California Office of Small Business Advocate

Governor Gavin Newsom's Office of Business and Economic Development

2026/27 Capital Infusion Program

A grant program for federally awarded Small Business Development Centers (SBDC)

Program Announcement

Opportunity Number: CACIP2026

Total Program Funding: $3 Million

Released:

August 18, 2026

Proposals due:

By 4:59:59 PM PDT on September 11, 2026

Online Application Platform:
https://hub.catalyzerapp.com/public/form/f16b7e90-0421-4d7d-a920-40f60fd05b7c

Proposals submitted after the stipulated deadline will be rejected without being evaluated with no exceptions. Please make every effort to submit at least 48 hours in advance in case you experience technical difficulties.

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About the Program

Overview

The Capital Infusion Program (CIP or Program) was created to provide small businesses with the necessary resources to pursue strategic initiatives, such as product development, market expansion, or acquisition of other businesses. It can also be utilized to assist small businesses to overcome financial difficulties by providing the funds needed to pay off debt, invest in operational improvements, or restructure an existing small business. The California Office of the Small Business Advocate (CalOSBA) at the Governor's Office of Business and Economic Development (GO-Biz) is charged with implementing and administering the Program. $3 million is budgeted each year to support Small Business Development Centers'(SBDCs) local cash match funding required by the United States Small Business Administration (SBA).

CIP is only open to the five Small Business Development Center (SBDC) Networks in California. Only the five SBDC Lead Centers may apply. CIP is not a grant program for small businesses.

Purpose and Background

The purpose of this grant is to provide funding to the SBDCs to enable them to help small businesses and entrepreneurs navigate the financing landscape and successfully access the funding they need to operate and/or expand their businesses. Challenges in accessing capital remain a barrier to growth for the state's small business base. Funding for the Program is made available through the State of California, and the CalOSBA at GO-Biz is responsible for administration of the grant.

This grant announcement (Announcement) invites proposals from a SBDC Network Lead Center in the State of California to assist small businesses and entrepreneurs to obtain access to capital to fund business advising services. Applications from Lead Centers should include subcenter funding proposals and be submitted as one consolidated application per SBDC region. Only applications that are submitted by SBDC Lead Centers will be considered for funding.

Awarded SBDC grantees should leverage their state funding to draw down U.S. Small Business Administration (SBA) funds and work in conjunction with other resource partners such as SCORE, Women's Business Centers (WBCs), Veteran Business Outreach Centers (VBOCs), APEX Accelerators, other technical and capital providers, as well as institutions of higher education, private foundations, chambers of commerce, trade and industry groups and associations that are committed to the growth and success of small businesses and other small business stakeholder groups.

Definitions

Definitions that pertain to this Program Announcement are provided below.

1. "1:1 counseling support and business training" includes SBDC personnel or third-party individuals hired to provide advising and training to businesses on loan readiness, strategic planning, go-to market strategies, Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) phase 0 – 2 application/proposal support, investor and pitch deck preparation, and financial business planning. Advising and training include all work with a client, whether a startup or existing business, that may lead to capital acquisition by the client company. This includes client-specific areas such as: credit advising, financial education and business planning, bootstrapping your business and developing a roadmap to

commercialization, and other related subject matter as long as the advising scope of work is connected to an overall capital infusion goal. The client is expected to be making steady improvements in their business that would make the client more bankable/investable. All business advising for these clients, that meets the requirements of this Program, is allowable for reimbursement.

2. "Applicant" means a Lead Center of a Small Business Development Center Network.

3. "Capital infusion" refers to the investment of capital. Capital infusion can be a one-time investment or a series of investments: including debt funding (SBA loans,[1] non-SBA loans, and non-traditional financing such as convertible debt); non-dilutive funding (e.g., grants and SBIR/STTR awards); owner and non-owner equity capital (Angel & Venture Investments).

