



Models for Capacity-Building for Local Governments + Nonprofits

Federal funds have flowed to every community in the nation through the American Rescue Plan, and more funds are available through the Bipartisan Infrastructure Law, the CHIPS Act, Inflation Reduction Act, and ongoing federal funding streams. Federal funds can make a huge impact on communities, but a lack of capacity at the local level can stand in the way.

For small or under-resourced local governments, it can be a lack of capacity to find available funds, write grant applications, compile data, engage the community, and undertake reporting. Additionally, they can struggle to stand up new programs and staff those programs. On the nonprofit side, again there are issues of capacity to do grant applications and reporting, as well as capacity constraints to break through and build relationships with governments and capacity to understand the timeline and the opportunity.

Below are examples of technical assistance and capacity-building programs aimed at local governments and nonprofits to break down these barriers. Several of these models are in the early stages, but evaluation of their impact could identify best practices and scale models. Identifying and scaling the right supports for local governments and nonprofits with attention to racial and geographic disparities will be critical to achieving equitable outcomes.

How is SEAP Helping?

SEAP focuses on broadening economic power in the 12-state Southern region. We constructed the [Federal Funding Outlet](#) to assist local governments and advocates in seizing the opportunity presented by the American Rescue Plan, Bipartisan Infrastructure Law, and Inflation Reduction Act. In the Outlet, we gather best practices and resources, and we provide toolkits and guides on equity and engagement. SEAP participated in one of the US Census Bureau's "The Opportunity Project" challenges to build technology solutions that could increase access to federal funds. We launched the [Federal Grant Finder](#) to help small local governments and nonprofits identify funding opportunities.



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Los Angeles County's [Equitable Recovery Initiative](#)

A consortium of government and philanthropy have launched the Equitable Recovery Initiative to assist LA County nonprofits (primarily BIPOC-led and/or serving nonprofits with budgets under \$2.5 million) in accessing LA County American Rescue Plan opportunities. The Center for Nonprofit Management and BDO FMA will provide the capacity-building assistance, which includes grant writing, evaluation, grants management, finance, and accounting.

Hope Credit Union's [Community Development Program](#)

Hope Credit Union, a CDFI serving Deep South states, formed a technical assistance team to assist small local governments with new federal funding opportunities. This builds on their long-standing community development programs that assist small, rural communities with strategic planning, visioning, and capital access. They have retained former mayors to assist local governments with infrastructure grant applications and develop the business case for their communities. They have also retained CPAs to perform or update local governments' audits, which are a critical component of many grant opportunities.

Dogwood Health Trust's [Leverage Fund](#)

While most of the examples highlighted here focus on recent federal funding streams, Dogwood Health Trust's Leverage Fund offers a model of ongoing capacity-building, grant-writing support, and post award compliance for nonprofits and municipalities. Dogwood's Leverage Fund serves an 18-county region in Western North Carolina and pays for professional grant writers to support area nonprofits in assessing grant opportunities and writing applications. Additionally, Dogwood partners with [WNC Nonprofit Pathways](#), a technical assistance organization, to provide other supports to the nonprofits and municipalities.

National League of Cities' [Infrastructure Bootcamp](#)

NLC, Bloomberg, and several other organizations have launched bootcamps aimed at assisting more than 2,000 small and mid-size cities with grant applications for the Bipartisan Infrastructure Law over the next two years. The program offers coaching, peer-to-peer learning, subject matter experts, templates, and example submissions, along with other aids. The bootcamps will also assist cities in incorporating federal priorities around equity and sustainability into their applications.



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Federal Government's [Rural Partners Network](#)

Certain federal agencies and commissions, such as the Appalachian Regional Commission, have technical assistance programs that aid local governments and nonprofits in seeking federal funds. A new network approach is the Rural Partners Network, an alliance of federal agencies and commissions coordinated by the USDA. This approach places additional federal staff in rural communities to assist with fund identification and technical assistance. The initial locations are Alaska, Arizona, Georgia, Kentucky, Mississippi, Nevada, New Mexico, North Carolina, Puerto Rico, West Virginia, and Wisconsin.

Melville Charitable Trust's [Partnership for Equitable and Resilient Communities \(PERC\)](#)

The PERC initiative seeks to “ensure federal resources target equitable solutions so that low-wealth, disinvested Black, Indigenous and Latinx communities have the resources they need to live fulfilled lives.” National and local philanthropic sources are bringing up to \$5 million to a selection of cities across the country for capacity building. This includes funds for staff and community participants, as well as technical assistance on federal funds, credit and capital opportunities, program evaluation, peer learning, and communications support. One important feature is technical assistance on combining or braiding different federal funding streams to fund projects.

