

McHenry County Nonprofit Study

2021 Report

**Center for Nonprofit and NGO Studies
Northern Illinois University**

Not-for-Profit Resources



Photo Credit: Michael K. Levitan

Acknowledgements

This study was first conceptualized in 2020 as COVID-19 began to make its impact known. It was designed to gather data that would be the catalyst to build a better cooperative between nonprofits, funders, government, business and community.

As the most comprehensive study focusing on nonprofits serving McHenry County, its contents range from agency structure and funding challenges to clients and programming.

Most critical, is the section on COVID-19 impact; where information on how the pandemic specifically affected nonprofits serving McHenry County is recorded.

With 158 respondents, an amazing outpouring of sector support, the study is an eye-opening window into the day-to-day successes and struggles nonprofits have faced in the past year.

Several agencies partnered with us to make this study possible, and it is with heartfelt gratitude that we acknowledge their commitment to both the nonprofits we serve and the community at large. Special thanks to the McHenry County Mental Health Board, McHenry County Planning & Development Division, United Way of Greater McHenry County and McHenry County College. We are grateful for their generous support and for giving us an opportunity to

advance the Not-for-Profit Resources' mission of building nonprofit capacity in meaningful and significant ways.

In the end, our hope is that this study will build bridges and partnerships throughout the county and enhance the quality of life in communities throughout McHenry County.

To learn more about Not-for-Profit Resources' activities to further the work of nonprofits, visit nfpresources.org.

—Not-for-Profit Resources

Special thanks to our study partners:



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About the Center for Nonprofit and NGO Studies

The Center for Nonprofit and NGO Studies (NNGO) is an interdisciplinary academic unit that connects students, faculty, researchers, and nonprofit organizations across Northern Illinois. Created in 2010, NNGO offers an undergraduate major, minor, and certificate in Nonprofit and NGO studies to educate the next generation of nonprofit and community leaders. The Center brings the latest research to the nonprofit sector in the form of community-based research assistance, professional development, networking, and student engagement. Learn more at niu.edu/nonprofit.



NORTHERN ILLINOIS UNIVERSITY

Center for Nonprofit and NGO Studies

College of Liberal Arts and Sciences

About Not-For-Profit Resources

Not-for-Profit Resources plays an integral role in bringing best practices, professional development workshops, funding resources, networking opportunities and equality awareness to nonprofits. These items are the foundation upon which successful nonprofits grow.

Core objectives include:

- Positioning nonprofits to confront barriers that keep individuals from reaching their potential by encouraging conversations, and providing resources, that cultivate an awareness of race, class and gender inequality.
- Developing educational programs for nonprofits to improve their ability to provide services.
- Creating direct channels for individuals, groups, and businesses to connect with and expand nonprofit manpower through meaningful service.
- Fortifying nonprofits by raising their ability to create diverse fundraising streams.
- Fostering collaborations among nonprofits and community by creating network groups that encourage relationship-building.

Learn more at nfpresources.org.

Not-For-Profit Resources



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Executive Summary

There are nearly 2,000 nonprofits in McHenry County. The scale of the sector mirrors the United States, since most of the nonprofits are small with budgets under \$100,000. However, McHenry County is home to nonprofit organizations of all sizes. In terms of respondents to this study, they also mirror the national picture, with over a third designated as human service nonprofit organizations.

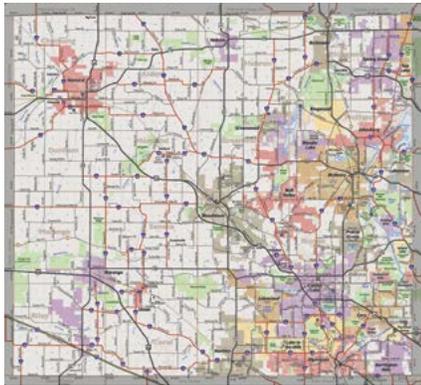
Respondents are very aware of and engaged in evaluation and measurement of their impact. They collect extensive information about the individuals they serve. Nearly 90% of nonprofits measure or evaluate their programs and service (88.5%). They are most likely to measure the number of clients served (98.5%) and the impact of their programs on the person served (81.2%). In terms of methods, nonprofits gather data through staff observations (81.7%) and surveys (77.5%).

In terms of professional development needs of nonprofit staff, respondents are most interested in resource sharing (75.7%) and training (67.6%), particularly training in fundraising strategies (77%) and marketing/communications (66.2%). Furthermore, about 62% of respondents have a strategic plan.

Nonprofit organizations rely on human resources to deliver their services. Nearly all nonprofits utilize volunteers (91%) and 75% have paid staff. The salary ranges for the top staff person vary a great deal, which is related to the variety of nonprofits and their size. Some of the most significant challenges for staff hiring and retention are paid employee benefits and competitive salaries. Not unexpectedly then, 65% of nonprofit employees stay in their organization for six years or less. About two thirds of all nonprofit employees live in McHenry County. Currently, nonprofit staff are working mostly virtual (41.6%). Most organizations did not lay off (82%) or terminate (95%) employees despite the disruptions of the pandemic, likely due to the availability of emergency funds.

Monetary resources are needed by nonprofit organizations to meet their missions and serve our communities. Those revenues come from a variety of resources. About a quarter of nonprofits indicated that government funding was extremely important, with the federal government being most important. COVID19 caused significant disruptions in nonprofit activities, particularly related to fundraising events. Nearly 70% of nonprofits lost revenue from fundraising events (69.4%) and direct contributions (38.9%). Overall, nonprofits report an estimated loss of \$10 million due to COVID19. To counterbalance these losses, many special funds became available from public and private funders. Nonprofits indicated that they gained \$11 million in revenue, mainly coming from donations from individuals (39.2%), government funding (32.4%) and foundations (31.1%).

McHenry County at a Glance



Map of McHenry County.

