Catalyzing Grant Overview

Overview
TEF offers Catalyzing Grants to support social entrepreneurs with strong employment social enterprise ideas to access the support they need to complete a feasibility study* and business plan to test the market and employment demand for their employment social enterprise idea.

Grants range from $5,000 to $10,000, and are used to cover human resources costs, coach/consulting costs, costs to participate in entrepreneurship support programs and administrative costs incurred to develop the feasibility study and business plan. Grants are not intended to cover enterprise start-up costs. Most applicants for Catalyzing Grants will complete TEF’s ESE Idea Accelerator program, and apply through the program; however, this is not required. Applications are accepted on a rolling basis.

*Note: please see the Appendix for a description of a Feasibility Study and Business Plan.

Size of Grants
Applicants can apply for catalyzing grants of between $5,000 - 10,000. Grants will range based on the costs of the supports required to successfully complete the feasibility study and business plan. We anticipate that most grants awarded will be approximately $7,500.

Number of Grants Available
The number of grants available per year varies based on the number and quality of grant applications received, and the volume of available funds for distribution. In 2017/18, TEF received 15 applications and distributed 10 grants.

Eligibility
To be eligible to apply for a Catalyzing grant, you must be:

- Applying for funds to support you to complete a feasibility study and business plan for a high-potential, early-stage employment social enterprise
- Intending to operate your ESE in Peel, Toronto or York Region
- Applying to work on a new ESE idea (e.g. not an existing employment social enterprise)
- Applying as either: an individual entrepreneur / group of entrepreneurs; a registered non-profit organization; a registered charity; or a First Nation Band Council. (Note: for-profit businesses incorporated with share capital and for-profit co-operatives are not eligible).

Acceptable Costs
Catalyzing grants are to be used for the purchase of any service that will support the development of a feasibility study and business plan for an employment social enterprise. Acceptable costs are detailed below.
A) Human resource costs:
Applicants may apply to use all or a portion of the grant to pay a staff member, or someone on the entrepreneurial team, to complete the study and the plan. If applying for use of funds in this manner, please consider the following:

- If applying from an organization, funds may be used to ‘back-fill’ an existing staff role, hire a part-time / contract staff member, or other staff costs incurred to develop the feasibility study and business plan.
- If applying as an individual entrepreneur, funds may be used to pay yourself to complete the plan.
- In either instance, if funds are being requested for this purpose, the individual(s) who will be carrying out the work must demonstrate that they have the expertise and capacity to do so during the grant timeframe.
- In either instance, the hourly rate charged for time must be commensurate with experience. We expect that individuals with little entrepreneurship experience would charge at a rate of $14-25/hour, and that individuals with more experience may choose to charge a higher rate.
- In either instance, we anticipate that individuals and organizations would offer some in-kind time for developing the feasibility study / business plan.

B) Hiring a coach / consultant
Applicants may apply to use all or a portion of the grant to pay a coach or consultant to support them in completing the plan. If applying for use of funds in this manner, please consider the following:

- Consultants or coaches should not be contracted to complete the feasibility study / business plan independent of the individual / organization, but may be hired to guide and support the individual / organization as they develop the feasibility study and business plan. Thus, payment to consultants to complete the plan should be no more than 75% of the total budget.
- The applicant may select any coach or consultant that they wish to work with, but must demonstrate that the coach or consultant has the necessary expertise to support the completion of the feasibility study and business plan.
- For a list of recommended coaches please contact boatley@uwgt.org.

C) Purchase of entry into an entrepreneurship program
Applicants may apply to use all or a portion of the grant to pay for entry into an entrepreneurship program that specifically helps social entrepreneurs conduct a feasibility assessment and write a business plan. If applying for use of capital in this manner, please consider the following:

- The applicant may select any entrepreneurship program that they wish to work with, but must demonstrate that the program will support them to complete the feasibility study and business plan. Appendix A provides a list of programs in Ontario.
Regardless of the tools used by the entrepreneurship program the individual / organization, must complete the feasibility study and business plan using the TEF templates.

D) Directly-related administrative costs
Applicants may apply to use a portion of the grant to pay for administrative costs directly related to the completion of the feasibility study / business plan. This may include: office space, cell phone service, printing, etc. Please see the ‘Examples’ section for more information.

Application
The Catalyzing Grant application includes:

- Pitch deck and speaking notes (using TEF templates)
- One letter of reference (if applying as an individual entrepreneur)
- Financial statements (if applying as an organization)
- Catalyzing grant budget (using TEF template)

If you intend to apply outside of the ESE Idea Accelerator program, please contact TEF at info@torontoenterprisefund.ca for an application.

Grant Assessment
TEF staff will review grants within 1 month of receipt of a completed application. Grant applications will be scored based on the following:

1. Strength of the employment social enterprise concept
2. Capacity of the applicant, including experience of the applicant with business/entrepreneurship and experience with the target population
3. Proposed use of funds and appropriateness of proposed resources

Reporting
Two reports will be submitted during the lifetime of the grant:

- Report #1: Completed feasibility study
- Report #2: Completed business plan and expense report, details of progress on the employment social enterprises’ development, and planned next steps

Grant Details
If you have questions about the Catalyzing Grants, you can contact a TEF manager at TEF at info@torontoenterprisefund.ca.
Appendix A

List of Terms

**Feasibility Study:** A feasibility study is a tool used to assess the business, social and organizational feasibility of a business idea. TEF’s feasibility study template includes a series of market research questions that guide the entrepreneur through the process of validating the demand for the product or service they intend to sell, the demand among prospective target population employees that the ESE intends to support, and the capacity of the entrepreneur / entrepreneurial organization to carry out the development of the ESE. A feasibility study results in a ‘go/ no go’ recommendation, indicating whether the ESE idea is sufficiently strong for it to warrant being explored further through the development of a business plan.

The Feasibility Study Template can be found here:

http://www.torontoenterprisefund.ca/resources/thinking/feasibility-study

**Business Plan:** A business plan details how the ESE will produce its products and services and how it will carry out its employment inclusion support. The business plan includes information about the proposed ESE’s human resources, operations, marketing, production, employment inclusion programming, and more. The business plan also includes an implementation plan for the launch of the enterprise, 3-year projected cash flows and budget, and projected employment numbers. The business plan provides a roadmap for the launch of the employment social enterprise.

The Business Plan Template can be found here:

http://www.torontoenterprisefund.ca/resources/starting/business-plan
Appendix B

Entrepreneurship Support Programs

Online:
- Social Enterprise Institute
- Soshent
- REDF Workshop
- SoJo

Toronto:
- Enterprise Toronto
- Ryerson - Social Venture Zone
- George Brown College – Social Innovation Hub
- OCAD – Imagination Catalyst
- Centre for Social Innovation
- School for Social Entrepreneurs
- Artscape
- Innoweave
- Startup Here Toronto
- MaRS Discovery District
- SheEO

York:
- VentureLab
- York University – YEDI
- Seneca College – HELIX
- Markham Small Business Centre
- York Small Business Centre
- Richmond Hill Small Business Enterprise Centre
- Vaughn Small Business Enterprise Centre

Peel:
- Mississauga Business Enterprise Centre
- RIC Centre
- Grit Ventures
- Brampton Enterprise Centre

Ontario-Wide:
- Futurepreneur
- Next Canada
- Ontario Co-Operative Association
- United Church of Canada
- Full List of Ontario-wide supports