



The Shuttered Venue Operators Grant (SVOG) program was established in Section 324 of the Economic Aid to Hard-Hit Small Businesses, Nonprofits and Venues Act (Economic Aid Act) and signed into law on Dec. 27, 2020, as part of [H.R. 133 Consolidated Appropriations Act, 2021](#) (Public Law No. 116-260). Section 324 of the Economic Aid Act was amended by Section 5005 of the [American Rescue Plan Act](#) (Public Law No. 117-2) and signed into law on March 11, 2021.

This guidance document answers common questions about the SVOG program for applicants and is current as of July 22, 2022.

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## Application and Award Decision Process

### Application Review Update and Applicant Responses

**The SBA began processing applications in order of priority in April 2021 and issuing grant award decisions in late May 2021.**

As of February 10, 2022, the SBA has issued decisions on 100% of all initial 17,637 applications.

SVOG Applicants receive communications from the SBA via the contact information provided on their application. Changes or updates to the contact information on file with SVOG must be made by contacting customer service via [svogrant@sba.gov](mailto:svogrant@sba.gov) or by calling 1-800-659-2955. Maintaining up-to-date contact information for your current authorized representative is crucial, as only the authorized representative will receive notifications about information requests and available documents. *These communications are time sensitive, so please review carefully for the applicable deadlines.*

Official SVOG communications are sent from an @sba.gov email address, typically [noreponse@sba.gov](mailto:noreponse@sba.gov) or [svogrant@sba.gov](mailto:svogrant@sba.gov). For some email applications, the email address will show as coming from “[noreply@salesforce.com](mailto:noreply@salesforce.com); on behalf of [noreponse@sba.gov](mailto:noreponse@sba.gov).” In some circumstances SVOG Customer Service will follow up on an email or action item via phone. These legitimate calls are made from official SBA phone numbers, and can be verified via an email from an @sba.gov address. To verify further, you can log in to your SBA account on the SVOG Application Portal to view any required action items and contact [svogrant@sba.gov](mailto:svogrant@sba.gov) for more information.

**The SBA provides status updates throughout the decision-making process.** You may receive email status updates for several reasons, including that your:

- award is finalized and you need to execute your pre-award documents;
- application has been reviewed and additional documentation or information is required;
- application has been reviewed and declined (see below for appeal information);
- award amount is being reconsidered and additional documentation or information is required;
- application is eligible for appeal and additional documentation or information is required;
- supplemental award is ready and you need to execute your pre-award documents.

**When you receive a status update from the SBA, log in to the SVOG Application Portal to complete all required action items.**

You may click the link in the email or enter <https://www.svagrantportal.sba.gov/s/> directly into your browser.

After logging in, click the “Funding Request Name” to open your application.

- Status Update will appear in the top left of the page.
- Action Items are at the top right of the page.
  - o Click there and follow the instructions provided.
  - o Action Items are time sensitive, please review carefully for your applicable deadlines.

**If you have questions about completing Action Items, please contact the SBA.**

For general assistance, call the Office of Disaster Assistance’s Customer Service Center:

Phone: 1-800-659-2955; Monday through Friday, 8 am to 8 pm ET

Email: [svagrant@sba.gov](mailto:svagrant@sba.gov)

For in-depth assistance, contact SBA’s resource partners:

You can identify partners in your area by visiting [www.sba.gov/local-assistance](http://www.sba.gov/local-assistance).

**You may request to withdraw an application by emailing [svagrant@sba.gov](mailto:svagrant@sba.gov).**

The request must be sent from the email address used to create the SVOG application, and must include:

1. Subject Line: “Request to Withdraw SVOG Application”
2. Email Message:
  - SVOG application number
  - Email address used to create the application
  - Entity name, address, and phone number
  - Name of person making the request
    - o Request must be made by applicant or authorized representative named in the application
  - Reason the applicant is requesting to withdraw the application

### **Applicant Action Items During "In Review" Stage**

**After review and prior to approval or decline, you may need to complete an Action Item.**

**Possible Action Items include:**

1. Technical Corrections: Your application has been reviewed, but additional information or documentation of specific requirements is needed.
  - You will receive an email advising you of the Action Item
  - After logging in to the portal, you will see a checklist advising you of the additional information or documentation to provide
  - Follow the instructions provided in the portal to upload and submit the requested information
  - You have 14 days to complete this Action Item
2. 4506T: The IRS could not process your 4506T for various reasons.
  - You will receive an email advising you of the Action Item
  - After logging in to the portal, you will see a new 4506T checklist. You may make corrections, if needed

