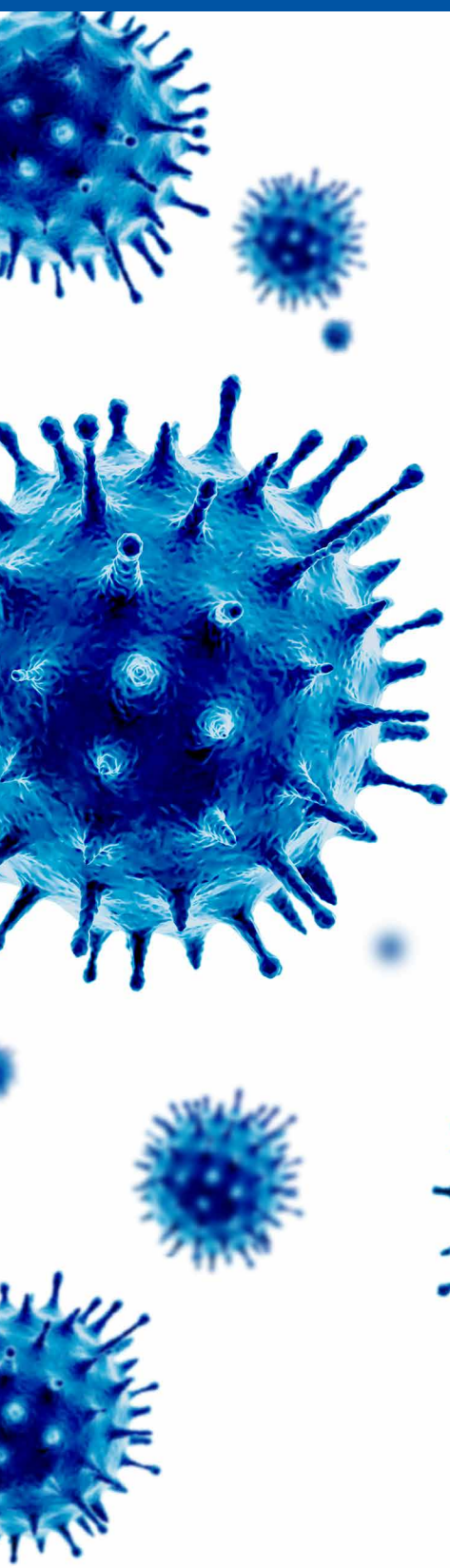




# UNRAVELING

Nonprofits, COVID-19, and the  
Fabric of BC Communities

**A SNAPSHOT 8 MONTHS IN**

February 2021

## ABOUT THIS REPORT

In the early stages of COVID-19 in the spring of 2020, Vantage Point, Vancouver Foundation, Victoria Foundation, and the City of Vancouver came together to produce a survey and report to understand how the COVID-19 pandemic was impacting the operations and program delivery of nonprofit organizations in BC. The resulting report, *No Immunity*, represented the responses of over 1,000 nonprofit sector leaders in BC.

As COVID-19 continued, the original research partners determined a need for a follow up survey to better understand the ongoing impacts of the pandemic. This follow up report represents a snapshot in time, just over half a year after the first survey.

A revised survey was drafted by the research steering committee and was distributed through 4,000 Vantage Point members and newsletter recipients, Victoria area funders, the City of Vancouver, provincial health regions and some municipalities. Leaders of BC nonprofits and charities were invited to complete the survey between November 18 and December 7, 2020. Vantage Point received 930 responses from across the province which equals approximately 3.6% of all nonprofits in BC, a similar response to the original *No Immunity* report. This report provides a summary of key survey results, including data that stands out based on geography, subsector, population served, and organization size.

The partners in the creation of this report are Vantage Point, Vancouver Foundation, and the Victoria Foundation. Vancouver Foundation and Victoria Foundation each provided funding and research knowledge and expertise, and Vantage Point provided human resources and networks. The City of Vancouver also supported this project with a COVID recovery grant.



Vantage Point convenes, connects, and equips not-for-profit leaders in BC with the training and other supports they need to be successful. Our vision is BC's not-for-profit sector is a thriving community, where organizations mindfully engage talented people and draw on a spirit of abundance to achieve their missions. Vantage Point is a registered charity.



The Vancouver Foundation harnesses the gifts of energy, ideas, time, and money to make meaningful and lasting impacts in communities. Our vision is healthy, vibrant and livable communities across British Columbia.



**VICTORIA FOUNDATION**

The Victoria Foundation connects people to causes that matter. By inspiring giving and caring for the assets entrusted to us, we invest in the people, ideas, and activities that strengthen our community.



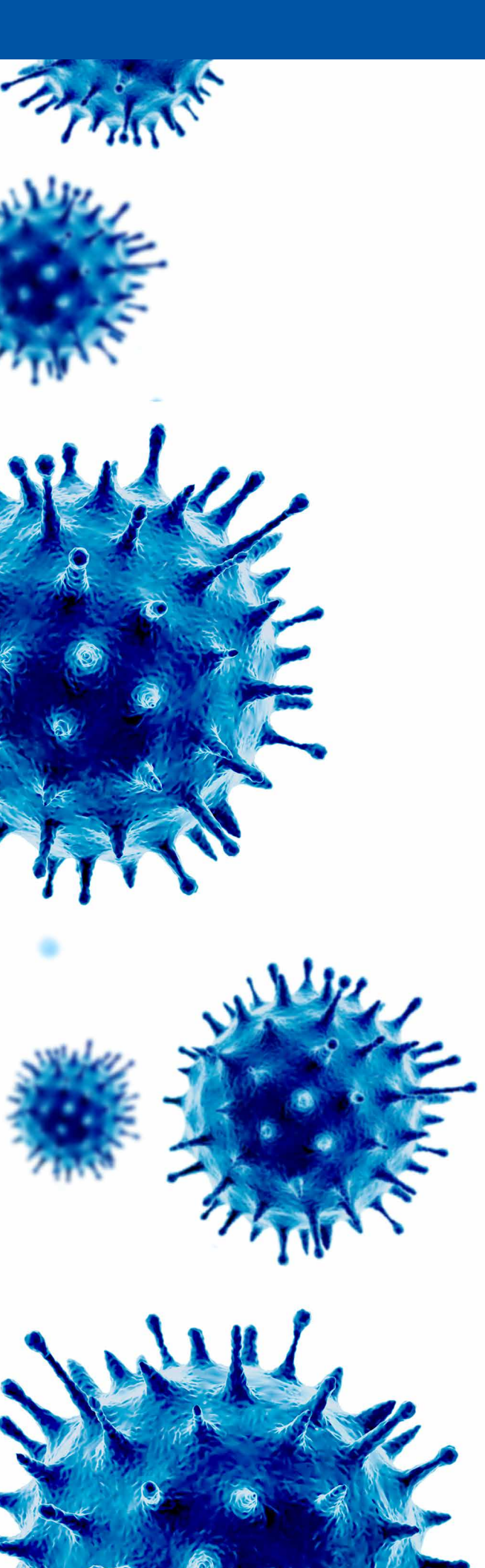
You are welcome to remix, adapt, build upon this work for non-commercial purposes, as long as you credit Vantage Point, Vancouver Foundation, and Victoria Foundation and indicate if any changes were made.

## ACKNOWLEDGEMENTS

We would like to thank all of the respondents of the survey and all those who shared this survey and encouraged their networks to participate. We also acknowledge those who were unable to complete it, given our time and distribution limitations. Because of these limitations, this survey and report represent a snapshot only; we need to uncover the stories of the impact of COVID-19 on our communities on a continuous basis.

We would like to thank the nonprofit sector leaders who participated in a data party to help interpret the initial results of the survey, and provide questions for the authors to consider as the full data was analyzed.

Vantage Point would like to acknowledge Vancouver Foundation, Victoria Foundation, and the City of Vancouver for their financial support of this report as well as their coordinating and communications support.



## TABLE OF CONTENTS

|                                                                            |           |
|----------------------------------------------------------------------------|-----------|
| <b>EXECUTIVE SUMMARY</b>                                                   | <b>1</b>  |
| <b>ABOUT THE BC NONPROFIT SECTOR</b>                                       | <b>9</b>  |
| <b>TAKEAWAY 1: COMMUNITY RESILIENCE AND VIBRANCY IS VULNERABLE</b>         | <b>10</b> |
| <b>TAKEAWAY 2: AN OPPORTUNITY FOR TRUST-BASED PHILANTHROPY</b>             | <b>12</b> |
| <b>IMPACTS OF COVID-19 ON THE BC NONPROFIT SECTOR</b>                      | <b>13</b> |
| How have things changed since the beginning of the pandemic?               | 15        |
| What can we say about the organizations that are at risk of shutting down? | 17        |
| Mission delivery and community impacts                                     | 18        |
| Financial impacts                                                          | 21        |
| Human resources and governance impacts                                     | 28        |
| Organizational stability                                                   | 31        |
| <b>UPCOMING TRAINING AND SUPPORT NEEDS</b>                                 | <b>35</b> |
| <b>A CALL TO ACTION</b>                                                    | <b>37</b> |
| <b>APPENDIX A: SURVEY DESIGN AND ANALYSIS</b>                              | <b>39</b> |
| <b>APPENDIX B: SURVEY QUESTIONS</b>                                        | <b>41</b> |
| <b>APPENDIX C: WHO RESPONDED</b>                                           | <b>43</b> |
| <b>APPENDIX D: SURVEY INFOGRAPHIC</b>                                      | <b>45</b> |

## EXECUTIVE SUMMARY

Vantage Point, Vancouver Foundation, the City of Vancouver, and Victoria Foundation conducted a survey between November 18 and December 7, 2020 to examine the ongoing impacts of COVID-19 on nonprofit organizations across BC. BC nonprofits and charities were invited to identify the ways in which COVID-19 is impacting their organizations, and what types of support would help them continue to serve their communities.

When surveyed earlier in the pandemic, nonprofit sector organizations were dealing with immediate needs related to safety, shifting to virtual work and programming, cancelled events, and drops in revenue. Eight months after the pandemic began impacting BC, many organizations have had the opportunity to access emergency funding and assess their situation more fully. While many respondents report feeling hopeful, they remain concerned about their ability to deliver their programs, services, and activities, stressed about the future of their funding, and worried about the possibility of having to shut down their operations.

### COVID-19 IMPACT DASHBOARD



*How do organizations like yours compare to the overall data? Visit the Unraveling interactive online dashboard to filter this survey's results by geography, subsector, budget, target population served, and more. [thevantagepoint.ca/unraveling](http://thevantagepoint.ca/unraveling)*

**A total of 930 respondents completed the survey which represents approximately 3.6% of all nonprofits in the province.** *It is important to note that this data represents only the perspectives of the organizations that responded and cannot be generalized to other nonprofits across the province. In addition, just over half of the surveys were completed by individuals in the social services and arts/culture sector which should also be taken into consideration when interpreting the results.*



**CLOSED**

**48% of organizations expect to shut down their operations if the current situation continues, which appears likely.**

*While there is hope as vaccines are distributed, we can expect COVID-related challenges and restrictions will remain at least into the fall.*



**1 in 5** respondents report a likelihood of shutting down within 12 months.

## Overall impacts on the nonprofit sector

As we enter the end of the first year dealing with COVID-19, some organizations benefited from new funding, while others saw their revenues significantly decrease and remain in crisis. Organizations face an increase in demand for their services, but a decreased ability to deliver programs and services and a decrease in unrestricted funding sources.

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Mission delivery and community impacts</b> <ul style="list-style-type: none"><li>• 64% of organizations report a decreased ability to deliver programs, services, and activities.</li><li>• Demand for programs, services, and activities has gone up for 58% of organizations.</li><li>• 52% of respondents have developed new programs, services, and activities.</li><li>• 50% are spending more time reporting to funders.</li></ul>                                                                                                                                                                                                                                                                                                                                                         | <b>Human resources and governance impacts</b> <ul style="list-style-type: none"><li>• 37% report a decrease in staffing levels.</li><li>• 59% of organizations report a drop in volunteer involvement.</li><li>• Decreases in volunteer involvement have hit arts/culture and sport/recreation the hardest.</li><li>• Respondents are spending more time on workplace safety, flexible work policies, staff wellness, and sick leave/health policies.</li><li>• 72% of respondents are spending more time scenario planning, and 58% are spending more time questioning their future or purpose.</li></ul>                                                                 |
| <b>Financial impacts</b> <ul style="list-style-type: none"><li>• Organizations are experiencing disrupted funding from all sources: 61% of respondents are seeing decreases of revenue from special events, 51% from earned income, and 42% from individual donations.</li><li>• Government and foundations are filling some of these gaps, with 40% of respondents reporting an increase in funding from government and 32% from foundations.</li><li>• 71% of organizations, especially smaller organizations, are expecting a budget shortfall in 2021, while 14% are anticipating an increase in their budget.</li><li>• Emergency funding distributed locally, as opposed to national or provincial government programs, was the type of support accessed by the most organizations.</li></ul> | <b>Organizational stability</b> <ul style="list-style-type: none"><li>• About half of organizations (48%) are concerned about shutting down—20% within the next year. Another 19% are unsure.</li><li>• Arts/culture, sport/recreation, religious organizations, and small organizations are the subsectors with the most risk of shutting down.</li><li>• Of organizations that serve specific populations, those that serve adults and racialized people are most likely to be concerned about shutting down.</li><li>• 71% of organizations expressed interest in receiving support such as rent subsidies and donated space to retain their operating space.</li></ul> |

## Community resilience and vibrancy is vulnerable

Any impact on the sector will impact the people and places that nonprofits serve. Nonprofit organizations help maintain the fabric of our communities. They are our youth soccer teams, garden clubs, food banks, community theatres, neighbourhood houses, newcomer supports, environmental protectors, and equity advocates. Nonprofit organizations not only help people who are struggling to meet basic needs, but add vibrancy to our communities by enabling volunteerism and greater connection.

