

The image features an abstract graphic design on a white background. It consists of several overlapping circles and thin lines. A large red circle is positioned in the upper right quadrant. Below it, a smaller black circle is centered. In the lower right corner, there is a large blue circle with a darker blue shadow behind it. Two thin, light blue lines intersect to form a triangular shape that frames the red and black circles. The text '2010 SBG Guide' is located in the lower left area, with 'Small Business Grants Resource Guide' underneath it.

2010 SBG Guide

Small Business Grants Resource Guide



INTRODUCTION

Great business ideas without proper planning or the right financial support usually remain just that – ideas. The leading challenge for most entrepreneurs is finding the resources to finance their new business. What if there was a way to get free money in the form of local or state government grants to help launch your company? Many individuals who think of becoming new business owners begin their search for capital to get started. There are many conventional options such as savings, personal bank loans or raising money through family and friends, but the one area that is generally overlooked is grants from the government or large corporations.

All levels of government as well as many large private corporations set aside funds to help Americans launch new and innovative businesses each year. Unfortunately, the world of grants is complex and confusing and differs greatly from state to state. There are very specific criteria that must be met in order to qualify for grants and finding the one that matches your business.

This manual will help you find vital business resources, free professional advice, easy-to-follow templates, where to go for grants and what you need to do to qualify for them.

This guide will show you:

- The types of businesses that most likely will qualify for grants
- How to locate grant funding in your state
- The grant application process
- Steps that must be followed for your application to be considered
- Sources for free advice from experts in the field
- What grant money can and cannot be used for
- How to find the grants that fit your particular business

Find out how the government and large corporations can help turn your dreams of business ownership into reality. Learn how to come up with ideas that will qualify for grants, how to write a professional business plan and more.



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CHAPTER 1

STARTING YOUR BUSINESS

Experienced entrepreneurs agree that there are key steps that must be taken in order to increase chances of success. Following these steps will help identify your industry, target market and provide beneficial methods to keep your business viable and profitable. Later in this manual we will explain the particulars of each step and places you can go for free professional advice.

Develop a Business Plan – A business plan is crucial when seeking small business grants or low interest loans from financial institutions, government organizations, corporations or private lenders. A business plan can also be updated to reflect the changes within your company as it grows. This manual will provide you with information to put together a professional business plan in Chapters 3 and 4.

1. **Become a Business Expert** – Learn all you can from people who have done it before and proven their success. Avail yourself of any free business counseling or training services that are available either on the internet or in your local community.
2. **Location, Location, Location** – You need to decide whether you will start a home-based business or if it would be best to find office space. You will need to check with your local zoning laws in order to ensure your business complies with all existing orders.
3. **Grants and Loans** – Depending on the type of business you plan to start you may be eligible for government or corporate grants. Alternatively, there are places that offer special low interest business loans and are often government backed in an effort to boost local economies. These are designed to help launch new businesses or to aid in expanding existing ones.
4. **Registration of Business Structure** – You will need to establish how you want to legally set up your business: a partnership, a sole proprietorship, a cooperative for profit/non-profit, corporation etc. The next section of this manual will explain the differences. Once you have made that decision the next step is to decide a name for your business and register that name with the state.
5. **Internal Revenue and Taxes** – You will need to secure a tax identification number from both your state revenue department and the IRS. This is especially important if you plan to have any employees as you may be required to register for such things as disability insurance, worker's compensation and unemployment benefits.
6. **Permits and Licenses** – Research you conducted for your business plan will have given you all local, state and federal licenses or permits that may be required.

Proper planning and research are the factors that will separate you from the hundreds of businesses that never make it past the first few critical years. Without proper planning, you will not only minimize the chances of success, but grants and low interest loans will most certainly be out of your reach. Any institution, whether it be government, private or a corporation, will want to know that you have thought



of every possible contingency and that the company they are investing in has a realistic chance to succeed and grow.

CHAPTER 2

CHOOSING A BUSINESS STRUCTURE

You will need to classify how your business will be legally recognized since this will weigh heavily on your eligibility to secure grants, business loans or attract investors.

Take the time to explore the different types of business structures and choose the one that will best suit your company's needs. Since changing your legal business structure is both time consuming and costly it is best to plan for the future and consider your company's long term goals.

Although you are not required to hire an attorney to prepare or file any of the paperwork, it is recommended that you consult with a tax professional to establish which legal structure is best for you.

The most common types of ownership in the United States are:

- Sole Proprietorship – This is the least costly and simplest legal business structure. As the owner, you will file all your profit and loss reports on your personal income tax return. In a sole proprietorship you can also create any name you wish to do business under (Doing Business As/DBA).
- General Partnership – Just like in a sole proprietorship, owners are not required to file anything with the state in order to form their entity. The partnership is legally owned by two or more people who share the company's losses and profits. Since each partner is liable for the business, debts can be collected from whichever partner seems to be the easiest to collect from. All particulars of responsibility with regards to the business must be outlined and clearly detailed in the Partnership Agreement.
- Limited Partnership – Although similar to a general partnership, a limited partnership allows for partners to own a portion of your business without direct participation in daily operations. These are commonly known as "silent partners" and allows for part ownership without taking on any liabilities of the business. However, a limited partnership must have a general partner who assumes all the business's liabilities.
- Limited Liability Partnership (LLP) – The limited liability partnership is mainly used by accounting firms and law firms and is subject to states that have a limited shield law. Since laws governing LLP partnerships vary widely from state to state, it is recommended that you check with your particular Secretary of State for specific state regulations. LLP's are governed by the same tax laws as a partnership but include liability limits of all the business's partners similar to an LLC (Limited Liability Company).
- "C" Corporations and "S" Corporations



o A standard “C” Corporation does not link the business’s profits or losses to the individual tax returns of the owners but may require payment of certain annual fees or state franchise taxes. The tax implications of “C” Corporations can be quite complex and therefore a tax professional should be consulted before a company decides to incorporate.

o Once a business has completed the corporation process, the stockholders can file the appropriate paperwork with the IRS to receive their “S” Corporation standing. As in a partnership, the owners must file the profits and losses of the corporation in their federal tax returns according to a percentage of their stock ownership. This corporation category is often best for a small business in which most of its shareholders are directly involved with the daily activities of the business and are employed by the corporation.

Additionally, the majority of the income in an “S” Corporation is dispersed to the shareholders on an annual basis.

- Limited Liability Company (LLC) – Just as in a corporation, officers, owners and directors are protected from the company’s liabilities. However it is common to pay a franchise tax which differs for each state. Since an LLC is relatively low in cost to create and provides flexibility, this structure is gaining immense popularity with small businesses. Rather than through stock ownership, it is through the LLC Articles of Organization that determine profit and loss disbursements, member voting power and percentage of ownership. An LLC Company may also elect to be taxed as either an “S” corporation or a “C” corporation.
- Nonprofit Corporation – Almost any type of business can be a non-profit corporation. Although non-profit companies can have employees that receive salaries, there are technically no owners and all profits are reinvested into the corporation to continue its work. Since there are numerous regulations governing nonprofits, setting one up does have its challenges, however many people whose objective is for a social vision rather than huge profits choose this structure and simply draw a salary as an employee of the corporation.
- Professional Limited Liability Company (PLLC), Professional Association (PA), Professional Corporation (PC) – Certain professions such as physicians, engineers, lawyers, architects, etc. have entity forms that require special licensing regulations and are subject to malpractice liability. It is necessary to check with your local Secretary of State as it is generally required to have all formation paperwork and documents approved by your state licensing body prior to being filed.

Take some time to find out about the details of each business structure. The following sites will provide helpful information on each type of business outlined above.

