Nonprofit Finance Fund®

PAT BROWN INSTITUTE FOR PUBLIC AFFAIRS
Unleashing the Power of Participation

Committee for Greater LA

A focus on LA County

2022

NONPROFIT FINANCE FUND

STATE OF THE NONPROFIT SECTOR SURVEY FINDINGS

Panel

Joanna S. Jackson
Vice President, Programs
Weingart Foundation

Derek Steele
Executive Director,
Social Justice Learning Institute

Isela Gracian
Senior Deputy,
Homelessness & Housing for
LA County Supervisor
Holly J. Mitchell,
2nd District

Lian Cheun
Executive Director,
Khmer Girls in Action

This report and event developed with generous support from BANK OF AMERICA

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METHODOLOGY

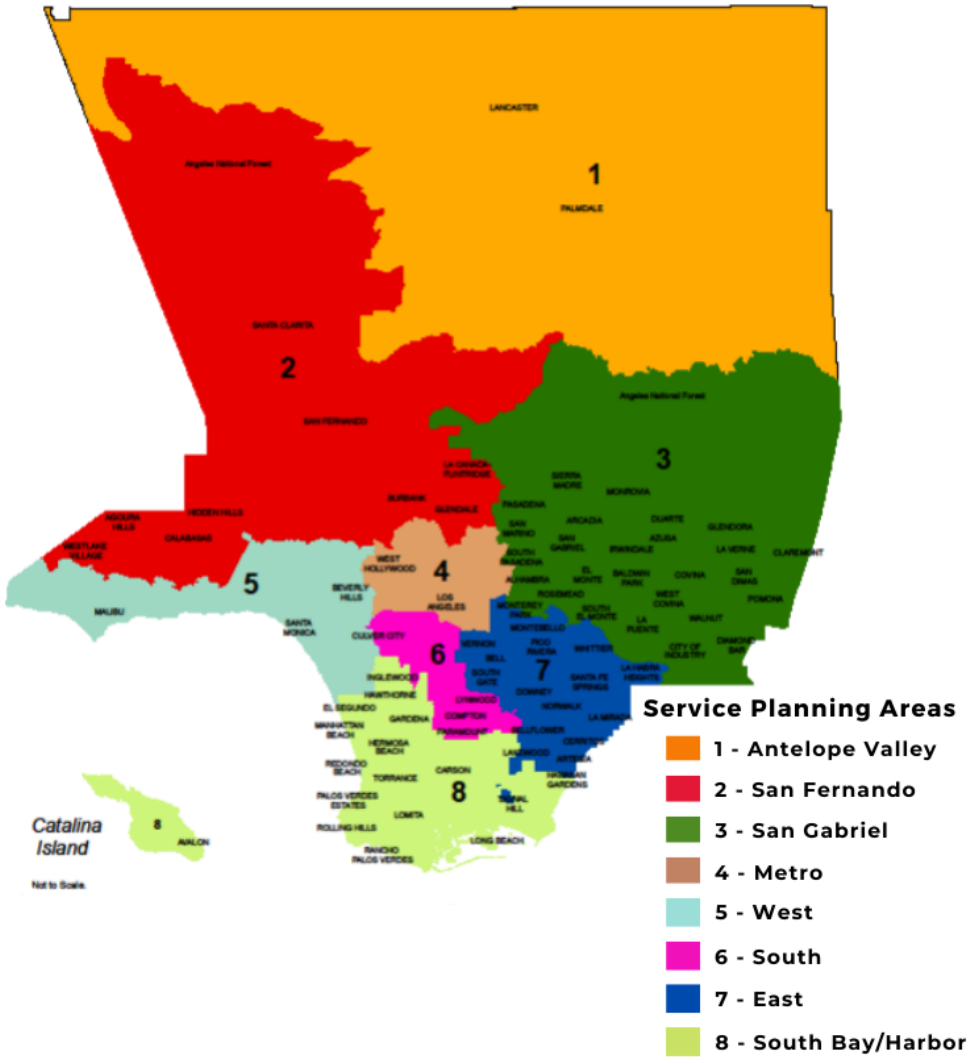
- National survey done in collaboration with EVITARUS and Ambit 360, with survey administration by SRSS
- LA component (n=212), within larger national survey (n=1,168)
- Field Dates: Jan. 19 – March 4, 2022
- NFF collaborated closely with PBI and CGLA on the LA component
- Partnered with advisory and two nonprofit feedback committees
- All charts refer to LA component only, unless otherwise noted

