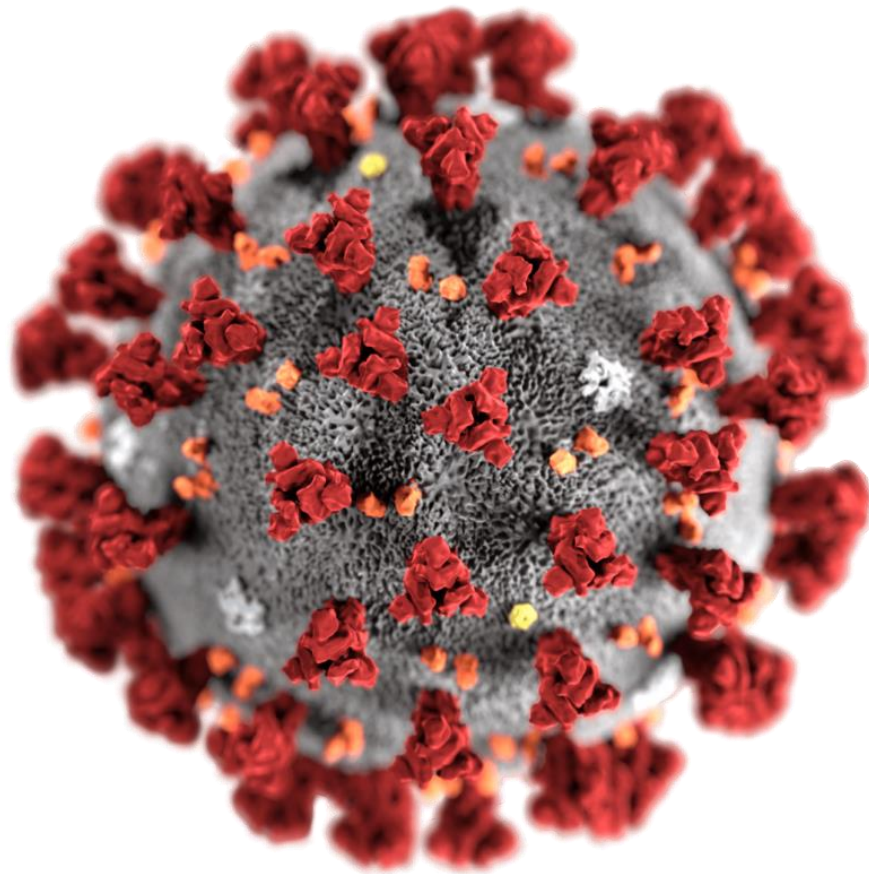


**"Perfect storm. More need, less resources (people and lost revenue from events, etc.) and no end in sight. Help!"**

*--Survey respondent*

# **RAPID RESPONSE SURVEY: The COVID-19 Crisis and New Jersey's Non-Profit Community**



**March 2020**



*Helping organizations build a better New Jersey*

[www.njnonprofits.org](http://www.njnonprofits.org)

**“We have worked through blizzards, hurricanes, and 9/11. This situation is the most difficult because there are so many unknowns and things are changing daily.”**

