

Conservative Nonprofits Who Benefitted From Paycheck Protection Program, Designed To Help Struggling Small Businesses, Had Financially Successful Year In 2020

SUMMARY: In 2020, Congress passed the CARES Act, which included the Paycheck Protection Program, as part of an initial package of COVID-19 relief in March 2020. The program intended to aid small businesses amidst a loss of income during the pandemic. However, concerns emerged that, despite the program's intention, some of the funds wound up in the hands of wealthy, well-connected entities. While much of this concern has focused on large corporations, conservative nonprofits – many of which have spent years criticizing government spending— received cash from the PPP program despite seeing increased revenue during 2020.

- **Prager University Foundation**, home of the online conservative video site PragerU, received \$704,057 in PPP relief in April 2020. Prager University Foundation did not release a statement regarding their receipt of the funds, but the loan came to them amidst a 55% increase in contributions from the previous year. Prager received \$22.3 million in grants in 2019 before jumping to **\$34.6 million in contributions the year that it received PPP funds**. Prager saw a net worth of \$37.2 million at the year-end of 2020. Prager's receipt of PPP funds comes amidst its long history of criticizing excessive government spending as "handouts."
- **The Ayn Rand Institute** received \$713,100 in PPP relief in April 2020. Despite a broad and long-established stance against government spending, the ARI justified their receipt of the funds by arguing emergency relief had been paid for by "extracting wealth from everyone," including their organization and contributors, "many of whom have already been damaged financially." But the ARI's financial reports do not back up a rough year for the organization: for their fiscal year (which ends in September), **ARI's contributions showed a 19% gain for FY 2019 to FY 2020**, going from \$6.4 to \$7.6 million. The relief helped ARI have a positive net income stream in FY 2020, at \$1.1 million in gains, after losing \$790,000 in FY 2019.
- **Americans For Tax Reform Foundation (ATRF)** has been one of the consistent voices against virtually all government spending over the past few decades. ATF, run by anti-tax crusader Grover Norquist, received \$290,800 in PPP relief in April 2020. ATRF, the sister organization of Americans for Tax Reform, remained roughly steady in fundraising from 2019 to 2020, while the **organization's net assets increased from a deficit of \$17.5 million to a deficit of \$12.9 million, a \$4.6 million increase**. Despite the rise in net profitability, ATRF justified the receipt of the PPP assistance as "compensation for a government taking during the [economic] shutdown," which had "badly hurt" the nonprofit.

The Paycheck Protection Program Was Designed To Aid Small Businesses Amidst The COVID-19 Pandemic, But Faced Issues When Large And Profitable Entities Started To Benefit From The Program

March 27, 2020: Following Congressional Approval, Then-President Trump Signed The CARES Act, Spending \$2 Trillion On COVID-19 Relief Efforts Such As The Paycheck Protection Program. "President Donald Trump on Friday signed the \$2 trillion coronavirus economic stimulus bill, putting in motion desperately needed financial relief for millions of Americans set back by the pandemic. Trump signed the bill just hours after the House passed it in a bipartisan vote. [...] The legislation, which passed unanimously in the Senate on Wednesday, will provide billions of dollars in relief for struggling industries, a significant boost to unemployment insurance and direct cash payments to Americans, many of whom have been financially devastated by the outbreak." [NBC News, [3/27/20](#)]

April 3, 2020: Small Business Administration (SBA) Launched The Paycheck Protection Program (PPP), A Fund Designed For Small Businesses Struggling To Meet Expenses During The COVID-19 Pandemic.

