



NY RISING RECONCILIATION UNIT

Preliminary Award Recipients

What Is the Preliminary Award Initiative?

Launched in 2013, the Preliminary Award Initiative is an effort to provide aid to small businesses as promptly as possible. The Preliminary Award Initiative became available to small businesses until May 1, 2014, allowing applicants to provide a subset of the full application documentation in order to receive a \$10,000 Preliminary Award, which was conditional upon completing a full program application. The Preliminary Award documentation included personal identification, a voided check, a W-9, an electronic deposit form, Certification of Preliminary Award Eligibility and a signed Preliminary Award Grant Agreement.

The Preliminary Award Grant Agreement notes that the “grant is provided as early stage, bridge funding for certain Storm-related business expenses while the Business completes its application...the Grant may be used to pay for Storm-related expenses which have interrupted, or threaten to interrupt, normal business operations, or which have compelled, or threaten to compel, the Business to forgo business development activities and/or to dedicate time and resources to maintaining business operations in their community, applying for assistance and other Storm recovery activities...”

Preliminary Award Application Requirements

As a condition of receiving a Preliminary Award, you were required to sign a Preliminary Award Grant Agreement. The Preliminary Award Grant Agreement includes the necessary provisions to maintain a non-default status and states the requirement to repay funds when applicable:

COVENANTS OF BUSINESS.

The Business covenants that:

c. Repayment Obligations. Upon (i) the occurrence of an unremedied Event of Default (as described in Section 9) or (ii) a determination by Grantor or HUD that the Award was granted to the Business in contravention of the federal or state rules or regulations for the Program, the Business shall promptly repay the Award and/or such Program amounts determined by HUD or the Grantor to be due and payable.

As part of the Preliminary Award Grant Agreement, all Preliminary Award recipients were required to submit a full NY Rising Small Business Recovery Program application. The deadline to submit a full Program application was July 1, 2015. If you did not submit a full application by the deadline, you did not meet the conditions of the Preliminary Award Grant Agreement, and, therefore, your Grant was sent to the NY Rising Reconciliation Unit.

Another reason your Preliminary Award might have been sent to the NY Rising Reconciliation Unit is if you successfully completed a full application, but it was deemed ineligible for the Program, or if the approved full application award was less than the \$10,000 preliminary award. Please see the reverse side for additional information.

Preliminary Award Recipients: You May Owe Money to the Program if...

Scenario 1. Did not submit full application.

If you did not complete the full application, you are required to repay the \$10,000 Preliminary Award you have received from the Program. You are in default of the grant agreement you executed, which states: "Completion of Application: If Business fails to submit a completed Application and all required Information and/or documentation...Business hereby acknowledges and agrees that...failure or refusal to complete and submit the Application within the time period specified herein...shall be subject to any and all remedies...including repayment of the full Award to Grantor."

Scenario 2. Your application was ineligible.

If you completed the full application but were determined to be ineligible per Program policy (i.e., debarment, no unmet need, do not qualify as a small business, etc.), you are required to repay the \$10,000 Preliminary Award you received.

Scenario 3. Your approved documentation and/or unmet need does not meet \$10,000.

If you completed the full application and your approved documentation and/or unmet need do not equal a grant amount that is equal to the \$10,000 Preliminary Award that you received, you will need to repay the difference. For example, if your calculated grant award and related documentation only equals \$6,000, you will be required to repay \$4,000.

What you received	Reconciled Award	Difference
\$10,000	\$0	\$10,000
\$10,000	\$0	\$10,000
\$10,000	\$6,000	\$4,000

If any of these scenarios has taken place, you may have received more funding than your final Grant Award, and you may owe money back to the NY Rising Reconciliation Unit.

Sample Grant Reconciliation

Based on Scenario 3 from above.

Grant Award Calculation	
 Total Documented Losses	\$22,000
 Duplication of Benefits	\$16,000
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 Calculated Grant Award	\$6,000

Grant Payments Received	
Preliminary Award Payment	\$10,000
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Total Payments Received:	\$10,000
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 Grant Payments Received	\$10,000
 Calculated Grant Award	\$6,000
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Difference Owed by Business Owner	\$4,000

This document explains the reconciliation process for Preliminary Award recipients. If you received a full grant award and you have questions about the reconciliation process, please visit the Program website at <http://stormrecovery.ny.gov/business/small-business-recovery-program>.