Entering 2020 already fragile, community based organizations across Southern California are now confronted with the growing social, economic and public health consequences of the COVID-19 pandemic. As unemployment rates reach double the levels of the 2009 recession, we’ve seen nonprofit organizations of all budget sizes and fields of service respond to the crisis with creativity and flexibility in a rapidly changing environment. In response to exploding demand to cover basic needs, many organizations have ramped up service delivery and developed new programs. Others have stopped operations completely.

Given so much uncertainty, thousands of organizations, facing unprecedented pressure, have turned to CNM for answers they can trust. Issues include handling furloughs and layoffs, scenario planning, crisis communications, managing teams remotely, digital security, access to recovery dollars and government grants, board responsibilities, and renegotiating terms with funders. As we move forward together, the data suggests many difficult decisions lie ahead and that it is time to reimagine how community based organization can best serve community needs. CNM is here to help.

ADAPTING PROGRAMS, SERVICES & OPERATIONS

74% changed program models to respond to community needs.

50% cut program budgets or service capacity.

20% have shut down or have started shutting down operations.

“Our programs have shifted to meet our communities’ growing food insecurity and basic needs.”

FINANCIAL THREATS

64% have seen a negative impact on fee for service or earned revenue.

51% have seen a negative impact on donor revenue.

40% have seen a negative impact on foundation funding.

23% have seen a negative impact on government funding.

“The crisis is affecting our long-term sustainability more than our immediate wellbeing. We have cash to survive 5-6 months.”

REDUCING WORKFORCE

42% enacted a hiring freeze.

27% reduced staff hours.

20% laid off staff.

GOING REMOTE

54% obtained new hardware or software to support virtual work.

“Our IT budget was not sufficient to cover the cost of moving to remote work.”

“Hundreds of regular patients including those with chronic diseases are not able to visit and set appointments at our clinics. These program changes have led to a decrease in revenue, and our organization has been forced to lay off employees.”

PARTICIPANT SERVICE AREA

| Los Angeles | San Bernardino | Riverside | Other |

PARTICIPANT BUDGET

| < $100k | $100k-$250k | $250k-$500k | $500k-$1m | $1m-$4m | $5m-$10m | $11m-$20m | $20m+ |

Every year since 2009, CNM’s Sector Snapshot has tracked how organizations achieve their missions. CNM shares results with corporate, government, and private stakeholders as well as nonprofit leaders looking for trends in the sector. The data reported here were collected between April 12 and May 1, 2020, and reflect the experiences of 350 Southern California nonprofit organizations.

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