

2011 California Micro Industry Census



California Association for
Micro Enterprise Opportunity

Contents

1	Definitions.....	4
2	Executive Summary.....	5
3	Materials and Methods.....	6
4	Analysis.....	7
4.1	Evaluating Income Levels.....	7
5	Discussion.....	8
5.1	Clients Served.....	8
5.2	Demographics.....	8
a)	Race and Ethnicity.....	8
b)	Gender.....	9
c)	Low-Income Families.....	10
5.3	Businesses Served.....	10
5.4	Employment.....	11
5.5	Microloans.....	12
a)	High Production Lenders.....	14
b)	Medium Production Lenders.....	14
c)	Low Production Lenders.....	15
5.6	Serving Rural Communities.....	16
6	Conclusion and Future Study.....	17
7	Appendices.....	18
7.1	Respondents.....	18
7.2	Complete Survey Questions.....	20
a)	Program Profile.....	20
b)	Microfinance Products and Services.....	21
c)	Business Development Services.....	22
d)	Demographic Information.....	22
e)	Low-Income Measures.....	23
f)	Business Development Service Performance.....	25
g)	Microfinance Volume.....	25
h)	Microfinance Performance.....	26
i)	Organizational Information.....	26
j)	IDA Volume.....	28

k)	Small Business Volume.....	29
l)	Leveraged, Packaged and Guaranteed Loans.....	29
m)	Time Spent on Lending vs. Training	29
n)	Client Outcomes	30
o)	Wrap-Up	30
7.3	CAMEO Required microTracker Questions:.....	31
7.4	Micro-Businesses in California	32

CAMEO

As advocates for low-income women in the early 1990's, Mimi Van Sickle, Sheilah Rogers, Debi Clifford and Forescee Hogan-Rowles quickly realized that public policy was inadequate for the needs of their clients. What was born as an advocacy organization to change the rules for the benefit of their clients quickly grew into a voice for all Californians seeking to change their lives and communities through entrepreneurship; CAMEO was born.

Mission

To grow a healthy, vibrant, thriving environment for all entrepreneurs and start-up businesses by advancing the work of our statewide member network.

Vision

To create economic opportunity for all entrepreneurs, to build wealth and strong California communities.

March 12, 2013

1 Definitions

Business: An individual or organization that has made sales or taken steps to formalize their business, including receiving a business license or filing a Schedule C, 1065, LLC or LLC Hybrid, or a corporate return.

Business Development Services (BDS): Non-financial resources which include: training and technical assistance; access to markets services; technology services; and, a wide array of other resources designed to help entrepreneurs start and grow their businesses.

Client: Someone who received a significant level of service, as defined by the respondent.

Existing Business: A business in operation for more than 12 months at time of intake.

Individual: someone who received any level of service from a respondent.

Lender: An organization or company that makes loans, which may or may not include microloans, small business loans, or any other type of loan.

Low-income Family: A family whose income does not exceed 80 percent of the median family income for the area, as defined by the US Department of Housing and Urban Development (HUD).

Micro-business: A company employing no more than 5 employees. Micro-businesses make up an estimated 88% of all businesses in California.

Micro-business industry: All organizations that supply microloans or provide business development services in support of micro-businesses.

Microlender: An organization that makes microloans to businesses. They may or may not make larger loans as well.

Microloan: a loan up to \$50,000 made to a business.

Small Business Loan: a loan greater than \$50,000 made to a business. Usually made to more established businesses.

Start-up Business: A business in operation for less than twelve months at time of intake.

2 Executive Summary

CAMEO has 74 members total; 57 of which provided at least some response to our annual survey – a response rate of 77%.

Many CAMEO members reported a decline in the number of clients served in 2011. Altogether, members provided a significant level of service to 24,157 clients in 2011, a 10% decline from 2010, but a 4% increase from 2009.

Caucasians made up a larger portion of the client base in 2011 than 2010; 40% of CAMEO member clients were Caucasian in 2011, compared to 28% in 2010. The CAMEO client base was 58% female in 2011, continuing the roughly 60/40 ratio seen in previous years. Over half (52%) of the clients served by CAMEO members were low-income.

The number of businesses served has held relatively steady, while the number of clients served has declined. The number of employees supported by CAMEO member programs and the number of jobs created have remained relatively flat over 2011, an improvement over the declines seen from 2008 to 2010. As California exits the recession, these numbers may rise as businesses hire new employees.

Lending has increased, both in number and volume, with CAMEO members making 1,544 loans in 2011 for a total value of \$17,349,048. The size of the average loan has increased slightly over the five years of the census, from \$10,849 in 2007 to \$11,236 in 2011. These numbers are expected to continue to rise, as lenders continue to increase the efficiency of their microlending programs and as the economy continues to improve.

Clients Served	24,157
<i>People of Color Served</i>	<i>60%</i>
<i>Women Served</i>	<i>58%</i>
<i>Low-Income Households Served</i>	<i>52%</i>
Employees Supported	36,822
<i>Businesses Served</i>	<i>21,075</i>
<i>Jobs Created</i>	<i>8,350</i>
<i>Jobs Retained</i>	<i>7,397</i>
Volume of Loans	\$17,349,048.00
<i>Number of Loans</i>	<i>1,544</i>
<i>Average Loan Size</i>	<i>\$11,236</i>

3 Materials and Methods

The 2012 Survey was conducted in partnership with the Aspen Institute's FIELD program, and utilized their microTracker online software, a national survey of the microenterprise industry. All information submitted by survey respondents is publically available on their site, www.microtracker.org, and aggregate data is available at both the national and state levels on a variety of topics, including client demographics and loan volume.

The survey consisted of 74 questions (see Section 7.2) grouped into 16 sections:

1. Program Profile
2. Microfinance Products and Services
3. Business Development Services
4. Demographic Information
5. Low-Income Measures
6. Business Development Service Performance
7. Microfinance Volume
8. Microfinance Performance
9. Organizational Information
10. IDA Volume
11. Small Business Volume
12. Leveraged, Packaged and Guaranteed Loans
13. Time Spent on Lending vs. Training
14. Client Outcomes
15. Wrap-Up
16. Additional Outcomes

Questions were displayed or hidden depending on respondents' answers, so not all survey takers were required to answer all questions; for example, an organization that provides no microfinancing would not be asked questions about microloan volume. We identified 13 key questions on the survey, and focused our outreach and analysis accordingly. (See Section 7.3) Microlenders were asked all 13 questions, while business development service providers were only asked 7.

The survey was distributed to 74 member organizations, 57 of which provided at least some data, a response rate of 77%. See Section 7.1 for a full list of participating organizations.

4 Analysis

We computed the estimated value of nonresponding CAMEO members by multiplying the median value of each question by the number of non-responders. This amount was then added to the original total to obtain the adjusted industry figures cited in this report.

Example – How many clients did you serve in FY2011?

49 CAMEO members responded to the question, and served a total of 20,057 clients. The median organization served 164 clients. There were 25 nonrespondents (74 - 49), serving an estimated 4,100 clients (25 x 164). The adjusted number of clients served is therefore 24,157 (20,057 + 4,100).

4.1 Evaluating Income Levels

Three common measures of evaluating the income level of incoming clients/individuals were used in this year's survey:

- the federal Health and Human Services (HHS) Poverty guidelines,
- Housing and Urban Development (HUD) Local Median Income, and
- Temporary Assistance for Needy Families (TANF) status.

