WSMA Grant Opportunity:
Fall 2023 Grants: Strengthening Microenterprise Development

FREQUENTLY ASKED QUESTIONS
Update: November 15, 2023

ELIGIBILITY

Is this for non-profits only? Yes, eligible applicants need to be a nonprofit. although WSMA has funded Chambers (501c6) and Main Street partners in the past. As long as the organization is providing comprehensive business training, technical assistance and/or access to financing. For Profit businesses, small businesses owners, LLCs are NOT eligible. Unfortunately, academic institutions are not eligible for funding at this time.

Could an EDC or Chamber organized as a 501(c)(6) use a community foundation as a pass through to meet the 501(c)(3) requirement? If so, which organization is best eligible to apply? You can use a 501c3 fiscal sponsor, but a 501c6 can also apply and would not need a fiscal sponsor.

Is our organization eligible if we are embedded in a Chamber of Commerce? If the Chamber is a non-profit (501c3 or 501c6) and the project provides business training, technical assistance and/or access to financing for businesses or entrepreneurs, and microenterprises with 5 or fewer employees, as a primary client group, then your organization would be eligible.

Are you able to fund a nonprofit arm of a university for community programs specifically serving underserved businesses? If the applicant is a 501c3 and registered in the State of WA, it will be eligible to apply for WSMA funding.

What if our organization doesn't have its federal 501(c)3 designation yet? Your organization should be a WA registered nonprofit and working towards becoming a 501(c)3. If your nonprofit is in formation or has not yet received its 501(c)3 designation and your organization has a documented relationship with a fiscal sponsor, you may apply through your Fiscal Sponsor. A fiscal sponsor is a nonprofit organization that provides fiduciary oversight, financial management, and other administrative services to help build the capacity of a nonprofit organization that hasn’t yet received their federal 501(c)3 designation. Roles
and responsibilities of each entity are negotiated and documented in a written agreement and this document needs to be uploaded with their fiscal sponsor’s IRS documentation.

My company is a commercial business but I have an alliance with a nonprofit. Can I use this alliance to participate in the grant program? Yes, the nonprofit would need to apply for the grant. If the nonprofit organization seeks to consult with your company or a business to assist them with accomplishing the goals of their grant to provide business technical assistance, training other business services, and to help reach and serve small businesses, that would be their decision and details of that work would be included in their application.

Is this only for existing technical assistance providers? No, if your non-profit has experience working with and supporting businesses and wants to grow your business programs, training or technical assistance services to businesses with 5 or fewer employees, your organization is eligible. Make sure you have realistic goals and objectives based on your expertise/connections to reach the businesses you intend to serve within the grant period.

For eligibility, does our organization need to be live on the Evergreen BizLink platform or just have an application submitted? There is no requirement to have a profile on Evergreen BizLink if you have never received grant funds from WSMA or if you are not funded. If you are funded you will have an opportunity to apply before grant funds are disbursed. If you have received grant funds from WSMA in the past and are not currently a Resource Partner on Evergreen BizLink or have not yet applied by Dec 1, 2023, you will not be eligible for funding in this grant cycle.

GENERAL QUESTIONS

Will today’s Information Session recording be shared? Yes and it will be posted on the WSMA YouTube Channel. In addition, frequently asked questions and answers (FAQs) will be posted to our website after the sessions once we review, clarify any questions we have and respond to all the questions/answers.

Are the sectors listed in 1.A. and 6. priority and will applications that focus on those areas be rated higher? The projects that focus on the sectors listed in those sections, including cross sector collaboration and innovation within and among the sectors, will be prioritized.

Is it likely that a grant could be funded for less than requested? It depends on the number of qualified applications and the amount requested. It’s important to ask for the amount that reflects your organizational capacity and reach to businesses and the completion of the work on or before June 16, 2024. If you ask for the maximum of $125,000 our reviewers will want to see how the support is reflected in the depth and reach of the services provided.

How much total funds do you have to award this round? We have $2M in funding available for this round of grants.

What was the 2022 pool and what was the average grant size? In 2022, WSMA distributed $2.3M in grant funds. Grants ranged in size from $7,500 to $70,000 with an average $33,800.
Does WSMA anticipate this to be an annual funding opportunity? It is our hope that this support from the state will continue, but we cannot guarantee annual funding. In the last legislative session, our current level of funding was approved by the state legislature for both this fiscal year and the next.

What is the start date of the project? Funding decisions will be made on or before December 31 and Scopes of Work will be negotiated with funded grantees and contracts signed thereafter.

Would networking events count under the training category, so we could help our startups attract new customers/meet new connections? If it is just networking events and those networking events are not tied to training, technical assistance, financing support or skill building then the networking events may not be as compelling or ranked high by the reviewers. If that networking event is about drawing more businesses into your network and engaging them into the training program or adding value through training technical assistance or financing then it may have greater value to the businesses and therefore be more compelling.

What are the reporting requirements once you receive the grant? All awarded grantees will submit a Final Report on or before June 16, 2024. A report template will be delivered to each funded organization and will request a short summary, key lessons, successes, challenges, business testimonials, and economic impact outcome data.

