

Notes

Monday, April 5 - Daily SVOG Call

Panel

- Dayna Frank
- Liz Tallent
- Sean Watterson

Cliff Notes:

- Contact implementation@nivassoc.org with questions
- Specifics on marketing materials and contracts requirements should be released in the Application User Guide set to release tonight or tomorrow morning
- Application draft is here and is referenced in the notes below:
<https://omb.report/icr/202103-3245-004/doc/109838700>
- Even if the SVOG program runs out of funding, still apply for the supplemental grant. This will allow you 6 more months to spend the funding.
- We will follow up with any questions we did not get to on the recurring meeting tomorrow

Q: I have two small venues with 49 seats, has no employees, only volunteers. Hires Independent contractors. As a non-profit how do I apply? How do you report independent contractors? What do you suggest?

A. **Sean:** Show the employee list and identify people as on payroll or as not on payroll. Include them on that list and indicate that they are such. I don't think there is anything that knocks you out as a result of being a non-profit. You will likely have an option to indicate if you are on a calendar year revenue or fiscal year revenue.

Follow Up: Do we need to find our articles of incorporation?

- a. All NIVA can do is relay what the SBA has given them, the more information you can give the SBA to indicate that you are established as a business, the better. I would encourage you to apply with the information that you have if you don't have the articles of incorporation.

Q: We are by fiscal year and we want to report by fiscal year but section 17 only shows it by calendar year. How should we handle that?

A: Dayna: We are waiting for an application user guide. We think it has to do with priority not for overall program eligibility. We believe the award will be based on 2019 tax returns as a % of revenue but we are waiting for verification on that. Liz: If you are not applying as a parent company you will have to apply with your gross receipts for your applicable entity.

Q: We mostly just charge a door and tickets are not on sale 60 days before the event. What are they looking for for venues like ours? Most of the time the door sales are going entirely to the band and are received in cash. How do we document that?

A: Liz: There are 2 eligibility scenarios, you may be qualifying under the second eligibility scenario. There's a good summary of this on NIVA's website and you only have to qualify as one or the other.

Sean: List the days you have shows, what the cover charge was, and how much you collected on that day.

Q: Comedy club in Rhode Island we picked the NAICS code - our code is different for how we apply. Is that going to give us an issue when we apply?

A: They will not be taking the codes into consideration because NIVA members are under many different codes and they asked to remove that as a requirement.

Q: Mom & Pop shop: If our performers aren't paid on a base of ticket sales, our performers get a same flat fee as a salary. If I don't pay by ticket sales does that knock me out? If I answer no on that question (#39), does that knock me out? We also pay out on venmo and square cash, is that a problem?

A: Liz: The binary questions are determining your basic eligibility, you probably don't want to answer those in the negative so that you can fit the act. You must support this with documentation.

Chilton: As far as the SBA is concerned you can likely answer in the affirmative for that question.

Dayna: Agree, let's wait until the user guide comes out to fully confirm.

Follow up: How do I support the evidence? It's all handshake and it's all on square, paypal, venmo?

A: A list of your 1099s is proof that you paid them.

Q: We do 2 small shows a month and an annual festival & we aren't large enough to do payroll - we split profits among partners. How do we handle that?

A: Liz: Lots of people have asked this, we are hoping that will be included in the user guide. The guide should be released today or tomorrow.

Dayna: Having a payroll is not a requirement for the act

Q: Is there already an application available online?

A: There's an application draft: <https://omb.report/icr/202103-3245-004/doc/109838700>

The SBA is looking to reduce the amount of content overload as much as possible - hoping to know more about the requirements from the user guide for things like contracts and marketing content.

Q: Timing of application opening?

A: It should be a time accessible to all time zones from NY to Hawaii but we don't have specifics.

Q: The grant as far as budgeting is from March 2020 - December 2021, are they looking for a budget that is reimbursing (i.e.: rent not paid)? If they pay the grant in June, do we have to use it for only paying out acts playing before December 2021?

A: Another one of the most pressing questions; NIVA has expressed that applicants not be held legally responsible for the budget because there is so much unknown. The budget should be

just what you are going to spend your SVOG on. If you incur the expense before December 2021, you could use SVOG for it (for example marketing costs for a show that is in 2022). You can't prepay an expense for the future. Every expense from March 2020 until today can go into your budget though.

Q: We have a PAC merging with a fine arts museum (1/1/2020) - Just the PAC qualifies for the grant. I am doing everything on the calendar year but one of these locations was on the fiscal year. Anything I need to watch out for?

A: In the FAQ there are some questions about merges, reference those, we don't have a specific answer for this situation.

Q: We have a seasonal business that takes place in Q4. What type of evidence should I provide to justify the Feb 29, 2020 start date?

A: Show if you have tickets for sale, were you paying rent, newsletters, did you have a web domain. Any evidence that you can provide that you were still in operation - they aren't looking for if you were having a show that day. Just looking for something to show that you were in operation at that time. Bank statements could be used potentially as justification.

Q: Capital expenditures section (Capital expenditures related to producing a theatrical or live performing arts production.) - what counts there?

A: Facility upgrades are ordinary cost of business. Anything related to facilities is ordinary and regular business.

Q: Most of our budgeting would go to artist payments. We still don't know how many events we will be able to have this year. Will we have to spend all of that talent money in the next year?

A: NIVA is asking for flexibility with that aspect of things because of exactly that reason. The SBA mentioned 10% flexibility on budgets. We need to wait for more clarification from the SBA in the user guide for this.

Even if the SVOG program runs out of funding, still apply for the supplemental grant. This will allow you 6 more months to spend the funding.

The supplemental grant should be based on your original application so you shouldn't have to do another application (as far as we know right now).

Q: My 2019 taxes were filed on paper and they have not posted yet. My concern is that the reviewer will pull my tax transcript and it will show that it is not yet received and my app will be rejected. What does the implementation committee recommend? (Want to make sure that the app will not be rejected, ok if the funding is just delayed)

A: Hoping this will be clarified in the user guide.

Q: Restaurant and live music venue combo. Our Fiscal year is July 1 - June 30. Should we upload a statement about our fiscal year?

A: They will be allowing people to opt for fiscal year or calendar year. If you have a calendar year model then opt for that in the application. This is in the FAQs somewhere if you need more info.

Q: I don't have receipts for a flooding incident that happened. How can I justify that?

A: You can show your tech spec packet or an insurance form to justify this. They will accept photos, you can piece together the documentation with what you have if you don't have the receipts from the past.

Q: Does the floor plan need to be an architectural floor plan or is it something I can draw up myself?

A: Show that you have a designated performer and audience space. Also include a sound booth if you have one.

Q: I don't keep track of contracts. Is that going to give me an issue?

A: Provide what you have been using to keep any record of fairly paying artists

Q: For the standard forms, will they be in the application or will they be something we have to fill out in advance? Is a one sheet of our contract going to be enough for contracts?

A: Forms - we are not sure if they are embedded or not. It doesn't hurt to get them ready now to submit as PDFs.

Prepping documents: label the documents so that it's really easy for the person reviewing it to know what the purpose of it is i.e.: "Box Office Report"

We are waiting for more info tonight from the user guide on how much info they need.

Q: 4 events per month - we have 1 show that goes over multiple weekends. Does that count as multiple events?

A: Yes that counts as multiple events (the regular programming language is only for movie theaters)

Q: Rent is super expensive in Hawaii - the entire allotment of the grant could be taken up by the grant. Should we prioritize immediate costs instead?

A: theoretically yes you could use it all on the rent, however if your grant is medium risk, they will only give you the second part of the funding once you have spent the first so you would have to wait longer to get your funding. This was covered more in depth in the webinar

Q: What is the funding number for form 424b?

A: We don't know yet.

Q: Marketing files are really big - is there a max limit?

A: We have to wait for the guide

Q: I applied for PPP but have not been approved. Do I have to check yes or no?

A: We think it's "received" not applied

Q: I dont have my box office reports because I was with Ticketfly what should I do?

A: Provide what you can, provide the raw data if you have it

Q: The webinar said that people in the 90% priority group would get pushed to the top of the pile for the second priority pile. Do we know if the second group will get pushed up to the third priority period?

If it takes longer than 2 weeks to process the first priority period and it takes a long time will they do the same thing for the second group?

A: Applications will be funded based on date and time of submission. We don't know exactly how they will prioritize the applications for the different groups.

Q: How are we supposed to create a budget without knowing how much our projected revenue is? What are people basing their proposed grant on?

A: It should just be 45% of their 2019 gross earned revenue less any PPP funding
We do not expect the [draft application](#) to change too much. The budget is about accountability afterwards not as much about approving what you use it for. The caveat, they do give you the option to provide a budget that is lower than what you would be eligible for (perhaps trying to get lower than the 750 audit amount)

Q: We opened in Jan 2020, we only have 3 months of activity, we don't have gross earned revenue in 2019. What should I mark on the yes/no checkbox?

A: There is an allowance if you opened after Feb 2019. There is a way to still qualify. Checkout the FAQ on page 2 #3, you are eligible so there should be a way to apply.

Q: How do we check about the "Do Not Pay List" that came up in the webinar?

A: The treasury department maintains this list, you will likely know if you are on this list.

Q: The draft application says "Does at least 70% of Applicant revenue come from ticket sales, production fees or production reimbursements, nonprofit educational initiative, or the sale of event food, beverages, or merchandise?" - is that gross earned revenue?

A: Yes they missed the earned revenue

Q: Are we supposed to take the PPP2 out or do they do that on the app?

A: You take that out

Q: Most of our stuff is corporate events as a talent rep.. What should I do?

A: Ask NITO those types of questions

Q: I am a promoter that uses different arenas and stadiums etc. Do I need to provide a floor plan? Do I provide everything?

A: I would provide a sampling of the floor plan depending on how many venues you work with. The applicant user guide will have more about marketing.

Q: Any clarity on 11c about affiliates needing to provide a duns number?

A: They will answer that in the applicant user guide.

Q: As a promoter I don't have a lot of evidence that is required in the application like floor plan and equipment. Also I do shows in Europe and Canada & I have marketing materials etc as evidence - can I apply for shows outside the US?

A: We don't know about international promotion, you might want to reach out to your local Small Business Development Centers for how to treat that. (Sounds like the SBDC did not have the answer when she asked before) Recommended to check with the Broadway league as well.

Q: We pay people with 1099 contracts but for some plays we pay union actors through payroll. They are not staff, do we need to include them in staffing?

A: I would assume that if they are on payroll then they are staff, goal is to try to represent your business as best you can, whatever is the most accurate to your business, there might not be a right or wrong answer. Email implementations after the call and they will connect you with some theater organizations.

