

## **CEDS Finance Small Business Grant Program**

### **What is the objective of this grant program?**

Provide financial support to underserved Colorado businesses, aiming to bridge gaps in capital accessibility for startups and existing small businesses. Our goal is to fuel statewide economic development with a focus on equity, diversity, and inclusion.

### **What is the criteria used to evaluate grant applications?**

To qualify, applicants must meet the following Eligibility Criteria. Business(es) must be/have:

- Registered and in good standing with the Colorado Secretary of State;
- Have their primary business activities and the majority of employees in Colorado;
- For-profit small businesses;
- 2022 or 2023 tax forms that show business operations;
- No more than 25 full-time equivalent employees;
- No more than \$2 million in gross annual revenue in the preceding fiscal year; and
- Have met at least one definition of an underserved\* small business.

Complete grant applications will be prioritized based on income status and then on a first-come, first-served basis. CEDS Finance reserved the right to follow up with Applicants with ongoing questions about grant applications.

### **Definition of Underserved Businesses:**

An underserved business (as defined by QEDIT) is one that is majority-owned (51% or greater) by individuals from one or more of the following groups:

- Ethnic or racial minority group(s);
- Refugee(s) or immigrant(s);
- Women;
- Individuals with disabilities;
- LGBTQ+ individuals;
- Veterans;
- Residents of rural counties in Colorado are defined as those with a population of less than 250,000, according to the most recent U.S. Census data; and/or
- Individuals with a low-income status are defined as having an Adjusted Gross Income (AGI) that is 80% or less than the median income for the state of Colorado, as determined by the latest HUD publications.

*This inclusive approach ensures that our support reaches those who need it most, promoting diversity, equity, and economic growth throughout Colorado's small business sector.*

### **How much funding is available per grant?**

Each grant is valued at \$5,000, and we're disbursing a total of \$355,000 in grants.

**What is the timeframe for submitting grant applications?**

Applications are open from May 1, 2024, at 10:00 AM to May 3, 2024, at 5:00 PM. No grant applications will be accepted outside this timeframe.

**Are there any restrictions on how the grant funds can be used?**

While there are no restrictions on how the grant funds are used, CEDS Finance strongly recommends that Awardees use them to strengthen their business finances.

**About the program eligibility**

**Can I apply if I live outside of Colorado?**

Yes, you may live outside of Colorado, but your business **must** be registered and primarily operate in Colorado, with the majority of your employees based in the state.

**Can I apply if I don't have a business registered with the Secretary of State of Colorado?**

No. Only businesses registered with the Colorado Secretary of State are eligible. Businesses must be in good standing with the Secretary of State of Colorado. Businesses must have a 2022 or 2023 tax return document.

**Can I apply if my business registration is "Delinquent" or "Non-compliant" on the Secretary of State business database?**

No. Businesses must be "In Good Standing" at the time of form submission. Businesses with a "Delinquent" or "Non-compliant" status will not be considered for the grant program.

**Are non-profit organizations eligible for this grant?**

No. Only for-profit businesses are eligible.

**Can I apply for this grant if I do not own a business?**

No. Only business owners may apply for this grant program.

**Am I eligible for this grant program if I'm not a current or former CEDS Finance client?**

Yes. The program is available statewide to small businesses in Colorado that meet all the program's Eligibility Criteria, regardless of their status and/or interaction with CEDS Finance.

**Can I apply to this grant program if I have received a grant from CEDS Finance in the past?**

Yes. Having received previous grants from CEDS Finance does not disqualify applicants.

**Can I apply for this grant program if I am not a US Citizen?**

Yes. This grant program does not require citizenship or legal status.

**Can I apply for this grant program if I have an ITIN?**

Yes. This grant program does not require Applicants to have a SSN. However, please note that in order to disburse grant funds to Awardees, CEDS Finance will request W9 forms.

**Can I apply if my business is a startup?**

Yes. All startups and existing underserved small businesses are eligible to apply as long as the business is reported on 2022 or 2023 tax returns.

**Can one person apply and receive multiple grants based on multiple business ownerships?**

No. The grant is restricted to \$5,000 per individual and by business. For example, if a business owner owns three businesses, he/she/they are only eligible for one grant.

**Grants shall only be made to small businesses with no more than 25 full-time equivalent employees. Is there a minimum number of employees?**

No. There is no minimum number of full-time equivalent employees required to apply to the grant program.

**Are there revenue limits for businesses applying for the grant?**

Yes. To ensure we support small businesses effectively, grants will be awarded to businesses that did not exceed \$2 million in gross annual revenues in the previous fiscal year. Importantly, there's no minimum revenue requirement to apply, making this opportunity accessible to a wide range of small businesses seeking support.

