



**IMPACTS OF
COVID-19 ON
NONPROFITS IN
THE WESTERN
UNITED STATES**

MAY 2020

FEDERAL RESERVE BANK OF SAN FRANCISCO

How are Nonprofits Serving the Western U.S. Weathering the COVID-19 Crisis?

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Nonprofit organizations have always been a critical resource in communities, as they deliver key services and promote policies that support the well-being and economic resilience of low-income people and people of color. The role of nonprofits has become even more critical in the current pandemic as the spread of the coronavirus and the many efforts to slow it are impacting communities around the nation. Current conditions, however, are placing significant strain on the ability of nonprofits to serve communities. In order to better understand the particular experiences of nonprofit organizations, this report utilizes recent survey data collected by the Federal Reserve System and the Board of Governors to assess levels of disruption communities and nonprofits were facing, impacts on communities they serve and on the nonprofit organizations themselves, and how long it will take them to bounce back.

About the Survey | The Federal Reserve conducted a recent national survey to collect information on the scope and scale of challenges related to COVID-19 (summarized in the recent report, "[Perspectives from Main Street: The Impact of COVID-19 on Communities and the Entities Serving Them](#)"). The survey was fielded by all 12 Reserve Banks and the Board of Governors of the Federal Reserve System² between April 8 and April 10, 2020, and resulted in 3,899 responses nationally. Responses were collected through a convenience sampling method that relied on Reserve Bank and Board of Governors stakeholder contact databases to identify representatives of nonprofit organizations, financial institutions, government agencies and other community organizations. These representatives were invited by email to participate in an online survey. This report focuses on nonprofit respondents serving the Federal Reserve's Twelfth District, which includes the nine western states of Alaska, Arizona, California, Hawaii, Idaho, Nevada, Oregon, Utah, and Washington, plus American Samoa, Guam, and the Commonwealth of the Northern Mariana Islands.³

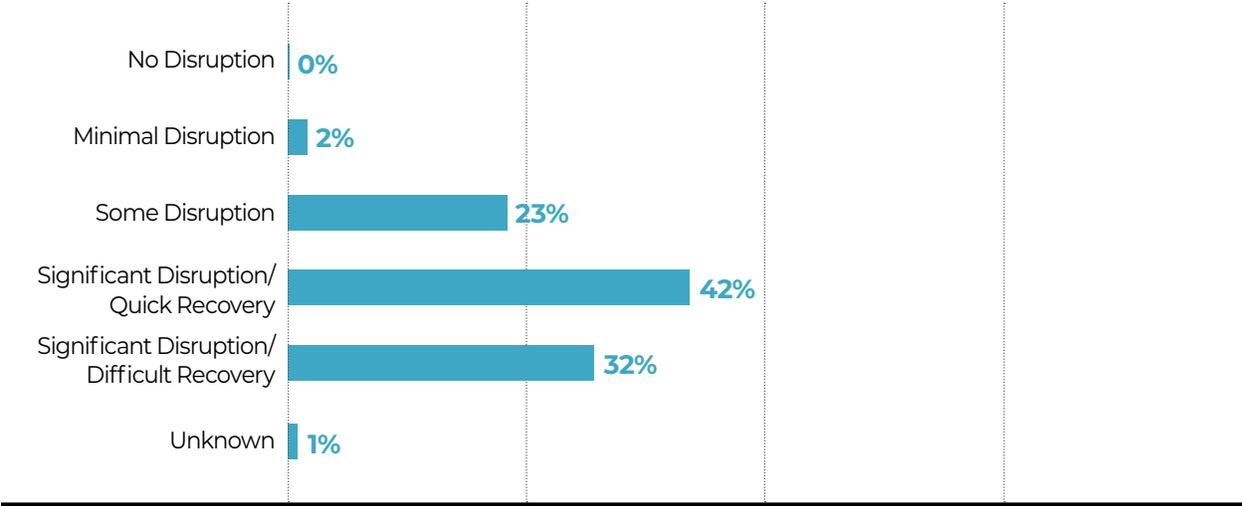
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1. The views expressed in this report are those of the authors and do not necessarily represent the views of the Federal Reserve Bank of San Francisco or the Federal Reserve System.
 2. The [Federal Reserve's community development](#) function seeks to promote the economic resilience and mobility of low- to moderate-income and underserved households and communities across the United States.
 3. There were 238 nonprofit respondents that primarily serve the 12th District. For nonprofit organizations that serve a multistate area, we included those for which 12th District states make up at least half of their target geography (n=21).

Key Findings from Nonprofit Respondents in the Western U.S.