- Review and sign the document
  - Follow the instructions provided in the portal to upload and submit the document
  - You have 14 days to complete this Action Item
3. **Do Not Pay:** Your name or entity name appears on the Department of Treasury's Do Not Pay (DNP) list. Your status must be corrected or cleared prior to Award.
- You will receive an email advising you of the Action Item
  - After logging into the portal, you will see information regarding where and why your name appears on the Do Not Pay list
  - Follow the instructions provided to contact the source of your Do Not Pay status:
    - o Visit [Do Not Pay - Privacy Program \(treasury.gov\)](https://www.treasury.gov).
    - o Scroll down to “Data Correction Process,”
    - o Find the row for the match source, and
    - o Use the Contact Information to contact the source and correct or clear your status
  - In the portal, follow the instructions for notifying the SBA that you cleared or corrected your status
  - You have 30 days to clear or correct a DNP status

### Other Special Circumstances

**A small number of applicants may receive an email from SVOG indicating their tax transcript was returned with “No Record Found”. If you receive such an email, follow these instructions:**

#### Step 1:

- Verify with the Internal Revenue Service (IRS) that your 2019 Federal Tax Return has been received and processed.
- The IRS provides a few toll-free numbers to assist you, depending on your circumstance:
  - o For applicants who filed a Form 1040, call 800-829-1040, from 7 a.m. to 7 p.m. local time,
  - o For applicants who filed Form 1065, 1120, or 1120-S, call 800-829-4933, from 7 a.m. to 7 p.m. local time, or
  - o For applicants who filed Form 990 or 990-EZ, call 877-829-5500, from 8 a.m. to 5 p.m. local time.

#### Step 2:

- If the IRS tells you that your tax return has been received and processed, please follow the instructions to fill out another 4506-T and ensure that all information is correct.
- If the IRS indicates that your tax return has been received but not processed, proceed to step 3.

#### Step 3:

- Contact the Taxpayer Advocate Service (TAS). The TAS is an independent organization within the IRS designed to help if you have tax problems that you cannot resolve on your own (Home - Taxpayer Advocate Service ([irs.gov](https://www.irs.gov))). In the interest of helping your tax return get processed, please contact the TAS to inquire if their services can assist you. Additionally, you can directly request assistance at Submit a request for assistance - Taxpayer Advocate Service ([irs.gov](https://www.irs.gov)).

### Post-Approval Stage

**After approval and prior to disbursement, you may need to complete an Action Item. Possible Action Items include:**

1. Notice of Award (SBA Form 1222 / NOA): Your application is approved, and your Award amount is finalized. You must sign and return your Notice of Award prior to disbursement.
  - You will receive an email advising you of the Action Item
  - After logging in to the portal, you will see a checklist advising you of the additional information or documentation to provide
  - Follow the instructions provided in the portal to upload and submit the requested information
  - You have 7 days to complete this Action Item
  - Additional notes on Form 1222:
    - o The “Project Period” on the Form 1222 is the granting period for issuing an SVOG NOA —this does not correspond with the allowable time period to incur costs
    - o The “Budget Period” indicates the time you are permitted to spend the grant award
    - o You may spend the grant on costs incurred between March 1, 2020, and December 31, 2021 (or June 30, 2022, if you receive a supplemental award)
  
2. Special Conditions (SBA Form 1222 Addendum): Your application is approved, and your Award amount is finalized. You must fulfill, or agree to fulfill, any listed Special Conditions prior to disbursement.
  - You will receive an email advising you of the Action Item
  - After logging in to the portal, you will see your Notice of Award and any Addendum identifying Special Condition documents that must be uploaded at the same time as the signed Notice of Award
  - Follow the instructions provided in the portal to upload and submit the requested information
  - You have 7 days to complete this Action Item
  - Additional notes on Form 1222 Addendum:
    - o You may be asked for a copy of your 2020 federal tax filings. Most applicants were required to submit 2019 federal tax filings in the initial application. For fiscal year filers, the Form 1222 Addendum requirement is to provide a copy of their most recent tax year filings.
    - o You may have seen a condition on the Addendum and/or the Portal which read “You are required to upload a final 425 and Supporting Documents within 15 days of receipt of your final disbursement.”

***Update*** - In subsequent Form 1222 updates, the SBA corrected the Addendum language to clarify the SF-425 submission and closeout timelines. Specifically, the SBA asks grantees to submit the SF-425 document within 15 days after expending all SVOG award funds. The maximum allowable time is 120 days after the end of their Budget Period to prepare closeout materials and initiate the closeout process. As outlined in the [Closeout](#) section below, a grantee initiates closeout of their SVOG award when they respond to the Expense Report action item.

- If you have less than 500 employees or more than 10,000 employees, you do **not** need to initial line 10 of the additional program assurances.
3. **Budget Revision:** Your application is approved, but your possible Award amount is higher than the Proposed Budget you provided on your application. You must revise your budget to receive the additional funds or confirm you wish to receive the smaller grant award.
- You will receive an email advising you of the Action Item
  - After logging in to the portal, you will see a checklist advising you of the additional information or documentation to provide
  - Follow the instructions provided in the portal to upload and submit the requested information
  - You have 14 days to complete this Action Item

### **Award & Disbursement Stage**

You must return your properly executed NOA and complete any Special Conditions prior to disbursement.

