

DISCOVER LIFE'S POSSIBILITIES



COVID-19 NON-PROFIT COMMUNITY GRANT PROGRAM

Funded by the Federal America Rescue Plan Act (ARPA)

PROGRAM GUIDELINES

July 2021



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INTRODUCTION

Non-profits, which provide vital services to communities, have faced economic and financial challenges due to the pandemic. Local community non-profits faced significant challenges in covering payroll, rent and other operating costs due to the public health emergency and the measures taken to contain the spread of the virus. The City has committed to supporting these community institutions by allocating \$3,000,000 of Federal America Rescue Plan Act (ARPA) funding to fund the Program. This Program will provide assistance to these organizations to adopt safer operating procedures, weather periods of closure, or mitigate financial hardship resulting from the COVID-19 public health emergency, including but not limited to:

- Loans or grants to mitigate financial hardship such as declines in revenues or impacts of periods of business closure, for example by supporting payroll and benefits costs, costs to retain employees, mortgage, rent, or utilities costs, and other operating costs;
- Loans, grants, or in-kind assistance to implement COVID-19 prevention or mitigation tactics, such as physical plant changes to enable social distancing, enhanced cleaning efforts, barriers or partitions, or COVID-19 vaccination, testing, or contact tracing programs; and
- Technical assistance, counseling, or other services to assist with business planning needs to the negative economic impacts of COVID-19.

The ARPA provides a substantial infusion of resources to meet pandemic response needs and rebuild a stronger economy and assist persons, businesses and non-profit entities that were disproportionately impacted by the pandemic. The “COVID-19 Non-profit Community Grant Program” (Program) will provide local funding to assist non-profits in the community who serve those disproportionately impacted by the COVID-19 pandemic.

PROGRAM CREATION & TIMELINE

On May 10, 2021 the U.S. Department of the Treasury announced the launch of the Coronavirus State and Local Fiscal Recovery Funds, established by the American Rescue Plan Act of 2021 to provide \$350 billion in emergency funding for eligible state, local, territorial, and Tribal governments.

On May 25, 2021 the City Council held a public meeting to address the needs of the community and the allowable uses of the funds received.

On July 13, 2021 the City Council approved the creation of the Program and the appropriation of \$3,000,000 of ARPA funds to support the local non-profit organizations serving our community.

Program funds are required to be fully expended by December 31, 2024.

OVERVIEW

To ensure that the City's Program is providing immediate economic stabilization for households and businesses, relying on the service of local non-profits the City has collaborated with three (3) well established organizations, collectively referred to as the "North County COVID Relief Fund" (Program Administrator) to administer and be the fund advisor of the Program.

The Program Administrator is well positioned to manage the Program's goals and objectives. They each have many years of grant making experience, maintain longstanding relationships with local non-profit leaders and elected officials, and participate in multiple professional networks. Most importantly, all are deeply committed to pursuing the work with a high degree of due diligence, ensuring that funds are well stewarded and achieve impact.

Program funds will be distributed by the Program Administrators directly to non-profit organizations for the sole benefit of our residents. The granting process and award decisions will be managed by the guidelines outlined within these documents.

For more information about the organizational partners and Fund Advisors, please see "About the Program Administrators" section of the document.

PROGRAM FOCUS

The program's overall funding objective is to touch every corner of the City by supporting non-profits working to better the lives of our residents. Target populations will include underrepresented communities including but not limited to youth, low-income individuals and families, seniors, immigrants, and active military and veteran families.

The Secretary of the Treasury (Treasury) Interim Final Rule states that, "*As an example, in determining whether a program or service responds to the negative economic impacts of the COVID-19 public health emergency, the Interim Final Rule provides that payments from the Fiscal Recovery Funds should be designed to address an economic harm resulting from or exacerbated by the public health emergency. Recipients [City] should assess the connection between the negative economic harm and the COVID-19 public health emergency, the nature and extent of that harm, and how the use of this funding would address such harm.*"

It then continues to state, "*While eligible uses under sections 602(c)(1)(A) and 603(c)(1)(A) provide flexibility to recipients to identify the most pressing local needs, Treasury encourages recipients to*

provide assistance to those households, businesses, and non-profits in communities most disproportionately impacted by the pandemic.”

PROGRAM OBJECTIVES:

- Provide assistance to local non-profits experiencing economic harm resulting from or exacerbated by the public health emergency;
- Utilize the City’s ARPA allocation to deliver needed services and to promote strong, equitable growth to the underrepresented and in need communities within the City; and
- Comply with all Department of the Treasury and related federal regulations regarding eligible expense, accounting procedures, and reporting requirements in accordance with 31 CFR Part 35 and the Coronavirus State and Local Fiscal Recovery Funds Guidance on Recipient Compliance and Reporting Responsibilities.

