



Saskatchewan Nonprofits & COVID-19:

Impact Summary Report

April 9, 2020



About this report

The Saskatchewan Nonprofit Partnership (SNP) conducted a survey to understand how the COVID-19 pandemic is impacting the operations and program delivery of nonprofit organizations in Saskatchewan.

Saskatchewan nonprofits and charities were invited to complete the survey between March 27 and April 3, 2020, and garnered 522 responses.

This report provides a summary of key survey results. A more detailed report with additional analysis of the survey will be completed in the upcoming weeks and posted to our website: sasknonprofit.ca.

Readers may use, share, or reproduce all or part of this report, giving credit to the Saskatchewan Nonprofit Partnership.

Acknowledgements

Thank you so much to all of the respondents of this survey, as well as to SNP's partners for sharing this survey with their networks and encouraging organizations to participate.

We would also like to thank the Ontario Nonprofit Network (ONN) for sharing their survey design, which was moderately adapted by SNP for this survey.

Saskatchewan Nonprofit Partnership

The Saskatchewan Nonprofit Partnership is an unincorporated partnership of organizations that collaborate towards the betterment of the nonprofit sector. Senior leaders of the following organizations serve as members of the Partnership:

Boys and Girls Club of Saskatoon
CFS Saskatoon
Community Initiatives Fund
Family Service Regina
Heritage Saskatchewan
SARC
Saskatchewan Parks & Recreation Association

The mission of SNP is to benefit Saskatchewan's nonprofit sector through research, networking, public awareness, sector strategy development and thought leadership.

Table of Contents

- 4** Executive Summary
- 6** A Profile of the Nonprofit Sector in Saskatchewan
- 7** What Nonprofits are Experiencing
- 8** Disruption of Services
- 11** Financial Impacts & Supports
- 17** Respondent Characteristics
- 21** Reflections and Next Steps

Executive Summary

The Saskatchewan Nonprofit Partnership (SNP) conducted a survey to examine how organizations across Saskatchewan are being impacted by the COVID-19 pandemic. Saskatchewan nonprofits and charities were invited to identify how their organizations have been, or anticipate, being affected by the emergency response to COVID-19. The survey was conducted between March 27 and April 3, 2020, and garnered 522 responses.

Respondents represent the broad range of the nonprofit sector in our province, providing their voices from towns, cities and hamlets, and offering perspectives from all types and sizes of organizations.

We heard that organizations are adapting as quickly as possible to our evolving circumstances, and are employing creative solutions in finding new ways to offer programs and services, as well as implementing the protocols required to ensure the safety of clients, staff, and volunteers. While these organizations continue to seek ways to continue to support their communities, there are significant challenges being encountered:

- A significant number of nonprofits and charities are experiencing revenue losses, from self-generated revenues such as fees for services, registration fees, and closure of social enterprises; cancellation of fundraising events; and withdrawal of sponsorships.
- In addition to the loss of revenues, many nonprofits have minimal financial reserves and are facing cash flow difficulties, with one-third of respondents indicating they will be able to sustain their operations for less than six months.
- The way in which programs and services are being provided have altered dramatically, often requiring adoption of technology which is problematic in some areas of the province, may exclude those individuals who do not have access to devices or internet services, and results in added costs for organizations.
- Many organizations have closed their programs and operations altogether and are uncertain if they will be able to re-open.
- Half of respondents indicated challenges related to staff and volunteers having to work remotely, and many have or anticipate they will be laying off staff.
- The direct financial impact on organizations varies considerably depending upon their size, nature of operations, and revenue sources.
- A significant portion of Saskatchewan's population will be affected by modifications to or cancellation of programs offered by the nonprofit sector.

Executive Summary

Survey respondents indicated the types of support that would be most beneficial to their organizations to enable them to respond to the COVID-19 pandemic and to sustain their operations:

- Establishment of a stabilization or bridge fund for nonprofit and charitable organizations to support not only immediate needs but to also ensure organizations are able to sustain operations and successfully recover following the pandemic.
- Technology support including hardware, software and enhanced internet access.
- Waiving or subsidization of rent and mortgage payments.
- Increased funding to support hiring of additional staff while current staff are on leave or in self-isolation.
- Funders providing flexibility in utilizing funds, reporting requirements and deadlines.
- Reducing minimum requirements for accessing federal and provincial subsidy and wage benefit programs, and extension of benefits beyond twelve weeks.
- Access to assistance and counselling programs for staff and volunteers.
- Increased funding for protective equipment and cleaning services.
- Access to training and resources regarding safety protocols, technology, working remotely, leadership, and business continuity management.

A recurring theme voiced by survey respondents is the uncertainty of the potential period of time these measures will be in place. Survey responses were provided based on current information, however it was noted that as time proceeds the situation for nonprofit organizations will be impacted further. It is difficult to ascertain with greater certainty what the precise impacts will be on both the individual wellbeing of clients, staff and volunteers, as well as the wellbeing of organizations, and ultimately the nonprofit sector in Saskatchewan.

All levels of government, foundations and other granting organizations must consider the nonprofit sector, along with the private and public sectors, when considering support responses to the pandemic to address both immediate needs and future recovery needs.

A Profile of the Nonprofit Sector in Saskatchewan¹

The nonprofit sector in Saskatchewan is comprised of more than 6,100 incorporated organizations representing a diverse range of activities, audiences, size, scope and geography.

