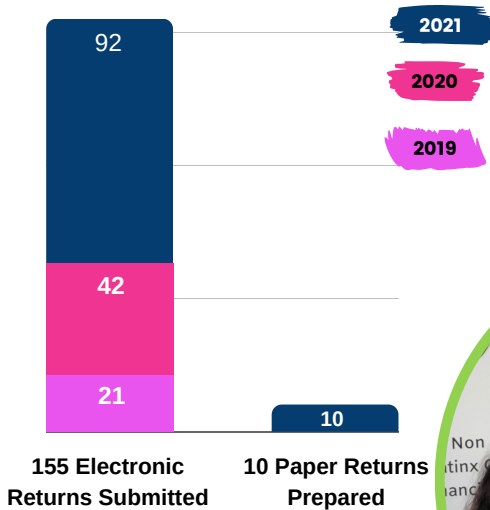
In 2020, Lynda & Luis Cleaning leveraged their coaching appointments under the Empoderate Program. "We received help to apply for the EIDL loan and in 2021 after Hurricane Ida, we were able to qualify for a second SBA loan."



2019 - 2021 Impact Report

- **OUR CUSTOMERS HAVE CREATED MORE THAN 350 JOBS THROUGH THEIR OPERATIONS.**
- **46% OF CLIENTS COME TO EL CENTRO IN SEARCH OF BUSINESS ADVICE**

VITALatin



165 Total Tax Returns Prepared

In 2020, El Centro launched a VITA site under the guidance of United Way Southeast Louisiana. The Volunteer Income Tax Assistance program is a service of the IRS for households whose income is below \$58,000 and targets limited English-speakers. 99% of El Centro's customers are Spanish speakers.

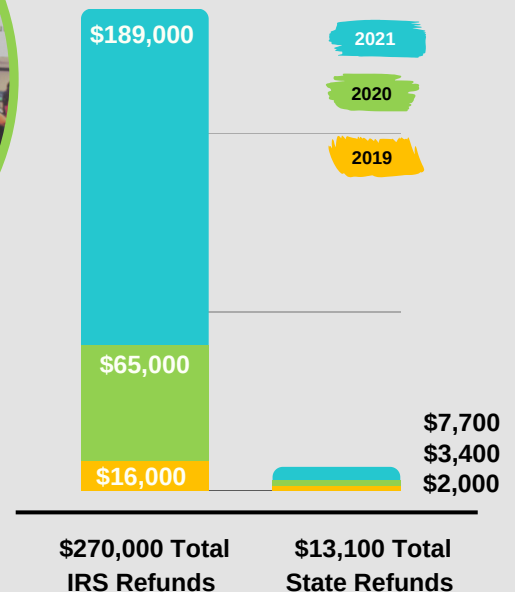
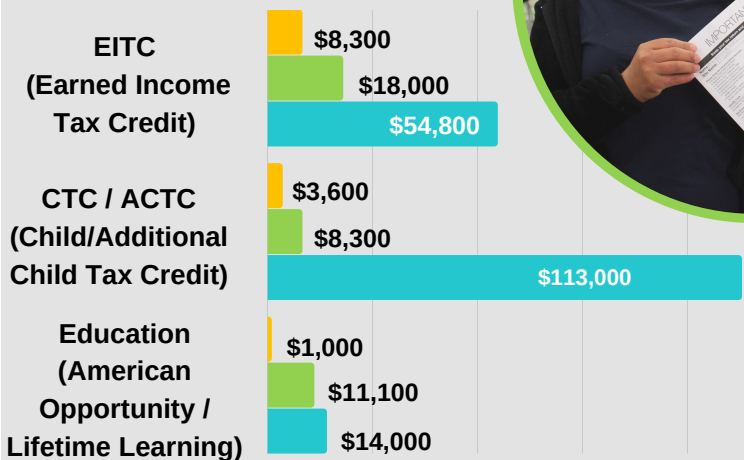


Since starting the program, our clients reported owing the IRS a total of \$41,000 and LA Dept of Revenue \$7,000. This is high compared to the average client income at about \$13,000. Why is this? 51% of our clients file with an ITIN which means tax credits that can help people cover their tax liability are not available to these filers. In fact, 72% of our clients were not eligible for Earned Income Credit, Child Tax Credit, Stimulus Payments, etc. 55% of our clients file as single (and therefore have the lowest Standard Deduction). Most importantly, 57% file Self-Employment income. People who file income from Self Employment generally have higher tax liabilities at the end of the year because they didn't have any taxes withheld throughout the year and they are required to pay their portion and the employer's portion totalling more than 15%

El Centro clients reported over \$1.5 Million in AGI

In 2021, the IRS refunded about 43% of total taxes withheld.