What is the source of WSMA funds, state or federal? These are state funds.

Can WSMA review our application in draft form and give feedback to enhance our application? No. However, WSMA staff are available to answer questions and to assist with the grant portal. It’s important to submit your proposal early so that there is plenty of time to answer your questions or to troubleshoot should there be difficulty in uploading your documents, submitting your application, etc.

We missed the WSMA Grant Information Session. Where can we go if I have additional questions? In line with WSMA’s commitment to conduct an equitable and accessible application process, technical assistance will be offered to support organizations with determining their eligibility and completing their application.

- Eligibility, programmatic, translation and project assistance will be provided between November 3 - December 1, 2023. Contact lisa@wamicrobiz.org
- Portal technical assistance will be available between November 3 - December 1, 2023. Contact cherie@wamicrobiz.org

Can you please define "Technical Assistance"? Technical assistance can take many forms. These services can be provided to a group or as one-on-one business coaching, specialized assistance in a particular industry, or business counseling in areas of business support like business planning, cash flow projections, marketing, operations, etc. and much more.

These funds can’t be used for loans, correct? Correct. Applicants may not use these dollars to lend, grant or provide any direct financial assistance to businesses or entrepreneurs. They can be used to help businesses apply for money from another source. From the Guidelines: “Grants approved under this contract may be used to pay project related expenses, including but not limited to rent and utilities, staff
wages (Note: Applicants can charge wages only. Payroll taxes, unemployment contributions, insurance, benefits, etc. shall be the sole responsibility of the grantee), technical assistance, training, outreach and education materials, translation and interpretive services that strengthen businesses and their likelihood of success. However, funds may not be used for equipment (tangible property including but not limited to copiers, vehicles, furniture, software and technology infrastructure). In addition, funds may not be delivered directly to businesses, entrepreneurs and/or employees. Further restrictions will be highlighted in the contract for services once grants are awarded.”

Can we use these funds to pay for individuals to start small businesses, like giving them seed funds or cash to apply for business licenses? No, your organization cannot provide funds in the form of cash payments, loans incentives directly to entrepreneurs or businesses. You can offer technical assistance to these businesses in support of accessing a business license, but not for the license itself.

Are we required to use WSMA designated trainers or can we contract out to others for technical assistance? You can contract with skilled internal or outside specialists and consultants. You must identify them, their role and the cost on the Fund Request Form.

Does the immigration status of our clients matter? Can we use this grant to support people who are currently immigrants and/or undocumented? Yes, it is our understanding that these funds can be used to provide business support services for immigrants and refugees.

Are award selections based on what we request or should we expect reduced offers? For example, we ask for $60K to serve ## with TA statewide, if not enough funding would potentially we be offered $30K and then modify our scope and ## to reflect that reduced funding? In past funding rounds we have fully funded some projects and partially funded others—depending on the strength of the proposal and availability of funds. If the grant award made to a project is less than the original proposal we expect to make adjustments in the proposed Scope of Work and anticipated results.

I have concerns about the Expected Outcomes. It requires a bit of crystal ball types of estimates, which is really unknown. Be as realistic as you can when you are setting your program goals based on your experience, past track record and outreach efforts. Put in a 0 if you are not providing that specific service with your project.

What will you require as part of reporting for programs we provide? We have confidential clients and cannot release names. You will need to track the types of programs you provide, who and how many people attend these programs or receive your technical assistance. After the project is over, you will describe the type of services you provided and general information about the businesses served (e.g., a compiled total of businesses assisted, number of employees, etc.). We will not ask for any names of participants or sign in sheets, we are mainly looking for the impact of the businesses assisted/trained.

What is the difference between training and technical assistance? Training is for an ongoing cohort (for example: 10 week, 3 hours/week program with curriculum, homework, etc.) while technical assistance is more individualized (one-on-one mentoring or individual/group coaching) or focused on specific consulting with a business or small group of businesses.

BUDGET AND REQUEST FORM QUESTIONS
Can we use the funds, stipends, seed money, incentives to entrepreneurs, employees or businesses? No. No funds can go directly to entrepreneurs, workers or businesses. WSMA funds can not be provided directly to any businesses. We recommend finding another revenue source if you want to provide stipends or incentives.

Can we use funds to pay contractors/consultants that are doing professional development sessions for businesses? Yes, but not as employee wages. You will need to include them on the Consultants line of the Fund Request Form (which should include the name, rate and activities of the contractor/consultant).

One thing I’m super excited about is hiring researcher/s consultant to help us - but I wonder what happens if we don’t have that vendor lined up in time for the application? Proposals that have well thought through plans for engaging with researchers, consultants, and other contractors for business services that they are describing in their grants with a description of the costs of these services, what services consultants, etc. will be delivering and the timeline for service delivery will be ranked higher than those are proposals that offer vague descriptions or those that don’t have the kinds of details that allow for reviewers to understand specifically what the nonprofit is proposing, who will be doing the work and how much it will cost.

Can RFP development costs (like a grant writer) be included in the budget request for this grant? No, as those costs are incurred before the grant start date.

