



**MICHIGAN
ECONOMIC
DEVELOPMENT
CORPORATION**

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SBSH 2.0 Kick Off

September 30, 2026

What We Heard From the Michigan Small Business Ecosystem: Five Themes from the MEDC Small Business RFI

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SVP, Small Business
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FY27 Small Business RFI

Overview & Tier 1 Recurring Themes

91

Total submissions

61

Unique organizations

86%

Michigan-based respondents

20

Multi-category submitters

Fielded Feb 10 – Apr 11, 2026 • 4 RFI categories

TIER 1 RECURRING THEMES

Five themes cited by 10+ respondents across categories

01

Ecosystem Coordination & Navigation

Small businesses don't need more programs; they need a connected system with shared intake, direct referrals and support that fits their stage of growth (cited in 75% of responses).

02

Wraparound Technical Assistance

Capital and equipment work best with hands-on guidance before, during and after funding, which makes technical assistance nearly as important as the money itself (73%).

03

Capital-access Gap & Right-sized Products

Growing firms fall into a "missing middle," where they need more than a microloan but don't yet qualify for a conventional bank loan (44% of Capital Needs responses).

04

Industry 4.0 & Technology Adoption

Manufacturers already know about advanced technology; what's hard is scaling proven pilots into full production while training the workforce to run it (85% of manufacturing responses).

05

Succession & Ownership Transition

About 83,000 Michigan firms, with roughly 1 million jobs and \$201 billion in revenue, face ownership transitions, but only 20–30% of listed businesses successfully change hands (72% of Second-Stage Growth responses).

Source: FY27 SB RFI Results Summary (Apr 2026)

AGENDA

1. Welcome and Introductions
2. Timeline & Key Dates
3. Grant Agreement Updates
4. Initial Payment Disbursement
5. Reimbursement Schedule
6. Budget Reallocation
7. Eligible Costs
8. Direct Business Assistance
9. Quarterly Reporting
10. Sub Grantees & Responsibilities
11. Eligible Small Businesses
12. Fee's & Reasonableness
13. Referrals and Customer Navigation
14. Success Stories and Impact
15. Q & A

SBSH 2.0 Program Timeline & Key Dates

Hub-facing contractual deadlines and reporting cadence

SEPT 1, 2026	Grant Agreement Effective
OCT 1, 2026	Eligible Cost period begins
FEB 28, 2027	Latest date to submit initial payment request
APR 15 ● Jul 15 ● OCT 15, 2027	Quarterly reports due, reimbursement requests when applicable
NOV 30, 2027	Previously disbursed funds expended or distributed Sub-Grant agreements executed
DEC 31, 2027	Eligible cost period ends; final reimbursement request and unused funds due
JAN 15, 2028	Fourth-quarter program report due

GRANT AGREEMENT UPDATES

Section §2.5 (f)(vi) Eligible Small Businesses

Execution copy states

“Is not organized for profit”

Correct Requirement

“Is organized for profit”

INITIAL PAYMENT

Section §2.4(b)(i) Initial Payment

Initial Payment. Within one hundred eighty (180) days of the Effective Date, an initial disbursement of twenty-five percent (25%) of the total Grant Funds (the “Initial Payment”) shall be made upon Grantee submission, and Grant Manager approval, of the following (“Initial Payment Request”):

- Narrative documenting the Eligible Costs for which Grantee intends to expend the Initial Payment;
- Program work plan;
- Timeline for completing Grant Activities including any key milestones;
- Detailed line-item budget;
- Cash flow/spending forecast, including timeline of anticipated expenditure of the Initial Payment; and
- An initial list of Sub-Grantees.

180 Days of the Effective Date is February 28, 2027

INITIAL PAYMENT – PROCESS & FORMS

SMALL BUSINESS SUPPORT HUB 2.0 INITIAL PAYMENT REQUEST

Template Package | Section 2.4 (b)(i), Items A-F

Purpose: This package is designed to collect the required information necessary for the MEDC review of the 25% Initial Payment Request. Each template corresponds directly to Section 2.4 (b)(i) of the Grant Agreement and is not intended to create additional program requirements.

