



Published on National Council of Nonprofits (<https://www.councilofnonprofits.org>)

Original URL: <https://www.councilofnonprofits.org/articles/state-and-local-fiscal-recovery-funds-nonprofit-projects-through-december-31-2023>

State and Local Fiscal Recovery Funds: Nonprofit Projects through December 31, 2023

By: Jessica Mendieta

About the American Rescue Plan Act

The American Rescue Plan Act enacted in March 2021 included \$350 billion in [Coronavirus State and Local Fiscal Recovery Funds](#) (SLFRF) that were distributed to state, territorial, metropolitan city, county, and Tribal governments, and non-entitlement units (cities, villages, towns, townships, or other types of local governments typically serving populations of less than 50,000). Under the [Final Rule](#), governments can use their SLFRF allocations on charitable nonprofits to (1) give direct assistance to nonprofits as *beneficiaries* trying to recover from the pandemic's impact on their organizations, and (2) hire nonprofits as *providers* of services to others on behalf of those governments. Governments must obligate their funds by December 31, 2024; any amounts remaining must be returned to the U.S. Treasury. Therefore, nonprofits hoping to receive SLFRF investments need to advocate now to secure this funding from their state and local governments.

Overview of SLFRF Nonprofit Allocations

The [data made available](#) by Treasury show how governments have used SLFRF to advance recovery from the pandemic, including information on projects that mention charitable nonprofits.

As of December 31, 2023, state and local governments report they collectively had obligated an estimated **\$11.9 billion of SLFRF on charitable nonprofits**, which is approximately **5.1% of their total allocated SLFRF dollars**. More specifically, 1,343 state and local governments identified 4,343 projects that directly or indirectly include nonprofits, which means that approximately **4.0% of projects include nonprofits** as beneficiaries or providers of services.

While nonprofits are eligible for SLFRF, the data reveal that governments have allocated most of their funds to other entities. Nonprofits must work with their governments to secure any remaining funds. Based on the data submitted by state and local governments, as of December 31, 2023, an estimated **\$89.9 billion in state and local SLFRF resources remain available**.

SLFRF Nonprofit Projects Within Each State

The number of SLFRF projects in each state that include nonprofits, as reported by state and local governments through December 31, 2023. Hovering over a state in the interactive map reveals the number of projects involving nonprofits, the amounts obligated to nonprofits, and an estimate of the remaining funds.

Flourish

Nearly seven out of ten (68.8%) nonprofit projects are under the [Negative Economic Impact](#) category that includes Assistance to Impacted Nonprofit Organizations. As the deadline to obligate funds approaches, many governments – after finding they have funds left to spend – are reallocating funds or reopening applications. This creates opportunities for charitable nonprofits to contact their local leaders and elected officials about SLFRF allocations.

Another 18.3% of projects are included in the [Revenue Replacement](#) category. Some governments opted to use their SLFRF resources for revenue replacement to gain more flexibility in how they spend their funds. For example, the City Council of

Winston-Salem City, **North Carolina** “voted to approve using revenue replacement for the full ARPA award received by the city. Using this method allows the city to better support nonprofit partners in the execution of critical community projects.”

SLFRF Nonprofit Projects

State Government Highlights

- **Pennsylvania:** The Commonwealth’s \$100.6 million Whole Homes Repairs Program assisted nonprofits or “governmental entities with home repairs required to ensure residential units are fit for human habitation, free from defective conditions of health and safety hazards, free from preventative measures inhibiting the improvement of energy or water efficiency, and lowering utility costs.”
- **Utah:** The state allocated \$5 million for the Create in Utah Grants to support “arts organizations and museums including cultural, zoological, and botanical organizations that have been impacted by the COVID-19 pandemic. Grants will be provided to nonprofit and some for-profit arts and culture organizations in Utah that have experienced negative economic impacts caused by the public health emergency.”
- **Wisconsin:** With Beyond the Classroom Grants, a \$51 million program, the state provided funding to nonprofits that “offer educational and support services to children between 5 and 17 years old. Funding is used to increase enrollment capacity, additional learning opportunities, and increased mental health supports.”

