

CalNonprofits' FAQ's for California Small Business Relief Grant Program

Updated 1.7.21 – Please note that as a new program, guidance has shifted at times. Check our website for frequently updated information: www.calnonprofits.org.

**The grant application deadline for Round 1 has been extended to
11:59pm on Wednesday, January 13, 2021.**

990-N filers are now eligible to apply. See below.

Please note:

- You do not have to be a CalNonprofits member to choose us as your application partner. (We hope nonprofits will choose us to help demonstrate the breadth and impact of nonprofits.)
- This program comes from the California Office of the Small Business Advocate, and the administrator for the program is Lendistry.
- No application partners, including CalNonprofits, have input into who is chosen or rejected for grants; our role is to support you through the application process.
- **Email us with questions about the program at sues@calnonprofits.org, or call Sue Sigler at 415-535-0738. (Due to high volume, we will respond as quickly as possible, but it might take a day or so). Before contacting us, we suggest reviewing the FAQ's below to see if your question is there.**
- Check the [CalNonprofits website](http://www.calnonprofits.org) frequently. Lendistry makes changes and clarifications to the procedures and criteria frequently. We post new information as soon as we get it and you can also view our past webinars.
- Technical questions with the application website should be addressed to Lendistry at careliefgrant@lendistry.com, or by phone at 888-612-4370. If you contact Lendistry by phone and request a callback, please be sure to answer calls from 1-800 numbers.

Keep in mind that the application was designed for small business owners. Nonprofits are fully eligible for the grants, and we must try to fit our round pegs into these square holes.

Organization “Ownership”

Who should I list as the “owner” for my organization?

Nonprofits don't have owners, so list the person completing the application as the “owner.” The executive director is preferred, but not required. The “owner” can be anyone who is authorized to apply for funding on behalf of the organization, including board members.

How should I answer the question about percentage of ownership?

Enter 100%. If you previously filled out the application and gave a different number, don't worry. Lendistry understands that no one “owns” nonprofit organizations and will accept other answers.



Applicant's Personal Data

I'm not comfortable giving my Social Security number or date of birth. What should I do?
Unfortunately, the program is requiring this information about the applicant.

How will my personal data be used?

Lendistry has stated that the data will be used to confirm the applicant's identity and to eliminate fraudulent applications. A ["soft" credit check](#) will also be completed to confirm identity and to comply with other federal regulations such as [OFAC](#).

What if my credit is poor?

We have been assured that the applicant's credit score will not be checked and will have no impact on eligibility or prioritization for the program.

Will this affect my credit score?

Soft credit checks do not affect an individual's credit score.

Government ID

What government ID is acceptable?

ID issued by any unit of government in the U.S. is acceptable; the ID is not required to be issued in CA. An example is a driver's license of the individual applying.

ELIGIBILITY

Are all-volunteer organizations, e.g., those with no staff, eligible to apply?

Yes. We are very pleased that this is the case, as such organizations were not eligible for PPP loans.

My organization is fiscally sponsored; are we eligible?

No.

Can fiscal sponsors apply?

A fiscal sponsor may submit one application. Fiscal sponsors may not apply on behalf of the organizations they sponsor.

Are CDFIs eligible to apply?

No.

Are religious institutions eligible?

Generally, no. However, if the religious institution operates a nonprofit or community, they may be eligible *if*:

- The organization operates under a separate 501(c)(3) from the religious institution.
- More than 51% of operating revenue is derived from sources other than the religious institution.



- The organization does not “restrict patronage” (see below).

If I've received funding from PPP and/or EIDL, can I still apply for the Relief Grant?

Yes, provided that you have eligible expenses not already covered by either of these sources.

Eligibility by Gross Revenue

What determines if my revenue is between \$1,000 and \$2.5 million?

Line 12 from your 2019 form 990.

My organization files a 990-N. Are we eligible?

Yes. Because you have filed the 990-N you have already established that you have less than \$2.5 million in revenues. But you must provide documentation that you have more than \$1,000 in revenues. (The 990N does not ask for an amount of revenues so it can't demonstrate that you have more than \$1,000 in revenues.) If you completed California form RRF-1 for the California Attorney General's (AG's) office, you can get a copy of it [here](#).

I don't have a 2019 form 990 available. What should I do?

The application won't be declined because it's missing the 990. Provide what you do have and upload a brief explanation with your documents.

My organization had exceptionally high revenue in 2019 due to special circumstances such as a capital campaign, pass through grants, restricted grants, etc., and our revenue for that year exceeds \$2.5 million. Can numbers for those revenue sources be “backed out” so we can qualify?

No.

My organization's income was atypically low in 2019. Can an average of several years be used to show a more realistic annual income?

Perhaps. Submit 990s for additional years. Write a (very, very brief) explanation and upload it with your documents. We have not received clear information about this from Lendistry.

Eligible Expenses

What is the time period for eligible expenses?

Beginning March 1, 2020 and ending December 31, 2020. (As nonprofits we are used to asking for funding for future expenses. This program is designed to fund past expenses.)

My organization received Covid-related assistance from other sources or programs. Am I still eligible?

Yes. However, you cannot “double dip”, meaning that expenses that were already funded from other sources cannot also be submitted for a Relief Grant. (For example if you paid Person A in September 2019 with PPP funding, you cannot pay Person A for that same month with this grant. You can pay Person A for work in other periods of time.)