- 48% of organizations expect to shut down their operations if the current situation continues—20% within the next year. Another 19% are unsure if they will have to shut down.
- Smaller organizations—those with annual operating budgets of less than \$1 million—more frequently reported being at risk of shutting down their operations within 6 months.
- Organizations from arts/culture, sport/recreation, or religion reported the most concern about shutdown.
- Among organizations that serve specific populations, those that focus on adults and/or racialized<sup>1</sup> people reported the most concern about shutdown. Survey results from the Network for the Advancement of Black Communities and Carleton University's Philanthropy and Nonprofit Leadership indicate that 63% of Black community organization respondents said they will "run out of funding in less than six months."<sup>2</sup>
- Volunteerism has declined for a majority of respondents.

This doesn't mean all other organizations are doing okay. All types of organizations are dealing with increased demand for their programs and services, difficulty in delivering these activities, increased employee stress, and changes in funding. However, certain sectors have been upended by restrictions in gatherings, the complete loss of earned income, and plummeting volunteer engagement, among other impacts. Small organizations, particularly those without dedicated fundraising or grant-writing staff, or with only volunteers, don't have the capacity to respond to shifts in funding.

These impacts are unraveling the fabric of our communities. As we enter the next stages of the COVID-19 pandemic and eventual recovery, we need to preserve the nonprofit infrastructure that sustains the basic needs for many in our communities; that gives meaning to our lives in challenging times and helps us connect with our communities; and that continues to draw attention to the systemic changes needed to ensure our resilience and vibrancy.

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1 Some types of organizations didn't have enough respondents to confidently indicate a correlation with specific impacts. This report references specific populations and subsectors where possible, but because of low numbers, some types of organizations may not be referenced. Please visit the *Unraveling* dashboard to explore the data by organization type.

2 "Black organizations receive as little as 7 cents for every \$100 donated to Canada's big charities, study finds," CBC News, December 20, 2020. Retrieved January 29, 2021 from <https://www.cbc.ca/news/canada/toronto/black-charities-underfunded-canada-1.5825934>

See the original report, "Unfunded: Black Communities Overlooked by Canadian Philanthropy" at <https://www.forblackcommunities.org/assets/docs/Unfunded-Report.pdf>

*“COVID stopped the momentum we had generated in our programs/services/activities, leaving us wondering if we will get back to pick up where we were, or need to start at the beginning again.”*

## **An opportunity for trust-based philanthropy**

Nonprofit organizations need a strong foundation from which to sustain, pivot, jump, innovate, adapt, shift, and start up. The funding support that organizations had the most success in accessing was distributed through local sources. Local funders, as well as subsector umbrella organizations, are best situated to be aware of specific contexts that organizations are operating in and where the opportunities lie. They know the staff and board members involved. They are in a position to collaborate with other funders, modify application processes and eligibility requirements, and distribute money quickly.

Nimble funding practices are critical to support flexibility and quick adaptation, yet many organizations indicated they spent more time dealing with funding requirements and challenges with funding-related communication. All of this takes away from time that could be spent on responding to challenges, sustaining crucial services, pivoting programming, and planning for the future. Funders must understand how their reporting requirements negatively impact their grantees. They also need to consider how they might streamline their application and reporting requirements further.

Respondents continue to reiterate the need for core operating capacity and infrastructure—funding that supports a base of operations that is nimble and strong. They know what’s needed and are asking for greater trust and financial freedom to be able to move forward with more ease, rather than be fixated on filling the gaps in funding that will appear when interim COVID-19 funding eventually dries up.

The pandemic has shown other models of relationship between funders and nonprofits are possible. With the will, we are able to move money quickly to help organizations meet community needs and adapt to changing contexts. Austerity is a mindset, not a requirement. What can we take from this experience so that in the future we don’t automatically revert to old patterns and processes, but instead work on building trust, and freeing our nonprofit organizations to help maintain the fabric of our communities?

*“We’ve received a fair bit of short term funding. As welcome as funding is, when it requires us to create novel constructive programs and services and use the funding in a very short period (within months) it causes considerable stress and adds to administrative loads (e.g., budget development, supplies purchasing, hiring, reporting).”*

## Call to action

The future health and vitality of our province depends on the nonprofit sector being able to continue balancing the space between governments and the private sector to address unmet community needs and interests. This ongoing crisis will impact the nonprofit sector—especially smaller organizations, arts/culture organizations, sport/recreation organizations, and organizations serving racialized people—significantly over the long term if thoughtful support isn’t provided.

This survey reveals a number of calls to action. The table below does not represent an exhaustive list of what respondents are requesting nor of what supports are possible—all actors are invited to go beyond and interpret how else they may be able to support the organizations that are trying to meet the needs of our communities. Nonprofits touch the lives of everyone in some way or another in British Columbia, and there is a role for everyone to play in collectively helping them to survive these turbulent times to protect the resilience and vibrancy of our communities.

|                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|---------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Governments, foundations and funders</b> | <p>Increase trust-based philanthropy practices. Liberate more funds. Streamline eligibility and reporting requirements so that more time can go towards delivering programs.</p> <p>Provide more unrestricted, core infrastructure/capacity funding that focuses on sustaining the core operations of nonprofit organizations, while also developing new support programs to respond to emergent needs.</p> <p>Distribute funding through local funders, who have a better understanding of the community context. Update and develop additional support programs based on feedback.</p> <p>Invest in nonprofit infrastructure that will help nonprofits rebuild philanthropic and earned income dollars, re-engage volunteers safely, and improve staff wellness.</p> <p>Review changes made to funding processes during COVID-19 to consider which practices were improvements and should be maintained going forward.</p> |
|---------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                |                                                                                                                                                                                                                                                                                                                                                                                  |
|----------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Businesses</b>                                              | Support greater employee volunteerism. Donate unused space, even temporarily. If your revenues have remained stable or increased, increase your corporate giving and make it unrestricted. Offer coaching/mentorship related to virtual events and program delivery. Advocate to governments to ensure that COVID-19 supports for businesses also include the nonprofit sector.  |
| <b>Volunteers</b>                                              | Explore ways to return to volunteering in your community as soon as safe. Skilled volunteers can support facilitation of scenario planning, governance, change management, and technology training.                                                                                                                                                                              |
| <b>Donors</b>                                                  | If your income has remained stable or increased, increase your giving and make it unrestricted. Notice which organizations are not able to fully operate at the moment, and donate in order to help them prepare for future adaptations. Support local funders who give discretionary funding in the community. Advocate to government and funders to implement calls to action. |
| <b>Nonprofit organizations</b>                                 | Collaborate and partner so that larger or more stable nonprofit organizations can support smaller ones in equitable ways.                                                                                                                                                                                                                                                        |
| <b>Capacity-builders, networks, and umbrella organizations</b> | Help organizations navigate funding, especially those not used to applying for government funding. Help organizations to support staff wellness. Advocate for government supports that align with the needs of your nonprofit community. Partner with government, funders, and business to help implement calls to action.                                                       |
| <b>General public</b>                                          | Become a new donor to an organization you value. Stay subscribed to communications from your favourite organizations. Spread the word about the work of organizations you value within your circles. Support people in your life with difficulties accessing/using technology, so that they are more likely and/or able to access services or volunteer opportunities.           |

The results of this survey present a snapshot of the current situation for the sector. Although nonprofits have demonstrated an extraordinary ability to pivot and rise to the challenges of the pandemic, their future ability to address unmet community needs is tenuous. Nonprofits support the fabric of our communities, and that fabric is slowly unraveling. Some subsectors are already experiencing giant tears in this fabric. What is clear is these impacts have had, and will continue to have, a substantial effect on the vibrancy and health of our communities. Now is the time to invest in rebuilding and resiliency.

## MESSAGE FROM THE SURVEY PARTNERS

### From Vantage Point

Vantage Point is a nonprofit that has experienced many of the same things the respondents have. But our mission is to support nonprofits and charities in BC, whether it is through one-on-one support or amplifying the needs of the sector through sector-wide initiatives. When COVID first hit, we strove to provide platforms and tools to make sense of our new reality.

As this report tells us, the journey is far from over. We hear the call for supports that go beyond training, that build on existing wisdom to make the navigation of COVID easier. Please join us at our BOSS conference that starts on February 27th. We are bringing together experts, thinkers and strategic leaders to spark our hopefulness into action.

It will be so important, as we move forward, that all of us reiterate our commitment to equity and inclusion, we commit daily to recognizing the impact of colonialism, and we build solutions and pathways designed around everyone's thinking, not just a small group of leaders. While the picture of the work ahead to feed our communities, create art, hold up our vulnerable populations and advance our important goals is worrisome, the hopefulness of the nonprofit sector should inspire us all.

Collaboration, in the context of pursuing equity, will transform our communities as we step into the new reality in BC.

## Joint Funders Statement from Vancouver Foundation and Victoria Foundation

Throughout the COVID-19 pandemic, community foundations have been proud to work alongside other non-profits to provide support essential to the wellbeing and sustainability of civil society organizations throughout British Columbia. Made possible by the uniqueness of our model, community foundations have worked to mobilize funding and steward critical support to a broad range of community-based organizations. Non-profits are the backbone of our society, and we are working hand in hand to weather this immense storm and continue to deliver services at a time when they are needed more than ever. The information collected in the *No Immunity* report of May 2020 and now the *Unraveling* report demonstrates how vulnerable civil society organizations continue to be during this pandemic. But it also speaks to the resilience, ingenuity, and adaptability our non-profit organizations are capable of when faced with a challenge of this magnitude. Vancouver Foundation and the Victoria Foundation know firsthand the dedication and resourcefulness of BC's charitable sector. We also know the value of partnership, which is why we came together, along with Vantage Point and the City of Vancouver, in service to the sector to undertake this study and continue to advocate on behalf of our civil society partners. Throughout this pandemic we have seen numerous examples of kindness in our communities, whether big or small, and just as neighbours are helping neighbours, civil society organizations have come together to help other civil society organizations. This report, and the partnership that produced it, comes from that spirit of kindness, support, and resilience. Through this same spirit of collaboration, and armed with the information from this report, we will continue to support our collective work through the uncertain times ahead.

## ABOUT THE BC NONPROFIT SECTOR<sup>3</sup>

British Columbia's nonprofit sector is vast in size, scope, and impact. It makes a significant and meaningful impact on the economy and lives of people across British Columbia. BC has more than 25,000 nonprofit societies.<sup>4</sup> The nonprofit sector is diverse and includes areas such as arts/culture, education, health, volunteerism, social services, sport/recreation, environment, housing, advocacy, religion, international, and professional associations.

The nonprofit sector contributes \$6.4 billion to BC's GDP<sup>5</sup> and employs 86,000<sup>6</sup> people across the province.<sup>7</sup> 74% of the people employed in the nonprofit sector are women.<sup>8</sup> Average salaries are 13.8% less than the provincial average.<sup>9</sup> Sixty-two percent of British Columbians volunteer their time and talents to strengthen their communities.<sup>10</sup> This is the equivalent of 146,711 full-time jobs<sup>11</sup> and an economic value of \$6 billion.<sup>12</sup>

Nonprofits vary widely in size from small community-based and volunteer-run organizations to large-scale agencies. One third of nonprofits operate on less than \$30,000 in revenue, and 11% have over \$1 million in revenue.<sup>13</sup> Eighty-three percent of BC charities participate in earned revenue activities and generate more than one-third of their own revenue through the sale of goods and services, membership fees, and investment income.<sup>14</sup>

3 An infographic with this information can be found at [https://www.thevantagepoint.ca/sites/default/files/2020\\_size\\_scope\\_and\\_impact\\_of\\_bcs\\_non-profit\\_sector\\_infographic.pdf](https://www.thevantagepoint.ca/sites/default/files/2020_size_scope_and_impact_of_bcs_non-profit_sector_infographic.pdf)

4 BC Registry Services, Dec. 31, 2019.

5 Statistics Canada. (2019). Table 36-10-0614-01: Gross domestic product (GDP) and income of non-profit institutions by activity (x 1,000,000). Retrieved from <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3610061401>

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6 Reflects community nonprofits, and excludes hospitals, colleges, and universities.

7 Statistics Canada. (2017). Table 36-10-0617-01 Employment in non-profit institutions by sub-sector (x 1,000). Retrieved from <https://www150.statcan.gc.ca/t1/tbl1/en/cv.action?pid=3610061701#timeframe>

8 Ference Weicker & Co. (2014). Characteristics of the labour market in British Columbia's non-profit sector. Vancouver, BC: Ference Weicker & Co.

9 Statistics Canada. (2017). Table 36-10-0613-01 Production, income and outlay accounts of non-profit institutions (x 1,000,000). Retrieved from <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3610061301>

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10 Vancouver Foundation. (2019). Vital signs 2019. Vancouver, BC: Vancouver Foundation. Retrieved from <https://www.vancouverfoundation.ca/our-work/initiatives/vital-signs>

11 Statistics Canada. Table 45-10-0012-01 Volunteer rate and average annual volunteer hours, by age group. Retrieved from <https://doi.org/10.25318/4510001201-eng>

12 Statistics Canada. (2013). Table 36-10-0618-01: Economic value of volunteering activity (x 1,000,000). Retrieved from <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3610061801&pickMembers%5B0%5D=1.11>

13 Ference Weicker & Co. (2014).

14 Statistics Canada. (2019). Table 36-10-0613-01 Production, income and outlay accounts of non-profit institutions (x 1,000,000).

## TAKEAWAY 1: COMMUNITY RESILIENCE AND VIBRANCY IS VULNERABLE

Any impact on the sector will impact the people and places that nonprofits serve. Nonprofit organizations maintain the fabric of our communities. They are our youth soccer teams, garden clubs, food banks, community theatres, neighbourhood houses, newcomer supports, environmental protectors, and equity advocates. Nonprofit organizations not only help people who are struggling to meet basic needs, but add vibrancy to our communities by enabling volunteerism and greater connection.

While all organizations have been impacted by COVID-19 in some way or another, and the nonprofit sector as a whole is often challenged with precarious funding, some challenges stand out.<sup>15</sup>

- 48% of organizations expressed concern about shutting down operations if the current situation were to continue—20% within the next year. Another 19% are unsure.
- Smaller organizations—those with annual operating budgets of less than \$1 million—more frequently reported being at risk of shutting down their operations within 6 months.
- Organizations from arts/culture, sport/recreation, or religion reported the most concern about shutdown.
- Among organizations that serve specific populations, those that focus on adults and/or racialized people reported the most concern about shutdown. Survey results from the Network for the Advancement of Black Communities and Carleton University's Philanthropy and Nonprofit Leadership indicate that 63% of Black community organization respondents said they will “run out of funding in less than six months.”<sup>16</sup>
- Volunteerism has declined for a majority of respondents.

