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Office of the SAGE Executive Director
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September 10, 2008

Mr. Tim Jones
Executive Vice President
Commercial Banking
Umpqua Bank
2025 Pillsbury Road
Chico, CA 95926

Dear Tim:

First, thank you and Umpqua Bank for your support of the SAGE California program the past couple years. With your support, Pleasant Valley High School, Chico High School and Fairview High School have joined the SAGE network. This year, we hope to add Paradise High School, Champion Christian High School, and Durham High School.

Second, I have enclosed an application for the SAGE program for 2008-2009. As in prior years, will you please forward it to the Statewide Giving Committee for consideration in your Community Affairs office? You should note that we expect *over 30 high schools* to participate in the SAGE California tournament this year on May 14-15 in the San Francisco Bay Area, and you will certainly be receiving an invitation to be a judge.

Thank you very much for considering this request for \$3,000 (six schools times \$500 each) to support Chico areas high school SAGE teams. I look forward to hearing from you.

Sincerely,

A handwritten signature in black ink that reads "Curtis L. DeBerg".

Dr. Curtis L. DeBerg
Professor of Business
CSU, Chico
Founder, SAGE

Umpqua Bank and SAGE Take the California Stage: A Youth Entrepreneurship and Leadership Program

I. Purpose and objectives of the program

The purpose of this request from Umpqua Bank is to help make future dreams come true for Chico-area high school students by stimulating, evaluating and recognizing outstanding, problem-based learning projects completed as part of the SAGE California program and the SAGE USA program.

Students for the Advancement of Global Entrepreneurship—SAGE—directly targets Umpqua Bank’s EDUCATION focus area, especially as it relates to teenagers who have real potential, but may not have same opportunities as “typical” American youth. Funding from Umpqua Bank would be used to:

1. Recognize the most creative and innovative entrepreneurial ventures completed by Chico’s SAGE students.
2. Recognize the most creative and innovative social ventures completed by the Chico’s SAGE students.
3. Integrate innovative approaches to enhance learning experiences in the public school system.
4. Provide entrepreneurship, financial literacy and business education skills to prepare Chico’s high school youth for their next stage of life.
5. Defray the costs of Chico High, Pleasant Valley High, Fairview High, Paradise High, Durham High, and Champion Christina as they participate in the SAGE California tournament on May 14-15, 2008 at the San Francisco Airport Marriott in San Mateo, CA.

II. What is SAGE?

The SAGE mission is:

To advance youth entrepreneurship and community service around the world, emphasizing ethical business practices, social responsibility, civic engagement and environmental awareness. Youth use their school learning to become self-reliant, create wealth, and help others.

Under the helpful and guiding eye of their university business consultants and mentors, SAGE provides high-school students from throughout the world with an opportunity to complete business and social ventures to improve their communities. At the end of the academic year, the student teams showcase their efforts on a regional, national and world stage. It is a free, non-membership service available to all advocates of education in private and social entrepreneurship.

A team of high-school students is first organized and at least two mentors are identified from local businesses and universities. The size of a team ranges from five to fifty members. With guidance from their university mentors (the mentors all come from Chico State), the team must then complete at least one entrepreneurship venture and one community service venture during the academic year.

At the end of the academic year, teams come together to showcase their efforts through interscholastic tournaments. These competitions provide an opportunity to not only show off their efforts, but, also, “benchmark” themselves against other teams for future improvements. The “referees” for these

competitions come from local and international businesses (like Umpqua Bank), as well as the civic, nonprofit, and education communities, giving the competitions a true “real world” perspective which helps build team competency. You should note that Mr. Erik Manning, Vice President – Commercial Lender from Umpqua Bank’s One Capitol Mall office in Sacramento served as a judge on April 25. Below is an email from Mr. Manning to Timothy Jones on April 28, 2008:

From: Eric Manning
Sent: Monday, April 28, 2008 1:38 PM
To: Timothy A Jones
Cc: Bill Badham
Subject: SAGE event

Tim,
I attended the SAGE event this Saturday on behalf of Umpqua and had a blast – what a great event to be part of! It makes me want to go coach a team for next year....

Thanks for letting me represent the bank and count me in for next year, should you want to participate again.

They gave Umpqua a thank you plaque – would you like me to forward it to you?

Thank you,



Vice President / Commercial Lender

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III. Why is SAGE an ideal match for Umpqua

SAGE is an ideal match for Umpqua Bank’s Community Affairs grant priorities because:

- (1) It has been pilot tested in six states, and it works. SAGE USA has been successfully conducted the past five years, and it has shown that it can become a model for effective state, national (and international) education reform;
- (2) It directly involves local business and community leaders in working with the high school and university students as they complete their real-world, experiential learning projects. This extraordinary “team” effort is unparalleled among youth programs offering financial education, community service or entrepreneurship;
- (3) It directly provides new role models for high school students from college and university mentors; the older students act as financial consultants to their younger protégés, thereby providing a new point of contact between high school students from low-income communities and higher education;

