

THE VOICE OF CORPORATE PHILANTHROPY IN RESPONSE TO COVID-19 WORLDWIDE



ABOUT THIS REPORT

In its fourth COVID-19 survey, conducted from June 25 to July 10, **CAF America**, in partnership with **CyberGrants** and **The Association of Corporate Citizenship Professionals (ACCP)**, captured the voices of 73 corporations and corporate foundations that shared the impact of the pandemic on their philanthropic giving.

Since March, when the pandemic was first acknowledged as a global crisis, CAF America published a series of monthly reports to tell the story of the unfolding trends and the challenges of charitable organizations facing COVID-19 worldwide. Aggregating **survey responses from over 1,700 organizations**, a bleak picture has come into focus—the majority are **negatively impacted** by the pandemic and when asked about their ability to persevere, one-third of the respondents shared they are likely to be **“forced to close down in the next 12 months if the situation remains unchanged.”** With such dramatic and widespread implications for the nonprofit sector, the corporate donor perspective is of critical value to inform the global response.

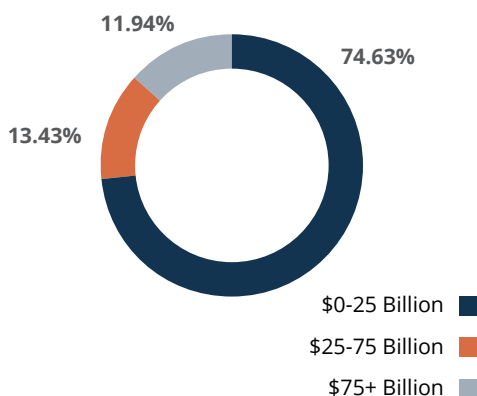
We are at an inflection point. **This report provides insight into corporate philanthropic efforts since the pandemic began.** The experiences of the past few months enable donors to consider how actions taken to support the resilience of communities in need have fared, and how this knowledge can help the global community navigate the best path forward.

About the Respondents

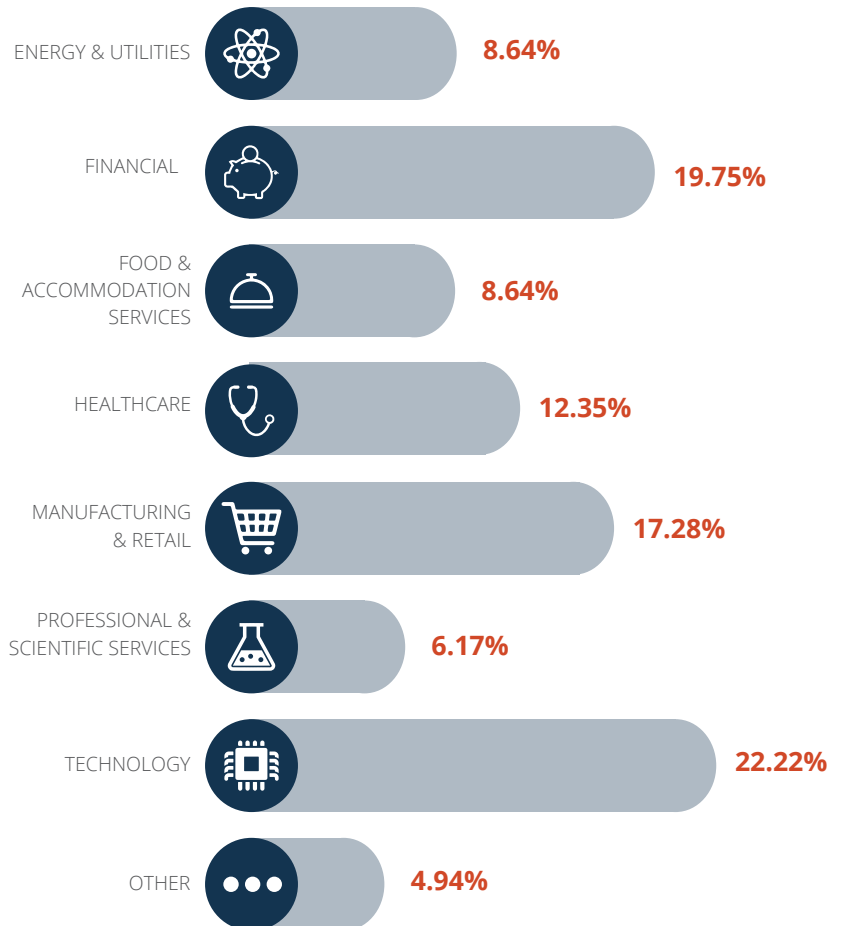
The 73 respondents represent a diverse cross-section of corporations in the private sector. Ranging from Fortune 500 and Fortune 100 companies to small and medium-sized enterprises (SMEs) to the respondent sample comprises all major industries.

For the purposes of this report, there is no distinction in funding source, whether giving came from the corporate foundation, the corporate social responsibility department, the business units, or elsewhere.

