



# IS AN EQUITABLE NEW NORMAL POSSIBLE?

*LESSONS FROM NONPROFIT  
RESPONSES TO THE COVID-19  
CRISIS*

Emily Finchum-Mason

Kelly Husted

Mary Kay Gugerty

Erica Mills Barnhart

This research was sponsored by the  
*Nancy Bell Evans Center for Nonprofits &  
Philanthropy.*

# PRESENTATION RESOURCES



ASK QUESTIONS THROUGH CHAT OR BY  
RAISING YOUR DIGITAL HAND



CONTRIBUTE YOUR EXPERIENCES AND  
IDEAS THROUGH THE JAMBOARD

# MOTIVATION FOR THIS WORK

Nonprofits in Washington state...

- ...are critical social and economic organizations.
- ...had to respond swiftly to COVID-19 to serve their communities, especially those that have been disproportionately impacted by COVID-19.
- ...face serious strategic and financial challenges that are compounded in times of crisis.

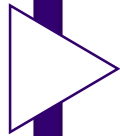
# RESEARCH OBJECTIVES

This research seeks to understand the:

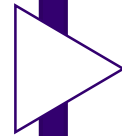
- ***Major challenges*** faced by nonprofits as a result of COVID-19.
- ***Strategies*** nonprofits used to mitigate the negative effects of the crisis.
- Extent to which nonprofits have experienced ***changes in funders' support***.
- Whether and how nonprofits have been able to ***access CARES Act aid***.
- ***Types of assistance*** that nonprofits consider most necessary at this time.
- Challenges specific to BIPOC-led and BIPOC-serving organizations.

