



Testimony from the Community Education Council of Elk and Cameron Counties, 4 Erie Avenue, Suite 200, St Marys, PA 15857 in support of legislative initiatives to update the Entrepreneurial Development programs of the Small Business Administration through the use of distance learning resources for entrepreneurs. Presented by Donna Kilhoffer, CEC Program Manager.

### **Community Education Councils**

As defined by the Pennsylvania Department of Education, "The community education councils are non-profit organizations that bring higher education opportunities to rural or educationally underserved communities in Pennsylvania. They serve their communities by assessing the education and training needs of their community and partnering with providers to offer educational programs. Programming includes programs, courses or classes leading to professional, vocational or occupational certification or licensure, an associate degree, a bachelor's degree, a master's degree, GED preparation, skill development or skill enhancement for the community workforce and customized job training for community employers. Further, the community education councils serve as a vehicle for employment opportunities, which meet the community's current and future economic development needs." Currently there are nine Community Education Councils located throughout the state.

The Community Education Council of Elk and Cameron Counties (CEC) was formed in 1992 to fill the educational void that existed in these two counties. Since the Council began, we have grown tremendously - not only in student enrollment, but also in scope of our services. Our primary mission - to facilitate post-secondary educational opportunities - is funded by the Pennsylvania Department of Education. Over the past few years, as the economic situation in our area has changed and we have grown, we have taken on many different projects that could be described as support services or auxiliary educational services. The facilitation of financial & entrepreneurial education in our area is one such service. It is our role as a postsecondary education facilitator to find the most appropriate and cost effective way to bring training and educational opportunities to Elk and Cameron Counties. The CEC is available to partner with and facilitate new programs, classes and training opportunities that relate to economic growth and a prepared workforce for our region. We pride ourselves in being very flexible, so the CEC is willing to work to bring in whatever type of programming that is needed. As the saying goes, the Education Councils know the pulse of their particular communities and are key to the development of their areas.

### **Distance Technology Use to Date**

Distance technology has been a platform for providing education, training, seminars and workshops on a variety of levels and topics from the inception of the CEC. Through distance technology the CEC has facilitated master, bachelors and associate degree educational programs.

Act 48 programming for teachers, CEU seminars on a variety of topics ranging from Wastewater Treatment to Financial & Legal subjects to Early Childhood and Day Care Provider training, and PLCB training updates have been presented at our facility through distance technology. Our high schools are using distance technology to provide advanced placement and dual enrollment classes to their students. The North Central Pennsylvania Regional Planning and Development Commission is using distance technology to inform our businesses of the global market information and opportunities available to them.

## **Our Region**

Elk and Cameron Counties are situated in north central Pennsylvania north of Interstate 80 and approximately 75 miles south of the New York state border. We are in the heart of the Allegheny National Forest, at the center of the PA Wilds Initiative, just south of the Route 6 Corridor and the hub of the Lumber Heritage initiative. The population of the two counties combined is under 50,000 residents.

There are four public school systems and one private school system in Elk and Cameron Counties. For the school term 2008-2009, in the Elk County Districts the combined number of students in the graduating senior classes is under 500. We have no Community College, no Vocational or Career & Technical Education Center. Many of our graduating seniors will be first generation college students.

## **Our Economy**

Economically, Elk and Cameron Counties are experiencing a downward turn within the major manufacturing entities. Since many of our industries are tied to the automotive industries when they are down, our companies are down. Fortunately, thanks to the entrepreneurial spirit of our people, the smaller companies in our region are less affected by the global market place.

Of the 10 major employers in Elk County 8 of them are manufacturing entities. In Cameron County 5 out of the 10 are manufacturers.

Unlike the southern part of our state where dairy farming is prevalent, our agricultural industry centers on Lumbering. In the business sector of our economy, approximately 50 % of the businesses have between 1 and 4 employees. As of the spring of 2008, the per capita income for Elk County was just under \$30,000 per year, just over \$25,000 in Cameron County. The latest data on unemployment rates indicated we are at approximately 12% in Elk County and 15% in Cameron County; but this number is on a rapid climb. We are in a state of flux, we will have to rethink, retool and rebuild our economic base. It is projected that the economic viability of our area will center on our natural resources - making use of the Allegheny National Forest, the Clarion River and the assets of the PA Wilds. That would mean a growth in our service industries; growth in small businesses centered on the tourist trade; all indicators of a growth in entrepreneurial ventures.

## **Our People**

Now let me introduce you to some of the people in our communities.

Doug is the founder and owner of a small (under 20 employees) powdered metal company in Elk County. Doug and 6 other students received their MBA from Penn State University by attending classes presented through Interactive Television at the CEC. Doug will have a need to stay on top of latest changes in tax legislation, the latest OSHA requirements, changes in insurance regulations – any topic that will relate to his small business.

Nate, an Elk County native, graduate of the local high school, is a young man in his early twenties with the dream of running a canoe livery along the Clarion River. Nate has been canoeing the river since before he was school age. He has a knowledge of the local area. He has the desire to put in the long hours and hard work that running a small business would require. What Nate does not have is the knowledge needed to get started. He needs a business plan. He needs market data and marketing opportunities. He needs access to information and experts relating to the legal, tax and financial issues he will encounter.

Kurt is a young family man who was faced with a forced layoff in the mid 1990's when a local brake producing company shut its doors. Kurt is a perfect example of the entrepreneurial spirit alive and well in our area. When the layoff came, Kurt was in his early thirties, had lived in Elk County all his life and had a wife and a small child to support. What next? Kurt's "what next" was to take one of the things he knew best and most enjoyed – fishing. With the help of the Small Business Development Center at Clarion University, Kurt began a business as a fishing guide. Today, Kurt makes use of technology everyday to advertise and promote his business and to be aware of fish stockings in the area.

### **The Need**

I'd like to share with you an excerpt from an email received by the CEC dated March 25, 2009. This email is from Angela who works as the Office Manager for a small tar and chip company in our area.

*"The purpose of this email is to obtain information regarding upcoming courses that will inform us, an other small business owners, on small business taxes. My specific example is that our accountant, that we trust greatly, met with us to discuss our taxes and how he filed them for us. He said we had options, but he went with the one he thought would work best for us. Though I do not doubt his choice, I would like to know what the heck he was talking about and, perhaps, offer my 2 cents in our financial future.*

*Second, a course for small business financing and insurance information. Should we pay our bills right away? Can someone explain to us what all of the insurance terminology is for our commercial business, equipment liabilities and all of that other fine print means? Probably wouldn't hurt to throw in a small bit on health insurance for small businesses and the options they have. I have found the best option is to get it yourself through Highmark or your carrier of choice - its cheaper!*

*So, what I am saying is that I am looking for any school in the surrounding area that is offering courses pertaining to these subjects. We are willing to travel to Bradford, DuBois, Ridgway, Clearfield and Clarion if needed; but of course, we would prefer to keep it local."*

I am still looking for a course for Angela that meets her criteria. Perhaps presenting some of the resources of the Small Business Administration through distance technology at the CEC is the answer Angela is looking for?

### **Conclusion**

There is an entrepreneurial spirit alive and well in our area. What is lacking is the expertise and opportunity to tap into "the experts" regarding changes beyond our area – changes in laws and reporting and market trends. The resources of the Small Business Administration married with distance education technology appears to be one of the most logical, timely, cost effective ways to bridge a gap that would allow the CEC to have answers for the questions Angela has posed and allow Nate to fulfill his dream and open his canoe livery. It would appear to me that the legislative initiatives presented regarding Entrepreneurial Development would be a win-win situation for all involved.

Respectfully submitted March 31, 2009 by  
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