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# At Your Service: Nonprofit Infrastructure Organizations and COVID-19

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**Keywords:** Nonprofit infrastructure organizations, nonprofit support, community support, nonprofit ecosystem

## Introduction

For nonprofits struggling to cope with increasing demands for services in a stringent funding environment, COVID-19 poses new challenges to an already stressed business model (Grønbjerg, McAvoy, & Habecker, 2020; Maher, Hindery, & Hoang, 2020). These include restrictions on organizational activities, space considerations associated with social distancing, provisions for personal protective equipment, and increased expenditures for safety and sanitation. Moreover, nonprofits may be contending with diminished access to a vital resource: people who before the pandemic were comfortable volunteering in person.

Where can service-delivery nonprofits turn to address these challenges? Some may bootstrap their own solutions by trying their hand at such new initiatives as creating or expanding online operations, starting commercial ventures, or transforming volunteering from in-person to virtual work. Requests for funding and other support from the “usual suspects” — governments, for-profit enterprises, and foundations — are another response, although those organizations are likely facing pandemic-related issues of their own.

Often overlooked in this ecosystem that supports nonprofits are nonprofit infrastructure organizations (NIOs). Rarely considered in practice or in the scholarly literature, the large constellation of NIOs contains well-known national organizations (e.g., Independent Sector, National Council of Nonprofits) and numerous other national, regional, and state-focused groups. While diverse, NIOs are united by their mission to offer

## Key Points

- This article examines the role played by nonprofit infrastructure organizations in assisting service-delivery nonprofits as they confronted the COVID-19 crisis. These organizations are differentiated by their service focus, but are united by a common mission to offer support to other nonprofits.
- The service areas of nonprofit infrastructure organizations can be divided into three categories: those that support the nonprofit sector as a whole, those that assist nonprofit organizations and their staffs, and those that devote their resources to the communities or region they serve. For this article, leaders from these three types of organizations were asked to share their responses to nonprofits that sought help in dealing with the coronavirus pandemic. The diversity of services and business models revealed in the sample illustrates the range of complementary resources that benefit service-delivery nonprofits and their communities.
- This article offers useful lessons for foundations by demonstrating how nonprofit infrastructure organizations have adapted to COVID-19 and continue to support the nonprofits they serve. Through moving grants from restricted to unrestricted funds, foundations empower these organizations to address the needs of nonprofits quickly and strategically. Such flexibility is critical to the success of nonprofits, and the pandemic provides an object lesson to test the idea that foundations should consider funding organizations rather than programs, thus allowing nonprofits to respond to needs that arise outside of the grant cycle.

support to other nonprofits in strengthening capacities, mobilizing resources, providing expertise, building alliances for mutual support, and connecting nonprofits to other sectors. This article examines the role that NIOs can and do play in assisting service-delivery nonprofits as they confront COVID-19, and brings needed attention to an understudied but critically important part of the nonprofit support ecosystem.

This article offers useful lessons for foundations and other types of support organizations by demonstrating how NIOs have adapted to COVID-19 and continue to support the nonprofits they serve. Through moving their grants from restricted to unrestricted funds, foundations empower NIOs to address the needs of nonprofits quickly and strategically. This flexibility is critical to the success of NIOs and other nonprofits, allowing them to adapt in real time to changing organizational and community needs. The COVID-19 crisis provides an object lesson to test the idea that foundations should consider funding organizations rather than programs, thus allowing nonprofits to respond to needs that arise outside of the grant cycle.

We begin by examining NIOs, and identify three archetypes that are differentiated by their focus:

1. the nonprofit sector as a whole,
2. nonprofit organizations and their staff, and
3. the local community.

An organization representing each of the three archetypes in the same geographic region was selected to illustrate the local nonprofit ecosystem. (See Table 1.) The leaders of these organizations were asked about their responses to the pandemic and the consequences of those actions for their organizations, service-delivery nonprofits, and the larger community. The following sections describe the NIOs and the case study approach, and present the findings. The article concludes with discussion and implications of the findings for service-delivery nonprofits that may call on NIOs for assistance, the NIOs themselves, and the community.

*This article offers useful lessons for foundations and other types of support organizations by demonstrating how NIOs have adapted to COVID-19 and continue to support the nonprofits they serve. Through moving their grants from restricted to unrestricted funds, foundations empower NIOs to address the needs of nonprofits quickly and strategically.*

### Nonprofit Infrastructure Organizations

Nonprofit infrastructure organizations constitute a large, diverse category of membership, advocacy, education, research, management assistance, and other entities with a mission to strengthen the effectiveness and capacity of other nonprofits (Prentice & Brudney, 2018). Abramson and McCarthy (2012) observe that regardless of their particular focus, NIOs exist to help and serve nonprofit organizations to “promote the health of the nonprofit sector” (p. 423). Scott, Lubienski, DeBray, and Jabbar (2014) provide an apt example of the work and activities of a “vibrant sector of intermediary organizations” (p. 69) that enables nonprofits not to have to go it alone.

