

Commonwealth of Massachusetts - Executive Office of Housing and Economic Development

Social Enterprise Capital Grant Program

FREQUENTLY ASKED QUESTIONS (FAQ)

As of: April 3, 2022

Reminders

Due Date: **Wednesday April 20, 2022 by 5pm**

Submission: A completed application must be submitted via Submittable. Attachments can be included within the form.

Definition Questions

Q: How is “social enterprise” defined?

A: For the purposes of this program, an employment social enterprise is defined as a discrete or embedded business venture operated by a mission-driven nonprofit organization with programming focused on employing and assisting people who face barriers to employment.

Q: What does EOHED consider to be “equipment” purchases?

A: Generally, capital equipment is defined as an article of nonexpendable, tangible property with a useful life of more than one year, and an acquisition cost of \$5,000 or more per unit. Additionally, for the purposes of this program, it is a depreciable asset that is to be used for the productive operations of the social enterprise.

Q: Are trucks, vans and other vehicles considered equipment?

A: Yes. However, as noted above, the asset must be for the direct productive operations of the social enterprise (and not for general administration purposes such as transporting participants to/from the program).

Eligibility Questions

Q: Is my organization eligible to apply?

A: Eligible applicant organizations must meet all the criteria set forth in the RFP. These requirements are cumulative. See the excerpt from the RFP below.

To be considered for funding, the applicant organization must meet all the following requirements:

- be a Massachusetts non-profit corporation in good standing, and
- successfully operating an employment social enterprise for at least 12 continuous months prior to the time of application, and
- offering paid employment opportunities to low-income individuals, with priority to socially and economically disadvantaged populations who experience complex needs and barriers to employment that require intensive interventions, and
- paying participants in the social enterprise no less than the Massachusetts minimum hourly wage for their employment, and
- be the current or imminent owner of the real estate, if requesting funds to repair, rehabilitate, and/or renovate a social enterprise facility.

Applicant will also be required to affirm and demonstrate that it currently provides the following services to social enterprise participants, and plans to provide them to future participants:

- Outreach to targeted populations.
- On-the-job training and skill development, including worksite supervision and performance coaching.
- Comprehensive supportive services for at least 1 year (including, but not limited to, case management, aimed at helping to overcome barriers to employment).
- Assistance to obtain external employment.
- Job retention services, which include follow up with beneficiaries for at least 1 year and employers to support job retention and advancement.

Q: Is this grant only for existing social enterprises?

A: Yes, this grant program is only for social enterprises that have been in continuous operation for at least 12 months leading up to March 23, 2022.

Q: Is there a limit to what types of social enterprises may apply?

A: No, any employment social enterprise that meets the eligibility criteria and services outlined in the RFP may apply.

Q: Does the applicant organization need to be the one operating the social enterprise?

A: Yes. The applicant organization must be both the employer of social enterprise participants and the intended recipient of the grant funds.

Q: My organization is not a non-profit. Are we eligible for grant funds?

A: No. In order to be eligible for this program, the applicant organization must be a nonprofit.

Q: Are business incubators eligible for this grant program?

A: No, business incubators are not eligible.

Q: Can my organization apply on behalf of another organization, as a fiscal sponsor?

A: No. The applicant must be the direct operator of the social enterprise and demonstrate direct administrative and budget capacity to manage the grant.

Q: What are the grant program's wage requirements?

A: In order to be eligible for the program, the organization must pay social enterprise participants at least the Massachusetts minimum wage and provide verifying information about entry level participant wages. Beyond these requirements, there are no further grant program stipulations about wages beyond what your organization, city/town, or other governance may require.

Q: My organization has a certificate that permits us to pay subminimum wage. Can we still apply?

A: Simply possessing a certificate does not prevent your organization from applying per se, but all employees in the social enterprise must be paid at least Massachusetts minimum wage (not subminimum wage) for your organization to be eligible.

Applications

Q: Is there a word or character limit on application responses?

A: Yes, each question has its own character limit, usually between 250-500 words. If you log in to the application, you will see each in the bottom right-hand corner of the question response box.

Q: Are matching funds required?

A: Match funds are not required. However, proposals that include funding support from other non-state sources (local/federal government, philanthropy, private donors, etc.) will get priority consideration.

Q: Should I submit letters of support with my application?

A: Letters of support are not required, as they are not scored and are not part of the formal application evaluation process. However, applicants may opt to submit letters through the "optional attachments" upload button on Submittable.

Q: Does this program fund housing development?

A: This grant program is not intended for housing development. An exception to this may be the construction or repair/renovation of housing by social enterprise programs who employ people for the purpose of teaching skills in the construction trades. However, generally, applications for housing development are not considered competitive.

Q: Are design plans and quotes expected with the application submission?

A: No, EOHED is not requesting these documents. EOHED expects that applicants will highlight what has been done to prepare – such as designs, permitting, and so on – for the work they are requesting grant funds to undertake.

Q: Is this like Urban Agenda where we can only submit one application per community?

A: No, it is not. There can be multiple applications and awards from the same city/town or neighborhood.

Use of Funds

Q: Can grant funds be used for buildings that the organization leases, but does not own?

A: Yes, but organizations who lease their spaces will be most competitive in the equipment purchase category. Renovation/repair costs for buildings that are not owned by the organization will not be as competitive as applications from organizations that own the building, but strength of application and length of lease will be important factors in the review process.

Q: Can organizations use grant funds on more than one building?

A: Generally, if seeking grant funds for more than one building, the organization should make a separate grant application for each building/location.

Q: My organization operates several sites across MA. If we applied for an equipment grant for a single site, would we be able to share that equipment across other sites in nearby communities?

A: Yes. However, your application should specify the other site(s) where the equipment will be utilized, how this will serve the social enterprise's operations, and the impact of the grant funds across sites.

Q: Can the grant funding be used as a down payment for property acquisition? Or does it need to cover the entire property amount?

A: Organizations may apply for a grant to fund a down payment for a property. In that situation, EOHED would expect the applicant to demonstrate the ability to pay the other purchase costs by utilizing other funds. Applicants may alternatively apply for grant funds to cover the entire purchase price, assuming this does not exceed the grant maximum.

Q: Our organization's social enterprise only utilizes 50% of the building we own. Should we submit the proposal based on the entire cost to repair/renovate the building, or should we submit based on the cost associated with the social enterprise space?

A: The application should be based only on the space devoted to the social enterprise.

Social Enterprise Participants/Employees

Q: Do social enterprise participants need to be full-time employees?

A: Social enterprise participants may be either full or part-time employees (or a mix of both). However, they must be employees and cannot be independent contractors.

General

Q: Will this program make partial grant awards?

A: At its discretion, EOHED may make partial awards if needed, depending on the number and strength of the applications received.

Q: Does EOHED anticipate this program will be available next year as well?

A: EOHED is distributing these funds based on the FY23 allocation in the capital budget. The availability of funds in any future years is subject to annual appropriations.