



COVID-19 Impact to Delaware Nonprofits

Follow Up Survey 4 January 11, 2021

Methodology & Perspective



Beginning in late March, the Delaware nonprofit sector has been surveyed to understand the impacts and identify nonprofit organizational needs. These surveys are part of the COVID-19-19 Response Initiative, a collaborative among the Delaware Alliance for Nonprofit Advancement, the Delaware Community Foundation, Philanthropy Delaware and the United Way of Delaware.

Three surveys were released in March, April and June, 2020. The information has been used to inform funding strategies by the United Way, the Delaware Community Foundation, the philanthropy community and state government. This information also guided DANA's training and capacity support services.

Since the last survey, nonprofits have had opportunities to benefit from millions of federal CARES act dollars allocated by the State of Delaware and New Castle County. The COVID-19-19 Rapid Response Fund managed by the United Way and the Strategic Response funds managed by Philanthropy Delaware, and DCF have deployed over \$5mm collectively to support critical services and sustain nonprofits.

This fourth survey was deployed in mid-November 2020; asking similar questions from previous surveys to understand how the impact has changed and in what way needs for support have evolved. In addition, questions were included to understand interest in a PPE service through Donate Delaware, and interest in participating in the Racial Justice Collaborative spearheaded by the United Way.

114 organizations participated in this survey. Though it is unknown which organizations participated in all three. Given participating nonprofits may not be the same in each survey, this is not intended to be a longitudinal study. However, where data collected was similar, perspective is shared on the responses earlier in the year compared to now.

Note it is estimated there are over 900 nonprofits actively operating in Delaware.

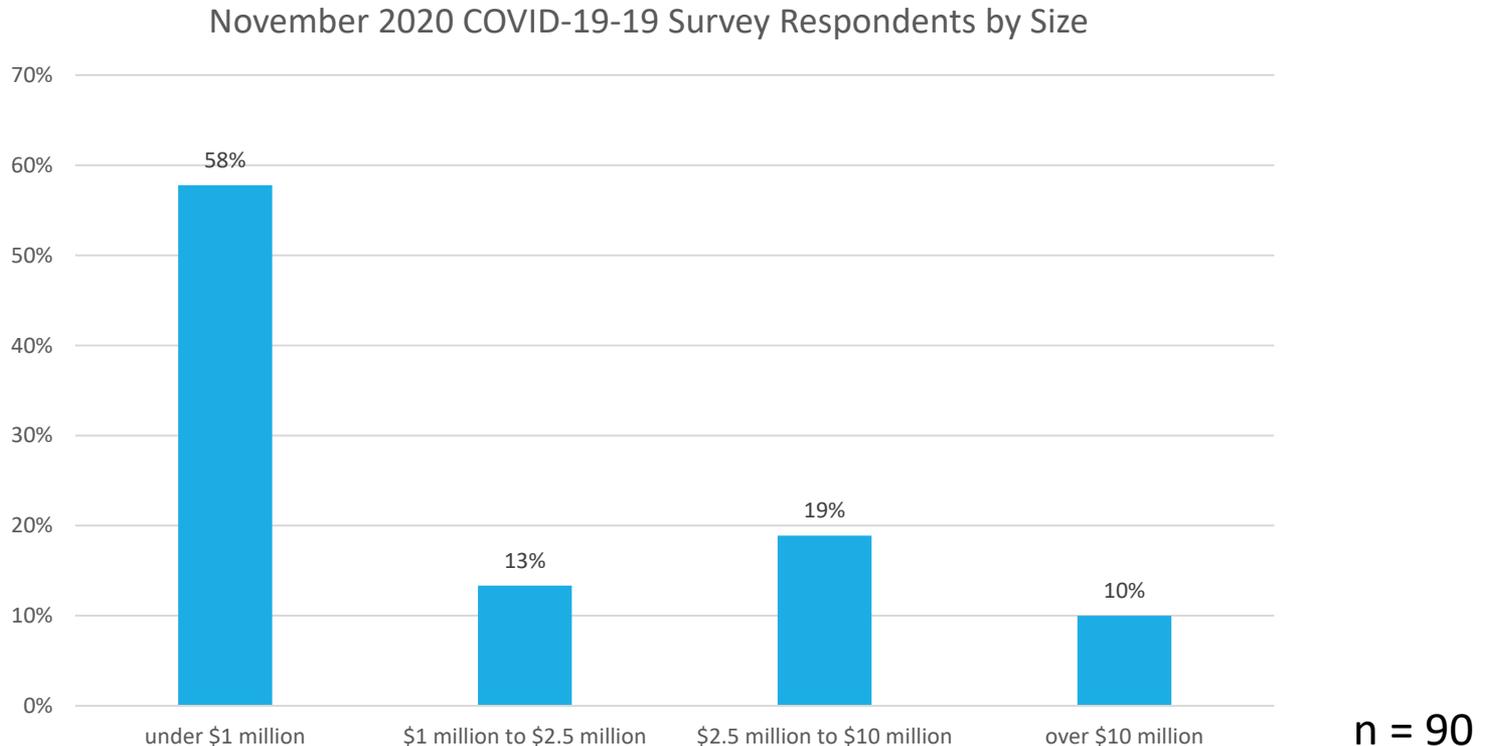
Highlights of the November COVID-19-19 Impacts to Nonprofits Survey

- As of November, over 60% of nonprofits have re-opened their facilities, and 30% have experienced an increase in demand. 38% of Respondents in the previous survey expressed service demand.
- Respondents indicated those they serve are experience mental health issues, have difficulty accessing services digitally, or are hesitant to participate at facilities
- Staff are fearful about health safety, struggling with balancing home life/work with school schedules. Higher work demand, or reduced staff levels results in mental health issues and burn out.
- Nonprofits still struggle with uncertainty of pandemic impacts, the need for more funding, or need to increase space to accommodate health safety concerns.
- More than half of nonprofits experienced a revenue decline in 2020 compared to 2019. This is slightly better than anticipated revenue declines estimated in June.
- Most nonprofits applied for some COVID-19-19 related grant and 82% of those that did received some level of funding.

