Alaska’s Nonprofits: Three Considerations and Seven Requests to Include Nonprofits in the State’s Disbursement of CARES Relief Funding

The federal government will soon send $1.25 billion in CARES relief funding to state and local governments. Nonprofits are an essential part of Alaska life, and we strongly believe they should be included at every level of funding. As part of her testimony before the House Labor and Commerce Committee on April 25, 2020, Foraker President/CEO Laurie Wolf presented three considerations and seven requests related to funding and strongly encouraged Alaska leaders to implement them in their policies and procedures.

Three considerations for relief

First – We must plan for the future we want to see in our recovery and beyond.

Second – Time is critical, and support must occur in at least two phases.

Third – Recognize that many avenues are present within the CARES Act and there are many ways to support industries, sectors, and regions.

A summary of our seven recommendations

1. Say “nonprofits” – Recommendation: Every time you use the words “small business” in your relief response include nonprofits.

2. Support all small nonprofit businesses – Recommendation: Alaska’s solution should include all nonprofits that have been financially impacted by COVID-19. Recommendation: Create granting programs based on mission activity in Alaska not based on staffing as a qualification.

3. Grants, not loans – Recommendation: Create a separate granting option with a minimum of $50 million for nonprofits outside the state process.

4. If loans, make them accessible – Recommendation: Require equitable and appropriate access for nonprofits to any loan program created or mandated by the state. We welcome the use of Foraker’s recommended parameters for nonprofits to access a loan program.

5. Partner with local governments – Recommendation: Strongly encourage local governments in your district and in your overall guidelines to include nonprofits in both their direct and indirect funding decisions.

6. Adopt federal OMB flexibility – Recommendation: Ensure flexibility in state grants and contracts by following, at a minimum, the federal Office of Management and Budget COVID relief rules. Recommendation: Ask nonprofit leaders which of the temporary relaxed regulations can continue based on positive evidence during this time.

7. Be transparent to honor intent – Recommendation: Create a public-facing dashboard to show how nonprofits, small businesses, and local governments are benefiting from CARES dollars through the SBA, PPP, and EIDL programs and also from the $1.25 billion in state relief funds.