



# LA County COVID-19 Arts Relief Fund 2020 GUIDELINES

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## PURPOSE

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**The purpose of this funding is to provide economic relief to arts nonprofits suffering from business interruptions due to COVID-19-related closures from March 1 – December 30, 2020.**

Arts and culture play a critical role in the economic resiliency of Los Angeles County and in the social resiliency of our communities. Supporting this sector's survival will help to preserve our creative economy, the cultural identity and vitality of the region, and the well-being of our residents and communities where they live.

- LA County arts nonprofits host 13.5 million visits to nearly 200,000 in-person events each year
- Nonprofit arts sector is part of the LA County Creative Economy, which generates \$200B output annually and 1 of every 6 jobs in the County, and is also part of the Tourism, Education, Community Services, and Nonprofit Sectors
- 95% of nonprofits in LA County have cancelled performances, exhibits, workshops, classes, fundraisers and other activities since mid-March due to COVID-19
- As of August 26, 2020, one third of arts nonprofits have laid off or furloughed staff; nearly 40% have tapped into financial reserves (they had a median of 1.9 months of cash on hand pre-COVID); more than 40% are concerned about their ability to pay bills; and 45% are not confident their organization will survive without relief
- Nonprofit arts sector faces barriers to accessing loans and grants through traditional providers
- Arts sector was among first hit with event cancellations and venue closures and will be among the last of all businesses to return to full operations

## OVERVIEW OF REQUIREMENTS AND APPLICATION PROCESS

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The LA County COVID-19 Arts Relief Fund is administered by the LA County Department of Arts and Culture and its purpose is to assist Los Angeles County nonprofit arts organizations that have been affected by COVID-19 due to business losses or business interruptions during the COVID-19 pandemic and are current grantees of Los Angeles County and/or one of the seven municipal arts funders in the County of Los Angeles. Los Angeles County has allocated \$10,000,000 in CARES Act funding to the Arts Relief Fund. Grant awards will be based on eligibility and demonstrated need. Awards will range based on the number of applications received, organizational budget size, and demonstrated losses and expenditures due to the COVID-19 pandemic.

## CALENDAR + TIMELINE

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There will be one application round of the LA County COVID-19 Arts Relief Fund.

<b>Guidelines Available</b>	September 16, 2020
<b><a href="#">Webinars + Office Hours*</a></b>	Workshop webinars and office hours will be offered during the application period. Click <a href="#">link</a> for full schedule and to register.
<b>Open Application Period</b>	September 21 – 27, 2020, by 11:59PM PST
<b>Application Review</b>	October 2020
<b>Notifications Sent via Email</b>	Late October/Early November 2020
<b>Grant Period</b>	March 1 – December 30, 2020

### LA County COVID-19 Arts Relief Fund Application Workshops

Friday, September 18 from 1:00 pm - 2:30 pm

Tuesday, September 22 from 10:30 am - noon

Thursday, September 24 from 3:30 pm - 5:00 pm

### **Office Hours**

Monday, September 21 from 2:00 – 4:00 pm

Tuesday, September 22 from 2:00 – 5:00

Wednesday, September 23 from 2:00 pm - 5:00 pm

Friday, September 25 from 1:00 – 5:00 pm

## **ACCESSING THE ONLINE GRANT APPLICATION**

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Applicants are required to submit applications, artistic documentation, and support materials via the Department of Arts and Culture's online grant system at <https://apply-lacdac.smapply.io/>. The Department of Arts and Culture strongly recommends submitting the application prior to the deadline to give ample time to troubleshoot. For more information visit <https://www.lacountyarts.org/changes-grant-management-system-transitioning-SMApply>

## **DEADLINE**

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The deadline to submit the online application is **Sunday, September 27, 2020 at 11:59 pm PST**. Guidelines and application will be posted online and the application opens on Monday, September 21, 2020 to provide organizations with 7 days to review, prepare, and apply online. **Application deadline will not be extended for any reason.**

## **REQUIREMENTS FOR ELIGIBILITY**

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### **Background**

On August 4, 2020, the Los Angeles County Board of Supervisors authorized an allocation of \$10 million to the Los Angeles County Department of Arts and Culture to provide grants to Los Angeles County arts nonprofits suffering from business interruptions due to COVID-19-related business closures, as part of the County's CARES Act small business relief efforts from March 1 – December 30, 2020. Eligible arts nonprofits are current grantees of the County's Organizational Grant Program and/or grantees of one of the seven municipal arts funders in Los Angeles County.

Organizations may apply if they meet the following eligibility requirements at the time of application:

### **Nonprofit arts organizations (501(c)(3) and/or fiscally sponsored organizations) must:**

- Be a current FY 2019/20 or FY 2020/21 grantee of the Los Angeles County Department of Arts and Culture Organizational Grant Program (OGP) and/or
- Be a current FY 2020/21 grantee of one of the seven municipal local arts agencies with grantmaking programs, limited to the City of Los Angeles, City of Pasadena, City of West Hollywood, City of Culver City, City of Santa Clarita, City of Santa Monica, and City of Long Beach through the Long Beach Arts Council. A list of all eligible current grantees has been provided to the Los Angeles County Department of Arts and Culture by the seven municipal arts funders in Los Angeles County. Note: colleges or universities, businesses or non-arts organizations that are grantees of a municipal local arts agency are not eligible.

