



Strengthening Organizations That Strengthen Our Community

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## **Utah Nonprofits Feel the Effect of Federal Government Shutdown**

SALT LAKE CITY, UTAH – In an effort to understand the impact of the federal government shutdown, the Utah Nonprofits Association surveyed 1,725 individuals from UNA member nonprofits. 105 respondents from 67 different organizations completed a five-question survey which was conducted from 1:25 p.m. Jan. 14, 2019 to 8:00 a.m. on Jan. 15, 2019. While much of the impact from the federal shutdown is still unknown, the nonprofit community expressed real concern about the impact of the shutdown on daily operations and their ability to serve the public.

Nearly 10% of the respondents reported that they had seen an increase in the demand for their services from furloughed and unpaid government workers, contractors, and others affected by the shutdown. 32% of respondents told UNA that it was too soon for them to assess the increase in demand for services—this response seems consistent with the fact that Jan. 15 was the first full paycheck missed by those affected by the shutdown.

Additional findings from UNA's survey include the following:

- 55% receive some form of federal funding from the government
- 38% receive 25% of their funding from the federal government
- 62% are making organizational changes in response to the shutdown
- 23% are reducing operating expenses and/or postponing activities and events
- Four respondents reported they would need to reduce staffing
- One respondent stated they would need to close if the shutdown continues

The impact on the nonprofits and the people of Utah who rely on them is profound—many nonprofits are unable to do their work without federal funding. “Some of these organizations are forced to take out lines of credit or layoff staff and reduce or eliminate certain services, costs in economic and human terms that will never be recovered even when government operations return to normal,” states The National Council of Nonprofits. “Equally harmful are the indirect, yet still significant financial and human costs of the shutdown that charitable organizations are experiencing with increasing frequency.”

The survey showed that nonprofits and their constituents are feeling a wide range of effects from the shutdown. “The uncertainty and being in limbo is hard,” stated one survey respondent. Some respondents stated that they have seen delays in work and new projects due to lack of funding; some are concerned about receiving benefits, and others are concerned about their clients’ ability to pay for things like daily medications.

Perhaps the most poignant comment from respondents was about the impact of the shutdown on people who have experienced trauma. “Our staff members already work for very little to accomplish important social services for domestic and sexual violence survivors and we are at the point where we will have to tell survivors we can't help them and tell our staff to go home and that we can't pay them until the government approves a budget. This is completely unacceptable for victims of violence and our community.”

The effects of the federal government shutdown are far-reaching, especially in the nonprofit sector, but in spite of the challenges imposed on Utah nonprofits, they still want to be a positive impact on our state. Many nonprofits are making their services available at free or reduced cost to those affected. One noted that they had opened a food bank “to serve furloughed government employees by providing them with a cart full of groceries twice a month, all they need is to provide proof of employment.”

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**About Utah Nonprofits Association:**

The Utah Nonprofits Association (UNA) champions Utah’s nonprofits as they work to build strong, vibrant communities throughout Utah. Incorporated in 1990, current membership includes over 700 nonprofit organizations, individuals, and businesses dedicated to improve the quality of life in our state. UNA provides members resources, education, and a collective voice. For more information please visit [www.utahnprofits.org](http://www.utahnprofits.org).