



NONPROFIT IMPACT SURVEY

Understanding the Impacts of COVID-19 on South Carolina's Nonprofit Community

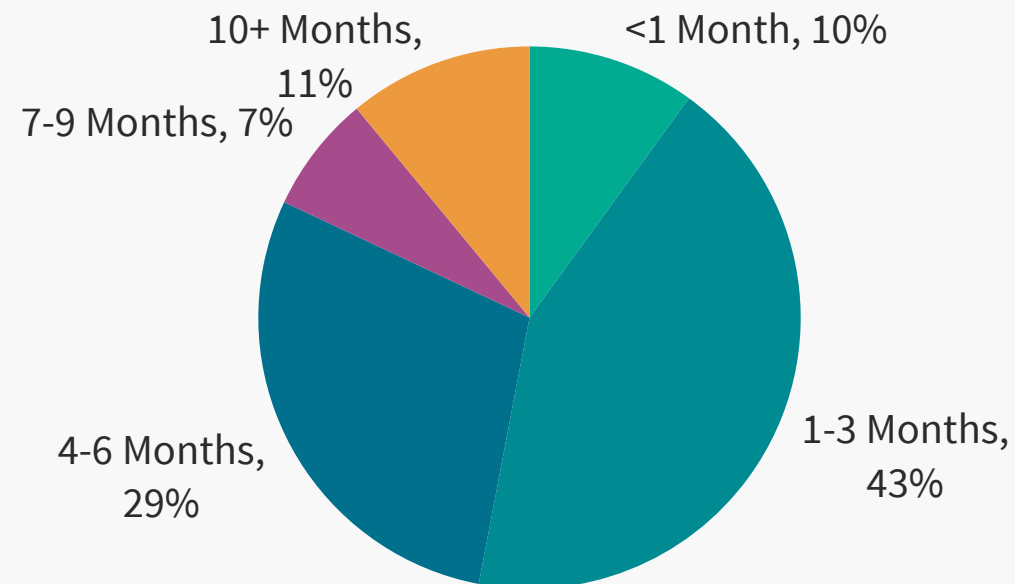
OVERVIEW OF RESPONDENTS

- **190** responses
- **55%** of organizations have operating budget of less than \$500,000
- **68%** of organizations get more than **40%** of their funding from one revenue stream - individual donations and grants are the top sources of revenue
- **42%** of respondents have their employees working from home; **16%** have had to lay off, furlough, or reduce employee hours

CASH FLOW / RESERVES

- Without additional funds, **54%** of participating nonprofits can last no more than three months (June)
- By September, **85%** of those responding will be out of money without additional resources
- No significant difference in reserves by organizational size

Q: Given the amount of cash you have on hand, how many months could you operate without additional revenue coming in the door?



NEGATIVE IMPACTS

96% of organizations have been or expect to be negatively impacted by COVID-19. Top impacts cited include:

Reduced revenue/contributions

- Unable to carry out programming and events that generate revenue
- Donations have drastically decreased
- Foundations/grantors delaying or cancelling grants
- Fundraising campaigns interrupted
- Clients unable to pay mortgage/rent
- Membership renewals decreased

Increased Expenses

- Extra costs associated with work from home technology, loss of volunteers, admin costs, etc.

Inability to effectively carry out mission

- Forced to close and unable to provide key services
- Progress toward goals and projects has stalled
- Shortage of volunteers
- Food supply chain issues

CAPITAL NEEDS

74% of responding organizations are in need of capital as a result of COVID-19:

- **42%** would be interested in accessing a bridge loan or working capital loan
- **28%** cited need for grant or forgivable loan
- **52%** of the organizations who need capital said \$100,000 or less in funding would meet their current capital needs
- **Terms needed** include low interest rates, long payment terms, deferred repayment plans, and quick deployment

KEY TAKEAWAYS

There is no one size fits all approach or solution.

A loan will not fit everyone's needs. While many respondents are interested in accessing a working capital loan, many cited a need for a forgivable loan or grant, and a lack of comfort with debt funding. **Both grants and flexible loans will be needed to meet the need for capital that exists.**

We need to act quickly but think long term.

The need for capital will not end any time soon. We need to be thinking about two strategies: **1) how will we address the immediate capital needs that exist and 2) how will we support the nonprofit community long-term** in the aftermath of this crisis.

Ongoing coordination and communication will be key.

This survey reveals a need for a coordinated cross-sector approach. To have a true impact financial institutions, foundations, government entities, and membership organizations will have to **continue working together to understand and respond to the needs of the organizations we serve.**

CONTACT

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