State governments funding the most nonprofit SLFRF projects (excluding local governments) as of December 31, 2023:

1. Connecticut: 65
2. Vermont: 61
3. Colorado: 34
4. Missouri: 29
5. North Carolina: 16

Local Government Highlights

- **Oakland County, Michigan:** The county's Mental Health Nonprofit Grant Program provided \$10 million in grants to nonprofits providing "mental/behavioral health services and associated support services with a goal of increasing the capacity of these organizations to meet the growing demand for services."
- **Cleveland, Ohio:** Recognizing that a food bank operating beyond capacity had been forced to rely on off-site storage space, the city invested \$5 million to expand its facilities. The city determined it was a "particularly well-suited use of ARPA funds because it is a non-recurring expenditure that will provide benefits over many years. Furthermore, since the Food Bank partners with over 1,000 partner agencies to serve more than 343,000 people across our service area, the expansion will be felt far and wide."
- **King County, Washington:** The county awarded \$6.2 million in SLFRF grants to "organizations and individual cultural and creative workers in King County that have been adversely affected by closures, cancellations, and loss of work during the COVID-19 public health emergency."

Local governments funding the most nonprofit SLFRF projects as of December 31, 2023:

1. City of Tulsa, Oklahoma: 83
2. Hendricks County, Indiana: 53
3. York County, Pennsylvania: 52
4. City of Somerville, Massachusetts: 48
5. Warren County, New York: 43

Other Nonprofit Projects

- **City of Phoenix, Arizona:** The city's \$2.8 million in Nonprofit Arts and Culture Stabilization Grants provided "two-years of funds to help nonprofit arts and culture organizations manage their operations, personnel, and programming as they welcome back audiences, guests, and patrons to their services. The program awarded recovery grants to eligible organizations of all sizes who demonstrate intent, commitment, and strategies to sustain well beyond the COVID-19 pandemic."
- **Martin County, Florida:** The county committed \$1.9 million to "assist eligible nonprofit agencies and nonprofit food pantries/soup kitchens in Martin County

by providing food and sundries at no cost for free distribution to economically disadvantaged residents in Martin County.”

- **Livingston County, Illinois:** The county obligated \$6.9 million to several nonprofits that “struggled over the last 2 years to help households in our community. There will be help for rent, mortgage and utility payments, mental health services, job training, reimbursement of wages for public safety workers, premium pay for child care workers, education services to youth struggling in school,” among other purposes.

Next Steps for Nonprofits

The SLFRF Final Rule makes it abundantly clear that charitable nonprofits are eligible for these funds as beneficiaries and providers of services on behalf of governments. However, nonprofits are not automatically entitled to these funds, so advocacy is essential to secure investments before the end of the year. Below are some tips on how charitable nonprofits can still access funds:

- Browse the data from this national [dashboard](#) or local government websites to determine approximately how much funding is left in your local government(s).
- View [successful examples](#) of how governments have used SLFRF to partner with charitable nonprofits through grant programs, direct grants, or contracts.
- Attend and actively participate in government council or committee meetings to advocate for SLFRF resources. Decisionmakers need to hear how the pandemic continues to impact your nonprofit and community, and how you will use those funds to advance your mission.
- Draft a SLFRF proposal, using an [advocacy template](#) explaining nonprofits’ eligibility, the approaching deadline to obligate funds, and how your nonprofit would use the funds to advance solutions in your community.
- Contact your Mayor, City Manager, City Council, or any office involved in the budget process to ask about the State and Local Fiscal Recovery Funds. If an email address is not available, then a phone call can make all the difference.

For more information on how to advocate for SLFRF, see [Accessing State and Local Fiscal Recovery Funds](#).

About SLFRF Public Data

In accordance with the U.S. Department of the Treasury's SLFRF [Compliance and Reporting Guidance](#), the largest SLFRF recipients (states, territories, and metro cities and counties with a population over 250,000 or an allocation over \$10 million, and non-entitlement units of local government allocated more than \$10 million) must submit quarterly reports – other recipients submit reports annually. The [data published by the Treasury Department](#) show how governments have partnered with charitable nonprofits through relief programs, contracting them as providers of services, and other projects. This analysis focused on SLFRF projects that mention “nonprofits,” “non-profits,” “not for profits,” or “not-for-profits” in all 50 states and the District of Columbia. The next Treasury data release will include 2023 data for governments with a population below 250,000 residents that received less than \$10 million in SLFRF resources.