



City of San Diego
City Planning and Community Investment Department
Office of Small Business

FY 2008
CITY WIDE SMALL BUSINESS
ENHANCEMENT PROGRAM GRANT
GUIDELINES & APPLICATION

MUST BE RECEIVED AT CITY BY 5 P.M.

Monday, August 27, 2007

Deliver to:

THE CITY OF SAN DIEGO
OFFICE OF SMALL BUSINESS
1200 Third Avenue, Suite 1400, MS-56D
SAN DIEGO, CA 92101

For further information call 619-236-6700

THE APPLICATION PLUS THE REQUIRED ATTACHMENTS
MUST BE COMPLETE AT THE TIME OF SUBMISSION.
NEW OR REVISED APPLICATION INFORMATION
WILL NOT BE ACCEPTED AFTER THE DEADLINE.

LATE APPLICATIONS WILL NOT BE ACCEPTED.
THERE WILL BE NO EXCEPTIONS.

SMALL BUSINESS ENHANCEMENT PROGRAM GRANTS

Purpose

This grant program's particular focus is to expand economic opportunities by supporting efforts by not-for-profit service providers that provide specialized technical assistance or other eligible services to small businesses citywide with the purpose of creating, growing, and retaining small businesses in San Diego. It is expected that SBEP funds will be leveraged by recipients with other resources to enhance the level of services for small businesses. Grants are awarded by the Mayor's Small Business Advisory Board as required by City Council Policy 900-15.

Small Business Advisory Board

Richard G. Sims (Chair)

Auday Arabo

Faith Bautista

Kurt Chilcott

Scott C. Cummins

Ruben R. Garcia, Ph.D

Warren J. Simon

Spencer C. Skeen

Chi K. Tran

City Planning & Community Investment Department

William Anderson

Economic Development Division Staff

Scott Kessler

Meredith Dibden Brown

Steve Bal

GUIDELINES

FUNDING ELIGIBILITY

Applying organizations must meet the following eligibility requirements derived in part from Council Policy 900-15.

Not-for-profit status:

Organizations must be able to demonstrate proof of not-for-profit tax-exempt status by the application deadline date.

California Corporation or Organization:

Organizations must be a legal entity registered with the State of California and headquartered in the County of San Diego.

Location:

The activities to be funded must take place within the San Diego city limits.

Exclusions:

Organizations whose services are oriented to a particular geographic area within the City of San Diego are not eligible to apply. Ineligible organizations include but are not limited to: area-based community development corporations and sub-regional chambers of commerce.

Organizations requesting Citywide SBEP funding may submit only one application under these guidelines.

Organizations requesting Citywide SBEP funding may not apply for nor receive funding from the Business Improvement District Council SBEP funds.

Fiscal sponsors may not apply on behalf of an ineligible applicant.

FUNDING POLICIES & REQUIREMENTS

If funds are awarded to an organization then it shall comply with each of the following requirements.

Council Policy 100-04:

Each person or organization awarded a contract for use of grant funds under this program (“Contractor”), by the City of San Diego acknowledges and agrees that it is aware of and will comply with Council Policy 100-04, adopted by Resolution No. 282153 relating to the Federally-mandated Americans with Disabilities Act (ADA). Contractors and subcontractors will be individually responsible for their own ADA program.

Equal Opportunity:

Contractors must comply with Title VII of the Civil Rights Act of 1964, as amended; the California Fair Employment Practices Act; and any other applicable federal and state laws and regulations hereinafter enacted, as well those requirements addressed by the City of San Diego's Equal Opportunity Program, recorded with the City Clerk as Document RR-262633.

Drug-Free Work Place:

Contractors are required to publish and post a statement on their policies for a drug- free work place and provide a drug education program for all employees.

Living Wage Ordinance:

Contractor shall comply, and require each of its subcontractors to comply, with the provisions of the City's Living Wage Ordinance, codified in San Diego Municipal Code sections 22.4201 et seq., in performing its obligations and/or duties.

Insurance:

Contractor shall comply, and require each of its subcontractors to comply, with the City's insurance requirements for the term of the Agreement.

Commercial General Liability Insurance

- Contractor shall keep, in full force and effect, Commercial General Liability [CGL] Insurance, written on an ISO Occurrence form CG 00 01 07 98, or an equivalent form providing coverage at least as broad, which shall cover liability arising from any personal injury, bodily injury, and property damage, providing coverage with limits of at least one million dollars (\$1,000,000) per occurrence **AND**
- subject to an annual aggregate of two million dollars (\$2,000,000) for general liability, completed operations, and personal injury, other than bodily injury **AND**
- Contractor shall provide an endorsement with: insured's name; policy number; name of insurer; effective date of change; and "City and its respective elected officials, officers, employees, agents, and representatives" named as additional insureds.

