



**Entrepreneurial**  
Training & Consulting

## Things NOT to forget when starting your business

### #3 Choosing the right bank

This is fundamentally important to the success of your new venture. It is equally important when you receive an SBIR/STTR award and need to effectively manage government funds. As your business grows and changes, you can always switch to a new bank if you discover that your current bank is no longer meeting your needs.

Use our 12 suggestions as a guide and, if you want to talk more about next steps, get in touch with BBCetc.

#### 1. Keep business and personal separate

Using a personal bank account for business banking because it can create accounting conflicts and cause issues with the IRS. Opening a business bank account allows you to **keep business and personal finances separate**, which is essential if you want to build business credit, keep your business accounting seamless, and avoid tax issues.

#### 2. Choose the right size

Bigger can be great, but it isn't always better. Big banks have more resources; smaller community banks may be more attuned to local market conditions and more willing to work with you based on your character and overall profile.

#### 3. Check on credit requirements

Small, local banks may be more forgiving of new local businesses and may have less stringent credit requirements for opening accounts and lines of credit.

#### 4. Online banks may not be the answer

A large part of choosing a bank is having the right business relationship and building your business credit, both of which may be easier in the brick and mortar world.

#### 5. Where is the bank located?

Is it near your office, home, or anywhere you frequently travel? Do you need to make regular deposits? Withdraw cash? Do you travel for work and need to use national ATMs without fees?

## **6. What are your digital needs?**

If technology is important to you, look for a bank that has the platforms to support your particular needs.

## **7. Is your money protected?**

Make sure the bank is regulated by the FDIC or the NCUA if you're talking with a credit union.

## **8. Are you working with the SBA?**

Then consider talking with an SBA lender. The [SBA lists](#) lending-friendly banks for small businesses and directs business owners toward preferred lenders in their respective states.

## **9. What services do you need?**

- Business checking accounts (including employee checking accounts)
- Business savings accounts, including money market accounts and certificates of deposit
- Business loan options
- Business insurance
- Commercial real estate financing

Just make sure you get the details on any fees or requirements.

## **10. Are there perks and is that important?**

Some banks offer gift cards to new customers or a cash bonus for opening a new account. Others may offer payroll services, hotel discounts, lowered insurance rates, and even tax prep help. It's always good to ask what's available.

## **11. What kind of support do you need?**

Some banks keep staff on hand to help you manage and grow your business. Such specialists may be valuable as you grow your business. They may be able to advise on how to run your accounts, fund growth, and expand your business. They may also be helpful with tax or payroll issues.

## **12. Does it feel right?**

Does the bank feel like a good fit? Do you trust what you're hearing? If it doesn't feel right, don't settle.

To learn more about what you need to successfully manage your award,  
[talk with BBCetc.](#)