Annual Revenue

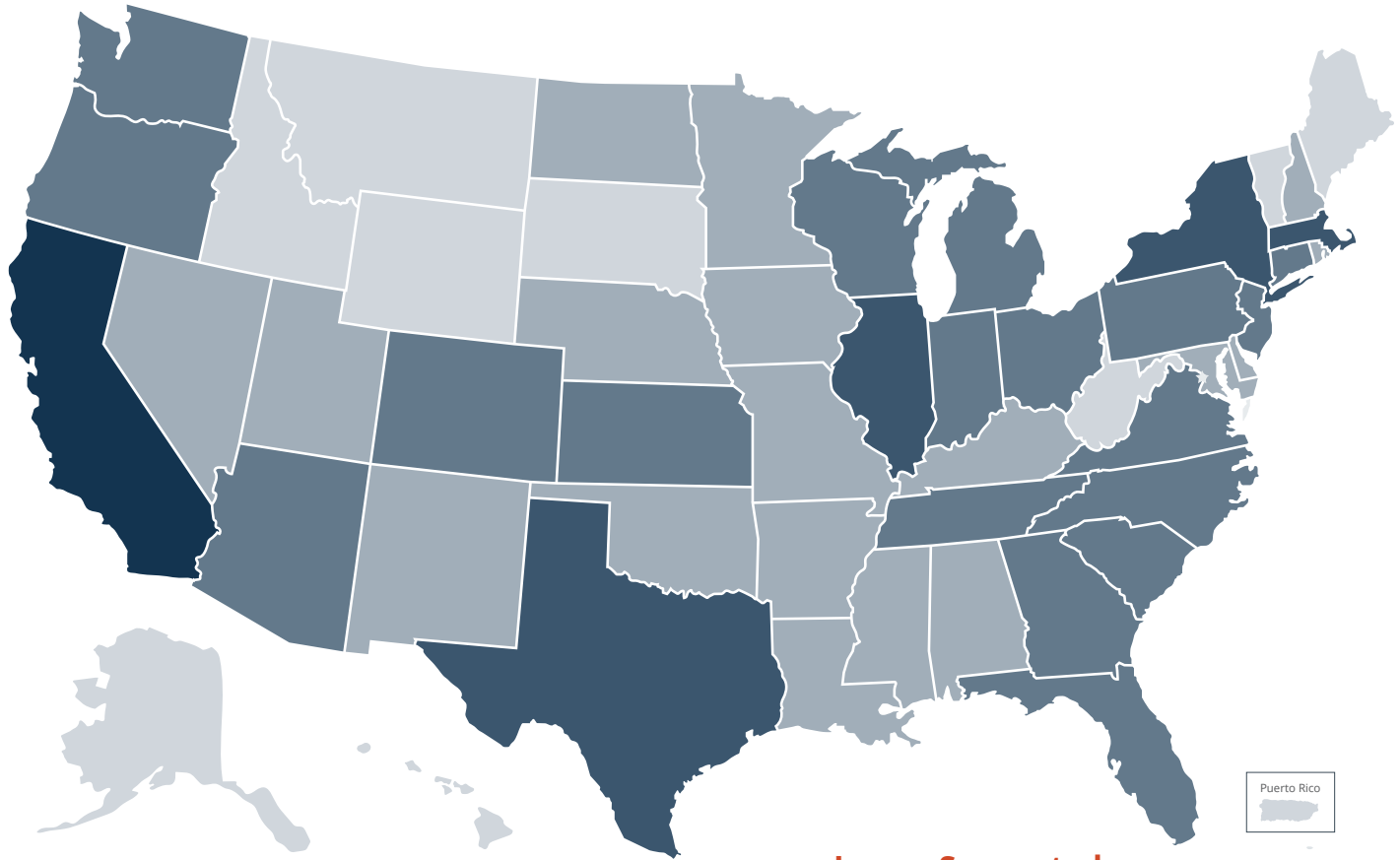


Industry



GIVING COVERAGE | DOMESTIC

With all but one survey respondent allocating some or all charitable giving to domestic nonprofits, the geographic **distribution of giving covers all 50 states and Puerto Rico**. Several respondents provide funding across multiple states. Giving to issue areas is evenly spread across the major categories of need presented to respondents, with a significant number of respondents highlighting other areas of aid including support for veterans, financial literacy, and social justice.



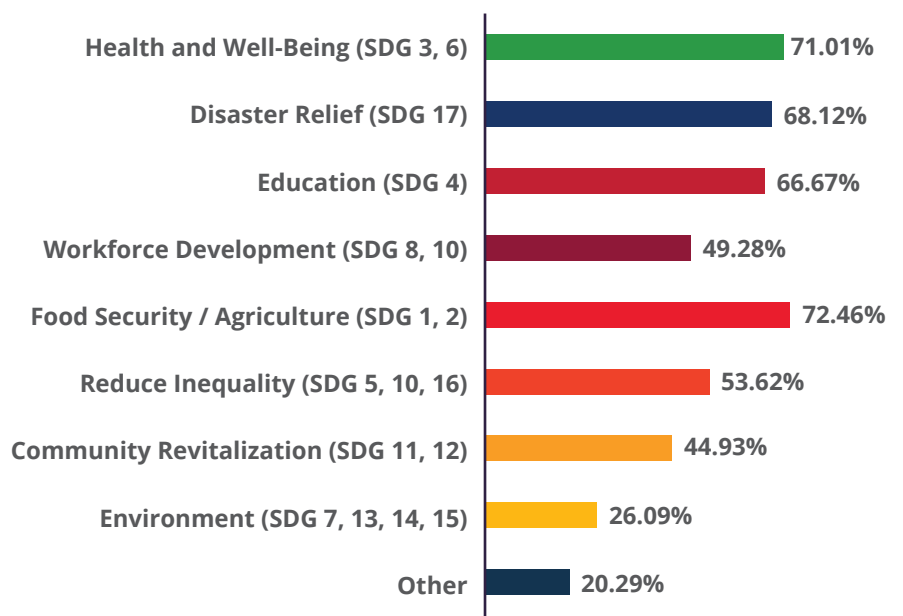
- 0 - 5 Grantees
- 6 - 10 Grantees
- 11 - 20 Grantees
- 20 - 30 Grantees
- Above 30 Grantees

Recent Funding
(past three months)

