

**FLATHEAD RESERVATION**  
**BUSINESS RESOURCE DIRECTORY**



Confederated Salish & Kootenai Tribes  
Economic Development Office  
April 2016

The Confederated Salish and Kootenai Tribes (CSKT) developed this Business Resource Directory as a general reference for those interested in starting a business, as well as for those who already own a business on the Flathead Reservation.

Our Economic Development Office and S&K Business Services staff, along with many stakeholders within the community, have worked together to create this guide. We believe it is the most comprehensive guide to business resources available for the Reservation, and would like to thank everyone who contributed to development of this directory.

Business ownership and managing a business and staff is difficult and challenging under any circumstances. And starting a business is not a decision to be taken lightly. Careful planning and prudent plan implementation will provide the best chances for success. We hope this information is helpful to those interested in opening a new business or growing an existing business.

## **Contents**

SECTION 1: OWNER’S CHECKLIST FOR STARTING A NEW BUSINESS.....	1
SECTION 2: BUSINESS STRUCTURES .....	3
SECTION 3: BUSINESS REQUIREMENTS.....	5
SECTION 4: TECHNICAL ASSISTANCE PROVIDERS .....	9
SECTION 5. GRANT FUNDING AND OTHER FINANCING OPPORTUNITIES ....	22
Appendix A: CSKT Tribal Credit Program Business Loan Information .....	30
Appendix B: Business Plan Outline.....	34

## SECTION 1: OWNER'S CHECKLIST FOR STARTING A NEW BUSINESS<sup>1</sup>

Please note: The following tasks are not listed in order of what should be done first.

### Background work

- Identify and evaluate your strengths and weaknesses.
- Consider and set both personal and business goals, and make sure they are compatible.
- Evaluate your financial resources.
- Research and identify the financial risks.
- Determine the startup costs and develop a startup budget.
- Determine your business location.
- Conduct thorough market research and consult others for a reality check.
- Identify your target customers (your primary market & average consumer profile).
- Identify your competitors and their marketing strategies to assist in determining your business' competitive edge.
- Prepare a marketing plan (product, price, place and promotion)

### Business transactions

- Research options for legal representation, such as Legal Shield or other attorneys, and choose someone to assist with legal issues.
- Select the best form of organization for your business needs and risk tolerance (for example, sole proprietorship, partnership, or corporation—see page 4).
- Choose a business name. If developing a website, make sure that your domain name is available. Go to [www.godaddy.com](http://www.godaddy.com) and type in the website name. You will see if it is available. This is important to do before finalizing your business name.
- Prepare business documents (register your name, incorporation papers, partnership agreement, etc.). Check the Montana Secretary of State's website for more information about business names at <http://sos.mt.gov/Business/Startup/index.asp> .
- Choose an accountant
- Develop and write a business plan to include your marketing plan and

---

<sup>1</sup> Revised from [www.bizfilings.com/toolkit/tools-forms/startup](http://www.bizfilings.com/toolkit/tools-forms/startup).

financial projections.

- Choose a banker who will assist in reviewing and evaluating your plan.
- Open a business checking account.
- Prepare business loan application (if applicable).
- Establish a line of credit with your bank and suppliers.
- Identify insurance needs and select an insurance agent. Purchase necessary insurance: liability, property, errors and omissions for Board of Directors, etc.

#### First steps

- Prepare logo, letterhead and business cards with professional 'look'. Review and assure compliance with local business codes.
- Arrange for any necessary leases.
- Choose and enter into supplier agreements (if applicable).
- Furnish and equip your business.
- Obtain all applicable business licenses or permits.
- Apply for federal employer identification number (if applicable).
- Obtain a state employer i.d. number (if applicable).
- Obtain federal and state tax forms or ensure your Bookkeeper or Accountant is on top of this.
- Explore the value of joining professional organizations, and identify trade organizations and shows for your line of business.
- Set a starting date and plan a grand opening if applicable (especially retail).

## SECTION 2: BUSINESS STRUCTURES

The following table provides a comparison of several different types of business structures.

Type	Cost	Liability	Taxes	Funding
<b>Sole Proprietorship</b>	<p><b>Least expensive to start</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> reserve name</li> <li><input type="checkbox"/> get business licenses</li> </ul>	<p><b>Unlimited</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> owners are liable for everything the business does</li> </ul>	Taxed once at the individual rate.	Limited to the money the owners have and can borrow.
<b>Partnership</b>	<p><b>Inexpensive to start</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> reserve name</li> <li><input type="checkbox"/> get local license</li> <li><input type="checkbox"/> get partnership agreement</li> </ul>	<p><b>Unlimited</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> owners are liable for everything each owner does and what the business does</li> </ul>	Taxed once at the individual rate.	Limited to the money the partners have and can borrow.
<b>Corporation</b>	<p><b>Expensive to start</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> get all licenses</li> <li><input type="checkbox"/> get federal ID</li> <li><input type="checkbox"/> get corporate documentation</li> <li><input type="checkbox"/> legal fees</li> </ul>	<p><b>Limited</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> owners are liable for their actions only and limited to the assets of the Corporation.</li> </ul>	<p>Taxed twice:</p> <ul style="list-style-type: none"> <li>• at the corporate level</li> <li>• at the individual level</li> </ul>	Money the owners have in addition to the ability to sell shares to investors and what the corporation can borrow.
<b>S-Corporation</b>	<p><b>Expensive to start</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> get all licenses</li> <li><input type="checkbox"/> get federal ID</li> <li><input type="checkbox"/> get corporate documentation</li> <li><input type="checkbox"/> legal fees</li> </ul>	<p><b>Limited</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> owners are liable for their actions only and limited to the assets of the Corporation.</li> </ul>	<p>Taxed once at the individual rate.</p> <p>Cannot leave money in the business.</p>	Money the owners have in addition to ability to sell shares to investors and what the corporation can borrow.
<b>Limited Liability Company</b>	<p><b>Expensive to start</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> get all licenses</li> <li><input type="checkbox"/> get federal ID</li> <li><input type="checkbox"/> documentation is less</li> <li><input type="checkbox"/> fees are less</li> </ul>	<p><b>Limited</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> owners are liable for their actions only and limited to the assets of the Corporation.</li> </ul>	<p>Taxed once at the individual rate.</p> <p>Cannot leave money in the business.</p>	Money the owners have in addition to the ability to sell shares to investors, and what the Limited Liability Company (LLC) can borrow.

Corporations can be “For-Profit” or “Not-for-Profit.”

Another type of business structure is a Cooperative, which is a Membership Corporation structured as a Not-for-Profit that serves multiple For-Profit enterprises in the same line of business. Examples of Cooperatives are Fruit Growers, Cattlemen Associations, Artisans, etc.

Each business structure has certain advantages and disadvantages. They should be weighed to reflect a business’s specific circumstances, goals, and needs. A business owner should consult with both an attorney and an accountant. Owning a business is a huge responsibility, and a business owner needs to make sure the business is in compliance with all applicable laws.

## **SECTION 3: BUSINESS REQUIREMENTS**

### *Federal Business Taxes*

**Apply for a Tax Identification Number.** This is recommended, even for sole proprietors. The Internal Revenue Service (IRS) requires that, if a business has employees, or needs to open a bank account, it must have a tax identification number. To obtain information on receiving a tax identification number, call 1-800-829-1040 or 1-800-829-3676 or go to [www.irs.gov/businesses/small](http://www.irs.gov/businesses/small).

### **Business Tax Forms**

Federal business tax forms are available at [www.irs.gov/businesses/small](http://www.irs.gov/businesses/small).

### *Confederated Salish and Kootenai Tribes' Requirements*

#### **Flathead Reservation Corporation Ordinance 54A**

This ordinance provides the rules followed by the CSKT in chartering organizations for economic purposes. It regulates corporations that are organized under the Tribes' Constitution. See [www.cskt.org](http://www.cskt.org). Click on the "Services" button at the top of the page, then click on "Economic Development" and look for the "Available Documents" at the bottom of the page.

#### **Limited Liability Company Ordinance 104A**

This ordinance provides the rules followed by the CSKT in chartering organizations as limited liability companies under Tribal law. It may be used to organize either a solely-owned company or a member-owned company. See [www.cskt.org](http://www.cskt.org). Click on the "Services" button at the top of the page, then click on "Economic Development" and look for the "Available Documents" at the bottom of the page.

#### **Food Establishments**

Food establishments on Indian trust property must apply for a Food Service Permit from the CSKT Environmental Health and Safety Program. Contact 675-2700, ext. 1010.

#### **Tribal or Individually-Owned Indian Trust Land Requirements**

Compliance with the National Environmental Policy Act applies to leases of Tribal or Indian trust lands. If developing this type of property, check the lease requirements to insure compliance with any environmental mitigation measures. Compliance with CSKT's Shoreline Protection Ordinance is required if constructing a dock or other structure on Flathead Lake and compliance with CSKT's Aquatic Lands Conservation Ordinance is required if constructing near a wetland; contact the Tribes' Natural Resources Department at 883-2888 for more information. If installing a sewage treatment/septic system, contact the CSKT Environmental Health and Safety Officer at 675-2700 for a permit. Also check CSKT's Site and Building Standards at



<file:///c:/sktribes.local/cskt/Pablo/Economic-Development/Users/jcamel/jcamel/Downloads/siteandbuildingstandardsfortribalhomesites.pdf>. While these standards are written for home site development, they are applicable to commercial development as well. Be sure to discuss the location of any new driveways into your business with the appropriate road department as permits are required to insure safe driveway placement and construction.

