

# Welcome to IDOA DSD 2022 Business Conference Virtual Series

*From Vision to Action*

**Today's Webinar:**

**Accessing Capital**

**July 28, 2022 | 10:00 – 11:30 a.m.**

We want to hear from  
you! Use this QR code  
to leave your feedback



# Things to keep in mind before we begin:

1. Please keep your microphones on mute unless you are a speaking presenter.
2. Feel free to use the chat functions for all questions or comments during this session to remain engaged.
3. This is a recorded session. You are welcome to keep camera on or off during this session.

## DSD Facilitators

- **Kesha Rich, Deputy Commissioner, Division of Supplier Diversity**
- **Graham Melendez, Director of Business Development and Outreach, Division of Supplier Diversity**
- **Heather Ahnafiield, Director of Contract Compliance, Division of Supplier Diversity**

## Today's Panelists

- Brock Lough – First Financial Bank
- David Neeser – Teacher's Credit Union
- Lora Lemon and Sheryl Koons – Regions Bank
- Martin Anderson – U.S. Small Business Administration





Presented by:

**Brock Lough**

Assistant Vice President  
Diversity, Equity, and Inclusion Officer  
First Financial Bank

**One of America's  
Best Banks**

*Forbes*

**Top 100  
Public Bank**

*Bank Director magazine*

**Top 100  
Farm Lender**

*FDIC*



**5-Star Rated**

*BauerFinancial*





**188 years of service**

**5th oldest bank in the U.S.**

**900 employees**

**78 banking centers**

**Illinois**

**Indiana**

**Kentucky**

**Tennessee**

Pontiac

Bloomington

Mahomet

Champaign

Urbana

Danville

Westville

Ridge Farm

Charleston

Mattoon

Marshall

Robinson

Newton

Salem

Olney

Lawrenceville

Mount Vernon

Fairfield

Benton

Evansville

Washington

Cincinnati

Lawrenceville

Madisonville

Calvert City

Benton

Hopkinsville

Cadiz

Elkton

Fulton

Murray

Clarksville

Pleasant View

Erin

Ashland City

Kingston Springs

Brentwood

Murfreesboro

Cayuga

Marshall

Rockville

Clinton

Seelyville

Brazil

Terre Haute

West Terre Haute

Farmersburg

Clay City

