

PERALTA COMMUNITY COLLEGE DISTRICT
Board of Trustees Agenda Report
For the Trustee Meeting Date of October 13, 2009

ITEM # 14

ITEM TITLE: *(Please define the subject; e.g., change order – Berkeley City College)*

Consider approval of Independent Contractor Agreement extension for Paula Groves to continue rendering consulting services to Alameda County Small Business Development Center.

SPECIFIC BOARD ACTION REQUESTED:

The initial contract was approved by the Chancellor and the Board at the April 21, 2009 meeting for the period January 1, 2009 to June 30, 2009 in the amount of \$39,928.

ITEM SUMMARY: *(PLEASE DISCUSS THIS ITEM)*

At the Board of Trustees meeting of July 15, 2008 the Board authorized a grant proposal for the operation of the Alameda County Small Business Development Center (ACSBDC). Subsequently, on October 3, 2008 the Peralta Community College District (PCCD) was awarded management of the ACSBDC program beginning November 1, 2008 to December 31, 2009. Funding for the ACSBDC is made available through a contract between the United States Small Business Administration (SBA) and the California Community Colleges Chancellor's Office (CCCCO). The ACSBDC provides professional and technical assistance to owners of small businesses and prospective small businesses in Alameda County through one-on-one consulting, educational, technical and business trainings. .

Funding for this contract comes from the matching funds received from the State Chancellors office for the SBDC grant. Consider approval of Independent Contractor Agreement extension for Paula Groves to continue rendering consulting services to Alameda County Small Business Development Center. The initial contract was approved by the Chancellor and the Board at the April 21, 2009 meeting for the period January 1, 2009 to June 30, 2009 in the amount of \$39,928.

Approval is now requested for an extension to Paula E. Groves contract to continue rendering consulting services to the Alameda County Small Business Development Center (ACSBDC). The amount to be approved shall not exceed \$26,000. The prior contract amount for this fiscal year of \$23,298 brings the total contract amount to \$49,298 which also covers expenses for the remainder of the contract period through December 31, 2009. Any contract approval is subject to negotiation and execution by the Chancellor. The Chancellor recommends approval. The scope of work includes:

- Assist clients (startups and existing businesses), focusing on identifying high-value projects with definable milestones and deliverables, to achieve economic impact in Alameda County service area.
- Assist with implementing and carrying out the task identified in the scope of work of the Peralta Community Colleges District's Alameda County Small Business Development Center proposal;
- Assist with the promotion and marketing of the program;
- Represent the Peralta Community Colleges District's Alameda County Small Business Development Center at key business government and non-government events and meeting;

- Assist with implementation of the day to day Consulting functions. Interface with clients and prospective clients over the phone and in person to assess client needs; refer to classes and other resources, assign work to other ACSBDC consultants, or refer to complementary agencies as appropriate.
- Complete requested reporting and update client records in Webcats on a timely basis and within any predetermined cutoffs as established for the Alameda County SBDC or the Norcal region: each client of more than one session must have a Scope of Work on file; report milestones, client closeouts, economic impact, and other such information as requested by the ACSBDC and regional personnel.
- Participate as a panelist, speaker, or participant in key government and non-government events; Alameda County SBDC workshops, seminars and conferences; and advisor-related training, meetings, and other activities as requested by the Center Director.
- Assist with the implementation of the ACSBDC workshops, seminars and conferences programs.
- Assist with the development of an Equity Fund for small to medium size companies. The fund to be based in Alameda County.

BACKGROUND/ANALYSIS:

ALTERNATIVES/OPTIONS:

EVALUATION AND RECOMMENDED ACTION:

SOURCE OF FUNDS (AND FISCAL/BUDGETARY IMPACT):

OTHER DEPARTMENTS IMPACTED BY THIS ACTION (E.G. INFORMATION TECHNOLOGY):

YES _____ NO _____

COMMENTS:

WHO WILL BE PRESENTING THIS ITEM AT THE BOARD MEETING?

Presenter: Director Jose Dueñas

DID A BOARD STANDING COMMITTEE RECOMMEND THE ITEM? YES _____ NO X

_____ IF "YES", PLEASE INCLUDE THAT INFORMATION IN YOUR SUMMARY.

(*****Board contract approval is subject to negotiation and execution by the Chancellor.)

PAULA GROVES

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Overview

Paula Groves-Hawthorne has over 15 years of private equity and investment experience. In total, Ms. Groves-Hawthorne has helped generate approximately \$85 million in returns to investors. As co-founding partner of Axxon Capital, a \$54 million fund, she invested in eight technology-oriented transactions all of which have achieved exits.

One company sold in October 2007 for \$116 million.