## *Montana Business Requirements*

### **Registering a Business or Filing a Trademark or Trade Name**

Secretary of State  
State Capitol  
Helena, MT 59620  
406-444-2034  
Register on-line at: [www.sos.mt.gov](http://www.sos.mt.gov)

### **Construction Contractor Registration**

Registration is required for all construction contractors with employees.  
Montana Department of Labor and Industry  
406-841-2300  
<http://bsd.dli.mt.gov/>

### **Licenses**

Apply for professional licenses as necessary. The State of Montana requires certain professions to be licensed, such as plumbers and electricians. To determine if you need to obtain a professional license, go to *eStop.mt.gov* or try:  
Montana Department of Labor and Industry  
Professional and Occupational Licensing Bureau  
406-841-2300  
<http://bsd.dli.mt.gov/>

Montana does not issue general business licenses, but some cities do (see local licensing requirements later on in this Section.)

### **State Tax Requirements** (including unemployment insurance)

Department of Revenue  
Mitchell Building  
Helena, MT 59620  
1-800-550-1513 or 406-444-6900  
[www.mt.gov/revenue](http://www.mt.gov/revenue)

### **Workers Compensation Insurance**

All businesses that have employees must carry Workers Compensation Insurance to cover on-the-job injuries; however, a sole proprietor can apply for an exemption when there are no other employees aside from the owner. There is a fee for the exemption

application. The Tribal Legal Department recommends that sole proprietors with no employees obtain the state exemption unless they fit within one of the clear exemption categories as listed in the Montana Code Annotated.

**For insurance**, contact a private insurer or the:

Montana State Fund  
P.O. Box 4759  
Helena, MT 59604-4759  
1-800-332-6102 or 406-495-5000  
[www.montanastatefund.com](http://www.montanastatefund.com)

**For the exemption**, contact the:

Montana Department of Labor and Industry  
Independent Contractor Central Unit (ICCU)  
406-841-2300  
<http://bsd.dli.mt.gov/>

### *Local Licensing and Permit Requirements*

**Requirements change from time to time, and vary from place to place. For up-to-date information, always contact City Hall or the County Clerk and Recorder's Office (if outside of an incorporated town's city limits). If your business is on fee status land, and you are planning any construction or are converting residential property to commercial, check with the City, Town or County for zoning and building permit requirements.** Other requirements for Reservation cities and counties include but may not be limited to the following:

**City of Polson:** 406-883-8200  
106 1<sup>st</sup> Street East, Polson, MT 59860

No general business license is required; however, street vending, peddling or outside solicitation requires a City Solicitor's License. Applications are available at City Hall. Allow 48 hours for processing. The City Solicitor's License requires a \$25 fee, plus an additional \$10 per additional selling person.

Food establishments should be in compliance with the Lake County Environmental Health Department, and a \$60 per year licensing fee is charged by the City of Polson for all food establishments.

**City of Ronan:** 406-676-4231  
207 Main Street SW, Ronan, MT 59864

No general business license is required; however, a street vending license may be applied for at City Hall. The fee for seven (7) consecutive days is \$75, and the fee for one year is \$150.

**City of St. Ignatius:** 406-745-3791  
12 1<sup>st</sup> Street, St. Ignatius, MT 59865

No general business license is required by the City of St. Ignatius.

**Town of Hot Springs:** 406-741- 2353  
108 Main Street, Hot Springs, MT 59845

The Town of Hot Springs requires a general business license. The application fee is \$30, with renewal required annually. Application is on-line at:  
<http://www.townofhotspringsmt.wordpress.com/permits-licenses/business-licenses-2/>

**Flathead County:** 406-758-5688 and 751-8200  
935 1<sup>st</sup> Avenue West, Kalispell, MT 59901

No general business license is required. Transient Vendors selling wares at temporary locations outside of the city limits, but within Flathead County, require a permit with a \$5.00 per week fee. Itinerant Vendors (those selling door-to-door or business-to-business outside of the city limits, but within Flathead County, are issued permits and charged \$15.00 per year.

**Lake County:** 406-883-7208 and 406-883-7235  
106 4<sup>th</sup> Avenue East, Polson, MT 59860

No general business license is required; however, a special license is required for selling fireworks. Call for details. For operating a mobile food unit in Lake County, go to the following website for application and regulations:  
<http://www.lakemt.gov/envhealth/pdf/Mobile%20Plan%20Review%20Form%202011.pdf>. All Food Vendors should check with the Lake County Environmental Health Department for details. 406-883-7236; [envhealth@lakemt.gov](mailto:envhealth@lakemt.gov)

**Missoula County:** 406-721-5700 and 406-258-4877  
Email: [helpdesk@co.missoula.mt.us](mailto:helpdesk@co.missoula.mt.us)

No general county business license is required; however, the City of Missoula does have a business license requirement.

**Sanders County:** 406-827-6942

No general or vendor business licenses are required.

## SECTION 4: TECHNICAL ASSISTANCE PROVIDERS

### *Tribal*

#### **Credit Counselling**

JGreen Financial

Richard Janssen, Jr.

45466 North Foothills Drive, Ronan, MT 59864

406-261-7580

[jakenjen@ronan.net](mailto:jakenjen@ronan.net)

Provides financial consulting, credit counseling, business plan writing, investment advice, financial advice, financial literacy, marketing planning, individual or group teaching sessions.

#### **CSKT Indian Preference Office**

PO Box 278; Pablo, MT 59855

406-675-2700, ext. 1044

[margaret.sheridan@cskt.org](mailto:margaret.sheridan@cskt.org)

The Confederated Salish and Kootenai Tribes' Indian Preference Office keeps a list of all certified Tribal member contractors, which must be referenced by Tribal departments when procuring services. This list is also used by Private Contractors with obligations to hire or sub-contract with individual Tribal Members or Tribal Member-Owned firms. Contact the office to register.

#### **MIBA – Montana Indian Business Alliance**

P.O. Box 1682; Great Falls, MT 59403 – 1682

P.O. Box 81606; Billings, MT 59108

<http://www.mibaonline.org/about.html>

MIBA is a pro-active network and resource advocate for Indian business. MIBA provides a list of Native American businesses in Montana, Reservation economic data, entrepreneurial tools, guidance on accessing the SBA 8-A program and utilizing the Buy Indian Act, and notices on upcoming events of interest to the Native business owner.

#### **Native American Development Corporation**

2929 3<sup>rd</sup> Ave. North; Suite 300; Billings, MT 59101

406-259-3804

<http://www.nadc-nabn.org/about-nadc.html>

Provides resource and technical assistance to American Indian owned businesses including assistance in raising capital, partnerships, marketing and federal contracting.

#### **Sovereign Leasing & Financing (S&K Business Services)**

56749 Hwy 93; Pablo, MT (mailing address is Ronan, MT 59864)

406-883-4317

Sovereign Leasing & Financing is a subsidiary company of S&K Business Services, formerly known as S&K Holding, a business development corporation for the Confederated Salish & Kootenai Tribes. Sovereign Leasing and Financing manages equipment and vehicle leases, and provides assistance to entrepreneurs with business planning, marketing and financial management.

**Vocational Rehabilitation Project (Voc-Rehab)**

Confederated Salish and Kootenai Tribes  
P.O. Box 278; Pablo, MT 59855  
406-675-2700, ext. 1285

The CSKT Department of Human Resources Development provides assistance for those qualified applicants who choose self-employment as an avenue to vocational rehabilitation. The Project provides consumer driven training and work experience to Tribal members with disabilities who live on the Flathead Reservation. The goal is permanent employment for those who want to return to work, and employment can be part-time or full time. This program is funded by a discretionary grant that ends 9/30/15; however, CSKT has applied for another five-year grant and has been a grant recipient for the past 25 years.

*Flathead County*

**Community Action Partnership of Northwest Montana (Human Resources)**

P.O. Box 8300; Kalispell, MT 59904  
406.752.6565  
[www.dphhs.mt.gov/](http://www.dphhs.mt.gov/) or [www.capnm.net/](http://www.capnm.net/)

**Flathead County Economic Development Authority**

490 W. Reserve Dr.; Kalispell, MT 59912  
406-257-7711  
[www.dobusinessinmontana.com](http://www.dobusinessinmontana.com)  
Local business development organization.

**Flathead Job Service**

427 1<sup>st</sup> Avenue East; Kalispell, MT 59901  
406-758-6200  
[www.wsd.dli.mt.gov/local/kalispell/](http://www.wsd.dli.mt.gov/local/kalispell/)

Employment Specialists provide assistance with personnel questions, employment information, and referrals. They provide detail and referral information on hiring, applications, interviewing, checking references, employee handbooks, employee evaluations, employee retention, personnel records, progressive discipline, sexual harassment, wage and hour laws, employments laws, and other personnel related information. They provide labor market information for businesses expanding or locating to the area.

**Kalispell Area Chamber of Commerce**

15 Depot Park; Kalispell, MT 59901

406-758-2800

[www.kalispellchamber.com](http://www.kalispellchamber.com)

The Chamber serves Flathead, Lake and Lincoln Counties. Since 1904, the Kalispell Chamber of Commerce has taken the lead to strengthen the community and business climate in order to make the Flathead an ideal location to live and work. According to the Kalispell Chamber of Commerce, it is the largest, most influential business organization in the Flathead Valley. Of its nearly 700 members, 85 percent are small businesses with 25 or fewer employees. The Chamber is a member driven organization of business leaders, coming together to deliver solutions and support to meet the needs of the businesses in the Flathead. Owning, managing, not to mention growing a business comes with challenging responsibilities. As a member of the Kalispell Chamber of Commerce, you are part of a trusted business and professional organization with a wealth of resources and support available to assist you with your business needs. Through networking and promotional opportunities, community involvement, legislative advocacy, informational access, numerous discounts and heightened credibility, Chamber members shape the community and grow their business.