98.61%

CORPORATIONS SUPPORTED
US-BASED CHARITABLE
ORGANIZATIONS

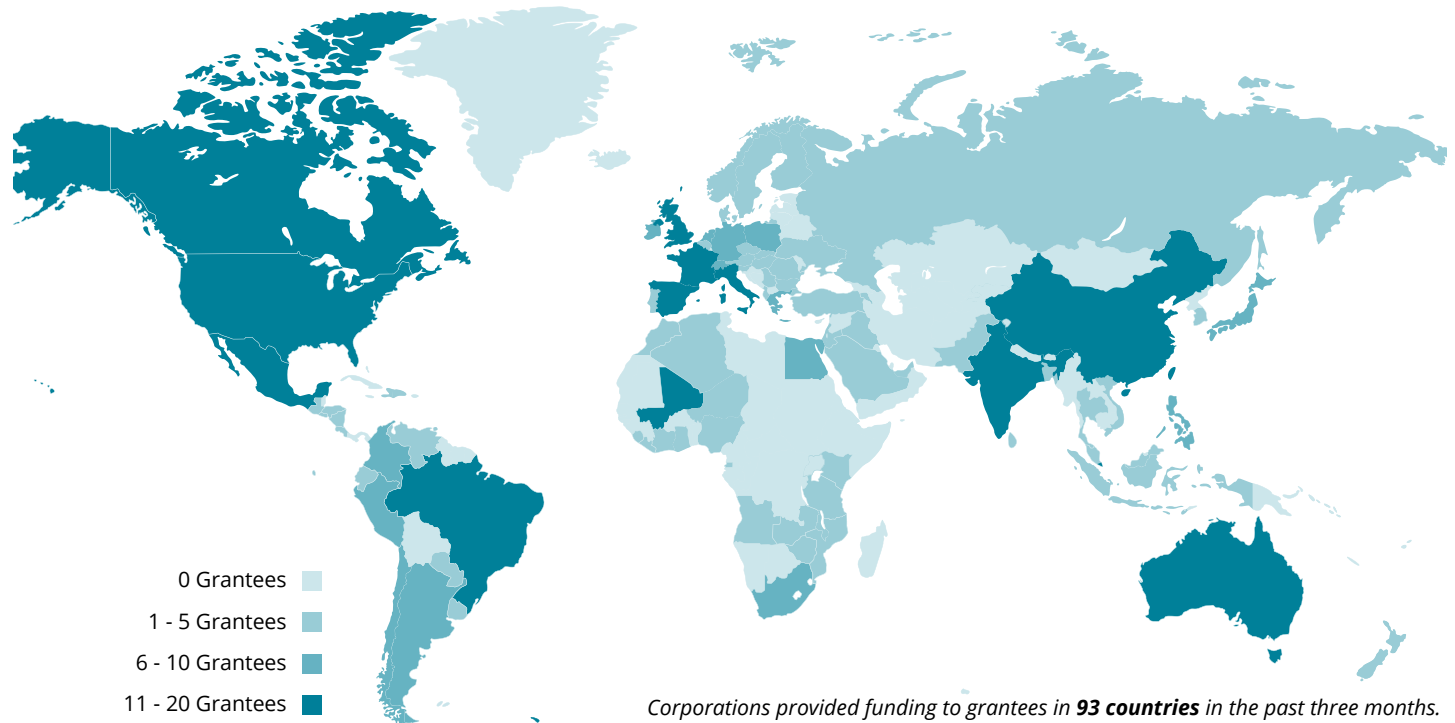
Issues Supported



United Nations Sustainable Development Goals (SDGs)

GIVING COVERAGE | INTERNATIONAL

Nearly 60% of the surveyed corporations are giving internationally, with grantees spanning 93 countries. Closely aligned with their offices around the world, companies often provide philanthropic support to the local communities where their employees live and work. In terms of issue area, the four highest needs addressed were in disaster relief (72%), health (69%), food security (62%), and education (51%).

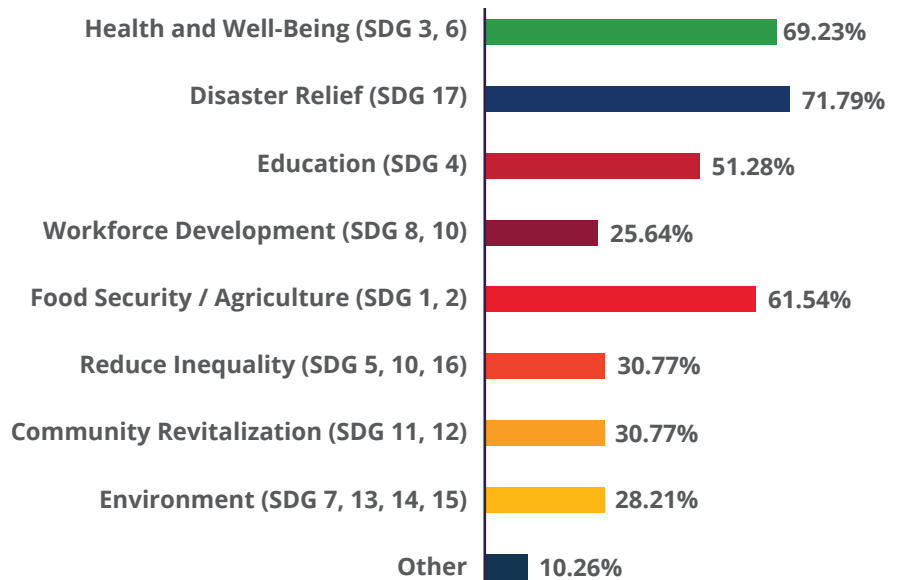


Issues Supported

Recent Funding
(past three months)

58.90%

CORPORATIONS SUPPORTED
CHARITABLE ORGANIZATIONS
WORLDWIDE



United Nations Sustainable Development Goals (SDGs)

PHILANTHROPIC RESPONSE | FUNDING

As companies respond to the emergent needs of their existing and new grantees engaged in COVID-19 related relief efforts and beyond, there is a notable shift toward expanded giving.