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PROFILE OF LA NONPROFITS

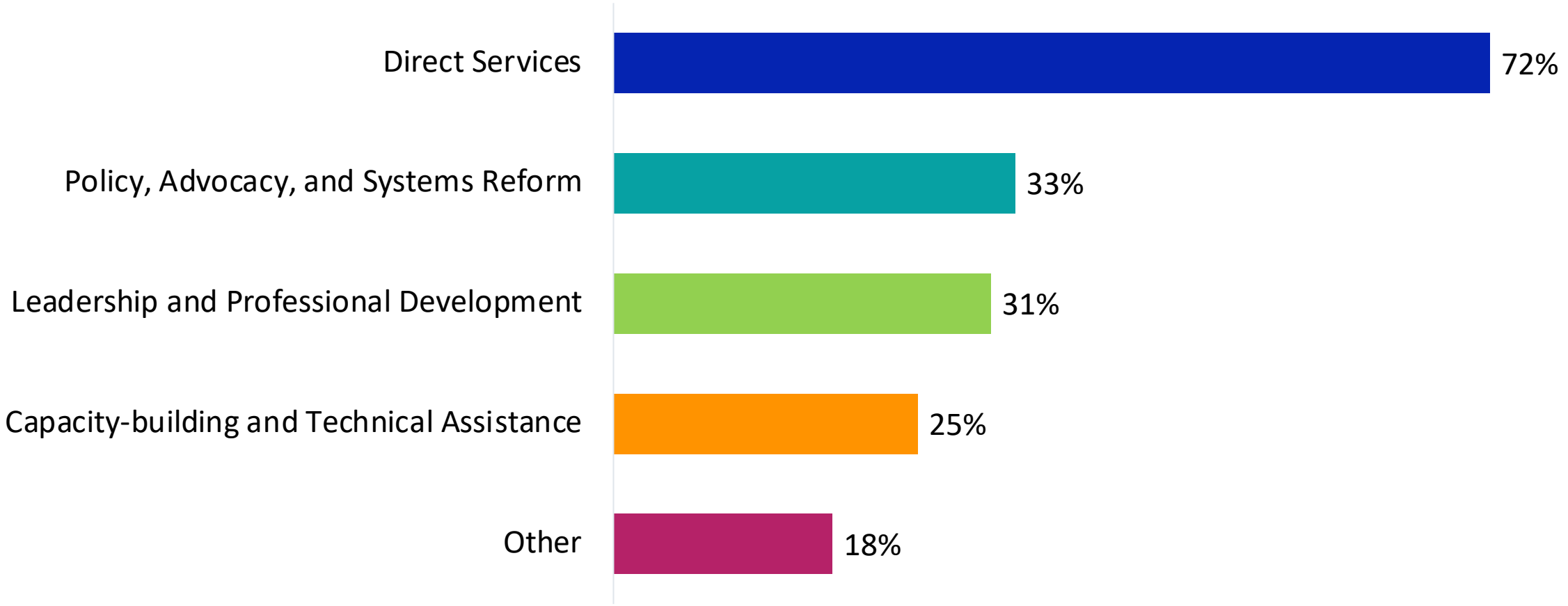
RESPONDENTS REPRESENTED ALL LA COUNTY SERVICE PLANNING AREAS



HIGHEST RESPONDING SPAs IN LA COUNTY

- EAST LOS ANGELES
- METRO LOS ANGELES
- SAN FERNANDO VALLEY
- SOUTH LOS ANGELES

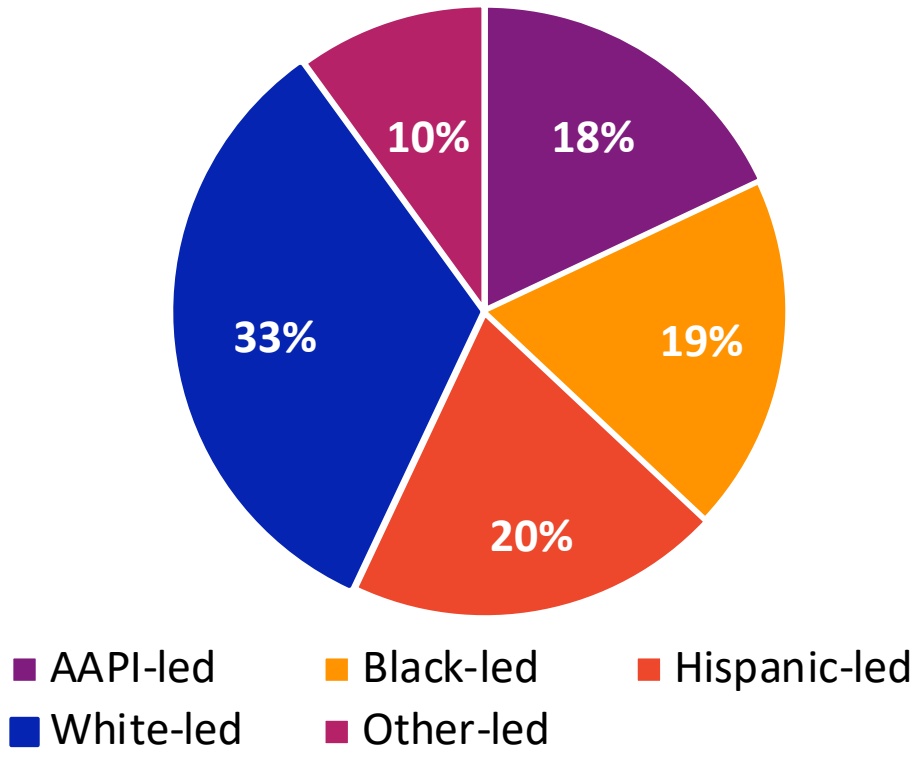
MOST ORGANIZATIONS PROVIDE DIRECT SERVICES



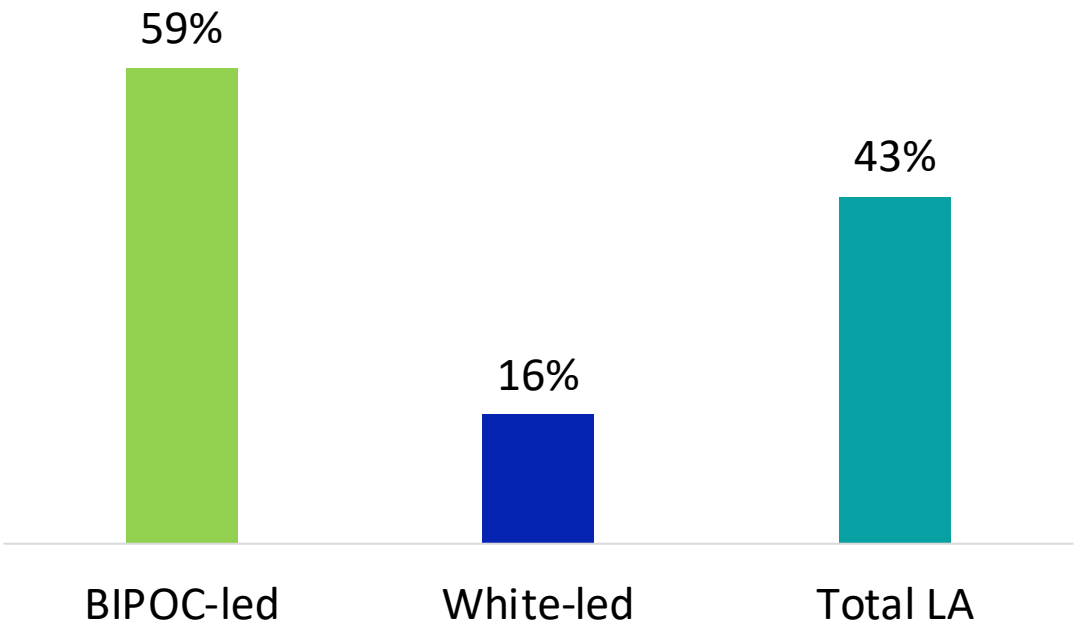
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MAJORITY OF LA LEADERS ARE BIPOC

