



*SERVING  
NONPROFITS*

*STRENGTHENING  
WEST VIRGINIA*



# **IMPACT OF COVID-19 ON WV NONPROFITS: FLASH POLL**

# **FLASH POLL**

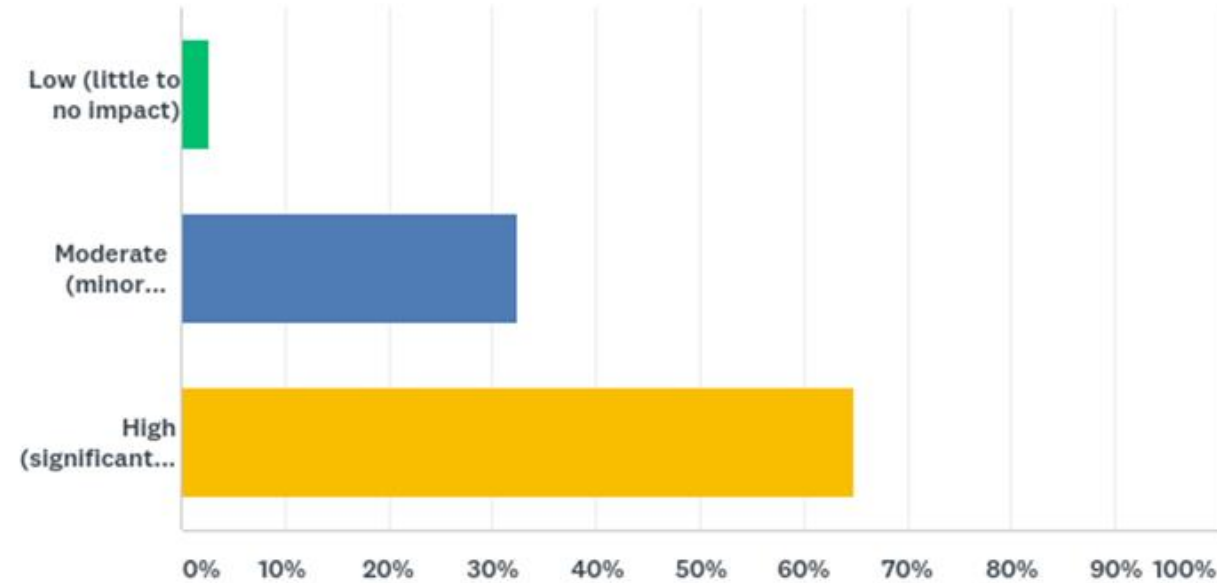
**WVNPA Membership: 314**  
**Flash Poll Respondents: 74**