After the SBA receives the completed NOA, you become an Awardee/Grantee and the SBA schedules a disbursement of funds.

You must have an active SAM entity registration to receive funds. You can check your SAM registration status by:

1. Going to <https://www.sam.gov>
2. Selecting Check Registration Status in the Register Your Entity section on the home page (or selecting Check Registration from the footer on every page)
3. Selecting the Sign In button
4. Entering your Unique Entity ID (with or without an EFT Indicator) or your CAGE Code (if applicable)
5. Selecting Search to check your entity registration status

Remember, new SAM.gov entity registrations take up to ten (10) business days to process and can take 30+ business days during periods of peak volume.

**A small number of Grantees may see a “rejected” status or “pending” status for a disbursement in the Application Portal. If you see such a status:**

- In most cases, the SBA can correct this disbursement issue on your behalf. The SBA checks for such issues every day and will re-issue the disbursement shortly.
- In some cases, you may need to take action to correct the issue. If this is the case, the SBA will reach out to you with specific instructions.

### **Declined Applications**

If your application was declined, you will receive an email advising you of this status and have the option to submit an appeal.

Most declined applications did not meet the eligibility criteria established in the SVOG statute. Please see the [SVOG Eligibility Matrix](#) for additional information.

## Appeals, Award Amount Reconsiderations & Supplemental Awards

After receiving the decision on your initial SVOG application, you will have three options for a next step: appeal, award amount reconsideration, or supplemental award.

### Appeal

If your application was declined, you will receive an email and an update in your SVOG portal indicating you are eligible to submit an appeal. The initial appeal window lasts two weeks, during which time funding will be preserved. There is no guarantee that funding will remain available for applicants who appeal after the close of the initial two-week window.

If you choose to appeal, you will be asked to review the [Eligibility Matrix](#) and upload a signed statement indicating your grounds for appeal, as well as any supporting documents. A submitted appeal is final. If your appeal is approved but you receive an Award amount at least \$100 less than the Adjusted Proposed Grant Amount on your application, you will have the opportunity to request an award amount reconsideration. There is no secondary appeal process once an appeal is declined.

### Award Amount Reconsideration

If you receive an award amount at least \$100 less than the Adjusted Proposed Grant Amount on your initial application, you will receive an email indicating that you are eligible to apply for award amount reconsideration. Award amount reconsideration may adjust the amount of your initial award, so this process must be completed prior to evaluation for a Supplemental Award.

The initial reconsideration window will last two weeks, during which time funding will be preserved. There is no guarantee that funding will remain available for applicants who request reconsideration after the close of the initial two-week window.

If you choose to request an award amount reconsideration, you will have to upload supporting documents to validate your earned revenue. Submitted award amount reconsideration requests are final.

### Supplemental Award

If you receive an initial SVOG, you will receive an action item to update your 2021 earned revenue, which you must update to be considered for a Supplemental Award. To do so, log in to the portal and update through this action item.

Those eligible for a supplemental award based on the SVOG statute and earned revenue will be invited to request a supplemental award. If you qualify for a supplemental award based on the required revenue loss and your initial award amount reached the maximum of \$10 million, you can qualify for a no-cost supplemental award to extend the active grantee phase.

Eligibility is determined based on whether Q1 or Q2 2021 earned revenues were no more than 30 percent of Q1 or Q2 2019 earned revenues. For applicants that did not begin operations prior to 2019, Q1 2020 will be used as a comparison to Q1 2021. Supplemental award amounts, as defined in statute, will be 50% of your initial award (adding back any PPP subtracted from the initial award), not to exceed the balance of the initial grant and \$10 million for a single entity.

### Reconsideration 2.0 – Final Award Amount Reconsideration

Once Supplemental eligibility has been processed, Grantees will be invited to request one final opportunity to apply for Reconsideration of their Award Amount. Grantees will receive an email notification of a new Action Item available through their applicant portal inviting them to ‘Apply for Reconsideration of your SVOG Award Amount’. This Action Item allows grantee to correct any potential errors on their initial SVOG application which may have decreased their expected award amount.

Grantees should accept the Reconsideration 2.0 invitation if there were any mistakes included in their application which may have decreased their Award Calculation, including: Errors in Earned Revenue figures for 2019, 2020, or 2021 and incorrect Date Business Began Operation. Date Business Began Operation should reflect the date the applying entity began earning revenue, which may be after the date the entity was incorporated.

Completing this Action Item will allow you to review and revise the information you have provided to SBA. Revisions may result in a change to your initial award amount, and by extension, any potential supplemental award amount. Revisions to the Funding Request made through the Reconsideration 2.0 process will be final.