"The U.S. Small Business Administration Administrator Jovita Carranza today launched the Paycheck Protection Program, a \$349 billion emergency loan program created last week with the President's signing of the Coronavirus Aid, Relief, and Economic Security Act (CARES). The program provides forgivable loans up to \$10 million to small businesses left financially distressed by the Coronavirus (COVID-19) pandemic." [Small Business Administration – Press Release, [4/3/20](#)]

Despite The Design Of The Program, Billions In Loans From The PPP Went To Wealthy, Well-

Connected Businesses. "Public data on the smaller loans that went out to the vast majority of mom-and-pop businesses could show holes in the program's reach, advocates argue, particularly in the face of data showing that the wealthy and well-connected received millions of dollars in loans while some small business owners who applied for PPP received less money than they applied for, or never received any at all." [ABC News, [7/10/20](#)]

Prager University Foundation Received Over \$700,000 In PPP Assistance Despite Massive Increases In Fundraising In 2020, Receiving \$34.6 Million In Contributions That Year – An Increase Of 55% From The Previous – While Promoting COVID Misinformation And Criticizing Government Spending

April 2020: Prager University Foundation Received \$704,057 In PPP Assistance

Prager University Foundation Received \$704,057 In PPP Assistance In April 2020.

COVID BAILOUTS

PRAGER UNIVERSITY FOUNDATION

PPP

15130 Ventura Blvd Ste 233 Sherman Oaks, CA 91403

Congressional District: CA-30

Loan Date: 2020-04-11

Lender: JPMorgan Chase Bank, National Association

PPP BAILOUT AMOUNT

\$704,057

[CovidBailoutTracker.com – Prager University Foundation, accessed [12/7/21](#)]

Prager University Foundation Reported The Loan As A Liability On Its 2020 Form.

| | | | | | |
|-------------|----|--|-------------|----|-------------|
| Liabilities | 16 | Total assets. Add lines 1 through 15 (must equal line 33) | 22,527,558. | 16 | 38,941,460. |
| | 17 | Accounts payable and accrued expenses | 1,137,681. | 17 | 978,724. |
| | 18 | Grants payable | | 18 | |
| | 19 | Deferred revenue | | 19 | |
| | 20 | Tax-exempt bond liabilities | | 20 | |
| | 21 | Escrow or custodial account liability. Complete Part IV of Schedule D | | 21 | |
| | 22 | Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons | | 22 | |
| | 23 | Secured mortgages and notes payable to unrelated third parties | | 23 | |
| | 24 | Unsecured notes and loans payable to unrelated third parties | 0. | 24 | 704,057. |
| | 25 | Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D | | 25 | |
| | 26 | Total liabilities. Add lines 17 through 25 | 1,137,681. | 26 | 1,682,781. |

[Prager University Foundation Foundation – 990 for 2020, 11/10/21]

Prager University Foundation, With A Net Worth Of \$37.2 Million, Raised Over \$34.6 Million In 2020 After Raising \$22.3 Million In 2019, An Increase Of 55%

Prager University Reported \$34,681,451 In Contributions And Grants For 2020, Up From \$22,372,603 In 2019. This represented a 55% increase.