These impacts are unraveling the fabric of our communities. Small organizations, arts/culture organizations, sport/recreation organizations, and religious organizations are strong contributors to social cohesion, vitality, and creativity in our community. Volunteerism and organizations serving people of colour serve a similar purpose in strengthening the fabric of our communities. Community resilience is vulnerable when basic needs aren't being met, and we can't be together in ways we are used to being.

This doesn't mean all other organizations are doing okay. All types of organizations are dealing with increased demand for their programs and services, difficulty in delivering these activities, increased employee stress, and changes in funding. However, certain sectors

<sup>15</sup> Visit the *Unraveling* dashboard to filter the data and find the impacts specific to the organization types you are interested in. [thevantagepoint.ca/unraveling](https://thevantagepoint.ca/unraveling)

<sup>16</sup> “Black organizations receive as little as 7 cents for every \$100 donated to Canada's big charities, study finds”, CBC News, December 20, 2020. Retrieved January 29, 2021 from <https://www.cbc.ca/news/canada/toronto/black-charities-underfunded-canada-1.5825934>

See the original report, “Unfunded: Black Communities Overlooked by Canadian Philanthropy” at <https://www.forblackcommunities.org/assets/docs/Unfunded-Report.pdf>

have been upended by restrictions in gatherings, the complete loss of earned income, and plummeting volunteer engagement, among other impacts. Small organizations, without dedicated fundraising or grant-writing staff, or with only volunteers, don't have the capacity to respond to shifts in funding. Organizations that tried to be strategic and focus on traditionally sustainable revenue sources like donations and earned revenue prior to the pandemic now suddenly find themselves unsustainable.

As we enter the next stages of the COVID-19 pandemic and eventual recovery, we need to preserve the nonprofit infrastructure that sustains the basic needs for many in our communities; that gives meaning to our lives in challenging times and helps us connect with our communities; and that continues to draw attention to the systemic changes needed to ensure our resilience and vibrancy.

## TAKEAWAY 2: AN OPPORTUNITY FOR TRUST-BASED PHILANTHROPY<sup>17</sup>

The funding support that organizations had the most success in accessing was distributed through local sources. In some cases this was through corporations, credit unions, or municipalities. However, most often it was Emergency Community Support Fund money that flowed through local community foundations, United Ways, and Red Crosses.

Local funders, as well as subsector umbrella organizations,<sup>18</sup> are best situated to be aware of specific contexts that organizations are operating in, where gaps in services exist, where opportunities to elevate community resilience are, and how people can be brought together. They know the staff and board members involved. They are in a position to collaborate with other funders, modify application processes and eligibility requirements, and distribute money quickly. As examples, Victoria Foundation and Vancouver Foundation each significantly reduced their application and reporting requirements in order to get funds to organizations quickly in the early stages of the pandemic. Funders and local government in the Powell River area combined efforts and funding for COVID-related impacts.<sup>19</sup>

Nimble funding practices are critical to support flexibility and quick adaptation, yet many organizations indicated they spent more time dealing with funding requirements and challenges with funding-related communication. All of this takes away from time that could be spent on responding to challenges, sustaining crucial services, pivoting programming, and planning for the future. Funders must understand how their reporting requirements negatively impact their grantees. They also need to consider how they might streamline their application and reporting requirements further.

Respondents continue to reiterate the need for core operating capacity and infrastructure—funding that supports a base of operations that is nimble and strong. They know what’s needed and are asking for greater trust and financial freedom to be able to move forward with more ease, rather than be fixated on filling the gaps in funding that will appear when interim COVID-19 funding eventually dries up.

The pandemic has shown other models of relationship between funders and nonprofits are possible. With the will, we are able to move money quickly to help organizations meet community needs and adapt to changing contexts. Austerity is a mindset, not a requirement. What can we take from this experience so that in the future we don’t automatically revert to old patterns and processes, but instead work on building trust, and freeing our nonprofit organizations to help maintain the fabric of our communities?

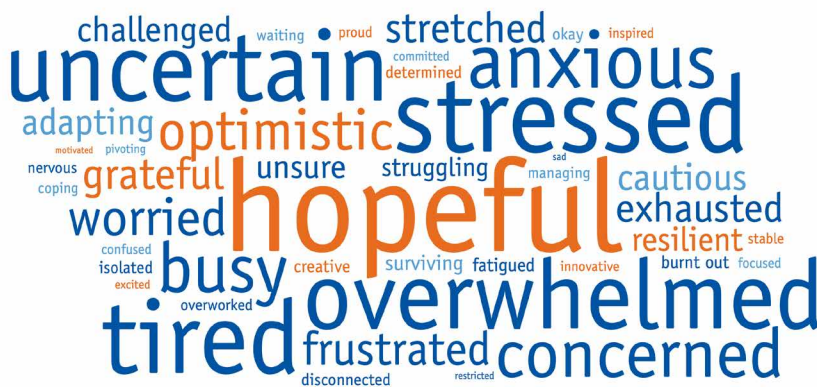
<sup>17</sup> For more on the trust-based philanthropy movement, visit <https://trustbasedphilanthropy.org/>. The key ingredients include providing multi-year, unrestricted funding; placing trust-building responsibility on the funder; simplifying paperwork; and being responsive. See also <https://leapambassadors.org/funding-performance-monograph/>

<sup>18</sup> Organizations that represent and support a specific type of nonprofit organization, e.g., BC Alliance for Arts + Culture, BC Nonprofit Housing Association, Volunteer BC.

<sup>19</sup> See <https://www.prpeak.com/community/powell-river-organizations-launch-community-response-fund-1.24138591>.

## IMPACTS OF COVID-19 ON THE BC NONPROFIT SECTOR

When surveyed earlier in the pandemic, nonprofit sector organizations were dealing with immediate needs related to safety, shifting to virtual work and programming, cancelled events, and drops in revenue. Eight months after the pandemic began impacting BC, many organizations have had the opportunity to access emergency funding and assess their situation more fully. While many respondents report feeling hopeful, they remain concerned about their ability to deliver their programs, services, and activities, uncertain about the future of their funding, and worried about the possibility of having to shut down their operations.



*A compilation of responses to "Please share three words that describe how your organization is doing/feeling right now." Size indicates frequency mentioned.*

### Mission delivery and community impacts

- 64% of organizations report a decreased ability to deliver programs, services, and activities.
- Demand for programs, services, and activities has gone up for 58% of organizations.
- 52% of respondents have developed new programs, services, and activities.
- Smaller organizations were more likely to report a decreased ability to deliver their missions, and were less likely to report a shift to delivering their programs virtually.
- 50% are spending more time reporting to funders. Many also described more time spent negotiating funding agreements, educating funders, and determining eligibility.

### Human resources and governance impacts

- 37% report a decrease in staffing levels.
- 59% of organizations report a drop in volunteer involvement.
- Decreases in volunteer involvement have hit arts/culture (69%) and sport/recreation (67%) the hardest.
- Respondents are spending more time on workplace safety, flexible work policies, staff wellness, and sick leave/health policies. These increases take away from time spent on delivering programming.
- 72% of respondents are spending more time scenario planning, and 58% are spending more time questioning their future or purpose.
- Respondents expressed deep concern about the wellness of their staff.

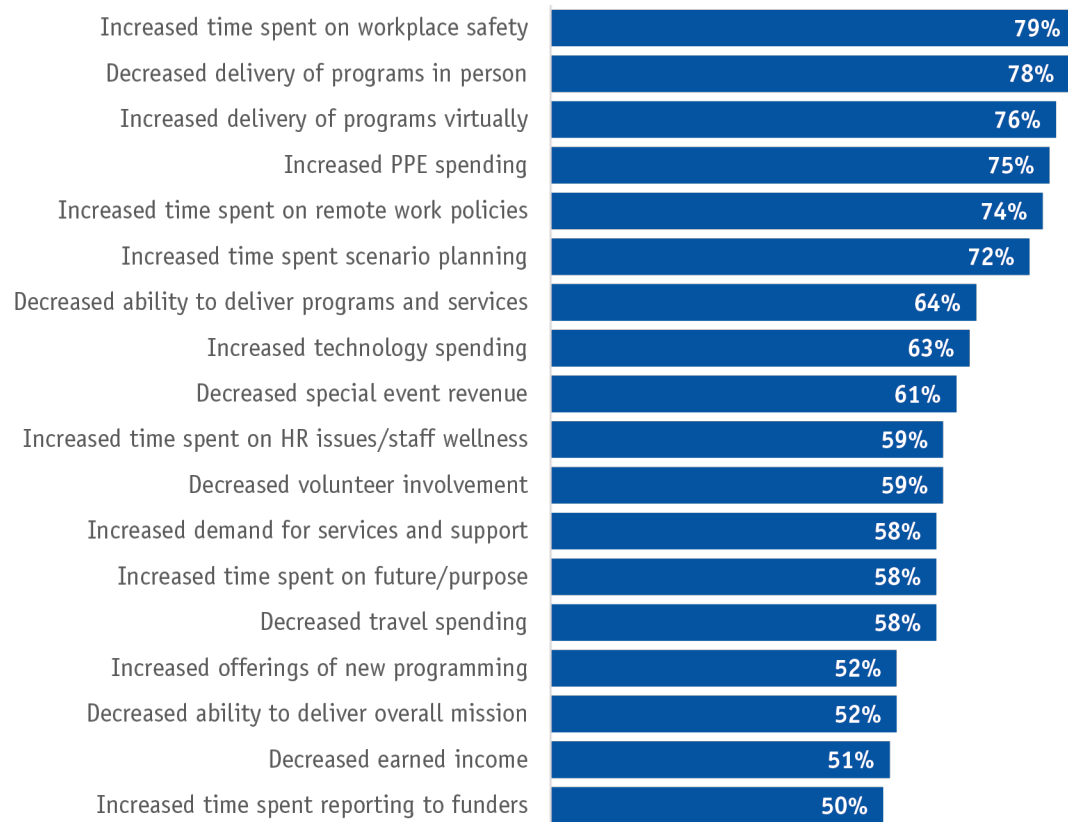
### Financial impacts

- Organizations are experiencing disrupted funding from all sources: 61% of respondents are seeing decreases of revenue from special events, 51% from earned income, 42% from individual donations, and 37% from corporations. Organizations that rely on these decreasing sources are most at risk of shutting down within 6 months.
- Government and foundations are filling some of these gaps, with 40% of respondents reporting an increase in funding from government and 32% from foundations.
- 71% of organizations, especially smaller organizations, are expecting a budget shortfall in 2021, while 14% are anticipating an increase in their budget.
- Budget gaps were of most concern to organizations that primarily serve adults, women, or people with chronic medical conditions. There was less concern among organizations serving Indigenous peoples, people with lived experience of substance use, and people experiencing homelessness.
- Many organizations have benefitted from COVID-related funding, but are concerned about what will happen when funding ends.
- Housing, health, and social service organizations were most likely to report an expected increase in revenue in 2021.
- Emergency funding distributed locally, as opposed to national or provincial government programs, was the type of support accessed by the most organizations.

### Organizational stability

- About half of organizations (48%) are concerned about shutting down—20% within the next year. Another 19% are unsure.
- Arts/culture, sport/recreation, religious organizations, and small organizations are the subsectors with the most risk of shutting down.
- Of organizations that serve specific populations, those that serve adults (60%) and racialized people (61%) are most likely to be concerned about shutting down.
- 71% of organizations expressed interest in receiving support to retain their operating space. Rent subsidies, donated space, and funders allowing funds to be allocated to space costs were the top supports desired.

**Strongest impacts** of COVID-19 on organizations, based on percentage of respondents who reported an increase or decrease



## How have things changed since the beginning of the pandemic?

In the spring of 2020, when data for the May 2020 *No Immunity* report was collected, organizations were focussed on obtaining personal protective equipment, having employees work from home, cancelling major events that provided revenue, and generally trying to figure out to how to fulfill their missions and access funding in a time of shifting restrictions and ongoing uncertainty.

Since that time, many metrics have improved slightly, and it seems not as many organizations experienced a decrease in staffing levels as predicted in May 2020. Demand for programs and services remain high and have increased through the pandemic. Organizations are still learning where their vulnerability is greatest as they look toward the future. Many organizations were in a precarious situation before COVID-19, and the pandemic has only exacerbated this for some. The first takeaway of this report, that community resilience is vulnerable, demonstrates that as we begin to see the potential long term impacts of COVID-19 on the sector, some types of organizations are faring better than others when we break down the data further.

| APRIL 2020                                                                                                                     | DECEMBER 2020 <sup>20</sup>                                                                                          |
|--------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|
| Organizations' optimism for recovery was an average of <b>7.1</b><br>(out of 10)                                               | <b>7.1</b> Organizations' optimism for recovery (average)<br>(out of 10)                                             |
| Reported disruption of services to clients and communities: <b>78%</b>                                                         | <b>64%</b> Report a decrease in the ability to deliver programs, services, and activities                            |
| Reported increased demand in programs and services: <b>52%</b>                                                                 | <b>58%</b> Report an increase in demand for programs, services, and activities                                       |
| Reported reduced revenue from earned income: <b>59%</b>                                                                        | <b>51%</b> report a decrease in earned income                                                                        |
| Reported anticipating a loss in revenue in 2020: <b>86%</b>                                                                    | <b>71%</b> report expecting a budget shortfall in 2021                                                               |
| Of those with budgets between \$250,000 to \$499,999 expected to have a loss of revenue of up to \$250,000 in 2020: <b>80%</b> | <b>79%</b> of those with budgets between \$250,000 to \$499,999 expect a budget shortfall of up to \$249,999 in 2021 |
| Reported layoffs in staff: <b>40%</b><br>Reported expecting job losses by the end of 2020: <b>51%</b>                          | <b>37%</b> report a decrease in staff levels                                                                         |
| Reported the possibility of needing to close down if the situation continued: <b>66%</b>                                       | <b>48%</b> of respondents are concerned about shutting down—20% within the next year.                                |
| Expected to be able to retain their operating space: <b>77%</b>                                                                | <b>84%</b> report expecting to retain their primary operating space                                                  |

<sup>20</sup> The wording from April and December is sometimes different, as the data come from questions in the reports that may be similar, but not identical.