Q: We are University of Wisconsin at Madison and applying under the university's EIN number, what if another campus location uses the same number will they be flagged? I don't have tax returns for my specific business its all at the university level.

A: Liz: Going to try to get her set up with someone that can speak to university reqs and she does think that you should avoid applying under the same EIN as another applicant.

Monday, April 5 - Black Promoters Collective

Panel

- Moose
- Jason Anderson
- Sean Watterson
- Audrey Fix Schaefer

Q: Once submitted what is the turnaround time for approval/award?

A: There has been no official time frame provided by SBA. Look at the priority periods of businesses showing 90% revenue loss for the first two weeks, 70% revenue loss for the following two weeks, 25% revenue loss following the initial 4 weeks as a rough idea of how the SBA plans to move through the applications.

Q: Wouldn't most applicants fall into the first priority period since we've all been shuttered?

A: The later additions of museums & movie theaters, along with non-profit entities who maintained fundraising support bases will likely make up the bulk of 2nd & 3rd priority tiers. It's entities like this that are the reason for the earned vs gross income distinction.

Q: What role has NIVA played in making sure the program is fair for everyone?

A: All NIVA can do is offer suggestions and guidance to the SBA. We have been listening to any feedback and concerns from NIVA members and communicating those to the SBA as they developed the program.

Q: What are the main pitfalls for live event promoters?

A: There are not so much as pitfalls, but more limitations that we need to work with due to the finite supply of funding available for the program. We did our best to make sure the businesses most in need would be first in line for assistance.

The program was initially written from the perspective of the venue owner rather than the promoter as is reflected in the language. We hope to get further clarification in the application guide to be released tonight or tomorrow morning.

Q: How will festival promoters handle the application?

A: Flexibility has been added to recognize the differences between various applicants. Such as, proof of sound & lighting equipment through rental agreements rather than proof of purchase. There is more information regarding festival promoters in the most recent [FAQ](#)

Q: As a seasonal promoter do we need to show 48 events (4 per month) for the calendar year?

A: As long as you show you meet the guidelines during your normal operating season that will be sufficient.

Q: I'm concerned about uploading contracts due to the large amount of data. Could you upload a ledger of artists and fees paid? Could you upload contract face pages or face and signature page?

A: Question 23 on the draft application mentions contracts, ledgers or other forms of proof. We have asked SBA to be as flexible as possible in this regard, and hope for further clarification with the release of the application guide.

Q: Do we only have one chance to apply?

A: There will be no appeal process. The application portal will be designed so that one cannot submit an incomplete application. Once submitted the SBA may put a hold on an application, but they will not contact the applicant. It is the responsibility of the applicant to log in and check the status of their application.

Q: With all the financial documents, 2019 tax returns, monthly revenue, quarterly statements is there clarity about the method of accounting they are looking for?

A: You should be using accrual accounting for all financials.

Q: How important is it to file your 2020 tax returns before applying?

A: For larger grants, over 1 million dollars, the lack of a filed 2020 return could result in your award being broken up into disbursements, but will not affect the amount of your award. The largest awards could be awarded in 3 or 4 disbursements. It is our strong recommendation to focus first on the SVOG application, rather than our 2020 tax return.

Q: Is there a portion set aside for minority owned businesses?

A: No, the only set-asides are for size, 50 or fewer employees, and revenue loss.

Q: In our proposed budget would artist guarantees be considered ordinary business expenses? Would the rental of venues by a promoter be considered rental expenses?

A: In this case both would be considered ordinary business expenses. This is the most flexible bucket in your proposed budget.

The rental expense line in the proposed budget would be for brick & mortar venue's monthly rental expenses.

Note: While you cannot submit a budget higher than your award, you can submit a budget for less than your award if you are concerned about crossing the \$750,000 threshold which would trigger an audit.

Q: Would rental agreements from venues suffice in place of a floor plan?

A: If possible submit a floor plan from the venue(s) you are renting.

Q: Would a seating chart be sufficient?

A: Yes as long as there is some reference to the stage.

Q: Could we use a Ticketmaster link for a show on sale showing the venue seating plan?

A: Future events will not be helpful in the application, but if you had a similar screenshot from a previous event showing the seating plan and stage that would suffice.

Panel Note: The SBA will be hiring private contractors so it is important to make reviewing your application as easy as possible. Be clear in labeling your documents as what they are and/or their purpose. If one document is being used for multiple purposes make copies and label each clearly. Assume the reviewers know nothing of the nature of your business.

Q: Do we need to line-item our proposed budget or should we use lump sums for each category?

A: Lump sum.

Q: Do we need to deduct sponsorship & sales tax from our income?

A: Sponsorships would be considered a part of regular business in for-profit entities and would not need to be deducted.

Editor's note: There was some mention of non-profit sponsorship being divided into two parts, one of which would be deducted, as well as some anecdotal reference to how sales tax is handled in Ohio, but none of it felt like a direct answer to the question.

Q: Would my accountant's summary of 1099s for artists work in place of contracts?

A: Yes, this would work. If you have other contractors in your summary be sure to indicate the Artists.

Panel Note: While you can use the contractor section of your proposed budget for 1099 artists. You may want to consider placing those expenses in the ordinary business category for the flexibility it allows.

Q: What year is the proposed budget for?

A: The proposed budget for March 1st 2020- December 31st 2021

Q: What happens if opening or opening at full capacity is delayed, and promoters are unable to use the funds by December 31st 2021?

A: The SBA allows for 10% flexibility per category in your proposed budget, but we have advocated for greater flexibility due to the uncertain nature of reopening. Further we strongly encourage you to apply for the supplemental grant when available. If the funds are exhausted the SBA will award \$0 “placeholder” grants which will allow for a six month extension to the window for spending the funds. In addition this placeholder grant could potentially be funded if congress passes additional funding.

Panel Note: Continue to lobby on the state & local level. States have received funds which have yet to be allocated, and there are many success stories on the state and local level. There will be opportunities to continue to pursue assistance if needed after SVOG.

Q: What time on Thursday will the application be open?

A: We don't know. **Discussion of what time it is in Guam?**

Q: Will there be a hotline or a way to contact SBA directly with questions once the application is open?

A: SBA is directing all inquiries to local SCORE, SBDC, and other affiliated organizations. Check for local SBA assistance [here](#).

Tuesday, April 6 - Daily SVOG Call

Panel

- Dayna Frank
- Liz Tallent
- Sean Watterson

Cliff Notes:

- The user guide is not yet available, we will notify people as soon as it is
- Be prepared to upload as much as you can, print and sign all forms, be overprepared where you can. Name your files with your business name and form names to make it easier for the reviewer.
-

Q: Do you know if they are updating question 0 about what kind of entity you are? We don't fall under any of those. Do you have any guesses on what they want for Tax returns for universities?

A: Recommended to discuss with the APAP contact, Dayna should be able to get you connected (email implementation@nivasoc.org). We have also sent those questions in to the SBA.

Q: We only have one annual event, with over 99% of the revenue generated in a one month period. Will it be necessary to submit quarterly financial statements, or will the annual financial statement be acceptable?

A: Fill out the form as closely to the template as possible.

Q: The company (Company A) that will be submitting a SVOG application pays rent to another company (Company B) for use of the premises. Company B is owned by the same owners with the same percent ownership as Company A. Company B does not meet the 'affiliated company' definition. The rental relationship has been on-going for many, many years and there is no formal lease. Will cancelled rent checks be acceptable as evidence of the rental expense for the budget portion of the application?

A: Based on what's in the application now, there isn't space to attach in the budget section.

Liz: Since we don't have a lease we don't know if it will be an acceptable expense but it might not be crucial for them. You might want to send that in email to the implementation team for an answer

Q: Q11 on the app: Re: Affiliate size, I added an addendum for our loans, do you think that is sufficient outside of answering all of these?

A: I don't think it's necessary and there isn't a place to upload it.

Operating leases are things like dishwashers and ice machines that are not rent.

Q: For social media, I have a packet of our posts but it doesn't have url links - is that ok?

A: FB urls might be discouraged because SBA agents might not have an FB account to check. Leaving out the urls is probably preferable. Hoping this is included in the user guide. You can post screenshots of posts and events as evidence.

Q: On the 456T what do we fill out, A, B, or C?

A: Expect that to be in the user guide. There's a video on the SBA webinar that goes into this: <https://www.youtube.com/watch?v=O45CIY2HMig>

Q: Where are we accessing the information? SBA portal? Grants.gov?

A: through the portal as an interactive form

Q: SF424 form & 424B - Is the 424 something we will have to fill out?

A: Just the 424B

Q: I am a theatrical touring producer, the last checklist seemed to differentiate between the promoter and the venue owner. Q18&19 and 21-25 don't differentiate... when they ask about a floor plan that wouldn't apply to us.

A: This should be in the user guide.

Q: Marketing materials are done by the venue, not me as the producer.

A: The legislation is trying to confirm that the shows you produce or promoter has a marketing feature. Just need to show that these things were present not necessarily that you did it yourself but that it exists regardless of who paid for it.

Q: SAM - we have an existing account and an entity admin, do we need to submit a notarized letter to fsd.gov?

A: Yes you should submit it to get your cage number.. Even if you already have it, it wouldn't hurt to submit the letter.

Q: My company is an LLC, we filed a 1065 and then a 1040 for the second half of the year - what should I do?

A: Seems like you are assuming you can only select one form on the application... I would see if they will allow you to select multiple boxes. If they only let you check one, include a statement about it in your background financial documentation under corporate documents articles of incorporation.

Q: We are festival producers with several postponements. Our customers have not asked for refunded tickets for the postponed shows. Accountant is calling this deferred revenue. How are people accounting for this?

A: If you are not claiming it on the 2020 taxes then yes it is considered deferred.

Q: For the employee list doc, # of hours section, for stagehands, are they looking for 2019 average?

A: If you are paying them as contractors they wouldn't be part of that, if you pay them through payroll you would include them there.

Q: Section 17 - monthly receipts, should we include cares funding, PPP, and EIDL funds?

A: We are expecting that it is excluding CARES. This should be in the user guide.
The EIDL is a loan and not a grant (wouldn't count as a receipt anyway)

Q: 80% of contracts are not signed by the artist, what do we do?

A: we dont believe they need to be signed, they are just looking for proof of a contract.

Q: Our smaller bands contracts are emails and texts, do screenshots work?

A: In one of the FAQs (23) they said they would accept internal spreadsheets, emails, 1099, etc.
Can use your internal ledger

Q: Tax returns for 2019 & 20, do we just need the esig page or the full doc?

