

Tranche 2 Questions and Answers

| Question | Answer |
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| My nonprofit suffered a loss in 2020 only. Can we apply for relief? | Yes, you can apply for relief under Tranche 2 guidelines. In Tranche 2, 501(c)(3) and 501(c)(19) non-profit organizations that suffered net losses due to the COVID-19 public health emergency in either the 2020 tax year or the 2021 tax year, or both, may apply for grants from the Program, provided, however, that the other eligibility requirements are met. |
| My nonprofit applied in Tranche 1, but did not receive an award due to not having an accumulated net loss for years 2020 and 2021, however we suffered losses in year 2020. Do we have to reapply? | No, you do not have to reapply. Completed Tranche 1 applications that met all of qualifications for a grant except for establishing a net loss in both the 2020 and 2021 tax years are carried over into Tranche 2 and will be re-evaluated under the eligibility requirements of Tranche 2. |
| I applied for Tranche 1, but did not receive an award due to the lack financial information. Can I reapply for Tranche 2? | Yes. Your application will be reopened and you can provide the required documents. Please carefully review the updated program guidelines to ensure that you provided the required documentation. |
| My nonprofit falls under a church, however, we have our own EIN and file a form 990. Can we apply? | Yes, as long as the church is a 501 (c)(3) you can apply for relief under Tranche 2 guidelines. Please carefully review the updated program guidelines to ensure that you provided the required documentation. |
| Our nonprofit does not file a form 990. Can we still apply? | You must provide attested detailed financial statements in lieu of the form 990 for the requested years. |
| Our nonprofit identified programs that we administer that experienced losses. Can we carve out those figures and use them to apply? | Your organization must demonstrate that it suffered net losses due to the COVID-19 public health emergency in either the 2020 tax year or the 2021 tax year, or both. We will review the net losses reported on the requested tax forms/financial statements for your organization as a whole and not by specific program(s). |
| If I got an award in Tranche 1, but my organization lost a lot more than the \$100,000 we received, can we apply in Tranche 2 and receive an additional \$100,000? | No. Per the program guidelines, the total award payment shall not exceed \$100,000. |
| Will I receive any confirmation that my application has been received? | Yes, you will receive an email notifying you that your application has been received. Prior to |

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| | <p>submitting your application, please carefully review the updated program guidelines to ensure that you provided all the required documentation. You may also view the training video on how to fill out the application by visiting https://www.oneoahu.org/nonprofitreliefprogram.</p> |
| <p>If I apply, how soon can I expect my award check?</p> | <p>You will receive notification via email on the status of your award after your application has been reviewed. Please note that that this will be after the list of scheduled events outlined in the program guidelines. The email will provide you with next steps and a list of documents to provide. Assuming that there are no issues or corrections, you can anticipate payment within 2-3 weeks from receiving your award letter and submission of all the requested documents.</p> |
| <p>We are waiting for the IRS to confirm that our tax issue has been resolved. Can we apply, even though our Certificate of Vendor Compliance currently shows us as non-compliant?</p> | <p>Your organization may apply for relief in Tranche 2, however the issue of noncompliance will need to be corrected before any payment can be made.</p> |
| <p>We are a church organization and we are exempt for doing tax returns. Can we apply?</p> | <p>Yes, as long as your organization is a 501(c)(3). If your organization does not file form 990's, you must provide attested detailed financial statements in lieu of the form 990 for the requested years. Prior to submitting your application, please carefully review the updated program guidelines to ensure that you provided all the required documentation.</p> |
| <p>When COVID hit, we suspended operations for a while and we significantly cut back our spending. Our tax returns do not show a loss because of this, even though we lost the money we would have gotten if we had remained open. Can we apply for Tranche 2?</p> | <p>In Tranche 2, 501(c)(3) and 501(c)(19) non-profit organizations that suffered net losses due to the COVID-19 public health emergency in either the 2020 tax year or the 2021 tax year, or both, may apply for grants from the Program, provided, however, that the other eligibility requirements are met.</p> |
| <p>Our program is located on the Big Island and most of our services are provided here. But we do offer services to some folks on Oahu. Can we apply and if so, how should we show you our Oahu information?</p> | <p>One of the minimum requirements to be considered for grant funding is that the Applicant must be a 501(c)(3) or 501 (c)(19) non-profit organization on O'ahu and provide direct assistance, services, and/or benefits to O'ahu residents. Only the portion of the operations serving O'ahu residents will be eligible.</p> |