Race/Ethnicity of Leader

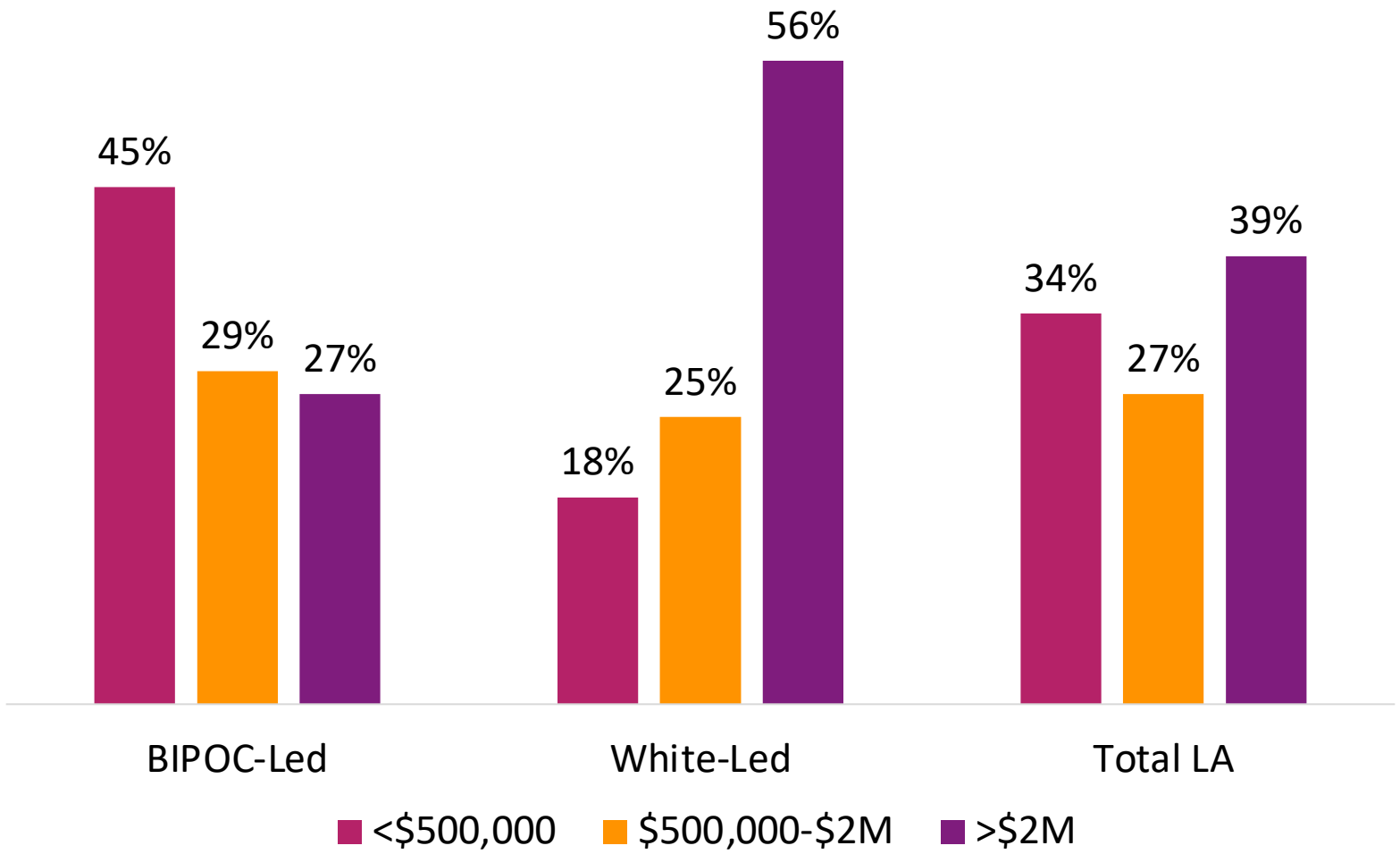


Executive Director/CEO a person whose lived experiences are representative of one or more of the communities their organization serves



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BIPOC-LED NONPROFITS TEND TO HAVE SMALLER BUDGETS RELATIVE TO WHITE-LED NONPROFITS



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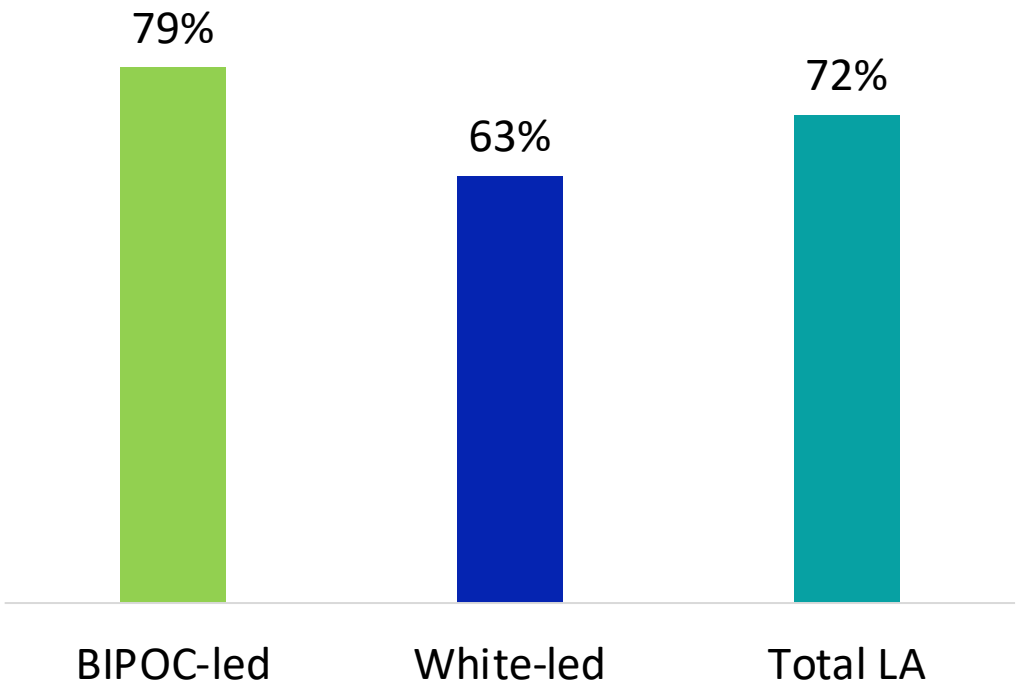
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KEY FINDING #1