## What can we say about the organizations that are at risk of shutting down?

Organizations with annual operating budgets of less than \$1 million more frequently reported being at risk of shutting down their operations within 6 months. Organizations that reported being at risk of shutting down were also generally more concerned or uncertain about being able to retain their primary space. Organizations in the arts/culture, sports/recreation, and religion subsectors were the most concerned about shutdown, as well as organizations focused on adults, and racialized communities.

Organizations that reported decreases in their ability to deliver on their overall mission were at the most risk of shutting down within a year. They spent more time on existential questions about their purpose or future, more time scenario planning, and more time reporting to funders. These organizations more frequently reported not being able to pivot their in-person programs, services, or activities to deliver them virtually, by phone, or by drop-off/pickup. They also experienced more of an increase in time spent managing conflict among their board, or between the board and the Executive Director.

Of those concerned about having to shut down operations within a year, 100% were concerned about a budget shortfall. Conversely, only about half of the organizations who could sustain their operations for more than a year were worried about a budget gap. Organizations at risk of shutting down within 6 months reported more decreases in revenue from foundations, membership fees, and special events.

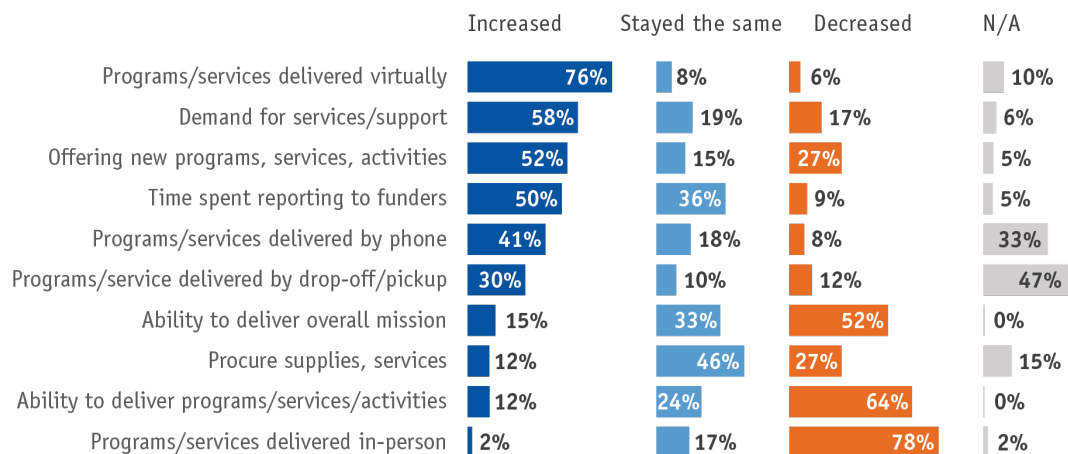
Those concerned about shutting down within 6 months frequently reported not having enough resources or capacity to complete applications for supports that would help sustain their operations. They were particularly interested in support for fundraising and grant-writing, navigating and identifying funding sources, and applying for government and other emergency programs related to COVID-19. They also reported higher rates of ineligibility for assistance programs, particularly the Canada Emergency Business Account, Canada Emergency Commercial Rent Assistance, and BC government emergency funds. They were also less successful when applying for emergency funds distributed by local funders.

## Mission delivery and community impacts

### Highlights:

- 52% report a decreased ability to deliver their overall mission, 64% report a decreased ability to deliver programs, services, and activities.
- Demand for programs, services, and activities has gone up for 58% of organizations (compared to 52% in April/May 2020).
- 52% are offering new programs, services, and activities.
- 50% are spending more time reporting to funders.
- In-person programming has decreased, and has shifted to virtual, but also to phone and drop-off/pick-up.

More than half of the organizations experienced a **decrease** in their ability to deliver on their overall mission and in-person programs, services, and activities; meanwhile, the demand for services **increased** for more than half of the organizations. Organizations were at lower risk if they could pivot to offer new programs, and by **increasing** services offered virtually, by phone, or by drop-off/pickup. (n = 856)



- Organizations at risk of shutting down their operations within 6 months were the most likely to report decreases in the ability to deliver on their overall mission, more likely to report increases in time reporting to funders, and less likely to report a shift from in-person programs and services to online, by phone, or by drop-off/pickup.
- More of the larger organizations were able to pivot their programs to deliver them online (93%), compared to smaller organizations (68%). Large organizations were also able to increase delivery by phone.
- More large organizations were able to offer new programs, although they also spent more time reporting to funders/government (62%) compared to small organizations (42%).

- Respondents indicated that time spent reporting to funders also included an increase in time spent negotiating changes to funding agreements, advocating with funders for flexibility, and understanding eligibility for funding.
- Ability to deliver on the overall mission mostly decreased in all subsectors except for development/housing, law/advocacy/politics, and grant-making/fundraising/volunteerism promotion. Smaller organizations reported more decreases in delivering on their overall mission.
- In written comments, other impacts indicated by respondents included a decrease in ability to meet with partners/clients (e.g., because they can't enter partner schools, prisons, First Nations), and an increased concern for clients, resulting in more focus on core needs (e.g., food security) beyond usual programming. Some noted a devastating overlap with the opioid crisis.

What we know from other research:

- A national survey by Imagine Canada showed 46% of charities reporting an increase in demand (vs 35% earlier in pandemic).<sup>21</sup>
- A member survey by BC Hospice and Palliative Care Association indicated almost all had experienced disruption of services to communities, 91% cancelled programming, and 27% adjusted services.<sup>22</sup>
- A member survey by the BC Non-Profit Housing Association indicated that 76% experienced a challenge in assisting clients/tenants in self-isolation and quarantine, and that services and facilities for those experiencing homelessness are not set up for distancing and quarantine. 64% experienced disruption of access to essential supplies.<sup>23</sup>
- The Kamloops Non-Profit Check-In #1 indicated that 86% cancelled or indefinitely postponed programs and events and 64% experienced temporary stoppage of all programs and services.<sup>24</sup>

21 [“More than a third of Canadians will give less to charities this holiday season due to COVID-19: survey,”](#) Imagine Canada, December 14 2020.

22 [“BCHPCA COVID—19 Hospice Impact Report,”](#) BC Hospice and Palliative Care Association, May 29 2020.

23 [“Covid-19 Housing Sector Support Needs,”](#) BC Non-Profit Housing Association, March 31 2020.

24 [“Kamloops Non-Profit Check-In #1,”](#) JP Baker, United Way TNC, and Lisa Fuller, April 3 2020.

## What we heard from the sector

*"Our organization has pivoted to an online model and will resume in person service-delivery once the schools allow outside agencies. However some of our funding is contingent on in-person service delivery, so we risk losing it."*

*"In general, I think COVID-19 has made most of our old ways of operating infeasible. We are trying to figure out how to adapt and accomplish our purposes in this new world with its changing requirements. We really need to find a way to revamp more than just bringing meetings and services online."*

*"There was a decrease in face-to-face interaction, but an increase in online interaction. This opened up a new group of clients, but reduced access to the first traditional group often being the most vulnerable."*

*"Most of our fundraising has been to meet basic needs of food security. We can barely make a dent in that, much less our usual needs around overdose, homelessness and mental health."*

*"The need for food security continues to increase. How many more participants can we handle?"*

*"Our pre-COVID direction included research, design and testing of new models to scale the program. This work was less appealing to funders who were pivoting to support specific COVID related recovery efforts."*

*"When COVID started, things took twice as long. Now, with restrictions alternately easing/tightening, adaptation is necessary and requires much time and expense for R&D, then more cost/time to implement."*

*"Our usual work is centered around social connectedness and wellness, so we've had to shift our focus to respond to COVID-19. More time is spent on crisis response than prevention, but we are doing our best not to lose sight of our overall mission and vision."*

*"The overlay of the Opioid Crisis has been a perfect storm."*

*"We are challenged to teach culturally relevant hands-on skills online."*

*"I'd like to highlight the time spent figuring out all the Government support. The support is a lifeline but took a significant amount of time to understand and access."*

*"[We've spent more time on] increased reporting, applications, and working of budgets."*

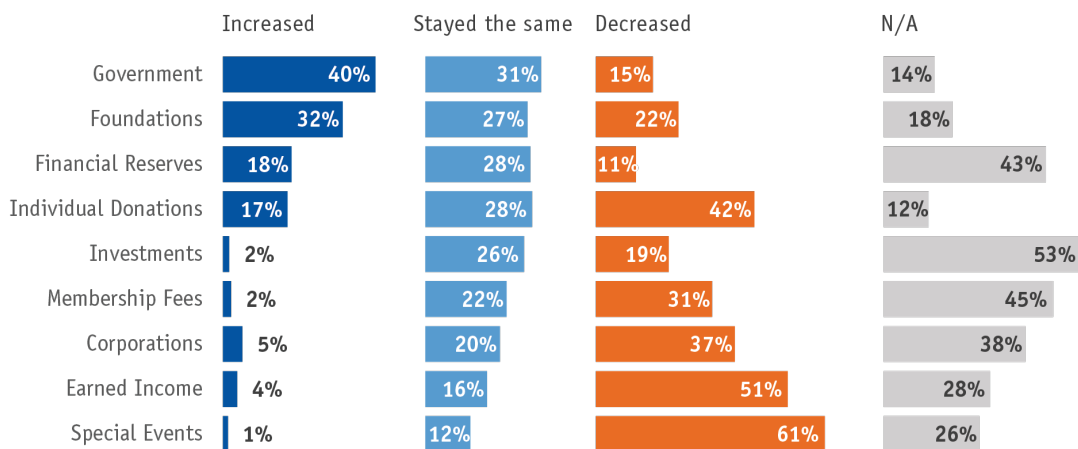
*"[The] Nov 20 health order lumping exhibitions into 'events' and shutting those down [was] not fair compared to other businesses like movie theatres and bars. "*

## Financial impacts

### Highlights:

- Some respondents are seeing an increase in funding from government (40%) and foundations (32%), while seeing decreases of revenue from special events (61%), earned income (51%), individual donations (42%), corporations (37%), and membership fees (31%). Organizations that rely on these decreasing sources are most at risk of shutting down within 6 months.
- Respondents have seen increased costs for PPE and technology, and a decrease in travel costs.
- Spending on programming has gone up for 32% of respondents, and has decreased for 43% of respondents.
- While expenses have increased for many, organizations are struggling to find sources to cover these costs.
- 71% of organizations, especially smaller organizations, are expecting a budget shortfall in 2021, while 14% are anticipating an increase in their budget.
- Organizations were most successful at accessing local emergency funding (e.g., through community foundations, municipalities, local United Ways) versus other government supports such as Canada Emergency Wage Subsidy (CEWS) or Canada Emergency Commercial Rent Assistance (CECRA)<sup>25</sup>.

Organizations saw **increases in revenue** from governments and foundations, and by accessing financial reserves. **Revenue decreased** from special events, earned income, and individual donations. (n = 877)



<sup>25</sup> Note that the Canada Emergency Rent Subsidy (CERS) was opened in the middle of this survey period, and is not reflected in this survey.

- Certain sources of funding traditionally recognized to be more sustainable than others, e.g., individual donations, membership fees, and earned income, actually decreased during the COVID-19 crisis.
- Organizations at risk of shutting down within 6 months more often reported decreases in revenue from foundations, membership fees, and were more reliant on special events for income.
- Organizations with a larger annual operating budget were more affected by losses in revenues from corporate donations and foundations, but they also reported more increases in revenue from government. Smaller organizations, based on their annual operating budget, generally did not have financial reserves to draw on to compensate for decreases in other sources of funding.
- Organizations in Metro Vancouver and Victoria were slightly less affected (58% decrease) by losses from special event revenues compared to other regions of the province (69% decrease).
- In written comments, some respondents indicated that while their income hasn't changed (therefore impacting eligibility for emergency funding), their expenses have increased, which has made it difficult to access money for these expenses.
- Some respondents also described difficulties with funder relationships—delays in timelines, lags in communication, contacts being less available—which has impacted their ability to retain space or staff with financial confidence. Some respondents also reported increased changes in the usual funding priorities/opportunities, meaning their usual financial planning processes are not working.

#### What we know from other research:

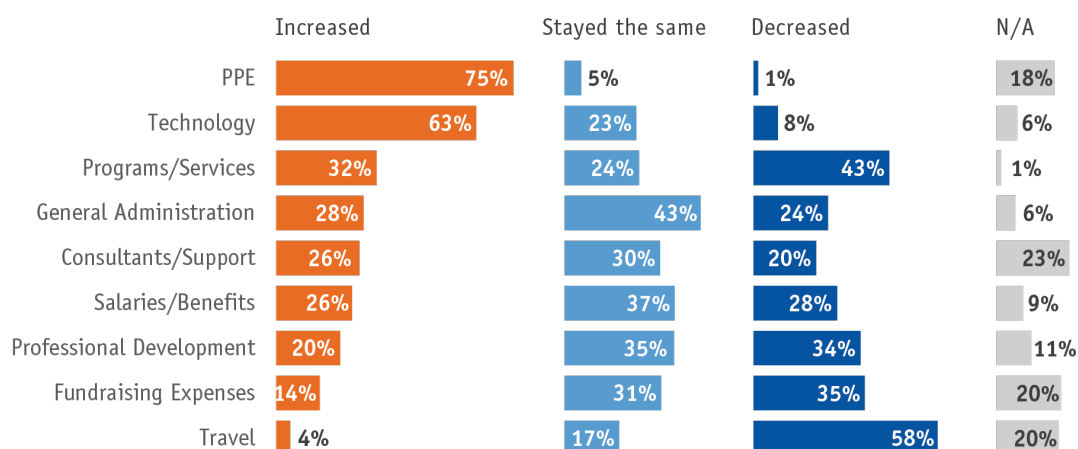
- Imagine Canada found that nationally 68% of charities reported a decline in donations and 36% of Canadians surveyed say COVID-19 will cause them to give less.<sup>26</sup>
- BC Hospice and Palliative Care Association found that 82% have or will see reduced revenue from cancelled fundraising events, and 61% will experience 10-50% revenue loss (another 22% estimate loss will be 51-100%).<sup>27</sup>
- Greater Vancouver Professional Theatre Alliance found artists and arts workers reported \$7 million in confirmed or projected lost income; theatres reported 43% losses from ticket sales, music 34%, and festivals 30%; and facility-based organizations reported more than twice the average loss in total, \$232,000 per organization versus \$113,000 per organization (no facilities).<sup>28</sup>

26 [“More than a third of Canadians will give less to charities this holiday season due to COVID-19: survey,”](#) Imagine Canada, December 14 2020.