The reconsideration window will last two weeks, during which time, funding will be preserved. Grantees may request that expired or declined Recon 2.0 Action Items be reissued. Action Items that have been completed cannot be reissued or amended. There is no guarantee that funding will remain available for applicants who request reconsideration after the close of the initial two-week window.

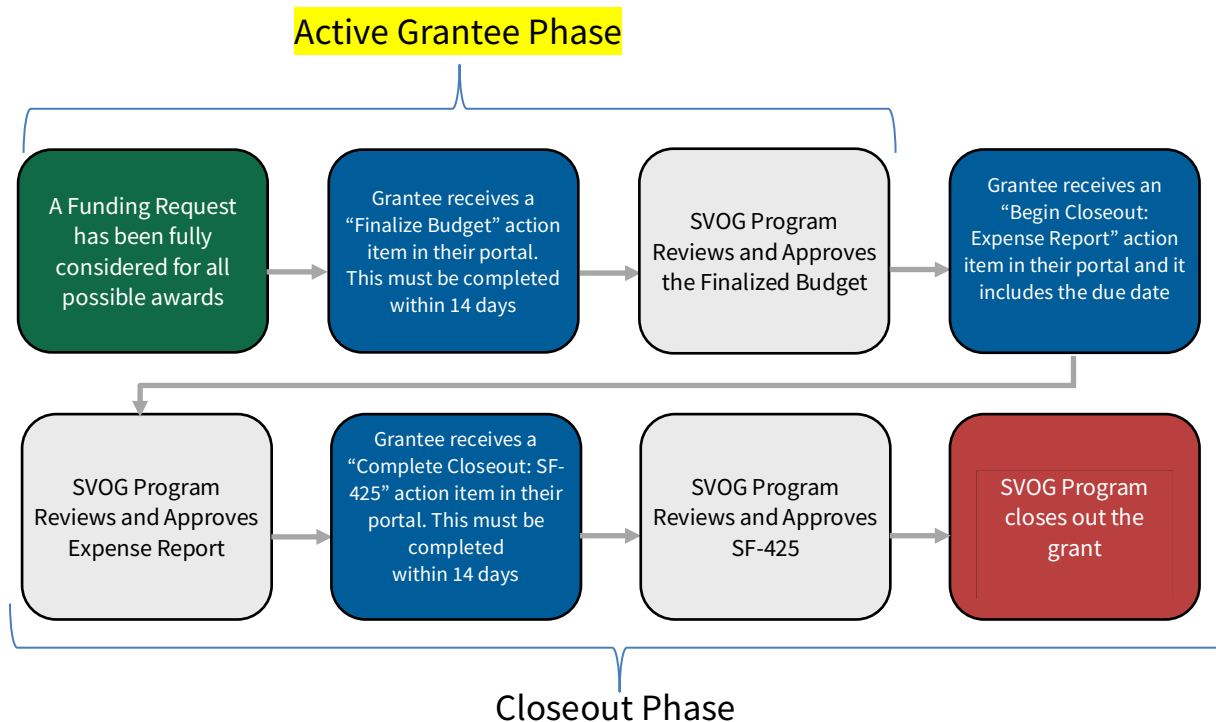
Reconsideration 2.0 is not available for declined applicants.

## Active Grantee Phase

### SVOG Active Grantee Process Overview

**The SVOG Active Grantee Phase begins on the date of initial NOA issuance and lasts until the Budget Period “through” date (Form 1222 Box 5) unless a grantee completes the closeout process before the Budget Period concludes.** This phase involves identifying eligible and allowable expenditures and spending grant award funds until the closeout process is initiated. **The SVOG program is implementing a multi-step active grantee phase through award closeout.** Guidance and the portal capabilities for the SVOG active grantee phase are in development. Below is a process diagram of the active grantee phase and how it is integrated with the closeout phase. **The SBA expects the capabilities and phases below to be finalized and available to grantees at the beginning of December 2021.**





### Finalize Budget Action Item

After your SVOG application has been considered for all possible awards, you will receive an email to respond to a “Finalize Budget” Action Item. For most, this will be the final budget revision before reporting expenditures and initiating closeout.

Finalize Budget Action Item: Your total award is finalized. You must submit a final budget to the SVOG program to confirm how you are allocating all awarded funds to allowable budget categories.

- You will receive an email advising you of a new, available action item
- After logging in to the portal, you will have the option to check a box to keep your existing budget or fill out a revised budget which accounts for additional awards since your last budget proposal
- Follow the instructions provided in the portal to respond to the certification and attestation statements and submit the finalized budget
- You will have 14 days from the date of receipt to submit the Finalize Budget Action Item

### Communication with the SBA

Through the course of the active grantee phase process, the SBA continues to be available to you as a resource for program support and technical assistance.