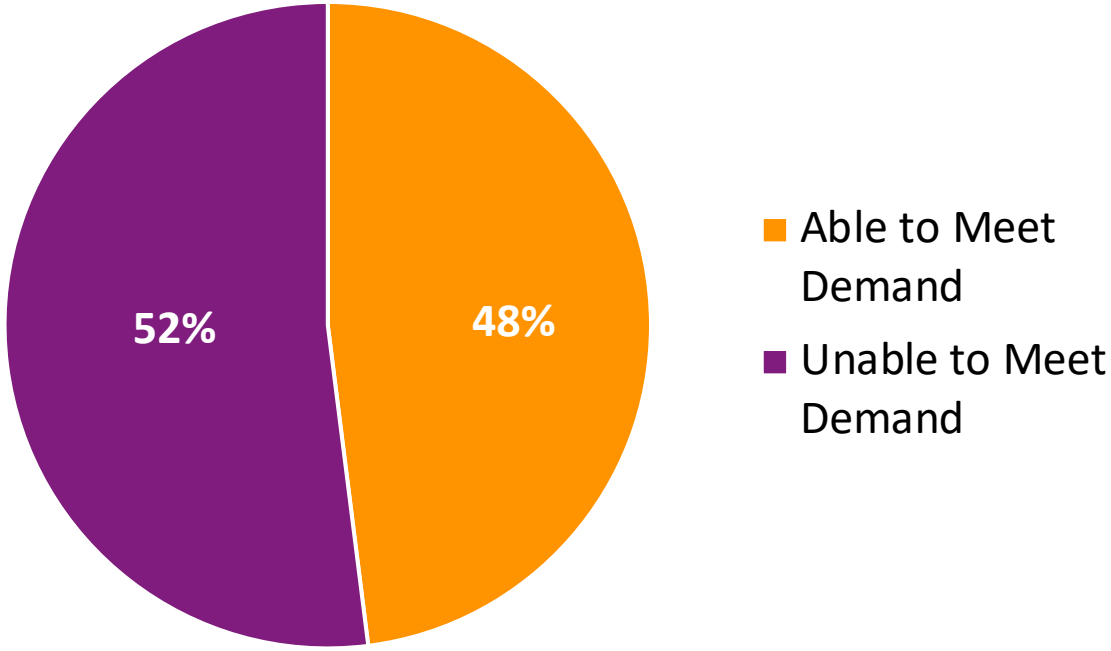
Challenges from increased demand due to pandemic persist

MEETING DEMAND DURING THE PANDEMIC HAS BEEN DIFFICULT

As a result of COVID, 72% of LA nonprofits reported a significant increase in demand



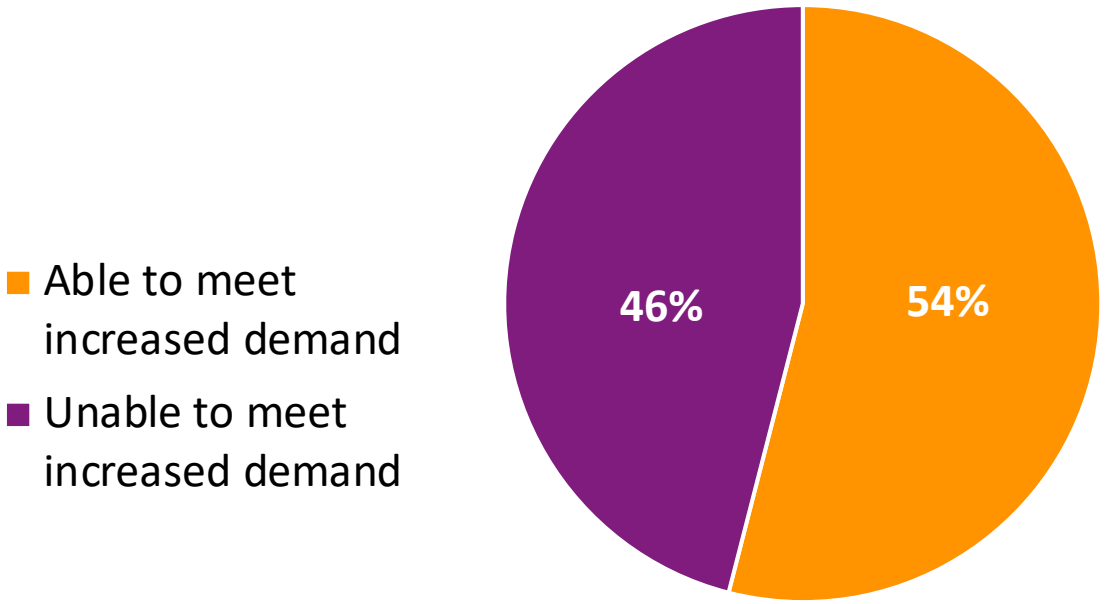
Fewer than half reported being able to meet increased demand between FY2019-2021



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NEARLY HALF OF NONPROFITS BELIEVE THEY WILL NOT MEET DEMAND

Nearly half of organizations do not believe they will be able to meet continued demand for services in 2022