If my organization got a PPP loan and is required to pay any of it back, is that an eligible expense?

No.

Please clarify the time frame for payments on debts.

If the debt (for example a mortgage) was already created prior to March 1, 2020, then payments on the debt are eligible expenses. Debts incurred after that date are not eligible.

Are lost revenues eligible expenses? For example, a special event was cancelled, a grant was withdrawn, we couldn't provide services and get reimbursed, etc.

No. Lost revenue is something that will be reviewed in a later step of the award process. But it does not count as an expense.

We had to draw down on operating reserves to fund our operations. Is replacing reserves an eligible expense?

No.

Is equipment an eligible expense?

Yes, if it is required to operate due to COVID-19 conditions.

Dropdown Menus and Data

Am I still eligible if my organization's activities don't fall under the four priorities? (Food Provision, Emergency Housing, Childcare, Workforce Development)

Yes. Beyond the eligibility stage, there are many factors that will be considered in priorities for awards. There has not been a statement listing all the factors or their weightings.

I went to the site to obtain a NAICS number, but none of the categories apply to me. What should I do?

Choose the number that is most closely related to your organization's activities, even if it feels pretty far off. Lendistry understands nonprofits don't fit neatly into these boxes.

How do I answer the question about whether I've received PPP and EIDL if I've received both?

The dropdown menu asks me to choose one or the other.

Choose the program from which you received the largest amount. Enter the combined amount of your awards in the amount field. Create a brief document listing your awards and upload it with your other documents.

What should I do if none of the choices in a given field are accurate for my organization?

Choose what is closest. We have made Lendistry aware that this question and others create dilemmas for nonprofits.

I'm uncomfortable completing the application certification because I had to make choices I don't feel are accurate. What should I do?



Complete the certification and attach a (very, very brief) explanation. We continue to make the program administrators aware of the difficulties posed for nonprofits.

What business category are arts organizations under?

Arts organizations should choose hospitality.

How do I answer questions about ownership race/ethnicity and demographics?

The guidance we have received is that ownership race/ethnicity should be for board and management; demographics should reflect the people you serve. When you have to make choices, choose what is closest. We have made Lendistry aware that this question doesn't fit into nonprofit categories.

Other

Is there a limit to the number of documents/pages that can be uploaded?

No.

Define "restrict patronage."

Restricted patronage would apply to organizations such as social clubs, or those open only to people with a particular religion, or otherwise are not accessible to the general public.

Organizations that serve a specific population (for example, people with a particular medical condition, or those that serve a specific geographic area) are not considered to be restricting patronage.

Can I submit more than one application? (Updated on 1/7/21)

Yes, but only one application for a nonprofit and one for a small business. Submitting more than one application in either category may cause both to be disqualified. For example, if you are a volunteer with a nonprofit and also a small business owner, you may submit one application for yourself as a small business owner and one for the nonprofit.

I accidentally started or submitted more than one application. What should I do?

Lendistry recognizes that due to technical issues some applicants created more than one application. During the review process, these will be identified, and applicants will be contacted to resolve any redundancies. If you are concerned, you can also contact Lendistry.

Should I include contractors in my employee count?

No. If all of your staff are contractors, your answer is 0.

Are organizations who are headquartered outside of the area where services are provided eligible?

Yes, provided that there is a valid physical address and real, tangible activities being provided in California. For example, a local affiliate of a national organization based in New York doing homebuilding would be eligible, but a phone bank in New York that makes calls around the country would not be.



What should I do if my organization uses a P.O. Box for our address?

P.O. Boxes should **only** be used as an address if there is absolutely no other address available, because Lendistry must verify that there is a physical location associated with the application. You may use a staff or board member's address as many people are working from home. If you have no local mail delivery in your community, you may use a P.O. Box, but then create a document with a very brief explanation and upload it with your other documents.

When will we be notified of funding decisions?

Lendistry has announced that funding decisions will be made approximately 30 days after the close of applications.

If my application is successful, when will funds be available?

Approximately 45 days after all required documents are submitted.

If we qualify (are determined to be eligible), but are not selected for funding, do we have to reapply for Round 2?

No. You will automatically be moved to consideration for Round 2.

Technical Issues

I started an application on the small business rather than the nonprofit form. What should I do?

Contact Lendistry. carelief@lendistry.com

I didn't push the button to submit my application, but I got an email saying it was submitted.

What should I do?

Many people have received erroneous emails due to technical difficulties of this and other sorts. You will receive an email inviting you to return to the site to complete your application.

I couldn't upload my documents with the application. What should I do?

Due to technical difficulties, many people are encountering this problem. Lendistry is sending email invitations to return to the site to upload documents. These invitations are staggered to manage website traffic. If you don't receive yours, contact Lendistry.

Finally, we at CalNonprofits worked hard with our allies to ensure that nonprofits were eligible to apply for these funds, and we continue to advocate for nonprofit eligibility for small business COVID-19 relief programs. We're glad to see so many nonprofits interested in these funds; we are having trouble keeping up with the questions! Nonetheless, please contact us for assistance and with your comments, and best of luck to all nonprofits applying.

For additional assistance, contact:

CalNonprofits: sues@canonprofits.org or Sue Sigler at 415-535-0738

Lendistry: careliefgrant@lendistry.com or 1-800-612-4370