The Center at Sierra Health Foundation's [Community Economic Mobilization Initiative \(CEMI\)](#)

Focused on California, CEMI will assist nonprofits in building their capacity to influence funding decisions and community engagement around ARP, BIL, and other federal funding streams. Their goal is “to advance equity, inclusion and the goals of federal and state climate-resilient economic development initiatives.” CEMI will provide technical assistance and training, grant opportunities for leveraging public investments, and an advocacy network and peer learning. CEMI is collaboratively sponsored by six foundations and managed by the Center.



Recommendations Across the Ecosystem

For Nonprofits: How to Vet Grant Writers

A lot of nonprofits do not have \$15,000 upfront to pay a grant writer for what might be a long-shot application. Thus, it is critical to vet grant writers or work with programs such as those listed above to identify a qualified grant writer. Here are a few key questions to ask when vetting:

1. Does the grant writer have experience with this particular federal funding stream? For how long? If this is a new funding stream, what other federal grants has the grant writer pursued, and is there alignment (e.g. the same agency or department) with this funding stream?
2. What are their networks or relationships? Where do they get information about funding opportunities, and who can they turn to with questions about the grant opportunity?
3. Can they provide examples of successful applications? What is their success rate?
4. Can they provide references?

For Funders: How You Can Help

1. Support technical assistance to increase access to federal funding opportunities. This can take several forms, as demonstrated in the models above, but one-on-one support appears to be key. This type of support is not just for major national foundations, but can be an approach taken by community foundations and local/regional foundations, as seen in the LA County and Western North Carolina examples.
2. Support research into the impact and best practices for expanding access to federal funds. What models work best for small, rural communities, for example? What models work best for grassroots organizations?
3. Build the network of support. Industries such as the defense industry, which has enormous federal funds opportunities, have networks for bids and grant management. Philanthropy can landscape what exists in supports for other federal funding streams, identify gaps, and fund network-building of those critical TA supports.



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For the Federal Government: How to Make the Process Easier

The newly-created [Interagency Community Investment Committee](#) (ICIC) seeks to improve coordination of “federal programs that facilitate the flow of capital and the provision of financial resources into historically underserved communities, including communities of color, rural communities, and Tribal nations.” The ICIC brings together the Department of the Treasury, Small Business Administration, Department of Commerce, Department of Transportation, Department of Housing and Urban Development, and Department of Agriculture to coordinate, in part, around the American Rescue Plan and Bipartisan Infrastructure Law.

Based on SEAP’s recent [research](#) on local implementation of ARP State and Local Fiscal Relief Funds, as well as ongoing federal competitive grants processes, we provided the ICIC with the following recommendations on making federal funds more accessible:

1. **Demystify Grants By Publishing Successful Grant Applications:** One of the most persistent requests we hear on competitive federal funds processes is access to successful applications. We believe the publication of successful federal grant applications on usaspending.gov would offer an immediate advancement in the ability of smaller, lower-resourced communities to gain access to federal grant opportunities.
2. **Set Realistic Expectations On The Opportunity:** This could be achieved by developing a brief pre-application to protect applicants from spending time on unlikely grant opportunities. Additionally, the grant process could define the odds so that groups do not spend valuable time on long-shot opportunities. Federal liaisons could help organizations understand how special competitive grants overlap timelines with regular grants so that organizations know what to pursue.
3. **Mandate And/Or Define Equity, Engagement, And Transparency:** Scoring practices in federal funds could better define and incentivize equity and engagement practices. State and local governments could be required to publish plans with a period for public feedback before submission to the federal government. In reporting templates, federal agencies should prompt smaller jurisdictions to report on equity and engagement, even if it is optional. Additional suggestions include federal equity standards, better deadlines and milestones for showing forward-looking plans (rather than after-the-fact expenditures), and requirements for public-facing dashboards.



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4. **Provide Technical Assistance And Learning Opportunities:** As certain federal agencies already do, scores should be provided to applicants so they understand their strengths and weaknesses. It would be useful to publish scores of other applicants and members of the review panels. LDDs and CDFIs are examples of institutions where additional technical assistance providers could be housed because they are already embedded in communities, serve as a point of contact for federal resources, and house critical functions like data collection and analysis. Regional webinars with more time for Q&A would assist groups as well.
5. **Provide Funding For Effective Implementation:** Local governments and community-based organizations need funding for evaluations, technical assistance, community navigators, community organizing, and data collection, as was allowed by the American Rescue Plan funds. Staffing shortages impact implementation throughout the ecosystem.
6. **Enhance Clarity And Uniformity In Rules Across Funds:** Access to federal funds would be strengthened and streamlined by uniform definitions and standards across federal funds and better clarity for the subgranting process.
7. **Coordinate With And Strengthen Regional Commissions:** The Appalachian Regional Commission, Delta Regional Authority, and the newly-forming Southeast Crescent Regional Commission offer vital infrastructure in some of the most historically underserved areas of the nation. With adequate funding and staffing, these commissions can offer key linkages between local community development and federal resources. In May 2022, we published [research](#) by five Southern scholars on the opportunities for the Southeast Crescent Regional Commission, in particular, as it becomes fully operational in the coming years.