



SMALL BUSINESS SUPPORT

Planning Grant Guidelines



Background

Powered by a network of credit unions, the GoWest Foundation cultivates and delivers resources that strengthen the financial lives of people throughout our region. In cooperation with the GoWest Credit Union Association, we help 300 credit unions across Arizona, Colorado, Idaho, Oregon, Washington, and Wyoming achieve positive impact in their communities.

The GoWest Foundation has become increasingly engaged in catalyzing our credit union network around the issue of supporting small businesses. GoWest's work incorporates many forms of grant funding to support the design of attainable small business products and services which can include rate buy-downs, offsetting of origination fees, or matched saving incentives.

The GoWest Foundation works with credit unions and community partners throughout our region to provide solutions to pressing issues impacting the financial health of the people and communities they serve. The Foundation aims to bring innovative solutions to issues like access to capital for small businesses.

Our hub-and-spoke model allows individual credit unions to serve their unique communities and relies on their relationships in with local organizations and trusted messengers — while allowing all for a larger impact as collaborators collectively work toward shared goals.

Overview

The long-term goal of the GoWest Foundation's small business-focused financial services initiative is to spur innovative approaches to decrease risk to credit unions and increase access to financial services for small businesses. Historically, small businesses are a high-risk group to serve based purely on typical failure rate.

Nationally, credit unions that are impactfully serving small businesses are successful because of the partnerships they develop to bolster resources, innovate existing practices, and decrease barriers to products and services for members. Being community-based cooperatives, credit unions have close relationships with their membership base and local partners that big banks and the alternative lending market simply do not have. Those connections to the community make the design and delivery of innovative solutions not only possible but an incredible opportunity to showcase credit unions as leaders in addressing the lack of adaptability and services for small business across the country.

We also encourage credit unions to see this grant as an opportunity to increase their membership in underserved markets or connect with additional community partners.

Funding Availability

The GoWest Foundation awards applicant credit unions up to \$20,000 to fund small business

planning grants. Credit unions are encouraged to apply for the reasonable funding necessary to complete the scope of work detailed in the application.

Funding Period

Small business planning proposals typically have timelines of up to one year. Credit unions who receive planning grant funds are encouraged to submit an implementation grant application upon completing the planning phase of the project.

Award Timeline

The GoWest Foundation accepts grant applications throughout the year; there is no application deadline. Applications will be reviewed, and grants will be awarded on a rolling basis. Applicants are typically notified of a decision within 30 days of receiving a submission.

Eligibility Requirements

The GoWest Foundation welcomes applications from all GoWest member credit unions. Credit union planning grant applications must focus on communities in Arizona, Colorado, Idaho, Oregon, Washington, and/or Wyoming. The Foundation funds grants to credit unions or collaborations of credit union partners interested in exploring viable products and services for the small businesses they serve. Credit unions are highly unlikely to be awarded more than one planning grant per 12-month period.

Our role has evolved, and we are increasingly engaged around requests from credit unions for the GoWest Foundation to play a larger role in facilitating a collaborative of credit unions focused on bringing safe and affordable capital to those who may not otherwise have access. As multiple credit unions come together in a community, they often bring unique organizational structures, similar but uniquely developed goals and objectives, and a variety of products and services. Credit unions coming together to address the needs of small businesses and entrepreneurs will benefit from GoWest serving as a hub for meaningfully partnering with intended program recipients to identify common goals, design the scope and infrastructure, and align products and services.

Serving the Underserved

The GoWest Foundation is committed to promoting and supporting efforts that improve equitable access to financial services in underserved communities across our region. Small businesses, because of their volatile fiscal nature, need a different approach. With higher levels of risk, limited access to capital with reasonable interest rates, and challenges with banking specific types of businesses, they are often left without options. GoWest believes credit unions are the solution to offering affordable products and services to those who have been traditionally underserved by the financial services industry.

To create relevant and accessible products and services for your membership, the GoWest Foundation encourages you to include a diverse group of stakeholders in your planning and design process. These varied perspectives will support your credit union's understanding of the needs and challenges facing small businesses so that you may create relevant and timely solutions to the historical, cultural, and institutional barriers impacting their access to financial services. Through our small business support grantmaking, the Foundation will prioritize funding for credit unions or credit union partnerships that focus on serving the underserved in their grant proposal. For more information, please contact us at foundation@gowest.org.