**March 17, 2020**  
**Through**  
**March 25, 2020**

# KEY TAKE- AWAYS

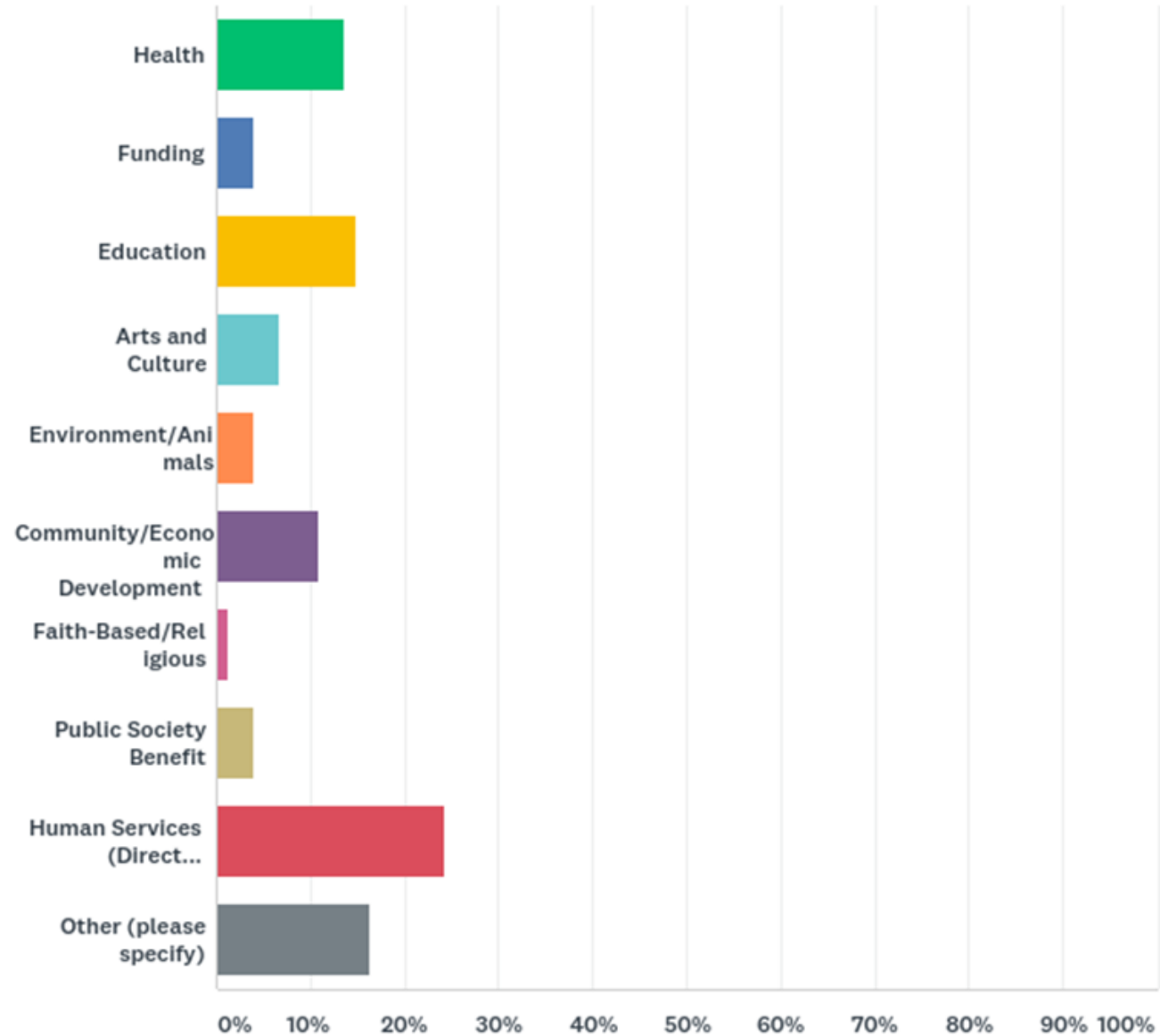
- 97% indicate that COVID-19 is or will have at least a moderate (32%) to significant (65%) impact on their organization
- 60% of respondents are small nonprofits with operating budgets less than \$500,000
- 50% of respondents have 3 months or less of cash reserves
- Projected losses total over \$2 million – and that is only a small portion of the nonprofits in the state that responded to the poll and provided loss in dollars