Choose your Business Structure <http://shar.es/mkaQS>

SETTING UP YOUR BUSINESS



Sole Proprietorship

- <http://shar.es/mk3NF>

General Partnership

- <http://www.yourlegalcorner.com/articles.asp?id=16&cat=part>

Limited Partnership

- Advantages of a Limited Liability Company (LLC)*
- The Pros and Cons of Partnerships
- Top 10 Mistakes Businesspeople Make When Forming Partnerships
- Advantages and Disadvantages of Limited Partnerships
- Comparing a Sole Proprietorship with a Partnership and a Corporation
- Limited Liability Company (LLC) Basics*
- The Benefits of LLCs and LLPs*

If your Limited Partnership Company is located in the state of California the following link will provide you with updated information regarding specific regulations:

<http://www.sos.ca.gov/business/be/forms/ab339-notice-of-change.pdf>

“C” and “S” Corporations

- <http://sbinformation.about.com/od/ownership1/a/ccorporation.htm>
- http://www.ehow.com/how_2040117_corporation-without-lawyer.html
- <http://shar.es/mkHKu>
- <http://www.scorporationexplained.com/scorpexplained-faq.htm>
- <http://www.inc.com/how-to-set-up-an-s-corp>

Limited Liability Company

- <http://sbinformation.about.com/cs/ownership1/a/LLC.htm>
- http://www.bnet.com/2410-13502_23-68813.html
- <http://entrepreneurs.about.com/od/businessstructure/ht/llcsetup.htm>

Nonprofit Corporation

- http://managementhelp.org/strt_org/strt_np/strt_np.htm
- <http://www.wikihow.com/Start-a-501c3-Nonprofit-Organization>
- http://www.arl.org/sparc/publications/papers/setting_up_a_nonprofit.shtml



Professional Limited Liability Company (PLLC), Professional Association (PA) or Professional Corporation (PC)

- http://www.incorporate.com/professional_corporation.html
- <http://www.bizfilings.com/professional-corporation.aspx>
- <http://www.bizfilings.com/learn/professional-service-corporation.aspx>
- <http://www.bizfilings.com/states.aspx>

For basic information on PLLC's, PA's and PC's you can go to: <http://www.bizfilings.com/states.aspx>.

STATE REGULATIONS FOR LEGAL STRUCTURES

It is important to understand that regulations for setting up these legal structures will vary depending on which state you are in; the following links will provide you with the necessary information for each state.

- Alabama <http://www.sos.state.al.us/BusinessServices/Corporations.aspx>
- Alaska http://www.commerce.state.ak.us/occ/home_corporations.htm
- Arizona <http://www.azcc.gov/divisions/corporations/>
- Arkansas http://www.sos.arkansas.gov/corp_ucc_business.html
- California <http://www.sos.ca.gov/business/be/forms.htm>
- Colorado <http://www.sos.state.co.us/biz/FileDoc.do>
- Connecticut - Simply scroll down to Business Forms
http://www.ct.gov/sots/cwp/view.asp?a=3177&q=392124&sotsNav=|&sotsNav_GID=1844
- Delaware <http://corp.delaware.gov/formsentitytype09.shtml>
- District of Columbia (DC) <http://dcra.dc.gov/dcra/site/default.asp>
- Florida <http://sunbiz.org/register.html>
- Georgia <http://www.sos.ga.gov/corporations/>
- Hawaii <http://hawaii.gov/dcca/breg/about>
- Idaho <http://www.sos.idaho.gov/corp/corindex.htm>
- Illinois http://business.illinois.gov/step_by_step_guides.cfm
- Indiana <http://www.in.gov/sos/business/index.htm>
- Iowa <http://www.sos.state.ia.us/business/buslicenseinfo.html>
- Kansas http://www.kssos.org/other/articles_of_formation.html
- Kentucky <http://www.sos.ky.gov/business/filings/forms/>
- Louisiana <http://www.sos.louisiana.gov/tabid/903/Default.aspx>
- Maine <http://www.maine.gov/sos/cec/corp/>
- Maryland <http://www.dat.state.md.us/sdatweb/sdatforms.html#entity>
- Massachusetts <http://www.sec.state.ma.us/cor/coridx.htm>
- Michigan
http://www.michigan.gov/documents/business/Guide_to_Starting_a_Small_Business_271487_7.pdf
- Minnesota <http://www.sos.state.mn.us/index.aspx?page=172>



- Mississippi http://www.sos.ms.gov/business_services_business_formation.aspx
- Missouri <http://www.sos.mo.gov/business/corporations/>
- Montana <http://sos.mt.gov/Business/Forms/index.asp>
- Nebraska http://www.sos.state.ne.us/business/corp_serv/
- Nevada <http://nvsos.gov/index.aspx?page=267>
- New Hampshire <http://www.sos.nh.gov/corporate/Forms.html>
- New Jersey <https://www.state.nj.us/treasury/revenue/dcr/filing/leadpg.htm>
- New Mexico <http://www.nmprc.state.nm.us/cb.htm>
- New York http://www.dos.state.ny.us/corps/dom_busfile.html
- North Carolina <http://www.secretary.state.nc.us/corporations/>
- North Dakota
<http://www.nd.gov/sos/businessserv/registrations/types/corporations/general/index.html>
- Ohio <http://www.sos.state.oh.us/sos/upload/business/filingformsfeeschedule.aspx?page=251>
- Oklahoma <https://www.sos.ok.gov/corp/filing.aspx>
- Oregon <http://www.filinginoregon.com/index.htm>
- Pennsylvania
http://www.dos.state.pa.us/portal/server.pt/community/corporation_bureau/12457
- Rhode Island <http://sos.ri.gov/business/>
- South Carolina http://www.scsos.com/Business_Filings
- South Dakota <http://www.sdsos.gov/busineservices/corporations.shtm>
- Tennessee http://www.state.tn.us/sos/bus_svc/forms.htm
- Texas <http://www.sos.state.tx.us/corp/index.shtml>
- Utah <http://corporations.utah.gov/business/index.html>
- Vermont <http://www.sec.state.vt.us/corps/corpindex.htm>
- Virginia <http://www.scc.virginia.gov/clk/formfee.aspx>
- Washington <http://www.sos.wa.gov/corps/Default.aspx>
- West Virginia <http://www.sos.wv.gov/business-licensing/Pages/default.aspx>
- Wisconsin <http://www.wdfi.org/corporations/forms/>
- Wyoming <http://soswy.state.wy.us/Forms/FormsFiling.aspx?startwith=Business>

STATE REGULATIONS FOR SETTING UP A BUSINESS

The following sites will provide you with specific information on the legal requirements for setting up a business in your particular state or territory. Since every state has different laws governing the set up of a business it is highly recommended that you check with your particular Secretary of State by clicking on the business services section of your state's website.

- [Alabama Secretary of State](#)
- [Alaska Secretary of State](#)
- [Arizona Secretary of State](#)
- [Arkansas Secretary of State](#)
- [California Secretary of State](#)



- Colorado Secretary of State
- Connecticut Secretary of State
- Delaware Secretary of State
- District of Columbia Secretary of State
- Florida Secretary of State
- Georgia Secretary of State
- Guam Government Site
- Hawaii Secretary of State
- Idaho Secretary of State
- Illinois Secretary of State
- Indiana Secretary of State
- New Mexico Secretary of State
- New York Secretary of State
- North Carolina Secretary of State
- North Dakota Secretary of State
- Ohio Secretary of State
- Oklahoma Secretary of State
- Oregon Secretary of State
- Pennsylvania Secretary of State
- Puerto Rico Secretary of State
- Rhode Island Secretary of State
- South Carolina Secretary of State
- South Dakota Secretary of State
- Tennessee Secretary of State
- Texas Secretary of State
- Utah Secretary of State
- Vermont Secretary of State
- Virgin Islands Secretary of State
- Virginia Secretary of State
- Washington Secretary of State
- West Virginia Secretary of State
- Wisconsin Secretary of State
- Wyoming Secretary of State

Now that you have a better idea of the specific legal structures and what paperwork, if any, you will need to file, where do you go from here?

