



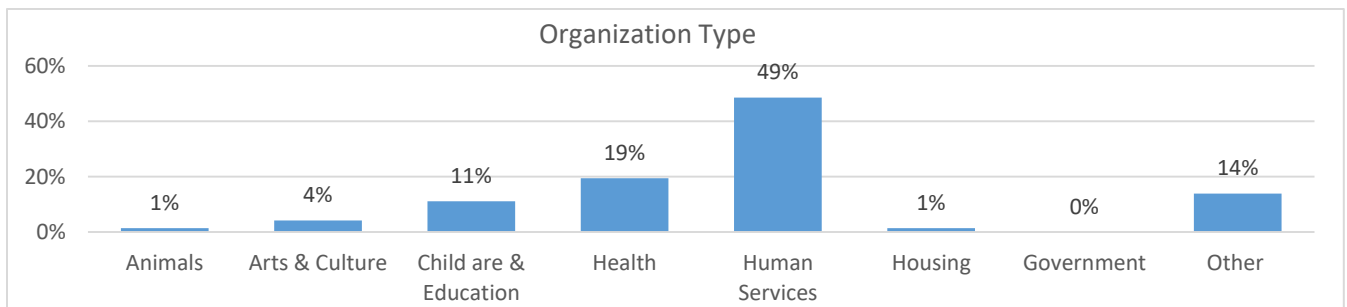
CoMoHelps Nonprofit Partners Survey Report

Impact of COVID-19 Pandemic on Local Nonprofit Sector

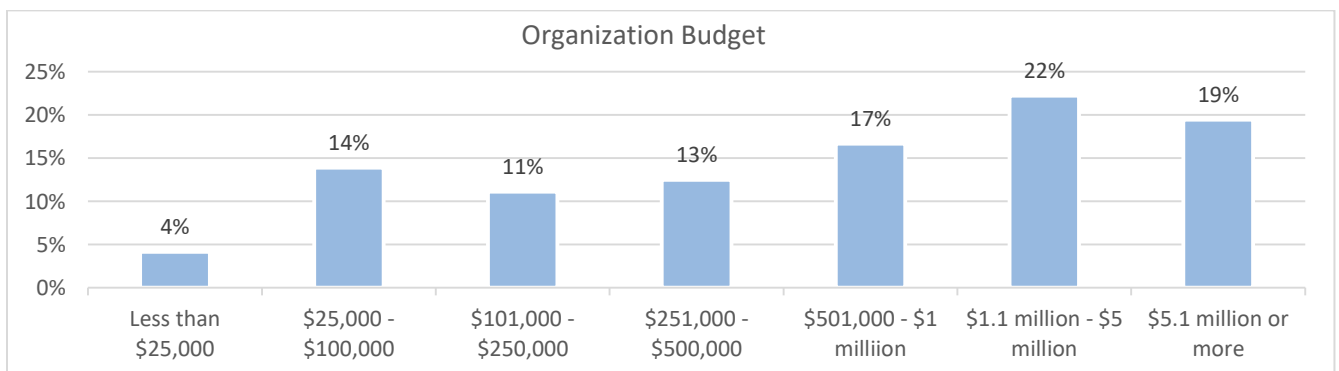
This report looks into the impact of the COVID-19 pandemic on local nonprofit organizations based within Boone County. CoMoHelps is a joint effort of Boone County, City of Columbia, Community Foundation of Central Missouri, Heart of Missouri United Way, and Veteran’s United Foundation. This collaborative works with local nonprofits, community partners, and government agencies to quickly determine and meet the needs of Boone County communities during the COVID-19 pandemic. Recently, CoMoHelps released the CoMoHelps Nonprofit Partner Survey to understand how the pandemic has impacted organizations. These results come from 73 organizations which provided responses between May 15, 2020 to June 15, 2020. Questions assessed impact of the pandemic currently (through June 15, 2020) and asked organizational leaders to forecast anticipated impacts through the end of 2020 (12/31/2020).

