

# COVID-19 ARPA PA ARTS AND CULTURE RECOVERY PROGRAM

Program Guidelines | November 2022



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## Section I – Statement of Purpose

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The **COVID-19 ARPA PA Arts and Culture Recovery Program** (the “program”) was created to provide grants to nonprofit arts and culture organizations, local arts and culture districts and arts and culture professionals located in the Commonwealth to ensure the stability and recovery of the Commonwealth’s arts and culture sector from the COVID-19 pandemic.

Pursuant to Section 3002 of the act of July 8, 2022 (Act No. 1A of 2022), known as the General Appropriation Act of 2022, the General Assembly of the Commonwealth appropriated federal funds from the COVID-19 Response Restricted Account to the Department of Community and Economic Development for transfer to the Commonwealth Financing Authority.

Pursuant to Section 136-C of the act of July 11, 2022 (Act No. 54 of 2022), known as the Fiscal Code, the Commonwealth Financing Authority is authorized to issue guidelines and award grants in accordance with the Statement of Purpose set forth above. The program is administered by the Department of Community and Economic Development (“DCED”) under the direction of the Commonwealth Financing Authority (“CFA”).

The funding for the program includes two components that support the arts and culture sector in the Commonwealth:

1. Arts and Culture Organizations Recovery Component
2. Pandemic Payments to Art and Culture Professionals Component

The Arts and Culture Organization Recovery component provides grants to nonprofit arts and culture organizations for reimbursement of revenue lost due to the COVID-19 pandemic, funding for operating costs to maintain essential functions and recruit and retain core staff, and costs related to establishing new programs or marketing.

The Pandemic Payments to Art and Culture Individuals component provides funding to local organizations within 14 regions of the Commonwealth to provide payments of \$3,000 to local arts and culture professionals within each region.

## Section II – Definitions

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For evaluating applications under this program, the following terms shall be defined as:

1. **Cultural Organization** – A facility or organization meeting the criteria for grant under Section III.A. and that was subject to closure by the proclamation of disaster emergency issued by the Governor on March 6, 2020, published at 50 PA.B. 1644 (March 21, 2020), and any renewal of the state of disaster emergency and that experienced a loss of revenue related to the closure.
2. **Museum** – An institution that cares for and presents owned or borrowed collections of artifacts and other objects of artistic, cultural, historical or scientific importance that presents the collection to the public for the purpose of education and enjoyment and that was subject to closure by the proclamation of disaster emergency issued by the Governor on March 6, 2020, published at 50 PA.B. 1644 (March 21, 2020), and any renewal of the state of disaster emergency and that experienced a loss of revenue related to the closure. The term shall include each organization within a tax-exempt organization that meets the criteria of this definition.
3. **Revenue** – Includes income earned from the sale of products and services, fees, and donations. For the purpose of this calculation, revenue does not include realized investment gains (dividends and capital gains).
4. **Arts and Culture Professional** – A self-employed individual whose income is earned from the arts and culture sector within the Commonwealth.
5. **Arts Organization** – A non-profit organization whose purpose and activities promote and foster the arts sector in the Commonwealth.
6. **Local Arts or Cultural District** – A defined geographic area within a community with a concentration of arts and/or cultural organizations (both non-profit and for-profit).

## Section III – Eligibility

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### A. Arts and Culture Organization Recovery Component

1. **Eligible Applicants**  
Arts and culture organizations must be one of the following categories to be eligible for funding through the Pennsylvania Arts and Culture Recovery Program:
  - a. Arts Organization
  - b. Culture Organization
  - c. Arts or Culture Organization that manages a Local Arts or Culture District
  - d. Children’s Museum
  - e. General Museum with at least two equally significant disciplines
  - f. History Museum or Historical Site
  - g. Military or Maritime Museum
  - h. Natural History Museum
  - i. Accredited Zoo
  - j. Planetarium