# NONPROFIT RESPONSES TO COVID-19 IN WASHINGTON STATE

Summer 2020  
Phase I  
Initial  
Survey



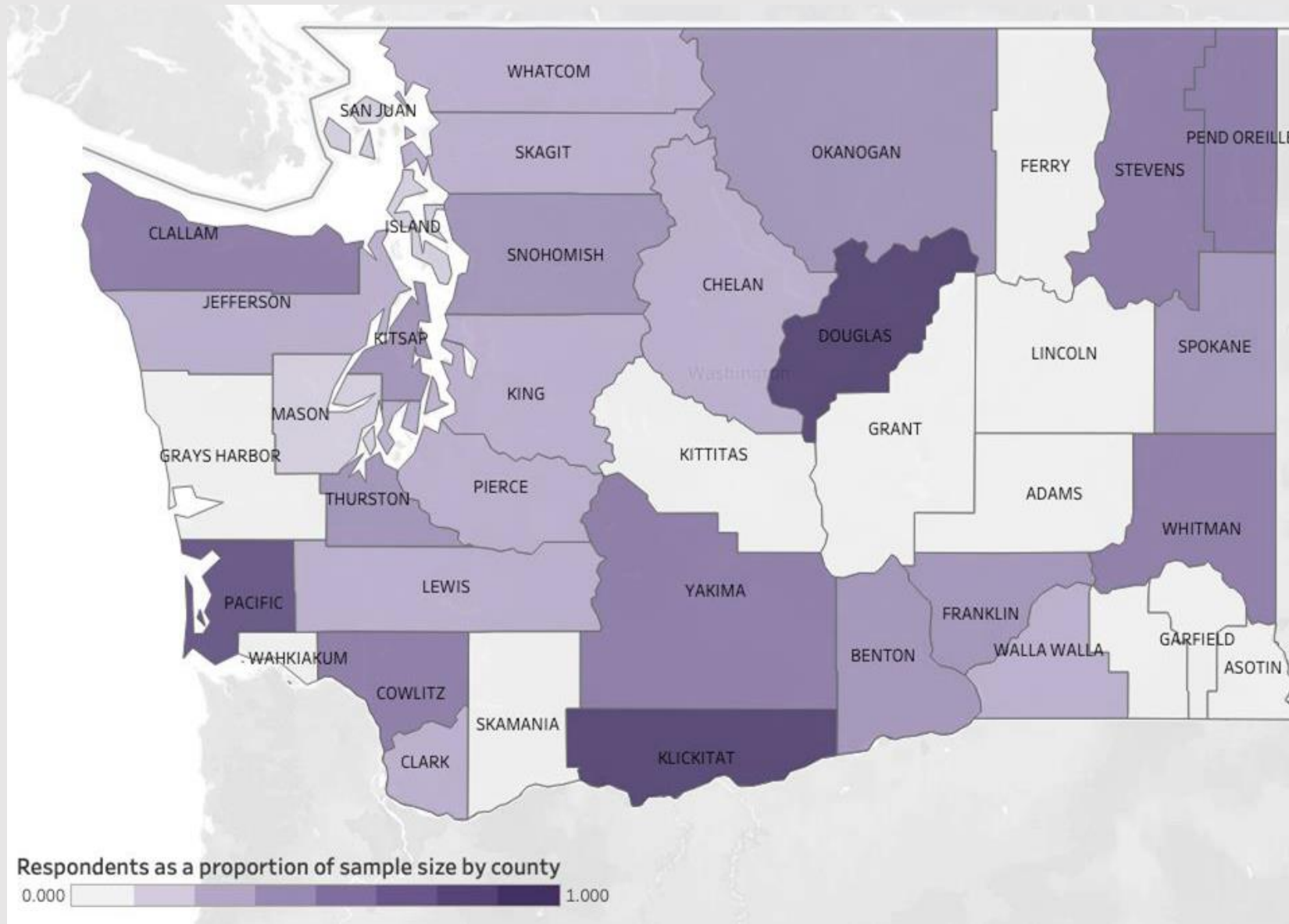
Spring 2021  
Phase II  
Interviews



Fall 2021  
Phase III  
Follow-Up  
Survey



# RESPONSE RATES BY COUNTY





# **STRATEGIC, OPERATIONAL, AND FINANCIAL CHANGES**

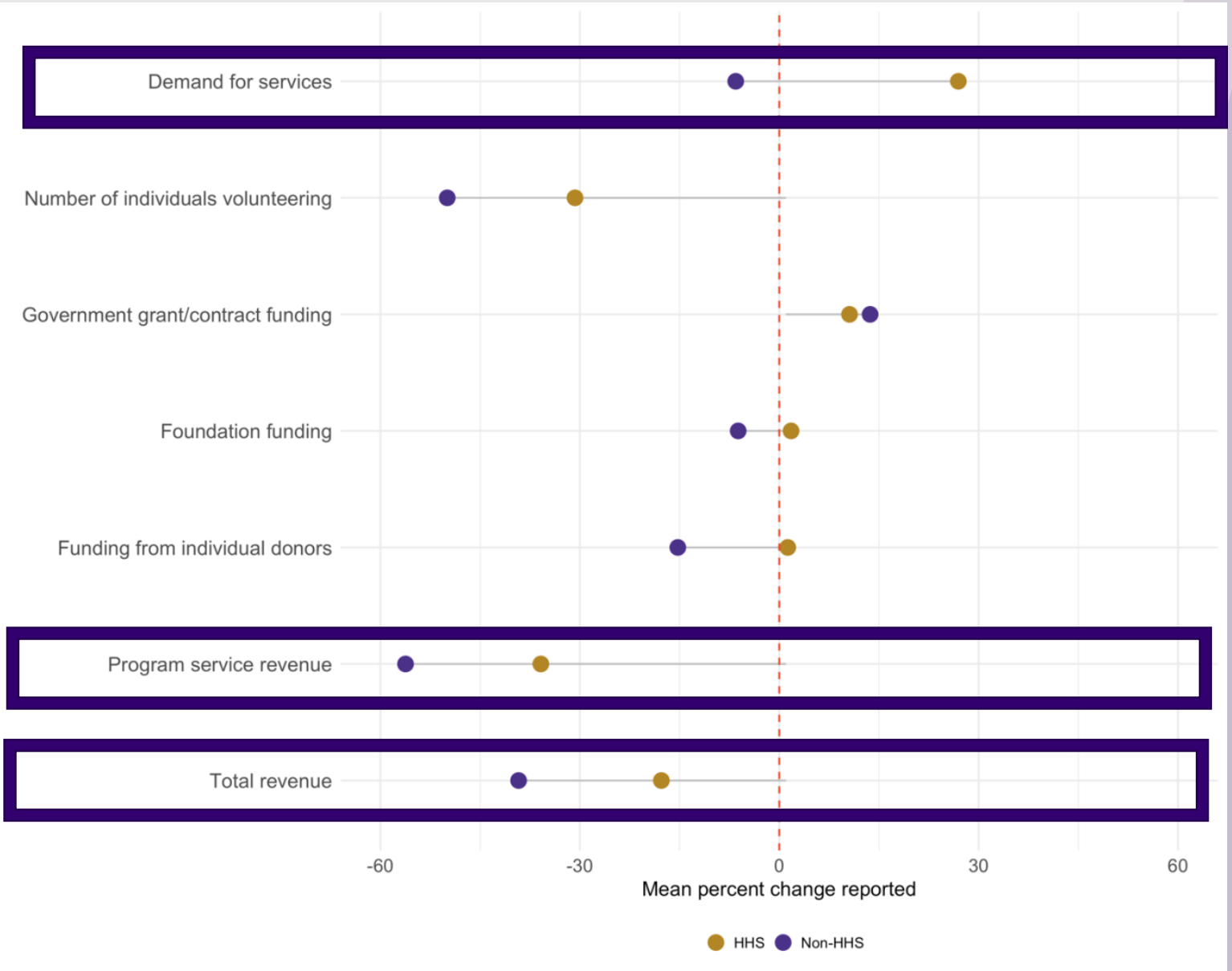
# WHAT WERE THE MOST PRESSING CONCERNS FACING NONPROFITS IN WASHINGTON STATE IN JULY 2020?