PROGRAM FUNDING & PRIORITIES

- Grant amounts will depend on organizational and community needs and resources available;
- Funding priority will be given to small and grassroots groups and organizations physically located and/or headquartered within the City; and
- Non-profits located outside of the City, but serving San Marcos residents will be eligible for funding but will not be prioritized.

PROGRAM APPLICANT ELIGIBILITY & REQUIREMENTS

ALLOWABLE REQUESTS

Requests for general operating funds, program support, technology and equipment, scholarship funds, new strategic initiatives, and capital projects are all accepted. For capital requests, additional documentation is required.

ELIGIBILITY

To be eligible for a grant from the Program, the applicant must be a tax-exempt charitable organization in good standing, as described in Section 501(c)(3) of the Internal Revenue Code.

The applicant/organization must also be focused all or in part on benefiting the lives of City residents. The number of anticipated City residents served will need to be indicated in your funding application. Resident zip codes will be required in program reports, should funding be awarded. The applicant/organization must demonstrate how funds will build the capacity of

community organizations to serve people with significant barriers to services or people who have been disproportionately impacted by the pandemic..

Grants will not be awarded to:

- Individuals;
- Endowments or endowment campaigns;
- Private foundations or other re-granting organizations;
- Debt retirement or to cover past operating deficits;
- Fundraising events;
- Political campaigns or lobbying activities;
- Religious or doctrinal purposes, although faith-based organizations may apply for program support; or
- Schools for general operating funds, however school groups such as sports teams, clubs, bands, and PTOs are eligible.

GRANT PROCESS

- Grant applications must be submitted online (website link to be provided).
- Grant applications will be confirmed upon receipt and then reviewed.
- During the review process, prospective grantees may be asked to respond to inquiries and/or submit additional supplemental data.
- Each application is screened for the following criteria:
 - IRS Public Charity Status
 - Benefit to City residents
 - Number of City residents served
 - Demonstrated need including the specific impacts created by the pandemic
 - Financial feasibility
 - Strength of leadership
 - Well-defined goals and outcomes
 - Quality evaluation process
 - Sustainability plan
- The Program Administrators meet at least once a month to make funding decisions.
- After rigorous program applicant evaluations, grants are awarded monthly, quarterly and or periodically, as needed.
- Approved grant funds are sent by mail in the form of a physical check, monthly.
- Grant checks will be sent to non-profit grantees with letters indicating the purpose and source of funding.



- Grantees will complete a brief report on the use of funds within three months of receipt.
- Grants will be awarded from August 31, 2021 to June 30, 2023.

USE OF GRANT FUNDS & AMENDMENT PROCESS

- Grants must be expended as soon as possible, but within no more than twelve (12) months of grant award notification.
- Unspent funds must be returned within thirty (30) days of the end of the twelfth month of award notification.
- All expenditures must be consistent with the Program Objective, budget, schedule and conditions presented in the proposal approved by the Program Administrator.
- The funds awarded must be used for the purpose outlined in the proposal. If a change in funding purpose or timeline is necessary, this must be immediately communicated to Program Administrator prior to any modification for written approval of said change.

ABOUT THE PROGRAM ADMINISTRATORS

COASTAL COMMUNITY FOUNDATION builds philanthropy in San Diego North County communities by offering donors a wide variety of options for giving – establishing donor advised funds, building endowments, donating to existing funds or creating new funds to meet community needs. Learn more at www.coastalfoundation.org.



IMPACT CUBED stimulates philanthropy and builds social sector capacity with guidance to philanthropists, private and institutional philanthropy organizations, and impact investors; facilitation for funder consortiums; consulting on nonprofit capacity; and philanthropy education initiatives. Impact Cubed was created in 2018 in response to increasing requests of the Leichtag Foundation to manage such projects. Impact Cubed is a 501(c)3 public charity that operates with full transparency and best practices in governance. Learn more at <https://impactcubed.org/>.

RANCHO SANTA FE FOUNDATION (RSF Foundation) connects donors with regional and global needs through visionary community leadership, personalized service and effective grant making. For nearly 40 years, the RSF Foundation has provided a high level of service by developing personal relationships with our donors, providing exceptional stewardship of the funds invested with us and addressing needs in the community. Learn more at www.rsffoundation.org.



ADDITIONAL RESOURCES

[U.S. DEPARTMENT OF THE TREASURY: CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS](#)

[INTERIM FINAL RULE](#)

[COMPLIANCE AND REPORTING GUIDANCE](#)