27 [“BCHPCA COVID—19 Hospice Impact Report,”](#) BC Hospice and Palliative Care Association, May 29 2020.

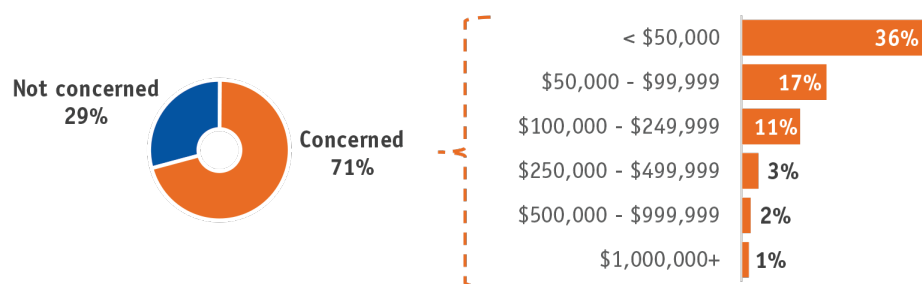
28 [“COVID-19 Impact Survey British Columbia Arts and Culture Sector Summary Report,”](#) Greater Vancouver Professional Theatre Alliance, June 1, 2020.

Organizational expenses **increased** for PPE and technology and **decreased** for travel. Reductions in spending on regular programs, services, and activities were related to decreased delivery of these programs. (n = 823)



- Technology costs increased more for organizations primarily operating in Metro Vancouver and Victoria compared to organizations based in other areas of the province.
- Increased program spending was related to organizations that were able to continue to deliver on their overall mission, as well as their regular programs, services, and activities. Conversely, those with a decreased ability to deliver on the overall mission and/or regular programs also decreased their spending on programs.

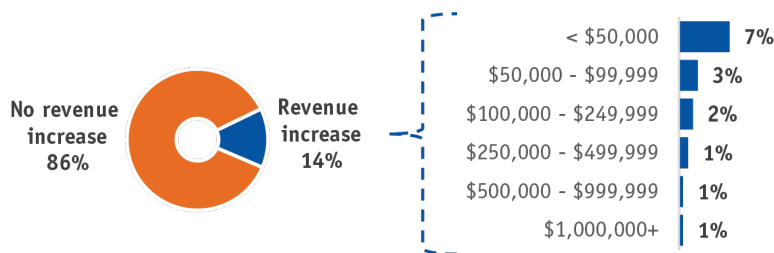
**71%** of organizations were concerned about a budget shortfall. (n = 837)



| Expected Deficit      | Annual Operating Budget       |                                |                                 |                                    |                            |
|-----------------------|-------------------------------|--------------------------------|---------------------------------|------------------------------------|----------------------------|
|                       | Very small<br>\$0 – \$249,999 | Small<br>\$250,000 – \$499,999 | Medium<br>\$500,000 – \$999,999 | Large<br>\$1 million – \$3 million | Very large<br>>\$3 million |
| Not concerned         | 31%                           | 18%                            | 24%                             | 31%                                | 40%                        |
| <\$50,000             | 53%                           | 43%                            | 29%                             | 18%                                | 11%                        |
| \$50,000 - \$99,999   | 12%                           | 22%                            | 24%                             | 21%                                | 13%                        |
| \$100,000 - \$249,999 | 4%                            | 15%                            | 16%                             | 21%                                | 14%                        |
| \$250,000 - \$499,999 | 0%                            | 2%                             | 3%                              | 5%                                 | 11%                        |
| \$500,000 - \$999,999 | 0%                            | 1%                             | 5%                              | 3%                                 | 3%                         |
| \$1 million +         | 0%                            | 0%                             | 0%                              | 1%                                 | 8%                         |

- All organizations at risk of shutting down within a year were concerned about a budget shortfall.
- Organizations with the largest annual operating budgets were less concerned about budget shortfalls compared to the organizations with smaller budgets. For those who were concerned about a budget gap, the amount was generally related to the size of their annual operating budget.
- Organizations who were the least concerned about budget gaps were also the ones expecting increases in revenue, and were the least concerned about having to shut down operations.
- Compared to the average, there was more concern about budget shortfalls among organizations that targeted services for adults, women, or people with chronic medical conditions. There was less concern about deficits among organizations serving Indigenous peoples, people with lived experience of substance use, and people experiencing homelessness.

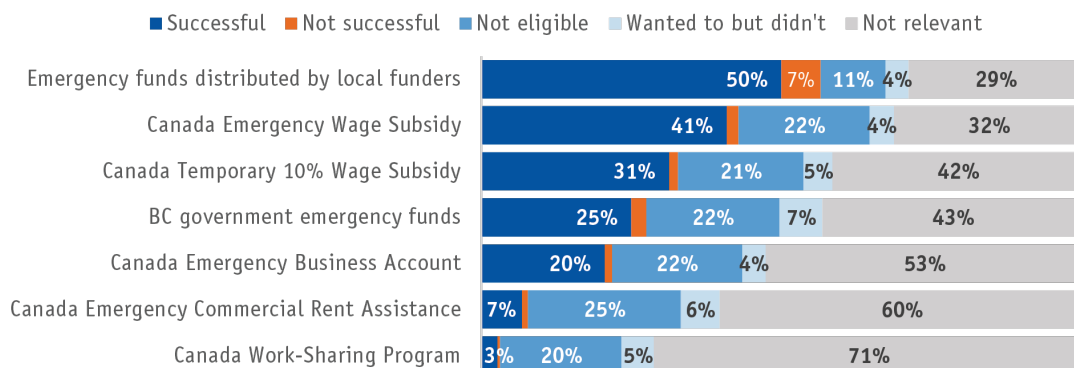
Only **14%** of responding organizations anticipated an **increase** in revenue next year over pre-COVID levels. Of these, about half expected a less than \$50,000 increase. (n = 745)



- Anticipated increases in revenue were most frequently reported by the following subsectors: development/housing, health, social services, and grant-making/fundraising/volunteer involvement organizations.

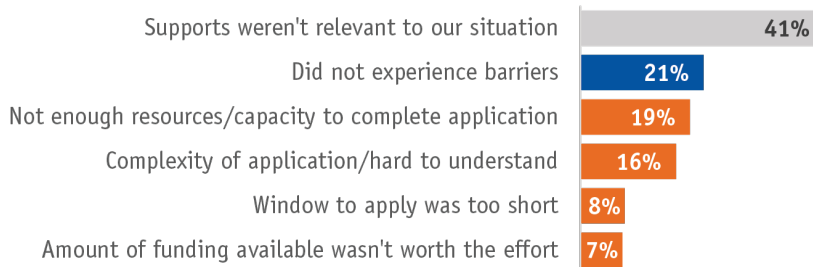
## Accessing existing financial supports

Organizations were **most successful** accessing emergency funds distributed by local funders, followed by the Canada Emergency Wage Subsidy. (n = 709-768)



- Organizations concerned about shutting down their operations within 6 months also reported higher rates of ineligibility for the Canada Emergency Business Account, Canada Emergency Commercial Rent Assistance, and BC government emergency funds. These organizations were also less successful in accessing emergency funds distributed by local funders.

Organizations reported that not having enough resources or capacity to complete an application was the **greatest barrier** to accessing support. (n = 767)



- The smallest organizations and organizations indicating a possibility of shutting down operations within 6 months were the most impacted by not having enough resources or capacity to complete funding applications.
- In written comments, respondents indicated that other barriers included eligibility requirements, lack of awareness, and that funding prioritized programming outside the organization's mission.

What we know from other research:

- The Kamloops Non-Profit Check-In #1 found 49% reported needing help to understand available financial relief or support from government.<sup>29</sup>

<sup>29</sup> "Kamloops Non-Profit Check-In #1," JP Baker, United Way TNC, and Lisa Fuller, April 3 2020.

## What we heard from the sector

*"Our face to face fundraising has been stopped; we have a harder time procuring grants and bursaries as so many other groups - especially social service groups - are applying and deemed more needy. Another thing - we have not been able to recruit or train new volunteers due to a ban on face to face interactions by our Headquarters. We have also had to stop our public education outreach programs, which diminishes our visibility in the community."*

*"Expenses have increased but since revenue has remained the same we are not eligible for government supports. Supports need to be tied to increased expenses of COVID not just decrease in revenue."*

*"[R]evenue is greatly down but increased funding for COVID-related service delivery is up. This will even out for this year but [we have] serious fears about coming years."*

*"Increased competition and less collaboration. In survival mode, other non-profits are invading other revenue streams, clouding mandates, confusing stakeholders, diverting government spending, and putting other organizations at financial risk."*

*"We weren't impacted hugely financially, which is now impacting us negatively. Because we didn't suffer financial hardships we are now ineligible for much of the funding that has come out and that will affect us in 2021."*

*"Government funders are not willing to budge on 10% administration but are expecting more to be included in the 10% - it's not possible."*

*"Just a note to say that the federal wage subsidy has saved us."*

*"Due to restrictions of 50 audience, we have not been able to generate any significant revenues since March 2020; however we've spent time to create a season series presenting local and regional artists (break even scenario) and are recording and streaming performances. With the new restrictions as of Nov. 19, 2020 this was brought to a halt again."*

*"Any funding received was targeted and did not allow us to put funds where they were needed. Funders not understanding the changes or supporting our ability to respond. No capacity to respond to emerging needs."*

*"We've received a fair bit of short term funding from governments. As welcome as funding is, when it requires us to create novel constructive programs and services and use the funding in a very short period (within months) it causes considerable stress and adds to administrative loads (e.g., budget development, supplies purchasing, hiring, reporting)."*

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*"Overall we're going to be ok thanks to government subsidies, despite not being able to do our largest fundraising event. The uncertainty we face is no different from what our sector faces all the time."*

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*"We have seen our core funders move deadlines and cancel existing grant rounds which we normally would have a good chance of receiving. Foundations have also changed funding priorities or delayed funding deadlines sometimes indefinitely. These things are having a big impact on our revenues and operations. We have the programs and want to employ the artists. We are on the ground and see the needs and can reach the vulnerable contract artists, but we need consistency from our funders to do that work."*

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*"We have had to shut down two social enterprise programs since March."*

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*"Because our organization deals with mental health, we have been able to get a lot of COVID relief funding. We are actually in a better financial position due to COVID than we have been in for several fiscal years. This is probably the only upside to this whole situation for us."*

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*"The funds were distributed to organizations that were supplying food so we were a lower priority."*

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*"Not sure [why we didn't get funding]. Our application for expensive tech adaptations seemed entirely reasonable."*

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*"COVID-19 has increased the funding opportunities for new housing developments as municipal, provincial and federal government focus on getting more individuals safely housed so they can physically distance. At the same time, funding for specific health programs has also increased as a response. Both of these have had positive effects on our organization's finances and funding/program opportunities."*

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*"Funding delayed by more than 4 months for one Federally funded program."*

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*"We have asked core government funders to tell us if our contribution agreements/grants will be renewed. They are unresponsive. We have contractual obligations (leases etc) that we need to pay for. It is challenging for scenario planning and determining which staff we should lay off first. Staff need adequate notice if their contracts will not be renewed."*

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*"All the emergency funds from CFC required new programming.....we just need core funding to run our programs with impact - we don't need a new project or program!"*

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*"We didn't think it was ethical to apply for funds just because they were available as we weren't in dire financial straits."*

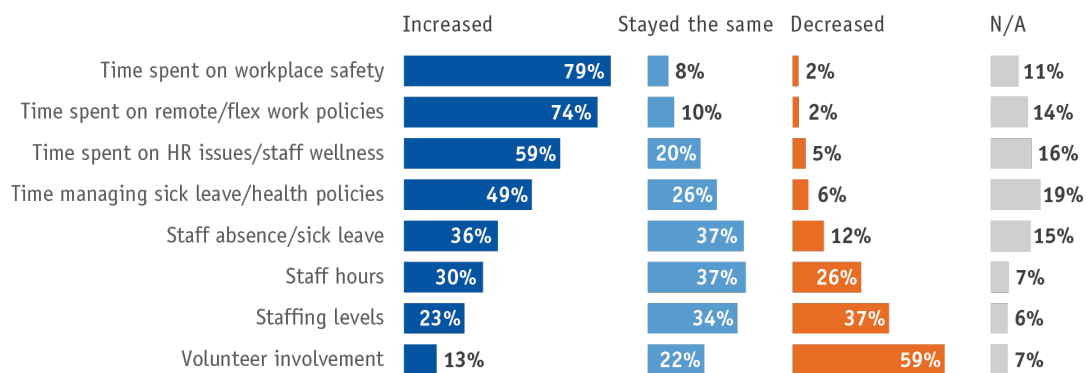
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## Human resources and governance impacts

### Highlights:

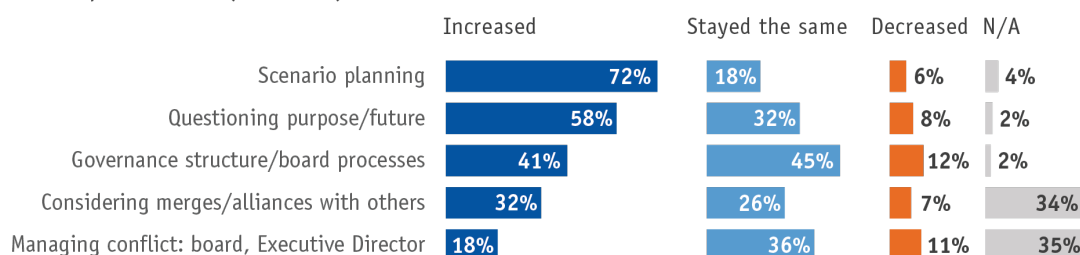
- 59% of organizations reported a drop in volunteer involvement. Decreases in volunteer involvement have hit arts/culture (69%) and sport/recreation (67%) the hardest.
- 37% reported a decrease in staffing levels.
- Respondents are spending more time on workplace safety, flexible work policies, staff wellness, and sick leave/health policies. These increases take away from time spent on delivering programming.
- 72% of respondents are spending more time scenario planning, and 58% are spending more time questioning their future or purpose.