Dugger

Worthington

Sullivan

Washington

Cincinnati

Evansville

Lawrenceville

Madisonville

Calvert City

Benton

Hopkinsville

Cadiz

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Brentwood

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Murfreesboro

Murfreesboro

Murfreesboro

Murfreesboro

Indianapolis

Greencastle

Marshall

Rockville

Clinton

Seelyville

Brazil

Terre Haute

West Terre Haute

Farmersburg

Clay City

Dugger

Worthington

Sullivan

Washington

Cincinnati

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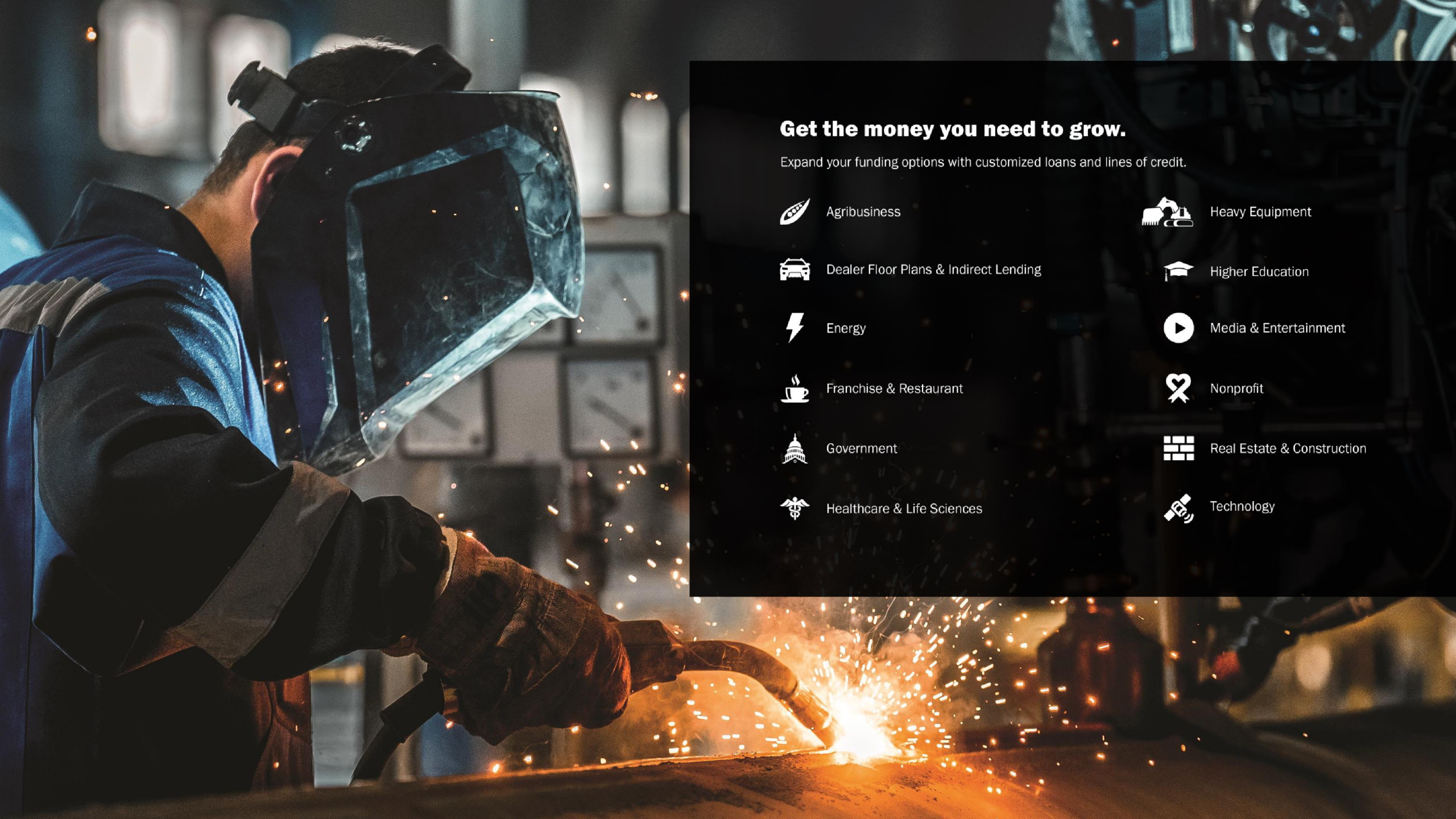
Murfreesboro

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Murfreesboro





### Get the money you need to grow.

Expand your funding options with customized loans and lines of credit.

-  Agribusiness
-  Heavy Equipment
-  Dealer Floor Plans & Indirect Lending
-  Higher Education
-  Energy
-  Media & Entertainment
-  Franchise & Restaurant
-  Nonprofit
-  Government
-  Real Estate & Construction
-  Healthcare & Life Sciences
-  Technology



## Get the credit your business deserves.

Earn rewards and grow your credit with the First Business card.

**\$0** No annual fees.

**500** Bonus rewards points with electronic statements.

**\$1M** \$1,000,000 Travel accident insurance.



Auto rental collision damage waiver.

**0%** 6 months introductory APR on purchases and transfers.

**Zero** Liability fraud protection.



Price protection and extended warranty.



Consolidated or individual statements.





## **Business Lending Application Process**

### **Documents needed:**

- **3 Years of tax returns**
- **Personal finance statements: Cash flow & collateral**
- **Credit report**
- **Business Plan: Leverage & Ilquidity**

### **What to expect**

- **One-on-One collaboration**
- **Bullding partnerships that last for decades**





## Bank from anywhere.

Every First Financial business checking account comes with features to make your life easier.



Access your accounts anytime from your phone, tablet or computer.



