



Montana Nonprofit Association

Montana's Nonprofits and the Economy

Montana's large geography and sparse population, coupled with a leaning toward smaller government heighten the importance of nonprofits in communities large and small across the state. Nonprofits are adaptive and responsive, standing in the gap where business and government either won't or can't. They are also efficient, bringing philanthropic funding to bear on our most pressing community issues and highest held priorities.

While two thirds of Montana's nonprofits are entirely run by volunteers, **almost 2300 charitable nonprofits in the state pay wages**. All told, Montana's nonprofit community is a ten-billion-dollar sector that employs nearly 52,000, or **11.2% of the states workforce**. Since the advent of COVID-19, MNA has worked alongside our partners in the nonprofit, private and public sector to ensure that Montana communities navigate the pandemic with resources, information and support.

Unemployment within the Sector

As of February 2021, the **nonprofit workforce remained down by over 926,000** jobs compared to February 2020 levels, representing a **7.4% decline** over the first year of the pandemic. These lost jobs include nearly 35% of all workers in nonprofit arts and entertainment organizations; 14.6% of nonprofit education workers; 10% of all workers in nonprofit religious, grant-making, and civic associations; 7.5% of workers in nonprofit social service institutions; and nearly 4% of nonprofit health care workers. **Recovery time to pre-COVID-19 is 23.4 months.** (*Johns Hopkins University, March 2021*)

Types of Recovery

Nonprofits are part of the economic picture and need to be broadly and expressly included in recovery efforts as employers. Prioritize a grants program that addresses these areas:

- **Acute:** Lost revenue
- **Acute:** Increased expenses/Increased services
- **Acute:** COVID-19 related modifications/changes
- **Longer Term:** A vision for a stronger Montana (children, education, workforce development, wages, decreasing structural inequality) – funding is tiered, some of this requires a longer planning process.

MNA Profile: How are the people?

The following information was gathered through twelve interviews and a survey conducted November 25 – 30, 2020. The survey data represents responses from 49 organizations of various sizes and subsectors across the state. **“Key Data” is designated as program/community-specific or state-level data.**

Subsector	Key Findings	Key Data
Arts & Culture	Montana’s art community – event venues, galleries, museums, etc. – have been hit particularly hard, as in-person events, classes and performances comprise a large part of their revenue. Montana does not have designated funding for the arts, making the hit even more intense, and there is little public funding to offset the impacts of COVID. Arts organizations make a significant contribution to community economies and long term livability.	<p>↓ 75% loss in ticket sale revenue*</p> <p>↓ 75% drop in enrollment for children’s classes, senior programming*</p>
Child Care – The Early Years	Montana’s fragile childcare system has frayed during COVID, as families struggle with loss of income and little public funding to offset expenses, and child care and education centers navigate the challenges of keeping children and staff safe.	<p>↓ 34% of families can no longer afford childcare (up from 13% pre-COVID)**</p>
Child Care – Out of School Time	Nonprofit organizations that provide summer camps and afterschool programming report an uptick in requests for financial assistance, and drops in enrollment. CARES Act funding provided funding for essential workers to have reliable, quality childcare and out of school so they could continue to work. As this funding sunsets, we are re-creating the barriers to parents being able to work.	<p>↑ 35% in requests for financial scholarships*</p> <p>↓ 25 - 50% drop in enrollment*</p>
Child Welfare	Loss of employment and loss of income has led to increases in families needing assistance with basic needs. It has also led to increased incidences of substance use, child abuse, and neglect. Additionally, there is less capacity for out of home placements (shelter/foster care) due to COVID concerns.	<p>↑ 36% in children served by CASA volunteers*</p> <p>(Court Appointed Special Advocates support children who are in the court system due to abuse/neglect.)</p>
Community/Economic Development	An increased number of businesses and community organizations are requesting financial assistance, including deferral of loan payments and delaying planned business growth. Most small businesses are reporting that state and federal aid has been insufficient to weather this economic hardship. Businesses served by Native Community Development Financial Institutions (NCDFI) received a fraction of the federal assistance other small businesses in Montana received.	<p>↑ 10% of business loan clients requesting deferral of loan payments (up from <3% pre-COVID)*</p>

