

COUNTY OF ELK

**AID TO SMALL
BUSINESSES AND
NONPROFITS**

Guidelines and Reporting Form

Version: 1.0 Revised Sept 22

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Note on Sources

Unless indicated otherwise, information in this form is derived from the Department of The Treasury Coronavirus State and Local Fiscal Recovery Funds Interim Final Rule and Compliance and Reporting Guidance for State and Local Fiscal Recovery Funds.^{1,2}

Project Description

The goal of the Aid to Small Businesses and Nonprofits grant program is to provide economic relief from the financial impact of the COVID-19 pandemic to small businesses; nonprofits; and to the tourism, travel and hospitality industry in Elk County.

The design and operation of the program is based off the successful COVID-19 County Relief Block Grant of 2020 and the COVID-19 Hospitality Industry Recovery Program (CHIRP) of 2021.^{3,4} The former program delivered approximately \$1.5 million dollars to local small businesses and approximately \$467,000 to local nonprofits while the later program distributed \$335,000 to area businesses in the hospitality industry. Based on community feedback, both programs reduced the economic hardships caused by the COVID-19 pandemic.

Interested applicants will be directed to submit a form titled “Aid to Small Businesses and Nonprofits”. This form will be available on the County’s website and can be emailed faxed, or picked up in office upon request. Applicants can be submitted via email, mail, fax, or dropped off at the appropriate County office.

The form directs applicants to state their revenue in 2019, which represents the applicants’ baseline revenue before the pandemic. Next, applicants are to report their revenue in 2020, the first full year of operation during the pandemic. Applicants are to report the difference in revenue between 2019 and 2020. If the applicant experienced a decrease in revenue between the two years, they are to detail how it was the result of the COVID-19 pandemic. Supporting documentation, such as accounting information or financial statements, must be provided to support the revenue figures for 2019 and 2020. Grants received in 2020, such as grants from the Paycheck Protection Program (PPP), Emergency Industry Disaster Loan (EIDL) Program, and the COVID-19 County Relief Block Grant are to be included as revenue when reporting on 2020.

Successful applicants will be reimbursed the difference in revenue between 2019 and 2020, with a cap of \$10,000. Applicants that have not received other forms of assistance; that are small businesses based on the number of full time equivalent (FTE) employees; or are members of the tourism, travel, or hospitality industry will receive preference should demand for funds exceed the \$1,000,000 limit that is earmarked for this program.

The project will feature three timelines. From October, 1, 2021 to December 30, 2021 grant applications will be solicited and received interested applicants. From January 2, 2022 to January

¹ [Interim Final Rule](#)

² [Compliance and Reporting Guidance](#)

³ [COVID-19 County Relief Block Grant](#)

⁴ [COVID-19 Hospitality Industry Recovery Program](#)

31, 2022 applications will be reviewed and processed by County staff. After review and approval, grant awards will be distributed to eligible applicants from February 1, 2022 to February 28, 2022.

Applications will be stored by the County electronically in a database storage system and tracked internally by a Microsoft Access Database. Payments to successful applicants will be through paper check and the encumbering and distribution of funds will be tracked through the County's SGA accounting software system.

On March 1, 2022, the Aid to Small Businesses and Nonprofits grant program will be closed.

Expenditures

As mentioned, \$1,000,000 of Elk County's State and Local Fiscal Recovery Funds will be earmarked for this program. For the period of October 1, 2021 to December 31, 2021, all funds will be reported as obligated under this project name, identification number, and project expenditure category. From January 1, 2022 to March 31, 2022 expenditures will be realized and reported as such. If funds remain upon the completion of the program, they will cease to be considered obligated or earmarked State and Local Fiscal Recovery Funds.

Project Status

Absent any alterations to the project once underway, the period of October 1, 2021 to December 31, 2021 will be reported as "Completed less than 50%". For the period of January 1, 2022 and March 31, 2022, the project will be reported as "Completed".

Project Demographic Distribution

The project is not:

- Directed at a physical location or population within a Qualified Census Tract
- Intended to benefit those who earn less than 60% of the median income for the relevant jurisdiction; or
- Support a population where at least 25% of the intended beneficiaries are below the federal poverty line

Sub-Award

Grants are capped at a maximum of \$10,000 per applicant. Therefore, sub-awards will not require reporting or tracking.

Civil Rights Compliance

Elk County, the program administrator, is compliant with Title VI of the Civil Rights Act of 1964. Applicants to this program will be asked if their business or organization is compliant with Title VI. Those that are not will be ineligible for grants under this program.