- + Almost three quarters of respondents (74%) indicated COVID-19 is causing significant disruption to the entity they represent, with only 42% expecting to bounce back quickly after recovery begins.
- + More than 3 out of 4 respondents (76%) indicated demand for their services has increased or is anticipated to increase, and more than half of the respondents (55%) noted a corresponding decrease or anticipated decrease in their ability to provide services.
- + More than a quarter of respondents (26%) indicated that their entity could operate for less than three months in the current environment before exhibiting financial distress.
- + Nearly 8 out of 10 respondents (78%) indicated COVID-19 was a significant disruption to the economic conditions of the communities they serve and that recovery is expected to be difficult.
- + Job losses, business impacts, financial insecurity, and basic consumer needs were the most frequently cited impacts of COVID-19.
- + 41% of respondents indicated it will take more than 12 months for their communities to return to the conditions prior to the disruption from COVID-19.

NONPROFITS ARE FACING SIGNIFICANT DISRUPTION

At this point in time, what level of disruption is COVID-19 having on the entity you represent? (N=238)



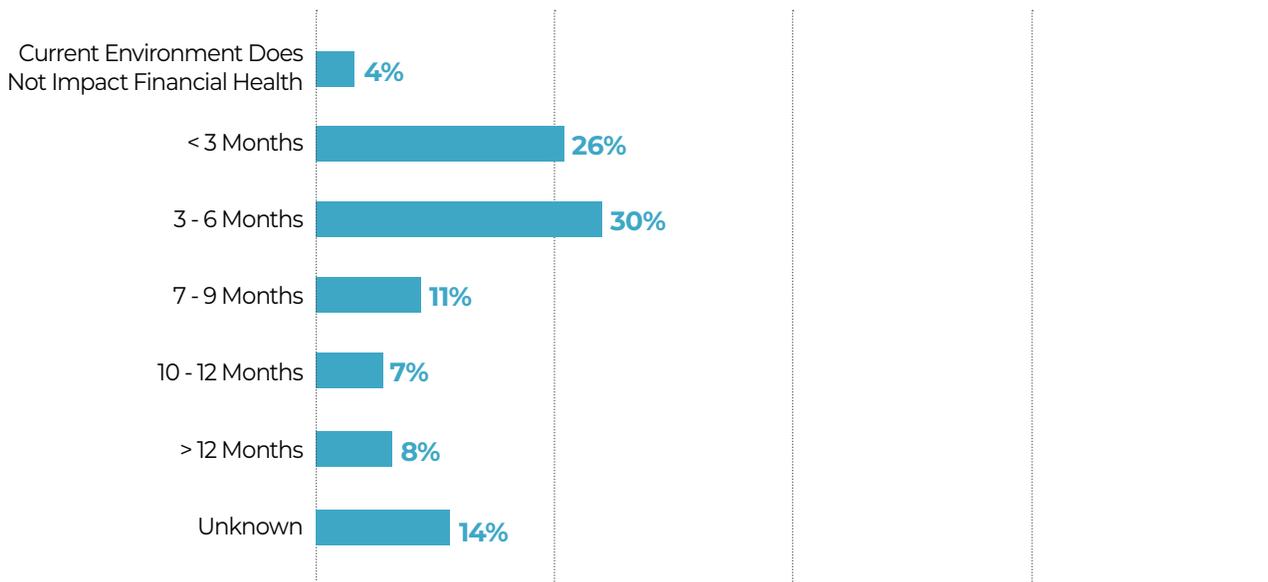
NONPROFITS ARE FACING MORE DEMAND, LESS CAPACITY, AND ANTICIPATING MORE FUNDS

In what ways has COVID-19 impacted the entity you represent?

	Demand for Services (N=237)	Ability to Provide Services (N=233)	Staffing Levels (N=235)	Expenses (N=234)	Philanthropic Funds (N=233)	Government Funds (N=233)
Decreased	10%	37%	26%	4%	19%	8%
Anticipated Decrease	5%	17%	17%	10%	21%	13%
No Change	9%	17%	47%	25%	18%	26%
Anticipated Increase	16%	15%	5%	32%	23%	33%
Increased	60%	13%	3%	28%	9%	10%
N/A	1%	0.4%	2%	2%	10%	10%