You set parameters for who has access to what data.



Accept and send money fast.



Pay bills manually or with auto pay.



Approve ACH batches and view exceptions.



Stop payments on a single item or a range.



Get reports on deposit, time deposit, loan, and credit card accounts.



Import and export data to reduce entry errors and streamline origination.

## Get your money in the bank faster.



Deposit checks from anywhere using any phone, tablet or computer.



Extend deposit deadlines and eliminate trips to the bank.



Streamline accounting and increase employee productivity.



Automatically prevents duplicate check deposits.



Files are secure and checks are endorsed virtually.



Instantly access deposit details and check images.



## Grow your funds effortlessly with an automated sweep account.

Increase your bottom line while maintaining control over available cash with one of our Automated Money Management accounts.



### Line of Credit Sweep

Funds automatically moved between a Line of Credit account and an operating account to cover business expenses as they post. Excess funds are swept over to pay down your Line of Credit.



### Investment Sweep

Earn interest on account balances that might otherwise remain idle in a commercial checking account. Excess funds are automatically moved to an investment account.



### Zero Balance Account

A balance of zero is maintained by transferring money to and from an operating account to cover needed expenses, giving you greater control over the disbursement of funds.

Subject to credit approval.

## Save time and money using electronic disbursement.

Simple, fast and secure payment management.



Utilize ACH for payroll and vendor payments.



Schedule recurring payments and pay others with one click.



Transfer funds electronically without using checks.

Subject to credit approval.



## Open the door to more customers by taking all types of payments.



Apple Pay®



Expand beyond  
cash or checks.



Google Pay™



Accept point of  
sale payments.



Samsung Pay



Online payments

## Improve your cashflow and simplify your receivables process.



Let us automate your high-volume receivables and manage ACH collections seamlessly.\*



Skip the trip to the mailbox. For customers who receive frequent payments by mail, First Lockbox automates the processes. Mailed payments and documents are collected and expedited using a unique P.O. Box and checks are automatically deposited.



Cash Vault provides virtual deposit and change order services, reducing the risk and time involved with making bank deposits.

\*Subject to credit approval.



## Keep your business accounts secure with Fraud Protection.

You wouldn't skimp on door locks and fire alarms.

### **IBM** Protect Your Accounts

IBM Security Software complements your antivirus and firewall software to protect your login credentials, communications and transactions.



### Verify Outgoing Payments

Positive Pay adds an extra layer of protection against unauthorized checks and ACH payments. Receive email alerts when suspect transactions are presented and make pay or return decisions with our easy-to-use online tool.




### Control User Access


Dual Control helps you segregate duties and manage user access for any payment or administration function. This helps prevent wire fraud, ACH payment fraud, employee embezzlement and account enrollment takeover.



## Secure the future of your business.

 Employee Pension & Profit-Sharing Plans

 Investment & Savings Plans

 Trust & Estate Planning





**Thank you!**

Contact:

Brock Lough

Assistant Vice President

Diversity, Equity, and Inclusion Officer

Office: (812) 238-2745

Cell: (812) 208-9196

Email: [Blough@First-online.com](mailto:Blough@First-online.com)



# Accessing Capital



David Neeser

Teachers Credit Union

[dneeser@tcunet.com](mailto:dneeser@tcunet.com)

110 S. Main St.

South Bend, IN 46624

574-236-3533

# Special Programs, Grants, Funding for Small Businesses

There is no Free Lunch (except where there is)

Grant funding or “Free Money” usually comes with strings attached, geographical requirements, use restrictions or other rules

Do your research – It’s not your banker’s job to find you free money





# What can Businesses do to Increase Likelihood of Accessing Capital? (Getting approved for a Loan)



Demonstrate you have experience in the industry

Skin in the game – Bank will not take all the risk of a project

Don't manage your business to minimize the tax bill

Minimize personal credit card usage and balances

Develop a Mission Statement and Set Goals every year (1 through 5 years out, at least)

Prepare reasonable and detailed projections – be able to explain all the sales and expense numbers, especially the year over year sales increases

