

# Sustain & Serve NJ Frequently Asked Questions

Last Updated March 1, 2022

### **General Program**

# 1. What is Sustain & Serve NJ?

Sustain & Serve NJ (SSNJ) makes grant funding available to eligible nonprofit organizations for increases in costs associated with purchasing meals from New Jersey-based restaurants that have been negatively impacted by COVID-19 and distributing those meals at no cost.

### 2. What can Sustain & Serve NJ funds be used for?

Under SSNJ, grant funding may be used for direct costs associated with bulk purchasing of meals incurred between date of grant execution and December 31, 2022, for: the restaurant's costs of food and ingredients; labor, packaging, and facilities; delivery fees charged by the restaurant; any profit margin for the restaurant; and certain grantee operational costs associated with implementation of the program.

Up to 10% of a grant award may be used toward operational costs incurred by the grantee organization directly related to the implementation of Sustain & Serve NJ. Allowable operational costs include staff salaries and fringe (proportionate to the amount of staff time dedicated to the program), mileage for meal deliveries completed by the grantee organization, payments to vendors that assist with monitoring and invoicing meal purchases (e.g., an accounting or professional services firm), and supplies needed to operate the program.

As part of the SSNJ program requirements, the grantee is prohibited from reselling any meals purchased with grant funding and is prohibited from distributing meals to paid staff of the grantee organization.

All funding is provided to grantees on a reimbursement basis.

# <u>Eligibility</u>

# 3. Who is eligible for Sustain & Serve NJ?

SSNJ is open to 501(c)(3) and 501(c)(19) non-profit organizations, as defined by the US Internal Revenue Service (IRS) or New Jersey Division of Consumer Affairs, that can demonstrate the below criteria. Grantees of Phase 1 or Phase 2 of SSNJ, that meet Phase 3 criteria, are eligible to apply for additional funds and may not be required to resubmit all eligibility documentation.



- Classification under one of the following North American Industry Classification System (NAICS) codes:
  - NAICS code 611 (Educational services)
  - NAICS code 62 (Social assistance and health care organizations, inclusive of NAICS code 624210)
  - *NAICS code 813 (Religious, grantmaking, civic, professional, and similar organizations)*
  - NAICS code 92 (Public administration).
- Check against the Federal System for Award Management (SAM) to ensure entity is not debarred.
- Good standing with the Department of Labor.
- *A tax clearance certificate from the New Jersey Division of Taxation.*
- Invoices and receipts demonstrating purchases of 1,500 or more meals by the organization from any New Jersey-based restaurant(s) totaling at least \$25,000, purchased between March 9, 2020 and March 1, 2022. Invoices must include, at minimum: restaurant name, date(s) of purchase, description of purchase(s), quantity purchased, and total cost.
  - Meal donations from restaurants (i.e., entities classified as "Food Services and Drinking Places" under NAICS code 722 or "Community meals, social services" under NAICS code 624210) may be counted toward up to 50 percent of the past purchase requirement (up to 750 meals and \$12,500), so long as the applicant can produce invoices from restaurant donors verifying the number of meals and monetary value of the donated meals.
- The organization has experienced increased costs as a result of the COVID pandemic's impacts, which may be demonstrated through means including, but not limited to, increased levels of program service demand and delivery, uncompensated increases in service need, decreased revenue, or challenges covering payroll or other operating costs.

# 4. Can restaurants apply directly for funding from Sustain & Serve NJ?

<u>Restaurants or other entities classified under NAICS code 722 may not directly apply for this</u> <u>grant.</u> Restaurants interested in providing meals for Sustain & Serve NJ grant recipients may opt to have their information posted publicly on the Sustain & Serve NJ page on the NJ COVID-19 Business Information Hub by filling out this <u>form</u>. The information provided in this form will be publicly <u>posted</u> and accessible by all potential applicants. Potential grant applicants may choose to refer to this registry and contact you about participating in the



Sustain & Serve NJ program. Inclusion in the registry does not mean that you are eligible to participate, or that you will be contacted.

