



Calgary's Nonprofit Sector AFTER THE FLOOD

A report on Calgary and area flood impact, emergency preparedness and lessons learned

INTRODUCTION

Over the past eight months, CCVO has undertaken a number of research and engagement activities to gauge the impacts of the June floods on Calgary and area nonprofits.

The Calgary Nonprofit Flood Reports provide insight into the experiences of organizations from all parts of the sector and have been widely used by funders, governments, capacity builders and other stakeholders to develop informed responses to the crisis.

This fourth report follows up on the themes that emerged in the initial reports summarizing the responses of over 300 nonprofit organizations surveyed from January 30th to February 21st, 2014. It provides insight into their experiences over the past months, their expectations of the future and the lessons they have learned throughout this journey.

THE KEY THEMES IN THIS REPORT INCLUDE:

Evidence exists to support the fears of many organizations that donations and support were diverted from ongoing operations to support flood response and recovery.

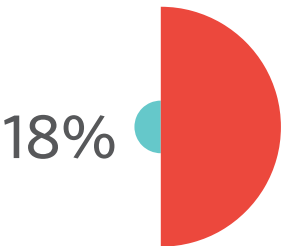
Emergency preparedness and business continuity planning needs to be promoted and supported within the nonprofit sector.

There is a clear need for better coordination and communication between nonprofits and government agencies during and after a crisis.

PHYSICAL IMPACTS

Our previous flood report in October 2013 presented survey findings that indicated approximately one third of organizations polled had sustained physical damage due to flood waters and/or sewer back-up. The sample size of our 2014 survey is much larger and likely portrays a more accurate picture with 18% of organizations indicating that they had sustained some level of damage to facilities, contents or equipment.

Organizations that sustained physical damage from

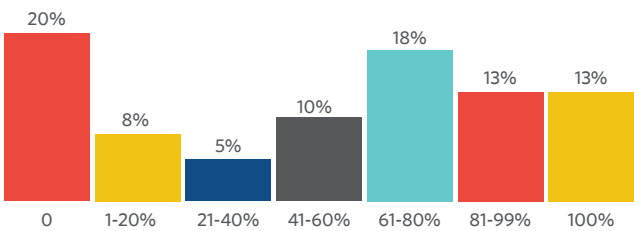


Sustained physical damage to facilities, property, or contents as a direct result of flooding and/or sewer back-up

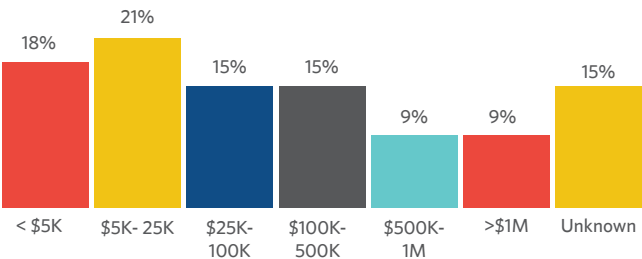
the floods have had varied success in recovering their losses through accessing a number of resources, with insurance coverage being the most common option.

Most organizations have recouped some of the expenses associated with damage from the floods, but few have been fully compensated.

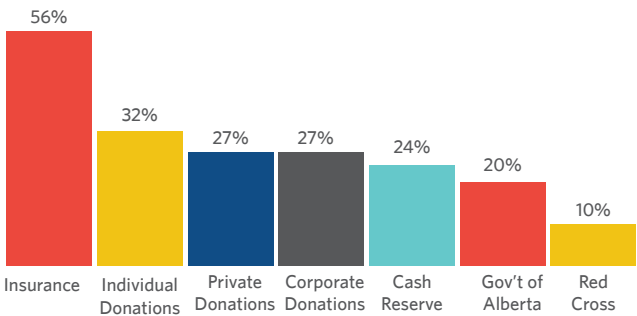
What percentage of losses was covered by a third-party (eg. insurance/FRP/donations?)



Approximate value of damage and/or losses



How did your organization pay for losses?