4. "Capital infusion milestone" means funding events that have occurred as part of the Program, which are fully documented and verifiable with the participating lender or investor. Documentation must identify the client names and the lender/investor names. **Capital infusion milestones must be reported in the quarter when verification was provided by the client (as opposed to when the funds were generated).**[2] Acceptable forms of milestone documentation include:

    - An official loan agreement.
    - Investment agreement or documentation verifying the capital event occurred.
    - A document directly originating from the lender or investor attesting to the commitment of funds or completed loan or investment. For venture capital infusion milestones, a screen shot of an online third-party data source, such as Socaltech or Crunchbase, that identifies the total venture capital investment.[3]
    - For crowdfunding capital infusion milestones, a screen shot that identifies the total amount generated from a crowdfunding campaign.

5. "Center" means a Lead Center or subcenter in the SBDC Network.

6. "CIP Performance Data Model" means the .xlsx file and accompanying data point descriptions that define allowed metrics for submission of performance program goals and subsequent performance against submitted goals.

[1] GO-Biz will accept the entirety of a 504 Loan capital infusion milestone when accomplished through the Program. GO-Biz understands that a minimum 10% of the loan package is comprised of owner investment, however, since the investment is included as part of the total credit memorandum, GO-Biz will count the entirety of the 504 milestone as applicable to the Program.
[2] Milestones that are verified beyond 60 days of the grant year will not be allowed. Milestones generated in one grant year cannot be counted in a subsequent grant year. If a milestone is generated in the fourth quarter, it may be reported in that quarter if verification is provided up to 60 calendar days after the specified grant year. If verification is provided after the annual report is submitted, a revised report template must be submitted to GO-Biz.
[3] When conducting program reviews, GO-Biz will directly contact the business owner to verify venture capital infusion milestones.

Timeline

Dates and Deadlines

Date	Description
August 18, 2026	Program Announcement Release Submit questions to SBTAEP@gobiz.ca.gov Subject: "CIP 2026/27 RFP Questions"
September 11, 2026	Grant application deadline **Must submit in the online application portal by 4:59:59 PM PDT**
September 14-18, 2026	Proposal review period
September 21, 2026	Notice of Intent to Award sent via email
September 22-30, 2026	Grant Agreements sent to Awardees
October 1, 2026	Grant program begins
September 30, 2027	Grant program ends

Award Information

Funding

GO-Biz expects to issue $3 million in grant awards in 2026/27. Grant awards will be distributed to the five (5) regional SBDC Networks that operate in California based on the state population share, based on the 2020 US Census. For the 2026/27 fiscal year, the population share distribution is as follows:

Region	Population Share (%)	Funding Amount
Northern CA	31.7%	$951,680.00
Central CA	11.2%	$335,710.00
Los Angeles	28.6%	$857,860.00
Orange County/Inland Empire	19.7%	$590,830.00
San Diego/Imperial Valley	8.8%	$263,920.00

Applicants may submit a proposal for an amount up to the set award amount for their respective region.

Period of Performance

Awards will be made for a one-year period of performance. The grant will fund allowable services over a twelve-month period, from October 1, 2026 through September 30, 2027.

Funding Information

Funds provided under the Program must be used solely for the purposes stipulated in this Announcement and subsequently in the Agreement between CalOSBA and the Lead Center. All costs incurred under the Program must meet the tests of reasonableness, allowability, and allocability in accordance with the Program's allowable costs and grant agreement terms. Indirect costs <u>may not</u> be claimed as part of the proposal budget.

Funding Instrument

The funding instrument is a grant agreement. The Lead Center may subcontract funds to participating subcenters and entities that have formal agreements with the Lead Center to provide advising services.

Matching Requirement

Awards require a 1:1 match of SBA funds. For each grantee, the spenddown of the CalOSBA grant and SBA funds must reflect a cumulative 1:1 ratio at the end of the second quarter (mid-year) and the fourth quarter (year-end).

Lead Centers will be required to complete a Certification of SBA Cash Match. This certification consists of a separate form that requires authorized representatives from the Lead Center and fiscal host to certify the total amount of SBA cash match dollars that all grantees from the region will spend to carry out the Program. This amount will be equal to the total grant award for the region.

If the CalOSBA grant amount changes as a result of a budget amendment, a revised Certification of SBA Cash Match will be prepared and attached to the amendment for concurrent signature.