30% of VITA clients participated in other programs in the past year.



CAMINO FINANCIERO

8-week Financial Wellness Accelerator comprised of

- 4 2-hour workshops: Credit, Budgeting, Debt Management, Savings and Financial Products
- 2- 3 Financial Coaching sessions



65+ PROGRAM PARTICIPANTS

62

PROGRAM GRADUATES ALL COMPLETED SOFT CREDIT PULLS, CREDIT ACTION PLANS, PERSONAL BUDGETS , AND DEBT REPAYMENT OR SAVINGS PLANS

124 INDIVIDUAL APPOINTMENTS

248 HOURS OF TECHNICAL ASSISTANCE

“ Camino Financiero helped me understand how to strengthen my credit score so that I was finally able to purchase my home after being denied for two home loans.

-Pedro Quevedo”

Participants reported:

\$43,000+ Saved

30+ Established Credit

30+ Opened Checking and Savings Accounts



Homes Purchased



- 52% Female Head of Household
- 72% reported Annual Household Income below \$43,000
- 70% of program participants identified as Female
- 30% reported paying down debt during the program



Las Musas

In this series of monthly workshops, Latina business owners share their stories and experiences with one another with the ultimate goal of creating a community of support for burgeoning entrepreneurs. This program provides information and access to resources from partner organizations, encourages women to pursue their dreams, and educates them in current trends affecting businesses. Without Las Musas, this space does not exist for entrepreneurial Latina women in the New Orleans area.

Meet A Musa

Ixim Medrano, C.E.O. of Sirens Welding is a native of Nicaragua who moved to Louisiana in 2019 with her family. She found El Centro through the Hispanic Chamber of Commerce and became an active participant in the monthly program, Las Musas, since its launch in March of 2021. “Las Musas has helped me to have more confidence in myself, to interact with other people, other colleagues and other business women. I learn from them and I feel much more motivated, more confident, and I feel that I am growing little by little.” Ixim has grown her network locally and connected with like-minded women, and aspiring entrepreneurs. The monthly empowerment workshops helped her grow personally and gain confidence in business-making decisions as she continues working to achieve her business goals.



Ixim Medrano
Sirens Welding

51%

ENTREPRENEURS

18%

ASPIRING ENTREPRENEURS

59

PROGRAM PARTICIPANTS

PROGRAM PARTICIPANTS HAVE SELF IDENTIFIED AS BUSINESSES IN CONSTRUCTION, NONPROFIT, PROFESSIONAL SERVICES, MASSAGE THERAPY, FOOD AND BEVERAGE, EVENT RELATED, AND EDUCATION

LATINO BUSINESS SUMMIT

2019

Program for Aspiring and Established Entrepreneurs

1 Half Day Summit | 73 Attendees

Morning plenary session addressed the basics of credit, the participants split into 2 tracks of simultaneous panel discussions: startups and established businesses. Participants had lunch with community partners from the SBA, Wage and Labor Division, IRS etc. The program closed with a star studded Marketing Panel Discussion that included representation from Telemundo 42, VIVA NOLA Magazine, and La Calle 96.9 FM.



2020 Virtual Summit was produced by Television

Discussions were facilitated by local media outlets, Valeria Kawas (Telemundo 42), AnaMaria Bech (VIVA NOLA Magazine and Suplemento Show host, Claudia Shabetai.

2020

Virtual Business Summit - State of Latino Business

1 Half Day Virtual Event 1800 Views | 5700 Virtual Reach

Government panel discussion, Resource partner discussion and Entrepreneurial panel discussion. La Cumbre, The Entrepreneurial Summit is El Centro's signature event where we unite the most important resources and experts in our community in order to make relevant information more accessible to Latino entrepreneurs in South Louisiana.



FUNDING

Gracias, Thank you to our partners in economic opportunity. With your support El Centro is supporting the positive growth of the Latinx community in Southern Louisiana.

