

Things to Know When Starting your Business

GRANT FUNDING



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Starting a small business comes at a cost for most of us. Funding is often one of the biggest obstacles to overcome. These tips from Lendistry should help you navigate the path.

What do small business owners need to know before applying for a grant? Receiving a small business grant is great, but applying for one can be daunting if you are not prepared.

Here are some actions to take so you're ready when an opportunity comes up, what to expect from the application process, and some tips for how to find grants for your business.

Because they don't have to be paid back, government-funded or privately-funded grants can help boost businesses that are experiencing a shortfall beyond their control. They can also help a specific community of business owners grow faster.

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Grant programs are often geared toward a specific group of businesses.

Common criteria include:

- Business size
- Business location
- Ownership demographics
- Industry
- Services the business performed for its community
- Job creation
- And more!

Have Your Documents Application-Ready

No matter what kind of small business grant you end up applying for, the application will ask for a lot of information to make sure your business fits the grant program's criteria. But they can't just take you at your word. Unfortunately, fraud is common in the grant world.

To protect against fraud, the program guidelines will ask you to provide financial statements, identifying documents, and other information to help them perform due diligence.

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To be ready to apply, you should keep all financial statements and records up-to-date and ready.

Bank statements, business formation documents, business certifications, and tax returns are common asks from grant administrators.

You should ensure your businesses is registered and up-to-date with all relevant entities, like your local Secretary of State.

It is also beneficial to have a running knowledge of your basic numbers, like annual revenue and dates of formation, so you don't have to search for it at short notice.

Learn About Eligibility Requirements

All grant programs have eligibility requirements. This means the program is aimed at helping a certain type of business or business owner.

Take the time to learn the eligibility requirements **before** applying, to save yourself time and frustration applying for a grant that isn't meant for your small business.

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Expect A Verification Process

Even though you submitted documents to show your application information is correct, the grant administrator still has to review all of those documents and confirm that they are valid.

It's easy to feel offended at these questions. But the organization providing the grant is also accountable for making sure they did everything they could to prevent fraud and errors, so verification is a necessary step.

This step can cause the process to take time. There's no set timeline between completing a grant application and receiving an answer, so be ready to be patient.

How to Find Small Business Grant Programs

There are many places to find small business grant programs that are a fit for your business. Sometimes, you have to do some digging.

There isn't one unified list, because the programs themselves are funded by many entities at many levels.

It helps to know what kinds of terms to search for, so here is a list of potential resources for small business grants.

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Grants.gov

Established in 2002, Grants.gov is an E-government initiative operated under the Office of Management and Budget providing a centralized location for those seeking a grant for their business.

Having information on **over 1000 grant programs**, Grants.gov is definitely one of the first places you should check out, as they also **provide you with most of the knowledge you need to know about how grants work, how you could be eligible for a grant, terminologies, and how grant frauds work**. Easily accessible, beginner-friendly, and holding tons of information on grants, Grants.gov tops our list of places you could find grants for your business.

seedfund.nsf.gov

If your business is based on **science, engineering, and technology**, a seed fund is where you should be looking into. With up to \$2M / 36+ months to be received from seed funds, your business should be headed to the path you envisioned since the beginning. And since they provide you with monthly reports of your progress and financials, all you have to focus on is creating your product or service. One big thing about them is that you don't have to relocate anywhere to access their funds, since **they support startups in all locations**. Their website also has all the information you need on whether you are eligible to receive their rewards or not.

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sba.gov

With multiple grant programs including Covid-19 relief grant programs, sba.gov is another place to investigate when you're looking to get a grant for your business.

SBA also offers grants to community organizations that are **promoting entrepreneurship**, including **veteran-owned**, and **service-disabled veteran-owned businesses**.

Although they do not provide grants for expanding your business or starting your business, they may point you in the direction of organizations that offer what you need.

The SBIR and STTR Programs

The SBIR and STTR programs are geared towards funding **small businesses engaging in federal research and development**. Both programs **require research partnerships**, with STTR requiring you to **collaborate with a non-profit research institution** while you are under the first 2 phases of their program.

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Corporate Grants Program – Patagonia

The Patagonia grant program differs a lot from the others on our list, with their grant **specializing in environmental programs and projects.**

They have a local grant program, and also an international grant program if you are not based in the United States or Canada.

Nav's Small Business Grant

Nav's quarterly \$10,000 small business grant is another unique one, as **your company can be about anything** since they support any business.

You just have to apply for their **quarterly contest**, write a post on your business socials, and share your posts around encouraging all your friends to vote for your business. If you win, you get the \$10,000 grant, but even second place gets to have a \$5,000 grant!

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The Amber Grant

Another unique grant as this applies only to **businesses owned by women** and supports any type of business.

Applying for the grant is no sweat too, as they don't require you to fill out forms, and all you have to do is talk about yourself, and how you want your business dreams to come to life.

NASE Growth Grants

Members of the **National Association of the Self-Employed** (NASE) can apply for the NASE grant program. Though not all the applicants can be accepted, it is definitely worth the shot if you are a member of the NASE.

Fastbreak for Small Businesses

For small businesses that are lacking some exposure and love, this is a good choice to try and get a business grant.

LegalZoom, the NBA, WNBA, and NBA G League have all teamed up to help **small businesses owners in underserved and underrepresented communities**. With up to \$10,000 grants, and open twice a year, this is definitely something to check out if you are in one of the smaller and underserved business communities.

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Your state:

- Visit your state's economic development department, or department of commerce, where state-funded resources and opportunities for small businesses are listed

Your county, city or town:

- Visit your local government websites or call their small business offices

Local small business support organizations:

- Small Business Development Centers (SBDC)
- Technical Assistance or Training Organizations
- Chambers of Commerce
- Business Centers
- Women's Business Centers
- Industry-specific organizations

This is just an overview of the most well-known grant opportunities to consider for your business.

For help with this, or any other aspect of starting your business, contact us today at rhondaloweconsulting@gmail.com

This information is meant to be educational only and does not constitute legal or financial advice. Consult with a professional attorney or accountant for what is right for you and your business.