



Fed program addressed nonprofits' funding needs as pandemic hit

by: Victoria Rosengarten

August 24, 2020

Fed program allows community organizations affected by the coronavirus outbreak to apply for connections with potential funders.

The country started seeing effects of the coronavirus pandemic immediately. Small businesses and nonprofits were among the first to voice concern and a need for funds.

Quickly the Federal Reserve Bank of Kansas City began to coordinate efforts to launch a special virtually conducted series of its signature program, [Investment Connection](#). The purpose was to connect funders with nonprofits affected by COVID-19.

“It was important for the Kansas City Fed to expedite the Investment Connection programs during this unprecedented time,” said [Tammy Edwards](#), Kansas City Fed senior vice president of Community Engagement and Inclusion and the director of the Bank’s Office of Minority and Women Inclusion. “This community development initiative assists organizations in providing essential services to the underserved and underrepresented.”

Tenth District community organizations affected by the coronavirus outbreak, with proposals that would receive Community Reinvestment Act (CRA) consideration, could apply for the chance to connect with potential funders.

“The devastation is demanding that government, nonprofits, and other organizations think broadly and creatively to address the growing needs of households and businesses across the nation,” Federal Reserve Governor Lael Brainard said during welcome remarks for the May 5 Investment Connection. “The Community Reinvestment Act is a powerful tool to bring stakeholders together to find solutions that serve the needs of low- and moderate-income communities.” Senior Community Development Advisor [Ariel Cisneros](#), who leads the Investment Connection program, received 55 percent more applications than usual. Submissions were from across the region including, New Mexico, Colorado, Oklahoma, Nebraska, Wyoming, western Missouri and Kansas.

Throughout the first week of May, the Kansas City Fed hosted five virtual Investment Connection events with more than 500 participants.

“We mobilized quickly to create a virtual and efficient substitution for our traditional, in-person event,” said Cisneros. “These organizations work with the most vulnerable populations who are in need during this time of hardship.”

As the pandemic continued, other Reserve Banks initiated Investment Connection programming with a focus on COVID-19.

The program is now offered in eight Reserve Banks and regions as far as Puerto Rico. In the Tenth District, Investment Connection has led to more than \$40 million in funding since the program began in 2011. The initiative continues to produce millions of dollars in new funding for community organizations across the Federal Reserve System and the country.

Futher Resources

[Learn more about the Investment Connection](#) program and get updates on funding during the pandemic.