CHAPTER 3



THE BUSINESS PLAN – WHY WRITE ONE?

A detailed business plan should be done whether you intend to start a small home-based business or launch a larger company. Many businesses, small and large, fail to thrive because the owner(s) did not have a clear picture of how to start, maintain and grow their business. A well researched business plan will give you the tools you need to understand every aspect of the start-up phase, how to find your target market, financing options, etc. It also enables you to see if your original idea needs to be changed completely or perhaps slightly altered. Being prepared for future challenges will contribute immensely to your success and growth.

Most people have heard leaders of large corporations use the term strategic planning and assumed it was a phrase that was exclusive to big business. No matter what the size of your new business, strategic planning is essential and can only be achieved through writing a well thought out and detailed business plan. Since one must conduct research, collect relevant data and then analyze all the information gathered about a particular industry before writing a business plan, owners will be able to see all its strengths and weaknesses. It is by far the best way to see if your strengths and skills match the industry you wish to go into.

A well structured business plan is an excellent way to entice prospective employees, future partners, secure investment capital and of course is essential in obtaining grants and loans.

A thoroughly researched business plan is also considered to be a vital management tool. Every professional business plan will be altered and adjusted as your company grows according to the changing business environment. By reviewing the accomplishments and goals that have already been recorded you will be able to review your progress and plan for future growth.

Your business plan should be designed to prepare for possible future complications and obstructions for which you can provide proactive, viable and innovative solutions. When you have a company with employees it is often the front line workers who most readily identify problems and provide suggestions for solutions. With this in mind, many successful entrepreneurs understand the value of sharing their business plan with employees to gain valuable insight about the company's current situation and possible directions for the future.

“Why do I need to write a business plan” can be effectively summarized by three of the vital areas that every business plan covers:

- An essential means of communicating with financial institutions, government and other sources of business grants, potential investors and employees.
- A management tool that helps you to evaluate your current business situation, apprehend your accomplishments and modify the business plan as circumstances change.
- An instrument for planning and indentifying challenges and devise innovative and viable solutions.



At first, writing a business plan can seem overwhelming, but the following sites will help get your started:

- <http://www.sba.gov/smallbusinessplanner/plan/index.html>
- <http://www.leadership-tools.com/business-free-plan-template.html>
- <http://www.myownbusiness.org/s2/#3>

CHAPTER 4

HOW TO WRITE A BUSINESS PLAN

Once you have gathered the necessary information it is time to sit down and begin writing. All business plans should take the reader from the initial formation of the business

through to finances and long term goals. Although the sections of the business plan will not be written in the order that they are presented in the final document, the outline is

important and shows the reader that you have done the proper research to support your request for funding.

BUSINESS PLAN OUTLINE

Cover Page – Should be simple and contain the company name along with the words “Business Plan” and may include the owner(s) name.

Table of Contents –a table of contents will allow the reader to turn to other areas of the business plan with ease.

Executive Summary – Although this will be the first page of your plan, it should be the last page that you actually write. The executive summary will include a history of your company or in the case of a brand new business, your qualifications as they relate to the business you plan to start. For a new business, you should also show how you came up with the idea along with problems you foresee in regard to your target market and the solutions you have come up with to overcome these challenges. In either scenario this summary will also show the direction you have for the company and a realistic vision of where you see your company heading. The executive summary will be the most important section of your business plan as it must get the reader’s attention and convince him/her that this is a viable business idea with potential for growth in a reasonable amount of time. It is a summary of your vision and the reasons why



you feel this particular business will be successful. This section should contain such specific information as:

- Expected start date or in the case of an existing business, the date it began.
- Mission Statement of your company, which is a brief explanation of the focus or point of the business. This can be as short as a few words but should generally not be more than a simple paragraph. A logo or image that conveys your message can also be used.
- Owner names and their function within the company.
- Number of employees (if any).
- Business location and brief description.
- Product or service being sold, manufactured, or researched offered.
- Banking information and any investors (if any).
- Expected company growth or growth history for an existing company. If this is an existing company, you are wise to include any specific information such as an innovative idea that doubled your sales in the first year, etc.
- A brief summary of the owner's/management's plans for the future. Since a detailed explanation will be contained in the remainder of the business plan, bullets showing highlights is all that may be necessary.

Market Analysis - This is the section where much of the initial research you did will be fundamental. Although the precise details of your market research will be contained within the appendix section of your business plan, here you will need to show your expertise as it directly relates to the business you will be starting. You can include some general highlights and conclusions your market research may have led you to.

The market analysis section of your business plan should include:

- You will want to describe your company, the size of the particular industry, including growth patterns and specific qualities and developments of the said industry.
- Next you will want to show your target market, which is simply who your product or service will be sold to. If your business is in the area of research, explain the theory you want to prove, the benefits it will have and who the beneficiaries will be. Try to keep your client base to a reasonable target where you can demonstrate a need for the product or service offered. You will also want to show the number of clients you can reasonably expect to secure and any pricing and discounts you will receive through volume purchasing. Also include the resources you used to obtain your data, any form of advertising you plan to use in order to reach potential clients, how often clients can be expected to purchase your product/service and who in your target market will actually be making the final purchasing decision.
- Explain how your product/service meets your target market and to what extent they are or are not currently being met in the industry – what is the “demand”. You will want to outline how you intend to capture your company's share in this market and show how you came to your conclusion.



- Finally you will want to state any changes you might foresee in the industry and solutions that you can implement to retain your client base or secure new ones. Test results and surveys should be essential to your Market Analysis. Any further details that were used or information gathered will be included in the appendix section of your business plan. Depending on the product or service being provided there may be a waiting period from when a customer places an order and when they actually receive it. This is called the lead time and should be included in this section as well.

Management and Organization - this section of your plan will show the organizational structure of your business and details of all the people that will be involved and their specific roles within it, which could include:

- The business structure you have chosen and all relevant information to ownership such as names of owners, involvement in the company, percentage of their individual ownership and their details (i.e. general or limited partner, common stock, etc.). You will also include any authorized or issued common stock or outstanding warrants, options, convertible debt, etc.
- If your company has a board of directors you will need to list their names along with their qualifications. It shows the reader that you have come up with a definite plan to ensure your company has the expert advice.
- If your business will be made up of separate departments you will want to describe each in detail and the people who will be in charge along with their qualifications.
- In the case of a business that has elected to work with an advisory board you will need to list who is on the board and incentive plans you will provide such as salaries, benefits, etc.

A common factor in all successful businesses is the experience and past record of their owners and managers. This is where you can showcase the people that will be involved with the business and demonstrate that you have highly competent experts to help you sustain and grow your company. Provide resumes and any special skills along with specific achievements and involvement they may have had within the community.

Sales and Marketing – In simple terms, acquiring customers is marketing.

A sales and marketing approach differs from business to business; nonetheless, there are key elements that will aid you in finding your particular strategy. In this section you will want to include:

- Specific strategies you will use to break into your target market.
- Plans for how you can increase business and grow your company. For example, you may be looking at buying another business that would compliment what you are currently doing or you may have plans to increase your staff. You may have plans to offer the product or service at different price points, thus enhancing your target market.
- Describe all current and potential methods your company has for getting your product/service to your customers. Distribution channels could include direct sales, sales through the internet, outside distributors or perhaps your product/service can also be sold through other retailers.
- This section should also include exactly how you intend to get the information to your customers about your product/service. Most businesses will have a number of ways to communicate



with potential customers and will generally use a combination of a direct sales force, brochures or other printed material, special promotions, media advertising, etc.