–Survey respondent

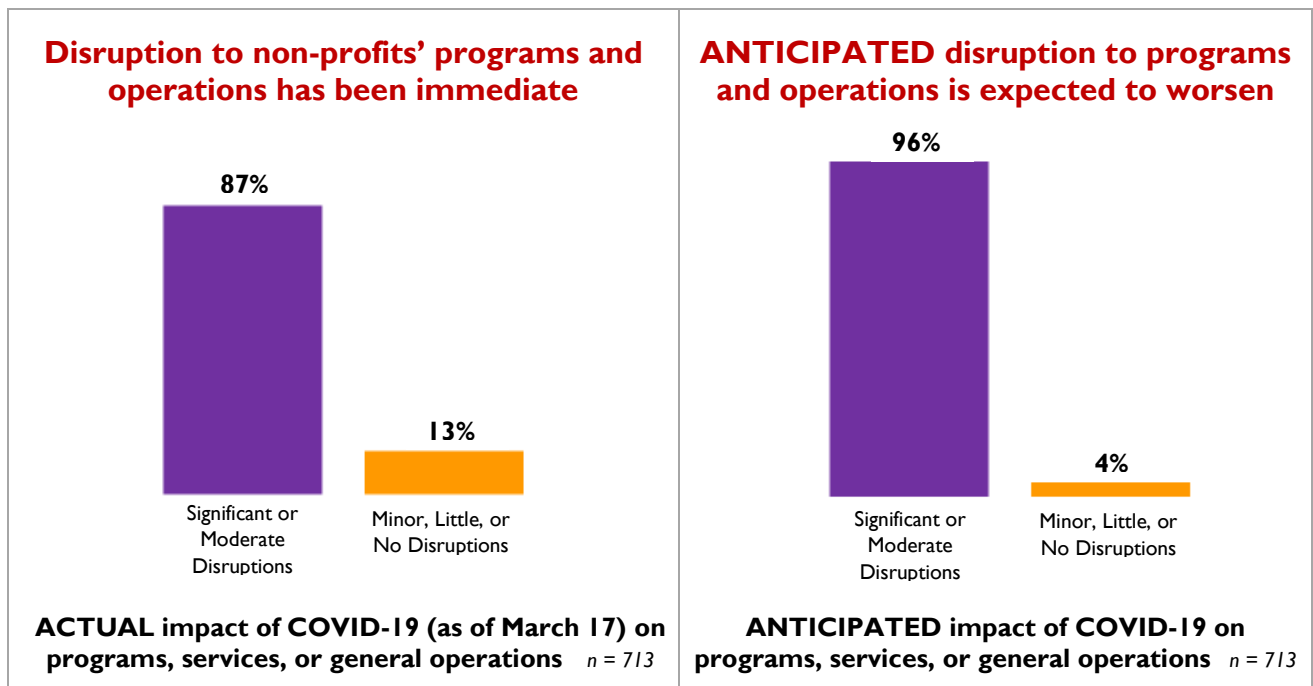
**Survey:  
Impact on COVID-19 on Non-Profits is Immediate, Severe and Likely to Worsen**

From March 13-17, 2020, the [Center for Non-Profits](#), in partnership with the [Council of New Jersey Grantmakers](#), conducted a rapid response survey to gauge the initial and anticipated effects of the novel Coronavirus/COVID-19 outbreak on New Jersey’s charitable non-profits and the vital programs and services they provide. More than 700 organizations responded to the survey.



**Eighty-seven percent (87%) reported significant or moderate disruptions** to programs or operations when the survey was taken.

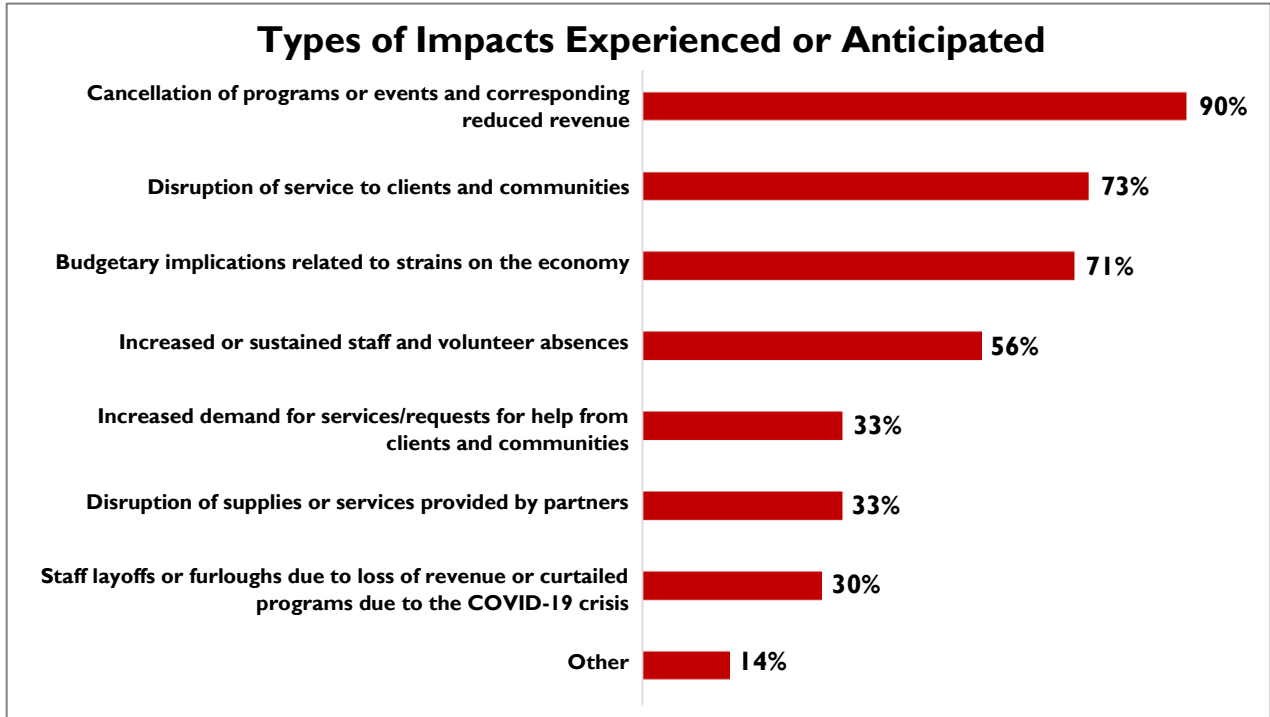
**Nearly all (96%) anticipated significant or moderate disruptions** to their programs or operations moving forward. It was also emphasized that marginalized and disenfranchised communities, and the organizations serving them, were likely to be disproportionately affected by the crisis.



