

## **Wells Fargo Business Recovery Grant – FAQs**

### **Can I use this grant to pay off an existing Disaster-recovery loan?**

The purpose of the grant is to help small businesses recover financially after the economic impact of the disasters. At a time when working capital may be hard to come by, the grant funds can be used to fund a new marketing campaign to drive business, to upgrade a website for enhanced e-commerce capability, purchase extra inventory/raw materials in anticipation of holiday sales, etc. While we understand the desire to pay off loans, we would encourage small business owners to look at their wish list and invest the money in the longer-term strength of the business looking forward.

### **Can I use this grant to pay off credit card debts my business incurred as a result of the disaster?**

Again, the purpose of the grant is for small business recovery. A business recovery specialist from WEV may be able to help you determine if paying off credit card debt incurred during after the disasters will be the optimum use of grant funds, or if focusing on revenue reacquisition would be better for the medium to long-term success of the business.

### **Does this money need to be paid back?**

No. As long as you use the grant for recovery purposes outlined in your grant application, you do not need to pay the grant funds back.

### **Do I need to be legal resident to qualify for a grant?**

No. WEV does not require grantees to be legal residents, however you will need to submit proof of identification in the way of a government-issued ID.

### **Does my profit and loss statement need to be created by an accountant?**

No. Your financial statements do not need to be prepared by an accountant but they do need to be in a spreadsheet format if you don't use an accounting software like Quickbooks.

### **How much training will I need to attend?**

As a condition of being awarded the grant, recipients will be required to attend one free 2-hour workshop presented by WEV during 2019. These workshops will focus on topics such as business resilience, financial management, marketing, etc. We will also encourage grant recipients to attend other relevant workshops that WEV offers during the grant period. These workshops are intended to help businesses become more financially successful and we would hope that grantees will be keen to attend, rather than seeing them as an obligation!

### **When will I receive my grant?**

The first 75% of the grant award should be distributed by 1<sup>st</sup> June 2019. Grant recipients will be required to sign a grant agreement prior to receipt of funds.

### **Why is the grant being paid in two installments? Can I get the full amount now?**

We believe that separating the grant into two instalments will promote accountability in the grant recipients to attend the required trainings, and get the full benefit of the grant program.

**Will I have more chance of getting a grant if I apply for \$5,000 rather than \$10,000?**

That's a great question. We will try to match the grant with the stated need but would encourage applicants to be reasonable about the amount they are requesting and to consider the spirit of the grant program from a community perspective.

**How often can I meet with a business recovery consultant?**

We would encourage all grant recipients to meet with a WEV business recovery consultant at least once during the grant period and to take advantage of the free resources that will be available to them during the grant period.

**You keep mentioning a “grant period”. What is that and how long is it?**

Typically, when a grant is awarded, the impact is tracked over a fixed period of time by the organization making the grant. For this particular grant, the grant period will be three years, through to the end of 2022. This means that you can expect to be contacted by us periodically during that time to provide certain information regarding your business performance (e.g. gross sales, owner's draw, jobs created, etc.) and other factors. This will help us measure and track the true impact of these grants.

**I'm not a “diverse” small business – can I still apply?**

Yes, we would still encourage you to apply but to be aware that preference will be given to businesses that meet the definition of a diverse small business, per the instructions of the grant provider, Wells Fargo. Their definition of a diverse small business can be found here:

<https://www08.wellsfargomedia.com/assets/pdf/commercial/financing/real-estate/cdfi-program-guidelines.pdf>

**We are a non-profit business that was impacted. Can we apply for the grant?**

Yes, impacted non-profits are also encouraged to apply.

**Is this grant money taxable?**

Our understanding is that grant funds are considered “Other Income” and should be recorded on your profit & loss statement as such. The grant itself is not directly taxable but it will be included in your overall business income. This is something you should check with your accountant if you are concerned.