# IMPACT

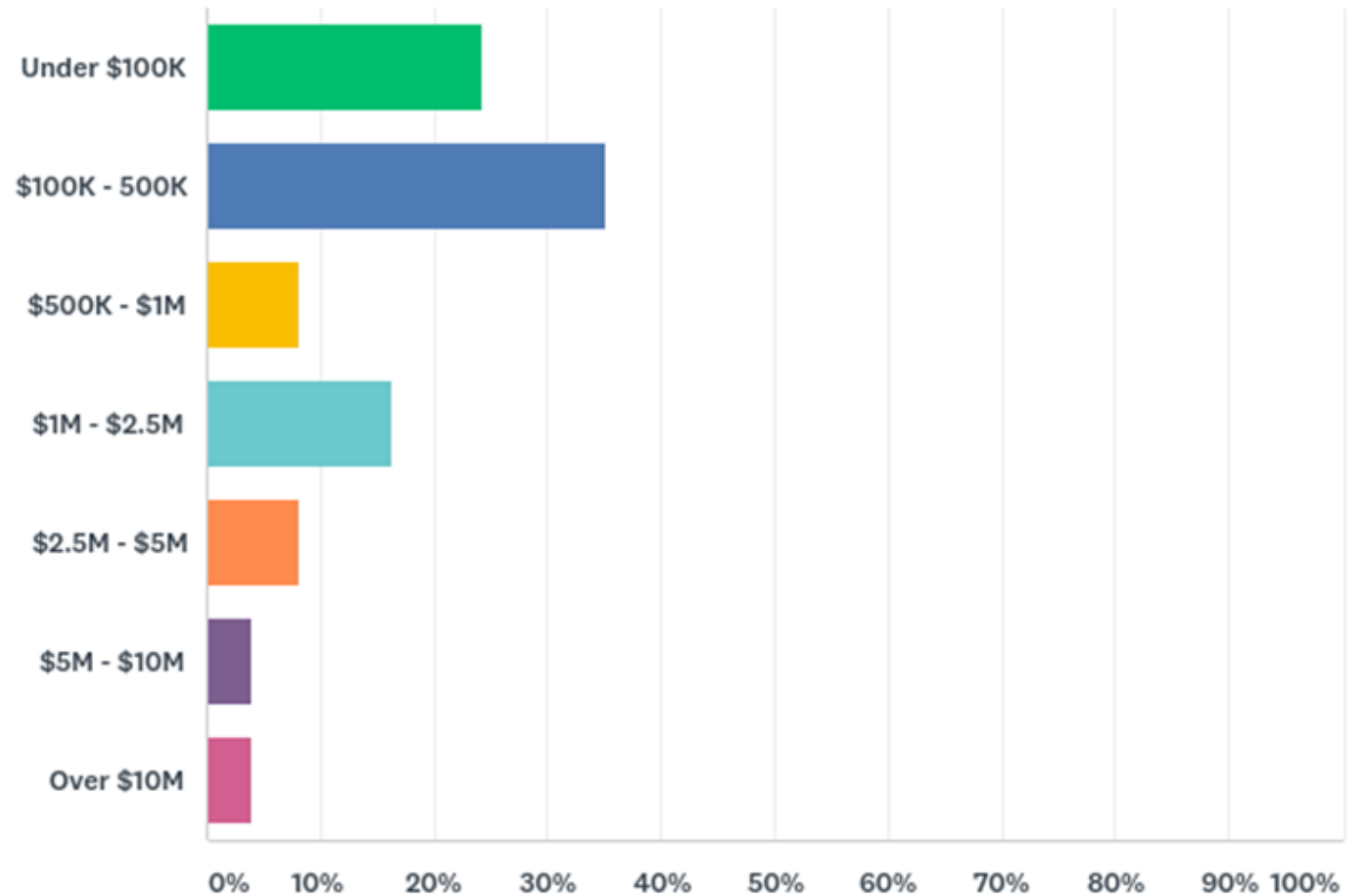


The vast majority, 99% of respondents, indicate they are or will soon be impacted by coronavirus. Of that impact, 65% indicate a significant impact, 32% indicate a moderate impact, and just 3% indicate a low impact to their organizations.