COMMUNITY NEEDS

The Distress Centre Calgary (DCC) provides a 24/7 crisis line service and the 211 service for the Calgary area which connects callers to a full range of community, health, government and social services information. Providing both services has allowed the Distress Centre to generate unique insights into the effects of the floods. The data presented is a reflection of community needs, contributing to a fuller understanding of the volume and acuity of the demands for increased service.

DCC tracks three types of calls of interest: crisis line volumes, 211 volumes and high risk call volumes. High risk call volumes focus on calls made by the Distress Centre to emergency services on behalf of callers who are at risk or who pose a risk to others. The table below illustrates the average daily volumes for each type of call over several months.

Though the DCC data appears to indicate that the needs in community have returned to normal levels, it is unclear whether the concerns of current callers are actually a fallout of the floods. "The shift in call issues beginning in September seems to indicate a return to 'normalcy' but the impact of the floods may still be present; callers may no longer be indicating the floods as a precipitating reason during the call and/or their

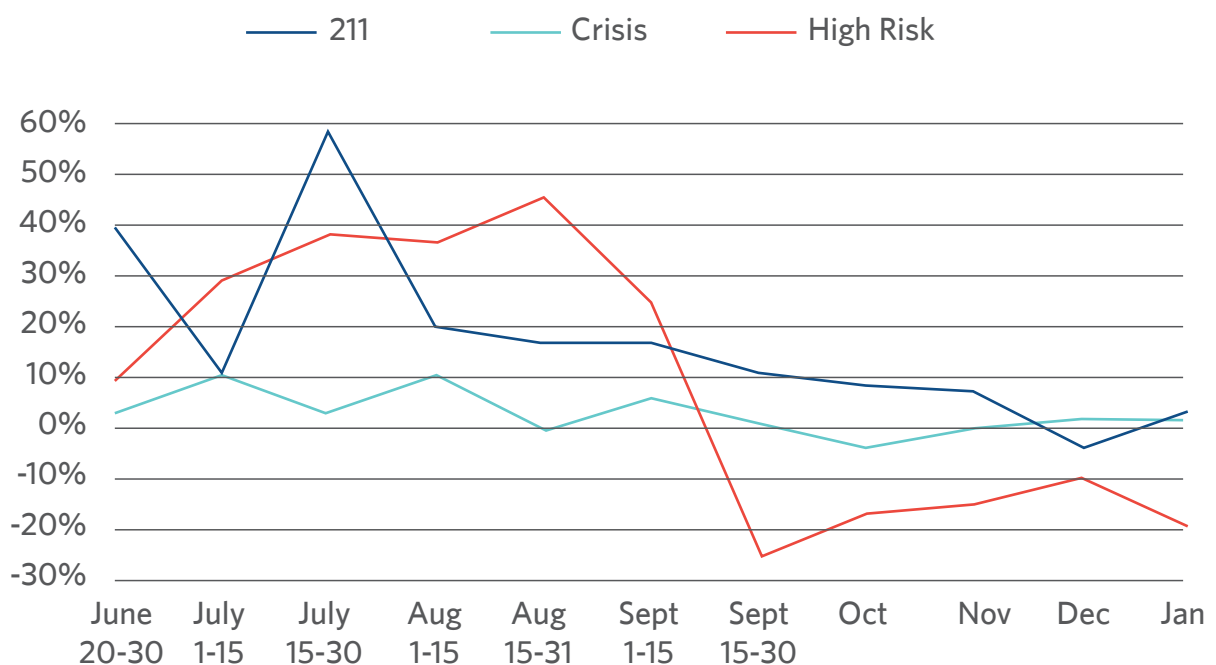
situation (trying to find housing now, even if not impacted by the floods in June) may be indirectly impacted." (DCC Calgary, February 2014).

Over the course of the flood response and recovery periods DCC added a category of "distress due to flooding" to the categorization of crisis line calls to extract flood related concerns. In January 2014 the top flood-related concerns were financial needs, shelter / housing, relationships, family and depression.