Organization Context

Organizations who completed the survey were asked to provide background information about their organization, budget information, and the types of services they provide. Nearly fifty percent (49%) of organizations identified as a human service organization, 19% identify as a health organization, 14% identify as ‘other’ which includes advocacy organizations, and 11% identify as a childcare and education organization (n=72).

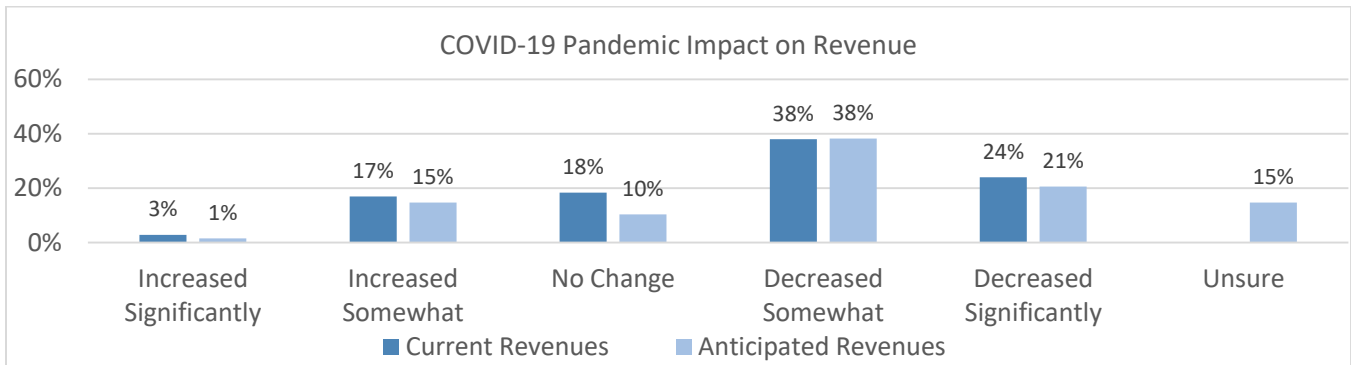


There was diversity in size of program budgets of survey respondents. Of the 72 respondents, 58% of organizations completing the survey had budgets of \$501,000 or \$5.1 million or more; 42% of organization have budgets under \$500,000.



Impact on Overall Revenue

Organizations were asked about the impact of the pandemic on their current revenues and anticipated revenues through the end of the year (12/31/2020). Only 38% of organizations have seen increased revenues or have yet to experience changes in revenues while 52% have reported experiencing somewhat or significantly decreased revenues thus far (n=71). Looking forward throughout 2020, 59% of organizations expect somewhat or significantly decreased revenues; 26% anticipate increased or no changes in their revenue; 15% of organizations are unsure of what the revenue impact will be by the end of the year (n=68).



Organizations were asked to describe the amount of revenue lost or gained to date. Throughout the pandemic, organizations self-reported an increase of \$2,623,195.00, with an average of \$327,899.38 across eight organizations which provided enough information for a calculation.¹ Organization reported increases in revenue due to CARES Act funding, changes in service delivery, and funding from CoMoHelps in response to community needs during the pandemic.

