



Nonprofit Survey Results in Response to COVID-19

EXECUTIVE SUMMARY:

Fear and uncertainty about how some Colorado nonprofits will survive the next several months came through loud and clear in the 738 survey responses we received last week.

Some agencies expressed support for ensuring that philanthropic and government funding goes to emergency relief to organizations on the frontlines of the crisis. But many others emphasized that virtually any and all nonprofits across our state will be adversely affected in this environment.

In short, funders can help by releasing grantees from any restrictions on funding they've already received. And nonprofits overwhelmingly requested that any deadlines and reporting requirements be extended or simplified. Moving swiftly on decisions, increasing foundation spending, and making it easier to access funding were among the most common pleas for help.

One survey respondent summed it up this way: *"Please understand that all small nonprofits are already working from a place of limited resources. Because the disruption created by coronavirus stretches from the economy and donations, to employment and clients, to instability and basic needs, we are now tasked to do more, with less, when we were already doing more with less. Supporting us with funds with a minimal investment of time required on a proposal would help."*

The results of this quick survey highlight some of the universal challenges this crisis has posed. The inability to meet in person has made it impossible for many organizations to do their work of caring for children, teaching classes, holding fundraisers, serving clients and much, much more. Communications and technology access, burnout and isolation have stoked anxieties and diminished the concept of community cohesion. The loss of volunteers, food access for the vulnerable, employment losses and small business closures have all added to the stress and strain on the sector.

Those nonprofits who mentioned hearing from funders proactively via phone or email were extremely appreciative of this outreach. "I've had two grantmakers reach out to see if there is anything additional they could do. Another one simply sent a check for double the amount they gave us in December," a nonprofit said in their survey response. "That's a HUGE help as we are

uncertain about fundraising right now.”

In other words and it probably goes without saying, but a little communication will go a long way right now.

“It helps to know that we are all in this together and will find the way out as a sector.”

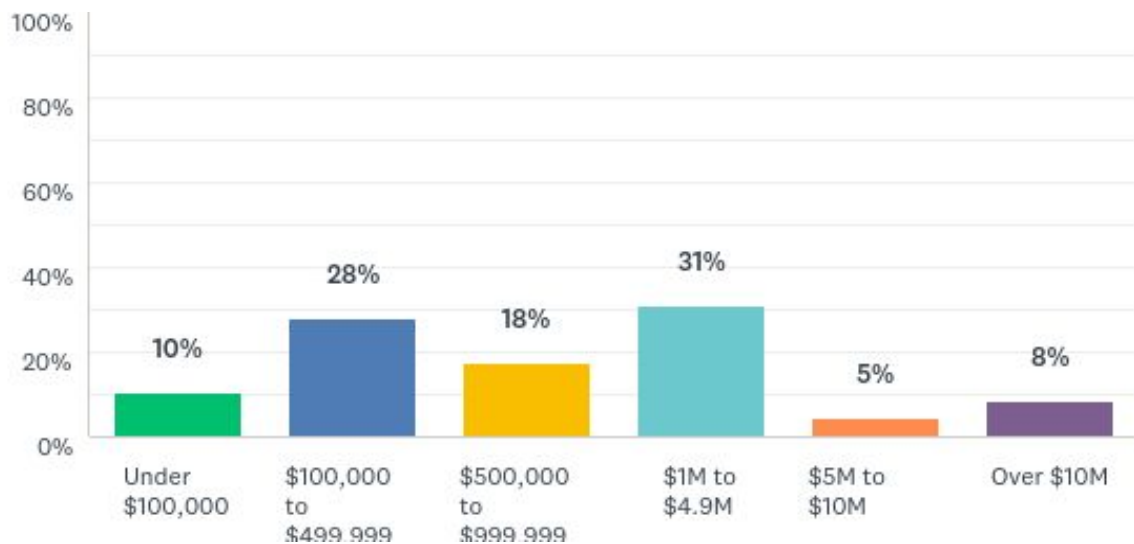
SURVEY APPROACH:

In response to requests from members, Philanthropy Colorado circulated an informal, online survey that opened on March 16 and closed on March 19. Half of the questions asked were open-ended in nature so the summary results are not meant to be scientific. We’ve attempted to categorize and summarize the individual and open-ended responses in the information below. The raw data collected from answers to these questions are available in spreadsheet format on our website for members who want to custom sort the data or search for various keywords. We’re exploring some other methods of summarizing the responses but wanted to get this information out as soon as possible if it can help confirm or identify areas of need.