2019

B&G Foods
Business First Bank
Claudia Shabetai
Delia Templeton
Gloria Navarro
Grand Bank for Savings
Jenny Pastor
Loyola University of New Orleans
(Sponsorship)
Marla Donovan
Sandra Avalos
Wagner Rocha

2020

B1 Bank
CapitalOne Bank
City of New Orleans
Consulate of Mexico in New Orleans
Entergy of Louisiana
Federal Home Loan Bank of Dallas
Gloria Navarro
Hancock Whitney Bank
Kresge Foundation
Metairie Bank
NALCAB via UBS
Prosperity Now Convening Stipend
United Way of Southeast Louisiana
Xplore Federal Credit Union

2021

Business First Bank
CapitalOne Bank
Consulate of Mexico in New Orleans
Entergy of Louisiana
Hancock Whitney Bank
Ixim Medrano
LSBDC
LED EDA
Mariela Sarmiento
Metairie Bank
NALCAB via Wells Fargo
United Way of Southeast Louisiana
Urban League of Louisiana
WKKF Kellogg Foundation
Xplore Federal Credit Union

IN KIND

Caras & Faces
Colmex Construction
Golden Gate Bistro
Jambalaya News
Linduras
Metairie Bank
OPA Graphics
TeleVizion

IN KIND

Caras & Faces
Colmex Construction
Jambalaya News
VIVA Nola Magazine

IN KIND

Caras & Faces
Colmex Construction

MEET THE BOARD



Marina Manzanares
Board President
VP Senior Business Consultant
JP Morgan Chase



Lilly Fincher, CPA
Board Treasurer
Manager Tax Services Group
Postlethwaite & Netterville



Marlene Donovan
Board Secretary
Retired Federal Reserve Auditor



Tawanna Hardy-Ventress
Director
Business Consultant
GoBe



Rafael Rondon
Director
President and CEO
Tennessee Federal Credit Union

FINANCIAL STATEMENTS

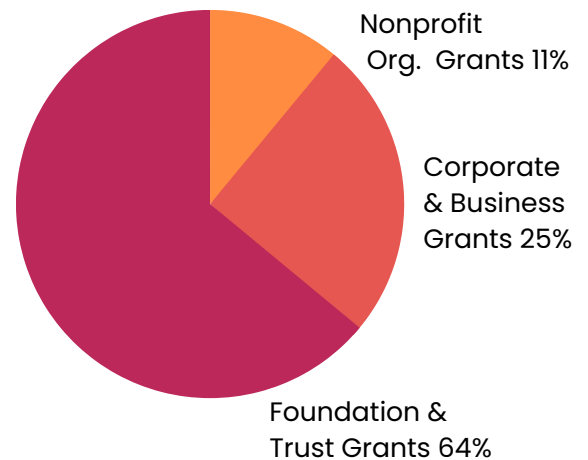
Below you will find financial statements for fiscal year 2021. El Centro strives to operate its mission with the highest degree of ethical business practices which includes rigorous and transparent financial reporting.

We are proud of our growth the last few years, but will continue to manage our revenues and resources wisely to build a sustainable future for our mission.

Statement of Activities

REVENUE AND SUPPORT	<u>FY 2021</u>
Revenue From Direct Contributions	\$13,879
Revenue from Non-Government Grants	\$140,000
Contributions - Support	\$153,879
Other Revenues	<u>\$35,390</u>
Total Revenue and Support	\$189,269
EXPENDITURES	
Advertising & Marketing	\$1,428
Fees, Services & Contractors	\$14,988
Facilities & Equipment	\$3,017
Other Expenses	\$11,279
General & Administrative	<u>\$100,000</u>
Total Expenditures	\$130,711
OPERATING INCOME	\$58,558.50

Revenue Sources from Non-Government Grants



Financial Position Data

	<u>December 31, 2021</u>
Total Assets	\$160,721
Liabilities	\$2,116
Equity	\$158,605
Total Liabilities & Equity	\$160,721

El Centro has both the support and financial backing of notable corporations in the communities in which we operate including CapitalOne, Hancock Whitney Bank, and the WKKF Kellogg Foundation. **Over 90% of our funding comes from non-government sources.** The chart above illustrates our long-term focus on building these sustainable relationships to fund our mission with the intention of closely partnering with the broader business community and aligning our programming to mutually benefit the Latinx community.



Empowering the Latinx community through
Financial Literacy and Entrepreneurial Training