**Are ride-sharing operators eligible?**

Applicants who collaborate with ride-sharing services such as Uber or Lyft will be eligible as long as they operate through a business registered with the Secretary of State of Colorado.

**Are there any industry restrictions?**

Businesses that operate in the following industries are ineligible:

- Lending;
- Gambling;
- Federally illegal business;
- Oil and gas;
- Anything involving a prurient sexual nature;
- Political or lobbying activities;
- Indoctrinating religion or religious beliefs;
- Exclusive membership;
- Speculative businesses;
- Investments or grant packaging; and/or
- Money services.

**About the grant form submission**

**How do I apply?**

Visit our website on May 1, 2024, for the application link, or check your email for a direct link sent that morning.

**Is there a limit to the number of applications an individual or business can submit?**

Yes. Duplicate grant applications will automatically be filtered and eliminated.

**Is there assistance available to complete the application or answer questions?**

Starting April 15th, the CEDS Finance team will be available in our offices to assist you with your business registration, guide you through the application process, and answer any questions you may have. Additionally, for your convenience, we've set up a special email address, [grants@cedsfinance.org](mailto:grants@cedsfinance.org), where you can send your questions about the grant program. We're here to support you every step of the way!

**What can I do ahead of time to submit my application quickly and smoothly?**

You can prepare by gathering your 2022 or 2023 tax return, including your IRS Form 1040 and Schedule C or K-1. These documents will be necessary and are required as part of program eligibility. The application portal will not open until May 1st at 10:00 a.m., so you will not be able to start the application until then.

**What materials or documents do I need to submit with my grant application?**

Applicants must submit the following documents:

**2022 or 2023 Personal Tax Returns** including:

- Form 1040
- Schedule C and/or Schedule K-1

You have the option to attach these documents directly to your online grant application.

Alternatively, if you prefer to submit physical copies, we will be accepting documents in our office during the grant application window:

- **Application opens:** Wednesday, May 1st, 10:00 a.m.
- **Deadline:** Friday, May 3rd at 5:00 p.m.
- **Location:** CEDS Finance, 10660 E Colfax Ave Suite B, Aurora, CO 80010
- **Office Hours:** 9:00 a.m. to 5:00 p.m.

Even though CEDS Finance does not require a copy of a Certificate of Good Standing, we will verify the business's status with the Secretary of State of Colorado.

**I have not filed my 2023 tax returns. Can I use my 2022 tax returns?**

Yes, as long as you include Form 1040, Schedule C and/or Schedule K-1.

**I do not have 2022 or 2023 tax returns. Can I submit previous tax returns?**

No. Only 2022 or 2023 tax returns will be accepted.

**Can I submit additional materials after the deadline has passed?**

No. Documentation will not be accepted after May 3, 2024 at 5:00 p.m.

**What happens if my application is incomplete or missing information?**

CEDS Finance will automatically disqualify incomplete applications or applications without required tax forms.

**About the verification process**

**How will funds be disbursed?**

Awardees will receive their funds via ACH.

**What documents do I need to provide to receive my funds?**

You must submit a W-9, a copy of your unexpired Identification, and your most recent bank statement or a voided check (preprinted with the account holder's name; no temporary checks will be accepted) if you prefer to receive your funds via ACH.

**How will I submit the required documents to receive funds?**

Beginning May 22, 2024, CEDS Finance will send all Awardees a disbursement form and a list of required documents. Awardees will sign the disbursement form, attach all required documents, and send it to CEDS Finance via DocuSign.

**Is there a deadline for submitting the required documents to receive my grant award?**

Yes! You will have up to 10 days to submit all required documents or risk forfeiture of funds. If the Awardee is unable to submit the required documents by May 31st, 2024, CEDS Finance will invalidate the award (reassigning it to the next eligible Awardee).

**About the grant award**

**How long does the grant review process take?**

We expect to notify Awardees via email by June 3, 2024.

**What is the timeline for disbursing funds to successful Applicants?**

CEDS Finance expects to disburse grant funds to Awardees approximately in the first week of June 2024.

**If awarded, will the grant affect my tax situation?**

This grant may be taxable depending on the Awardee's tax situation. CEDS Finance will provide the Awardee with an IRS Form 1099 in early 2025 as a record of income.



**How are grant funds being disbursed to successful Applicants?**

CEDS Finance will disburse funds through ACH. Alternative options may be available on a case-by-case basis.

**Will feedback be provided to unsuccessful Applicants?**

Due to the expected high volume of applicants, feedback will not be provided at this time. Applicants will receive notification, however, that they did not receive a grant.