OFFICE OF THE MAYOR

OFFICE OF CONTRACT SERVICES

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Frequently Asked Questions
Interest Free Cash Flow Loans from the New York City Returnable Grant Fund

What is the New York City Returnable Grant Fund?
The New York City Returnable Grant Fund is a revolving loan fund that provides interest free loans on a short term basis for not-for-profits.

Can my organization obtain a loan from NYC's Returnable Grant Fund?
If your organization is currently receiving **or** is pending receipt of expense funding, **and** can demonstrate an inability to meet short term operating costs your organization may be eligible to receive a loan.

If my organization is receiving an expense-funded City Council discretionary award and can demonstrate urgent cash flow need, can my organization apply?
City Council awards are eligible and your organization may apply for a cash flow loan based on urgent cash flow needs to conduct the services or programs. However, please note that your organization must be pre-qualified before receiving a loan for a City Council award.

On the application what does *Category I: Eligibility Basis* mean?
Category I: Eligibility Basis identifies the funding relationship that the applicant has with the City; either currently receiving City expense funding or pending receipt of City expense funding.

If my organization currently receives City expense funding and is also pending receipt of City expense funding, what box should be chosen for *Category I: Eligibility Basis*?
The loan application should be filled out based on the contract/grant that is causing the short term cash flow problem.

My organization receives or is pending receipt of City expense funding, but our State funding (or funding from another public or private source) has been delayed. Can my organization apply for a loan based on the delayed State funding?
Yes. As long as you receive or are pending receipt of expense funding, your need for a loan can be based on the delay of a different funding source. Select either *Category I.A or B* (applicant currently receives/is pending receipt of expense funding) and *Category II.D* (State or another public or private funder has delayed the release of funds).

My organization receives or is pending receipt of City expense funding, but our City capital funding has been delayed. Can my organization apply for a loan based on the delayed capital contract/grant?
Yes. As long as you receive or are pending receipt of expense funding, your need for a loan can be based on the delay of a different funding source. Select *Category I.A or B* (Applicant currently receives/is pending receipt of expense funding) and *Category II.E* (Processing of City capital-funded award is delayed.)

In *Category II*, what's the difference between option *A* (processing of City contract/grant is delayed) and option *C* (payment on a City contract/grant is delayed)?

Category II.A (processing of City contract/grant is delayed) is applicable to organizations that have been <u>allocated</u> City expense funding but not yet received any monies from the contract /grant <u>because it is not yet registered</u> and the delay is due to City processes (e.g., contract negotiations taking longer than anticipated).

Category II.C (payment on a City contract/grant is delayed) is to be used if your organization <u>has a registered City expense-funded contract /grant</u> and some or all payments under this contract/grant have been delayed for some reason attributable to the City (e.g., disputed invoices or performance metrics).

How much money can my organization request?

The standard amount given is one months worth of operating expenses. However, loan amounts that are greater than the standard amount will be considered.

What information goes into *Part 3: Statement of Need*?

In *Part 3: Statement of Need,* list separately the amount and date of each expenditure that the loan will be used for. The total of these payments should be equal to the total amount requested.

Who can sign the application?

Anyone at your organization who has signatory authority to enter into contracts/grants with New York City may sign the loan application. You must attach <u>either</u> an existing NYC contract with your signature <u>or</u> a Board resolution authorizing your signatory authority.

What is the next step once the application is completed?

Once you have completed the application and attached all the requisite documentation you should scan or fax the completed application to your authorizing City Agency.

Once my application <u>has been approved</u> by the authorizing City Agency *and* MOCS, how long will it take to receive the money?

Once all necessary approvals have been received, FCNY will contact your organization within 24 to 48 hours to pick up the check.

Do I have to repay the loan within a certain amount of time?

On *page 6* of the application, in the authorizing City Agency section, you can find the typical repayment plans for each category. However, please note that MOCS, working in conjunction with the authorizing City agency and the FCNY may choose a different repayment plan.

What if my organization is not eligible to receive a loan from the NYC Returnable Grant Fund?

If your organization is not eligible to receive a loan there are other loan alternatives. Information on these loan funds can be found on the first page of the New York City's Returnable Grant Fund loan application or from FCNY (www.fcny.org/fcny/core/cfl/#cashflow) or the NYC Capital Access Revolving Loan Guarantee Program (nyc.gov/html/nonprofit/html/credit/credit.shtml).