Agenda

• Challenges facing historical organizations
• CARES Act and Federal Paycheck Protection Program
• MEDC funding
• Local funding options
• Deaccessioning museum artifacts
Challenges

With the COVID-19 virus, we face a unique set of circumstances affecting nonprofits:

• Closed museums, historical organizations, and libraries
• Local historical groups unable to meet in person
• Lost revenue from admissions, store sales
• Not a great time to be fundraising aggressively
• More challenging to make payroll if you have staff
• Unclear how long this will last and what the new “normal” will be
CARES Act

How to access help from the federal government:

• The CARES Act includes a relief program open to 501(c)(3) nonprofits

• Its Paycheck Protection Program (PPP) offers “loans” to assist with paying staff, mortgage interest, rent, and utility payments

• Loan forgiven (becomes a grant) if payroll maintained through June 30, 2020

• Maximum amount of loan available is 2.5 multiplied by a nonprofit’s monthly average payroll costs in the past year
CARES Act

How to access help from the federal government:

• Check with your bank - applications must go through a financial institution that works with the U.S. Small Business Administration (find them at SBA website)

• PPP loans are for two years and have an interest rate of 0.5% - but if the nonprofit maintains its pre-COVID-19 staffing level through June 30, the loan is forgiven (becomes a grant)

• For these loans, 75% can be forgiven to cover payroll costs and 25% can be forgiven to cover the costs of mortgage interest, rent, and utilities
CARES Act

How to access help from the federal government:

• Businesses and organizations can apply starting April 3 until June 30 **BUT:**
• There is a $350 billion cap on these funds – remember that any business or organization with payroll can apply – so apply ASAP before the cap is reached
• The law also makes charitable giving in 2020 up to $300 tax deductible even if a taxpayer does **not itemize**
• Share this with your donors if you are a federally registered 510(c)3 nonprofit organization
MEDC
State funding:

• 15 regional economic development agencies have been allocated a total of $20 million by the state (MEDC) to provide relief to small businesses, including nonprofits
  • $10 million will be in grants
  • $10 million will be in loans
  • Applicants must be Michigan-based and have fewer than 50 employees
  • Nonprofits are eligible
MEDC

Securing state funding:

- Maximum grant size is $10,000
- Loans will range from $50,000 and $200,000 with flexible repayment terms
- Deadlines for submitting grant applications vary by region, and several have already passed.
- For example, grant applications are no longer being accepted in the southwest Michigan and Lansing-area regions
- Other regions still accepting applications
- Learn more at www.michiganbusiness.org/about-medc/covid19/small-business-relief-program/
LOCAL

There may also be help that is closer to home:

- Local community foundations, private foundations, and United Way agencies often look for ways to support local nonprofits during times of financial crisis
- Reach out to them for details on programs available and application criteria and deadlines
http://hsmichigan.org/resources/covid-19-outbreak-resources-local-historical-organizations/