71.84%

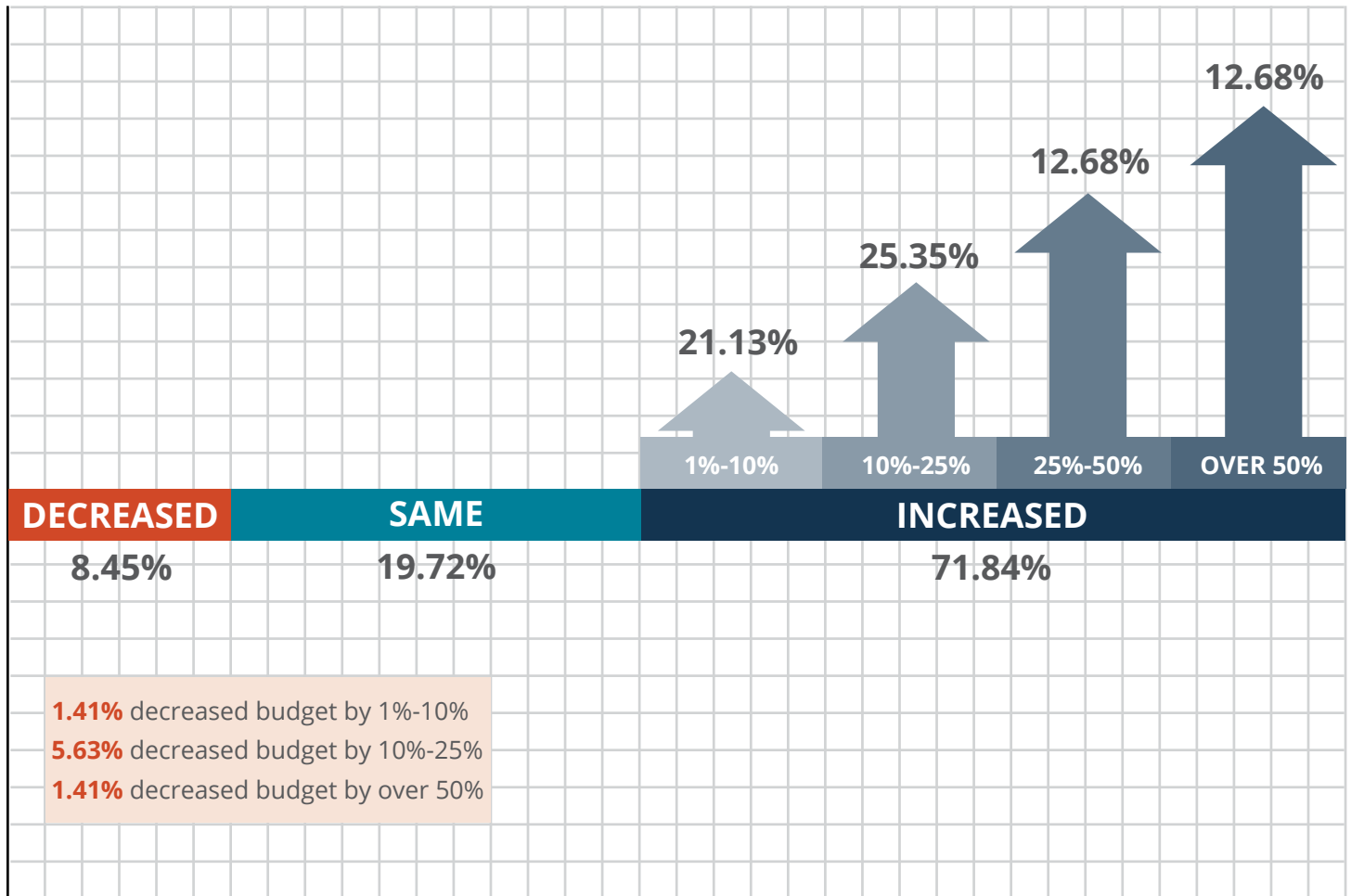
CORPORATIONS
INCREASED THEIR GIVING

Corporations are doing more to support in this time of need, with **72% of the respondents increasing their contributions to charities**. Although the global coronavirus pandemic is predicted to impact all sectors, 20% of the corporations surveyed have been able to maintain their philanthropic budgets. Others, representing 8% of the respondents, had to decrease their charitable giving.

A more granular look reveals that **one-quarter of the corporations surveyed are giving 10-25% more**, and **over 12% are giving over 50% more**.

During the past three months, how has your charitable giving budget changed (in comparison to prior year)?

(N=71)



