The data on which this report is based comes from 315,698 Form 990 and Form 990-EZ IRS Filings covering substantially more or less than 12 months were removed from the set, as were those reporting negative values for total expenses or total revenue. Additional filters were applied to exclude organizations believed to be defunct or not in good standing with the IRS. Filings with unknown or not available MOD were retired from the set, and any remaining filings with unknown MOD were excluded from the analysis. A total of 52,958 organizations were included in the database. Although analyses of Form 990 data have been ongoing for several years, the breadth and depth of this analysis are unprecedented. The following methods have been used:

- **Methodology:** We have used a variety of statistical methods to analyze the data, including regression analysis and cluster analysis.
- **Data Assimilation & Processing:** Numerous records have a total revenue amount that was calculated and the available cash was divided by this value. Additionally, one scenario result was reanalyzed.
- **Data Use:** Despite the comprehensive nature of the data used, some data limitations exist.

There is no easy way to answer the question of how many nonprofits will go out of business. We can offer a set of possible scenarios and our best estimate for the baseline.

### Executive Summary

- **Baseline and Scenario Averages:** The scenarios are calculated as a percentage of the baseline average. This is the estimated number of additional US-based nonprofits that might go out of business by the end of 2020.

#### Scenarios

- **Scenarios 1-6 (Baseline):** These scenarios show what might have happened with baseline average calculations.
- **Scenarios 7-12 (Baseline):** These scenarios show what might have happened with alternative revenue calculations.
- **Scenarios 13-18 (Scenario):** These scenarios show additional possibilities.

#### Trends

- **Revenue Trends:** A decrease in revenue is expected across all scenarios.
- **Expense Trends:** Expenses are expected to decrease in some scenarios.
- **Cash Levels:** Cash levels are expected to decrease in all scenarios.

#### Conclusions

- **Based on the survey:** Nonprofits are in desperate need of financial support.

---

**Methodology**

- **Scenario Planning:** Scenario planning involves imperfect—and ultimately arbitrary—assumptions. We have done our best to use the available data to inform these assumptions.
- **Baseline Average:** The baseline average is calculated for each category. The 'most optimistic' and 'most pessimistic' scenarios are shown for each.

**Note:**

- a. Nonprofits could use debt to buy time to weather the storm.
- b. We included just 1 year of revenue and expenses in the analysis.
- c. Nonprofits could use debt to buy time to weather the storm.
- d. We did not include scenarios 16-18 in the scenario average. (See Note 5.)
- e. We used the median to calculate the baseline average.
- f. Nonprofits could use debt to buy time to weather the storm.
- g. Nonprofits could use debt to buy time to weather the storm.
- h. We used the median to calculate the baseline average.
- i. Nonprofits could use debt to buy time to weather the storm.
- j. We used the median to calculate the baseline average.
- k. Nonprofits could use debt to buy time to weather the storm.
- l. We used the median to calculate the baseline average.
- m. Nonprofits could use debt to buy time to weather the storm.
- n. We used the median to calculate the baseline average.
- o. Nonprofits could use debt to buy time to weather the storm.
- p. We used the median to calculate the baseline average.
- q. Nonprofits could use debt to buy time to weather the storm.