- k. Science and Technology Center
  - l. Orchestra
  - m. Art Museum
  - n. Performing Arts Organization
  - o. Public Gardens
2. **Other Eligibility Requirements**  
Other applicant requirements for arts and culture organizations:
- a. Must be located in Pennsylvania;
  - b. Must have tax-exempt status (501(c)(3)) with the Internal Revenue Service;
  - c. Must have been incorporated and have been exhibiting or open to the public since March 2019;
  - d. Must have an operating budget in excess of \$100,000 (excluding capital and in-kind services). If a museum receives operating support from another Pennsylvania agency or commission, please check with the Program Contact to verify if the arts and culture organization has a discreet and itemized operating budget for its activities to be funded through the grant program;
  - e. Must have at least one full-time professional staff person (or approved equivalent);
  - f. Must be registered with the Pennsylvania Bureau of Corporations and Charitable Organizations, Charities Section.
3. **Ineligible Applicants**  
Arts and culture organizations and others that are not eligible to apply include:
- a. Museums and historic sites operated by the Pennsylvania Historical and Museum Commission
  - b. Associate groups at museums and historic sites operated by the Pennsylvania Historical and Museum Commission
  - c. Management groups at museums and historic sites operated by the Pennsylvania Historical and Museum Commission
  - d. Museums and historic sites operated by state or federal government agencies
  - e. Associate groups at museums and historic sites operated by state or federal government agencies
  - f. Organizations with annual operating budgets less than \$100,000
  - g. Individuals
4. **Eligible Use of Funds**  
Applicants for the Arts and Culture Organizations Recovery component can use funding for the following:
- a. Reimbursement of lost revenue from the calendar year 2021 for organizations that experienced and are continuing to experience a loss of revenue related to the COVID-19 pandemic.
  - b. Funding for operating costs to maintain essential functions and recruit and retain core staff for organizations have challenges covering payroll, rent or mortgage, and other operating costs.
  - c. Costs related to establishing new programs or marketing to mitigate negative economic impacts of the pandemic as part of the organization's recovery efforts.
5. **Ineligible Use of Funds**
- a. The program grant funds cannot be used to reimburse revenue which has already been reimbursed from other sources, including philanthropic and federal, state, and local government sources.

## **B. Pandemic Payments to Art and Culture Professionals Component**

### **1. Eligible Applicants**

A nonprofit, tax-exempt corporation or foundation, a unit of government or school district that serves as a local regranting organization for the Pennsylvania Partners in the Arts (PPA) through the Pennsylvania Council on the Arts (PCA).

### **2. Eligible Use of Funds**

Applicants for the Pandemic Payments to Art and Culture Professionals component can use funding for the following:

- a. Pandemic recovery payments of \$3,000 to arts and culture professionals who have experienced negative economic impacts from the pandemic.
- b. Administrative Costs – Documented administrative costs necessary for administering the pandemic recovery payment shall not exceed 10% of the award.

The selected arts or culture organization will need to have a method and means for marketing and receiving applications from arts and culture professionals in their region. The application process will include the collection of a standardized one page application from each professional along with documented tax returns providing evidence that the individual obtains the majority of their income from their self-employment in the arts and culture industry. The pandemic recovery payments may not exceed \$3,000 per individual. The individual must provide reasonable evidence that they will continue to work in the arts and culture sector to help ensure the stability and recovery of the sector.

### **3. Ineligible Use of Funds**

- a. The program grant funds cannot be used to reimburse revenue which has already been reimbursed from other sources, including philanthropic and federal, state, and local government sources.

## **Section IV – Grants**

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1. The maximum grant is 25% of the operating budget for the most recently completed fiscal year or \$500,000, whichever is less, per eligible applicant. The minimum grant is \$25,000 per eligible applicant.
2. Tax-exempt organizations with multiple cultural organizations or museums must submit a separate Single Application for Assistance for each eligible cultural organization and museum within the organization.
3. If an applicant is seeking funding for both components, they must submit separate applications for the two components.
4. To be eligible for reimbursement, the reimbursement for lost revenue must be within the time frame established by the grant agreement.
5. Costs incurred must be within the time frame established by the grant agreement. Costs incurred prior to approval are ineligible for reimbursement, with the exception for the reimbursement of lost revenue as outlined above.

## Section V – Program Requirements

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### A. Duplication of Benefits Requirement

Applicants cannot apply for grant funds which have already been offset by other sources, including, but not limited to the list below. The following sources may be considered a duplication and thus should be deducted from the award for the offset revenue:

1. Federal Emergency Management Agency (FEMA) assistance payments
2. US Department of Agriculture loans and/or Small Business Administration loans
3. Grants from philanthropic sources
4. Other state or federal funding
5. Funds received from local government

### B. Conflict of Interest Provision

An officer, director, or employee of an applicant who is a party to or has a private interest in a project shall disclose the nature and extent of the interest to the governing body of the applicant, and may not vote on action of the applicant concerning the project, nor participate in the deliberations of the applicant concerning the project.

### C. Nondiscrimination

No assistance shall be awarded to an applicant under this program unless the applicant certifies that the applicant shall not discriminate against any employee or against any person seeking employment by reason of race, gender, creed, color, sexual orientation, gender identity or expression, or in violation of the Pennsylvania Human Relations Act, which prohibits discrimination on the basis of race, color, religious creed, ancestry, age, sex, national origin, handicap or disability, or in violation of any applicable federal laws. All contracts for work to be paid with grant funds must contain the Commonwealth's official nondiscrimination clause.

