



Destination Marketing Organization Grant Program

QUESTIONS & ANSWERS

September 20, 2021-Version 1

Program Summary

The purpose of this Program is to provide financial assistance to tourism-promotion and tourism-development organizations that are working to restore economic activity in Wisconsin following the COVID-19 pandemic. The State intends to award up to \$15 million in grants through this Program. Funding for this assistance is provided to Wisconsin by the federal American Rescue Plan Act of 2021. Additional details are available on the [Program Website](#).

Prior to contacting DOA please consult the Grant Announcement, Grant Application and this Question and Answer document available on the [Program Website](#).

U.S. Department of the Treasury American Rescue Plan Act guidance can be found [here](#).

FOR ALL QUESTIONS RELATED TO ALLOWABLE EXPENSES

DOA will execute grant agreements with successful applicants only after DOA determines that expenses and lost revenues included in an application are reasonably consistent with American Rescue Plan Act requirements and Program provisions. DOA's execution of grant agreements, however, is not dispositive of whether any particular cost meets the criteria set forth in the American Rescue Plan Act. Applicants retain responsibility for demonstrating eligibility of expenses and are required to hold DOA harmless for any audit disallowance related to the eligibility of costs, including repayment of ineligible amounts.

FOR ALL QUESTIONS RELATED TO APPLICANT ELIGIBILITY

DOA will not respond to inquiries regarding an applicant's specific eligibility. Each applicant is required to determine its eligibility based on program requirements provided in the Grant Announcement. However, DOA will accept and answer questions seeking clarification of eligibility requirements. DOA will determine applicant eligibility only during the application review process after the application deadline has passed. Applicants should carefully review Section 4.0 Eligibility Requirements of the Grant Announcement prior to applying.

Grant Clarifying Comments

1. The intent of the Program is to assist destination marketing organizations with funding needed to revitalize local and regional tourism industries that suffered economic setbacks due to the COVID-19 pandemic.
2. This program is NOT intended to reimburse organizations for lost revenue. However, cancellations of significant DMO-secured events such as conventions, trade shows, or sporting events during the pandemic will be used as one indicator of an applicant's need for funding to revitalize its community's tourism industry and will be taken into account in determining grant awards. See Section 6, Item 4, of the Grant Application for more information.
3. Funds should be used for tourism promotion and tourism development activities during the eligible grant period of 3/3/21 through 12/31/22.
4. There are two tiers of grant funding available, as set forth in Section 3.5 of the Grant Announcement. In general, eligible organizations may receive a grant not to exceed \$500,000 or 25% of the organization's fiscal year 2019 operating expenses, whichever is less. In addition, applicants that demonstrate they suffered a significant loss of bookings for meetings, conventions and sporting events drawing regional, national and international visitors in 2020 and 2021 may receive up to an additional \$500,000.
5. Total funding for this program is \$15 million. The amount of each grant award will be determined based upon the number of eligible applicants, the applicant's budget, the event losses experienced by the applicant, the applicant's answers to the narrative portion of the application (see Section 6 of the Grant Application), and ensuring that limited program funds are distributed equitably to the DMOs most in need.
6. Applicants must meet ALL of the eligibility requirements in Section 4.0 of the Grant Announcement. Three requirements of particular note are that an organization must:
 - a. "spend at least 51 percent of its budget on tourism promotion and tourism development;"
 - b. "provide destination marketing staff and services *for the tourism industry*;" and
 - c. "provide tourism promotion and tourism development services for geographic-based (community/county/regional/statewide) traveler destinations."

Questions & Answers

Program responses for each question are provided below. Please refer to the Grant Announcement which can be found here: [Destination Marketing Organization Grant Announcement \(Final\).pdf \(wi.gov\)](#) for clarification on any items not listed below.

1. For the Budget (Section 3): since the spend crosses 22 months in total, some of which are in the past, can I use 3/3/21-12/31/22 for the Anticipated Expense Date?

Response: Applicants may use any dates within the grant period for budget items.

2. Are lost revenues an allowable expense under this grant?

Response: No. The purpose of the grant is to provide eligible applicants with funding to support current and future tourism promotion efforts.

3. We are a destination marketing group. We sponsor some events and promote other events in our area. Many of them were cancelled in 2020. Do we fall into the category of Meetings, Conventions, and Sporting events for question 2.1.3.? Lost revenue would be an educated estimate.

Response: Applicants should answer question 2.1.3. if they think it applies to them. Question 2.1.3. asks each applicant to “list the meetings, conventions, trade shows or sporting events which had been secured by the DMO drawing regional, national or international visitors in 2020 and 2021 which did not take place due to the pandemic” and to describe the economic impact of each lost event.

4. How will the additional \$500,000 for meetings and conventions/sports be evaluated/awarded (based on the lost event list we provide)?