Saskatchewan is well known for its high rate of volunteerism, with more than 344,000 Saskatchewan individuals contributing an estimated 14 million hours annually, averaging approximately 41 hours per person. An additional 52,000 individuals volunteer on Boards of Directors, providing leadership and governance at an organizational and community level.

Perhaps less recognized is the scope of paid employment in the sector. With approximately 77,000 individuals working for a nonprofit organization, the sector employs more employees than most sectors in the province, second only to the health and social services sector.

And with total annual budgets estimated at \$4.7 billion, the nonprofit sector is a significant contributor to the province's economy, representing approximately 6.2% of the provincial Gross Domestic Product (GDP). Sector leaders are entrepreneurial, with more than half of organizations generating a portion of their revenues through self-generated business activities.

Saskatchewan's nonprofit sector is a vibrant and resilient sector, providing critical services and programs to thousands of individuals, encouraging citizen engagement, responding to emergencies, and ultimately improving the quality of life in communities throughout the province.

¹ Saskatchewan Nonprofit Partnership. (2018). A profile of the nonprofit sector in Saskatchewan: An overview. Retrieved from: http://www.sasknonprofit.ca/uploads/1/0/5/2/105211035/snp_overview_report_-_nov2018.pdf

What Nonprofits are Experiencing

Saskatchewan’s nonprofits and charities have faced or anticipate experiencing three main challenges as a result of COVID-19:

Reduced Revenue:

Nonprofits are facing or anticipating reduced revenue from fundraising (73%) and reduced revenue from earned income such as sales and fees (57%).

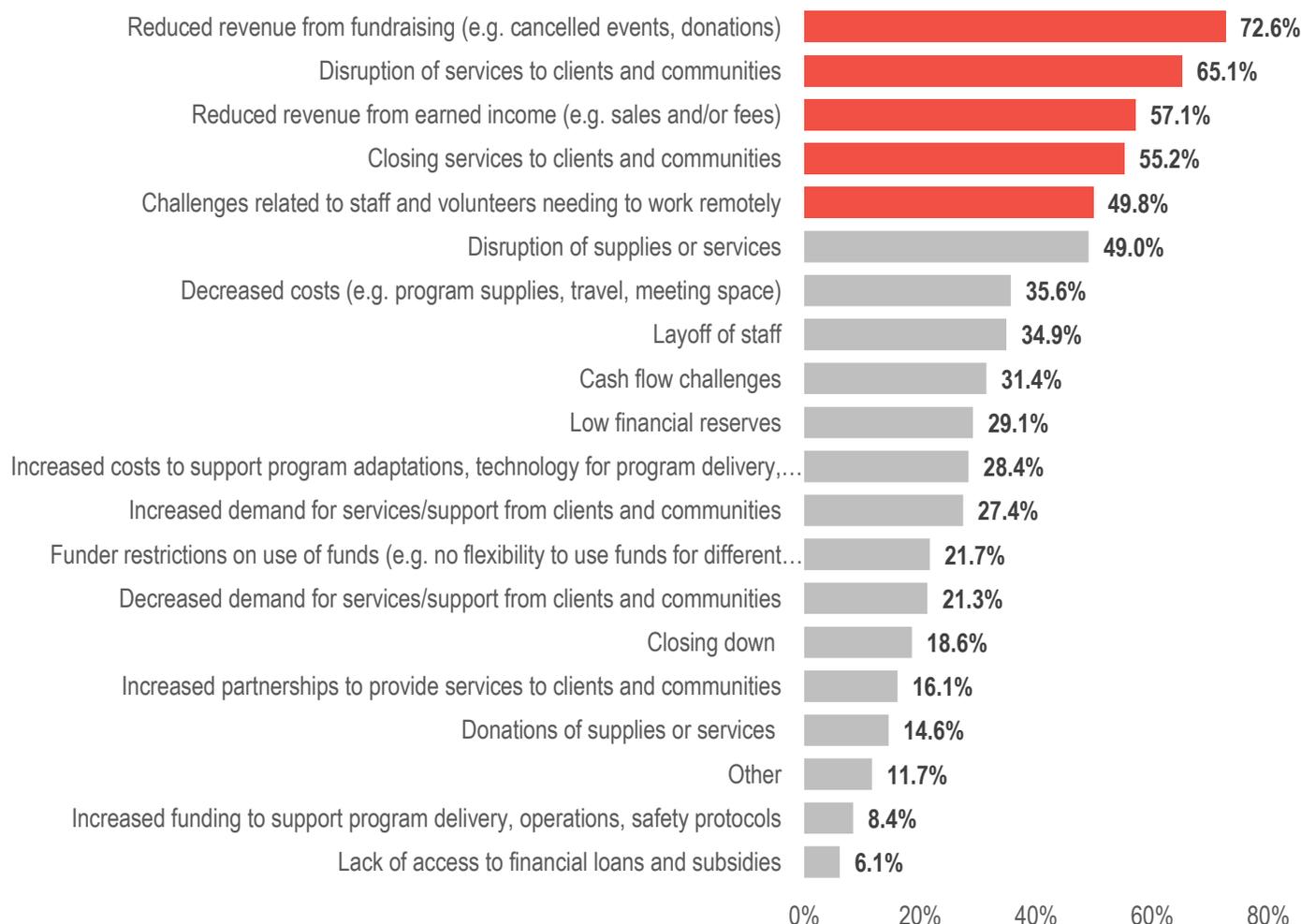
Disruption of Services:

65% of nonprofits are experiencing or anticipating a disruption of services to clients and communities and 55% face having to close their services to clients and communities.