HOUSING

Rental vacancy rates in Calgary were declining prior to the June floods but the situation has become even more difficult for renters in the months that have followed. At the end of 2013, rental vacancy rates in Calgary were around 1% and are forecasted to improve only slightly over the next year. With the restricted supply and expectations of heightened demand, rental cost are estimated to increase by at least 5% this year. With these dynamics, issues such as increased financial need and shelter/housing pressures may likely continue well into 2014. (Calgary Real Estate Board, 2014 Economic Outlook & Regional Housing Forecast).

Call volume changes as percent of pre-flood daily averages



FINANCIAL IMPACTS

Since the floods there have been anecdotal reports of funding (identified as donations and grants) being diverted from regular programs or causes to flood recovery initiatives. The data we received in the 2014 Alberta Nonprofit Survey suggests that this likely has occurred in the case of corporate donations and foundation grant funding, but less so with individual donations.

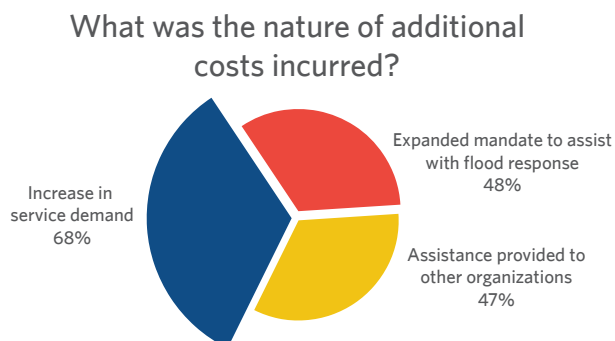
Overall, fewer organizations operating in Calgary and area reported increases in corporate donations over the past year (34%) than when we asked the question in 2013 (43%). Those that sustained physical damage, or other flood related expenses, were more likely to report increases to corporate donations, at 43% and 41% respectively. Only 25% of those that didn't sustain physical damage or incur other flood related costs saw an increase to corporate donations.

A similar trend surfaced with respect to foundation grants, where 40% of organizations that sustained physical damage and 36% of those that incurred other flood related costs reported increases over the past year, as compared to 26% of those that didn't experience any damages or additional costs.

Predictably, this trend was also quite apparent with respect to gifts in-kind.

Without question, individuals, corporations and foundations have responded to organizational and individual needs arising from the floods; however, it appears that nonprofits and charities are rightly concerned that less money has been made available for non-flood affected programs and services.

Forty-five percent of organizations incurred additional costs, other than physical damage, that were attributed to the floods. The chart below illustrates additional ways in which organizations experienced increased costs.



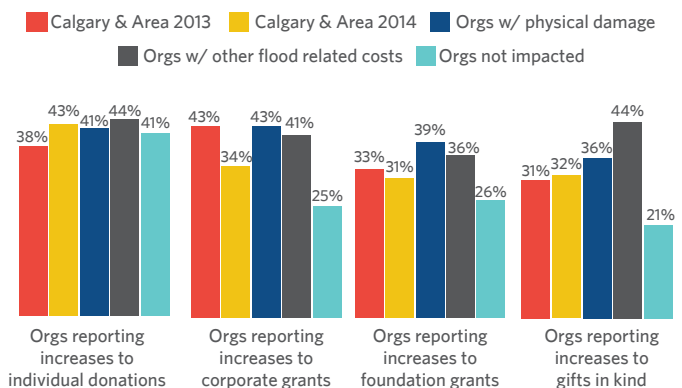
REDIRECTION OF FUNDING

The most pressing sector-wide concern to emerge from our flood impact surveys was the fear of organizations that donations would be re-directed from ongoing operations to flood relief and restoration. To gain a deeper perspective on this notion, CCVO contacted a random sample of CCVO members from October to December 2013 in an effort to learn more about whether and how revenue for nonprofits has been impacted by the response to the floods.

Through telephone interviews with a total of 29 organizations we asked if organizations had received indications that donations (interpreted broadly to include grants and sponsorships), had been diverted from regular giving toward flood relief. The results were mixed with one third of respondents confident this was the case (in most instances citing what they were told by donors and funders); one third were unsure or had heard anecdotes that would suggest money was being diverted; and finally one third felt that this hadn't occurred.

