



CALIFORNIA MICROBUSINESS COVID-19 RELIEF GRANT PROGRAM
GRANTMAKING ENTITY
REQUEST FOR PROPOSALS - ROUND 1
Q & A

Updated as of 11/1/2021*

Application timeline and funding

1. **What happens to the funding if a county does not apply in the first round?**
 - a. If a county does not apply in the first round, the county may apply again in the second round. In addition, the second round will be open to consortiums of nonprofits to apply.
2. **How quickly will round 2 open and close?**
 - a. Round 2 dates have not yet been set.
3. **Will the same funding amount still remain allocated to the original county and be offered to another partner who will deploy the capital to the county based on the same criteria?**
 - a. If a county does not apply in Round 1, the funding for the county will roll into Round 2. In Round 2, the County may apply if they have not applied in Round 1. In Round 2, nonprofits may also apply to be grantmaking entities.

Application documentation and partnerships

4. **With the quick turnaround times, is it mandatory that the intent to apply be approved by the Board of Supervisors or could it be done by the CEO or by a resolution?**
 - a. Approval from the County Chief Executive Officer or resolution is acceptable. Please be sure to include a document on letterhead stating that the approval has been granted by the designated party for the county to approve this application.
5. **Does it have to be the County Government staff to administer the program or can we work with a qualified non-profit for program administration? For example, can the county designate another affiliate entity (local non-profit, partner agency, JPA, etc.) to receive (and/or) administer the funds on its behalf? Or must only the County receive and administer the funds?**
 - a. For Round 1, only the County governments are eligible to apply to become a grantmaking entity and fiscal agent. However, a County can designate another organization as a sub-grantee, which can include a administering funds to small businesses. The relationship, roles, and responsibilities between the County and sub-grantee(s) must be described in detail and clearly defined in the proposal and should be reflected in the fully executed partnership agreements that are submitted with the proposal. Please note that the County would still be responsible for oversight and reporting to the State.
6. **What is the Fiscal Agent?**



- a. "Fiscal agent" means the eligible grantmaking entity or a designated representative of the eligible grantmaking entity selected by the office from among eligible grantmaking entities to administer the California Microbusiness COVID-19 Relief Program funds in a county. The fiscal agent is the entity that administers the California Microbusiness Covid-19 Relief Program for the county and enters into a grantmaking agreement with the State. Per statute, CalOSBA will allocate funding to one fiscal agent per county as a per capita percentage of available funding. Within the context of Round 1, the fiscal agent would be a county government.
- 7. Do we need to provide a Fiscal Agent Agreement? What should it include?**
- a. If the county is the applicant and intends to administer the funds directly the fiscal agent agreement is not required. A fiscal agent agreement is needed in the case of a subcontract between the county and a third-party nonprofit to administer the funds. It will also be required in Round 2 for consortiums of nonprofits. A Fiscal Agent agreement means a fully executed active agreement (i.e., MOU, professional services agreement, contract, etc.) verifying the partnership with the nonprofit to administer the California Microbusiness COVID-19 Relief Grant funds to eligible microbusinesses. A letter of support is not an acceptable form of an agreement. Additionally, provide the following information (2 page maximum):
 - i. Subcontractor's legal name and address (subcontractor must be located in California)
 - ii. Narrative explanation justifying the decision to subcontract the role of fiscal agent
 - iii. Description of the relationship, roles, and responsibilities between the County and subcontractor
 - iv. Subcontractor's previous experience in administering grants or similar programs to micro and small businesses
- 8. Can you provide more detail and examples regarding contracts meeting the requirement for "verifying partnership with microbusiness technical assistance organizations, nonprofits, trusted community partners, and community-based organizations that are key to reaching underserved microbusinesses"?**
- a. We are looking for a minimum of four fully-executed active agreements (i.e., MOU, professional services agreement, contract, etc.) verifying partnership with microbusiness technical assistance organizations, nonprofits, trusted community partners, and community-based organizations that are key to conducting outreach and marketing to reach underserved microbusinesses.
- 9. Please clarify if 'Partnership Contracts/Agreements' may include the local SBDC, Chamber of Commerce, (501C6) City government or Women's Business Center.**
- a. Yes, the partnership agreements may include organizations like a local SBDC, Chamber of Commerce, City government, or Women's Business Center. We encourage such collaborations. We are looking for a minimum of four fully-executed active agreements



verifying partnership with microbusiness technical assistance organizations, nonprofits, trusted community partners, and community-based organizations that are key to reaching underserved microbusinesses. Please be sure to detail the roles and responsibilities of these partnerships in your organizational chart and strategic partnership plan.

10. Our County may choose to partner with a nonprofit small business development center to administer these microbusiness grants. In this case, would contracts that entity maintains with other nonprofits/partners, etc., qualify to “verify partnerships”?

- a. Yes, those contracts qualify and they should be outlined in the marketing and outreach proposal and submitted as executed contracts to support the proposal.

