





CT NONPROFITS & COVID-19: A Pulse Survey on Organizational Impacts and Needs

The Alliance in partnership with Fio Partners, the New Canaan Community Foundation, and the Community Foundation for Greater New Haven has conducted a survey of 258 nonprofit organizations in June/July 2020 to measure the state of nonprofits in Connecticut as they face COVID-19 operational and financial challenges.

A wide range of organizations representing a variety of services, geographic location and service area and size provided valuable insights into common COVID-19 challenges and highlighted the pandemic’s impact on the nonprofit community. Overall, while organizations have scrambled to identify financial and other resources and to resources to meet unprecedented needs, the pandemic threatens their long term ability to remain in business, without significant funding commitments from the state and federal government.

Summary of Findings

Community nonprofits are on the front lines of the coronavirus pandemic, delivering services to Connecticut’s most vulnerable populations: youth, the elderly, low-income households, people with disabilities, and others.

 TOP POPULATION NEEDS IDENTIFIED (Overall) Basic Needs, emphasis on food insecurity Mental Health Supports Employment Supports Housing	 OVERLOOKED OR UNDERSERVED POPULATIONS	When asked “what are the critical needs that those you serve are coming to you for right now,” nonprofits identified basic needs with an emphasis on food security (22%), mental health supports (20%), and employment supports (15%) as the top three critical needs. Housing , specifically, was identified as a critical need by 19% of larger organizations.										
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="text-align: left; padding: 5px;">Comments from small nonprofits focused on:</th> <th style="text-align: left; padding: 5px;">Comments from large nonprofits focused on:</th> </tr> <tr> <td style="padding: 5px;">Youth</td> <td style="padding: 5px;">Undocumented Residents</td> </tr> <tr> <td style="padding: 5px;">Elderly</td> <td style="padding: 5px;">Persons with Disabilities</td> </tr> <tr> <td style="padding: 5px;">Low-income Households</td> <td style="padding: 5px;">Low-income Households</td> </tr> <tr> <td style="padding: 5px;">Undocumented Residents</td> <td style="padding: 5px;">Homeless</td> </tr> <tr> <td style="padding: 5px;">Households without Internet</td> <td style="padding: 5px;">Elderly</td> </tr> </table>	Comments from small nonprofits focused on:		Comments from large nonprofits focused on:	Youth	Undocumented Residents	Elderly	Persons with Disabilities	Low-income Households	Low-income Households	Undocumented Residents	Homeless	Households without Internet
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Increase in demand, what nonprofits said:

- *“We will need to increase to care for **newer uninsured and new Medicaid patients**”*
- *“We are already experiencing more demand for childcare - although much less than prior to COVID. We **anticipate increased levels of homelessness** as financial supports decrease and suspension of eviction ends.”*
- *“We are already seeing **increased demand** as potential clients look for help.”*
- *“**Double the applications for help**. Unable to help all those that really need help.”*
- *“We’ve seen an increase in the number of families due to the pandemic as media coverage helped get the word out that we are here to help. And many families told others that might not had known there was a food bank in the town that really do need a helping hand to make ends meet.”*
- *“We **closed 4 of 5 child care centers**, and operated one under a special contract to serve families of staff at [an essential employer]; all before-and-after school programs ceased”*
- *“**Over 20% of our clients have been brand new** to needing a food bank during the pandemic.”*
- *“Needs have increased, but not changed: food, housing, utilities, transportation”*
- *“Our clients need resources to deal with fear and anxiety associated with COVID and gun violence. They need support for their teenage children during the summer months. They need continuous education regarding coronavirus and PPEs.”*

Impact on families, what nonprofits said:

- *“Parents have **lost their jobs**, most of my families needed food, reduced tuition for childcare, medicine, food, diapers, place to live”*
- *“[We’ve seen] exacerbated **psychiatric difficulties**, particularly trauma and stress. Need more flexible care administered virtually and at lower cost.”*
- *“Families are in **financial distress** and cannot afford to pay for programming.”*
- *“We have seen those we serve impacted by **loss of employment, basic needs assistance** needs and health issues which has prevented them to access our services.”*
- *“Our clients are **in need of PPE's**, assistance with household expenses because of family unemployment and furloughs, and increased respite care due to caregivers as essential workers. They cannot access their medical teams in person.”*

For nonprofits, challenges are growing.

As nonprofits work to meet demand for these essential services, they are facing **unprecedented organizational challenges** during this extraordinary time: 76% of respondents stated they have concerns about re-opening and resuming full operations (safety, accessing PPE, etc.), and 64% said their biggest challenge is financial.

Findings highlight the **need for adequate funding for nonprofits** facing unexpected and unbudgeted costs of doing business during a global pandemic. Financial challenges included diminished revenue generation, cancelled fundraisers, holdbacks from the State, and funding support for the anticipated resurgence of the virus in the fall.

Financial challenges, what nonprofits said

- *“...looking towards the next 12 months, we have a lot of concerns about having the resources to meet the needs of the community and about our generating enough revenue to meet our operational needs.”*
- *“We are closed right now but anticipate a rise in our costs due to extensive cleaning supplies, PPE and being able to meet payroll needs with a reduced number of children”*
- *“Our instructors nor performers have been paid.”*
- *“We can’t really go back to any of our events or fundraisers, and we don’t have a staff so we don’t have the workforce capacity to revamp everything we do, so we can do very little for the public.”*
- *“Our concern is the 100% loss of patrons. As many are elderly, we are worried about how many patrons we will lose even after reopening.”*

Recommendations

The survey findings underscore how government funds, including large federal programs like the Paycheck Protection Program, have been critical to keep nonprofits afloat during the pandemic.

The survey highlights that many nonprofits are already seeing an increase in the demand for services and expect a greater need as society continues to deal with COVID-19. These demands will only be exacerbated as benefits for individuals, such as increased unemployment payments, expire. It is more important than ever to have a robust network of community nonprofits in Connecticut ready and able to serve all who are in need.

1. **Government needs to keep nonprofits at the top of their priority list** as they continue to support the response to COVID-19. Community nonprofits need to continue to have broad access to state and federal relief funds, loan programs, grants, and all other mechanisms to keep them afloat. **Community nonprofits need a commitment to be kept financially whole of all their state revenue**, including fee-for-service payments and Medicaid-funded services, in order to be prepared to be the safety net for a second wave of infection, as well as be able to meet the increasing demand for services.
2. **Congress should pass another relief package** specifically funding nonprofit-provided services, the staff working for nonprofits on the frontlines, and supports for people served by nonprofits like increased unemployment payments.
3. As Federal funding sources runs dry, it will be more important than ever for the **State to adequately fund and support the social safety net.**
4. **The State should also give providers more flexibility** to spend state dollars as needed. Allow community nonprofits to use any program savings to pay for other costs of doing business – such as purchase of PPE – to ensure they can stay in business. The state should allow community nonprofit providers to retain any state funds at the end of the fiscal year and give them flexibility to spend state dollars across line items.
5. **Supply community nonprofits with enough PPE to protect frontline workers and the people they serve**, accounting for the increase in demand for services nonprofits are reporting.