A: We don't know yet

Q: For the Proposed budget, I am working off of april to april, sounds like people are doing march 1, 2020 to dec 2021...

A: The funds have to be incurred between march 1 2020 - dec 2021 but can be spent over the next year after award. Think about it as the budget for how you are going to spend the grant money not the full future year like April 2021-april 2022

Q: Employee list - we only have independent contractors

A: The employee list is to demonstrate that you have a few jobs employed. You can include people that are not on payroll just indicate that they are contractors and not employees. The same individual can fulfill multiple points on that list, not that each job needs a distinct individual

Q: For staffing question as of Feb 29th, 2020, we have cut on how much people work this year, what should we be going off of?

A: They are trying to get at before the crisis not the full year, so just look at that one week in Feb to report it

Q: Marketing, do we do every show and how far back do we go?

A: We don't have a firm answer, check the user guide when its out
Limit of 35MB for the upload

Q: 70% of your business can include non-profit education initiatives, how do I represent that?

A: If you are a for profit company you wont be able to claim that. That's only for non-profits
501c3

Q: 4506T - If the accountant fills that out and it gets mailed to them, does that act as a permission slip for the SBA to access their taxes?

A: Yes that allows the SBA to pull your tax records

Q: Quarterly statements for 2019/2020 - individual pdfs or bundle by year?

A: Just go off of the OMB application not the preliminary checklist

Q: Lighting rig and sound equipment doesn't have a paper trail - do photos and explanation work?

A: Yes, but try to find something that is not in a picture (tech spec packet, insurance info). Just make it as easy as possible for the reviewer of your application. Sean took photos and explained it all and then had their insurance agent write a letter about it being covered as property.

Q: Q22 - we mix our own produced events and events run by independent promoters - is it a qualifying question about the cover charge?

A: Yes.

Providing agreements, door reports including ticket info, and answer the question as yes all seems like it will suffice for the application.

Dayna: for the qualifying questions, you want to answer yes and then explain why you are qualified instead of disqualifying yourself and then trying to explain it back from that.

Q: 35MB is that per file?

A: We suspect its per application. Waiting for user guide

Q: Will they access links if you put it on a google drive link as opposed to upload?

A: Probably not, uploading is likely a safer bet.

Q: Allowable expenses, in terms of overstaying the expenses that might go over your grant size. Should I state everything even if it exceeds the grant size?

A: The total column will likely add up to only the total award. We recommend to try to make it match as closely as you can to the award on only what you intend to spend with your SVOG award. Do not include PPP budgeted items only SVOG items.

Allowable expenses = total grant size (supplemental will be a totally separate process)

Q: If the application guide is late, will the portal open late?

A: Always a chance that the portal will run late. We are staying on them.

Q: Does anyone have clarity on what financial documents will be required? Is it just quarterlies or should it be separated by month?

A: The final application will be very close to the omb form. There likely won't be a place to submit additional documentation.

Q: Award amount is 45% of gross receipts or is it gross earned revenue?

A: Yes it is earned. If you are a for profit business this difference will matter less for you. For non-profits this distinction is very important. Your grant amount is based on earned revenue, the application priority level is based on gross revenue.

Q: When are award notifications going out?

A: It won't be same day but we don't know exactly when.

Q: We're a nonprofit theater, our CPA nets out the receipts. We send out tax forms to the sponsors but that's not what our audit shows... are we able to use that additional sponsorship info as revenue...

A: Nonprofits can determine what the fair market value of a sponsorship would be - check out the FAQs for more info on this. Not totally sure how you will do this if you aren't including it in your tax returns.

Let's wait and see what the application form has and how they are doing the equation

Q: On the budget can we include ticket refunds?

A: Ordinary business expense

Q: Payments to bands?

A: You could put it on independent contractors or ordinary business. Independent contractors caps at 100 so if you paid them 150 you have to cap it at 100. Check out the FAQ for some more information.

Q: Does payroll budget include 401k / medical insurance?

A: Consider it the same way that PPP considered payroll (exclude federal taxes). Double check the PPP language for this.

Q: Do we need form 4080?

A: Its not on the application draft we have now but it's worth being prepared just in case.

Q: Quarterly P&Ls need to be signed - can it be esigned?

A: We don't know where they are going to ask for those in the application. We might not even have to submit those after all. If it's an attachment you will need to sign it beforehand, print and sign on the bottom should likely be fine.

Q: When is the portal opening?

A: They will announce the time tomorrow

Q: Do we need to include the gross receipts for an affiliate that is not applying for the grant with a separate EIN?

A: No

Be prepared to upload as much as you can, print and sign all forms, be overprepared where you can. Name your files with your business name and form names to make it easier for the reviewer.

Tuesday, April 6th- Promotores Unidos Call

Panel

- Moose
- Jason Anderson
- Ron Ozer

Q: What will be required for payroll documents?

A: In the most recent SBA checklist they list payroll statements for February 29th 2020.

Q: Will they require W2s?

A: There is no mention of needing W2s. You will need 2019 tax returns, and 2020 tax returns once filed. Be aware that most entities have yet to file 2020 returns.

Q: I have a talent agency that books shows in more than 10 venues, and states, with shows all over the country. Will this disqualify our application?

A: If you are applying as a talent agent please reference questions 36-39 on the [OMB draft application](#). There is no limit to the number of artists, venues, or states. The question referencing 10 states of operation is for venue owners/operators.

Q: What if our business includes artist management, touring, and venue operation?

Q: What if we fall into two categories? Should we apply for the category that fits best?

A: If you are filing one application you should choose which category is the best match for your business and filing as that. If your businesses function as separate entities you can file for each. If it is your plan to file for multiple businesses be sure each has its own DUNS, SAM & CAGE numbers.

Q: As an artist representative do I need to have an agent license to apply? Is there a limit to the number of exclusive contracts you can hold?

A: The agent license is not a national requirement and not a requirement listed b SBA. No limit to the number of contracts.

Note from the group: Be sure that you have filed 1099s for the contractors you list on your application.

Panel note: [NITO](#) representatives have been following the talent agent portion of the program more closely than NIVA, so you may want to reach out to them if you are primarily a talent agency.

Q: What financial documents will we need?

A: You will need your 2019 tax return, 2020 tax return when filed. On the draft application there is a table to fill out monthly income from January 2019 through April 2021. This should automatically determine your priority period. You will also need quarterly income statements for the same period.

Q: Will those with 90% revenue loss still be first in line?

A: Yes. There are three tiers of priority level. The first two weeks will be for entities with 90% revenue loss. The next two weeks will be for entities with 70% revenue loss. After 28 days the program will open to entities with 25% revenue loss. When determining your income donations would count towards your income, but funds received through CARES Act programs will not.

Q: How does PPP affect SVOG going forward?

A: After the most recent legislation you can apply for SVOG if you received the most recent round of PPP as long as you have received it prior to applying for SVOG. Any PPP funds received between December 27th 2020 and April 8th 2021 will be deducted from your SVOG award.

Q: Will the application open on April 8th?

A: They have promised to open the application April 8th at a time convenient to all affected timezones, and to process them as quickly as reasonably possible.

Q: Will the application remain open?

A: There is no mention of when the application will close, but be aware that all applications will be time stamped, and will be reviewed in the order they were received according to the priority tier they fall into. If you fall into tier two (70% revenue loss) or tier three (25% revenue loss) **Do Not** wait until your priority period to file, be prepared to file as soon as possible once the application is open.

Q: What is the purpose of the DUNS number?

A: The DUNS number allows you to get your SAM number, which allows you to receive grants from the US government. Be sure when filing your application your business name matches exactly how it is listed on your DUNS account.

Q: If I already applied for a SAM number do I need to apply again?

A: You will need an active SAM number. You will not need a second one, but be sure your SAM account is active.

Note from group: Be sure to be in contact with your accountant. Be sure your financials are in order and you are fully prepared for the application in order to take full advantage of this opportunity.

Q: What information do you need to include in your proposed budget? Should it total the 45% of 2019 revenue figure?

A: The proposed budget covers the period from March 1 2020 through December 31st 2021. It is broken into different “buckets” of expenses, there is a table listing the categories on the OMB draft application. Your budget should match but not exceed the amount of your SVOG award, which will be 45% of your 2019 earned revenue.

Some of the categories such as ordinary business expenses, contractors, or capital expenditures could provide more flexibility than others. It is important that you spend your award as close to your proposed budget as possible.

Q: How do we find the draft application? Where will we apply for the SVOG when it opens?

A: The OMB draft application can be found [here](#). The SVOG application portal can be found [here](#)

Q: What is required to become a member of NIVA?

A: Currently the only requirement for NIVA membership is that you are either an independent venue or promoter. In the future there will be membership dues, but currently membership is still free. In addition NIVA will soon be rolling out regional chapters with their own leadership. NIVA is dedicated to being inclusive and welcoming to independent venues and promoters from the full spectrum of live entertainment. We would welcome any feedback and assistance in becoming more inclusive in the future.

4/7/21

SVOG Daily Call Notes

Starting at 1:45pm (EST)

SVOG Call w/ Angela Styles

4/7/21

App questions not well drafted for promoters

Dayna - they acknowledge those questions are well stated, should click 'yes'

Sean: Some events have food/bev sponsorships, which they are able to give away because included in cover charge vs cash over hand at bar

Dayna: SBA hasn't really dealt with in kind. Talking about earned rev amount? They haven't specified how they will calculate earned. Err on the side of caution. Be careful because there's a high chance of audit.

Feel free to add documentation.

Paul Overman: Quarterly reports PnL from accountant, need to be signed by officer of LLC...if that's the case should I do digital signature in Adobe?

Angela: No, sign with ink and then put into PDF

Paul- has digital watermark though...

Angela- Government doesn't deal with electronic signatures nearly as well...I would do ink just to be safe

Paul : SBA 480-size/status declaration- name/address of licensee and applicant...are we talking about the DBA?

He has outdated checklist

Most recent financial statement-

Moose- reminder not charging dues for membership, so please apply for membership and in the future when we do charge please support us

Christina Perry- Non-profit organization primarily run on volunteers, so gig workers fall under 1095- best way to show pay outs? Taxes independent contractors line- they created excel sheet

Angela- number of employees good for collective bargaining fees. Pay relative to budget and recovery of expenses. If you're more comfortable adding an explanation, do so.

March 10 checklist...one sooner than that?

Month to month breakdown between 2019-20 income in those boxes or expenses as well?

Angela: gross revenue

Include grants received?

Dayna: Any revenue that doesn't include disasters. If non profit would include contributed revenue

Quarterly breakdown income and expenses? Where showing unearned?