- Explain how you intend to hire and train the sales team, if applicable, and the financial compensation you will be offering.
- Since you have already defined your target market in your Market Analysis you will now need to explain who will be targeted first. Show realistic figures in relation to how many calls/flyers, etc. will be needed to generate each sale and exactly how much money each sale will bring in.

Product or Service – In this section the reader will want to know exactly what product or service your business will be selling. You have touched base on this information earlier in your business plan, but in this section you will want to go into much more detail and elaborate as much as possible. It is important to define what sets you apart from similar businesses; products or services that place you at a distinct advantage over others in your industry.

You will also want to show results of your research that clearly demonstrate that customers are in need of what you offer and are willing to pay for your particular product/service.

If you have plans to include other specialty products/services in the future which will broaden your market, explain how you plan to implement these changes and how it will affect your growth.

Grant/Financial Funding Request – Now is the time to request the amount of funding that you are seeking. Whether you are looking for financial investors, low interest loans or grants from the government or a private corporation, the information you include here is essential if you want to be given fair consideration.

The primary points that you will need to expand on are:

- Funding you are requesting now
- Funding that you will need over the next four or five years (if any)
- Exactly how you intend to use the funds received
- Any financial plans beyond the four or five year initial period that may have a bearing on your current request

In the case of loans or other funding that are to be repaid be sure to include your expected repayment terms. Any person or institution that is considering your request will want

to know in detail how these funds will be used: new acquisitions, debt repayment, working capital, capital expenditures, etc.

The reader will be looking for any information that may affect your future financial situation and may have an impact on your ability to repay a loan if that is what you requested. For example, if you have been approached by someone to buy out your company, are planning to franchise or your company



plans to go public, all these possible scenarios must be clearly spelled out to reassure the lender of your ability to repay a debt.

In a later chapter we will go into detail about the process and information you will need when requesting grant funding from the government or a corporation and how to include this with your completed business plan.

Financial Information –In the case of an existing business you will need to include three to five years of financial information. If your business has been in operation for less than three years you will need to supply all financial data that you have available. Both creditors and grant funding institutions will want to see income and cash flow statements, balance sheets and in the case of loans, any collateral that exists within the company. In addition to the company's past financial data, you must outline the company's future financial planning; at least five years is recommended. This should include forecasts for income and cash flow statements, balance sheets and a budget for capital expenditures. Monthly or quarterly forecasts are advised for the first year of your financials and then can be extended to yearly forecasts for the remaining years. If possible, it is suggested that you include graphs that show the ratios and trend analysis of all past and projected financials that you have provided.

Take the time to examine all your projected figures in order to ensure they precisely match your grant or loan request. Errors in this section can be very detrimental to your request being considered.

Appendix –Since your business plan has many purposes, the appendix is the section of your business plan that you will only provide to people on a need-to-know basis. Having your appendix readily available is a priority as individuals offering grants and loans will want to have access to this information. Keep a record of anyone who has been given a copy so that as you update the document it will be easy to provide them with these changes.

Items that will be included in appendix are:

- Specifics of any market studies
- Names and contact information of business consultants, accountants or attorneys
- Personal and business credit history
- Resumes of anyone involved in the business
- Descriptions and/or pictures of products/services
- Any references used in the business plan such as articles, books, etc.
- Letters of reference
- All relevant legal documents
- Patents, permits, licenses that may be required to run your business
- Building permits, leases, etc.

Placement Disclaimer – This section will only be used if your business is seeking to raise capital. In this event, it must be placed as the first page of your business plan and it is highly recommended that you



get legal advice before including such a disclaimer. There are several sites that provide samples of placement disclaimers such as:

- <http://stonehenge-intl.com/pages/PrivatePlacementDisclaimer.php>
- <http://www.jpec.org/handouts/jpec141.pdf>
- http://vcexperts.com/vce/library/encyclopedia/documents_view.asp?document_id=60

Although there are specific elements that must go into every business plan and must be professionally put together, it is also a very personal endeavor and will differ from writer to writer. It is a good idea to review several business plans to give you a better idea of different writing styles and choose the one that best suits you and your business. The following sites will provide you with samples and templates for accepted forms and styles along with valuable advice on how to write your own professional business plan.

- www.leadership-tools.com
- <http://www.bplans.com/>
- <http://www.entrepreneur.com/businessplan/>
- <http://www.morebusiness.com/business-plans>
- <http://www.evancarmichael.com/Sample-Business-Plan/>

CHAPTER 5

TYPES OF FUNDING

Funding a new business or the expansion of an existing one can be challenging for any entrepreneur. Capital can come from a variety of sources such as raising money through family members, personal loans or lines of credit from a financial institution, low interest business loans and of course government and corporate grants

What is a Business Grant?

The simplest definition of a business grant is an endowment of financial aid from an agency enabling the owner(s) to start or continue carrying out a business. The grantor will have specific criteria that must be met in order qualify for any grants being offered.

Who Offers Small Business Grants?



Grants are available from the federal government, state, local and county government departments and many large private corporations or foundations for a specific use.

Federal Government

Federal grants are generally not awarded directly to individuals or small businesses but are instead filtered through other agencies or local and state departments. This process makes it very difficult to locate and apply for business grants unless you know exactly where to look for them. One exception in being eligible to receive direct federal grant money is a non-profit agency whose activities are designed for charitable purposes and one that has been awarded a 501(c) (3) status, making it tax exempt under IRS tax code regulations.

Federal Government grant money must be used for an activity or service that provides a measurable benefit to the public. It cannot be used to benefit any government department through acquisition of property or in the delivery of services.

The U.S. Department of Health and Human Services (HHS) does offer grant opportunities through Grants.gov and provides information on grant eligibility at <http://www.grants.gov/>.

The majority of organizations that meet eligibility requirements for direct grant funding are as follows:

- Educational Organizations such as independent school districts, public and state controlled higher education institutions and private higher educational institutions.
- Government Organizations including local, state, city/township governments, Native American tribal governments and special district governments.
- Non-Profit Organizations that have been granted a 501(c) (3) status with the IRS, some non-profits, other than higher educational institutions that do not have a 501(c)(3) status.
- Public Housing Organizations such as Native or Public Housing Authorities who meet the grant requirements.
- For-Profit Organizations that do not have a “small business” designation but do meet the size standards for industry as set out by the U.S. Small Business Administration (SBA).

These predetermined standards are:

- 500 employees for most manufacturing and mining industries
- 100 employees for all wholesale trade industries
- \$6 million for most retail and service industries
- \$28.5 million for most general & heavy construction industries
- \$12 million for all special trade contractors
- \$0.75 million for most agricultural industries



State and Local Grants

Economic Development Agencies exist in every state and aid to develop new businesses and grow already established companies. Some of the services they offer include:

- Help in recruiting employees
- Assistance with employee training
- Advice on starting a new business
- How to choose a location or site for your business
- Financial help in securing tax-exempt bonds, grants and loans

A complete list of links to each state's Economic Development Agency is provided in the Helpful Links and Resources section of this manual.

Private Grant Sources

There are a number of private corporations, foundations and business groups that also offer grants to innovative businesses that meet the set out criteria. Some are easier to apply for than others, all have pre-determined limits on the size of grants being awarded and most require a completed business plan for eligibility.

One such organization is the Idea Café whose website can be found at:

http://www.businessownersideacafe.com/small_business_grants/index.php.

There are no fees required to apply and it's open to anyone who is planning to start a new business or expand on an existing one. At Business.gov you can answer a few simple questions about location, business type, etc. and be directed to a list of organizations that offer grants that match your specific conditions. Their site can be found at <http://search.business.gov/startLoans.html>.