Item	Grant Agreement Requirement	Template
A	Narrative documenting the Eligible Costs for which Grantee intends to expend the Initial Payment;	Word
B	Program work plan;	Word
C	Timeline for completing Grant Activities including any key milestones;	Word
D	Detailed line-item budget;	Excel
E	Cash flow/spending forecast, including timeline of anticipated expenditure of the Initial Payment;	Excel
F	An initial list of Sub-Grantees	Word

Important: Additional funds may be disbursed only after the Initial Payment has been fully expended in accordance with the Agreement and supported by sufficient documentation. Under Exhibit A, “Expended” means both that the goods have been received/services performed and the funds have been paid.

Slide 8

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Chris Rishko (MEDC), 2026-09-28T20:18:06

A: INITIAL PAYMENT - COST NARRATIVE

SMALL BUSINESS SUPPORT HUB 2.0 A. INITIAL PAYMENT ELIGIBLE COST NARRATIVE

SBSH 2.0 Initial Payment Request

Grantee	Grant Amount
Initial Payment (25%)	Submission Date

Instruction: Briefly describe how the Initial Payment will be used. Eligible Cost categories and activities support and explain how the planned expenditures support implementation of the approved SBSH 2.0 program. Do not repeat the detailed line-item budget or cash flow forecast.

1. Small Business Support Hub Programming

Describe Initial Payment costs, if any, associated with strengthening the Grantee to directly support Eligible Small Businesses.

2. Ecosystem Development & Partnership Coordination

Describe Initial Payment costs, if any, associated with programming/services, ecosystem coordination, partnerships, Sub-Grants, referrals, data/performance tracking, or other eligible activities.

Slide 9

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B: INITIAL PAYMENT - PROGRAM WORK PLAN

SMALL BUSINESS SUPPORT HUB 2.0 B. INITIAL PAYMENT PROGRAM WORK PLAN

SBSH 2.0 Initial Payment Request

Grantee		Grant Amount	
Initial Payment (25%)		Submission Date	

Instruction: Summarize the major Grant Activities the Hub will implement during the Grant Term. Use the approved application and Grant Agreement as the basis. The categories below are suggested organizational headings; include only those applicable to your approved program. Timing, budget amounts, and KPI's are captured elsewhere in the Initial Payment package.

Grant Activity/Program Area	Brief Description	Lead Entity
Hub administration/implementation		
Entrepreneur outreach, intake, navigation & referral		
Programming, advising & technical assistance		
Ecosystem coordination & partnership development		
Technology adoption & optimization		

C: INITIAL PAYMENT – GRANT ACTIVITY & KEY MILESTONES

SMALL BUSINESS SUPPORT HUB 2.0 C. GRANT ACTIVITY TIMELINE & KEY MILESTONES

SBSH 2.0 Initial Payment Request

Grantee	Grant Amount
Initial Payment (25%)	Submission Date

Instruction: Identify significant implementation milestones anticipated during the Grant Term and the expected completion date or timeframe. Milestones should reflect major implementation points and are not intended to include every workshop, event, or routine activity. The examples below are illustrative only and are not MEDC-required milestones.

Illustrative Examples: execution of Sub-Grant Agreements; launch of intake/referral process; launch of programming; implementation of a shared data system; launch of a major cohort; launch of a Direct Business Assistance process.

Key Grant Activity / Milestone	Anticipated Completion / Timeframe	Responsible Entity

D: INITIAL PAYMENT – DETAILED LINE-ITEM BUDGET

[illegible]

E: INITIAL PAYMENT - CASH FLOW / SPENDING FORECAST

SMALL BUSINESS SUPPORT HUB 2.0 E. CASH FLOW / SPENDING FORECAST SBSH 2.0 Initial Payment Request

Forecast when Grant funds are expected to be Expended. Identify the portion expected to be paid from the 25% Initial Payment.