- (4) It directly involves local business and community leaders in a new form of outcome assessment, where these leaders (not the teachers) evaluate the quality of the high school projects; each SAGE team must present the results of their projects in a written annual report and a multimedia presentation at a regional conference.
- (5) It encourages intrascholastic collaboration because students can work on SAGE projects as part of an existing curriculum or after school. At the end of the year, each high school must select a team of presenters who travel to a regional conference (i.e., tournament) to present their results in front of a panel of external reviewers (i.e., referees). The team rated the highest advances to a national competition, and the winner of the national competition advances to the SAGE World Cup;
- (6) It encourages interscholastic competition; SAGE students don't compete for grades; rather, they compete for the same type of recognition that comes with interscholastic sports. The competitive element incorporated into SAGE cannot be overstated. This structure allows teams to "benchmark" their best projects against other secondary schools from one year to the next. Unquestionably, one of the strongest motivators for a young person is peer pressure, and the SAGE structure, in a subtle yet powerful manner, has incorporated this motivational technique into a fun and competitive setting.
- (7) It requires the completion of local projects, but each SAGE must do so with an eye toward international issues; by including a judging criterion with a global dimension, SAGE provides secondary students with an international perspective and, for the most outstanding students, a unique cultural exchange program when they travel to the SAGE World Cup each year.
- (8) Doesn't mandate any one curriculum nor intrude on existing business student organizations; on the contrary, SAGE provides an avenue for these student organizations to showcase what they've learned and earned by presenting their results in a public exhibition, thereby increasing the potential for existing financial education curricula to expand their "market share."

IV. Needs being addressed

The No Child Left Behind education law, with its emphasis on outcomes assessment and school performance, can be criticized for leaving many children behind in the areas of creativity, freedom of expression and civic engagement. This is especially true in the areas of financial literacy and entrepreneurship education. According to the Jumpstart Coalition for Personal Literacy, 50% of U.S. high school seniors don't make the grade in their knowledge of managing money, investing, and savings. Also, a recent Gallup survey found that, even though 70% of high school students want to start their own business, more than half acknowledged that their understanding of business issues is poor. "The sad fact is that most children today receive no formal education about business and free enterprise. Our schools aren't required to teach it and most teachers don't understand it themselves. Unless we start today to correct this situation, the free enterprise system will continue to be at risk tomorrow" [Think This is Kid Stuff? Think Again..., National Federation of Independent Business Education Foundation].

Most financial education programs throughout the U.S., if they exist at all on a high school campus, have focused on curriculum reform/content development and many are delivered in traditional text-based or "chalk and talk" lecture/recitation environments. While the content is usually sound, it neither engages students nor changes their behavior regarding the practice of micro enterprise development, entrepreneurship or financial literacy in their own lives. The challenge is to make that content relevant and "hook" the student. It is one thing to be able to claim that a student has learned the principles of financial management and can pass a test covering the material learned in a classroom. It is something altogether different, and more meaningful, to have that same student apply their financial knowledge to managing their own lives, and their own finances.

Rather than becoming yet another body of knowledge to be memorized, tested and forgotten, if financial education is made relevant, it becomes an integral part of that student's vocabulary and mindset as they seek a job or move on to their vocational school or university years and into the "real world." SAGE provides such relevance. Thus, this proposal addresses an unmet need at the secondary school level in the United States.

III. Plan of action and time frame

The SAGE program promotes entrepreneurship education, financial literacy and community service by linking university students to secondary schools.

In 2009, we expect about 400 high school students from 30 high schools to participate in SAGE California this year, with the culminating event taking place on May 14-15, 2009 in San Mateo, CA. We expect about 100 high school students from the Chico area's six high schools to participate.

University student "mentors" are assigned to individual high schools to help them complete problem-based learning projects. Throughout each year, the high school SAGE team completes at least one project under each of the following three categories: entrepreneurship, community service and teaching. Each SAGE school is encouraged to recruit a Business Advisory Board.

We expect an additional 300 high school students from nine more states to participate in SAGE USA Tournament, with the culminating event taking place on May 16-17, 2009, also in San Mateo, CA. The two teams that do the most persuasive job will then represent the USA in the SAGE World Cup competition in Brazil in August 2009.

We expect SAGE California to grow to 40 high schools in 2010 and 60 high schools in 2011. In the USA, we expect to grow to 20 states, respectively by 2011, including a strong presence in OREGON. We invite Umpqua Bank to become our long-term partner in our goal to make SAGE one of the most impactful youth development organizations in the world!

IV. Qualifications of program staff

Dr. Curtis L. DeBerg is the Project Director. He is a full professor of accounting at California State University, Chico; he has taught at Chico State for the past 18 years. Dr. DeBerg will be assisted by the CSU, Chico SAGE staff, which consists of 30 students who participate in SAGE as part of their community service-learning activities (see <http://sageglobal.org>). Dr. DeBerg is experienced in the areas of experiential learning; he has a successful track record in managing and directing two previous U.S. Department of Education grants; and he has a vast network of secondary school and university contacts across the U.S. and in 14 additional countries that want to participate in SAGE.

V. Total support requested from Umpqua Bank: \$3,000

We request \$3,000 from the Umpqua Bank in 2008-2009. These funds will be used for the direct benefit of the 100 high school students from Chico who will participate in SAGE. Costs include: operating materials and supplies, auditorium rental, awards banquet, lunches, and hotel rooms for the SAGE California students and their teachers when they participate in the SAGE California tournament in May, 2009.

VI. Recognition of Umpqua Bank support

Umpqua Bank will be recognized as one of the co-sponsors of the SAGE California Tournament. Umpqua Bank will also be recognized as a co-sponsor at the SAGE USA Awards Banquet. Recognition will come in the form of significant newspaper, television and radio coverage, whereby the Umpqua Bank will be recognized prominently.

Note: To see an informative 6-minute video of the “power of SAGE,” we encourage you to visit this link: <http://www.youtube.com/watch?v=btHRdvQWWjs>.