Dayna: income statement you should have broken down-
Wanted to make sure if okay to include in quarterly statements/okay to show as unearned.
Another place in grant where ask unearned?

Oren: 1 person shop, sometimes have help, but when do generally whoever it is works
everything that has to be done, is paid cash and no record- should I just say I'm the only person
who works there

Angela: yeah if they aren't on a payroll

O: a lot shows ticketed, some through vendor, a lot donation with bucket and 100% goes to
artist? Will SBA consider that tips?

Dayna: entity own EIN & standalone- theatrical- follow theatrical producer track (Patrick Short
Angela- be comprehensive in explaining it

Dayna: Make sure read FAQs for that category & talk with accountant, don't do anything
unethical

Damon Fudge: confused about run on off-calendar fiscal year....seems to be asking for things in
fiscal year

Dayna: Monthly breakdown inclusion of fiscal year was mistake. You can elect whether to use
fiscal year or calendar year

Angela: use whatever you do for taxes, do both 19 & 20

We use contractors for staging/lighting/FOH, as long provide proof of payment for services we're
good right?

Dayna: yes, and if owner providing those services it also qualifies

William: A discussion artist payment incurred not when contract signed but when actually
performs...any updated guidance?

Dayna: no, not since yesterday, but you can't prepay expenses

W: Artist payment incurred on show day, even if agreed upon prior?

Dayna: Yes. SBA said there would be cases where you could update budget

Reimbursin for allowable expenses grantee incurred...assuming expense allowable, are those
reimbursed funds allowable ?

Angela: can use funds however you like

Production equipment- aged out equipment like/ sound LED wall...

Angela- put in expenses

Jim & Jo: earner comp shouldn't exceed what was earned in 2019...assuming per year..got
some of 20 and all of 21 to think about, excluding stuff covered by PPP and CARES...talking 2
yr period right? We're covering 2 years here

Angela: assuming can include earner comp for 2019 & 20, but to be cautious pro rate 2019

Current employees- if not being paid, do we report that they're on payroll? Jim & Joe are owners but Jo is also on payroll but not being paid

424B- comes with yellow bar across sig line..nervous about signing w bar across it
Angela- don't sign, go back to SAM registration and fill out

Bridget: FAQs flew through loop mgmt comp using for venue tht you don't pay/agent pays on your behalf can't be used

Angela: lots of ppl having prob with that one . Do you have agreement with subsidiary? Not relevant to eligibility, only to what youre putting in budget...putting in everything other than pay, also disclose arrangement...put a page on top of one of your docs

Agent collects ticket revenue and pays expenses from it...but rev belongs to venue...reported on their financial statements as gross rev.

Sign agreement for contracted stagehands...can pay them/payroll for their employees?

Talking about venue prior to covid was \$6M in ticket sales...all refunds going back to March 1 included ticket rev...

Angela- common tool to have management company pay

B: Also do co-prod w LiveNation where they pay artist...are they considered independent contractor?

Dayna: Venue collecting ticket \$ Paying for stagehands/expenses, during settlement LN takes it and pays artists.

B: How can we put in budget if we aren't paying them directly but through co-pro agreement?

D: Sounds like discussion you need to have w LN/Co-Pros, at audit you have to prove checks going to contractors...

D: work won't stop tomorrow

Moose: remind everyone /housekeeping /thankful to Angela & Implementation Team...this call for members so please apply to be a member

Victor:

Up until Covid operational...now Landlord is whats up...we no longer have venue but are searching for one...small operations DIY it all...are we eligible as venue operators and promoters or SOL?

Dayna: you are a promoter. Are youn booking for fall?

V: No, not sure where they're at/where things will be

Dayna: Ppl on payroll, EIN, active?

V: yes. SAM, taxes, etc. Want to do it right way...tryign to get answer if/how they can apply

Angela: fill it out exactly as requested, explain situation. No advice other than to be forthcoming.

V: Do you have performance space? No longer do...

Dayna: ;ateest FAQs acknowledge that not promoter friendly

V: am I no longer venue operator and only promoter?

D: don't need eligibility of both, need eligibility of one.

Angela: Best guess/course, apply as promoter

V: financed our own venue..never took a dime...allowable to include loans?

Angela: had to be executed by Feb 15 20. Can pay back
V: Compensation rule?

Ned Stewart: Debt incurred before 2 20 cut off allowed to make lump sum payments ?

Dayna: has to be regularly sched payments, can pay any balloon payments due by March 21
FAQ about consolidated/restructured debt..

Liz: pull up PDF use control F and search by work

Ned: rep a venue is it allowable to be sold to entity that is not eligible for SVOG?

A: maintaining entity/EIn? Going from one holding company to another holding company. They would purchase you?

N: If I receive SVOG would I run afoul

Angla: may put restrictions...try to use all eligible expenses before sale

Brianna Ankerton: #17 on App- if we do as fiscal yr as stands now Jan-Jun would be 2019 July -Sept 2018...still enter as fiscal year even though backwards?

Angela: Fiscal on monthly rev chart should be month 7 year...I would explain it. Put a doc on top of application explaining it

Sean: boxes you fill out Jan 2019, calendar, not fiscal

B: gross earned receipts or all rev, whatever form source?

D: all gross revenue

B: everything except disaster, this determining priority level?

D: Yes

Rebecca Sparks: employee list...annual fest, have yr round employees & those just for fest ...listing both?

Angela: checklist employee list as of Feb 19th 2020...then also payroll req...FAQs to calc times... I don't think we'll know

R: postponed fest to 22, looking forward to 6mth ext supplemental grant...creating budget but she can't prepay and a lot won't come up due until later...conundrum

Angela: put in budget what you expect your # to be

R: when get ticket sales PnL differed rev, liability until show actually happens...when filling out monthly chart put ticket rev in for Jan/Feb/March because it wasn't deferred yet, 0s in rest
Ticket \$ earmarked as differed rev

D: keep consistent..if use cash/acruing, do that. Shoot me an email.

Ang: more on this if you search accrual' in FAQ

Tom: Budget category/travel as separate tracks, pg 15 of FAQs says production transportation is one category...are they 2 sep budget categories or not?

Was going to put backline in production, but unsure

Dayna: Put backline in production/general

A: does say production transportation

Sonia Clark: required doc live event PAO/venues, doesnt state contracts for artists...listed under museums...do we need to provide at this stage copies of artist contracts?

Dayna: need to provide proof you pay artist fairly...will accept multiple ways Q23
Evidence...what Ang said true...submit what you can you feel tells your story
S: 4 events per month only refers to movie/theaters museums, not actual venues

Gary: Sales tax receipts...part of application?

Dayna: excluded from app

G: electronic signature...? We supposed to print out and sign everything?

Angela: may be overly conservative/cautious, but gov isn't good with electronic signatures

Gary: link to upload notarized letter on SAM.gov...can't find...fsd.gov

5 min break

Moose: recap

Dave Clark: Marketing material asked for...for when? March 2020 or now? Timeframe?

Angela: marketing to show you were open Feb20, would be useful to show current materials

DC: Any word on timing of guide or application?

A; not that she's heard

DC: postponing

Cricket Larsen: Q17...our fisc yr runs July -?do I need to put a statement somewhere?

Angela: include 2018 in case & yeah doc on top

CL: earners on books prior to Feb20...could we pay off with grant proceeds? Need statement...40 yr restaurant and venue completely closed ..want to make sure hit all marks

Ang: use as opportunity to explain who you are

Jeremiah Takeover

Wednesday, April 7 / 3:15 – 6:15 pm EST Daily SVOG Call

Panel

Dayna Frank

Liz Tallent

Sean Watterso

Angela Styles

Cliff Notes:

Much anticipation for the clarification coming soon with a SVOG user guide

Many of the questions that were extremely detailed and unanswerable by the panel can be addressed with great detail in the statement of need

Many questions regarding the amount of materials to submit when discussion submission of marketing materials, artist contracts, 1099's, etc., hopefully

answered with the upcoming user guide. However, be thorough when building your case for approval

If you have not already joined NIVA, please do so. It is a valuable aggregate of information and free, for now, however dues will start to be collected soon

Q: Please clarify the situation that arises when a promotion business entity wholly owns a festival promotion/production subsidiary. The desire is to apply under both entities for SVOG?

A: FAQ page 18, assuming separate entities and assuming both eligible both can apply, however there is a requirement for submission of tax returns. Submit consolidated return, submit a statement for disregarded entity, explain it well, show revenue for disregarded entity.

Q: I am a seasonal festival promotor, generally ticket revenue is collected well in advance of the actual event. I am hoping to enter monthly revenue when it is received as opposed to when it was accounted?

A: Angela Styles - Not sure regarding this specific accounting question, not sure how they want to treat deferred revenue. Dayna Frank agrees.

Q: Does the PPP revenue received in May 2020 need to be included as revenue for the SVOG application? Does the SVOG application require all 1099's when they come up or just some?

A: The "revenue" from PPP is not revenue, it's a disaster relief loan, leave out the PPP when considering revenue. As far as 1099's, enough to look substantial, similar to marketing materials.

Angela adds, while it may not be required to submit wet signatures for documents, it is good practice because the government always accepts ink signatures while there may be difficulty with digital signatures.

Q: In regards to the proposed budget, retroactive payment to employees is eligible, how do you treat retroactive pay for seasonal employees? Can you pay retroactively for an event that didn't happen?

A: Did they receive unemployment, as far as making the former employees whole? Avoid any and all situations that double dip!

Q: We have a venue business owned by 3 people, one of the partners owns affiliate business and is the one partner that is applying for SVOG. Does that person need to have DUNS numbers for all affiliates?

A: If you don't have a DUNS number for all affiliates just list the affiliates, don't include a DUNS number (not required). Sean adds FAQ18 P36 addresses this question.

Q: When asked for a current employees list on the application, what do we list if we have been operating with a skeleton crew, or if the employee list has changed significantly?

A: A complete listing of who worked there as of 29 February 2020. FAQ34 addresses this and adds a relevant note that municipally owned entities are now 3rd priority.

Q: Is the accrual method of accounting required? Should we only submit received revenue or all revenue?

A: Accrual method is required, use all revenue under the accrual method

Q: We are promotion, production, label, touring, mini festival organizer, our earned revenue is 55% sales with about 30% brand sponsorship in addition to other revenue, does this brand sponsorship revenue count as earned revenue for SVOG?

A: Clarify in statement that the sponsorship is event related and consider that earned revenue.

Q: 3 partners form the business entity all else are 1099 contractors, how do we list employees?

A: you have to be a partner in the entity to sign docs, 1099'd contractors are not employees, still qualified and eligible.

Q: My business is now a sole member LLC after buying out a partner. Any advice on how to package my K1 personal taxes when asked for returns?

