

COVID-19 RESOURCES

SHUTTERED VENUE OPERATORS GRANTS (SVOG)

PAYCHECK PROTECTION & FORGIVENESS (PPP)

COVID EMERGENCY INJURY DISASTER LOANS (EIDL)

EIDL ADVANCE * TARGETED &

COVID-19 Federal Resources (Chronological)

- 9/15/21 United States Conference of Mayors (Resolution and Letter to Congress)
- 9/9/21 SVOG, PPP Forgiveness, & Federal Update
- 8/2/21 SVOG Daily Update
- 7/29/21 SVOG, PPP Forgiveness, & Office Hours
- 7/28/21 PPP Update
- 7/27/21 SVOG Daily Update
- 7/27/21 SBA Reaches New Milestone Awarding Shuttered Venue Operators Grants to over 10,000
- 7/22/21 SVOG Update
- 7/21/21 SVOG Daily Update

COVID-19 Federal Arts Resources
ArtsActionFund.org/COVID19Resources

Join Arts Action for FREE and get eblasts
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Office Hours with

Nina

Fridays @ 11am - 12pm ET
 Find out more at:
ArtsActionFund.org/OfficeHoursNina

EXTENDED



Zoom Office Hours with Nina
ArtsActionFund.org/OfficeHoursNina
 Every Friday at 11:00am ET



SVOG Updates
ArtsActionFund.org/SVOG



Nina Ozlu Tunceli
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 Executive Director



SVOG Overview

Total \$ Grants Awarded	Total \$ Grants Disbursed
\$11bn	\$9.6bn

INITIAL

Grant Applications Submitted	# Grants Awarded	\$ Grants Awarded	Avg. Grants Awarded	\$ Grants Disbursed
17,644*	12,094	\$9.8bn	\$809K	\$9.6bn

SUPPLEMENTAL

Invitations Accepted	# Grants Awarded	\$ Grants Awarded	\$ Grants Disbursed
3,805	3,661	\$1.2bn	\$0



*Includes active application formerly noted as a test file

As of Midday 27 September 2021

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SVOG Awards by Venue Type

INITIAL

Live Venue Operators or Promoters	Live Performing Arts Org. Operators	Talent Representatives	Motion Picture Theater Operators	Museum Operators	Theatrical Producers
4,404	3,172	1,306	1,555	765	892

SUPPLEMENTAL

Live Venue Operators or Promoters	Live Performing Arts Org. Operators	Talent Representatives	Motion Picture Theater Operators	Museum Operators	Theatrical Producers
1,310	1,132	431	405	93	290