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| <p>We started our nonprofit in 2019, but didn't get our 501(c)3 designation from the IRS until later. Can we apply for this funding?</p> | <p>The effective date the organization was recognized as a 501(c)(3) on the IRS determination letter would establish your eligibility. For example if you received your determination letter in 2020 but the date of the IRS recognizing the organization is in 2019, then your organization would qualify.</p> |
| <p>If funds are awarded on a "first come first serve" basis, how will the determination be made as to who was first?</p> | <p>Applications submitted are automatically timestamped when received by our application portal which determine the order of review.</p> |
| <p>I received payment less than \$100,000 based on total losses in Tranche 1, but I had a huge losses of over \$100,000 in 2020 and a net increase in revenue in 2021 that resulted in us getting less than \$100,000, do I qualify for more payment?</p> | <p>Because only one year of loss is required with Tranche 2, your organization will be eligible to receive up to a total of \$100,000. You will not need to resubmit another application, however, you will need to provide all substantiating documents if you have not done so and your organization is awarded additional funds in Tranche 2.</p> |
| <p>How do I use the application portal?</p> | <p>A training video is available for your review and can be accessed by visiting https://www.oneoahu.org/nonprofitreliefprogram.</p> |
| <p>What happened to the Equity Questions?</p> | <p>Equity Questions were only to be used for data collection and does not determine the award. If you are awarded funds, you will need to complete the equity questions with the Final Report you will need to submit.</p> |
| <p>What would be an acceptable document to show a reported financial loss?</p> | <p>Program guidelines require that the applicant submit the following:</p> <ul style="list-style-type: none"> • The Applicant's 2019, 2020 and 2021 IRS Form 990 or Form 990 –EZ tax returns. • If the 2021 IRS Form 990 or 990 EZ is not available, then the applicant must provide its financial statements, and its best estimate of its annual results with a signed attestation on the accuracy of the estimates provided. The Applicant may also provide adjusted financial reports, attested as to their accuracy, for the periods requested to reflect the impact of COVID-19 on its organization. • If the Applicant filed IRS Form 990-N for tax years 2019, 2020 and 2021, then the |

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| | <p>Applicant must provide a copy of the completed Form 990-N, its financial statements for each tax year, and its best estimate of its annual results with a signed attestation on the accuracy of the estimates provided. The Applicant may also provide adjusted financial reports, attested as to their accuracy, for the periods requested to better reflect the impact of COVID-19 on its organization.</p> <ul style="list-style-type: none"> • If the Applicant’s financial statements and/or Form 990/990-EZs aggregate all revenues and expenditures for its Statewide or national operations, then the Applicant must disaggregate the data and provide its best estimate of its annual results for its Oahu operations. The Applicant must provide a signed attestation on the accuracy of the disaggregated estimates provided. <p>For more information on program requirements and supporting documents, please visit https://www.oneoahu.org/nonprofitreliefprogram to review the program guidelines.</p> |
| <p>Our non-profit is a 501c4, are we eligible under any circumstances?</p> | <p>The Final Rule for Coronavirus State and Local Fiscal Recovery Funds as issued by the US Treasury states only organizations that are exempt from Federal income taxation as defined in section 501(c)(3) or 501(c)(19) of the Internal Revenue Code are eligible for funding.</p> |
| <p>I wanted to double-check that because we applied for this grant in Tranche 1 and did not get selected, our application will automatically be reconsidered under the new guidelines. Because of this, we do not need to reapply. Please correct me if I am wrong.</p> | <p>If your organization applied for Tranche 1, but did not receive an award due to the lack financial information. You can reapply for Tranche 2. Your application will be reopened and you can provide the required documents.</p> <p>If your organization did not receive an award due to not having an accumulated net loss for years 2020 and 2021, but you suffered losses in either year 2020 or 2021, you do not have to reapply. Completed Tranche 1 applications that met all of the qualifications for a grant except for establishing a net loss in both the 2020 and 2021 tax years are carried over into Tranche 2 and will</p> |