**Flathead Valley Small Business Development Center (SBDC)**

Flathead Valley Community College

Arts and Technology Building; Suite 211; 777 Grandview Drive; Kalispell, MT 59901

406-756-3836

[www.nwmontanabusiness.com](http://www.nwmontanabusiness.com)

The Flathead Valley SBDC in Kalispell provides free, confidential, one-on-one technical assistance to businesses in Flathead, Lake and Lincoln Counties. The SBDC helps with basic start-up questions, financing issues, marketing assistance, preparing business plans, and preparing U.S. Small Business Administration (SBA) loan applications. Trainings provided at the Center include Profit Mastery, “Before you start that business....” and more.

**Montana West and Flathead County Economic Development Authority**

44 2<sup>nd</sup> Avenue West; Kalispell, MT 59901

406-257-7711

[www.dobusinessinmontana.com](http://www.dobusinessinmontana.com)

Montana West Economic Development and the Flathead County Economic Development Authority is a member-driven economic development organization that receives some federal and state funding. They are a public/private partnership focused on building a better economy in Flathead County and marketing the area as a desirable business location. They work with companies to relocate to the area, and administer several loan funds. They provide comprehensive data on workforce, demographics, trends, logistics, service providers and maintain a database of regional sites and facilities for business operations. They collaborate with other local, regional and national groups to build networks for business growth and support a monthly roundtable for entrepreneurs. They also house the Kalispell office of the Montana Procurement Technical Assistance Center.

## *Lake County*

### **Flathead Valley Small Business Development Center (SBDC)**

Flathead Valley Community College

Arts and Technology Building; Suite 211; 777 Grandview Drive; Kalispell, MT 59901  
406-756-3836

[www.nwmontanabusiness.com](http://www.nwmontanabusiness.com)

The Flathead Valley SBDC in Kalispell provides free, confidential, one-on-one technical assistance to businesses in Flathead, Lake and Lincoln Counties. The SBDC helps with basic start-up questions, financing issues, marketing assistance, preparing business plans, and preparing U.S. Small Business Administration (SBA) loan applications. Trainings provided at the Center include Profit Mastery, “Before you start that business....” and more.

### **Lake County Community Development Corporation (LCCDC)**

P.O. Box 128; 407 Main St. SW; Ronan, MT 59864

406-676-5901

[www.lakecountycdc.org](http://www.lakecountycdc.org)

Lake County Community Development Corporation provides outreach services in community and economic development in partnership with other local governments and local development corporations in Mineral and Sanders Counties and the Flathead Reservation under a coalition known as the Western Rural Development Region. LCCDC works on behalf of businesses and communities as follows:

a) Assisting in job creation by working with existing companies to develop and expand their businesses and to structure financial resources appropriate to their situation, as a primary goal; and by recruiting new companies which may appropriately locate in Lake County and provide additional and higher wage jobs, as a secondary goal;

b) Assisting small businesses in their development through the management of a federally recognized Procurement Technical Assistance Program; the delivery of management training courses including marketing, accounting, business planning, food safety and security, regulatory compliance and others as needed; and hosting a Small Disadvantaged Business Enterprise center to help such businesses better market themselves and qualify for beneficial contracts.

c) Helping develop our agricultural economy through the Mission Mountain Food Enterprise Center, a community-based, shared use food processing, product development and cooperative marketing center to help agricultural producers identify alternative products that can be grown and/or processed for higher value returns at a local level; and to provide access for food product development and marketing expertise to entrepreneurial food manufacturers.

d) Assisting communities in developing their infrastructure by helping them analyze their needs; structuring the necessary financing to complete defined projects (including writing grants and developing loan requests); and assisting them in administering grants and construction projects.

**Lake County Job Service**

417-B Main; Polson, MT 59860

406-883-7880

[www.wsd.dli.mt.gov/local/polson/](http://www.wsd.dli.mt.gov/local/polson/)

Employment Specialists provide assistance with personnel questions, employment information, and referrals. They provide detail and referral information on hiring, applications, interviewing, checking references, employee handbooks, employee evaluations, employee retention, personnel records, progressive discipline, sexual harassment, wage and hour laws, employments laws, and other personnel related information. They provide labor market information for businesses expanding or locating to the area.

**Mission Valley Business Women’s Network – Women Supporting Women**

406-261-3200

Email: [carol.cunningham@lakecountycdc.org](mailto:carol.cunningham@lakecountycdc.org)

This group meets the 3<sup>rd</sup> Thursday of each month over lunch from September through May each year and the meetings are held at Lake County Community Development Corporation, located at 407 W. Main Street SW in Ronan from 11:45 am to 1:00 pm. We are committed to increasing the personal and professional effectiveness of our members by:

- Providing business and professional women with multiple forums for exchange of ideas, experiences and social interactions.
- Encouraging professional development of business and professional women through educational presentations.
- Creating public awareness of the diverse and significant contributions of women in the business and professional community.
- Fostering interaction among women leaders, enabling them to exert their influence for the betterment of the entire community.

**Polson Chamber of Commerce**

418 Main Street; Polson, MT 59860

406-883-5969

[www.polsonchamber.com](http://www.polsonchamber.com)

Email: [info@polsonchamber.com](mailto:info@polsonchamber.com)

The mission statement of the Polson Chamber of Commerce is “To serve, support and strengthen our members by enhancing the business climate, promoting our area, and fostering a sense of community.” The Chamber’s website states that “the Chamber plays a leadership role for our members in improving our business and economic climate. You will find us promoting the Polson area by phone, at our visitor center, on our website, on Facebook, by mail and in numerous publications. The Polson Chamber of Commerce has been standing as the voice of business for over 100 years.” Benefits of being a Polson Chamber Member include:

- “Free listing on the Chamber website with a description of your business.



- Montana Chamber Choices group health insurance program. Program offered by Blue Cross and Blue Shield of Montana in conjunction with the Chamber to members that have 2 or more employees.
- U.S. Chamber and Montana Chamber Legislative E-Updates. Keeps you informed about what your elected officials are working on week by week.
- Membership decals that you can proudly display in your place of business.
- Inclusion in our ChamberBucks gift certificate program. Member businesses are recommended as a preferred business to redeem gift certificates that are sold at the Chamber office.
- Annual banquet - The premier business event of the year.
- ChamberGram - The Polson Chamber's official newsletter informing members of important business information, local events, educational opportunities and member advocacy.
- Weekly emails keeping you informed on Chamber and community activities.
- SPLASH! The Chamber's monthly informal gathering for you and your employees hosted by a Chamber member. This event provides a great opportunity to network with other business professionals.
- Monthly business lunch meeting. These meetings keep you informed on important community topics and are another great opportunity to network with other business professionals.
- Website banner advertising - The Chamber website offers unlimited opportunities to promote your business at a great price.
- Members only advertising opportunities.
- Ground breaking and ribbon cuttings. The Ambassador committee would be pleased to make your event a "ceremonial event."
- Inclusion in our member surveys on important issues that affect our community.
- Your business brochures displayed in the Chamber Office.
- Committee involvement. Members are eligible to participate on Chamber committees of their interest.”

### **Ronan Area Chamber of Commerce**

106 Main Street SW; Ronan, MT 59864

406-676-8300

[www.Ronanchamber.com](http://www.Ronanchamber.com) Ronanchamber.com

Email: [secretary@ronanchamber.com](mailto:secretary@ronanchamber.com)

The Ronan Area Chamber of Commerce website states that it “is a group of interested businesses and citizens working together in service to our community.” The Chamber “exists for the general betterment of the Ronan area ... by providing service, forums for communication, and acting as a clearinghouse for information.” The Chamber provides “for the exchange of information and communication ... service activities for retail, wholesale, manufacturing and service businesses ... informal and formal functions for area youth, schools, agricultural trades and members, and we respond to needs that develop in the community. As a business organization, the Ronan Area Chamber of Commerce endorses full, free, and fair competition.” The benefits of being a Chamber Member include:

- “Montana Chamber Choices group health insurance program
- Receive informative monthly Chamber Newsletters
- Exclusive Members-only listings in membership directory and in Chamber publications
- Exclusive Members-only listings on Chamber web site with a free link to your site
- Periodic email updates to keep you updated on Chamber and community Events
- Business referrals from the Chamber and Visitors Center
- Free listing or brochure in Chamber sponsored relocation packets
- Opportunities to serve on Chamber committees
- Participation in Ronan Roundup
- Member to member discounts
- Advertising opportunities through the Chamber’s newsletters [and] website
- Various Chamber sponsored events”

**St. Ignatius Chamber of Commerce**

P.O. Box 254; St. Ignatius, MT 59865  
406-745-4884

*Missoula County*

**Missoula Businesswomen’s Network (MBN)**

PO Box 4524  
Missoula, MT 59806  
[www.discovermbn.com](http://www.discovermbn.com)

The Missoula Businesswomen’s Network is a group of “women supporting women.” MBN has several sub-networks or groups that meet once a month. In Missoula, these network groups are business skills, connections, empowerment and health & fitness. There is also a Business Connections group in the Bitterroot and Mission Valleys. MBN also has a monthly general meeting the second Wednesday at noon in Missoula.

**Missoula Job Service**

539 Third Street West; Missoula, MT 59801  
406-728-7060  
[www.wsd.dli.mt.gov/local/missoula/](http://www.wsd.dli.mt.gov/local/missoula/)

Employment Specialists provide assistance with personnel questions, employment information and referrals. They provide detail and referral information on hiring, applications, interviewing, checking references, employee handbooks, employee evaluations, employee retention, personnel records, progressive discipline, sexual harassment, wage and hour laws, employments laws, and other personnel related information. They provide labor market information for businesses expanding or locating to the area.