Eligible Applicants

Applications may only be submitted by SBDC Lead Centers as one consolidated application per SBDC region.

Technical Proposal Evaluation

CalOSBA will review the applications and assess the proposal's approach to delivery of services and accompanying milestones. CalOSBA may ask Applicants for clarification of the technical aspects of their proposals.

CalOSBA Oversight

CalOSBA has the right to conduct a programmatic and financial review of any grant recipient. The review will consist of a remote or in-person evaluation by CalOSBA staff of a Center's third-party verification of capital infusion milestones. Lead Directors will work with selected grantees in their region to collect and submit electronic copies of milestones to CalOSBA. CalOSBA will inform Lead Directors by email about the selection of Centers in their region and email instructions no later than thirty (30) calendar days before the program review.

If an applicant ceases to operate as a Lead Center for the U.S. Small Business Administration, the state is obligated to compensate the Lead Center only for all allowable and unavoidable expenses reasonably incurred by the Lead Center incurred in the performance of it work under the agreement as of the effective date of the Terminating Event. In addition, if a Lead Center has received notification by the U.S. Small Business Administration that its cooperative agreement is scheduled for termination or that its operations are placed under a probationary status, the Lead Center must notify CalOSBA within 48 hours via email to SBTAEP@gobiz.ca.gov.

Award Requirements

Application Instructions and Submission

All applications, with required attachments, must be submitted electronically using the CalOSBA online application portal. Applications submitted via email or facsimile will not be reviewed or scored.

All applications must be submitted by the deadline and the online application portal will automatically close once the application deadline has passed. There are no exceptions or extensions of this deadline. Any technology challenges or inability of an applicant to submit an application by the deadline for any reason shall not be grounds for an extension of the deadline. Applicants are encouraged to submit their application at least two days before the deadline in the event technical assistance is required. For help applying, please send an email to SBTAEP@gobiz.ca.gov with the subject line: Capital Infusion Program 2026 Application Help.

CalOSBA's determination as to eligibility for grant funding, or the amount of grant funding awarded, is not subject to appeal. CalOSBA reserves the ability to modify applicant budgets if included costs are deemed ineligible. A Center and its fiscal host will be required to be in compliance with the Drug-Free Workplace Certification and Nondiscrimination Compliance Statement as required by state law.

Required/Supporting Documents

All applicants must upload the following documents to their application:

- Proposal Narrative. The Proposal Narrative responses must use the template and must be submitted as a .doc/.docx file. Proposal Narratives must be a minimum of three pages and a maximum of six pages with 12-point font, 1-inch margins, and 1.5 line spacing. - Download Template
- Budget Justification Spreadsheet to include all SBDC subcenters within the network that will be providing services through the Capital Infusion Program. - Download Template
- Certification of SBA Cash Match – Download Template
- STD.204 Payee Data Record Form – Download Form
- STD.21 Drug-Free Workplace Certification – Download Form
    - *The STD.204 and STD.21 forms must be signed within two weeks of each other.*

Invoicing and Reporting Requirements

Lead Centers are responsible for collecting accurate and complete performance reports and financial reports from sub-recipients. The Lead Center is responsible for submitting all final reports in the online portal to CalOSBA once reviewed and approved.

Reports will be submitted electronically through the online portal identified by CalOSBA to the Programs Team. All recipients are required to use the online portal for the following activities:

- To create an online profile viewable to the public
- To accept client referrals from the CalOSBA website and from other recipients
- To report performance data no less than frequently than once per quarter

Recipients who use existing reporting technical assistance platforms (e.g. Neoserra, SalesForce, etcetera) will be able to upload their CIP performance data as a .xlsx file. Recipients may alternatively choose to use the CalOSBA online portal for recording and managing technical assistance activities in real time.

Each Center must inform CalOSBA of their intent for use of the CalOSBA platform when the contract is executed. This decision cannot be changed during the course of the contract year.

Lead Centers will receive separate email instructions for the online portal.

The reports or portions thereof provided by Authorized Representatives may be made public.

