



**COVID-19 Stimulus Programs
Still Available to Nonprofits
April 16, 2021**

Webinar Goals

- Summarize the available stimulus programs and participation requirements
- Q&A discussion on when and how to apply

Disclaimer

- ❖ Our BEST understanding as of this moment in time
- ❖ Presenting guidance NOT legal or financial advice
- ❖ You should make all decisions after consulting your attorney and CPA.
- ❖ MNA staff are NOT lawyers or CPA's

Poll Time

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Presenters



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Insights³



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— — — Poll Time

Available Federal Stimulus

	First-Draw PPP	Second-Draw PPP	Employee Retention Credit	Targeted EIDL Advance	Shuttered Venue Operators Grant (SVOG)
Maximum Benefit	2.5 X "Average Monthly Payroll"	2.5 X "Average Monthly Payroll"	<p>2020: 50% of "qualified wages" (\$5,000/employee per year)</p> <p>2021: 70% of "qualified wages" (\$7,000/employee per quarter)</p>	\$10,000 less initial EIDL Advance	45% of 2019 "Gross Earned Revenue"

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Qualifications	<ul style="list-style-type: none"> - Staff are paid employees - 500 or fewer employees - Operating on Feb 15, 2020 	<ul style="list-style-type: none"> - Staff are paid employees - 500 or fewer employees - Operating on Feb 15, 2020 - 25% reduction in "gross receipts" 	<ul style="list-style-type: none"> - Staff are paid employees - 2020 - 50% 2021 - 20% reduction in "gross receipts"^(a) OR - Full or partial suspension due to Gov't order Credit is less generous for > 500 employees 	<p>Applications are by SBA invitation only.</p>	<ul style="list-style-type: none"> - Operational on Feb 29, 2020 - 500 or fewer employees - Registered with the federal System for Award Management (www.SAM.gov) - 25% reduction in "gross earned revenue" - Various industry-specific facility and staffing requirements

(a) Appears forgiven PPP loan proceeds must be included in "gross receipts"

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Program Closes	May 31st (SBA funds might be exhausted end of April to mid-May)	May 31st (SBA funds might be exhausted end of April to mid-May)	Payroll paid through December 31st (Can apply for the credit into 2023 and 2024)	Funds are expended	Funds are Expended (first-come-first-serve)

QUESTION	OUR THOUGHTS
How can nonprofits access technical assistance for these programs?	Schedule free technical assistance sponsored by MNA and Co.act Detroit at https://app.acuityscheduling.com/schedule.php?owner=17527246&appointmentType=19393889
I have not filed for a PPP loan. Should I now?	If you have employees, file ASAP. PPP funds might be exhausted by the end of April or mid-May. Furthermore, most lenders will close their portal before May 31st. (e.g. the Opportunity Resource Fund is closing PPP applications on May 17 th)
What if I can't spend my PPP loan on forgivable payroll and non-payroll costs?	Either: (i) return the unused funds; or, (ii) keep the unused funds as a 5-year loan at 1% interest. (e.g. monthly payment on \$10K loan = \$179/month)
Can we qualify for the ERC if we received a PPP loan?	Yes, but payroll paid with PPP funds must be excluded when calculating the ERC. (no “double-dipping”)
Does the PPP or ERC exclude wages that are paid by other federal grants?	It appears, no. However, most federal grants prohibit using other federal program dollars for costs covered by the grant. This might require you to refund grant dollars for payroll cost paid with PPP or ERC funds. Review and discuss your federal grants with your attorney.
Is an SBA disaster loan a good idea?	If you can repay it and you <i>need</i> the funds, it might make sense. Loan interest rate is 2.75% with up to a 30-year maturity. (e.g. monthly payment on \$50K loan = \$205/month)
How can we sustain our part-time staff with PPP	PPP is not a long-term solution. It is designed to provide payroll support for 2 months. If you qualify, augment your PPP funding with the Employee Retention Credit.
Can stimulus funds be used for neighborhood clean-up?	If the clean-up is being done by employees, then the labor costs qualify. Also, PPE worn by employees qualifies.

QUESTION	OUR THOUGHTS
<p>What reports need to be provided?</p>	<p>PPP: form 3508(S)(EZ) <i>[recommend CPA or financial advisor guide the filing];</i></p> <p>ERC: form 941-X <i>[recommend your CPA file];</i></p> <p>SVOG: form SF-425 <i>[recommend CPA or financial advisor guide the filing]</i></p>
<p>Where can I find the SVOG grant application?</p>	<p>Form 3515 is available at: https://omb.report/icr/202103-3245-004/doc/109838700</p>
<p>What stimulus programs are available to support organizations staffed by volunteers?</p>	<p>The Targeted EIDL Advance and SVOG don't require staff to be W-2 employees. The SVOG is restricted to theaters, producers, performing arts organizations, museums and talent representatives. SVOG rules are intricate and the funding will be provided on a first-come-first-serve basis (with priority for small and extremely hard-hit organizations). PPP and SVOG applications should be filed as soon as the portal opens</p>
<p>Am I required to have a minimum amount of assets/bank funds to qualify for these programs?</p>	<p>No</p>
<p>We were going to open a new venue in 2020, can we get aid without a prior history?</p>	<p>If you have payroll in 2019 or 2020 you may qualify for either/both the PPP or ERC. If you did not have any earned revenue in the first quarter of 2020 you would non be eligible for the SVOG.</p>

QUESTION

OUR THOUGHTS

Where do I apply for funding?