Response: DOA will award up to an additional \$500,000 to those applicants that demonstrate, as determined by DOA in its discretion, the most significant negative economic impacts during the pandemic. DOA will make awards based on the information provided by applicants within the parameters of the grant.

5. Can you please define what qualifies as operating expenses in terms of how much you can apply for (25%)? Does that include wages, taxes, promotional expenses, program expenses, rent, utilities, etc. or are there specific guidelines about what is a qualified expense?

Response: Operating expenses are all organizational expenses reported on 2019 tax returns.

6. I am a county office of Tourism & Economic Development. Do I submit my department's operating expenses or the entire county's operating expenses?

Response: Governmental agencies should submit only the departmental expenses for 2019.

7. We are a 501(c)(3) destination organization as a performing arts center. Are we eligible?

Response: It is not possible to make an eligibility determination without knowing more about your organization. Applicants must meet all of the criteria in Section 4.0 of the Grant Announcement to be an eligible applicant. Note that nonprofit independent arts organizations, standing alone, are not eligible. However, your organization might be eligible if it can demonstrate that it meets all of the requirements of Section 4.1.

8. We also have a hotel in our non-profit organization. Would the hotel be eligible?

Response: A hotel, standing alone, is not eligible. Applicants must meet all of the criteria in Section 4.1 of the grant announcement to be an eligible applicant. Among other things, Section 4.1.1. requires that an eligible applicant provide staff and services for the tourism "industry" in its community, rather than for one specific tourism business.

9. We are a small DMO that attracts visitors to regional events, but does not host or "secure" events. Can we list events hosted by others impacted by the pandemic?

Response: No. Please section 6.0 Narrative question #4 of the Grant Announcement, events should only be listed that are secured by the DMO.

10. What if the anticipated vendor changes and we contract with a different one? Is the expense still eligible?

Response: Yes, assuming the expense of the new vendor is equal to or less than the amount budgeted for the original vendor in the applicant's approved Budget (Section 3.0 of the grant application).

11. Can a Tourism Commission request funds to replace loss of revenue?

Response: No. Please see Section 7.1 of the Grant Announcement on eligible use of funds, the funds are not intended to replace the loss of revenue.

12. Can you elaborate or provide examples of how an organization determines if they spend at least 51% of its budget on tourism promotion and tourism development?

Response: The Program is focused on aiding organizations whose primary purpose is marketing their communities as a destination for tourism and tourist-attracting events

and whose budgets, as a result, should be largely devoted tourism promotion and development. While there are no specific requirements for how an applicant determines if they meet the 51% threshold, the applicant's authorized representative is required to attest to the accuracy of the applicant's expenditures.

13. Do we have to request the entire amount that is auto populated for us in the application?

Response: The Program will consider an applicant's grant request to be the lesser of 25% of the organization's fiscal year 2019 operating expenses or the amount shown in the Total Grant Amount Requested field in Section 3.2 Budget Summary of the Application. Applicants are instructed to enter amounts in the Anticipated Expense Amount column of Section 3.1, which results in the Total Grant Amount Requested field auto populating to sum the applicant's intended grant request.

14. I handle the tourism for the county that I work for. Tourism is just a program that the county offers...we don't get room tax funds to administer the program. Since more than 51% of our department funds aren't used for just tourism, I'm assuming we don't qualify. Is that correct? Any funds used for the program just come out of the general county budget.

Response: Applicants must meet all of the Eligibility requirements in section 4.0 of the grant announcement.

15. What if our organization was formed after 2019?

Response: Organizations formed after 2019 are not eligible for grants. The Program is intended to assist organizations that were in existence prior to the COVID-19 pandemic. Eligibility for awards requires 2019 operational expenses.

16. When would the meetings/conventions and sports promotion list of lost business NOT be applicable or would not apply?

Response: Applicants must meet all of the Eligibility Requirements in Section 4.0 and provide a response to question 2.1.3 of the grant application to be considered for the additional revenue for lost meetings, conventions, trade shows or sporting events.

17. Are staff salaries for promotional activities an eligible expense?

Response: Yes, if the promotional activity that the staff work on is an "Eligible Use of Funds." See Section 7.1 of the Grant Announcement for the list of eligible uses of grant funds.

18. Within our DMO organization we have two separate businesses with different tax id numbers. Do we submit them together on the application or two separate applications?

Response: Only one Tax ID number should be provided per application, if the organization has two separate business ventures each would need to meet the Eligibility Requirements in Section 4.0 of the grant announcement.

19. Can you give a few examples of approved expenses (i.e., advertising)? Section 7.1 of the grant announcement identifies a non-exhaustive list of categories of eligible expenses.

Response: The intent of the Program is to allow a broad range of expenses, as long as they are legitimately focused on promoting tourism in the DMO's community. Please see Section 7.1 of the Grant Announcement.

