

NEBRASKA

# Shovel-Ready Capital Recovery and Investment Act Guidelines

State of Nebraska  
Department of Economic Development

Revised March 2024

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## NOTICE:

This guidance document is advisory in nature but is binding on the Department of Economic Development (DED) until amended. A guidance document does not include internal procedural documents that only affect the internal operations of DED and does not impose additional requirements or penalties on regulated parties or include confidential information or rules and regulations made in accordance with the Administrative Procedure Act. If you believe that this guidance document imposes additional requirements or penalties on regulated parties, you may request a review of the document.

## OVERVIEW & CONTACT INFORMATION

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### Molly Kusler

Nebraska Department of Economic Development  
Economic Recovery Division  
1313 Farnam St., Suite 202  
Omaha, NE. 68102  
531-324-8339

[DED.ShovelReady@nebraska.gov](mailto:DED.ShovelReady@nebraska.gov)

GRANT SCHEDULE	
Application Open Date	July 1, 2021
Application Due Date	July 15, 2021
Match Funds Date	December 31, 2021
Contract Term	3 Years
Anticipated Award Date	TBD

*The Shovel-Ready Capital Recovery and Investment Act is codified in Neb. Rev. Stat. §§ 81-12,219 to 81-12,226 and further developed in Nebraska Legislative Bill 1014, § 46 (Neb. Leg., 107<sup>th</sup> Leg. 2d Sess.).*

### Application Portal and Grants Management System

To administer the Shovel-Ready Capital Recovery and Investment Act, DED uses a grants management system ("GMS"), AmpliFund. GMS User Guides, with instructions for accessing and using of the system to apply or implement a Shovel-Ready Capital Recovery and Investment Act grant, as well as other resources, are available on DED's website, <https://opportunity.nebraska.gov/programs/business/shovel-ready-grants/>

# CHAPTER 1: INTRODUCTION TO THE SHOVEL-READY CAPITAL RECOVERY AND INVESTMENT ACT

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## 1.1 PURPOSE & GENERAL INFORMATION

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The purpose of the Shovel-Ready Capital Recovery and Investment Act (“Act”) is to partner with the private sector by providing grants to qualified nonprofit organizations to mitigate financial hardships caused by COVID-19 and to assist such organizations with capital projects that have been delayed due to COVID-19 and that will provide a positive economic impact in the State of Nebraska.

Beginning July 1, 2021, through July 15, 2021, a qualified nonprofit organization may apply to the Department of Economic Development (“DED”) for a grant. Each qualified nonprofit may only submit one application for one grant under the Act. The qualified nonprofit organization must secure private funding equal to the grant amount requested. All private funds must be secured via payment or written pledge no later than December 31, 2021.

The amount of any grant shall not exceed the amount of funds to be supplied by the qualified nonprofit organization from private sources, and are subject to the following limitations:

- For any capital project with an estimated cost of less than five million dollars, the grant shall not exceed one million five hundred thousand dollars.
- For any capital project with an estimated cost of at least five million dollars but less than twenty-five million dollars, the grant shall not exceed five million dollars.
- For any capital project with an estimated cost of at least twenty-five million dollars but less than fifty million dollars, the grant shall not exceed ten million dollars.
- For any capital project with an estimated cost of fifty million dollars or more, the grant shall not exceed fifteen million dollars.

Subject to the limitations described above, the amount of funding a nonprofit organization is eligible to receive will be determined by whether the nonprofit applicant had a negative economic impact due to COVID-19 and the extent to which the capital project addresses or responds to the negative economic impact. In reviewing capital projects, DED will also assess whether the capital project proposed is related and reasonably proportional to the harm. (See 31 C.F.R Part 35)

The Shovel-Ready Capital Recovery and Investment Act application and guidelines can be found at <https://opportunity.nebraska.gov/program/shovel-ready-grants/> or by contacting the program coordinator. GMS User Guides, with instructions for accessing and using the system to apply for and implement a Shovel-Ready Capital Recovery and Investment grant, and other resources, are available on DED’s AmpliFund resource page, <https://opportunity.nebraska.gov/amplifund/#shovel-application>

## 1.2 SHOVEL-READY CAPITAL RECOVERY AND INVESTMENT ACT

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### A. Eligible Applicant

An eligible applicant is a qualified nonprofit that:

- Is a tax-exempt organization under section 501(c)(3) of the Internal Revenue Code
- Had a negative economic impact due to COVID-19; and
- Has a capital project that:
  - Was delayed due to COVID-19;
  - Responds to the economic impact of the pandemic;
  - Provides a positive economic impact in the State of Nebraska; and
  - Is related and reasonably proportional to the harm caused by COVID-19.