Period	Small Business Support Hub Programming	Ecosystem Development & Partnership	Direct Business Assistance Awards	Total Forecast Expenditure	Amount Expected From Initial Payment
Oct - Dec 2026					
Jan - Mar 2027					
Apr - Jun 2027					
Jul - Sep 2027					
Oct - Dec 2027					
TOTAL					
Grant Amount					
Required Initial Payment (25%)					
Forecast Initial Payment Use					
Variance					

F: INITIAL PAYMENT – INITIAL LIST OF SUBGRANTEES

SMALL BUSINESS SUPPORT HUB 2.0

F. INITIAL LIST OF SUB-GRANTEES

SBSH 2.0 Initial Payment Request

Grantee	Grant Amount
Initial Payment (25%)	Submission Date

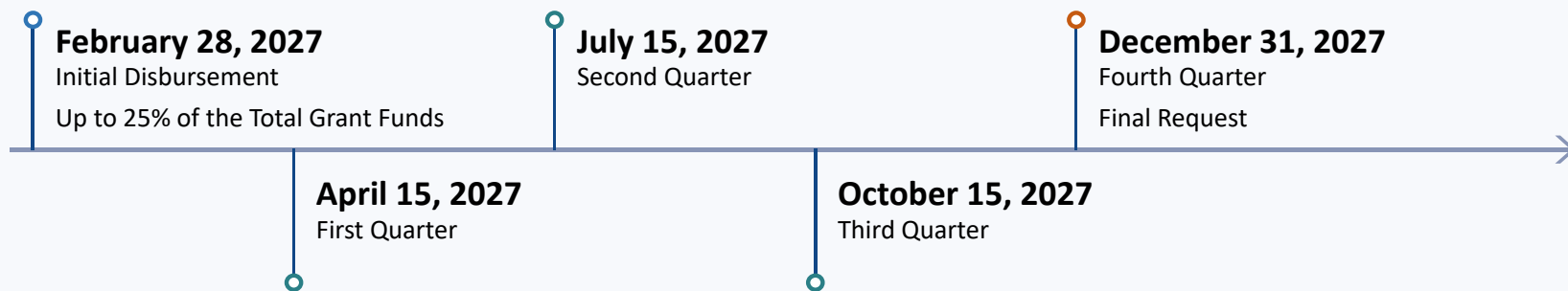
Instruction: List each anticipated Sub-Grantee known at the time of the Initial Payment Request. This is an initial list; it is not a substitute for the written Sub-Grant Agreement requirements in Section 2.5(e) and Exhibit E.

Sub-Grantee	Role/Services	Service Area/Geographic Coverage	Anticipated Sub-Grant Amount	Sub-Grant Agreement Status	Date Executed/Anticipated Execution Date

If no Sub-Grantees are anticipated: ☐ Grantee intends to perform Grant Activities without Sub-Grantees at this time. SVS

REIMBURSEMENT SCHEDULE & AMOUNTS

One Reimbursement Request per quarter | No predetermined quarterly percentage



Initial Disbursement

Grant Manager has up to 30 business days to review an initial payment of reimbursement request.

How much can be requested?

Actual eligible expenditures that have been incurred, paid and documented, up to the remaining Grant balance.

Is there a quarterly cap?

No predetermined percentage or installment is stated in the agreement for an individual quarterly request.

Final Deadline

December 31, 2027, is the final Reimbursement Request deadline.

TEMPLATES & TRAINING

Kickoff introduces the process. A detailed template training will follow before the April reimbursement date.

Template includes

- Hub Supporting Documentation Report
- Hub Reimbursement Checklist
- Sub-Grantee Expense Report
- Sub-Grantee Documentation Checklist
- Document Reference Guide

Coming Soon!

In person/on-site training with
each Hub and Sub-Grantee(s)

Kickoff Takeaway's

Eligible → Incurred → Expended → Documented → Reconciled → Reimbursed

PROJECT BUDGET REALLOCATION

Initial Budget Realignment

- Hubs may realign the Project Budget to reflect the final MEDC award and current implementation plan.
- The approved revised budget becomes the operating baseline for payment, reimbursement and budget-to-actual reporting

Ongoing Reallocations

- Funds may be reallocated between budget categories, apart from DBA, with Grant Manager approval and submission of the budget reallocation request form.
- Administrative expenses may not exceed 15% of the Maximum Grant.
- The updated Budget must be included with the following Quarterly Report.

