Closing Out the Year: COVID-19 Effects on Florida Nonprofits in 2020

December 8, 2020
Welcome!

Sabeen Perwaiz
Executive Director
Florida Nonprofit Alliance
Mission:
The Florida Nonprofit Alliance informs, promotes, and strengthens the nonprofit sector in order to create more vibrant communities across the state.

Website:
www.flnonprofits.org
Membership - the Core of FNA

- Nonprofits
- Foundations
- Consultants

For more information, visit flnonprofits.org/page/Membership
Nonprofit Membership

- Representation in Tallahassee and Washington DC for Florida nonprofits
- Representation with Florida State Agencies (FNA leads the Florida Charitable Advisory Partnership)
- Subscription to FNA e-newsletters and Member Updates
- Membership for Nonprofit Risk Management Center
- 2021 Legislative Session Guide
- Elected Officials Directory
- Listing in FNA’s Member Directory
- Access to monthly members-only policy calls (during Session)
- Free 30-day job postings on FNA’s Statewide Nonprofit Job Board
- Discounted membership to GrantStation at $79/year (89% discount)
- And more!
Newsletters

Voice of the Sector

Greetings!

We hope you are all healthy and safe. Florida has been in phase 1 of re-opening since 4th. Many nonprofits never closed their doors during quarantine but are facing what re-engagement looks like for their clients and their staff.

FAA, in partnership with the Oklahoma Center for Nonprofits, has created an engagement guide to help you make the best decision for your agency and team. We hope this tool is a useful guide for you.

Our team has been hard at work gearing up for our economic impact report and keeping you updated on the latest from Tallahassee and Washington D.C. Remember to visit our COVID-19 resources page to keep up with the latest.

In addition, we have a full calendar of events scheduled over the next month. Check out the full list here.

If there is anything else that you feel would help, please do not hesitate to reach out. Thank you for all you do for Florida nonprofits.

Sincerely,
Sabeen Perwaiz

HEROES ACT

Speaker Pelosi has released the Health and Economic Recovery Omnibus Emergency Solutions Act (HEROES Act). See also this one-pager and FAQ. To learn more about the HEROES Act, visit flnonprofits.org.
Thank you

Remarks:
Kate Wilson
Senior Vice President, Florida Community Affairs
Closing Out the Year: COVID-19 Effects on Nonprofits in 2020

Leah McDermott
Program Manager
Florida Nonprofit Alliance
Housekeeping

- All participants today are on mute
- Type your questions in the chat box
- Questions will be taken at the end
- This session is being recorded
Survey Method

- 501(c)(3) organizations statewide
- Surveys in the field from October 21-November 10
- Distributed electronically
- 1,154 organizations participated
- Thanks to our partner, Florida Department of Agriculture and Consumer Services
- Thank you to the Florida MSOs and Community Foundations
Key Findings

- Diverse sector, many organizations are small and run only by volunteers

- Current and future funding remains the top concern for nonprofit organizations.
  - 64% of organizations are somewhat or very concerned with loss of revenue/income
  - 59% are somewhat or very concerned with future funding in 2021 and beyond.

- Nonprofits continue to adapt their programs, services, and ways of working.
  - 50% of nonprofits believe that some amount of virtual or remote working is here to stay.

- The lack of volunteers and volunteer experiences in the nonprofit sector has already taken a toll on organizations. Fewer volunteers mean increased expenses and limited programs and services.
  - 52% of nonprofit organizations have experienced volunteer absences
  - 29% of organizations are not currently using any volunteers.
Key Findings, cont.

• 71% of nonprofits have had a decrease in unrestricted revenue in 2020. 69% have had less fundraising success this year than 2019.
  • Nonprofits are looking to individuals in the short term to help raise money to keep their organizations open and functioning.

• Staff and volunteers are burned out, exhausted and stressed.
  • Less than half of nonprofit organizations have engaged in concrete efforts to support their human resources.

• Almost 50% of the organizations that had reserve funds at the beginning of the year have tapped into them, leaving them more financially fragile than before. At least 29% of nonprofit organizations did not have any reserves to fall back on.

• Organizations feel slightly more optimistic about the future than they did in July, with the exception of concerns about funding and fundraising. Fewer organizations anticipate closing and more are hopeful that they will be able to resume programs and services in 2021.
Participant Demographics
Q1: Mission Area
Q2: Budget Size
Q3: Counties/Regions Served

- PANHANDLE: 15.1%
- BIG BEND: 15.6%
- TAMPA BAY AREA: 58.6%
- SOUTHWEST FLORIDA: 16%
- NORTH CENTRAL FLORIDA: 10.9%
- SPACE + TREASURE COAST: 10.5%
- SOUTHEAST FLORIDA: 43.9%
- NORTHEAST FLORIDA: 23.1%
Q4: Number of Paid Staff
(Full and Part-time)
Impact on Programs
Q5: Program Impact

- Change in method of service delivery
- Demand for services you did not provide pre-COVID
- Disruption of (cancelled or reduced) services to clients and communities
- Disruption of supplies or services provided by partners
- Increased demand for services/support from clients and communities
- None of the above
Q6: Current Programs