A: Attach a letter for any special circumstances, unsure how the 4506T works, just include more information over less when in doubt.

Q: 2019 tax return was recently amended, it has been filed very recently, is that fine?

A: Explain the details of amendments in a letter, James Temple says amended returns will take a year so def explain through a statement letter.

Q: I qualify on both talent representation and venue ownership, how many agreements are they looking for, if done for management clients, how many agreements do they need?

A: addressed in the FAQ vaguely, only have to show agreements for two artists, there is a need for an expert to reach out to talent focused businesses regarding how many documents per artist are needed.

Q: In the production portion of the proposed budget, what should be included?

A: This portion of the budget was intended for of theater production materials such as set, staging, and such. Be consistent and use a statement to clarify its placement there. Most things will fall under normal and ordinary expenses.

NOTE: There is some information out advising lower tiers to apply later, or that the lower tiers will be eligible to apply at a later date. This is bad information, everyone eligible should apply when the SVOG application opens.

Q: Is there any information regarding what submitted documents will public information? I have a privacy concern in regards to artist contracts. How many artist contracts will need to be submitted to support the applicaton?

A: Artist contracts will be confidential, use your best judgement and be thorough concerning number of contracts, maybe 5-10 a month. Remember that there is a 35MB per document limit.

Q: There is a perceived need for NAICS code numbers. My business has slowly evolved, over 35 years from restaurant to venue and am unfamiliar with NAICS codes. Is there a need for NAICS codes?

A: NAICS codes will not be considered for this application.

Q: FAQ4 p18, dealing with bankruptcy proceedings under reorginaztion after February 29 2020, has special restrictions, no limiting language, any new info or clarity?

A: Nothing new based on FAQs, consult a tax professional, and add a special circumstances letter.

NOTE: Form F4506T has detailed instructions, everything should match tax returns.

Q: I operate a performance venue that is a smaller portion of an entity wholly owned by a municipality in which the venue revenue falls below the 70% revenue rule, should/can we apply for SVOG? Can we separate the performance venue portion to apply? Do other application prevent one from applying to SVOG?

A: A user guide is getting released at some point. It might be hard to break out the performance venue. CAN NOT DOUBLE DIP so don't have other applications in process. Can't claim the same expenses for two programs.

Q: Our principal officer has to provide a photo ID as part of the application. Do I need to add my photo ID as the preparer of the application?

A: Principal officer photo ID is the only one needed.

Q: Concerning light and sound, how do we document? Is a new roof for our space eligible SVOG?

A: Light and sound equipment receipts are preferred but pictures will work as well. Roof is eligible under ordinary and necessary.

Q: We pay rent to an affiliated entity, can grant money be used to pay rent?

A: As of now rent is eligible, could be complicated, consult a professional.

Q: I am a single member LLC, my tax returns make no reference to my LLC, is this an issue? Can SVOG grant money be used to pay myself? What if I took no owner distributions in the past?

A: Where it is not addressed in your tax information, tell your story as clearly as possible through a statement. You can take owner distributions in amount no more than you did in 2019. You can also payroll yourself if no distribution in the past.

Q: Our venue does not pay artist directly, promoters pay artists, venue has no contracts to artists, is this an issue? Originally we were a solid tier one with well over 90% in losses but sold property to stay open, now we are looking at tier 3 or 4, any insight on this situation?

A: FAQ addresses show contracts with promoters. Some venues just have rental agreements. All revenue is revenue, so that's a big bummer.

Q: We took a tax credit for employees who cannot telework, is this disqualifying?

A: FAQ23 p15, Stafford or CARES and no others. INCLUDE All revenue including gains, unrealized and realized, FAQ6p16, they will take all income into consideration,

Q: Can you clarify "open and operating"? Are we open if we did virtual events, if we have a skeleton crew and are not open to the public?

A: If you have staff, have property, YOU ARE OPEN.

Q: We have credit card debt accrued prior to 29 February 2021, does this credit card cc debt that is regularly scheduled meet eligibility requirements?

A: A new FAQ24 p27 addresses, generally no but if used to pay for allowable expenses after March 2020 – December 31 can be reimbursed. Document, Document, Document!

NOTE: FAQ43 p22, now allowed to use spreadsheets.

NOTE: Proof of artist payment can be emails, use lots of information.

Q: Concerning stocks from endowments and when they are rebalanced, are these gains or proceeds revenue?

A: Yes, any and all dollars are revenue, if you sold something that counts.

Q: Our security company is not 1099'd, we have a signed agreement and financial reporting but no 1099 is that an issue? As far as accrual accounting, we have never done accrual accounting, what are the issues?

A: Regarding the security company you should be fine, as long as expense is normal/necessary. The consensus is that for smaller operations that utilize cash accounting, folks are going to go ahead and submit cash accounting.

Q: Concerning owner pay, going back to pay owners retroactively, is there any guidance for how to take owner draws with SVOG?

A: 2019 is a reference, ¾ for 2020 and all for '21, default goes back to 2019 compensation. Is it under the ordinary business expense or is it in payroll, if owner is K1 not W2, could be included in payroll, the sample application asks for high level budget.

Q: I am registered with sam.gov, I have a DUNS number but no sam.gov number?

A: There is no sam.gov "number" that is needed on the application

- New FAQs:

<https://www.sba.gov/sites/default/files/2021-04/4-6-21%20SVOG%20FAQ%20FINAL-508.pdf>

Starting at 2:45pm (EST)

Q: Monthly gross receipts chart - we were going to use the revenue received by month from our bank statements. Should we only use recognized revenue or should we include deferred revenue?

A: It should be all revenue recognized under the accrual method.

Submit your audited financial statement and your quarterly statement from your system. Make sure someone from your company signs them. Just do the income sheets not the balance sheets as far as we know (wait for the user guide).

Q: We are a mini traveling festival that goes to different venues, we are a for profit - we also generate 50% of our revenue from ticket sales and another % from brands - Does that qualify as earned revenue?

A: There are specific details in the FAQ, they would consider that as sponsorship...

Recommending to have one of the partners in the company to sign one of the documents you are submitting. If all of your employees are contractors than you would be considered to have 0 employees but it doesn't disqualify you. It doesn't have to just be W2 employees.

For projecting costs - use costs from the past and then project forward.

Q: Business was a partnership - in April 2020, one of the LLC members was bought out. Tax return is 1065K1 and a personal return which covers the activities after the buy out. How should I package these docs together into one doc?

A: Yes that is what Angela had recommended just attach a letter explaining the circumstances.

Q: 2019 tax return was recently amended - the numbers don't match my original submission, do we think that will be a problem with your application?

A; I Would go off of the amenda return statement as long as it has been filed. Clarify in a letter attached of what is going on. Amended returns are backlogged about a year so you definitely want to have some sort of letter explaining

Q: We qualify as talent reps and we also book talent for venues - how many agreements are they looking for?

A: The answer is in the FAQs - we dont know the specifics, NITO would be a better resource (She already had and hasnt gotten a response yet)

Q: In the [newest FAQ #28](#) - What does that mean?

A: Still tbd, wording is confusing.

Q: Where should talent fees go on the budget? Capital expenditures?

A: They likely go to independent contractors. You can pay gnrs with svog grant... the sba believes this is authorized as an ordinary operating expense (this is on the newest FAQ on page 26)

Dayna: just be consistent about where you are putting this

Q: What should go into the production section?

A: we think that is a theatrical category not as much for venues. Most of our expenses will go under ordinary and necessary business.

Everyone can apply when the portal opens!

Q: which documents should be confidential?

A: check out the FAQs; recommended to mark artist contracts as confidential

Q: How many artist contracts should we submit?

A: Still dont know

35MB per document (not for the total application)

Q: NAICS code - we are more of a venue instead of a restaurant. We never updated our tax forms and we are about to change out number? Do we need to explain that?

A: NAICS codes are not relevant for this application. Our members have over 20 NAICS codes so that is why there are so many other requirements for proving eligibility.

Q: On page 4 of the new FAQ - bankruptcy preceding question is unclear...

A: We don't know anything else more beyond the FAQ on this, consult your tax person

Q: F4506T - addresses correlating with the tax forms, what is the warning there?

A: In the FAQs there is info about filling out that form. Make sure the address matches your tax returns - this is authorization from the IRS to release your tax returns.

Q: Form 3515 - has that been changed in anyway? We have feb 2021 on our doc is that still valid?

A: that is still valid and it is unlikely to change; hoping the user guide will give us more info on that

Q: 70% of total revenue - we are concerned if we should apply because we are government owned, multi-venue complex and one of our venues is a PAC, the theater venue is only 26% of the venue, if we separate the theater by itself then we meet all of the reqs. Should we still even bother applying as a whole complex?

A: They are supposed to release more information on this topic since you are a government entity. Just keep it consistent whatever you do. Should be a part of the user guide. You wont be able to claim the same expense for two different grant programs.

Q: New FAQs says the principal officer needs to provide their photo ID - ours is our board president, I am submitting the app, not him, is that ok?

A: I think you can just use his photo ID and it's ok if you fill out the app. Technically it probably should be the principal officer but that might not be practically possible.

Q: Documents focused on if we pay performers - could I pull a list of transaction reports from quickbooks for the checks we have written for performers with a memo of the show info, would that be sufficient?

A: You can use internal documentation like that yes. The list should be fine.

Tomorrow we will do this from 1:30-5 as well.

Q: SAM.gov - when I checked my status it shows as active but then some of the items it said I am not required to do - assertions and reps and certs it says as not required.

A: If you have registered on SAM and you submitted the notarized letter with the appointment you should be in good shape. You can call FSD and confirm that they have everything you need on file (they were able to confirm that for sean on the phone).

As long as you applied, not having a duns or a cage number that wont hold up your application since that is due to their backlog

Q: Light and sound - what should I use?

A: this answer is in the FAQs - photos are a last resort; tech spec packet, rental receipts, insurance info

Q: Acceptable maintenance things - we got a roof added that we needed, is that ok?

A: It would be considered ordinary and necessary, capital expenses can be considered under that ordinary and necessary section of the budget

Q: Rent - The business and the building are affiliated but separate entities - can I use rent as an allowable expense? I wasn't able to with PPP to do that, wondering if it will be the same?

A: We don't have clarity, we think rent is eligible.

Q: My tax returns don't have my business name under them it's under my own name. Is that an issue?

A: The more you can do to tell your story is the best you can do.

Q: I don't have payroll I just take the profits to pay myself?

A: You can take the same amount as you did in distributions in 2019. You might want to talk w your tax professional since you don't take any distributions from your business account right now...