## *2021 Updates*

Demand for services has mostly balanced out.

Changes to revenue were not as drastic as expected.

## CURRENT OPERATIONAL & FINANCIAL CHALLENGES





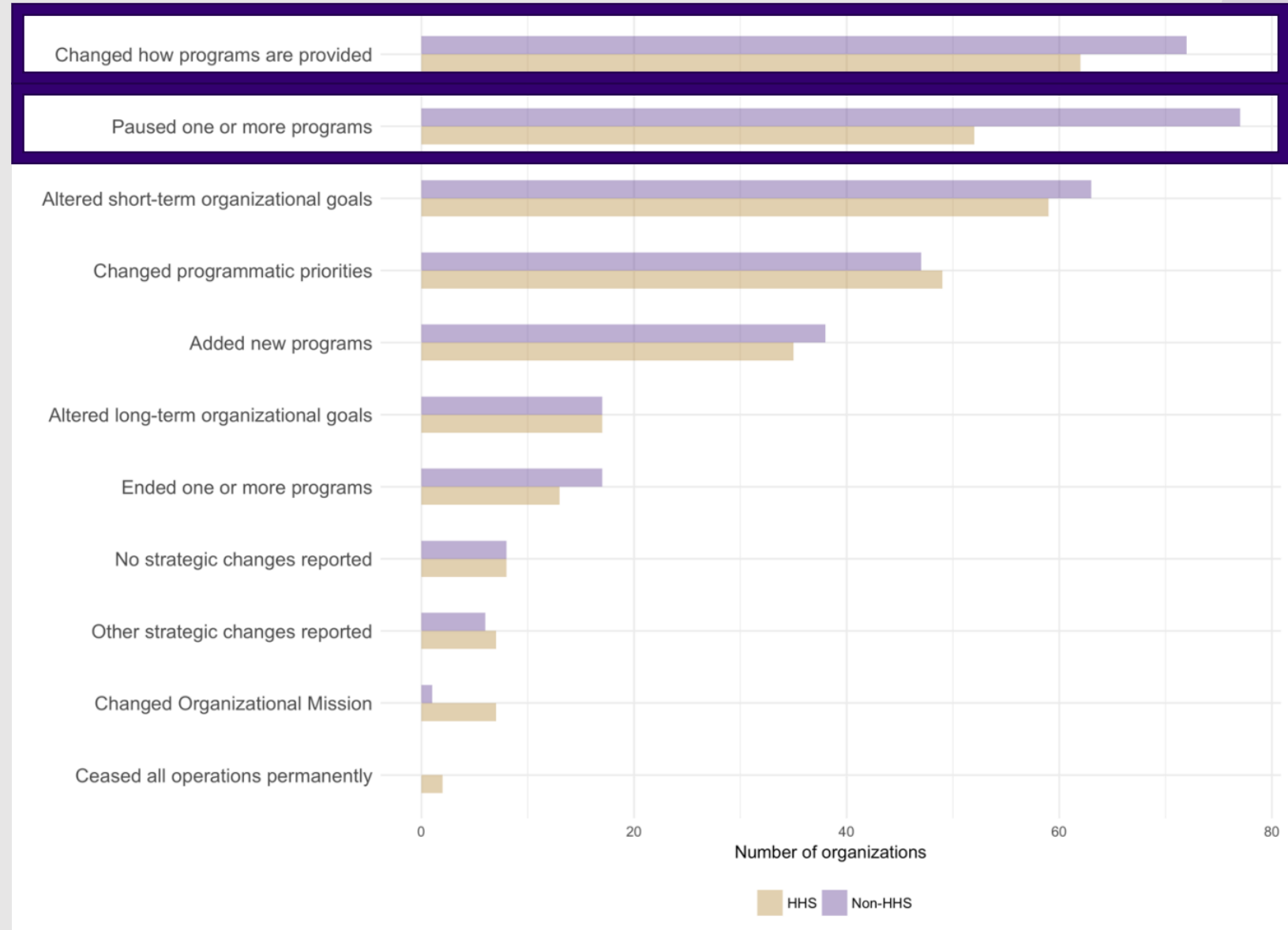
# WHAT STRATEGIC OR OPERATIONAL CHANGES HAVE NONPROFITS MADE IN RESPONSE TO COVID-19?

