



Equity Fund

2024-2025 Grant Eligibility Guidelines & Application Instructions

Table of Contents

Program Description	1
How to Apply	1
Eligibility Requirements	2
Community Input Process & Scoring Rubric	3
Frequently Asked Questions	4

Program Description

PFund Foundation, in partnership with Quorum, is proud to announce the 2024-2025 Equity Fund Program. This program invests in queer entrepreneurs and small businesses from across the Upper Midwest, with a particular focus on queer entrepreneurs of color and queer-owned businesses in rural areas. PFund and Quorum are offering more than \$400,000 in grant fundings across three distinct cohorts this year. Each grant recipient receives:

- Grants ranging from \$5,000 up to \$30,000 to be used to support building small business capacity and developing queer entrepreneurship across the region.
- Access to five training sessions customized to the needs of small business owners. Training for grantees from greater Minnesota, North Dakota, South Dakota, Iowa, and Wisconsin will meet virtually.
- A one-year membership to Quorum, Minnesota's LGBT chamber of commerce. Grantees from outside Minnesota will be given modest stipends to purchase an annual membership from a local queer chamber of commerce (for example, the Wisconsin LGBT Chamber of Commerce).

How to Apply

1. Review the eligibility requirements listed below.
2. Create an account on Submittable (if you already have an existing account you can use that account to apply) using this link.
3. Consider attending the virtual information session on Monday, June 3 at 1:00 pm central. If you can't make it in person, we'll post a video of the webinar on our website to review whenever it's convenient for you.
 - Info Session Registration:
<https://us02web.zoom.us/meeting/register/tZApd-iprDMjHNB6IVpKjGEMG4tMYdGFKfD3>

4. Complete all questions in the online application.
5. Upload the required attachments to your application. All Equity Fund applicants are required to submit the following documentation:
 - A business plan document that outlines the fundamentals of your business.
 - Sole proprietors must submit IRS Form 1040 Schedule C. Partnerships must submit IRS Form 1065. Corporations may submit EITHER IRS Form 1120 OR a 12-month profit-and-loss statement.
6. All application materials must be completed and submitted by 5:00 p.m. on Monday, July 22, 2024.

Eligibility Requirements

Eligibility Guidelines Grantseekers must meet all of the following criteria to apply:

- You identify as LGBTQ+
- If your business is located in North Dakota, South Dakota, Iowa or Wisconsin you must also identify as Black, Indigenous, or a Person of Color.
- Your business has been in operation for at least one year.
- The annual gross revenue of your business for your most recently completed fiscal year was \$250,000 or less.
- Your business has 20 or fewer employees.

Grantee Obligations If awarded a grant, you must agree to the following conditions:

- You agree to only use grant funds for the business purposes outlined in your proposal. Personal uses of funds are not allowed.
- You agree to provide PFund Foundation with the paperwork necessary to process grant payments (signed grant agreement, IRS W9 form, and your business's logo).
- You agree to complete an online survey and produce a report on how you used grant funds at the conclusion of the grant period (due in spring 2025).
- You agree to attend 80% of the cohort meetings over the course of the program. You will be assigned to a cohort based on your location and the demographic information in the application. Meeting dates will differ by cohort:
 - Twin Cities Queer Entrepreneurs of Color cohort will meet on the second Tuesday of the month from 5:30-8:00 pm in person, at the Quorum offices in St. Paul. Meeting dates are:
 - October 8, November 12, January 14, February 11, March 11
 - Midwestern Queer Entrepreneurs of Color cohort and the Minnesotan Queer Entrepreneurs cohort will meet on the second Wednesday of the month from 6:00-8:30 virtually. Meeting dates are:
 - October 9, November 13, January 15, February 12, March 12

Community Input Process & Scoring Rubric

Applications are scored by community members using the rubric below. Community reviewers are assigned up to 30 applications to review using this rubric. Awards are assigned based on the total number of points scored and fit within cohort requirements.

