

# Effects of COVID-19 on Maryland Nonprofits and the Communities They Serve

## United Way of Central Maryland Round 2 Survey Highlights

July 9, 2020

### Context

In May 2020, the United Way of Central Maryland invited community partners to complete this survey during May 15-23, and 148 nonprofit groups participated in the survey (only Executive Directors and CEOs were asked to submit survey responses, with input of lead staff members).

### Survey Results (Highlights)

#### 1.0 ORGANIZATIONAL NEEDS

**1.1 Organizational Needs:** A majority of survey participants identified *Funding to Sustain Current Level of Service Delivery* (79.0% of responses) as a top need, followed by *Personal Protection Equipment* (47.6%), *Technology Support* (46.9%) and *Funding to Expand Staffing to Meet Increased Demand* (38.5%).

**1.2 Projected Loss of Revenue:** 40% of all organizations projected the loss of revenue to be in the range of 11-22%, and 22.7% (or 27 organizations) projected a smaller loss of revenue under 10%. Thirty-three organizations (or 27.3%) anticipated more severe revenue losses due to COVID-19, in the range of 21-50%, and 11 organizations thought the revenue losses would be even more severe (greater than 51% loss of revenue).

**1.3 Workforce Reduction Due to COVID:** 29 organizations (or 21%) said they had to lay off/furlough staff, while 106 organizations (79%) said they did not have to reduce their workforce. Smaller organizations with 10 or fewer employees reduced their workforce to a slightly larger degree (14.2%) than nonprofits with a staff size of 11-120 employees (11.1%). Larger organizations with a staff size of 121-200 employees reduced their workforce to a larger degree, leading to combined layoffs and furloughs of 19.7%. The largest organizations in our sampling (with an average staff size of more than 200 employees) reduced their workforce by 48.6%. It should be noted that the largest organizations utilized furloughs (rather than layoffs) to a much greater degree than smaller organizations.

**1.4 Paycheck Protection Program:** 74.1% of survey participants said they had applied for the federal Paycheck Protection Program, whereas 25.9% of survey participants across Central Maryland said they had not. Of the organizations that had applied for PPP funds, 90.6% said they had succeeded in gaining money from the program, whereas 9.4% said they had not gained any money.

**1.5 Capacity to Provide Services:** Without a doubt—COVID-19 has had a strong impact on our community partners' ability to provide services. 49% of survey participants said they were expecting to *Temporarily Curtail Some Services*. However, only 1.4% said they anticipated *Temporarily Ending All Services*, and none expected to *Permanently End All Services*. Conversely, 29.4% project to *Expand Services* due to COVID-19, and 20.3% expect to *Continue Services as Always*.

## 2.0 CLIENT NEEDS

**2.1 Client Needs (Immediate):** 60.2% of all survey participants identified *Paying Basic Needs Bills* as a top client priority. *Mental Health/Coping Support* came in as a close second with 56.4%, followed by *Accessing Food* with 52.6%, *Finding Employment* (41.4%), and *Digital Access* (38.3%).

**2.2 Client Needs (Subsequent Months):** The follow-up question related to identifying client needs in the subsequent 1-3 months mirrored responses we received to the first question about immediate needs, with a slightly higher emphasis placed on *Finding Employment* (55.6% vs. 41.4% in 2.1). Survey participants quite plausibly considered the implications of *recovery*, and the fact that a significant number of clients will need to reenter the workforce in the aftermath of the initial unemployment shock. Additionally, a larger number of Marylanders may need to find employment during *recovery* since personal savings, unemployment benefits will likely have been depleted.

**2.3 Financial Hardships:** We also attempted to shed light on the nature of financial hardship clients were experiencing as a result of COVID-19. 89.3% of survey participants identified *Rent/Mortgage* payments as the most significant financial burden, followed by bills incurred through *Utilities* (85.3%), and *Credit Card Debt* (36%).

**2.4 New Clients Due to the Pandemic:** Thirty-one (31) organizations reported that they were serving anywhere between 1-99 new clients as a result of the pandemic—*new* being defined as never previously having received services or having started services after early March of 2020. Twenty-one (21) organizations reported that they were serving 100-249 new clients, and 26 nonprofits said they had added more than 250 new clients to their caseloads. Seventeen (17) organizations said they had not added any new clients due to COVID-19.

**2.5 Evictions & Paying Basic Needs Bills (see point #2.1):** Once the eviction moratorium is lifted, the risk of significant eviction rate increases is real, and the United Way of Central Maryland is closely monitoring the situation. The Maryland Multi-Housing Association reports a doubling of rent delinquency from 11% in April to 21% in May (based on discussions with UWCM staff). Additionally, Maryland's COVID-19 housing policies are under-performing in state-by-state comparison, according to the Princeton University's COVID-19 Housing Policy Scorecard: "(...) without further action and supportive measures, Maryland could still see a surge of evictions soon after the state of emergency expires."

The Times Union (New York), "[Mass Evictions May Loom Without Rent, Mortgage Relief.](#)" May 14, 2020.  
Eviction Lab at Princeton University. [COVID Policy Scorecard for Maryland.](#) May 2020

**2.6 Digital Access:** *Digital Access* remains a top client need identified by 38.3% of community partners surveyed. According to a recent by the Baltimore-based Abell Foundation, 65.3% of Baltimore City homes with children had access to wired internet, compared to 83.8% nationally. Half of African American households and less than half of Hispanic ones had wired broadband access, compared to 75% of white households, and 43% of families with incomes lower than \$25,000 have wired internet access, compared to 87.2% for families that made more than \$150,000.

Abell Foundation. "[Baltimore's Digital Divide.](#)" May 2020  
Urban Institute. "[Who Gets to Go to College When All College Is Online?](#)" March 26, 2020.