# SERVICE TYPES

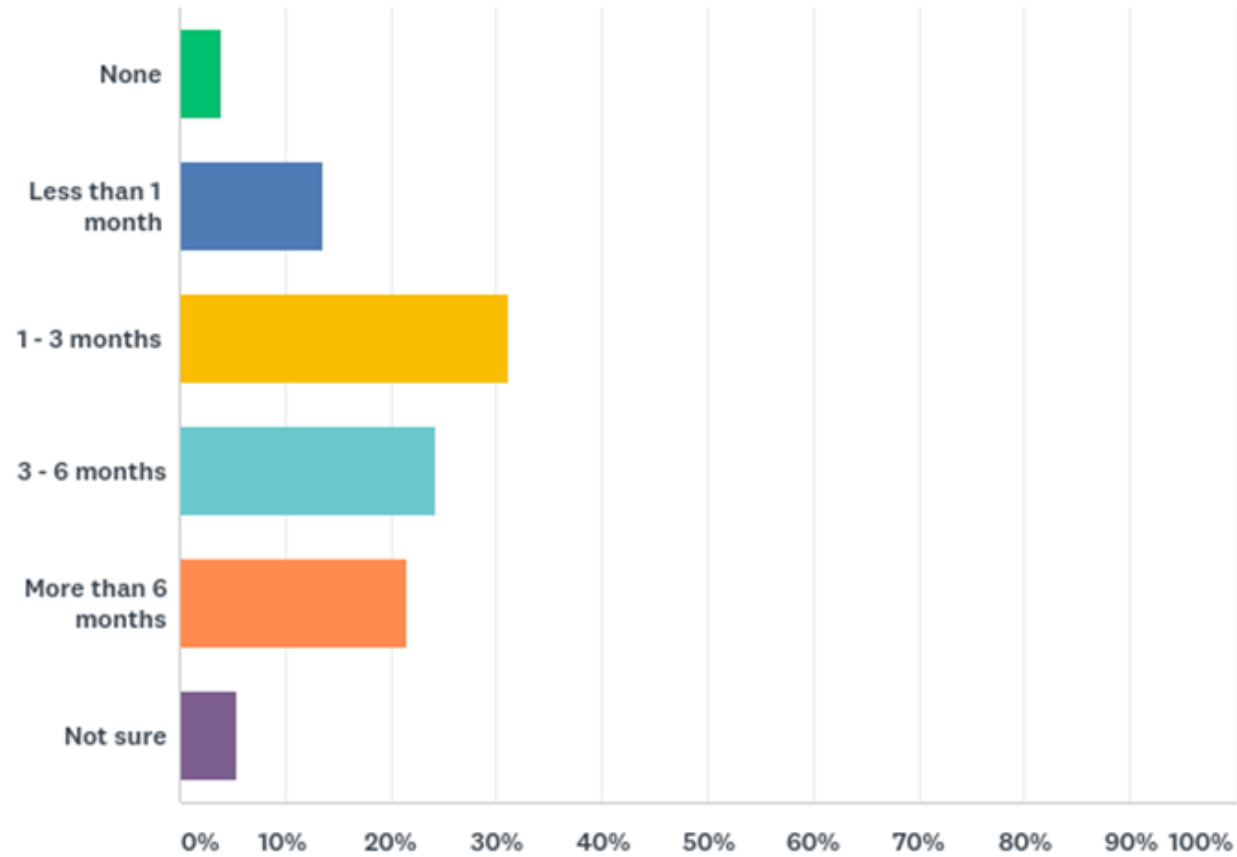


# BUDGET SIZE



Nearly 60% of respondents have an annual operating budget of less than \$500,000.

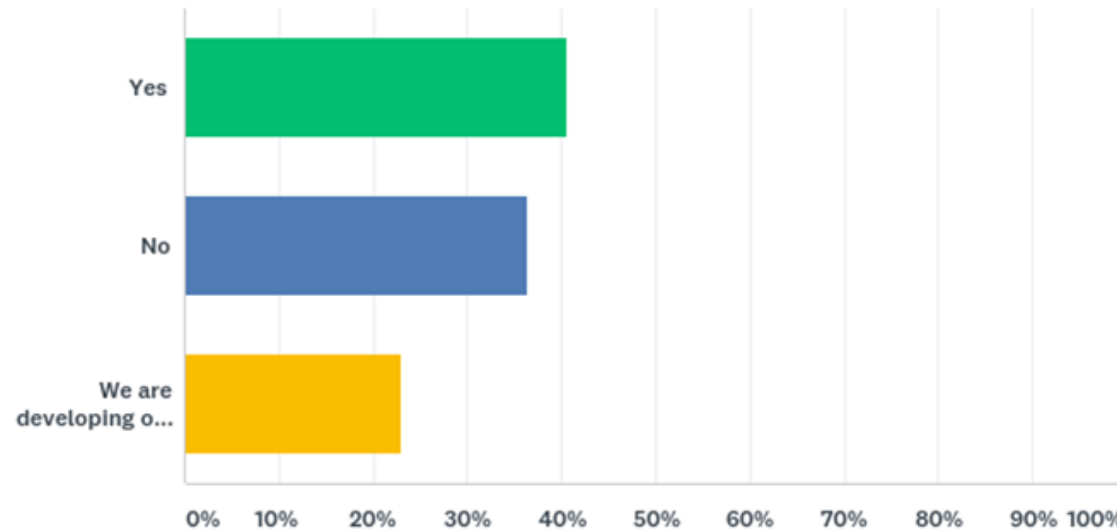
# CASH RESERVES



Additionally, nearly 50% of respondents have 3 months or less of cash reserves.