### B. Eligible Projects

Qualified nonprofit organizations may apply for a grant to assist with the cost of a construction project to build, expand, or develop a new or existing facility or facilities or restoration work on a facility designated as a National Historic Landmark that has been delayed by COVID-19. The capital project must resume no later than June 30, 2022. Qualified nonprofit organizations must provide matching funds for the capital project from private sources in an amount at least equal to the amount of any grant received under the Act.

### C. Matching Funds

Matching funds from private sources must be at least equal to the amount of any grant received under the Act. Private funds are funds other than those originally sourced from a federal, state, or other public taxing authority. All private funds must be secured via payment or through written pledge by December 31, 2021. Documentation describing the amount of funds which have been or will be received from private sources must be provided via the match ledger template [here](#) at the time of application. The match ledger template does not need to identify the names of any donors.

### D. Terms & Definitions:

- **Capital Expenditure:** Expenditures to acquire capital assets or expenditures to make additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations, or alterations to capital assets that materially increase their value or useful life.
- **Capital Project:** A construction project to build, expand, or develop a new or existing facility or facilities or restoration work on a facility designated as a National Historic Landmark.
- **Cost:** In the context of a capital project, the cost of land, engineering, architectural planning, contract services, construction, materials, and equipment needed to complete the capital project.
- **COVID-19:** The novel coronavirus identified as SARS-CoV-2, the disease caused by the novel coronavirus SARS-CoV-2 or a virus mutating therefrom, and the health conditions or threats associated with the disease caused by the novel coronavirus SARS-CoV-2 or a virus mutating therefrom.
- **Qualified nonprofit organization:** A qualified nonprofit organization means a tax-exempt organization under section 501(c)(3) that:
  - Is related to arts, culture, or the humanities, including any organization formed for the purpose of developing and promoting the work of artists and the humanities in various visual and performing forms, such as film sculpture, dance, painting, horticulture, multimedia, poetry, photography, performing arts, zoology, or botany; or

- Operates a sports complex; sports complex means property that
  - Includes indoor areas, outdoor areas, or both;
  - Is primarily used for competitive sports; and
  - Contains multiple separate sports venues.
    - Sports venue includes but is not limited to a baseball field, softball field, soccer field, outdoor stadium primarily used for competitive sports, an enclosed building primarily used for competitive sports

**E. Ineligible Expenses**

The following is a list of ineligible expenses:

- Costs other than the costs defined in Neb. Rev. Stat. § 81-12,221(2),
- Expenses incurred prior to March 3, 2021,
- Expenses deemed ineligible under the terms of the qualified nonprofit organization’s Award Agreement,
- Expenses deemed ineligible under the relevant State and Federal statutes, regulations, or guidance, and
- Expenses that lead to the construction of new correctional facilities; new congregate facilities; or convention centers, stadiums, or other large capital projects intended for general economic development.

In general, a qualified nonprofit organization may only use funds to cover costs incurred beginning March 3, 2021 through the end of the performance period.

Subject to the limitations described below, the amount of funding a qualified nonprofit organization is eligible to receive will be determined by whether the nonprofit applicant had a negative economic impact due to COVID-19 and the extent to which the capital project addresses or responds to the impact. In reviewing capital projects, DED will also assess whether the capital project proposed is related and reasonably proportional to the harm. (See 31 C.F.R Part 35)

The amount of any grant shall not exceed the amount of funds to be supplied by the qualified nonprofit organization from private sources and is subject to the following limitations:

Estimated Cost of Capital Project	Maximum Grant Amount
Less than \$5,000,000	\$1,500,000
\$5,000,000 - \$24,999,999	\$5,000,000
\$25,000,000 - \$49,999,999	\$10,000,000
\$50,000,000 or Greater	\$15,000,000

## CHAPTER 2: APPLICATION, REVIEW, AND APPROVAL PROCESS

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### 2.1 SUBMISSION INSTRUCTIONS & APPLICATION PROCESS

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#### A. Submission Instructions

Applications are submitted using the grants management system (“GMS”), AmpliFund. The application period opens at 9:00 a.m. CDT, July 1, 2021, and runs through 5:00 p.m. CDT, July 15, 2021. Applicants follow the “Apply Now” link on the Shovel-Ready Capital Recovery and Investment Act webpage, create a user profile in the GMS application portal, and complete the application forms. The user profile allows for saving a partially completed application until the applicant is ready to submit its application. For consideration of an award, an application must be finalized and submitted by the applicant (or its preparer) on or prior to the due date. Instructions for completing and submitting the application must be carefully followed to ensure accuracy and avoid unnecessary corrections in post-award.