Respondents supplied HUD information significantly more often than either of the other two measures; with one exception, everyone who supplied information on other measures supplied information on HUD level as well. We will therefore concentrate our discussion and analysis on that measure.

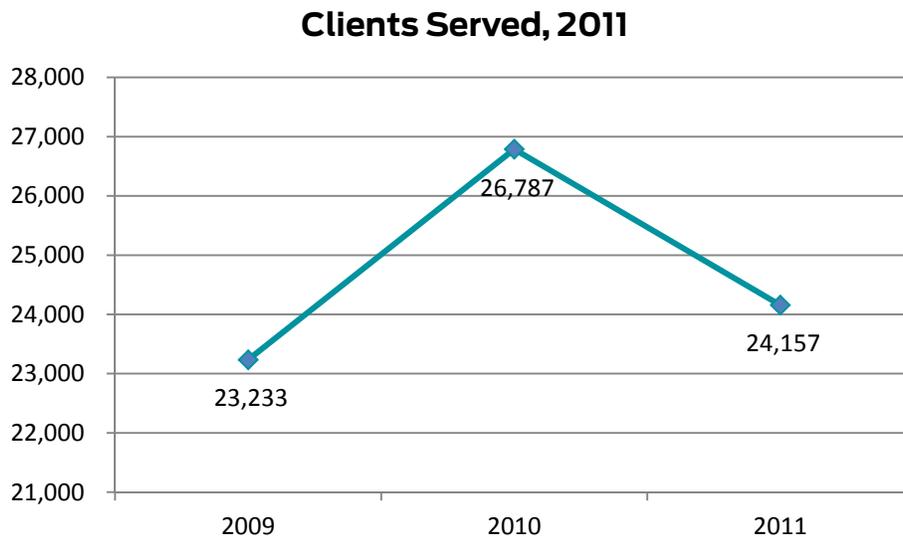
HUD defines low-income families as families whose incomes do not exceed 80 percent of the median family income for the area.

5 Discussion

5.1 Clients Served

Many CAMEO members reported a decline in the number of clients served in 2011.

Altogether, members provided a significant level of service to 24,157 clients in 2011, a 10% decline from 2010, but a 4% increase from 2009.



	2009	2010	2011
Clients Served	23,233	26,787	24,157
Growth over previous year	--	15%	-10%

This decline may be due to the expiration of funds from the American Recovery and Reinvestment Act (ARRA) of 2009, which supported an expansion of services aimed at self-employment. Some high performing organizations also ended operations in 2011 due to a loss of funding, further affecting the number of clients CAMEO members were able to serve.

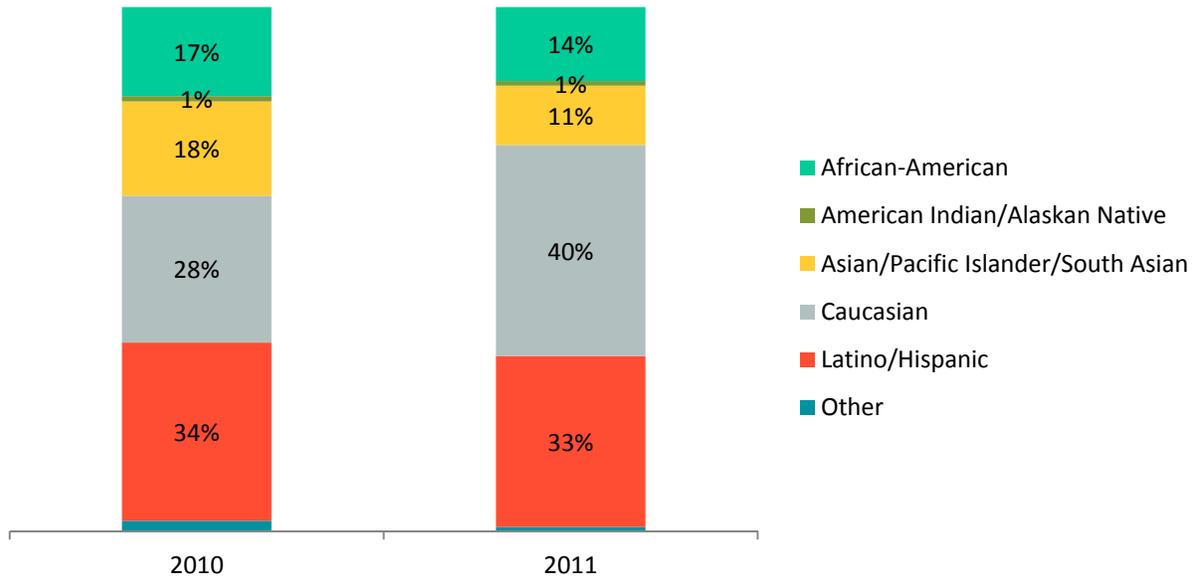
5.2 Demographics

a) Race and Ethnicity

Respondents were asked to supply race and ethnicity information for their clients or individuals in the following categories:

- African-American/African Born
- Latino/Hispanic
- Native American/Alaska Native
- White/Caucasian
- Asian/Pacific Islander/South Asian

Ethnicity/Race, 2010-2011

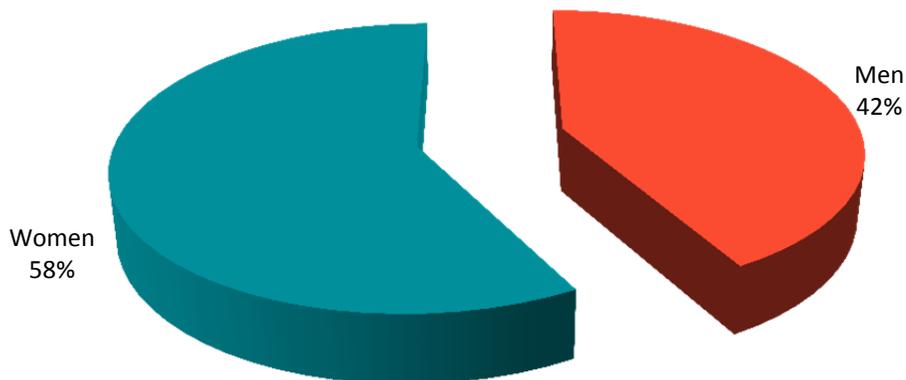


Caucasians made up a larger portion of the client base in 2011 than 2010; 40% of CAMEO member clients were Caucasian in 2011, compared to 28% in 2010. The Asian/Pacific Islander client base made up less of the base, dropping to 11% of the population versus 18% in 2010.

b) Gender

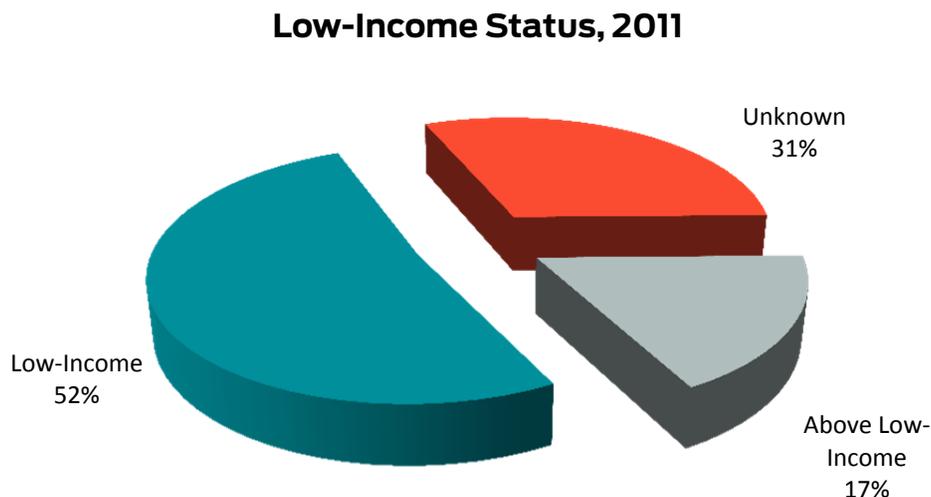
The CAMEO client base was 58% female in 2011, 42% male, continuing the roughly 60/40 ratio seen in previous years.