Grants for a technology company generally have a high rate of success. The federal government offers grant opportunities through the Small Business Technology (STTR) and the Small

Business Innovation Research (SBIR) programs and awards more than \$2 billion annually, subject to eligibility. In Ohio TechColumbus offers grants that help entrepreneurs assess ideas in the field of technology to help them ascertain if their idea can be turned into a viable business. Your local Chamber of Commerce and your Secretary of State Office will often have this kind of information.

Although it is a little more difficult to find non-technology focused small business grants there are still a number of options. Your business may qualify for Small Business Certification if the owner falls into specific categories such as a woman or veteran owned company or plan to operate a business for a disadvantaged group. Once again, your Secretary of State office is a very useful resource in this area.



There is no doubt that if you are willing to put some effort into researching the area of grants you will be able to find numerous resources that could lead you to the grant that fits your business. Immerse yourself in the world of business, large and small, read trade magazines, talk to other entrepreneurs and visit sites that offer free advice. One such online business magazine, The Philanthropy News Digest, will keep you informed of companies and corporations that award grants as well as general information about the business world. You can visit their site at: <http://foundationcenter.org/pnd/>.

When you are ready to begin sorting through the different types of grants available that match your skills, read through the Helpful Links and Resources section of this manual and begin selecting the links that pertain to your specific needs and the state or county that your business will be located in.

Foundation Grants

There are a large number of U.S. foundations and public charities that offer grants which are generally designed for non-profit organizations. Even if your business is a for-profit company there are ways that you can incorporate a non-profit entity to an existing business. If for example, you own a store that sells musical equipment you could attach a non-profit department that offers music lessons to underprivileged children or some other disadvantaged group within your community.

Some of the foundations that regularly make grant opportunities available are:

- The Bernard Osher Foundation of California
- Carnegie Corporation of New York
- Greater Milwaukee Foundation of Wisconsin
- The Arthur Vining Davis Foundation of Florida

A more detailed list along with links can be found in the Helpful Links and Resources section of this manual. Grant money from these foundations and charitable organizations are made available for very specific projects and not for the company as a whole. In order to qualify you may need to refurbish your business structure so that it fits into a different category. It is important to remember that wherever your grant money comes from, the details of how and what you can spend it on will be outlined by the grantor. These guidelines will have to be strictly followed to retain your eligibility.

CHAPTER 6

OTHER FINANCING OPTIONS



There may come a point in your research where you realize that grant opportunities will not be available for your business at this time. Never despair as an opportunity may present itself as your business progresses. In the meantime there are many options for acquiring low interest business loans. In the event a new entrepreneur cannot access conventional lending institutions, there are other avenues for acquiring low interest business loans from other sources.

U.S. SMALL BUSINESS ADMINISTRATION LOANS

One such organization is the U.S. Small Business Administration (SBA) at:
<http://www.sba.gov/financialassistance/borrowers/>.

The SBA has a number of loan programs designed specifically for small businesses. Three of their core small business loan programs are:

- The Basic Loan – available for both start-up and expansion. The maturity on these loans is generally up to 10 years for working capital and 25 years for fixed asset loans. The loans can be used for a variety of things such as machinery or equipment, the purchase/renovation/construction of land and buildings, furniture and fixtures and in some specific cases for debt refinancing.
- Microloan Program – The microloan program focuses on non-profit childcare centers and other small businesses that require smaller amounts of financing for such things as start-up, expansion or technical assistance. These are generally short-term loans of up to \$35,000.
- The 504 Loan Program – These loans are geared to small businesses at fixed and long-term rates. They can be used for the purchase of equipment to expand a business or for real estate acquisitions.

Many local non-profit and government agencies also make loans available directly to a business. Your local Secretary of State office or Chamber of Commerce will have resources for more detailed information on such small business loans. Even if your company is not immediately looking for financing, a small business credit card is an excellent tool for establishing and building a positive credit rating. It is highly recommended that a company credit card be used strictly for business purposes.

STATE BUSINESS LOANS

Many states offer SBA small business loans that come with subsidized rates and other small business incentives such as tax breaks. Below is a sample of some state incentives that

are available and even if your state is not listed below, remember that all states throughout the US offer some form of incentive which can be found on your Secretary of State

website.



New York

- New York City Financial Network Action Consortium
- New York Business Development Corporation

Ohio

- The Ohio TechAngels
- TechColumbus

Arizona

- Arizona Innovation Accelerator Program
- Expansion Assistance And Development (EXPAND) in Phoenix

California

- California Capital Access Program
- Industrial Development Revenue Bonds
- Small Business Loan Guarantee Program
- Women's Economic Ventures Small Business Loan Fund

Colorado

- Certified Capital Companies (CAPCO) Programs
- Mesa County Business Incubator

Delaware

- Delaware Access Program

Illinois

- Minority, Women and Disabled Participation Loan Program

Iowa

- Target Small Business Assistance Program



Michigan

- Michigan Economic Development Corporation

Before going to any institution for a small business loan, it is important to understand everything that a lender will need from you in order to qualify for a loan. You will first need to determine if you are seeking equity or debt financing.

- If your business has a high equity to debt ratio, your best option may be to look for debt financing.
- Equity financing is a form of raising money without acquiring any debt. This is done by offering a share of ownership in your business for money from investors.

The Small Business Administration website offers a more detailed explanation regarding debt and equity financing. A lender will require your repayment ability, credit history, collateral, investment and management experience, all of which are items that you will have researched and put into your business plan.

CHAPTER 7

As you acquire new information and review what you already have, you will suddenly see themes and trends starting to emerge. You may realize that if you alter the primary focus of your business or change your business structure more grant or financing opportunities would be available. This will enable you to narrow your research and focus. Take some time to read about the organizations that offer grants in your particular field. Getting to know how they operate and the type of work they are involved in will go far when you are putting in a request for a grant and outlining the focus of your Executive Summary in your business plan. Since government bodies and other granting organizations all stipulate precisely how their money can be used, it is a good idea to review their application process. The following chapter will give you helpful advice in the area of applications.

HOW TO AVOID GRANT SCAMS

Whether your search leads you to government, corporate, foundation or other grant funding, always keep in mind that any legitimate grant information is given free of charge. You should never agree to pay an agency that promises to find you free grants for your business. Your research will most likely take you to some of these sites that offer guarantees of finding the right grant for your new or existing business. Remember that no one can guarantee grant money and all legitimate organizations that offer small business grants will precisely outline their criteria for eligibility. Keep in mind that federal grants



are typically not awarded to individuals and are usually only offered to non-profit organizations. All agencies that offer grants will also provide help with the application process free of charge.

However, there is the option of paying to have your application completed and forwarded to any government department that offers grants. Although the application for government grants is a standard form, you are required to include an ID number signifying which grant you are applying for. Since each grant contains a problem statement and program plan specific to a particular grant offer, each application will need to contain information that relates only to the grant opportunity you are applying for. There are also other factors which apply to federal grant applications that must be adhered to in order for it to be considered. These points will be explained in more detail in the Grant Application Process chapter.

Once you are registered with Grants.Gov you will be able to download a grant application package free of charge which you can fill out off-line at your leisure. In the end, there are no shortcuts to applying for grants from any government or other organization.

The following tips will help you recognize and avoid offers that could turn out to be scams and remember that if a deal sounds too good to be true – it probably is!

- All government grants require an application with very specific guidelines. If someone calls you on the phone claiming that you have been awarded a free government grant, don't believe it.
- The government will never contact you with an offer of free money for your business.
- Although you will need to provide financial information on an official grant application, you will never be asked for money to fill one out.
- Do not divulge any personal information (especially financial) to those who are offering access to government grants. All grant information can be obtained free of charge at Grants.gov or Govbenefits.gov.
- Sites such as Grants.gov will never ask you to reveal personal information including bank, credit card or social security number.
- Remember that federal grants are generally only awarded to cities, states, educational, health or community organizations and other non-profit entities and are typically made available to fund research or other specific projects.

