

# BANCING ON OUR FUTURE: A LEAP PROPOSAL

## EXECUTIVE SUMMARY

The BaNCing for Our Future Program is a part of the College of the Canyons Basic Needs Center (BaNC) that will expand its services by creating a **community message board** on our website that allows us to match *new individual and small business donors* throughout our service area with students. Students who are currently enrolled part-time or full-time are eligible for assistance with their basic needs, including in-kind and cash contributions, such as grab and go food, clothing, including business attire, toiletries, temporary rental assistance, gasoline cards, mattresses, etc. This program will open new opportunities for donors and students, by providing a way for students to make anonymous requests and be matched with prospective donors for assistance with immediate needs.

**TARGET MARKET:** Given the fact that 66% of the students at COC require at least some form of financial assistance, the new Banc Message Board will allow us to better reach out to the 292,900 people who live in the Santa Clarita Valley to help our students in terms of directing specific donations to specific students. The proprietary website allows individual and major donors alike to be able to connect.

**PRODUCTS AND SERVICES:** The BaNCing for Our Future Program allows COC's existing BaNC to increase donations of critical need items without creating a duplicative, fragmented, redundant system.

**MARKETING AND SALES STRATEGIES:** Putting a face on the students in need is a major strategy. When we examine other donor-driven message boards, they all tend to have that personal touch, which increases donations. Working with the Associated Student Government, Public Information Office, Faculty and Staff, as well as BaNC staff, we can advertise the message board on campus and in the community. With proper SEO in place, our message board can also appear on COC's social media, local companies' social media, and even our students' social media accounts to ensure that our message is clear: Individual students are in need; people in the community can help.

**COMPETITIVE ANALYSIS:** Money, money, money — there is never enough of it for anyone, but how will the BaNC work to obtain it from new donors? One of our major competitors is the city of Santa Clarita's list of links for community organizations who do receive donations. In addition, the charitable entities also have individual websites that have been around for a long time that do have a proven track record of being able to solicit donations. Their social media accounts also tend to flood the market. Our strength, however, is that we have relatively small needs that can impact large numbers of people.

**FUNDING AND BUDGET ALLOCATION FOR THE PROCESSES AND OPERATIONS:** Because all work on the message board can be done in-house, there are no costs associated with this project.

**HOW THE BUSINESS PLAN WILL BE IMPLEMENTED:** The director of the BaNC, in combination with the LEAP team, will implement the program by redesigning the website and creating the message board.

## **College of the Canyons**

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Hours: M-Th 9am- 6pm, F 9am - 1pm

*Sarah Cox, Director, Student Resources and Basic Needs/Student Services*

## **BUSINESS**

The BaNCing for Our Future Program is a part of the College of the Canyons Basic Needs Center (BaNC) that will expand its services by creating a community board on our website that allows us to match donors, throughout our service area, with students. Students who are currently enrolled part-time or full-time are eligible for assistance with their basic needs, including in-kind and cash contributions, such as grab and go food, clothing, including business attire, toiletries, temporary rental assistance, gasoline cards, mattresses, etc. This program will open new opportunities for donors and students, by providing a way for students to make anonymous requests and be matched with prospective donors for assistance with immediate needs.

## **PROBLEM ANALYSIS**

By Spring of 2022, the college had only 19,089 total enrolled students, states the Community College Review. In addition, the review notes that more than 66% of the students at COC require at least some form of financial assistance despite the relatively low cost of tuition for California Community Colleges. Despite the decline in enrollment rates, it is clear that increasing numbers of students will need access to the Basic Needs Center.

While COC is the only community college participating in the PLACE Project (Partnerships for Listening and Action by Communities and Educators) and is focusing on potential of building on campus student housing in the future, the student population is facing needs today. While some people believe that the pandemic may be over, the fact that it is currently on the rise again throughout LA County poses continuing problems for students who are in need. It is not certain at this time whether students will continue to suffer from the economic impacts of COVID-19, but they will certainly be impacted by the rising inflation rates, including dangerously high prices of gasoline and food. Therefore, it is more important now than ever that the BaNC increase its

matching program to ensure that individual students will have their basic needs met.

At the same time, charitable giving has radically declined in the past several years, particularly in the wake of the COVID-19 shutdowns and rising inflation rates. While wages have grown, they have not kept pace with inflation. This problem will likely continue, which means that purchasing power will continue to decline. Many economists predict a recession within the next 12 to 24 months. This economic downfall could have a profound effect on charitable giving. Historically, individuals contribute approximately two percent of personal income. However, if individuals see they have less disposable income, some will likely donate less. This will likely be less of an issue for wealthy individuals, since they find themselves better positioned to cope with inflationary challenges.