ELIGIBLE COSTS

Grant Agreement §2.5 (b)

Small Business Support Hub Programming

- Personnel and administrative support
- Equipment: \$10,000 per unit threshold
 - supplies, hardware and software
- Professional development
- Other approved costs supporting Hub operations

Ecosystem Development & Partnership Coordination

- Programming, technical assistance, coaching, and specialized consulting
- Workshops, cohorts, capital readiness and technology adoption
- Marketing, business navigation, referrals and data/performance systems
- Spoke/Sub-Grantee activities and oversights
- Regional coordination, partnerships, outreach and convenings

KEY GUARDRAILS

- Eligible Cost Period: October 1, 2026 – December 31, 2027
- Costs must support approved grant activities
- Administrative expenses ≤15% of Maximum Grant
- Costs must be incurred, paid and adequately documented

When eligibility is unclear, contact the Grant Manager before incurring the expense.

DIRECT BUSINESS ASSISTANCE (DBA) AWARDS

\$10,000 CUMULATIVE CAP

A business may receive multiple awards, up to \$10,000 total across SBSH 2.0. Do not fund the same service twice.

ELIGIBILITY & PURPOSE

Confirm business eligibility and completion of a qualifying SBSH service. DBA must address an identified business need.

MEDC PRE-APPROVAL

Submit the proposed award to the MEDC before issuing funds. MEDC verifies non duplication and remaining award balance.

APPROVAL PROCESS

Hub submits the request → MEDC reviews and approves → Hub issues DBA
Forms, documentation and reporting will be covered in an upcoming office hours and during site visits.

QUARTERLY REPORTING & STATEWIDE DATA COLLECTION

The MEDC is developing a standardized minimum dataset to support consistent business-level reporting, statewide measurement, and customer journey tracking across the SBSH 2.0 network and the State of Michigan.

CAPTURE ONCE

Establish a common business intake and baseline dataset at the onset of SBSH services.

Examples: business identifier, location, NAICS, start date, baseline jobs and revenue range.

TRACK THE JOURNEY

Use a unique SBSH Business ID to connect services, referrals, DBA activity and outcomes over time.

LARA number will be captured when applicable; businesses without LARA registration can still be tracked.

REPORT CONSISTENTLY

Quarterly reporting will roll business-level data from Spoke → Hub → Region → Statewide

Required KPI's plus selected service-delivery, technology, reach and network measures.

WHAT HUBS SHOULD DO NOW

Review your intake, CRM and Spoke data-collection processes. MEDC will use upcoming Hub visits and partner discusses to refine the minimum statewide dataset before final reporting requirements are issued.

Target: reporting tools and definitions by year-end 2026 First Quarter Report due April 15, 2027

SUB-GRANTS

Sub-Grantee versus Contractor

SUB-GRANTEE / SPOKE

Receives SBSH grant funds to carry out a portion of the Hub's Grant Agreement

- Delivers SBSH programs or services
- Has defined programmatic responsibilities
- Provides required program and financial reporting
- Operates under a written Sub-Grant Agreement

CONTRACTOR/VENDOR

Is paid to provide a specific good, service or deliverable to the Hub

- Supports the Hub rather than assuming part of the SBSH Program
- Examples may include software, venues or discrete professional services
- Relationship is based on the purchased deliverable
- Does not become a Sub-Grantee simply because grant funds pay the invoice