As of Midday 27 September 2021

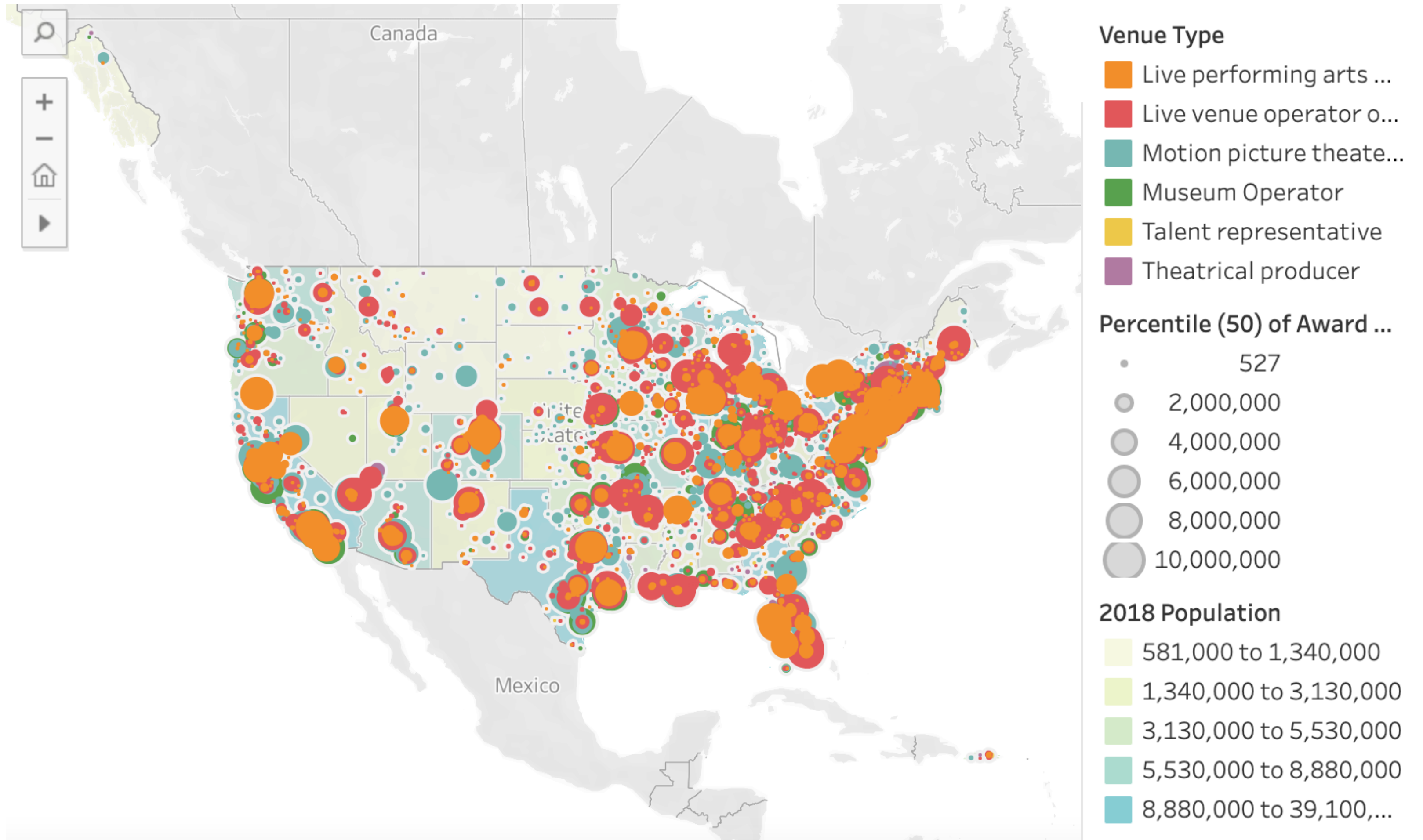


SVOG Awardees as of 9/27/21

Excerpt Below

24-8 LLC - SVOG	Nashville	TN	Talent representative	\$91,845.44
4Strings Entertainment LLC - SVOG	Nashville	TN	Theatrical producer	\$38,568.97
5 Spot LLC, The - SVOG	Nashville	TN	Live venue operator or promoter	\$356,131.17
Actors Bridge Ensemble Theater of Nashville, Inc - SVOG	Nashville	TN	Live performing arts organization operator	\$17,526.00
Adventure Science Center Nashville - SVOG	Nashville	TN	Museum Operator	\$1,264,653.05
Alignment Management INC - SVOG	Nashville	TN	Talent representative	\$27,583.16
Americana Music Association - SVOG	Nashville	TN	Live performing arts organization operator	\$586,824.67
AMFM, LLC - SVOG	Nashville	TN	Talent representative	\$1,321,705.20
AndyReuter, LLC - SVOG	Nashville	TN	Theatrical producer	\$124,622.75
APEX Entertainment Management, LLC. - SVOG	Nashville	TN	Talent representative	\$114,070.54
Artisan Agency LLC. - SVOG	Nashville	TN	Talent representative	\$455,484.35
ARTISTMGMT, LLC - SVOG	Nashville	TN	Talent representative	\$653,970.00
Belcourt Theatre, Inc. - SVOG	Nashville	TN	Motion picture theater operator	\$771,370.68
Big Enterprises, LLC - SVOG	Nashville	TN	Talent representative	\$62,185.48
Bliss Nashville, LLC - SVOG	Nashville	TN	Live venue operator or promoter	\$1,702,581.25
Bluebird Cafe, Inc. - SVOG	Nashville	TN	Live venue operator or promoter	\$1,060,526.25

