

County of Santa Clara  
Board of Supervisors  
Supervisorial District Three  
Supervisor Dave Cortese



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100886

**DATE:** March 24, 2020

**TO:** Board of Supervisors

**FROM:** Dave Cortese, Supervisor  
Cindy Chavez, Supervisor

**SUBJECT:** COVID-19 Coronavirus Nonprofit Support Fund

**RECOMMENDED ACTION**

Consider recommendations relating to the allocation of \$1,000,000 to the Silicon Valley Community Foundation to support the COVID-19 Coronavirus Nonprofit Support Fund, and a temporary increase in indirect rates for all contracted nonprofit organizations.  
(Cortese/Chavez)

Possible action:

- a. Approve referral to Administration to take all actions necessary to expeditiously allocate \$1,000,000 to the Silicon Valley Community Foundation to support the Santa Clara/San Mateo County COVID-19 Coronavirus Nonprofit Support Fund.
- b. Approve referral to Administration to report to the Board of Supervisors on April 7, 2020 with analysis and recommendations related to increasing the indirect rates of all nonprofit contracted agencies for a three-month or other temporary period.

**FISCAL IMPLICATIONS**

The funds allocated to the Silicon Valley Community Foundation for this purpose and the costs to temporarily increase the indirect costs of nonprofit contracted agencies may be eligible for reimbursement through state or federal aid.

**REASONS FOR RECOMMENDATION**

The COVID-19 Coronavirus Nonprofit Assistance Fund planned by the Silicon Valley Community Foundation will collect and allocate funds to the nonprofit agencies of Santa

Clara and San Mateo counties affected by the crisis and the related public health actions.<sup>1</sup>

The safety net of Santa Clara is woven with County and non-profit agencies including community clinics, behavioral health providers, affordable housing organizations and others. Together, all these organizations and programs must strengthen even more during and after this crisis to deliver vital supplies such as food, help preserve housing for those who have suddenly lost their sources of income, and deliver psychosocial support to families and individuals as we face a period unprecedented economic and emotional stress in our lives.

San Jose and the region have seen unprecedented cancellations of sports and theatrical events. We have also been notified of scores of nonprofits having to make the decision to cancel scheduled events through which they receive a portion of their annual revenue. In many cases the nonprofits not only lose the opportunity to raise funds, they also incur prepaid or other unavoidable expenses related to these events. These events, which take place year-round, are essential to building kinship, sharing vital information, and supporting local businesses. These cancellations and the resultant loss of revenue are occurring at the exact time that the families that rely on our nonprofits will have even greater financial and psychosocial needs.

In addition to the provision of funds to the Silicon Valley Community Foundation, this referrals requests that the Administration consider whether a time limited increase to the indirect rates of all county-contracted nonprofits would effectively aid the organizations in other expenses beyond the reimbursement they receive for the provision of direct services. Examples might include increased janitorial costs to deep clean facilities, rent payments that might typically be supported in part by funds raised through events, and telecommuting expenses. An increase in the indirect rate and reimbursement is recommended as an action that would have limited administrative burden for the administration while it is focused on the COVID-19 response, and it is an action that provides proportionate additional support to our nonprofit partners.

## **BACKGROUND**

The County of Santa Clara executed an agreement with the Silicon Valley Community Foundation to provide a mechanism by which the County can allocate funds to the Silicon Valley Community Foundation during emergencies for allocation to organizations and individuals. The agreement has a current term of 2016 to 2021.

## **REFERENCES**

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- <sup>1</sup> <https://www.siliconvalleycf.org/blog/announcements/svcfs-response-covid-19-coronavirus-pandemic-message-president-and-ceo-nicole>

1. SVCF's response to COVID-19 Coronavirus Pandemic: A message from President and CEO Nicole Taylor: <https://www.siliconvalleycf.org/blog/announcements/svcfs-response-covid-19-coronavirus-pandemic-message-president-and-ceo-nicole>