Conservation Public Access	Nonprofits report that overall usage of public spaces is up significantly, leading to environmental impacts.	↑
Disabilities	Worries about a COVID breakout, lack of staffing and staff struggling with extra hours and duties with low pay, are fraying the disability community. A loss of work-based and service contracts means less revenue and more social isolation for people with disabilities.	↓ 35% loss in work-based & service contracts*
Disproportionate Impact	The disproportionate impact of the pandemic on people of color is well-documented, as American Indian communities and Black Montanans struggle with higher rates of infection and mortality. These communities should be prioritized for vaccination.	AI comprise 6% of pop., yet are 14% of COVID cases and 28% of COVID deaths**
Domestic Violence	The pandemic has disrupted how victims of domestic violence seek support, as concerns of housing, economic security and child care compound the choices victims must make. More women are choosing to stay in violent homes rather than risk COVID exposure.	↑ increased levels of violence and lethality** ↓ decreased access to supportive services in some communities**
Employment Anti-Poverty	Programs that help low-income people gain job skills and employment report that participation is down due to supplemental supports (such as unemployment), instability of child care, and COVID concerns.	↓ 45% decrease in client participation in TANF* (Temporary Assistance to Needy Families)
Food Security	Proactive policies (such as Farm to Family) ensured ample access to food, and yet families needing food assistance skyrocketed this year. Food subsidies ending at the end of 2020 will create a “commodities cliff”. In Native communities, isolation and poor transportation led to a doubling of need for food assistance.	↑ 42% increase in food distributed* ↑ 200% increase in emergency food assistance*
Homelessness	More individuals and families are experiencing homelessness. Due to COVID protocols, shelter capacity is diminished and individuals/families are staying in shelter for longer durations. Demand for new housing in native communities has tripled in some communities, as multi-family/multi-generational homes seek to mitigate virus spread.	↑ 111% increase in families experiencing homelessness* ↑ 50% increase in duration of shelter stays* ↑ 40% of children classified as homeless in one tribal nation*

Housing	Income loss, remote school, and lack of child care are stressing low-income families' ability to maintain housing. This has led to increases in requests for rent and legal assistance. Builders of low-income housing are seeing disrupted supply chains and increased material and labor costs.	<p>↑ 33% increase in unpaid rent in low-income housing*</p> <p>↑ 100% increase to 24-hour help line for housing support*</p>
Libraries	Librarians are increasingly a critical point of contact for community, providing hotspots on loan, job service resources, and telemedicine access. Concerns about staff safety, priority access to vaccinations, and community voices for keeping us all safe are priorities.	↑ 1350% increase in hotspot usage**
Mental Health & Substance Abuse	More individual are using substances and exhibiting mental health concerns. However, community treatment, counseling, and other critical services have been disrupted or had their capacity diminished due to COVID restrictions.	<p>↑ 75% increase in mental health resource and support requests*</p> <p>↑ Increased no-show to community treatment*</p>
Senior Care	Isolation, loneliness and concern for their and/or their family's health tops the concerns of older adults, according to randomized interviews and tele town halls of over 2,400 older adults, led by the Area Agencies on Aging Association this fall.	↑ 49% of older Montanans are living alone during the pandemic and facing extreme isolation**
Utilities	Families are struggling to pay their utility bills. The number of requests for assistance, and the amount of funding needed, are both higher this year than last, 47% of requests for assistance were COVID-related.	<p>↑ 47% in HHs seeking help with utility bills**</p> <p>↑ 58% in average amount requested **</p>

* Program or community-specific data

** State-level data

For Montana to fully recover, we require a strong, effective nonprofit sector. Nonprofit organizations are in every county and in all Tribal nations in the state, providing essential services, supporting the quality of life and serving as the social safety net. **We are frontline workers, guardians of community well-being, employers, and economic drivers.** As plans are developed about how to reinvigorate our economy while keeping Montanans safe, the nonprofit sector will be an essential part of the equation, bringing community-based, efficient, people-centered solutions to the decision-making process.

Montana Nonprofit Association is a membership organization of more than 625 charitable nonprofits across the state. We believe Montana's vitality and prosperity is dependent upon a strong nonprofit sector alongside a thriving business sector and an effective government.

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