Prior to founding Axxon, Ms. Groves-Hawthorne was a partner with Triumph Capital where she helped complete more than \$115 million of private equity investments. Also helped the firm's assets grow from \$50 million to more than \$800 million.

Ms. Groves-Hawthorne has an MBA from Harvard Business School and a BA in Economics from Stanford University.

Education

- 1989 – 1991 **HARVARD UNIVERSITY GRADUATE SCHOOL OF BUSINESS ADMINISTRATION (Boston, MA)**
Graduated with a Masters in Business Administration. Currently Co-chair of class reunion committee. Co-chair of 2002 African American Private Equity Summit. Producer of 1991 HBS Show.
- 1982 - 1986 **STANFORD UNIVERSITY (Stanford, CA)**
Graduated with a Bachelor of Arts Degree in Economics. Event Chair, Stanford Black Alumni Association of Northern California (2007 – 2008). Student representative to board of trustees committee on investments (1985–1986). Stanford-in-Italy (Spring 1985). Member of the Blythe Fund (1984 – 1986). Freshman advising associate (1983 – 1985).

Experience

Current

4FRONT PARTNERS – Founding Partner (Oakland, CA)

Managing Partner of investment firm specializing in venture capital and private equity. Consultant to small and medium sized businesses. Lead Consultant for the Alameda County Small Business Development Center (“ACSBDC”) assisting companies with obtaining equity and debt capital, business formation, and buying and selling businesses. ADCSBC seminar instructor and coordinator for seminars conducted in nine cities with more than 1,700 participants. Launching equity fund for small and medium sized businesses.

1999-2004 **AXXON CAPITAL (Spin out from Triumph Capital) – Founding Partner (Boston, MA)**

Co-founder of private equity firm. Raised \$54 million from pension funds and high net worth individuals. Served as keynote speakers and panelist for several industry organizations. Appeared in several newspaper articles and television shows including CNNFn and The Money Gang.

- **Fund Investment Activities:** Completed transactions in eight technology oriented portfolio companies all of which have achieved exits. One company sold in October 2007 for \$116 million. Led and trained individuals for investment activities. Conducted due diligence prepared financial analysis, lead negotiations and legal documentation. Held board seats and observation rights. Advised portfolio companies on growth and exit strategies and fund raising opportunities.
- **Investor Management Activities:** Responsible for securing institutional fund investors, marketing activities, tracking fund performance, preparing quarterly and annual investment reports, overseeing cash investment activities, and preparation of financial statements.

1992 - 1999 **TRIUMPH CAPITAL GROUP – Partner (Boston, MA)**

Involved with fundraising, investment and client management activities. Participated on teams investing \$115 million. Helped the firm's assets grow from \$50 million in 1993 to more than \$800 million in 1999.

1991 - 1992 **LEO BURNETT, U.S.A. - Assistant Account Executive (Chicago, IL)**

Helped devise & implement advertising/marketing strategies for Kraft Velveeta Cheese.

1986 - 1989 **THE FIRST BOSTON CORPORATION – Analyst/Associate (New York, NY)**

Financial Institutions Group: Advised clients on merger and acquisition strategies. Developed valuation methodology and analytical models for mortgage banking industry. **Mortgage Finance Department:** Prepared extensive written and quantitative analysis; helped devise appropriate legal documentation.

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Summer

Internships 20th Century Film (Los Angeles); Viacom International (New York); Shearson Lehman (New York).

Service Co-Chair HBS Reunion Committee. Coach for Astia.org. Former Event Chair Stanford Black Alumni Association of Northern California.

Former Activities: Mentor for the Toigo Foundation; Overseer for Boston Symphony Orchestra; Board member of Little Jim Club of San Francisco; Board President of Re-Vision House (a homeless shelter for pregnant teenagers); Treasurer of the Urban League of Massachusetts; Chair of the Business and Finance Committee for Peoples Baptist Church; Board member for Historic Boston, and the New England Aquarium.

Awards,

Conferences

& Panelists Currently, Ms. Groves serves as an instructor, panelist and conference contributor for several Bay Area organizations including the Alameda County Small Business Development Center, Astia.org, and SVASE, the Silicon Valley Association of Startup Entrepreneurs.

In 2002 she coordinated and delivered the Harvard Business School African American Private Equity Summit for which a Harvard Business School case was developed on a portfolio company in which she invested. In March of 2002, she gave keynote addresses at the Women's Summit 2002 at Bryant College and the Babson Women's Leadership Conference. She is also a frequent panelist on the subject of women in business and private equity and has appeared on the television shows "CNNFr" and "The Money Gang".

In Boston, Ms. Groves-Hawthorne received the Abigail Adams award in 2002, and was named the Peoples Baptist Church Women's Day Honoree in 2003.

Personal Passion for travel, reading, a cappella singing, beginner's level cycling and being a certified scuba diver.