

NJ Non-Profit Survey Report Underscores Continuing Gap Between Demand for Services, Funding

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Mercerville, NJ – The need for the programs and services provided by New Jersey’s non-profit organizations continues to rise, but non-profits are hampered in their ability to meet that need by continuously lagging funding and an uncertain resource environment, according to a [new report](#) released by the [Center for Non-Profits](#).

[New Jersey Non-Profits 2017: Trends and Outlook](#), the Center’s annual survey of the non-profit community, was conducted online in mid-March 2017 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 Center has conducted this survey since 2001. The 2017 survey report is based on responses from 301 New Jersey 501(c)(3) organizations.

The survey shows a continuing gap between the steadily escalating need for non-profit programs and resources needed to provide those services. For example:

- Three-fourths (75%) of responding organizations reported that demand for services had increased during the past year, and a similar proportion (76%) expected demand to continue rising in 2017.
- Two-fifths (40%) reported receiving more total funding in 2016 vs. 2015, but more than half (51%) reported that their expenses were higher than in the previous year, and 29% indicated that expenses had exceeded support and revenue during their most recently completed fiscal year.
- Nearly two-thirds (64%) expected their total expenses to increase in 2017, but only 40% expected total 2017 funding to increase. About one-third (31%) expected total funding to remain the same as 2016, and 14% anticipated a decrease.

“As providers of vital programs and services and employers of nearly 10% of our state’s private workforce, non-profits are essential to the financial and social fabric of New Jersey,” remarked Linda M. Czipo, president & CEO of the Center. “If their ability to deliver on their missions for our communities is threatened by ongoing resource scarcity, that ought to concern everyone.”

Actions Taken

Non-profits continued to employ a combination of resource generation, outreach and cost-containment strategies to address internal and external trends.

- A large percentage of organizations continued to seek additional sources of revenue to support their work, whether through new fundraising appeals, or seeking funding from alternative sources. New partnerships or collaborations had been launched or were under consideration by a sizeable percentage of respondents. Efforts to increase organizational advocacy and recruit new volunteers were also frequently reported.

(more)

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Center for Non-Profits is a New Jersey non-profit corporation and a federally recognized 501(c)(3) publicly supported charity.

- While significant numbers reported that program and staff additions might occur in 2017 (40% and 33% respectively), far fewer indicated that these actions would definitely occur or had already happened. At the same time, program or staff cuts were under consideration by 27% and 22% of respondents – an indicator of the significant uncertainty of the current economic and funding landscape.
- Half (51%) reported launching new partnerships or collaborations in 2016, mostly with other non-profits, although partnerships with government and business were also reported. Eleven percent said that they might explore a merger in 2017 and 4% said that they might complete one.

The survey findings underscore the acute and growing need for the programs and services non-profits provide. In a concerning trend, they also suggest that the modest post-recession improvements reported in 2014 and 2015 have slowed over the past two years. Fewer than half of this year’s respondents (48%, down from 57% two years ago) reported that their organization’s circumstances had improved over the past year, while 15% said that their situation was worse and 37% said it was no different. Looking ahead to the coming year, 53% expected their organization’s circumstances to improve (down from 64% two years ago), 10% predicted that it would worsen, and 28% were unsure or felt it was too soon to tell. Many cited external factors such as volatility in the economy and public policy concerns as contributing to their mixed outlook.

“For non-profits, the already-troubling gap between rising demand and flat resources is being exacerbated by an unpredictable economy and potentially damaging policy proposals,” stressed Czipo. “We need to work together to create a legislative and funding environment that will ensure that these organizations and programs remain available for the good of our people and communities.”

Support for the 2017 New Jersey non-profit survey was provided by [Sobel & Co., LLC, Certified Public Accountants and Advisors](#). The full report, **New Jersey Non-Profits 2017: Trends and Outlook**, is available on the Center’s website at <http://www.njnonprofits.org/2017AnnualSurveyRpt.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, 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, or call (732) 227-0800.

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