### D. Project Records

The applicant must maintain full and accurate records with respect to the project and must ensure adequate control over related parties in the project. The program office requires access to such records, as well as the ability to inspect all work, invoices, materials, and other relevant records at reasonable times and places. Upon request of the program office, the applicant must furnish all data, reports, contracts, documents, and other information relevant to the project.

### E. Compliance Requirements

Fund payments are subject to the following requirements in the Uniform Guidance (2 C.F.R. Part 200): 2 C.F.R. § 200.303 regarding internal controls, 2 C.F.R. §§ 200.330 through 200.332 regarding subrecipient monitoring and management, and subpart F regarding audit requirements.

### F. Financial Audit

A Recipient or Sub-Recipient that expends \$750,000 or more in federal awards during its fiscal year is required to provide the appropriate single or Program-Specific Audit in accordance with the provisions outlined in 2 CFR § 200.501.

### G. Guidelines Provisions

The program guidelines may be modified or waived by the CFA unless otherwise required by law.

## Section VI – Application Process

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### A. Application Procedures

Applications will be accepted between December 5, 2022 and February 28, 2023 through the on-line Department of Community and Economic Development Electronic Single Application for Assistance located at [dced.pa.gov/singleapp](https://dced.pa.gov/singleapp). Required supplemental information outlined in Appendix I of these guidelines must be attached electronically to the application as directed on the Addenda tab. For technical inquiries regarding the submission of the on-line application, contact the Customer Service Center at (800) 379-7448 or (717) 787-3405.

The Pennsylvania Arts and Culture Recovery Program is a federally funded program. Applicants will need a Unique Entity ID (UEI) number in order to apply for funding and be registered with the System for Award Management (SAM) in order to receive funding under the program.

### B. Evaluation Criteria

Applicants must meet the eligibility requirements outlined in the program guidelines, demonstrate a financial need, and explain how the grant funding will ensure the stability and recovery of the Commonwealth's arts and culture sector from the COVID-19 pandemic. Awards are based on a calculation that uses the operating budget from the most recently completed fiscal year.

### C. Accessing Funds

Following approval of an application by the CFA, a grant agreement and commitment letter will be electronically issued by the CFA to the applicant explaining the terms and conditions of the grant along with a Federal Funding Accountability & Transparency Act (FFATA) Form. The grant agreement and commitment letter must be electronically signed and returned to the CFA within 30 days of the date of the commitment letter or the offer may be withdrawn by the CFA. The FFATA Form must be returned with the signed grant agreement or the grant contract will not be processed.

One fully-executed copy of the grant agreement will be returned to the applicant with a payment request form and instructions for requesting payment. Documentation for reimbursement will be based on the approved category of funding. For lost revenue, this will include general ledgers showing actual revenue for 2019, 2018, and 2017 along with the actual revenue received from 2021. For operating costs and marketing programs, invoices and receipts will be required. Pandemic payments for individuals will be made after the committee has reviewed and selected individuals for the awards.

## Section VII – Program Inquiries

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Program inquiries should be directed to:

Phone: (717) 787-6245

Email: [ra-dcedcbf@pa.gov](mailto:ra-dcedcbf@pa.gov)



## Appendix I – Supplemental Exhibits

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In addition to completing the Department of Community and Economic Development Single Application for Assistance, please include the following items when applying for a grant under the Pennsylvania Arts and Culture Recovery Program:

### **Exhibit 1: Organization Information**

Provide information on your organization to document eligibility for the program, including:

- a. Category of arts or culture organization from Section III.A
- b. Brief description about the arts or culture organization
- c. Mission Statement of the organization
- d. Address for the organization's website
- e. Year the organization was incorporated

### **Exhibit 2: Public Benefit**

Provide information on the services that your organization provides to the public, including:

- a. Total number of days open to the public annually
- b. Total number of hours open to the public weekly
- c. Total number of annual visitations
- d. Total number of full-time paid staff as of the submission date
- e. Total number of part-time paid staff as of the submission date

### **Exhibit 3: Tax-exempt Documentation**

- a. Date IRS exemption was received
- b. Current registration date with the Pennsylvania Bureau of Charitable Organizations, if applicable
- c. Operating budget for the most recently completed fiscal year. Please do not include capital funds or in-kind contributions.
- d. Letter from IRS documenting Tax-Exempt 501(c)3 status
- e. Evidence that the applicant is registered with the PA Bureau of Charitable Organizations
- f. 990 Tax Form

### **Exhibit 4: Reimbursement for Lost Revenue Applications**

Applicants requesting funding to reimburse lost revenue must provide the following information:

- a. Grant amount Requested
- b. Calculations for estimating lost revenue for the 2021 calendar year ("revenue period"), which should be calculated by the average revenue over for 2019, 2018, and 2017 compared to the actual revenue for 2021.
- c. Funds received from other sources for the purpose of offsetting lost revenues during 2021.