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| | <p>be re-evaluated under the eligibility requirements of Tranche 2.</p> |
| <p>Please advise if I need to reapply for the Non-Profit Recovery program since I applied for Tranche 1.</p> | <p>If your organization applied for Tranche 1, but did not receive an award due to the lack financial information. You can reapply for Tranche 2. Your application will be reopened and you can provide the required documents.</p> <p>If your organization did not receive an award due to not having an accumulated net loss for years 2020 and 2021, but you suffered losses in either year 2020 or 2021, you do not have to reapply. Completed Tranche 1 applications that met all of the qualifications for a grant except for establishing a net loss in both the 2020 and 2021 tax years are carried over into Tranche 2 and will be re-evaluated under the eligibility requirements of Tranche 2.</p> |
| <p>Can you please confirm whether or not non-profit organizations who received a grant during the first round of funding through this program are eligible to apply again during the second round? We are extremely grateful to have received \$100,000 through that first round, but it would be hugely helpful if we could apply again.</p> | <p>No, if your organization received the maximum award amount of \$100,000, you are ineligible to receive additional funds. Per the program guidelines, the total award payment shall not exceed \$100,000.</p> |
| <p>When COVID hit, we suspended operations for a while and we significantly cut back our spending. Our tax returns do not show a loss because of this, even though we lost the money we would have gotten if we had remained open. Can we apply for Tranche 2?</p> <p>In Tranche 2, 501(c)(3) and 501(c)(19) non-profit organizations that suffered net losses due to the COVID-19 public health emergency in either the 2020 tax year or the 2021 tax year, or both, may apply for grants from the Program, provided, however, that the other eligibility requirements are met.</p> <p>In reality our net losses are double of what our 2020 and 2021 IRS 990 forms show because we deferred our spending and reopening costs and costs associated with kick starting our</p> | <p>Program eligibility requirements state that for the purposes of this grant under Tranche 2, an applicant that experiences a financial hardship due to the COVID-19 public health emergency, must demonstrate, at a minimum, a net loss in either the <u>2020 tax year or the 2021 tax year, or both</u>, as annually reported to the Internal Revenue Service.</p> |

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| <p>programs to 2022. Similarly, to the question in above but not clearly answered. We can prove that we pushed back our net losses into 2022 because our 990 clearly shows it. Are we limited to only what our 2020 and 2021 990 shows or as stated above, that we suffered net losses due to the Covid19 pandemic. In order to survive, we were forced to shut down to the bare necessities. Our net losses were covered by our savings and we conserved spending until the appropriate time. We pushed back restart up costs until it was clear that the City was going to open up. Yes, we could have prematurely spent money and run up our "net losses" but if you can't hold tournaments, if you can't open your gym, if kids can't wrestle face to face, it doesn't matter how much you spend or promote, if the City doesn't allow you to open up.</p> | |
| <p>Our organization has received the notification of the City's second tranche of COVID 19 relief funding being available for NPOs to apply. We have definitely been greatly affected by the pandemic and would like to receive additional relief funding. PPP funding is listed as a source of funding that is to be excluded for expenditures incurred by the NPOs. In our situation, our operations for fiscal year ended June 30, 2020 resulted in a net loss of just under \$300,000. Our PPP funding round 1 was received before June 2020, but recorded as a loan for the fiscal year ended June 30, 2020. In FY21, PPP loan round 1 is determined to be forgiven and therefore recorded as income. Would we consider PPP round 1 funds to be covering for FY20 expenses, and need to reduce our loss by the amount of the loan (subsequently forgiven)?</p> | <p>The PPP loan would not be recognized as revenue until it is forgiven and recognized in your financial statement. For example, if a PPP loan was received for your reporting year 2020, but the loan was not forgiven until your reporting year 2021, the revenue from the forgiven loan would be recognized in reporting year 2021. There would be no need to adjust the 2020 reporting year as the PPP would be recognized in 2021.</p> |
| <p>My Non-profit organization meets all the requirements of the Covid19 Non-Profit Relief Program Tranche 2 to qualify (it is a low-income Non-Profit Co-operative Housing Project in Honolulu providing services to low income residents hard hit by the pandemic), except it files as a ITC Section 501(c)(4) rather than as a 501(c)(3). It seems very unfair and a distinction without justification, since low income housing</p> | <p>The Final Rule for Coronavirus State and Local Fiscal Recovery Funds as issued by the US Treasury states only organizations that are exempt from Federal income taxation as defined in section 501(c)(3) or 501(c)(19) of the Internal Revenue Code are eligible for funding.</p> |