HR Challenges:

50% of nonprofits are facing or anticipate challenges related to staff and volunteers needing to work remotely.

The top challenges that nonprofits are currently or anticipate facing are in the areas of operations, revenue, and human resources.



Disruption of Services

Organizations are adapting as quickly as possible to our evolving circumstances, and are employing creative solutions in finding new ways to offer programs and services, as well as implementing the protocols required to ensure the safety of clients, staff, and volunteers.

While these organizations continue to seek ways to continue to support their communities, there are significant challenges being encountered:

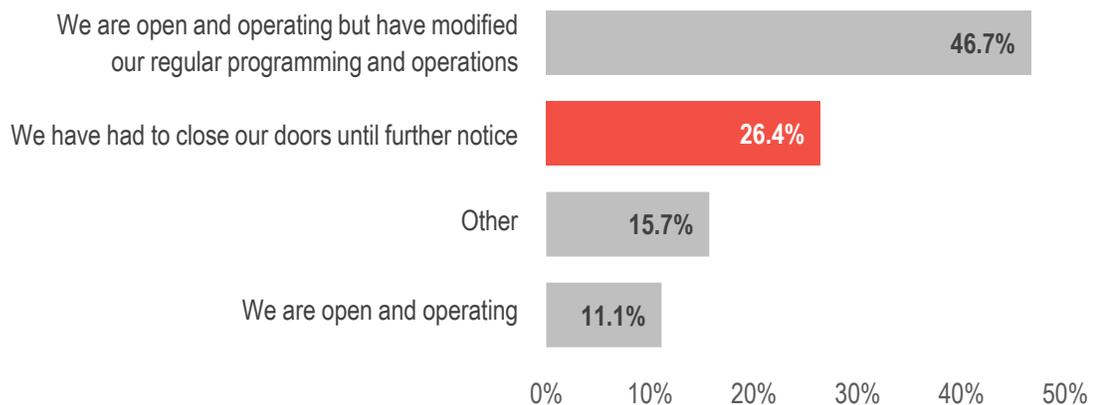
- A significant number of nonprofits and charities are experiencing revenue losses, from self-generated revenues such as fees for services, registration fees, and closure of social enterprises; cancellation of fundraising events; and withdrawal of sponsorships.
- In addition to the loss of revenues, many nonprofits have minimal financial reserves and are facing cash flow difficulties, with one-third of respondents indicating they will be able to sustain their operations for less than six months.
- The way in which programs and services are being provided have altered dramatically, often requiring adoption of technology which is problematic in some areas of the province, may exclude those individuals who do not have access to devices or internet services, and results in added costs for organizations.
- Many organizations have closed their programs and operations altogether and are uncertain if they will be able to re-open.
- Half of respondents indicated challenges related to staff and volunteers having to work remotely, and many have or anticipate they will be laying off staff.
- The direct financial impact on organizations varies considerably depending upon their size, nature of operations, and revenue sources.
- A significant portion of Saskatchewan's population will be affected by modifications to or cancellation of programs offered by the nonprofit sector.

Disruption of Services

The majority of nonprofits are still operating at some capacity. Out of the 58% of organizations that are still operating, almost 47% have had to modify their programming and operations. In just two weeks, nonprofits have had to implement massive changes to how they do their work.

26% of respondents indicated that their nonprofit has had to close their doors (at least temporarily) due to the COVID-19 pandemic.

While the majority of nonprofits are still operating at some capacity, 26% have had to close their doors.



What we heard from the sector:

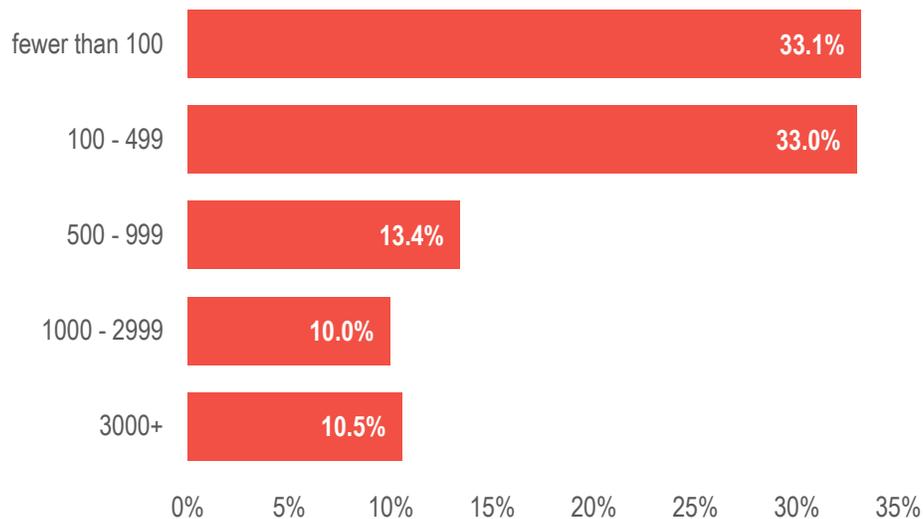
“We are modifying our services so we can continue to reach our clients - this has increased our infrastructure costs. Demand is increasing but collection of funds and donations are decreasing. We continue to strive to meet the needs - as our mandate is to serve those struggling with mental health and addictions regardless of ability to pay.”

