FREQUENTLY ASKED QUESTIONS

Update: March 20, 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.

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 gig workers or gig businesses, and microenterprises with 5 or fewer employees, as a primary client group, then your organization would be eligible.

What if our organization doesn't have its federal 501(c)3 designation yet? It is optimal that your organization be a WA registered nonprofit and working towards becoming a 501(c)3. If your nonprofit is in formation, 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 should 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 to assist them with accomplishing the goals...
of their grant to provide business technical assistance, training other business services for gig 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 gig workers/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 gig businesses you intend to serve within the grant period.

**We are in a rural community, are we eligible?** No, this grant cycle is only for providers serving businesses in Urban communities only. If your service area covers both urban and rural areas this funding is only for those efforts specifically directed at and utilized by clients from urban areas. These communities include businesses in incorporated communities within / immediately adjacent to the metropolitan core of the following urban counties or in these urban counties and having a population of more than 20,000 people: Benton, Clark, King, Kitsap, Pierce, Snohomish, Spokane, Thurston, and Whatcom.

**GENERAL QUESTIONS**

**Will today’s Information Session recording be shared?** No. 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.

**What do you mean by gig economy?** In the Grant Guidelines, it says 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 drivers.

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

- Drive a car for booked rides or deliveries
- Rent out property or part of it
- Run errands or complete tasks
- Sell goods online
- Rent equipment
- Provide creative or professional services
- 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

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Washington State Microenterprise Association
PO Box 1914, Olympia, WA 98507
360.480.8048    www.wamicrobiz.org
Property and space rentals
Note: This list does not include all types of digital platforms.

Is this grant for nonprofits who hire gig workers? No, this grant is for nonprofits that provide business technical assistance, training or access to financing to gig workers. If a non-profit organization that currently hires gig workers on a regular basis for their programming wants to explore better ways of supporting gig worker’s business needs, that would be an eligible activity.

What would be a good indication of a number of gig workers? The number of businesses reached would depend on the project and the organizational capacity to accomplish the goals of the grant within the grant period. If your organization requests $20,000, we would expect deeper services to be provided and more gig workers than a $5,000 request. In addition, the costs for services involved would be different whether conducting a simple email survey or assisting businesses with taxes, formalizing business systems or training on cash flow projections.

Can you define gig workers 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 worker/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 an Independent Contractor/Gig Worker? If a person is getting paid by a company (wages, benefits, taxes), they would be considered an employee. Gig workers/independent contractors often get hired to do a job/project, but the entity paying them does not pay their taxes, just the contracted amount. The 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 (contractors, stylists, barbers) be gig workers/independent contractors? This depends on 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 entrepreneurs (microbusiness owners) and gig workers? A microenterprise (a business owner with 5 or fewer employees) 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, does short on-demand contract work with a large platform (like Uber) or small company and has less leverage to negotiate their fee. No part of what they are being paid by the large platform is covering their tax responsibility.

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 gig workers and the completion of the work on or before June 20,
2023. If you ask for the maximum of $20,000 our reviewers will want to see how the support is reflected in the depth and reach of the services provided.

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.

If you have ongoing initiatives to support gig workers, can you still apply for this grant? Or does this need to be a new initiative from the time the contract is signed? This can be new or ongoing and depends on what your organization has in terms of skills, resources and connections right now and what your organization can accomplish during the grant period. If this is a new innovative project, and you’ve worked with gig workers before, it is eligible. But if you don’t currently have experience working with gig workers, it will likely be difficult to commence a new and successful project in such a short time period.

One of our target populations are folks with substance abuse, mental health issues and we are currently doing a skills based cohort to support them and help them start a business. Can we use funds to enroll more people into our current cohort? Possibly, on a case by case basis. Contact Lisa Smith lisa@wamicrobiz.org for specific questions. Your work serving people who are self-employed and are in recovery from substance abuse or are facing mental health issues is vital. We would need to ensure that the services you are currently providing are different from those services to gig workers you intend to focus on. These funds and services need to be separately identified and accounted for.

How do I write a compelling application? Answer the questions as simply and clearly as you can. Grant Writing Resources can be found on the Nonprofit Association of Washington website.

What is the start date of the project? Project activities (start date) can begin on the date of contract signing for those grantees who are funded. Funding decisions will be made by April 12 and contracts will be negotiated with funded grantees and signed thereafter.

What are the reporting requirements once you receive the grant? All awarded grantees will submit a Final Report on or before June 20, 2023. A report template will be delivered to each funded organization and will request a short summary, key lessons, successes, challenges, business testimonials, and outcome data.

What is the source of WSMA funds, state or federal ARPA? 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 in completing their application.

- Eligibility, programmatic and project assistance will be provided between March 9 and March 24. Contact lisa@wamicrobiz.org
Portal technical assistance will be available between March 14 and March 24. 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 gig workers/businesses. They can be used to help businesses apply for money from another source. From the Guidelines: “Please Note: Technical assistance, business counseling, outreach, and/or loan processing costs, etc. in support of those organizations that provide financing can be covered. However, the loan amount itself and/or any fees associated with it that are normally paid by the borrower cannot be covered; this funding prohibition applies as well to any type of other lending or financial instrument.”

Can we use these funds to pay for individuals to start small businesses, like giving them funds to apply for business licenses? No, your organization can not provide funds in the form of cash payments, loans incentives directly to gig workers or gig 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 outside specialists and consultants but identify them, their role and the cost on the Fund Request Form, if possible.

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 gig business 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 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 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 gig 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, incentives to gig workers or gig businesses? No. 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.

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

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 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.

What kinds of activities can the grant funds be used for? Some examples include doing a survey, focus groups, reaching out to learn gig worker pain points, short term business training (for example tax requirements and training for gig workers), or research (who gig businesses hire and why). We hope to learn how to better serve gig workers.

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 businesses or gig workers. 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.

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 20, 2023, we need your current (which includes 2023) organizational budget. A P&L would also be helpful.

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 20, 2023 or paid by June 20, 2023? The work must be completed, all funds expended and your report submitted by June 20, 2023.
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 20, 2023. Any WSMA funding received in this grant cycle cannot be used for wages/salaries after June 20, 2023.

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 have posted a grant portal walk through video on the WSMA YouTube Channel.

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.

If we submit our proposal before the deadline of March 24, 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.