The projections are for your benefit

A Rich Uncle never hurts

# Minimum Requirements for Loan Approval



Debt Service Coverage Ratio of at least 1.2 to 1 (Bank wants \$1.20 of cash flow for every dollar of debt payments)

Debt Service Coverage Ratio = Earnings Before Interest, Depreciation and taxes divided by existing and proposed debt service

Personal Debt to Income Ratio of Less than 45%

Debt to Income Ratio = Monthly Gross Income divided by Monthly loan payments

Minimum Credit Score of 650 with minimal to zero history of past due payments (lower credit card usage improves your credit score)

Equity Stake of 20% or Additional Collateral to Pledge / Know that you'll need additional cash for operations and unexpected costs. (It's always something)

2 years + in business

Some startups will be considered, however this will require experience, 15% cash equity stake, an SBA Guarantee and Ideally a source of other income





# How to get a Loan Application

Build a relationship with a local banker

As a lender, I look at opportunities and ask myself, "would I loan my own money to this company or person?"

Explain what you're looking for and ask for an application

Addition relationships to build:

- CPA – Look for guidance on financial accounting, software and future guidance
- Insurance provider
- Lawyer



# Specific Paperwork

2 years of personal and / or business tax returns

Accurate and Complete Interim Statements

Personal Financial Statement

Brief and well composed business plan and request

Appropriate Purchase Agreement or solid cost estimate of Asset to be purchased

Organizational Status – Sole Proprietorship, Single Member LLC, Partnership LLC, Sub-S Corp or C-Corp.

Along with Articles of Incorporation, Membership Agreement, SS-4 (IRS tax I.D. Issuance Statement)

- Bank Account in the company name – Establish a relationship with a local banker now, don't wait to simultaneously open a relationship and apply for a loan



# Next Panelists

**Regions Bank**

**Lora Lemon and Sheryl Koons**



U.S. Small Business  
Administration

# Indiana District Office

**Indiana@sba.gov**

**(317) 226-7272**

**Martin Anderson**  
**Deputy District Director**  
**[martin.Anderson@sba.gov](mailto:martin.Anderson@sba.gov)**



# Need help?



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## Get Local Assistance

*The SBA works with a number of local partners to counsel, mentor, and train small businesses.*

[SEARCH NEARBY](#)



 Feedback

## Resource Partner Services

- No charge one-on-one confidential business counseling
- Business plan development assistance
- Strategic planning sessions
- Low cost group seminars & workshops
- Market demographic reports
- Industry research reports
- Financial analysis/benchmark reports



# Which Resource Partner is Right for You?

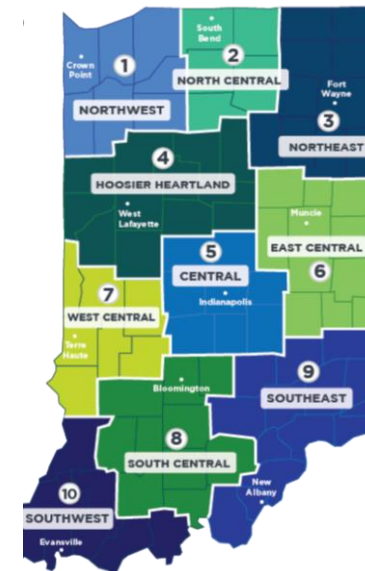
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If you're an aspiring entrepreneur or small business owner looking for:

- **Free business consulting** to get started or grow
  - **Low-cost training** on crucial topics
- 



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



# Which Resource Partners are Right for You?

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If you are an aspiring entrepreneur or small business owner looking for:

- **Mentorship and advice** from volunteer real-world business executives—in-person or virtually
  - **Free online workshops** and webinars
- 



## SCORE Business Mentors

7 Indiana locations

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

# Which Resource Partners are Right for You?

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If you are an aspiring or current woman small business owner looking for:

- **Comprehensive training and counseling** on a variety of topics in several languages
  - **Business advice** to level the playing field against unique challenges or obstacles
- 

