



WSMA Grant Opportunity: *Spring 2024 Urban Grants*

FREQUENTLY ASKED QUESTIONS

Update: March 12, 2024

What do you mean by gig economy? *This labor market is generally composed of people with a side hustle or those who provide freelance work to generate income on their own schedule. The gig economy is activity where people earn income providing on-demand work, services or goods. Often, it's through a digital platform like an app or website like UberEats and Lyft.*

According to the IRS, gig work is certain activity you do to earn income, often through an app or website (digital platform), such as:

- *Drive a car for booked rides or deliveries*
- *Nanny services*
- *Rent out property or equipment*
- *Run errands or complete tasks*
- *Sell goods online*
- *Provide creative or professional services through one-time contract*
- *Provide other temporary, on-demand or freelance work*
- *Note: This list does not include all types of gig work.*

What are Digital Platforms? *Digital platforms are businesses that match workers' services or goods with customers via apps or websites. This includes businesses that provide access to:*

- *Ridesharing services*
- *Delivery services*
- *Crafts and handmade item marketplaces*
- *On-demand labor and repair services*
- *Property and space rentals*
- *Note: This list does not include all types of digital platforms.*

Is this grant for nonprofits who hire gig workers/entrepreneurs? *No, this grant is for nonprofits that provide business technical assistance, training or access to financing for gig workers. If a nonprofit provides a service that supports the business needs of gig workers whom they hire on a regular basis, that program would be considered an eligible activity. For example: A nonprofit that has been hiring a number of gig workers and has developed strategies and tools that enabled them to manage their business finances, their taxes, or bidding for contracts. Nonprofits could also apply for funding to strengthen their existing services or adapt them in ways that will better support these gig workers.*

How many gig entrepreneurs would our organization need to reach to be successful on this grant?

What would be a good indication of a number of gig workers/entrepreneurs? *The number of gig workers reached would depend on the project size and the organizational capacity to accomplish the goals of the grant within the grant period. If your organization requests \$20,000, we would expect comprehensive services to be provided to more gig workers than a \$10,000 request. In addition, the costs for services involved would be different whether there is in person or virtual support and the type of services being provided, including assisting businesses with taxes, formalizing business systems or training on cash flow projections, etc.*

Can you define gig workers/entrepreneurs in terms of their income? *The income level of the gig worker is less important than the percent of income that worker/business receives from their contract work. If your non-profit organization is providing services to gig workers/businesses who derive at least 25-40% of their income from gig ventures, then serving these entrepreneurs would be an eligible activity.*

What is the difference between an employee and a gig worker/entrepreneur? *If a person is getting paid by a company (wages, benefits, taxes) and receives a W-2, they would be considered an employee. Gig workers often get hired to do a job/project, but the entity paying them does not pay their taxes, just the contracted amount. An independent contractor is responsible for their own taxes and withholding. Here is a link to the WA [L&I portal about Independent Contractors](#) and a link to the [IRS summary](#) for further information.*

Would those in the beauty industry (esthetician, stylist, barber, etc.) be gig workers/entrepreneurs?

Yes, there are gig workers in practically every industry, including this industry. The important consideration is their relationship to the company or entity paying them. If they are being hired by a company as a stylist that pays their wages, taxes and/or offers benefits, then they would not be classified as a gig worker, but rather an employee. If a person is renting a station (booth), receives payment from their own customers, they are doing their own marketing, receiving no compensation from the salon (including a commission for sales of hair products) and they are responsible for paying their own taxes, then they would more likely be considered an independent contractor.

What is the difference between microbusiness owners and gig workers? *A microenterprise (a business owner with 5 or fewer employees) is often more established and is paying their own business taxes. If the entrepreneur has employees, they are paying FICA and withholding and reporting wages to Washington State Employment Security, Labor & Industries, etc. A gig worker often has a less complex business, has not formalized their business, does short on-demand contract work with a large platform (like UberEats), has less leverage to negotiate their fee, and pays their taxes.*

What kinds of activities can the grant funds be used for? *Some examples include short term business training (for example tax requirements and training for gig workers), resources on protections for gig workers, workshop template(s) for gig workers. Examples include but are not limited to preparing for taxes and legal requirements, shifting mindsets or improving existing business services or toolkits for supporting gig workers.*

If you have ongoing initiatives to support gig workers/entrepreneurs, can you still apply for this grant? Or does this need to be a new initiative from the time the contract is signed? *This grant round is for organizations that have existing programs serving gig workers/entrepreneurs. This funding can support the expansion or tailored feature of an existing program. It will depend on what your organization's capacity in terms of skills, resources and connections right now and what your organization can accomplish during the grant period.*

Can we use the funds, stipends, incentives to gig workers/entrepreneurs? *No funds can go directly to gig workers or gig 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. On occasion, light refreshments can be paid for with the funds at your event or workshops for the participants.*

Can we use funds to pay contractors that are doing professional business development sessions for gig workers/entrepreneurs? *Yes.*

Could you give more information on your goals for this grant? *Supporting gig workers/entrepreneurs in formalizing their business systems is an example of a goal for this grant. Please refer to Section 1. A of the Grant Guidelines for more information about the goals of this grant. Additionally, we want to increase the number, quality and access to the tools and resources available to partners in our network that serve entrepreneurs and the gig economy.*