90%
of LA nonprofits expect demand to continue to grow in 2022

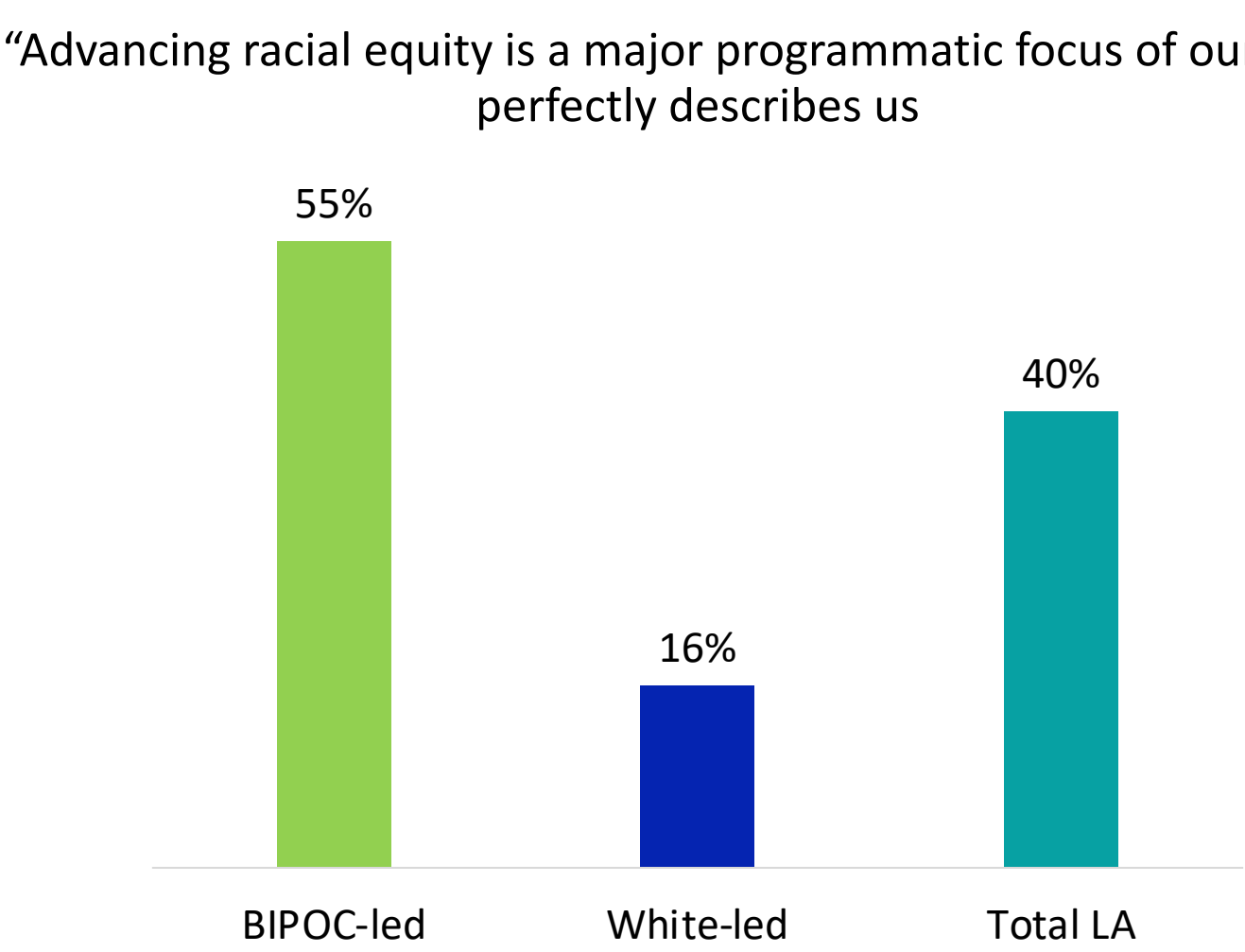
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KEY FINDING #2

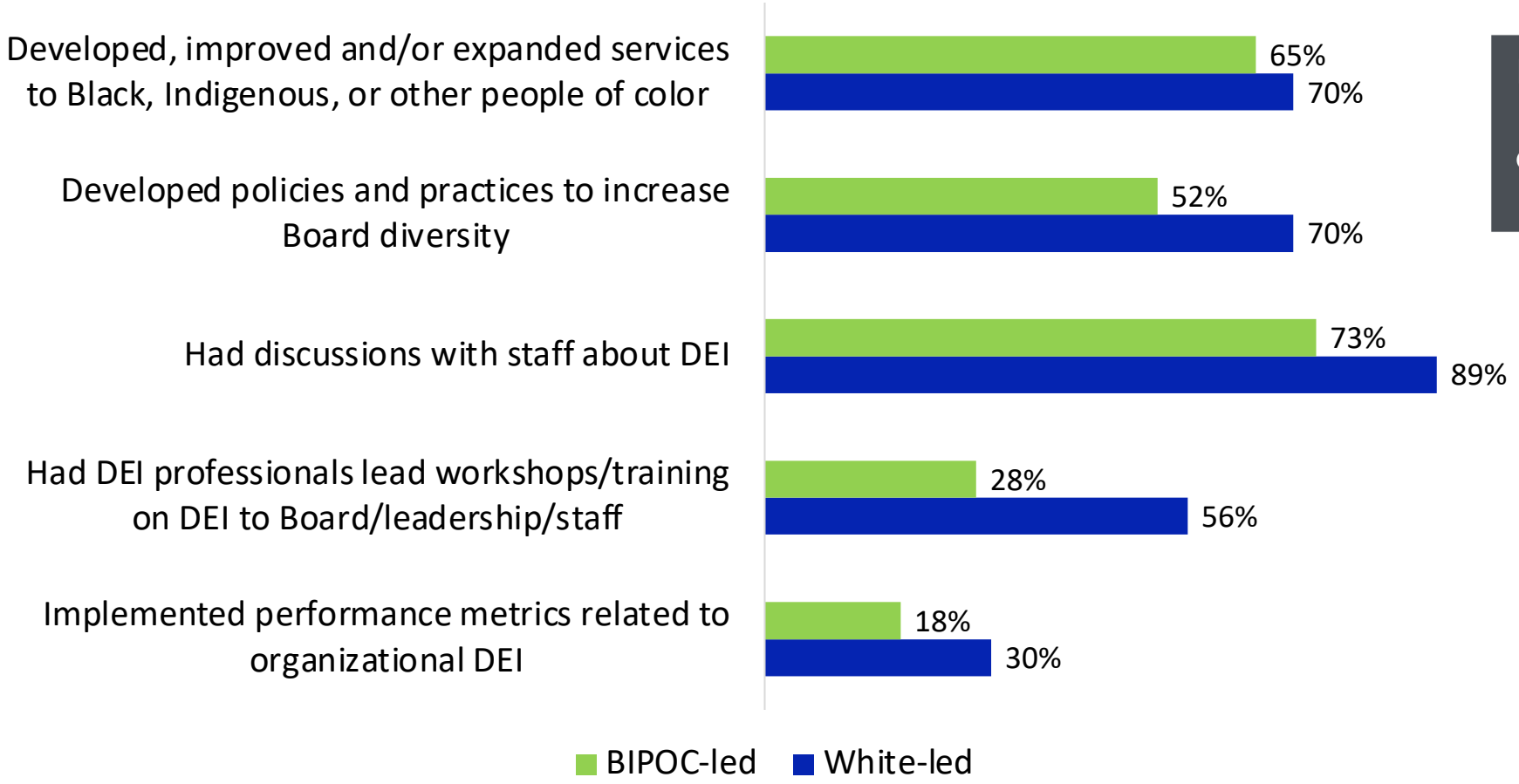
Advancing racial equity has been central to LA organizations