“We have kids who rely heavily on our program. We are doing our best to make sure they have enough food and supplies but it is hard for them to not be able to attend the program and see each other. They also no longer have school which for many of the kids was their safe haven and where they got food.”

Disruption of Services

Out of the organizations that have had to reduce programs offered to the community, one-third said fewer than 100 individuals will be affected and one-third said between 100-499 will be affected. The other third is split between 500-3000+.

Tens of thousands of individuals will be affected by reduced programming across Saskatchewan.



What we heard from the sector:

"No guarantee our programs and projects can be completed, as protocol changes to ensure health and safety. Access to necessary tools and equipment needed to be shared for programs and projects are restricted and social activities are postponed or cancelled, funds allocated for this cannot be used."

"I believe staff burnout will become an issue. Already our staff (two full time, one part time) are over worked, and the stress of adapting as well as general anxiety over the pandemic are beginning to affect staff mental health. We also anticipate a dip in corporate sponsorship, and further cuts to programming."

"We are closed to the public but are still operating, working remotely from home and offering online programming and community engagement through social media and our website."

Financial Impacts & Supports

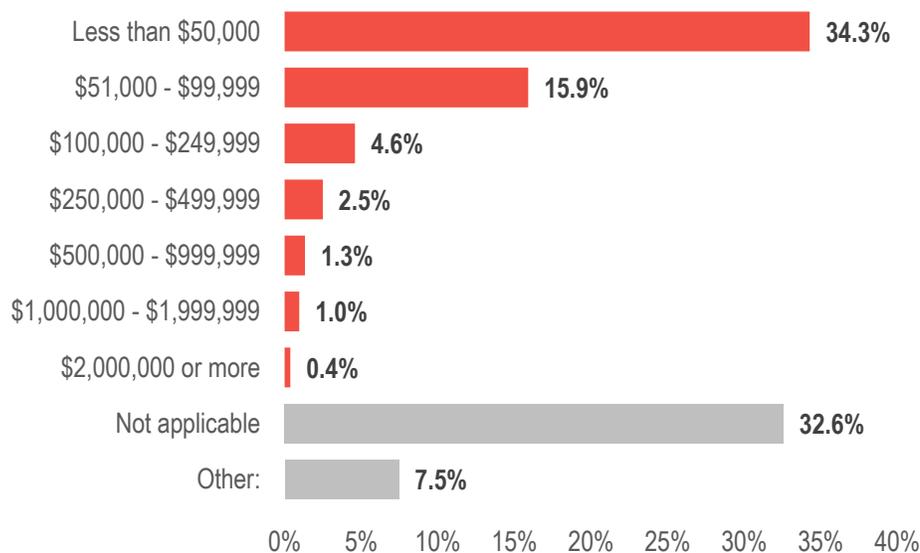
Survey respondents indicated the types of support that would be most beneficial to their organizations to enable them to respond to the COVID-19 pandemic and to sustain their operations:

- Establishment of a stabilization or bridge fund for nonprofit and charitable organizations to support not only for immediate needs but to also ensure organizations are able to sustain operations and successfully recover following the pandemic.
- Technology support including hardware, software and enhanced internet access.
- Waiving or subsidization of rent and mortgage payments.
- Increased funding to support hiring of additional staff while current staff are on leave or in self-isolation.
- Funders providing flexibility in utilizing funds, reporting requirements and deadlines.
- Reducing minimum requirements for accessing federal and provincial subsidy and wage benefit programs, and extension of benefits beyond twelve weeks.
- Access to assistance and counselling programs for staff and volunteers.
- Increased funding for protective equipment and cleaning services.
- Access to training and resources regarding safety protocols, technology, working remotely, leadership, business continuity management.

Financial Impacts & Supports

The majority of nonprofit respondents have seen two critical income streams reduced with the onset of this pandemic: 73% are experiencing or anticipating a reduction in revenues from fundraising activities and 57% are experiencing or anticipating a decline in earned income sources.

Out of the organizations that continue to operate or provide services to some capacity, the level of additional/emergency funding needed to maintain operations and meet demand is as follows:



What we heard from the sector:

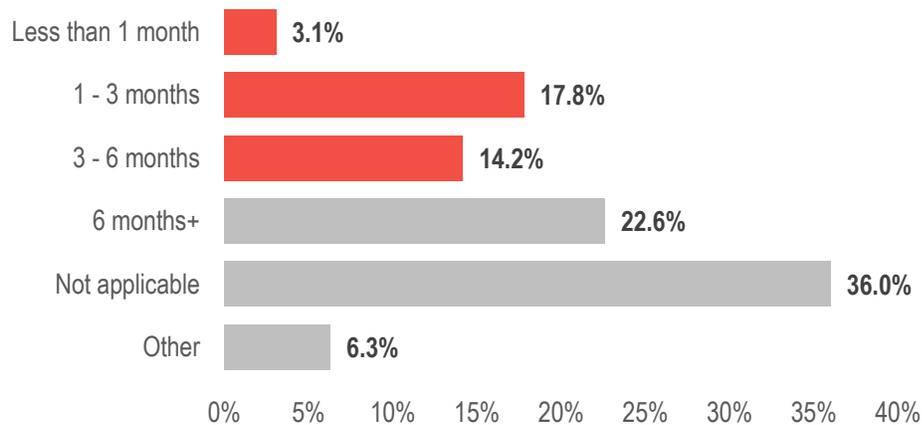
"After the 75% wage subsidy, we would still need \$20,000/month to keep us from laying off the rest of the team."