Because the funding period is so short, can our proposed project be a section (a single module) of a larger, longer (year-long) program? *Yes, if your organization currently provides dedicated business support to gig workers, you can expand, augment, or specialize in a specific aspect of business training.*

Can we start a loan fund to help gig workers to formally start their business (e.g. help to pay for licensing, registering with the secretary of state and purchase business insurance, etc.)? *Establishing a loan fund is not permitted for this grant period. 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.*

Can you define or give examples of “Businesses Started,” “Job Created,” “Jobs Saved” and “Business Expanded?” *When a new business is established formally, it is considered as a “Business Started” and “Job Created” since it also created a job for that sole proprietor. “Job Created” is also considered when an existing self-employed person hires employees. “Business Expanded” is an outcome from the support of your organization such as increasing businesses with their sales, moving to a larger location or getting a larger contract. “Jobs Saved” means the business was able to keep their employees on payroll with the help of your support services.*

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, and LLCs are NOT eligible. Unfortunately, academic institutions are also not eligible for funding at this time.*

Could an Economic Development Council (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? *Yes, only if the Chamber is a non-profit (501c3 or 501c6) and provides business training, technical assistance and/or access to financing for gig workers/entrepreneurs.*

Are you able to fund a nonprofit arm of a university (Ex: A foundation) 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 registered nonprofit in Washington state or 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 your 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. Nonprofits can seek to consult with or hire a business in order to accomplish the goals of their grant such as providing technical assistance to businesses, training other business services, and outreaching to small businesses. The details of consultation should be included in the application.*

Is this only for existing technical assistance providers? *Yes, nonprofits or technical assistance providers with specific, dedicated resources, tools, and services that support gig workers are encouraged to apply. Please make sure you have realistic goals and objectives based on your expertise/connections to reach the gig entrepreneurs 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. 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 **March 27, 2024**, you*

will not be eligible for funding in this grant cycle. If you are awarded, you will have an opportunity to apply before grant funds are disbursed.

GENERAL QUESTIONS

Will Information Session recording be shared? *Yes, it is posted on the [WSMA YouTube Channel](#). In addition, Frequently Asked Questions (FAQs) and answers are posted to [our website](#).*

Are the sectors listed in Section 6 a priority and will applications that focus on those areas be rated higher? *The projects that focus on the sectors listed, including cross sector collaboration and innovation within and among the sectors, are encouraged.*

How much total funds do you have to award this round? *We have \$80,000 in funding available for this round of grants.*

Does WSMA anticipate this to be an annual funding opportunity? *It is our hope that this support from the state will continue, but we can not 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 April 19, 2024 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 gig workers/entrepreneurs attract new customers/meet new connections? *If the networking events are not tied to training, technical assistance, financing support or skill building, they may not be as compelling or rank high by the reviewers. However, if the networking event draws more gig workers into your network and engages them into the training program (or adds value through training technical assistance or financing), it may be more compelling to the reviewers.*

What are the reporting requirements once an organization receives a grant? *All awarded grantees will submit a final report on or before June 21, 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? *WSMA is funded by Washington state.*

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. Please sign up to [schedule an appointment with the Grant & Project Specialist](#). It is important to submit your proposal early for questions and troubleshooting in case of any 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 in completing their application. Eligibility, programmatic, translation and project assistance will be provided between*

March 7 to March 27, 2024. Contact jena@wamicrobiz.org or schedule an appointment [here](#) for one-on-one technical assistance.

Can you please define "Technical Assistance"? *Technical assistance can take many forms and be provided to a group or as one-on-one. These services can include business coaching or specialized assistance for business planning, cash flow projections, marketing, operations, tax preparation, and etc.*

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 can not provide funds in the form of cash payments, loans, or 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.*

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 \$20,000 to serve #s with TA statewide. For this funding opportunity, the approved applicants will receive either \$20,000 or \$10,000.

I have concerns about the Expected Outcomes. It requires a bit of crystal ball types of estimates, which is really unknown. *These are just estimates. 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 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 gig workers/entrepreneurs? *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 gig workers/entrepreneurs? *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 with detailed plans for engaging with researchers, consultants, and other contractors by providing description of the costs of these services, type of services, and the timeline for service delivery will be ranked higher.*

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 funds in the grant proposal program materials our organization might produce for research/outreach purposes? *Yes, translation and interpretive services are an eligible grant expense and can be listed on the Fund Request Form.*

Is there a list of ineligible expenses? *According to the 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 21, 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 21, 2024, we need your current (which includes 2024) organizational budget. A P&L (2024 Profit & Loss) statement is also required.

What can we charge to personnel in our Funding Request Form? According to 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 21, 2024 or paid by June 21, 2024? The work must be completed, all funds expended and your report submitted by June 21, 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 21, 2024. Any WSMA funding received in this grant cycle can not be used for wages/salaries after June 21, 2024.

Can you explain again how to upload the Funding Request Form? You can read how to do this in Sections 10 & 11 of the Program Guidelines and watch the grant portal walkthrough 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 jena@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.) Expected 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 March 27, 2024, 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 jena@wamicrobiz.org as soon as possible.*