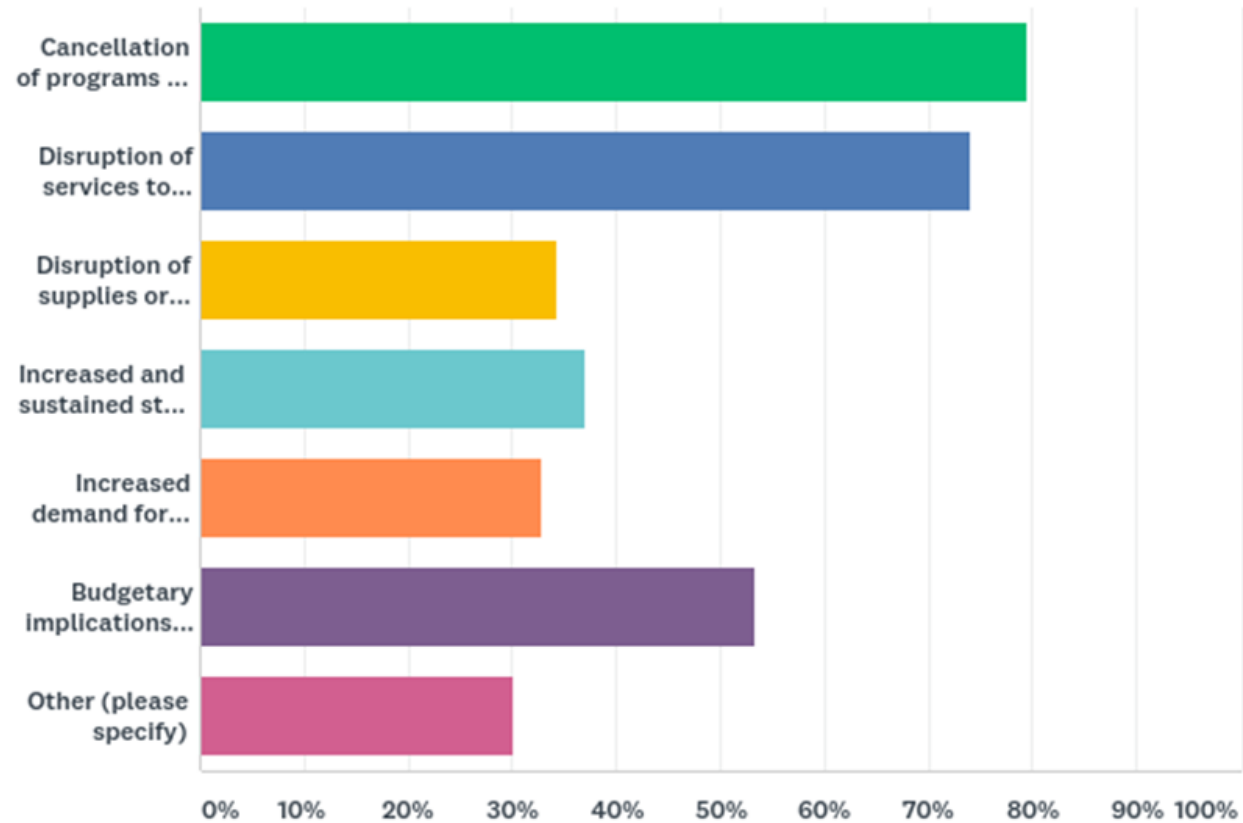


# CONTINGENCY PLANNING



When asked about a contingency or emergency response plan, 41% indicated that they DO have a plan, while 23% are developing one now. The remaining respondents do not have a current or impending plan.

