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Press Release

"Rushern Baker Administration Poor Handling of Grant Funds"

Prince George's County, MARYLAND Tuesday, July 31, 2018: Despite numerous attempts for a more transparent and fair system when it comes to awarding grants in Prince George's County, the County Executive Office has failed the tax payers. Groups are getting funded who are not in compliance with the state and/or IRS, tax dollars are being used to fund entities outside of the County, very little is earmarked for technical assistance to help nonprofits build capacity and form partnerships, and, we are not leveraging our grant dollars to go after more federal and state funding opportunities.

In the last round of FY 2018 Community Partnership Grants under the County Executive's office, 21 of the organizations awarded, are not in good standing with the State of Maryland. And in FY 2017 an organization was awarded \$20,000 and another \$20,000 in FY 2016, despite their 501(c)(3) status being revoked by the IRS.

The County Executive's Office also gave money to organizations headquartered outside of Prince George's County, when we have groups in the county capable of doing similar work. For example in FY 2018 we gave **\$304,500 to 25 groups**, and in FY 2017, **\$312,000 to 13 groups** in DC, Baltimore, Bethesda, Gaithersburg, Rockville, Takoma Park, and Alexandria for a **total of \$616,500** in the past two years.

We are bringing attention to this matter because we do not want to see a repeat of this behavior in the new administration. We can not continue to give money to groups who are "politically connected" and not held by fair standards.

Another example of poor oversight is the [Prince George's County Local Development Council Grant](#) which was put in place to provide grants to the community impacted by MGM. The County Executive Office's has a

liaison to this Council but Nathaniel Tutt must be asleep at the wheel. In May 2018 the Local Development Council asked candidates who made it to the 2nd round to provide a presentation before the Council. Below are a number of concerns we observed with the process:

- (1)None of the Council members were taking notes.
- (2)There was not a point system in place to evaluate presentations.
- (3)Many of the participants lacked the capacity and technical skills to provide presentations, and content delivery was poor.
- (4)During the presentations, some of the Council members fell asleep.

The result was that one organization, not in good standing with the state of Maryland, was awarded \$35,000 despite this being one of the requirements for submission of the grant. And, it appears a number of recipients were beneficiaries of grant funds despite delivering weak presentations and not being able to articulate outcomes, an implementation plan, or strategy.

In closing, we are disappointed in the administration of grants under Rushern Baker's leadership and, thus are calling for the following changes to improve the process:

- (1) matching of priorities and needs before we award grant funds
- (2) an audit of all entities who received a grant of \$25,000 or more in the past 3 years to report on what they have done with the money before they are awarded any more funding
- (3) the forming of a grants office whose personnel has the expertise to write, administer, and oversee outcomes of grant funds
- (4) the removal of politics out of the process -- we can not have elected officials, their colleagues and friends, greek brothers and sisters, and/or relatives in the back room steering grants.
- (5) stop allowing county grants to be the only source of funding for small groups, but instead, help them to build capacity, diversify their revenue, and go after other grant opportunities

Formed in 2011, the mission of the [PFC Coalition](http://www.pfccoalition.org) is to develop the capacity of nonprofit and minority businesses by providing assessment, support and expansion services. We have become one of the largest and fastest growing nonprofit membership organizations in Prince George's County with over 300 members.