

April 23, 2020

The Honorable Bill Lee
Tennessee State Capitol
Nashville, Tennessee 37213

RE: ERG Nonprofit Subcommittee Safeguarding Recommendations

Dear Governor Lee,

We are grateful for your leadership during this unprecedented time and know that the safety and health of every Tennessean is your primary motivator. Thank you for turning to this group of nonprofit leaders from across the state for guidance in developing strategies to reopen our organizations in a measured and safe manner. Though our missions vary, our shared goal is to get our employees back to work so that we can fully serve our clients. We are especially mindful of those individuals with urgent needs caused by this crisis as well as the many tornados that have ravaged our state. We are here to be partners to the State of Tennessee and supporters of every Tennessean in need.

Current State of the Industry. Tennessee has an estimated 15,000 nonprofits **representing nearly 10% of Tennessee's workforce**. Since mid-March, almost all nonprofits have been operating remotely and at far less than 100% capacity. Their ability to provide service to those in need has been compromised through distance, closures, and reduced workforce. Many have decreased salaries, furloughed, or laid off employees.

Not only did the COVID-19 situation emerge in prime season for fundraising events (now canceled or postponed), many nonprofits have already seen a steep decline in contributions. As a sector, we **cannot expect to rely on private philanthropic dollars at the same level** as we brace for a potential depression.

Though we've seen creativity and an entrepreneurial spirit in adapting to virtual work and service, the size and scope of our work has been reduced at a time when **the needs are greater than ever**. Yet despite these barriers, Tennessee's nonprofits have boldly stepped up in response to COVID-19 to serve their communities, to protect public health, and to support their own employees.

Safeguarding Standards and Business Considerations. The time to implement a safe, structured, and strategic plan for reopening is nearing. The agencies represented by this subcommittee and thousands of other nonprofits across the state are creating new ways of operating that will allow us to fulfill our many missions.

Many nonprofits will fall under the guidelines developed by other ERG Subcommittees, e.g.

Tourist Attractions, Restaurants, Staffing/HQ/Professional Services, Healthcare, etc. We have not attempted to recreate those guidelines. There are, however, some safeguarding considerations unique to the nonprofit sector. Our efforts are concentrated on helping organizations to reopen while actively setting protocols to **prevent a rebound of the illness**. The key considerations are outlined below.

Key Safeguarding Standards:

- We ask the State to provide online training or partner with nonprofit support organizations such as Center for Nonprofit Management, Momentum Nonprofit Partners, Venture Forward, and Alliance for Better Nonprofits to provide guidance on reopening and safety procedures. This includes training for clear execution for leaders with official materials from the state including checklists, agreements, and messaging assistance. As well, it would be helpful to have online resources to train staff on safety protocols.
- Because nonprofits convene stakeholders such as clients and donors, specific guidelines on gatherings are needed. This includes number of attendees allowed and/or physical distancing requirements at meetings, convenings, conferences, town halls and other events.
- Assistance in and funding for procurement of PPE, thermometers, and rapid testing in order to help ensure no rebound in positive cases. Nonprofits must protect their employees, volunteers, and clients.
- Nonprofits are concerned about the most vulnerable communities falling through the cracks and receiving inequitable services. The provision of testing center “outposts” in low income communities, vulnerable communities, or COVID-19 hotspots that do not require long commutes to hospitals or nonprofits are needed.
- Low income communities may not have internet services or equipment for virtual interactions with nonprofits, schools, and other service organizations. We ask that the state provide funds and/or tax incentives to increase program accessibility and beneficiary interaction in low income communities.

Key Business Considerations:

- Government contracts need to be amended to include extensions and redirection of restricted funding to operation support as needed. Additionally, we request that Tennessee government agencies continue to pay on contracts and grants with nonprofits even if they are underperforming due to temporary closures and suspension or reduction of services associated with COVID-19.
- With reduced income, nonprofits unfortunately wait for payments. Consider instituting an expedited or automatic approval process for budget modifications that does not increase the contract total to allow nonprofits to move budget-line items associated with existing contracts to new COVID-19 related priorities.
- Similarly, we stress the importance of structuring any plans to provide loans, financial

assistance, insurance protections or other relief for businesses so that nonprofits are also covered or eligible.

- If funding is available from the Federal Government, pass it through as possible to fund services.
- Tennessee is one of the only states in the United States without a state association for nonprofits. These state associations are typically funded in part by state governments. In lieu of a state association, provide support and resources to nonprofit support organizations such as Venture Forward, Center for Nonprofit Management, Momentum Nonprofit Partners, and Alliance for Better Nonprofits to serve as information hubs for the nonprofit sector.

We believe that as the economy recovers, so will nonprofits. Thank you for considering the unique needs of our business sector. As nonprofit leaders, we look forward to working with you to help Tennesseans thrive again and appreciate your consideration of these safeguarding recommendations.

Sincerely,

Jerry Askew	Alliance for Better Nonprofits (Knoxville)
Matthew Bourlakas	Goodwill Industries of Middle Tennessee
Cathy Cate	Leadership Tennessee
Anne Cooper	Appalachian Regional Coalition on Homelessness
Robert Craig	Reelfoot Rural Ministries (Obion)
Marshall Crawford	The Housing Fund (Nashville, serving statewide)
Kevin Dean	Momentum Nonprofit Partners (Memphis)
Abby Garrison	Venture Forward (Chattanooga)
Jose Gonzalez	Conexión Américas (Nashville, serving statewide)
Mike Hamilton	Former Director of Multiple International Christian Non-Profits HQ in TN
Tari Hughes, CHAIR	Center for Nonprofit Management (Nashville)
Raul Lopez	Men of Valor (Nashville)
Justin Miller	Slingshot Memphis
Dub Oliver	Union University (Jackson)
Matt Overby	Summit Leadership Foundation (Johnson City)
Ronda Paulson	Isaiah 117 (Knoxville)
Alizza Punzalan-Randle	YWCA Knoxville and the Tennessee Valley
Dave Worland	Governor's Office of Faith Based and Community Initiatives