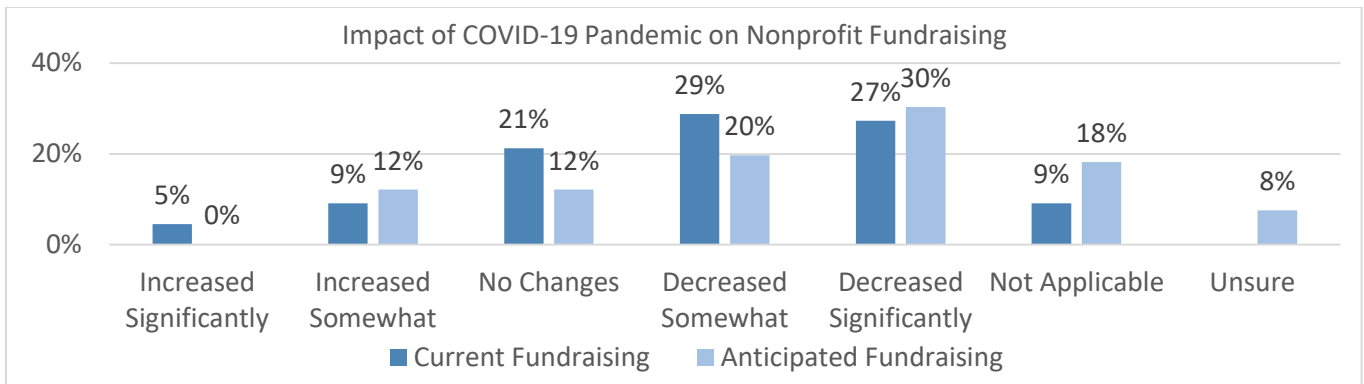
More troublesome for the nonprofit sector is the decreased revenues reported throughout the pandemic. Organizations have reported **\$6,996,246.00 in lost revenue, with an average of \$233,208.20 in decreased revenue from 30 organizations** which provided adequate information for a calculation.² The inability to offer services, cancelled or postponed events, decreased demand for services, and decreased individual or business donations are factors identified leading to decreased revenues.

Impact on Fundraising

Fundraising is a critical activity for nonprofit organizations to support administrative costs and to fill in gaps not covered by other funding streams. Due to the economic impact of the COVID-19 pandemic, nonprofit organizations reported substantial current and anticipated fundraising losses. Over half of organizations (56%) who completed the survey have indicated they are currently experiencing somewhat or significantly decreased in fundraising activities. Only 35% of agencies have seen no change or increased fundraising revenue (n=66). Throughout the end of 2020, 50% of organizations expect decreases in revenue; 24% expect somewhat increased or no change in their fundraising activities; 8% of organizations reported they are unsure how their fundraising strategy will be affected (n=66).

¹ Data was not consistently reported across a similar timeframe for all responding organizations. The largest outlier was an organization receiving \$2 million over the course of two years.

² Data was not consistently reported. Some organizations provided a percentage of their budgets, some offered weekly amounts of lost revenues, and others monthly costs. Calculations were made to cover a three month window based on social distancing orders through the Columbia/Boone County Department of Public Health and Human Services.