# IMPACT

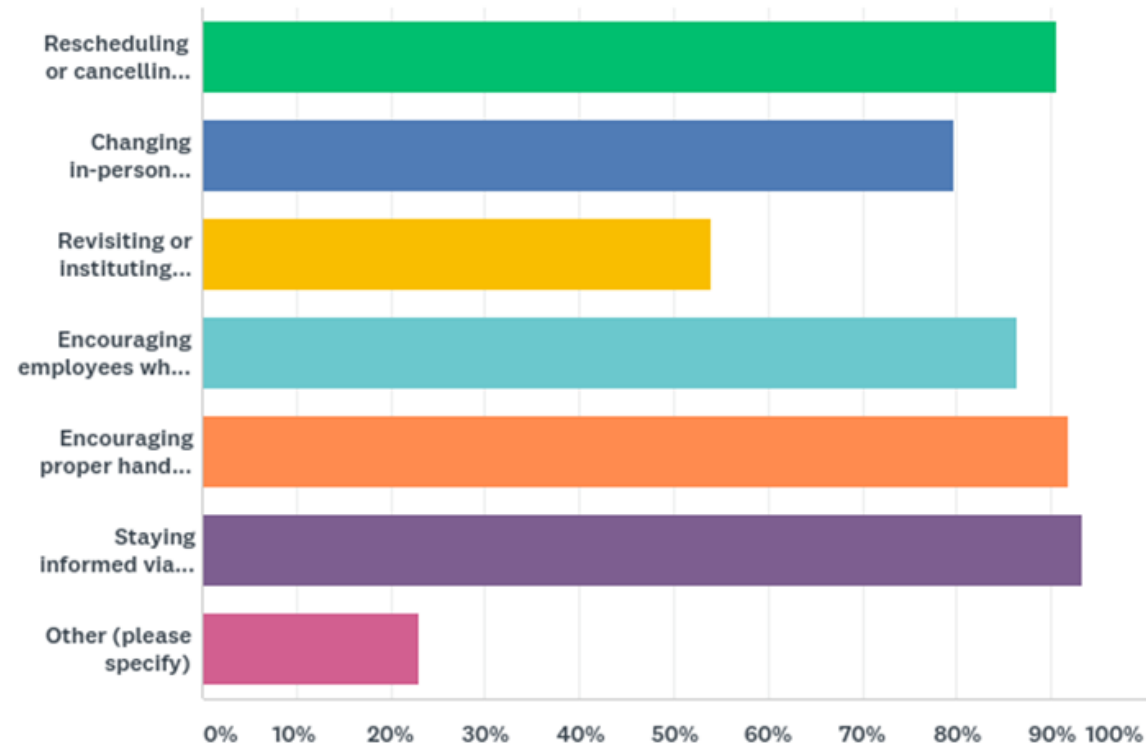


- Nearly 80% indicate that cancellation of programs or events and the corresponding reduced revenue is the biggest negative impact
- 74% impacted by disruption of services to clients and communities
- Budgetary implications related to strains on the economy round out the top three impacts - reported by 53% of respondents.

# OTHER IMPACTS

- Increased and sustained staff and volunteer absences and disruption of supplies or service provided by partners were reported by 37% and 34% of respondents respectively.
- Over 30% of respondents reported other negative impacts, including:
  - The challenges of having employees working from home, office closures, being forced out of the office, and the inability to access hardcopy files kept in their offices
  - Difficulty managing programs due to the inability to meet in person and adapting to phone and email interactions
  - Keeping staff on payroll and insurance with little to no revenues coming in
  - Patrons asking for refunds for cancelled events
  - Increased need for cleaning supplies and protocols
  - Rise in unemployment in the community
  - Expectations that funders will require an extension for current grants or repayment of funds they were unable to utilize due to widespread shutdowns
  - Decreased productivity due to quickly evolving COVID-19 related information being relayed into and out of the organization
  - The impact on the ability to provide services to schools that have closed down, including elementary schools, high schools, and higher education institutions
  - Having networking opportunities, training, and outreach events cancelled
  - Negative impact of the market downturn on invested funds
  - Challenges to procuring cleaning supplies due to panic-buying and hoarding of supplies
  - Cost of technology to allow working from home

# RESPONSES



- 90% report that they are rescheduling or cancelling programs and events
- 80% report switching to virtual events and online meetings
- 54% report that they are revisiting remote work and leave policies for employees
- 87% report that they are encouraging sick employees to stay home
- 92% report that they are encouraging CDC hygiene habits
- 93% report that they are trying to stay informed about COVID-19 through media sources

# RESPONSES

- Other ways nonprofits are responding include:
  - Working from home whether sick or not
  - Forgiving program fees for laid off or reduced hour clients
  - Limiting physical contact with clients
  - Maintaining transparency in communications with stake holders
  - Providing protective equipment
  - Temporary work stoppage but continuing to pay employees
  - Promoting updates and community resources on social media and changing how they support their communities
  - Refunding venue rentals if rescheduling is not an option
  - Changing protocols for safety in healthcare organizations to slow the spread of the virus

# LOST REVENUES

Nonprofit organization respondents are already dealing with or anticipating dealing with decreases in revenues related to the COVID-19 pandemic, depending on the duration of shutdowns. Community foundations are anticipating lower charitable giving due to the downturn in the economy and markets. For our poll, respondents could offer a percentage of decrease they expected or a dollar amount that they expected to lose. Of the 62 respondents:

- 13 responded with percentages of loss
- 30 responded with dollars lost
- 15 responded with uncertainty at how big the losses would be, but did indicate that there would be losses
- 4 respondents indicated that the pandemic crisis and resulting shutdowns would have little to no impact on their nonprofit

# **% LOSSES**

- Respondents report a decrease in revenues from 7-50% with a larger pool of them losing in the 20-30% range.
- Those that rely on program-related income indicate that they will likely lose 100% of that revenue stream due to shutdowns to slow the spread of the virus.
- For one respondent, that equates to one third of their operating budget.