| Part I Summary | | | |
|-----------------------------|-----|--|---|
| Activities & Governance | 1 | Briefly describe the organization's mission or most significant activities: WE PROMOTE AMERICAN VALUES THROUGH THE CREATIVE USE OF DIGITAL MEDIA. | |
| | 2 | Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets. | |
| | 3 | Number of voting members of the governing body (Part VI, line 1a) | 9 |
| | 4 | Number of independent voting members of the governing body (Part VI, line 1b) | 9 |
| | 5 | Total number of individuals employed in calendar year 2020 (Part V, line 2a) | 71 |
| | 6 | Total number of volunteers (estimate if necessary) | 10000 |
| | 7a | Total unrelated business revenue from Part VIII, column (C), line 12 | 436,015. |
| Revenue | 7b | Net unrelated business taxable income from Form 990-T, Part I, line 11 | 385,488. |
| | 8 | Contributions and grants (Part VIII, line 1h) | Prior Year: 22,372,603. Current Year: 34,681,451. |
| | 9 | Program service revenue (Part VIII, line 2g) | 54,146. 3,000. |
| | 10 | Investment income (Part VIII, column (A), lines 3, 4, and 7d) | 265,684. 138,184. |
| | 11 | Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) | 1,115,327. 1,365,559. |
| | 12 | Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12) | 23,807,760. 36,188,194. |
| | 13 | Grants and similar amounts paid (Part IX, column (A), lines 1-3) | 0. 395. |
| | 14 | Benefits paid to or for members (Part IX, column (A), line 4) | 0. 0. |
| | 15 | Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) | 4,313,837. 5,818,075. |
| | 16a | Professional fundraising fees (Part IX, column (A), line 11e) | 0. 0. |
| Expenses | b | Total fundraising expenses (Part IX, column (D), line 25) | 3,483,274. |
| | 17 | Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e) | 12,753,143. 14,695,607. |
| | 18 | Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) | 17,066,980. 20,514,077. |
| | 19 | Revenue less expenses. Subtract line 18 from line 12 | 6,740,780. 15,674,117. |
| Net Assets or Fund Balances | 20 | Total assets (Part X, line 16) | Beginning of Current Year: 22,527,558. End of Year: 38,941,460. |
| | 21 | Total liabilities (Part X, line 26) | 1,137,681. 1,682,781. |
| | 22 | Net assets or fund balances. Subtract line 21 from line 20 | 21,389,877. 37,258,679. |

[Prager University Foundation Foundation – 990 for 2020, 11/10/21]

Prager University Had A Net Worth Of \$37,258,679 By The End Of the Year 2020—up from \$21,389,877 at the end of 2019. [Prager University Foundation Foundation – 990 for 2020, 11/10/21]

While Never Giving A Rationale For Their Taking Of The Loan, Prager University Has Posted Videos Criticizing Excessive Government Spending During COVID, Promoting Noncredible Medicine Such As Hydroxychloroquine

October 2021: Stephen Moore For PragerU: Governments Can't Spend What They Don't Have, Trump Approved "Massive Increase In Government Spending," "Maybe" He Went Too Far. "But there is no way around the simple math. You can't spend what you don't have—not indefinitely. Debts have to be repaid. We've been sweeping this problem under the proverbial rug for decades, but now we're running out of rug. During the year of the Covid crisis, a Republican president, Donald Trump, approved a massive increase in government spending. His reasoning went like this: We shut down the economy. We have to help people out. Did he go too far? Maybe, but just about everyone agreed something had to be done." [Prager University, [10/11/21](#)] (VIDEO)

July 2020: Amidst The COVID-19 Pandemic, Prager U Made A Video Alleging An "Orchestrated Attack Against Hydroxychloroquine." [Prager University, [7/29/20](#)] (VIDEO)

- **PolitiFact: Hydroxychloroquine Was Not A Proven Effective Treatment For COVID-19, With FDA Officials Saying That Early Experiments Did Not Prove Effective.** "Millions of people, including the president of the United States, have [seen or shared](#) a video in which a doctor falsely claims there is a cure for the coronavirus, and it's a medley starring hydroxychloroquine. [...] In spite of Immanuel's anecdotal evidence, hydroxychloroquine alone or in combination with other drugs is not a proven treatment (or cure) for COVID-19. [...] In mid-June, the FDA revoked its emergency authorization for the use of hydroxychloroquine and the related drug chloroquine in treating hospitalized COVID-19 patients. 'It is no longer reasonable to believe that oral formulations of HCQ and CQ may be effective in treating COVID-19, nor is it reasonable to believe that the known and potential benefits of these products outweigh their known and potential risks,' FDA Chief Scientist Denise M. Hinton wrote.

November 2019: Then-Secretary Ben Carson Appeared In A Video With Candace Owens Entitled "Americans Need A Hand Up, Not Handouts." [Prager University, [11/16/19](#)] (VIDEO)

Ayn Rand Institute Received \$713,100 In PPP Assistance, Noting The Impact Of The Pandemic And Relief Bill In Their Statement – But For Their Fiscal Year, Contributions Rose 19% And Their Total Assets Moved From The Red To The Black

April 2020: The Ayn Rand Institute Received \$713,100 In PPP Assistance

Americans For Tax Reform Foundation Received \$290,800 In Paycheck Protection Program Assistance.