"Our programs are grant funded. The inability to provide these programs jeopardizes our funding regulation. Loss of funding would mean loss of programs that we have worked very hard to provide."

"Our challenge is loss of sponsorship funding and loss of donations for our free programming."

Financial Impacts & Supports

Of those organizations that have stopped operating or providing services and programs at this time, **35% of respondents are able to sustain their organizations for 6 months or less.**



What we heard from the sector:

"If all fundraising fails completely for 2020, we could survive 9 months with layoffs, which would be detrimental to the capacity of clients we serve. Funding implications for 2021 may reduce our capacity as well."

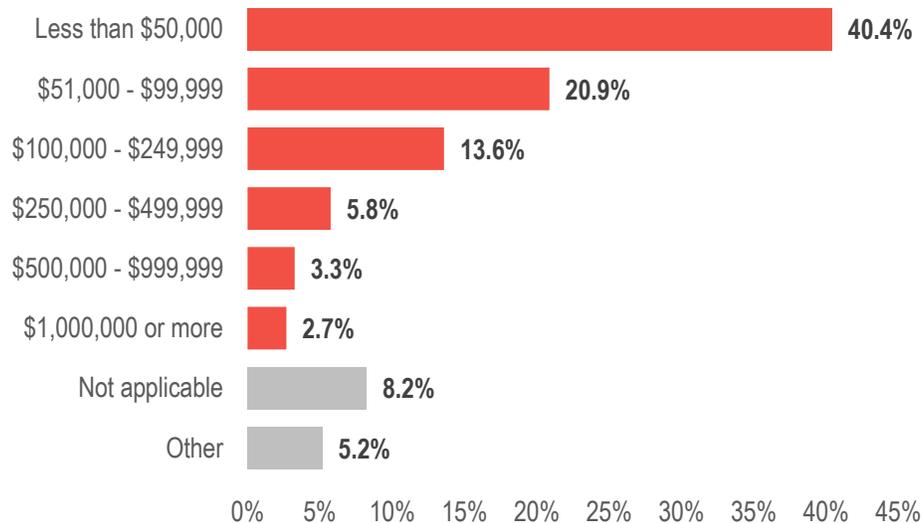
"If we shut down totally and layoff staff, then we need \$10,000 - \$15,000 per month to continue paying the insurances, taxes, power, heat, water, and other normal monthly bills. If we can keep our staff on, take advantage of this new federal top up funding and then subsidize the staffs wages to make what they would normally, then we need an additional \$10,000 - \$12,000 for that."

"Our operating expenses will be approximately \$210K/month going forward. This takes into account program closures and layoffs. Due to the financial health of our organization, we are able to sustain this monthly expense for the next 3 - 5 months."

"While reserves or credit should allow us to sustain for 6+ months, the concern is the longer term financial impact and whether we're able to maintain similar staff levels and services once they can be resumed."

Financial Impacts & Supports

The estimated total financial impact that this pandemic will have on programs, services, and/or general operations of nonprofit organizations is estimated as follows:



What we heard from the sector:

“Our challenge is that two major fundraisers that are always needed to meet our needs occurred in this time period. This means that costs are increasing at the very time that income is decreasing.”

“The fundraising landscape first and foremost will be greatly impacted after this pandemic. This means all nonprofits who rely on fundraising for non-restricted funds to cover operations and administrative costs will struggle, lose capacity, and potentially close. Nonprofits need help with funding to offset the financial downfall of fundraisers. Fundraising revenues were already being lowered due to a down economy before COVID19 happened. That economy is going to be significantly worsened for years to come, meaning it will take nonprofits several years to re-build fundraising revenue while the economy rebuilds itself.”

“The impact of COVID and future fundraising is a very real concern for grassroots nonprofits. The next 18 months will be critical for many operations.”

Financial Impacts & Supports

We asked survey respondents what types of supports would be most beneficial to their organizations to enable them to respond to the COVID-19 pandemic and to sustain their operations.

Along with many organizations indicating they would like to see a rent freeze, a stabilization fund or bridge funding, and interest free loans, here's what we heard from the sector:

"It's about ensuring rural communities have access to the same resources, information, technologies, health care, education, mental health... as urban centres."

"Given the uncertainty of the timeline for COVID-19, we are facing the possibility of necessary termination of staff beyond the initial 12 week temporary layoff period. An extension of the layoff period would be beneficial, as well as the repayment of notice-of-termination, as we have long-term staff of 5 years+, the cost of notification alone will deplete what savings we have managed to sustain in our reserve accounts."

"Reimbursement for paid sick leave for staff, reimbursement for increased staffing due to COVID-19 social distancing measures (e.g. food services and supplies increase, janitorial staff and cleaning) mortgage freeze, direct landlord payments, bridge funding."

"Nonprofit charitable organizations which rely on ticket sales, sponsorship, and donations need help immediately as all those supports are no longer viable options. If the government wants to see these organizations survive this crisis, we need to replace that lost revenue as soon as possible."

"Free access to telecommunication software, reimbursement for paid sick leave for staff, extension of EI benefits, government utility cost freeze for organization as well as people in the community."

"Mortgage and rent freeze for our employees, crisis/mental health for our employees and their families - many of our staff and their families are beginning to experience depression and anxiety."