BIPOC-LED NONPROFITS HAVE BEEN ADVANCING RACIAL EQUITY



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WHITE-LED NONPROFITS CONDUCTED DEI PRACTICES AT HIGHER RATES SINCE 2020



Nonprofits with **larger budgets most likey to conduct DEI activities** since 2020

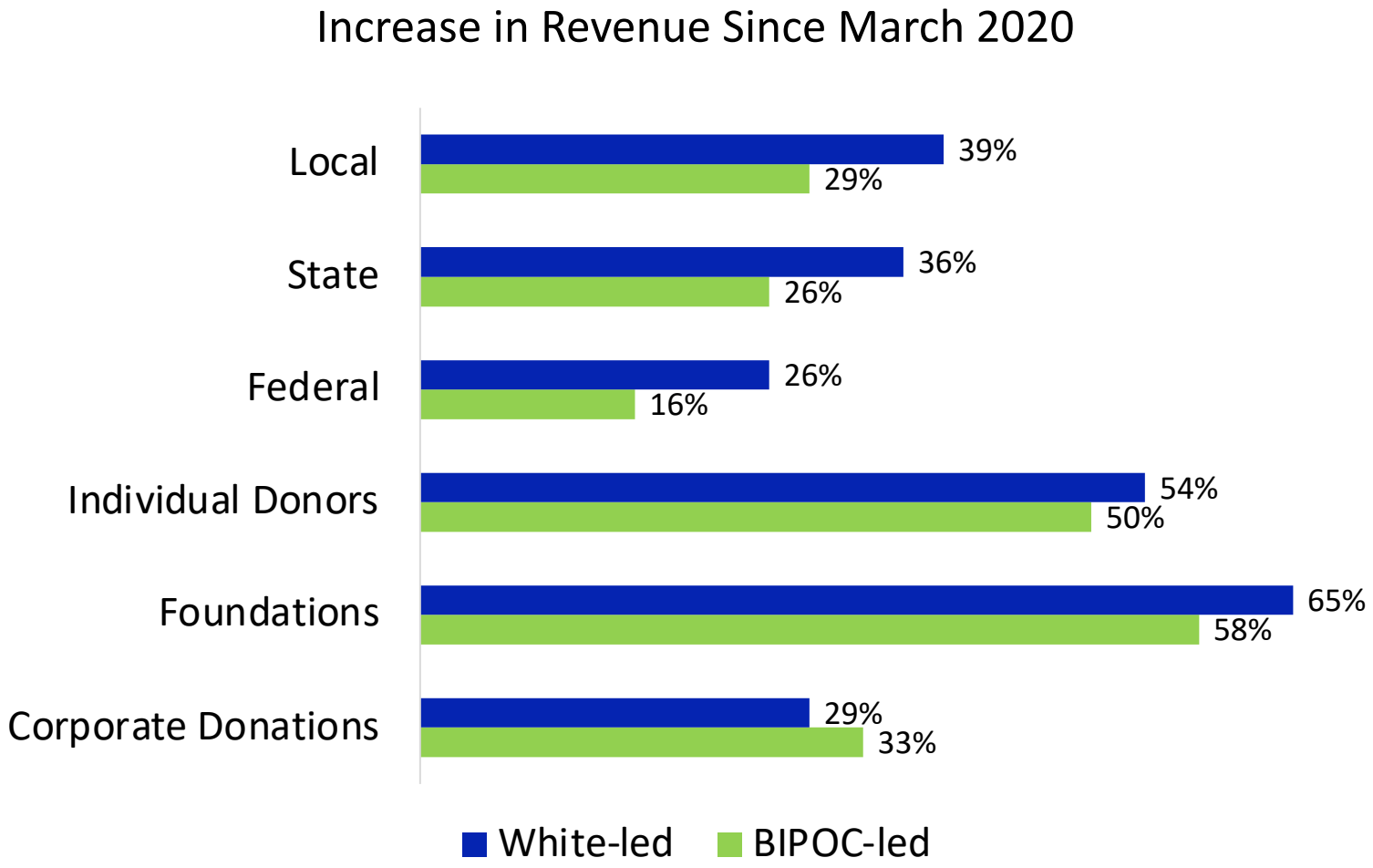
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KEY FINDING #3

