

Survey Shows New Jersey Non-Profits Struggling in Downturn

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North Brunswick, NJ -- New Jersey non-profits are feeling the effects of the economic downturn, rising demand for services and drastically shrinking pools of funding, according to a survey conducted by the Center for Non-Profits. *New Jersey Non-Profits 2009: Trends and Outlook* is the latest in a series of annual surveys by the Center to gauge trends, experiences and projections of New Jersey non-profit organizations.

The Center conducted the survey online in mid-February 2009 to assess how non-profits fared in 2008 and to determine their outlook for the coming year. The 351 responses from 501(c)(3) organizations that were submitted as of February 14, 2009, were included in this analysis.

The survey provides further evidence of the toll that the current climate is taking on the charitable community. For example:

- 70% of responding organizations reported that demand for their core services had increased during the past year, and an equal percentage expected demand to continue to rise in 2009.
- One-third of responding organizations reported spending more money than they took in during their most recently completed fiscal year.
- Over 60% expected their total expenses to increase in 2009.
- Over 40% of respondents anticipated that their total funding in 2009 would be less than 2008. Corporations, foundations and donations from individuals were identified most often as the categories in which respondents expected funding to decrease.
- Only 31% of respondents said that their organization's circumstances were better overall now than one year ago – down from 51% who said that their situation was better in 2008 than in 2007. Fully one-third (34%) of respondents said that their situation was worse than a year ago – up from 15% in last year's survey.
- One-third (33%) of respondents predicted that their organizations' overall circumstances would be worse one year from now than they are currently, compared with only 8% who held that opinion one year ago. Although 41% predicted that their circumstances would be better a year from now, this represents a sharp drop from the 68% of respondents who held that view in 2008.

(more)

Non-Profit Survey (continued)

“This is one of the most difficult climates that we’ve seen, and the survey findings reinforce that,” commented Linda Czipo, executive director of the Center for Non-Profits. “Many organizations are now in a position of having to cut back when people need them the most.”

The survey reveals that non-profits are employing a wide range of strategies to deal with the situation, from cuts in programs and personnel, to new collaborations and new fund raising and revenue-raising approaches. Although most respondents reported seeking funds from alternative sources and initiating new fund raising appeals, 29% reported that they had curtailed programs or planned to; and 34% had cut staff or planned to do so. 37% increased their fees or intended to.

Nearly half (48%) of respondents reported entering into a new partnership or collaboration over the past year, most of these with other non-profits. Types of activities included sharing staff or facilities, joint fundraising appeals or projects, and regional initiatives among multiple organizations.

“Non-profits are taking a hard look at their programs to determine what is absolutely central to their mission, what can be trimmed, and where synergies with new partners can be found,” commented Czipo. “But the pain of this crisis is widespread, and people are looking to these organizations to provide vital programs and support. We need to be sure that they can continue to do so.”

The full survey report, New Jersey Non-Profits 2009: Trends and Outlook, is available on the Center for Non-Profits web site at www.njnonprofits.org/2009AnnualSurveyRpt.pdf.

Founded in 1982, the Center for Non-Profits is a charitable umbrella organization serving New Jersey's non-profit community. The Center's mission is to build the power of New Jersey's non-profit community by serving as the premier voice and comprehensive resource for and about our sector. Center programs include public education, legal and management assistance, publications, workshops, and member services. For more information, visit the Center's Web site, www.njnonprofits.org, or call (732) 227-0800.

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