## *2021 Updates*

Considerable diversity in program changes.

Many report that programming is still online.

## STRATEGIC CHANGES MADE



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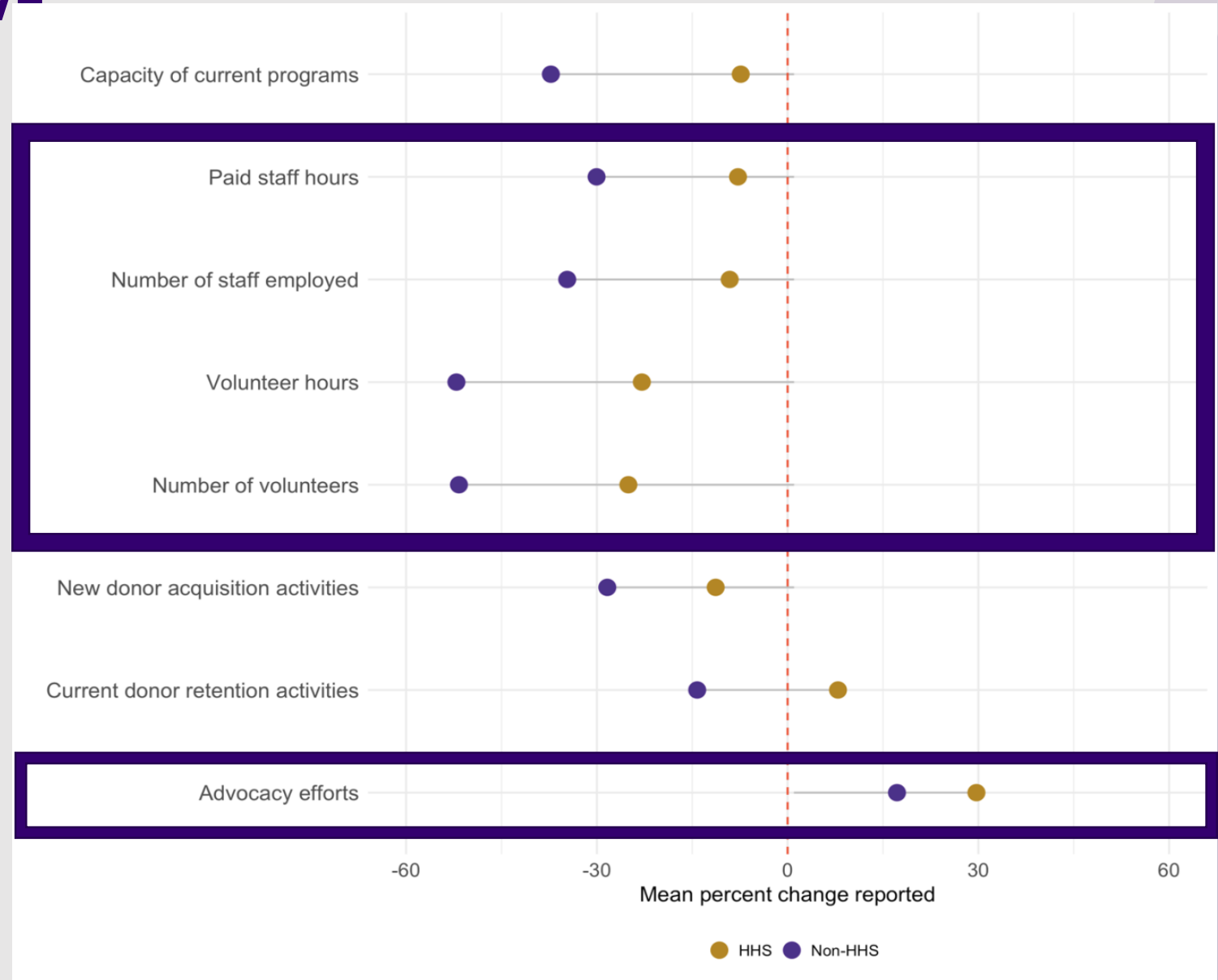
## *2021 Updates*