The majority of organizations experienced **increases in time** spent on workplace safety, remote/ flex work policies, HR issues/staff wellness, and managing sick leave/health policies. Meanwhile, they saw **decreases** in volunteer involvement, staffing levels, and staff hours. (n = 784)



- Volunteer involvement decreased the most in the arts/culture (69%) and sport/recreation (67%) subsectors.
- In written comments, other impacts described by respondents beyond this list include increased concern about staff morale and wellness, and increased stress and work due to uncertainty (hard to plan due to constant changes). Specific staff impacts include possible burnout due to overwork, stress, and uncertainty; dealing with resignations and difficulties hiring/rehiring; less cohesion/connection due to working remotely; and tensions related to Temporary Pandemic Pay, e.g., delays, or not available for management.

Organizations **spent more time** on governance issues such as scenario planning, questioning their purpose or future, and revising their governance structure or board processes. (n = 846)



- Organizations at risk of shutdown within a year spent more time on existential questions about their purpose or future, as well as scenario planning. These organizations also spent more time managing conflict among the board, or between the board and the Executive Director.
- Subsectors least likely to think mergers/alliances with other organizations were relevant to their situation were law/advocacy/politics and sports/recreation.

What we know from other research:

- A national survey by Imagine Canada showed 70% of charities reporting declines in volunteer involvement.<sup>30</sup>
- BC Hospice and Palliative Care Association found over one-third indicated their organization has had to lay off staff, and 87% had reduced volunteer engagement.<sup>31</sup>
- BC Non-Profit Housing Association found that 69% of responding organizations were impacted by staff and/or volunteer shortages, and that staff shortages have become a significant financial and operational problem (e.g., overtime costs related to backfilling for regular staff on sick leave).<sup>32</sup>
- Greater Vancouver Professional Theatre Alliance found that 96% of artists and arts workers reported higher stress and anxiety and 86% experienced a negative impact on their wellbeing.<sup>33</sup>
- The Kamloops Non-Profit Check-In #1 found that 40% of nonprofits reported laying off staff, and 19% reported difficulty organizing board and board meetings.<sup>34</sup>

30 [“More than a third of Canadians will give less to charities this holiday season due to COVID-19: survey,”](#) Imagine Canada, December 14 2020.

31 [“BCHPCA COVID—19 Hospice Impact Report,”](#) BC Hospice and Palliative Care Association, May 29 2020.

32 [“Covid-19 Housing Sector Support Needs,”](#) BC Non-Profit Housing Association, March 31 2020.

33 [“COVID-19 Impact Survey British Columbia Arts and Culture Sector Summary Report,”](#) Greater Vancouver Professional Theatre Alliance, June 1, 2020.

34 [“Kamloops Non-Profit Check-In #1,”](#) JP Baker, United Way TNC, and Lisa Fuller, April 3 2020.

## What we heard from the sector

*"The pandemic pay was mentioned and we have not seen any but we had to do a lot of work providing the information for the ministry but still don't know if our staff will receive it. I feel that is extremely disrespectful."*

*"We haven't calculated yet the impact on the staff burnout and the need we feel now to hire even more people to cover the increased amount of time spent to deliver the same services, as well as the amount of overtime staff have worked and will need to take off, and the burn out that we will need to cover with increased staff costs. This is one of the biggest long term liabilities we see over the next 12 months- increase staff costs due to burn out."*

*"We were required to recruit many new volunteers to replace the volunteers who stepped back for health and age-related vulnerabilities to COVID-19. At the end of the pandemic, it will be interesting to note how many new volunteers are retained and how many volunteers currently on hiatus return. The volunteer sector has been heavily reliant on boomer volunteers and there has been a concern about attracting younger generations of volunteers over the next 10-20 years. The pandemic has brought this reality sooner and with time, we will see how the voluntary sector fares as a result."*

*"We are undertaking an interim, one-year strategic plan to support the organization in being priority-led during the uncertainty of 2021."*

*"One area that has seen some impact is that of creativity. In many ways, it is more about survival and flexibility, there is less organizational energy on the creative."*

*"Everyone is stressed; staff, volunteers, Board, clients...we have been taking a careful, kindness approach across the organization."*

*"Having to work together under more difficult circumstances as a staff team has actually improved staff sense of team and mutual support - staff have bonded more in the face of adversity and have built trust even more than before."*

*"The impacts of the overdose deaths to the addiction recovery services is mounting increasing risks to workplace wellness and health of our employees, volunteers and stakeholders."*

*"HR is one of our biggest challenges. We have more clients during COVID and require more staff. But many staff are off sick or on leave and we are having challenges securing qualified new staff in our community. As well, we have secured funding for new programs (to address client need) but have had to delay starting some programs due to lack of staff."*

*"[We've spent] additional time providing opportunities for staff to connect. When people don't bump into each other throughout the day, they don't have the conversations that lead to new ideas, collaboration etc."*

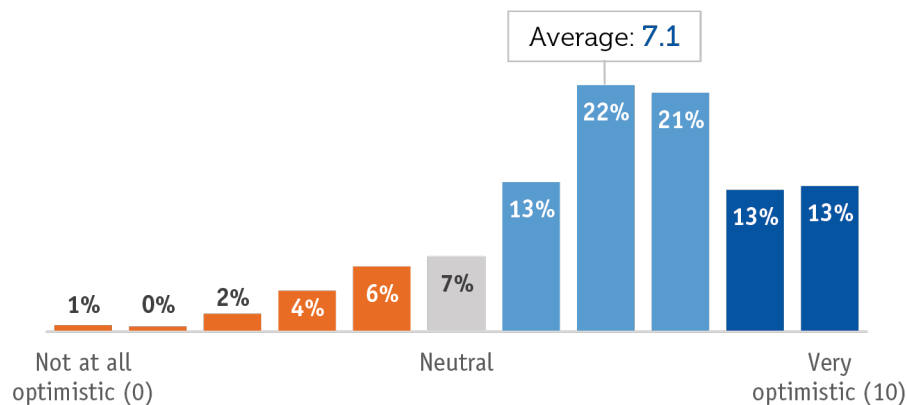
*"[The] loss of community networks has been difficult."*

## Organizational stability

### Highlights:

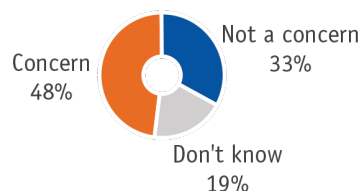
- About half of organizations (48%) are concerned about shutting down if the current situation were to continue—20% within the next year. Another 19% are unsure.
- Arts/culture, sport/recreation, and religious organizations are the subsectors with organizations at most risk of shutting down.
- The smaller the organization's budget, the more likely they are to report risk of needing to close down operations.
- Rent subsidies, donated space, and funders allowing funds to be allocated to space costs were the top supports desired related to maintaining physical premises.

Overall, most (**81%**) organizations were optimistic that they would recover from the impacts of COVID-19. (n = 887)



- The level of optimism for recovery from the impacts of COVID-19 remained generally the same between May and December 2020.
- Subsectors with the most optimism included grant-making/fundraising/volunteer involvement organizations (average: 8.7) and development/housing organizations (average: 8.1). The least optimistic subsectors were business/professional associations/unions (average: 6.0) and law/advocacy/politics organizations (average: 6.1).

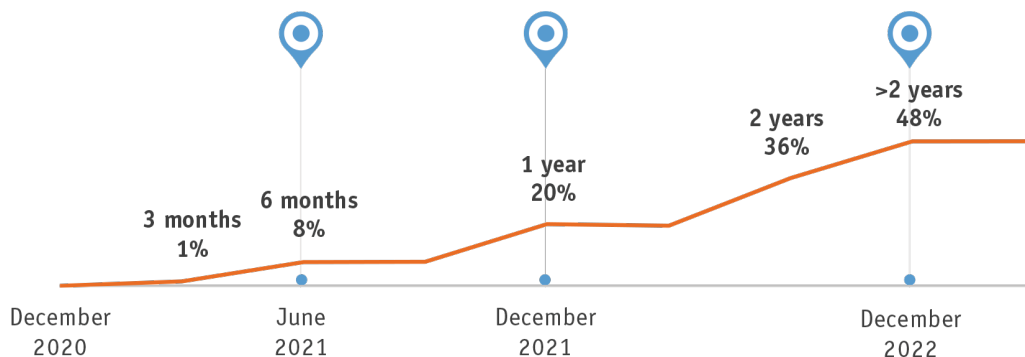
**Almost half** of responding organizations expressed concern about shutting down if the current environment continues for more than two years. (n = 837)



**8%** of organizations reported concerns they would need to shut down **within 6 months**.

**20%** of organizations would likely shut down operations **after 1 year**.

**48%** of organizations would likely shut down operations **after 2 years**.



- 48% of organizations expressed concern about shutting down operations if the current situation were to continue—20% within the next year. Another 19% are unsure.
- Subsectors reporting the most concern about shutting down were arts/culture (70%), sport/recreation (68%), and religion (59%). Subsectors least concerned about shutting down included grant-making/fundraising/volunteerism (20%), health (29%), and development and housing (30%); these were the same subsectors who expected the most budget increases and who were the least concerned about budget shortfalls.
- Based on the primary target population served, the organizations most concerned about shutting down were focused on serving people who are racialized (61%) and adults (60%). Organizations that were the least concerned about shutting down served people with experience of domestic/sexualized violence (24%), lived experience of substance use (30%), employment barriers (40%), and those experiencing homelessness (40%).
- The larger the organization's annual operating budget, the less concerned they were about having to shut down, or the longer the time horizon before they were concerned.

Of the organizations who expected to lose their primary physical space due to the crisis, more than half **wished they could retain it**. (n = 729)



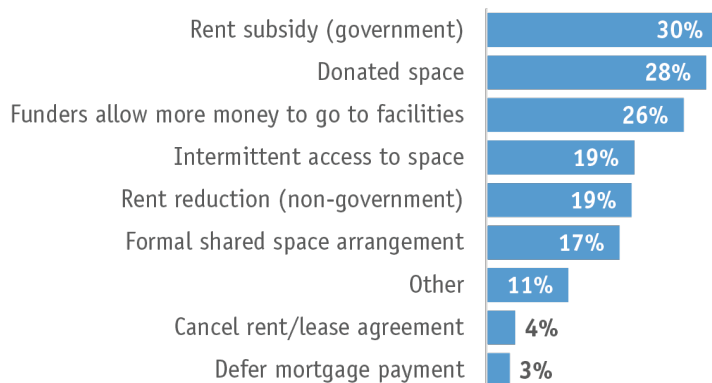
- Of the 5% of organizations who expected to lose their space as a result of COVID-19, 53% wished to retain it. Of these 20 affected organizations, most had space gifted from another organization/ business/government (n=6), or had rented their space at or near market rates (n=6).
- None of the organizations who owned their physical space were at risk of losing it if they wanted to keep it. These organizations were also less at risk of shutting down operations within a year.
- Organizations concerned about shutting down within a year were more frequently those who rented a coworking/shared space or had a leased space. These organizations were also generally more concerned about losing their physical space, or were uncertain about being able to keep it.

What we know from other research:

- BC Hospice and Palliative Care Association found 96% of members are operating but have had to modify regular operations.<sup>35</sup>
- BC Non-Profit Housing Association found that operations scaled back to minimum across organizations.<sup>36</sup>
- The Kamloops Non-Profit Check-In #1 found 32% requested help in order to increase cash flow to meet operating costs.<sup>37</sup>

### Opportunities for support

**71%** of organizations indicated that support for maintaining their physical space would be helpful. Most would benefit from rent subsidies, donated space, or if funders would allow more money to be allocated to the cost of facilities. (n = 830)



35 ["BCHPCA COVID—19 Hospice Impact Report,"](#) BC Hospice and Palliative Care Association, May 29 2020.

36 ["Covid-19 Housing Sector Support Needs,"](#) BC Non-Profit Housing Association, March 31 2020.

37 ["Kamloops Non-Profit Check-In #1,"](#) JP Baker, United Way TNC, and Lisa Fuller, April 3 2020.

- 71% of organizations indicated that some type of support for the cost of maintaining their physical space would be helpful.
- Rent subsidies are helpful to all, though less so for the very small or very large organization. This could be because the smallest organizations often don't have a physical location, and the largest organizations often own their space.
- Donated space would benefit organizations with budgets under \$1 million.
- Being able to reallocate money to the cost of facilities would mostly benefit organizations with budgets \$1 million and over.
- In written comments, respondents indicated additional supports related to physical spaces could include:
  - Funding for leasehold improvements, e.g., ventilation, reorganizing, accessibility.
  - Help with utilities.
  - Funding for operations, not projects (which may not include support for physical space).
  - Help finding space in community, e.g., because libraries and recreation centres are closed.
  - Property tax exemption.
  - Capital project funding, e.g., buying a building or building on owned land (though this was most often true for large, registered charities who own their primary space and are not concerned about closing).