COVID BAILOUTS

PPP BAILOUT AMOUNT

THE AYN RAND INSTITUTE: THE CENTER FOR THE ADVANCEMENT OF OB

\$713,100

PPP

6 Hutton Centre #600 Santa Ana, CA 92707

Congressional District: CA-46

Loan Date: 2020-04-30

Lender: Truist Bank d/b/a Branch Banking & Trust Co

[CovidBailoutTracker.com – The Ayn Rand Institute, accessed [12/7/21](#)]

The Ayn Rand Institute Said Taking The Money Was Justified To Prevent Relief Funds Going To "Those indifferent Or Actively Hostile To Capitalism," Noted Damages To The Institute And Its Contributors From Pandemic And Government Response

The Ayn Rand Institute PPP Assistance Was Reported On By The Washington Post. "Americans for Tax Reform Foundation, led by firebrand anti-tax advocate Grover Norquist, took a loan between \$150,000 and \$350,000 from the Paycheck Protection Program. The Ayn Rand Institute and Citizens against Government Waste likewise accepted loans funded by the program." [Washington Post, [7/8/20](#)]

Ayn Rand Institute: "The Pandemic Has Cost Them Their Jobs, Their Savings, Their Businesses. And They Blame A Significant Part Of This Loss On The Government." [Ayn Rand Institute – Press Release, [5/15/20](#)]

ARI: The Emergency Stimulus Was Paid For By "Extracting Wealth From Everyone," Including Their Organization And Its Contributors, "Many Of Whom Have Already Been Damaged Financially." "The \$2.3 trillion emergency 'stimulus' will be paid for by extracting wealth from everyone, including the Ayn Rand Institute and its contributors, many of whom have already been damaged financially. Since raising taxes is not politically viable, the stimulus will be paid for by 'deficit financing' — a euphemism for raiding everyone's savings." [Ayn Rand Institute – Press Release, [5/15/20](#)]

ARI Fundraising Was Up 19% For Their Listed Fiscal Year, Ending September 2020, Over The Previous Fiscal Year Ending September 2019, With The Nonprofit Going From A Deficit To An Over \$1 Million Surplus

ARI Operated On A Fiscal Year Ending In September

ARI Operated On A Reporting Schedule "202009." Tax period for their 'tax year 2020' filing was listed as "202009."

> Tax Year 2020 Form 990

Organization Name:
Ayn Rand Institute The Center For The
Advancement Of Objectivism

Return ID:
2946545

EIN:
22-2570926

Filing Type:
E

Tax Period:
202009

Return Type:
990

[IRS – Nonprofit Search EIN 22-2570926, accessed [12/8/21](#)]

- **The Tax Period Of "202009" Corresponded To October 2019 Through September 2020 As Making Up The Fiscal Year.** [IRS – "Exempt Organization Return Due Dates," accessed [12/8/21](#)]
- **ARI's Return Date Was Listed 8/16/21, In Line With A 6-Month Extension Deadline For 202009.** [IRS – Ayn Rand Institute 990 for 2020, filed [8/16/21](#)]

ARI Fundraising Improved 19% For Fiscal Year Ending 2020 Over Fiscal Year Ending 2019, And The Nonprofit Moved From A Net Loss Of \$790,000 To A Net Gain Of \$1.1 Million

ARI's Contributions And Grant Funding Went From \$6,468,953 In FY 2019 To \$7,697,860 In FY 2020.
This represented an increase of 19%.

