

# Guide to Giving:

## Effective Philanthropy During the COVID-19 Pandemic

The COVID-19 pandemic has created a worldwide crisis of a magnitude few have ever known. Globally, medical, educational and economic systems are being tested as they reach their maximum capacities. The role of philanthropy has never been more important, and donors, both experienced and new, are looking for ways to give quickly and effectively for the greater good.

As this pandemic unfolds at an unprecedented pace, it presents critical questions for donors. How can you contribute and connect with those doing the most good? Are there aspects of the crisis you haven't considered but perhaps should?

This guide serves as a holistic framework to help donors think through key choices—considering the whole ecosystem of resources needed today and later on. These best practices and resources draw on the work of clients, experts in the nonprofit sector, our long experience in philanthropic advisory and JPMorgan Chase's own US\$50 million global philanthropic commitment to address the challenges of COVID-19. The pandemic response presents a range of opportunities in which to invest, from the initial healthcare needs of the most vulnerable and marginalized to a comprehensive set of longer-term systemic issues.

### STARTING WITH WHO YOU KNOW

The nonprofit organizations you already give to are likely to be challenged to an unprecedented degree—especially hospitals, organizations providing essential services or those serving people who live paycheck to paycheck. Other vulnerable populations include people who have lost their incomes, older adults, small businesses, and cultural and arts institutions now losing revenue.

The coronavirus will also significantly impact low- and middle-income countries where health systems were already stretched too thin. Every community will have different needs.

As you consider getting involved to support organizations affected by and responding to the COVID-19 pandemic, assess how they are functioning, what they need and how the relationship might evolve. In a fluid environment, communication is more important than ever. If they haven't called you, reach out proactively and consider the following questions:

- **If the organization provides critical services (food, shelter, medical care):** Can it fulfill its mission at this time? Does it need flexible funds to continue or expand operations? Is leadership coordinating efforts with appropriate government agencies and/or other nonprofit partners? Should existing restricted grants be freed to allow them to focus on serving a surge of needs?
- **If the organization provides arts, culture or other “non-critical” services:** Does it have sufficient resources to sustain payroll and real estate? Were scheduled fundraising events canceled? Should existing grants with conditions or programmatic restrictions be freed for use toward basic operations?
- **Can your relationship reflect a trust-based approach to grant implementation and reporting?** Instead of making nonprofit organizations jump through hoops for funding, ask if it's time to provide more unrestricted funding. Can you simplify and streamline the application, planning and reporting processes?

## EXPANDING YOUR GIVING TO NEW ORGANIZATIONS

Donors are likely receiving appeals and encountering new opportunities for funding. During times of crisis, it's important to gain some understanding of the broader landscape. Consider asking the following questions as part of a due diligence process:

- **Examine the basics.** Can the organization clearly state what it is funding and how it will use resources? Does it have capacity to take funds? Give pause to generally worded or newly formed efforts by unknown organizations. Ensure the organization is registered as a nonprofit entity with the relevant agency (in the United States, as a 501c3).
- **Do a quick check.** Glance through annual reports and summaries of what the organization has done before. Is the board experienced? Does the leadership exhibit relevant experience? Does the charity have relationships with local government and other nonprofits? Does it have the capacity to manage funds? The ability to assess the needs on the ground?
- **Can you add flexibility?** Given the urgent and unique needs around disaster response, nonprofits need the support and space to focus on service delivery. For organizations that meet your requirements, set expectations but give flexible grants so they may easily use the funds where they're urgently needed. Consider delaying reporting requirements, or instead have an open discussion and set realistic expectations around how they can report on the use of funds.
- **Is it a large, well-established international organization with the existing infrastructure to deploy resources on the ground quickly?** Those that have addressed disasters previously may be well suited today, for example, in the developing world.

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> We are making immediate investments to help those most affected by humanitarian challenges, and looking into sustainable and innovative solutions to help small businesses and underserved communities recover when the crisis subsides.