- 41% Hybrid of In-Person + Virtual
- 20% Fully In-Person
- 19% We are not currently operating any programs
- 18% Fully Virtual
- 3% Other
Q7: Clients Served 2019 vs. 2020
Impact on Staff and Volunteers
Q8: Current Staffing Changes

<table>
<thead>
<tr>
<th>CHANGING WORK ARRANGEMENTS FOR STAFF AND VOLUNTEERS</th>
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<tbody>
<tr>
<td>STAFF ABSENCES</td>
<td></td>
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<tr>
<td>STAFF BENEFITS REDUCTIONS</td>
<td></td>
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<tr>
<td>STAFF FURLoughS OR OTHER REDUCTIONS</td>
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<tr>
<td>STAFF LAYOFFS OR CUTS</td>
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<tr>
<td>STAFF PAY CUTS</td>
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<tr>
<td>STAFF RESIGNED/QUIT</td>
<td></td>
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<tr>
<td>STAFF/VOLUNTEER NUMBERS INCREASED</td>
<td></td>
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<tr>
<td>VOLUNTEER ABSENCES</td>
<td></td>
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<tr>
<td>NONE OF THE ABOVE</td>
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<tr>
<td>OTHER</td>
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0 100 200 300 400 500 600
Q9: 2021 Staffing Changes

- Continuing to allow working outside of the office/program location
- Staff benefits reductions
- Staff furloughs or other reductions
- Staff layouts or cuts
- Staff pay cuts
- Volunteer absences or cuts
- Hiring new positions
- None of the above
- Unsure
- Other

[Bar chart showing the distribution of responses]
Q10: Health Effects
Q11: Support for Staff
Q12: Volunteer Activity
Q13: Volunteer Activity Type
Financial Impact
Q14: Unrestricted Revenue in 2020
Q15: Fundraising Activities Changes
Q16: Fundraising Activities Comparison

- 69%: They have generated less income in 2020
- 11%: They have generated approximately the same amount of income in 2020
- 11%: Unsure
- 9%: They have generated more income in 2020
Q17: Reserve Funds

- 30% Have used part of them and not replaced them
- 29% We do not have any reserve funds
- 15% Have not used them and they are the same as 2019
- 11% Have depleted them and not replaced them
- 8% Have used part of them and they continue to grow
- 4% Other
- 1% Have depleted them and replenished them already
- 1% Other
Q20: Current Government Relief Aid

- Yes: 40%
- No: 59%
- Unsure: 1%
Q23: Other Relief Funding
Q24: Staying Afloat
Q25: 2021 Budget Projections

- Decrease, with services increasing: 4%
- Decrease, with services staying constant: 9%
- Increase, with services staying constant: 6%
- Stay the same as the previous year: 14%
- Increase, with a corresponding increase in service: 19%
- Decrease, with a corresponding decrease in service: 19%
- Increase, with services decreasing: 1%
- Difficult to predict right now: 25%
- Other: 2%
Q26: 2021 Budget Cuts
Biggest Challenges
Q27: Biggest Challenges

- Program Operations: 34%
- Human Resources: 10%
- Safety: 6%
- COVID-19: 4%
- Other: 4%
- Adapting to Uncertainty: 4%
- Shut Downs: 3%
- Mental Health: 3%
- Communication: 1%
- None: 1%
- Funding/Fundraising: 36%

N=1074
Looking Ahead to 2021
<table>
<thead>
<tr>
<th></th>
<th>MUCH BETTER</th>
<th>SLIGHTLY BETTER</th>
<th>SAME</th>
<th>SLIGHTLY WORSE</th>
<th>MUCH WORSE</th>
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</thead>
<tbody>
<tr>
<td>ACCESS TO FUNDS</td>
<td>7%</td>
<td>14%</td>
<td>36%</td>
<td>19%</td>
<td>24%</td>
</tr>
<tr>
<td>ACCESS TO VOLUNTEERS</td>
<td>4%</td>
<td>8%</td>
<td>39%</td>
<td>25%</td>
<td>24%</td>
</tr>
<tr>
<td>CLIENT NEEDS</td>
<td>5%</td>
<td>10%</td>
<td>46%</td>
<td>19%</td>
<td>20%</td>
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<tr>
<td>FUNDRAISING ACTIVITIES</td>
<td>2%</td>
<td>7%</td>
<td>27%</td>
<td>25%</td>
<td>39%</td>
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<tr>
<td>KEEPING STAFF IN PLACE</td>
<td>5%</td>
<td>8%</td>
<td>54%</td>
<td>17%</td>
<td>16%</td>
</tr>
<tr>
<td>PROGRAM DELIVERY</td>
<td>7%</td>
<td>14%</td>
<td>34%</td>
<td>24%</td>
<td>21%</td>
</tr>
<tr>
<td>RE-OPENING + RE-ENGAGEMENT</td>
<td>5%</td>
<td>12%</td>
<td>32%</td>
<td>26%</td>
<td>25%</td>
</tr>
<tr>
<td>STAFF/VOLUNTEER MORALE</td>
<td>5%</td>
<td>13%</td>
<td>41%</td>
<td>24%</td>
<td>17%</td>
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Q28: Expectations vs. Reality
Q29: What Changes Will be Permanent?