<https://data.sba.gov/dataset/svog>



SVOG Eligibility Matrix

www.sba.gov/sites/default/files/2021-07/SVOG_EligibilityMatrix_v2%20final-508_0.pdf

Talent Representative

Eligibility Criteria		Statute Reference
1	Must be engaged in representing or managing artists and entertainers as 70% or more of its operations	15 USC 9009a(a)(10)(A)(i) as supplemented by ¶ 35 of the Definitions section of the FAQs
2	Must book or represent musicians, comedians, actors, or similar performing artists primarily live events in venues or festivals	15 USC 9009a(a)(10)(A)(ii)
3	Most venues performers are booked into must require a ticket purchase or cover charge for most performances	15 USC 9009a(a)(1)(A)(iii)(IV)
4	Most venues performers are booked into must market performances via print or electronic means	15 USC 9009a(a)(1)(A)(iii)(VI)
5	Most venues performers are booked into must pay performers based on a percentage of sales, a guarantee, or other mutually beneficial arrangement other than complimentary food and beverage	15 USC 9009a(a)(1)(A)(iii)(IV) and 9009a(a)(10)(A)(iii)
6	Most venues performers are booked into must have a defined performance space (e.g., a stage or roped-off area)	15 USC 9009a(a)(1)(A)(iii)(II)
7	Most venues performers are booked into must have a defined audience space (e.g., standing or seating area)	15 USC 9009a(a)(1)(A)(iii)(II)
8	Most venues performers are booked into must have sound mixing equipment	15 USC 9009a(a)(1)(A)(iii)(III)
9	Most venues performers are booked into must have a public address system	15 USC 9009a(a)(1)(A)(iii)(III)
10	Most venues performers are booked into must have a lighting rig	15 USC 9009a(a)(1)(A)(iii)(III)
11	Most venues performers are booked into must have at least one individual who performs at least two of the following roles: (1) Sound engineer (2) Booker (3) Promoter (4) Stage manager (5) Security personnel (6) Box office manager	15 USC 9009a(a)(1)(A)(iii)(III)

Supplemental Awards

SVOG Awardees of first, second, and third priority round awards who suffered a 70% or greater EARNED revenue loss for either Q1 2021 or Q2 2021, compared to the same quarters in 2019. Award amount is based on 50% of original grant (prior to PPP2 reduction). Supplemental invites began sending out Notices of Award on a rolling basis on 9/22/21.

Please note that you had to update your 2021 financial numbers prior to receiving a Supplemental invite. This was originally an optional request, but later became a mandatory request.

Reconsiderations & Appeals

Decisions on SVOG request for reconsideration on original award amount began going out on Monday 9/27/21.

Decisions on SVOG request for appeals on rejected applications will begin going out in October.

Cross-Program Eligibility on SBA COVID-19 Relief Options

www.sba.gov/funding-programs/loans/covid-19-relief-options/cross-program-eligibility-sba-covid-19-relief-options

	Paycheck Protection Program Applicant	Shuttered Venue Operators Grant Applicant	COVID-19 EIDL Applicant	Restaurant Revitalization Fund Applicant
PPP recipient	First Draw PPP borrowers may be eligible to apply for Second Draw PPP loans	May apply for SVOG if received a PPP loan; if PPP loan received after Dec. 27, 2020, the PPP loan amount will be deducted from the SVOG. May not apply for PPP after receiving SVOG	May apply for EIDL and PPP, but cannot be used for the same purpose/costs	PPP loans received by the RRF applicant will affect the applicant's funding calculation
Shuttered Venue Operators Grant recipient	May not apply for PPP loan after receiving SVOG	May be eligible to receive a supplemental SVOG award	May apply for EIDL and SVOG, but cannot be used for the same purpose/costs	Entities that have a pending application for or received a Shuttered Venue Operators Grant are not eligible to apply for RRF
COVID -19 EIDL recipient	May apply for PPP, but cannot be used for the same purpose/costs as EIDL	May apply for SVOG, but cannot be used for the same purpose/costs as EIDL	May apply for one EIDL, then submit applications to increase funds from that same loan	May apply for EIDL and RRF
RRF recipient	PPP loans received by the RRF applicant will affect the applicant's funding calculation	Entities that have a pending application for or received an RRF are not eligible to apply for Shuttered Venue Operators Grants	May apply for EIDL and RRF	The same business cannot apply for RRF more than once