Virtual work may be here to stay for some nonprofits.

Many small to medium nonprofits have recently reported that staff cuts are going to be permanent.

In many cases, volunteering is still down as individuals return to in-person work.

## ORGANIZATIONAL CAPACITY CHANGES



# VIRTUAL WORK

## CHALLENGES

- Inconsistent internet connection or access to laptops in impoverished communities
  - “Communication with Native communities is significantly more difficult, due to limited access to technology...These are issues affecting all communities of generational poverty...” -*Human service organization*
- Required rapid adjustment
- Difficult to connect with legislators to lobby
- “Zoom fatigue” for staff, mental health concerns

## OPPORTUNITIES

- Expanding access to programs
- Removes boundaries on delivering legislative testimony
- Accommodates staff who have families or live in households vulnerable to COVID-19

# SUPPORTING STAFF MENTAL HEALTH

Weekly “late start” days

Cutting back on Zoom meetings

Centering inclusion as an organizational goal



# **WHAT STRATEGIES HAVE YOU FOUND USEFUL TO SUPPORT STAFF?**

Post your thoughts and comments to the Jamboard!

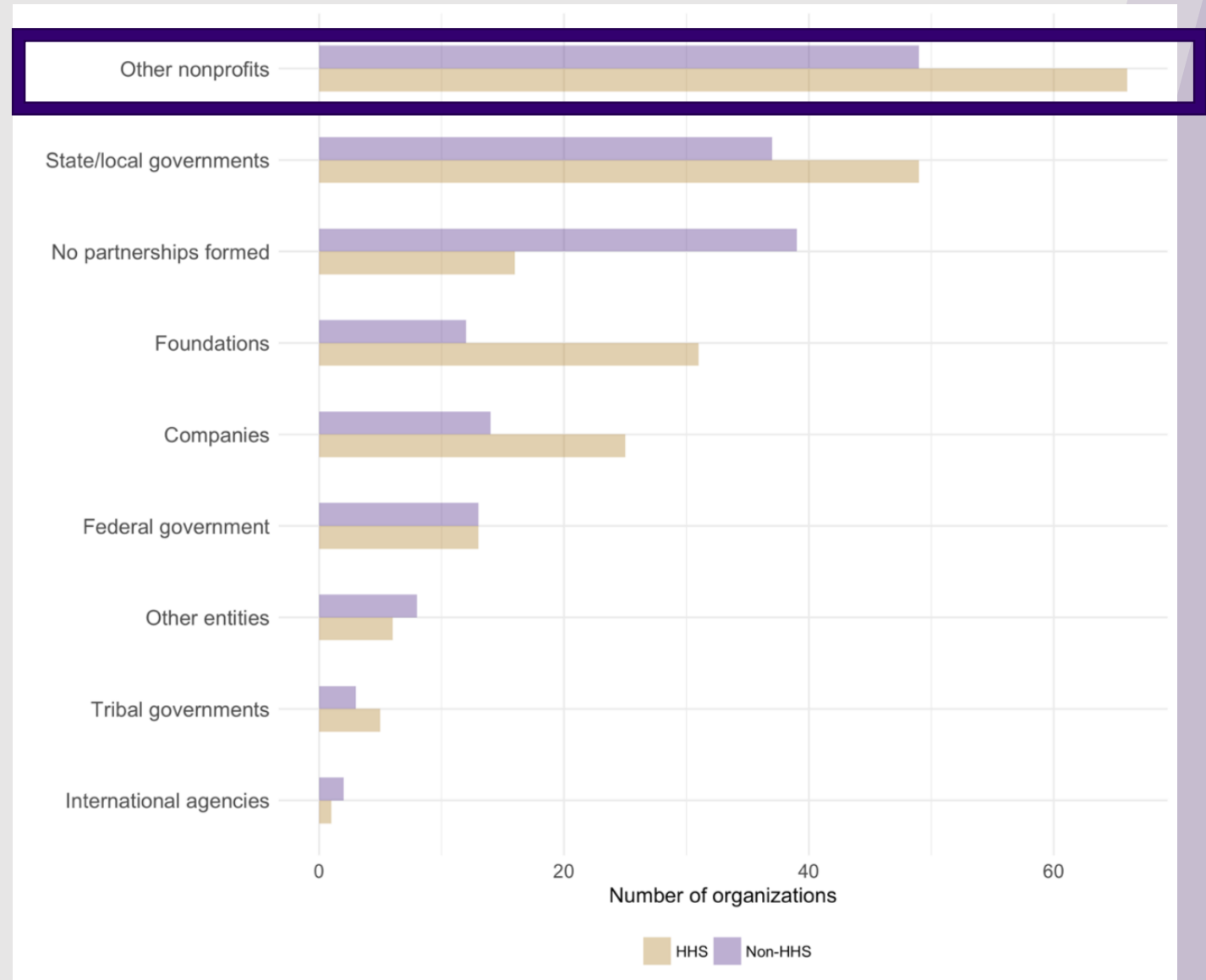
# WHAT STRATEGIC OR OPERATIONAL CHANGES HAVE NONPROFITS MADE IN RESPONSE TO COVID-19?