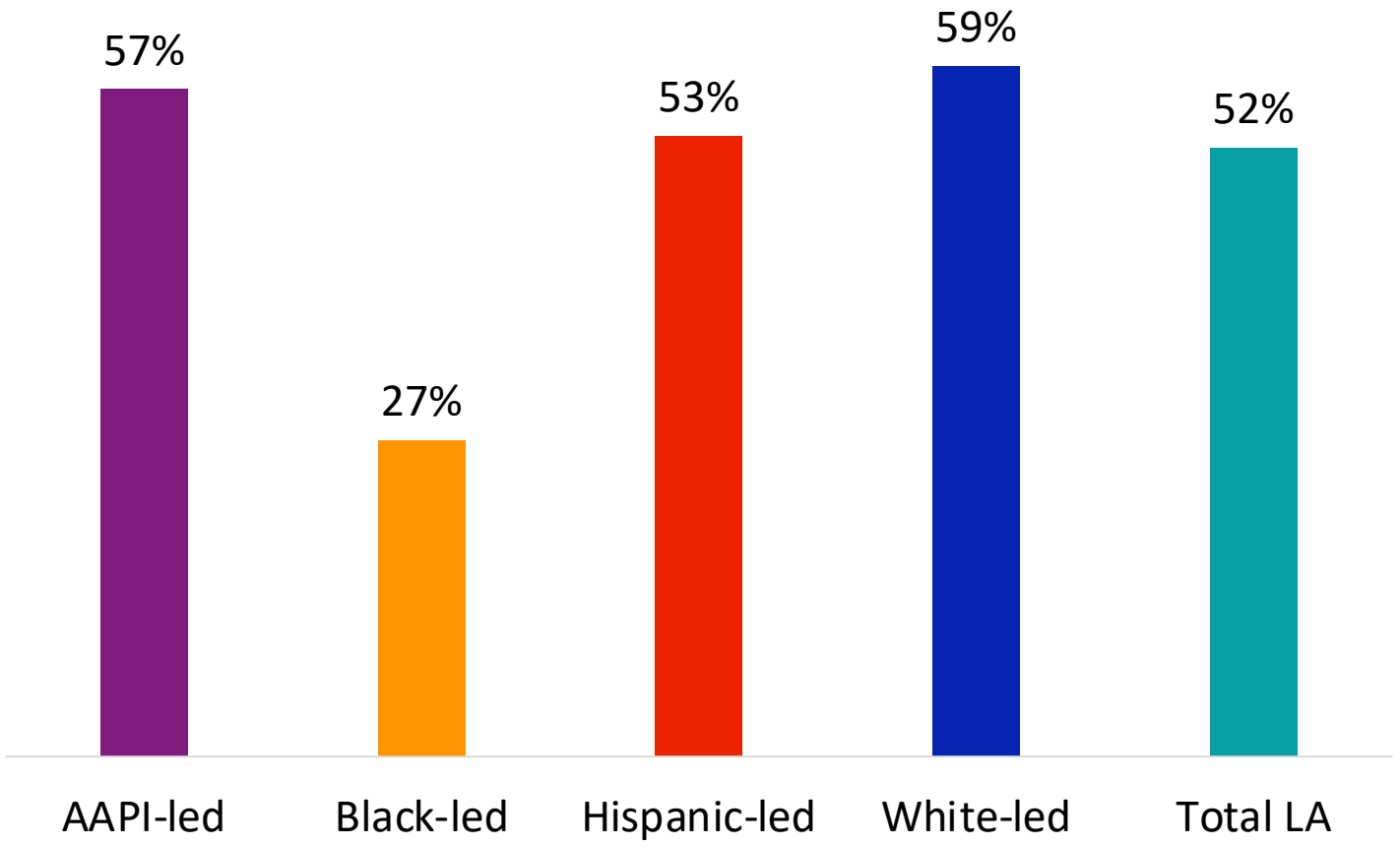
While funding increased overall, racial inequities persist

FUNDING INCREASED DURING THE PANDEMIC, PARTICULARLY FOR WHITE-LED NONPROFITS



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ONLY A QUARTER OF BLACK-LED NONPROFITS REPORT HAVING RESERVES



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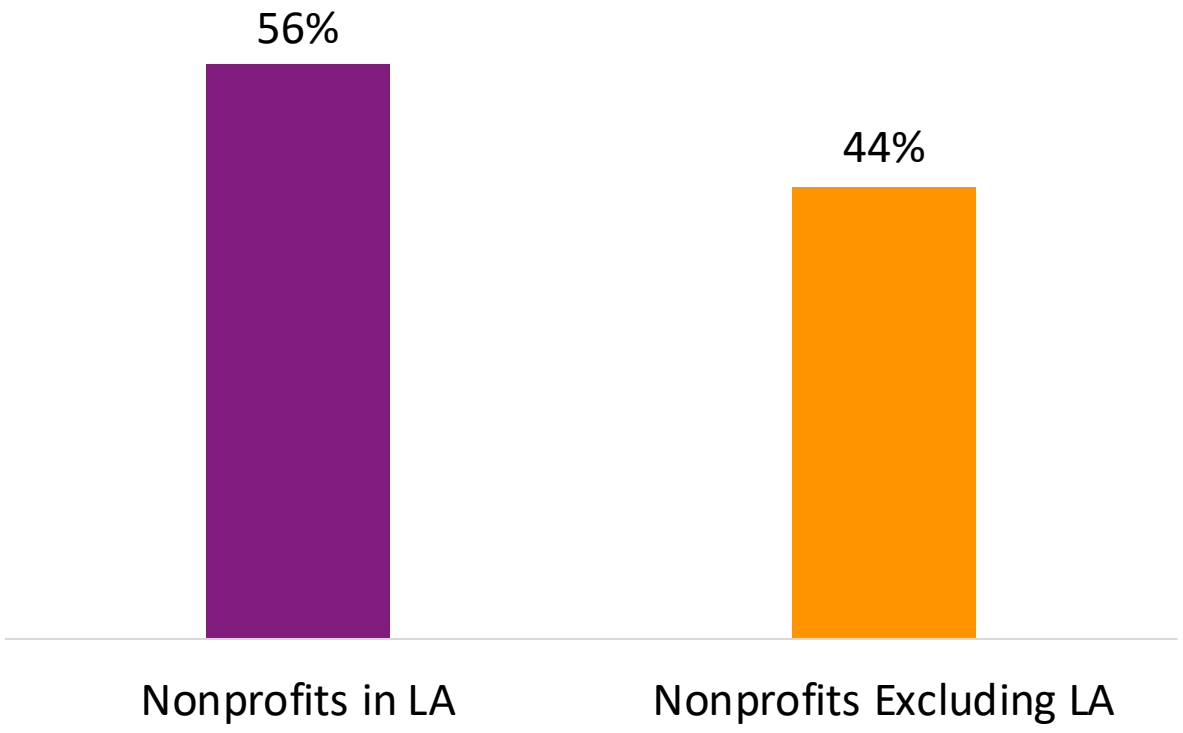
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KEY FINDING #4

