Fundraising & Advocacy Strategies for Nonprofits: Pandemic Response

April 3, 2020
Pearl Hoeglund
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Sanford Institute of Philanthropy
fundraise

YOU’VE GOT A CAUSE. LEARN HOW TO FUND IT.

SANFORD INSTITUTE of PHILANTHROPY™
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Give us a tag us!

#SIPwebinar
TODAY’S PRESENTER:

Katie Adams Farrell
Co-Founder & CFO
Kerredyn Collaborative
POLL: What industry does your nonprofit serve?

- Arts & Culture
- Education
- Health & Human Services
- Environment
- Other (tell us in the chat!)
POLL:

Has your nonprofit gone through layoffs or considering?

- Yes
- No
- We are looking at all options
- Other (tell us in the chat!)
POLL:

Are you familiar with federal relief programs for nonprofits?

- Yes
- No
- We just started looking into this option
- Other (tell us in the chat!)
COVID-19 Relief and Stimulus

• Coronavirus Preparedness and Response Supplemental Appropriation Act 2020 (H.R. 6074) signed into law January 3, 2020

• Families First Coronavirus Response Act (H.R. 6201) signed into law March 18, 2020

• Coronavirus Aid, Relief, and Economic Security Act, or the CARES Act, (S. 3548) signed into law March 27, 2020.

• Additional legislation is expected
AGENDA

• Understand what financing opportunities are available to your nonprofit immediately
• Know what resources are available to your employees
• Learn about legislative efforts underway to offer relief
• Explore communications strategies during uncertain times
• Begin to form a plan for recouping lost revenue
• Connect with others who share your concerns
Nonprofits are an **economic engine**

- The nonprofit sector accounts for 5.4% of the country’s GDP.
- It employs more than 10% of the nation’s workforce.

*From service interruptions to lay-offs, COVID-19 is taking an enormous toll on the sector.*
A sound financial strategy will use a combination of revenue streams.

- Loans
- Grants
- Individual Donors
- Tax Credits
Identify the Gap *(Cash Position)*

- What income have you lost/will you lose in the next _____?
- What are your receivables? Don’t include those you might need to write off. When will they come in?
- What are your projected expenses in the next ________?
- What reserve funds are available? What is the time frame in accessing these reserve funds?
- What non-essential expenses can be eliminated?

<table>
<thead>
<tr>
<th></th>
<th>Q4</th>
<th>April</th>
<th>May</th>
<th>June</th>
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<tbody>
<tr>
<td><strong>Cash on hand</strong></td>
<td>$16,000</td>
<td></td>
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<tr>
<td><strong>Earned income</strong></td>
<td>$0</td>
<td>$0</td>
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<tr>
<td><strong>Contributed income - receivables</strong></td>
<td>$57,000</td>
<td>$2,000</td>
<td>$10,000</td>
<td>$45,000</td>
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<td><strong>Contributed income - projected</strong></td>
<td>$17,000</td>
<td>$5,000</td>
<td>$5,000</td>
<td>$7,000</td>
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<td><strong>Other</strong></td>
<td>$400</td>
<td>$400</td>
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<tr>
<td><strong>Subtotal income</strong></td>
<td>$74,400</td>
<td>$7,400</td>
<td>$15,000</td>
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<tr>
<td><strong>Expenses</strong></td>
<td>$108,000</td>
<td>$36,000</td>
<td>$36,000</td>
<td>$36,000</td>
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<tr>
<td><strong>Gap 1 = Subtotal income - expenses</strong></td>
<td>-$33,600</td>
<td></td>
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<tr>
<td><strong>Reserve</strong></td>
<td>$10,000</td>
<td>$0</td>
<td>$10,000</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Gap 2 = Gap 1 + Reserve</strong></td>
<td>-$23,600</td>
<td></td>
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<tr>
<td><strong>Non-essential expenses</strong></td>
<td>$6,000</td>
<td>$2,000</td>
<td>$2,000</td>
<td>$2,000</td>
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<tr>
<td><strong>Gap 3 = Gap 2 + Non-essential expenses</strong></td>
<td>-$17,600</td>
<td></td>
<td></td>
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</tbody>
</table>
Focus on Impact – Matrix Map

- HIGH Mission Impact, LOW Profitability
- LOW Mission Impact, LOW Profitability
- LOW Mission Impact, HIGH Profitability
- HIGH Mission Impact, HIGH Profitability
Paycheck Protection Program – SBA

Loans for nonprofits and small businesses to **pay staff and cover some operating expenses** for two months.