Furthermore, the “Great Resignation” has strongly impacted all major employers, including COC. The fact that COC (like most companies) is also facing shortages in staff in critical needs areas, such as the Foundation, Human Resources, and the BaNC itself, demonstrates the fact that the need for assistance is all the greater.

## **SOLUTION**

The best solution for the problem is to increase our offerings to the COC student population without adding stress to our existing workforce and to our major donors. The BaNCing for Our Future Program allows COC’s existing BaNC to increase donations of critical need items without creating a duplicative, fragmented, redundant system. Instead, the creation of a proprietary website that allows individual and major donors alike to be able to connect, will increase productivity and strengthen the ability to assist students both in an emergency and an on-going fashion. To boost our ability to match students to donors (large and small), the BaNC can better focus on specific and more productive outreach via the improved, proprietary website, emails, social media, internal promotion through PIO and various campus newsletters, direct mail, and the matching gift database. By allowing students to discuss their needs (without breaking FERPA regulations), the BaNC can better attract donors. For instance, a student athlete can discuss their ongoing challenges to have enough food to eat, which is affecting their ability to concentrate in classes and do their best on the team has far more pathos than merely seeing that students in general need food donations. The human face of the community board will drive increased donations, ensure that student privacy is maintained, and allow BaNC staff to more effectively distribute resources to students in need.

## **TARGET MARKET**

College of the Canyons is located in Valencia and Canyon Country, California. In 2022, the Santa Clarita Community had a population of 292,900 people. The Santa Clarita Valley (SCV) is conveniently located next to Interstate 5 and Highway 14 and is home to the 3rd largest city in Los Angeles County, the City of Santa Clarita. The SCV is a growing area encompassing 520 square miles with a population of approximately 300,000 residents. Population growth is expected to average 0.8 per year with anticipated growth of 22,000 residents by 2023.

The average household income in the Santa Clarita Valley is high. In 2021, the median household income in the Santa Clarita Valley was estimated at \$113,800. Across California, the median household income was \$82,100. Incomes in the SCV are high because the local labor market is concentrated in high-wage fields. A large proportion of its residents work in high-paying fields such as engineering, manufacturing, and management, which pay above-average salaries.

In February 2022, the median home price in the Santa Clarita Valley was \$806,000, an increase of 15 percent

over the last 12 months. Price appreciation is volatile but appears to be on a downward trend, which is good news. Although homes in the SCV are still affordable because households in the area have relatively high incomes, statewide affordability is becoming strained. As of February, there were only 349 single-family homes for sale. Two years ago, there were 417 homes on the market.

Apartment rents continue to rise, reaching an average of \$2,403 per month in the first quarter of 2022. Apartment rents are now rising exceptionally fast, up by 14 percent on a year-over-year basis. The vacancy rate has averaged 2.7 percent in the first quarter, and it is estimated that there are only 411 vacant apartments across the entire Santa Clarita Valley.

In terms of education, more than 70% of local residents ages 25 and above have at least some college education under their belts, with 37.4% having a four-year degree or higher.

Given the high income levels and relatively high rates of education, it would appear that there is no real need for the BaNC at all. Despite these numbers, however, the fact remains that homelessness and food insecurity is targeting increasing numbers of COC students. The cost of housing alone is driving students away from college attendance. With looming inflation and decreased spending power, more students than ever will face a gap in terms of their ability to attend college.

RANK	COMPANY	# OF EMPLOYEES
1	Six Flags Magic Mountain	3200
2	Princess Cruises	2177
3	College of the Canyons	2115
4	Henry Mayo Newhall Hospital	1982
5	William S. Hart Union School District	1923
6	Saugus Union School District	1612
7	US Postal Service	1010
8	Boston Scientific	900
9	City of Santa Clarita	879
10	Newhall School District	785
11	The Master's University	765
12	Wal-Mart	705
13	California Institute of the Arts	700
14	Woodward HRT	680
15	Quest Diagnostics	660
16	Advanced Bionics	581
17	Scorpion	533
18	Wesco Aircraft	500
19	ITT Aerospace Controls	475
20	US Healthworks	451
21	Contractors Wardrobe	450
22	Q2 Solutions	405
23	Landscape Development Inc.	400
24	Aerospace Dynamics International	398
25	Pharmavite	371

Home price appreciation observed year-over-year remains high but has clearly moderated in the Santa Clarita Valley over the last 6 months. Across California, the housing affordability crisis has become severe, and a continuation of rising home values will be problematic. Homes in the Santa Clarita Valley are still (relatively) affordable because of the area's high household income. Apartment rents are now at the highest levels observed since the turn of the century, and vacancy rates remain low. Residential construction activity in the City of Santa Clarita is below the levels observed in 2019 and 2020. After plummeting in the fourth quarter of 2021, industrial vacancy rates have reached new lows this quarter. Lease rates have jumped significantly year-over-year, depicting a very tight market for industrial real estate in the current economy. As the most recent pandemic wave abates, more workers are returning to the office, resulting in what we believe is the beginning of a stabilization of office vacancy rates. The retail vacancy rate dropped in the first quarter following the end of the holiday shopping season.