Highlights of the November COVID-19-19 Impacts to Nonprofits Survey

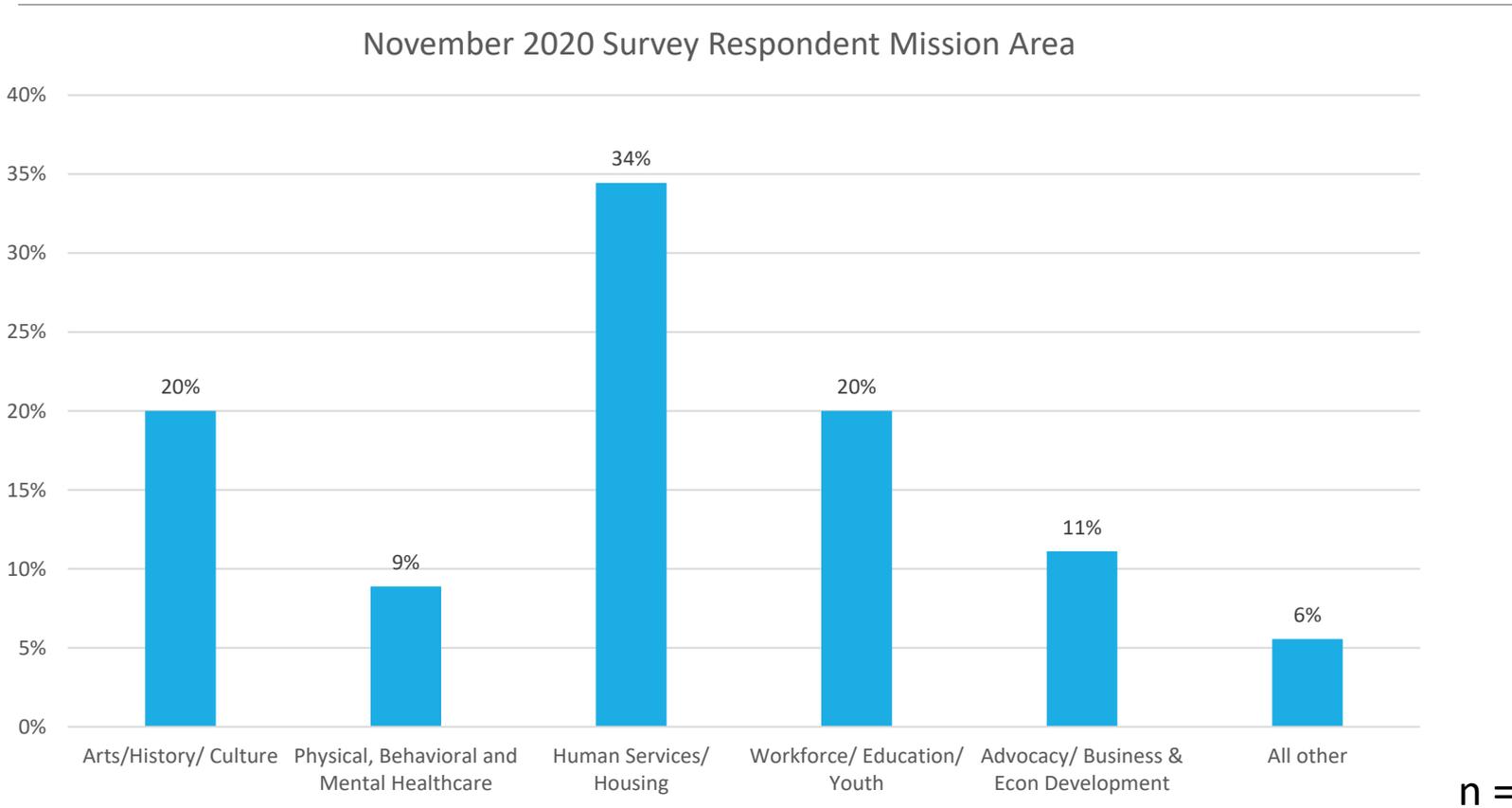
- Most nonprofits in this survey also applied for funds from the CARES Act from 11 different programs by the State or Counties.
- 70% of respondents knew their unrestricted weeks of cash on hand as of October. 36% of those had less than 10 weeks, which is comparable to the previous surveys. Smaller nonprofits, those in education, housing and advocacy had a greater percentage of nonprofits with less than 10 weeks. Those nonprofits with facilities close and offering services, or those that didn't receive grants and CARES Act funding also had greater percentage with less than 10 weeks of cash on hand.
- Compared to the June survey, a greater percentage of respondents indicated a need for funds to pay for employees. Other need areas decreased slightly.
- There is interest in a service such as Donate Delaware, with many nonprofits indicating hand sanitizer, disposable masks and cleaning supplies as top PPE needs
- 63% indicated they have changed their policies and practices regarding racial equity. Nearly 60% are interested in training/coaching to improve their practices.

As in prior surveys, small organizations represent most of the survey respondents



Note: Not all respondents answered this demographic question. The respondents' organizational size skews towards larger organizations. According to Share Delaware.org, 78% of Delaware nonprofits are under \$1 million, and 4% are over \$10 million. (DE Nonprofits who filed 990's in 2017)