In their study of producing, promoting, and utilizing research in education policy, these authors show persuasively how NIOs play important roles in the nonprofit ecosystem, including in the work of information transfer. Abramson and McCarthy (2012), however, raise the concern that scholars have conducted relatively little systematic analysis of NIOs. This article responds in part to their call. In the COVID-19 era, when

TABLE 1 Sample Nonprofit Infrastructure Organizations

Organization	Primary Service Focus	Primary Activities
North Carolina Center for Nonprofits	Strengthen the nonprofit sector in North Carolina.	<ul style="list-style-type: none"><li>• Advocate and lobby in support of causes relevant to state nonprofits.</li><li>• Educate public on the purpose and benefits of nonprofits.</li><li>• Provide support to nonprofit members.</li></ul>
United Way of the Cape Fear Area	Support nonprofit organizations and staff in a five-county region of southeastern North Carolina.	<ul style="list-style-type: none"><li>• Build local nonprofit capacity.</li><li>• Fundraise and disseminate funds to impactful local nonprofit programs.</li><li>• Incentivize programmatic collaboration among funded nonprofit partners.</li></ul>
Cape Fear Collective	Serve local communities in a six-county region of southeastern North Carolina.	<ul style="list-style-type: none"><li>• Build social capital.</li><li>• Increase philanthropy.</li><li>• Facilitate cross-sector collaboration.</li><li>• Increase social innovation.</li></ul>

Sector

nonprofit service-delivery organizations are facing unprecedented pressures, the need for understanding and application of the work of NIOs could not be greater.

Prentice and Brudney (2018) develop a typology of NIOs based on the focus of their work. Like Abramson and McCarthy (2012), they differentiate between NIOs that (1) serve the sector as whole and those that (2) serve individual nonprofits and their staffs. The first category includes advocacy, public education, and national and state membership organizations, such as Independent Sector, and organizations and associations that promote nonprofit research, such as the Association for Research on Nonprofit Organizations and Voluntary Action. The second category encompasses management training and support organizations, professional development associations, and financial intermediaries, such as BoardSource and United Way Worldwide.

Prentice and Brudney (2018) identify a third category of NIOs, made up of organizations that serve local communities: “Referred to as community or civil society support organizations, these organizations build community capacity by mobilizing resources, connecting community

actors across diverse social and economic cleavages, and fostering intra- and inter-sectoral collaborations” (p. 43). Mendel and Brudney (2018) provide numerous, extended examples of the work of these organizations in their study of nonprofit partnerships and collaborations in Cleveland, Ohio.

Data and Methods

This case study evaluates whether and how three NIOs, each representing one of the major service foci identified by Prentice and Brudney (2018), respond to the pandemic-related needs of their region’s nonprofit sector.

1. The North Carolina Center for Nonprofits focuses on the nonprofit sector as a whole. With over 1,400 nonprofit organization members, the center has as its mission to educate, connect, and advocate for the state’s nonprofits (2020).
2. United Way of the Cape Fear Area (UWCFA) is an intermediary organization whose focus is on nonprofit organizations and their staff. As with most United Way organizations, UWCFA (2020) works with the community to assess its assets and

needs; raise, leverage, and allocate community resources and financial investments; and help nonprofits build their capacity to mobilize these resources effectively.

3. The Cape Fear Collective (CFC), which represents NIOs that focus on local communities, is a collective impact and data science backbone organization based in Wilmington, North Carolina. The organization uses big data, fundraising, social innovation, and large-scale initiative management to improve social service delivery and public health in a six-county region in southeastern North Carolina. The goal of the CFC (2020) is to create sustainable impact programs that address social progress across a variety of sectors including economic development, health and human services, climate change, and housing.

The sample organizations were not selected at random. Random sampling is a large-sample technique and is difficult to administer, and even counterproductive, given the purpose to illustrate the potential of different subtypes of NIOs to assist nonprofits in a global pandemic (McDavid, Huse, & Hawthorn, 2012).

Most of the source material for the analysis comes from interviews with the leaders of each of the three NIOs, who were asked the following questions:

1. Has your service focus changed (shifted, broadened, narrowed) since the onset of COVID-19? If so, how?
2. What three initiatives or activities are you doing (or have you done) to serve your constituency since the onset of COVID-19?
3. What three initiatives or activities have you stopped doing since the onset of COVID-19?
4. Do you see the changes you've made as a permanent shift in your business model or a temporary divergence (i.e., you'll revert back to your pre-COVID-19 business model)?
5. Has your resource base expanded (e.g., new funding, in-kind contributions, volunteers) or contracted (e.g., loss of grants, membership dues, campaign contributions, volunteers) since the onset of COVID-19? If so, how?