Project Expenditure Category and Identification Number

All expenditures under this program will be distributed under Expenditure Category “2, Negative Economic Assistance”. Depending on the applicants information, the specific distribution to each applicant will be under Expenditure Category “2.09 Small Business Economic Assistance, 2.10 Aid to Nonprofit Organizations, or 2.11 Aid to Tourism, Travel, or Hospitality”.

The program shall be assigned the internal identification number of 2002001. “200” since it is Expenditure Category “Negative Economic Impacts”, “2” since program funds will be distributed in 2022, and “001” since it is the first project under expenditure category “Negative Economic Impacts”.

This identification number will not appear on the County’s chart of accounts, since no funds are being transferred internally for the creation of this project. Rather, funds are being earmarked for this project. Actually expenditures will appear on the chart of accounts number the 2.09, 2.10, or 2.11 Expenditure Categories. All Funds distributed under those Expenditure Categories will be assigned to the parent Expenditure Category and Identification Number 2002001 for reporting and tracking purposes.

Evidence-Based Intervention

In the County’s determination, this program is supported by moderate evidence. Three sources of evidence resulted in this conclusion.

The first piece of support is from a report title “The Job Preservation Effects of Paycheck Protection Program Loans” released by the Department of The Treasury in December, 2020.⁵ This report studied the effects of PPP, which in effect served as a rapid direct cash transfer to eligible businesses and organizations that were suffering adverse financial impacts of the COVID-19 pandemic. Specifically, the report studied the impact of the timing of loan receipt. Their finding concludes “superior labor market outcomes in counties which received PPP funds faster”.

Therefore, in the County’s interpretation, we conclude the findings of this report demonstrate the success of direct cash transfers to businesses and organizations in response to the negative economic impacts of the pandemic. The program the County has devised mirrors the easy to navigate and implement direct cash transfer model of PPP.

Further, the paper supports the importance of timing. While the economic impact of the pandemic is receding, many businesses and organizations are struggling to make a full recovery. This is demonstrated by the fact the unemployment rate has not returned to pre-pandemic levels, suggesting many businesses are having difficulty return to pre-pandemic staffing levels.⁶ While funds from the State and Local Fiscal Recovery Fund can be used until 2026, this program is intended to get assistance to local businesses and organizations quickly, thereby accelerating the

⁵ [The Job Preservation Effects of Paycheck Protection Program Loans](#)

⁶ [Unemployment Rates During the COVID-19 Pandemic, Congressional Research Service](#)

economic recovery. As demonstrated by the report, delaying assistance can have negative impacts on the intended recipients.

Further evidence supports the direct cash transfer model of the PPP. In a report published in September of 2020 by economists Glenn Hubbard and Michael Strain, they found “evidence that PPP has substantially increased the employment, financial health, and survival of small businesses”.⁷ However, the authors note “the program had important medium-run goals, as well, including preventing a wave of bankruptcies once the economy partially reopened” and increase “productivity by preserving firm-specific human capital”. In their view, the medium-term goals of PPP had not been reached yet. This program supplements the medium term goals of the PPP by further buttressing local businesses and nonprofits financial position, thereby decreasing the likelihood of bankruptcy while preserving firm-specific human capital.

The final piece of evidence is anecdotal but is relevant since it reflects the nature of the situation Elk County. Many businesses, nonprofits, and local firms in the hospitality industry suggested the COVID-19 County Relief Block Grant and CHIRP provided much needed support. This program builds on that success.

Application Deadline

Applications will be accepted and processed on a rolling basis. Applications will not be accepted after November 30, 2024.

Applicant Information

Business/Organization Name*	Click or tap here to enter text.
Address Line 1	Click or tap here to enter text.
Address Line 2	Click or tap here to enter text.

⁷ [Has the Paycheck Protection Program Succeeded? Brookings Papers on Economic Activity](#)

City and State	Click or tap here to enter text.
Zip Code	Click or tap here to enter text.
Contact Person	Click or tap here to enter text.
Title	Click or tap here to enter text.
Phone Number	Click or tap here to enter text.
Email Address	Click or tap here to enter text.
Employer ID Number (if applicable)	Click or tap here to enter text.

- * If the organization is a non-profit or a public benefit corporation, include a copy of not-for-profit determination letter or evidence of corporation status

Applicant Economic Information

Funds received from the Paycheck Protect Program (PPP) and/or the Economic Industry Disaster Loan (EIDL) Program are to be reported as income in 2020 if the loans were converted into grants. Other forms of assistance from federal, state, or local government in 2020, such as the COVID-19 County Relief Block Grant, are to be reported as income in the year 2020.

