

DIRECT SMALL BUSINESS GRANT GUIDELINES

Nature of Grant:

The purpose of the Grant is to expend Grant funds on Eligible Costs to support Eligible Small Businesses through Entrepreneurial Hubs including operating, programming, and deploying business support services, as well as Direct Grants to Eligible Small Business. The Program is intended to cultivate a more inclusive, accessible, and integrated entrepreneurial ecosystem; increase the number of Eligible Small Businesses served through new and scaled programming, technical assistance, and support services; increase awareness of Michigan's small business ecosystem; expand the geographic reach of network partners into underserved and rural areas; and raise the national profile of Michigan's small business ecosystem.

Direct Grants to Eligible Small Businesses, subject to the following requirements:

1. Grant awards to an individual Eligible Small Business cannot exceed Twenty-Thousand Dollars (\$20,000);
2. The Eligible Small Business must complete an eligible program or service within six months before the Direct Grant execution.
3. Eligible expenses for Direct Grants include:
 - i. purchase of equipment, inventory, software, hardware up to \$4,999 per unit;
 - ii. highly specialized consulting services, or other services which cannot be contracted directly with, or provided by, the Entrepreneurial Hub by 2/1/2026; and
 - iii. payment of certification or licensing fees which must result in receipt of corresponding certification or license by 9/30/2026.
 - iv. Any other cost (that is not an Ineligible Cost) approved by the Entrepreneurial Hub related to supporting the business operations or growth needs of the Eligible Small Business
4. Each Eligible Small Business may only receive one Direct Grant.
5. The grant must be Obligated by February 1, 2026.

Eligible programming and services to Eligible Small Businesses:

1. Small business training including one-on-one coaching, consultations, workshops, seminars, cohort-based learning, networking, and mentorship delivered by full time or part time employees of the Grantee, or subject matter expert third party contractors.

Ineligible Costs. The following costs are ineligible under this Program:

1. A general infrastructure project that does not respond to a negative economic impact of the COVID-19 pandemic;
2. A program or service that includes a term or condition that undermines efforts to stop the spread of COVID-19 or that imposes conditions on participation or acceptance of the service that would undermine efforts to stop the spread of COVID-19 or discourage compliance with recommendations and guidelines in CDC guidance for stopping the spread of COVID-19;
3. Expenditures that violate the conflict-of-interest requirements in the federal OMB's Uniform Guidance including any self-dealing or violation of ethics rules. Recipients must establish policies and procedures to manage potential conflicts of interest;
4. Eligible Costs that will be or have been reimbursed by another MSF, MEDC, or federal program;
5. Building-based construction costs (i.e., any activity that disturbs the ground or modifies a structure);
6. General economic development costs unrelated to directly supporting the services under Section 2.5(b)(ii).