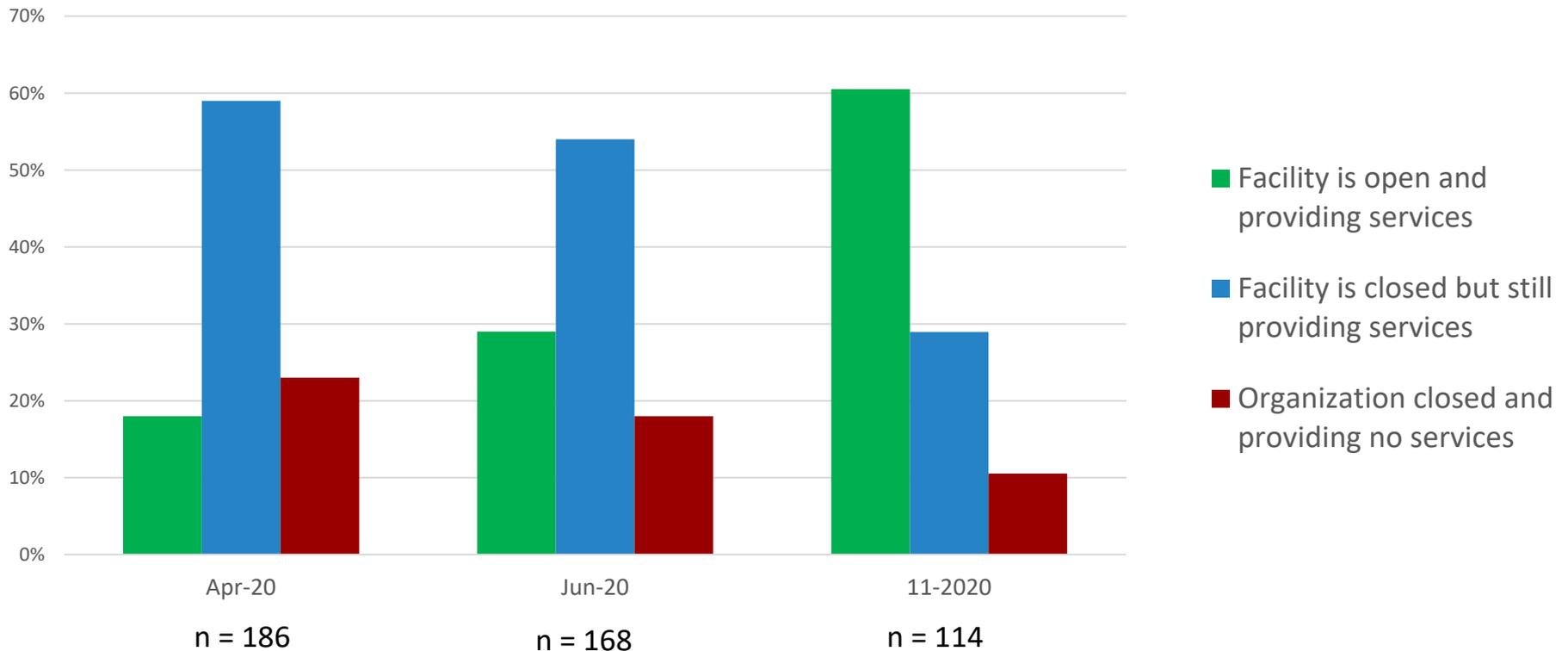
Nonprofit Mission Area



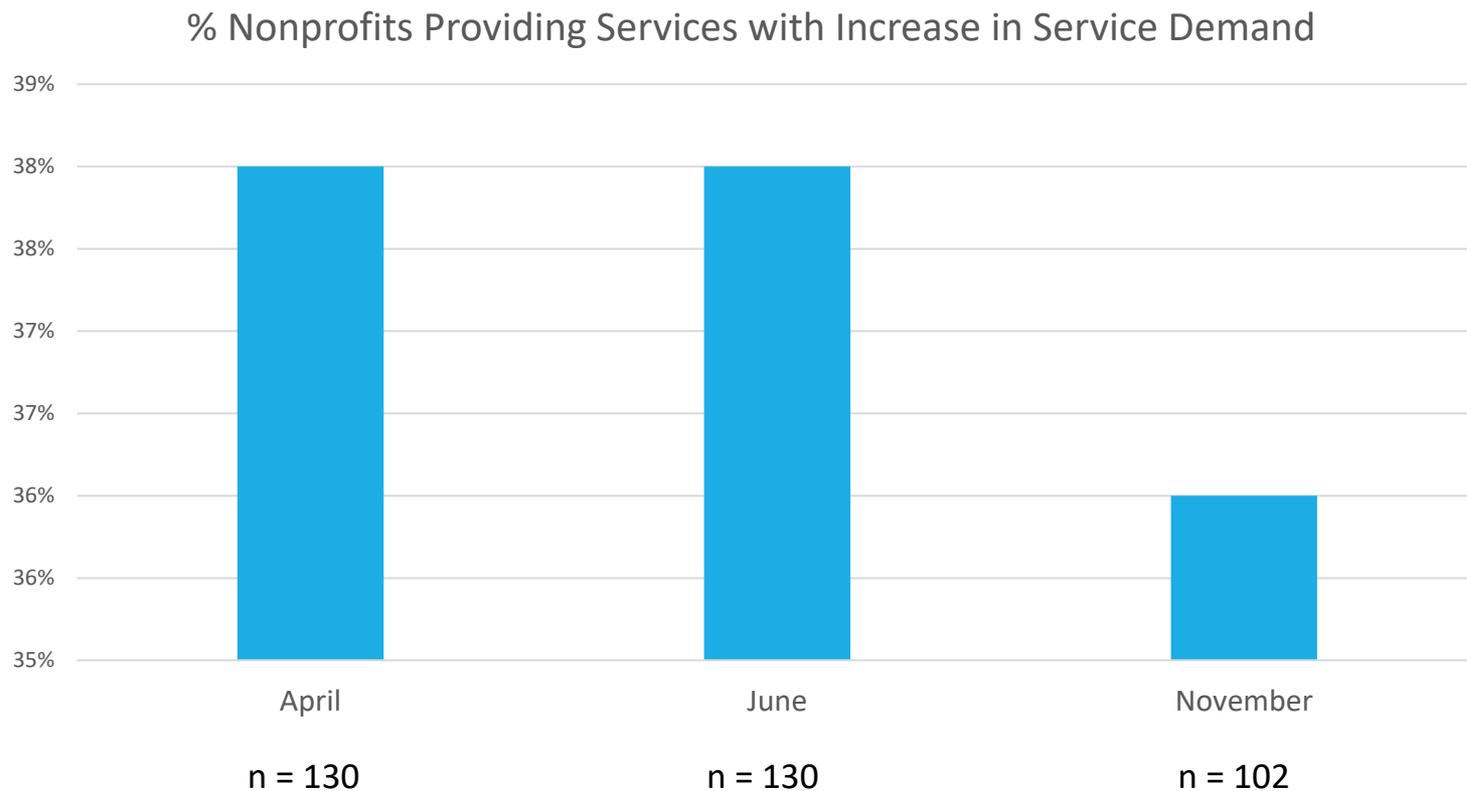
Note: The respondents' organizational mission area has a higher percentage of arts & culture and lower representation of health than the Delaware sector as a whole. (ShareDelaware.org, DE Nonprofits who filed 990's in 2017)

As the year has progressed, more nonprofits have opened their facilities for in-person services

Status of Nonprofit Operations Across three Surveys



A third of organizations providing services have seen an increase in demand. Fewer reporting this increase in November than in prior periods



Respondents Were asked to identify greatest challenge for their clients or those they serve

- Digital access is still not available for some youth and other populations served
- Clients not accessing in-person services either because they are fearful of contracting COVID-19, or fearful using public transportation, or service hours/programs have decreased as the nonprofits are limiting in-person services/programs due to health crisis
- Mental health issues – anxiety, depression, isolation. Concern for those who typically benefitted by social connection. Concern for those who are at risk of abuse.
- Financial hardships have increased, fear of loss of housing.
- Housing homeless is taking longer
- Hispanic community not being reached as well as other populations