Loans may be forgiven in whole or part if employers **maintain employment or rehire employees**.

**Apply via local lender.**
Economic Injury Disaster Loan (EIDL) program – SBA

Interest Rate: 2.75%

Eligible nonprofits: Nursing homes, food kitchens, educational facilities, senior citizen centers, daycare centers, playhouses, shelters, and some others.

Apply via the SBA website.
Mid-size Loan Program – Treasury Department

**Interest Rate:** TBD

**Eligible for:** Businesses, including nonprofits, with between 500 and 10,000 employees.

*Apply via local lender.*
Other Provisions for Nonprofits

- Tax day delayed to **July 15**.
- Charitable giving incentive extended to non-itemizing taxpayers **up to $300**.

**Employee Retention Payroll Tax Credit**
- Refundable payroll tax credit of up to $5,000 for each employee.
- *Ask your tax attorney.*
Provisions for Employees

Direct Payments
• $1,200 or less and $500 per child.
• Payments are less for incomes about $75,000 and ends at $99,000.

Expanded Unemployment
• Increases payments by $600 per week on top of state benefits.
• Includes coverage for workers who are furloughed, gig workers, and freelancers.
Provisions for Employees

Paid Sick Leave

• Employers with fewer than 500 employees must provide their employees two weeks of paid sick leave up to $511 per day if they are sick and up to $200 per day to care for a sick family member or child whose school is closed.
• Employers can claim a refundable tax credit.
Provisions for Employees

Emergency Family Leave

- Up to 12 weeks of job-protected leave. After the first two weeks of paid sick leave, employees will be paid 2/3 of regular pay up to $200 per day.
- Excludes businesses with fewer than 50 employees.
• **NEA, NEH, IMLS** – 40% disbursed by state arts agencies.

• **Chronicle of Philanthropy** – Coronavirus Grants Roundup

*Tip – Subscribe to newsletters.*
Advocacy – Information and Action

• Open lines of communication with your representatives. 
  *They need to know how this crisis is affecting the sector. Be kind and firm.*

• **Participate in local government efforts.**
  *Task forces, committees, and community tables*

• **Follow the advocacy efforts of organizations.**
  *Like the Council of Nonprofits*

• **Speak out against acts of discrimination.**
  *Look up anti-stigma resources.*
When It’s Necessary to Fundraise

• **Think twice** about mass fundraising appeals (*unless you are on the front lines of the crisis*).

• Stay the course, with **sensitivity**.

• Take time to do extra **personalized stewardship**.

• Tell **uplifting** stories.

• **Be proactive** in outreach to grantors.

• **Target, target, target.**
The Cause Selling Cycle

Phase One
Phase Two
Phase Three

THE EIGHT-STEP CAUSE SELLING CYCLE
represents the steps good fundraisers take to become great fundraisers.
Who to Target

• Are there **Board members** or **loyal individual donors** that would be responsive to an urgent ask?

• Are there funding **opportunities** associated with taking programs and events **online**?

• Approach **family foundations** with which you have a relationship.  
  *They often have shorter or informal grant cycles.*

• Develop **relationships** with your local government **representatives**.  
  *Relief will come through them*
Stay Connected

• Take care of each other.
• Join a Facebook group.
• Webinars, online courses, podcasts - do them all.
• Think and plan for the future.
Questions?

Please send them in the chat!
CONTACT

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linkedin.com/in/katieaaf/
Thank you

For additional resources:
http://kerredyn.com/covid19/
2nd Edition
Cause Selling textbook

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Harassment & Misconduct: It’s not just a “For-Profit” Issue

April 15, 2020
11:00am – 12:00pm PST
2:00pm – 3:00pm EST

Register Today!
Thank you

TAKE YOUR CAUSE AND CREATE IMPACT.

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