Informal *information-sharing* networks

Government-nonprofit partnerships for COVID-19 testing & vaccination

Nonprofit-nonprofit partnerships to maximize scarce resources

## PARTNERSHIPS FORGED





# WHAT STRATEGIC OR OPERATIONAL CHANGES HAVE NONPROFITS MADE IN RESPONSE TO COVID-19?

“Connections and partnerships are developing with other Black nonprofit leaders and Black focused organizations. The disparities for Black people exposed by the pandemic has increased awareness and prompted urgent response on these economic, health and education related issues. These new collaborations must also be attributed to the George Floyd murder and the widespread protest to police violence against Black people...white led education advocacy organizations with more robust staffing and resources are looking to organizations of color to set agendas and priorities in our combined work. This is a new level of leadership opportunity for many leaders of small CBOs of color...”

*-BIPOC-led public/societal benefit organization*

**POLL QUESTION:**

**HOW OPTIMISTIC ARE YOU THAT THESE  
PARTNERSHIPS WILL PERSIST OVER TIME?**

Post any additional thoughts or comments to the Jamboard!



# **FINANCIAL SUPPORT**

# HOW DID THE FIRST ROUND OF CARES ACT HELP NONPROFITS THROUGHOUT WASHINGTON STATE?



60% of respondents applied for one or more CARES Act assistance program.

For those that did not apply, 89% indicated that they were not interested in doing so.



95% of respondents *were approved* for Paycheck Protection Program aid.

89% *had received* aid by the time of the survey.

