

Google.org Grant Program Guidelines

OVERVIEW

OFN and Google.org launched the Google.org Grant Program to provide critically needed funds to CDFIs lending to businesses in the most financially underserved communities across the U.S. OFN will award grants that will enable CDFIs to offer lower cost, more flexible loan products, and build capacity to support both the short-term recovery as well as long-term financing needs of America's small businesses, including nonprofits.

The Google.org Grant Program 1 will award a total of \$3.5 million in grants: \$125,000 to 28 CDFIs over 12 months. The purpose of Program 1 is to provide critically needed grants to CDFIs working to support access to capital for small businesses, including nonprofits, with a particular focus on women- and minority-owned or controlled businesses, including nonprofits, in underserved communities throughout the U.S.

The Google.org Grant Program 2 will award a total of \$5.0 million in grants ranging in size from \$125,000 to \$500,000 over 18 months. The purpose of Program 2 is to provide critically needed grants to CDFIs working to support access to capital for Black-owned or controlled small businesses, including nonprofits, in underserved communities throughout the U.S.

TERMS

OFN will award grants on a rolling basis to its member CDFIs in conjunction with a new loan or loan renewal from OFN.

Use of Proceeds

Awardees will receive a grant that can be used for operations, loan capital, loan loss reserves, capacity building, or other purposes which support the objectives of the Google.org Grant programs.

Each CDFI that is awarded a subgrant must specify that it will use the grant proceeds to support the purpose of the program (Program 1 or 2).

If the subgrantee is using the grant proceeds for loan capital for Program 2, the CDFI will specify in the grant agreement that it will use the proceeds to lend to Black-owned and controlled businesses.

Conditions of the Award

Awardees are required to sign grant documents associated with their grant. Grant covenants will include providing borrower stories and impact data. See Reporting Requirements below for more details.

Disclaimer

OFN reserves the right to reject any and all applications, and no applicant has any rights to any award unless and until granted in writing and applicant complies with all terms and conditions of the Google.org Grant Program.



ELIGIBILITY

To be eligible for the Google.org Grant Program, CDFIs must satisfy each of the four conditions specified below.

1. Charitable Purpose

Applicant is a US tax-exempt organization with a current 501(c)(3) or 501(c)(1) determination letter from the Internal Revenue Service.

2. Be an OFN Member

Applicant must be an OFN member.

3. Clients Served – for Grant Program 1 (for Grant Program 1 only)

Women and/or minorities must make up at least 51% of applicant's clients, or end beneficiaries based on applicant's latest OFN Annual Member Survey. For new members or where OFN does not have annual survey data, CDFIs should submit this data as part of their application narrative based on their own collected data.

4. Businesses Served (for Grant Program 2 only)

- i) The number of Black-owned and controlled businesses must make up at least 25% of the total small business loans of the CDFI, based on applicant's latest OFN Annual Member Survey. For new members or where OFN does not have annual survey data, CDFIs should submit this data as part of their application narrative based on their own collected data; or
- ii) The CDFI must show that they would use the funds, and have the capacity, to strengthen an existing program or develop a new lending program to specifically support Black-owned or controlled businesses.

5. OFN Loan Applicant

Applicant must have submitted an application or be in discussion with OFN about a new loan or loan renewal. The application can be for a loan under the Grow with Google Small Business Fund or OFN's financing fund.

APPLICATION PROCESS

Selection Criteria

OFN will select awardees based on (1) approval for a loan by OFN, and (2) the extent to which an award will help the organization serve minority- and women-owned or controlled businesses and/or Black-owned or controlled businesses in the most financially underserved communities. Priority will be given to CDFIs that:

- Have demonstrated experience with programs serving minority- and women-owned or controlled businesses (Grant program 1);
- Have demonstrated experience with or intent to start or expand programs serving Black-owned or controlled businesses (Grant program 2); and
- Provide financing in the most underserved communities, including areas of persistent poverty.

Owned or controlled is defined as follows: If for-profit, then a business that is more than 50% owned or controlled by one or more of the target population. If nonprofit, then a business whose (1) Board is composed of more than 50% of the target population, OR (2) most senior manager



(Executive Director or CEO) is a member of the target population.

Application

Applicants must submit applications electronically using **this form**. We will not accept hard copy documents.

TIMELINE

- Application period opens – May 21, 2020

OFN will review applications on a rolling basis over 12-18 months in conjunction with loan underwriting until the total amounts under the two programs are awarded.

GOOGLE AD GRANT PROGRAM

Some grantees may be eligible to participate in the Google Ad Grant Program, which provides online, in-kind advertising on the Google platform. More information on this program is forthcoming.



Google.org Grantee Reporting Requirements

BORROWER STORIES

Grantee will submit two borrower stories, one within three months and the other within six months of receiving a grant. OFN will provide story format guidelines.

SEMI-ANNUAL REPORTS

Grantee will submit three semi-annual reports. Reports are due 15 days after the six-month period ends (e.g., 1/15 or 7/15).

The grantee's first report due should cover the six-month period ending at least 60 days after receipt of grant funds.

Reports must include:

1. Total number and dollar amount of loans closed to small businesses and microenterprises (including nonprofits) during the reporting period.
2. Percentage of total number and dollar amount of loans originated to:
 - women-owned or controlled businesses
 - minority-owned or controlled businesses
 - black-owned or controlled businesses
 - Native American-owned or controlled businesses
 - veteran-owned or controlled businesses
 - rural businesses

Owned or controlled is defined as follows: If for-profit, then a business that is more than 50% owned or controlled by one or more of the target population. If nonprofit, then a business whose (1) Board is composed of more than 50% of the target population, OR (2) most senior manager (Executive Director or CEO) is a member of the target population.

3. The number of full-time equivalent (FTE) employees at businesses financed during the reporting period (calculated as of the date the applicable loan closed).

NARRATIVE REPORT

Grantee will submit a narrative report with the submission of its second semi-annual report. This narrative report is due January 15 or July 15, depending on the Grantee's semi-annual reporting schedule.

The annual report must answer the following questions:

1. How did you use the grant funds?

Indicate actual expenditures in the table below.



Type of Expense	Actual amount spent
Personnel	
Contractor	
Other Operating expenses	
Equity Capital for Lending	
Loan Loss Reserves	
Other, please specify	
Total	

2. How did your CDFI benefit from the grant? Please note if you were able to increase small business (including non-profit) lending in underserved communities, offer new and expanded loan products, and/or increase capacity of your CDFI to conduct small business lending.
3. How did small businesses, particularly those owned or controlled by women and people of color, benefit from your CDFI during the grant period? If you received a grant from Program 2, how did black-owned and controlled businesses benefit from your CDFI during the grant period?
4. Since receiving the grant, has any member of the Grantee's staff attended an OFN in-person or virtual training focused on small business (e.g. Small Business Finance Forum, OFN Conference, OFN webinars)? If so, please answer the following:
 - Which OFN trainings did you attend (OFN will list trainings in the past year related to small business)?
 - What did you learn from the trainings?
 - How did your CDFI adopt what you learned (for example, were you able to reach more women-owned or minority-owned businesses)?