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The State and Local Fiscal Recovery Funds Obligation Deadline Looms. Have You Done All You Can Do?

By: Jessica Mendieta

Many people are already receiving automatic replies or requests to circle back on action items and other issues sometime after the holiday season. But one thing that governments and charitable nonprofits cannot revisit next year is the December 31, 2024, deadline to obligate [State and Local Fiscal Recovery Funds](#) (SLFRF) under the American Rescue Plan Act. On January 1, 2025, billions of unobligated funds will have to be returned to the U.S. Department of the Treasury, meaning that nonprofits will lose access to a funding source to address workforce shortages, decreases in revenue, increases on operating expenses, and other challenges that SLFRF can help address. Missing this opportunity does not have to happen, but action is needed now!

As of today (Dec. 2) there are only **29 days** left to secure funding. Time is of the essence to develop and execute your advocacy plan, or try again, before it is too late. Most charitable nonprofits are eligible for SLFRF as beneficiaries, since they experienced negative economic impacts from the pandemic, and/or as providers of services carrying out projects to advance recovery in communities.

How Do We Know the Funds Are Not Gone

Over the last three years many government staff and elected officials have said “the funds have been spent” or “there is no money.” That may have been the case when they said it, but since then, it is possible, and even likely, that circumstances changed.

- An approved project could have been cancelled, or the amount obligated was greater than the actual expense, leaving some additional funds for governments to re-obligate; or send back to the federal government come 2025.
- Another possibility is that no decision was made about SLFRF resources and now there is a rush to find eligible uses for the funds.

Either way, it doesn't hurt to reach out to your local budget/finance office and ask about the status of SLFRF resources and whether there are any unobligated funds. If you find out that all the funds have been obligated, suggest they create a waiting list, with your proposed project as first in line.

Nonprofit Advocacy and Your SLFRF Proposal

Charitable nonprofits can secure SLFRF resources from various governments – from your town to state/Commonwealth – if you can show you provide services in their communities. If you find out there are funds available in those governments, there are plenty of opportunities to submit a SLFRF proposal. Resource development professionals recognize this is one of the more flexible proposals; others will realize you advocate for your nonprofit every day and can tell your story just as easily. Here are some items to include based on a [template](#):

1. About SLFRF: briefly mention that charitable nonprofits are eligible for SLFRF and the Dec. 31, 2024, deadline to obligate funds.
2. About your nonprofit: describe your mission and impact, highlight any recent accomplishments, and briefly explain how the pandemic impacted your nonprofit and community (changes in demand for services, operating costs, or employee and volunteer recruitment and retention).

3. The proposal: explain the proposed program or project that SLFRF would support; connect the challenges in your community to your nonprofit's role in advancing solutions.

Now What?

Once written, nonprofits can send their SLFRF proposal to their elected officials, county commissioners, city managers, and other local leaders to let them know you are following this issue and can be a partner, not just for this program, but in the future. This is no time to be shy; reaching out to any and all potential supporters in government is key. If any public meetings are scheduled for this month, you can also use the template for testimony to advocate for funding.

Recent Nonprofit Successes

While many governments are wrapping up their work on SLFRF, others are still announcing opportunities for nonprofits and partnerships. These examples can be shown to your governments as proof the work continues and it is not too late to obligate funds or re-obligate any from other projects.

- On November 18, the Town of Trumbull, **Connecticut**, [announced](#) a second round of grants to local nonprofits providing services and carrying out projects and programs that address challenges stemming from the COVID-19 pandemic. Applications must be [submitted](#) by December 5, 2024 and the maximum grant is \$10,000.
- The Metropolitan Council in Baton Rouge, **Louisiana**, considered a [budget amendment](#) for \$2.5 million for initiatives and projects that would include a \$225,000 allocation to the Boys and Girls Inspiration Center and \$140,000 for community programs.
- Williamsport, **Pennsylvania**, City Council President Adam Yoder [stated](#) that the work before the December 31 deadline is to “reallocate money from projects that came in under budget.” He estimated that the unobligated amount as of early November was “closer to less than \$1.5 million.”
- The Cleveland County, **Oklahoma**, Board of Commissioners recently [allocated](#) a total of \$225,000 to two local nonprofits after conducting interviews in the community to inform their decision.

The State and Local Fiscal Recovery Funds program is a once-in-a-lifetime opportunity for nonprofits. Only a few days remain to advocate and there are plenty of resources to shape your proposal and advocacy plan (see [Accessing State and Local Fiscal Recovery Funds](#)). There's still time to add one more win for your nonprofit and community before the year ends.

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