## What we heard from the sector

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*"We understand and expect that we need to be resilient to potential future changes."*

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*"Foundations especially have been non-responsive to charities outside social services. While we understand people need food, shelter, clothing - the world also needs the arts, the environment and other sectors."*

*"COVID stopped the momentum we had generated in our programs/services/activities, leaving us wondering if we will get back to pick up where we were, or need to start at the beginning again."*

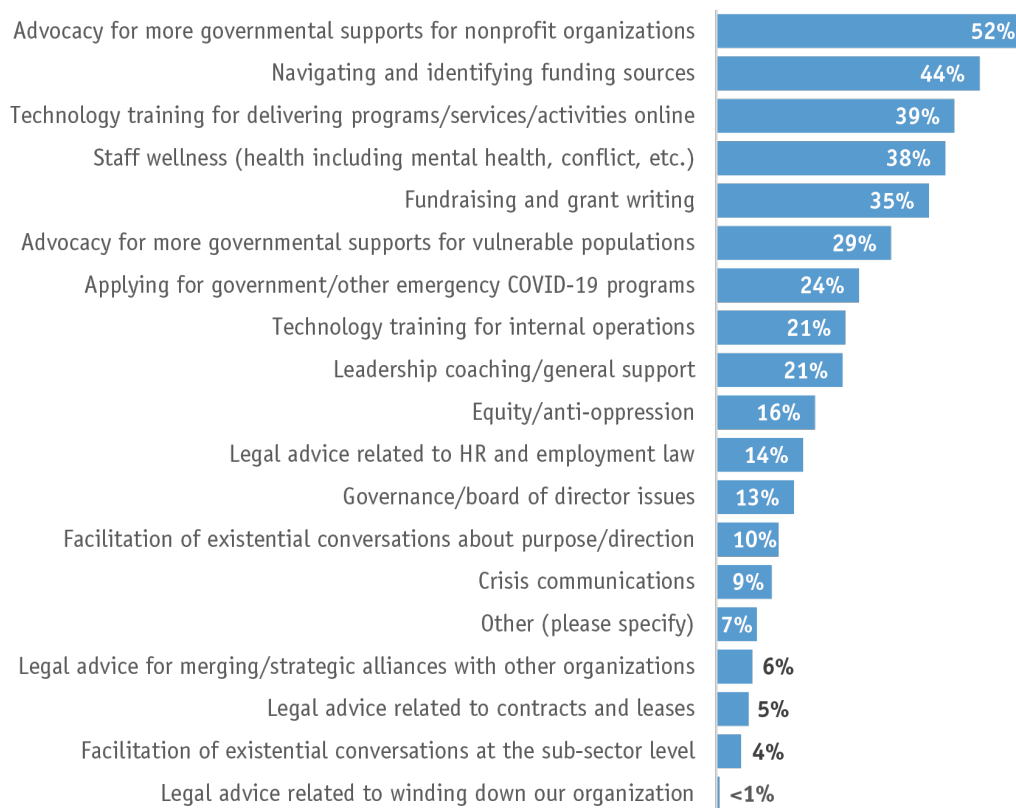
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## UPCOMING TRAINING AND SUPPORT NEEDS

### Highlights:

- Help accessing funding sources and advocacy for more government support are of most interest. Technology training for virtual program delivery, and support for staff wellness round out the top 5 topics of interest for the next 3-4 months.
- Some respondents emphasized that they don't have the time or need for training—they just need funding for operations to carry their work forward.

Funding, technology, and staff wellness were the most frequent **types of support** that organizations thought would benefit them over the next 3-4 months. (n = 811)



- Advocacy for more governmental supports for nonprofits was of most interest to health, social service, and arts/culture organizations.
- Support for navigating and identifying funding sources would be most useful for sport/recreation, social service, and arts/culture organizations, as well as for organizations most at risk of shutting down within 6 months.
- Technology training for delivering programming online was of most interest to arts/culture and social service organizations.

- Support for staff wellness was selected more often by social service organizations, large organizations, and organizations generally not at risk of shutting down their operations within a year.
- Fundraising and grant-writing support would be most useful for organizations under \$1 million in budget, and organizations at risk of shutting down within 6 months.
- Help applying for government and other emergency programs related to COVID-19 would greatly benefit health and social service organizations, as well as organizations at risk of shutting down within 6 months.
- In written comments, some respondents emphasized that they don't have the time for training (already over capacity) or don't have the need (they have the knowledge already)—they just need funding for operations.
- Additional ideas from respondents for expert advice, training, or support topics are listed below.

|                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Financial and Legal</b> | <ul style="list-style-type: none"> <li>• Financial forecasting/long term planning</li> <li>• Accessing funding for operations, capital improvements, leasehold improvements</li> <li>• Building a social enterprise</li> <li>• Nonprofit taxes</li> <li>• Directors &amp; Officers insurance</li> <li>• Other legal needs (e.g., general, copyright for online materials, charitable status)</li> <li>• Managing funding/financial reporting</li> <li>• Advocating for more or better designed support from foundations</li> </ul> |
| <b>Operations</b>          | <ul style="list-style-type: none"> <li>• How to survive the next two years</li> <li>• Digital marketing, connecting with the public</li> <li>• Designing COVID-19 safety plans (e.g., for the workplace, programming, events)</li> <li>• Video operation for online streaming</li> </ul>                                                                                                                                                                                                                                           |
| <b>Human Resources</b>     | <ul style="list-style-type: none"> <li>• Growing/hiring during COVID-19</li> <li>• Staff wellness, mental health, grieving</li> <li>• Remote leadership/management</li> </ul>                                                                                                                                                                                                                                                                                                                                                      |
| <b>Mission and Impact</b>  | <ul style="list-style-type: none"> <li>• Coalition building</li> <li>• Creative COVID-19-safe programming</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                               |

# A CALL TO ACTION

The future health and vitality of our province depends on the nonprofit sector being able to continue balancing the space between governments and the private sector to address unmet community needs and interests. This ongoing crisis will impact the nonprofit sector—especially smaller organizations, arts/culture organizations, sport/recreation organizations, and organizations serving racialized people—significantly over the long term if thoughtful support isn’t provided.

This survey reveals a number of calls to action. The table below does not represent an exhaustive list of what respondents are requesting nor of what supports are possible—all actors are invited to go beyond and interpret how else they may be able to support the organizations that are trying to meet the needs of our communities. Nonprofits touch the lives of everyone in some way or another in British Columbia, and there is a role for everyone to play in collectively helping them to survive these turbulent times to protect the resilience and vibrancy of our communities.

|                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|---------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Governments, foundations and funders</b> | <p>Increase trust-based philanthropy practices. Liberate more funds. Streamline eligibility and reporting requirements. Talk to funding recipients to understand better how your application and reporting requirements impact their time. Ensure more time can go towards delivering programs, by decreasing the amount of time staff have to spend on reporting and on other funder communication.</p> <p>Provide more unrestricted, core infrastructure/capacity funding that focuses on sustaining the core operations of nonprofit organizations, while also developing new support programs to respond to emergent needs. Distribute funding through local funders, who are closer to the ground, have existing relationships with organizations, and have a better understanding of the community context. Listen to feedback on funding programs; update and develop additional support programs based on feedback.</p> <p>Invest in nonprofit infrastructure that will help nonprofits rebuild philanthropic and earned income dollars, that will help nonprofits re-engage volunteers (especially senior volunteers) safely, and that will help improve staff wellness (including mental health, and negotiating conflict).</p> <p>Review changes made to funding processes during COVID-19 to consider which practices were improvements and should be maintained going forward.</p> |
|---------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|----------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Businesses</b>                                              | Support greater employee volunteerism. Donate unused space, even temporarily, to nonprofits. If your revenues have remained stable or increased, increase your corporate giving and make it unrestricted. Take note of organizations that are not able to fully operate at the moment, and donate in order to help them prepare for future adaptations. Offer coaching/mentorship related to virtual events and program delivery. Advocate to governments to ensure that COVID-19 supports for businesses also include the nonprofit sector. |
| <b>Volunteers</b>                                              | Explore ways to return to volunteering in your community as soon as safe. Skilled volunteers can support facilitation of scenario planning, governance, change management, and technology training, among other areas.                                                                                                                                                                                                                                                                                                                       |
| <b>Donors</b>                                                  | If your income has remained stable or increased, increase your giving and make it unrestricted. Notice which organizations are not able to fully operate at the moment, and donate in order to help them prepare for future adaptations. Support local funders who give discretionary funding in the community. Advocate to government and funders to implement calls to action.                                                                                                                                                             |
| <b>Nonprofit organizations</b>                                 | Collaborate and partner so that larger or more stable nonprofit organizations can support smaller ones in equitable ways.                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Capacity-builders, networks, and umbrella organizations</b> | Offer innovative support beyond training programs. Help organizations navigate funding, especially those not used to applying for government funding. Help organizations to support staff wellness and negotiate conflict. Advocate for government supports that align with the needs of your nonprofit community. Partner with government, funders, and business to help implement calls to action.                                                                                                                                         |
| <b>General public</b>                                          | Become a new donor to an organization you value, even if they aren't currently operating fully. Stay subscribed to communications from your favourite organizations. Become an informal ambassador by spreading the word about the work of organizations you value within your circles. Support people in your life with difficulties accessing/using technology, so that they are more likely and/or able to access services or volunteer opportunities.                                                                                    |

The results of this survey present a snapshot of the current situation for the sector. Although nonprofits have demonstrated an extraordinary ability to pivot and rise to the challenges of the pandemic, their future ability to address unmet community needs is tenuous. Nonprofits support the fabric of our communities, and that fabric is slowly unraveling. Some subsectors are already experiencing giant tears in this fabric. What is clear is these impacts have had, and will continue to have, a substantial effect on the vibrancy and health of our communities. Now is the time to invest in rebuilding and resiliency.

## APPENDIX A: SURVEY DESIGN AND ANALYSIS

### Design

The survey was drafted by staff of Vantage Point, City of Vancouver, Vancouver Foundation, and Victoria Foundation, and contracted researchers, based on results from the earlier *No Immunity* report (May 2020).<sup>1</sup>

### Distribution

The survey was circulated to approximately 4,000 Vantage Point members and newsletter recipients, as well as via various social media channels, Victoria-area funders, Coastal Health regions, and some municipalities. Respondents were also asked to forward the survey on to other organizations in the province. The number of responses from subsectors, populations served, and geographical locations was monitored throughout the survey period, and efforts were made to reach out to underrepresented groups. As a result, the breakdown of respondents is somewhat different than the *No Immunity* report.

### Response Rate

A total of 930 respondents answered the survey, which represents a non-random sample of approximately 3.6% of all nonprofits in the province. Therefore it is important to note that the data presented represents only the situation of the organizations that responded and cannot be generalized to other nonprofits across the province.<sup>38</sup>

### Limitations

There are several limitations to this data in addition to the response rate above.

- Sample sizes were low for certain subsectors and primary groups served, preventing additional analyses in these areas.
- There may be a bias in who actually completed the survey. If an organization is very concerned about their survival they may have been more likely to fill it out. Conversely, ones in crisis may have been too preoccupied dealing with the crisis to complete it.
- It is not known who actually filled out the survey in terms of their position within the organization, or their basic demographics from an equity perspective.
- The questions were designed to be answered by a staff or board member in a management role; views of other levels of staff have not been captured.
- The Canada Emergency Rent Subsidy (CERS) was announced early in this survey cycle, and may have addressed issues some respondents had with the original rent subsidy program (CECRA).

<sup>38</sup> The *No Immunity* report and infographic are found at <https://www.thevantagepoint.ca/blog/no-immunity-impacts-covid-19-our-sector>.

## Data Analysis

Descriptive statistics are presented for all quantitative survey questions. ANOVA and chi-squared tests were conducted to identify statistically significant differences between respondents based on organization size, subsector, target population, geographic location, or type of physical space. Correlation analyses were used as an exploratory tool to identify which impacts were most related to the risk of shutting down operations in the short term. Thematic analysis was used for survey items with open-ended questions.

## APPENDIX B: SURVEY QUESTIONS

1. Please share three words that describe how your organization is doing/feeling right now.
2. As of today, how optimistic are you for your organization to recover from the impact of COVID-19? ('Recover' could mean getting back where you were before COVID, building back better, or otherwise getting to a good place.) Drag the slider to the preferred position. (Slide from 1-10)
3. Since March 2020 (pre-COVID), what impact has COVID-19 had on your revenue? (increased, decreased, stayed the same, not relevant)
4. Since March 2020 (pre-COVID), what impact has COVID-19 had on your expenses? (increased, decreased, stayed the same, not relevant)
5. Since March 2020 (pre-COVID), what impact has COVID-19 had on your programs, services or activities? (increased, decreased, stayed the same, not relevant)
6. Since March 2020 (pre-COVID), what impact has COVID-19 had on your human resources? (increased, decreased, stayed the same, not relevant)
7. Since March 2020 (pre-COVID), what impact has COVID-19 had on your governance? (increased, decreased, stayed the same, not relevant)
8. Are there any other COVID-19-related impacts on your finances, programs/services/activities, human resources, and/or governance not already listed?
9. Are you concerned about a budget shortfall (deficit) between your revenue and expenses next year? If yes, what size of gap do you anticipate?
10. If you are not concerned about a budget shortfall, do you anticipate an increase in your revenue next year over pre-COVID levels? How much?
11. If the current environment continues, how long do you think you will be able to sustain your operations, before you would need to shut down your organization?
12. In terms of the primary space your organization currently operates in, please indicate whether you rent, lease, own, or other. We realize you may operate out of more than one space, but please answer for your primary space only.
13. You indicated you don't have a physical location for your primary space. Tell us more:
14. Do you expect to retain this primary space through this crisis? (yes/no)
15. Do you wish to retain this primary space? (yes/no)
16. Approximately how much space do you currently occupy in your primary space in square feet? We realize you may operate out of more than one space, but please answer for your primary space only.
17. Approximately how much more space do you need for your primary space in square feet? If you don't need or want any more space, enter 0.

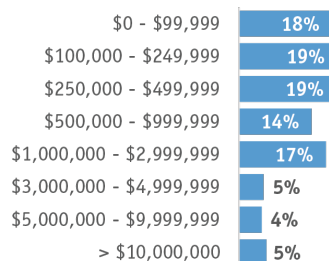
18. To help you sustain your operations, programs, services and/or activities, which of the following supports related to physical space would be helpful? (Please check up to 3.)
19. Did you apply for any of the following governmental and other supports? (Yes, successfully; Yes, but not successfully; Weren't eligible; Wanted to but didn't; Not relevant)
20. What barriers (if any) got in the way of accessing these supports?
21. What expert advice, training, or support topics would most benefit you over the next 3-4 months? (Please select up to 5.)
22. Is your organization (check any that apply): [charitable/non-profit status]
23. The federal government classifies non-profits into three categories. Which category best describes you?
24. What subsector does your organization primarily belong to? These are categories often used by the federal government. (Pick the most appropriate.)
25. Does your organization provide programs, services, or activities to people from specific target populations (not including professional or business associations)?
26. Who is the primary target population your organization serves or is the focus of your mission? (Please pick up to 3.)
27. What was your organization's annual operating budget pre-COVID-19 for 2019-2020 (or 2019 if you operate on a calendar year):
28. What are the first three digits of your primary location's postal code?
29. Which regional district(s) do you primarily operate within? To see which region you are in, please [click here](#).