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| <p>was hard hit by the pandemic and these funds are greatly needed by the low income housing community.</p> | |
| <p>If we received funds under Tranche 1, the application and documents we submitted will be reviewed again without any action on our part?</p> | <p>You do not have to reapply. Completed Tranche 1 applications that met all of qualifications for a grant except for establishing a net loss in both the 2020 and 2021 tax years are carried over into Tranche 2 and will be re-evaluated under the eligibility requirements of Tranche 2. However, if your organization received the maximum award amount of \$100,000, you are ineligible to receive additional funds. Per the program guidelines, the total award payment shall not exceed \$100,000.</p> |
| <p>If a nonprofit received an award from the first tranche of relief funding, is it eligible for the second tranche?</p> | <p>You do not have to reapply. Completed Tranche 1 applications that met all of qualifications for a grant except for establishing a net loss in both the 2020 and 2021 tax years are carried over into Tranche 2 and will be re-evaluated under the eligibility requirements of Tranche 2. However, if your organization received the maximum award amount of \$100,000, you are ineligible to receive additional funds. Per the program guidelines, the total award payment shall not exceed \$100,000.</p> |
| <p>The guidance states tax year 2020 and 2021. We are on the fiscal year ending June 30. Does that mean tax years ending June 30, 2020 and June 30, 2021?</p> | <p>The application requests fiscal information for fiscal and tax years ended 2019, 2020, and 2021, as follows:</p> <ul style="list-style-type: none"> • 2019 – 7/1/2018 to 6/30/2019 • 2020 – 7/1/2019 to 6/30/2020 • 2021 – 7/1/2020 to 6/30/2021 |
| <p>Our June 30, 2020 990 shows a drop in fundraising of \$150,000, a drop in contributions of \$100,000, and other types of income decreases. However, due to a couple of odd factors such as our facility purchase contractual obligations (contracted pre-pandemic), and the close of that purchase in September 2020, we had been moving some of our non-operating investments (becoming realized gains) and beginning to receive non-operating grants for that purchase (applied pre-pandemic). Those other pools of funds that we couldn't use for operations are included as revenue in our 990 and it therefore shows a net positive for that</p> | <p>You may provide an adjusted financial report for the periods requested to better reflect the impact of COVID-19 on your organization. You must also provide a reconciliation back to the form 990 and/or audited financial statement with explanations to substantiate the amount requested.</p> |