## **Missoula Regional Small Business Development Center (SBDC)**

University of Montana

The Missoula Regional SBDC provides free, confidential, one-on-one technical assistance to businesses in Mineral, Missoula, Ravalli, and Sanders Counties. The SBDC helps with basic start-up questions, business planning, financing, cash flow projections, marketing fundamentals, identifying strategies for business growth, and preparing loan applications.

## *Sanders County*

### **Hot Springs Chamber of Commerce**

P. O. Box 627; Hot Springs, MT 59845  
406-741-2662

[www.hotspringsmtchamber.org](http://www.hotspringsmtchamber.org)

Email: [hscofc@hotspringsmt.net](mailto:hscofc@hotspringsmt.net)

The mission of the Hot Springs Chamber of Commerce is to facilitate and support the economic climate and stability of business enterprise in the community. According to the Hots Springs Chamber of Commerce, their organization consists of “Business and Professional members who have united for the purpose of community improvement and development. This development is planned to carry out into the entire community and includes creation of a sound economic base and orderly growth. Although the primary purpose of the chamber is to be the "voice of business", it goes beyond that to reflect the feeling and the needs of the residential community.” Benefits of being a Hot Springs Chamber Member include:

- Highway business sign advertising
- Encouragement to participate in the latest Website to announce to outside viewers and locals alike what each business has to offer to the consumer
- Monthly membership meeting forums

### **Lake County Community Development Corporation**

P.O. Box 128; 407 Main St. SW; Ronan, MT 59864  
406-676-5901

[www.lakecountycdc.org](http://www.lakecountycdc.org)

LCCDC provides outreach services in community and economic development in partnership with other local governments and local development corporations in Sanders County and the Flathead Reservation under a coalition known as the Western Rural Development Region.

## **Missoula Regional Small Business Development Center (SBDC)**

University of Montana

The Missoula Regional SBDC provides free, confidential, one-on-one technical assistance to businesses in Mineral, Missoula, Ravalli, and Sanders Counties. The SBDC helps with basic start-up questions, business planning, financing, cash flow projections, marketing fundamentals, identifying strategies for business growth, and preparing loan

applications. Trainings provided at the Center include Profit Mastery, “Evaluate a Business Idea,” and more.

**Sanders County Community Development Corporation (SCCDC)**

2504 Tradewinds Way; Suite C1; Thompson Falls, MT 59873

406-827-6935

[www.co.sanders.mt.us/Department.Community Development.aspx](http://www.co.sanders.mt.us/Department.Community%20Development.aspx)

[www.sanderscounty.org](http://www.sanderscounty.org)

The Sanders County CDC operates a Revolving Loan Fund, funded by the USDA, to assist business start-up, retention and expansion for residents of Sanders County. The CDC also provides one-on-one business consulting, works with partner agencies to coordinate business education and technical assistance programs, and acts as a fiscal sponsor and grant administrator for community projects that strengthen infrastructure within the county.

**Sanders County Job Service**

2504 Tradewinds Way; Suite #1; Thompson Falls, MT 59873

406-827-3472

[www.wsd.dli.mt.gov/local/thompsonfalls/](http://www.wsd.dli.mt.gov/local/thompsonfalls/)

Employment Specialists provide assistance with personnel questions, employment information and referrals. They provide detail and referral information on hiring, applications, interviewing, checking references, employee handbooks, employee evaluations, employee retention, personnel records, progressive discipline, sexual harassment, wage and hour laws, employments laws, and other personnel related information. They provide labor market information for businesses expanding or locating to the area.

*Montana*

**Credit Counseling**

Rural Dynamics, Inc. (RDI)/Consumer Credit Counseling Service

1-877-ASK-CCCS or 257-4069 (Kalispell) or 543-1188 (Missoula)

[www.cccsmt.org](http://www.cccsmt.org)

Rural Dynamics, Inc. (RDI) provides counseling, coaching, and tax preparation throughout Montana. Through their Consumer Credit Counseling Service, they provide free financial counseling. They can help identify your financial goals, alleviate financial stress and help you get and stay on track with your finances. RDI financial coaches will review your debt, credit, income, expenses, and establish your budget/spending plan to reach your individual goals.

**Disadvantaged Business Enterprise (DBE) Program for Minority Owned Businesses, etc.**

Montana Department of Transportation

PO Box 201001

2701 Prospect

Helena, MT 59620  
Phone: 406-444-7287

The Montana Department of Transportation (MDT) Disadvantaged Business Enterprise (DBE) program encourages and supports the participation of companies owned and controlled by socially and economically disadvantaged individuals in transportation contracts. It is a federally-funded program administered by MDT. In order to participate in federally-funded contracts under the DBE Program, companies must first be certified through the MDT DBE Program. MDT is the only DBE certifying agent in the state of Montana. The MDT DBE Program Specialists are responsible for overseeing all aspects of the program, including certification, compliance of federal and state laws, DBE Supportive Services, etc.

### **Made in Montana Program**

P.O. Box 200505; 301 S Park Avenue; Helena, MT 59620  
406-841-2757

Provides a labeling, marketing and advertising program for products made in Montana. Also provides the same for Native American Made in Montana.

[www.madeinmontana.com](http://www.madeinmontana.com)

### **Montana Community Development Corporation (Montana CDC)**

229 East Main Street, Missoula, MT 59802  
406-728-9234, [www.mtcdc.org](http://www.mtcdc.org)

The Montana Community Development Corporation is a nonprofit organization whose mission is to provide financing and consulting services that transform the lives of individuals and strengthen community prosperity. Montana CDC provides loans and consulting services to entrepreneurs in Montana. Loan requirements are more flexible than a bank and because of this flexibility, interest rates are 1 or 2 points higher than a bank. Montana CDC's loans range from \$1,000 to \$1,000,000. They also provide business consulting services and low cost trainings to entrepreneurs.

### **Montana Department of Commerce**

301 S. Park Avenue; P.O. Box 200505; Helena, MT 59620-0505  
406-841-2781 or 2702

[www.businessresources.mt.gov](http://www.businessresources.mt.gov)

The Montana Department of Commerce has multiple resources available for business owners. Check out their website or stop by the CSKT Economic Development Office for a copy of their 2014 Resources Guidebook.

### **Montana Department of Commerce Regional Development Office (RDO)**

1121 East Broadway, Suite 100; Missoula, MT 59802  
406-532-3222

RDOs are a resource to businesses, local development corporations, and communities in the area. The program serves as an access point to relevant Commerce Department resources, and all other relevant business and community development resources. The mission of the Regional Development Officer is to: insure that all areas of Montana have reasonably equal access to funding and resources; develop close and

effective working relationships with businesses, city and county governments, and local economic development agencies (EDCs); work closely with the Governor's Office of Economic Opportunity with its economic development activities; assist the Commerce programs with efforts to maximize leverage of other funds; help businesses create higher paying and sustainable jobs; and provide access to information and programs about other state and federal programs. The RDO is the key conduit between expanding Montana businesses seeking financing through business loan programs such as Community Development Block Grant (CDBG), Montana Board of Investments (MTBOI) and others. The primary purpose is to provide assistance to businesses for the purpose of obtaining financing for expansion projects, business locations from out of state, and retention projects.

### **Montana Department of Labor and Industry**

Employment Relations Division

P.O. Box 8011; Helena, MT 59604

406-444-2840

<http://erd.dli.mt.gov>

This site includes links to all issues related to human rights, labor laws, work safety, and worker's compensation. The link to Wage and Hours Laws is <http://erd.dli.mt.gov/labor-standards/wage-and-hour-payment-act> .

### **Montana Manufacturing Extension Center (MMEC)**

15 Depot Park

Kalispell, MT 59901

406-756-8329

Or

Gallagher Business Building, University of Montana

Missoula, MT 59812

406-243-6615

The Montana Manufacturing Extension Center (MMEC) is a statewide manufacturing outreach and assistance center staffed by full-time professionals with a home office in the College of Engineering at Montana State University, Bozeman, with field offices at the MSU TechLink Center and in Missoula, Kalispell, Billings, and Helena.

MMEC is part of a nationwide network, the Manufacturing Extension Partnership (MEP) and National Institute of Standards and Technology (NIST), and aspires to assist small and mid-size manufacturers in becoming more competitive and profitable.

MilTech is a pilot program funded by the U.S. Department of Defense. MilTech's goal is to accelerate the transition of innovative technology to the U.S. warfighter. MilTech has offices in Bozeman, MT and Kalispell, MT. For MilTech to work with clients they must have an innovative technology that will help in the war effort and they must be able to prove that the Department of Defense is interested in buying the product. Typically, MilTech provides business and engineering assistance to companies that will improve the manufacturing process, reduce manufacturing costs, or make the company more sustainable.

MMEC helps Montana manufacturers with quality systems, ISO 9000, production management, assistance with Lean Manufacturing methods, product costing, supplier identification and many other engineering & business management issues. The first visit is free; then a proposal is made by the MMEC engineer to manage improvement projects for a reasonable fee. Typically short-term projects are of no cost; over 8-hour projects require a negotiated fee. MMEC also provides training for manufacturers.

**Montana Procurement Technical Assistance Centers (PTACs)**

44 2<sup>nd</sup> Avenue W.; Kalispell, MT 59901

406-257-7711, ext. 5

Or

Lake County Community Development Corporation (LCCDC)

P.O. Box 128; 407 Main St. SW; Ronan, MT 59864

406-676-5900 or 5901

[www.lakecountycdc.org](http://www.lakecountycdc.org)

Or

University of Montana

University Hall Room 116

Missoula, MT 59812

406-243-4030

[www.montanaptac.org](http://www.montanaptac.org)

The Procurement Technical Assistance Centers (PTACs) offers free assistance to help Montana businesses obtain city, county, state, or federal government contracts. The United States government spends over \$300 billion dollars a year on purchases of goods and services from small business. PTAC can help businesses with government registrations, finding bid opportunities, quote preparation, interpreting bid specifications, and help with contract specifications. Tribal members can use any Montana center as well as the Native American PTAC at the Native American Development Center in Billings.