"SaskTel internet capacity for the rural area does not fully support our needs for greater speed to download and upload now that we are physically isolating."

Financial Impacts & Supports

“For larger nonprofits there should be stabilization funding or bridge funding. Many nonprofits struggle to survive financially in the best of environments never mind COVID-19. To have them pay back even an interest free loan will likely cause closure or undo hardship on the organization. Even when we return to "normal" we do not know where employment will be or the economy as a whole, support for nonprofits and their fundraising efforts will be limited for years to come.”

“There is a gap between the established, higher profile non-profits/charities with salaried staff, and the smaller organizations that do not have the same infrastructure or wide-net outreach. We are not sure how to move forward, as private donations and also grants (two main revenue sources) will almost certainly drop, and our income is already drastically affected by cancellations. So far, what we have heard about is mostly help for the larger groups. Do we bid farewell to smaller community organizations in spite of their track record and years of service?”

“Guaranteeing grants, accessing multi-year grants earlier than normal, sponsors maintaining investment rather than requesting fees to be returned, Office rent subsidy - for nonprofits, telecommuting software, loans/bridge funding, reimbursement for paid sick leave, wage subsidy.”

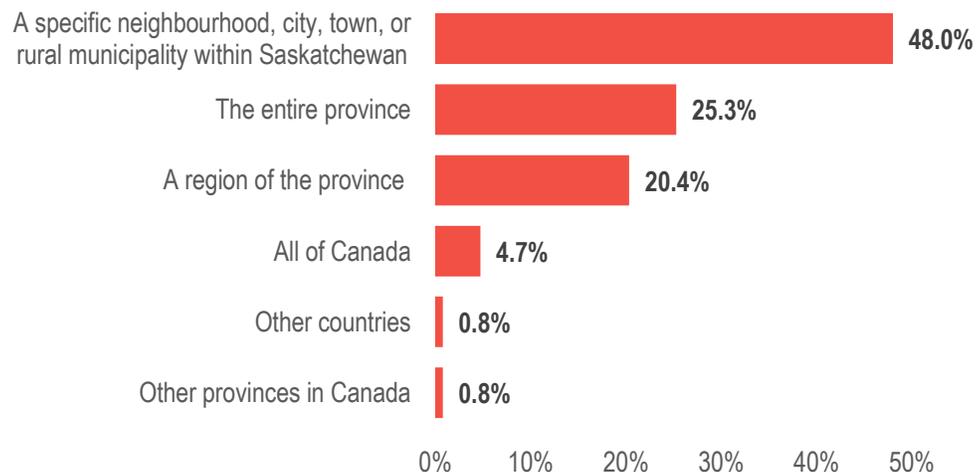
“Free software, free training to develop online support services, paid leave for staff, increased and extended EI support, volunteer training, funding to develop online resources and services, tax extensions or deferment, low interest, grants for charities, churches and other organizations that support mental health and spiritual development. Grants for arts organizations. Support to all marginalized communities and organizations that support them e.g. funding for affordable housing.”

Respondent Characteristics

107 communities across Saskatchewan are represented in this report:

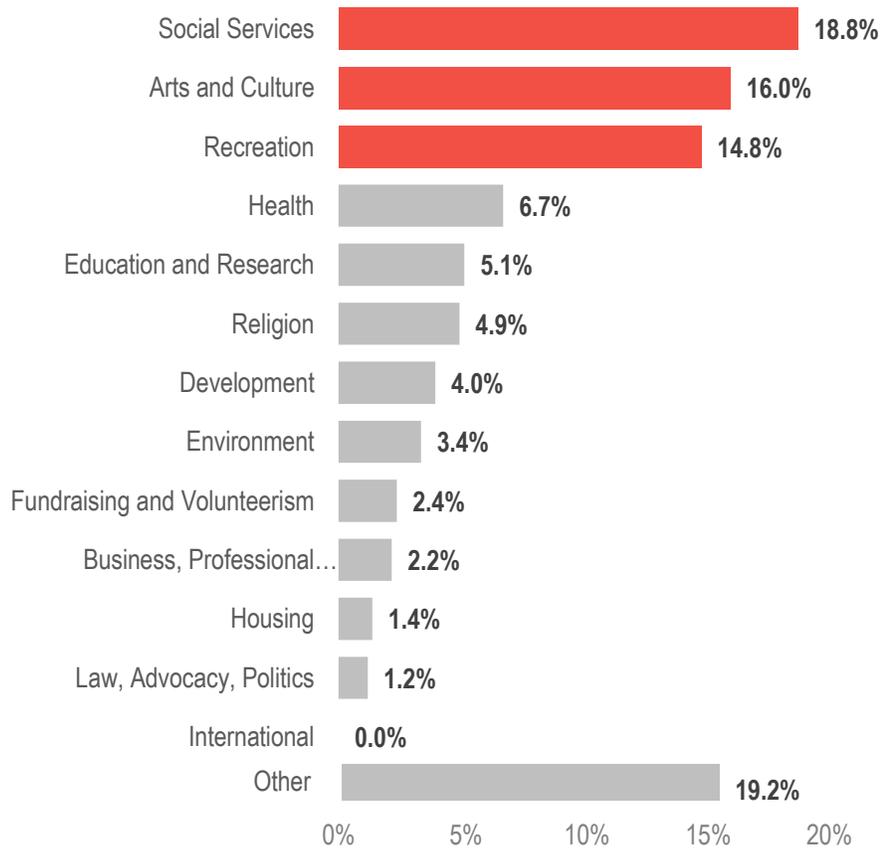
Alameda	Eston	Leoville	Rosetown
Allan	Fillmore	Leslie Beach	Rosthern
Assiniboia	Foam Lake	Lipton	Saltcoats
Bangor	Fort Qu'Appelle	Lloydminster	Saskatoon
Bellegarde	Frenchman Butte	Luseland	Shaunavon
Bengough	Govan	Maidstone	Spiritwood
Biggar	Gravelbourg	Manitou Beach	St. Brieux
Birch Hills	Grayson	Maple Creek	St. Louis
Broadview	Grenfell	Meacham	St. Walburg
Burstall	Gronlid	Meadow Lake	Strasbourg
Cabri	Hafford	Melfort	Sturgis
Canwood	Hague	Melville	Swift Current
Carlyle	Hazlet	Moose Jaw	Theodore
Caronport	Hepburn	Moosomin	Unity
Chaplin	Hudson Bay	Mortlach	Val Marie
Christopher Lake	Humboldt	Mossbank	Vonda
Colonsay	Invermay	Nipawin	Wadena
Craven	Ituna	North Battleford	Warman
Creighton	Kelvington	Osler	Watrous
Cudworth	Kerrobert	Oxbow	Weyburn
Debden	Kindersley	Pelly	White City
Eastend	Kronau	Porcupine Plain	Whitewood
Eatonia	Kyle	Prince Albert	Wilkie
Elrose	La Ronge	Redvers	Wynyard
Emerald Park	Lanigan	Regina	Yorkton
Esterhazy	Lashburn	Regina Beach	Zenon Park
Estevan	Leader	Rocanville	