## Women's Business Centers



Central Indiana  
Women's  
Business Center





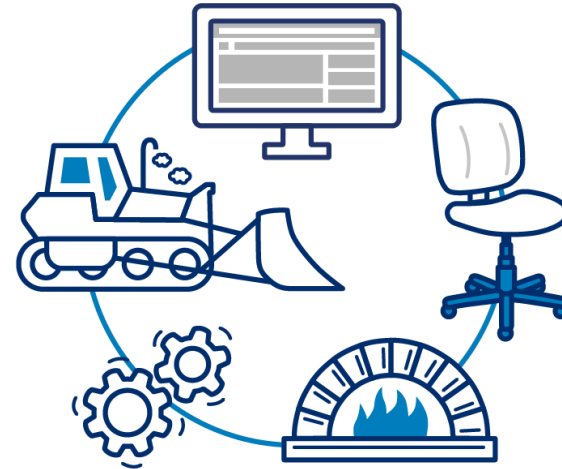
# The Role of SBA

- The SBA does not offer grants to start or grow small businesses.
- The SBA works with approved lenders to offer microloans and SBA-backed loans with:
  - Competitive terms
  - Lower down payments
  - Flexible overhead requirements

# How Can an SBA-backed Loan Help You?



- Launch, grow, or repair a start-up
- Start or purchase a small business
- Access revolving credit or working capital for day-to-day expenses



- Purchase, renovate, or expand facilities
- Purchase inventory, equipment, or machinery
- Purchase land or real estate
- Export a product or service

# Business Financing

## 7(a) Guaranty Loan Program, 504 Certified Development Company Program and MicroLoan Program

- **7(a) Guaranty Loan** \$5,000,000 Maximum
  - Any legitimate business need
    - Purchase
    - Working Capital
    - Line of Credit
- **Microloan Program** \$50,000 Maximum

SBA provides funds to specially designated intermediary lenders, which are nonprofit community-based organizations with experience in lending as well as management and technical assistance. These intermediaries administer the Microloan program for eligible borrowers.
- **504 Certified Development Company Loan**
  - **Fixed Asset Financing**
    - \$5,000,000
    - \$5,500,000 Small Manufacturer



# Increase Your Chances of Securing a Loan

- **Be Prepared**

- Lenders want to know they're making a smart choice by giving you a loan. At a minimum have the following:
  - Business plan
  - Financial statements (current and Historical)
  - Financial projections
  - Use of Loan Proceeds



- **Visit lender**

- Discuss available options
- Lender has SBA forms

- **SBA answer to lender in 2 – 10 business days**

# Lender Match



Find an SBA-approved lender that's right for you by visiting

[SBA.gov/lendermatch](https://www.sba.gov/lendermatch)

## Other Sources of Funding

- USDA Rural Development
- Credit Cards
- Venture Capitalists
- Angel Investors
- Retirement Accounts
- Home Equity Loan
- Reverse Mortgages
- Crowdfunding
- Peer to Peer Lending (P2P)
- Family & Friends





# Stay in Touch with SBA

- **E-news**--monthly newsletter and email blasts on happenings in your area
  - **Sign up! Text “SBA” to GOV311 (468311)** or go to [www.sba.gov/updates](http://www.sba.gov/updates)
- **Website**—event calendar and class registration, business success stories, press releases, e-news updates, loan and program information, office staff, online resource guide and more.  
**[www.sba.gov/in](http://www.sba.gov/in)**
- **Social media**
  - Twitter: @SBA\_Indiana
  - Facebook: [www.facebook.com/SBAgov](http://www.facebook.com/SBAgov)
  - Instagram: @sbagov
- **Resource Guide**—Updated annually; available in hard copy and on the SBA Indiana website; new guide available now!



# Welcome to IDOA DSD 2022 Business Conference Virtual Series

*From Vision to Action*

**Next Webinar:**

**Creating and Maintaining Value**

**August 11, 2022 | 10:00 – 11:30 a.m.**

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you! Use this QR code  
to leave your feedback

