



PANDEMIC RECOVERY OFFICE

Small Business Direct Grants Final Report

Submitted by State of Rhode Island Pandemic Recovery Office

Paul L. Dion, Ph.D., Director

Brianna Ruggiero, Chief of Staff

Kate Randall, Project Lead

Ross Lancaster, Data Analyst III

Derek Gomes, Chief Public Affairs Officer

<https://pandemicrecovery.ri.gov>

This project was supported, in whole or in part, by federal award number SLFRP0136 awarded to the State of Rhode Island by the U.S. Department of Treasury.

Small Business Direct Grants

Project Identification Number: 10008

Pandemic Recovery Office Approval Date: February 17, 2022

Project Completion Date: July 24, 2024

Funded Amount: \$12,500,000

Expended Amount: \$12,172,964

Project Expenditure Category: 2.29 Negative Economic Impacts: Loans or Grants to Mitigate Financial Hardship

Problem Statement: In March 2021, the U.S. Small Business Administration (SBA) noted that the pandemic's effects on small businesses were felt most acutely in metropolitan and coastal areas, with restaurants, educational support services, taxi/limousine services, child day care services, self-employed individuals, and Black and Asian business owners most impacted.¹

Project Overview: The project initially provided \$2,500 or \$5,000 grants to small businesses to be used for salaries to avoid furloughs or layoffs, operating costs, reopening costs, and other expenses. Eligible businesses were those that had less than \$2 million in gross receipts or sales in either tax year 2020 or tax year 2021 and suffered a revenue loss because of the pandemic. Industries eligible to receive these grants were accommodation/hotels, agriculture, arts, entertainment, recreation, child care providers, construction, education services, finance, insurance, health care, manufacturing, personal care services, professional/science and technical services, restaurants, bars, caterers, food trucks, other food services, retail trade, transportation, wholesale trade, and warehousing. Between March and August 2022, 2,471 small businesses received grants totaling \$11,352,500.

The provision of these \$2,500 or \$5,000 grants did not exhaust the \$12.3 million in funding for direct grants; the remaining \$0.2 million in project funding was for a vendor who provided payment processing support to the Rhode Island Commerce Corporation (Rhode Island Commerce), the subrecipient for the project. Rhode Island Commerce decided to distribute the remaining funds to small businesses that received a previous grant that operate in one of the following industries: food services, drinking places, personal care services, and arts, entertainment, and recreation. Of the original 2,471 grant recipients, 1,055 were eligible to receive a supplemental \$800 grant. Between March and August 2023, 794 small businesses received a supplemental grant totaling \$635,200.

¹ [The Effects of the COVID-19 Pandemic on Small Businesses](#)

Financial Overview: The \$12.5 million project budget included \$12.3 million in direct grants and \$0.2 million in payment processing costs. All program payments can be found on the [Pandemic Recovery Office’s website](#) by filtering the “Project” box for “Small Business Direct Grants.” The project did not exhaust the project budget, with \$327,036 remaining for other SFRF eligible uses. The table below shows planned expenditures by fiscal quarter and actual expenditures by fiscal quarter:

Fiscal Year Quarter	Planned Expenditures	Actual Expenditures
FY 2022 Q3	\$2,286,973	\$2,252,500
FY 2022 Q4	\$7,286,673	\$7,140,000
FY 2023 Q1	\$2,038,899	\$2,131,563
FY 2023 Q2	-	-
FY 2023 Q3	\$856,917	\$266,400
FY 2023 Q4	-	\$365,600
FY 2024 Q1	-	\$12,450
FY 2024 Q2	-	\$800
FY 2024 Q3	-	-
FY 2024 Q4	-	\$3,652
Total	\$12,469,462*	\$12,172,964