PHILANTHROPIC RESPONSE | STRATEGY



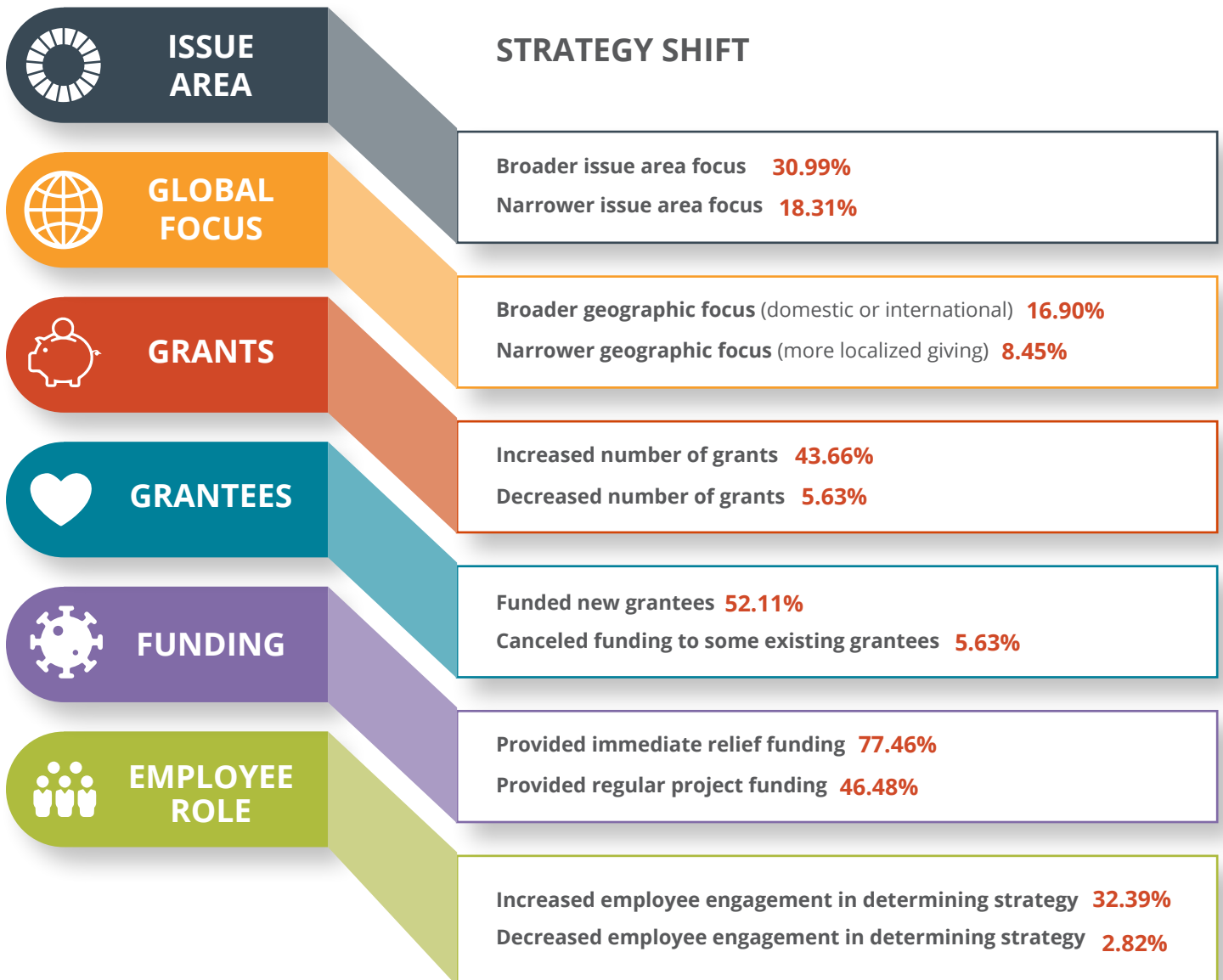
43.66%

INCREASED THEIR NUMBER OF GRANTS

Corporations are demonstrating agility and proactive responsiveness as they work to adjust to a new economic landscape for all stakeholders, including beneficiaries of their charitable giving.

Recent trends show corporations increasingly aligning philanthropy with their core purpose. As a result of the pandemic, **companies have broadened their philanthropic strategy.** Respondents noted an array of changes from immediate relief funding, to greater engagement of employees in determining giving approaches, to tactical shifts in giving based on geography or issue area.

Has your giving strategy shifted in the past three months? (N=71)

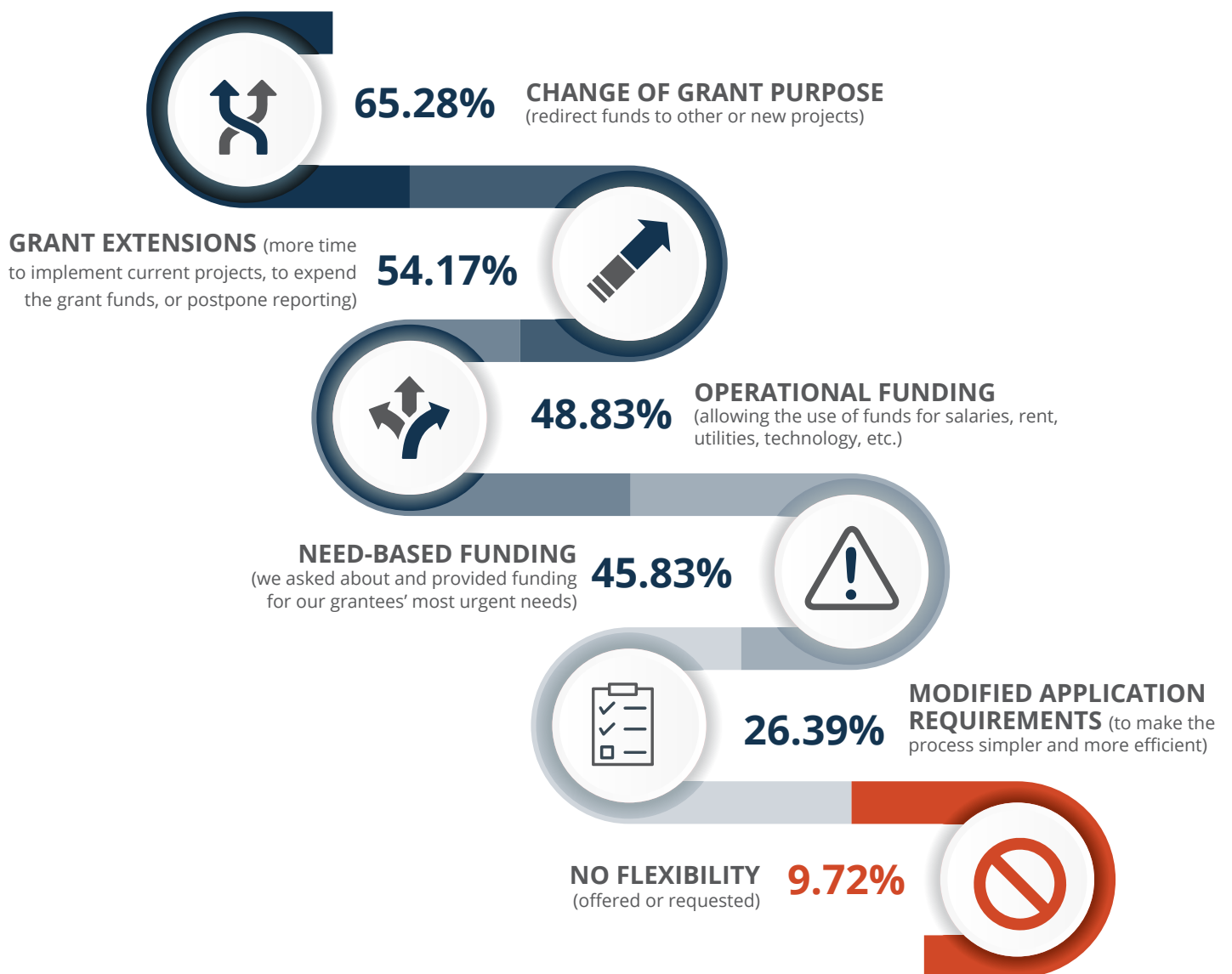


4.23% had no shift in their giving strategy

PHILANTHROPIC RESPONSE | FLEXIBILITY

Companies are demonstrating their flexibility to grantee needs during the pandemic, with 65% offering to **change grant purposes** to redirect funds to the most immediate needs and 54% offering **grant extensions**. Among other ways in which donors are helping to ease the burden on their grantees is by offering to fund overhead costs (49%) or directly asking grantees about their greatest needs at this time (46%).