The application must include a clear and concise description of the capital project, the estimated cost of the capital project, the date on which the capital project was delayed due to COVID-19, the date which the capital project is expected to begin or resume (must be no later than June 30, 2022), the amount of matching funds that have been or will be received from private sources and documentation detailing funds from private sources with the provided match ledger template found [here](#).

Applications must be submitted online via the AmpliFund application portal no later than 5:00 p.m. CDT on July 15, 2021. Questions regarding the application process should be sent to:

[DED.ShovelReady@nebraska.gov](mailto:DED.ShovelReady@nebraska.gov)

Application: <https://opportunity.nebraska.gov/program/shovel-ready-grants/>

Individuals who are hearing and/or speech impaired and have a TTY, may contact the Department through the Statewide Relay System by calling (711) INSTATE (800) 833-7352 (TTY) or (800) 833-0920 (voice). The relay operator should be asked to call NDED at (800) 426-6505 or (402) 471-3111. Additional information is at the Nebraska Relay website <http://www.nebraskarelay.com/>.

Nebraska Relay offers Spanish relay service for our Spanish-speaking customers. Spanish-to-Spanish (711) or 1-888-272-5528/ Spanish-to-English (711) or 1-877-564-3503. Nebraska le ofrece el servicio de relevo a nuestros clientes en español. Los consumidores de TTY pueden escribir por máquina en español y las conversaciones serán retransmitidas en español y inglés.

#### B. Required Documentation for Submission

The following documentation is required to be submitted electronically with the online application:

- An affirmation letter from the IRS verifying the applicant organization’s 501(c)(3) status

- The applicant organization’s articles of incorporation or bylaws which demonstrate the purpose of the organization
- Match ledger template (found [here](#)) with supporting documentation verifying the amount of funds for the capital project which have been received or will be received from private sources.

PDF files of required documentation should be titled to include the name of the applicant organization.

### **C. Application Review and Approval Process**

DED will consider applications pursuant to the ordering priorities required by the Act and Legislative Bill 1014, § 46 (Neb. Leg., 107<sup>th</sup> Leg. 2d Sess.). DED will divide total appropriations, including General Fund appropriations, for grants equally by each congressional district and give priority to grant requests less than or equal to \$5,000,000. Applications will be considered in the order in which they are received and will be approved within the limits of available funding. After eligible grantees with projects less than or equal to \$5,000,000 have been awarded grant funds, any remaining funds will be awarded on a statewide basis.

All required documentation must be received by DED for an application to be reviewed. Filing an application does not guarantee approval. DED will review each application to determine whether the applicant and proposed capital project qualify for approval.

Following its review of applications, DED will issue either a notice of approval, request additional information, or a notice of denial.

## **CHAPTER 3: AWARD PROCESS**

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The following are, unless otherwise directed by DED, program guidelines for all open projects. All Applicants and Beneficiaries under the program should review this section.

The GMS User Guides or GMS-generated emails may include additional instructions for recipients.

For any email or letter correspondence related to an awarded project, please include in the subject line:

1. Beneficiary Name (e.g., Anytown)
2. Contract Number (e.g., 20-03-999)

### **3.1 AWARDED PROJECTS OVERVIEW**

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If an application is approved, DED will issue a written notice of approval (“NOA”). Following the NOA, DED will prepare and deliver a Shovel-Ready Capital Recovery and Investment Act Grant Award Agreement (“Award Agreement”) for review and signature. This process typically happens within 30-45 days following receipt of the NOA.

Award Agreements are issued for three years from the agreement start date; in most cases, the start date is the same as the date the Award Agreement is fully executed. The successful applicant (“Beneficiary”) must review,

sign, and submit the Award Agreement and meet any required special conditions items before issuance of the first disbursement.