Greatest challenge for Nonprofit Employees

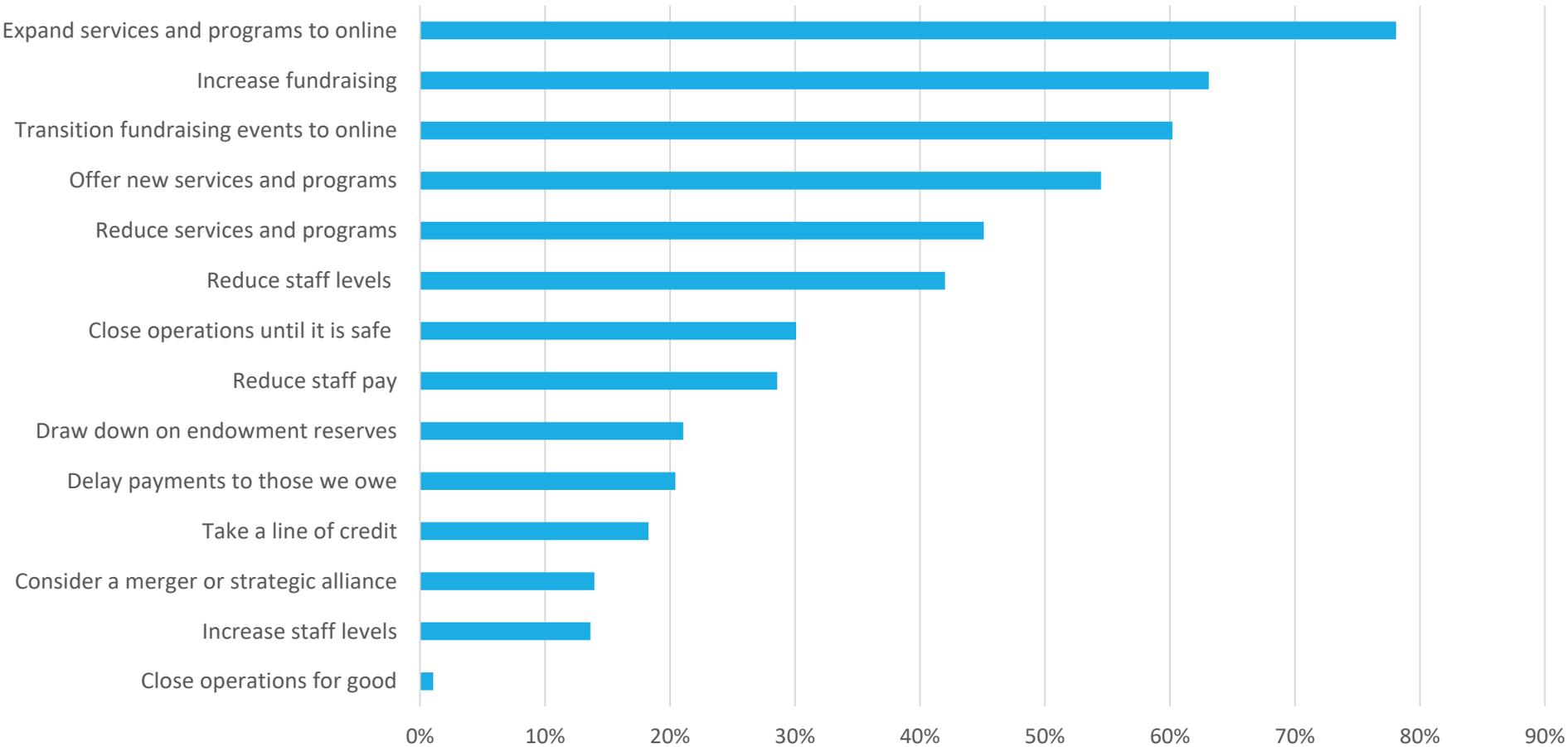
- ❑ By far, the greatest concern was regarding health safety were raised. This includes creating a safe environment for the staff, and also the steps staff need to take to keep a safe environment for the clients/customers. This was also expressed as incremental work – adding to already busy workloads.
- ❑ Second mentioned was reduced hours, furloughs and lay-offs which have impacted the financial health of employees. This also translates to reduced volunteers often because they are in the high-risk category. Both result in less services/programs available.
- ❑ Balancing home life and work life particularly those with school-age children or provide care for elderly adult. The uncertainty regarding school plans, managing supervision/care of the dependents while also trying to get their work done.
- ❑ Providing services remotely is considered not as ideal for some organizations. Staff having to learn how to meet comparable service quality from a digital distance. Home environments such as internet quality can be disruptive and impact services as well as teamwork.
- ❑ Burn out, mental health and anxiety was also raised frequently. Often attached with concerns regarding home-life work balance, more demand for services than available, and increased work loads.

Greatest challenge for the nonprofit

- Loss of staff due to turnover, reductions because cannot retain payroll levels; loss of volunteers
- Loss of regular funding due to:
 - Donors allocated funding to COVID-19-relief initiatives
 - Reduced program levels
 - Fundraisers didn't materialize or realized reduced levels
- Inability to raise new/different revenue:
 - Feel overlooked by major foundations
 - New to the community/nonprofit new and haven't been able to establish themselves
- Creating a safe environment:
 - Enforcing that protocols are continuously being followed in a consistent manner
 - Cost of creating environment (PPE, disinfectant, ventilation systems)

Most organizations have moved programs and fundraising to online, with more than half adding new services and programs.