SUMMARY OF RESPONSES:

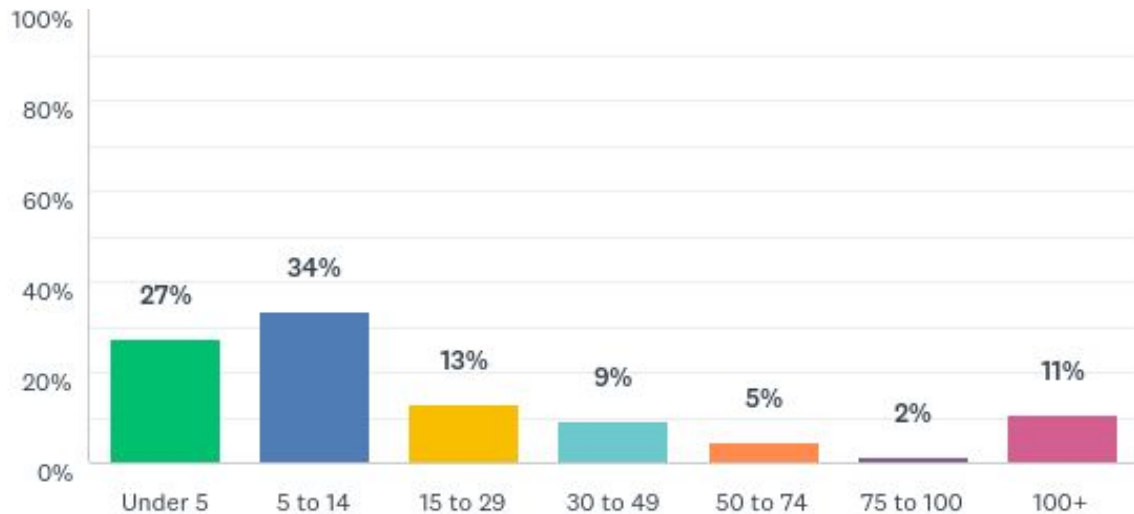
We heard from Colorado nonprofits with budgets across the spectrum, with more than one-third identifying themselves as organizations with annual budgets under half a million dollars a year. The largest category of respondents (31%) reported budgets ranging between \$1 million and \$4.9 million a year, while 8% reported budgets of more than \$10 million annually. (By comparison, the recent statewide nonprofit economic impact survey showed the vast majority of nonprofits in our state provide important services with annual budgets of less than half a million dollars a year.)

Survey Demographics: Budget Size of Colorado Nonprofit Respondents



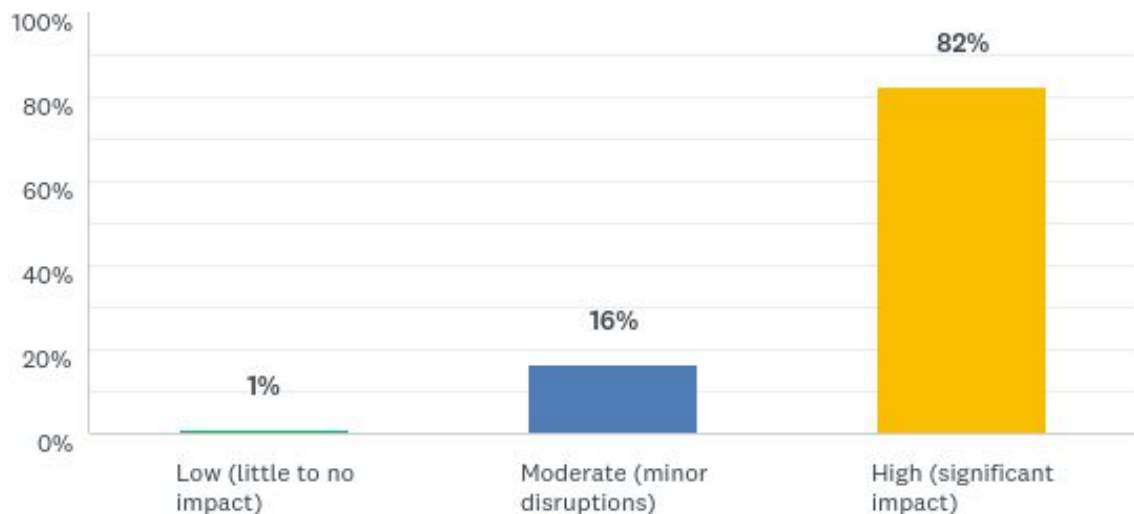
Similarly, Colorado nonprofits do their work with a relatively number of employees. The chart below shows that more than 60% of respondents have 14 or fewer staff.