You should submit active grantee phase and closeout questions to [svogrant@sba.gov](mailto:svogrant@sba.gov). This inbox is monitored for specific topics that require SVOG program staff to provide the correct answers. Additionally, trending topics may be incorporated into public guidance.

You can also receive assistance through the following resources:

For general assistance, call the Office of Disaster Assistance’s Customer Service Center:

Phone: 1-800- 659-2955, Monday through Friday, 8 am to 8 pm ET  
For in-depth assistance, contact SBA’s resource partners:  
You can identify partners in your area by visiting [www.sba.gov/local-assistance](http://www.sba.gov/local-assistance).

General grantee communication may also be provided via GovDelivery updates from [sba-oda@updates.sba.gov](mailto:sba-oda@updates.sba.gov).

### **SVOG Award Timeline and Related Notice of Award Terminology**

**In the SVOG program statute, grantees were given specific time periods to incur eligible costs and to charge costs to the SVOG award.** A cost is considered to have been incurred on the exact date the financial transaction happened, which may be prior to when it was paid for. The guidance in this section outlines the key terms on the NOA (Form 1222) used to establish award timeline parameters and provides helpful guidance on implementing and tracking incurrence of eligible and allowable costs.

#### Important Terminology in Notice of Award (Form 1222)

1. Project Period (Form 1222 Box 4) - The complete length of time for which funds are available for award making.

“From” - Date Initial Phase SVOG Award was issued by the SBA.

“Through” - End date for incurring eligible and allowable costs. Grantee may incur costs from March 1, 2020, to the date in this box.

##### Helpful Information

- Transactions relating to payroll are eligible costs if work was performed between March 1, 2020, and the “Through” date in this box.
- Transactions relating to the procurement of goods or services are eligible costs if the date of the binding written commitment falls between March 1, 2020, and the “Through” date in this box.

2. Budget Period (Form 1222 Box 5) – The complete length of time you have to spend award funds on eligible and allowable costs. You can spend award funds to cover eligible and allowable costs incurred from March 1, 2020, to the “Through” date in Box 4 in your most recently issued NOA.

“From” - First date to spend award funds.

“Through” - Final date to spend award funds.

##### Helpful Information

- The final date of the Budget Period (“Through” date in Form 1222 Box 5) is the end of the grant term and you should start preparing for closeout if you have not already begun the closeout process.

### **Permissible Spending of SVOG Award Funds**

#### **Assessing Cost Eligibility and Allowability**

Grantees **must** spend SVOG funds on costs which are eligible **and** allowable.

## **Misuse of SVOG funds can result in disciplinary action, such as monetary penalties.**

“Eligible Costs” are costs incurred between March 1, 2020, and the Project Period “Through” date on Form 1222 at Box 4. Form 1222 is also referred to as the NOA. If you have received more than one NOA, rely on the most recently issued NOA.

Costs incurred outside the eligible cost period may not be paid for or reimbursed with SVOG funds ([see SVOG program FAQ Document – Question 118](#)).

“Allowable Costs” are costs deemed legally permissible based on the authorizing language in the program’s statute and Title 2 of the Code of Federal Regulations, Part 200 (2 C.F.R. 200).

For clarifications on allowable use of funds visit [SVOG program FAQ Document](#).

**The SVOG program provides a budget form with allowable cost categories; if a cost incurred does not align with an allowable budget category, it is likely that cost is not an allowable cost.** Use your Final Budget response as a guide during the SVOG active phase and to direct the allowable use of SVOG funds.

**In addition to the laws and interpretations provided by the SBA, when assessing whether a cost is allowable, you should also consider:**

- Is the cost reasonable and necessary for my business?
- Do sound business practices support the cost?
- Does the cost clearly fit into an approved cost category in the grant award?

### **Demonstrating Costs Allocability**

**Allocability means eligible and allowable costs must be properly aligned to cost categories of an SVOG award. Grantees should maintain supporting documentation that shows the grant funds used align with an allowable budget category.** Then in the Expense Report Action Item (Closeout Process), the total amount of funds expended across each allowable budget category should equal the supported allocable cost amount.

**You can split a cost between multiple funding sources.** When splitting a cost, you must clearly demonstrate in your records how the cost was divided and how the SVOG allocable cost were connected to an allowable budget category and charged to the SVOG award.

### **Maintaining Supporting Documentation and Record Retention**

**The law requires you to maintain employment records for 4 years following the receipt of funds (this is the “From” date in Form 1222 Box 5), and to maintain all other records documenting compliance and eligibility for the SVOG Program for 3 years following the receipt of funds.** These retained records should clearly depict how SVOG award funds were spent on eligible and allowable costs. The sum of costs documented should align with the total funds spent as recorded in the closeout process Expense Report Action Item and Complete Closeout: SF-425 Action Item.

