Kentucky Nonprofit Network (KNN) partnered with Grantmakers of Kentucky to survey Kentucky's nonprofits to learn more about the impact of COVID-19. This report analyzes results gathered from 582 nonprofit organizations across Kentucky and southern Indiana as of April 22, 2020.

Organizations responding had annual operating budgets ranging from less than $250,000 to more than $25 million. This data and continued responses from nonprofits allows KNN, funders and others to respond immediately to this crisis and fulfill the needs of the sector now and as they develop.

**Survey Representation**

**Organization's Primary Focus**

- Arts, culture, humanities: 18%
- Education: 18%
- Environment, animals: 5%
- Health: 9%
- Human services: 37%
- International, foreign affairs: 1%
- Public, societal benefit: 9%
- Religion: 2%
- Mutual/member benefit: 1%

For context, 26% of ALL Kentucky nonprofits are Human Services organizations.

**Organization's Annual Budget**

- Under $250,000: 32%
- $250,000 - $499,999: 18%
- $500,000 - $999,999: 13%
- $1M - $2,499,999: 14%
- $2.5M - $4,999,999: 8%
- $5M - $9,999,999: 7%
- $10M - $24,999,999: 4%
- Over $25M: 4%

For context, 75% of ALL Kentucky nonprofits have annual operating budgets of less than $500,000.

"We are still working and will be here when this passes. We still need funding.

100% of Kentucky counties are represented in this data, plus three counties in Southern Indiana (Clark, Floyd, & Harrison)
BY THE NUMBERS

92% of 582 respondents report experiencing disruptions in programs & services due to COVID-19

51% of responding organizations are reducing program/services offered and number of clients served due to COVID-19, negatively impacting 489,161 Kentuckians so far*

$48,112,368 Total decreased/lost revenue due to COVID-19 (Average 19% of total annual revenue)*

$5,142,068 Total increased expenses due to COVID-19 (Average 5% of total annual budget)*

2,771 # of staff members laid off, furloughed, or experiencing cut in hours or pay due to COVID-19 (Average 61% of pre-COVID-19 staffing)*

*136 organizations reporting

In order to address financial issues, 26% of responding nonprofits are laying off or furloughing staff members; 28% are reducing staff pay and/or hours; 71% have received/are applying for a federal loan; 72% are seeking emergency funding from current funders/donors; and 53% are seeking emergency funding from prospective funders/donors.

ORGANIZATION'S CASH RESERVES

50% of 582 responding organizations have less than 3 months cash reserves

KY NONPROFITS ARE ADAPTING IN INNOVATIVE WAYS:

- Switching to online educational opportunities/services
- Emergency command centers
- Relief funds for artists
- 3D virtual tours
- FaceTime home visits
- Video chat mental health services
- Grab-and-go meals for youth and unemployed workers
- Gardening to provide food to those in need

2017 IRS Form 990 data show that Kentucky nonprofits’ expenses are at 98% of revenue - operating on a razor thin margin
What Do Donors, Funders, & Government Officials Need to Know?

One consistent message from across the nonprofit community: Organizations & communities need flexible financial resources. Right now.

KY NONPROFITS' TOP NEEDS INCLUDE:

- General operating support, including a shift of restricted funds to unrestricted funds
- Funding extensions
- Eased rules for outcomes, reporting and applications
- Patience and understanding that this will have a long-lasting impact
- Advocacy support to strengthen coordination with local, state and federal governments
- Solidarity and timely, reliable information and resources from government officials

Resources

To stay up-to-date on how nonprofits are being impacted by COVID-19, and to view and share resources for nonprofits, visit www.kynonprofits.org/coronavirus.

Kentucky Nonprofit Network (KNN) sends regular COVID-19 sector updates. To sign up for our e-mail list, visit members.kynonprofits.org/subscription-signup.

KNN hosts free weekly virtual town hall meetings via Zoom for members and potential members on Thursdays at 10:30 am EDT. To register, visit members.kynonprofits.org/events.

Learn more about the economic importance of Kentucky’s nonprofit sector. Visit kynonprofits.org/advocate/morethancharity.

Please be flexible with deliverables & allow organizations to reallocate funds to general operating support...