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| <p>year. Would we be able to back those out and be eligible to apply for relief funding based on our operating losses?</p> | |
| <p>As of June 30, 2020 we also had \$190k of in-kind contributions sitting on our balance sheet as inventory and recorded as contributions in our 990 where we would normally have around \$30k at that time of year as show on our previous 990s. This was because of the cancelation of our largest fundraiser in June 2020 and so we had to store and sit on that significant inventory of books that we could not convert to fundraising until Feb. 2021. Would we be able to back out this large in-kind contribution valuation of inventory?</p> | <p>You may provide an adjusted financial report for the periods requested to better reflect the impact of COVID-19 on your organization. You must also provide a reconciliation back to the form 990 and/or attested financial statement with explanations to substantiate the amount requested.</p> |
| <p>Our fiscal year ends on June 30. Do I submit tax returns for the year ending 6/30/2019, 6/30/2020, and 6/30/2021? Or do I submit for another time period.</p> | <p>The application requests fiscal information for fiscal and tax years ended 2019, 2020, and 2021, as follows:</p> <ul style="list-style-type: none"> • 2019 – 7/1/2018 to 6/30/2019 • 2020 – 7/1/2019 to 6/30/2020 • 2021 – 7/1/2020 to 6/30/2021 |
| <p>Our organization shows a deficit in FY2021. We received a PPP loan in 2022, and suffered a revenue loss in FY22. Because of this, would we be eligible to apply?</p> | <p>The intent of this program is to cover losses attributable to the pandemic that have not otherwise been covered by other relief programs and opportunities. As individual circumstances will be unique to each non-profit, to help us make a proper determination, we ask that applicants indicate any and all relief programs on the application along with the disposition of funding received under each program. U.S. Treasury regulations require us to consider these factors when using CSLFRF for a relief/benefit program. Examples of government and/or privately sponsored COVID-19 relief programs include but are not limited to, Paycheck Protection Program (PPP), Economic Injury Disaster Loan (EIDL) emergency advance program, Hawaii Business Pivot Program, Shuttered Venue Operators Grant, other CARES or ARPA sourced funding in your application for review.</p> |

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| <p>If we received capital campaign funds during this period, do these capital campaign funds contribute to the bottom-line for the purpose of calculating our net loss?</p> | <p>If these funds are recognized in your tax return as revenue, then they must be considered as part of the calculations for revenue.</p> |
| <p>The due date for Tranche 2 Application Submission, page 1 of the Program Guidelines states: “August 25, 2023 11:30 p.m. HST.” I’d just like to confirm that the time is a half hour before 12:00 a.m./midnight of 8/25 and not 11:30 a.m.</p> | <p>Deadline for Tranche 2 Application Submission – has been changed from August 25, 2023 to September 8, 2023 11:30 p.m. HST.</p> |
| <p>Our organization officially received its 501c3 status in May of 2020. What was supposed to be a year focused on growing our organization's resources was lost due to the pandemic (fundraising, growing our base supporters, etc.) Our first tax filings are for 2020. Would we be ineligible to apply for this based on the requirement that organizations filed in 2019? Or would there be an exemption?</p> | <p>Program eligibility requires that the applicant must have been established long enough to have complete tax filing for tax years ending in 2019, 2020, and 2021.</p> |
| <p>On pg. 8 of the 2023 Non-Profit Recovery Grant Program – Program Guidelines, there is an indication that the financial assistance under the program “Must exclude all expenditures that were covered or reimbursed under any government and/or privately sponsored COVID-19 relief program...” Does this mean that in the Revenue Information section of the Non-Profit Recovery Program Application, an applicant should remove/exclude any expenses that were reimbursed/covered by a another COVID-19 relief program (e.g. PPP, EIDL, SVOG) from the 2020 and 2021 “Expenses (B)” amounts? If the expenses should be excluded, should the 2020 and 2021 “Total Revenue (A)” amounts also exclude the related revenue recognized from these COVID-19 assistance programs, and should any amounts provided by these programs only be disclosed in the “Identify all government/privately sponsored COVID-19 relief programs” response?</p> <p>Also, when calculating net income, can non-operating income (e.g. realized and unrealized investment gains & losses, investment interest</p> | <p>Please enter your revenues and expenses as listed on your Form 990 or Statement of Activities and list any COVID Relief program funds received under the following question, “Identify all government and/or privately sponsored COVID-19 relief program funds received by program name and amount.” You may also provide an adjusted financial report for the periods requested to better reflect the impact of COVID-19 on your organization. You must also provide a reconciliation back to the form 990 and/or attested financial statement with explanations to substantiate the amount requested.</p> |

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| income, investment fees...) be excluded from the calculation? | |
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| Tranche 1 Requirement | What's Different in Tranche 2 |
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| Must have an aggregate net loss in 2020 and 2021 | Must have a net loss in either 2020 or 2021 |
| Must complete Equity Questions, although not used for determining award. | Equity Questions will only be required to be answered in the Final Report. Again, this is only for data collection. |