Gender, 2011



c) Low-Income Families

Over half (52%) of the clients served by CAMEO members were from low-income households, while only 17% were above low-income. The income status of the remaining 31% was unknown.

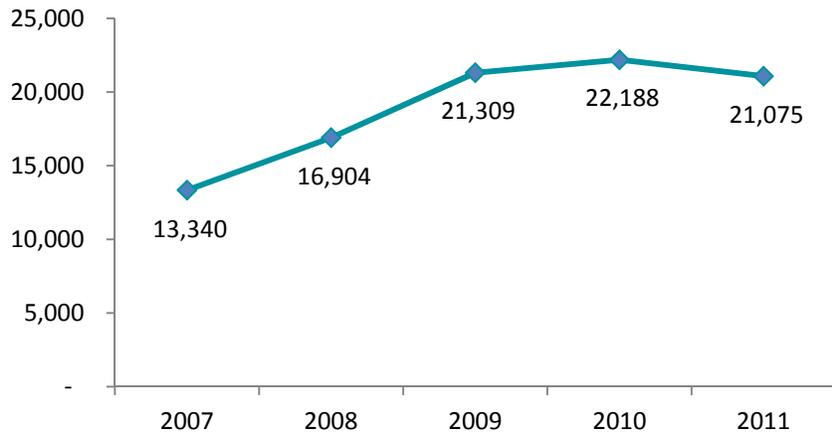


5.3 Businesses Served

CAMEO members served a total of 21,075 businesses in 2011, including established businesses and ones formed during the year. This is a 5% decrease from 2010's reported 22,188; however, numbers are up significantly from 2007, the first year for which data is available. This expansion was due in large part to an influx of funds from the American Recovery and Reinvestment Act (ARRA) of 2009, which allowed many organizations to grow their programs. Although ARRA funding has since expired, many of the changes it fostered have enabled CAMEO members to maintain their increased capacity.

The median number of businesses served was 197.

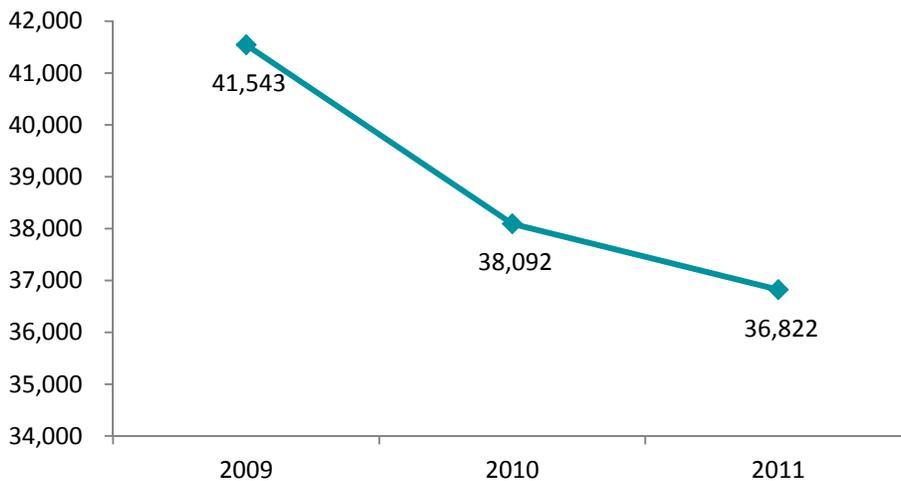
Total Businesses Served, 2007 - 2011



5.4 Employment

CAMEO members reported their clients employed 36,822 employees in 2011, a 3% decline from 2010, and a 13% decline from 2009.

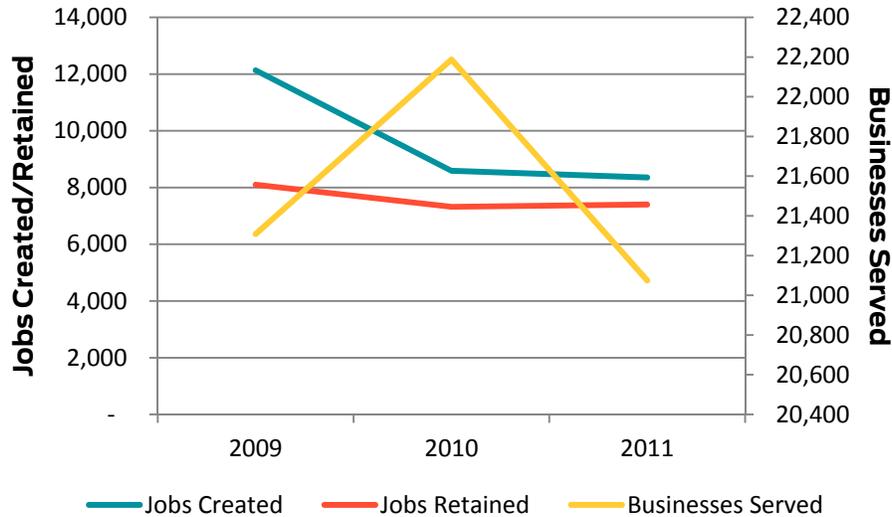
Employees Supported, 2009 - 2011



The number of employees supported was calculated by totaling three metrics:

- The number of businesses served (as each business represents at least one owner);
- The number of paid jobs created by businesses served, including full-time, part-time and seasonal employees; and,
- The number of paid jobs retained by businesses served, including full-time, part-time and seasonal employees.

CAMEO members helped create 8,350 jobs, down 3% from 2010 and 45% from 2009. They helped retain 7,397 jobs, up 1% from the year before, but down 9% from 2009. The median member supported 361 employees.



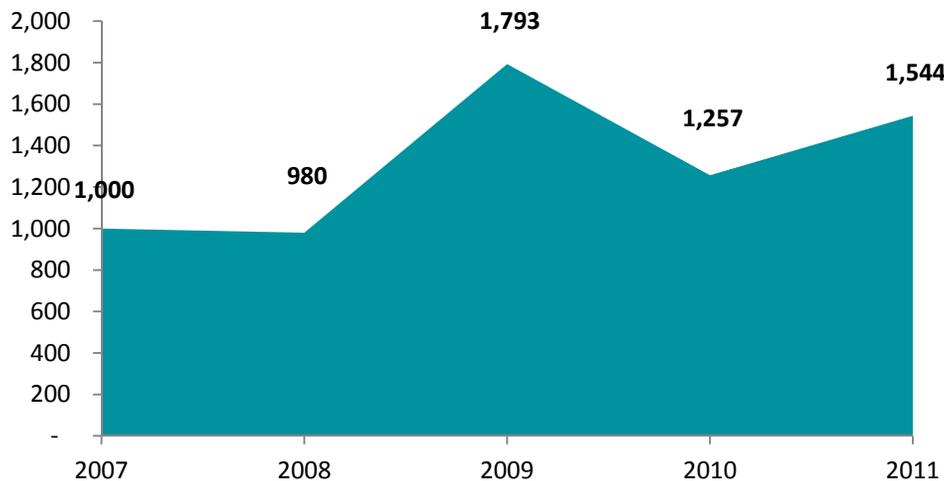
Looking at the three metrics separately is instructive. The number of businesses served declined from 2010, while the number of jobs created held steady and the number of jobs retained increased slightly over the previous year. That is, fewer businesses laid off employees than in the previous year and roughly the same number continued to hire. This could portend a shift in the micro economy from recession to recovery; information on 2012 performance will confirm or deny this.

