

TOWN OF WEBSTER
ARPA GRANT PROGRAM FAQ

General

What is this program?

The Town's program is targeting those who have been negatively impacted by the COVID-19 crisis. The effort consists of a grant program designed to provide direct financial aid and customer outreach support to local non-profit organizations with a focus on those in greatest need.

How much is the pool of money that the Town has set aside for grants?

Up to \$350,000 in grants will be distributed to eligible companies and non-profit organizations.

How will you determine the grant amount a company receives?

The grant values will be based on the level of impact that the entity has endured. This will be determined by the Town's subcommittee and approved by the Town Board.

Organizations will be required to submit an itemized list and proof of payment of COVID-19 related expenses incurred or expected to be incurred during the period March 1, 2020 through May 31, 2022.

How many grants are being distributed?

Up to \$350,000 will be distributed. The number of grants will be driven by the applications review process.

How do you decide who is selected to receive a grant?

Applications will be reviewed at the close of the application period during the month of June 2022. The grant program will emphasize non-profit organizations that have been highly distressed, those who have yet to receive COVID-related aid and those seeking to hire or bring back furloughed/laid-off employees.

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Is there a reporting requirement back to the Town of Webster?

The entities that receive grants from the Town will be considered subrecipients. If the grant is \$50,000 or more the grantee will be required to provide detailed expenditure reports to the Town along with supporting documentation. The grantee will have until December 31, 2024 to spend the funds. Annual reports must be provided to the Town by March 31st of each year and the Town will report the details to the US Treasury by April 30th of each year.

The entities who receive a grant of less than \$50,000 will be required to provide a detailed plan of how the funds will be spent.

How do I apply?

[Visit the application page here to get started.](#)

When can I apply?

The application period will open on May 2, 2022. Applications must be submitted by May 31, 2022 at 4:00pm.

Is there a cost to apply?

No.

I have more than one non-profit organization. Can I fill out an application for each of my organizations?

No, you may only apply for one non-profit organization.

Where did this funding come from?

The Town received funds from the American Rescue Plan Act (State and Local Fiscal Recovery Funds). Congress designated a portion of funds to go to local governments to meet urgent financial needs within communities.

Will my information be kept private?

All information collected is used to evaluate your application. All personal and organization financial information will be kept confidential to the extent permitted by law.

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How will I receive the grant funds?

Grant funds will be administered via check to the entity named on the W-9 provided in the grant agreement.

Is the grant amount considered taxable income?

Yes.

Eligibility

Is there an age requirement to apply?

Yes, you must be 18 years or older at the time of submission to apply.

Can I apply for a grant if my organization is based outside Town of Webster, NY?

No. Only organizations located in the Town of Webster, NY, with 90% of their employees working in the Town are eligible to apply.

Am I eligible if I live outside of the Town of Webster, NY?

As long as your organization is located in the Town of Webster, NY, you are eligible to apply. Your personal residence does not impact this application.

What are the eligibility criteria?

Organizations must meet the following criteria to be considered eligible for a grant.

- Entity Type: Non-Profit Organizations
- Age of Company: Formally established and in continuous operation since at least March 1st, 2020
- Location: Based in the Town of Webster, NY
- Revenue: Generated more than \$0 and less than \$7.5 million in annual revenue, based on Federal Tax Return
- Employees: 50 or fewer W-2 based FTEs at the time of submitting your application
- Other: Organizations must be able to provide evidence of a significant loss of gross revenue, or a reduced level of production, employment, or service due to COVID

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Do part-time employees count as an employee?

Yes, any person on payroll counts as an employee; however, part-time employee hours need to be converted to FTEs to determine if the 50 employee FTE maximum is met (see the following question).

What constitutes a full-time equivalent (FTE) employee?

When an employer has a 40-hour workweek, employees scheduled to work 30 hours per week, or more are considered 1.0 FTE. Employees scheduled to work less than 30 hours per week are considered 0.5 FTEs.

Do independent contractors and consultants count towards the employee criteria?

No, they do not count towards the employee total.

Are there any other ineligibility criteria?

