

# Virginia Department of Social Services (VDSS) Neighborhood Assistance Program (NAP) Application - Frequently Asked Questions July 1, 2021 – June 30, 2022

**Q: Should I submit an application to the Virginia Department of Social Service (VDSS) or to the Department of Education (DOE)? Our organization offers scholastic assistance.**

A: It may be beneficial to an organization that has an education program to apply for NAP tax credits through DOE. DOE has \$9 million in tax credits available. Send an email to [tax.credits@doe.virginia.gov](mailto:tax.credits@doe.virginia.gov) to get more information or call (804) 225-3375.

**Q: Can I receive an extension to submit the application?**

A: No, the application must be submitted via the VDSS NAP database on or before May 3, 2021 by 5:00 p.m.

**Q: I have forgotten my VDSS NAP database user ID. What do I need to do?**

A: Send an email to [napp@dss.virginia.gov](mailto:napp@dss.virginia.gov) to request the user ID information. Do not create a new user ID.

**Q: I do not have access to the VDSS NAP database. What do I need to do?**

A: Send an email to [napp@dss.virginia.gov](mailto:napp@dss.virginia.gov) to request a NAP database user ID. A new applicant organization, one that is not approved with VDSS NAP for FY 2020 – 2021, must also include the following information in their request:

- ✓ Federal ID number;
- ✓ Name of the organization as listed on the 501(c) (3) (4) document;
- ✓ Date the organization received their 501(c) (3) (4) designation;
- ✓ Mailing Address;
- ✓ Phone Number;
- ✓ Fax Number;
- ✓ City/County of Main Office;
- ✓ Web Address;
- ✓ Name, Title, Phone Number and Email Address of the Executive Director or CEO;
- ✓ A detailed description of the organization's programs and explain how the organization is meeting the requirement of primarily providing assistance to low-income people in Virginia;
- ✓ List the organization's mission from the mission statement;
- ✓ Attach a copy of the organization's 501(c) (3) (4) document;
- ✓ Attach a copy of the name change form if the name of the organization has changed and does not match the 501(c) (3) (4) document.

The user access request will be reviewed by NAP staff within three business days, once approved, an email will be sent with the instructions for submitting the application. Contact the NAP office at (804) 726-7924 if you do not receive an email within three business days.

**Q: Can I copy the information from another document when completing the profile and application questions in the NAP online database?**

A: Yes. However, you must review all of the information. Some of the characters do not copy over correctly (an example is the ('s)).

**Q: Can I print the application from the online database?**

A: No, the NAP database does not have the functionality to print the application. A sample application has been provided with the application questions.

**Q: I am a new organization, what will my allocation be?**

A: The office of VDSS has \$8 million in tax credits.

- ✓ The allocation for existing NAP organizations is based on the average tax credits used during the last four years, a minimum of \$4,800 or the amount requested, whichever is less.
- ✓ Any tax credits remaining from the \$8 million will be divided among all new organizations meeting the eligibility criteria. New organizations received \$4,800 in tax credits for FY 2020 - 2021.
- ✓ The allocation process may include a determination of the reasonableness of requests, caps, and percentage reductions in order to stay within the total available funding.

**Q: The purpose of our organization is to provide financial assistance to other organizations. We do not offer direct client services. Will our organization qualify for NAP?**

A: No, the organization must provide direct client services to qualify for NAP. However, the 501(c) (3) (4) non-profit that receives funding from your organization may submit an application. The applicant organization must meet the eligibility criteria to receive an allocation of NAP tax credits.

**Q: We are an adoption agency and a significant number of those we serve are children and youth in foster care. I assume they would be considered low-income. They are not part of a family.**

A: The organization must include any income that is received for the foster child. The foster child is counted individually and the household income is not considered.

**Q: Our agency provides direct services to our population. However, we also provide community education at health fairs and hand out program brochures. We spend approximately five percent of our revenue each year providing community education. Our direct service clients are under 300% of the federal poverty guidelines. Do we need to count our health fair participants?**

A: Many organizations hand out flyers to educate the community; those clients do not need to be counted. All clients must be counted if they are participating in a program, such as attending educational classes. However, at least 50 percent of the clients served must be low-income and at least 50 percent of the revenue must be used to provide services directly to low-income clients.

**Q: How do we count the number of clients served? Our organization has clients that received services in multiple programs.**

A: If an individual received more than one type of service, only count the person once – this an unduplicated count.

**Q: Do you want us to count households or individuals?**

A: The total number of clients served is based on the individual receiving services. However, the household income and total number of people in the household is used to determine the low-income threshold. The Federal Poverty Guidelines chart is used to determine the income level for the household.

**2020 FEDERAL POVERTY GUIDELINES (FPG)**

Household Size	100%	200%	300%
1	\$ 12,760	\$ 25,520	\$ 38,280
2	\$ 17,240	\$ 34,480	\$ 51,720
3	\$ 21,720	\$ 43,440	\$ 65,160
4	\$ 26,200	\$ 52,400	\$ 78,600
5	\$ 30,680	\$ 61,360	\$ 92,040
6	\$ 35,160	\$ 70,320	\$ 105,480
7	\$ 39,640	\$ 79,280	\$ 118,920
8	\$ 44,120	\$ 88,240	\$ 132,360

For families/households with more than 8 persons, add \$4,480 for each additional person.