The Illinois legislature approved the petition in 1836 for a new county seat formed out of Cook and LaSalle counties. It was named after Major William McHenry, a leader of the Illinois militia volunteers in the area during Tecumseh's War, the Black Hawk War, and a member of the Illinois House of Representatives and Senate. The county originally stretched west all the way from Lake Michigan to Boone County and north from Kane County to the Wisconsin state line. McHenry was the original county seat but it was moved to a mid-county location named Centerville at the time but renamed Woodstock in 1845. The Fox River flows through the middle of the county and attracted a large number of vacationers. The county is a mix of rural, agricultural, and suburban areas. ¹

Population

Cities that comprise the county:

Algonquin, Barrington Hills, Bull Valley, Cary, Crystal Lake, Fox Lake, Fox River Grove, Greenwood, Harvard, Hebron, Holiday Hills, Huntley, Island Lake, Johnsburg, Lake in the Hills, Lakemoor, Lakewood, Marengo, McCullom Lake, McHenry, Oakwood Hills, Port Barrington, Prairie Grove, Richmond, Ringwood, Spring Grove, Trout Valley, Union, Wonder Lake, Woodstock ²

Ranking of county (by state) based on population: 6th ³

Number of square miles covered in county: 603.17 sq miles ⁴

Number of Residents (Population): 308,570 (est. 2018) 307,283 (2014) ⁵

Gender and Racial Distribution

Population distribution by gender and race (Percentages based on census data).⁶

Distribution comparisons: county, state, nation.

Gender: Percent female.

Female



Race/Ethnicity: White (not Hispanic), Black, Hispanic/Latino, American Indian, Asian, Native Hawaiian/Pacific Islander.

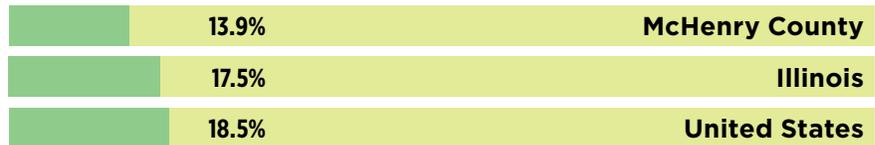
White (not Hispanic)



Black



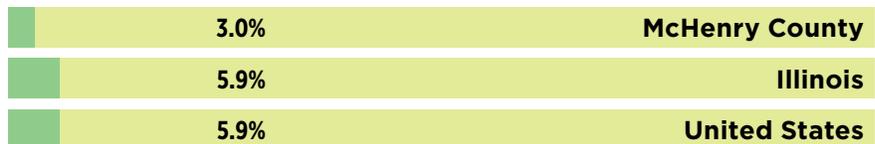
Hispanic/Latino



American Indian



Asian



Native Hawaiian/Pacific Islander



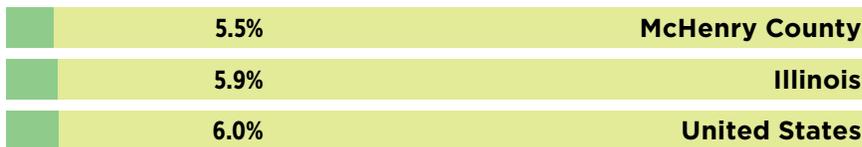
NOTE: total percent approx. 99%.

Distribution by Age

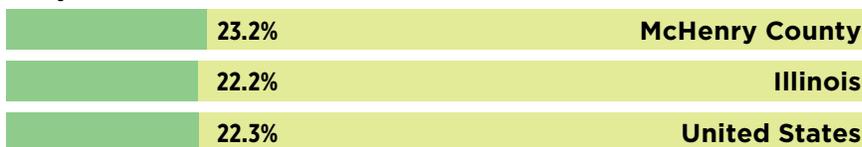
Distribution comparisons: county, state and nation. ⁷

Age categories: <5 years, <18 years, >65 years.

<5 years



<18 years



>65 years



Education

Comparison of high school graduation rates: county, state and nation. ⁸



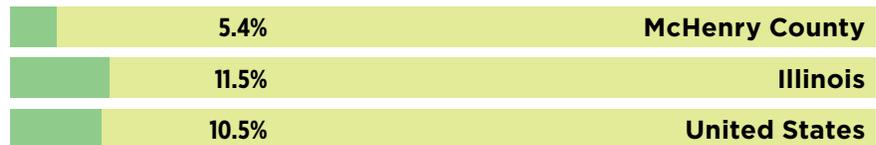
Rate/Percentage of population that achieved bachelor's degree or higher: county, state and nation.



NOTE: Estimates derived from 2015-2019 data.

Poverty and Income

Persons below the poverty level (*percentage of people living below the “federally established poverty level”*): county, state and nation. ⁹

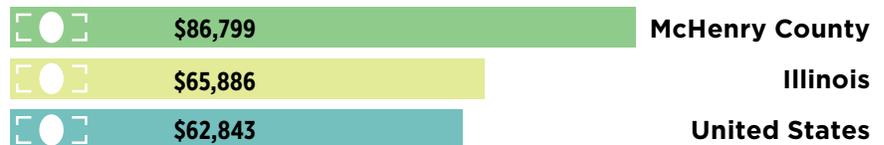


Per capita income (dollar amount): county, state and nation.



NOTE: (2019) Income calculations based on data derived from 2015-2019.

Median household income (dollar amount): county, state and nation.



NOTE: (2019) Income calculations based on data derived from 2015-2019.

