



Savings and Asset Workplan Small Business

Participant Name _____

Date _____

1. Why are you interested in starting or expanding your own small business?

2. What are the benefits of owning your own business to your household?

3. What are the drawbacks?

4. What type of business would you like to start or expand?



Savings and Asset Workplan Small Business

5. What are the types of costs associated with your business (inventory, equipment, marketing, staff, etc.)?

6. What is your ideal vision for your business?

Research

1. Research in this area shows that, in general, the estimates for business startup are as follows: service-based \$1,000 - \$15,000, manufacturing \$35,000 - \$1,000,000, and retail \$10,000 - \$800,000. Research businesses similar to the type you would like to start. Find three estimates of how much will it cost to startup or expand your business.

Low \$ _____ Median \$ _____ High \$ _____

2. In general, lenders say that entrepreneurs should have 10-20% of the total capital required for startup or expansion in order to qualify for financing. What is 10-20% of the amounts listed above? The shaded area will be your asset goal.

| | Low | Median | High |
|-----|-----|--------|------|
| 10% | | | |
| 15% | | | |
| 20% | | | |



Savings and Asset Workplan Small Business

3. Would it be feasible for you to either slightly lower or raise your minimum expectations for this venture? Would this make your family more comfortable (either financially or physically) with the idea?

4. As you know, the IDA program will match your savings on a 8:1 basis for this purchase. Figure out your required portion of savings needed to reach your goal.
hint: divide the shaded figure in Question #2 by 3

\$ _____

5. Keeping in mind the minimum and maximum savings amounts allowed per month, determine how long it will take you to reach your goal.

| If you save \$25 per month... | If you save \$100 per month and deposit \$500 from EITC... |
|-------------------------------|--|
| _____ Months | _____ Months |

Congratulations! This is your asset goal. Keep in mind that you are able to save up to \$500 for an 8:1 match, even if your goal is not that high. The extra savings and match can be applied to qualified additional start-up costs.

By signing this form, I understand that the above is my estimated asset goal amount and minimum timeframe to save. I understand that my actual asset goal and savings period may vary from these amounts and I will amend my savings plan accordingly.

Participant Signature

Date

IDA Case Manager Signature

Date