**You must maintain all documents associated with SVOG award fund expenditures.** Some examples include, but are not limited to:

- Employment Records: The SVOG statute requires grantees to maintain employment records

- for 4 years following the receipt of funds (this is the “From” date in Form 1222 Box 5)
- Contracted Services: procurement process (as applicable), executed contract, invoices, payments, evidence of implemented contract deliverables, evidence of, and explanations for, partial charges to SVOG award funds, and any files documenting reporting or monitoring efforts.
- Personnel Costs (staff time): employment contracts stating terms and conditions of employment, timesheets for time worked and charged, and evidence and explanations for how much personnel time was partially or fully reimbursed with SVOG award funds.
- Equipment and Supplies (below procurement threshold): paid invoice or receipt clearly displaying the vendor, date purchased, the item(s) purchased, and cost amount charged to the SVOG award.

## Closeout

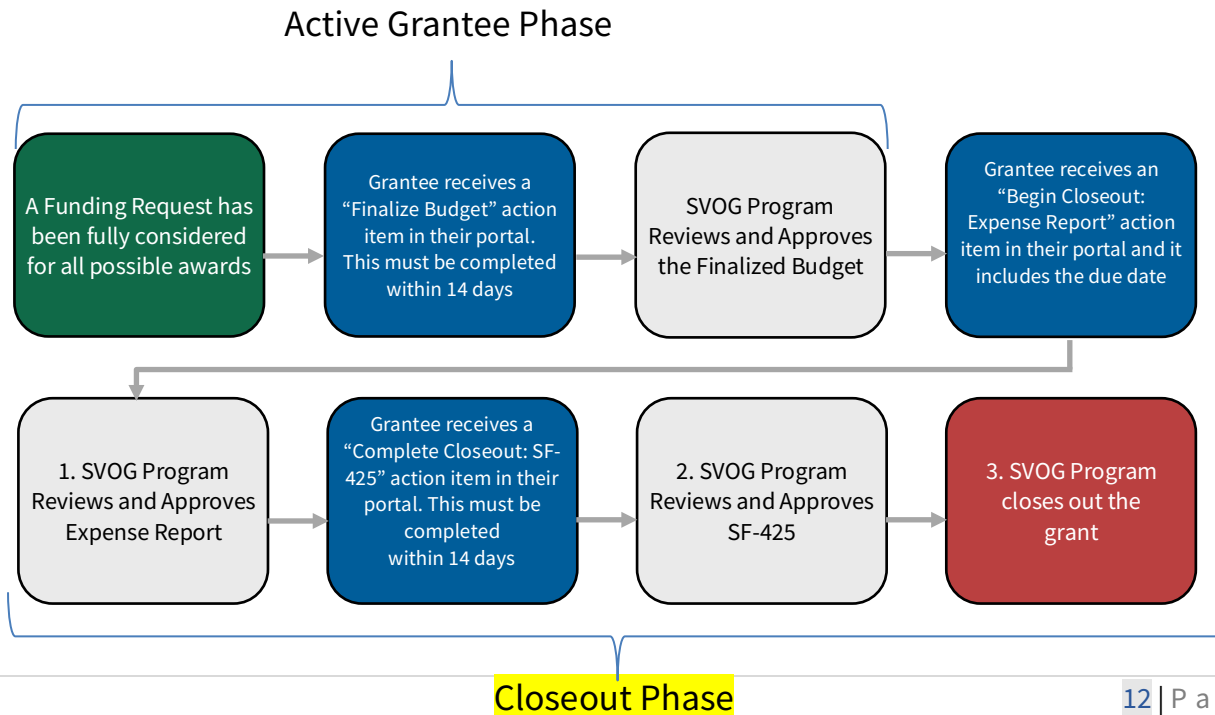
### Closeout Timeline

**You initiate your SVOG closeout by responding to the Expense Report Action Item in the SVOG portal.** You are encouraged to initiate closeout by responding to the action item soon after expending all grant award funds, as the award work and financial recordkeeping will be fresh and it should make for an easier closeout. The guidance to pursue timely closeout is articulated in the NOA addendum and [SVOG Program FAQ Document](#).

**You are required to respond to the Expense Report Action Item and initiate the closeout process no later than 120 days after the end of your Budget Period (“Through” date in Form 1222 Box 5).** The overarching closeout process expectations for the SBA and grantee are outlined in [2 CFR 200.344 – Closeout](#).