ALICE (asset limited, income constrained, employed) workers do not earn enough to support their families. The United Way’s Research Center provides data and a framework to understand ALICE households and breaks down this data by state and county. ¹⁰

NOTE: Based on 2018 Data for McHenry County

Number of Households: **114,544**
 Median Household Income: **\$85,275**
 Unemployment Rate: **4%**
 ALICE Households: **18%**

Nonprofit Sector in Illinois and McHenry County

State nonprofit data (numbers) ¹¹

| | |
|--|---------|
| Total number of nonprofit organizations in Illinois: | 118,750 |
| NPOs filing financial information with IRS: | 20,741 |
| 501(c)3 Public charities: | 73,629 |
| 501(c)3 Public charities filing financial information with IRS: | 9,844 |
| 501(c)3 Private Foundations: | 450 |
| 501(c)3 Private Foundations filing financial information with IRS: | 279 |

Total nonprofit revenue and assets – by state (dollar amount) ¹²

| | |
|-----------------------------------|-------------------|
| Illinois total nonprofit revenue: | \$227,855,063,161 |
| Illinois total nonprofit assets: | \$332,310,570,720 |

Volunteerism – by state ¹³

| | |
|---|---------------------|
| Number of residents that volunteer: | 2,824,541 |
| Percentage of state residents that volunteer: | 28.1% |
| National ranking for residents that volunteer by state: | 38th |
| Number of hours of service: | 206.5 million hours |
| Dollar amount of service contributed (by year): | \$4.9 billion |
| Percentage of residents that participate in local groups/organizations: | 26.8% |

Number of nonprofits in county and surrounding counties ¹⁴

| | | | |
|---------|--------|----------|-------|
| Boone: | 297 | Kane: | 3,163 |
| Cook: | 52,135 | Lake: | 4,999 |
| DeKalb: | 858 | McHenry: | 1,802 |
| DuPage: | 8,100 | | |

County nonprofit data – McHenry County ¹⁵

| | |
|--|-------|
| Total number of nonprofit organizations: | 1,802 |
| NPOs filing financial information with IRS: | 254 |
| 501(c)3 Public charities: | 1,243 |
| 501(c)3 Public charities filing financial information with IRS: | 144 |
| 501 (c)3 Private Foundations (Operating and Non-Operating) | 119 |
| 501(c)3 Private Foundations filing financial information with IRS: | 4 |

Total nonprofit revenue and assets- by county (dollar amount) ¹⁶

| | |
|--------------------------|----------------|
| Total nonprofit revenue: | \$218,596,819 |
| Total nonprofit assets: | \$ 360,044,945 |

Respondent Demographics

McHenry County is fortunate to be home to a wide variety of community-based nonprofit resources. A cross-section of these organizations responded to the McHenry County Nonprofit Study in 2021.

Sector

What sub-sectors best represent your nonprofit organization's primary mission and programmatic focus? N=147

The National Taxonomy of Exempt Entities (NTEE) is the system used by the Internal Revenue Service (IRS) since the mid-1990s to categorize nonprofit organizations. The NTEE classification system includes 26 major groups that fall under ten general categories or subsectors.

| Category | Number | Percent |
|-------------------------------------|------------|-------------|
| Arts, Culture and Humanities | 10 | 6.8% |
| Education | 10 | 6.8% |
| Environment and Animals | 6 | 4.1% |
| Health | 30 | 20.4% |
| Human Services | 55 | 37.4% |
| Public and Societal Benefit | 8 | 5.4% |
| Religion/faith-based | 8 | 5.4% |
| Unknown | 5 | 3.4% |
| We Are Not A Nonprofit Organization | 15 | 10.2% |
| Total | 147 | 100% |

The majority of respondents who answered represent Human Services organizations, which is consistent with the largest subsector reported nationally.

What nonprofit classification is your organization based on the IRS tax classification? N=114

| Type | Number | Percent |
|--------------|------------|-------------|
| 501(c)3 | 101 | 88.6% |
| 501(c)4 | 1 | 0.9% |
| 501(c)6 | 1 | 0.9% |
| Other | 4 | 3.5% |
| Don't know | 7 | 6.1% |
| Total | 114 | 100% |

What is your organization's *primary* geographic service area? Select one. N=112

| Location | Number | Percent |
|------------------------------|------------|-------------|
| McHenry County | 93 | 83.0% |
| Lake County | 2 | 1.8% |
| Boone County | - | - |
| DeKalb County | 1 | 0.9% |
| Kane County | 5 | 4.5% |
| DuPage County | - | - |
| Cook County | 6 | 5.7% |
| Other county within Illinois | 4 | 3.6% |
| Outside of Illinois | 1 | 0.9% |
| Total | 112 | 100% |

What *additional* geographic areas does your organization serve in addition to the primary area answered in question above? Check all that apply. N=112

| Location | Number | Percent |
|------------------------------|--------|---------|
| McHenry County | 39 | 34.8% |
| Lake County | 48 | 42.9% |
| Boone County | 24 | 21.4% |
| DeKalb County | 20 | 17.9% |
| Kane County | 39 | 37.8% |
| DuPage County | 29 | 25.9% |
| Cook County | 29 | 25.9% |
| Other County within Illinois | 25 | 22.3% |
| Outside of Illinois | 11 | 9.8% |

Please select the job title that most aligns with your job function. N=114

| Response | Number | Percent |
|--|------------|-------------|
| Executive Director/Chief Executive Officer/President | 51 | 44.7% |
| Chief Operating Officer/Administrative Manager | 7 | 6.1% |
| Chief Financial Officer/Finance Director | - | - |
| Management Team Manager | 20 | 17.5% |
| Board Chair/President | 11 | 9.7% |
| Other | 25 | 21.9% |
| Total | 114 | 100% |

Select the range of your organization's total annual revenue (most recently completed fiscal year). N=109

| Response | Number | Percent |
|----------------------------|------------|-------------|
| Under \$100,000 | 29 | 26.6% |
| \$100,001-\$200,000 | 13 | 11.9% |
| \$200,001-\$300,000 | 7 | 6.4% |
| \$300,001-\$400,000 | 6 | 5.5% |
| \$400,001-\$500,000 | 3 | 2.8% |
| \$500,001-\$1 million | 12 | 11.0% |
| \$1 million- \$2 million | 12 | 11.0% |
| \$2 million - \$3 million | 5 | 4.6% |
| \$3 million - \$4 million | 2 | 1.8% |
| \$4 million - \$5 million | 3 | 2.6% |
| \$5 million - \$10 million | 8 | 7.3% |
| Over \$10 million | 9 | 8.3% |
| Total | 109 | 100% |

Is your organization a member of the Volunteer Center McHenry County (also known as Not-for-Profit Resources)? N=113

About 70% of all nonprofits are members.

| Response | Number | Percent |
|--------------|------------|-------------|
| Yes | 78 | 69.0% |
| No | 17 | 15.0% |
| Don't know | 18 | 15.9% |
| Total | 113 | 100% |

Evaluation and Measurement

Nonprofits are most likely to capture demographic information about the people they serve and least likely to collect demographic information about their volunteers.