Respondents indicated the scope of their organization's mandate is:



Respondent Characteristics

The top three nonprofit subsectors that responding organizations primarily belong to include social services, arts and culture, and recreation.

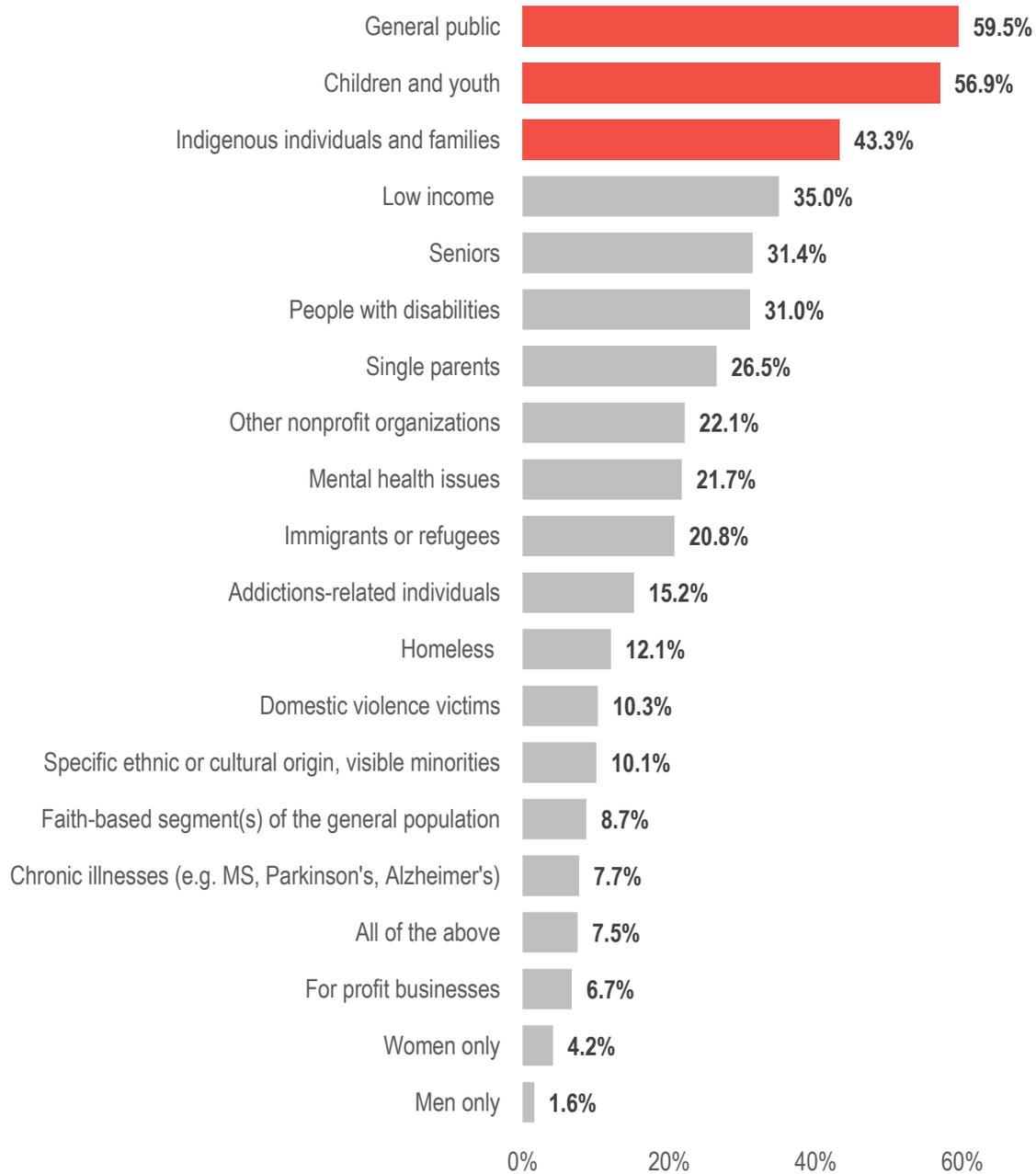


69% of nonprofits surveyed are also registered charities.