### SVOG Closeout Process Overview

**The SVOG program is implementing a multi-step grant award closeout.** Guidance and the portal capabilities for the SVOG Closeout Process are in development. Below is a process diagram of the closeout phase and how it integrated with the active grantee phase. As mentioned above, **the SBA expects the capabilities and phases below to be finalized and available to grantees at the beginning of December 2021.**



Phase 1	Grantee Responsibilities
<b>Expense Report Action Item</b>	<ul style="list-style-type: none"> <li>- Assemble supporting documentation</li> <li>- Organize expenditures by budget category</li> <li>- If applicable, prepare property inventory and create request for property disposition instructions</li> <li>- Respond to any follow-up questions from the SBA</li> </ul>
<b>COMPLETE</b> - Phase 1 is complete when the SBA approves the Expense Report Action Item	
Phase 2	Grantee Responsibilities
<b>Complete Closeout: SF-425 Action Item</b> (plus survey and supporting documents)	<ul style="list-style-type: none"> <li>- Confirm SF-425 has the correct data</li> <li>- Respond to the survey</li> <li>- If applicable, upload supporting documents for property disposition</li> <li>- If applicable, complete and document repayment of unused SVOG award money</li> <li>- Respond to any follow-up questions from the SBA</li> </ul>
<b>COMPLETE</b> - Phase 2 is complete when the SBA approves the Complete Closeout: SF-425 Action Item	
Phase 3	Grantee Responsibilities
<b>Grant Award Closure</b>	<ul style="list-style-type: none"> <li>- Receive grant award closure notification and (if necessary) provide any final response</li> </ul>
<b>COMPLETE</b> – Phase 3 is complete when the grantee receives notification of grant award closeout and (if necessary) completes a final response to the SBA	

### Barriers to Closeout

**The SBA cannot complete grant award closeout if any of the following conditions are present:**

- Open monitoring event (please see below for additional information),
- Unresolved audit issues, or
- An unresolved grantee question or response, examples include grantee change in ownership request, grantee failure to respond to action item, and grantee failure to repay unused grant funds.

### Monitoring

#### What is Monitoring?

**Monitoring is an SBA-led review of grantees to determine whether award funds were used for eligible and allowable purposes.** All federal grants include monitoring and all SVOG grantees should be prepared for monitoring. The SBA will use a risk-based monitoring system to select the grantees to monitor. SBA will notify you if you have been selected for monitoring.

## SVOG Monitoring Process

**The majority of monitoring will be done remotely by SVOG staff, but some grantees may receive on-site monitoring.** The monitoring process, including review and responses, will be managed through the SVOG Portal and SBA staff will follow up directly by email or phone as needed. SBA will assign a specific SVOG program staffer to each monitoring event and this individual will serve as the primary reviewer and point of contact.

**If selected for monitoring, you will receive a notification in the portal and an email from the SBA notifying you that an action item is pending response.** The action item will provide the monitoring scope and details regarding the information and documentation you must provide.

**Most monitoring events will start while the grantee is actively implementing its award, so you are encouraged to continue spending award funds unless otherwise notified by the SBA.** The SBA may begin a monitoring review once the closeout phase has been initiated or after a grant award has been closed out.

## Grantee Role and Responsibilities in Monitoring Process

**You are expected to respond timely and completely to monitoring notifications and follow-up requests.** If you have questions about the monitoring scope or requested documents, please reach out to your SVOG point of contact.

**Eligible and allowable expenses can only be determined based on the documents and responses you provide to the SBA.** If you fail to respond timely or completely, then the SBA will make its eligible and allowable use determination based on the responses and documents provided.

## Monitoring Event Conclusions, Corrective Actions and Closure

**You will be contacted by email once a monitoring review is complete.** In this email, the SBA will provide a summary of its monitoring review and the resulting monitoring conclusions. The monitoring conclusions will encompass SBA's evaluation of eligible and allowable use of funds, plus, if needed, a list of corrective actions and the delivery of technical assistance guidance to improve the grantee active award phase.

**If the SBA concludes SVOG funds are being used for eligible and allowable purposes, then the SBA will close the monitoring event.** No further response will be required from you on this monitoring event.

**If the SBA concludes SVOG funds are not being used for eligible and allowable purposes, then the SBA will provide a list of corrective actions.** You will need to resolve all corrective actions with follow-up responses before the monitoring event can be closed. Corrective action examples include updated spending policies, improved financial controls, or repayment of ineligible or unallowable costs. If a cost is found to be ineligible or unallowable, the SBA will work with you to reallocate the funds to an eligible and allowable cost that has yet to be reimbursed or request the funds be returned. If you do not comply with the Agency's request for returned funds, the SBA may take other measures to recoup the funds, up to and including litigation and noting a grantee's noncompliance in FAPIIS.

## Audit

### What is Auditing?

The SVOG Auditing phase captures instances in which you may be required to undergo a third-party audit of your organization and/or operation of your SVO grant.