Does your organization collect any of the following demographic information (choose all that apply)? If no demographic information is collected for a group, leave blank. N=74

| Responses | Of Staff | | Of Board Members | | Of Volunteers | | Of the People We Serve | |
|--------------------|----------|------------|------------------|------------|---------------|------------|------------------------|------------|
| | Count | Percentage | Count | Percentage | Count | Percentage | Count | Percentage |
| Age | 27 | 36.5% | 19 | 25.7% | 16 | 21.6% | 55 | 74.3% |
| Gender | 30 | 40.5% | 29 | 39.2% | 16 | 21.6% | 49 | 67.1% |
| Sexual orientation | 5 | 6.8% | 5 | 6.8% | 2 | 2.7% | 12 | 16.2% |
| Race | 25 | 33.8% | 25 | 33.8% | 9 | 12.2% | 40 | 54.1% |
| Ethnicity | 21 | 28.4% | 22 | 29.7% | 9 | 12.2% | 38 | 51.4% |
| Income | 6 | 8.1% | - | - | - | - | 34 | 46.0% |
| Disability | 5 | 6.8% | 2 | 2.7% | 2 | 2.7% | 36 | 48.6% |

Nonprofits are most likely to capture demographic information about the people they serve and least likely to collect demographic information about their volunteers.

Out of the total number of individuals your organization served in 2020, what percentage are in the following age categories? N=97

| Category | Average |
|--------------------------------|---------|
| Children: ages 0-4 | 7% |
| School-age children: ages 5-17 | 18% |
| Young adults: ages 18-24 | 10% |
| Adults: ages 25-64 | 29% |
| Seniors: ages 65+ | 20% |

Does your organization measure/evaluate your programs and services? N=87

| Response | Number | Percent |
|--------------|-----------|-------------|
| Yes | 77 | 88.5% |
| No | 10 | 11.5% |
| Total | 87 | 100% |

Of the following, rank each in terms of what your organization uses to determine the needs of the people you serve. 1=most important 5=least important N=73

| Response | 1 | 2 | 3 | 4 | 5 | Total |
|---|-------|-------|-------|-------|-------|-------|
| Track demand for programs/services | 30.1% | 16.4% | 15.1% | 23.3% | 15.1% | 100% |
| Documented need identified by the community | 17.8% | 30.1% | 20.6% | 26.0% | 5.5% | 100% |
| Documented need identified by clients/users | 37.0% | 27.4% | 27.4% | 6.9% | 1.4% | 100% |
| Priorities of funders | 6.9% | 5.5% | 8.2% | 34.3% | 45.2% | 100% |
| Staff perception of client/user need | 8.2% | 20.6% | 28.8% | 9.6% | 32.9% | 100% |

Does your organization measure any of the following outputs?
Check all that apply. N=73

| Response | Number | Percent |
|---|--------|---------|
| Number of clients served | 72 | 98.6% |
| Number of programs/services provided | 64 | 87.7% |
| Client satisfaction at the end of a service/program | 60 | 82.2% |
| Programmatic milestones | 55 | 75.3% |

Does your organization track outcomes or impact that your programs and services have? Check all that apply. N=69

| Response | Number | Percent |
|--|--------|---------|
| Impact of program on person served (attitudes, behavior, knowledge) | 56 | 81.2% |
| Impact of your programs/services on the community | 37 | 53.6% |
| Impact of program on person served (condition or circumstance) | 37 | 53.6% |
| Long-term satisfaction of persons served | 34 | 49.3% |
| Comparison of your program results to an industry standard | 23 | 33.3% |
| Comparison of your program results to a control group in your organization | 5 | 7.3% |
| Other | 1 | 1.5% |

What data sources does your organization use to measure outputs and outcomes as described above? Check all that apply. N=72

| Response | Number | Percent |
|--|--------|---------|
| Data from individual client/user | 65 | 90.3% |
| Data from staff | 51 | 70.8% |
| Data from client support person (parent, family member, caregiver) | 35 | 48.6% |
| State data | 26 | 36.1% |
| Local data | 25 | 34.7% |
| National data | 24 | 33.3% |
| Community members | 23 | 31.9% |
| Other | 2 | 2.8% |

What methods of data collection does your organization currently use to evaluate your programs/services? Check all that apply. N=71

| Response | Number | Percent |
|---|--------|---------|
| Staff tracking, observations | 58 | 81.7% |
| Surveys | 55 | 77.5% |
| Individual client plans | 37 | 52.1% |
| Secondary data from outside your organization | 25 | 35.2% |
| Focus groups | 9 | 12.7% |
| Other | 7 | 9.9% |

Professional Development

What are your organization's greatest professional needs?
Check all that apply. N=74

| Response | Number | Percent |
|-----------------------------|--------|---------|
| Training | 50 | 67.6% |
| Coaching | 24 | 32.4% |
| Technical support | 38 | 51.4% |
| Resource sharing | 56 | 75.7% |
| Space to vent/share/discuss | 24 | 32.4% |
| Other | 20 | 27.0% |

What type of training is your organization most in need of right now?
Check all that apply. N=74

The four most important training areas are fundraising strategies, marketing/communications, grant writing and board development.

| Response | Number | Percent |
|------------------------------|--------|---------|
| Leadership | 21 | 28.4% |
| Grant writing | 41 | 55.4% |
| Fundraising strategies | 57 | 77.0% |
| Marketing/communications | 49 | 66.2% |
| Board Development | 41 | 55.4% |
| Volunteer Management | 31 | 41.9% |
| Anti-racism or racial equity | 17 | 23.0% |
| Civic engagement or advocacy | 13 | 17.6% |
| Data and evaluation | 24 | 32.4% |
| Finance/budgeting | 13 | 17.6% |
| Human resource management | 15 | 20.3% |
| Leadership development | 31 | 41.9% |
| Planning and risk management | 15 | 20.3% |
| Technology | 29 | 39.2% |
| Strategic planning | 24 | 32.4% |
| Other | 7 | 9.5% |