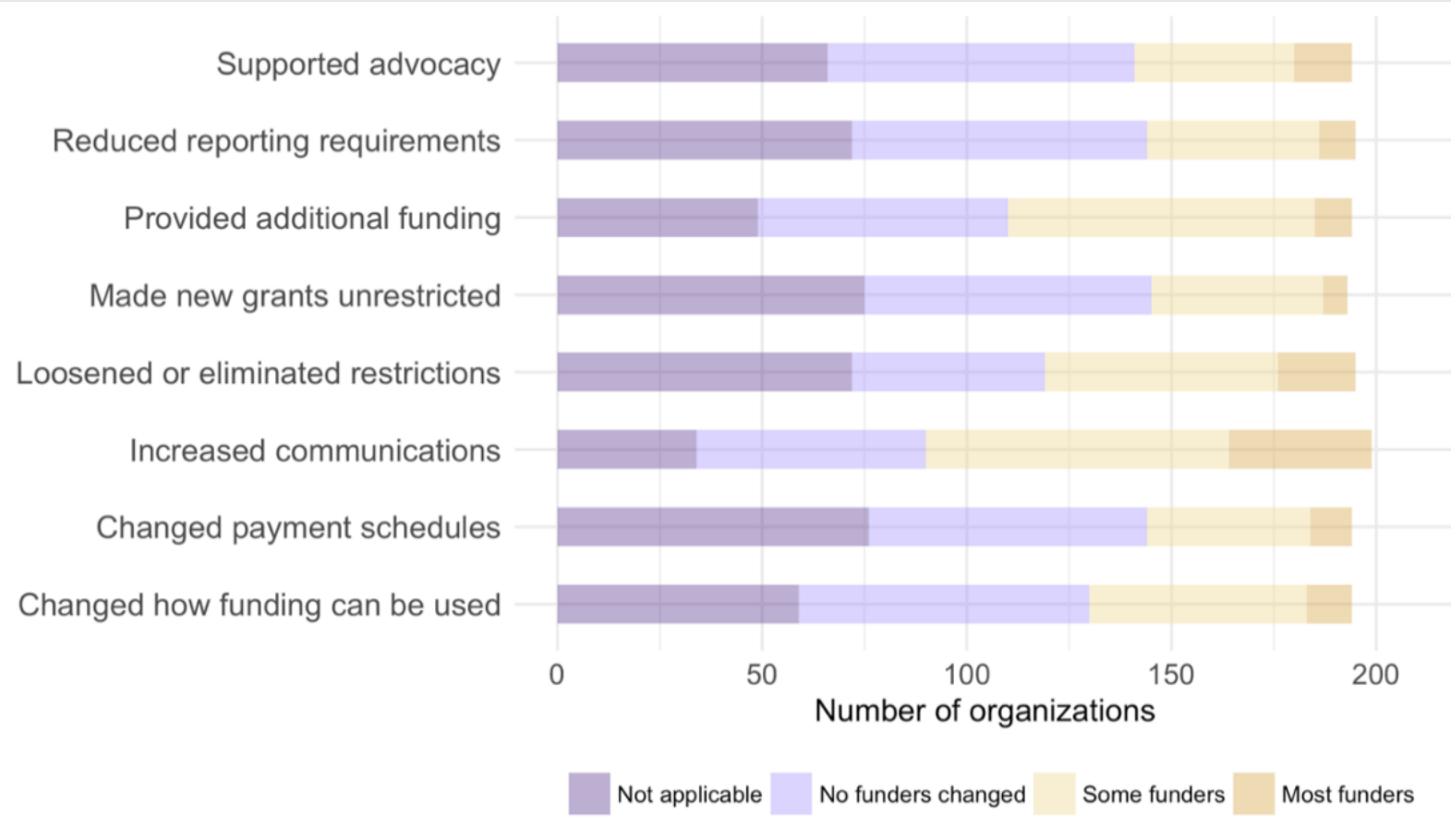


61.3% of respondents that applied encountered *no difficulties* in the process.

# CARES ACT AID & EQUITY

- Existing 501(c)(3) status
- Relationships with banks
- Navigating applications and loan forgiveness criteria
- Governments did not necessarily partner with local agencies that represented communities of color

# HOW DID FUNDERS SUPPORT NONPROFIT NEEDS AS OF JULY 2020?



- Most funders increased communication
- Many funders loosened or removed restrictions or made new funding unrestricted



# TOWARDS MORE EQUITABLE MODELS OF PHILANTHROPY?

- Approaches that center equity & justice
- *Participatory & trust-based* philanthropy
  - Common to public charities and community-based foundation
  - Nearly 83% of large private and community foundations report using some form of stakeholder participation
- Is this a permanent shift?

# KEY TAKEAWAYS

## ALLEVIATE FINANCIAL VOLATILITY

- Provide more *unrestricted funding* for nonprofits to alleviate short-term solvency concerns.
- Make CARES Act (PPP) loan forgiveness criteria *clear* and *accessible* to all nonprofits.

## PROVIDE FLEXIBLE FUNDING

- Provide flexibility as nonprofits learn how to navigate their new implementation environment.
- *Reduce restrictions & reporting requirements* on current grants.

## PRIORITIZE COMMUNITIES WITH THE GREATEST NEED

- *Target funding* towards BIPOC-led and BIPOC-serving organizations
- Develop partnerships with BIPOC-led organizations to *address concerns and needs of marginalized communities*.

# ON THE HORIZON

What tsunami awaits us?

Will increases in funding last?

How do we insulate ourselves from the next crisis?



# **WHAT IS ON YOUR MIND AS WE MOVE TOWARDS REOPENING?**

Post your thoughts and comments to the Jamboard!



# WHAT QUESTIONS DO YOU HAVE?

You can ask questions through the chat window or raise your virtual hand.