5.5 Microloans

For this section, all dollar values have been adjusted to 2011 dollars. Thus, a loan made for \$10,000 in 2007 would be worth \$10,849 in 2011.

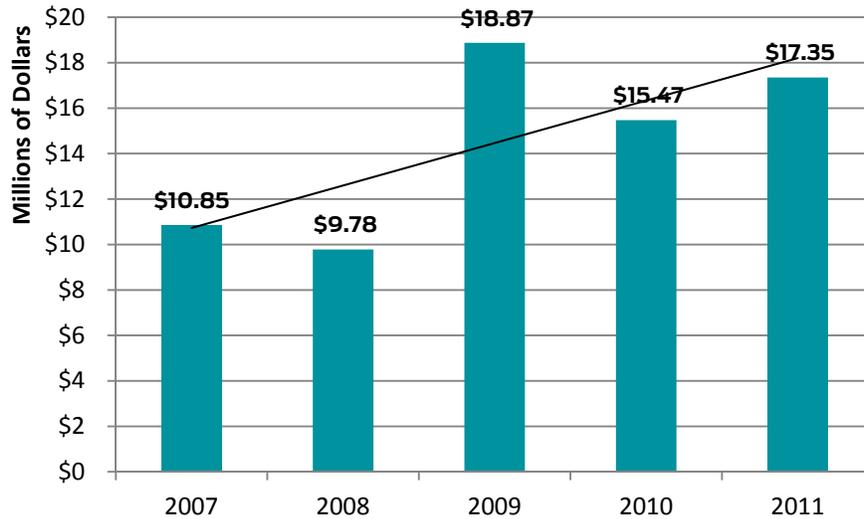
Of the 74 CAMEO members, 28 (38%) are microlenders. The number of loans disbursed increased in 2011 to 1,544, a 23% increase over 2010's 1,257 loans. The median number of microloans was 31.

Number of Loans, 2007-2011



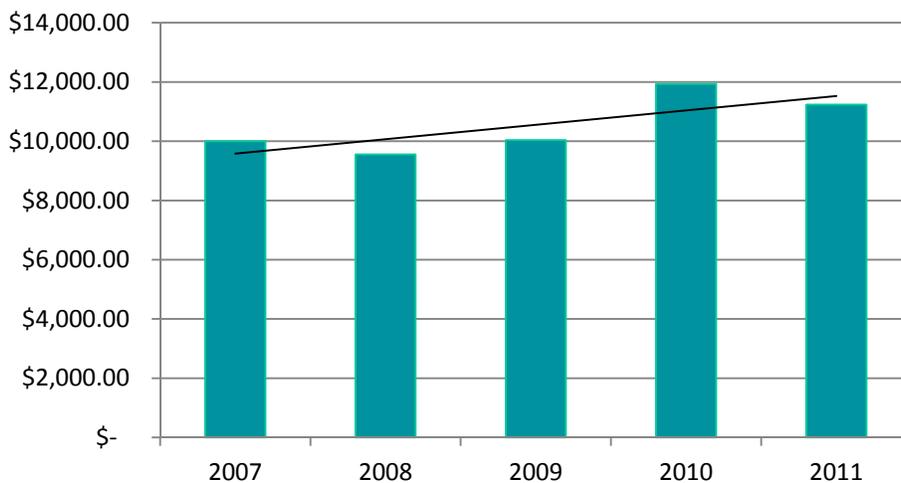
The dollar value of all loans has similarly increased over 2010, albeit at a slower rate than the number of loans made: CAMEO microlenders made \$17,349,048 worth of microloans, a 12% increase over 2010. The median microlender had a loan volume of \$216,000, with an average loan size of \$16,474.

Volume of All Loans, 2007-2011



The size of the average loan has increased slightly over the five years of the census, from \$10,849 in 2007 to \$11,236 in 2011. Fourteen percent (249 loans) fewer loans were made in 2011 than in 2009, but the total dollar volume decreased by only 8.1% (or \$1,523,623) due to the increased size of the average loan.

Average Loan Size, 2007 - 2011



a) High Production Lenders

High production lenders are those who made more than 75 loans in 2011. Of the 28 CAMEO microlenders, only 4 (14%) were high production lenders. These four organizations accounted for approximately 61% of all loans made in 2011, but 40% of the volume. The average loan size from this category was \$10,560, the smallest of the three categories.

Lender	Loans	%	Volume	%
Opportunity Fund	361	23.38%	\$3,435,963	19.80%
Foundation for Women	344	22.28%	\$103,250	0.60%
Valley Economic Development Center, Inc.	134	8.68%	\$2,207,556	12.72%
ACCION San Diego	98	6.35%	\$1,137,052	6.55%
Total	937	60.69%	\$6,883,821	40%

Note: The Foundation for Women made a large number of very small microloans, accounting for almost a quarter (22%) of the total number of loans made, but only 1% of the total volume (\$103,250, or an average loan size of just \$300). Excluding this organization from the category results in more balanced figures – high rate lenders then account for less than half (49%) of the total number of loans made in 2011, with an average loan size of \$11,602.

b) Medium Production Lenders

Medium production lenders made between 20 and 74 loans in 2011. The majority (54%) of CAMEO microlenders fell into this category. Medium production lenders made approximately 33% of 2011 loans, and accounted for 50% of the volume. The average loan size was \$18,318.18.

Name	Loans	%	Volume	%
Santa Cruz Community Credit Union	55	3.56%	\$868,943	5.01%
OBDC Small Business Finance	45	2.91%	\$1,606,628	9.26%
Valley Small Business	44	2.85%	\$806,000	4.65%
CDC Small Business Finance	36	2.33%	\$1,274,500	7.35%
International Rescue Committee San Diego	34	2.20%	\$138,178	0.80%
Women's Economic Ventures	31	2.01%	\$265,414	1.53%
TMC Development Working Solutions	31	2.01%	\$789,262	4.55%
Fresno CDFI	22	1.42%	\$632,604	3.65%
<i>Estimated Remainder</i>	217	14.05%	\$2,212,000	12.75%
Total	515	33.35%	\$8,593,529	49.53%

Note: "Estimated Remainder" in this table represents the seven microlenders who did not provide data regarding their loan rate or volume. Per our estimations (discussed in Section 4, Analysis), the median number of microloans was 31; the loans attributed to

“Estimated Remainder” is therefore (31 microloans x 7 microlenders) = 217 microloans. A similar process yielded a volume of \$2.2 million for these lenders.

c) Low Production Lenders

Low production lenders made fewer than 20 loans in 2011. A third (32%, or 9 lenders) of CAMEO microlenders fell into this category. These lenders made 6% of all loans, accounting for 11% of the total loan volume. They made the largest loans, however, with an average loan size of \$20,071, almost double the average size of the high production lenders.