Q: Affiliation - When we show employees for individual business when there is affiliation, should we represent them on each list and mark them as affiliated but not on payroll?

A: List as of feb 29, 2020 if they were on that entities payroll I would include them and just be careful to not claim people twice on multiple venues. For your FTE count, count the hours toward each affiliate for each entity. You will have to put in all of your affiliates in the application.

Q: We are a venue that doesnt pay artist directly, the promoters do, show settlements don't show payments to the artist, what should I do to represent this?

A: This is in the FAQ, this is probably covered by a contract with a promoter

Q: We were over 90% of loss of earned revenue, we had to sell a property in order to not shut down. Am I free to apply tomorrow?

A: Yes, everyone can apply tomorrow. The revenue that you got from the sale will unfortunately be counted as revenue.

Q: We took a tax credit under the FFCRA act - is that considered disaster relief?

A: Double check that in the FAQs. If they didn't specify it in the FAQs then it is not considered disaster relief - has to be the stafford act or cares act.

Q: Question 3 on the app; We have been closed but did a handful of virtual events - do we consider ourselves shuttered? We intend to reopen and have a skeleton staff on

A: Yes that qualifies as open

Q: PPP2 funds - we are uncertain about the budget for the SVOG application, if we reduce our budget by our round 2 PPP from our 45% eligibility, are we running the risk of being hit twice?

A: If funds have been received, deduct that from the budget amount that you start with. TO be extra sure include information in there in whatever section you used PPP for that you received PPP2 and that you applied it.

Q: is the budget something we provide?

A: The draft application does not have a grid to put in something to calculate earned revenue, we don't know what the final app will have, we were hoping this would be in the user guide.

Q: Eligible use of funds - we had some credit card debit that was already accrued prior to march 1, is that eligible? The regular payments on the debt?

A: #24 in the FAQ - no but if you used it to pay underlying allowable expenses insured after march 1 2020- dec 2021 then they would be reimbursable.

Q: Does that same thing apply to rent being paid by an owner prior to march 1?

A: it will come down to documentation if you made loans prior to the cut off date then you are allowed to make payments on outstanding loans. Under that theory you could pay yourself back on that but if its a lot of money you will need to document that

Q: Do promoters need to show lighting and sound evidence for every venue? Or just a sampling?

A: A sampling should suffice

Q: Statement of need - how creative are we getting with this?

A: have a paragraph with their language at the top, we don't know how creative to get with the rest of it, extra info probably cant hurt just make sure the info they need is really easily identifiable

Being open without being open to the public #44 on page 22 has details on how to answer

Q: Artist payments, how to handle?

A: The cap is per contractor, its not a cap on the total amount - artists should go into independent contractors likely

Q: We are now allowed to show spreadsheets for box office info...

A: Show something that demonstrates you are charging a cover for your shows

Q: Should we just include the feb 2020 report for marketing?

A: The 4 per month is for museums; if you had a light feb 2020, I would consider adding additional months, if you can make a case with feb 2020 then.

Q: Is SVOG asking for anything from 2021?

A: No, only question 17. Don't need any income statement

Q: We promote in Canada - can we account for ticket sales in Can? The dollars are converted to USD but the show doesn't take place in the US. Any guidance?

A: The Company needs to have primary operations in the US, scour the FAQs but if it goes into your earned revenue then thats your earned revenue.

Q: What years/months will the accrual be needed for?

A: That's in the month by month breakdown in question 17 on the app.

Q: Stocks that are sold for rebalancing, do you have to include that as revenue for gross receipts?

A: Any and all dollars received need to be included, including unrealized gains.

April 8, 2021

Intro:

- Some people have been successful in logging in multiple times.
- Niva is trying to communicate the issues people are having to the SBA - the login issue is a known issue right now.
- User guide:
<https://www.sba.gov/document/support-shuttered-venue-operators-grant-application-user-guide>

Q: Earned revenue calculation - where does the earned part come in from the calculator? Can anyone shed some light on what that looks like in the application?

A: We don't have an answer on that yet.

Q: We are backdating expenses to March of 2020, correct?

A: Yes.

On my proposed budget can 100% of the award amount go to remaining payroll that I didn't have covered by PPP?

A: Yes as long as you aren't double dipping

Q: If applicant is a non-profit entity question...what should we check if we have people getting stipends and some people with a 1099?

A: I don't think that should impact you, this might be somewhere in the FAQs. If you can fill it out and document two of the roles as paid roles

****would be good to get a follow up on this****

Q: If we don't have 2020 taxes in..

A: The regional SBDC office said that this would be an additional 4506T form that will be filled out later and will not be required right now. I would also post a page that says when you plan to file

Q: What's the business license? We're a non-profit in NY...

A: User guide says that if you are not required to have a business license then you are not required to submit one.

Q: Where is the Quarterly info submitted?

A: Angela: there's not a place for it right now so find a place to submit, recommend to submit it with your taxes

Q: Has anyone been able to upload documents?

A: They are troubleshooting the issue right now - keep refreshing and attempting

Q: We're a large festival in Tahoe and we have other shows in the region in venues... what should we upload for maps?

A: Better to upload more information, just don't go above the file size max - 35MB

Q: Which Duns4 number?

A: Angela: You can go to SAMS to add a DUNS +4 but this worries us a little bit

Daniel: If you go to add another account you can add a DUNS+4

Dayna: NIVA has let people know that people are adding 0000 to the end

Q: Are we just using the 1711 and not the other one?

A: We don't have a clear answer right now.

Q: 4506T Form -

A: SBDC office said: ""For now, they only need to upload 4506-T form for 2019 taxes (the one on the SBA SVOG website). They may be asked to submit a 4506-T for their 941 for 2020 Q1 AFTER the award is made as a supplemental document. If they have already done their 2020 taxes, they should upload those too, but they aren't being asked to submit a 4506-T for 2020 taxes, only 2019.""

Only submit one form - do not make any edits to box 9

Q: Proposed grant amount is auto-calculated based on gross receipts and not earned revenue?

A: We think that's why they took the user guide down, what we are told is that it is going to be calculated on earned revenue but on the back end of the application

Q: Q#25 - I thought this was earned revenue and not revenue?

A: It's earned revenue in the act so that's what it should be

Q: We're a nonprofit - Q#23 - were a volunteer organization - do independent contractors count as employees? If I click no do I become ineligible.

A: If you can say your events are managed by paid employees then you can add them

Q: 4506T - Tax returns are on schedule C with a separate EIN - which name and address should I put on it? My personal one?

A: We don't know - you can search in places in the IRS for this perhaps to make sure that your home address is the right address; or explain why you filled out 2

Q: Quarterly Statements - do I need to sign each?

A: Yes sign each statement

Q: On the 4506T - for the disregarded tax entity - do we fill this out with the parent company tax info?

A: Yes fill it out as exactly as it was filed as taxes. Attach something to explain as well. Make sure it mirrors up to what is on your tax filing. If you have any uneasiness, submit 2, likely you just need the parent corp but if you are uneasy, submit 2 and explain.

Q: Number of employees question - is that number of employees currently or pre feb 29 2020?

A: Nobody knows! On page 28 in the FAQs there's a section about determining employee count so that mayyyy be it; on page 29 #4. Might want to find another place in the application to explain that number

Q: I have one employee, S-corp, I haven't been doing payroll, I do draws that are then shown on schedule C personal paid out as commissions... for the payroll documentation required what is required and what should I do?

A: YOU CAN USE YOUR QUARTERLY 940 OF ESTIMATED TAX PAYMENTS FOR THAT (sorry about the caps)

Q: Were funded by sponsorships and voluntary donations - we average about \$5 per head - is that a deal killer?

A: The FAQs said drink minimum or collection at the door.. You can probably write a letter to explain

If you have a ledger than you can probably use that to justify

Q: I am having issues with SAMS account even though I have my DUNS number

A; Call the phone number on the website to talk to a SAMS agent. Its really specific how you have to enter the number. The service desk has been super helpful

Q: Employee list and payroll statements - we just formed in 2019 - we didn't hire formal employees - can my list just be me as CEO and adding a cover letter?

A: Then I would just put the 1 employee

What can I use for records since its just me as an LLC?

A: If you are just receiving distributions then you might not be an employee, you might need to be careful about how this would affect taxes, it might be better to explain your compensation instead of saying you are on payroll

Q: NAICS codes - what should we put?

A: Put your actual as it matches you tax return

Q: We are mostly cash with door charges to the band - we dont account for that, and I am right on the edge of the line with the 70% because we have a restaurant and gallery space. None of the door charges are on the books as earned revenue. Can I use that earned revenue towards the 70%?

A: I would be careful about putting revenue on this form that you haven't otherwise categorized on a tax form.

Q: We have 3 venues that we are applying for separately - is there a case to be made for applying as one entity? Parent org would be miami dade county

A: We don't know the answer

Q: Questions about our ops - paid ticket type (Q#20-27) what are people doing for best practices for amount of info - some people mentioned 4 per month, what time period and frequency are people adding?

A: Sean had said that the month of feb should suffice, make sure you are putting a cover letter on there explaining what you are providing.

For the 60 day eligibility question, we think you should try to show some marketing materials that do show that requirement (does not have to be every single show but some of them)
Stephen is showing his announce posts and email blasts.

Q: Marketing materials - whats the date range?how much?

A: there isn't a specific date period or specific amount - recommending to add a little bit of everything - print ads, flyers, fb posts, all in a pdf with a bunch of samples

I think a cover letter is really important on that document.

The SBA is shutting down the site as of 2:30pm EST

Q: Employee list - any info about the period of time?

A: Some conflicting information on this - the FAQs have a couple different versions of this. We think that the employee list is the total body count during the pay period and then the number of employees would be calculated differently as according to the FAQ on page 28. We don't think this would include the 1099 contractors

FTE = payrolled employees

Eligibility is considered differently

Thursday, April 8 / 2:30 – 4:00 pm EST Daily SVOG Call

Q: I am a promoter with no venue, I am collecting income through consulting and future booking but have no shows currently on sale, for operation purposes am I considered to be in operation.

A: Yes, business is functioning.

Q: Our business has an issue with unpaid taxes, is this a disqualifier for the SVOG?

A: Not sure, sam.gov, may have some information.

Q: When considering the construction portion of the budget, are we able to renovate our bathrooms with SVOG funds?

A: Nothing says that this cannot be used as an ordinary or necessary expense.

Q: When building the proposed budget, what allowances go under capital expenditure and what falls under production?

A: There is no right answer. Most expenses will fall under ordinary and necessary expenses. Don't feel the need to have a value in each category. If there is no planned expenditure in a category, just zero it out, there is no limitation on amounts for line items in the budget.