The Award Agreement period for any grant is three years from award date. Beneficiaries will be required to have all grant funds obligated within one year of the award and expended within three years of the award. For example, if an award is made on June 1, 2022, the grant recipient will have until June 30, 2023, to have all of the grant funds committed and until June 30, 2025, to have the funds expended. Any funds not obligated or expended for eligible uses by the timelines above must be returned, including any unobligated or unexpended funds that have been provided to contractors. For the purposes of the award, “obligation” means orders placed for property and services, contracts and subawards made, and similar transactions that require payment. Further instructions or other requirements about the Award Agreement may be provided to Beneficiaries by other written communication or notice.

### **3.2 AWARD NOTIFICATION AND ACCOUNT SETUP**

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Following DED’s issuance of the NOA, the Beneficiary will receive a GMS-generated email from AmpliFund Administrator, “no-reply@gotomygrants.com”, with instructions on how to set up the post-award user account. This email is sent to the Primary Contact as identified within the Application. Beneficiaries should check their spam or junk mail folder as email settings may direct this system-generated email there. If the Primary Contact’s information is no longer valid, the links in the email are expired, or the email is not received within 30 days of the NOA, the Beneficiary should contact the Shovel-Ready Capital Recovery and Investment Coordinator.

#### **Identify Recipient Grant Manager**

Once the Beneficiary’s Primary Contact sets up their user account, the option to add other users to help manage the grant becomes available, as does the ability to be assigned or assign tasks to complete various steps of grant implementation (e.g., sign contract, submit completed ACH form, submit payment request, etc.). The Beneficiary must identify a Grant Manager. This person will receive notifications (“tasks”) requiring action to implement the grant.

NOTE: The application portal is distinct from the award management side of the GMS, i.e., the URL used to apply for your grant is different from the URL you will use for checking the status of and managing your grant.

The Beneficiary Grant Manager is the primary point of contact for all grant-related matters. All DED and GMS automated emails are directed to the Grant Manager.

### **3.3 AWARD AGREEMENT AND AWARD DISBURSEMENT PROCESS**

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Following the NOA, DED will issue an Award Agreement. Unless otherwise directed, the Award Agreement and any special conditions are available within the GMS. The Award Agreement is entered into between DED and the Beneficiary (i.e. the qualified nonprofit organization). An authorized representative of the Beneficiary must sign the Award Agreement.

The Beneficiary must review, sign, date, and submit the Award Agreement via DocuSign to accept Shovel-Ready Capital Recovery and Investment assistance (“Act Funds”). DED signs the Award Agreement after it is signed by

the Beneficiary. Upon full execution of the Award Agreement and the meeting of any required conditions specified therein, the Beneficiary must submit the First Payment Request.

### **First Payment Request and Disbursement Process Overview**

Following DED's issuance of the Award Agreement for signature, the Beneficiary will be required to submit a Project Timeline and Projected Expenditure Report. Once received, DED will review the documents and notify the recipient within thirty (30) day of receipt whether DED has any questions regarding the timeline or report. Recipient will then have an opportunity to respond to the follow up questions. Once the Project Timeline and Projected Expenditure Report have been reviewed and approved, DED will then notify the recipient that they may submit the First Payment Request. As a best practice, the Beneficiary should submit its First Payment Request no later than ninety (90) days following approval of the Project Timeline and Projected Expense Report. First Payment Requests are submitted to DED via the GMS. Beneficiaries can find detailed instructions for how to submit the First Payment Request in the user guides located on DED's website, <https://opportunity.nebraska.gov/amplifund/#shovel-application>. The First Payment Request will not be acted upon until after the Award Agreement is fully executed by both the Beneficiary and DED. If approved, an email from AmpliFund Administrator will give notice to the Beneficiary Grant Manager that DED has approved the request for processing of payment. Upon subsequent processing, the email address(es) listed on the Beneficiary's ACH form receives notice.

Upon DED's approval of the First Payment Request, DED will disburse fifty percent (50%) of the Act Funds to the Beneficiary. Act Funds are transferred electronically to the account designated on the State of Nebraska ACH Enrollment Form as submitted with the First Payment Request. Each Beneficiary will be required to provide and keep a separate bank account into which grant funds will be distributed. The separate bank account is to be used solely for grant funds. Bank records for this account will be used to demonstrate the appropriate use of all grant funds. The Beneficiary will be required to provide DED information regarding the separate bank account and Beneficiary's use of grant funds.

Under normal circumstances, assuming the Beneficiary meets the terms of the Award Agreement, DED issues two payments. The first is "up-front" or an advance on the total grant amount, and the second/final payment is on a reimbursement basis and is subject to the Beneficiary's submission of compliance materials (e.g., paid invoices, cancelled checks, etc.) for review and approval by DED.