20. Will there be specific definitions for eligible expenses? How much must be detailed vs combined? Are motorcoach tour tradeshows/marketing included?

Response: Please see Section 7.1 of the Grant Announcement, applicants can group expenses for the budget as they choose.

Staff time to perform marketing and attraction activities - our organization has a position that 90% of the position's role is to promote tourism and coordinate marketing/promotions. Essentially, as I understand it, the majority of their wages would qualify - could you clarify? Please see section 7.1 of the Grant Announcement, wages are an allowable expense.

21. Milwaukee lost a large convention in 2020. Our City (located 5 minutes away) had every hotel room booked for the convention. When the Milwaukee convention was cancelled, we lost the hotel revenue. Can we claim the loss even though we were not the host city of the convention?

Response: A DMO is eligible to receive up to an additional \$500,000 per section 6.0 question #4 which requires the DMO list the meetings, conventions, trade shows and sporting events which the DMO *secured* and did not take place. If your organization did not secure the event you should not use that event to respond to the question.

22. There is no way I can list all the names of the lost conventions and sports tournaments plus economic impact in less than 300 words. What do I do?

Response: Applicants should list the largest events which did not take place and indicate that there are additional events which would apply as well.

23. Can you give examples of eligible expenses?

Response: The intent of the Program is to allow a broad range of expenses, as long as they are legitimately focused on promoting tourism in the DMO's community. Per

Section 7.1 of the Grant Announcement, eligible expenses include, but are not limited to, those associated with the following activities:

- Destination marketing, promotion and advertising activities aimed at attracting additional visitors
- Efforts to attract meetings, conventions, trade shows, or sports events (including salaries for non-governmental DMO's)
- Workforce development programs aimed at addressing the shortage of workers in the hospitality or tourism industry
- Training programs providing additional skills and tools to hospitality and tourism related businesses and workers
- Marketing safe travel ideas to potential visitors; showcasing activities and attractions taking the Wisconsin Travel Pledge; promotion of outdoor activities; campaigns and messaging around masks, social distancing and sanitization; and other COVID-19 response safety messaging.

24. Hello! Under 7.0 Budget, there is a bulleted list of eligible activities. Are we able to use funds for multiple activities in that list, or should the funds only go toward a single activity in the list?

Response: The eligible activities list in Section 7.1 of the Grant Announcement is provided to represent categories of eligible costs, an applicant may choose which items to include in their budget.

25. I work for a municipality with a Tourism Commission. We contract with two separate destination marketing organizations to market to outside visitors. Are we eligible to apply for funds?

Response: Applicants must meet all of the Eligibility Requirements outlined in Section 4.0 of the Grant Announcement.

26. What about a contractor's time (agency) to perform marketing related activities on behalf of the DMO?

Response: Please see Section 7.1 of the Grant Announcement regarding eligible expenses. If the contractor's time is being performed for the DMO to perform tourism promotion or development the expenses would be eligible.

27. Does the DMO need to be a regional organization, or can it be a chamber of commerce for a single city?

Response: Please see the Clarifying Comments above, specifically the response to question 6. Services to a single community can qualify assuming all other eligibility requirements are met.

28. Would website enhancement be an eligible expense, if the website is solely used as a marketing tool for the DMO?

Response: Yes, if the purpose is tourism promotion or development, please see Section 7.1 of the Grant Announcement regarding eligible expenses.

29. How are the questions & answers weighted? Stated in another way, which activities or losses are most important to earning funding?

Response: Applicant responses to application questions are not weighted. Please review Section 3.0 Application Selection and Award Process of the Grant Announcement for further information on application evaluation.

30. Are these for future advertising or past advertising?

Response: Applicants may submit a budget that includes costs incurred during the Eligible Expense Incurred Period (3/3/21 through 12/31/22).

31. Does each campaign need a budget line item or can we group by market segment?

Response: Similar expenses may be grouped. For example, salary and fringe for multiple staff performing similar duties may be combined on a single line.

32. The DNC was cancelled. We lost hotel room revenue but were not the host city.... do we still apply for this grant?

Response: The purpose of the grant is not to replace lost revenue, to determine if a DMO is eligible to receive up to an additional \$500,000 please see section 6.0 question #4 which requires the DMO list the meetings, conventions, trade shows and sporting events which the DMO *secured* and did not take place.

33. If applying for reimbursement for eligible expenses, when do those funds being replaced need to be expended? Can those funds go into a reserve account?

Response: Funds received from the Program need not be spent by a deadline. However, all funds received must be for costs incurred during the Eligible Expense Incurred Period (March 3, 2021 through December 31, 2022).

34. Does the DMO have to represent a region or more than one community in order to request the additional \$500,000 for meetings, conventions, sports events losses?

Response: No, as long as the DMO is the entity that secured the events. Please see the Eligibility Requirements in section 4.0 of the Grant Announcement.