Have you offered greater flexibility to your existing grantees? (N=72)



PHILANTHROPIC RESPONSE | CHALLENGES



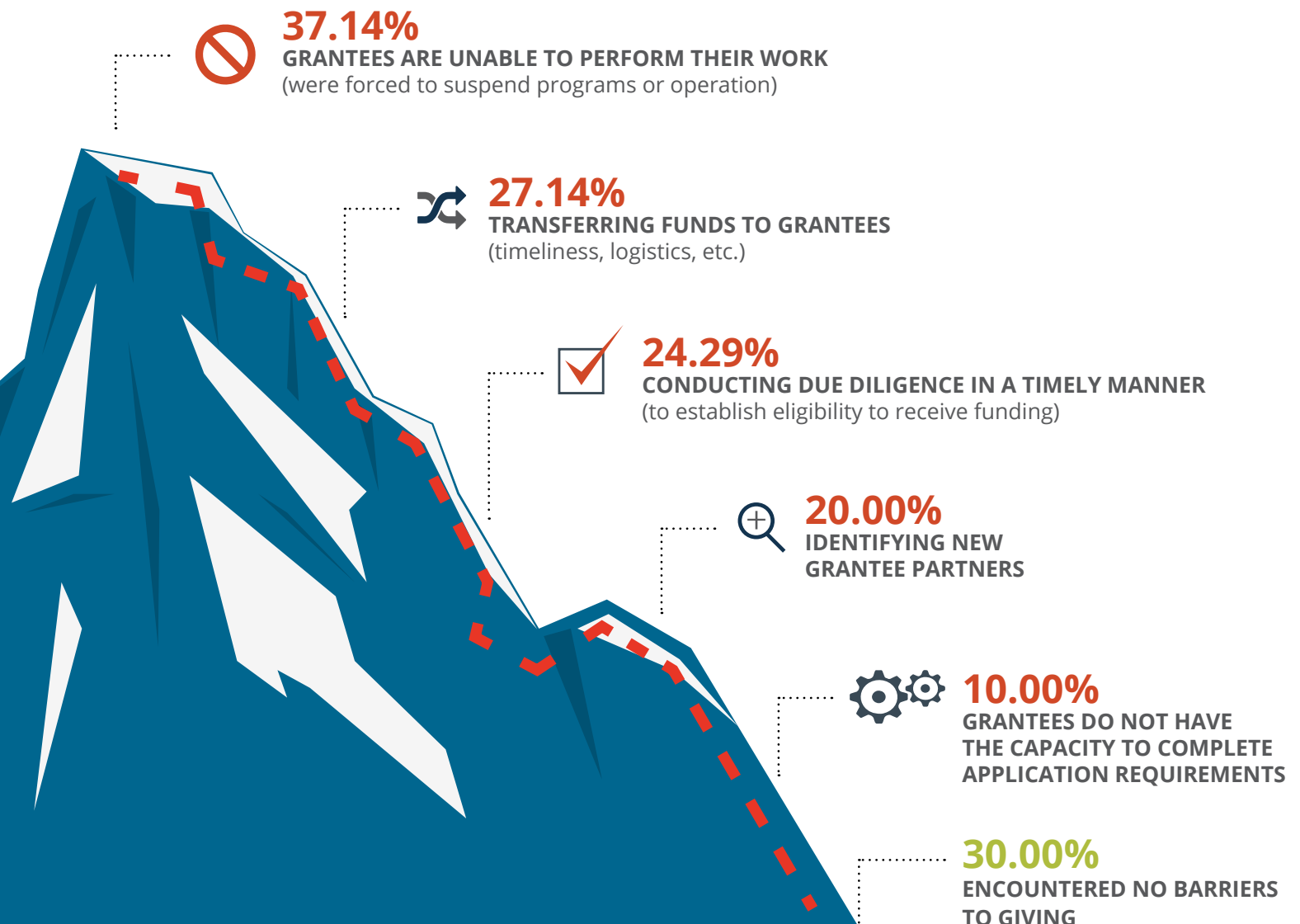
37.14%

CORPORATIONS
FOUND GRANTEES ARE
UNABLE TO PERFORM
THEIR WORK

Many respondents report having faced some form of obstacle in providing expedited support.

The most common challenge was the **grantees' inability to perform the funded work** given current conditions (37%). Identifying new grantee organizations and completing the necessary due diligence has also been more difficult due to the impact of the pandemic. In addition, corporations encountered some barriers to providing financial support with 27% of respondents indicating **challenges with transferring funds**.

What barriers have you encountered to your charitable giving in the past three months? (N=70)



FUTURE OUTLOOK | FUNDING

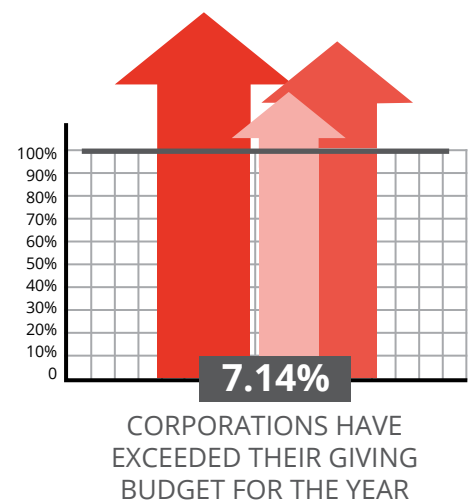
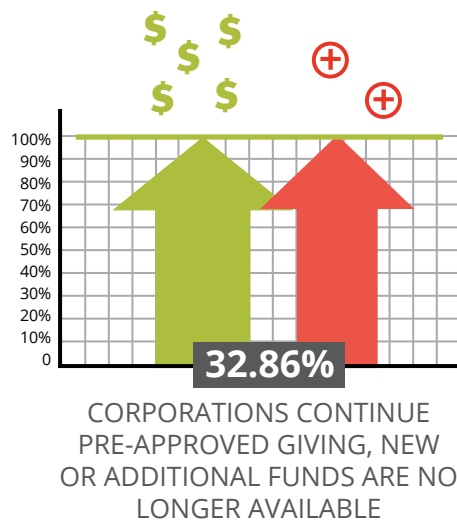
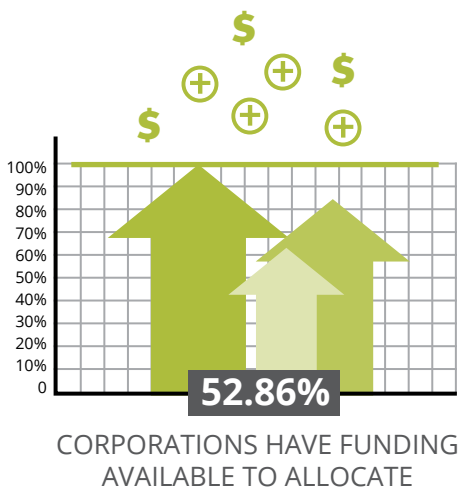
As of mid-July, **85.72% of corporations surveyed continue to provide financial support** with **52.86%** having further funding to allocate to charitable organizations and **33.86%** still able to provide pre-approved grants.