# MAJOR EMPLOYERS IN THE SCV

SOURCE: <https://www.santa-clarita.com/city-hall/departments/community-development/demographics/annual-economic-indicators#:~:text=LARGEST%20EMPLOYERS,and%20the%20local%20school%20districts>

Total employment in the Santa Clarita Valley is slowly recovering from the pandemic recession during the spring of 2020. The region needs to regain another 4,000 jobs to reach a full recovery. The speed of this recovery will largely depend on a full return of the labor force. A small seasonally normal increase in the unemployment rate was observed in the region during January 2022. Labor markets are effectively at full employment in the region.

Although we have a significant number of major employers (see Figure 1 below), the fact is that the majority of the community are higher wage earners who have the capacity to give, even if on an irregular basis. Tapping into small businesses, particularly ones that have been assisted by the on campus SBDC, has an almost unlimited potential. Major donors are still needed, but there is enough diversity to embrace donors of all sizes, who can use their in-kind and cash donations for tax deductions at least through the end of 2022.

In fact, since the factor for determining the benefits of charitable giving for tax purposes is determined by the annual standard deduction amount (which has more than doubled since 2017, it would at first appear to be a problem. Most single tax filers could claim that standard \$12,950 deduction. However, a sizable portion of the residents of the SCV file itemized deductions, which allows those individual givers to use the combination strategy of using 30% of their adjusted gross income (AGI) for contributions of non-cash assets if held for more than one year and 60% of AGI for contributions of cash. In addition, individuals can carry the deduction limits if in excess of those limits for at least five subsequent tax years.

Therefore, the best target donors are individuals in the SCV who make at least the median average income or more who tend to take advantage of the combination approach to charitable giving. In addition, individuals who own a small to medium sized company, and/or work for certain major industries may provide the BaNC with greater access to company matching funds.

While there is a large amount of competition for donors in the SCV, ensuring that students have “a face” will increase both the visibility of need and pathos.

# SWOT ANALYSIS

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> <li>● Placing a human face on it.</li> <li>● We can reach a new donor set better.</li> <li>● We can use our existing staff (ie COC employee donors) and clubs to donate more if they know the need.</li> <li>● We are the local college for the community although we do compete with AVC, LA Mission and other LACCD schools.</li> </ul>	<ul style="list-style-type: none"> <li>● Can't reveal too much about a student. We are not like the charities that "adopt a student".</li> <li>● Websites get lost in the cacophony of sound. We have to break the sound barrier.</li> <li>● The present website doesn't tell the story enough.</li> </ul>
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> <li>● Can help more students more immediately</li> <li>● Decreased service times</li> <li>● Decreased staff time</li> <li>● Higher impact for the neediest students</li> </ul>	<ul style="list-style-type: none"> <li>● Inflation</li> <li>● Reduced amounts of charitable giving</li> <li>● Increasing loss of investment interest (i.e., stock market)</li> </ul>

## COMPETITION

Money, money, money — there is never enough of it for anyone, but how will the BaNC work to obtain it from new donors? One of our major competitors is the city of Santa Clarita’s list of links for community organizations who do receive donations. In addition, the charitable entities also have individual websites that have been around for a long time that do have a proven track record of being able to solicit donations. Their social media accounts also tend to flood the market. Our strength, however, is that we have relatively small needs that can impact large numbers of people. The rising rate of inflation, reduction in household spending, and reduced amounts of charity also harm us given the incredible costs of gas and normal household goods. Other charities are also competing for the same dollars we are. Despite that competition, however, we do have a good opportunity to “sell” the idea of helping needy students to specific employers, College of the Canyons staff (including faculty, administrative, classified, and facilities), the ASG, campus clubs, small local businesses, and individuals in the community on the idea of helping individual students.

## MARKET DIMENSIONS

The dimensions of our market are rather extensive. They include every working member of the Santa Clarita who might be willing to invest in our students. Realistically, our market includes small to large-sized companies that will need a trained workforce, people who know students at COC (such as faculty, classified and facilities staff, ASG, student clubs, and alumni), and generous donors within the Santa Clarita. Since we have two kinds of customers: Donors and students, we need to have the ability to serve both populations. For our donors, we will need to provide them with three forms of incentives:

1. IRS tax letters to “prove” their donations and allow them to write off their donations on their taxes.
2. Thank you letters mailed to them upon receipt of their donations.
3. A public thank you on the message board to encourage them to continue to donate and to recognize their contributions.