Is staff time spent underwriting micro loans an eligible use of funds? Yes, because you are providing technical assistance and support in helping that business get access to financing.

Is WSMA offering translation services only for the application materials or are they also available for any program materials our organization might produce for research/outreach purposes? Yes, translation and interpretive services are an eligible grant expense and it is listed on the Fund Request Form as an eligible cost.

Is there a list of ineligible expenses? From Section 4 of the Guidelines: “However, funds may not be used for equipment (tangible property including but not limited to copiers, vehicles, furniture, software and technology infrastructure). In addition, funds may not be delivered directly to business, employees or entrepreneurs. Further restrictions will be highlighted in the contract for services once grants are awarded.” But if you have a question as you prepare your Fund Request form, please reach out.

No software expenses allowed I understand, how about our WAN or wide area network agency technology system? WANs usually consist of broadband internet services and multiprotocol label switching (MPLS), which is a form of data-forwarding technology used to control traffic flow and speed up connection, while wireless WANs normally include 4G/5G and Long-Term Evolution (LTE) networks. WANs can be connected together using the Internet, leased lines or satellite links. We believe that these expenses can be covered but grant funds can not be used for any of the equipment costs and can only be applied to the contract period and not past June 16, 2024.

Is a % of overhead costs (e.g. Exec Director, volunteer coordinator, etc that have a role in planning/running the project) legitimate expenses to include? Yes, a small percent of these expenses are eligible if they are specifically related to the project you are proposing and you can demonstrate impact
on the businesses you are serving. Be sure in the proposal to spell out the role(s) played in the project by those personnel.

For the upload of the organization budget, is that the most recent completed year or the current year? As these funds need to be expended by June 16, 2024, we need your current (which includes 2023) organizational budget. A P&L (Profit & Loss) statement is also required.

What can we charge to personnel in our Funding Request Form? From the Fund Request Form: “Applicants can charge wages only. All payments accrued on account of payroll taxes, unemployment contributions, any other taxes, insurance, benefits or expenses for its staff shall be the sole responsibility of the grantee.”

Does the work need to be accomplished by June 16, 2024 or paid by June 16, 2024? The work must be completed, all funds expended and your report submitted by June 16, 2024.

Can expenses include hiring a staff person? Yes, these grants can be used to help fund a staff person to do the work under this project, but all funding must be expended by June 16, 2024. Any WSMA funding received in this grant cycle can not be used for wages/salaries after June 16, 2024.

Would it be reasonable to help us learn the skills to give micro loans when we haven’t in the past and ask for micro loans? We specially serve artists and cultural workers – The decision to become a microlender (SBA microlender, USDA microlender, or microlender using private funds, etc.) is a significant one and takes time to establish the program, formalize the underwriting and lending services, obtain the funds to be effective, but it is doable. If you are interested in becoming a microlender, please reach out and connect with WSMA and we will help you develop a plan that works best for your organization. There are several micro lenders in Washington state where your organization can send the entrepreneurs for microloans. WSMA grant funds can be spent by your organization to help these entrepreneurs prepare for financing and a meeting with a lender.

Can you explain again how to upload the Funding Request Form? You can read how to do this in Sections 11 & 12 of the Program Guidelines and we will post a grant portal walk through video on the WSMA YouTube Channel.

The application requires an Organizational Profit & Loss (P&L) or Income Statement for the most recent 12-month period. What is this? This document is also known as a Statement of Activities, shows how much your organization has spent and earned over a 12-month period. The components of a non-profit Income Statement include revenue, expenses, gains, and losses.

PORTAL AND TECHNICAL QUESTIONS

Where can I log on to the WSMA grant portal? The portal link is on our website, but you can also access it directly here.

I know I can edit my application, but how do I access it in the portal once I’ve started? On your Dashboard, you will see “In Progress” under Applications. You should find your active application here. Click open to update your application. Do NOT open a new application under the “Funding Opportunities” as this will create a new duplicate application.
When I tried to find our organization on the portal (“New To The System?”), I did not find our organization by using our name or EIN number. Try to use only the EIN or the Name, not both when searching. Still not finding it? Try using one word of your organization’s name then sorting by state (use Washington). Sometimes older organization names show up. Still not finding it? Reach out to cherie@wamicrobiz.org.

What were the 6 items you said to have ready to upload our application to the WSMA Grant Portal? During the Portal Walkthrough we recommended 1.) Questions answered on a Word document so you can copy & paste, 2.) Completed Funding Request Form, 3.) Anticipated outcomes ready to copy & paste into the portal, 4.) Organization Budget for the most recent fiscal year, 5.) Organization P&L or Income Statement or Statement of Activities and 6.) Organization (or fiscal sponsor) IRS 501c3 Letter of Determination. If you use a Fiscal Sponsor, you will also need to upload a written agreement to the relationship.

If we submit our proposal before the deadline of December 1, 2023, can we go back into the portal and make changes? Unfortunately, once an applicant submits their application, you can NOT make changes. However, If you accidentally submit before completion of the application, please contact cherie@wamicrobiz.org ASAP.