## Findings

Given the NIOs' divergent roles in the nonprofit ecosystem, the results of the interviews with their leaders varied. Nevertheless, some general themes emerged. (See Table 2.)

### Expanded Service Focus

All three NIOs reported broadening their service orientation. Although the NC Center for Nonprofits has maintained its service focus on strengthening the nonprofit sector and primarily continues to serve the same constituency — its dues-paying members — the organization chose to make its COVID-19-specific resources publicly available to all nonprofits. The other two organizations have adapted to a greater degree and broadened their service focus to include new and different constituencies.

United Way of the Cape Fear Area has expanded its service focus beyond primarily nonprofit organizations and their staff to include a greater focus on the community. The organization has always embraced a broad community perspective, but this interest traditionally was secondary to the purpose of supporting nonprofits that serve clients in the region. Since the pandemic, however, UWCFA has partnered with local governments and nonprofits to financially support and collaboratively manage defined ad-hoc programs to benefit the larger community.

Cape Fear Collective has likewise broadened its service focus to include new constituencies. The CFC has maintained its community orientation while providing greater technical and project management assistance to public and nonprofit partners, particularly through its data science apparatus. This expanded focus was already built into CFC's business model, but the crisis accelerated the timeline given myriad requests from local nonprofits for analytic insights.

TABLE 2 How NIOs Adapted to COVID-19

Organization	Service Focus	Activities	Operations & Financing
North Carolina Center for Nonprofits	Primarily serving the same constituency; made some resources publicly available to nonprofits that are not dues-paying members	<ul style="list-style-type: none"><li>• Advocacy to ensure nonprofits received stimulus funding</li><li>• COVID-19-specific publications containing tools and templates for nonprofits</li></ul>	<ul style="list-style-type: none"><li>• Moved member-support activities and Fall 2020 conference to virtual formats</li><li>• Increased funding and afforded flexibility in current grants.</li></ul>
United Way of the Cape Fear Area	Expanded to serve more community-oriented interests through cross-sector collaboration	<ul style="list-style-type: none"><li>• Short-term housing program to de-densify local shelters and provide safe space for individuals to quarantine</li><li>• Fundraising platform to facilitate and promote local giving and volunteering</li></ul>	<ul style="list-style-type: none"><li>• Moved operations and campaign activities to virtual formats</li><li>• Saw decrease in corporate gifts, foundation grants, and campaign contributions</li></ul>
Cape Fear Collective	Expanded to provide more technical and project management assistance to public and nonprofit organizations	<ul style="list-style-type: none"><li>• Technology support and implementation: fundraising platform and tools to facilitate collaboration</li><li>• Big data analytics projects for public and nonprofit agencies</li></ul>	<ul style="list-style-type: none"><li>• Moved operations and community meetings to virtual formats</li><li>• Saw decrease in major gifts</li></ul>

Note: Table lists new activities; all three NIOs maintained core activities.

New Activities and Initiatives

All three organizations in the case study developed new programs and initiatives to help nonprofits and their communities respond to COVID-19.

The NC Center for Nonprofits continues to engage in the same methods for serving its constituency, but has augmented the nature of those activities to be COVID-19 specific. Its advocacy in support of North Carolina’s nonprofits continued, for example, but efforts were increased at the federal and state levels to ensure nonprofits had access to the same stimulus resources that small businesses received. Additionally, the Center routinely develops and disseminates publications that facilitate nonprofit activity (e.g., how to incorporate a nonprofit), but new resources are now almost exclusively COVID-19-specific publications (e.g., a “Return to the Workplace” guide with tips, tools, and templates for re-engaging in face-to-face activity). Notably, all of these COVID-19-specific resources are

made available at no cost to all North Carolina charities – not just dues-paying members of the Center – so that the population of nonprofit organizations can benefit.

Among United Way of the Cape Fear Area’s new initiatives is a collaborative project to finance and facilitate alternative short-term housing solutions for families and at-risk individuals in local shelters to help them avoid contracting COVID-19, and for individuals without permanent housing who test positive for COVID-19 to help them quarantine and protect public health. These initiatives are accomplished in collaboration with hotels, short-term rental facilities, county and city governments, and other local nonprofits. In cooperation with CFC and other partners, UWCFA also accelerated the launch of the SHARE Cape Fear website (<https://sharecapefear.org>), which connects the public with local nonprofits and facilitates philanthropic engagement, including providing a searchable database of local nonprofits along with their events, volunteer opportunities, and resource needs.



Cape Fear Collective's pandemic-related activities fall largely into two categories: technology support and implementation, and big data analytics for community benefit. CFC financially supported or collaborated to deploy phone application and website platforms, such as SHARE Cape Fear, as well as others that use technology to foster regional collaboration among disaster-recovery organizations and networks that help individuals requiring respite care to connect with volunteers.