<p>1. Business Narrative</p> <p>Is it clear what this business does and why? Do you understand the history and inspiration for this business? Do you understand who this business serves and how? Do you understand the challenges and unique value proposition of this business?</p>				
1: Not at all	2: Very little	3: Somewhat	4: Very much	5: Completely
<p>2. Business Plan</p> <p>Is the link between the need and the service or product provided clear? Is there a clear vision for the future of this business? Based on this business plan, is the service or product practical and financially viable? Is the service or product useful and explainable to the target customers? To what extent does the business plan demonstrate how the business will achieve their future vision?</p>				
1: Not at all	2: Very little	3: Somewhat	4: Very much	5: Completely
<p>3. How has your identity shaped you and your business?</p> <p>To what extent has the applicant’s identity shaped themselves and their business? Does the applicant provide concrete examples? Does the applicant bring a unique view or approach to their work from their background?</p>				
1: Not at all	2: Very little	3: Somewhat	4: Very much	5: Completely
<p>4. How do you plan to use these funds if awarded and what impact will this have on your business?</p> <p>To what extent will the funds have an impact on this business? Is there a clear connection between what the funds will be used for and the impact this grant will have on the business?</p>				
1: Not at all	2: Very little	3: Somewhat	4: Very much	5: Completely

<p>5. In addition to grant funds, we also provide capacity building, including 5 monthly learning sessions and networking. What would you want to learn, achieve or get from participating in the cohort? How could participating in these monthly 3-hour learning sessions help your business?</p> <p>Does the applicant address all aspects of the prompt and provide concrete examples? To what extent does the applicant express interest in participating in cohort activities? Does the applicant share ideas about how capacity building could help their business?</p>				
1: Not at all	2: Very little	3: Somewhat	4: Very much	5: Completely
<p>6. Financial Analysis</p> <p>Are the financial statements as sophisticated and detailed as you would expect for this business, given its business plan, age and size? Did the applicant provide any additional information required to understand anything unique about their financial position?</p>				
1: Not at all	2: Very little	3: Somewhat	4: Very much	5: Completely

Frequently Asked Questions

Question: If I am a previous grantee, can I apply again?

Answer: Yes. You'll be asked in the application to share details about their past grant.

Q: Are nonprofit organizations eligible to apply?

A: No. Equity Fund grants are awarded only to for-profit small businesses. We have other funds dedicated to nonprofit organizations; check out our website for more information.

Q: I'm a queer entrepreneur in North Dakota, South Dakota, Wisconsin, Iowa, but I'm not a Person of Color. Can I still apply to the Equity Fund?

A: No. Unfortunately, grant funds for businesses within PFund's five-state service area but outside of Minnesota are restricted to queer entrepreneurs of color at this time.

Q: The nature of my business's schedule is unpredictable and I can't guarantee I can make it to all the business development learning sessions. Can I still apply?

A: We understand that things happen, but request that all applicants commit to participating to the best of their ability. When possible, missed training can be made up through virtual content or office hours.

Q: Can I make changes to my application after the deadline?

A: No. All submissions material must be submitted in their final form by the deadline. PFund staff cannot retrieve any application materials from Submittable after that time.

Q: My business is still in its early stages; is it still eligible to apply?

A: Your business must have been in operation for a year and beyond the ideas phase. You can demonstrate the seriousness of your business in your application by mentioning your product, proof of concept, and markets.

Q: My business has been operational for over a year but filed its LLC paperwork less than a year ago. Is it still eligible for an Equity Fund grant?

A: Yes. Please include information about how long you have been in business versus how long your business has registered with the state as part of your grant application.

Q: My business has proprietary intellectual property; how do ensure that my IP is safe while participating in the Equity Fund cohort?

A: It's up to you how much you want to share about your business in your grant application and during cohort training sessions. The goal of the cohort is to share resources and build knowledge; this can all be done without sharing sensitive information related to your business.

Q: I co-own a business. I am queer and BIPOC and my partner is queer and White. How do we determine which cohort we belong in?

A: Your team will need to consider who will be attending the business training sessions and choose a cohort accordingly. Please be explicit in your application on who from your business will be attending the virtual or in-person training sessions.

Q: If I receive an Equity Fund grant, is the cash award considered taxable income by the IRS?

A: Yes. All grantee recipients will receive 1099 forms detailing the amount of funds they receive and are expected to pay taxes on grant funds received. Grant applicants may want to take this into account when developing their plans on how to use grant funds.

Q: I still have questions about the Equity Fund. Where can I get more information?

A: Consider attending the informational webinar PFund is holding on June 3rd at 1:00 PM Central Time. We will post a video of the webinar on our website after its completion so people who are not able to attend in real-time can still review the content. If you still have questions, please email Mercedes Plendl, PFund's Senior Director of Programs, at mercedes@pfundfoundation.org.

Q: If I have any questions about the application process, program, or PFund, who do I contact?

A: Please reach out via email to Mercedes Plendl, Senior Director of Programs, at mercedes@pfundfoundation.org.