- Town-level elected officials and any immediate family members who have an ownership interest in an entity are ineligible to apply.
- Any organizations and owners currently delinquent on any state, local or federal taxes are also ineligible to apply. This includes Real Property taxes.

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Are there any requirements regarding how grant recipients can spend the grant money?

Yes, this grant can only be used to cover expenses incurred after March 1st, 2020.

The distributed grant money must be spent on any combination of the following expenses.

- Rent, lease, or mortgage payments
- Utility payments
- Payroll costs
- Supplier payments
- Personal protective equipment and sanitation supplies
- Physical building adaptation (including interior and exterior updates) and equipment
- Technology and digital resources, including tools and services as well as purchases for remote access
- Website development/enhancements
- Marketing/advertising
- Replacement of perishable inventory lost due to COVID-19
- Regulatory compliance fees (permits and licensing, insurance, workers' comp, etc.)
- Loss of Revenue due to COVID-19

* NOTE: If the organization operates out of your home, you must provide information that breaks out allocation of costs that are directly associated with the business activity, similar to how it is represented on your tax return.

Can I use the grant money to pay off the organizations' loans?

You may use the grant money to pay for a loan only if it has been used to pay for eligible operations expenses via our grant program (payroll, rent, utilities, etc). Please note that you must keep and submit detailed records surrounding the use of the loan.

What if I was forced to close because of COVID-19?

If your organization was mandated to temporarily close during the pandemic it is still eligible to apply. Your entity must be open and operational at the time of application.

Does my organization need to be open to apply?

Yes, your organization must be open and operational at the time of application.

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We applied for the PPP program. Does this conflict?

No, organizations who received other COVID-19 related assistance are still eligible to apply.

Application

What documents do I need to apply?

- Employer Identification Number (EIN)
- Proof of Incorporation, Partnership, Business License, or official registration with a state or local agency proving the existence of your organization. [Click here to search the NYS Dept. of State](#)
- Proof of your address (this can be a utility bill, lease agreement, insurance statement, or a similar document)
- NYS-45 for entities with employees.
- A list of all owners names, percentage of ownership, and home addresses
- 2020 and 2021 Federal Tax Returns and/or certified financial statements for the applicant

Approved applications will be required to submit the following with the notarized grant agreement.

- A Form W-9 for the entity that will receive the grant

When should I expect to hear back as to whether or not my organization will receive funding?

Applications are reviewed in batches at the conclusion of the application period. In order to keep our review moving forward, we will not be able to provide a status update during the process. If you call for a status update, we may not be able to call you back.

All grant funding decisions will be made prior to July 8, 2022.

We appreciate your patience.

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Do I need to pay the money back if I receive the grant?

No, you are not required to pay the money back as long as you spend the money in accordance with the grant's agreement. The Town of Webster's grant program is not a loan.

Are applicants subject to a background check?

To ensure funding is only made available to eligible and legitimate organizations, applications will be subject to a multilayered due diligence process, including but not limited to background checks to ensure the entity is using a proper tax identification number and that the entity is properly registered.

Additional Resources

What is a Form W-9, and how do I get one?

[Form W-9, Request for Taxpayer Identification Number and Certification](#) is a one-page IRS information form that individuals and businesses use to send their taxpayer identification number to other individuals, clients, banks, and other financial institutions.

When an entity pays a contractor \$600 or more during a tax year, it has to report these payments to the IRS, using Form 1099-NEC. Entities use the name, address, and Social Security number or [tax identification number](#) that contractors provide on Form W-9 to complete Form 1099-NEC. Neither the sender nor the recipient should send a copy to the IRS.

You can obtain a Form W-9 on the IRS website [here](#).

What is an EIN? What if I don't have one?

An Employer Identification Number (EIN) is also known as a Federal Tax Identification Number and identifies an entity. Generally, entities need an EIN.

If your entity doesn't have an EIN, please provide your Social Security #.

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How do I prove my organization's address?

- Utility bills
- Rental lease agreement
- Mortgage statement
- A current business license
- Articles of Incorporation
- Organization's tax return

Still have questions?

Reach out to the Town's Director of Finance, Paul Adams padams@ci.webster.ny.us or 585-872-7067.