35. Could you repeat where to find the full description of how to be sure you are an eligible DMO?

Response: See Section 4 of the Grant Announcement.

36. We are a small DMO that attract visitors to regional events, but does not host or “secure” events. Can we still apply for this grant?

Response: Applicants must meet all of the Eligibility Requirements in Section 4 of the Grant Announcement. There are two parts to the grant, a DMO does not have to apply for both. If your organization does not secure events, then respond N/A to question 2.1.3 of the grant application..

37. Could funds be used to subsidize housing needs to attract workers?

Response: See Section 7.1 of the Grant Announcement.

38. Just to be clear, this grant does not cover festivals or fairs?

Response: Please see question #4 in this document under Clarifying Questions. For the first tier of funding festivals or fairs may qualify, assuming the DMO meets all other Eligibility Requirements in Section 4 of the Grant Announcement, for the additional funding, they would not qualify.

39. If we received the PPP Loan for some of these losses can we use them on this form?

Response: This grant is intended to support tourism promotion and development, applicants should not apply for funds for which other state or federal grant programs provided funding.

40. Please be sure to state if received funds under Tourism Travel Grant for expenses, these are not eligible.

Response: Per Section 7.2 of the Grant Announcement, funds may not be requested for expenditures reimbursed or planned to be reimbursed from any other state or federal program, including but not limited to the Tourism Travel, Joint Effort Marketing (JEM), and Tourist Information Center (TIC) grants.

41. Just so I am clear - if we lost revenue/hotel stays due to another business or org convention, we should not apply for those losses?

Response: A DMO is eligible to receive up to an additional \$500,000 under Section 6.0 Narrative question #4 which requires the DMO list the meetings, conventions, trade shows and sporting events which the DMO secured and did not take place. If your

organization did not secure the event, you can not use the event to respond to this question.

42. Can funds be used for JEM Grant “match” in-kind expenses (not for reimbursement)?

Response: Funds should not be requested for expenditures reimbursed or planned to be reimbursed from any other program, including Joint Effort Marketing (JEM) and Tourist Information Center (TIC) grants. That extends to using this grant as match for other programs.

43. We file a 990-N. Any issue with that as the grant applications are reviewed?

Response: No. The fact that an organization files a IRS form 990-N itself, does not disqualify an organization. Applicants must meet all of the Eligibility Requirements in Section 4.0 of the Grant Announcement.

44. Would hosting a city-wide festival be eligible? We are a 501c6 entity. We pull in people from multiple states (before covid).

Response: DOA will not make eligibility determinations prior to the deadline for filing applications. Applicants must meet all of the Eligibility Requirements in Section 4.0 of the Grant Announcement.

45. Will we have to submit receipts or reports asking for reimbursement like the Tourism CARES grant in 2020? Is that the final report?

Response: Grantees will be required to submit a final report. Receipts will not be submitted to the Program, however all grant recipients must maintain for 5 years all records sufficient to demonstrate that its expenses complied with Program requirements.

46. We are a Qualifying 501c(3) Economic Development organization who does both economic and destination marketing; do we also have to show 51% of budget spent for tourism.

Response: Yes. Applicants must meet all of the requirements in Section 4.0 of the Grant Announcement, which means the organization needs to spend at least 51% on tourism promotion and/or tourism development

47. Are expenses covered by room tax able to be covered by this grant?

Response: The purpose of this grant is not to replace lost revenue, applicants can use the funds to pay for eligible expenses incurred during the grant period.

48. For advertising and marketing costs being reimbursed, do those activities have to be related to COVID or can it be general marketing?

Response: The purpose of this grant is to provide funding for tourism promotion and tourism development, marketing costs should be related to these activities.

49. What type of organizations are intended for this grant? Examples, please are Chamber organizations? Churches?

Response: Applicants must meet all of the Eligibility Requirements in Section 4.0 of the Grant Announcement.

50. For a government office, would operating expenses be wages, benefits, advertising costs, office expenses, phone, etc?

Response: Please see Section 7.1 of the Grant Announcement for a description of eligible categories of expenses. The intent of the Program is to allow a broad range of expenses, as long as they are legitimately focused on promoting tourism in the DMO's community.

51. Is that 51% of expenses for the current year or 2019?

Response: Applicants should provide 2019 operational expenses.

52. Once again: We are a small DMO that attract visitors to regional events, but does not host or "secure" events. Can we still apply for this grant?

Response: Applicants must meet all of the requirements in Section 4.0 of the Grant Announcement. There are two parts to the grant application, a DMO does not have to apply for both. If your organization does not secure events, then you should respond N/A to question 2.1.3 of the grant application..

53. We have two departments but file one 990. Is the 51% expenses per department or per organization 990.

Response: Applicants should use their organization's expenses, and must meet the Eligibility Requirements in Section 4 of the Grant Announcement.