CFC's data analytics initiatives were underway before the COVID-19 outbreak to provide information to local policymakers and nonprofit managers, but were accelerated to meet community needs in the crisis. These efforts provide actionable intelligence to policymakers and nonprofit managers and are driven by internal motivations to identify community needs and communicate them to the public and by external requests from local anchor organizations that capture extensive data but lack the capacity to analyze it — for example, synthesizing data from the local health department and health information exchange to follow COVID-19 progression and outcomes. Much of this analytic work is conducted in collaboration with interdisciplinary faculty at the University of North Carolina Wilmington's Center for Social Impact.

One might reasonably assume that offering new initiatives to address evolving needs during a pandemic would come at the cost of some of the typical activities of these NIOs. In fact, all three did cease to perform some manner of programming — primarily activities that could not be easily replicated virtually. Surprisingly, however, each organization maintained many of its core functions and none of the NIOs in the case study saw the new initiatives as fundamental changes to their business model. The NC Center for Nonprofits has maintained its service focus and continues to engage in activities that align with that priority. Although UWCFA is engaging in more community-oriented work and CFC is providing more direct nonprofit support than before, UWCFA is still primarily concerned with supporting nonprofits and their staff, and

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CFC is still primarily focused on serving the local community.

#### *Operational Adjustments and Financing*

All three NIOs adapted their operations to conform to mandated COVID-19 safety protocols and social distancing guidelines. Much of their work shifted to virtual formats, including the NC Center for Nonprofits' face-to-face member-support activities and its Fall 2020 conference, and Cape Fear Collective's internal operations, client engagements, and community convenings. United Way of the Cape Fear Area suspended in-person campaign activities and events for two months before resuming that work virtually.

Some of these changes will likely persist beyond the crisis. Two of the NIOs noted that they have achieved higher productivity by working remotely and are likely to make permanent some of those adjustments, such as teleworking and virtual meetings. UWCFA noted that its volunteer pool has skewed toward younger people as some older and retired volunteers, who are at higher risk, have opted out; it is a trend the organization expects will continue. Although some of these operational adjustments are welcome, others are not. All of the NIOs report doing more work and observed that the increased workload

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is likely to continue, raising concerns about the effects the additional burden will have on employees and the organizations.

All the NIOs observed changes in their financing. The NC Center for Nonprofits has benefited from the flexibility afforded by its funders to convert all project-specific grants to general operating support, and has witnessed greater interest in support for the center’s work during the crisis. The other NIOs, however, reported declines in their funding support. “The increases we’ve seen are pennies on the dollars we’ve lost,” said the leader of UWCFA, which is seeing a drop in campaign pledges and anticipates a significant increase in contributions pledged by donors that are not ultimately received; corporate gifts and grant dollars from reliable funders have also declined. CFC also reported that funding has contracted, as several major gifts pledged pre-pandemic “have been put on hold.”

## Discussion and Conclusion

Prentice and Brudney (2018) present a typology of nonprofit infrastructure organizations defined by their primary service focus, while noting that the categories are not exclusive and suggesting that some NIOs, such as academic centers, adopt multiple service foci. The diversity of service foci

and business models in this class of organizations makes its output very broad and yet, as we saw in the activities of our sample organizations, the variety in the work of these entities produces complementary resources that yield greater benefits. These organizations provide multiple functions to the nonprofit sector that, when performed by NIOs serving the same geographic region, result in synergies that benefit service-delivery nonprofits and the larger community.

The complementarity of these organizations can be illustrated in the following examples. First, findings from the NC Center for Nonprofits’ March 2020 survey of 680 state nonprofits provided insights useful to United Way of the Cape Fear Area regarding the needs nonprofits face, and informed a survey that it administered to funded partners. Second, UWCFA and Cape Fear Collective benefitted financially from advocacy by the NC Center for Nonprofits and many other NIOs to ensure nonprofits were included in the Paycheck Protection Program, a U.S. Small Business Association (SBA) pandemic response that provided low-rate forgivable loans to employers that met certain criteria to help keep workers on their payrolls during the crisis. As of August 8, 2020, over 4,200 North Carolina small and moderate sized nonprofits had received more than \$165 million in loans (SBA, 2020). Finally, UWCFA and the CFC partnered on the short-term housing and SHARE Cape Fear initiatives, each organization lending unique skills and capacities to support the local community, regional nonprofits, and the clients they serve.

Two primary implications emerge from our analysis of the activities of these three NIOs. First, one must look across all NIOs in a geographic area to understand the full array of supports nonprofit service providers can turn to beyond the “usual suspects.” This imperative is evident during crises such as COVID-19, but also remains true for confronting whatever new normal prevails afterward. Second, this research shines a light on the vital role NIOs play in bridging public, for-profit, and nonprofit entities to support the mission-based community work of nonprofit service providers.



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