**Nearly 2/3 (65%) have staff who cannot work remotely due to the nature of their job or the organization’s mission.**

**Nearly two-thirds (65%) reported that they had staff who could not work remotely** due to the nature of their job or the organization’s mission. These include nursing homes, domestic violence shelters, healthcare, food pantries, childcare staff, HIV testing, animal rescue, performing arts, arts education, and more. Many others pointed out that their clients do not have access to the internet. For some, the lack of the needed equipment or training posed an obstacle even if the mission or staff roles would otherwise permit remote work.

**More than 90% indicated that they already had or would soon have to cancel programs or fundraising events.** Many noted that these events typically generate a significant percentage of the organization’s revenue that would be impossible to recoup. Even postponing an event until the fall still creates dire consequences for cash flow and fiscal year accounting balances.



## What Do Non-profits Need from Donors, Philanthropy, and Government?

**Funding.** Funding is the most urgent need. Most non-profits have had to cancel events and suspend or curtail programs. Many may have to lay off staff or have already done so. More than a few are fearful that their organizations may not survive the economic damage.

**Relief and stimulus protections** – Government relief and incentive packages must include the non-profit community, including grants, forgivable loans, and tax incentives to spur charitable giving.

**Flexibility.** Organizations need to know they won’t be penalized for the inability to meet restricted program commitments or contracted level of service commitments due to the pandemic. Those that have cancelled events need their sponsors to allow them to keep the money, and their donors, if possible, to keep giving. Funders need to allow organizations to repurpose restricted grants. Additionally, non-profits also need for applications and reporting requirements to be simplified and deadlines extended.



**Stability.** This crisis exemplifies in stark terms the dangers of the chronic underfunding that has been a persistent concern in the non-profit community, as documented in the Center’s annual [Trends & Outlook reports](#). Non-profits need to be able to count on their supporters so they can weather the crisis. Multi-year funding is particularly important. In a time when corporate and foundation partners may be tempted to retrench or redirect their giving, funders are urged to dig deeper. Keeping equity concerns in mind is also critical.

**Communications, Guidance and Transparency.** Non-profits are seeking timely, accurate safety and procedural guidance from the government and trusted partners, and clear communications from funders regarding their plans during the crisis.

**Partnerships and Connections.** Many public and private funders have been proactive about reaching out to their non-profit partners, which was noted and appreciated by respondents. Open lines of communication, receptivity to feedback, and the ability to connect to local and county resources, intermediary/infrastructure organizations and other partners are also important. It’s also vital that philanthropic and government partners recognize and seek the expertise of the non-profit community.

**Professional Assistance.** Non-profits need expertise in legal issues, human resources, finance, insurance, technology and other areas in both the immediate and long term. Access to these resources, whether in-kind through skills-based volunteers or affordable fees, or subsidized/underwritten by funders, will be important.