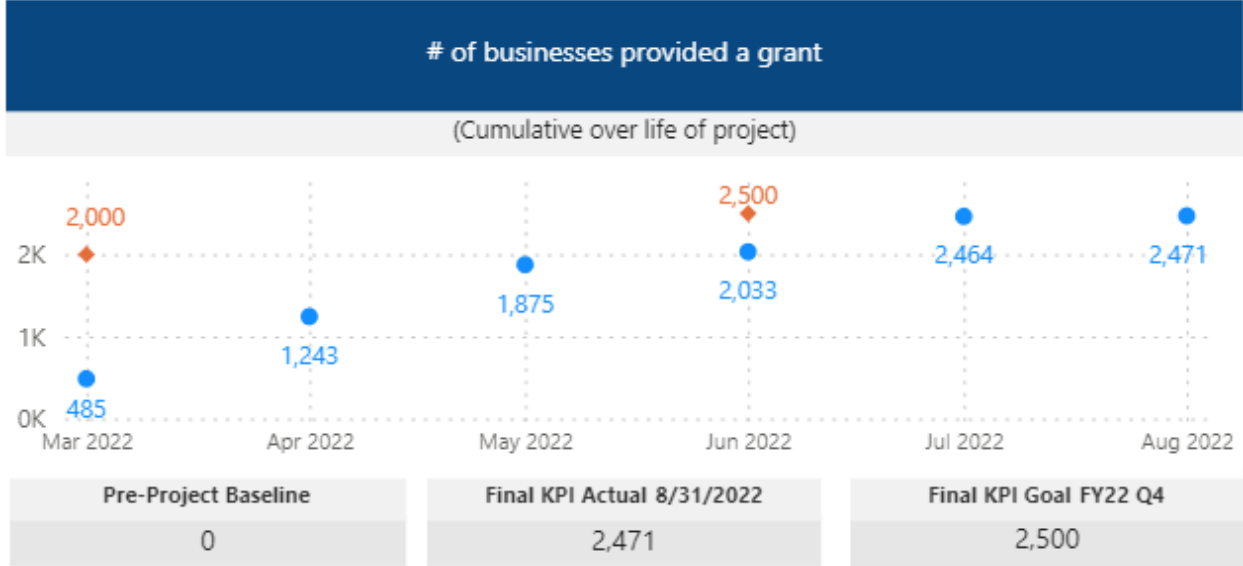
Note: A single audit fee applies to all State Fiscal Recovery Fund projects and is represented in the aggregate amount of \$3,652 in the above table.

* The appropriation for this project was \$12.5 million; however, Rhode Island Commerce only budgeted to spend \$12,469,462, and ultimately spent \$12,172,964, resulting in underspend of \$327,036. Of the \$12,172,964 in actual expenditures, \$11,987,700 was for direct grants, including supplemental grants, and \$181,612 was for a payment processing support vendor.

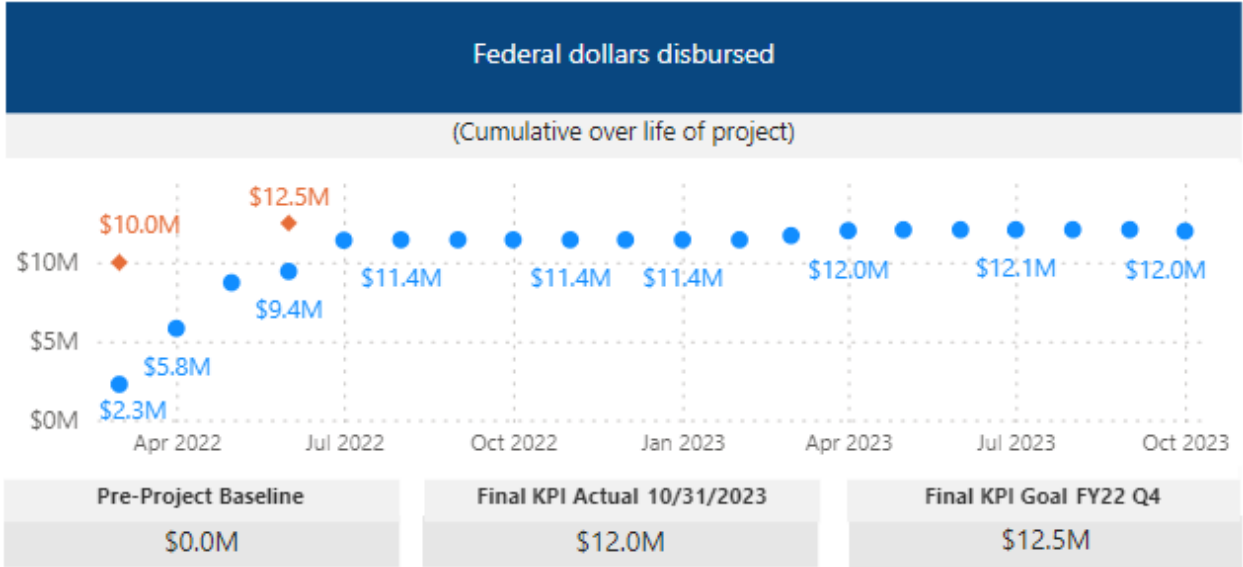
Key Performance Indicators: The following are the key performance indicators based on quarterly goals and monthly data collections.