SVOG FAQs

The SVOG Federal program does not have any legal regulatory guidelines. Therefore, awardees can only rely on the FAQs which continue to be fluid and unreliable. SBA is on its 11th version of the FAQs, changing and adding after applications were already submitted and awards already granted.

7/28/21 SBA FAQs on Post-Application Information:

www.sba.gov/document/support-post-application-guidance-svog-applicants

7/22/21 FAQs on SVOG Award Information:

www.sba.gov/document/support-faq-svog-awardees

Best Practices for Accounting & Spending the Funds

- Keep separate checking account of the SVOG funds
- **SVOG project period** = the period that you incur the costs (Beginning 3/1/20 through the original deadline 12/31/21, but can be extended with a supplemental until 6/30/22)
- **SVOG budget period** = the period that you can use SVOG funds to pay for eligible costs incurred during the SVOG budget period (original deadline one year from the date original award granted, but can be extended with a supplemental an additional 6 months)
- If old bills from 3/1/20 through today had already been paid with credit card, reserves, etc. then you can reimburse your company for those expenses, but keep a copy of the original invoice that shows the date it was incurred and proof of your bank statement or credit card statement that shows you paid the invoice
- \$100,000 limit in annual compensation is only for **employees of independent contractors. Artists will not be considered indep contractors for cap purposes.**

Track Sources of Monthly Funding & Expenses to Prevent Double Dipping Beginning 3/1/20

Non-authoritative draft as of 10/1/21 (always defer to your CPA)

Total Amount Awarded	\$	\$	\$	\$	\$	\$	\$	\$
SVOG Eligible Expense Categories	SVOG <small>(can double dip with ERTC)</small>	PPP 2020 <small>(first \$100K/employee)</small>	PPP 2021 <small>(first \$100K/employee)</small>	EIDL	FPUC <small>(self-employed owners)</small>	NEA, NEH, IMLS, CPB	ERTC <small>(can double dip with SVOG)</small>	Total
Payroll Costs (including fringe benefits)								
W2 Employee #1								
W2 Employee #2								
W2 Employee #3, etc.								
Rent								
Utilities								
Scheduled Mortgage Payments								
Scheduled Debt Payments								
Worker Protection Costs								
Independent Contractors <small>(\$100k salary cap on employees of independent contractor)</small>								
Independent Contractor #1								
Independent Contractor #2								
Independent Contractor #3, etc.								
Other Ordinary & Necessary Business Expenses (Owner compensation capped at 2019 level)								
Travel								
Administrative Costs (Fees & Licensing)								
State & Local Taxes & Fees								
Operating Leases in effect as of 2/15/20								
Insurance Payments								
Advertising, Production Transportation, & Capital Expenses (Can't be primary use of funds)								

Avoid Double Dipping Payroll & Expenses

- IRS Regulation on Eligible Wages for PPP, SVOG, and the Employee Retention Tax Credit (ERTC): www.irs.gov/pub/irs-drop/rp-21-33.pdf
- Safe harbor created to omit PPP forgiveness, SVOG funds, and restaurant revitalization funds in calculating gross receipts solely for determining eligibility for the ERTC

Determining If Subject to Income Tax & Federal Single Audit

Non-authoritative draft as of 10/1/21 (always defer to your CPA)