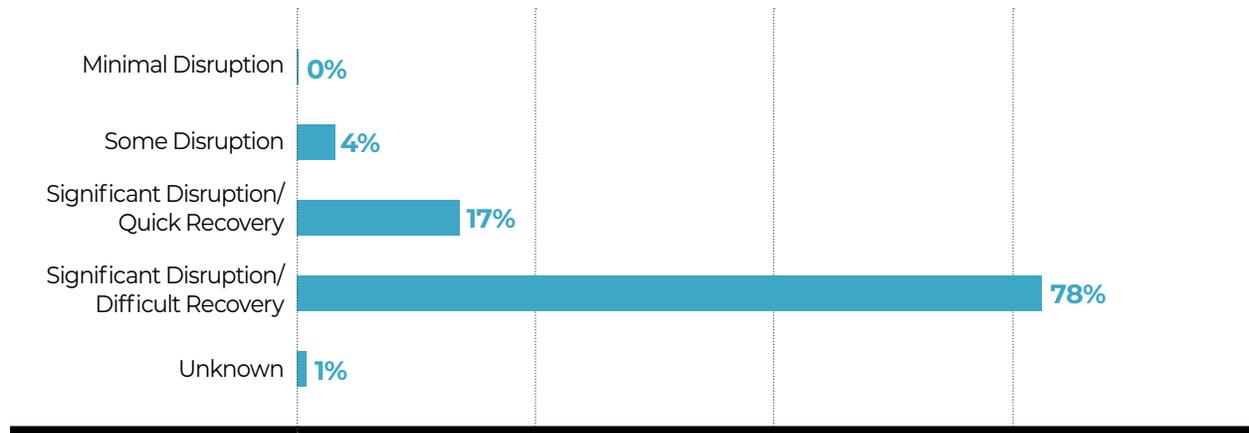
NONPROFITS ARE FACING FINANCIAL DISTRESS IN THE NEAR TERM

How many months can the entity you represent operate in the current environment before exhibiting financial distress? (N=238)



COMMUNITIES ARE FACING SIGNIFICANT DISRUPTION DUE TO COVID-19

At this point in time, what level of disruption is COVID-19 having on economic conditions in the communities you serve? (N=238)



TOP IMPACTS OF COVID-19 ON COMMUNITIES

In an open response question, respondents were asked to share the top impacts of COVID-19 on the communities they serve.

Responses were coded and the top impacts include:

People are losing their jobs or are unable to work due to businesses being closed, while many small businesses are facing challenges to their long-term viability

Low-income people are experiencing increased financial insecurity and having trouble meeting basic needs for food and housing

Social isolation and mental health issues during the pandemic are of concern for vulnerable populations

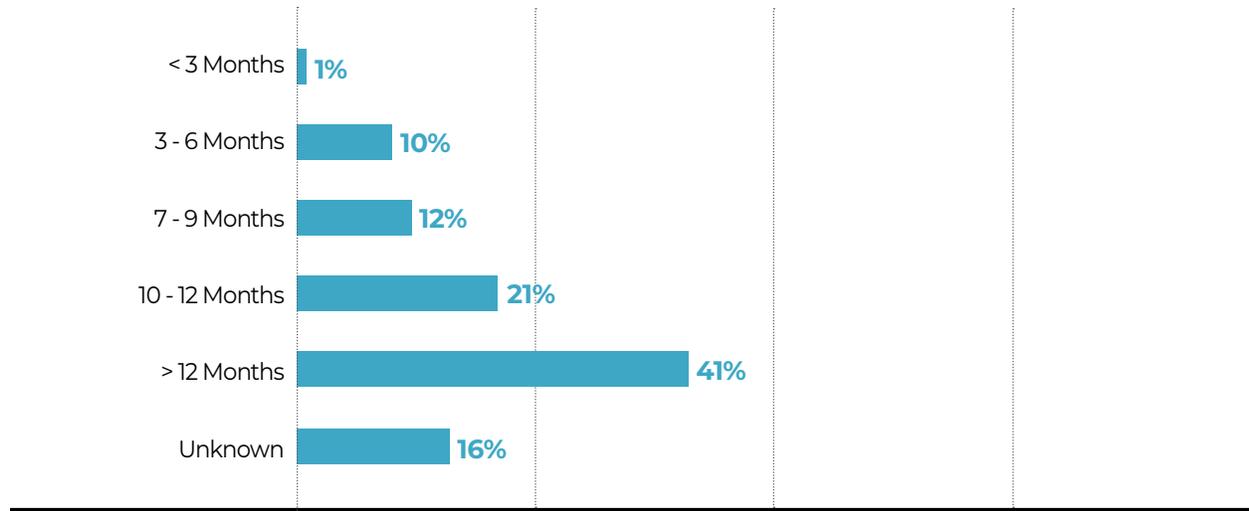
Nonprofits are losing revenue and facing challenges operating in the current environment while seeing increased demand for services

Low-income and vulnerable populations are unable to access many government services, nonprofit services, and basic health care with most offices closed