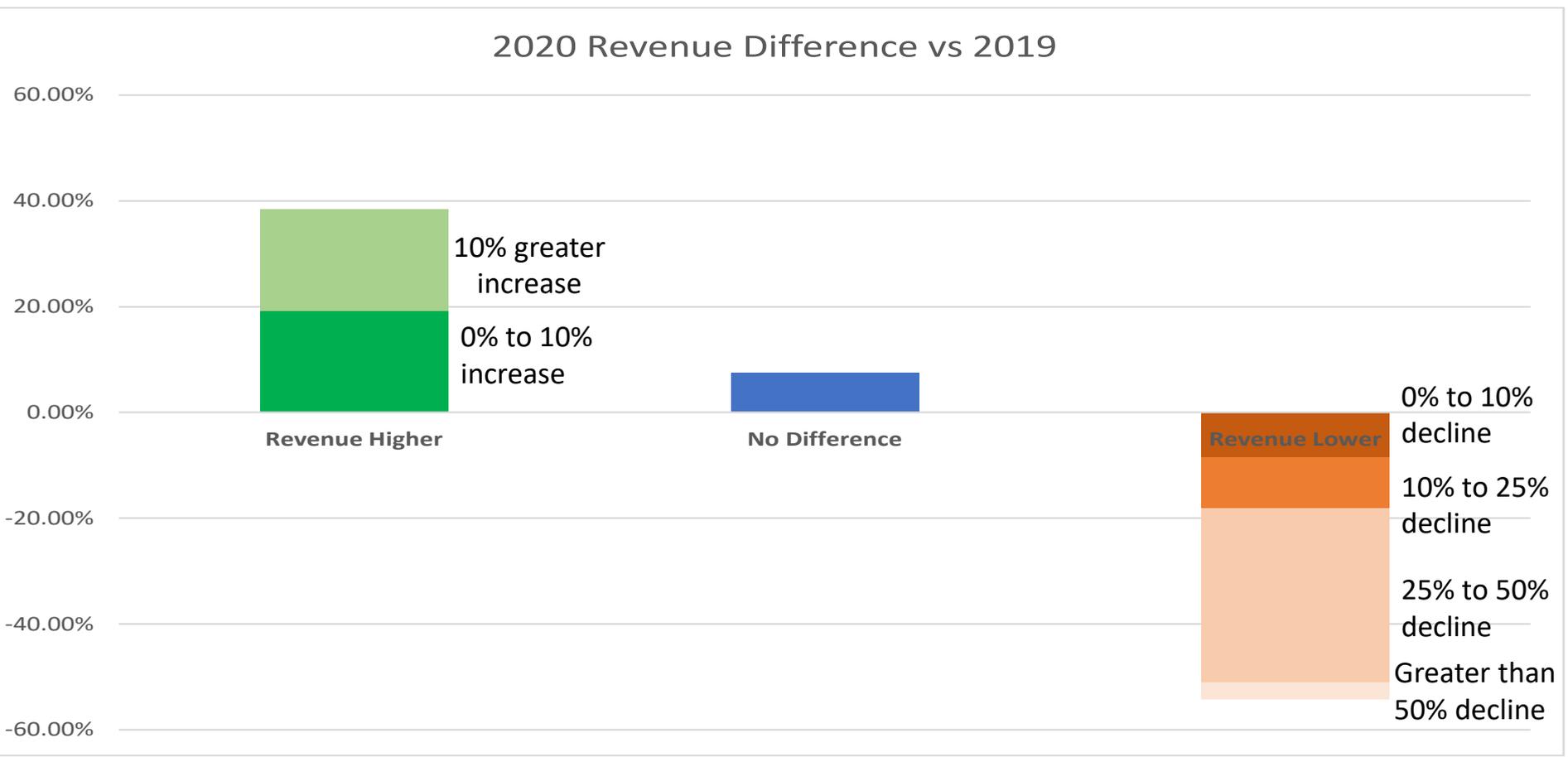
Actions taken due to the Pandemic



Other Actions Taken by Nonprofits due to the Pandemic

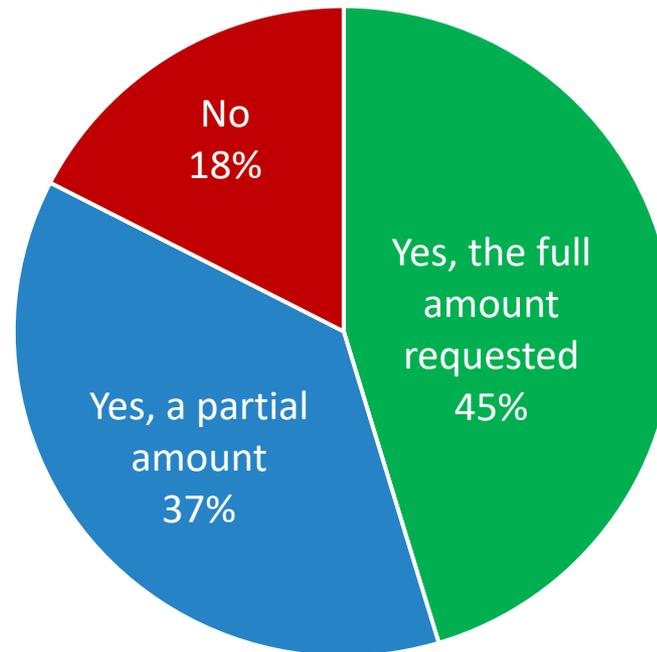
- Added programs that connect people together (virtually)
- Using the “down time” to train staff and board as well as they plan for the future
- Renovate and redesign spaces to improve health safety
- Seeking new partnerships
- Exploring new ways to fundraise, pursuing new grant opportunities

55% experienced a revenue decline in 2020 compared to prior year, more than half of that was a loss of greater than 25%