What is your current capacity to give? (N=70)



The global community has witnessed an unparalleled effort among corporations to assist and accommodate grantees. Corporate philanthropy **continues to address critical needs** and **remains committed to providing sustained funding**. Demonstrating corporate purpose has become a powerful driver in aligning business and social goals, and the current crisis serves as a catalyst for ongoing support at a time of urgent need.

A more detailed look reveals **7.14% have exceeded their giving budgets for the year**, indicating a strong show of support from corporate donors. The remaining 7% of respondents shared details about their efforts to secure additional funding, including restructuring budget allocations and appealing to the board for approval of new funds, among others.



7.14% of respondents are uncertain of their plans at this time

FUTURE OUTLOOK | FUNDING

Over 65% of the companies featured in this report expect to maintain current levels of funding or increase their giving budgets in the next fiscal year.

What impact on your giving budget do you anticipate the crisis to have next fiscal year? (N=70)

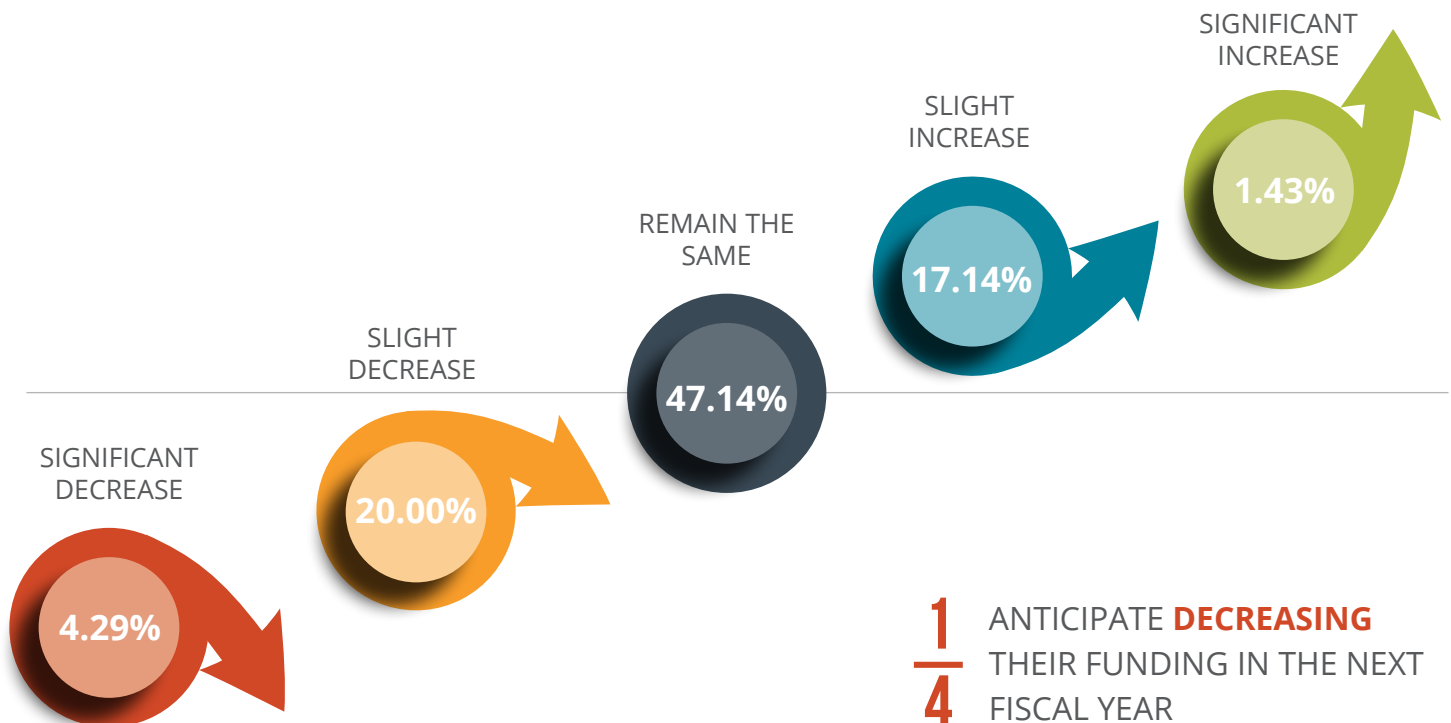


While the full repercussions of the pandemic are yet to be understood, corporations have been forced to consider its likely impact on their philanthropic strategy.

Amid widespread uncertainty, **less than 25% believe their funding will decrease** while the remaining 10% are unable to make an informed prediction.

2 ANTICIPATE **MAINTAINING**
CURRENT LEVELS OF GIVING OR
3 **INCREASING** THEIR FUNDING

The findings suggest a strong sense of corporate responsibility to address societal challenges and support communities in need.