**2021 FEDERAL POVERTY GUIDELINES (FPG)**

Household Size	100%	200%	300%
1	\$ 12,880	\$ 25,760	\$ 38,640
2	\$ 17,420	\$ 34,840	\$ 52,260
3	\$ 21,960	\$ 43,920	\$ 65,880
4	\$ 26,500	\$ 53,000	\$ 79,500
5	\$ 31,040	\$ 62,080	\$ 93,120
6	\$ 35,580	\$ 71,160	\$ 106,740
7	\$ 40,120	\$ 80,240	\$ 120,360
8	\$ 44,600	\$ 89,200	\$ 133,800

For families/households with more than 8 persons, add \$4,540 for each additional person.

**Q: One of the VDSS NAP requirements is that 75 percent of the organization’s revenue must be used for their ongoing programs each year. Due to COVID-19, our organization did not meet that requirement for 2020. Will the organization automatically be denied?**

A: No, the organization’s CPA must complete Attachments F & G – Adjustments to Revenue and Expenses. Submit the completed attachments with the application. NAP staff will review the application and all required documents to make a final determination of the organization’s eligibility. Send an email to [nap@dss.virginia.gov](mailto:nap@dss.virginia.gov) to request a copy of the Attachments F & G, if needed.

**Q: How do I determine if our organization needs to complete the audit, review or compilation?**

A: The audit, review or compilation requirement is listed in § 58.1-439.20 of the Code of Virginia.

- ✓ An **audit or review** is required if the organization’s revenue (including the value of all donations) is in excess of 100,000.
- ✓ A **compilation (detailed financial statements)** is required if the organization’s revenue is \$100,000 or less.
- ✓ Such audit, review, or compilation shall be performed by an independent certified public accountant.

**Q: Our auditor has not yet completed the audit, review or compilation for calendar year 2020, fiscal year 7/2019 – 6/2020, 10/2019 – 9/2020, 4/2019 – 5/2020, etc. Can we use numbers from the previous audit on the Certification of Income Levels Served report?**

A: No, the information provided on the Certification of Income Levels Served report must be for clients served for calendar year 2020, FY 7/2019 – 6/2020, 10/2019 – 9/2020, 4/2019 – 5/2020, etc. The numbers listed on the Certification of Income Levels can be unaudited numbers. The application will not be reviewed until the deadline to submit the audit has passed.

**Q: Is the audit, review or compilation due by May 3, 2021? Can we receive an extension if the audit, review or compilation is not completed by that date?**

A: The audit, review or compilation for the most recent year ended must be received by VDSS on or before June 2, 2021 by 5:00 p.m. Send the information by email after the application deadline has passed.

**Q: Our auditors have not yet completed the audit, review & compilation for 2020. Should we submit the 2019 audit with the application?**

A: No, do not submit the previous audit with the application. The application will not be reviewed before the June 2, 2021 deadline.

**Q: Should I submit the Federal Form 990 for 2019 with the application if the one for 2020 has not been completed?**

A: Yes, you may submit the Federal Form 990 for 2019 with the application. Email the Federal Form 990 for 2020 when it becomes available.

**Q: What documentation do I need to submit to prove our organization's registration with the Virginia Department of Agriculture and Consumer Service (VDACS) is in good standing?**

A: Provide a copy of the current registration approval letter, extension letter or letter of exemption filed with the Department of Agriculture and Consumer Services, Division of Consumer Affairs (VDACS), or copy of the documentation produced from the VDACS charitable organization database located at [http://cos.va-vdacs.com/cgi-bin/char\\_search.cgi](http://cos.va-vdacs.com/cgi-bin/char_search.cgi). In the event that the organization has not received the registration approval letter or extension letter, and the registration on the VDACS charitable organization database has not been updated, provide a copy of the completed VDACS annual renewal application and a copy of the cancelled check.

**Q: Do I need to submit a brochure detailing our programs with the application?**

A: Yes, submit a copy of a brochure, pamphlet or flyer detailing the organization's programs.

**Q: How do I know if our organization has an affiliated entity?**

A: The affiliated entity information will be listed in the organization's audit, review or compilation.

**Q: What documents do I need to submit for each affiliated entity?**

A: Email the completed affiliated entity information pages, a copy of the Federal Form 990 and a copy of Attachments F & G – Adjustments to Revenue and Expenses, if required to [nap@dss.virginia.gov](mailto:nap@dss.virginia.gov) on or before May 3, 2021 by 5:00 p.m. Email a copy of the audit, review or compilation for the most recent year ended on or before June 2, 2021 by 5:00 p.m.

**Q: Where can I find the affiliated entity documents?**

A: The information can be found on the VDSS webpage at <https://www.dss.virginia.gov/community/nap.cgi> under the "Announcements" heading located on the right hand side.