Paycheck Protection Program (PPP)

- Your bank and/or lender (existing relationship)
- [IFF](#)
- [The Opportunity Resource Fund](#)
- [Schedule an appointment for free technical assistance](#)

Employee Retention Credit (ERC)

- Your CPA, tax advisor
- [Schedule an appointment for free technical assistance](#)

Shuttered Venues Operators Grant (SVOG)

- [SBA portal](#)

QUESTION	OUR THOUGHTS
What are the restrictions on how the funds can be used?	<p>PPP: Payroll, health/retirement benefits, rent, utilities, mortgage interest, essential items for operations, business software and PPE</p> <p>Employee Retention Credit: no restrictions</p> <p>EIDL Advance: payroll, normal operating expenses and working capital</p> <p>SVOG: Payroll, rent, utilities, regular debt payments, PPE, contractors, normal business expenses, maintenance, admin costs, state & local taxes and advertising</p>
Will there be a PPP3?	Discussion led by Jamie
What are the possible impacts of the American Jobs Plan on nonprofits?	Discussion led by Leon

Questions

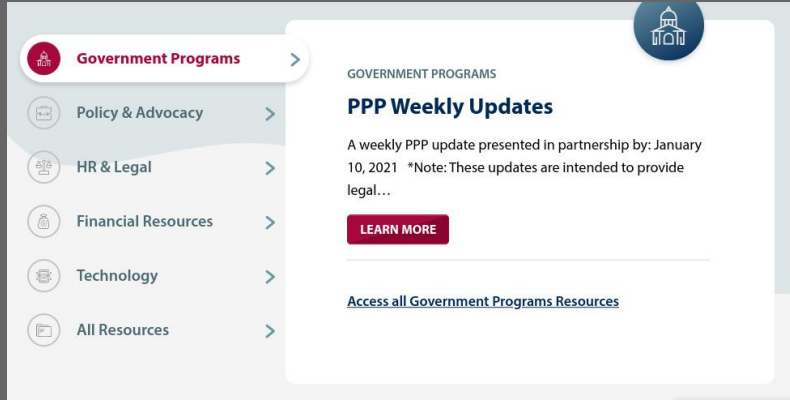


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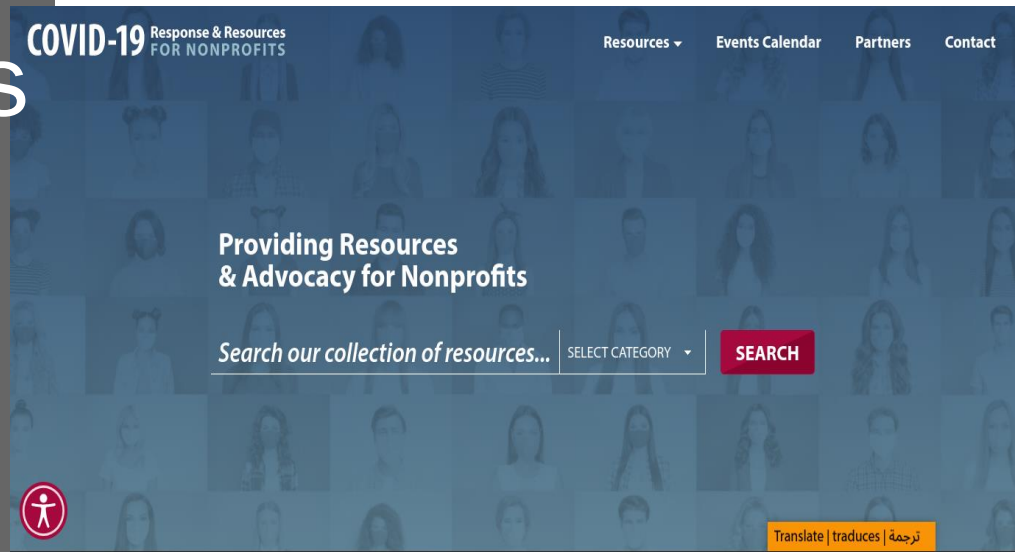
GOVERNMENT PROGRAMS

PPP Weekly Updates

A weekly PPP update presented in partnership by: January 10, 2021 *Note: These updates are intended to provide legal...

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