Workers' Compensation Insurance

- Contractor shall keep, in full force and effect, Workers' Compensation Insurance for all of the Contractor's employees who provide services under the grant, to the extent required by the State of California, providing a minimum of one million dollars (\$1,000,000) of employers liability coverage, **AND**
- Contractor shall provide an endorsement with: insured's name; policy number; name of insurer; effective date of change; and that the insurer waives the right of subrogation against the City and its respective elected officials, officers, employees, agents and representatives. **IF** the insurer is State Fund then a certificate from State Fund indicating the waiver of right of subrogation against the City etc. is adequate.

Automobile insurance

- Any Auto : Contractor shall keep, in full force and effect, Automobile insurance for all of the Contractor's automobiles, including owned, hired, and non-owned automobiles, automobile

insurance for bodily injury, and property damage providing coverage to a combined single limit of one million dollars (\$1,000,000) **AND**

- Contractor shall provide an endorsement with: insured's name; policy number; name of insurer; effective date of change; and "City and its respective elected officials, officers, employees, agents, and representatives" named as additional insureds,

OR (Regarding auto insurance requirements only)

- Non-Owned / Hired Auto: If the Contractor does not own any automobiles then Contractor must obtain and submit to the City the required evidence of automobile insurance coverage for "hired autos" and "non-owned autos" for bodily injury, and property damage providing coverage to a combined single limit of one million dollars (\$1,000,000) ; **AND**
- Contractor shall provide an endorsement with: insured's name; policy number; name of insurer; effective date of change; and "City and its respective elected officials, officers, employees, agents, and representatives" named as additional insureds, **AND**
- Contractor shall first submit to the City a written declaration on Auto coverage.

General Insurance Requirements

- All insurance shall be carried only by responsible insurance companies that are rated "A-,VI" or better by A.M. Best and are licensed to do business in the State of California.
- The policies are primary and non-contributing to any insurance that may be carried by the City.
- The policies cannot be canceled or materially changed except after thirty (30) calendar days written notice by the insurer to the City by certified mail.

REVIEW AND FUNDING PROCESS

Panel Process:

An advisory panel, composed of up to three Small Business Advisory Board members, will consider each Applicant's current contractual performance (if applicable) and all the application material submitted in order to assign a score of between 1 (not fundable) and 4 (model application) to the application. The panelists will evaluate all applications as a group during a meeting and assign a score. Recommended funding amounts will be developed based on the amount of funds available, the number of applications received, the total amount of funds requested, and the assigned scores.

Failure to submit required materials will result in disqualification.

The recommendations from the panel will be considered by the Small Business Advisory Board and each application will be voted on by the Board.

Even if an Applicant receives a score higher than 1 there is no entitlement to funding.

Once the Small Business Advisory Board approves award amounts a notice will be sent to the Applicant advising them of the amount or that no funds were awarded.

Agreement, Scope and Budget:

Each Applicant awarded funds must then submit an electronic copy of their Proposal and Budget, adapted to reflect the awarded amount, within 30 days of the receipt of the notice of funding.

An Agreement will be then be prepared which incorporates the Proposal (Scope of Services) and Budget and be delivered to the Applicant for signature. The Agreement details how City money will be spent, and other requirements of the Citywide SBEP Grant Program.

The signed Agreement must be returned to the City for processing along with the required certificate of insurance within 45 days of receipt of the Agreement by the Applicant.

No action will be taken to process the Agreement without the certificate of insurance. Furthermore, the required insurance endorsements must be submitted within 30 days of the City's receipt of the signed agreement.

Should problems arise in fulfilling the Agreement or changes in the Agreement need to be arranged, the Office of Small Business staff must be consulted.

Failure to adhere to these deadlines may result in forfeiture of the awarded funding.

Resolutions:

If funding is awarded the organization must have a formal resolution of its board of directors which approves entering into the SBEP Agreement with the City of San Diego and which states that the board understands and will comply with the terms and conditions of the Agreement and will perform the Scope of Services within the amount of the Budget. This resolution must be signed by the board president or designated officer and is to include the following:

- Funding amount.
- Assurance that the resolution is made available to all board members
- Assurance that the required insurance coverage will be obtained for the term of the agreement.

Performance Reports:

Performance reports will be required at least quarterly detailing the performance of the Scope of Services as outlined in the Agreement.

