Public Assistance Application Requirements for Private Nonprofit Organizations

This Quick Guide outlines FEMA’s Request for Public Assistance process for private nonprofit organizations and explains which private nonprofits must also apply for a U.S. Small Business Administration (SBA) disaster loan before receiving certain Public Assistance funding.

Submit a Request for Public Assistance with Supporting Documentation

Private nonprofit organizations that offer certain types of eligible services are eligible to receive FEMA Public Assistance funding for damages caused by a presidentially-declared emergency or major disaster. Private nonprofit organizations interested in pursuing Public Assistance reimbursement must submit a Request for Public Assistance (RPA) through the Recipient. In the Request for Public Assistance, a private nonprofit organization must demonstrate that it 1) is a non-revenue producing, nonprofit entity under federal or state law and 2) owns or operates a facility that provides an eligible service.

Proof of legal private nonprofit entity status

An organization must demonstrate private nonprofit status using one of the following documents:

- A current ruling letter from the U.S. Internal Revenue Service granting tax exemption under sections 501(c), (d), or (e) of the Internal Revenue Code of 1954; or
- Documentation from the state substantiating it is a non-revenue producing, nonprofit entity organized or doing business under state law.

Eligibility of services provided at the damaged facility

The eligibility of a private nonprofit organization is also based on the services provided at the facility owned or operated by the private nonprofit. Each facility must provide critical or non-critical but essential services, as defined by federal statute, to be considered eligible for Public Assistance.

<table>
<thead>
<tr>
<th>Type of services provided</th>
<th>Examples of services</th>
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</thead>
<tbody>
<tr>
<td>Critical Services</td>
<td>Schools, utilities, emergency services, medical services</td>
</tr>
<tr>
<td>Non-Critical but Essential</td>
<td>Houses of worship, community centers, libraries, child care</td>
</tr>
<tr>
<td>Government Services</td>
<td></td>
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</tbody>
</table>

Note: A private nonprofit that provides both eligible and ineligible services may be considered a mixed-use facility. Eligibility of mixed-use facilities is determined based on the type and extent (measured as a percentage) of the primary use of the facility. Mixed-use facilities may be subject to additional eligibility requirements that are explained in the Public Assistance Program and Policy Guide.
In addition to providing the name and location of the damaged facility and the primary purpose of each facility, a private nonprofit Applicant will need to answer the following questions:

- Who can use the facility and is use restricted to certain groups?
- Is there a fee to use the facility?
- Does the private nonprofit have the legal responsibility to repair the facility?

If an Applicant does not provide this information when submitting a Request for Public Assistance, the eligibility determination will be delayed.

**Approval of the Request for Public Assistance**

Once an Applicant submits a Request for Public Assistance, a representative of the Recipient will review and send the request to FEMA. FEMA staff make the determination whether the Request for Public Assistance is eligible. Applicants will be notified of their eligibility for Public Assistance.

**Small Business Administration Loan Requirements**

Federal regulations require that private nonprofits providing non-critical but essential services apply for a disaster loan through the U.S. Small Business Administration (SBA) before receiving Public Assistance funding for permanent work. This requirement does not apply to emergency work. After applying for the SBA loan, the Applicant must report the results to FEMA. The amount of funding provided by an SBA loan will be deducted from the cost estimate that FEMA will reimburse. The table that follows summarizes when private nonprofits must apply for an SBA loan to receive Public Assistance reimbursement.

<table>
<thead>
<tr>
<th>Type of services provided</th>
<th>Emergency work</th>
<th>Permanent work</th>
</tr>
</thead>
<tbody>
<tr>
<td>Critical Services</td>
<td>SBA application not required</td>
<td>SBA application not required</td>
</tr>
<tr>
<td>Non-Critical but Essential Government Services</td>
<td>SBA application not required</td>
<td>SBA application IS required</td>
</tr>
</tbody>
</table>

SBA offers loans to qualified businesses and most private nonprofit organizations to cover disaster losses not fully covered by insurance. These loan proceeds may be used for the repair or replacement of real property, machinery, equipment, fixtures, inventory, or leasehold improvements. For more information, including deadlines and to apply online for a SBA disaster loan visit disasterloan.sba.gov/ela/Information/BusinessPhysicalLoans.

**Insurance Proceeds**

FEMA and SBA cannot provide disaster assistance funding that duplicates insurance proceeds. An Applicant must pursue claims to recover insurance proceeds that it is entitled to receive from its insurer(s).

The *Quick Guide* series is a set of documents that explain the roles and responsibilities of Recipients and Applicants in key steps in FEMA’s Public Assistance Program delivery process. The Public Assistance Program provides Federal grant funding to help communities quickly respond to and recover from major disasters or emergencies declared by the president. Read more about Public Assistance Program delivery in other *Quick Guides*, the *Public Assistance Program and Policy Guide*, and resources available on Grants Portal.