

To: House Health and Government Operations Committee
In Favor of: HB 1539 – State Grants Reform
Date: March 10, 2020
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Thank you for the opportunity to present this testimony on behalf of my Maryland nonprofit clients. I have worked as a fundraising consultant to nonprofit organizations in Maryland since 2000. Most Saltzberg Consulting clients are smaller nonprofits, with annual budgets in the range of \$250,000 to \$4 million.

Every year, at least four or five of my clients are confronted with a dilemma: the State has issued an RFP to provide funding for a program similar to something that they already offer or would like to offer. The first thought is, “Wow – this is GREAT” and we are flying high! Then we take a closer look at the RFP and the air is let out of the balloon. The RFP is 65 pages long. The amount of information that they are requiring is completely ridiculous and we have to submit it in a format that we’ve never encountered before, even though we’ve applied for funding from this same State agency in the past. The budget templates are 12 pages long and in a format that doesn’t match up with how we were required to create our line item budget a few months ago for a different State agency. And the due date is in 30 days. Yikes!

So then we have to perform a cost-benefit analysis around whether or not we should apply for the funding. *Is it going to be worth the hassle to spend 60-80 hours putting together this grant application for the amount of money that we might be awarded? And if it’s awarded, is it going to be worth the time and effort that it will take to comply with all the grant monitoring and reporting requirements?* Unfortunately, more often than it should, the answer to these questions is NO, and we end up forgoing the opportunity to apply.

Since my clients pay me by the hour, the time that we spend putting together an application such as the one described above can add up to thousands of dollars. And those dollars count towards their dreaded “administrative overhead,” which no funder wants to cover. Most importantly, this

is time and money that my nonprofit clients would much rather devote towards delivering their services to Marylanders in need.

Establishing a Council that would focus on standardizing the State grants process across agencies is a wonderful opportunity to find places where both grant application and grant reporting formats could be streamlined. A Council such as this one – made up of stakeholders from all sectors – would be a great way to examine the current landscape and look for ways to improve it, and I would be happy to serve on such a Council. In 2009-2010, I was the Nonprofits Representative to the Online Applications Working Group of *Project Streamline*, which was an effort by the Grants Management Council to do something similar for private foundations. That work carries on at PEAK Grantmaking (<https://www.peakgrantmaking.org/principles-for-peak-grantmaking/project-streamline/>), which found that both grant-seekers and grant-makers benefitted from the process.

Similarly with government grants, I anticipate that streamlining the grant application and grant reporting processes will save State agencies the time and energy of creating and re-creating RFP's, forms, and web portals, as well as the time and energy they spend monitoring grant awards. And nonprofit organizations would be in a much better position to expend their limited resources towards operating their programs and delivering their services instead of expending them on completing needlessly complex jigsaw puzzles.

Thank you again for the opportunity to present this testimony. Please contact me by phone or email if you need any additional information.