| | | Prior Year | Current Year |
|-----------------------------|---|---------------------------|--------------|
| Revenue | 8 Contributions and grants (Part VIII, line 1h) | 6,468,953 | 7,697,860 |
| | 9 Program service revenue (Part VIII, line 2g) | 466,263 | 293,558 |
| | 10 Investment income (Part VIII, column (A), lines 3, 4, and 7d) | 31 | 7,341 |
| | 11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) | 20,061 | 57,294 |
| | 12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12) | 6,986,678 | 8,056,053 |
| Expenses | 13 Grants and similar amounts paid (Part IX, column (A), lines 1–3) | 394,660 | 272,019 |
| | 14 Benefits paid to or for members (Part IX, column (A), line 4) | 0 | 0 |
| | 15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10) | 3,774,489 | 3,642,579 |
| | 16a Professional fundraising fees (Part IX, column (A), line 11e) | 0 | 0 |
| | b Total fundraising expenses (Part IX, column (D), line 25) ▶610,348 | | |
| | 17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e) | 3,608,510 | 2,982,864 |
| | 18 Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25) | 7,777,659 | 6,897,462 |
| | 19 Revenue less expenses. Subtract line 18 from line 12 | -790,981 | 1,158,591 |
| Net Assets or Fund Balances | | Beginning of Current Year | End of Year |
| | 20 Total assets (Part X, line 16) | 6,646,518 | 9,561,611 |
| | 21 Total liabilities (Part X, line 26) | 4,322,319 | 6,078,821 |
| | 22 Net assets or fund balances. Subtract line 21 from line 20 | 2,324,199 | 3,482,790 |

[IRS – Ayn Rand Institute 990 for 2020, filed [8/16/21](#)]

ARI Revenue Minus Expenses Was -\$790,981 In FY 2019, But Went Up To \$1,158,591 In FY 2020. [IRS – Ayn Rand Institute 990 for 2020, filed [8/16/21](#)]

Americans For Tax Reform Foundation (ATRF) Justified Receipt Of PPP Assistance By Claiming It Prevented Layoffs – But ATRF's Net Value Increased Over 35% From 2019 To 2020

April 2020: Americans For Tax Reform Received \$290,800 In PPP Assistance

Americans For Tax Reform Foundation (ATRF) Received \$290,800 In Paycheck Protection Program Assistance.

COVID BAILOUTS

AMERICANS FOR TAX REFORM FOUNDATION

PPP

722 12th St Nw Washington, DC 20005

Congressional District: DC-AL

Loan Date: 2020-04-28

Lender: PNC Bank, National Association

PPP BAILOUT AMOUNT

\$290,800

[CovidBailoutTracker.com – Americans for Tax Reform Foundation, accessed [12/7/21](#)]

Americans For Tax Reform Foundation Reported The PPP Assistance As An Unsecured Notes On Their IRS 990 Form.

| | | | | | |
|-------------|----|--|----|----|----------|
| Liabilities | 21 | Escrow or custodial account liability. Complete Part IV of Schedule D | | 21 | |
| | 22 | Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons | | 22 | |
| | 23 | Secured mortgages and notes payable to unrelated third parties | | 23 | |
| | 24 | Unsecured notes and loans payable to unrelated third parties | 0. | 24 | 290,800. |
| | 25 | Other liabilities (including federal income tax, payables to related third parties, etc.) | | | |
| | | | | | |

[Americans for Tax Reform Foundation – 990 for 2020, 11/10/21]

ATRF's Net Assets Increased \$4.6 Million (36%) From 2019 To 2020, Going To A Deficit Of \$17.5 Million In 2019 To A Deficit Of \$12.9 Million In 2020

ATRF's Net Assets Totalled -\$17,580,318 In 2020, But Was Up To -\$12,931,850 In 2020, An Increased Of \$4,648,468. This represented an increase of just under 36%.