Note: Previous year's performance reports will be taken into consideration during panel review and lack of reporting will negatively impact your score.

Financial Statements:

All organizations receiving City money are required to submit financial statements for the organization's last completed fiscal year no later than 90 days after the end of that fiscal year. If City funding is \$75,000 or more, these financial statements must be audited by an independent CPA. The pro-rated cost of producing the financial statements (and audit report as applicable) may be included in administrative costs for which City reimbursement is requested.

Acknowledgment of City Funding:

A credit line must be included in any printed, visual or recorded matter that credits the City for its support. The following is an example of a credit line that might be utilized: "This project is funded in part by the City of San Diego's Small Business Enhancement Program."

COMPLETING THE APPLICATION

Budget:

The following definitions will assist you in completing the Application section "Summary of Proposed Use of SBEP Funds - Budget".

Personnel - Includes salaries, wages, taxes, and benefits for employees. If requesting reimbursement for these expenses the organization must be able to document specific expenses and proof of payment.

Wages: should include, but is not limited to executive directors, business managers, development staff, clerical, etc.

Taxes: Employer taxes, etc.

Benefits: Cost of dental, health insurance, 401(K), incentives, etc.

Contractual Services: - Contract for service expenses such as consulting fees or other services provided to the organization by a subcontractor.

Space Rental: - Rental of office space, etc.

Utilities: - water, electricity, gas, phone, etc.

Marketing: - Marketing, publicity and promotion, not including payments to staff or consultants.

Support Materials: - Office supplies, printing and mailing of brochures, flyers or posters, postage, etc.

Insurance: - premiums for City required insurance, etc.

Other: - Complete a schedule of expenses. Include miscellaneous expenses not covered above.

Funding Limitations:

Expenditures are prohibited for the following and are not to be included in the proposed SBEP budget:

- Programs which have already been completed or with activities occurring before October 1, 2007, or after September 30, 2008.
- Capital outlay for improvements and/or construction of buildings or facilities or purchase of capital equipment.
- Religious or political activity.
- Programs in facilities not accessible to the disabled.
- Tuition assistance payments or reimbursements.
- Hospitality, food or beverage costs.
- Travel or related expenses for staff or consultants.
- Contributions to trusts or endowment funds, or gifts or donations.
- Replacement of deficit funds.
- Job training or job placement activities.
- Indirect cost recovery.
- Penalties, fines or late payment charges.

Reimbursement:

All funds are awarded on a cost reimbursable basis. All items submitted for reimbursement must include proof of payment of the expenses. Reimbursement requests may be submitted on a monthly basis or less frequently as arranged with staff. There can be *no payment in advance*. Organizations receiving FY 2007 SBEP Grant funding or other City funding must have filed all required reports prior to processing of FY 2008 SBEP payments. Final payment may be withheld until all required reporting documents are submitted.

Packaging Directions

When completing the packets please keep the following information in mind:

- Label each page with the organization name and page number.
- Use binder clips – do not staple or bind any pages.
- Maintain a margin of at least 0.5".
- Always leave enough space to make the information legible.
- Use a font size of 10 point or larger.
- Keep responses clear and to the point.
- Submit one (1) original packet of materials and three (3) copies of the packet.

Deadline

All packets (regardless of delivery method) must be received by City staff by:
5 p.m. on Monday, August 27, 2007.

Packets must be delivered to:

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San Diego, CA 92101

**CITY OF SAN DIEGO
SMALL BUSINESS ENHANCEMENT PROGRAM GRANTS
FY2008 APPLICATION**

APPLICANT ORGANIZATION (Corporation name that will be used on Agreement):

Mailing Address/Telephone/Fax:

_____ CA _____

Telephone: _____ Fax: _____

Address/Telephone/Fax (where program/project will take place):

_____ CA _____

Telephone: _____ Fax: _____

Contact: _____ Title: _____

Telephone: _____ Fax: _____

E-mail: _____

Web Site: _____

Authorized Signatory name: _____ Title: _____

Signature: _____ Date: _____

Closing Date of Applicant's Most Recently Completed Fiscal Year: ____/____/____

Years of Small Business Enhancement Activities by Organization: _____

CITY OF SAN DIEGO - SBEP GRANTS - FY2008 APPLICATION

APPLICANT ORGANIZATION: _____

TOTAL CITYWIDE SBEP AMOUNT REQUESTED: \$ _____
(Minimum of \$7,500 and maximum of \$24,000 may be requested)

SUMMARY OF PROPOSED USE OF SBEP FUNDS – “BUDGET”