**Peter Scher**  
Head of Corporate Responsibility

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**JPMorgan Chase has made a US\$50 million global philanthropic commitment** to address both the immediate and the longer-term challenges from the COVID-19 global pandemic, both health and economic. The initial US\$15 million will provide immediate humanitarian relief and assistance to existing nonprofit partners that are responding to the COVID-19 crisis in their communities, including funding the provision of protective medical gear through the World Health Organization, and to food banks. It will also support small businesses in the United States, China and Europe, working with existing partners in cities worldwide to offer flexible capital so small businesses vulnerable to significant economic hardships can access no- or low-interest loans. The remaining US\$35 million will be deployed over time to help the most vulnerable communities and people recover and have an opportunity to benefit from future economic growth, in areas of expertise including financial health, jobs and skills, small business growth, underserved/underrepresented entrepreneurs and neighborhood development. The firm has also launched a global matching program for employee donations.

## HOW DO YOU ENGAGE?

You may be drawn to global organizations or to local charities. Both have critical roles serving those in need. Whether your time horizon encompasses immediate assistance or your gift invests in a long-term strategy, both will be vital to sustaining thriving communities. As you deepen your understanding of the current landscape, consider contributing to the following emerging areas where resources and time will be needed:

### Funding immediate needs

- **The most vulnerable.** Consider local community needs, such as support for homeless shelters, children's services, domestic abuse and the elderly. Learn more about the most vulnerable around the world who are disproportionately affected: refugees and marginalized populations in developing countries.
- **Healthcare systems and medical supplies.** Local hospitals and clinics are experiencing a range of urgent needs, including the collapse of supply chains for emergency equipment (ventilators and masks, for example). Some may need help with staff support or contingency planning.
- **Food security.** Consider the needs of local food banks around kitchen continuity, delivery and meal distribution. In partnership with many U.S. local school districts, for example, many systems are now serving children at home who rely on school meals.
- **Education.** Given the transition to remote learning, understand the needs of children and teachers around training, access to computers, access to broadband services and other remote learning tools.
- **Mental health support.** Economic hardship and the shelter-in-place isolation measures mandated in many locations will take a toll on mental health. Explore support for access to teletherapy or similar support models, particularly for those who suffer from substance abuse, and support for domestic violence programs and the incarcerated.
- **Business continuity and the unemployed.** Consider supporting small and medium-sized businesses through gift cards, delivery services and continued patronage. Tap into local nonprofit efforts to support small business and community development finance institutions (CDFIs).
- **Nonprofit volunteers.** Nonprofits' needs are changing day by day and will continue to evolve over time. Explore support for hiring short-term staff to replace volunteers for essential services (such as at food distribution centers), and to implement new safety measures and training.

### Partnering in long-term recovery

In the throes of crisis, longer-term needs may receive less attention, but you may want to keep several core areas in mind:

- **Diagnostic, vaccine, treatment research and development.** Explore opportunities to fund accelerator projects for therapeutics, vaccines, diagnostic tools and testing facilities.
- **Healthcare system emergency preparedness and training.** The healthcare systems in Asia that responded to SARS were better equipped when faced with the COVID-19 crisis than healthcare systems in other parts of the world. Review organizations that focus on emergency preparedness.
- **Affordable housing.** Consider organizations that increase housing availability or provide preventative support, research and data, or that advocate for better access to housing and shelter.
- **Business recovery and low- and no-interest loans.** While governments around the world work to address immediate needs for businesses, there will be longer-term funding opportunities to rebuild a robust economy and workforce.
- **Nonprofit sustainability and general operating funds.** The nonprofits most likely to survive in tough times are those that prepared in advance through strong board governance and flexible resources. Invest in general operating support to strengthen balance sheets and impact.
- **Job assistance and support.** Organizations that provide workforce development training or additional skills assessments enable workers to reengage in the job market.

➤ We encourage you to use this guide to refine your intentions. As you do, JPMorgan Chase will be here to support you on your philanthropic journey.

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The Philanthropy Centre at J.P. Morgan enhances philanthropic impact globally by offering our clients and their families strategic and innovative advice, thought leadership and learning opportunities

## RESOURCES

[CDC Foundation](#)

[Center for Disaster Philanthropy](#)

[China Foundation for Poverty Alleviation](#)

[European Foundation Centre](#)

[Gates Philanthropy Partners](#)

[New Philanthropy Capital](#)

[World Health Organization Response Fund](#)

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