

SeaChange

SeaChange: Organizational Background

- SeaChange was founded in 2007 with the mission to help nonprofits navigate complex financial and organizational challenges and opportunities.
- We provide financial resources grants and loans as well as advice and referrals, in addition to being a safe space for discussion.
- We have engaged in 1,850 transactions, making ~420 grants, 150 loans, and helped wind-down/restructure 45 organizations.

SeaChange: Our Tools and Resources

- Loans to meet the bridge financing, working capital, real estate, and emergency capital needs of nonprofits
- Grants to explore or implement nonprofit collaboration or repositioning – mergers, partnerships, spinouts, wind-downs and dissolutions
- Analysis & Advice: financial analysis, risk management, restructuring support, and referrals to specialists

Current Climate: Nonprofit Sector Under Pressure

- Current operating environment is more difficult than ever. Several factors contribute to these challenges:
 - Drained reserves (COVID-related relief dried up)
 - Leadership transitions
 - Funder rotations/pull back
 - Impact of rising costs/inflation
 - Worsening delays in government payment
 - o Direct and indirect impacts of the federal administration's policies

Retrenchment and Resilience: Strategic Choices

Best management practices require combining risk management with thoughtful retrenchment:

- Mission-focused retrenchment: "Is the organizational structure serving the mission?"
- Stockpiling flexibility: Removing funding restrictions, securing lines of credit, negotiating leases, proactively exploring partnerships
- Scenario planning: Hoping for the best, planning for the worst.
 - Understanding major exposures and likelihood of loss (external and internal)
 - Planning for uncertainty and worst-case scenarios (i.e. closure)
 - Creating "Living Wills" to mitigate harm





SeaChange