Organizations that have not received other forms of assistance, that are small businesses, or are members of the tourism, travel, or hospitality industry may receive greater consideration depending on the level of demand for assistance.

Awards will be capped at \$10,000.

Revenue January 1, 2019 – December 31, 2019	Click or tap here to enter text.
Revenue January 1, 2020 – December 31, 2020	Click or tap here to enter text.
Difference in Revenue Collected 2019 to 2020	Click or tap here to enter text.
Did your organization received grant aid in 2020, including, but not limited to, PPP, EIDL, and/or COVID-19 County Relief Block Grant?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Has this Organization/Business ever violated Title VI of the Civil Rights Act of 1964? ⁸	Yes <input type="checkbox"/> No <input type="checkbox"/>

Description of Economic Harm

If your organization experience a decrease in revenue from 2019 to 2020, please describe below how it was caused by the COVID-19 pandemic.

Please reference any supporting documentation in this section. An application that is not accompanied by supporting documentation, such as accounting information, will be denied.

⁸ [Title VI, Civil Rights Act of 1964](#)

Click or tap here to enter text.

Application Category

Select the category(s) that best describe your business or organization. More than one may be selected.

2.09	Small Business	<input type="checkbox"/>
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2.10	Nonprofit Organization	<input type="checkbox"/>
2.11	Member of the Tourism, Travel, or Hospitality Industry	<input type="checkbox"/>
If your organization is a nonprofit, but is something other than a 501(C)3, please list it's nonprofit structure		Click or tap here to enter text.

Number of Full-Time Equivalent Employees

Please indicate below the number of full-time equivalent (FTEs) employees for your businesses or organization. This information is needed to determine whether or not you may be considered a small businesses.

FTEs are calculated by taking “an employee's scheduled hours divided by the employer's hours for a full-time workweek. When an employer has a 40-hour workweek, employees who are scheduled to work 40 hours per week are 1.0 FTEs. Employees scheduled to work 20 hours per week are 0.5 FTEs.

An employer with a 35-hour workweek would simply divide the employee's scheduled hours by 35 to determine the FTE. For example, an employee scheduled to work 21 hours per week would be 0.6 FTE when the full-time workweek is 35 hours.

FTE calculations are about hours worked rather than number of employees. You could have four employees and only one FTE. Four 0.25 employees would be 1.0 FTE. Amir, Mark, Phyllis and Sue could each work 10 hours per week and the total would be 40 hours worked, or one FTE based on a 40-hour workweek.”⁹

Number of FTEs	Click or tap here to enter text.
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Submission

Applications can be submitted in one of three ways:

By Mail:

Pat Straub, Chief Clerk

⁹ [SHRM. How do I calculate full-time equivalent \(FTE\) hours?](#)

**COUNTY OF ELK
STATE AND LOCAL FISCAL RECOVERY FUND**

**AID TO SMALL BUSINESSES AND NONPROFITS
GUIDELINES AND REPORTING FORM**

Elk County Courthouse Annex
300 Center Street
PO Box 448
Ridgway, PA 15853

By Fax: 814-776-5379

By Email: covidgrant@countyofelkpa.com.

If you have questions, please feel free to contact the email above or call 814-776-1161.

Application Certification

By signing below, the applicant acknowledges the information provided on this application and any accompanying documents is true and correct to the best of the applicant's knowledge. The applicant further acknowledges that grant funds must be used in a manner permitted by the American Rescue Plan Act of 2021 and regulations issued by the Department of The Treasury and/or any federal agency having jurisdiction over this grant program. Applicants will be expected to maintain adequate and complete records regarding the disbursement of all grant funds received. Applicants will be required to refund moneys used in violation of program requirements.

Electronic signatures will be accepted and can be inserted in the field below. The signature page can be printed, signed, and delivered separately as well.

Application Completed by:

Name:

Signature:

Date:

Application Approved by Authorized Representative:

Name:

Signature:

Date:

INTERNAL USE ONLY

Date Application Received	Click or tap to enter a date.
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Application Reviewed by	Click or tap here to enter text.		
<input type="checkbox"/> Approved		<input type="checkbox"/> Denied	
Grant Amount Approved	Click or tap here to enter text.		
Approval Date	Click or tap to enter a date.		
Identification Number	Choose an item.	Choose an item.	Click or tap here to enter text.
Project Expenditure Category	Choose an item.		
Transmit Payment to	Click or tap here to enter text.		

Notes on approval or denial:

Click or tap here to enter text.

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