Q: For budgeting, there is confusion between the amount of time we can incur/pay expenses. Can we cover expenses 12 months out from date of award or until December 31 2021.

A: You can take a year from dispersal to a pay expenses, however can incur no expenses past December 31 2021. Incur expense up till dec 31st but take 12 months from award date.

Q: Concerning a non-profit theater arts center, do we need an indirect cost rate agreement?

A: No, unless you a large amount of grants with the government, you won't need it.

Q: We use a custom fiscal year for tax purposes, this requires us to submit our 2018 return. Should we also submit 1 year prior, we have a 2 month difference for our “year”?

A: Add the tax returns that corollate with calendar years 2019, 2020.

Thursday, April 8 /4:00-6:00 pm EST Daily SVOG Call

Q: What do we do about the 60 day advance sales? Some of our shows are available that far in advance, but many are cash at the door and not on sale in advance.

A: All your shows don't need to be on sale 60 days in advance. Include whatever documentation you have for the shows that were on sale 60 days in advance.

Q: I'm taking it for granted that a spreadsheet of FB links to all our shows will be ok for the marketing question? Most of our marketing is on social media.

A: That's a very good thing to have. If you have any other materials, like posters, include a sample of those as well.

Note: New FAQ calls for 12 examples, one per month.

Q: Can funds be used for a new roof? The new FAQ seems to say that only if it is directly related to business, but it was necessary so i thought it could be part of ordinary business.

A: If the new roof can be considered regular maintenance, yes. If it is more of an improvement, then maybe not. Think about whether it's an ordinary need or discretionary construction. The same with equipment if you are replacing gear with similar equipment it's allowed, but if you replace a \$2,000 board with a \$20,000 board that wouldn't be allowed.

Q: Could you use SVOG funds to pay sales tax generated during the pandemic.

A: I would be careful about paying any state sales taxes with grant funds to avoid any sort of double dipping.

Q: The budget section for COVID related worker protection. What if the expense is not state mandated, like indoor air quality improvements.

A: On pg 15 of the FAQ they list a very broad definition of COVID related safety expenses, including ventilation and air filtration. It doesn't have to be specifically mandated, and was purposely left broad as most of the language was lifted from PPP.

Q: Do people have anecdotal evidence of people being forgiven for similar improvements with PPP funds?

A: Forgiveness for PPP is just getting moving, so there isn't a large body of evidence yet.

Note: Depreciation is an easy fixed expense that is an allowable usage in your proposed budget in case you need to fill it out.

Alert: Sen Schumer working with the SBA, portal will be shut down soon.

Q: On the SF424B should we use the form available on the SAM website even if it doesn't look like the form?

A: There is a link on the SBA site to the form on grants.gov. You can download it, fill it out and upload it, or you can use the certification from SAM. Either method should be acceptable.

Q: We were in the process of refinancing a loan with a balloon payment due when COVID hit. Subsequently the loan was refinanced, would these payments be allowable if it was not the original loan?

A: As long as you are still paying scheduled payments that originated prior to the pandemic, and not paying off future debt.

Q: What about the balloon payment, if that was previously scheduled?

A: It sounds like it should be, but consult your tax professional.

Q: We built a small outdoor bar when we were shut down. It was subsequently flagged and shut down. If we replace that, is it an allowable expense?

A: Update- Capital expenditures not for worker safety are not allowed.

Q: Form 4506-T says you can only grant access to one form, but they want your 2019 return, and your 941 from Q1 2020, how do you grant access to your 941?

A: Upload you 941 with your 2019 taxes with a cover letter.

Q: We're a three person LLC with no one taking a salary, we take draws, and file a 1065. How should we apply?

A: The FAQ addresses LLCs with no employees. You can include owner compensation in line with 2019. For your employee list you can use yourself, and for multiple roles. Provide a cover sheet to explain your situation.

Q: We are promoter with primarily queer programming. Our local NIVA reps recommended collecting letters of reference from the community. Where would we upload this, with our statement of need?

A: Yes, with your statement of need.

Q: Is it better to add multiple documents into one PDF rather than individual PDFs for each contract?

A: Yes, that's what I've been doing. I've been consolidating so I have one PDF per question.

Update: If you logged in you will be notified when the portal reopens.

Q: Do you need to reduce your SVOG budget by the amount of your PPP1 loan?

A: PPP will not affect your SVOG as long as you avoid double dipping on PPP expenses. If you received PPP after December 27th the amount will be automatically deducted from your award.

Q: We're a city owned municipal theater, the 4506-T doesn't apply because we don't pay taxes? How do we document expenses? How do we deal with municipal revenue from taxes & fees?

A: Good questions. There is more information coming for municipal entities. Talk to your tax professional.

Q: Is the save function working on the portal?

A: It was one of the only functions working.

Q: I'm still stuck on proof that you were in operation. Are financials enough? Do we need all our marketing materials? Should we list duties for all independent contractors?

A: You want a few different types of proof, 2 or 3 forms to show you were operating. You need the employee list. List anyone that was regularly working. List their roles and pay status, i.e. payroll, volunteer, contractor, etc.

Q: Do we need to list all 1099s that we paid?

A: I don't believe they will be looking that in depth into every application, just list those regularly employed.

Q: Five months before COVID I bought an existing 98 person venue/ record store. We immediately pivoted to online record sales. We had a good year and business wasn't down too much, should we even apply, or let the other venues that need it more get it?

Big love from the prez: do what's best for your business.

Q: The payroll statement from 2/29/20 is that just a list of paychecks from that week?

A: Yes the purpose of that is to create a baseline for SBA to gauge the effectiveness of the program.

Q: Would that be a breach of confidentiality?

A: I don't believe so.

Q: We generate a large amount of income from parking for events will that affect our 70% from ticket sales qualification?

A: Any revenue that is event related can count towards the 70% figure. As long as you can document the event specific parking income.

Q: We also don't sell the tickets, but instead charge promoters a flat rental fee. Is it ok if we don't have ticket revenue?

A: We are in Cincinnati with the same scenario, we are reporting our rental revenue, no ticket sales.

A: Yes, show that tickets were sold, even if it's not part of your revenue. It is two separate questions on the application.

Q: The promoter also pays the staff for the events...

A: Upload the contracts with the promoters. Answer yes to all necessary questions, and add cover letters to explain your situation.

Q: What if our titles don't match the form? I don't have a stage manager, but I have a monitor engineer.

A: Adjust your roles to fit their titles. Ex. booker vs talent buyer.

Q: The new FAQ pg 27 #76 asks for materials for 12 events. Does this eliminate festivals?

A: They are aware of festivals. Add a cover letter to explain.

Q: Single member LLC S corp for taxes. I pay myself a salary at the end of the year. I have no payroll for 2/29/2021 because I pay myself once a year. How do I estimate employee hrs?

A: Same situation here. I am creating an employee list with myself, and any subcontractors and volunteers, and adding details about my pay and how it's determined in a cover letter.

Q: If our employees come from an employment agency would we count them as payroll?

A: IF not on your payroll they would go under contractors.

Q: Would benefits be a part of payroll?

A: It's our understanding that is the correct place. Remember you don't need to justify line items in your proposed budget.

Q: Single member LLC, do I fill out my 4506-T with my SSN or my EIN?

A: Use the same number that you use on your tax return. Alternatively you can fill out one of each and upload both. One will be correct.

Q: I'm the executive director of a non profit theater company. The eligibility guidelines now state 70% of your revenue must come from ticket sales. Before it said earned revenue, which is it? If it's earned we qualify, if it is gross we don't.

A: That question is vague. Check yes and act as if it's earned revenue.

Q: For our budget could we potentially use half of it to pay down our line of credit and half of it for depreciation?

A: use whatever is easiest to justify, document and predict.

Q: Owners paid by payroll & disbursement, would that go into payroll or ordinary business?

A: However you would normally treat it in your business, do the same.

Q: Are accountants contractors or ordinary business?

A: Those two categories are the easiest to move back and forth between. In my budget I took fixed costs like rent, insurance etc then split the rest between ordinary business and contractors.

Q: We are both a live music venue and live performance arts company. Can you clarify how to decide which we should apply as?

A: Whichever fits best, or is easiest to document.

Q: For the mixing equipment, would photos work?

A: We believe they will be pretty flexible on this question. Provide the best documentation that you can.

Q: For the employee list, is it current, Feb 29th, year end?

A: There are a few questions which are vague. One is specifically 2/29/2020.

Q: Do we need the lobbying form 1711 or the new one listed the SFLLL?

A: You need form 1711. Form SFLLL is if you're a lobbyist.

Q: We work in many venues should we upload individually or in one PDF?

A: Remember reviewers are not in the business. Be sure everything is as clear and easy to understand for the layperson as possible.

Q: We are a private civic social organization, with no staff. We have members, volunteers, and contractors, no payroll, but bonuses.

A: Make a staff list that shows roles and their status, member, volunteer, contractor, etc

Q: We are a city owned venue with no NAICS code?

A....

Q: Our 2019 accountant included tips? Our 2020 accountant included patreon?

A: 2019 ask your accountant. 2020 yes patreon is part of earned income.

Q: We received PPP prior to December 27th. I understand it won't affect our SVOG, but will it count as gross revenue when determining priority period?

A: No CARES Act funds won't count as revenue when determining the priority period.

Note: PPP funds won't count towards your \$750,000 audit threshold, because the funds come through private lenders.

Q: We do 250 in house shows a year, and a small number of shows in other venues. Should we stick to just in house and ignore the other venues?

A: That sounds like the right approach.

Q: For the revenue loss is it for one quarter or the full period?

A: There are two separate things. The priority period is based on the full period, but to be eligible for the program at all you need a 25% loss in at least one quarter.

Q: What's the difference between the earned and gross revenue?

A: For a for profit company essentially no difference. That distinction is for non profits.

Q: I own a 200 seat no profit venue, with no payroll, I do everything. I take a discretionary bonus. How do I justify my pay?

A: List yourself on your employee list. Add a cover letter to explain. Keep it brief, and attach it to your employee list with any proof you can provide.

Q: On the business size for priority we are at 50.1 employees. Do we know if it is 50 and under or under 50? Can we round down?

A: 50 employee threshold isn't for the priority period, but for the \$2 billion small business set aside. You will still be eligible for the same award.

Q: Do we need to deduct PPP2 or will the portal do it?

A: The portal asks for the amount of your PPP2 and will factor that into determining your award.

Q: I run a festival and we're punting until 2022. I know there is the possibility of a supplemental grant with a 6 month extension. How will I spend the money if I can't use it for deposits to artists playing in 2022?