Name	Loans	%	Volume	%
Opening Doors, Inc.	20	1.30%	\$262,693	1.51%
Pacific Asian Consortium in Employment	15	0.97%	\$316,000	1.82%
Arcata Economic Development Corporation	12	0.78%	\$541,870	3.12%
Youth Business America	10	0.65%	\$148,500	0.86%
Women's Initiative for Self Employment	9	0.58%	\$47,000	0.27%
Sierra Economic Development Corporation	9	0.58%	\$180,635	1.04%
California FarmLink	8	0.52%	\$105,000	0.61%
Pacific Coast Regional Corporation	8	0.52%	\$220,000	1.27%
3CORE, Inc.	1	0.06%	\$50,000	0.29%
Total	92	5.96%	\$1,871,698	10.79%

5.6 Serving Rural Communities

Of the 74 CAMEO members, 25 (34%) organizations reported working with rural populations to some extent; 13 (18%) worked solely with rural populations. Members that worked with both populations were assumed to draw 15% of their client base from rural areas and 85% from urban areas.

In 2011, CAMEO members served

- 3,338 clients in rural areas;
- 1,826 rural businesses; and
- 3,188 rural employees.

Our members helped

- create 710 rural jobs; and
- retain 652 rural jobs.

CAMEO members made 79 microloans to businesses in rural areas, for a total of \$1,745,009. The average rural loan size was \$22,089.

As not every CAMEO member reported their rural/urban status, these numbers are not compared to previous years, and do not always sum to the total population.

6 Conclusion and Future Study

The trends we observed in this year's census give us reason to think that the micro-business sector is set for a wider resurgence. Because small and micro-businesses are flexible, they are in a better position to take advantage of the economic recovery than larger businesses. Relatively minor inputs can produce outsized results; the funding needed to kick start a micro-business is numbered in the tens of thousands of dollars, not the hundreds of thousands or more needed for investments into large companies.

Many metrics are stable or declining only slightly, in comparison to the steeper drops observed between 2009 and 2010. Other CAMEO metrics have improved: CAMEO member clients have retained more jobs; loan volume has also increased. An informal survey of our microlenders conducted midway through 2012 found that the high production lenders were making many more loans than they had in 2011. With the introduction of lending programs spearheaded by CAMEO that will lower the cost of microlending, including partnerships with Kiva and ACCION Texas, we look for these numbers to continue to increase.

Suggestions for Future microCensuses

Age categories were excluded from this year's survey, though they were included in previous years. Conventional wisdom says that most micro-businesses are started by relatively young people, but research suggests that many are actually started by older individuals—Emergent Research's 2012 report on The State of Independence In America found that 79% of all independent workers are over the age of 33, and 43% are fifty or older.

No questions were asked regarding veteran status of business owners. California has the largest military and veteran population of the United States, and with the military efforts in Iraq and Afghanistan coming to a close, we anticipate a boom in recently discharged veterans, a group which has historically struggled to find civilian work. Entrepreneurship and micro-business could present a solution to this issue, allowing veterans to capitalize on the skills and connections developed while serving. Many CAMEO members serve veterans, but most do not collect veteran status from their clients. Including veteran status on the survey would enable them to benchmark how well they are serving the veteran community and perhaps encourage them to engage the community more mindfully.

We would like to know the employment status prior to intake, or prior to starting a micro-business. How many clients were unemployed? Partially employed? How many were receiving unemployment insurance? How many had exhausted their benefits? We hear anecdotes of people being laid off and starting their own business and would like to be able to quantify those people so that our members can understand the market they serve.

7 Appendices

7.1 Respondents

The following 57 organizations participated in the 2012 Annual Census. Ten organizations responded to the Census for the first time this year; their names are grouped together at the end.

2011 and 2012 Census Respondents

3CORE, Inc.	NEC Small Business Development Center - San Joaquin Delta College
Academies for Social Entrepreneurship	North Coast SBDC
ACCION San Diego	OBDC Small Business Finance
Agriculture & Land-Based Training Association (ALBA)	Opening Doors, Inc.
AnewAmerica Community Corporation	Opportunity Fund
Arcata Economic Development Corporation	Pacific Asian Consortium in Employment (PACE)
Asian Pacific Islander Small Business Program	Pacific Coast Regional Corporation
California Capital Financial Development Company	Renaissance Entrepreneurship Center
California FarmLink	Santa Cruz Community Credit Union
CDC Small Business Finance	Sierra Economic Development Corporation (SEDCorp)
Central Coast Small Business Development Center	Superior California Economic Development
Central Valley Business Incubator Small Business Development Center (CVBI/SBDC)	TMC Development Working Solutions
Community Action Agency of Butte County, Inc.	Urban Solutions
Community Services Employment Training (CSET)	Urban VOICE
Creating Economic Opportunities for Women (C.E.O. Women)	Valley Economic Development Center, Inc.
CSUMB Small Business Development Center	Valley Small Business
El Pajaro Community Development Corporation	West Company
Farmer Veteran Coalition	Women's Economic Ventures
Foundation for Women	Women's Initiative for Self Employment
Fresno CDFI	Youth Business America
Glenn County Human Resource Agency	
Goodwill of Orange County	New Participants, 2012
Inland Empire Women's Business Center	Canal Alliance
Jefferson Economic Development Institute (JEDI)	Coachella Valley Women's Business Center
La Cocina	Community Action Partnership of Sonoma County
Latino Business Chamber of Greater Los Angeles	Contra Costa Small Business Development Center
Mission Economic Development Agency	Economic Vitality Corp. (EVC)

Fifteen organizations that had participated in the 2011 Census did not participate in the 2012 Census.

Five of these—the Dolores Huerta Foundation, Khan-Bernier, Peninsula Family Service, Quantum CDC and the Southern California Reinvestment CDI—have gone out of business, closed their microenterprise program, or stopped being CAMEO members prior to the 2012 Census, and so were unavailable to supply data.

We conducted significant outreach to the remaining ten organizations, but were unable to secure any data this year.

2011 Respondents Missing from the 2012 Census

City of Oroville
Community Development Department
of LA
Dolores Huerta Foundation
Easter Seals Southern California
Hispanic Business Consultants
Khan-Bernier
Mission Community Services Corp
National Asian American Coalition

Orange County SBDC
Peninsula Family Service
Quantum CDC
Relational Culture Institute
San Diego Center for International
Trade Development
Southern California Reinvestment CDFI
Business Resource Group, Inc.

7.2 Complete Survey Questions

a) Program Profile

01. Please provide the name of your organization.

02. Please enter your microenterprise program name.

03. Please enter your program's mission statement.

04. Please provide the address of your microenterprise program as you would like it to appear in the directory.

04a. Do you have more than one office where you provide microenterprise services?

05. Please enter the contact information you would like listed for your program in the Directory of Microenterprise Programs.

06. Please tell us the year your microenterprise program started.

07. Please provide contact information for the person completing this survey.

08. Is your program a member of any of the following State Microenterprise Associations (SMAs)?

- Alabama Microenterprise Network, AL
- California Association for Microenterprise Opportunity, CA
- Georgia Micro Enterprise Network, GA
- Nebraska Enterprise Fund, NE
- Oregon Microenterprise Network, OR
- Partners for Entrepreneurial Advancement in Kentucky, KY
- Pennsylvania Microenterprise Coalition, PA
- Virginia Microenterprise Network, VA
- Washington State Microenterprise Association, WA
- Not a member of a SMA
- Don't know

09. Please describe the geographic areas your microenterprise program serves.

10. Which of the following best describes your overall organization?

- Community Development Corporation or Entity, CDC
- Community Development Financial Institution, CDFI
- Stand-Alone Microenterprise Organization
- Community Action Agency, CAA
- Network of Multiple Microenterprise Programs
- Credit Union
- Other

11. Where did your program provide services?

- Rural
- Urban
- Statewide

- Multistate
- Don't Know

12. Would you indicate the mission of your program is primarily around providing access to financing or training/technical assistance (if forced to choose one)?

