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

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Mercerville, NJ – New Jersey’s non-profit community is suffering already significant negative effects as a result of the novel Coronavirus outbreak, according to a new survey report released by the Center for Non-Profits. From March 13 to 17, 2020, the Center, 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 this first 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 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 did non-profits tell the Center they need from donors, philanthropy, and government?

- **Funding** – This 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** – The Center stresses that 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 COVID-19 pandemic has already begun to test our health care, service delivery systems, democratic and societal norms in new ways,” noted Linda M. Czipo, president and CEO of the Center. “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 initial survey on how the coronavirus (COVID-19) outbreak is affecting non-profits is available on the Center’s website at [https://njnonprofits.org/COVID19_RRSurvey1_March2020.pdf](https://njnonprofits.org/COVID19_RRSurvey1_March2020.pdf). In the coming weeks, the Center will conduct more rapid response surveys for New Jersey’s non-profits to track the evolving effects of the pandemic. To get the latest news on how New Jersey’s non-profit community is faring, [subscribe to the Center’s e-news alerts](https://njnonprofits.org/).

The Center for Non-Profits is New Jersey’s umbrella organization for the charitable community. Founded in 1982, the Center exists to build the power of New Jersey’s non-profit community to improve the quality of life for the people of our state. The Center provides professional education, advocacy, resources, training and information to strengthen non-profits and help them thrive in pursuit of their charitable work. For more information, visit [www.njnonprofits.org](http://www.njnonprofits.org), or call 732-227-0800.

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