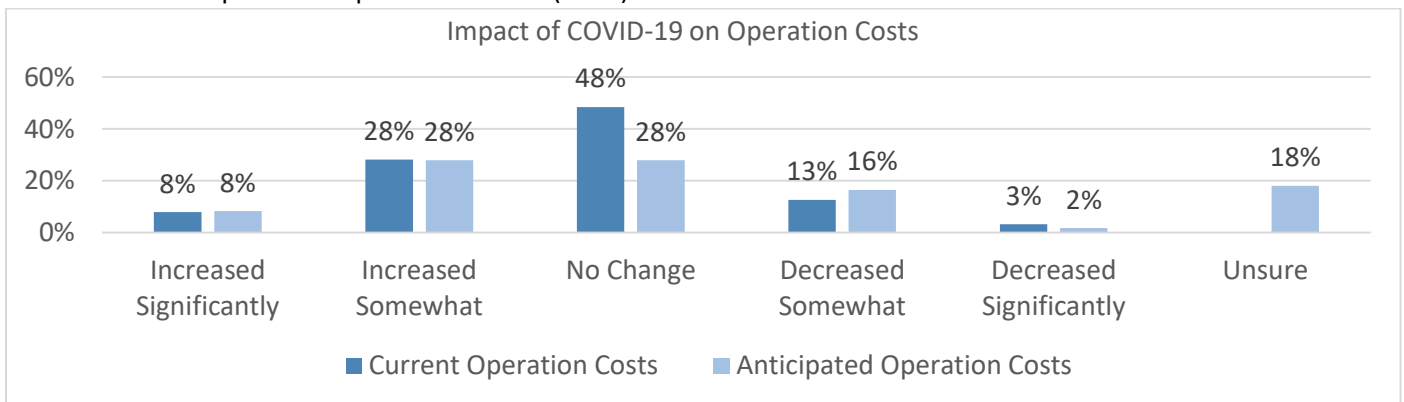


To better understand the gains or losses in fundraising revenues, organizations were asked to provide detailed information about their actual losses currently. Only three organizations responded they had increased fundraising revenue for a total of \$50,500.00 or an average of \$16,833.33. Those organizations which reported increases shared changes in their current fundraising strategies, increased awareness of community issues, and the availability of emergency funding allowed for improved fundraising.

Twenty-six agencies reported losses of \$2,530,524.96 or an average of \$97,327.88 in their fundraising activities. Inability to hold events, cancellation of previously scheduled events, and decreased individual and business donations were cited as the reasons behind current fundraising losses. CoMoHelps has encouraged nonprofit organizations to find innovative online strategies to hold fundraising events, as social distancing requirements will limit large gatherings. This figure is likely underreporting actual fundraising losses as several organizations reported it is too soon to know the whole impact of this pandemic on each organization.

Operational Costs

Nonprofits were asked about changes in operational costs during the COVID-19 pandemic. Increases in operation costs were reported in 36% of organizations; 48% reported no change in costs; and 16% reported decreases in operation costs (n=64). Looking forward throughout 2020, organizations 36% expect an increase in costs; 28% expect no change in costs; 18% expect decreased costs; and 18% of organizations are unsure what to expect with operational costs (n=61).



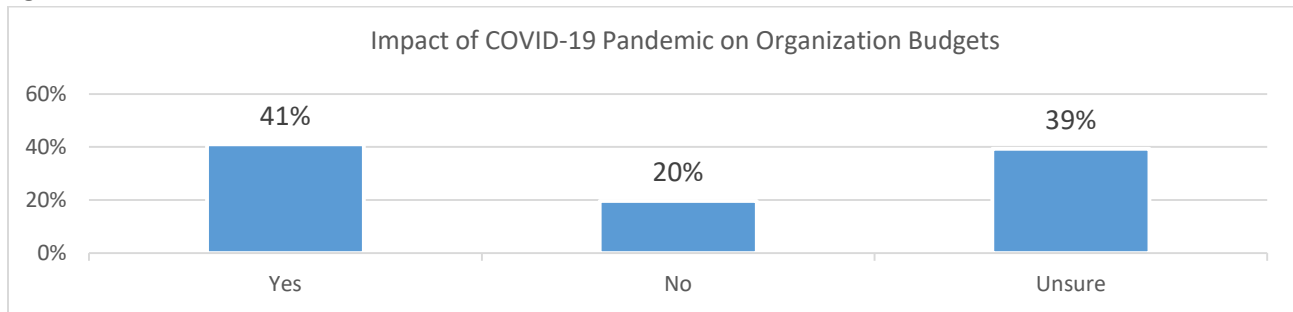
Thirteen organizations have reported an **increase in operational costs of \$2,947,746.20 or an average of \$226,749.71.**³ Increased costs were due to increased staff costs (either hiring more staff or increasing pay to retain staff), costs associated with personal protective equipment or sanitizing supplies, and increased technology costs to maintain service delivery. Three organizations reported a decrease in operational costs

³ Data was not consistently reported across respondents. When applicable, weekly or monthly costs provided were projected over a three month period to account for changes in social distancing guidelines.

of \$110,000.00 or an average of \$36,666.67. Organizations with decreased costs reported decreases in staff costs (laying off employees or reduced hours), decreased costs with utilities, printing, and travel.

