

Key Findings from the Mid-Hudson Valley Funders COVID-19 Rapid Response Survey

Prepared by the Center for Effective Philanthropy

In April of 2020, the Center for Effective Philanthropy (CEP) conducted a survey of the Dyson Foundation and other Mid-Hudson Valley Funders' ("MHV Funders") grantees, achieving a 38 percent response rate. The memo below outlines the key findings from that survey.

Grantees' Current and Expected Challenges

- ▶ The results show that organizations vary in how they are responding to the pandemic, but most respondents have experienced:
 - Halts or delays in some services or projects: 92 percent
 - Moving to a virtual environment: 82 percent
 - Decrease in earned revenue: 72 percent
 - Reduced capacity: 68 percent
- ▶ It should be noted that the challenges listed above capture only what grantees are experiencing now. Given that the stay-at-home order in New York state now extends to May 15, 2020, MHV Funders should anticipate additional challenges for their grantees across the next month and beyond. When asked about expected changes, a quarter to a third of respondents expected to experience the following dynamics:
 - Tapping into reserves: 35 percent
 - Reallocating funding from existing projects to COVID-19 response: 22 percent
- ▶ The challenges question also offered an "other" answer choice option, where organizations could write in any other challenges they were experiencing. You may access these additional challenges by downloading the "Grantee Responses to Open-ended Questions" from the Attachments tab of online report. The most common other challenges were:
 - Cancellation of key fundraising events: 22 percent
 - Challenges accessing populations normally served: 20 percent
 - This was due to obstacles associated with a lack of technology to go virtual, mobility issues of clients, social distancing guidelines, and lack of transportation for clients
 - Inability to ensure the health and safety of their workers: 16 percent
 - Respondents stated this was due to a lack of PPE, cleaning supplies and adequate corona virus testing

Grantee Estimates on Number of Months of Continued Operations

- ▶ As one might expect, the challenges grantees are experiencing have created cash flow problems for organizations. When asked to estimate the number of months they could continue operating given their existing revenue streams, grantees indicated varying levels of financial risk:
 - 1 month or less: 14 percent
 - 2-4 months: 41 percent
 - 4+ months: 45 percent
- ▶ To access which organizations self-identified into each estimation category, please download the “Grantee Estimates” excel spreadsheet from the Attachments tab of your report.



“We continue to provide support to about 100 people in our residential program. Staff members in this program are literally heroic in their dedication. We have not yet started, but need to offer enhanced hazard pay and, in some cases, enhanced staffing to support people who are sick. This program is already underfunded. Making matters more complicated, we have applied for the SBA PPP program. That program is limited to companies with fewer than 500 employees. We have about 580, although our FTEs are below 500. It is not yet clear if the bank will approve.”



“Our behavioral health staff are providing vital services for current AND NEW clients remotely and in person where medically necessary...We are providing this service successfully telephonically even as we look to increase our capacity for virtual therapy and medical appointments. In the meantime, we are experiencing a significant challenge in obtaining the revenue to cover the services that are being provided. Approximately 20% of our Behavioral health clients utilize Medicare. Currently, Medicare won't pay for strictly telephonic services.”

How Other Funders Have Responded

- ▶ Given that nonprofits sit within a broader eco-system of philanthropic funders that also have an impact on their operating context, the survey asked grantees what other funders were doing to support them at this time. The most common interventions included foundations proactively communicating with their grantees and offering greater flexibility in the terms of current grants:
 - Providing helpful communication about their COVID response: 61 percent
 - Waiving/making reporting deadlines flexible: 52 percent
 - Allowing current grant goals to shift: 49 percent
 - Extending the timeframe for current grants without penalty: 38 percent
 - Providing supplemental grants: 28 percent
 - Converting restricted grants to GOS: 20 percent
- ▶ This question also offered “other” as an answer option. To see the full range of responses that respondents wrote in, please see the online report. Some common written responses included:
 - Additional reports of active communication from funders
 - Support applying for government relief programs such as SBA loans or PPP

- A few reports of relaxing requirements to access funds and creation of new grant opportunities



“We’d like to underscore that only a couple of our funders are implementing the shifts described above.”



“Our ability to fundraise is at a stand-still, and existing funders have had to reduce committed award amounts due to economic downturn, so we are currently hamstrung in our efforts to raise crucial funds. At the same time, as we migrate to online programming for now, we don’t have the capacity to build new workforce development programs due to lack of funding. Any dollars we have and will get in the near future are allocated to payroll and other operational costs.”

How MHV Funders Can Best Support Nonprofits

- ▶ Given the myriad of challenges brought on by the pandemic, we asked respondents to indicate how MHV Funders could best support them now and in the coming weeks. Two suggestions stood out for their frequency:
 - Emergency supplemental grants: 73 percent
 - Unrestricted support: 66 percent
- ▶ In their qualitative feedback, respondents stated they would deploy any unrestricted supplemental funds they receive to:
 - Expand existing programs or launch new ones to meet increases in community needs
 - Invest in technology to be able to work remotely and/or offer services online
 - Reinvent their business models as traditional revenue streams dry up
 - Invest in additional safety measures to protect the health of their staff and communities served



“Our donations have significantly decreased as many of our donors are local families who find themselves in difficult circumstances due to the job market losses and increased family care burden. I fear that we will struggle even more to provide services to those who need them so desperately.”



“Unrestricted funds would be most helpful and would allow us to allocate funding where most needed.”

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