Digital Service Squad 2022-24 Program Guidelines and FAQs

What is a Digital Service Squad?

As part of the Digital Main Street Grant program, funded by the Province of Ontario, partnered with the Toronto Association of BIAs (TABIA), and administered by the Ontario BIA Association (OBIAA), Digital Service Squads (DSS) are a free resource of trained digital technology specialists situated throughout Ontario who will deliver personalized, one-on-one assistance designed to help **brick-and-mortar small businesses** navigate new tools and maximize their return on investment.

These trained support specialists meet with small businesses, at no cost, to help them complete an online assessment, and introduce them to online training modules to build their knowledge and skills. They can also assist with the development of their Digital Transformation Plan (DTP) and then help them apply for a one-time $2,500 grant to implement it. This in-person (or virtual), one-on-one DSS assistance **also** includes support for basic website set-up, Google Business Profiles, 360º photos, digital storefront set-up with e-commerce (basic information on/referral to the **ShopHERE** program), creation or enhancement of social media presence, and much more. Where COVID-19 protocols are in place, DSS members can provide outreach and one-on-one support through phone calls and video-based (Zoom) calls.

What is the objective of the Digital Service Squad?

Setting up a Digital Service Squad takes time, money and administrative support. The Provincial government has provided funding to help cover the costs to develop, train, and implement these squads. The objectives of the Digital Service Squad Grant (DSSG) program are:

- To **provide** individual DSS applicants - BIAs, municipalities, Chambers of Commerce, Boards of Trade, or Small Business Enterprise Centres, with **funding** to facilitate a DSS formation within their city.

- To encourage **collaboration** among BIAs, municipalities, Chambers of Commerce, Boards of Trade, or Small Business Enterprise Centres to create a partnership to form a city-wide or regional DSS.

- Once formed, these DSS will provide one-to-one assistance to **brick-and-mortar** small businesses with **resources, training, and support** for the adoption of digital technologies.

Who is eligible?

The DSS Grant is open to applicants that meet the following requirements:

- Is a local BIA located in Ontario and/or;
- Is a municipality, Chamber of Commerce, Board of Trade, or Small Business Enterprise Centre and is located in Ontario and/or;
- Is an area where <u>one</u> of the following may apply on behalf of a collaborative partnership that includes: a BIA, a municipality, a Chamber of Commerce, a Board of Trade, and/or a Small Business Enterprise Centre.

Additional Criteria:

- Must have the **infrastructure** to administer the goals of the project
- Must **submit** all monthly progress reports and a final report that includes all costs
- Must **submit a summary** of all costs less any applicable HST rebate or discount
- Whenever possible, all DSS members and DSS administrators must attend the bi-weekly **Mastermind calls**.
- Whenever possible, all DSS members and DSS administrators must attend regularly scheduled **Q&A/Progress update calls** – dates and frequency to be determined
- Must commit to completing all **required reporting** and all **HubSpot data entry** by stated due dates
- Must have support, in writing, from all (partner) areas being covered
- Applicants are strongly encouraged to seek out and hire **recent graduates and youths** as their squad members

NOTE: Applications will be assessed based on:

- The strength of implementation
- The administrative infrastructure and ongoing management of the squads
- The financial controls to administer the grant
- Prior project performance and reporting

All applicants must complete the DSS application template that provides details of the following:

- The catchment area
- The number of eligible businesses to be served in-person and/or virtually each year
- The number of potential hires (FT/PT)
- The project timeline
- Full budget breakdown by year

Can prior DSS Grant recipients apply for this new round of funding?

Prior DSS grant recipients **may** be eligible to apply provided they meet one of the following requirements:

- the previous DSS Grant project is **complete**. This includes, but is not limited to, up-to-date and thorough HubSpot data entry for all business interactions and a completed DSS Final Report submitted to the OBIAA office.

