



# CHARITY DURING PANDEMIC HOW TO ADAPT TO A CRISIS?

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# Unprecedented times!

- Global not regional or local crisis
- Pandemic restricting mobility
- Economic loss worldwide
- Drop in donations
- Increased demand of humanitarian assistance

# COVID-19 induced major challenges

- The survival and safety issues
- Declined fundraising
- Low or no reserves to fall upon
- No time for putting risk mitigation plans in place
- Lack of Government bailout packages

# **Advice for management**

Charities come in so many shapes and sizes that a single solution is not possible. There are a number of issues you need to consider to maintain your regular activities:

**Governance** – It will be important to check how you are affected. Many charities will immediately look to see ways in which they can assist with the present crisis but you do need to make sure that any support you provide is within your charitable objectives and if not look to see if they can be extended.

**Cash Flow** – The sudden drop in donations from the public is having a significant effect on income. You may need to get creative with how you can fundraise under the present restrictions. Careful budgeting to forecast your income will be essential. It is critical to understand what out flows you can control.

Where there is a deficit, you will need to consider the use of reserves and in certain cases approach your donors to see if there can be a release of the terms on restricted funds.-

# **Government and public purse support**

As part of the COVID 19 support charities across the world struggle to ensure they can continue their vital work during the Coronavirus outbreak.

## **Restart plans**

Finally, it will be wise to have a recovery or restart plan in place so that you can aim to get going again as quickly as possible once the crisis is over.

## **Look for others**

# **Advice for fundraisers**

# Don't stop fundraising

“People don't give unless they are asked, for the most part. So continue to ask for those donations

While the percentage of households who gave declined during the Great Recession, households who continued to give, gave consistently during difficult economic conditions.

The dollar amount they gave may have changed, if income decreased, but most people gave a consistent percent of their income, even during hard times. Giving can become a habit. Even if the economy is hit hard, some people will not change their giving behaviors dramatically.”



# **Maintain communications with your donors**

“During times of economic slowdown or insecurity, nonprofits need to increase communications with their donors, who might be open to the possibility of special (additional) donations during this particular economic season

# **Giving may decline at the moment, but continue to make your case**

Nonprofits may be concerned that donations from households may shift toward combating COVID-19. However, the report U.S. Household Disaster Giving in 2017 and 2018 states the majority (78 percent) of disaster aid donor households reported that their disaster giving did not affect their giving to other causes. Twelve percent reported an increase in their giving to other causes.

## **Advice for grantmaking foundations**

Consider adjusting your giving to donate more during times of emergency. Grantmaking foundations could consider giving more to nonprofits (many of whom provide crucial services to at-risk populations) during uncertain times, without worrying that they will completely drain their endowment.

# **“The gift of human presence” – Robert Payton**

“Nonprofits provide places to build social capital and to work together toward a better world.”

## Thank You

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