Survey Demographics: Staff Size of Colorado Nonprofit Respondents

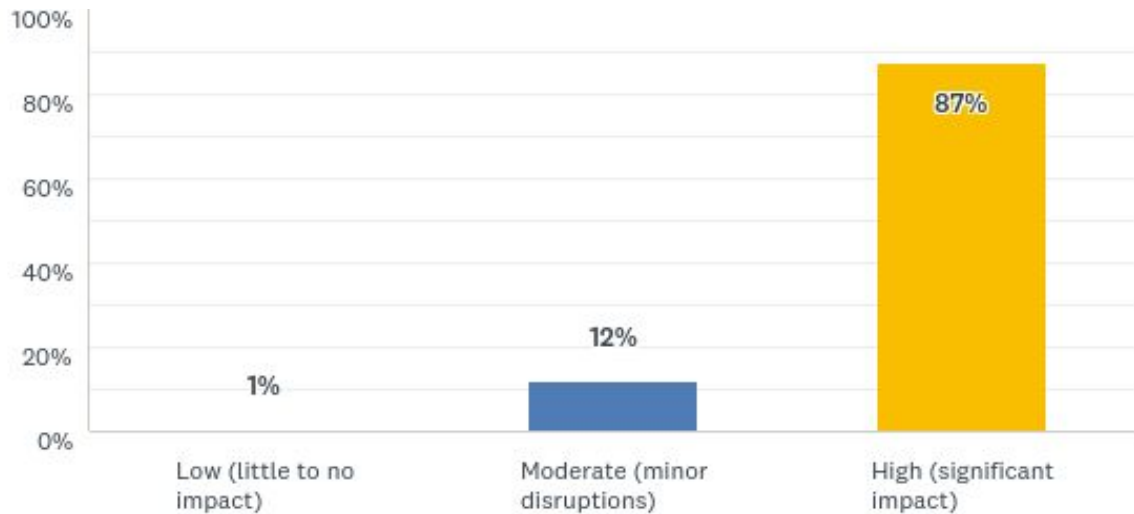


Survey respondents reported that Covid-19 is having an overwhelming impact on their current programs, services and operations, with the impact expected to increase further as the crisis continues.

Estimated impact COVID-19 is having currently on programs, services, or general operations of Colorado nonprofit survey respondents

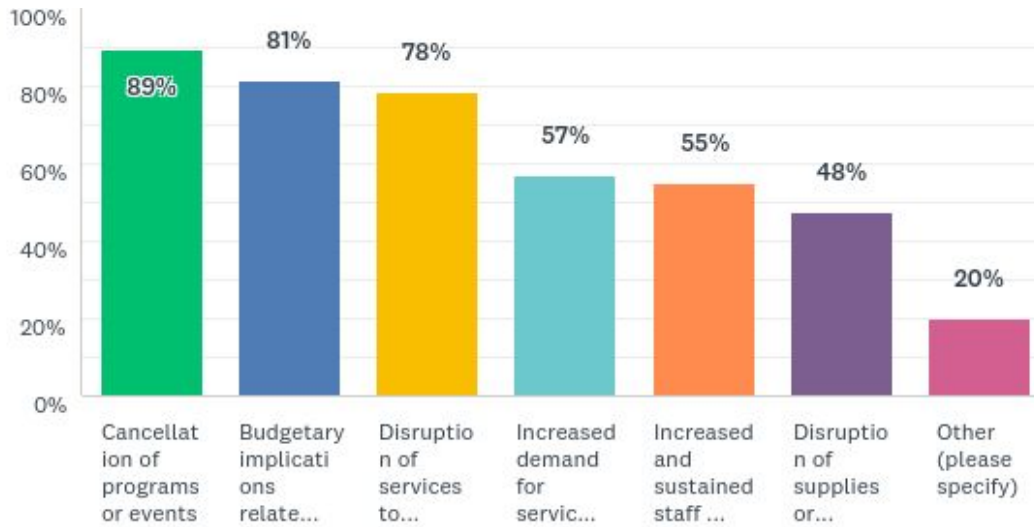


Estimated level of impact COVID-19 is anticipated to have on programs, services, or general operations of nonprofits in Colorado