Types of Eligible Projects

Small business support is a complex issue with no single solution that will work for all communities or populations. However, the Foundation is interested in funding grants that identify innovative solutions that are responsive to the needs of local communities. The proposal should focus on impacting businesses owned by community members in the credit union's field of membership. Some credit unions may choose to identify ways they can positively impact small businesses or entrepreneurs, while others may choose to focus on how they can help members build credit or create a unique product to match a business' need.

The GoWest Foundation is accepting planning grant applications from credit unions interested in piloting innovative new approaches or expanding services for small businesses. Planning grants are an opportunity to explore your membership's specific needs, or the role your credit union can play in addressing local issues impacting small businesses owned by your membership. The purpose of a planning grant is to identify a local need or challenge faced by small businesses seeking financing or financial services, then develop an action plan to pilot solutions to address the barrier. The plan should be well-reasoned and specifically designed to address the unique challenges faced by your credit union's own communities.

Awarded grants have included supporting the following initiatives:

- Frontier Credit Union launched the **Micro Biz Boost Loan Program** to provide critical financial support to emerging small businesses facing barriers to traditional capital. The program offers microloans of up to \$2,000, coupled with essential business education in areas like financial management, budgeting, and marketing.
- SunWest Credit Union received a grant to equip their staff with the training and expertise needed to successfully launch and sustain small business lending services.
- Credit Union West partnered with community organizations to create a community **entrepreneurial and workforce development center**.

Defining a Small Business

No standard definition exists. Federal, state, and local governments use a variety of definitions and criteria; however, the most common criteria used to define small businesses is the number of employees. The U.S. Small Business Administration (SBA) defines small business using size standards that vary by industry. It bases those standards on the average number of employees a business has over 12 months or the average annual receipts over three years.

For GoWest Foundation small business grant awards, funding is prioritized for projects that support:

- Individuals seeking to start a small or micro business, or
- Small or micro businesses with the equivalent of 20 or fewer FTE employees annually (this could mean, for example, 100 part-time employees each working eight hours per week or 60 employees that each work 1/3 of a year)

The GoWest Foundation will prioritize projects that support underserved communities and communities in banking deserts, with special consideration for new products or services. If you're unsure whether your project qualifies for small business support grant funding, please reach out to us at **foundation@gowest.org**.

Planning Grant Expenses

The Foundation will fund a variety of opportunities, including feasibility studies, financial analysis, policy research and development, project management expenses (staff time), focus groups, and any other reasonable expenses necessary to fully develop a product, service, or program to address small business support.

Reporting

Every credit union awarded a GoWest Foundation small business support planning grant is responsible for reporting on the use of grant funds. Upon being awarded, the Foundation and the recipient credit union will develop agreed-upon deliverables, including the development of an implementation project plan.

Engaging with GoWest Foundation and Other Credit Unions

Every credit union awarded a planning grant is expected to participate in check-in meetings with the GoWest Foundation program staff. Occasionally, it may be beneficial for credit unions to discuss best practices, barriers, and progress toward deliverables in group settings. For this purpose, the Foundation will coordinate in-person, video, and/or phone meetings, and grantees will be encouraged to participate. The GoWest Foundation recognizes that a planning grant period may be short and will work to provide technical assistance and additional resources that enable credit unions to complete projects efficiently and effectively.

Submission Guidelines

To access the grant application form, visit gowestfoundation.org/grants. All fields must be completed before the form can be submitted. After submitting a grant application, the GoWest Foundation may follow up with questions or request additional information during the decision-making process.

We strongly encourage applicants to draft and save responses in a Word document then paste those responses into the application form. A grant application template is available for your convenience [here](#). Please note that applicants cannot save and return to the online application form. Once an application is submitted, it cannot be edited.

Questions

The Foundation is committed to ensuring that every interested GoWest member credit union has the support they need to apply for a grant. If you have questions or are interested in learning more about a grant opportunity, please reach out to us at foundation@gowest.org.