

NONPROFIT CRISIS PREPAREDNESS GUIDE

Protecting Your Mission, Donors, and Community Trust

When your organization depends on public trust and donor confidence, you can't afford to improvise during a crisis.

WHY NONPROFITS NEED CRISIS PLANS

The Unique Nonprofit Reality:

- 71% of donors stop giving after a major crisis or scandal
 - Unlike businesses, you can't recover with a better product - trust is your only currency
 - Board members have fiduciary duties and personal liability concerns
 - Media scrutinizes nonprofits more skeptically than for-profit businesses
 - Your mission work can't stop while you manage a crisis
 - Beneficiaries depend on your continued operations
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TOP 10 CRISIS RISKS FOR NONPROFITS

1. Financial Irregularities

- Misuse of funds or fraud by staff, board, or volunteers
- Accounting errors or missing financial controls
- Unexplained discrepancies in audits
- Excessive executive compensation controversies

2. Leadership Misconduct

- Executive director or board member ethical violations
- Harassment, discrimination, or hostile work environment
- Conflicts of interest not properly disclosed
- Misrepresentation of credentials or experience

3. Donor Disputes

- Funds not used as donor intended
- Lack of transparency in program spending
- High overhead ratio concerns

- Major donor relationship breakdowns

4. Beneficiary Safety

- Harm to individuals served by your programs
- Abuse or neglect allegations
- Inadequate safeguarding procedures
- Volunteer misconduct affecting vulnerable populations

5. Data Breaches

- Donor information compromised
- Beneficiary records exposed
- Payment processing security failures
- Unauthorized access to confidential information

6. Mission Drift Accusations

- Program changes perceived as abandoning core mission
- Political controversies affecting donor base
- Partnership decisions that conflict with values
- Advocacy positions dividing stakeholder groups

7. Regulatory Investigations

- State attorney general inquiries
- IRS investigation of tax-exempt status
- Grant compliance violations
- Lobbying or political activity concerns

8. Fundraising Controversies

- Misleading campaign materials
- High-pressure tactics complaints
- Third-party fundraiser problems
- Crowdfunding scandals or misrepresentation

9. Board Conflicts

- Governance disputes becoming public
- Board member resignations en masse
- Founder vs. board power struggles
- Financial mismanagement by board

10. Program Failures

- Services not delivering promised outcomes
 - Grant-funded projects failing to meet objectives
 - Partnerships causing reputational damage
 - Community backlash against programs
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NONPROFIT CRISIS READINESS SELF-ASSESSMENT

Governance & Financial Controls

- Board receives regular financial reports and reviews them
- Annual independent audit conducted
- Conflict of interest policy exists and is enforced
- Whistleblower policy protects those reporting concerns
- Financial controls include separation of duties
- Executive compensation reviewed and approved by board
- IRS Form 990 reviewed by board before filing
- Document retention policy exists and is followed

Crisis Planning

- Written crisis management plan exists
- Crisis team identified with roles and responsibilities
- Media spokesperson designated and trained
- Crisis communication templates prepared
- Donor communication protocols established
- Board notification procedures documented
- Legal counsel identified for crisis support
- Crisis plan tested within last 12 months

Donor Relations

- Donor database backed up regularly and securely
- Gift acceptance policy clearly documented
- Donor intent documentation procedures in place
- Major donor relationship management system
- Donor privacy policy posted and followed
- Thank you and acknowledgment procedures consistent
- Donor complaint resolution process documented

Beneficiary Safeguarding

- Background checks required for all staff/volunteers working with vulnerable populations
- Safeguarding or child protection policy exists



- Incident reporting procedures clear and followed
- Staff trained on recognizing and reporting abuse
- Two-adult rule or similar safety protocols enforced
- Regular safety audits of program environments
- Beneficiary complaint procedures accessible and safe

Communications & Reputation

- Social media monitoring process in place
- Website can be quickly updated during crisis
- Media inquiry response protocol documented
- Key stakeholder contact lists current and accessible
- Brand reputation metrics tracked regularly
- Crisis communication templates prepared
- Staff trained on what NOT to say publicly

Data Security & Privacy

- Donor data stored securely and encrypted
- Beneficiary information protected per privacy laws
- Data breach response plan exists
- IT security regularly assessed
- Staff trained on data security best practices
- Payment processing PCI compliant
- Regular security audits conducted


SCORING:

- **30+ checks:** Strong foundation - focus on testing and training
- **20-29 checks:** Good start - prioritize governance and communication gaps
- **10-19 checks:** Significant vulnerabilities - consider comprehensive crisis planning
- **0-9 checks:** High risk - immediate action needed to protect your mission

Protect Your Mission Before Crisis Strikes

Crisis IQ Partners helps nonprofits build crisis readiness that protects donor trust, board governance, and mission continuity.

 Schedule a free 30-minute consultation: [Select a Date & Time - Calendly](#)

 Email us: Hello@crisisiqpartners.com

Take our 3-minute Crisis Readiness Scorecard: [Crisis IQ Scorecard](#)

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