Impact on Nonprofit Organization Budgets

Survey respondents were asked if their organization would experience a budgetary shortfall due to the COVID-19 pandemic. Of the 61 organizations which responded, 41% indicated they would, 20% indicated they would not experience a budget shortfall. However, 39% of organizations are unsure of the budgetary impact of the pandemic (n=61). **Organizations reported an average shortfall of \$144,906.58 across 19 agencies.**



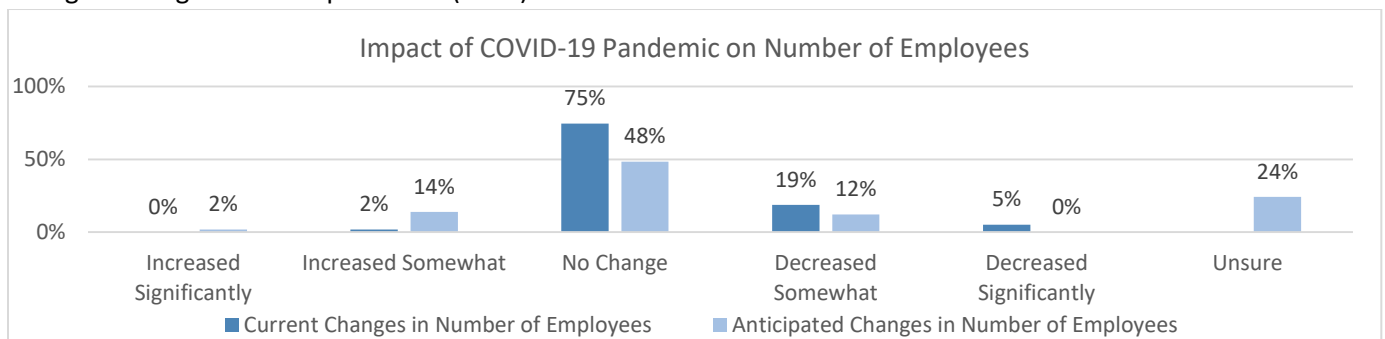
Engagement in Payment Protection Program (PPP)

Organizations were asked if they had participated in the PPP program. Fifty-two percent (52%) of organizations have applied for funds; 47% of organizations have not applied and do not plan to apply (n=58).

Yes, applied for and received funds	Yes, applied and approved for funds, but have not yet received them	Yes, applied for funds, but application is still pending approval	Yes, applied for funds, but application was rejected due to unavailability of PPP funds	Yes, applied for funds, but the application was rejected for other reasons.	No, has not applied, but planning to apply.	No, did not apply and not planning to apply.
50%	0%	2%	0%	2%	0%	47%