Legend: ● Actual KPI Value Reported ◆ Quarterly Goals

1. Number of businesses provided a small business grant

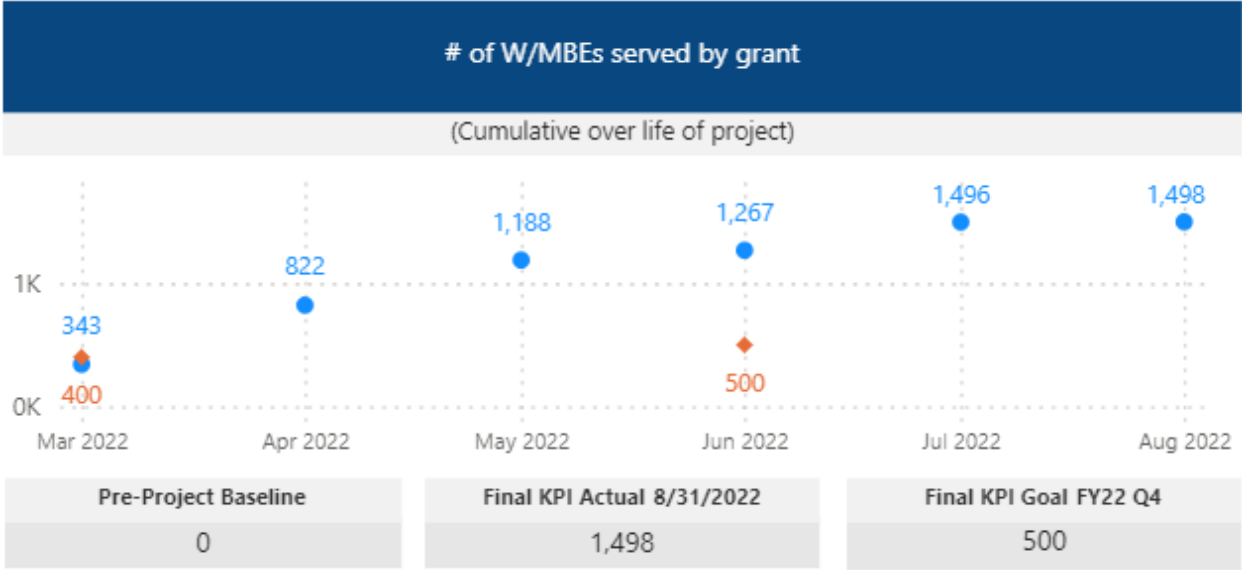


2. Dollars disbursed



Legend: ● Actual KPI Value Reported ◆ Quarterly Goals

3. Number of MBEs, including women-owned businesses, served



4. Percentage of businesses in operation at least six months after receiving grant



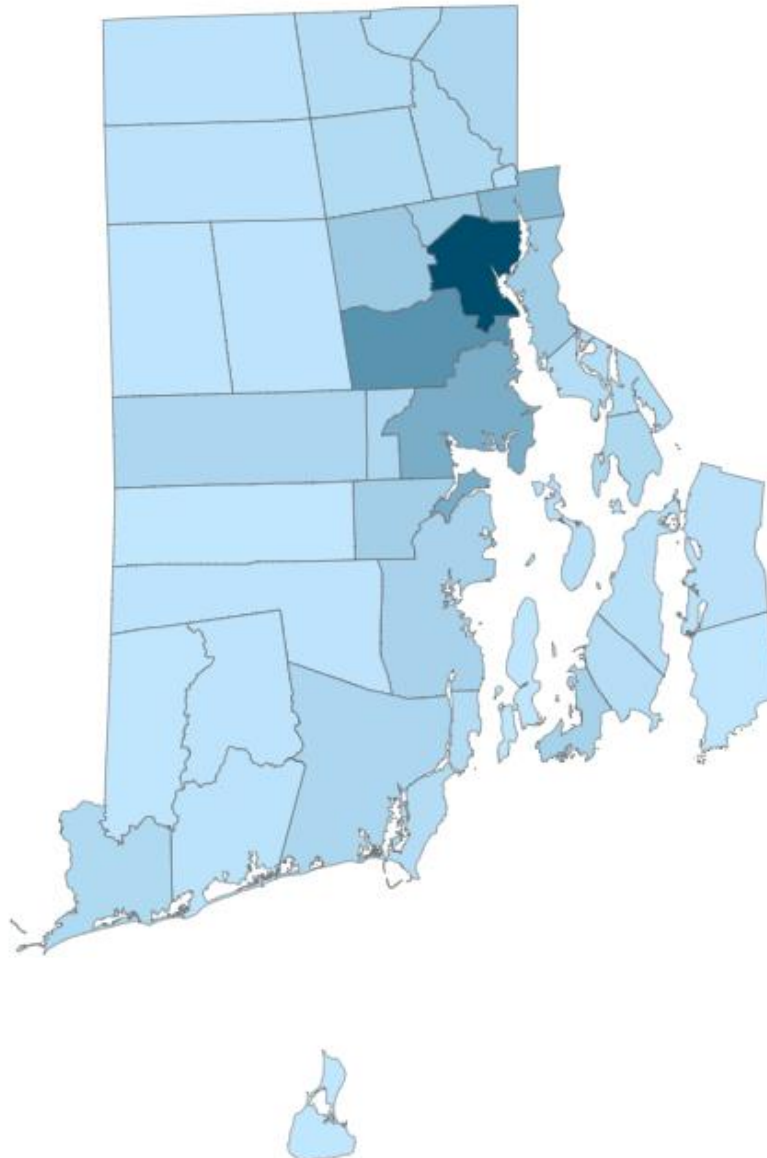


5. Number of businesses provided a supplemental grant award



Demographics: The information below shows the distribution of direct grants, including supplemental grants, by specific criteria including location and demographic data.

Distribution of Small Business Direct Grants by Location



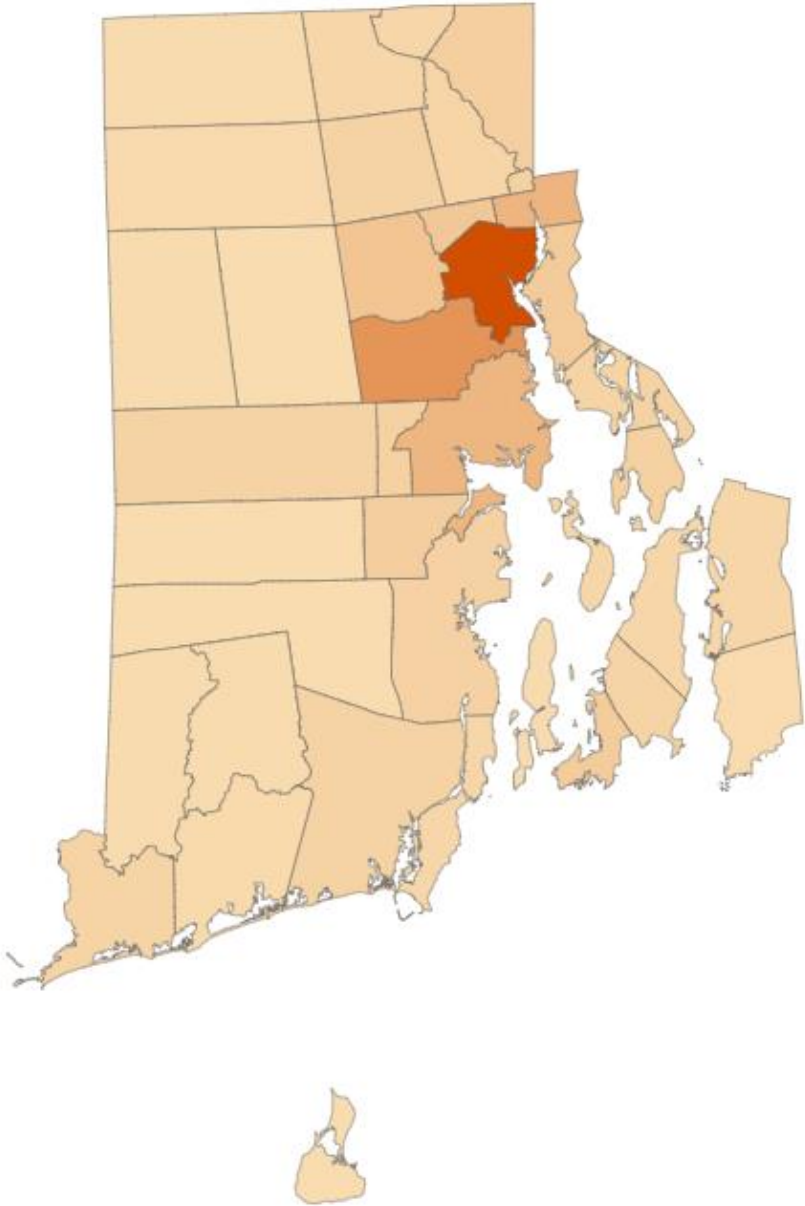
Municipality	Businesses Receiving Grants	Sum of Grants
BARRINGTON	37	\$181,400
BRISTOL	51	\$254,300
BURRILLVILLE	19	\$90,600