Does your organization have a strategic plan? N=104

| Response | Number | Percent |
|--------------------------------|--------|---------|
| Yes and it's current | 47 | 45.2% |
| Yes but it's not current | 17 | 16.4% |
| We are currently working on it | 18 | 17.3% |
| No | 22 | 21.2% |
| Total | 104 | 100% |

What is the biggest reason your organization does not currently have a strategic plan? Select one. N=34

| Response | Number | Percent |
|--|-----------|-------------|
| No time to engage in planning | 5 | 14.7% |
| Lack of board commitment to planning | 1 | 2.9% |
| Unaware of resources to assist with planning | 3 | 8.8% |
| Lack of funding | 4 | 11.8% |
| We have no paid staff | 9 | 26.8% |
| Other | 12 | 35.3% |
| Total | 34 | 100% |

“Other” reasons included:

- New executive director so we are in transition.
- We are a new organization so haven't done it yet.
- We have a plan but goals are not clear enough to measure against.
- COVID19 disruptions.
- No communication between the board and the staff.
- Don't feel there is a need.

Human Resources and Communications

Does your organization utilize volunteers in your organization? N=85

| Response | Number | Percent |
|--------------|-----------|-------------|
| Yes | 77 | 90.6% |
| No | 8 | 9.4% |
| Total | 85 | 100% |

Does your organization have any paid staff? N=85

| Response | Number | Percent |
|--------------|-----------|-------------|
| Yes | 64 | 75.3% |
| No | 21 | 24.7% |
| Total | 85 | 100% |

Does your operational budget include a budget for your staff’s professional development? Explain. N=57

Mentioned most frequently:

- Very limited professional development budget.
- It gets cut when revenues don’t meet expectations.
- Limited to conferences and development that are nearby and affordable such as United Way and Volunteer Center McHenry County trainings.
- The organization will pay for opportunities as deemed appropriate.
- Yes, because we need to be compliant with federal, state and local regulations, for required continuing education.
- At the discretion of supervisors as they manage their own budgets.

Does your organization have a staff leadership succession plan? N=61

| Response | Number | Percent |
|--------------------------------|-----------|-------------|
| Yes and it’s current | 15 | 24.6% |
| Yes but it’s not current | 4 | 6.6% |
| We are currently working on it | 27 | 44.3% |
| No | 15 | 24.6% |
| Total | 61 | 100% |

What is the current salary (without benefits) of the top staff person (Executive Director, President/CEO)? N=55

Salary of the top staff person is typically based on overall budget size, number of employees, and local market conditions as determined by the Board as "reasonable."

| Range | Number | Percent |
|---------------------|-----------|-------------|
| \$40,000-\$49,999 | 8 | 14.6% |
| \$50,000-\$59,999 | 7 | 12.7% |
| \$60,000-\$69,999 | 5 | 9.1% |
| \$70,000-\$79,999 | 8 | 14.6% |
| \$80,000-\$89,999 | 5 | 9.1% |
| \$90,000-\$99,999 | 5 | 9.1% |
| \$100,000-\$109,999 | 1 | 1.8% |
| \$110,000-\$119,999 | 9 | 16.4% |
| \$120,000-\$129,999 | 2 | 3.6% |
| \$130,000+ | 5 | 9.1% |
| Total | 55 | 100% |

Rate the following in terms of staff hiring challenges on a scale of 1-5. 1=no problem at all to 5=very big problem. N=58

| Response | 1 | 2 | 3 | 4 | 5 | Total |
|---|-------|-------|-------|-------|-------|-------|
| Offering paid employee benefits such as health insurance | 33.3% | 15.8% | 8.8% | 10.5% | 31.6% | 100% |
| Offering competitive salaries | 6.9% | 13.8% | 25.9% | 24.1% | 29.3% | 100% |
| Lack of staff recruitment budget | 37.5% | 14.3% | 26.8% | 10.7% | 10.7% | 100% |
| Identifying qualified candidates | 19.0% | 13.8% | 29.3% | 25.9% | 12.1% | 100% |
| Hiring qualified candidates | 19.3% | 5.3% | 33.3% | 24.6% | 17.5% | 100% |
| Finding time to recruit and interview candidates | 32.8% | 17.2% | 29.3% | 17.2% | 3.5% | 100% |
| Achieving staff diversity to match the communities we serve | 34.5% | 15.5% | 15.5% | 25.9% | 8.6% | 100% |

Rate the following in terms of staff retention challenges on a scale of 1-5. 1=no problem at all to 5=very big problem. N=58

| Response | 1 | 2 | 3 | 4 | 5 | Total |
|---|-------|-------|-------|-------|-------|-------|
| Excessive workload | 19.0% | 20.7% | 25.9% | 19.0% | 15.5% | 100% |
| Inability to promote top performing staff | 22.8% | 28.1% | 22.8% | 5.3% | 21.1% | 100% |
| Inability to offer competitive salaries | 12.1% | 24.1% | 24.1% | 25.9% | 13.8% | 100% |
| Inability to offer competitive benefits | 24.6% | 22.8% | 8.8% | 28.1% | 15.8% | 100% |
| Lack of formal retention strategy | 24.1% | 36.2% | 17.2% | 3.5% | 19.0% | 100% |
| External competition | 22.4% | 24.1% | 22.4% | 13.8% | 17.2% | 100% |
| We do not have any staff retention challenges | 41.9% | 25.6% | 7.0% | 7.0% | 18.6% | 100% |

The biggest challenges for staff retention were related to ability to offer competitive salaries and benefits.

What is the average amount of time the typical employee stays with your organization? N=60

65% of all nonprofit employees stay in their organization for six years or less.

| Response | Number | Percent |
|------------------|--------|---------|
| Less than 1 year | - | - |
| 1-3 years | 15 | 25.0% |
| 4-6 years | 24 | 40.0% |
| 7-9 years | 10 | 16.7% |
| 10-15 years | 7 | 11.7% |
| 15-20 years | 4 | 6.7% |
| 20+ years | - | - |
| Total | 60 | 100% |

How many full-time equivalent staff does your organization currently employ? N=55

Average: 79.8 Median: 10.0

How many part-time staff does your organization currently employ? N=65

Average: 25.3 Median: 4.0

51.7% of nonprofits have 10 or less full-time employees.