### **In addition, all applicants must:**

- Be located in and serving Los Angeles County.
- Have principal offices in Los Angeles County.
- Have a primary mission to provide arts programming, as demonstrated by more than 50% of the applicant organization's budget devoted to arts programming.

- Have tax exempt status, as defined by the IRS.
- Have “ACTIVE” status and provide a Certificate of Good Standing from the California Secretary of State.

To focus funding on the small and mid-size organizations that are disproportionately impacted and often serve the County’s most vulnerable communities, priority will be given to organizations with budgets under \$15 million, however current grantees with budgets over \$15 million are eligible to apply.

At time of application all eligible applicants must demonstrate eligibility, eligible losses due to the COVID-19 pandemic, and compliance with CARES Act funding requirements.

Organizations that are **not eligible** to apply are:

- Organizations whose primary mission is to raise funds.
- Educational institutions that lead to a degree or diploma, including but not limited to private or public schools or scholarship programs, colleges, and universities. This includes departments and programs therein, except for arts organizations that possess independent 501(c)(3) status.
- Municipal or County government agencies and departments.
- Organizations whose primary mission is not arts related (e.g. social service, religious, education, or health organizations), as demonstrated that more than 50% of the applicant organization’s budget is not arts related.
- Past and current Los Angeles County Department of Arts and Culture Community Impact Arts Grant grantees are not eligible for this program.
- Individual artists.
- Past grantees of any of the municipal local arts agencies or previous grantees of the Organizational Grant Program that are not in the current pool of grantees. No exceptions will be made to this policy.
- Organizations that have “SUSPENDED” Status with the California Secretary of State.

## **ELIGIBLE ACTIVITIES**

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Activities eligible for funding must be related to nonprofits that are suffering from interruptions or closures incurred during the period that begins on March 1, 2020 and ends on December 30, 2020 ("Covered Period") due to the COVID-19 pandemic.

Expenditures must reimburse the costs of operational interruption and losses caused by required closures due to the COVID-19 pandemic. Grants cannot be used for future program activities, costs, or operations after December 30, 2020.

LA County COVID-19 Arts Relief Fund payments may be used for economic support if such expenditures are determined to be necessary. This may include, for example, a grant to benefit nonprofits that close voluntarily to promote social distancing measures or that are affected by decreased demand as a result of the COVID-19 public health emergency.

## **INELIGIBLE ACTIVITIES**

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The following is a nonexclusive list of examples of costs that would not be eligible expenditures of payments from the Fund:

- Damages covered by insurance.
- Expenses that have been or will be reimbursed under any federal program.
- Reimbursement to donors for donated items or services.
- Workforce bonuses other than hazard pay or overtime.
- Severance pay.
- Legal settlements.

## **APPLICATION PROCESS**

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All applicants are required to submit the application and execute the grant agreement. **Execution of the grant agreement is NOT A GUARANTEE OF FUNDS from the County of Los Angeles.** All applicants will be required to submit documentation to determine eligibility and **NO AWARD IS FINAL UNTIL FURTHER NOTIFICATION FROM THE COUNTY.**

All applicants are required to provide the following documentation:

- Federal Form 990 Prior Year Tax Return (2018 or 2019)
- Proof of Good Standing from the California Secretary of State with submission of both a screenshot from the California Secretary of State showing “ACTIVE” Status as well as most recent Statement of Information PDF. Applicants may find and download information as well as take screenshot at <https://www.sos.ca.gov/business-programs/business-entities/information-requests/>.
- A 501(c)(3) determination letter with Federal Employee Identification Number (EIN)
- Completed [W-9 form](#)

## **EXAMPLES OF ELIGIBLE EXPENSES**

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Eligible expense-categories between March 1, 2020, and December 30, 2020, for LA County COVID-19 Arts Relief Fund support may include:

- Artistic program and/or educational program staff salaries plus benefits
- Artist-contractor fees (including technical artists such as: web designers, graphic designers, videographers, video editors, sound and lighting engineers, etc.)
- Facility costs (including rent, utilities, and cleaning supplies/services)
- New equipment, software, or subscriptions required to transfer operations to online virtual format
- Telecommuting and home office costs (software, WIFI, broadband, package deliveries, utilities, etc.)
- Communication costs (phone bills, internet connection, subscriptions to web- based platforms)
- Development/fundraising expenses (online events or activities)
- Non-recoverable expenses related to rescheduled or cancelled exhibitions/programming during eligible period
- Remote educational exhibitions/programming
- Online distribution of creative content

## HOW TO DETERMINE BUDGET SIZE

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The Department of Arts and Culture defines the organization's budget size as total operating revenue less in-kind for the most recently completed fiscal year. This number should correspond with your most recently completed 990 and can also be found on Page 1 of your *SMU DataArts Funder Report* accessible from the SMU DataArts website. For organizations with budgets under \$2M, this number should match with the organization's most recently submitted Federal Form 990. For organizations with budgets over \$2M this number should correspond with the most recently completed audit. Budget size should not include any revenue dedicated to a cash reserve, endowment and/or capital project. Note that you are **not** required to submit a DataArts Funder Report with this application.