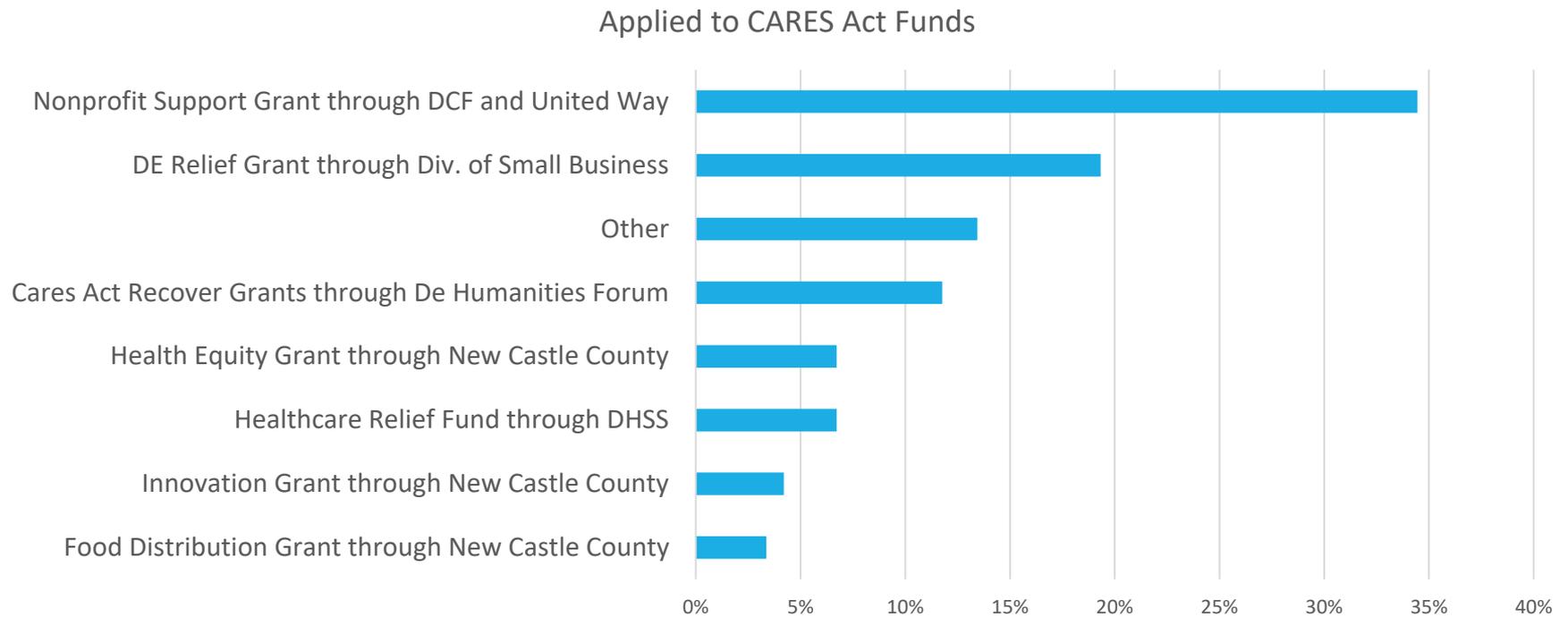
Most Nonprofits have Applied for COVID-19-19 related Grants

Did you receive the requested grant amount?



N = 86

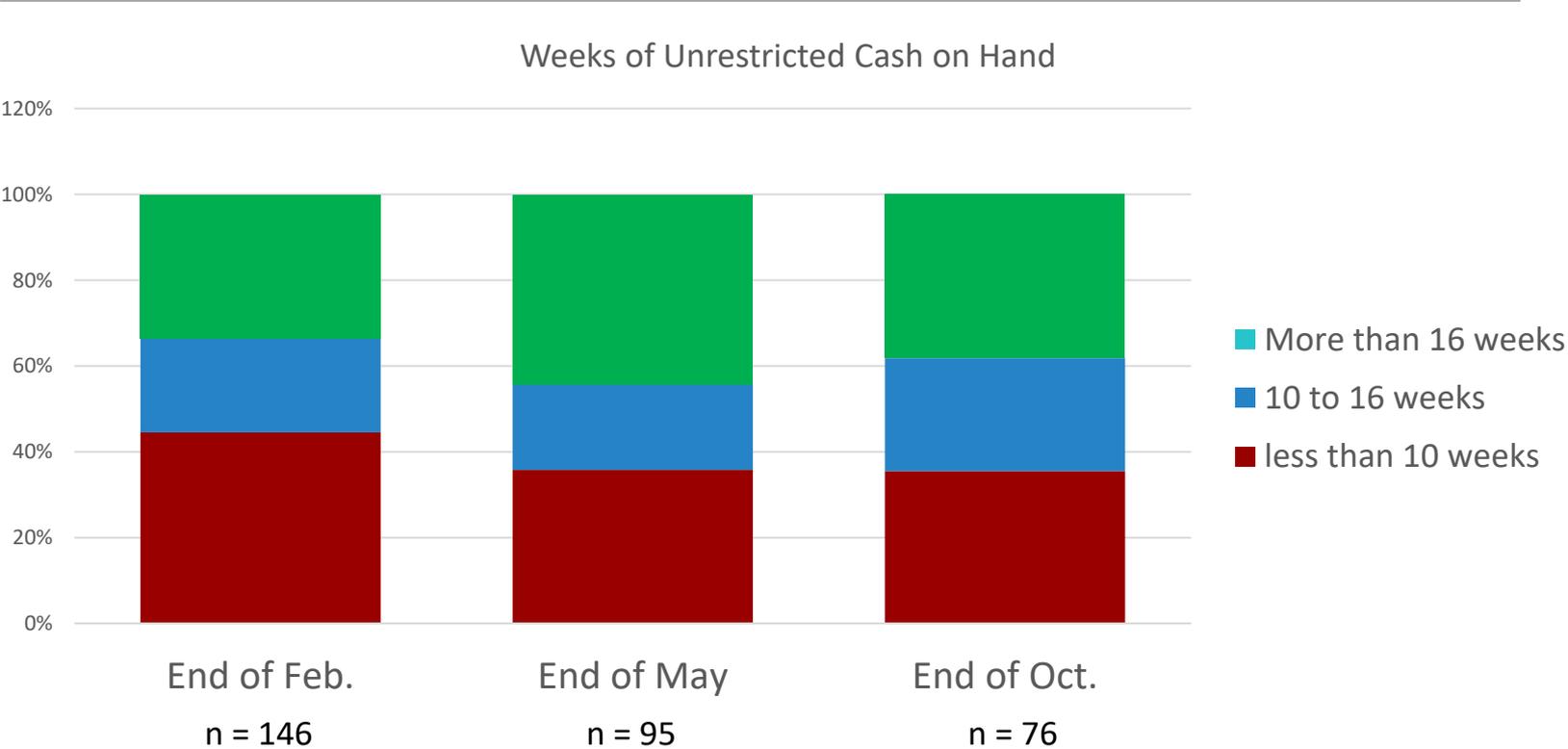
69% of organizations also applied for one of 11 CARES Act-related grants listed or self-reported



Other programs included: Sussex County DSHA grant, Community Resilience through DHSS, Provider Relief fund, IMLS CARES grant

Over a third of nonprofits have less than 10 weeks of unrestricted cash on hand at the end of October.