Authorized Representatives will be required to submit quarterly performance and financial reports to the Grantee Portal within forty-five (45) calendar days of the completion of each quarter of the grant period. Performance reports (including narrative and metrics) are required even if the Authorized Representative will not be submitting an invoice for the reporting period.

CalOSBA will withhold payment if reports are not received or are deemed incomplete or inadequate. Any invoice submitted after the reporting deadline, without an authorized extension, will be rejected. Failure to report in a timely manner may impact future eligibility for grant funding from CalOSBA.

CalOSBA reserves the right to audit information submitted in a performance report by requesting additional documentation, performing on-site visits, contacting clients served, or verifying other information as necessary to verify the information contained in the performance report.

The Center, not GO-Biz or CalOSBA, will retain possession and control of any and all reporting materials and backup documentation and will make them available to CalOSBA for inspection and audit upon request so that CalOSBA may verify that both the Center and any subrecipients have complied with the grant Program's terms and conditions, and have executed the contracts and effectuated the Program consistent with the statutory goals of the Program.

Quarterly Invoices

Quarterly invoices must be submitted by the Lead Center. Required information includes business consultant names, hourly advising rates, and the number of hours worked.

For every grantee, the spenddown of the CalOSBA grant and SBA funds must reflect a cumulative, year-to-date 1:1 ratio at the end of the second quarter (mid-year) and the fourth quarter (year-end). Invoicing amounts must exactly match the Center's records. Invoice totals must not be rounded.

The Lead Center must submit to CalOSBA an electronic version of the quarterly invoices for all grantees in their region within 45 calendar days after completion of the quarter. If the 45th calendar day occurs on a weekend or U.S. Federal/State holiday, the report should be submitted the first working day after the weekend or U.S. Federal/State holiday.

Quarterly Metric Reports

Quarterly reports shall provide a report of progress against the network's annual metric goals. **Capital infusion milestones must be recorded in the quarter when verification was provided (as opposed to when the funds were generated).**

Reports must correspond to the performance goals submitted with the application and must be submitted using the approved CIP Data Model .xlsx file. CalOSBA will provide instruction and training for the CIP Data Model.

Mid-year Narrative Report

A mid-year narrative report will be required from each Lead Center that summarizes the activities conducted to deliver capital infusion services in their region and the outcomes obtained.

Annual Narrative Report

An annual report will be required from each Lead Center that summarizes grantee efforts to deliver capital infusion services in the region. The annual report is due within 60 calendar days after the close of the grant period and must be submitted electronically using the Small Business Grantee Portal. Failure to submit this report accurately and in a timely manner could jeopardize future funding.

The annual report will contain the following information from each center.

A. Capital infusion milestones and number of clients consulted in each quarter (quarters 1-4), **Capital infusion milestones must be reported in the quarter when verification was provided by the client (as opposed to when the funds were generated).**

B. Statement about performance, including successes and challenges associated with the Program. This section must also identify and explain any year-end underperformance in meeting capital infusion and clients consulted goals or underspent grant funds for each of the Centers in the region.

C. Brief discussion of access to capital services that were provided (one paragraph) in the region.

D. Client success stories must be submitted with the submission of the annual report. Each Center and its subcenters will each submit one success story from their respective organization. Please note that success stories may be submitted during any reporting period leading up to the annual report.

Performance and/or Underperformance Reporting

Underperformance statements will be required based on the thresholds below:

- Q1 (Oct-Dec): Year-to-date (YTD) results less than 10% of the annual award or goals
- Q2 (Jan-Mar): YTD results less than 35% of the annual award or goals
- Q3 (Apr-Jun): YTD results less than 60% of the annual award or goals
- Q4 (Jul-Sept): YTD results less than 100% of the annual award or goals

Reporting Advising and Training Activity and Milestones

Every advising hour paid for by state funds must be tagged with a Funding Source as "State."

Any milestone event that occurs during the course of work done by the business consultant under the CalOSBA capital infusion grant must also be tagged with a Funding Source as "State." This includes business advising funded by the CalOSBA grant or the SBA-match funding made available through the CalOSBA grant.