| | | Prior Year | Current Year |
|-----------------------------|---|---------------------------|--------------|
| | | 1,707,659. | 1,592,155. |
| Revenue | 8 Contributions and grants (Part VIII, line 1h) | 0. | 0. |
| | 9 Program service revenue (Part VIII, line 2g) | 3,612. | 652. |
| | 10 Investment income (Part VIII, column (A), lines 3, 4, and 7d) | 4,607. | 0. |
| | 11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) | 1,715,878. | 1,592,807. |
| | 12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12) | 608,985. | 713,903. |
| Expenses | 13 Grants and similar amounts paid (Part IX, column (A), lines 1-3) | 0. | 0. |
| | 14 Benefits paid to or for members (Part IX, column (A), line 4) | 1,312,107. | 1,285,871. |
| | 15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) | 0. | 0. |
| | 16a Professional fundraising fees (Part IX, column (A), line 11e) | 195,949. | |
| | b Total fundraising expenses (Part IX, column (D), line 25) ▶ | 1,249,609. | 688,715. |
| | 17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e) | 3,170,701. | 2,688,489. |
| | 18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) | -1,454,823. | -1,095,682. |
| Net Assets or Fund Balances | 19 Revenue less expenses. Subtract line 18 from line 12 | | |
| | 20 Total assets (Part X, line 16) | Beginning of Current Year | End of Year |
| | 21 Total liabilities (Part X, line 26) | 406,278. | 1,545,111. |
| | 22 Net assets or fund balances. Subtract line 21 from line 20 | 17,986,596. | 14,476,961. |
| | | -17,580,318. | -12,931,850. |

[Americans for Tax Reform Foundation – 990 for 2020, 11/10/21]

Despite An Increase In Economic Performance In The Year, ATRF – A Critic Of Government Spending Spanning Decades - Justified Receiving The PPP Funds By Saying It Prevented Layoffs, As The Company Was Hurt By The Government Response To The Pandemic

Americans For Tax Reform Foundation Justified Its Receipt Of The PPP Assistance, As It Was Hurt By The Government Response To The Pandemic, And Said It Had Prevented Layoffs. "Americans for Tax Reform Foundation, led by firebrand anti-tax advocate Grover Norquist, took a loan between \$150,000 and \$350,000 from the Paycheck Protection Program. [...] In a statement, the foundation said it applied for the funds after being badly hurt by the government response to the pandemic. It did not oppose the program when it passed, received the loan 'and has as a consequence been able to maintain its employees without laying anyone off,' the statement said." [Washington Post, [7/8/20](#)]

ATR President Grover Norquist On Government Spending: "I Don't Want To Abolish Government. I Simply Want To Reduce It To The Size Where I Can Drag It Into The Bathroom And Drown It In The Bathtub." "Americans for Tax Reform Foundation is one of two related tax revision groups led by Norquist, who famously said: 'I don't want to abolish government. I simply want to reduce it to the size where I can drag it into the bathroom and drown it in the bathtub.'" [Washington Post, [7/8/20](#)]

Americans For Tax Reform: PPP Assistance Was "Compensation For A Government Taking During The Shutdown," ATRF Was "Badly Hurt" By Government Shutdown. "Americans for Tax Reform (ATR) did not apply for or receive any grant or loan from the Paycheck Protection Program, designed to keep people employed during the pandemic. ATR never opposed enactment of the program however, viewing it as compensation for a government taking during the shutdown. Americans for Tax Reform Foundation (ATRF)—a legally and financially separate research and educational 501(c)3—was badly hurt by the government shutdown." [Americans for Tax Reform – Press Release, accessed [12/8/21](#)]

Americans For Tax Reform: ATRF's PPP Assistance Enabled ATRF To "Maintain Its Employees Without Laying Anyone Off." "Americans for Tax Reform Foundation (ATRF)—a legally and financially separate research and educational 501(c)3—was badly hurt by the government shutdown. It applied for and received a loan and has as a consequence been able to maintain its employees without laying anyone off. ATRF does not engage in lobbying." [Americans for Tax Reform – Press Release, accessed [12/8/21](#)]