**Service Corps of Retired Executives (SCORE)**

15 Depot Park; Kalispell, MT 59901

406-756-5271

E-mail: [nwmtscore@yahoo.com](mailto:nwmtscore@yahoo.com)

Websites: [www.score.org](http://www.score.org)

[www.northwestmontanascore.org](http://www.northwestmontanascore.org)

SCORE is a non-profit, volunteer organization that provides free, confidential business advice to both existing and start-up businesses. SCORE is affiliated with the Small Business Administration and is dedicated to aiding in the formation, growth, and success of all businesses in Northwest Montana. The counselors have a vast wealth of knowledge based on a history of actual successful experience. In addition to counseling, SCORE provides educational seminars on all aspects of starting and maintaining a healthy business. Call ahead to schedule an appointment--usually scheduled Friday afternoons.

**Unemployment Insurance**

P.O. Box 8020; Helena, MT 59604-8020  
(406) 444-2545 or 2840

[www.UI4U.mt.gov](http://www.UI4U.mt.gov)

Small businesses are required to carry unemployment insurance for each employee. Contact this office for further information.

**Vocational Rehabilitation – State Offices**

121 Financial Drive Suite B; Kalispell, MT 59901; (406) 751-5940  
830½ Shoreline Dr., Suite 7; Polson, MT 59860; (406) 883-7845

**Worker’s Compensation**

Contact your private insurance company or  
Montana State Fund

P.O. Box 4759; Helena, MT 59604-4759; (406) 495-5000

[www.montanastatefund.com](http://www.montanastatefund.com)

*U.S. Government***Small Business Administration (SBA)**

409 3<sup>rd</sup> Street SW; Washington DC 20416

SBA Answer Desk: 800-827-5722

Office of Native American Affairs: 202-205-7364

**Montana District Office of SBA**

Federal Office Building; 10 W. 15<sup>th</sup> Street, Suite 1100; Helena, MT 59601  
406-441-1081

For information on Financing call 406-441-1086.

The SBA offers business and technical assistance with emphasis on loan financing, including SBA guaranteed loans, and access to the SBA 8-A contracting program, which provides preference for small, disadvantaged and minority businesses in doing business with federal agencies. Business classes are available on-line.

Link to the Montana Small Business Resource Directory:

[https://www.sba.gov/sites/default/files/files/resourceguide\\_3126.pdf](https://www.sba.gov/sites/default/files/files/resourceguide_3126.pdf)

**U.S. Export Assistance Center**

University of Montana Gallagher Business Building; Suite 257; Missoula, MT 59812  
406-370-0097



## **SECTION 5. GRANT FUNDING AND OTHER FINANCING OPPORTUNITIES**

### *Tribal*

#### **Confederated Salish and Kootenai Tribes Indian Business Assistance Project**

Economic Development Office  
P.O. Box 278; Pablo, MT 59855  
406-675-2700

Grant program with small business grants ranging from \$2,000 to \$7,000 each for CSKT members, with 1 to 1 match required. The grants can be used for new start-up businesses, or for existing businesses interested in expansion. Funding opportunities are announced in the [Char-Koosta News](#) when available. The next round of grants is not anticipated until the Summer of 2017.

#### **Montana Indian Equity Fund**

Montana Department of Commerce  
1121 East Broadway, Suite 112; Missoula, MT 59802  
406-721-3663 or [pbelangie@mt.gov](mailto:pbelangie@mt.gov)

The Montana Indian Equity Fund grants monies to new or expanding Native American businesses in Montana. \$2,000-\$14,000 is available to enrolled members of the Confederated Salish and Kootenai Tribes living on or adjacent to the Flathead Reservation. 1 to 1 match is required. Up to \$40,000 is available per Reservation. Guidelines for the Indian Equity Fund are available at: [onad@mt.gov](mailto:onad@mt.gov)

#### **Native American Collateral Support (NACS) Loan**

Office of Native American Development  
Montana Department of Commerce  
1121 East Broadway, Suite 112; Missoula, MT 59802  
406-721-3663 or [pbelangie@mt.gov](mailto:pbelangie@mt.gov)  
Guidelines: [onad@mt.gov](mailto:onad@mt.gov)

Loans are available for Native American business owners living in Montana who need additional collateral to support a loan through their lender--either a community based organization or a commercial lending institution.

#### **Native American Community Development Corporation**

101 Pata Street; P.O. Box 3029; Browning, MT 59417  
406-338-2992, x207 or [pagobert@3riversdbs.net](mailto:pagobert@3riversdbs.net)

Loans and credit counselling available for enrolled Tribal members.

#### **Native American Development Corporation**

2929 3<sup>rd</sup> Ave. North; Suite 300; Billings, MT 59101  
406-259-3804  
<http://www.nadc-nabn.org/about-nadc.html>

Provides financing through a variety of loan programs to American Indian owned businesses including assistance with partnerships, marketing and federal contracting.

**Sovereign Leasing & Financing (S&K Business Services)**

56749 Hwy 93; Pablo, MT (mailing address is Ronan, MT 59864)  
406-883-4317

Sovereign Leasing & Financing is a subsidiary company of S&K Business Services, formerly known as S&K Holding. Sovereign Leasing and Financing provides lease opportunities for equipment and vehicles.

**Tribal Credit Program**

Confederated Salish and Kootenai Tribes  
P.O. Box 278; Pablo, MT 59855  
406-675-2700

Loan Programs for CSKT members:

- Purchase or construction of a business facility at 5% interest for up to 20 years
- Purchase of a business at 5% interest for up to 20 years
- Business operating capital at 5% interest (up to \$15,000) for one year
- Purchase of equipment at 5% interest for up to 10 years

See Appendix A for Tribal Credit Program loan requirements

*Lake County*

**Lake County Community Development Corporation (LCCDC)**

P.O. Box 128, 407 Main Street SW; Ronan, MT 59864  
406-676-5901 [www.lakecountycdc.org](http://www.lakecountycdc.org)

LCCDC provides grants and loans to qualifying small businesses within their service area of Lake, Mineral and Sanders Counties and the Flathead Reservation.

*Sanders County*

**Lake County Community Development Corporation**

P.O. Box 128, 407 Main Street SW; Ronan, MT 59864  
406-676-5901 [www.lakecountycdc.org](http://www.lakecountycdc.org)

LCCDC partners with the Sanders County Community Development Corporation to provide grants and loans to qualifying small businesses in Sanders County.

**Sanders County Community Development Corporation (SCCDC)**

2504 Tradewinds Way; Suite C1; Thompson Falls, MT 59873  
406-827-6935

[www.co.sanders.mt.us/Department.Community\\_Development.aspx](http://www.co.sanders.mt.us/Department.Community_Development.aspx)  
[www.sanderscounty.org](http://www.sanderscounty.org)

The Sanders County Community Development Corporation operates a Revolving Loan Fund, funded by the USDA, to assist business start-up, retention and expansion for residents of Sanders County. The CDC also acts as a fiscal sponsor and grant administrator for community projects that strengthen infrastructure within the county.

## Montana

### **Growth through Agriculture Fund**

Montana Department of Agriculture

302 N. Roberts

Helena, MT 596061

406-444-0511 <http://agr.mt.gov/agr/Programs/Development/GrantsLoans/GTA/>

Email: [gta@mt.gov](mailto:gta@mt.gov) Fax: 406-444-9442

The Growth Through Agriculture (GTA) program is a grant and loan program established to strengthen and diversify Montana's agricultural industry through development of new agricultural products and processes.

**Category I: Economic Development Projects** may potentially be funded in a single application for a total amount of \$150,000 in the form of grant funding up to \$50,000 and loan funding up to \$100,000. Examples of project activities involve equipment purchases, advertising and promotion, and consultant services such as engineering costs and feasibility studies. A \$1 for \$1 match is required for all proposals.

The Agriculture Development Council designated the following targeted areas to be eligible for consideration for 0% interest rate loans:

- Businesses expanding or adding value to Montana commodities, or
- Businesses transitioning beyond direct sales/farmers markets

**Category II: Mini Grant/Loan Projects** may be funded a maximum amount of \$2,500 for any single application. The Mini Grant program was developed to encourage economic and agricultural development through education, promotion, marketing, and travel. For-profit business applicants requesting Mini Grant funding for conferences are ineligible for travel and educational activities unless otherwise specified by the Council.

### **Montana Community Development Corporation (Montana CDC)**

229 East Main Street, Missoula, MT 59802

406-728-9234, [www.mtcdc.org](http://www.mtcdc.org)

Montana Community Development Corporation is a nonprofit organization whose mission is to provide financing and consulting services that transform the lives of individuals and strengthen community prosperity.

Loan requirements are more flexible than a bank and, because of this flexibility interest rates are 1 or 2 points higher than a bank's. There are incentive rates for some rural, childcare, Native American, and other targeted business types.

Amount: \$1,000 to \$1,000,000

Collateral: flexible (particularly for microloans); real estate, personal property, equipment, etc.; collateral coverage ratio >.75x; 1<sup>st</sup> position not required

Credit Scores: 600+ (with flexibility)

Fees: 2.5% origination fee; \$100 annual admin. fee; closing costs

Terms: Flexible, 5-10 years

Underwriting: solid business plan, projections

## *U.S. Government*

### **Financing Sources**

<http://business.usa.gov/access-financing> will help a business owner find out what government financing may be available.

### **Small Business Administration (SBA)**

#### **Montana District Office of SBA**

Federal Office Building; 10 W. 15<sup>th</sup> Street, Suite 1100; Helena, MT 59601  
406-441-1081 or 406-441-1086 for information on Financing and SBA guaranteed loans  
call 406-441-1086.