## **The Importance of Community**

The COVID-19 pandemic has already begun to test our health care, service delivery systems, democratic and societal norms in new ways. The need for community and mutual support has never been greater, and it’s times like these that underscore the importance of mission-driven organizations – and the dedicated people who work for and support them. Non-profits, already the forefront of strong, vibrant communities and partnerships, will be vital to addressing immediate needs and developing comprehensive solutions in the months ahead. Ensuring their ability to fill this role will be critical.

This rapid response survey provides an initial snapshot of the immediate and likely impact of the crisis on the broader non-profit community. We plan to conduct follow-up surveys at periodic intervals to track the impact and needs as the situation unfolds.

# In Their Own Words

*Observations from survey respondents*

“We have worked through blizzards, hurricanes, and 9/11. **This situation is the most difficult** because there are so many unknowns and things are changing daily.”

“We are currently planning worst case scenarios which will mean furloughs and delaying our next home building projects.”

“We are unable to operate without funding beyond the next six months. This is serious.”

“This crisis will disproportionately harm lower income, minority and disenfranchised among us. With wealthier households having far more resources to weather this storm, the burdens of this crisis will fall unevenly and unfairly to those with the least.”

“In the 22 years I have been at this organization and the 40+ I have been in this field, this is the scariest experience I have had; worried for my staff (livelihood) and for our clients.”

“Although this is a scary time for everyone, and businesses and donors are unsure of their own economic well-being, NOW is the time we need you the most. NJ's poor are already vulnerable, and they are more vulnerable in times of crisis. This pandemic will impact our clients and their legal needs intensely.”

“Funders and donors need to support infrastructure needs and general operating support so that non-profits can be responsive and flexible.”

## In Their Own Words *(continued)*

“As a hospital, our medical services will likely be stretched to the limit in the coming weeks, and possibly months. Our clinicians and healthcare workers are on the front lines caring for patients, despite putting their own health at risk.”

“Arts and humanities are part of what will help people through the period of social isolation and potential lock down and it remains imperative to support them.”

“We have rescheduled our largest annual fundraiser, cancelled numerous program events with the hope - but no guarantee - of rescheduling, and are concerned that as a result of no volunteerism, companies may not be able to provide financial support.”

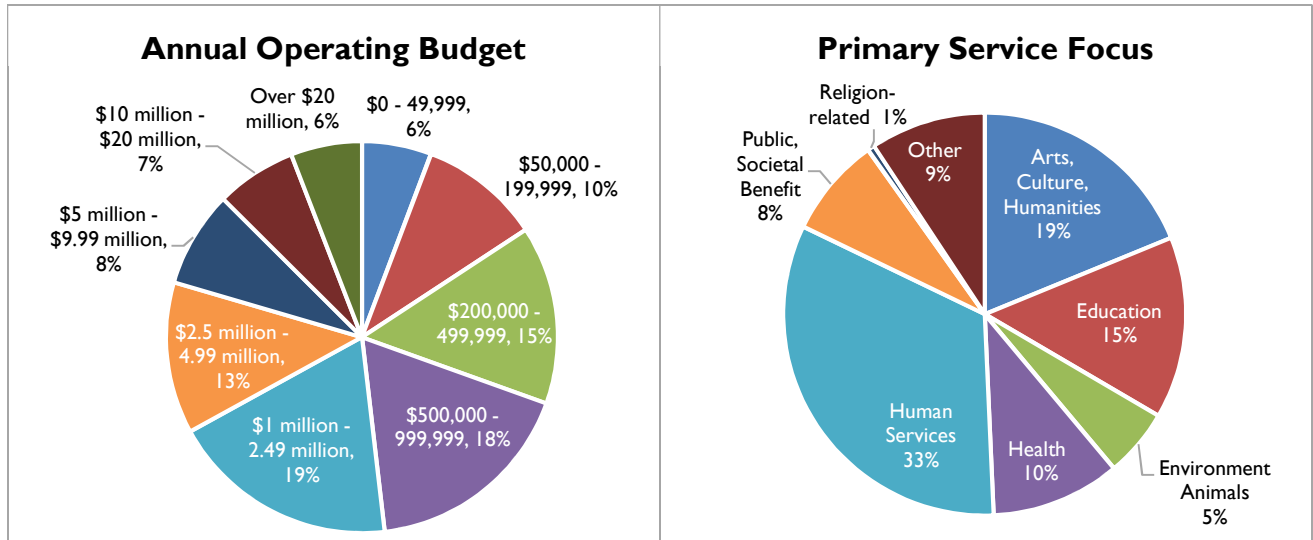
“As a behavioral healthcare organization that relies on both billable revenue and fundraising revenue, we are taking a double hit since we've had to cancel our outpatient services during this time. We also have had to spend a lot of extra, unbudgeted money to stock up on supplies and extra food for our shelter and halfway house residents.”