### **Exhibit 5: Funding for Operating Costs**

- a. Grant amount requested
- b. Provide a budget and budget narrative describing the use of funds for operating costs to maintain essential functions and recruit and retain core staff
- c. Explanation on how the funds will be used to help the organization recover from the pandemic

**Exhibit 6: Establishing New Programs and Marketing**

- a. Grant amount requested
- b. Budget and budget narrative
- c. Description of the new programs or marketing, including:
- d. Ability to define a set criterion by which the project quantifies changes in marketing success
- e. Ability to identify targeted demographic or psychographic segments of the consumer population.

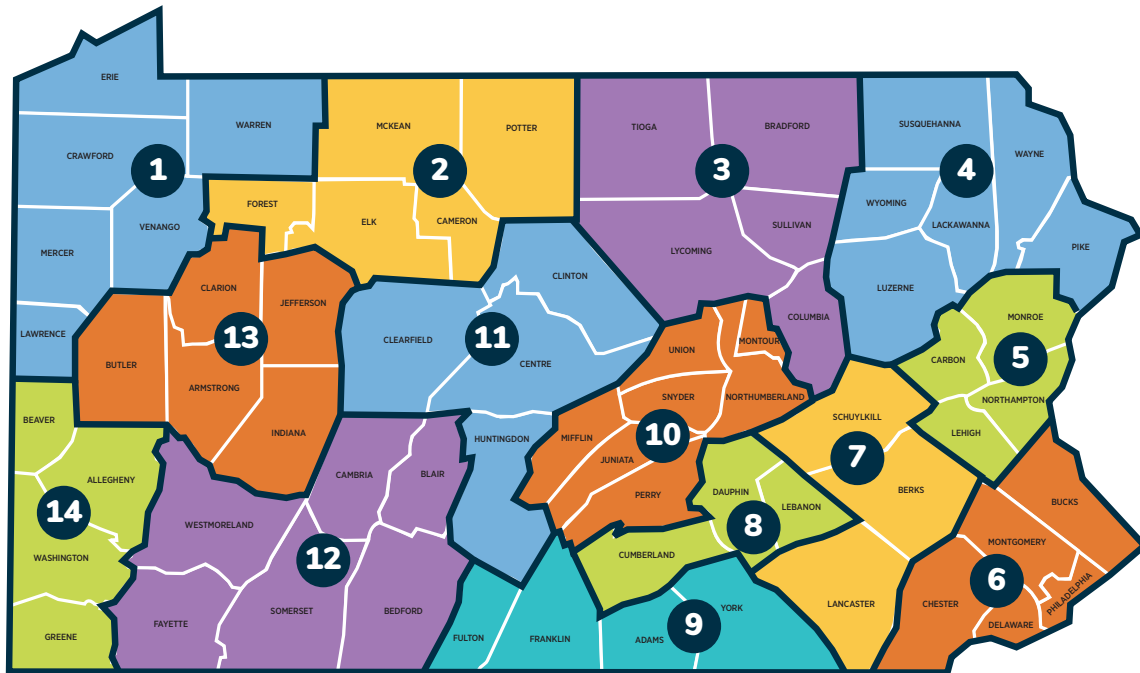
**Exhibit 7: Pandemic Payments to Arts and Culture Professionals**

- a. Grant amount requested
- b. Region that organization will cover (see Appendix II)
- c. Information on staff that will administer the funding
- d. Marketing strategy for notifying professional artists about the availability of funding
- e. Draft process and guidance documents that will be used to by selection committee

## Appendix II – Regions for Pandemic Payments to Art and Culture Professionals

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One regional arts or culture organization per region will be selected to provide the grants to the arts and culture professionals. The 14 regions are shown below:



**Region 1** – Crawford, Erie, Lawrence, Mercer, Venango, Warren

**Region 2** – Cameron, Elk, Forest, McKean, Potter

**Region 3** – Bradford, Columbia, Lycoming, Sullivan, Tioga

**Region 4** – Lackawanna, Luzerne, Pike, Susquehanna, Wayne, Wyoming

**Region 5** – Carbon, Lehigh, Monroe, Northampton

**Region 6** – Bucks, Chester, Delaware, Montgomery, Philadelphia

**Region 7** – Berks, Lancaster, Schuylkill

**Region 8** – Cumberland, Dauphin, Lebanon

**Region 9** – Adams, Franklin, Fulton, York

**Region 10** – Juniata, Mifflin, Northumberland, Perry, Snyder, Union

**Region 11** – Centre, Clearfield, Clinton, Huntingdon

**Region 12** – Bedford, Blair, Cambria, Fayette, Somerset, Westmoreland

**Region 13** – Armstrong, Butler, Clarion, Indiana, Jefferson

**Region 14** – Allegheny, Beaver, Greene, Washington