

Proposal Summary
Meeting Date: 8/27/2015

Northwest Educational Council for Student Success (NECSS)
Request # 114968

Project Title:	Entrepreneur Incubator Classroom Redesign
Duration:	12 months
Request Date:	7/21/2015
Request Amount:	\$265,000
Recommended Amount:	\$265,000
Program Area:	Education\ Secondary\Entrepreneurship
Population Served:	General Public
Type of Support:	Capital Support
Grantee Location:	Arlington Heights, IL
Primary Contact:	Gayle W. Banakis

Project Abstract

This proposal is to support the Incubator Classroom redesign to effectively teach entrepreneurship, in a manner which reflects current business environments and practices. The classroom/incubator concept was piloted in a Barrington High School, and has since been replicated in three schools in the NECSS region. This proposal is to implement the Incubator Lab concept in an additional eight schools located in the northwest suburbs of Chicago.

Organizational Background

Annual Revenue Sources

Grants	100%	Government	%	Earned Income	%
Fees	%	Private Support	%	Other	%

Finances

	Budget	Actual	Actual
	06/30/2015	06/30/2014	06/30/2013
Revenues	\$1,656,043	\$1,946,096	\$1,906,782
Expenses	1,656,043	1,946,096	1,906,782
Surplus (Deficit)			
Net Assets			

The Northwest Educational Council for Student Success is a secondary and postsecondary regional educational collaborative focused on student success and opportunities, teacher qualifications and professional development, and enriching collaboration among district partners and local communities. NECSS partners include Township High School Districts 211, 214, Barrington District 220, Harper College, and Education for Employment. NECSS serves 23 communities in the Chicago northwest

suburbs including one community college, 13 high schools, 19 middle schools, 74 elementary schools and 10 alternative special education schools.

The goal of NECSS is to develop programs with educational partners that inspire postsecondary education, career readiness, and engage in partnerships to develop programs that enable students to succeed in the economy. NECSS has developed core programs/activities for high school pathways:

- Entrepreneurship – Through the high school entrepreneur pathway, students have the opportunity to create and develop a product or service.
- Advanced Manufacturing - Students can simultaneously earn high school credit, industry certifications and college credit in advanced manufacturing.
- Health Science – District high schools have a therapeutic pathway that includes dual credit medical terminology and Certified Nursing Assistant certifications.
- Information Technology (IT) – District members have established programs in Computer Information Systems, Computer Applied Systems, Networking, Health Information Technology, and Web Development.

Program Description

The Entrepreneurship pathway is a series of courses which includes beginning business, app development, and Entrepreneur I and II. The entrepreneurship course is designed for sophomore, junior and senior students to have the opportunity to create and develop their own product or service.

Recognizing a need to revamp business education and enhance the entrepreneurship courses, Barrington High School piloted a program to redefine how entrepreneurship is taught at the high school level. The result, Incubator EDU, has emerged as a national example of best practices for business education. The Barrington model included revamping the curriculum to include Lean Start Up concepts, engaging more than 30 business partners to act as mentors and instructors, and redesigning the physical classroom to resemble today's business environment. This redesign is essential to creating a learning environment where students leave the traditional school behind and enter the business workspace, which is equipped with current technology and designed to facilitate problem solving. The redesigned educational space involves modifications of lighting, color, furniture, functionality, technology to less resemble a traditional classroom environment, and takes on the appearance of the modern working environment. Inspired by spaces like 1871 and Google, students leave the high school hallway and enter into a business incubator. Begun in Barrington high school in 2012, the pilot expanded to three high schools in the northwest suburbs in 2014.

In academic year 2015, eight additional high schools are ready to implement the entrepreneurship education model. Similar to the Barrington Model, the redesign of eight classrooms will reflect current industry best practices for technology and collaborative learning. The classroom redesign will replace traditional desks with clusters of movable tables and chairs. Technology will include wall-mounted displays for group work, laptop computers, monitors, software, printer/scanner, and IT infrastructure. The eight schools are:

Township High School District 214

- Buffalo Grove High School
- Elk Grove High School
- Rolling Meadows High School

Township High School District 211

- James B. Conant High School
- William Fremd High School
- Hoffman Estates High School
- Palatine High School
- Schaumburg High School

Course content is a combination of *Lean Start Up* methodology and business fundamentals. During this two semester course, students create a business model to determine if it's viable while learning and applying general business topics. Students will learn what goes into starting a business, from creating a product concept through its production to distribution in the marketplace. First-semester students develop their business concepts. Second-semester students focus on concept testing and presenting their findings to a volunteer board. Real-world entrepreneurs and business experts will serve as coaches and mentors guiding student teams through the process of ideation, market research, and business plan development. Over the course of the year, student teams will learn about marketing, accounting, human resources, as well as the legal aspects of running a business. At the end of the semester, student teams gear up for Pitch Week in which they present their innovative idea and possibly win funding to turn their business plans into reality. Select teams are invited to present at "Pitch Night" for the opportunity to receive startup funding from actual investors. Winning teams may have the opportunity to enroll in a second year of the entrepreneurship course. This is being piloted at a couple of the schools.

The course is facilitated by the entrepreneurship educators, who will work with teachers and students from other pathways to utilize facilities within the school setting as "maker spaces". Those would include Career and Technical Education pathways, such as Advanced Manufacturing, Bio-technical Engineering, Computer Integrated Manufacturing, and Information Technology. High school business educators have been trained to teach the Incubator EDU Lean Start Up curriculum. Barrington's Incubator EDU staff will meet with teachers to recruit 20-30 business professionals for each class section, who will serve in various capacities as subject matter experts, business team mentors, pitch coaches and investors.