### **Audit Requirements**

**The audit requirements differ between non-Federal entities (includes nonprofit organizations, institution of higher education, state, local government, and Indian tribes) and for-profit entities.**

**For non-Federal entities, if you expend more than \$750,000 in Federal funds (across all Federal sources including SVOG funds) within your fiscal year, you will be required to complete a third-party audit.** If you received a PPP loan, it does not count against the \$750,000 expenditure threshold. SVOG grantees that do not surpass the \$750,000 expenditure threshold within their own fiscal year will not be responsible for conducting an audit under these requirements.

**Non-Federal entities must complete an audit in line with the requirements outlined in the [Uniform Guidance Subpart F \(2 CFR 200. 500 – 521\)](#), which requires a single audit or program-specific audit.**

**If you are a for-profit entity that received and recognized an SVOG award in the amount (or combined amount if initial and supplemental awards were recognized in the same fiscal year) of \$750,000 or more during the entity’s fiscal year, you will select from one of four audit options to meet the audit requirement:**

1. Single audit consistent with [Uniform Guidance Subpart F \(2 CFR 200. 500 – 521\)](#);
2. Program specific audit consistent with [Uniform Guidance Subpart F \(2 CFR 200. 500 – 521\)](#);
3. An audit of the entity’s financial statements, along with the auditor’s opinion on the financial statements performed under Generally Accepted Auditing Standards (GAAS) issued by the American Institute of Public Accountants; OR
4. A compliance examination engagement performed by a practitioner in accordance with the Government Accountability Office (GAO) Government Auditing Standards..
  - a. Such engagements are further conducted in accordance with the American Institute of Certified Public Accountants (AICPA) Statements on Standards for Attestation Engagements (SSAEs).
  - b. Such engagements include a practitioner opining directly on compliance with SVOG requirements.

**More information on audit requirements relevant to for-profit entities can be found in the document [Audit and Attestation Requirements for For-Profit Recipients](#).**

### **Which one: Single or Program-Specific Audit?**

**If you only receive SVOG as your source of Federal funding, you can elect to have a program specific audit (instead of a single audit as outlined in 2 CFR 200.501(c)).** Under a program-specific audit, SVOG grantees will contract with an independent auditor to conduct a review of your active SVOG award phase including a review of SVOG program compliance, your internal controls, and your financial system and recordkeeping.

**If you are an entity with broader Federal funding support from multiple sources, you must conduct a single audit as opposed to a program-specific audit.** The structure of a single audit allows for an auditor’s review to focus initially on the financial and management controls the organization has in place to administer multiple funding streams and ensure that cost allocation is clearly tracked. Then based on the size of the funding portfolio and distribution of funding sources, the auditor will test program specific records for adherence with the entity’s policies and procedures and compliance with the Federal program rules and requirements. The prominence of auditing specific to the SVOG award fund management and usage in the single audit will vary based on the proportionate share of SVOG funds expended versus other Federal funding expended within the entity’s own fiscal year.

**The Office of Management and Budget released the 2022 Compliance Supplement on May 12, 2022. The supplement includes a section dedicated to the SVOG program and can be accessed at: [2022 Compliance Supplement \(whitehouse.gov\)](https://www.whitehouse.gov/2022-compliance-supplement).** This compliance supplement will serve as a tool to direct compliance auditors in their audit reviews of SVOG awards. Although the compliance supplement is being released for 2022, SBA encourages compliance auditors and SVOG awardees to utilize the supplement as guidance for 2021 as well.

**Expenses related to a single or program specific audit or a financial audit conducted to meet this audit requirement are an allowable use of SVOG award funds, see [SVOG Program FAQ Document – Question 156](#).**

### **Audit Reporting Requirements**

**If you are a non-Federal entity required to complete a single or program specific audit, you must upload the reporting package to the Federal Audit Clearinghouse (FAC) as detailed in [2 CFR 200.512](#).** The composition of the FAC reporting package is described in 2 CFR 200.512(c). If the auditor makes findings in their report, then the grantee is expected to resolve the findings with a corrective action plan and submit the corrective action plan in its FAC reporting package. A non-Federal entity will also be required to submit their audit reporting package directly to SBA.

**For-profit entities required to complete a financial audit must provide a copy of their audit report to SBA, including all audit package components, findings, and corrective action plan as applicable.**

**SBA will utilize an Audit Reporting Action Item to collect audit report packages from non-Federal and for-profit entities.** Both entity types have nine months from the end of their fiscal year to submit their audit report packages.

### **Other SVOG Program Audit Activities**

**As an SVOG grantee, you may be engaged in other ongoing SBA or SVOG audit activities.** The SVOG program is experiencing ongoing review from other Federal partners, including SBA’s Office of Inspector General, the Government Accountability Office, and the Pandemic Response Accountability Committee, which could impact SVOG grantees. Also, the SBA is required to conduct internal control reviews of SVOG award decisions and applicant documentation, which could lead to additional follow-up with SVOG grantees. The SBA will provide communication to grantees if further follow-up or actions are expected.