CENTRAL FALLS	35	\$170,400
CHARLESTOWN	21	\$100,700
COVENTRY	56	\$275,400
CRANSTON	271	\$1,298,700
CUMBERLAND	54	\$273,400
EAST GREENWICH	78	\$386,000
EAST PROVIDENCE	88	\$419,100
EXETER	14	\$71,500
FOSTER	15	\$68,200
GLOCESTER	17	\$86,500
HOPKINTON	9	\$45,700
JAMESTOWN	10	\$50,700
JOHNSTON	96	\$476,500
LINCOLN	47	\$232,900
LITTLE COMPTON	9	\$47,400
MIDDLETOWN	35	\$170,400
NARRAGANSETT	37	\$187,800
NEW SHOREHAM	7	\$35,800
NEWPORT	71	\$349,200
NORTH KINGSTOWN	67	\$325,900
NORTH PROVIDENCE	82	\$399,700
NORTH SMITHFIELD	40	\$187,900
PAWTUCKET	154	\$707,000
PORTSMOUTH	30	\$151,300
PROVIDENCE	498	\$2,357,500
RICHMOND	17	\$82,300
SCITUATE	14	\$71,500
SMITHFIELD	44	\$212,000
SOUTH KINGSTOWN	55	\$275,300
TIVERTON	23	\$122,200
WARREN	40	\$196,900
WARWICK	183	\$904,500
WEST GREENWICH	7	\$33,300
WEST WARWICK	53	\$263,600
WESTERLY	46	\$233,600
WOONSOCKET	41	\$190,600
Total	2,471	\$11,987,700