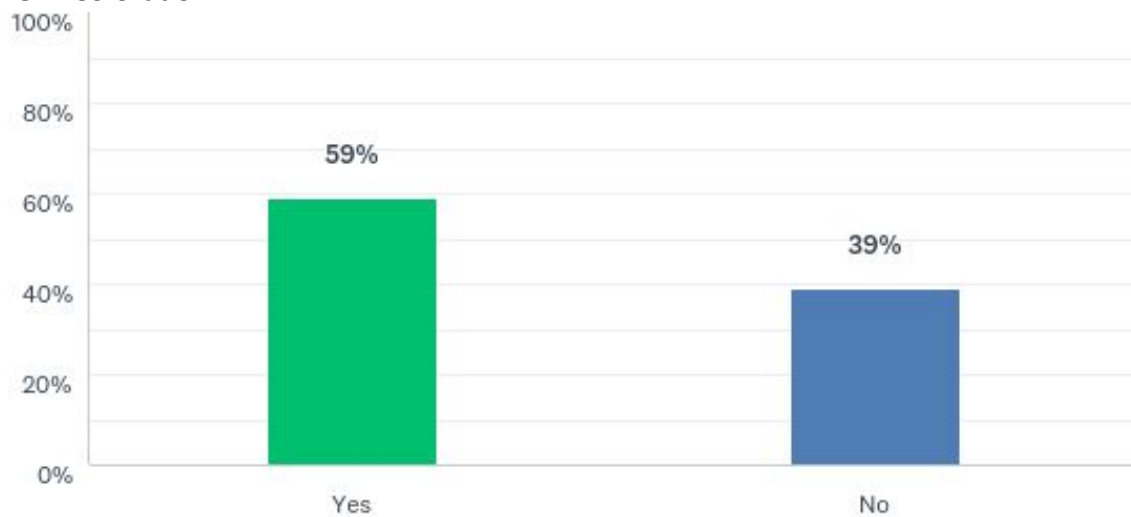
Most nonprofits rely heavily on either fundraising events or in-person programs to generate a significant portion of their income. The cancellation of events and programs, many of which were already paid for, emerged as the top factor negatively affecting their financial prospects. The impact of the pandemic on the financial markets was also mentioned as a major concern because of the charitable sector’s reliance on donations from individuals, businesses and foundations whose financial holdings have taken a big hit in the economic downturn. And as always, the demand for nonprofit services spikes when the economy suffers, making it more difficult for agencies that find themselves doing more with less.

COVID-19 pandemic impact being experienced or anticipated by Colorado nonprofits



Given the financial constraints and other factors cited above, coupled with a need for increased technology capacity, only 39% nonprofits described themselves as prepared for a widespread outbreak of the pandemic here.

Nonprofit self-assessment of preparedness for a potential widespread outbreak or quarantine in Colorado



Not surprisingly, immediate and flexible financial support topped the list of needs in the answers to almost every open-ended question included in the survey. Many of the answers to the questions posed overlapped given the similarity of needs expressed. A high-level summary of the quantitative survey responses follows:

Nonprofits identified the following resources, information, and training needs:

- **Financial support** that is flexible to respond to the varying and uncertain needs of the current environment, including the loss of revenue/income, different ways of operating, and the ability to maintain staff and infrastructure for future recovery.
- **Ability to respond to community needs** that are shifting on a daily basis. Nonprofit organizations are changing the ways they operate in new and expanded ways to meet the challenges and serve vulnerable and newly vulnerable populations.
- **Technology** is being ramped up to meet the needs of virtual workforce and operations. The needs of each organization will look different for hardware, software, connectivity, and training that is required now and in the longer term.
- **Capacity building support and infrastructure** is another emerging need. Training, technical assistance and infrastructure needs (other than technology) include: fundraising in times of crisis, HR practices and policies, staff support, new volunteer engagement, operations in the time of COVID-19 (i.e: PPE, safety practices), multi-lingual communications, navigating financial/relief assistance, and central, reliable source of information for staff and clients.
- Other: **Advocacy** for the sector and vulnerable populations & **Developing new partnerships and coordination** to meet community needs.

NEED FOR REMOTE VOLUNTEERS VARIES WIDELY

Nonprofits identified several areas where “virtual” or remote volunteers could be useful or critical in helping them sustain their operations right now. (Many organizations said they had no current virtual volunteer needs perhaps because of the time and effort it can take to effectively deploy volunteer resources.)

Here are some examples of nonprofit volunteer needs:

- Assistance with writing grant proposals
- Website maintenance (to keep information current)
- Social media to spread word about needs and other
- Online facilitators (for community dialogue/videoconference calls)
- Bilingual speakers
- Communications/marketing
- Accounting

The spread of COVID-19 to/across Colorado has affected or will affect revenue and/or expenses of Colorado nonprofits by varying amounts

The following multiple-choice answers are ranked by frequency of response:

1. Cancellation of fundraising events
2. Unable to provide direct services to communities
3. Cutting/furloughing staff
4. Donations are down
5. Loss of volunteer workforce
6. Having to spend unbudgeted funds on telework set ups/software
7. Projects on hold indefinitely, shift to operating focus
8. Increased need for NPO services, less providers available (many staff self-isolating or caring for school-aged children)

The estimated revenue losses from respondents ranged from \$15,000 to \$400,000, mainly due to the cancellation of fundraising events, programs, and trainings.