Expected Outcome

- Redesigned classroom space will reflect today's workplace and enhance student learning.
- During the 2014-2015 school year, nearly 100 students were enrolled in the course. In the 2015-2016 school year, 200 students are enrolled in the Incubator EDU Entrepreneurship course. Each section of 25-29 students will have five-six business teams.
- Students will be prepared to engage investors in a businesslike manner. If recruitment of investors is similar in spring of 2016 as it was in 2015, potentially twenty-four student-run businesses may receive funding for their ventures.
- The long-term impact of expanding Entrepreneurship education will increase student participation in entrepreneur education at the high school level, increase the number of student run businesses and increase student understanding of how to continue entrepreneur training in postsecondary education.

- Connectivity to collegiate programs such as IIT, DePaul, UIC, and Future Founders and the local ecosystem.

Program Budget

The budget for the Entrepreneur Incubator Classroom Redesign is \$470,981. Expenses for all eight classrooms are \$205,000 (44% of budget covered by the schools) for TV displays, projector screens smart TV, laptop computers. The remaining expenses (request to Coleman) are \$265,000 (56% of budget) for wall panels, genius bar, small and large tables, chairs and signage. State and grant funds do not cover furniture and classroom redesign costs, thus this grant would only cover those costs.

The school districts boards have made a five year commitment to the entrepreneurship program pathway. School districts incur the costs for the curriculum, teacher training and community recruitment. The school district also pays for teacher salaries, and the initial and annual costs of the Incubator EDU model which includes curriculum updates, teacher training, and ongoing staff development.

Prior Grants

This is a first time grant to NECSS. Past grants have been provided to District 214 to specifically fund Entrepreneurship Day events. The total funding awarded for those events was \$19,600 for three grants.

Recommendation

The Foundation guidance and encouragement of entrepreneurship for high schools in the northwest suburbs of Chicago spans two decades. We continuously attempted to encourage NFTE to provide programming to non-at-risk students in the northwest suburbs, however NFTE saw that effort as off mission and did not pursue it. While a small amount of funding was provided, many efforts have been made in direct and in-direct support to the northwest suburban schools, such as:

- scholarship for teachers and students to attend The Institute for Entrepreneurship (TIE) conference
- scholarship for teachers and students to attend the Institute for Entrepreneurship Education (IIEE) events
- teacher training through NFTE and Generation E Institute
- scholarships for teachers to attend the Consortium for Entrepreneurship Education
- Entrepreneurship Day events in partnership with Northern Illinois University
- students participation at entrepreneurship events at DePaul
- scholarships for teachers and administrators to attend the CEO and SEA conferences

In 2012, teachers and administrators from the northwest suburbs of Chicago attended the CEO conference where they gained knowledge that helped to determine how the program would be structured and the curriculum they would utilize. Spearheaded of an entrepreneur, and other business owners, Barrington High School piloted the classroom/incubator program. The success and growth of the Barrington model, resulted in replication at three schools in the northwest suburbs and, this year, eight new schools are going to implement the Barrington model resulting in 33 Incubator EDU schools across the country.

Given efforts made by the Foundation in cultivating entrepreneurship at the high school level to build the pathway to collegiate education, and the initiative these districts took to bring entrepreneurship to fruition, we recommend funding at the requested level of \$265,000. This funding is a little over \$33,000 per school, and will support efforts to equip the eight schools with the space design to conduct entrepreneurship education and training.

Northwest Educational Council for Student Success (NECSS)			
Entrepreneur Incubator Space Implementation			
July 23, 2015			
			Total Project Budget: \$470,981
Revenue	Funds Needed	Funds Requested	Funds Committed
Coleman Foundation	\$265,981	\$265,981	
District 211 (5 high schools-Conant, Fremd, Hoffman Estates, Palatine Schaumburg)	\$108,000		\$108,000
District 214 (3 high schools-Hersey, Prospect, Rolling Meadows)	\$97,000		\$97,000
Program Revenue			
Revenue Total	\$470,981	\$265,981	\$205,000
Expense	Project Budget	Coleman Funds	Other Sources
D211 Technology Redesign Incubator Lab			
TV Display Panel and Mounts	\$15,000		\$15,000
Projector Screen DeLite	\$9,802		\$9,802
Vizio E600i-B3 60-inch 1080p LED Smart TV	\$7,980		\$7,980
Epson Power Lite LCD Projectors	\$9,677		\$9,677
Laptop Computers	\$43,941		\$43,941
Laptop Carts	\$4,500	\$4,500	\$0
Sliding Wall Panels	\$21,431	\$21,431	\$0
Genius Bar	\$15,900	\$15,900	\$0
Small Tables	\$7,800	\$7,800	\$0
Large Tables	\$52,200	\$52,200	\$0
Chairs	\$45,600	\$45,600	\$0
Decals and Signage	\$21,600	\$18,802	\$2,798
D211 Sub-Total	\$255,431	\$166,233	\$89,198
D214 Technology Redesign Incubator Lab			
TV Display Panel and Mounts	\$15,000		\$15,000
Laptop Computers	\$99,000		\$99,000
Genius Bar	\$7,950	\$7,950	\$0
Large conference tables	\$26,100	\$26,100	\$0
Small Tables	\$3,900	\$3,900	\$0
Chairs	\$22,800	\$22,800	\$0
Decals and Signage	\$10,800	\$8,998	\$1,802
Carpet	\$30,000	\$30,000	\$0
D214 Sub-Total	\$215,550	\$99,748	\$115,802
TOTAL	\$470,981	\$265,981	\$205,000