In terms of our students in need, we will need to:

1. Create the message board, so that their needs can be advertised.
2. A just and equitable system of determining a way to rank their needs and distribute funds and items.
3. A way to inform the students that their needs have been met.

We must ensure that people understand that despite reduced enrollment, need is on the rise in a post-Covid world. The COC BaNC offers any currently enrolled student at College of the Canyons the opportunity to receive basic needs services. The BaNC currently services approximately 500 students per week in the following ways:

- Food services
- Hygiene products
- Emergency grant funding fontal assistance, transportation assistance, groceries, medical assistance, and utilities.
- School supplies
- CALFRESH assistance, etc.

# **INTELLECTUAL PROPERTY**

The intellectual property will be our proprietary donor matching community board.

NOTE: What will prevent others with more resources from copying us if we are successful? Patents? First mover advantage? Trade secrets?

## **MARKET ENTRY**

### **HOW WILL WE GO TO MARKET? HOW WILL WE ATTRACT AND RETAIN CUSTOMERS?**

- Better advertising for students
- We can reach out to the student run newspaper (PawPrint?) and ask them to do an article about the new website. We can also ask them to put the article online so that people can click through to our site.
- We can also have signage printed with a QR code so that students have immediate access to the site. This signage can be placed around the BaNC, in gathering areas like the cafeteria, library, or any other area where students gather.
- We can reach out to faculty and ask them to list our website on their syllabi each semester, and have a poster in their classroom as well.
- BaNC can present at upcoming Chancellor's Circle Business Briefings, which are bi-monthly presentations to local business owners. Can also present at Foundation Board meeting and maybe Board of Trustee meetings.
- The Foundation can put information in our publications that go out, including monthly e-newsletters, quarterly mailed newsletters, and they could do a special postcard to anyone who has donated in the past 2 years.
- Increase Social Media Presence
- Reach out to PIO for a press release and connecting to local media outlets. Maybe also add something to the Marquee.
- Inflation
- Lasting impact of pandemic (declines in enrollment, loss of poverty-stricken students, fewer donors, etc.)
- Competition with other charities - we are not the only college offering undergraduate programs locally

- some people won't believe students go hungry, etc.

## TEAM

**Shawna Lubs, Director of Operations and Marketing Communications (Foundation)** - I oversee the Foundation which gives me a unique opportunity to promote this project to local business owners and other individuals in the community who may be interested in becoming donors. In addition, I am well versed in the variety of ways the campus approaches marketing, and can assist in getting the word out to both students and donors.

**Sally Rowland, Director, Technology User Support Services** - I oversee the Computer Support Services department, which is comprised of the technology help desk, computer technicians, and audio-visual technicians. My ability to use technology as a tool to promote and engage users enabled me to contribute to input regarding web design and the framework for building a web based platform to post BaNC needs.

**Jocey Hogan, Client Relations Liaison, Employee Training Institute** – I work with many large and small manufacturing and other companies in Santa Clarita to provide training for their employees to help better their positions within their organizations, while improving productivity, efficiency and profitability for the employer. My position will allow me to introduce our message board to those companies, inspire them to donate and encourage them to share it with their employees.

**Renard Thomas, Director of the Veterans Resource Center** - has been a permanent employee with the College of the Canyons since 2000. He started with the college as a VA Work-study in 1998 and has moved up in leadership to his current role as Director of the Veterans Resource Center. Since becoming Director, Renard has continually gone above and beyond for fellow veterans.

**Sarah Cox, Director Student Resources and Basic Needs** - I oversee the Basic Needs Center which connects students with resources available, both on-campus and in the community, that will address students' basic needs so they can remain focused on education. Through collaborative partnerships and a trauma informed approach, the Basic Needs Center can remove the barriers, which adversely affect the ability of students to progress in their academic and professional growth.

**Linda Beauregard-Vasquez, Adjunct English Teacher** - Today, she brings civic engagement, problem-based learning, and service-learning to the classroom. She currently serves on the Multicultural Advisory Council and the Academic Senate Curriculum Committee for COC, continues to work in politics by creating and helping to pass legislation, and working with grassroots organizations. Additionally, she is the owner of multiple small businesses and am a national business management consultant.

## FINANCIAL PROJECTIONS

The College of the Canyons Basic Needs Program was funded initially by the Hunger Free Campus Initiative, which was included in the 2018 California state budget to help colleges address the hunger needs on their campus, however this funding is non-recurring and must be spent by June 30, 2020, according to COC officials. The initial funding was used to stock their shelves and get the operation up and running with things like computers to capture data to provide resources to students, help them with signups, community outreach and other services that are [LBV1] available. Partnering with the Associated Student Government, the BaNC initially opened March 25, 2018 at their location at the Student Center, and as of April 11, 2018 it had already serviced 314 students. The BaNC currently issues more than 51,000 in emergency grants.

