

Le Sueur County Recovery Fund Program for Non-profit Organizations GUIDELINES

A fund to support and assist non-profits adversely impacted by the COVID-19 pandemic and part of the federal CARES Act.

Program Purpose

To provide emergency recovery support to non-profit organizations in Le Sueur County adversely impacted by the COVID-19 pandemic, Le Sueur County will provide grants of up to \$10,000 to non-profit organizations most in need of support.

Funds will help non-profit organizations pay for expenses such as current payroll obligations, rent payments, mortgage payments, utilities, and payments to suppliers. Providing this support will increase the capacity of non-profit organizations with a physical location in Le Sueur County to rebound from the current crisis and will help prevent potential future blight scenarios.

The Le Sueur County Recovery Fund will be self-administered.

Funding

- One-time emergency grant of up to \$10,000, based on economic injury from COVID-19 and eligible expenses. Final grant awards shall be limited to the lesser of eligible expenses or demonstrated loss, up to the \$10,000 maximum.
- Funds can be used for operating expenses, incurred between March 15th and September 1st, 2020, including current payroll obligations, rent payments, mortgage payments, utilities, accounts payable, tax payments, or other critical business expenses as approved by the fund administrator.

Eligible Non-profit organizations

Non-profit organizations must meet all of the following criteria as of March 1, 2020 to be eligible.

- Must be operating in Le Sueur County for the benefit of Le Sueur County residents and be currently registered with the IRS for recognition of tax-exempt status as a 501(C)3 organization.
- Limited eligibility is available to organizations operating under 501(C)19 and 501(C)23 (veterans' organizations).
- Must have been legally operating for at least 6 months prior to March 1, 2020, and intending to continue operations.
- Must be licensed, in good standing, and not have any delinquent property taxes or utilities.
- Must demonstrate a significant loss in revenue since March 15, 2020.

In addition, eligible non-profit organizations must meet ONE of the following conditions:

- Organizations work was affected by Governor Walz's Executive Order 20-04 or 20-08*, **OR**
- Organizations employed at least 1- and not more than 20- W-2 eligible employees as of March 1, 2020, and under \$1 million in annual revenue.

Exclusions

Certain non-profit organizations are ineligible, including:

- Organizations in default conditions prior to February 29, 2020
- Nonprofit organizations that derive income from passive investments; business-to-business transactions; real estate transactions; property rentals or property management; billboards; or lobbying
- Activities that are non-secular or promote a religious doctrine
- Academic or medical research
- Funding to schools and public agencies that would supplant tax-supported, mandated services
- Annual fundraising campaigns or events, including budget shortfalls due to cancelled/postponed fundraising events
- Creation of, or addition to, endowment funds
- Payment of debt or legal settlements
- Political or partisan purposes
- Fiscally sponsored groups are not eligible.
- Non-profit organizations operating for the purposes of: federal or state credit unions, holding title for exempt organizations, labor, agriculture or horticultural organizations, trade of professional organizations, civic league, social welfare organizations, local employee associations, social or recreational clubs, fraternal societies, employee beneficiary associations, domestic fraternal societies and associations, teachers retirement funds, cemetery companies, mutual insurance associations, cooperative organizations to finance crop operations, supplemental unemployment benefits, employee funded pensions, legal service plans, black lung trust, withdrawal liability payment fund, state high risk health coverage, state workers comp, religious and apostolic associations and hospitals.

Non-profit organizations that received COVID-related federal funding- such as the Small Business Administration (SBA) Economic Injury Disaster Loan (EIDL) or Paycheck Protection Program (PPP)- may still be eligible for this Le Sueur County CARES Act program, but must demonstrate that grant funds from this program shall be utilized for expenses not covered by another program.

Application Process

- Applications will be accepted beginning **October 19, 2020**, and ending **October 23, 2020, at 5:00 p.m.**

- If applications exceed the funding available, the fund administrator will select loan recipients using a lottery system.
- Le Sueur County will notify approved applicants by email on or before **November 6, 2020**.

Upon notice of an approved application, applicants are required to submit the following items **within 5 business days**:

- 2019 Federal Tax Return - based on entity type. Non-profit organizations that have not yet completed a 2019 Federal Return are eligible to apply and substitute other documentation of revenue deemed acceptable to the program administrator.
- Evidence of revenue loss related to the COVID 19 emergency. Applicant should submit documentation that best demonstrates the impact and is deemed acceptable to the program administrator. Some examples of acceptable documentation include financial statements, quarterly expense and income statements, point of sale or register reports.
- Evidence of federal tax operating status prior to March 1, 2020. Acceptable documentation may include organizational tax returns,
- Any additional documentation or information deemed necessary by the fund administrator to determine eligibility, generate loan documents, disburse loan proceeds, or meet program reporting requirements.
- Failure to submit required documentation will result in forfeiture of Grant Opportunity.

Note: Le Sueur County reserves the right to revise these guidelines as needed to best address the impact of the current pandemic.

Next page: Chart of Internal Revenue Service non-profit type definitions

Non-profit Type, source : IRS

501 c 1	federal credit unions
501 c 2	hold title for exempt organizations
501 c 3	charitable organizations/foundations
501 c 4	civic league, social welfare organizations, local employee association
501 c 5	labor, agriculture, horticultural org
501 c 6	trade or professional organizations
501 c 7	social or recreational club
501 c 8	fraternal societies
501c 9	employee beneficiary association
501 c 10	domestic fraternal societies and associations
501 c 11	teachers retirement funds
501 c 13	cemetery companies
501 c 14	state credit unions
501 c 15	mutual insurance associations
501 c 16	cooperative org to finance crop operations
501 c 17	supplemental unemployment benefits
501 c 18	employee funded pensions
501 c 19	veterans organizations
501 c 20	legal service plans
501 c 21	black lung trust
501 c 22	withdrawal liability payment fund
501 c 23	veterans organizations
501 c 26	state high risk health coverage
501 c 27	state works comp
501 d	religious and apostolic associations
501 e	hospitals