- **PLUS,** previous DSS Grant recipients **must** also include the following with their application:
  - Number of businesses served (in-person and/or virtually) in the **prior grant** program and indicate the number of **new** businesses estimated to be served under the new project.
  - The need to purchase new equipment, if required equipment was purchased as part of the prior grant program.

What is available through the grant?

- Exact funding amount per applicant will be based on the number of qualified small businesses with brick-and-mortar locations.
- Grant minimum of $5,000 to a maximum of $200,000 (based on a twelve-month project).
- Maximum grant funds are as follows (based on the number of **brick-and-mortar** small businesses forecasted to be served in the catchment area within **each** 12-month project period):
  - Under 100 businesses   maximum $35,000
  - 100 – 200 businesses   maximum $75,000
  - 201 – 300 businesses   maximum $100,000
  - 301 – 400 businesses   maximum $125,000
  - 401 – 500 businesses   maximum $150,000
  - 501 – 600 businesses   maximum $200,000
  - Over 600 businesses   TBD
- Applicants may apply for a maximum of two (2) 12-month project periods. For each 12 month project period, applicant must:
  - Include the total number of eligible businesses (potential reach) to be served
  - Provide a detailed budget breakdown of project costs to be incurred
- Flexibility exists for outlier areas that are not accurately represented by the criteria.
- **NOTE:** Funds will be issued in a series of installments throughout the project period. Upon grant application approval, the first installment will be issued at 75 percent of the grant amount for the first project period. In order to ensure no surplus grant funds remain by the grant agreement end date, subsequent grant installments will be issued at six (6) month intervals and only after a year-to-date budget progress report has been submitted to OBIAA for review/approval.

What can the grant be spent on?

The eligible costs that can be offset by the grant are staffing costs, equipment costs, marketing material, and travel expenses. More specifically, eligible costs include the following and exclude any applicable HST discount/rebate:
- Equipment limited to $1,200 (per squad member):
  - **Chromebook** or equivalent
  - 360-degree camera kit
    - **Ricoh Theta S 360 Degree Camera** or equivalent
    - **Anker Battery Pack** or equivalent
    - **Tripod**
  - **Mobile Hot Spot** or equivalent up to a maximum of $200.00 (monthly service costs not included and are not eligible)

- Marketing (media promoting the service locally including, but not limited to: postcards/flyers, print/radio advertising, social media, direct mail, etc.) Total marketing costs can be up to ten (10) percent of your grant budget or a maximum of $10,000, whichever is less. All marketing collateral and promotional material must be pre-approved by OBIAA and DMS.
- Travel costs based on the posted provincial mileage rate (only applicable to outlier areas and applicants who cover multiple cities)
- Cell phone costs for squad members ($50/month maximum)
- Zoom charges or equivalent platform fees
- Squad Member salary/wages/contract fees

What are non-eligible expenses?

Ineligible costs those deemed unnecessary or excessive and include, but are not limited to the following:
- Unnecessary or excessive equipment
- Third party webinar costs
- Third party video production costs
- Administrative costs
- Repayment of other loans, past debts, software, repair of existing equipment
- Existing staff salary – i.e., paying a current full-time member of your team to execute the role of a Digital Service Squad team member
- Costs of land, building or vehicle purchase
- Costs of intangible assets such a goodwill, whether capitalized or expensed
- Depreciation or amortization expenses
- Interest on invested capital, bonds, or debentures
- Bond discount
- Monthly mortgage, loan and rent payments
- Refinancing of an existing debt
- Losses on investments, bad debts, and any other debts
- Fines or penalties
- Costs related to litigation
- Fees for administrators including payments to any member or officer of the Recipient's Board of Directors
- Opportunity costs
- Hospitality and entertainment costs
- Franchise fees and/or franchise license costs
- Lobbyist fees
- New capital expenditures
- Website or Marketplace for the BIA – no EXCEPTIONS
- Event/Info session costs including room rental and catering costs, unless event has been pre-approved by OBIAA

When in doubt, eligibility should be confirmed with OBIAA. Any costs deemed ineligible will not be covered by the grant and must be paid by the grant recipient.