Personnel Expenses	\$ _____
Wages	\$ _____
Taxes	\$ _____
Benefits	\$ _____
Consultant/Contractual Expenses	\$ _____
Space Rental	\$ _____
Utilities	\$ _____
Marketing	\$ _____
Support Materials	\$ _____
Insurance	\$ _____
Other _____	\$ _____
Total Expenses (must equal SBEP amount Requested)	\$ _____

LEVERAGING (AMOUNT OF MATCHING FUNDS FROM OTHER SOURCES):

SOURCE _____	\$ _____

CITY OF SAN DIEGO - SBEP GRANTS - FY2008 APPLICATION

APPLICANT ORGANIZATION: _____

PROPOSAL - Please describe the proposed program or project to create, grow and/or retain small business in San Diego by answering the following questions.

Applicant Qualifications: How is your organization uniquely qualified to provide the proposed program or project:

Who is involved - The people whose behaviors, knowledge, and/or skills are to be changed as a result of the program or project:

What specific methods will be used – the specific actions to be undertaken to reach and assist people and leverage resources:

What are the desired outcomes - The intended behavior, knowledge, and/or skill changes that should result from the program or activities:

How progress/success is measured - What tool or device (surveys or other sources) will be used to measure the expected changes and what is the criteria for success:

When will the outcome occur - Identify the time frame for success:

Measurable Benefits to City of San Diego: What are the quantifiable, measurable outcomes of your program or project:

This proposal will be the basis of the Scope of Services for the Agreement with the City should your organization be awarded funding.

CITY OF SAN DIEGO - SBEP GRANTS - FY2008 APPLICATION

APPLICANT ORGANIZATION: _____

CPA REVIEW/AUDIT (Please answer the following questions)

Does your organization receive an audit? Yes No

If not, were unaudited financial statements prepared? Yes No

Copy of audit report/financial statements submitted to City? Yes No

Period covered by most recent audit report/financial statements _____

Does your Board of Directors receive and discuss the management letter from the audit report? Yes No

CONTRACT COMPLIANCE (Returning Applicants only)

For the most recent fiscal year - has your organization filed quarterly reports? Yes No

Period covered by most recently submitted report: _____

Not in compliance with City of San Diego contract requirements for most recent fiscal year - please explain.

REQUIRED ATTACHMENTS

- Federal IRS Form 990:** Copy of most recently submitted Form 990
- Articles of Incorporation:** Copy of IRS Determination letter.
Eligible educational institutions may submit other documentation to demonstrate eligibility.
- Not-for-Profit Status:** Printout from the Secretary of State.
Eligible educational institutions may submit other documentation to demonstrate eligibility.
- Board of Directors List:** List of Board of Directors including business names and addresses.
- Personnel Schedule:** Completed Personnel Schedule for all positions which will be fully or partly funded with the requested grant.
- Work Force Report:** Completed City of San Diego Work Force Report

CITY OF SAN DIEGO - SBEP GRANTS - FY2008 APPLICATION

APPLICANT ORGANIZATION: _____

PERSONNEL SCHEDULE - FY2008

The purpose of this form is to list the positions being claimed against City Funds for the Fiscal Year. An updated copy of this form must be maintained at all times and any adjustments must be reported to the Office of Small Business. Prior approval is required where changes will impact approved budgets for executed City agreements.
 Round amounts to whole dollars.

	A	B	C	D	E	F	H	I	J	K
NO.	POSITION TITLE	PAYMENT DATE RANGE	ANNUAL PAY	PAY SCHEDULE & DATES (Monthly, Biweekly, Twice a Month)	AMOUNT PAID PER PAY PERIOD	FOR HOURLY EMPLOYEES - STD TOTAL HRS PER PAY PERIOD	FOR HOURLY EMPLOYEES - HOURLY RATE	ANNUAL AMOUNT FUNDED BY SBEP	ANNUAL AMOUNT FUNDED BY OTHER CITY FUNDS	ANNUAL AMOUNT FUNDED BY NON-CITY FUNDS
1										
2										
3										
4										
5										
6										
							TOTALS			

APPLICATION CHECKLIST

Materials to be submitted

- Application:** Signed and dated application – make sure all questions are answered.
- Federal IRS Form 990:** Copy of most recently submitted Form 990
- Articles of Incorporation:** Copy of IRS Determination letter.
Eligible educational institutions may submit other documentation to demonstrate eligibility.
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Applicants who are awarded funds will then be required to submit the following documents in order to finalize an Agreement.

- Board Resolution**
 - Revised Scope and Budget**
 - Proof of Insurance**
-