During program reviews, grantees may be asked to show how many state-funded advising hours and SBA-funded advising hours were provided to an individual client during the course of the grant period to verify an appropriate spend down of match funding.

Proposal Requirements

Proposal Narrative

The online application will require information on the geographic area (county, state Assembly District, and state Senate District) that will be serviced by centers providing services through the Capital Infusion Program.

Narrative responses must have 1.5-line spacing, 12-point font, and 1-inch margins. Narratives must be at least 3 pages and a maximum of 6 pages in length and use the template in the 'Required/Supporting Documents' section. Points are awarded based on the applicant's ability to provide a thoughtful and concise response to the questions as written. The question itself must be included in the narrative.

Budget

Proposed budget will list all subcenters that will receive funding from the Lead Center through the Capital Infusion Program and their total annual budget allocation.

Metrics

Proposed metrics for the 2026/27 grant period, which commences October 1, 2026 and ends September 30, 2027. Metrics should include all milestone outcomes that are directly attributed to the CalOSBA Capital Infusion Program from both the state and SBA match advising hours.

1. Number of Training Events
2. Number of Training Hours
3. Number of Unique Clients Trained
4. Number of New Clients Counseled*
5. Number of Unique Clients Counseled*
6. Number of Counseling Hours*
7. Number of Business Exits or Acquisitions*
8. Number of Contracts awarded*
9. Dollar Amount of Contracts awarded*
10. Number of Bonds Secured*
11. Dollar Amount of Bonds Secured*
12. Number of Loans received*
13. Dollar Amount of Loans (Traditional and non-traditional loans) *

14. Number of Equity deals received*
15. Dollar Amount of Equity Capital (to include private investment) *
16. Number of Non-Dilutive Capital Awards Received*
17. Dollar Amount of Non-Dilutive Capital Raised (non-dilutive funding, grants, etc.) *

*Voluntary metric requires a goal/estimated number of businesses that will be served for each of the following underserved business groups:

- Number of Women-Owned Businesses Served
- Number of Minority-Owned Businesses Served
- Number of Veteran-Owned Businesses Served
- Number of Businesses Served in Rural Communities
- Number of Businesses in Low-Wealth Communities
- Number of Businesses Served in Disaster-Impacted Communities

California Public Records Act

By submitting an application, the applicant acknowledges that GO-Biz is subject to the California Public Records Act (PRA) (Government Code sections 7920.000 – 7930.215.). Consequently, materials submitted by an Applicant to GO-Biz may be subject to a PRA request. In such an event, GO-Biz will notify the Applicant, as soon as practicable, that a PRA request for the Applicant's information has been received, but not less than five (5) business days prior to the release of the requested information to allow the Applicant to seek an injunction. GO-Biz will work in good faith with the Applicant to protect the information to the extent an exemption is provided by law, including but not limited to notes, drafts, proprietary information, financial information, and trade secret information. GO-Biz will also apply the "balancing test" as provided for under Government Code section 7922.000 to the extent applicable.

GenAI Disclosure

The State of California seeks to realize the potential benefits of GenAI, through the development and deployment of GenAI tools, while balancing the risks of these new technologies. Applicant must notify the State in writing if it: (1) intends to provide GenAI as a deliverable to the State; or (2), intends to utilize GenAI, including GenAI from third parties, to complete all or a portion of any deliverable that materially impacts: (i) functionality of a State system, (ii) risk to the State, or (iii) Contract performance. For avoidance of doubt, the term "materially impacts" shall have the meaning set forth in State Administrative Manual (SAM) § 4986.2 Definitions for GenAI.

Failure to report GenAI to the State may result in disqualification. The State reserves the right to seek any and all relief to which it may be entitled to as a result of such non-disclosure. Upon notification by an applicant of GenAI as required, the State reserves the right to incorporate GenAI Special Provisions into the final contract or reject bids/offers that present an unacceptable level of risk to the State. Government Code 11549.64 defines "Generative Artificial Intelligence (GenAI)" as an artificial intelligence system that can generate derived synthetic content, including text, images, video, and audio that emulates the structure and characteristics of the system's training data.