MISSISSIPPI STATE UNIVERSITY™
CENTER FOR ENTREPRENEURSHIP & OUTREACH

Startup Grant Program – Seed Grant

Overview

Seed Grants provide additional capital up to $5,000 to enable teams to begin execution of their approved business plan. Proceeds are flexible on needs of the companies, and up to 50% may be used towards founder cost of living (post-graduation only. Funded by private donations, the CEO may award up to 10 teams annually, reviewed on a rolling basis by the Investment Review Council (IRC).

Eligibility

I. Applicant must be an actively enrolled MSU student, faculty, or staff member in good standing.
II. Applicant must hold at least 25% of equity allocated to management team of applying team.
III. Applicant must demonstrate a high degree of market research to program staff.
IV. Applicant should have completed Stage 0, 1, and 2 of the VentureCatalyst™ Program.

Basis for Award

Applicants will be assessed based upon on the following criteria:

1. **Comprehensive Business Plan**
   The team has written an extensive, well-researched business plan that is feasible and nearly ready for execution.
2. **3-year Financial Projections**
   The submitted financial projects are relatively realistic and align with the business plan.
3. **Product Roadmap**
   The team has outlined a realistic plan for remaining product development needs.
4. **Mentor Endorsement**
   The team's approved mentor endorses the team's business plan, financial projections, and product roadmap.
5. **Investment Readiness or Sustainability**
   Based on the documents provided, the business is or is nearly investment ready, OR the team has a clear path to sustainability on its own revenue.

Use of Funds

Awards are may be used relatively unrestricted for the purpose of furthering development of the proposed venture as defined by the approved plan. Use of funds for other start-up ventures or any other purposes must be explicitly approved by the E-Center.

Process

1. **Submit an Application**
   An online application should be completed detailing the executive summary, all documents, and proposed use of funds online at http://msuceo.com/go/vc/seed/.

2. **Internal Review (3 business days)**
   The CEO team will review the submission for completeness and assemble an ad-hoc team of selected members from the Investment Review Council (IRC).
3. **External Review (10 business days)**
   The IRC will have two weeks to review applications and make a recommendation to fund, fund with adjustments, or not fund.
4. **Final Approval (3 business days)**
   Applicants will be notified of the decision by the IRC on their award. Applicants will have 3 days to complete any corrective actions. The CEO team will verify any corrective actions and make final approval of awards.

Notification and Disbursement

- Applicants will be notified of their award status via email within 3-weeks of application deadline.
- Awardees may be supplied with additional feedback of their presentation and application within one week of notification email.
- Awardees must promptly remit an invoice, signed W9, and award paperwork within 5 business days of notification. Failure to do so may delay award up to two months.
- Awards will be issued by check on Friday 2-3 weeks after notification of award.
- When award payments are ready, awardees will be notified for pickup in the CEO Main Office.

Requirements and Contingencies

- Awardees must submit at least four quarterly reports of their progress after receiving an award. The CEO will provide a template for this report, which includes financial (company sales revenue, projected sales, payroll, external investments), product traction (user/clients served), employment information, and progression to goal.
- Awardees will provide a detailed summary of expenditures made.
- Awardees must comply with any stipulations or contingencies proposed by the review board and listed in the notification email.
- Awardees are strongly encouraged to stay involved with the CEO and help its mission, including mentorship of future teams.
- Awardees agree to use grant solely for the purposes enumerated & described within grant request.
- Awards are offered expecting no return, equity position, or royalties from entrepreneurial businesses and are funded through private contributions.
- The review boards have the discretion, on a case-by-case basis, to consider exceptions to eligibility and use of funds. This is uncommon and must be discussed in advanced.
- Under no circumstances will MSU provide financial support to any business that is (or otherwise perceived to be): (a) based in a foreign country; (b) engaging in any activity that is illegal under federal and/or state law; (c) lewd or sexual in nature; (d) promoting violence or drug use; (e) gambling.
- By accepting funds from the Mississippi State University and any other associated funding sources, the award recipient affirms that his/her business is in compliance with all local, state, and federal tax laws and license requirements and that his/her business will maintain compliance with all appropriate tax and business compliance guidelines as set forth by the appropriate jurisdictions.