What is the application submission deadline?

Applications for DSSG will be accepted anytime between April 1, 2022 and September 30, 2023, or until grant funds have been fully exhausted. Applications must be received no later than 11:59 p.m. Eastern Time on September 30, 2023.

How do we apply?

For entities applying for a grant, the process is as follows:

1. Go to www.digitalmainstreet.ca/ontariogrants/ and complete an online profile (prior grantees may contact dms@obiaa.com for an application form.
2. Complete an application form to include:
   a. Organizational structure and define who will be responsible for the administration of the contribution funds, along with applicable contact info
   b. Include details of any partnership formed for the purpose of executing the grant, and copies of any applicable partnership agreements or Memoranda of Understanding
   c. Describe the geographic area, including the number of BIAs (if applicable)
   d. Number of eligible businesses to be served in-person and/or virtually by DSS members
3. An action plan to include a timeline for:
   a. executing the project within the designated area/s
   b. hiring and training DSS members
   c. hosting DSS launch event/informational sessions for promoting DSS members, if applicable
   d. issuing a press release, if applicable
   e. purchasing equipment, if applicable
4. Any academic partnerships that will assist with potential student hires
5. A detailed budget to include a narrative on how the funds will be used

How long does it take for a DSSG application to be reviewed/ approved?

Once submitted, OBIAA will review the application to ensure all requirements are met. A Grant Coordinator will follow-up with the applicant if there are questions about the application. This review process should take approximately five (5) business days (depending on volume).

Once the final review is completed, OBIAA will:
- Contact the applicant by email and inform them they are approved.
- Review all conditions of the contribution with the applicant, including disclosure of information to the stakeholders.
- Issue a DSSG agreement that must be signed within five (5) business days.
- **NOTE**: work/hiring DSS members can begin, and costs can be incurred once the DSS Grant agreement is signed back.

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When will we receive the grant funds?

Upon receipt of the signed agreement, OBIAA will contact the applicant to verify method of payment: EFT or cheque. Payment will be issued within one (1) week.

What other responsibilities should we be aware of under the DSSG agreement?

All requirements will be detailed in the DSSG agreement, but approved applicants should pay particular attention to the following reporting requirements:

- DSS members **must use the HubSpot CRM to track all businesses contacted and served** in-person and virtually within the project period.
- DSS members **must track all businesses who decline DSS service**.
- Whenever possible, all **DSS members and DSS Administrators must attend the bi-weekly Mastermind calls.**
- Unless notified otherwise, all DSS members and DSS administrators **must attend regularly scheduled DSS Q&A/Progress update calls** – dates and frequency TBD
- DSS members should **tag OBIAA in all social media posts**
- DSS Administrators **must submit regular monthly DSS reports** by 5 p.m. ET on the 5th of the following month. These monthly reports will be randomly audited by OBIAA and should include, but are not limited to the following info, some of which can be obtained from HubSpot data entries:
  - Number of businesses visited/served in-person and virtually
  - Number of businesses contacted by email/direct mail for outreach purposes
  - Number of businesses serviced, but not recorded in HubSpot i.e., business has not/did not register in HubSpot
  - Number of businesses declining the service
- DSS Administrators must complete the DSS Final Report template listing the details of the costs incurred and covered by the grant and **signed by their Financial Officer/Treasurer** and submitted within ten (10) business days of the DSS Grant agreement end date, but no later than March 31, 2024. Copies of original receipts are not required to be submitted but should be kept for seven (7) years and must be made available upon request should the stakeholders decide to conduct an audit.
- All costs should be net of any applicable HST discount or rebate.
- Any budget shortfalls greater than 10 percent of the original contribution are payable and must be returned to OBIAA upon final reconciliation of the budget, either by cheque or EFT.

Is there a job description for a Digital Service Squad member?