CHAPTER 8

THE GRANT APPLICATION PROCESS



Depending on which government department or agency you apply, the process and forms required will differ. In some cases, a letter of inquiry will be your first step in which you will explain your proposal. The granting agency will then let you know whether or not you can continue with a formal application. If the grantor is with the government you can visit the Grants.gov website for detailed information on how to proceed with specific steps and information they require in order to have your grant request considered. In the event that your business qualifies for more than one government grant opportunity, the same application form can be used for each request.

Although grant proposals will vary from one grantor to the next, most will ask for common elements to be included such as:

- A summary of your business
- What the grant will be used for and why you need it
- A detailed description of the project as it relates to the grant
- Your budget
- A conclusion

It is imperative that you're able to support your proposal with facts and data. Your completed business plan will play a major role by providing you with the information needed to put together a professional grant proposal

THE SUMMARY

The summary is by far the most important part of your grant proposal as it is the first page that the grantor(s) will read. It must contain vital information about your project

that directly relates to the grant offer and show the validity of your request. The summary should be kept to a single page and really define why your particular request deserves

to receive the grant. The summary page must include a problem or challenge that you have foreseen and the solution you have come up with to overcome that challenge.

- The Challenge portion of your summary will outline a need that your company or organization has identified which should include supporting data. You will also want to show the reader how you or the people within your organization qualify to meet this particular challenge.
- Proposed Solution – You will now explain the solution you have come up with which is in fact your proposed project. It is important to give only brief details on the following points:
 - o How the project will develop or unfold
 - o Who the recipients are that will benefit from your project
 - o The physical location(s) of your project
 - o The duration of the project (the length of time the project will take)



- o The person or people involved in the project and their roles

Briefly outline the amount of grant money that will be needed to carry out your project and what it will be used for. It is important to review the grant offer carefully so that the funds being requested match the amount of grant being offered. If these two figures do not match it could very well be the cause of rejection. You do not need to go into specific budget details yet, simply the amount requested. More detailed budget information will come later in the process. In the event that your project will require more funding in the future, give a very brief explanation of those plans.

Now that you have made your request for funding you will want to explain in greater detail the specific skills and qualifications that you and your organization have in order to carry out the project. Reviewing your business plan will give you the information you need about previous accomplishments that relate directly to this particular project. It is recommended you begin your application process well ahead of the closing date. Reviewers go through hundreds of proposals for each project so your summary must be intriguing. Take the time to make certain that your proposal matches the organization's goals.

PURPOSE AND USE OF FUNDING REQUEST

This section is critical in proving that your organization has the knowledge and appropriate skills to fully understand the existing problem in your industry and the reasons why you are qualified to provide the suggested solution. You must be able to back up the existing problem(s) with factual data and statistics that you have obtained from your research and previous experience. Explain in detail who is affected by this problem and its contributing factors. Ensure that the problems are not impossible to overcome and that the solutions you have recommended will result in a positive outcome just as you previously stated in the solution section of your proposal. Perhaps you have evidence in past projects that show how you addressed similar challenges and successfully overcame them with positive results.

Throughout the application your objective is to convince the reader that your skill sets and experience enable you to meet the goals of the granting organization.

PROJECT DESCRIPTION

This portion of your proposal will outline the specific details of your project. Here you will be able to clearly state the objectives of your project and a brief outline of the methods you will be using to achieve your goals. You will also want to include your procedures for evaluating the project and its long term feasibility. The final outcome of the project must be measurable and fit within a specific time frame. Once again be sure to review the grant opportunity for any time frames that the grantor may have specified. There are many ways that you can show progress whether or not you have reached your end goals.

Some examples of measurable results can include:



- Does your project plan to teach specific skills to participants? You will be able to show the lack of a skill at the beginning of the project and a new skill that has been learned by the participants at the end of the project.
- If the project's goal is to produce a specific product, at the end of the project you will have a product to show.

A measurable objective must be included in your proposal and should be discussed in greater detail in the project evaluation of the application process. If you have not been able to determine how to measure the outcome of your project, you will need to do some more research or revise your plan. Grantors must have a means of evaluating the success of any project that they are funding.

METHODOLOGY

In this section you will have the opportunity to explain the precise methods that will be used to achieve the objectives previously mentioned. This will require a step-by-step explanation of how you plan to work through the project from the very beginning to its conclusion. You will explain any resources, materials, etc. that are required and specific time lines for each step along the way. It is also important to mention the individuals involved and their exact roles throughout each phase.

It is very important to include every detail of the project in this section. One way of reviewing these details is by imagining the finished project and to then work backwards listing everything that will be necessary to complete each step. Experts agree that once you have completed your methodology it is good practice to step away for a day or two later and return when your mind is clear. This will help in finding any points that you may have missed. Another recommendation is to read it out loud to someone who is knowledgeable about the industry as this can help to point out any weak or cumbersome sentences. Again, take your time and remember to step away from your work for a while. This will make a big difference in reviewing what you have written.

PROJECT EVALUATION

As briefly touched upon in the project description section, you will need to show in greater detail the processes you have in place for evaluating the success of the project. Although you will have a final objective to reach, it is usually necessary to achieve smaller objectives throughout the project. These smaller goals generally build on one another in order for the entire project to be considered a success.

In some cases the granting organization will have specific requirements and forms for recording the evaluation of your project. Be sure to review the grant offer for any such requirements so that your evaluation process will accommodate their requests. If, as we stated in an earlier example, you will be teaching a particular group new skills, you will need to make certain that there is a way of clearly showing that the participants acquired this new skill and how it will affect them after the project is completed. Perhaps your company's goal is to give participants who are unemployed new workplace skills or a more productive means of finding employment. At the beginning of the project you can show



how long each person has been out of work, the specific skills they had when they registered and the methods they have been using to find a job by having them fill out a questionnaire. Your end objective may be to enable each participant to find gainful employment within six months after completing their training. In order to accomplish this objective, you may need to offer classes in carpentry, typing or other useful workplace skills. You need to determine how long your program will last, the duration of each class, who your instructors will be along with their qualifications and of course where the participants will come from. Each class will require its own evaluation clearly showing the results. In this scenario you will need to conduct a six month follow up of all those who attended your program to ascertain whether or not they have found jobs and if it was a direct result of the program. If the grant for such a project does not include the additional follow-up time then you will need to show how you propose to fund it.

If, on the other hand, the grant money you are requesting is for conducting research you will need to show how you intend to measure your findings. You must show whether your initial theory has been proven true or false. You will need a method for recording each step of the research and how it will affect the balance of the next step and ultimately the proposed objective. If you are aiming to prove that the research will be of benefit to someone then you will also need to show who and how the research was beneficial. Of course in the event that your original theory results in a false finding, this also has to be clearly shown. As you complete the project evaluation section of the grant application process, it is a good idea to review the granting organization's requirements. You will certainly want to ensure that you have met with all requirements that have been set out.

LONG TERM FEASIBILITY

Long term feasibility will be the last part of your project description. Here you need to show whether the project will continue at the end of the grant or will be complete without any further need to go on. If you intend to carry on after the initial grant period you must show how you will fund its continuation. In the event that you will be seeking other grant sources, you will need to explain that in detail under this section. Perhaps the project will have generated income that will allow you to continue your work or you have other sources of financing in place for the future. Perhaps our previous example of providing job skills and employment resources to those out of work will prove to have a measurable effect on getting people back into the workforce. You may show the validity of continuing with the program to help more groups of people attain gainful employment. You may be able to show that with additional funding for larger premises, more instructors, additional computer work spaces, larger classroom, etc., the feasibility of a long term program is a valid one.

