NJ Non-Profit Survey: Slow Gains Tempered by Rising Demand, Funding Uncertainties

FOR IMMEDIATE RELEASE
March 31, 2015
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Mercerville, NJ – New Jersey non-profits continued to show incremental improvements in their circumstances compared with one year ago, but rising demand for services and limited funding continue to pose challenges to their ability to provide needed programs and services, according to a new report released by the Center for Non-Profits.

New Jersey Non-Profits 2015: Trends and Outlook, the Center’s annual survey of the non-profit community, was conducted online in January and early February 2015 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 188 responses from New Jersey 501(c)(3) organizations.

Similar to one year ago, 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 (78%) 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 2015.
- Half (50%) reported receiving more total funding in 2014 vs. 2013, but 64% reported that their expenses were higher than in the previous year, and 26% reported that expenses exceeded support and revenue during their most recently completed fiscal year.
- Seventy-two percent expected their total expenses to increase in 2015, but only 57% expected total 2015 funding to increase. About one-quarter (26%) expected total funding to remain the same as 2014, and only 9% anticipated a decrease. Levels of optimism remained about the same as one year ago and higher than two years ago, with increased funding most often predicted from individual gifts, foundations and special events.

“Considering the essential programs non-profits provide and their role in the economy, employing nearly 10% of the state’s private work force, it’s important to monitor and maintain the well-being of these organizations,” 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:

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• Consistent with last year’s survey, significant majorities of organizations continued to seek additional sources of revenue to support their work. A sizeable percentage also reported that they had added new programs or were considering doing so, and a significant number indicated that they had launched, or were contemplating new collaborative efforts. Program and staff cuts were in the mix for a smaller percentage of respondents, suggesting modest improvement over two years ago, although the percentage of organizations that said they would definitely add staff, or had already done so, also remained relatively low.

• More than half of respondents (56%) reported launching new partnerships or collaborations in 2014, most commonly with other non-profit organizations, although partnerships with government and business were also reported. Nearly 20% said that they might explore a merger in 2015 and 9% said that they might complete one this year.

Many of the modest signs of encouragement from a year ago were also evident in this year’s survey. Amid these hopeful trends, however, a number of important causes for concern persist, according to the report. Chief among these is the steadily rising demand for services, which continues to outpace capacity and funding in many quarters. The ability of organizations to meet these demands, as well as to shore up areas of capacity and infrastructure, are pressing issues. Organizations are being challenged to tell their story and stand out in an increasingly frenetic and crowded environment, and uncertainty regarding the impact of government budgets and institutional philanthropy remains acute.

“Some of the findings are cause for guarded optimism,” commented Czipo. “But some of the other issues, particularly the gap between the demands for services and the resources available to provide them, demand our collective attention and action.”


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, management and compliance 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 Website, [www.njnonprofits.org](http://www.njnonprofits.org), or call (732) 227-0800.

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