As part of their application, the grant applicants will identify to NJEDA the restaurant or restaurants from which they will be purchasing meals with the grant funding. Restaurants participating in Sustain & Serve NJ must meet the following requirements:

- Classified as "Food Services and Drinking Places" under NAICS code 722 or "Community meals, social services" under NAICS code 624210;
- 50 or fewer full-time equivalent (FTE) employees at time of application, based on the company's Q4 2021 WR-30 filing with NJDOL. If a restaurant has zero FTE employees and is not required to submit a WR-30 to NJDOL, they may submit an IRS form 1040;
- Physical commercial location in the State of New Jersey;
- *Be in good standing with the New Jersey Division of Taxation;*
- *Be in good standing with the NJDOL;*
- If regulated by the Division of Alcoholic Beverage Control (ABC), in the Department of Law and Public Safety, be in good standing with ABC;
- Check against SAM to ensure entity is not debarred;
- Current and valid certification from municipal and/or county government inspection that the restaurant has received a rating of Satisfactory as per New Jersey Retail Food Establishment Rating system;
- Attestation that the restaurant was in operation on June 4, 2021 and has been negatively impacted by the COVID-19 declared State of Emergency on March 9, 2020 (e.g., was temporarily shut down, was forced to reduce hours, has had a drop in revenue, has been materially impacted by employees who cannot work due to the outbreak, or has a supply chain that has materially been disrupted and therefore slowed firm-level production).

*Restaurants listed by Sustain & Serve NJ applicants must submit the following materials to be considered eligible for reimbursement for meal purchases through Sustain & Serve NJ:* 

- Form attesting that the restaurant was in operation as of June 4, 2021 and has been negatively impacted by the COVID-19 declared state of emergency on March 9, 2020. After the applicant submits their application, this form will be sent by NJEDA directly to listed restaurants.
- Current and valid certification from municipal and/or county government inspection that the restaurant has received a rating of Satisfactory as per New Jersey Retail Food Establishment Rating system.
- 5. My organization is classified under NAICS code 624210. Should I apply as a grantee or a participating restaurant?

Community meal/social services entities classified under the NAICS code 624210 may apply directly for SSNJ and serve as grantee organizations. However, any grant applicant classified under NAICS code 624210 cannot also serve as a meal provider for their



organization or for any other SSNJ applicant or grantee organization(s) (i.e., they cannot purchase meals from themselves and other grantees cannot purchase from them). Entities under NAICS code 624210 that choose to apply directly as a grantee organization must include in their application at least one other restaurant(s) from which they will purchase meals. Applicants classified under NAICS code 624210 may purchase meals from other entities under 624210, but they must not share an Employer Identification Number (EIN). Finally, entities under NAICS code 624210 that serve as meal providers (i.e., not a grantee) may work with one or more applicants. Organizations classified under NAICS code 624210 that are selected as a grantee may not serve as meal providers for any other SSNJ grantee.

- **6.** Are governments or other public entities eligible to apply? *Please see question 3, "Who is eligible for Sustain & Serve NJ?"*
- 7. What are the qualifications for participating restaurants? Please see question 4, "Can restaurants apply for funding from Sustain & Serve NJ?" for eligibility criteria.
- 8. How many restaurants can a grantee work with?

There is no limit on the number of restaurants a Sustain & Serve NJ grantee may purchase meals from. However, grantees may only receive reimbursement for purchases from restaurants that meet all eligibility criteria, detailed in question 4.

### **Application Process**

### 9. How do organizations apply for Sustain & Serve NJ?

Online applications will be accepted from March 1, 2022 to April 1, 2022 and all applications will be reviewed following the closure of the application period. Applications can be found at <u>https://www.njeda.com/sustain-and-serve/</u>.

Applications for SSNJ are completed in three steps:

- 1) Applicants are first required to submit an application that includes listing proposed restaurants for meal purchases.
- 2) Listed restaurants will then receive a short form directly from NJEDA they must complete if they wish to be eligible for meal purchases through Sustain & Serve NJ; and
- 3) Applicants are sent the restaurant submission to review and approve before it is sent to NJEDA. Approvals must be completed by the applicant before the application deadline for consideration for meal purchase reimbursement through Sustain & Serve NJ.