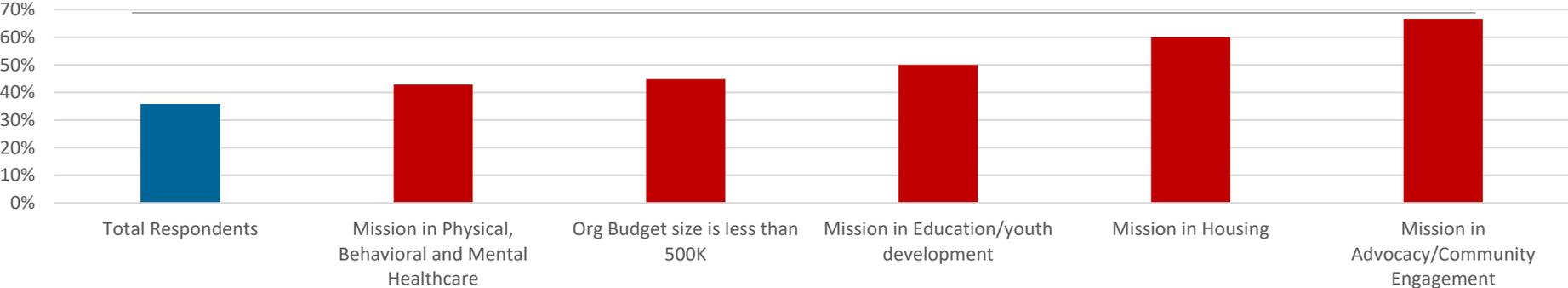
Comparable to the levels of cash on hand status in May.



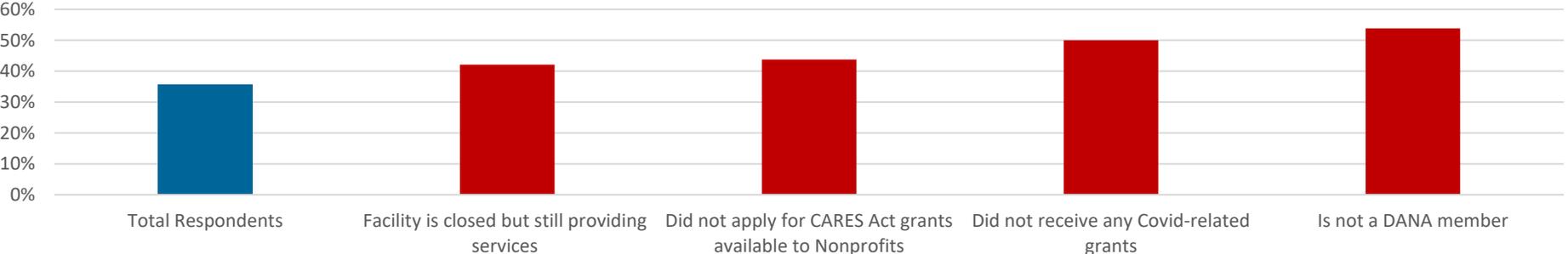
Note: represents those who knew their cash position. 30% of November respondents were not sure of their cash position compared to 24% in the June survey and 22% in April

Situations and type of organizations that have a greater percent with less than 10 weeks of cash on hand

Those Organization types with higher percentage of low cash on hand



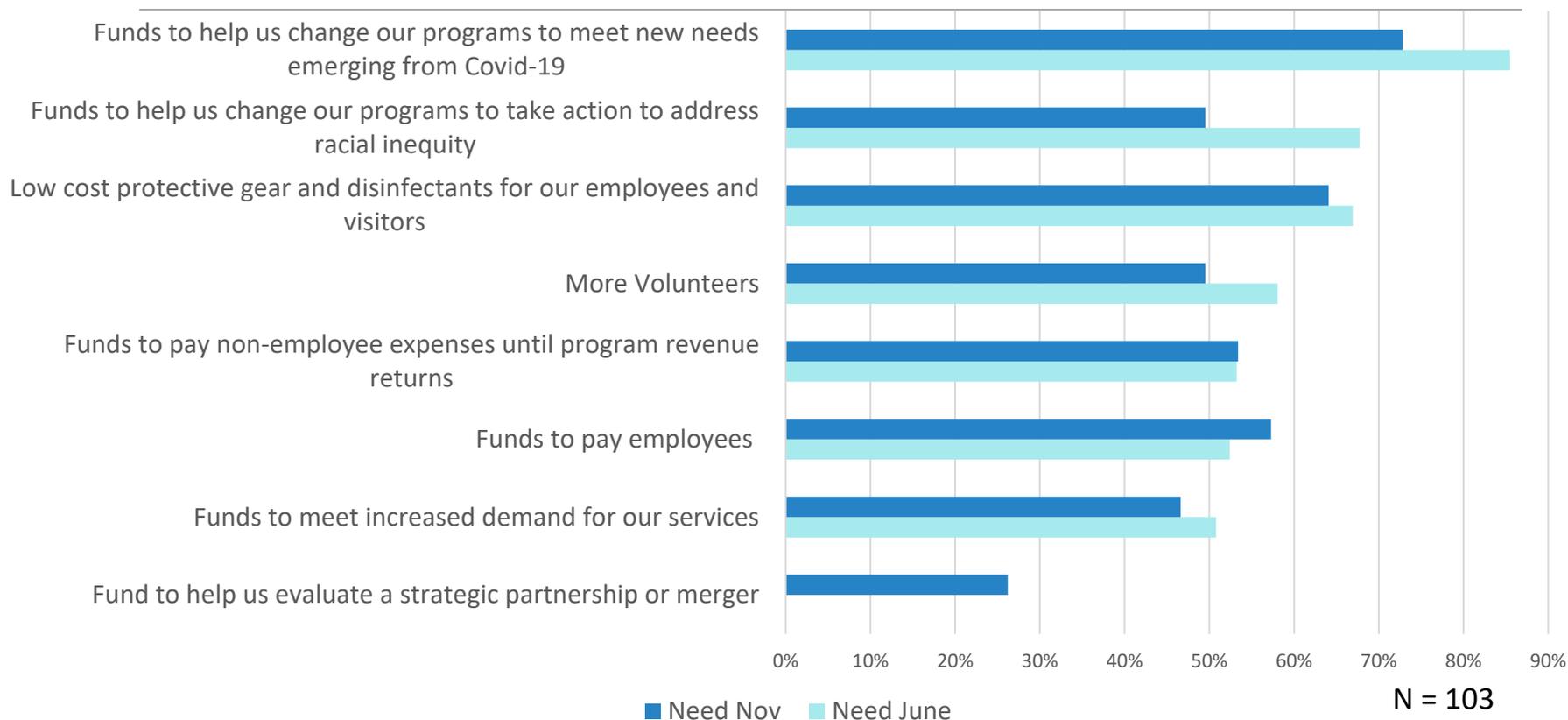
Those Organization circumstances with higher percentage of low cash on hand



Note: represents those who knew their cash position. 30% of November respondents were not sure of their cash position. Given the small numbers this is considered directional data and not representative.

