COVID-19 IMPACT ON THE NONPROFIT SECTOR

Short-term

1. OPERATIONAL CHALLENGES/LOST REVENUE			
ISSUE	EXAMPLES	IMPACTS	MITIGATION

Inability to fulfill mandate/mission (including revenue generating activities)	• A state of public health emergency has been declared. This declaration limits gatherings in the province to under 50 people. As a result, non-profit organizations are unable to organize activities that enable them to fulfill their mission/mandate. Examples include:
	
	Event Cancellations
	• Cancelled conferences (Calgary Chamber of Voluntary Organizations)
	• Cancelled volunteer recognition events (National Volunteer Week)
	• Cancelled fundraisers (Volunteer Lethbridge fun run, galas, etc)
	• Cancelled tournaments/seasons (sports organizations)
	
	Suspended Operations
	• Other organizations, such as Boys and Girls Club/Big Brothers and Big Sisters of Edmonton, are unable to facilitate activities core to their mandate (in-person meetings between mentors and mentees).
	• As schools have been suspended indefinitely, school meal programs are working to find alternatives for how they assist program participants (e.g., distributing grocery cards)
		• Facility booking deposits/late cancellations fees, catering contracts
		• Communications/ promotions
		• Purchased supplies
		• Refunding membership fees
		• Non returning participants
		
		• Ongoing operational costs need to be covered by organizations that are not currently operating, including:
		   o Rent
		   o Electricity/gas/ water
		   o Equipment leases
		   o Staff
			• Closures of municipal recreational facilities may assist organizations supporting people experiencing homelessness; the City of Edmonton is considering using closed recreational facilities to isolate homeless individuals who have symptoms of COVID-19.
			• Some organizations are examining online alternatives for delivery of events

Updated: March 17, 2020

Revenue Reductions (training, entrance fees, casinos)	• Several organizations that provide training in governance, financial and human resources for nonprofits (ECVO and FuseSocial) announced indefinite suspension of their programs.
	• Public facility entrance fees will be forfeited indefinitely (including museum, art gallery, and recreational centre entrance fees, program and entrance fees for organizations such as Telus World of Science, and ticket costs for performing arts organizations)
	• The state of public health emergency also mandates the closure of casinos/bingo halls.
	   o This will likely result in lower overall revenues from charitable gaming funds for many organizations
	   o Current direction from AGLC on whether organizations with impacted casino dates will be in the pool is unclear; more information is expected in the near future.
		• Lower operational revenues
		• Lower reserves
		• Limited ability to generate ongoing community support
			• Municipalities, charitable and non-profit organizations providing social services support will immediately get $60 million to help their COVID-19 response.
			• This funding will be provided to adult homeless shelters, women's emergency shelters, and the FCSS program.
			   o Funding is expected to be distributed before March 31.
			   o $30 million is targeted to homeless shelters and women's shelters, and $30 million is for supports to seniors and other people in the community who may be isolated.

Facility Closures	• Community facilities, such as recreational centres, daycares, museums, arenas and community centres have also shut down to limit the spread. • Nonprofits providing services such as childcare will not receive revenue. Some have had to let staff go.	Public Facility entrance fees would be forfeited (Museums, Art Galleries, Telus World of Science, Recreation Centres), while ongoing operational costs remain, including: • Rent • Electricity/ gas/ water • Equipment leases • Staff	• Calgary Arts Development is moving some programming online: https://calgaryartsdevelopment.com/events/online-offerings/

2. INCREASED DEMAND FOR PROGRAMS AND SERVICES			
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Pandemic response for certain nonprofits' Programs/ Services	• A number of non-profit organizations will see higher than average demand for services during the public health emergency, including:
	  o Community facilities used as emergency response/ health care overflow
	  o Homeless Shelters (Boyle, Bissell, Hope Mission) providing food will be able to remain open, and will likely see an influx of new clients.
	  o Services for isolated Seniors (Meals on Wheels, Driving Services like Drive Happy or Handibus)
	  o Decreased demand and supply for food and blood banks (some food banks have identified that they need to cancel planned drives)
	  o Supports for newcomers (translation services)
	  o Supporting Albertans experiencing mental health challenges
	  o Organizations that continue operations will be required to take additional precautions for service delivery (i.e. foodbank safe distribution protocol, protecting volunteers from infection)
		• Overtaxing existing staff, or hiring additional staff to deliver services
		• Sanitary precautions (masks, gloves, cleaning supplies)
		• Waiving charges for service fees for vulnerable
		• Loss of revenue if a facility's original use is no longer available
		• Cost for additional supplies/food or advertising need for donations/ volunteers
			• Some organizations are communicating the targeted need for donation of financial and supply in their communications

Managing influx of volunteers coming forward in crisis	• Increased inquiries from those looking to help.	• Staff/volunteers needed to respond to inquiries/ help manage volunteer responsibilities	• Encourage use of existing resources (Calgary Foundation is using Volly, the Volunteer Connector has implemented additional supports during COVID)

Updated: March 17, 2020

			• Volunteer Centres are increasing efforts to match volunteers, redeploying as needed to those organizations with increased demand

3. BUSINESS CONTINUITY			
ISSUE	EXAMPLES	IMPACTS	MITIGATION
Lack of volunteers	• Self care/public health precautions will discourage volunteering in public places • Populations that usually volunteer (i.e. seniors) will not be able to do so • Public transportation may not be available/ desirable	• Staff may need to fill gaps with decreased volunteers • Volunteers that are not trained in specific roles may be asked to fill gaps • Organizations with no staff to cover have to shut down operations	• Volunteer Centres are increasing efforts to match volunteers, redeploying as needed to those organizations with increased demand
Managing Staff	• Loss in revenue, but staff wages/salaries still required to be paid • Uncertainty in navigating EI requirements • Organizations may not have the technology for working from home if offices are closed	• Staff Wages/salaries still need to be paid (or layoffs will occur) • Technology investment may be required for remote access	
Managing Communications	• There is no currently existing mechanism for information and resources to flow to the broader nonprofit sector • Filtering through an influx of communication/misinformation	• Increased communication in a time of crisis to staff and members/volunteers • Malware and phishing attempts are increasing • Organizations may be impacted by decisions made in several ministries, and require a single point of	• Some organizations are setting up specific websites with their own resources for clients, for example, Integral Org has shared some COVID-19 resources https://integralorg.ca/about-us/resources/covid-19-resources-for-nonprofits/

Updated: March 17, 2020

		contact for information on government decisions.	• The Alberta Nonprofit network has identified an existing group of knowledge mobilizers to help communicate information during the crisis
Business continuity	• Need to have and enact business continuity plans • Organizations are concerned about timely payments of grants (e.g., ECAP)	• Assembling resources and implementing protocols	• Covid Continuity has been set up by a group of consultants to provide insight into business continuity planning for non-profits.

Long-term

ISSUE	EXAMPLES	IMPACTS	MITIGATION
Meeting Legislative Responsibilities	• Organizations are required by the *Societies Act* to hold annual general meetings (AGMs)	• Technology investment for alternative means of holding AGMs • Possibility of not reaching quorum (no events over 50 people) • Late cancellation fees/supplies investment for intended meetings	• Working with Service Alberta to identify options for non-profits that need to postpone AGMs.
Meeting Funding Requirements/ Reporting	• Funding Programs will need to waive reporting requirements, or organizations will need to request extensions • Some organizations may not be able to deliver on intended outcomes based on service delivery gap	• Staff may need to fill gaps with decreased volunteers	• Community Grants is currently developing communication on scope and deadline changes for existing grants to account for COVID response and inability to provide reporting by current deadlines.

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