<u>**Long Version**</u>

2019 Inclusion Open
We believe that everyone has a fundamental right to turn an idea into an economic reality, regardless of who you are or where you're from, with zero barriers in the way.

While entrepreneurship in the United States has been on a 40-year decline, we see opportunities to spur new business creation in local economies by funding quality entrepreneurship support programs to all entrepreneurs.

To find uncommon solutions that accelerate the rate of business starts and growth in all communities, the Ewing Marion Kauffman Foundation invites proposals from nonprofit and for-profit organizations that can either **test new ideas** or **scale already-proven programs** to remove barriers that make starting and growing a business more difficult.

Organizations working to provide quality entrepreneurial support programs that reduce or eliminate barriers to entrepreneurial starts and company growth for communities that have been systemically left behind are welcome to apply. We believe these organizations are critical to reversing the decline in entrepreneurship reflected in the following:

- According to the Annual Survey of Entrepreneurs, women own approximately 20 percent of all employer businesses. This stands in contract to women comprising 50.8 percent of the United States population.

- According to the 2016 Annual Survey of Entrepreneurs, racial minorities own 18.8 percent of employer-owned businesses. This stands in contrast to their representation in the United States population. While African-Americans own 2.2 percent of employer-owned businesses, they comprise 13.4 percent of the overall population. Native Americans own 0.5 percent of employer-owned businesses, but comprise 1.3 percent of overall population. For Asian-Americans, the disparity is 9.9 percent, compared to 5.8 percent. Hispanic-Americans (regardless of race) own 6.0 percent, compared to representing 18.1 percent of the population.

- The rate of self-employment in rural areas has fallen by 20 percent between 1988-2016, more than double the overall decline in self-employment.

PROJECT FOCUS AREAS OF INTEREST

While we hope to see quality programs in all focus areas, in 2019 we are especially interested in programs that test or scale solutions in the following areas:

Solutions Supporting Quality Experiences to Promote Inclusive & Equitable Entrepreneurship
Inclusive and equitable entrepreneurship in industries traditionally lacking diversity
Solutions in this category focus on building equitable entrepreneurship opportunities for individuals looking to start a business in industry sectors that are traditionally difficult for historically marginalized communities, such as trades, sciences, etc.

Support for under-addressed stages of company development and growth
Many entrepreneur support activities target company founders between idea stage and the first few years of growth, especially in venture-seeking companies. Solutions in this category focus on entrepreneurs who may not get as much attention from entrepreneur support organizations, including but not limited to translating "side hustles" into full-time businesses, helping business grow revenue to hire employees and businesses that need support multiple years after graduating from early-stage business programs (supporting companies persisting).

Support for coaching and instruction models that drive company acceleration
These projects focus on testing and scaling specific models that help founders achieve significant progress in their business growth. More than general business coaching, mentoring, or acceleration, projects in this category are designed around specific growth needs, such as giving company founders access to closed social networks through sponsorship, or helping companies grow through strategic acquisitions or collaborations.

Solutions Focused on Inclusive & Equitable Ecosystems and Communities for Entrepreneurs
Solutions to diversify decision makers in entrepreneurship ecosystems
These projects intentionally diversify talent in key decision-making roles that affect the likelihood of historically marginalized people successfully starting or growing a business through quality apprenticeship programs. These roles could including funding (VC, bank, etc.), mentorship networks, accelerator programs, and more.

Solutions that influence gatekeeper decision making behaviors
These projects focus entrepreneurship ecosystem "gatekeepers" (defined as individuals who have the ability to make decisions about an entrepreneur's ability to access a resource to help their business, such as a mentor, funder, policy maker, facilities manager, etc.) These projects focus on changing behavior of gatekeepers to reduce the barriers to historically marginalized communities successfully starting and growing businesses.

Innovations in models for cross-organizational alignment
These projects focus on aligning multiple organizations and actors in an ecosystem with the explicit purpose of reducing barriers to individuals and populations starting and growing businesses. These might include models of collective impact, strategic doing and equitable partnerships.

Developing nontraditional entrepreneurship hubs
Projects in this category demonstrate non-business focused organizations (such as community organizations, etc.) have successfully helped people start and grow businesses, and need more resources to grow.

Policy solutions and activity to strengthen inclusive and equitable ecosystems
Projects in this category demonstrate new ways entrepreneurs are making their voices heard in the policy-making process. These projects could also reflect new policy solutions to problems that affect the success of historically marginalized entrepreneurs and/or addresses the impact of policy decisions that exacerbate uneven entrepreneurial success rates.