16.4% of nonprofits have 100 or more full-time employees.

About what percentage of your organization’s staff live in McHenry County? N=59

Average: 62.2%

To what extent does your organization use the following marketing platforms to promote your organization overall? Assign a percentage to each of the following methods and the total must add up to 100. N=90

- Email: average 18.1%
- Social Media: average 29.9%
- Website: average 16.5%
- Word of Mouth: average 16.4%
- Print Materials: average 9.6%
- Videos: average 2.6%
- Radio: average 1.2%
- Newspaper: average 4.5%
- Other: average 1.3%

Finance, Funding and COVID-19

To what extent does your organization use the following methods to support your fundraising efforts specifically? Assign a percentage to each of the following methods and the total must add up to 100. N=90

Direct mail: average 13.8%
 Social media: average 21.0%
 Website: average 9.8%
 Personal/face to face asks: average 15.2%
 Grants: average 23.7%
 Online giving days: average 5.0%
 Other: average 11.4%

In a typical year, to what degree does your organization rely on government funding (local, state or federal)? N=61

| Response | Extremely Important | Very Important | Slightly Important | Not Important | Total |
|--------------------|---------------------|----------------|--------------------|---------------|-------|
| Local Government | 24.6% | 11.5% | 52.5% | 11.5% | 100% |
| State Government | 23.2% | 8.9% | 55.4% | 12.5% | 100% |
| Federal Government | 30.9% | 5.5% | 54.6% | 9.1% | 100% |

On a scale of 1-5, how financially vulnerable do you feel your organization is as a result of COVID-19? 1=not vulnerable at all to 5=very vulnerable. N=78

| Response | Number | Percent |
|----------|--------|---------|
| 1 | 7 | 9.0% |
| 2 | 10 | 12.8% |
| 3 | 29 | 37.2% |
| 4 | 15 | 19.2% |
| 5 | 17 | 21.8% |
| Total | 78 | 100% |

How has your organization increased revenue due to the COVID-19 crisis from any of the following sources? Select all that apply. N=74

| Response | Number | Percent |
|--|--------|---------|
| Contributions/donations from individuals | 29 | 39.2% |
| Foundation funding | 23 | 31.1% |
| Fee-for-services | 4 | 5.4% |
| Government funding | 24 | 32.4% |
| Fundraising events | 13 | 17.6% |
| Reimbursements | 1 | 1.4% |
| Retail revenue | 2 | 2.7% |
| Investment income | 6 | 8.1% |
| Federated funding (United Way) | 6 | 8.1% |
| Other | 12 | 16.2% |

What is your organization's estimated gain in revenues in total dollars since COVID-19 began in March 2020? N=74

Total gain in revenue for all nonprofits: \$11,318,475

What is your organization's estimated loss in revenues in total dollars since COVID-19 began in March 2020? N=72

Total sum loss in revenue for all nonprofits: \$10,048,577

Average loss: \$170,315

Please answer with your intentions regarding the federal funding programs available through the Coronavirus Aid, Relief and Economic Security Act (CARES Act)(Pub. L. 116-136). N=74

| Response | Did not apply | Applied but was denied | Approved for funding but not yet received | Approved and received funding | Plan to apply in the future |
|--|---------------|------------------------|---|-------------------------------|-----------------------------|
| Paycheck Protection Plan (PPP) Emergency SBA Loans | 55.4% | 2.7% | - | 39.2% | 2.7% |
| PPP Loan Forgiveness Program | 52.8% | 1.4% | 6.9% | 30.6% | 8.3% |
| Expanded EIDL and Emergency Grants (SBA Loans) | 92.4% | - | - | 6.1% | 1.5% |
| Mid-size Loan Program | 98.5% | - | - | 1.5% | - |
| Main Street Lending Program | 100% | - | - | - | - |

About 40% of nonprofits applied and received PPP funding.

50%+ of nonprofits did not apply for any type of support through the CARES Act.

Did your organization receive funding from any of the following private COVID-19 relief funds? Check all that apply. N=72

| Response | Number | Percent |
|--|--------|---------|
| Illinois COVID-19 Relief Fund | 4 | 5.6% |
| McHenry County COVID-19 Response Fund | 12 | 16.7% |
| Another special COVID-19 relief fund | 11 | 15.3% |
| Arts for Illinois Relief Fund | - | - |
| CDBG-CV (COVID-19) Funds (distributed by McHenry County Planning and Development) | 5 | 6.9% |
| We did not receive any funding from any COVID-19 relief funds | 40 | 55.6% |
| Other COVID-19 relief funds included: | | |
| <ul style="list-style-type: none"> • United Way Lake County • Emergency Rental Assistance and Emergency Mortgage Assistance through IHDA • Aurora COVID Relief Fund • Restore Early Childhood Grant • Grand Victoria Foundation COVID Fund • Mental Health Board COVID funding | | |

Has your organization experienced any barriers to applying for emergency funding? N=72

| Response | Number | Percent |
|----------|--------|---------|
| No | 48 | 66.7% |
| Yes | 24 | 33.3% |
| Total | 72 | 100% |

Has your organization lost revenue due to the COVID-19 crisis from any of the following sources? Select all that apply. N=72

About 70% of nonprofits lost revenue due to fundraising events.

| Response | Number | Percent |
|--|--------|---------|
| Contributions/donations from individuals | 28 | 38.9% |
| Foundation funding | 13 | 18.1% |
| Fee-for-services | 19 | 26.4% |
| Government funding | 5 | 6.9% |
| Fundraising events | 50 | 69.4% |
| Reimbursements | 2 | 2.8% |
| Retail revenue | 9 | 12.5% |
| Investment income | 3 | 4.2% |
| Other | 10 | 13.8% |

What types of support does your organization need most from funding partners in the next 6-12 months? N=72