<https://www.sba.gov/content/sba-loans> is the federal website for the Small Business Administration (SBA) that provides information on SBA loans.

## *Conventional Bank Financing*

If a business is successful, bank financing will likely be required at some point for business growth. When approaching a commercial lender (bank), similar preparation is required to that required for applying for any of the grant funds listed above. Generally banks will want to see:

- Personal Financial Statement: Assets minus your Liabilities demonstrating your net worth. Forms are available on the internet.
- Business Financial Statement for existing businesses
- Three years prior tax returns
- Business Plan with 1 – 3 years of projected income, a balance sheet and cash flow analysis
- Purpose of the loan funds requested and collateral backing the funds
- Other financing sources: equity partners, other lenders, grant funds, etc.
- Application form completed

Contact information for Flathead Reservation banks:

<b>Bank Name</b>	<b>Phone Number(s)</b>	<b>Mailing Address</b>
Eagle Bank	883-2940	80 Heritage Lane Polson, MT 59860
First Citizen's Bank	883-4358	213 First Street West Polson, MT 50960
First Interstate Bank	883-8800	49573 US Highway 93 Polson, MT 59860
Glacier Bank	756-4256 676-4600 (Ronan)	Commercial Loan Department 202 Main Street Kalispell, MT 59901
Lake County Bank (merged with	745-3123	102 Crystal Street St. Ignatius, MT 59865

Valley Bank)		
Valley Bank	676-2000	63659 US Hwy 93 Ronan, MT 59864
White Fish Credit Union	758-3673	215 East Idaho Kalispell, MT 59901

Conventional bank financing rates are not published and are dependent on the strength of the application, with emphasis on the financial position of the individual or business applicant.

### *Crowdfunding*

More businesses are seeking money through crowdfunding. Crowdfunding is the process of raising money to fund what is typically a project or business venture through many donors using an online platform, such as Kickstarter, Indiegogo and Crowdfunder. The fundraising window has a time limit, usually 90 days, and fees and rules vary across platforms.

Crowdfunding is typically done through an online platform that allows the fundraiser to set up a public campaign for accepting donations. The campaign will advertise details such as the nature of the project or venture, the amount of money the company is hoping to raise, and the fundraising deadline. People can donate a specified amount through the fundraising campaign's website and often receive some sort of acknowledgment or reward in return for their donation. Businesses can also use other sites like Crowdfunder, where you can raise capital in exchange for ownership in the company.

There are many crowdfunding sites. Here are a few:

Kickstarter: <https://www.kickstarter.com/>

Indiegogo: <https://www.indiegogo.com/>

Crowdfunder: [www.crowdfunder.com](http://www.crowdfunder.com)

## **SECTION 6. OTHER HELPFUL TOOLS AND WEBSITES**

### **Business Plan Templates**

See Appendix B: Montana CDC Business Plan outline.

Also see: <https://www.sba.gov/tools/business-plan/1>  
<http://www.jaxworks.com/bplan3.htm>

### **Census Data**

[http://www.mibaonline.org/download\\_ppt/indian\\_econ\\_ockert.ppt](http://www.mibaonline.org/download_ppt/indian_econ_ockert.ppt)

or

<http://censusreporter.org/>

The Census Reporter is a US Census Bureau tool that offers people with quick data for any census tract area within the country. The data is very limited but quick and easy to use.

### **Contract Writing & Templates**

<http://smallbusiness.findlaw.com/business-forms-contracts/business-forms-contracts-overview-writing.html>

### **CSKT Indian Preference List**

<http://www.cskt.org/employment/indianpref.htm>

### **How to Apply for a Business Loan**

<http://bizfinance.about.com/od/generalinformation/tp/howtobusinessloans.htm>

### **Microsoft Office Training Guides**

<http://www.jaxworks.com/training.htm>

### **Montana Site Selector**

<http://svc.mt.gov/gov/siteselector>

The Montana Site Selector service provides a reliable source for connecting business owners with statistical analysis of the surrounding area. It serves two primary functions. The first is to provide a property search function that was developed to assist real estate agents in matching customers with properties. This includes map layers that show locations of services and other important infrastructure features for an area and advanced search functions to narrow options to those with the most desirable attributes.

The second function is to provide economic reports on a specific area which includes detailed population, housing, spending patterns and demographic information about the citizens that live in a particular area. The reports can be generated by address, map point, polygon, city, or county for the state of Montana. The Montana Site Selector reports are a paid service that is paid for annually by the Montana Governor's Office

### **Website Development**

Check online for assistance with website development. At one time Google offered free website development and a free page for one year, with fees charged for use after the first year.

*Additional Websites and Information*

<http://www.inc.com/jeff-haden/60-great-tools-and-resources-for-entrepreneurs-and-startups.html>

<http://www.inc.com/drew-hendricks/50-best-websites-for-entrepreneurs.html>

[http://www.quintcareers.com/entrepreneur\\_resources.html](http://www.quintcareers.com/entrepreneur_resources.html)

<http://www.onaben.org/resources/entrepreneurs-and-organizations/for-entrepreneurs/>

[http://study.com/articles/7\\_Universities\\_and\\_Websites\\_Offering\\_Free\\_Business\\_Entrepreneurship\\_Courses\\_Online](http://study.com/articles/7_Universities_and_Websites_Offering_Free_Business_Entrepreneurship_Courses_Online)

**Also search the internet for:**

- best resources for entrepreneurs
- best resources for social entrepreneurs (if you are a social entrepreneur who is interested in making a living while also bringing about social change)
- business plan development





**Appendix A: CSKT Tribal Credit Program Business Loan  
Information**

## **BUSINESS LOAN REQUIREMENTS**

### **CONFEDERATED SALISH & KOOTENAI TRIBES CREDIT OFFICE**

1. Submit a business and personal financial statement (balance sheet should also show net equity) not over 60 days old, showing all assets and liabilities, the date, the amount, to whom payable, dates of maturity and any other security offered.

If installment notes, show the amount of the required monthly payment.

2. Submit an earnings statement for the past two years and for the current period to-date of balance sheet, showing salaries or average withdrawals of owner, principal officers, income taxes, and net profit after depreciations and all expenses.

Tax returns should be entire tax return for the past two years and for the individual borrower and tax returns (if available) for any existing corporation (form 1120 or 1120S) or partnerships (form 1065). If a complete tax return is not available a copy of the K-1 (form 1120S and 1065) should be obtained.

Schedule "C" or other appropriate parts of your tax returns should be included with your statements.

Provide a set of realistic projections of annual sales and an estimated net profit statement which can be justified. Also include a projected cash flow statement.

If business venture is new, or being substantially changed, a business plan will be required.

3. Supply a detailed list of the type and amount of collateral you have to offer, both real and personal property, showing the original cost and the present value of each item. Also include any mortgage or lien against the collateral you wish to use.

4. Submit a statement as to amount of loan desired and the specific purposes for which the proceeds would be used. Also, state the amount you feel certain can be repaid each month.

5. Any external grants or source of funding connected with the business must be documented and submitted with the business loan application.

**EXCERPTS  
FROM THE  
PLAN OF OPERATION  
FOR  
THE TRIBAL CREDIT PROGRAM OF THE  
CONFEDERATED SALISH & KOOTENAI TRIBES**

(AMENDED MAY 21, 1996 and 2016)

(h) Business Loans. A business loan application shall be required for all business loans. Farm and ranch loans cannot qualify as business loans. The following requirements also apply to particular types of business loans:

(1) For purchase of a building or to build a building for a business, or to purchase a business operation, etc. Fee Land or Certificate of Deposit for Collateral.

LOAN AT 5% AND REQUIRES 15% DOWN PAYMENT

Repayment Schedule Option: Maximum of 20 year repayment schedule.

Submit the description and location of property or Certificate of Deposit with the business loan application. Upon approval of the loan, a Title Insurance Policy showing a clear and marketable title and an appraisal report of the property is required before the loan documents are completed and advance of loan is made.

(2) For purchase of building or to build a building for a business, or to purchase a business operation, etc. Trust Land or Certificate of Deposit as Collateral.

LOAN AT 5% AND REQUIRES 15% DOWN PAYMENT

Repayment Schedule Option: Maximum of a 20 year repayment schedule.

Submit the description and location of property or Certificate of Deposit with the business loan application. Upon approval of the loan a Title Status Report is required showing a clear and marketable title before the loan documents are completed and advance of loan is made.

(3) For purchase of a building, or to build a building for a business, or to purchase a business operation, etc. Tribal Leased Land or Certificate of Deposit as Collateral.

LOAN AT 5% - AND REQUIRES 15% DOWN PAYMENT

Repayment Schedule Option: Maximum of 20 year repayment schedule.

Submit the description and location of the Tribal Leased Lot or Certificate of Deposit.

(4) Business Operating Capital. Maximum loan up to \$15,000.00. 5% - MAXIMUM OF ONE YEAR REPAYMENT SCHEDULE

Submit business loan application and description and location of land or home to be used as collateral or Certificate of Deposit. Upon approval of loan, a Title Insurance Policy or Title Status Report will be required before loan documents are completed for advance of funds.

(5) Purchase of Equipment for Business. 5% - MAXIMUM OF TEN YEAR REPAYMENT SCHEDULE AND REQUIRES 15% DOWN PAYMENT

Submit business loan application and description and location of land or home to be used as collateral or Certificate of Deposit. Upon approval of loan, a Title Insurance Policy or Title Status Report will be required before loan documents are completed for advance of funds.

## **Appendix B: Business Plan Outline**

# BUSINESS PLAN OUTLINE

---



This donor supports the  
Small Business Development Center  
at Montana CDC at the Business Mentor level.

