

FAQ's – Local Arts Councils

What expenses are eligible for reimbursement by the North Carolina CARES for Arts grant?

These funds were allocated by the NC General Assembly using Coronavirus Relief Funds, which are subject to federal rules and guidelines that limit allowable expenditures and timeframe for using the funds. When building your claim of eligible expenses, the following expenses that were or will be incurred between March 1 and December 30, 2020 can be considered:

- paid salaries and benefits (including contractors),
- on-going operating expenses such as rent, utilities, or insurance,
- established monthly expenses such as loan payments,
- costs associated with canceling programs, such as contractual payments to venues, vendors, etc.
- costs of pivoting to remote/virtual programs and services,
- and costs of mitigating the spread of COVID-19, such as cleaning, PPE, physical barriers, etc.

For the purpose of this grant program, revenue losses are not considered for mitigation. North Carolina CARES for Arts funding cannot reimburse any expenses already paid for by other federal relief funds such as PPP loans, the NC Jobs Retention Grant program, locally-run stimulus or relief programs using federal funds, direct grants from the NEA, and stimulus grants issued by the North Carolina Arts Council.

What kind of documentation is required as evidence for expenses? How does this work if I am projecting expenses for future months?

Documents such as receipts, bill/invoices, monthly financial statements, and payroll ledgers will be considered. If projecting expenses that will happen in October, November, December, you will provide a word document that reasonably justifies those expenses, and invoices and receipts must be available for projected expenses when they actualize.

Who is eligible to receive a subgrant in my county?

It was the primary intent of the legislature to provide funds to nonprofit arts organizations. However, in rural areas where there are fewer 501(c)3 arts organizations or to assist with distribution of funds to more diverse communities, you are also able to subgrant to:

- Nonprofit organizations who have strong arts programming (at least 25%)
- Unincorporated arts groups or LLC's
- Individual artists

Can subgranting be "by invitation only"?

No. The intent of the funds is to provide relief for the arts sector in your county, and a statewide marketing effort will take place to generate interest in the grant program so we discourage a narrow "invitation only" approach.

The grant application asks for a tentative list of subgrantee that might receive CARES funding in your county. What if that list changes when subgranting actually happens?

Because you do not have time to contact all the potential subgrantees in your county prior to submitting the application in Go-Smart, we understand that changes will likely happen. It is important to let the staff at the N.C. Arts Council know as soon as the decisions are made regarding actual subgrants, and we will update your information.

How can the money be spent once I receive my grant?

These funds are designed to reimburse you for expenses that were incurred during business interruption caused by COVID-19. When those expenses are reimbursed, the funding that had been used in your budget to pay those bills will now be available for you to do whatever you wish to do with it.

What kind of reporting is required?

Local arts councils that are subgranting will submit monthly status reports to the N.C. Arts Council for October, November, and December. All grantees that receive funding directly from the N.C. Arts Council will submit a report on July 31, 2021 that documents the general operations of their organization for the fiscal year. You will not need to require a final report from your subgrantees; however, you might have to collect evidence of expenses that were projected (Oct – Dec) in the application.

Who do I contact if I have questions or need help?

You have two contacts at the N.C. Arts Council for these funds:

- Leighann Wilder, Leighann.wilder@ncdcr.gov
- Vicki Vitiello, vicki.vitiello@ncdcr.gov

If we cannot answer your question, we will reach out to our colleagues at the N.C. Pandemic Recovery Office for guidance.