13. What is your program's fiscal year?

14. Are you running a social enterprise? Do not count your microloan fund.

14a. Please describe your social enterprise:

b) Microfinance Products and Services

15. Do you directly provide microenterprise loans up to \$50,000?

16. Please check the other types of microfinancing you offer.

- NA, we did not offer any other microfinancing
- Credit-builder Loans
- Individual Development Accounts (IDAs)
- Microgrants
- Microequity
- Don't Know
- Other saving services or microfinancing products

17. What type of microenterprise lending does your program do?

- Individual/Business Lending
- Group/Peer Lending
- Don't Know
- Other

18. Which of the following types of Individual Development Accounts (IDAs) does your program offer?

- Business IDAs
- Housing IDAs
- Education IDAs
- Don't Know

19. Does your program offer Business Loans greater than \$50,000?

19a. What is your maximum business loan amount?

20. Do you document or track applicants' credit scores?

20a. Do you report borrowers' credit performance to credit bureaus directly or through another organization?

21. Do you leverage, package or guarantee micro or small business loans through another financial provider?

c) Business Development Services

22. Do you provide Business Training or Technical Assistance?

- Business Technical Assistance (one-on-one assistance)
- Business Training (group based instruction)
- NA, we did not offer any training or technical assistance.
- Don't Know

22a. What other business development services does your organization provide?

- NA, we did not offer any other business development services.
- Coaching/Mentoring
- Access to Market Services
- Financial Literacy
- Credit Counseling
- Tax Preparation
- Case Management Services
- Business Incubation
- Technology Services
- Don't Know
- Other training or technical assistance services

d) Demographic Information

23. How many individuals did you serve through your microenterprise program in FY2011?

24. How many clients did you serve in FY2011?

25. How many businesses were served during FY2011? (including existing businesses and those started during FY2011)

26. Would you like to report demographics and income data on individuals or clients?

27. What was the gender of the [Q23 or Q24] people you served in FY2011?

- # of Women
- # of Men
- # of Unknown

28. What was the ethnicity and race of the [Q23 or Q24] people served in FY2011?

- Mixed-Race
- African American/African-Born
- Latino / Hispanic
- Native American/Alaska Native
- White / Caucasian
- Asian / Pacific Islander
- South Asian
- Other
- Unknown

29. How many of the [Q23 or Q24] people served in FY2011 had a disability?

- # reporting a disability
- # that report NOT having a disability
- # of Unknown

30. Indicate the business status of the [Q23 or Q24] people served in FY2011:

- # that were NOT operating a business at intake (were at idea or feasibility stage)
- # that WERE operating a business at intake (made sales or took steps towards formalizing)
- # of Unknown

30a. Of the people operating a business ([Q30]), indicate the age of the business at intake:

- # with businesses operating less than 1 year
- # with businesses operating 1 year or more
- # of Unknown

e) Low-Income Measures

31. Which poverty measures do you track?

- HHS Poverty Guidelines
- HUD Median Income Limits
- TANF Status

31a. Do you have a detailed breakdown for 100% of 2011 HHS Poverty Guidelines?

Of the people you served in FY2011, indicate how many were above, and how many were below the 100% of HHS Poverty threshold for each household size in the table below. The totals will automatically transfer to question 30b.

Size of Family Unit	48 States	Alaska	Hawaii	Below	Above
1	\$15,600	\$19,500	\$19,500		
2	\$21,000	\$26,250	\$25,710		
3	\$26,400	\$33,000	\$31,920		
4	\$31,800	\$39,750	\$38,130		
5	\$37,200	\$46,500	\$44,340		
6	\$42,600	\$53,250	\$50,550		
7	\$48,000	\$60,000	\$56,760		
8	\$53,400	\$66,750	\$62,970		
more	Add \$5,400	Add \$6,750	Add \$6,210		

31b. What was the low-income status at intake of the people you served in FY2011, using the measure of 100% of HHS poverty?

- # at or below 100% HHS Poverty
- # above 100% HHS Poverty
- # Unknown

31c. Do you have a detailed breakdown for 150% of 2011 HHS Poverty Guidelines

Of the people you served in FY2011, indicate how many were above, and how many were below the 150% of HHS Poverty threshold for each household size in the table below. The totals will automatically transfer to question 30d.

Size of Family Unit	48 States	Alaska	Hawaii	Below	Above
1	\$23,400	\$29,250	\$29,250		
2	\$31,500	\$39,375	\$38,565		
3	\$39,600	\$49,500	\$47,880		
4	\$47,700	\$59,625	\$57,195		
5	\$55,800	\$69,750	\$66,510		
6	\$63,900	\$79,875	\$75,825		
7	\$72,000	\$90,000	\$85,140		
8	\$80,100	\$100,125	\$94,455		
more	Add \$5,400	Add \$6,750	Add \$6,210		

31d. What was the low-income status at intake of the people you served in FY2011, using the measure of 150% HHS poverty?

- # at or below 150% HHS Poverty
- # above 150% HHS Poverty
- # Unknown

31e. Do you have a detailed breakdown for 80% of 2011 HUD Local Median Income?

Number of People in Household	Maximum Income Level 80% of 2010 HUD Local Median Income	Number of Clients at or below 80% of 2011 HUD Local Median Income	Number of Clients Above 80% of 2011 HUD Local Median Income

31f. What was the low to moderate income status of the people at intake you served during FY2011 using HUD guidelines (80% of local median)?

- # at or below 80% HUD Median
- # above 80% HUD Median
- # Unknown

31g. At intake, what was the TANF status of the people you served during FY2011?

- # receiving TANF at intake
- # NOT receiving TANF at intake
- # Unknown

f) Business Development Service Performance

32. How many of the [Q23] individuals served received business development services in FY2011?

32a. Do you know the number of individuals receiving training, the number receiving TA and the number of hours you provided in training and TA?

32b. Average number of hours of business development services per individual.

33. How many of the [Q30]BDS individuals participated in group trainings with a graduation or completion requirement in FY2011?

34. How many total hours of training did you provide to individuals in FY2011?

35. How many people completed the group-based training they were enrolled in?

36. How many of the [Q30]BDS individuals received one-one-one technical assistance (TA) in FY2011?

37. How many total hours of TA did you provide to individuals in FY2011?

38. Do you help individuals complete business plans?

- Yes, formal business plans
- Yes, informal business plans
- No, we don't work on or track business plans with our entrepreneurs

38a. How many individuals did you work with on formal business plans in FY2011?

38b. How many individuals completed formal business plans FY2011?

38c. How many individuals did you work with on informal business plans FY2011?

38d. How many individuals completed informal business plans FY2011?

g) Microfinance Volume

39. Please tell us the number of business microloans (up to \$50,000) disbursed in FY2011.

39a. Please tell us the dollar value of business microloans (up to \$50,000) disbursed in FY2011.

40. Please tell us the number of business microloans (up to \$50,000) outstanding on the last day of FY2011.

40a. Please tell us the dollar value of business microloans (up to \$50,000) outstanding on the last day of FY2011.