## **WHY WRITE A BUSINESS PLAN?**

A business plan describes the business: how it operates, how it is managed, how it interacts in the marketplace, how it functions financially and what its strengths and weaknesses are. The business plan is a planning tool that details the goals of the business and gives the owner a path to follow. It can help the owner make judgments and decisions on opportunities and threats by providing a framework to assess the options. Although often not required by banks, a business plan is the most professional format to present the information the bank will need to evaluate a loan request.

Lack of planning can cause serious business problems or outright business failure. Poor management and planning are estimated to account for over 90% of business failures. The most common mistakes made are: poor initial planning; not understanding market position; not knowing costs; not properly pricing; not planning cash flow in advance; not monitoring financial position at all times; not controlling costs; and, not planning and managing growth. A good business plan can help the business owner avoid all of these costly pitfalls.

Here is MCDC's basic business plan outline followed by descriptive detail which is included to aid in the writing of the plan. This detailed guide will assist you in preparing one of the most important business documents for your business, large or small.

## **I. EXECUTIVE SUMMARY**

- A. Vision and Business Goals
- B. Product/Services Offered
- C. Markets/Customers Served
- D. Distribution of Products/Services

## **II. THE BUSINESS DESCRIPTION**

- A. Name and one line description of what the business does.
- B. Date Founded, By Whom
- C. Form and Ownership
- D. Mission Statement, Business Goals
- E. Key Officers, Management

## **III. THE MARKETING PLAN**

- A. Products/Services Differentiation
- B. Industry Profile
- C. Competitive Analysis
- D. Market Demographics/Size
- E. Target Market/Customer Profile
- F. Marketing Strategy/Market Share

## **IV. OPERATING AND CONTROL SYSTEMS**

- A. Personnel
- B. Production/Service Methods
- C. Quality Control
- D. Facilities



E. Suppliers

F. Recordkeeping Policies and Procedures

G. Billing and Collection Policies and Procedures

## **V. THE FINANCIAL PLAN**

A. Financial Statements

B. Pro-Forma Financial Statements

C. Pricing Strategy, Gross Profit Margin

D. Break-even Analysis

E. Projected Cash Flow Spreadsheet

F. Forecasting Assumptions

G. Risk Analysis and Alternative Plans of Action

## **VI. REQUEST FOR FINANCING**

A. Amount, Purpose of Request, Collateral

B. Sources and Uses of Funds

C. Repayment Plan

D. Debt Repayment Contingency Plan

## **VII. ATTACHMENTS**

---

## I. EXECUTIVE SUMMARY

This may be the most important part of the business plan because it is the first – and sometimes only — section that is read by the intended audience. The Executive Summary should capture the attention of readers, so that they want to read the rest of the plan. The information included in the executive summary should focus on the business' competitive advantage and what makes the business viable.

We recommend that you write the Executive Summary last, after you have completed all the other business plan sections. For this section, write in paragraph form without headings **The headings are included to illustrate what should be included in this section, but do not include the headings in the actual Executive Summary.**

### A. Vision and Business Goals

What is the long-term vision of the business, and what are the goals for getting there during the period covered by this business plan? What are the one year, three year and five year goals for the business? State quantified goals for these time periods, such as annual revenue (\$), annual profit (\$), or annual percent increase (%) in these categories.

### B. Products/Services Offered

Describe the product/service in enough detail so that it is readily understandable and confirms the viability of the business. How will it be differentiated from the competition's offerings?

### C. Markets/Customers Served

Who buys the product/services, and what market segments does the business serve? How large is the total market? What is the business' current market share? What will the market share increase to as the company grows and its sales goals are reached?

### D. Distribution of Products/Services

How does the product/service reach the customer? Is the method of distribution unique? Is this the business' competitive advantage? (Do not include this information in the executive summary unless the method of distribution confers some unique advantage upon the business.)

## **II. THE BUSINESS DESCRIPTION**

### **A. Name and Address of Business, Type of Business**

Use the exact legal name of the business and the physical address and general location of the business. Is the business primarily engaged in wholesale or retail trade, service, manufacturing, agriculture/forestry/fishing, construction or transportation?

### **B. Date Founded, By Whom**

### **C. Form and Ownership**

What is the legal form of the business? List all owners and their percent ownership.

### **D. Mission Statement, Business Goals**

The mission statement is practical and philosophical. A good mission statement can provide direction for the company in the future. The mission statement can include: the purpose for which the company exists; what the company does; the company's goals; quality; its role in the community; ethical practices; profitability; customers; shareholders; the environment.

Business goals should be quantified and summarized for one, three and five years.

### **E. Key Officers, Management**

Who will put the business plan into action? List all key employees and include one to five paragraphs on their qualifications. Also list key advisors, including your accountant and lawyer if you have these, and any other business advisors (It is a strength to show the use of advisors.) The reader will need to be persuaded that the people running the company have the qualifications to get the job done and done well. Include resumes and job descriptions of all key employees for the business in the Attachments.

## **III. THE MARKETING PLAN**

The marketing plan is the critical link between the product/service and customers. Oftentimes, the marketing plan is the hardest section of the business plan to write. This section contains the extensive research required before the financial projections can be completed. The information in the financial plan (the fifth section of the business plan) is based on data that is gathered as part of the marketing planning process. One critical part of the marketing plan is a clear-cut delineation of the business' target markets. Much hinges on the plan's reader being convinced that there will be a large enough market for the product/service. The overall goal of the marketing section is to demonstrate that your product or service meets an important

customer need and provides a solid benefit to customers in a well-defined market niche.

#### A. Products/Services Differentiation

First, describe your product or service plainly and clearly. If you have several products or services, be sure to describe the full line of offerings. Then describe the specific benefits these products and services deliver to customers. Finally, tell what is different about your products and services when compared others on the market. Successful businesses provide something that is unique. Some of the ways that products/services are differentiated can include: higher quality; better customer service; quicker responsiveness; safer/healthier; more attractive; more convenient; lower cost.

#### B. Industry Profile

What industry are you part of (for instance, retail clothing, or custom metal fabrication, or forestry management). What is the current phase in the life cycle of the industry (starting, emerging, growing, mature, or declining)? What is the competitive profile in your industry – do you have one or two, several, or many competitor firms in the industry? What is the size of this industry? An indicator of size is the dollar (\$) volume of sales, number of households reached, number of firms in the industry within your market reach. This information can be found through trade associations and other sources on the Internet. What are the growth trends and product/service outlook for this industry? Is the industry characterized by high or low margins, is it capital intensive, or is a large inventory required? Is your business trying to meet an existing need in the marketplace or are your offering a new solution to an existing problem?

#### C. Competitive Analysis

List all the companies that directly compete with you for customers, or, if there are many, list the main competitors. Also list indirect competition – companies that offer an alternative to your product or service. How many competitors, are there in the marketplace and what are their competitive characteristics? Attach a competitive matrix to summarize the competitive analysis.

#### **Competitive Matrix for Taco Heaven (a hypothetical fast-food, Mexican Restaurant)**

	Taco Bell	Taco del Sol	Cazador	Taco Heaven
Service	2	2	5	3
Quality	2	3	5	3
Flavor	2	4	5	3
Menu	3	2	5	3
Quickness	4	3	1	5
Atmosphere	2	2	4	3

Once you have laid out the picture of your business's competition, describe how your business will gain a competitive advantage over other similar businesses within your market. What market segment niche will your business pursue to gain customers now served by competing firms?

The relationship of supply and demand will affect the entire marketing plan. High demand coupled with low supply usually indicates fewer competitors, which translates to lower marketing costs for your business. However, other new entrants will also be drawn to the marketplace and their emergence will change the market and affect the profitability of the product/service. On the other hand, low demand and high supply indicates market saturation – many competing firms already active in the market. That translates to higher marketing costs for your business. In this situation, market share must be gained by taking away customers from competitors, and there will be a competitive reaction which must be addressed in the marketing plan.

#### D. Target Market Demographics/Customer Profile

Describe the members of your target market in detail. These are the customers who are most likely to benefit from the business and thus purchase the product/service. If you sell to individuals, describe the age, gender, income level, and place of residence of your customers. Add other features called psycho-demographics to capture special interests, hobbies, or pursuits that make these people your customers. If you sell to other businesses, describe their size, industry, location, and any other company characteristics that cause you to target these customers.

Although many people or businesses are *possible* customers, the target market zeroes in on your most *probable* customers. The “80/20 Rule” is that 80% of a company's revenues are generated by 20% of its customers. This is the customer that you are describing in this section.

#### E. Market Size

How large is your market? If you sell to individuals, research the number of people meeting your demographic profile in the defined geography in which you operate. If you sell to businesses, research the number of businesses that use your product/service within the defined market geography.

It is important to research and communicate a good estimate of the number of potential customers in your defined market territory. Demographic information is available from the Census and Economic Information Center at <http://ceic.mt.gov/>. This information includes the number of persons in age ranges, income levels, education levels, in households, residences, etc. Data is available on the number of businesses, sales levels, business sectors, and number of employees from the U.S. Census as well. This data is also available at the public library and at the Mansfield Library at the University of Montana.

What are the growth trends and potential for this market number? Are there any areas within your defined territory that have a large concentration of people meeting your target profile?

#### F. Marketing Strategy/Market Share

What are the specific plans and action steps to be taken to capture customers and market share during the planning period? The market strategies are usually described under the four sections listed below. Each strategy should clearly connect the product features with the target market members that you described earlier.