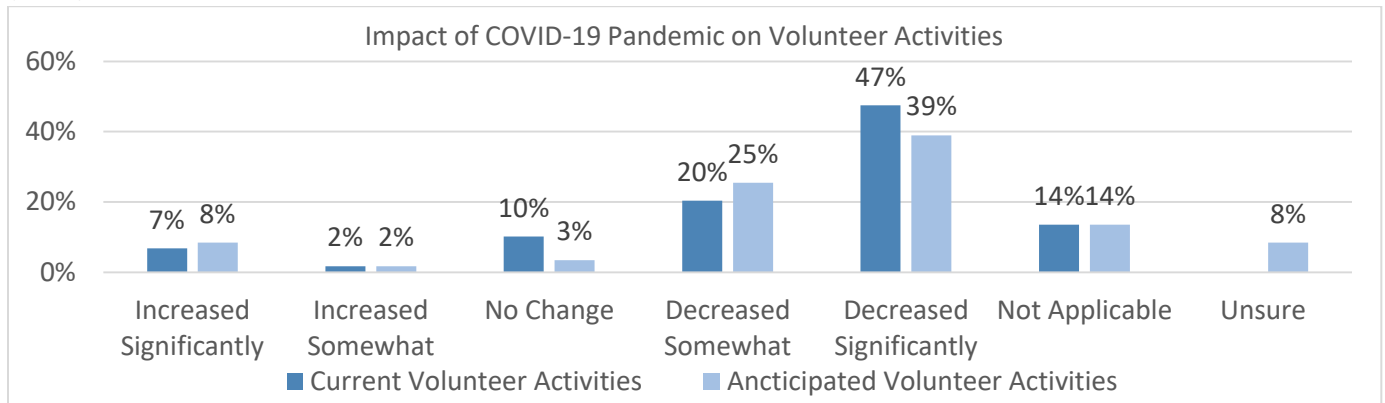
Impact on Employees

Organizations were asked to report on changes in the number of employees. Overwhelmingly, there has been no reported change in the number of employees currently. Two percent (2%) of organizations have increased the number of staff and 24% have decreased their staff. Most organizations (48%) do not expect to have to change their number of employees. Throughout 2020, 16% of organizations expect to increase their number of staff; 12% expect to decrease their number of staff; and 24% are unsure if they will need to change staffing due to the pandemic (n=58).



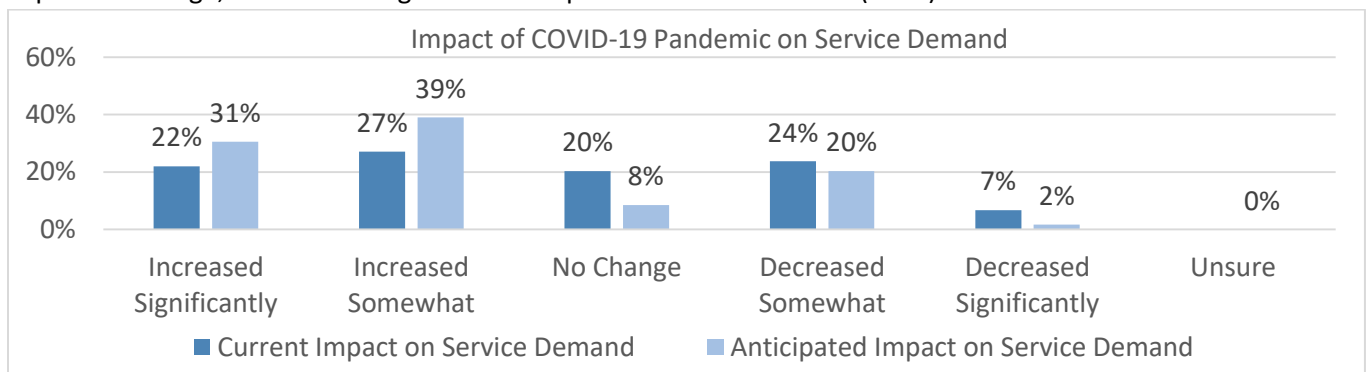
Impact on Volunteers

Nonprofit organizations use volunteers to expand the organizational capacity and to deliver services. Currently, volunteer activities have decreased in 67%. Only 9% of organizations have seen an increase in volunteer activities. Throughout 2020, most organizations expect ongoing decreased volunteer activities (n=59).



Impact on Service Demand

Organizations were asked to describe current or anticipated demand for services from the community. Currently, 48% of organizations have seen an increase in demand for services; 20% have had no discernable change in service demand; and 31% of organizations have experienced decreased service demand. Throughout 2020, 70% of organizations expect significant or somewhat increased demand for services; 8% expect no change; and 22% of organizations expect decreased demand (n=59).



Conclusions

Information reported from Boone County nonprofit organizations indicate a grim future for the sector. Service demand is expected to increase during a time of significantly reduced revenues and increasing costs. These factors are leading organizations to have large budget shortfalls.

Recommendations

It is hard to offer comprehensive recommendations at this time due to unprecedented nature of the COVID-19 pandemic. However, the following are offered as initial recommendations:

- Support the nonprofit sector with CARES Act funding to purchase needed community services.
- Build capacity within nonprofits to utilize innovative fundraising strategies, including online events or social media campaigns.
- Encourage organizations to apply for funding through the Payment Protection Program.
- Help convene struggling nonprofits to identify opportunities for organizational mergers to keep service delivery intact.