According to the enacting legislation, 20% of all *Small Business Direct Grants* funds were earmarked for minority business enterprises, including women-owned business enterprises, (W/MBEs) as defined by Rhode Island law.² Of the \$11,987,700 in direct grants, \$7,242,200, or 60%, went to W/MBEs. The table below shows the breakdown of direct grants to W/MBEs:

W/MBE Category	Number of Businesses	Amount Received
Racial and ethnic-minority-owned businesses (men)	332	\$1,567,700
Racial and ethnic-minority-owned businesses (women)	397	\$1,868,300
Women-owned businesses (not racial or ethnic minority)	738	\$3,659,800
Other MBE classification (economically and socially disadvantaged and not disclosed)	31	\$146,400
Total	1,498	\$7,242,200

² [Title 37: Public Property and Works, Chapter 14.1: Minority Business Enterprise, R.I. Gen. Laws § 37-14.1-3](#)

Distribution of Small Business Direct Grants to W/MBEs by Location



Municipality	W/MBEs Receiving Grants	Sum of Grants
BARRINGTON	25	\$123,100
BRISTOL	30	\$153,600
BURRILLVILLE	9	\$41,500
CENTRAL FALLS	29	\$144,600
CHARLESTOWN	11	\$53,200
COVENTRY	25	\$127,300
CRANSTON	177	\$855,100
CUMBERLAND	33	\$171,100
EAST GREENWICH	37	\$184,600
EAST PROVIDENCE	48	\$226,900
EXETER	3	\$14,900
FOSTER	8	\$37,400
GLOCESTER	9	\$45,700
HOPKINTON	7	\$35,700
JAMESTOWN	7	\$35,700
JOHNSTON	59	\$294,100
LINCOLN	22	\$108,900
LITTLE COMPTON	6	\$31,600
MIDDLETOWN	23	\$114,700
NARRAGANSETT	17	\$88,900
NEW SHOREHAM	4	\$20,000
NEWPORT	41	\$201,200
NORTH KINGSTOWN	32	\$148,800
NORTH PROVIDENCE	52	\$253,300
NORTH SMITHFIELD	21	\$93,900
PAWTUCKET	105	\$479,800
PORTSMOUTH	18	\$88,100
PROVIDENCE	361	\$1,684,000
RICHMOND	7	\$35,700
SCITUATE	4	\$19,900
SMITHFIELD	27	\$128,800
SOUTH KINGSTOWN	27	\$133,900
TIVERTON	16	\$85,600
WARREN	25	\$127,100
WARWICK	94	\$471,900
WEST GREENWICH	3	\$13,300
WEST WARWICK	31	\$152,900
WESTERLY	24	\$122,200
WOONSOCKET	21	\$93,200
Total	1,498	\$7,242,200