- Pricing—Describe whether you are high, medium or low-priced in comparison to your competition, and why. The pricing strategy should directly correlate to the demographics of the target market that you laid out earlier.
- Distribution – How will your product reach the customer? Will you sell it direct, or will you sell on a wholesale basis to retailers? Will you use the Internet or a physical location, or both?
- Promotion – What are all the ways that you will promote your product, including advertising, printed materials, sales calls, publicity, Yellow Pages and word of mouth? A strong business plan will include a calendar detailing the promotion steps taken each month of the year.
- Packaging – This applies primarily to products, but can be adapted to services as well. Describe the labels, boxes, bags and collateral information that is included as part of the product presentation to the customer. Is your packaging professionally designed to appeal to the demographics you cited in your target market?

### III. OPERATING AND CONTROL SYSTEMS

This section of the business plan describes how the business will function internally to produce, deliver, monitor its products/services, and keep track of the results from doing business. Without operating and control systems fully thought out and presented in the plan, the reader will question whether the business can actually realize the goals detailed in the business plan.

#### A. Personnel

How many employees does the company have, and how many will be added over the planning period? Include an organization chart if your company is larger. What types of functions will they perform? What are the skills required to fulfill job responsibilities? What will their hours be (part-time, shift, etc.)? What pay scale and benefits will be offered by the company?

## B. Production/Service Methods

How is the product/service actually produced? Describe the production process from start to finish, including packaging. It may be helpful to illustrate the process by depicting a day in the life of the company from opening to closing. How is service performed? Do the clients come to an office, or is the service performed at the customer's site? What hours is the business open?

## C. Quality Control

How will consistent quality of product and service delivery be assured? What specific quality control measures will be implemented?

## D. Facilities and Equipment

Describe the physical facilities in which the business will be located. Is it owned or leased? What are the terms (price and length) of the lease? What is the size (square feet) of the building and the age? Is there enough space to accommodate growth? Can the facilities be upgraded or will the business have to move if it grows during the planning period? Are the mechanicals (electric, plumbing, sewer, telecommunications) up to code and adequate for intended usage? Is there adequate parking and street access? Describe the equipment used in production, including age and repair of equipment.

## E. Suppliers

What materials are used to produce the product/service, and who are the suppliers? Is there more than one source of supply? Are these suppliers reputable and reliable? Do they supply the best quality at the most competitive prices?

## F. Billing and Collection Policies and Procedures

What are the terms of payment for your product or service (cash, credit card, payment 30 days from invoice, etc...)? Explain why this plan was chosen. How is credit worthiness determined? Describe billing procedures. Are accounts receivable monitored? How often? When is a receivable considered delinquent? Outline the steps followed from the time an account becomes delinquent until the delinquency is resolved. Are formal collection policies in place? Describe the collection procedures. Who is responsible for billing receivables and for collections?

## G. Recordkeeping Policies and Procedures

Business owners are responsible for maintaining a universally accepted method of recordkeeping. The system should be simple to use, accurate, timely, and consistent. It provides business management information for the owner but must also be

designed for understanding by others with an interest in the business — business consultants, lenders or government entities, for example.

What recordkeeping tools or systems are in place? Identify the types of records kept. Who is responsible for recordkeeping? What is this person's background or experience with recordkeeping? Does the business use professional recordkeeping outside services? If so, from whom and what aspects of business recordkeeping do they perform? Describe daily, weekly or monthly recordkeeping routines. Identify financial reports used to measure and monitor the business condition. How often are these reports prepared?

#### **IV. THE FINANCIAL PLAN**

The financial section is the numerical expression of the marketing and operations sections of the business plan. The financial projections indicate if the business idea is attractive enough to secure investments and financing. The thoroughness of the financial plan will indicate to the reader that the business will be well managed. According to the SBA, "businesses do not fail for the lack of money as much as for the lack of money management." Entrepreneurs need sound records and financial management to keep track of assets and liabilities. And, they must always know the company's current and future cash positions.

The cash flow projections and analysis are the most important section of the business plan. The need for cash flow planning comes from the time discrepancy that usually exists between the expenditure of funds for inventory, payroll, rent, debt payments and other overhead and the actual receipt of cash from sales. Profits are great, but cash pays the bills. Cash flow planning is simple in concept, but involves considerable effort to develop. Time is the critical ingredient in cash flow planning. The company may have considerable money coming in the future, but it could become insolvent if cash is paid out in the present. At any time, a negative cash balance must be covered either with equity or debt.

##### **A. Financial Statements**

###### **1. Existing Businesses**

Existing business need to include a summary of the past three years of Balance Sheets and Income Statements with the business plan. In this section also discuss any relevant trends and year to year changes in: assets, debt and equity; revenues, cost of goods sold (COGS), overhead and net income. Reviewers of the plan will analyze these statements and use them as a basis for evaluating the cash flow projections, break-even analysis, pricing and margins. If there are large unexplained differences between the past and the future, the accuracy of the projections will be questioned which could result in the loan request being denied or the loan amount reduced.



Also include a current Balance Sheet and Income Statement for the most recent period in addition to the historical statements.

## **2. Start-up Businesses**

Since a start-up business does not have historical financial statements, industry standard financials can be used as a baseline. Industry standard information is available from Risk Management Associates (RMA). RMA data can be found at the library.

### **B. Pro-Forma Financial Statements**

Pro-forma financial statements are the projected financial statements that show the financial results if the business is operated as outlined in the business plan Marketing and Operations sections. For an existing business, the pro-forma statements should include an income statement and balance sheet that show where the business will be financially after the proposed changes are implemented.

For a new business, all financial statements are pro-forma. The Sources and Uses Chart (see below) can be used as the beginning balance sheet for the business. Income statements can be generated using the projected cash flow.

### **C. Pricing Strategy, Gross Profit Margin**

Pricing is the single most important factor affecting profits. Pricing a product/service includes consideration of the following assumptions: the customer is central to the business; the business operates in a competitive marketplace; pricing is a reflection of the business's position in the marketplace; it is a criterion by which consumers evaluate the product/service; and, pricing must be adequate to return a profit to company owners and investors. Pricing is not done in a vacuum; price is what a customer is willing to pay, not necessarily what the business would like to charge. The prices of other products/services limit pricing freedom. To set prices, (1) determine floor and ceiling prices, (2) evaluate price sensitivities of customers, (3) select a strategy and (4) set the price. It is also important to identify your Gross Profit or Gross Profit Margin in order to calculate the Break Even sales for the business as discussed below. (Please see our cash flow template in Excel which calculates the GPM and GPM% automatically.)

### **D. Break-even Analysis**

How many units must be sold to cover all costs? A break-even analysis pinpoints how changing prices, increasing or decreasing expenses will affect profitability and unit sales. A break-even analysis tests the feasibility of achieving the level of unit sales necessary to pay for all costs. Break-even in units is calculated:

- Break-even units = total fixed costs/(unit sales price - unit cost of goods sold)
- Break-even dollars = break-even units x selling price

- Break-even sales revenue = total fixed costs/gross profit margin percentage.

#### E. Projected Cash Flow Spreadsheet

Prepare monthly cash flow projections for the next two fiscal years using a cash flow template. (One is available at <http://mtcdc.org/consulting/rouserces/>.) The cash flow projection is a critical tool for a new and growing business. It indicates how much cash is needed, and when it is needed so that investing and borrowing needs can be arranged in advance. It is important to understand and arrange for cash infusions in advance because financing and equity may not be available on short notice.

#### F. Forecasting Assumptions

No reader can understand the projections without an explanation of the forecasting assumptions behind the numbers. The assumptions need to be written out on a line by line basis, explaining any seasonal variations. If the assumptions are credible and supported by the research in the marketing plan, the projections are likely to be accepted by lenders and investors.

#### G. Risk Analysis and Alternative Plans of Action

What steps will be taken if some or all of the assumptions in the plan change? There are always differences between a plan and what actually happens in the business, and the business needs to be flexible and quickly adapt to changes in the marketplace. By careful, thorough planning, big surprises can be avoided, but uncontrollable external factors (oil shortages, drought) are always present. How will the company respond if sales drop? What if product costs go up? What if a new competitor unexpectedly enters the market? Consumer preferences shift: how can the product/service be adapted to meet new/changing needs?

### **V. REQUEST FOR FINANCING**

#### A. Amount, Purpose of Request, Collateral

How much money does the business need to borrow? What is the purpose of the borrowing? What are the business and owners offering for collateral to secure the loan and the estimated value of the collateral? This figure should tie to the financial projections provided.

#### B. Sources and Uses of Funds

Fill in the Sources and Uses chart to show prospective borrowers the scope of the total project that you are taking on. Detail all the sources of funds that will be used to complete the project.

<b>SOURCE AND USE CHART</b>				
<b>Uses of Funds</b>		<b>Sources of Funds</b>		
	Project Costs	Financing	Equity	Total
Working Capital	\$	\$	\$	\$
Inventory				
Machinery/Equipment				
Furniture/Fixtures				
Real Estate Land Existing Improvements Construction				
Business Purchase				
Debt Refinance				
Other				
<b>TOTAL</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>

### C. Repayment Plan

How long will it take the business to repay the debt? What are the requested repayment terms? The projected cash flow spreadsheets should show these payments and also demonstrate that the business is generating enough cash to repay monthly principal and interest according to the debt amortization schedule.

### D. Debt Repayment Contingency Plan

If there is a cash shortfall, where will cash come from to repay debt?

## VI. BUSINESS PLAN ATTACHMENTS

Below is a list of possible attachments to support the business plan. These attachments must be included if applicable to the business.

- Resumes
- Organization Chart and job descriptions
- Personal and business references
- Business licenses, permits
- Insurance information
- Samples of marketing materials - business cards, brochures, statements, ads, flyers, price lists, etc.
- Schematic of floor plan, signage and/or picture of business location

- Product endorsements
- Letter of Intent to Purchase
- Leases
- Contracts
- Proof of fulfilling legal requirements for your type of business--for example, insurance and authority for transportation businesses; medical license for health care provider.