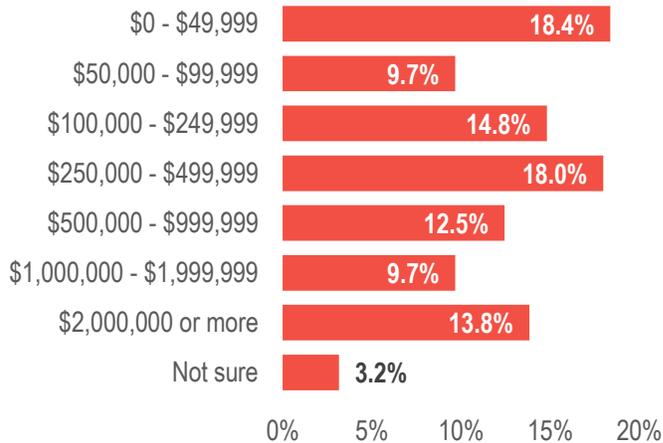
Respondent Characteristics

Respondents reported their organization primarily serves the general public, children and youth, and indigenous individuals and families.

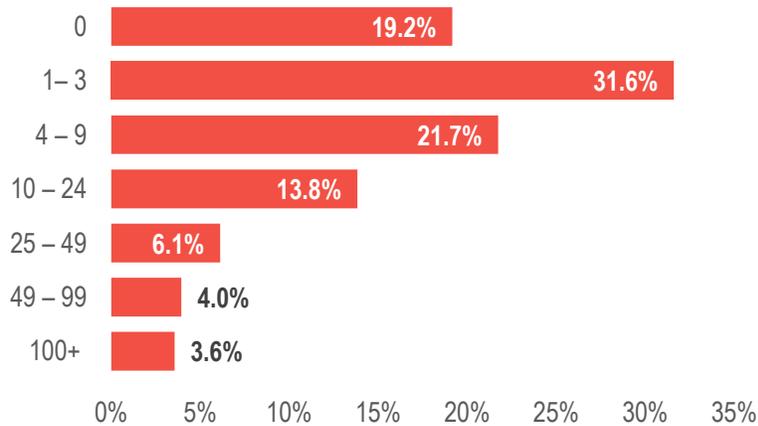


Respondent Characteristics

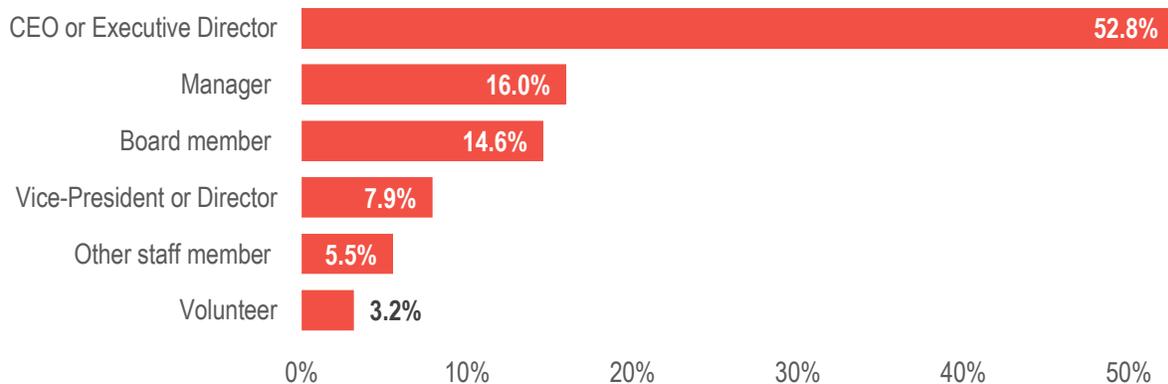
Respondents reported their organization's annual operating budgets as follows:



Respondents reported the number of paid staff (full-time equivalents) in their organizations as follows:



Respondents reported their primary role in their organization as:



Reflections & Next Steps

Nonprofit organizations continue to do their best to fulfill their missions in the wake of COVID-19. A significant number of nonprofit organizations are experiencing revenue loss and cash flow difficulties. Program and service delivery has altered dramatically, and some organizations have been forced to close their operations with uncertainty of reopening. A significant portion of Saskatchewan's population will be affected by the modifications to or cancellation of programs offered by the nonprofit sector.

As the nonprofit sector continues to grapple with the impacts of COVID-19, the responses highlighted throughout this report indicate the need to support organizations as they move from volatility to stability. The pandemic will continue to impact nonprofits and any support must account for the next year and beyond. It is important to consider what the impacts will look like given the diversity of the sector, and the diversity of the communities nonprofits serve and support, including vulnerable populations.

All levels of government, foundations and other granting organizations must consider the nonprofit sector, along with the private and public sectors, when considering support responses to the pandemic to address both immediate needs and future recovery needs.

This report provides a summary of key survey results. A more detailed report with additional analysis of the survey will be completed in the upcoming weeks and posted to our website: sasknonprofit.ca.

