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FINANCIAL MANAGEMENT

Nonprofit Fundraising in the Age of Coronavirus

by Alan Cantor
During this time of dislocation, fear, and trauma, nonprofits are struggling mightily. The pandemic and economic collapse constitute an existential threat. There’s no guarantee that the public will receive our services, now or in the future, or that staff members—the face and heart of every organization—will retain their jobs. Everything is uncertain. Everyone is on edge.

Much will depend on money. In the weeks and months ahead, nonprofits will need a major infusion of cash to keep staff on the payroll, to pay rent and utilities, to provide a semblance of services during this period of social isolation, and, simply, to survive. Many will be helped by the recently passed
CARES Act, and many are already benefiting from foundations that are accelerating the distribution of grant commitments, removing restrictions, and easing reporting requirements. That’s providing a bit of oxygen in the short term, but none of us knows what will happen in the sector in the longer term, or which organizations will survive. When I ask nonprofit CEOs how they’re doing, virtually everyone leads with the word stressed.

Amid the debris, nonprofits are quietly hoping their donors will ride to the rescue. But here’s the challenge: Yes, every charitable organization wants to receive contributions right now. But very few have the temerity to ask their donors for a gift. They know that people feel fragile and are worried. They know it’s going to get worse before it gets better. Nonprofit leaders don’t want to come across as selfish jerks, asking for money from people who may be fighting illness or losing their jobs or worrying about their kids or mourning a family member or simply freaking out, hunkering down, and waiting for the next bit of dire news. Nonprofits are reading the room, and the message they’re getting is: Don’t ask for money now. Just don’t.

Of course, old habits die hard.

There’s an apocryphal story already circulating among fundraisers about an unnamed university that forgot to cancel its scheduled late-March planned-giving mailing to alumni. As a result, a letter went out declaring, in the midst of the pandemic, “There’s no better time than now to revisit your estate planning!”

Yikes. People are indeed freshly aware of their mortality, and there are indications that many individuals are reviewing their wills, and that some are indeed adding bequests to charity. A worldwide fatal contagion will do that to you. But we can surely all agree that making this kind of suggestion right now would be painfully tone-deaf.

But nonprofits have to keep soliciting gifts. Their survival depends on it. So what should they do?

Initially, as I spoke to clients about this, compared notes with other consultants, and reacted to a handful of solicitations from causes I support, I struggled to come up with a clear set of guidelines for how charitable organizations can and should raise the subject of contributions in the midst of a crisis. But then I received a strikingly effective email from my local YMCA. I think it got the balance just right.

First, the CEO explained that the facility would be closed into May, as per our governor’s orders. No surprise there.

Second, he acknowledged the deep uncertainty of the moment and said that the Y wanted to make our lives a little bit easier and retain us as members. “So, to recognize your loyalty and to take a little bit of the financial pressure off your shoulders,” he wrote, “we have decided to waive all membership...
fees for the month of April and put your membership on hold.” The Y, he noted, is in this relationship for the long term.

Third, he talked about the online resources and virtual classes that would be available to members in the weeks ahead.

Finally, he reported, sadly, that the Y has been forced to furlough most of its employees, but that the organization is committed to covering the staff members’ full health insurance premiums during the pandemic. He went on to suggest that for those members who are in a position to make a charitable gift, their contributions would be directed to offset the cost of the staff’s medical benefits.

I found this a thoughtful and elegant approach at a chaotic time. The Y assumes that we members have been staggered by the pandemic, and in his letter the CEO offer both sympathy and a financial balm, in the form of a month’s free membership. He was transparent about the pain that the staff—people we know and like—are going through, as well as the commitment the Y is making to mitigate the staff’s challenges. And he then asked us to self-select if we are able to make a gift to help the organization and those staff members.

Had this letter led with a request for donations, I wouldn’t have bothered reading the second paragraph. But it asked about me first, and offered a gesture of support. Throughout, the letter was transparent and direct, respectful and sensitive. It emphasized our relationship and our mutual commitment.

I’m only one donor, but this approach resonated with me, and I responded with an online donation. My sense is that many other members did the same.

These are unprecedented times, and we are all learning as we go along. Here’s what I learned from this letter: that there is indeed a way for nonprofits to offer support and to seek it at the same time.

I’ve since come to see a few other organizations set a similar tone. One statewide mental health organization I know compiled and shared a list of COVID-19 resources for the benefit of its traditional clientele, certainly, but also for donors and the community at large. A performing-arts center wrote to me and its other members, asking after our welfare, expressing sadness at not being able to share artistic experiences together, recounting past memorable performances, and only then gently asking “those of you who can” to consider a gift to help the organization through this fraught time.

In the coming weeks and months, successful requests for charitable donations will need to be embedded in a larger expression of mutual support, empathy, and solidarity. And this approach should not be temporary: As the country deals with ever-greater personal loss and stress, charitable organizations can no longer do business as usual. The line between supporters and the supported will grow ever hazier. All of us will need help, and all of us will need to do our best to provide help to others.
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