Urgent and important (address an immediate, systemic need)
Important, not urgent (address systemic needs but not as immediately)
Urgent, not important (need to do this soon but it would not address systemic needs)
Neutral, not needed at all
Harmful, don't do this

| Responses | Urgent and important | | Important, not urgent | | Urgent, not important | | Neutral, not needed | | Harmful, don't do this | |
|---|----------------------|-------|-----------------------|-------|-----------------------|-------|---------------------|-------|------------------------|------|
| Changes in funding priorities | 19 | 21.8% | 42 | 48.3% | 6 | 6.9% | 20 | 23.0% | | |
| Eliminate reporting requirements | 3 | 3.6% | 12 | 14.3% | 11 | 13.1% | 52 | 61.9% | 6 | 7.1% |
| Extend reporting deadlines | 3 | 1.2% | 11 | 13.3% | 11 | 13.3% | 60 | 72.3% | | |
| Make early payments on pledged grants | 5 | 6.2% | 15 | 18.5% | 5 | 6.2% | 56 | 69.1% | | |
| New opportunities for operating funding | 43 | 52.4% | 28 | 34.2% | 5 | 6.1% | 6 | 7.3% | | |
| New opportunities for project funding | 28 | 34.2% | 34 | 41.5% | 10 | 12.2% | 10 | 12.2% | | |
| Release restrictions on project grants to general operating | 21 | 25.9% | 21 | 25.9% | 10 | 12.5% | 28 | 34.6% | 1 | 1.2% |
| Simplify applications | 15 | 18.3% | 30 | 36.6% | 16 | 19.5% | 21 | 25.6% | | |
| Change when funding is made available | 9 | 11.1% | 13 | 16.1% | 16 | 19.5% | 42 | 51.9% | 1 | 1.2% |
| More frequent communication | 5 | 6.3% | 19 | 23.8% | 16 | 20.0% | 40 | 50.0% | | |

How likely is it that your organization will have the necessary financial resources to adequately provide services for your clients/users/members over the next six months? N=75

Over half of nonprofits believe that it is urgent and important for funders to develop new opportunities for operating funding.

| Response | Number | Percent |
|-------------------|--------|---------|
| Very likely | 34 | 45.3% |
| Somewhat likely | 25 | 33.3% |
| Somewhat unlikely | 7 | 9.3% |
| Very unlikely | 9 | 12.0% |
| Total | 75 | 100% |

COVID-19 Implications for Staff and Programs

How is your organization currently conducting its work? N=77

| Response | Number | Percent |
|--|--------|---------|
| Completely virtual - all work done remotely | 12 | 15.6% |
| Mostly virtual - majority of staff and volunteers are working remotely | 32 | 41.6% |
| Mostly in person - majority of staff and volunteers are working on site, in person | 26 | 33.8% |
| Completely in person - all work is being done on site, in person | 7 | 9.1% |
| Total | 77 | 100% |

What of the following, if any, has your organization already undertaken internally in response to the COVID-19 pandemic? N=75

| Response | To a great extent | To some extent | Not at all | Total |
|--|-------------------|----------------|------------|-------|
| Reduced volunteers | 41.3% | 25.3% | 33.3% | 100% |
| Involved board in planning | 34.7% | 53.3% | 12.0% | 100% |
| Received an emergency grant | 27.0% | 28.4% | 44.6% | 100% |
| Projected several budget scenarios | 28.4% | 48.7% | 23.0% | 100% |
| Implemented CDC approved procedures for re-engagement | 63.5% | 23.0% | 13.5% | 100% |
| Ceased operations | 4.0% | 28.4% | 67.6% | 100% |
| Drew down existing cash reserves | 11.0% | 49.3% | 39.7% | 100% |
| Borrowed short term | 2.8% | 9.7% | 87.5% | 100% |
| Refinanced outstanding debt | - | 1.5% | 98.6% | 100% |
| Delayed capital campaign | 12.3% | 16.4% | 71.2% | 100% |
| Sought financial assistance through community/foundation relief grants | 27.4% | 32.9% | 39.7% | 100% |
| Used strategic planning processes | 21.9% | 45.2% | 32.9% | 100% |
| Purchased necessary PPE | 51.4% | 24.3% | 24.3% | 100% |
| Purchased technology for remote work | 41.9% | 24.3% | 33.8% | 100% |

Nonprofits were least likely to refinance outstanding debt and borrow short term.

Nonprofits were most likely to implement CDC approved procedures and reduce volunteers.

Which of the following, if any, has your organization already undertaken externally in response to the COVID-19 pandemic? N=73

| Response | To a great extent | To some extent | Not at all | Total |
|---|-------------------|----------------|------------|-------|
| Reached out to major donors | 32.9% | 46.6% | 20.6% | 100% |
| Increased social media posting | 52.1% | 35.6% | 12.3% | 100% |
| Communicated to all donors | 38.9% | 45.8% | 15.2% | 100% |
| Cancelled a major fundraising event | 75.0% | 14.0% | 11.1% | 100% |
| Collaborated with another nonprofit | 26.0% | 48.0% | 26.0% | 100% |
| Collaborated with a government agency | 18.3% | 33.8% | 47.9% | 100% |
| Increased advocacy efforts to government agencies/officials | 24.6% | 30.4% | 44.9% | 100% |
| Offered programming via telephone or online platforms | 65.2% | 15.9% | 18.8% | 100% |
| Resumed delivery of all programs and services | 36.6% | 49.3% | 14.1% | 100% |

About 90% of nonprofits cancelled one or more of their major fundraising events.

Has your organization experienced an increase in demand for any of your services? N=73

| Response | Number | Percent |
|----------|--------|---------|
| Yes | 50 | 68.5% |
| No | 23 | 31.5% |
| Total | 73 | 100% |

The increases in demand were mainly related to virtual programming, food access, delivery of food and medication, technology equipment and services, direct financial assistance, PPE, mental health services, and animal adoptions.