41. Do you make microloans (\$50,000 or less) for purposes other than business?

41a. Please tell us the number of other microloans (up to \$50,000) disbursed in FY2011.

41b. Please tell us the dollar value of other microloans (up to \$50,000) disbursed in FY2011.

41c. Please describe your other microloans.

42. Please tell us the number of other microloans (up to \$50,000) outstanding on the last day of FY2011.

42a. Please tell us the dollar value of other microloans (up to \$50,000) outstanding on the last day of FY2011.

43. Total Capital for microlending as of the end of FY2011.

44. Please indicate the range of interest rates you charge for your microloans.

- Min
- Max
- Don't Know

45. Please indicate your average interest rate.

46. What fees do you charge?

h) Microfinance Performance

47. How many full-time equivalent loan officers did you have in FY2011?

48. Indicate the dollar amount outstanding in microloans on the last day of FY2011 to businesses less than a year old when the loan was disbursed.

49. Indicate the dollar amount outstanding in restructured microloans on the last day of FY2011.

50. What was the total amount declared non-recoverable (net of any recoveries) in microloans in FY2011?

51. What was the total dollar amount outstanding for your microloan program on the last day of **FY2010**?

52. Please indicate the following data on past-due loans in your microloan portfolio on the last day of FY2011:

Days Past Due	# of Loans	\$ of Loans
31-60		
61-90		
91-120		
120+		
Grand Total		

i) Organizational Information

53. Please enter the number of paid full-time equivalent staff (FTEs) dedicated to the microenterprise program in FY2011.

54. Please indicate what your microenterprise expenses according to following categories:

- I can't break my expenses out but can provide a total operating expense figure.
- Salaries and Benefits
- Other Operating Expenses
- Interest on Borrowed Funds
- Change in Loan Loss Provision

54a. Total Operating Expenses for FY2011

55. Please indicate your microenterprise program operating income. I know my operating income sources by:

- dollar amount
- percent
- I can't break out my operating income but can provide a total operating income figure

55a. Please indicate the breakout of your FY2011 microenterprise operating income according to the following sources.

Private funding
Foundation funding
Individual contributions

Federal funding (Community Development Block Grant Money should be considered Federal for microTracker.)
Contract
Grant

State funding
Contract
Grant

Local funding
Contract
Grant

Earned Income (includes interest and fees from microloans, client fees for training and technical assistance, sales of training materials, etc.)
interest payments on portfolio fees on loans
Includes all fees charged for originating

and managing microloans, and includes any late fees.
interest on bank deposits Revenue generated on microloan funds that are invested while not needed for client loans.
Client Fees Revenue generated from client payments for workshops, seminars, consulting services and other technical assistance.
Income from Training Materials sales Revenue generated from the sale of materials either directly to clients (if this fee is charged separately from workshop registrations) as well as to others.
Other BDS Income Revenue generated from business development services such as: membership fees to participate in a network, revenue from a crafts shop or other marketing ventures.
Other earned income This includes any other income that does not fit under BDS or loan income.
Net income from non-program services This includes the profit generated from services such as consulting, conferences, training to other non-profits, and special events that are not directly related to your program, but which provide income that supports your microenterprise program. Only include the net income (income minus the expenses incurred to offer these services.)

Other Income
Other investment income Income generated from investments of idle cash not related to the loan fund.
Other income

55b. Please provide your total microenterprise program operating income for FY2011.

j) IDA Volume

56. Please tell us the number of individual development accounts intended for businesses open during FY2011.

57. Please tell us the dollar amount in individual development accounts intended for businesses during FY2011.

k) Small Business Volume

58. Please tell us the number of small business loans (>\$50,000) disbursed throughout FY2011.

59. Please tell us the dollar value of all small business loans (> \$50,000) disbursed throughout FY2011.

60. Please tell us the dollar value of all small business loans (> \$50,000) outstanding on the last day of FY2011.

61. Total Capital for Small Business loans as of the end of FY2011

l) Leveraged, Packaged and Guaranteed Loans

62. Please tell us the number of microloans (\$50,000 or less) leveraged, packaged, or guaranteed throughout FY2011.

63. Please tell us the dollar value of all microloans (\$50,000 or less) leveraged, packaged, or guaranteed throughout FY2011.

64. Please tell us the number of small business loans (> \$50,000) leveraged, packaged, or guaranteed throughout FY2011.

65. Please tell us the dollar amount of all small business loans (> \$50,000) leveraged, packaged, or guaranteed throughout FY2011.

m) Time Spent on Lending vs. Training

66. Are your training classes and individual technical assistance offered only within the context of:

- a financing product (helping people apply for a loan, IDA, or other financial product, offering feedback to improve loan readiness, offering specific assistance to support positive loan performance)
- a broader array of business development goals (helping individuals start, sustain and grow businesses)
- both

67. Of your [Q61] microenterprise FTEs, how many are “direct service staff?”

68. For these [Q67] direct-service staff, can you provide “typical” hours per month spent on tasks for each person?

- Hours Worked Per Month
- Total Work Time on Microenterprise Program
- Vacations, Holidays, Sick Leave etc.
- Credit functions
- Credit-related Technical Assistance
- Business Development Training
- Business Development Technical Assistance
- Other Program Services and Program Management

- Other

n) Client Outcomes

69. We collect MicroTest Client Outcomes data and would like those results entered in our profile by FIELD Staff.

70. How many new businesses were started by individuals you served in FY2011?

70a. How do you know how many businesses were started?

- Based on projections in loan applications
- We track people that voluntarily report this data
- We survey a sample of individuals served
- We survey all individuals served
- Other

71. Do you know how many paid jobs were created by the businesses you worked with in FY2011? (not including the owner)

71a. Of those paid jobs created in FY2011, how many were:

- Full-time jobs (on average 35 hours or more per week throughout the year)
- Part-time jobs (on average less than 35 hours per week throughout the year)
- Seasonal jobs (full-time or part-time, but for only a portion of the year)
- Unknown full-time/part-time status

72. Do you know how many paid jobs were retained, by the businesses you worked with in FY2011? (not including the owner)

72a. Of those paid jobs retained in FY2011, how many were:

- Full-time jobs (on average 35 hours or more per week throughout the year)
- Part-time jobs (on average less than 35 hours per week throughout the year)
- Seasonal jobs (full-time or part-time, but for only a portion of the year)
- Unknown full-time/part-time status

73. How do you know how many jobs were created and/or retained?

- Based on projections in loan applications
- We track people that voluntarily report this data
- We survey a sample of individuals served
- We survey all individuals served
- Don't Know
- Other

o) Wrap-Up

74. Is there anything you'd like to explain about your data?

7.3 CAMEO Required microTracker Questions:

1. Do you directly provide microenterprise loans up to \$50,000?
2. How many individuals did you serve through your microenterprise program in FY2011?
3. How many businesses were served during FY2011, including existing businesses and those started during FY2011?
4. Total Operating Expenses for FY2011
5. How many new businesses were started by individuals you served in FY2011?
6. How many paid jobs were created by the businesses you worked with in FY2011, not including the owner?
7. How many paid jobs were retained by the businesses you worked with in FY2011, not including the owner?