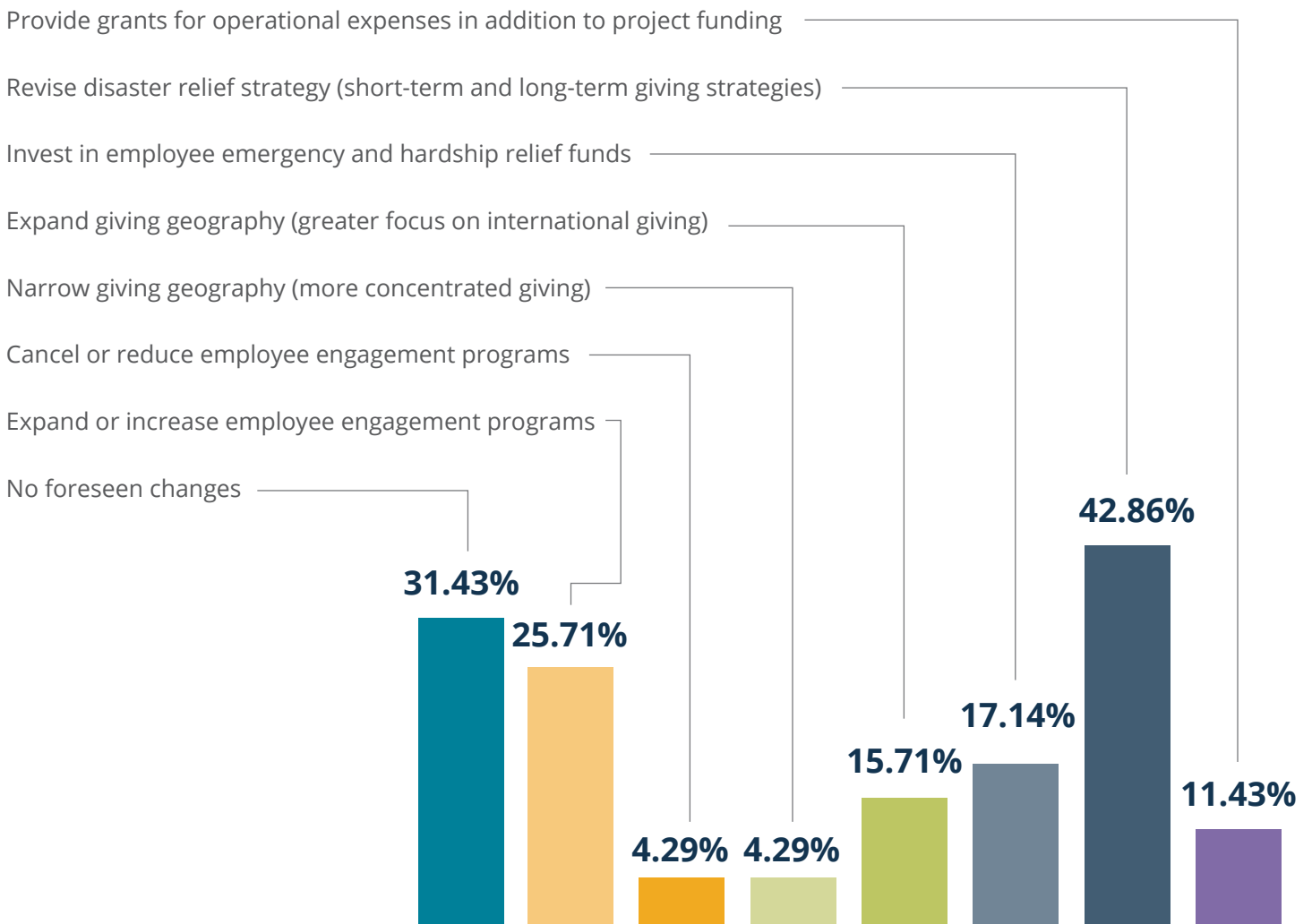


1 ANTICIPATE **DECREASING**
4 THEIR FUNDING IN THE NEXT
FISCAL YEAR

FUTURE OUTLOOK | STRATEGY

The pandemic's systemic shock has created a new reality that challenges corporations to examine long-term policy changes. Among the leading permanent changes considered by respondents, 43% intend to **revise their disaster relief strategy** while 26% intend to **expand their employee engagement programming**.

Do you foresee any permanent changes to your annual grantmaking strategy based on this experience? (N=70)



Corporations are also considering a more intentional focus on **applying a racial equity and social justice lens to their corporate philanthropy** as they develop their future strategy.

FUTURE OUTLOOK | RESILIENCE

Corporations are well aware that charities in the United States and around the world are fighting against the clock to maintain financial sustainability.

88.71% CORPORATE RESPONDENTS PREDICT



SOME CHARITIES WILL BE **FORCED TO CLOSE** WITHIN 12 MONTHS

Based on their knowledge of the financial health of domestic and foreign charities, the corporations featured in this report predicted how long charities can persevere under the current conditions. The response puts the urgency for sustained support into sharp focus as the majority of respondents predict some charities have up to a 12-month cushion before being forced to close down.

11.29% of corporate respondents predict that charities will be able to remain open as long as needed.

Based on your knowledge of the current philanthropic landscape, how long can charities persevere under the current conditions? (N=62)



Two thirds of charities responding to our survey for [The Voice of Charities Facing COVID-19 Worldwide, Volume 3](#) in June felt that they are running out of time. Of organizations that share this outlook, one third expect to close down within the next 12 months if the situation remains unchanged.

CLOSED

1/3

WILL BE FORCED TO **CLOSE DOWN** WITHIN 12 MONTHS



1/3

DON'T KNOW HOW LONG THEY CAN REMAIN OPEN



1/3

WILL BE ABLE TO **REMAIN OPEN**

**Data from The Voice of Charities Facing COVID-19 Worldwide, Volume 3 report published in June.*

CAF America is a donor-advised fund assisting corporations, foundations, families, and individuals with tax-effective philanthropy.

US donors cannot give directly to foreign charitable organizations and obtain a tax deduction. As a US public charity, CAF America can accept tax-deductible donations from US donors who can then recommend grants to over 1.8 million domestic and foreign charitable organizations eligible with CAF America. Our industry-leading due diligence protocols enable donors to make strategic gifts while reducing the risk, reputational exposure, and administrative burden associated with cross-border giving.

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