11. For the Partnership Contracts/Agreements, is a formal contract needed or would a letter of support be sufficient?

- a. We are requesting a fully executed agreement, (MOU, professional services agreement, contract, etc) to demonstrate partnership commitment. This document does not have to be complex or long but should detail the roles and responsibilities of each party and the dollar amount involved. It is a strong preference that a signed agreement, MOU, professional services agreement, contract, or similar document be in place rather than a letter of commitment or support at the time of application. However, if a signed agreement cannot be executed, we would request that you include the documentation you have and information on the extenuating circumstances preventing it from being executed and a timeline for when it will be completed. Please note that in the case of counties that wish to subcontract the administration of funds, a fully executed agreement, MOU or contract is required and a letter of commitment or support is not sufficient.

12. Please clarify if the 20% or \$300K ‘costs to administer’ may be provided to the Partnership organizations for their efforts to support marketing, outreach and technical assistance of the grants that they perform as part of the Partnership Contract.

- a. Yes, administrative tasks such as marketing, outreach, and technical assistance can be conducted by partner organizations using the administrative funding allocation. Per the RFP (page 13), administrative costs to implement Program may not exceed a maximum of 20% or \$300,000. Administrative costs may include personnel salaries, benefits & recruitment call center expenses program related technology, tools, supplies, and materials (i.e., website development and hosting, banking software, etc.), marketing, legal, and outreach services.

13. Do all contracts need to be in place or will a detailed letter of commitment, MOU or letter of support from the partner suffice? Do you have a sample or template you would like us to follow for the Partnership Agreements?

- a. Contracts do not have to be complex or long, however they do need to detail the roles and responsibilities of each party and the dollar amount involved. It is a strong preference that contracts be in place rather than a letter of commitment at the time of



application. However, if a contract cannot be executed, we would request that you include information on the extenuating circumstances preventing it from being executed and a timeline for when it will be completed.

Setting up the grantmaking entity

14. To make sure we do not give grants to microbusiness owners who received a grant under the California Small Business COVID-19 Relief Grant Program, will you provide a list of those grant recipients to us so we can determine eligibility for the MBCRG Program?

- a. Yes, you can find a list of businesses that have received the SBCRG grant at <https://business.ca.gov/about/publications/>. Please note that data is updated frequently, so continue to check back.

15. What microbusinesses are qualified for this program?

- a. “Qualified microbusiness owner” means an individual that meets and self-certifies, under penalty of perjury, all of the following criteria:
 - i. The microbusiness owner is the majority-owner and manager of the qualified microbusiness.
 - ii. The microbusiness owner’s primary means of income in the 2019 taxable year was the qualified microbusiness.
 - iii. The microbusiness owner did not receive a grant under the California Small Business COVID-19 Relief Grant Program.
 - iv. The microbusiness owner can demonstrate their eligibility as a “qualified microbusiness owner” by providing the fiscal agent with a government issued photo identification (state, domestic, or foreign), and documentation that includes the owner’s name and may include, but *is not limited to*, the following:
 1. A local business permit or license.
 2. A bank statement.
 3. A tax return.

16. Does CalOSBA determine the payment process for grant funds awarded to microbusinesses, or do we determine that process? Do payments of grant funds to microbusinesses have to be done on a reimbursement basis? If so, do you provide proof of payment guidelines or is it up to us to determine those guidelines? If it is not on a reimbursement basis, do you provide guidelines for verification/certification of how recipients spend the funds, or do we determine that process?

- a. The grantmaking entity will determine awards to microbusinesses. Grants will be in the amount of \$2,500 up front to microbusinesses. The grantmaking entity will need to develop guidelines around proof of payment and verification and certification to determine eligibility. Please see RFP page 13 for guidelines as well as ARTICLE 9. California Microbusiness COVID-19 Relief Grant Program [12100.90 - 12100.95]

17. Page 7, r.2: Many sidewalk vendors hold employment and/or file joint tax returns with a spouse, what is the expectation that the County verify or is self-certification sufficient?



- a. Per statute, (4) The microbusiness owner can demonstrate their eligibility as a “qualified microbusiness owner” by providing the fiscal agent with a government issued photo identification (state, domestic, or foreign), and documentation that includes the owner’s name and may include, but is not limited to, the following:
 - i. A local business permit or license.
 - ii. A bank statement.
 - iii. A tax return.
 - iv. Other examples of documentation may include: a trade account

In addition, the grantmaking entity will need to implement a self-certification for each microbusiness owner who is a recipient of a grant to self-certify that grant funds will be used for eligible uses:

- v. The purchase of new certified equipment including, but not limited to, a cart.
- vi. Investment in working capital.
- vii. Application for, or renewal of, a local permit including, but not limited to, a permit to operate as a sidewalk vendor.
- viii. Payment of business debt accrued due to the COVID-19 pandemic.
- ix. Costs resulting from the COVID-19 pandemic and related health and safety restrictions, or business interruptions or closures incurred as a result of the COVID-19 pandemic, as defined in subdivision (l) of Section 12100.83.

18. Page 7, r4: Is a Matricula Consular acceptable form of identification?

- a. Yes, an official documentation from a foreign government is an acceptable form of identification.

19. When determining the number of mini-grants from the remaining balance of funding after the admin share has been taken out, it is not a whole number. Do we need to round it up or can we round it down?

- a. Please round down to ensure that the budget is not overspent.

20. Will there be standardized forms for the microbusiness owners to fill out for self-certifying?

- a. It is up to the county as to how they want to how they want to manage microbusiness self-certification.

*Please note that questions may be added to this document on a rolling basis, please check back for updates.