A: You can't spend on deposits for future events, but you can spend money on marketing or other costs that fall into the allowable time period.

Note: The \$100,000 contractor limit applies to individual artists. You could potentially spend over \$100,000 with a single agency as long as no single artist received over the limit.

Friday, April 9th 2:00-3:00 pm EST Daily SVOG Call

Q: We're a promotion company in NYC. We work in a number of different venues, and do a lot of co-promotions as well our own events. Should I upload marketing material from the co-promotions, or only from our own events?

A: I would think you would want to give a full range of the events your are promoting to give the best picture of what your business is.

Q: We are a non profit and we have a question about the 4506-T form. It states you must be the organization's president, vice president, secretary or treasurer to sign the form. We planned to have the executive director sing, will that be ok?

A: I would think that an executive director would be acceptable. We are awaiting clarification on numerous questions with the 4506-T

Q: Should we remove artist riders from the contracts we're scanning and submitting?

A: We don't have specific details about what they are looking for but as long as you provide the information that relates to the question you are answering. They won't be searching contracts for details.

Q: Our plan was to make a single PDF with 5 contracts, will that be sufficient?

A: The most recent FAQ mentioned 12 as the number for marketing materials, so maybe it's a safe number for other materials. We definitely feel single file PDFs with cover letters are the best approach for document uploads.

Q: How can we determine our budget without knowing the allowable time frame and we don't know when we will receive the award?

A: We are waiting for new guidance from SBA regarding the contradictory language.

Q: Do we have any more information on the new business license requirement? What are they looking for? It doesn't seem to be a standardized thing. Would a certificate of occupancy be sufficient?

A: The certificate of occupancy is good. If you don't have a business license requirement you can add other documents like health and liquor licenses.

Q: We made a spreadsheet with all the information from all our events. Can we submit the same document for multiple questions?

A: You can certainly use the same document for multiple questions. We would suggest that if you do you add a cover letter for each upload explaining how the document addresses the question.

Q: I am submitting for two different non-profit organizations, both organizations produce their own events as well as renting their spaces to outside promoters. Should we file as a venue or an arts organization?

A: Choose the option that fits your organizations best. We don't have any indication that one option is preferred and it should have no affect on your award. There is guidance on page 5 of the latest FAQ.

Q: The application lists a 10 document limit per question, but the FAQ lists 12 events for the marketing requirement, how many of what should we provide?

A: We're waiting for guidance, but remember you can always consolidate your documents into a single PDF with 12 or more documents along with a cover letter to explain what is contained in the file.

Q: Do you have any feedback about the OIG memo regarding fraud? Was there any connection between the tahat and the portal problems?

A: There was no connection to the shutdown. NIVA supports the sentiment, we want the funds to go to the people they were designed for. The system crashed as we all feared and expected. The SBA is working 24 hrs/day to fix the portal.

Q: Do you have any clarification about the contradictions between earned and gross revenue?

A: Awards are based on earned revenue. The contradiction was human error, and will be fixed.

Q: Do we need to file two 4506-T forms for our 2019 tax returns and 2020 941?

A: We are waiting on guidance from SBA on the 4506-T, as well as the lobbying form , and the newly added document requests.

Q: What is the relationship between NIVA and the SBA? It seems like they can't even figure out the basics. How can we make them fix this?

A: We agree 100% and feel your frustration. There are strict rules which limit the interaction between government organizations and private entities. We're not allowed to have anything that could be construed as preferential treatment or a competitive advantage. We do offer constant feedback and whatever assistance we can provide which is allowable.

At the same time we are working with other stakeholders like NITO, Broadway theaters, movie houses, etc in order to provide a stronger united front.

Q: Will priority periods reset to whenever the portal reopens?

A: That is our impression. The priority periods are based on time to review applications, so we believe the first 14 day period will start once the portal is open and functioning.

Q: I have been adding notation to the documents I'm uploading in order to highlight the relevant information. Could this harm the validity of the documents?

A: We don't have direct guidance, but I think you should always provide more information and assistance for the reviewers. You can always add explanations of your markings in a cover letter with the document.

Q: What are the DUNS + 4? I have a DUNS but no idea where to find the +4.

A: The SBA will be clarifying but it should be 0000. The extra numbers are for entities with multiple accounts and not applicable.

Q: Do you have any guidance on the NAICS code?

A: We believe it's only for tracking. We have asked for clarification since they only added it recently. You should make sure it matches your taxes. You can find it on your return listed under industry code or business activity code.

Q: I have a couple of questions on the number of employees. I can't see where to add the calculation for FTEs. Also when they ask for number of employees it's not clear when, currently? February 2020?

A: We have asked for clarification on the time frame for the number of employees question. For the FTE calculation the FAQ answers this question.

Q: Are links ok for marketing proof or would images be better?

A: Spreadsheets are a great way to present a lot of information. We made a spreadsheet with all our shows with links and all the information in one place. We made a spreadsheet with links to all our eblasts to show tickets on sale 60 days in advance.

Q: I am a promoter of festivals and events in hotels, how should I set my proposed budget working with venues and hotels?

A: We are waiting for clarification on all budget issues, including the spending period, the 10% flexibility between categories, and the general uncertainty of proposed business activity.

Q: We're a non-profit with a mission of making live events accessible, and most of our events are "pay what you can". Will this be a problem? We do have a suggested donation.

A: A cover letter with an explanation about your mission and information about your donation policy to show that you're charging.

Q: Do we need to provide receipts for payments to artists in the application?

A: They are being flexible as pay as the paying artist requirement. They will accept settlement sheets, contracts, or emails with the artist.

Q: Do I need proof of payment for every show?

A: It's not required for all shows. Show what you have, as long as it's enough to give a picture of your business.

You will have to show receipts on the back end of the grant for any artists paid with award funds.

Q- How can we file a 4506-T for the 2020 941 if we can only use the pre filled SVOG 4506-T form?

A: We are waiting for guidance from SBA on this.

Q: We're a small non-profit doing seasonal productions. We have a promotional brochure with 8 productions with 20 shows of each. Will this be enough for all my marketing?

A: That's a great start and has enough proof, but I would definitely add more examples, web links, email blasts, etc

Q: There seems to be conflicting information about whether they want your physical or corporate address, which do they want?

A: You should use the same address as your tax returns.

Q: Does the authorized representative need to fill out the application?

A: Maintain consistency throughout your application wherever possible.

Q: We are in the second priority period, should we be worried about funds running out?

A: it is written into the law that 20% is reserved for tier three. We don't know the number of entities applying. SBA estimates 15,000 entities @ 1 million/per award average, which equals 15 billion, so the 16.25 billion could be close. If it runs out we go back for more.

4/9/21 3PM CT

User Guide:

<https://www.sba.gov/document/support-shuttered-venue-operators-grant-application-user-guide>

- Email implementation@nivassoc.org

Recommend to get CPA involved regarding questions on the user guide.

Q: Signatures - My docs would be most clear if I did them as PDF and do an adobe signature. The electronic sig won't match my owner's ID - is that ok?

A: Angela was saying that government entities don't work well with digital signatures, the more you complicate forms with digital things the more likely you will run into issues. The conservative way to be would be to print and sign.

All of the government forms also require a signature

Q: Page 25 Q55 on the latest FAQ - originally that was quarter to quarter and thats what is still on the website, has that comparison period changed?

A: The act says april to december

Quarter to quarter is about your eligibility; the priority period have a different one with the april to december thing.

Q: I do festivals - production and promotion - we use a lot of venues - we think we are a promoter under this app. They put promoters and venue operators in the same bucket. What should we put on the question about floor plans etc?

A: The application is not going to change but they will give guidance on how promoters should answer - go ahead and get the floor plans and such just in case. The SBA says that they will give guidance on this. Make sure to mark yes on the question to qualify, then explain why

In 2020 we had a brick and mortar open right before the shutdown, should we just answer based on our 2019 stuff? Its the same EIN..

Not sure

Q: 35mb per file - I am unclear where per question if we can do multiple file uploads per question?

A: No one got to that point yet. Most people are doing just one pdf for each question with everything combined

Q: Our taxes were efiled for 19&20 - they are not signed - as long as we send them in conjunction then do they need to be signed?

A: I would assume that they would have to accept that but not sure...

Q: The revenue grid - do you know what question that is?

A: Question 17 - revenues by month

Q: In the table, would I include a local grant or PPP money?

A: No, PPP is a loan and disaster funding; if the grant is from CARES or stafford then you would include it -- double check the FAQs on that one

Q: I produce festivals in hawaii and cali and the carribbean. Are you an operator in multiple countries - what do I answer that as?

A: You can operate in multiple countries as long as you arent publicly traded or have more than 500 employees so you can be 2 of those 3 things and still be eligible.

Q: How do I validate that I was in operation... if I subcontract everyone

A: I think this is in the FAQs and user guide - theres a few things you can submit for proof of ops (a quarterly report)

People are thinking to show bank statements, if you have a cert of good standing you could maybe use that

Q: Employee count when I just have contractors - what do I put my employee count as?

A: don't put the partners as employees, contractors should not be listed as employees

For the employee situation - with partner sharing after the fact you can do that as an allowable expense

Q: SAM - does the signatory on the SAM have to match the person that is signing the SVOG docs as the officer?

A: We are thinking it does need to be the same person since you have to provide the ID of that officer.

Q: The 424 substitute form -

A: That document is weird how the SBA worded it, that document covers a lot of the standard forms but the user guide wants you to upload it all individually.

Q: Cover letters - do we know anything about the background of the reviewers? To help us prep the cover letter.

A: Assume that the reviewers know nothing about the industry. They said they are hiring 500 people.

Q: If my tax return does not match my gross receipts

A: Your monthly and quarterly should add up.

They are going to go off of your line 1 so they will need to match.

Q: # of employees feb 29th list - where do we upload that?

A: We don't know yet

Q: Affiliated business - I had my business under my S-corp under a different name and was going to move everything under a non-profit entity right before covid. All of my

financials come from a different entity for 2019 - what should I do? How should I combine them? Should I duplicate all docs or just financials?

A: Might be a good question for implementation@nivassoc.org

Q: Other than a P&L from quickbooks -

A: You only need to do that for greater than 750K..

Q: We dont 1099 our bands - how should I list that?

A: List them as independent contractors that were paid under the 1099 requirement and make that clear

Q: We own all of the sound equipment etc but not that actually property, how do I list that?

A: If you pay rent and have receipts list that

Q: Anyone else had issues with the QR code? "No data available"

A: it says reach out to the admin for a new key code and I tried that but I haven't gotten a response

People are recommending to use the google authenticator app for best results

Make sure you keep that app on your phone!!! If you delete it you might get locked out.