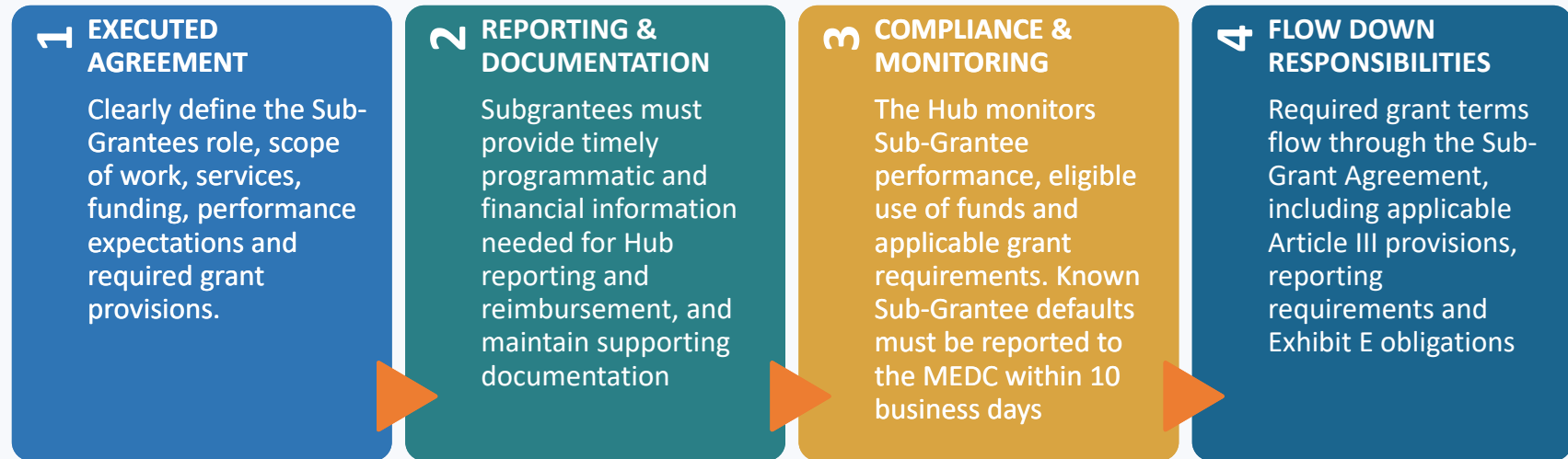
PRACTICAL TEST

Are you purchasing a good or service or funding an organization to perform part of your SBSH program?

All Sub-Grant relationships require a written Sub-Grant Agreement

HUB & SUB-GRANTEE RESPONSIBILITIES

Sub-Grantee versus Contractor



THE HUB REMAINS ACCOUNTABLE TO THE MEDC
for the administration, performance, reporting and compliance of its SBSH Sub-Grantees

Build Sub-Grantee reporting deadlines early enough for the Hub to meet MEDC reporting and reimbursement deadlines.

ELIGIBLE SMALL BUSINESSES

Grant Agreement §2.5 (f) | Eligibility Requirements & Important Clarifications

MICHIGAN BUSINESS

Headquartered in Michigan and operates in Michigan as required by the Grant Agreement

SMALL BUSINESS

Meets the applicable SBA small-business size standard for its industry

ACTIVE & ELIGIBLE

Meets appropriate registration, good-standing, and other SBSH eligibility requirements

§2.5(f)(v) | STATE REGISTRATION – “AS APPLICABLE”

Not every eligible business is required to register with the State. Sole proprietors and certain Tribal businesses may require an alternative method of eligibility verification. MEDC will provide additional guidance

When business eligibility is unclear, contact the grant manager before services or funding are provided.

FEES & REASONABLENESS

Grant Agreement §§3.14 & 3.18 | New SBSH 2.0 Requirements

§3.14 | FEES CHARGED TO BUSINESS

- Hubs may charge a fee for eligible SBSH services
- Fees must be modest, reasonable and cost-based
- Fees should support cost recovery and sustainability
- Hubs should be prepared to explain and document how an SBSH-related fee was established

§3.18 | REASONABLENESS STANDARD

- Rates paid to Sub-Grantees, vendors, contractors and service providers must be necessary to carry out Grant Activities
- Rates must not exceed amounts ordinarily paid for comparable services, supplies or materials in the area
- Maintain documentation sufficient to support the reasonableness of costs
- MEDC may request additional support when a cost appears unusual or requires clarification

PRACTICAL EXPECTATION

Maintain reasonable support for fees and rates. MEDC will review as part of normal grant administration and may request additional documentation when needed.

When a fee or rate is unclear, contact the Grant Manager before committing Grant funds.

REFERRALS & CUSTOMER NAVIGATION

SBSH 2.0 is designed as a connected ecosystem – businesses should be able to enter through any Hub or Spoke and be connected to the resource(s) best positioned to meeting their needs.