SVOG Tax & Single Audit Matrix				
Non-authoritative draft as of 10/1/21 (always defer to your CPA)				
	Report as federal taxable income	Expenses reported on federal tax return and deductible	SVOG: Include in Gross Earned Income calculation?	SVOG: Include in Federal Audit calculations?
PPP 2020	No	Yes	No	No
PPP 2021	No	Yes	No	No
Federal Pandemic Unemployment Compensation	Yes, but the first \$10,200 is excluded for tax year 2020 if your AGI is under \$150K	N/A	No	Unlikely?
EIDL debt loan	No	Yes	No	Yes
Targeted EIDL	No	Yes	No	No
Supplemental Targeted EIDL	No	Yes	No	No
SVOG	No	Yes	N/A	Yes
NEA, NEH, IMLS <small>(including pass through from SAAs, RAOs, and LAAs)</small>	No - for COVID grants Yes - for regular annual awards	Yes	N/A - it's not earned income	Yes
CARES/Economic Aid Act/ARP pass-through funds that state & cities used to help small businesses & the arts	No - federal tax return Yes - for some state tax returns	Yes	No	Yes
ERTC	No, it's a tax credit	Yes	No	No

Are SVOG Funds Subject to Federal Income Tax

FAQ #94. Will an SVOG recipient have to report the grant to the IRS as taxable income?

No.

TIP: While the SVOG award will not be subject to federal income tax, it may still be subject to state income tax. Check with your state.

Federal Single Audit

Federal Single Audit kicks in when \$750,000 is SPENT within a single fiscal year, typically at the cost of the grantee.

FAQ #124. Will the SBA apply the governmentwide grant rules of 2 C.F.R. Part 200 to the SVOG program? Yes

FAQ #156. Will SBA consider audit costs to be an allowable expense?

Generally, audit expenses will not be considered an allowable grant expense; however, there is an exception for SVOG recipients covered by the Single Audit Act. For grantees covered by the Single Audit Act, they may pay a reasonably proportionate share of the costs of audits required by, and performed in accordance with, the Single Audit Act from its SVOG budget.

Federal Single Audit

Nonprofit organizations and **state and local governments** are subject to a federal Single Audit if they expend \$750,000 or more of federal financial assistance in their fiscal year. This includes COVID-19 assistance either in grants or loans and all their other non-COVID-19 federal financial assistance expended in their fiscal year. Loans obtained under the Paycheck Protection Program (PPP) are not subject to a Single Audit.

Commercial companies will likely also be subject to the federal single audit, but likely only for the program (i.e. SVOG award) instead of a full scope company federal single audit.

Still awaiting further SVOG audit guidance in an FAQ from the SBA.

Post-Application FAQs

After receiving and spending your funds, you must submit an accounting of the expenditure of funds to the SBA. You do not need to spend the grant exactly as you indicated in the budget provided on the application. You may move costs between allowable categories—this does not require SBA pre-approval. However, you must only spend the grant in allowable categories and all grantees will need to submit a final budget upon grant close-out. You must show the SBA that all grant funds were spent on, or reimbursed you for, allowable expenses. This accounting is completed using the SF-425.

The SF-425 will include a brief narrative describing your expenditures, some questions regarding the impact of your SVOG award, and list of required supplemental documents such as receipts, invoices, or statements to support all of your expenditures.

You will have 15 days from the date of your final expenditure to complete and return your SF-425. You will need to maintain documents related to your SVOG, such as certifications, special conditions, employment records, etc. for 4 years. Grantees that expended \$750,000 or more in federal funds during the fiscal year will be required to obtain an external audit and submit information regarding this audit to SBA.

More Links

- Shuttered Venue Operator Grants SBA Homepage: www.sba.gov/funding-programs/loans/covid-19-relief-options/shuttered-venue-operators-grant
- SBA FAQs on Post-Application Information: www.sba.gov/document/support-post-application-guidance-svog-applicants
- Regularly Updated FAQs on SVOG Award Information: www.sba.gov/document/support-faq-svog-awardees
- Updated Proskauer Detailed Analysis of Shuttered Venue Operator Grants (SVOG)
Program: prfirmwwwcdn0001.azureedge.net/prfirmstgacctprfirmwwwcdncont0001/uploads/acaf03bd49df881bff773f62b579f321.pdf
- Arts Action Fund's Designated SVOG Page: www.artsactionfund.org/SVOG