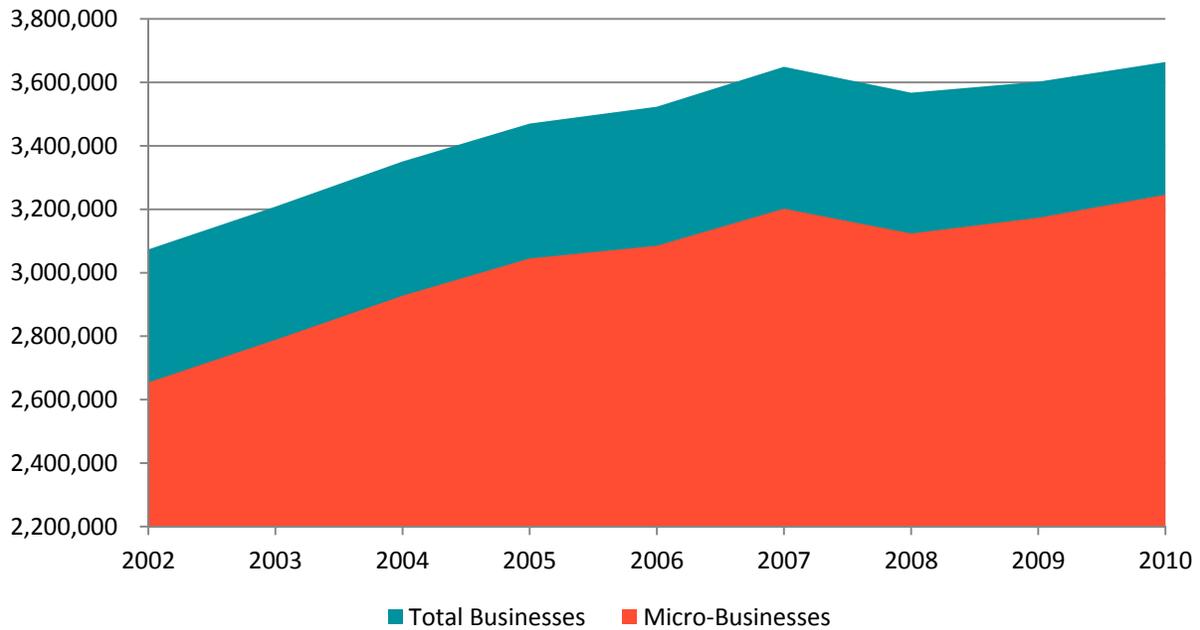
Microlending Questions

1. Please tell us the number of all microloans (up to \$50,000) disbursed in FY2011.
2. Please tell us the dollar value of all microloans (up to \$50,000) disbursed in FY2011.
3. What was the total amount declared non-recoverable (net of any recoveries) in microloans in FY2011?
4. Please indicate the following data on past-due loans in your microloan portfolio on the last day of FY2011.
5. Please tell us the number of small business loans (more than \$50,000) disbursed throughout FY2011.
6. Please tell us the dollar value of all small business loans (more than \$50,000) disbursed throughout FY2011.

7.4 Micro-Businesses in California

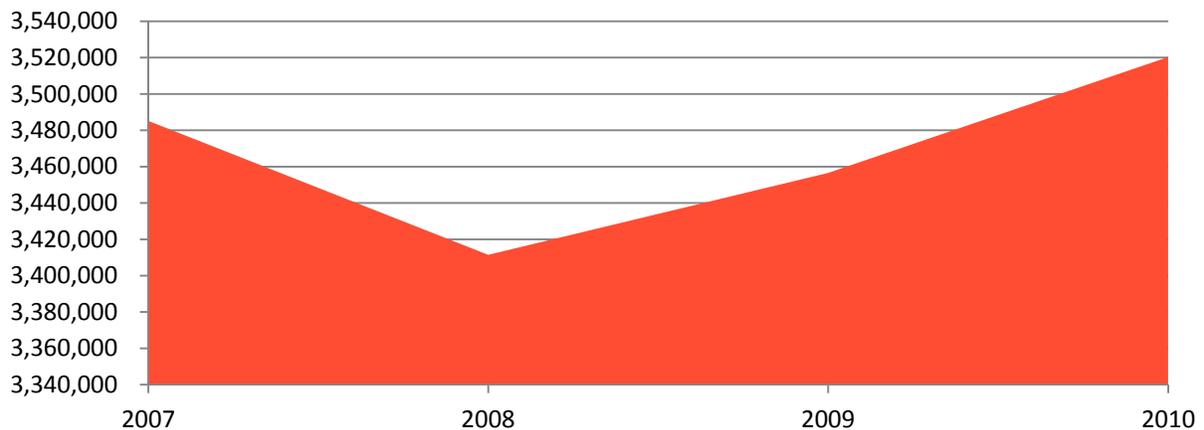
Micro-businesses make up a significant portion of California's economy. From 2002 to 2010 (the most recent year for which data is available), micro-businesses represent 88% of all businesses operating out of California. This ratio is very stable; 87% of all businesses in 2002 were micro-businesses versus 89% in 2010, with new micro-businesses being created at almost exactly the same rate as larger companies.

Number of Businesses, 2002-2010



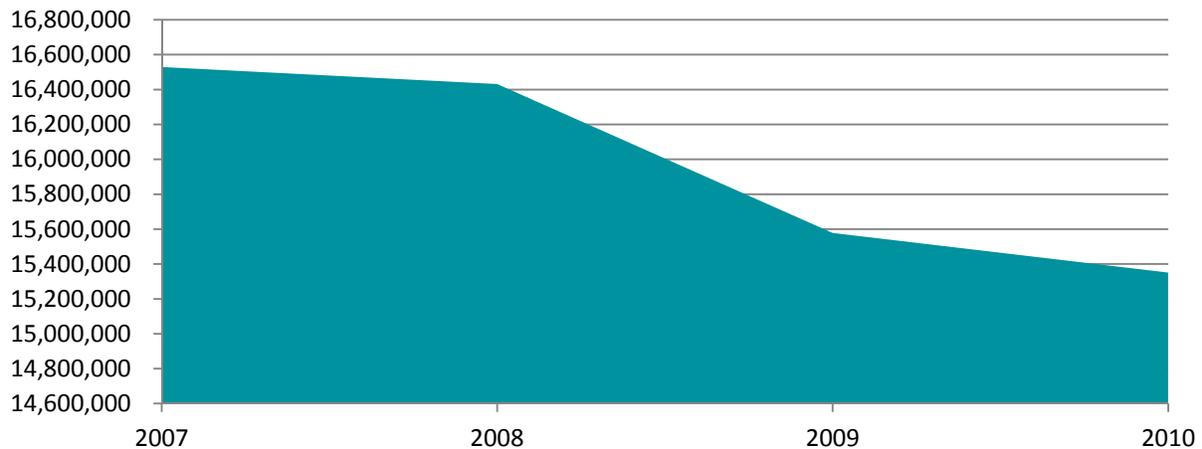
Micro-businesses appear to be growing in importance as employers. Micro-businesses employed 19% of all workers in 2002, but grew to 23% of the workforce by 2010.

Number of Micro Employees, 2007-2010



Much of this is due to a growth in the sector from 2008 to 2010—micro-businesses grew significantly from 2008 to 2010, while the state economy as a whole continued to contract. Micro-businesses reported a 3% growth in number of employees over the three years, while the economy as a whole reported a 7% loss.

Number of Employees, 2007-2010



This may appear to complicate the argument presented in Section 5.3, but we lack US Census data for 2011, the year CAMEO survey respondents indicated a sharp drop in businesses served. Survey responses appear to correlate well with the growth in the micro sector up to that point. Updated data from the US Census will serve to confirm or deny this correlation.