## ALLOWABLE FUNDING REQUESTS

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County/Municipal grantee organizations eligible for funding have been pre-vetted through a previous grant application process and are interested in receiving 2020 Federal CARES Act support, a one-time source of non-match, non-reimbursable support, through the LA County COVID-19 Arts Relief Fund. Organizations may expend these funds on eligible business-expenses or losses accrued between March 1, 2020 and December 30, 2020. By submitting an application, organizations certify that these eligible expenses can be shown in one or more of the eligible expense categories and that no specific expense-items will be used to invoice any other CARES Act funding-provider, including any other County or Municipal Arts Funder CARES Act funded relief program.

### Eligible Expense Categories include

- Rent
- Payroll
- Utilities
- Insurance
- Accounts Payable
- Personal Protective Equipment (PPE)
- Inventory
- Other

## REQUIRED FINANCIAL FORMS FOR ALL ORGANIZATIONS

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Please review the table below to ensure that you provide the required documentation.

**Note that omitting one or more of the required financial documents will result in disqualification of the application due to not meeting the application requirements.**

For all applicants, regardless of budget size: **you must submit all of these attachments in order to be eligible** even if you have previously submitted for prior County or Municipal grant applications. There are no exceptions.

1. A copy of the Federal Form 990 Prior Year Tax Return (2018 or 2019), 990-EZ or 990-N for the organization's most recently completed fiscal year.

Applicants with budgets less than \$25,000 should submit a copy of their most recently completed 990-N or 990-EZ.

Applicants that **cannot provide a submitted Federal Form 990 at the time of application are not eligible to apply**, having failed to satisfy the requirement that applicants comply with all applicable laws.

### Proof of Good Standing from the California Secretary of State

This requires uploading 2 attachments from the California Secretary of State's website. Applicants can search for their organizations, confirm active status with the California Secretary of State via a

screenshot and download the most recent Statement of Information at no cost here: <https://www.sos.ca.gov/business-programs/business-entities/information-requests>  
**Go to page 8 of the [FAQ](#) for detailed instructions on where to find this information on the California Secretary of State’s website.**

2. Screenshot from the California Secretary of State website demonstrating “ACTIVE” status at the time of application.
3. Most recent Statement of Information PDF from the California Secretary of State website
4. [W-9 Form](#)
5. A 501(c)(3) determination letter with Federal Employee Identification Number (EIN)

**GRANT REVIEW PROCESS & REVIEW CRITERIA**

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Applications will be audited for completion by Department of Arts and Culture Staff.

As a public agency, all information submitted to the Department of Arts and Culture in conjunction with a grant application becomes public record at the time the application is submitted.

Applications will be reviewed and scored according to the criteria below.

<b>Review Criteria</b>	<b>Maximum Point Value</b>
CRITERION 1: Eligible organization	8
CRITERION 2: Complete Application Submitted	1
CRITERION 3: All required additional documentation submitted	1
<b>TOTAL POSSIBLE POINTS</b>	<b>10</b>

## **AWARD REQUIREMENTS**

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Applicants should be aware that awards require administrative responsibilities:

### **Legal Requirements**

Grantees are required to adhere to all local, state, and federal laws.

### **Cash Match**

No cash match is required.

### **Reimbursement Basis Grants**

Grants are disbursed on a reimbursement basis. Though proof of expenses is not required for reporting purposes, all grantees, regardless of budget size, will be required to maintain financial records to verify compliance for five (5) years. Grantees should compile, maintain, and permit access to records as required by applicable regulations, guidelines, or other directives. The County of Los Angeles may perform annual audits. If you are selected for an audit, you must have and submit proof of expenses for review upon request.

### **Reporting**

Grantees are required to report on the use of funds.

### **Grant Period**

The period of support will be from March 1, 2020 to December 30, 2020.

## **CONTACT INFORMATION**

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Please contact Department of Arts and Culture Grants staff for questions about the LA County COVID-19 Arts Relief Fund:

Email: [caresgrants@arts.lacounty.gov](mailto:caresgrants@arts.lacounty.gov)  
Phone: (213) 202-5858  
Address: Los Angeles County Department of Arts and Culture  
1055 Wilshire Blvd., Suite 800  
Los Angeles, CA 90017

Website: <https://www.lacountyarts.org/CovidReliefFund>

Online Grant Portal: <https://apply-lacdac.smapply.io/>