Applicants are responsible for ensuring restaurants have submitted materials by the application deadline. Applicants should allow sufficient time for submission of both their own and their listed restaurants' materials. Applicants that have not completed all 3 steps outlined above for at least 1 restaurant will be considered incomplete.



### 10. Is Sustain & Serve NJ funding first come, first served?

No – there will be a defined application window between March 1, 2022 and April 1, 2022 in which any entity can apply, and the NJEDA will not begin reviewing applications until the deadline has passed and all applications have been received. Once NJEDA receives all applications, if the total amount of grant funding requested among all eligible applications exceeds the \$10 million available for SSNJ, NJEDA will prorate grant awards based upon the amount determined for each eligible applicant, reducing all grant awards to reflect an eligible applicant's share of the available pool. If the pool of available funds cannot be prorated such that each eligible applicant would receive a minimum \$100,000 award, NJEDA will split the funds equally across all eligible applicants.

### 11. How do I obtain a Tax Clearance Certificate?

All Tax Clearance Certificates (TCC) are issued by the New Jersey Division of Taxation through the Premier Business Services portal. Please find instructions on how to obtain your TCC at <u>https://www.njeda.com/wp-content/uploads/2021/08/Securing-Your-Tax-Clearance-Certificate-Directions-Client.pdf</u>.

You can email <u>businessassistancetc.taxation@treas.nj.gov</u> any time for assistance.

### 12. How do I get a copy of my IRS 501(c) determination letter?

If your nonprofit has misplaced your 501(c) determination letter for the IRS, you can get a copy of an affirmation letter to have "proof" of your tax-exempt status. If your organization's determination letter was issued January 1, 2014 or later, you may be able to use the IRS online search tool: <u>https://www.irs.gov/charities-non-profits/tax-exempt-organization-search</u>. You may also call the IRS Customer Service for nonprofit organizations at 1-877-829-5500 and give them your nonprofit's name and Employer Identification Number (EIN).

### 13. What are NAICS Codes and how can I find my organization's NAICS code?

The North American Industry Classification System (NAICS) is the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy.

You can find a company's or industry's NAICS code by going to the Census Bureau's North American Industry Classification System page: <u>North American Industry Classification</u> <u>System (NAICS) U.S. Census Bureau.</u>

# 14. How does my organization prove past purchases from New Jersey restaurants of at least 1,500 meals costing at least \$25,000?



Applicants are expected to demonstrate purchases of 1,500 or more meals by the organization from any New Jersey-based restaurant(s) totaling at least \$25,000, purchased between March 9, 2020 and March 1, 2022. Invoices must include, at minimum: restaurant name, date(s) of purchase, description of purchase(s), quantity purchased, and total cost.

Meal donations from restaurants (i.e., entities classified as "Food Services and Drinking Places" under NAICS code 722 or "Community meals, social services" under NAICS code 624210) may be counted toward up to 50 percent of the past purchase requirement (up to 750 meals and \$12,500), so long as the applicant can produce invoices from restaurant donors verifying the number of meals and monetary value of the donated meals.

# 15. How is my organization expected to demonstrate increased costs as a result of the pandemic?

Increased costs may be demonstrated through means including, but not limited to increased levels of program service demand and delivery, uncompensated increases in service need, decreased revenue, or challenges covering payroll or other operating costs.

Organizations formed prior to February 15, 2020 will be asked to submit IRS form 990, 990-N, or 990EZ for 2019 <u>and</u> 2020 to demonstrate changes in revenue, expenses, and service levels. Organizations submitting IRS form 990N will also be required to submit organizational financial statements.

Organizations formed after February 15, 2020 will be asked to submit IRS form 990, 990-N, or 990EZ for 2020 <u>only.</u> Organizations submitting IRS form 990N will also be required to submit organizational financial statements. If an organization has not yet submitted any form to the IRS, they may in its place submit IRS Form 1023—Application for Recognition of Exemption and a statement of receipts and expenses as required by the IRS.