Has your organization experienced a reduction in the number of people served by any of your programs or services? N=74

| Response | Number | Percent |
|----------|--------|---------|
| Yes | 50 | 67.6% |
| No | 24 | 34.4% |
| Total | 74 | 100% |

The decreases in services were mainly related to government programs shutting down, some medical services, food pantries, and in person programs.

For your organization overall, to what extent are you currently delivering your regular programs and services during COVID-19? N=77

| Response | Number | Percent |
|---|--------|---------|
| To a greater extent than usual | 12 | 15.6% |
| Same as we always do | 8 | 10.4% |
| Programs continued but in a different way | 26 | 33.8% |
| In a moderately reduced capacity | 15 | 19.5% |
| In a severely reduced capacity | 15 | 19.5% |
| Not at all | 1 | 1.3% |
| Total | 77 | 100% |

About a third of all nonprofits continued program delivery during COVID but in a different way.

Did your organization lay off or furlough any employees since the beginning of COVID-19 in March 2020? N=76

| Response | Number | Percent |
|----------|--------|---------|
| Yes | 14 | 18.4% |
| No | 62 | 81.6% |
| Total | 76 | 100% |

A total of 286 nonprofit employees were laid off or furloughed.

Has your organization been forced to terminate employment for any employee due to the impact of COVID-19? N=74

| Response | Number | Percent |
|----------|--------|---------|
| Yes | 4 | 5.4% |
| No | 70 | 94.6% |
| Total | 74 | 100% |

A total of 206 individuals were terminated.

How likely is it that your organization will be able to fully fund payroll for the next six months? N=76

| Response | Number | Percent |
|------------------------------|--------|---------|
| Very unlikely | 7 | 9.2% |
| Somewhat unlikely | 1 | 1.3% |
| Somewhat likely | 15 | 19.7% |
| Very likely | 36 | 47.4% |
| We don't have any paid staff | 17 | 22.4% |
| Total | 76 | 100% |

Does your organization anticipate laying off or furloughing any employees in the next six months? N=73

| Response | Number | Percent |
|----------|--------|---------|
| Yes | 3 | 4.1% |
| No | 70 | 95.9% |
| Total | 73 | 100% |

How likely is it that your organization will be able to meet public health requirements for COVID-19 (washing hands, masks, and social distancing) to serve your clients/users/members over the next six months? N=76

| Response | Number | Percent |
|-------------------|--------|---------|
| Very unlikely | 5 | 6.6% |
| Somewhat unlikely | 2 | 2.6% |
| Somewhat likely | 6 | 7.9% |
| Very likely | 63 | 82.9% |
| Total | 76 | 100% |

Comment on discussions your organization has had about next year. Please share the extent to which your organization has thought about the longer term impact of the pandemic; how you do your work, where, and funding.

“Funding: state budget, fundraising events, competition for grants increased, relief funding declining, COVID related expenses, important to communicate with donors.”

“Technology: systems need upgrading to improve efficiency and meet the needs of clients today and to be better prepared for the future, will continue virtual service delivery after COVID, increasing use of social media.”

“Program Delivery: demand is up, serving more clients especially virtually.”

“Staffing: more challenging to hire staff at this time, had to eliminate some staff positions and use furloughs to reduce expenses, some staff will continue working remotely, staff are resilient but stressed.”

“Safety: keeping staff, volunteers, and clients safe, work on returning to face to face.”

“Strategy: working on strategic planning to think about the future and where we want to be, focus on mission and core services, board meeting more regularly, partnerships more important, taught us we need to plan for any emergency.”

“We have been adapting. And adjusting. And reimagining. It is exhausting to manage through this even while it is exciting to see staff adapt and learn new ways of doing things.”

Is your nonprofit interested in learning about, or participating in, an Administrative Services Organization (ASO)? An ASO provides outsourced solutions to meet the administrative and HR needs of the client, with the client retaining all employment-related risks and liabilities. N=76

| Response | Number | Percent |
|------------|--------|---------|
| Yes | 18 | 23.7% |
| No | 35 | 46.1% |
| Don't know | 23 | 30.3% |
| Total | 76 | 100% |



Methodology

Background:

This is the most in-depth and comprehensive study of the nonprofit sector in McHenry County. We gathered other nonprofit sector studies as well as sector surveys related to COVID-19. A group of local reviewers then tested this survey. The online survey was distributed using Qualtrics.

Distribution List:

Not-For-Profit Resources distributed the anonymous link to the online survey via their communication channels. As well, funding partners of the study also distributed the survey link.

February 23, 2021 Initial email, data collection began.

March 9, 2021 Survey closed, data collection ended.

In total, 158 organizations responded to the survey. Partial responses were recorded.

Data Anonymity:

No personal information was collected from the survey responses to ensure anonymity.

End Notes

¹ Source: *Encyclopedia of Chicago* <http://www.encyclopedia.chicagohistory.org/pages/800.html>.

² Source: <https://www.mchenrycountyil.gov/county-government/county-yearbook/census>.

³ Source: <https://www.indexmundi.com/facts/united-states/quick-facts/illinois/population#chart>.

⁴ Source: <http://www.usa.com/rank/illinois-state--land-area--county-rank.htm>.

⁵ Source: <https://www.mchenrycountyil.gov/county-government/county-yearbook/census>.

⁶ Source: <https://www.census.gov/quickfacts/fact/table/mchenrycountyillinois,IL,US/PST045219>.

⁷ Source: <https://www.census.gov/quickfacts/fact/table/mchenrycountyillinois,IL,US/PST045219>.

⁸ Source: <https://www.census.gov/quickfacts/fact/table/mchenrycountyillinois,IL,US/PST045219>.

⁹ Source: <https://www.census.gov/quickfacts/fact/table/mchenrycountyillinois,IL,US/PST045219>.

¹⁰ Source: <https://www.unitedforalice.org/county-profiles/illinois>.

¹¹ Source: <https://www.guidestar.org/search>.

¹² Source: Calculated from IRS business master files.

¹³ Source: <https://www.guidestar.org/search>.

¹⁴ Source: <https://www.guidestar.org/search>.

¹⁵ Source: <https://www.guidestar.org/search>

¹⁶ Source: Calculated from IRS business master files.



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