Beginning October 2, 2023, Recipients may submit a written request to DED for an optional contract amendment for a bridge payment. Bridge payments serve as a second advance for 25% of the total grant award. Once a contract amendment is requested and fully executed, organizations may submit an advance payment request in AmpliFund for 25% of their award amount. Bridge payments may be requested no sooner than one year after the initial advance payment is disbursed by DED.

DED will require capital project expenses and related documentation at the time of the bridge payment request. The nonprofit organization must be in full compliance with all quarterly reporting and other program requirements prior to approval of the bridge payment. Assuming the Recipient meets the terms of the Award Agreement, any remaining grant funds will be paid out as a reimbursement upon demonstrated completion of the capital project.

Further described in Section 3.4, the timing of the final disbursement request depends on the Beneficiary's ability to document expenditure of funds as required in the Award Agreement but should be submitted to DED on or before the end of the Award Agreement term.

### **3.4 REPORTING REQUIREMENTS**

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Beneficiaries must submit quarterly progress reports. The quarterly progress reports must detail costs and achievements, provide grant funds account records, and address compliance with the Davis-Bacon Act and related acts. The quarterly progress reports must be submitted for the duration of the project and until closeout by DED. The first such progress report is due three calendar months following the NOA (e.g. where the NOA is dated June, 13, 2022, the first report would be due on September 13, 2022). Quarterly reports must be submitted until DED issues a letter or notice of closeout. Beneficiaries must complete reports in the form and manner provided by DED. Quarterly reports must be submitted via the GMS.

### **3.5 FINAL PAYMENT, AMENDMENTS, AND CLOSEOUT**

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DED issues the final payment on the grant on a reimbursement basis. A final report is submitted to demonstrate compliance and to request the remainder of the grant. Beneficiary must submit source documentation evidencing eligible expenditures for costs charged to the grant. Because the final payment is on a reimbursement basis, the Beneficiary must show costs and expenditures in advance of receiving the final payment.

Beneficiaries must complete the final report in the form or manner provided by DED. Unless otherwise directed, these forms are to be submitted via the GMS. Upon submission, DED reviews the Beneficiary's final report for compliance and performance, initiating the closeout process.

Upon the Beneficiary's submission of materials meeting the terms and conditions of the Award Agreement, DED may process a full or, in the case of a project arriving under budget or similar situation, a partial payment pursuant to the funding limitations of the Act and Award Agreement requirements. DED will issue a notice of closeout when all Award Agreement terms are met. All grant-related files must be maintained for five (5) years following the date of closeout.

To remain in good standing, the final report must be submitted to DED on or before the Award Agreement end date.

## **Final Payment Request**

Beneficiaries can find detailed instructions for how to submit the final report in the user guides located on our website, <https://opportunity.nebraska.gov/amplifund/#shovel-application>

Final payment requests must be submitted with the final report. Discussion is included within the reporting user guide found at the link above.

If the submitted information is incomplete or requires clarification by the Recipient, DED will request missing items and/or request clarification from the Beneficiary. To avoid delays in the approval process, be sure to submit complete source documentation, which may include but may not be limited to paid invoices and check images (or other proof of transfer).

Typically, DED processes approved requests within 14 days. However, actual transmittal of payment may take up to 30 days. If that is the case, DED will give notice if the delay is on our end.

## **Amendments**

Beneficiaries may request an amendment to the Award Agreement to extend the term. Beneficiaries should wait to submit the request until a revised project completion date is determined and the original end date is approaching within ninety (90) days. Amendments must be requested through the GMS. In general, the Beneficiary must be current on its quarterly reports to request an amendment. Requests must include the following information: (i) the length of extension requested, (ii) the reason for the request, (iii) the revised completion date, and (iv) any other pertinent information related to the request. Beneficiaries seeking amendments due to significant changes to the project as described in the application must contact the Shovel-Ready Capital Recovery and Investment Act coordinator *before* committing grant funds.

Beneficiaries cannot request an increase to the award amount.

# Record of Change

Find the Version identifier on the cover page of this document. Summary of Changes includes a brief description of the revisions.

Version	Date	Summary of Changes
2.0	03/2024	<ol style="list-style-type: none"><li>1. Program Manager Contact information</li><li>2. Section 3.3 Added Bridge Payment information</li></ol>