

SOUTH DAKOTA

CORONAVIRUS RELIEF FUND – SMALL BUSINESS, NONPROFIT & STARTUP RELIEF PROGRAMS

STARTUP CALCULATIONS EXPLAINED

In the following sections, the State of South Dakota has provided an explanation of the State's process to calculate grant awards from Coronavirus Relief Funds to South Dakota startup businesses (startups).

Startup Calculations

Small Business Startup Program worked very differently.

Step 1) Determine Initial Eligibility

Applicant eligibility was determined by meeting one or both of the following conditions:

- Average monthly income for September 2019 through February 2020, did not grow by 20% over the average monthly income for March - August 2019
- The business generated a net loss in 3 or more months between March and August 2020.

This was calculated as follows:

Condition #1	Sept 2019 - February 2020	March - August 2020
Average Monthly Income	\$30,000	\$35,000
Income Growth Rate		16.6%
Grew by <20%?		Yes

Condition #2	March - August 2020
Number of Months with a Loss	3
Net Loss For 3 Months or More?	Yes

Step 2) Determine Award Amount

If the answer to *either* of these conditions was "Yes", the award was calculated as follows:

Category	March - August 2020
Total Expenses	\$240,000
20% Eligible	\$48,000
Grant Aid Received	\$10,000
Eligible Award	\$38,000

Step 3) Apply \$500 Program Minimum.

Finally, any Reduction in Business below the \$500 Program Minimum was not awarded.

Note: Round 2 was only available for startups determined to be eligible through Round 1, so this calculation was much simpler, as follows:

- 20% of expenses for the time period of September - November 2020
- If Round 1 calculations determined that Grant Aid received exceeded the Eligible Expenses for March - August 2020, you received an email indicating you would not receive an award. In Round 2, the amount of Grant Aid that exceeded the Net Income from Round 1 was added to grant aid received after the Round 1 application was submitted, to reduce the September - November eligible expenses.



ASSISTANCE IS AVAILABLE

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