BUDGET

This section will show detailed accounting for the money that will be needed to carry out every aspect of your proposed project. Every section that has been covered including each objective, methodology, evaluation process as well as the materials, personnel and all related expenses must be financially



broken down. In order to help determine your budget, it is recommended that you research previous grant awards by the granting organization that you are requesting funding from. All granting bodies, whether through the government, private foundations or other organizations, provide statistics on individual grants that have been awarded in the past and will include the amount of funding for each one. If, through your research you find that the organization you are requesting money from typically awards funding in the ten thousand dollar range, you will want to keep your grant request in line with these previous award amounts. The exception to this would be if you are applying for more than one grant through several sources with the expectation of receiving \$500,000 in total funding. You would then include all this information to each grantor.

QUALIFICATIONS AND EXPERTISE

Next you will want to give a brief explanation of why you and the individuals working with you are qualified to fulfill the project objectives from beginning to end. Do they have related experience and the necessary educational background required for the proposed project? Does their expertise enable them to understand the challenges and implement viable solutions at each phase of the project? If your organization has a mission statement (refer to the executive summary of your business plan), this would be the place to include that as well.

You will also want to list past programs that you or your organization have been involved with including the special skills and knowledge needed for your current proposal. If any of your previous programs have benefitted someone or a group of people and is related to the project you are now requesting funding for, you will want to mention those instances here. If you are involved in an existing organization, its history and track record, can play a major role in substantiating your qualifications and abilities to fulfill your objectives.

CONCLUSION

There is just one thing left to write and that is your conclusion. This last section will be as important as your beginning summary page. With the summary, your goal is to grab the attention of the reviewer(s) so that they will continue reading your proposal. Now, the conclusion is your final opportunity to convince them that your proposed project is viable, will benefit society or your community in some way, that the organization's objectives will be reached and of course that you or your organization is the best qualified to do so. This must be brief and concise as it is your final opportunity to persuade the grantor that you can accomplish the proposed project efficiently in precisely the way you have outlined it. They need to be confident that funding your project will be a worthwhile investment. Throughout this entire process always make sure you are aware of the application due date.

Also make note of how long the review process will take. This information will generally be contained in the grant offer itself, however if it is not, it's a good idea to call or e-mail the granting agency to find out.



Of course waiting for an answer can be the most difficult part of this entire process but there are things that you can do while you wait which will be covered in a later chapter.

The steps and information you need when applying for US government grants will generally be the same process used in applying for foundation or other private organization grants. It cannot be stressed enough to make certain that you thoroughly understand exactly how the granting agency asks to have each grant proposal submitted. They may require all applications to be submitted on 8 1/2 x 11 inch paper, double spaced in 10 point font with 1/2 margins. Submitting your application any other way will result in your application not being reviewed.

The core components of all grant applications will require the following information:

- Summary
- Problems identified, with solutions
- Goals and objectives
- Project evaluation
- Sustainability and future funding
- Budget
- Organization history
- Qualifications of organization
- Mission statement
- 501(c) (3) documentation (in the case of IRS tax exempt status)

Some of the differences one will encounter in the application process when dealing with government grants are the specific order in which your documentation is presented, the number of forms that must accompany each application and the rating factor that accompanies the criteria for scoring purposes. All this information along with helpful links and application workshops can be found on the Grants.gov website at: http://www.grants.gov/applications/apply_for_grants.jsp

The US Department of Health and Human Services also provides helpful information on the entire government grant application process at <http://grants.nih.gov/grants/ElectronicReceipt/>. The areas covered include:

- Finding grant opportunities
- Steps required before applying
- How to register
- Preparing and submitting your application
- How to track and view your application

Any group or individual wishing to apply for a government grant must do so in response to a specific request and must also be registered with Grants.gov in order to qualify for application submissions. A complete grant application package is available for download from their website. They also provide a video tutorial on how to complete your application.



process of multiple applications easier by providing applicants with one standard application form which can be used for all government grants. Keep in mind that the project information that goes along with the application may have to be revised depending on the specifics of each grant opportunity. Many government grant announcements will also provide a link to other related grant opportunities.

If you have submitted a grant application package to a private foundation or other charitable organization, their website will explain their own follow-up procedures. Although it is recommended that you do follow up after each submission, it is equally important to do so only in the exact manner that they have specified. In the event that your application does not result in a grant, you should view this as an opportunity to gain as much information as possible as to why you were not and use this knowledge in subsequent submissions. If asked, some organizations will actually send you a copy of the written evaluation of your proposal which would be an invaluable tool to be used in future submissions. You should also find out if the grantor will permit you to make changes to your original application and re-send it when the next grant deadline is announced. If this is possible you may still be able to get the grant down the road.

CONCLUSION

Both large corporations and thriving home-based business have one thing in common; they have planned ahead for every possible contingency. They have all gone through the process of writing a business plan and updating it as their business grows or the market changes. You should now have the tools necessary to formulate ideas for what kind of business you want to start, how to write a professional business plan, where to look for free grant money and how to submit grant applications. Stay focused, organized and always be prepared to go back and revise ideas as you go along. Bookmark or print out any useful information so that you can go back to it later.

Get feedback from any rejections and turn what you learn from them into positive action for your next submission. You are now ready to take all this new knowledge and turn your dreams of independent business ownership into reality with free grant money that never has to be paid back!

CHAPTER 11

HELPFUL LINKS AND RESOURCES

Following is a list of links where you can get free information and advice on all aspects of starting a business, expanding an existing one and informative articles and online business magazines. There is an abundance of free information on grants, loans and business advice if you are willing to spend a little



time researching. Before you spend hundreds of dollars on how to start your business and how to apply for grants and low interest loans, be sure to check out the links below.

STARTING YOUR OWN BUSINESS

- http://www.sba.gov/smallbusinessplanner/plan/getready/SERV_SBPLANNER_ISENTFORU.html
- http://www.sba.gov/smallbusinessplanner/plan/getready/serv_sbplanner_plan_whatittake.htm
- http://www.sba.gov/smallbusinessplanner/plan/getready/serv_sbplanner_gready_glossory.htm
- <http://www.business.gov/start/start-a-business.html>
- <http://www.startbreakingfree.com/>
- http://www.toolkit.com/small_business_guide/sbg.aspx?nid=P01_0000

BUSINESS STRUCTURES

Setting up and operating a nonprofit tax-exempt corporation

- <http://nonprofit.about.com/>
- <http://www.allianceonline.org/>
- <http://www.irs.gov/charities/>

Sole Proprietorships

- <http://www.nolo.com/legal-encyclopedia/article-29694.html>
- <http://entrepreneurs.about.com/od/gettingstarted/a/solepropexpense.htm>
- <http://sbinformation.about.com/od/ownership1/a/soleproprietor.htm>
- <http://www.sba.gov/advo/research/rs263tot.pdf>

General Proprietorships

- <http://www.yourlegalcorner.com/articles.asp?id=16&cat=part>
- http://www.quizlaw.com/business_law/how_do_i_set_up_a_partnership.php
- <http://www.encyclopedia.com/doc/1G1-102372822.html>

Limited Partnerships

- http://law.freeadvice.com/estate_planning/asset_protection/family-limited-partnership.htm



Limited Liability Partnerships

- <http://entrepreneurs.about.com/od/businessstructure/ht/llcsetup.htm>
- <http://www.sec.state.ma.us/cor/corpweb/corllc/llcinf.htm>

C & S Corporations

- <http://www.maxfilings.com/incorporation-knowledge-center/differences-between-c-corporations-s-corporations.php>
- <http://www.entrepreneur.com/encyclopedia/term/82690.html>
- <http://www.inc.com/guides/starting-a-c-corp.html>

Nonprofit Corporation

- http://www.arl.org/sparc/publications/papers/setting_up_a_nonprofit.shtml
- <http://www.non-profit-services.org/>