When asked if their fundraising and donations have been affected in the months since the flooding, just under half reported that there had been a decline in some form of funding that they attributed to the flood.

Organizations reporting increases to donations & foundation grants



ORGANIZATIONAL/CLIENT NEEDS

NONE

When asked, “What current needs, if any, does your organization have that are attributable to the floods?” by far the largest category of respondents indicated that they had no current needs that were attributable to the floods. Some organizations indicated that things had “stabilized since the floods” and were getting “back to normal”, and other organizations mentioned that most post-flood needs had already been met.

FINANCIAL RESOURCES

The second largest response category included organizations that had ongoing financial needs as a result of the floods. This category can be further divided into needs that are directly, or indirectly, attributable to the floods. Direct needs included things such as resources to cover transportation to flood affected areas or funding for repairs that are not covered by insurance. Organizations felt they were indirectly financially affected by the floods, largely due to “funding being diverted to disaster recovery”. These organizations spoke about decreased donations, the effects of donor fatigue, and “challenging deficits”.

FACILITY/SITE REPAIR

Some organizations were still in the midst of trying to repair their buildings, program sites or property that was damaged by the floods. The need for site or program repair also included preventative elements for some organizations, in order to mitigate the effects of future floods.

A somewhat related need for organizations was the need for office space or space to run their programs. One organization’s statement summarizes this category well:

“Space is at a premium, and we anticipate having a struggle to find both appropriate and affordable space.”

INCREASED SERVICE DEMAND / CLIENT NEEDS

Organizations experienced increased service demand as a result of the floods. Staff and organizations had to adapt to clients arriving at their doors who had lost their homes, property, and sometime their source of income. Such sudden and drastic changes for clients often resulted in increased psychological trauma. Organizations suddenly were helping clients with basic needs provision, finding shelter, and counselling. These client challenges resulted in the need for additional staff hours, increased training, and/or relief staff for a number of organizations.

“We are still building our basement and since we have been closed for more than eight months, there is a worry that clients may not come back, even if we open in the future.”

“Fundraising has become much more difficult in the wake of the flood, since we are not providing flood relief services.”

EMERGENCY PREPAREDNESS

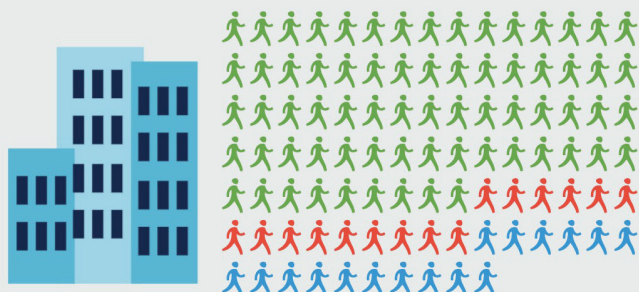
Alberta nonprofit organizations responded to questions about emergency preparedness in our recent Annual Nonprofit Survey.

50 % of organizations do NOT have emergency plans.



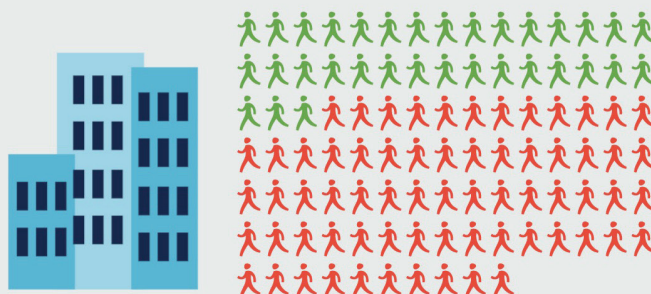
We have an effective evacuation plan

Agree 69% Disagree 16% Neutral 15%

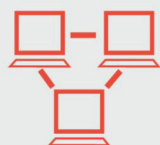


We have a reoccupation plan

Yes 33% No 67%



84%



Back up computer files and store that back up in a safe location

70%

Do NOT have a plan to operate out of another facility if forced to evacuate

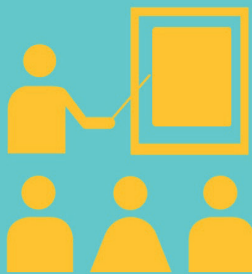
70%

Have copies of vital records and store them in a safe location



77% of respondents say their vital equipment is located in the safest part of their building.