School and childcare closures and lack of access to high speed internet are disrupting work and education

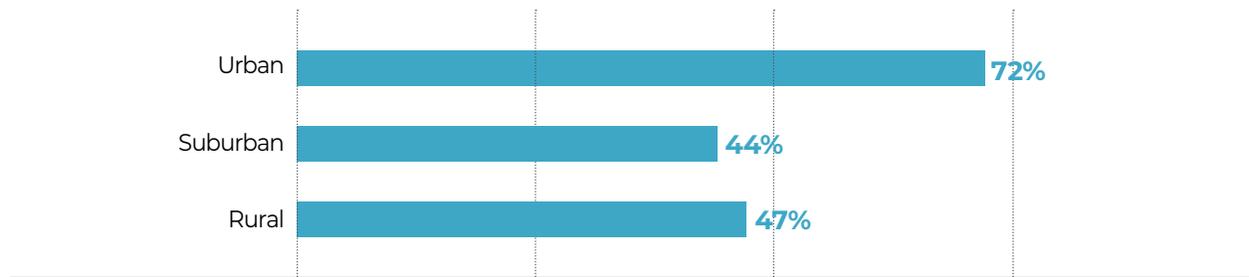
NONPROFITS ANTICIPATE A LONG RECOVERY FOR COMMUNITIES THEY SERVE

How long do you expect it will take for the communities you serve to return to the conditions they were experiencing before the impact of COVID-19? (N=238)



RESPONDENT PROFILES

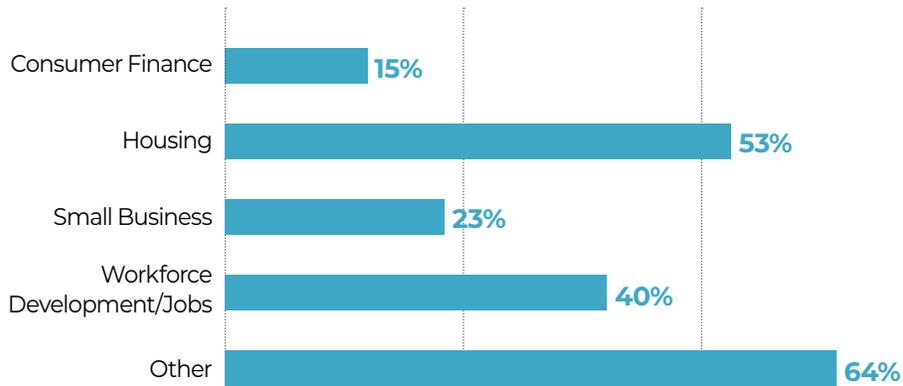
What type of area do you mostly serve? Select all that apply.* (N=236)



* Aggregate percentages exceed 100% due to the ability of respondents to select all that apply.

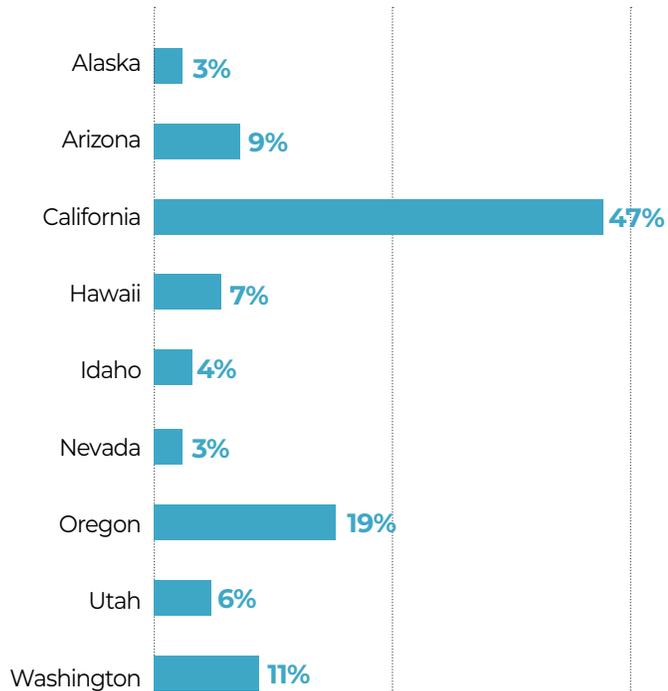
RESPONDENT PROFILES

What issues do you work on? Select all that apply.* (N=237)



RESPONDENT PROFILES

In which states and/or territories do you conduct most of your work? Select all that apply.* (N=238)



* Aggregate percentages exceed 100% due to the ability of respondents to select all that apply.



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