

To: Senate Finance Committee

For: SB 365 Department of Commerce – Nonprofit Organizations Navigator – Established

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Thank you for the opportunity to present this testimony <u>in favor</u> of establishing a Nonprofit Navigator within the Department of Commerce.

I have worked as a fundraising consultant for dozens of nonprofit organizations in Maryland since 2000, and I am submitting testimony on their behalf – as well as on behalf of the 40,000+

other nonprofits in the State of Maryland. With my assistance, over the years my clients have applied for and received dozens of grants and contracts from various state and local agencies and

departments.

That's the good news. The bad news is that my clients – any many other nonprofit organizations that I hear about – often run into issues that come up throughout the grants process. Some of the challenges that we have encountered include:

- An application process that is confusing, opaque, sometimes even nonsensical.
- Grant awards that are extremely slow to be processed sometimes taking several years (yes years!)
- Reimbursements that are extremely slow to be processed usually taking 4-5 months and sometimes even longer.

Here are just two examples:

• One of my clients was awarded a State bond initiative for capital improvements to their facility in June 2022. Many, many months went by over the next two years, during which time DGS staff were either unhelpful or unresponsive. The Maryland Historic Trust had already given approval for rehabilitation of the site, so this was one hurdle that my client did not have to overcome. All paperwork finally was approved in summer 2024, at which point my client was told that they had to start all over again in the fall and submit the same paperwork through the new grants portal. That was completed towards the end of 2024 and we were told that the next step would be to have the grant award go before the Board of Public Works. We have heard nothing since then.

Another client has a Nita M. Lowey 21st Century Community Learning Center grant from the Maryland State Department of Education. As of today, they are still waiting for reimbursement for invoices submitted last summer. This is not a new problem – MSDE has been slow with my client's reimbursements for years. These long overdue payments make it extremely difficult for the organization – and other organizations like them – to cover their ongoing expenses without running into cash flow and other financial challenges.

The result of all of these delays is that my clients and many other nonprofit organizations spend lots of time on logistical challenges that have nothing to do with running their programs and delivering their services to Marylanders in need. Having a Nonprofit Navigator – someone who can provide technical assistance and guide them through the challenges and complexities of government grants and contracts would be so very helpful.

Thank you again for the opportunity to present this testimony.