“We need to have a better communications plan for emergency situations. While we do have policies and programs in place there were gaps.”



41% agreed

"We have the plans we need in case key staff and/or volunteers cannot do their jobs as a result of an emergency"

56% agreed

"People in my organization understand their roles in an emergency"

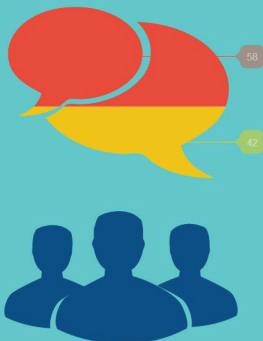
47% agreed

"People with key roles in an emergency have received the training they require to do that job"

53% agree that they have clearly identified which business functions **MUST** be maintained during an emergency (e.g. care to vulnerable clients)"

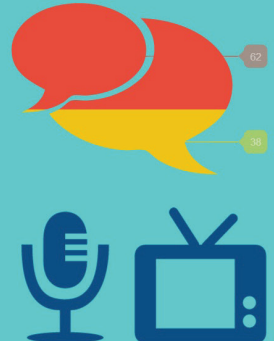
49%

Agree their organization has a clear communications plan to contact & speak with staff, volunteers & clients in an emergency situation



44%

Agree their organization has a clear communications plan to contact & speak with the public and key stakeholders in an emergency situation



LEARNING

Survey participants were asked “What was your organization’s biggest learning that resulted from the flood experience?”

NEED FOR INCREASED EMERGENCY PREPAREDNESS PLANNING

The most common learnings from the crisis centred on the need for better emergency preparedness and business continuity planning. While there were a few organizations who stated that their plans worked well, for the majority, current plans were inadequate.

Beyond planning at the organizational level, respondents also cited the need for better response coordination between agencies and for nonprofit emergency response plans to be integrated with public sector responses.

STRENGTH AND RESILIENCY

For a number of organizations the crisis, though certainly trying, became an affirmation of their organization’s mandate. Many organizations affirmed the abilities of staff, volunteers and the community at large as they rose to the challenge of continuing to deliver services during the crisis. Organizations cited numerous examples of their ability to adapt to quickly changing circumstances and to mobilize a variety of supporters and stakeholders.

“We learned how strong we were as an organization and a group of individuals who cared enough to work together and do whatever was needed to assist the people in our community and surrounding communities.”

“The flood has heightened our need for disaster planning, emergency response planning, communications strategies and the need to find ways to reach out to those who need help.”

COMMUNICATIONS

The need for enhanced emergency communications both internally and externally was often cited by respondents as a critical area of improvement. Many organizations struggled to coordinate their operations through the early days of the crisis and were unable to effectively communicate their needs to external stakeholders. The enhanced use of social media as an emergency communication medium was identified by many organizations as an area for development.

FINANCIAL

Beyond the extraordinary costs for restoration and service increases, organizations developed a number of finance-related insights. Organizations recognize the need for adequate reserve funds in order to weather emergencies and to prepare for the subsequent funding shortfalls. Organizations also recognized the need to review and potentially upgrade their insurance coverage.

NEXT STEPS

As the immediacy of need recedes and nonprofit organizations return to full capacity, there remains a need for structured and coordinated approaches to recovery and resiliency. Moving forward, CCVO will continue to use our networks and expertise to monitor and assess flood impacts on the nonprofit sector, provide information and support to recovery initiatives, and facilitate learning and emergency preparation plans for nonprofit organizations.

Our activities in this area will include:

- Engaging nonprofit agencies, funders and capacity building organizations in a series of research activities to draw out and capture flood learnings and develop case studies of local flood responses as a means of presenting best practices.
- Research emergency preparedness best practices and engage subject matter experts from other industries to lay the foundation for preparedness and business continuity plans for nonprofits.
- Develop networks of communication, support and service continuity between agencies to facilitate service coverage during a crisis.