CONFIRMING HUB & SPOKE SERVICES DIRECTORY

- Regional and county coverage
- Services and specialized resources
- Business stage and industry experience
- Technology and capital expertise
- Spoke partners and referral contacts

A REFERRAL IS MORE THAN PROVIDING CONTACT INFORMATION

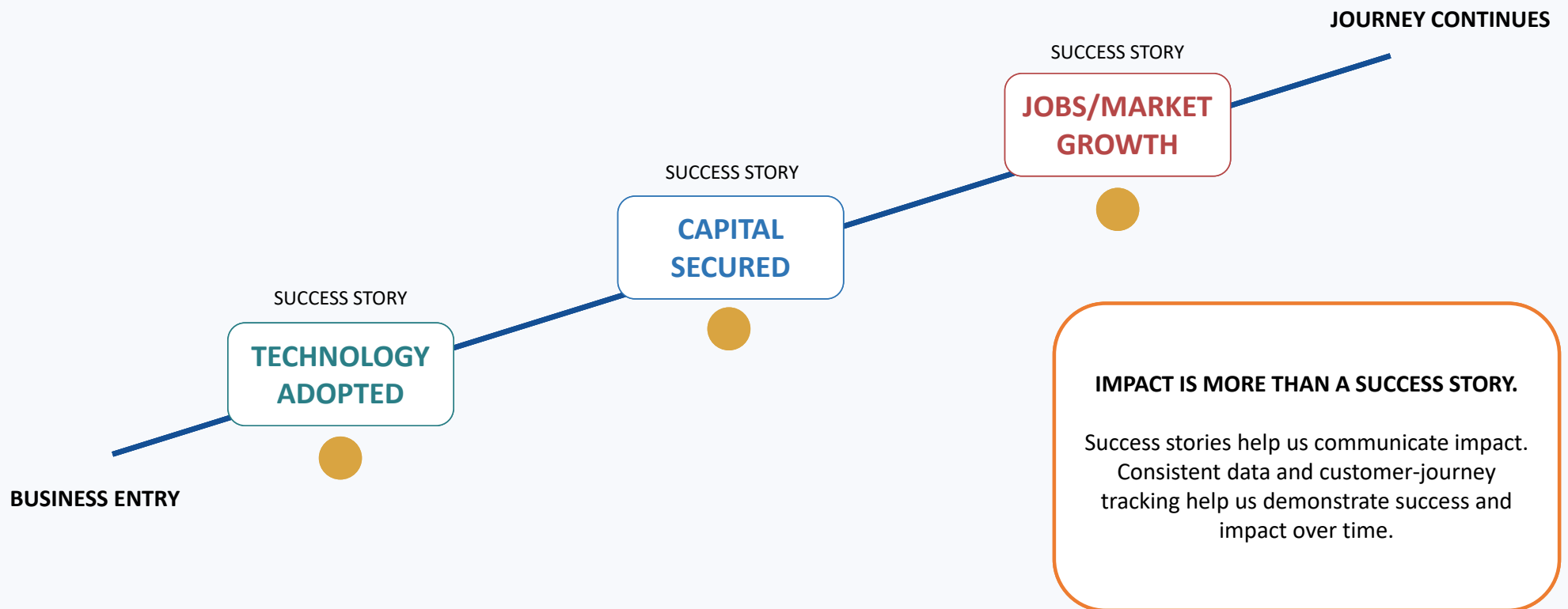
Our goal is a warm handoff with a confirmed connection.

During upcoming Hub visits, the MEDC will work with Hubs, Spokes and ecosystem partners to validate services, coverage, expertise and the referral process.

The directory will support referrals, the public-facing ecosystem guide, and website resource information.

FROM SUCCESS STORIES TO BUSINESS IMPACT

A success story captures a meaningful moment. Business impact tells the larger story of the customer journey.



RESOURCES | HUB GUIDE | NETWORK VISABILITY

The SBSH webpage will serve as the central location for current program information

PROGRAM RESOURCES

Presentation & Kickoff materials

Initial payment forms & templates

Reimbursement tools & documentation guidance

Updated FAQ's, definitions & success story template

Office hours topics, materials & notes

GUIDE TO THE HUBS

Internal & public-facing resource

Regional coverage by Hub

Spokes & ecosystem partners

Services, areas of expertise & referral contacts

Contract information & service areas

Reviewed & Updated quarterly

FEATURE THE NETWORK

Monthly Hub spotlight

Links to Hub & partner events

Regional programs & specialized resources

Business impact & success stories

Submission process & website details to follow

<https://www.michiganbusiness.org/services/small-business-support-hub/>

QUESTIONS

Thank you