Common themes emerged when we asked about how the spread of Covid-19 would affect their ability to carry out their mission-driven work

Aside from the top concern about not having the resources to respond to increased need or to even stay afloat during a prolonged crisis, nonprofits were particularly worried about not being able to offer their services face-to-face with the people they normally work with day in and day out. This affects everything from counseling to teaching to childcare to art performances.

Here were some of the most frequent concerns reported:

- Ability to respond quickly with limited resources
- Inability to hold events, trainings or see clients in person
- Staff and client health
- Loss of volunteers
- Communications with vulnerable clients
- Food and housing access
- Mental health
- School closures
- Domestic violence
- Job losses
- Technology access and burnout
- Lack of community cohesion due to isolation
-

Nonprofits asked that grantmakers implement the following measures during this crisis:

Not surprisingly, almost all of the nonprofits who responded expressed an urgent need around grant funding. They also urged foundations to do away with the concept of an “off year” for nonprofit partners that have already received grants recently. If anything, they asked for

foundations to dig deeper and give more in 2020.

“Grantmakers should implement a TON of operating support!” a nonprofit wrote in its survey response. “Barely anyone does it and for the foreseeable future that is all anyone is going to need.”

But there were also lots of requests for technology assistance and for access to no- or low-interest loans to help with cash flow and other needs.

Again, while not scientific, we attempted to group the most common answers and have ranked them by the frequency of responses:

1. General operating support instead of specific project funding
2. Flexibility to use currently restricted funds for general operating or wherever most needed
3. Extended deadlines for filing required reports or documents
4. Simplifying/Minimizing grant application requirements and follow up reporting
5. Increased and Expedited funding to meet immediate and/or emergency needs
6. Proactively reach out to reassure grantees and provide grants
7. Information/communications
8. Technology assistance (for remote work and other needs)
9. No- or low-interest cash flow loans

Here’s how nonprofits want to see government or foundation funding directed to combat COVID-19 and its impact:

The overwhelming response was the need for general operating support to sustain nonprofit operations. We also found that many respondents wanted to see funds go toward individuals and the state's most vulnerable populations.

There were multiple basic needs identified, from food to rent assistance to . And there were many requests to get families access to tablets and hotspots for the new reality of homeschooling. The list goes on.

Here are the general buckets ranked roughly by frequency of responses to open-ended question:

1. General operating support
2. Individuals
3. Vulnerable populations
4. Basic Needs
5. Direct Covid-19 relief
6. Food Security
7. Homeless/Housing
8. Healthcare

9. Technology
10. Childcare
11. Families
12. Education/Teachers
13. Mental Health
14. Small businesses

The following categories were created to include some focus areas of need that were also mentioned specifically but less frequently:

- Loans to nonprofits
- Undocumented residents
- Elderly
- Rural
- Advocacy
- Language (bilingual/translation)
- Domestic violence/child abuse prevention
- Arts
- Animal Welfare
- Libraries
- Local news
- Pregnancy prevention
- Tribal communities

Here are a few examples of specific needs mentioned:

- Financial help to keep childcare center functioning, maintain high-quality teachers and assistance to families to still be able to bring their children at an affordable rate if the family has lost their job/s;
- Funding for nonprofits to provide paid family leave right now;
- Public awareness campaigns to spread the word about the need for Coloradans to give generously right now;
- Free, online seminars on how to fundraise in times of crisis;
- Grant funding for those supporting small businesses;
- Finding ways to protect partners and children in homes where there is the threat of violence but nowhere to go due to social distancing guidelines;
- Any support in helping cleaning and disinfecting; Huge need for portable sanitation stations and restrooms;
- Debt forgiveness for nonprofits;
- Transportation of food to get it where it need to go faster;
- Flexibility to shift to meet the needs of all Coloradans, particularly in rural communities where the population's economic prosperity is not as strong and where resources are already limited;
- Be a loud and strong voice in the policy and legislative debate about government's response to this unprecedented situation;

- Provide a platform for nonprofits to share ideas about how they are going to get through this crisis.

Acknowledgements:

Thank you to the Philanthropy Colorado team and our foundation members, in addition to the Colorado Nonprofit Association, Community Resource Center and the many organizations that helped us distribute this survey, and also to our colleague organization Forefront for allowing us to borrow some of their survey content.