## APPENDIX C: WHO RESPONDED



Visit the *Unraveling* interactive online dashboard to filter this survey's results by geography, subsector, budget, target population served, and more at [thevantagepoint.ca/unraveling](http://thevantagepoint.ca/unraveling).

### Responses Based on Annual Operating Budget Before COVID (n = 800)



Aggregate categories used for analysis:

Very small: \$0 - \$249,999

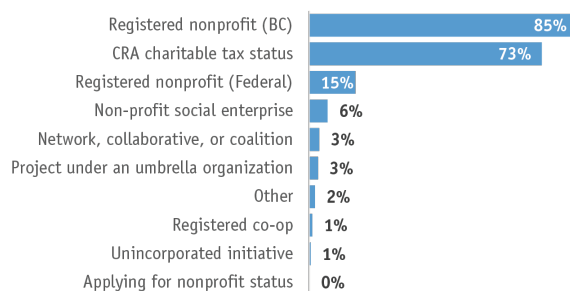
Small: \$250,000 - \$499,999

Medium: \$500,000 - \$999,999

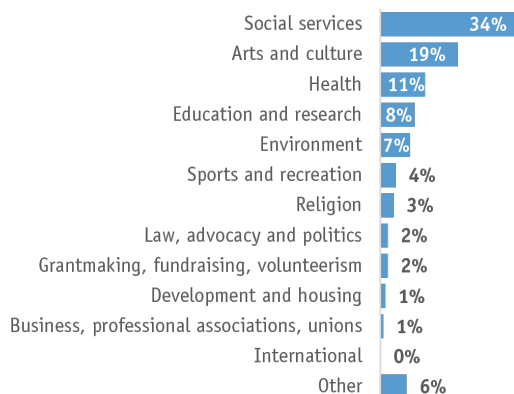
Large: \$1 million - \$3 million

Very large: >\$3 million

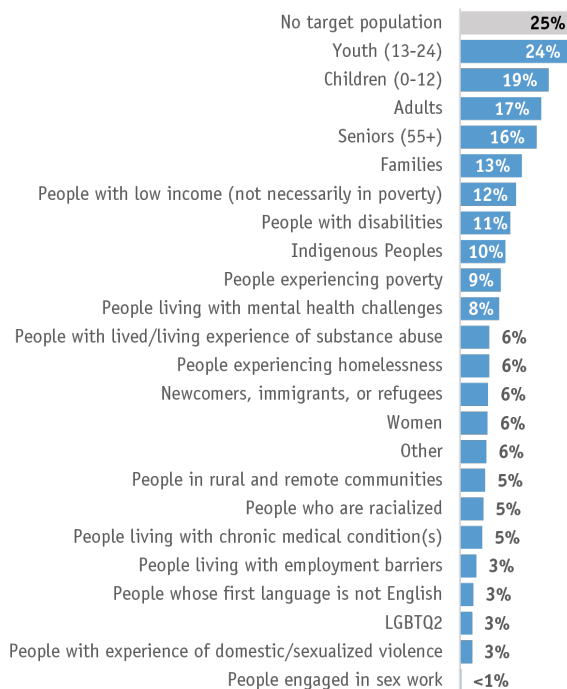
### Responses by Nonprofit Status (n = 799)



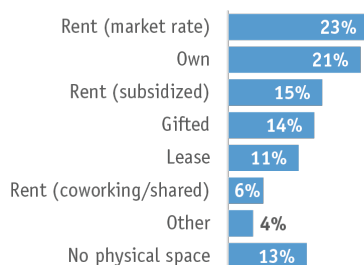
### Responses by Subsector (n = 802)



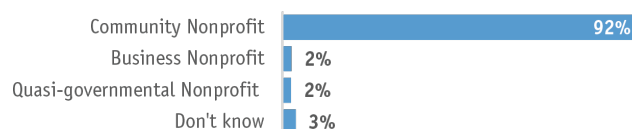
### Responses by Target Population (n = 804)



### Responses by Type of Physical Space (n = 840)



### Responses by Nonprofit Category (n = 800)



## Responses by Health Authority and Regional District (n = 788)

| Health Authority                          | N         | Regional District                          | N   |
|-------------------------------------------|-----------|--------------------------------------------|-----|
| Nationally                                | 48 (6%)   | --                                         | --  |
| Province-wide                             | 125 (16%) | --                                         | --  |
| Interior Health Authority (IHA)           | 92 (12%)  | Cariboo                                    | 9   |
|                                           |           | Central Kootenay                           | 19  |
|                                           |           | Central Okanagan                           | 9   |
|                                           |           | Columbia-Shuswap                           | 7   |
|                                           |           | East Kootenay                              | 12  |
|                                           |           | Kootenay Boundary                          | 26  |
|                                           |           | North Okanagan                             | 6   |
|                                           |           | Okanagan-Similkameen                       | 8   |
|                                           |           | Thompson-Nicola                            | 15  |
| Fraser Health Authority (FHA)             | 142 (18%) | Burnaby, New Westminster                   | 73  |
|                                           |           | Coquitlam, Port Coquitlam, Port Moody      | 48  |
|                                           |           | Fraser Valley                              | 36  |
|                                           |           | Langley                                    | 35  |
|                                           |           | Pitt Meadows, Maple Ridge                  | 26  |
|                                           |           | Surrey, White Rock                         | 59  |
|                                           |           | Tsawwassen, Delta                          | 27  |
|                                           |           |                                            |     |
| Northern Health Authority (NHA)           | 21 (3%)   | Bulkley-Nechako                            | 3   |
|                                           |           | Fraser-Fort George                         | 7   |
|                                           |           | Kitimat-Stikine                            | 8   |
|                                           |           | Northern Rockies                           | 2   |
|                                           |           | Peace River                                | 4   |
|                                           |           | Stikine Region                             | 3   |
| Vancouver Coastal Health Authority (VCHA) | 280 (36%) | Central Coast                              | 2   |
|                                           |           | North Shore and Bowen Island               | 45  |
|                                           |           | qathet                                     | 5   |
|                                           |           | Richmond                                   | 50  |
|                                           |           | Squamish-Lillooet                          | 13  |
|                                           |           | Sunshine Coast                             | 16  |
|                                           |           | Vancouver                                  | 225 |
| Vancouver Island Health Authority (VIHA)  | 194 (25%) | Alberni-Clayoquot                          | 12  |
|                                           |           | Comox Valley                               | 22  |
|                                           |           | Cowichan Valley                            | 21  |
|                                           |           | Greater Victoria and Southern Gulf Islands | 123 |
|                                           |           | Mount Waddington                           | 6   |
|                                           |           | Nanaimo                                    | 25  |
|                                           |           | North Coast                                | 4   |
|                                           |           | Strathcona                                 | 6   |

# APPENDIX D: SURVEY INFOGRAPHIC

# UNRAVELING: Nonprofits, COVID-19, and the Fabric of BC Communities

February 2021

British Columbia's non-profit sector is vast in size, scope, and impact. It contributes \$6.4 billion to BC's GDP and employs 86,000<sup>1</sup> people across the province. It makes a significant and meaningful impact on the economy and lives of people across British Columbia.

**930**  
respondents

completed a survey in November/December 2020 about the impacts of COVID-19 on their organization.<sup>2</sup>

**CLOSED**

**48%**

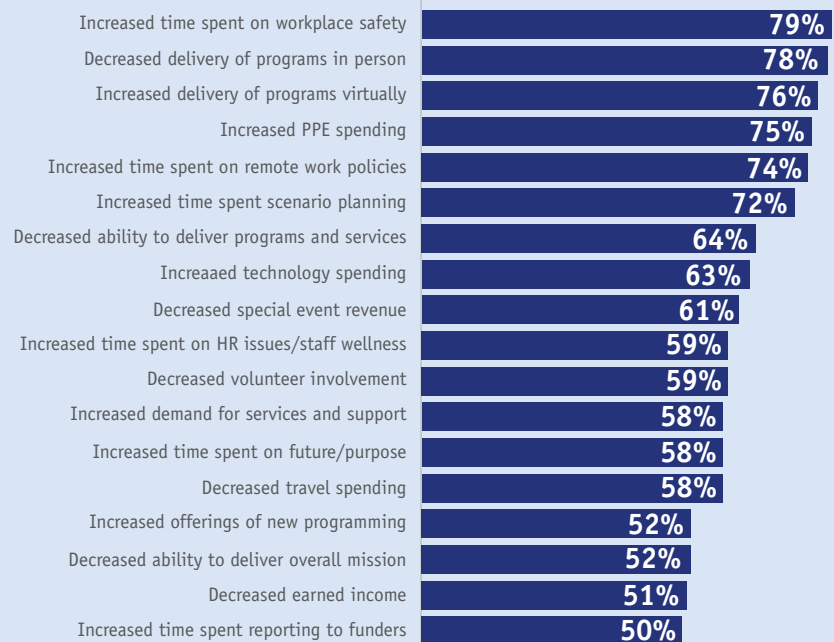
of organizations **anticipate needing to close down** their operations if the current situation continues.

Organizations particularly at risk of closing down include those with an operating budget under \$1 million, arts and culture, sports and recreation, and those serving racialized populations.

“We've received a fair bit of short term funding. As welcome as funding is, when it requires us to create novel constructive programs and services and use the funding in a very short period (within months) it causes considerable stress and adds to administrative loads (e.g., budget development, supplies purchasing, hiring, reporting).”

Many respondents are experiencing a disruption of services to clients and communities, disruption in fundraising patterns, and an increase in time spent away from program and service delivery.

Strongest impacts of COVID-19 on organizations, based on percentage of respondents who reported an increase or decrease



“COVID stopped the momentum we had generated in our programs/services/activities, leaving us wondering if we will get back to pick up where we were, or need to start at the beginning again.”

See the full report and an interactive dashboard to filter this survey's results by geography, subsector, budget, target population served, and more. [thevantagepoint.ca/unraveling](https://thevantagepoint.ca/unraveling)

<sup>1</sup> Reflects community nonprofits, and excludes hospitals, colleges, and universities.  
<sup>2</sup> This snapshot updates the work of "No Immunity", a report released in May 2020.

## Mission Delivery and Community Impacts



64%

have a **decreased ability**  
to deliver programs  
and services



58%

have an **increased**  
demand for programs  
and services



50%

are spending **more time**  
reporting to funders

## Financial Impacts



61%

have less  
revenue from  
special events

51%

from earned  
income

42%

from individual  
donations

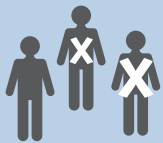
71%

are expecting  
a budget  
shortfall in  
2021

Many organizations have  
benefitted from  
COVID-related government  
and foundation funding,  
but are concerned about  
what will happen when  
funding ends.

Emergency  
funding  
distributed  
locally was  
accessed  
most  
successfully.

## Human Resources and Governance Impacts



37%

report a decrease in staffing  
levels.

VOLUNTEERS



59%

have a drop in  
volunteer involvement.



More time on  
workplace  
policies,  
planning, and  
wellness.

Less time for  
program  
delivery.

## Operational Sustainability Impacts

CLOSED

48%

are concerned  
about shutting  
down



Those most concerned about having to shut  
down are arts/culture, sports/recreation,  
small organizations, and organizations  
serving racialized people.

71%



of organizations expressed interest in  
receiving support such as rent  
subsidies and donated space to  
retain their operating space.

**Community Resilience and  
Vibrancy is Vulnerable**

**An Opportunity for  
Trust-Based Philanthropy**



## A CALL TO ACTION

**Nonprofits touch the lives of everyone in some way or another in British Columbia, and there is a role for everyone to play in collectively helping them to survive these turbulent times to protect our vital and vibrant community resources.**

### GOVERNMENT, FOUNDATIONS AND FUNDERS



Increase trust-based philanthropy practices. Liberate more funds. Streamline eligibility and reporting requirements so that more time can go towards delivering programs.

Provide more unrestricted, core infrastructure/capacity funding that focuses on sustaining the core operations of nonprofit organizations, while also developing new support programs to respond to emergent needs.

Distribute funding through local funders, who have a better understanding of the community context. Update and develop additional support programs based on feedback.

Invest in nonprofit infrastructure that will help nonprofits rebuild philanthropic and earned income dollars, re-engage volunteers safely, and improve staff wellness.

Review changes made to funding processes during COVID-19 to consider which practices were improvements and should be maintained going forward.

### BUSINESSES



Support greater employee volunteerism. Donate unused space, even temporarily. If your revenues have remained stable or increased, increase your corporate giving and make it unrestricted. Offer coaching/mentorship related to virtual events and program delivery. Advocate to governments to ensure that COVID-19 supports for businesses also include the nonprofit sector.

### VOLUNTEERS

Explore ways to return to volunteering in your community as soon as safe. Skilled volunteers can support facilitation of scenario planning, governance, change management, and technology training.

### DONORS



If your income has remained stable or increased, increase your giving and make it unrestricted. Notice which organizations are not able to fully operate at the moment, and donate in order to help them prepare for future adaptations. Support local funders who give discretionary funding in the community. Advocate to government and funders to implement calls to action.

### NONPROFIT ORGANIZATIONS

Collaborate and partner so that larger or more stable nonprofit organizations can support smaller ones in equitable ways.

### CAPACITY-BUILDERS, NETWORKS, AND UMBRELLA ORGANIZATIONS

Help organizations navigate funding, especially those not used to applying for government funding. Help organizations to support staff wellness. Advocate for government supports that align with the needs of your nonprofit community. Partner with government, funders, and business to help implement calls to action.

### GENERAL PUBLIC



Become a new donor to an organization you value. Stay subscribed to communications from your favourite organizations. Spread the word about the work of organizations you value within your circles. Support people in your life with difficulties accessing/using technology, so that they are more likely and/or able to access services or volunteer opportunities.