Yes. OBIAA can provide a generic job description for a DSS member that each BIA/municipality/ Board of Trade/Chamber is free to modify depending on the responsibilities you want to assign to your squad member(s) and your overall expectations of the role. The job description is available to download from the Campaign-in-a-Box of the OBIAA website. Local health guidelines allowing and to better serve the local businesses, the expectation is for squad members to go door-to-door to introduce themselves.

Are there guidelines for hiring a DSS member and will training be provided?

Yes. Once you are ready to begin the hiring process and to make sure you are on the right track, OBIAA will make a virtual introduction to our DSS training team. They will guide you through the DSS hiring and squad member on-boarding.

Once you have your squad member(s) in place, and in order to considered as "active," DSS members must participate in the mandatory training session. The training is conducted via a half-day LIVE webinar session that takes place on alternating Tuesdays and Wednesdays from 11 a.m. to 2 p.m. ET and ideally, should be scheduled two (2) weeks in advance. The "Kick-off DSS training" is largely focused on soft skills i.e., proven best practices and procedures are reviewed. The session provides a comprehensive overview of the Digital Service Squad conduct, the Digital Service Squad Toolkit, Digital Main Street best practices (including applicable COVID-19 and other safety precautions), the daily HubSpot reporting requirements, and a short information session on the **ShopHERE** program to better enable squad members to identify and refer any business that may want e-commerce assistance. There are many different DSS teams across Ontario, and we need to ensure that all DSS members perform consistently, but do allow for local adjustments as required.

NOTE: All DSS Administrators must take the DSS mandatory training alongside their DSS member(s) and be comfortable using HubSpot to obtain necessary reporting info. Returning or current DSS members and administrators have the option of scheduling a short tutorial/refresher training session or re-taking the full Kick-off training.

Is there any marketing support material available for our DSS members?

Yes. To help your DSS member(s) better serve your local businesses and promote the Digital Transformation Grant, OBIAA has developed a set of marketing tools and handouts, collectively called the Campaign-in-a-Box (CIAB). Some handouts are designed to be a template that you can customize with your local messaging and contact details. These digital/downloadable pieces can be found at https://obiaa.com/projects/digital-main-street-4/campaign-in-a-box/ *(coming soon)*.

As well, a "How to Apply" video has been produced *(coming soon)* and the link to it can be posted on your website. It is a handy tool for your DSS members, designed to take Digital Transformation Grant applicants through the step-by-step process of applying for the grant.

Can DSS Grant funds be used to build a marketplace website?

No. Squad members can help the individual businesses develop a better presence on these marketplace sites, but a squad member's time cannot be used to build the marketplace website.

Can we re-hire the same DSS member we used last time?

Yes, provided they are not an existing staff member. DSS members must be NET NEW HIRES. The only exception to this requirement is in situations where a current part-time staff member's hours may be increased to full-time to take on DSS responsibilities, but wages must be tracked separately. If it is not possible to source university/college students or recent graduates as DSS members, contracting a third-party tech/marketing company is allowed (**NOTE**: some restrictions do apply), but all new DSS members must participate in the mandatory DSS training.

Is there an easy way for a business to determine which Digital Main Street program (Digital Main Street Ontario Grants vs. ShopHERE) to apply for or can they apply for both?

- *Digital Transformation Grant is:*
  - A program that provides businesses with grant funding for digital transformation
  - Good for any business that meets the eligibility criteria and is looking for financial support to implement transformation.

- *ShopHERE powered by Google* is:
  - A program that provides independent small businesses and artists with a quick, easy, and no-cost way to get selling online right away. If a business is looking for a transactional website and to sell on an e-commerce platform, then this program is a good fit.

IMPORTANT TO NOTE: Both programs are independent of each other, albeit very complementary. There is nothing prohibiting a business from going through both programs if they qualify and there is no specific order in which a business needs to approach the programs.

How can I learn more?

Visit digitalmainstreet.ca/ontariogrants/ for more information on timing and instructions for applying for Digital Service Squad Grants.