# \$\$ LOSSES

The actual dollar projections are in the thousands to hundreds of thousands, and for many of these nonprofits that rely on revenues each month to keep the lights on, COVID-19 will have a devastating effect.

- Smaller organizations report losses from \$2,000-\$5,000 up to \$20,000-\$35,000.
- Larger organizations are reporting losses of \$40,000, \$50,000, \$100,000, and \$250,000.
- One respondent estimates over \$750,000 of lost revenues.
- Community Foundation respondents indicate that losses from the market and community donation decreases will greatly impact their ability to fund programs in their communities through grantmaking.
- ***Total dollar amount projections of loss equal \$2,010,000 (this is only 30 of our WV nonprofit organizations' projections)***



# EXPENSES

Nonprofit respondents were less sure about the true impact to their expenses.

- Many indicated that the increase was yet unknown or that with the decrease in services provided, the expenses would not be realized, thus offsetting the impact of increased expenses.
- Others indicate the increased expenses were due in large part to continuing to pay wages for employees while they were unable to work, or work was cut back due to widespread shutdowns.
- The increase in expenses ranged from 15% to nearly 100% with amounts ranging from \$7,500 for smaller organizations to \$150,000 for larger organizations.

# NEEDS

By far, the biggest request from nonprofit organization respondents is ***funding*** to carry them through the crisis situation that COVID-19 is putting them in. Other areas for assistance, resources, and guidance for nonprofits include:

- Alerting them of any relief funds – especially those that can be used for operating expenses
- Fundraising options for getting back on their feet
- Advocating for nonprofits to be included in federal stimulus legislation
- Guidance on how unemployment and leave policies will impact nonprofits
- Education and safety tips to combat the spread of the virus
- Recommendations about virtual meeting tools
- Helping funders prioritize support for the most needed resources
- Templates for new policy creation

# IN THEIR WORDS . . .

“If this goes on too long, we worry we won't make it through. We depend on income from admission, parties, events and education programs.”

“Basically, putting everything on hold - events, seminars, conferences - and taking it day by day.”

“I anticipate this will affect our funding for many months/years. This will be a long recovery.”

“Our staff has pulled together to work extra hours as needed to put new protocols and practices in place. Our board members have been very responsive to my questions. The uncertainty and the widespread nature of this situation make it particularly hard.”

“The longer the pandemic continues to occur, the greater and more damaging it will be to our organization and other aspects in our community since the majority of people are in the middle class or lower.”

# IN THEIR WORDS . . .

“We are a nonprofit childcare center. We have stayed open this past week for working parents but over half our families are not sending their children. We employ 9 employees and three are single parent families that cannot afford for us to close.”

“We could lose our director with the cancellations of revenue generating events and if ALL of our businesses we serve CLOSE.”

“We have concerns that funding we used to rely on will go instead to serve needs related to the COVID-19 situation and small but vital programs like ours that serves a vulnerable population will see a future/long-term reduction in funding.”

“We are dealing with scared individuals and facing our own fears at the same time.”

“I believe that all organizations are strained, and the unknown is the most worrisome thing at this time. It is difficult to gauge what will be necessary in the future without knowing how this pandemic will play out. This will impact the world for many years to come.”

# IN THEIR WORDS . . .

“We want to keep delivering essential services to senior citizens in our area. We are concerned about a drop in the requests for services and what this will do to us financially.”

“We had to cancel our conference and fundraiser. We have also seen an increase in mental health crisis amongst our clients.”

“Impacting our normal cycle of activities through the year, will cancel or postpone a lot of programming.”

“Mental well-being/anxiety of staff has been effected (uncertainty, etc.).”

“We've had a significant loss of income for March and April and are anticipating more loss for May and possibly into June.”

“We hope to keep our food pantry and financial assistance programs operational, but may have to curtail or discontinued if ordered by local government.”

“I think it will most likely destroy our non-profit. We are the only type of nonprofit that offers this in WV.”

# WVNPA.ORG ISSUES TAB PREPARING FOR CORONAVIRUS

- **NEW! DEVELOPMENTS IN WEST VIRGINIA**
- **FREE WEBINARS FOR NONPROFITS DEALING WITH CORONAVIRUS**
- **NONPROFIT SPECIFIC RESOURCES**
- **GENERAL RESOURCES (CDC, WHO, WV-DHHR)**
- **NEW! ADVOCACY UPDATES**