

NJ Non-Profit Survey: Encouraging Signs, but Rising Demand, Funding Uncertainties Pose Continued Challenges

FOR IMMEDIATE RELEASE

March 17, 2014

Contact: Linda M. Czipo

732-227-0800 lczipo@njnonprofits.org

Mercerville, NJ – New Jersey non-profits reported some modest signs of improvement in their circumstances compared with one year ago, but rising demand for services and flat or uncertain funding streams continue to create a cautious outlook for 2014, according to a [new report](#) released by the [Center for Non-Profits](#).

[New Jersey Non-Profits 2014: Trends and Outlook](#), the Center’s annual survey of the non-profit community, was conducted online in January 2014 to gauge the experiences, trends and expectations of New Jersey’s non-profit groups. The survey tracks prior year funding and expenses, outlook for the coming year and actions taken by non-profits to address trends. The findings are based on 197 responses from New Jersey 501(c)(3) organizations.

The survey reveals a number of hopeful signs of improvement among many non-profit respondents, although a significant number of challenges remain. For example:

- Four-fifths (82%) of responding organizations reported that demand for services had increased during the past year, and a similar percentage (80%) expected demand to continue rising in 2014.
- Forty-six percent reported relatively level funding in 2013 vs. 2012, but 31% reported that expenses exceeded support and revenue during their most recently completed fiscal year.
- Seventy-four percent expected their total expenses to increase in 2014, but only 58% expected total 2014 funding to increase. About one-quarter (28%) expected total funding to remain the same as 2013, but only 8% anticipated a decrease. Respondents overall were more optimistic than one year ago regarding funding prospects, predicting increased funding from foundations, corporations, individual gifts and special events.

“Non-profits are an essential part of our economic and social well-being, employing nearly 10% of the state’s private work force, and providing vital programs that our communities need,” commented Linda M. Czipo, executive director of the Center. “Ensuring that organizations are in a position to meet these critical economic, societal and community needs is important to everyone.”

Actions Taken

Non-profits continued to employ a combination of cost-cutting and resource generation strategies to address internal and external trends:

(more)

www.njnonprofits.org

- Overall, compared with the last several years, fewer organizations reported taking new cost-cutting measures such as cutting staff, reducing or freezing salaries or curtailing programs, but such steps remained a possibility for a sizeable percentage in 2014. Twenty-four percent indicated that they might curtail programs, and 21% said that they might cut or freeze salaries. By contrast, slightly higher percentages reported that they might be able to add programs (41%), add staff (33%), or increase salaries (30%) in the coming year. Significant majorities had already launched new fundraising appeals, sought funds from alternative sources, increased their advocacy efforts, recruited additional volunteers, or indicated their intent to take these actions.
- A significant portion of respondents (47%) reported launching new partnerships or collaborations in 2013, most commonly with other non-profit organizations, although partnerships with government and business were also reported. Twenty-two percent said either that they might explore a merger in 2014 or that that they definitely intended to do so, while 10% percent indicated that might, or definitely would, complete a merger in 2014.

Although caution remained prevalent in respondents' outlook for the coming year, there were some clear signs of encouragement. A higher proportion of respondents predicted funding increases from foundation and corporate sources, along with individual giving and special events. For many other major funding levels, such as government and fees for service, respondents were more cautious in their outlook, but fewer decreases overall were predicted compared with one year ago. For the first time since 2008, more than half of survey respondents reported that their overall circumstances were better than one year ago, and more than half predicted that their circumstances would be better one year from now.

"In many ways, this year's findings are encouraging compared with recent years," commented Linda M. Czipo, executive director of the Center. "But like the rest of the country, non-profits are still climbing back from a prolonged economic downturn, and the survey results reflect that."

The full report, ***New Jersey Non-Profits 2014: Trends and Outlook***, is available on the Center for Non-Profits web site at www.njnonprofits.org/2014AnnualSurveyRpt.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. Through public education, legal and management assistance, publications, workshops, and member services, the Center strengthens non-profits, individually and collectively, in order to improve the quality of life for the people of our state. For more information, visit the Center's Web site, www.njnonprofits.org, or call (732) 227-0800.

#

Center for Non-Profits

3575 Quakerbridge Road, Suite 102
 Mercerville, NJ 08619
 732 227 0800 fax: 732 227 0087
 web: www.njnonprofits.org
 e-mail: center@njnonprofits.org



www.facebook.com/njnonprofits



www.twitter.com/NJ_Nonprofits



www.linkedin.com/company/center-for-nonprofits