<table>
<thead>
<tr>
<th>Change Description</th>
<th>July</th>
<th>December</th>
</tr>
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<tbody>
<tr>
<td>Began new collaborations that will remain in existence</td>
<td></td>
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<tr>
<td>Closing physical locations + operating remotely/working from home</td>
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<tr>
<td>Cut programs + corresponding expenses</td>
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<tr>
<td>Cut staff positions</td>
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<td>Remote working or a hybrid of remote + in-person working</td>
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<tr>
<td>Increased cleaning practices</td>
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<tr>
<td>Permanently closing or merging your organization</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program changes</td>
<td></td>
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<tr>
<td>Reducing employee compensation and/or benefits</td>
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<td></td>
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<tr>
<td>Reduced services or programs to increase employees or client safety</td>
<td></td>
<td></td>
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<tr>
<td>Other</td>
<td></td>
<td></td>
</tr>
<tr>
<td>No</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Concern</td>
<td>NOT AT ALL CONCERNED</td>
<td>A LITTLE CONCERNED</td>
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<tr>
<td>----------------------------------------------</td>
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</tr>
<tr>
<td>CLOSING YOUR DOORS</td>
<td>44%</td>
<td>24%</td>
</tr>
<tr>
<td>INCREASED NEED FOR SERVICES</td>
<td>23%</td>
<td>27%</td>
</tr>
<tr>
<td>LAYING OFF STAFF</td>
<td>58%</td>
<td>20%</td>
</tr>
<tr>
<td>LOSS OF INCOME/REVENUE</td>
<td>11%</td>
<td>25%</td>
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<tr>
<td>MERGING YOUR ORGANIZATION WITH ANOTHER ONE</td>
<td>77%</td>
<td>10%</td>
</tr>
<tr>
<td>REBUILDING</td>
<td>43%</td>
<td>23%</td>
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<tr>
<td>REDUCED ABILITY TO PROVIDE PROGRAMS</td>
<td>22%</td>
<td>30%</td>
</tr>
<tr>
<td>REDUCED FUTURE FUNDING (2021 AND BEYOND)</td>
<td>14%</td>
<td>27%</td>
</tr>
<tr>
<td>RE-OPENING AND RE-ENGAGEMENT</td>
<td>30%</td>
<td>28%</td>
</tr>
</tbody>
</table>

Q30: Concerns for the Next Year
Q30: Concerns for the Next Year
Q31: Resources Needed
Q32: Advocacy Efforts
Q33: Advocacy Efforts
Takeaways
Takeaways - Funding

- Addressing funding concerns will take individual, foundation, government, and business giving efforts to support the vital work of nonprofit organizations.
- New government grants and contracts, especially at the state level, seem unlikely at this time.
- To ensure government relief measures are passed and include nonprofits in the relief provided, nonprofits need to understand that they can and should advocate in a legal and ethical manner.
- Nonprofits most need unrestricted operating funding.
- For nonprofits that have tapped into reserves this year, replenishing them will need to be a priority.
Takeaways - Other Resources

- It is time to re-envision and reimagine the roles of volunteers. Nonprofits need people to re-engage as volunteers, but we must keep them safe and provide different kinds of volunteer opportunities than we have in the past.
- Organizations need resources for technology, collaborations, safety, and business operations.
Takeaways - Looking Forward

- Nonprofit organizations are feeling slightly more optimistic than they did in July.
- However, demand remains high, service cuts still exist, and staff and volunteers are burned out and feeling effects on their mental health. We must take care of ourselves as a sector while we also take care of our communities.
- 14% are very concerned about shutting their doors; 34% only have enough income to stay open a year or less. Organizations will need technical, and potentially financial, assistance if they have to close.
Questions?
Florida Trend’s Floridian of the Year

Floridian of the Year: Florida’s non-profit sector during the pandemic

As the economy unraveled in 2020 amid mass layoffs and uncertainty, an army of helpers in Florida’s nonprofit sector — Florida Trend’s 2020 Floridian of the Year — kicked into high gear, delivering food to the hungry, offering financial assistance to the unemployed and providing emotional support, guidance and other services. Nearly 40% of non-profits have experienced an increased demand for services over the past several months, according to a survey by the Florida Nonprofit Alliance. Many answered the call even as the pandemic created big challenges for their organizations — from shrinking pools of volunteers to challenges in raising money.

[Source: Florida Trend]
FNA Resources - flnonprofits.org

- Advocacy and Communications:
  - 2021 Legislative Agenda
  - 2021 Legislative Session Preparation Guide
  - Newsletters and Member Updates
  - Continued lobbying efforts

- Research:
  - Economic Impact data
  - COVID-19 Research

- Resources:
  - Re-opening and Re-engagement Guide
  - COVID-19 Resources page
Next Steps

FNA will share this research with:

- Florida elected officials
- Funders across the state
- Media
The success of the state depends on strong nonprofits

We must take care of ourselves while we care for others
Thank you!

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