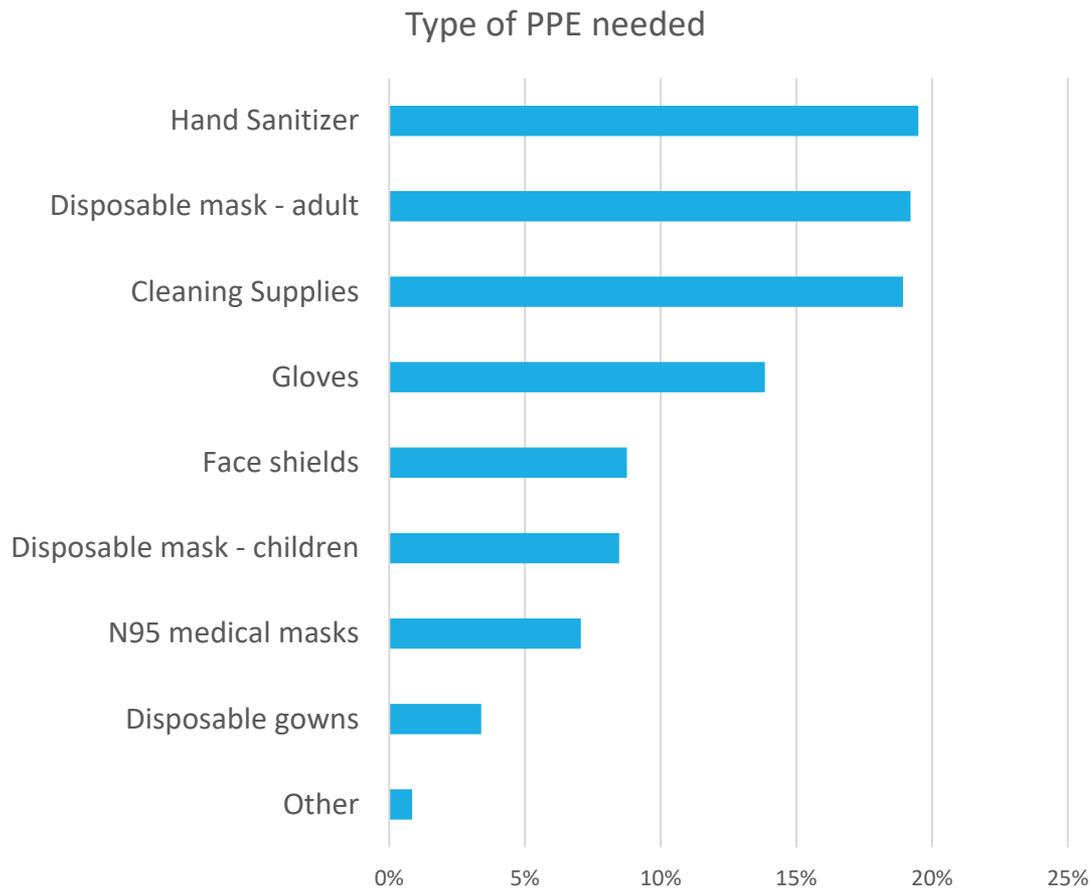
Funds to pay employees is a growing need, while other areas are less needed compared to June

Areas where Additional funds in the next 60 days are needed



Those who listed other resource needs included: funds for marketing/website upgrades, technology support, to hire additional staff to meet the demand, facility expansion/upgrades, employee benefits

78% were interested in a low-cost provider of PPE

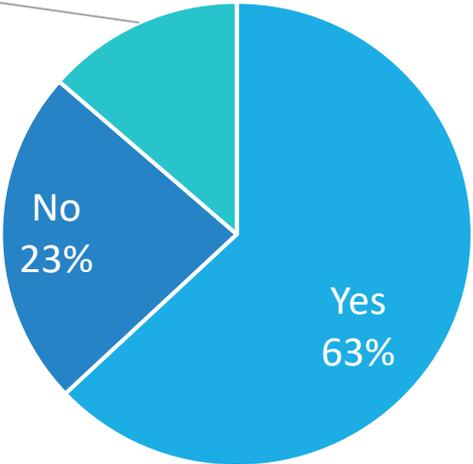


Respondents were invited to share their email if they wished Donate Delaware to contact them about PPE purchasing

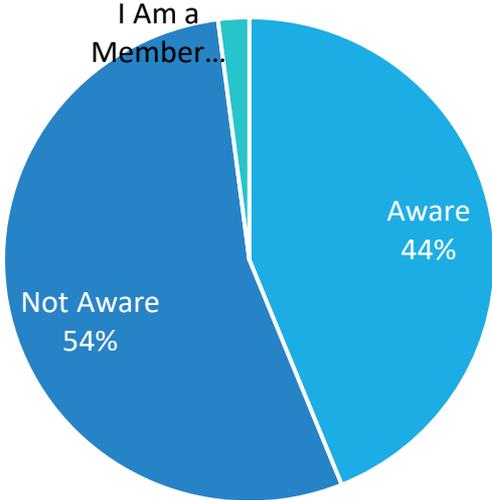
Nonprofits have addressed racial inequities

Organization has evolved its practices or policies to improve or address inequities

Not Sure 14%



Organizations Aware of the Delaware Racial Justice Collaborative led by United Way



Respondents were invited to share their contact information if interested in learning more about the Racial Justice Collaborative. Training for to improve racial equity policies and procedures is a one of the top three topic areas of interest.

Half of respondents shared what steps they were taking

- ❑ A third have invested in staff and board training on diversity, equity and inclusion
- ❑ A quarter have identified board and staff recruiting practices as a priority
- ❑ 21% have formed board committees to explore the issues, conduct research, and provide recommendations
- ❑ 10% indicated they already had these policies in place or have board and staff reflective of the community
- ❑ Other actions included evaluation programs, conducting community outreach to discuss diversity, equity and inclusion

Raising Funds, Finding Partners, and Bringing Racial Equity Practices are top training needs



Small nonprofits (under \$1 mm in size) tended to desire support in financial, sustainability and fundraising. Larger organizations sought strategic partnership and equity support. Other topics raised included strategic planning, board development and opportunities for staff to connect with their peers.



Questions

Contact: Sheila Bravo
sbravo@delawarenonprofit.org