“Although [organization] has extensive experience with feeding during disasters and on a large scale... this is unlike anything that we've experienced before.”

“When this crisis is over, we (state agencies, providers, funders, consumers) should have a conversation about lessons learned not only to plan for future crisis but to improve our social service system for vulnerable families.

## Who participated in the survey?

This report is drawn from responses of the 713 New Jersey 501(c)(3) organizations that completed rapid response survey from March 13 to March 17, 2020. The graphs below show the distribution of the non-profits budget size and mission focus.



## Geographical Location of Organizations

	All NJ 501(c)(3) Organizations*	Our Respondents
<b>North</b>	46%	<b>42%</b>
<b>Central</b>	28%	<b>41%</b>
<b>South</b>	26%	<b>17%</b>

Respondent's Primary Office Location by County					
<b>Atlantic</b>	2.5%	<b>Gloucester</b>	1.2%	<b>Ocean</b>	3.6%
<b>Bergen</b>	5.2%	<b>Hudson</b>	3.5%	<b>Passaic</b>	4.8%
<b>Burlington</b>	2.9%	<b>Hunterdon</b>	0.7%	<b>Salem</b>	0.7%
<b>Camden</b>	3.3%	<b>Mercer</b>	19.0%	<b>Somerset</b>	4.2%
<b>Cape May</b>	1.0%	<b>Middlesex</b>	5.7%	<b>Sussex</b>	0.4%
<b>Cumberland</b>	1.2%	<b>Monmouth</b>	7.3%	<b>Union</b>	4.9%
<b>Essex</b>	18.7%	<b>Morris</b>	8.3%	<b>Warren</b>	0.9%

## About the Center for Non-Profits

The Center for Non-Profits is New Jersey's statewide umbrella organization for the charitable community. Our mission is to build the power of New Jersey's non-profit community to improve the quality of life for the people of our state.

Since our founding in 1982, the Center has been, and remains, New Jersey's only umbrella organization for all charities in the state, providing professional education, advocacy, resources, training and information to strengthen non-profits individually and as a community.

### What We Do

ADVANCING KNOWLEDGE	CHAMPIONING and PROTECTING	STRETCHING SCARCE RESOURCES
<ul style="list-style-type: none"> <li>• Promoting best practices and effective, ethical organizations for the public good.</li> <li>• High-quality management and compliance information</li> <li>• Expert phone and email consultation - priority access for members</li> <li>• Free or discounted compliance publications</li> <li>• Timely non-profit news and alerts</li> <li>• Affordable workshops and webinars</li> <li>• Our blog, Front and Center, with insights into current and emerging issues</li> </ul>	<ul style="list-style-type: none"> <li>• The most comprehensive information source about New Jersey non-profits</li> <li>• Communicating non-profits' importance through research and public education</li> <li>• Advocating for non-profits in Trenton and Washington</li> <li>• Helping non-profits to strengthen their own public policy voice</li> <li>• Uniting our state's non-profits around common goals</li> <li>• Galvanizing non-profits and their allies at our annual conference</li> </ul>	<ul style="list-style-type: none"> <li>• Cost-saving member services: insurance, unemployment, payroll and more</li> <li>• Discounts on workshops and publications</li> <li>• Free job-opening postings for members</li> <li>• Exclusive access to select cost-saving offerings</li> <li>• Leveraging non-profits' dollars as the first-stop resource for expertise, services and referrals</li> </ul>

For more information about the Center, our programs, membership, or supporting our work, visit [www.njnonprofits.org](http://www.njnonprofits.org) or call 732-227-0800.

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