# 16. Are applicants required to list the restaurants they want to purchase meals from in their application?

Yes. Applicants are required to list all restaurants they wish to purchase meals from with Sustain & Serve NJ funding. After an applicant submits their application, listed restaurants will be sent a short form directly from NJEDA they must complete to verify their eligibility for reimbursement for meal purchases by the application deadline, April 1, 2022. Applicants are responsible for ensuring that listed restaurants complete the form. Applicants will only be eligible for funding if they have at least one restaurant eligible for reimbursement through Sustain & Serve NJ.

# 17. Can I add restaurants that I wish to purchase meals from after I apply?

Grantees may request approval from NJEDA for additional participating restaurants that were not named in the initial application or that did not submit the necessary information



during the application period after the execution of the grant agreement. Restaurants added after grant execution are subject to the same eligibility criteria detailed in question 11.

# 18. What happens if one of the restaurants listed on an application turns out not to be eligible for Sustain & Serve NJ?

In order to participate in Sustain & Serve NJ applicants need a minimum of one eligible restaurant. If an applicant lists multiple restaurants and one or more is found to be ineligible, the applicant could still be given a grant award to use with other eligible restaurants listed in their application. If a restaurant listed in an application is not eligible for purchases through Sustain & Serve NJ due to a missing document or error, after execution of a grant agreement, grantees may request the restaurant be added by resubmitting all required materials to verify eligibility. Grantees may also request approval from NJEDA for additional participating restaurants that were not named in the initial application after the execution of the grant agreement, subject to approval by NJEDA.

# **19.** I speak a language other than English, can I receive a translated version of the Sustain & Serve NJ application?

For language assistance, please send NJEDA your name, spoken language, and telephone number to <u>languagehelp@njeda.com</u> to receive assistance completing the application.

# **Grant Awards**

# 20. How much funding can I receive from Sustain & Serve NJ?

Under SSNJ, the minimum available grant amount is \$100,000 and the maximum available grant amount is \$2 million, subject to available funds. As part of the application for grant funding, entities will request a grant amount between \$100,000 and \$2 million. As part of that request, applicants may request up to 10 percent of that amount (up to \$200,000) be used for eligible operational expenses. All other funds must support the direct cost of meal purchases. Applicants that spend less than 10 percent of their award on operating costs may dedicate remaining funds toward the purchase of more meals.

# 21. How will grant funds be disbursed?

Sustain & Serve NJ is a reimbursement-based grant. Grant funding will be incrementally disbursed as costs (for meal purchases and operational expenses) are incurred and demonstrated to the Authority for eligible expenses incurred between the date of grant execution and December 31, 2022.

# 22. Who do the meals have to be distributed to?

The NJEDA will not establish specific parameters around who the meals are distributed to, except that meals cannot be distributed to paid staff of the grantee organization. Grantees are prohibited from re-selling any meals purchased with NJEDA grant funding.



# 23. Can Sustain & Serve NJ reimburse grantees for meals an organization has already purchased and distributed?

SSNJ grant funding can only be used for prospective costs associated with the bulk purchasing of meals from eligible restaurants. Specifically, this means any costs incurred between the date of execution of grant agreement, and December 31, 2022. The NJEDA will not provide reimbursements for meals purchased prior to the execution of a grant agreement with the NJEDA.

**24.** Can grantees re-sell meals purchased with funds from Sustain & Serve NJ? *Grantees are prohibited from re-selling any meals purchased with NJEDA grant funding.* 

### 25. Can grantees give out meals to staff members?

Grantees are prohibited from giving meals to paid staff of the grantee organization for their own personal consumption. However, staff may be given meals to distribute to individuals not employed by the organization in the course of their duties. Grantees are permitted to give meals to volunteers for their own personal consumption.

26. Can grantees use Sustain & Serve NJ funds to pay for distribution of meals, other associated program expenses, or organizational costs and overhead?

See question 2, "What can Sustain, and Serve NJ funds be used for?"

### 27. When do meals have to be purchased by?

All expenses must be incurred between the date of grant execution and December 31, 2022.

#### 28. Who do I contact with additional questions?

Please contact <u>SSNJ@njeda.com</u> with any additional questions.