Innovative rural entrepreneurship solutions
Projects supporting rural entrepreneurs could align with any of the other categories but must account for the unique dynamics in rural communities such as low density, remote populations,

underdeveloped infrastructure, and an aging population. Projects should also serve to highlight and serve the needs of all entrepreneurs in rural communities including immigrants, Native populations, and people of color. All projects will be expected to actively participate in the Rural Rise initiative.

Solutions to reduce isolation and related stresses of entrepreneurship
An increasing concern among company founders and those who support them is the mental health tool that entrepreneurship can take on founders. Feelings of isolation, depression and self-doubt can overwhelm a founder and cause them to lose efficiency in their work. Projects in this category go beyond simple networking or community activities as a possible solution to isolation, and present a specific intervention meant to support the entire founder, including their mental health.

EXPECTED ORGANIZATONAL VALUES

To remove barriers, we believe that work with entrepreneurs must be done with certain values in mind. We look to fund organizations that deliver their mission with a combination of some of the following values:

1. Evidence of your organization's impact
Organizations must be able to demonstrate how their current programs and activities reduce barriers to entrepreneurship. Key indicators might include: capital raised by client ventures, company formation, increased company revenue, increased company hiring, etc.

2. Providing community-informed strategies and programming
Organizations must be actively seeking input from and building relationships with the community they intend to serve as they design their programs and strategy. They should embrace the specific needs of their community to deliver relevant programs. They should also be able to demonstrate local support for programs they intend to sustain after the grant period. Examples include: implementing human-centered design principles and establishing systems that routinely elevate community decision making.

3. Systemically demonstrating a commitment to diversity, equity, and inclusion This
commitment must extend to the entire organization including their hiring practices, program design, and core organization values.

4. Building equitable organizational collaborations
Collaborations based on organizations entering into relationship based on terms that that are and perceived as fair and valuable by both parties. This includes payment of money or other fair value exchanges for work, access to networks or physical assets.

5. Having the ability to articulate their organizational impact on the entrepreneurship ecosystem
An organization must be able to demonstrate the specific impact their program has on the ecosystem(s) in which they operate.

6. The organization's use of best practices and current research in program design and delivery
An organization should be developing their programs based on evidence of their proposed interventions succeeding in reducing barriers to entrepreneurial success.

7. **The organization's ability to measure impact of proposed activities**

The degree to which all proposed activities will reduce barriers to entrepreneurship should be measurable.

8. **The organization's openness to learning**

All organizations should demonstrate their ability and willingness to incorporate learnings from past activities in the design and re-design of new organizational solutions to increase the proposal's effectiveness in reducing barriers to entrepreneurial success. The portfolio will work with an external evaluator, and each organization must be willing to participate in the evaluation program and provide data.

9. **The scope of project's impact**

The goal of the Inclusion Open is to source or scale projects that can reduce significant barriers to entrepreneurial success. Thus, projects that have the ability to impact a large number of entrepreneurs and/or provide significant impact to those entrepreneurs they reach will be the most compelling proposals.

10. **The viability and sustainability of the proposed project**

To ensure the Foundation is deploying is resources wisely, we need to ensure that proposed projects are both realistic and able to continue after the grant (if awarded) ends.

We recognize not all organizations will be able to demonstrate substantive actions on each item.

Charitable Activities: The Ewing Marion Kauffman Foundation, as a private charity, must fund only charitable activities as described here. All for-profit applicants will be subject to additional questions in order to determine the charitability of all proposed activities.

Grant Logistics

The Ewing Marion Kauffman Foundation is prepared to make grants between $50,000 and $450,000 over a period of 24 months.

Application Process and Timeline

There will be three rounds of review for applications. We anticipate far more applications than can be funded, and applying to the RFP does not guarantee that you will receive funding.

Activities We Cannot Fund

Due to our funding strategies and tax regulations, there are some activities we cannot support. We cannot support:
- international activities
- religious activities
- individuals requesting support for personal expenses including education
- political, social, fraternal organizations
- endowment funding; lobbying, legislative, or political activities
- medical research
- funds to start your own business or to fund patent expenses

Finding Out More Information

- [FAQs](#)
- If you have additional questions, please send them to inclusionopen@kauffman.org   We will be hosting a Facebook Live to review the information in this Request for Proposals and answer additional question submitted via the email address above. The Facebook Live is schedule for Friday, January 25th from 10-10:30am CST. Please plan to join us and submit additional questions at InclusionOpen@kauffman.org.