Professional Limited Liability Company

- http://www.incorporate.com/professional_corporation.html
- <http://www.nolo.com/legal-encyclopedia/article-30287.html>

Professional Associations and Professional Corporations

- http://www.ehow.com/how_2156398_start-professional-association.html
- <http://www.fairtrading.qld.gov.au/incorporated-associations.htm>

WRITING A BUSINESS PLAN

- http://www.sba.gov/smallbusinessplanner/plan/writeabusinessplan/SERV_ESSENTIAL.html
- <http://www.myownbusiness.org/s2/#1>
- <http://www.bplans.com/>
- <http://www.businessballs.com/freebusinessplansandmarketingtemplates.htm>
- <http://www.soyouwanna.com/site/syws/bizplan/bizplan.html>
- www.leadership-tools.com

FINDING GRANTS



Government Grants

- Agency for International Development <http://www.usaid.gov/>
- Corporation for National and Community Service <http://www.nationalservice.org/>
- Department of Agriculture <http://www.usda.gov/wps/portal/usda/usdahome>
- Department of Commerce <http://www.commerce.gov/>
- Department of Defense <http://www.defense.gov/>
- Department of Education <http://www.ed.gov/>
- Department of Energy <http://www.energy.gov/>
- Department of Health and Human Services <http://www.hhs.gov/>
- Department of Homeland Security <http://www.dhs.gov/index.shtm>
- Department of Housing and Urban Development <http://portal.hud.gov/portal/page/portal/HUD>
- Department of the Interior <http://www.doi.gov/>
- Department of Justice <http://www.justice.gov/>
- Department of Labor <http://www.dol.gov/>
- Department of State <http://www.state.gov/>
- Department of Transportation <http://www.dot.gov/>
- Department of the Treasury <http://www.treasury.gov/>
- Department of Veterans Affairs <http://www.va.gov/>
- Environmental Protection Agency <http://www.epa.gov/>
- Institute of Museum and Library Services <http://www.imls.gov/>
- National Aeronautics and Space Administration <http://www.nasa.gov/>
- National Archives and Records Administration <http://www.archives.gov/>
- National Endowment for the Arts <http://www.nea.gov/>
- National Endowment for the Humanities <http://www.neh.gov/>
- National Science Foundation <http://www.nsf.gov/>
- Small Business Administration <http://www.sba.gov/>
- Social Security Administration <http://www.ssa.gov/>
- Small Business Innovative Research Grants <http://www.sbir.gov/>
- Federal SBIR/STTR programs [SBIR/STTR Federal Agency Links](http://www.sba.gov/sbir-sttr)

Private Corporation and Foundation Grants

- Carnegie Corporation of New York <http://carnegie.org/grants/grants-database/>
- Bernard Osher Foundation <http://grants.nih.gov/grants/guide/pa-files/PAR-07-003.html>
- BP Foundation, Inc. <http://bp-foundation-inc.idilogic.aidpage.com/bp-foundation-inc/>
- Dyson Foundation <http://www.dysonfoundation.org/>
- Greater Milwaukee Foundation <http://www.greatermilwaukeefoundation.org/>
- Merrill Lynch & Co. foundation <http://merrill-lynch-co-foundation.idilogic.aidpage.com/merrill-lynch-co-foundation/index.b124.u138.htm#GranteesList>
- Comprehensive List of Private Grant Opportunities <http://activecause.com/browse/nonprofit-common/category/t>



ALTERNATE FINANCING

- http://www.sba.gov/smallbusinessplanner/start/financestartup/SERV_FINANBASICS.html
- http://www.sba.gov/smallbusinessplanner/start/financestartup/SERV_SBAROLE.html
- <http://www.sba.gov/smallbusinessplanner/start/financestartup/index.html>

GRANT PROPOSAL WRITING

- <https://www.cfda.gov/?static=grants&s=generalinfo&mode=list&tab=list&tabmode=list>
- <http://www.epa.gov/ogd/recipient/tips.htm>
- <http://funding.niaid.nih.gov/ncn/grants/app/default.htm>
- http://grants.nih.gov/grants/grant_tips.htm
- <http://aas.org/grants/hints.php>
- http://www.grants.gov/applicants/submit_application_faqs.jsp

STATE ECONOMIC DEVELOPMENT AGENCIES

Alabama

- Alabama Development Office

Alaska

- Alaska Office of Economic Development
- Alaska Industrial Development and Export Authority

Arizona

- Arizona Department of Commerce

Arkansas

- Arkansas Economic Development Commission



California

- California Business Portal

Colorado

- Colorado Office of Economic Development and International Trade

Connecticut

- Connecticut Economic Resource Center

Delaware

- Delaware Economic Development Office

District of Columbia

- District of Columbia Office of the Deputy Mayor for Planning and Economic Development

Florida

- Enterprise Florida

Georgia

- Georgia Department of Economic Development

Guam

- Guam Economic Development and Commerce Authority

Hawaii

- Hawaii Department of Business, Economic Development, and Tourism



Idaho

- Idaho Department of Commerce

Illinois

- Illinois Department of Commerce and Economic Development

Indiana

- Indiana Economic Development Corporation

Iowa

- Iowa Department of Economic Development

Kansas

- Kansas Department of Commerce, Business Development
- Kansas Department of Commerce

Kentucky

- Kentucky Cabinet for Economic Development

Louisiana

- Louisiana Economic Development

Maine

- Maine Department of Community and Economic Development
- MaineBiz - Maine Office of Business Development

Maryland



- Maryland Department of Business and Economic Development

Massachusetts

- Massachusetts Housing and Economic Development

Michigan

- Michigan Economic Development Corporation

Minnesota

- Positively Minnesota

Mississippi

- Mississippi Development Authority

Missouri

- Missouri Department of Economic Development

Montana

- Montana Governor's Office of Economic Development

Nebraska

- Nebraska Department of Economic Development

Nevada

- Nevada Commission on Economic Development



New Hampshire

- New Hampshire Department of Resources and Economic Development
- New Hampshire Business Resource Center

New Jersey

- New Jersey Economic Development Authority
- New Jersey Urban Enterprise Zone Program

New Mexico

- New Mexico Economic Development
- New Mexico Partnership

New York

- New York State Economic Development Corporation

North Carolina

- North Carolina Department of Commerce

North Dakota

- North Dakota Division of Economic Development and Finance

Ohio

- Ohio Economic Development Division

Oklahoma

- Oklahoma Department of Commerce



Oregon

- Oregon Economic and Community Development Department

Pennsylvania

- Pennsylvania Department of Community and Economic Development

Puerto Rico

- Puerto Rico Industrial Development Company

Rhode Island

- Rhode Island Economic Development Corporation

South Carolina

- South Carolina Economic Development

South Dakota

- South Dakota Governor's Office of Economic Development

Tennessee

- Tennessee Department of Economic and Community Development

Texas

- Texas Economic Development and Tourism

U.S. Virgin Islands

- U.S. Virgin Islands Economic Development Authority



Utah

- Utah Governor's Office of Economic Development

Vermont

- Vermont Department of Economic Development

Virginia

- Virginia Economic Development Partnership

Washington

- Washington Economic Development Finance Authority
- Choose Washington

West Virginia

- West Virginia Economic Development Authority
- West Virginia Dept of Commerce

Wisconsin

- Wisconsin Department of Commerce
- Forward Wisconsin

Wyoming

- Wyoming Business Council

SUGGESTED READING

- Philanthropy News Digest <http://foundationcenter.org/pnd/>
- Entrepreneur <http://www.entrepreneur.com/franchises/franchise500/index.html>
- Business Week <http://www.businessweek.com/small-business/>



- Small Business <http://small-business.alltop.com/>
- MSNBC Small Business News <http://www.msnbc.msn.com/id/3627254>
- Small Business Brief <http://www.smallbusinessbrief.com/>