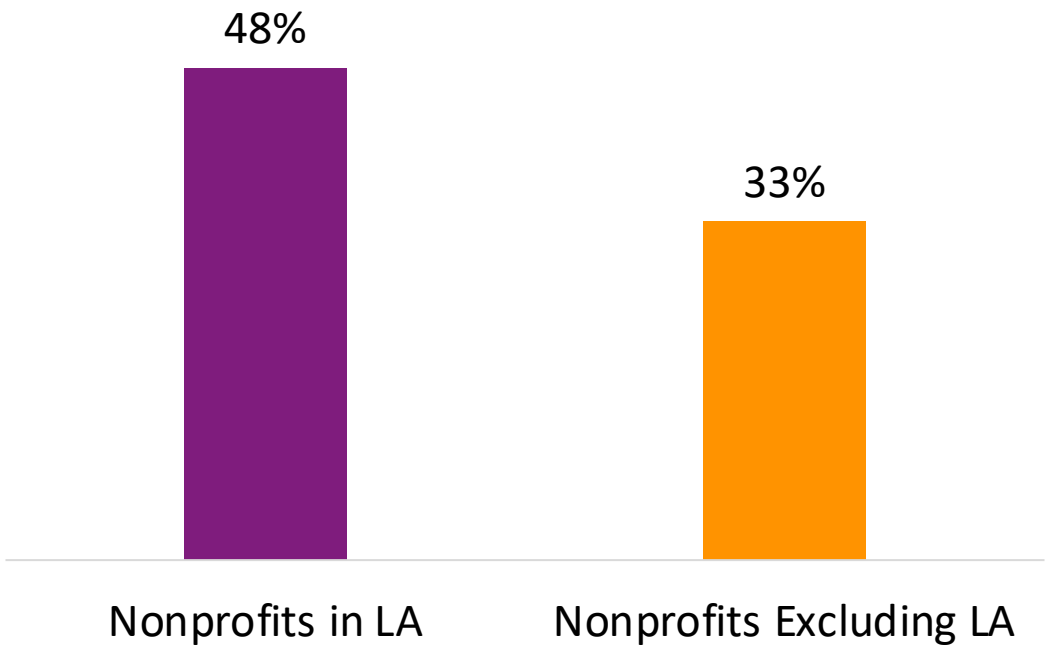
LA nonprofits have different experience than non-LA nonprofits in survey

RACIAL EQUITY IS A LONG-TERM COMMITMENT FOR LA NONPROFITS

LA nonprofits more likely to have publicly advocated for programs to advance racial equity in their communities



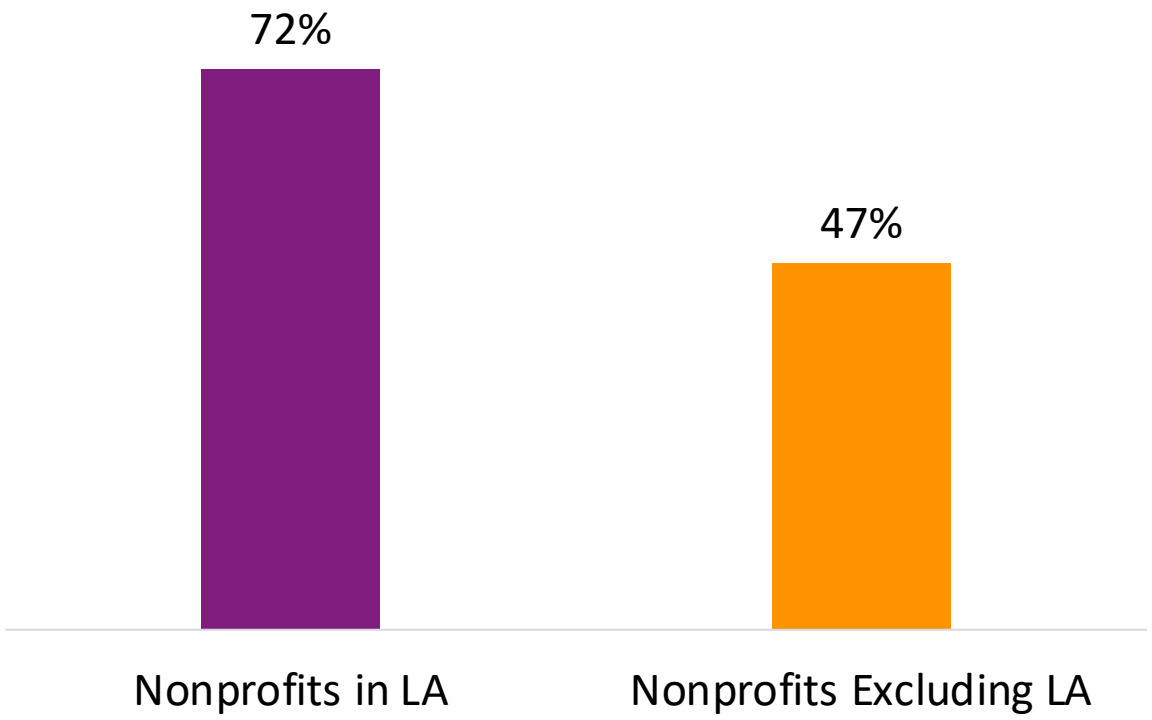
More LA nonprofits have been advancing racial equity for 5+ years



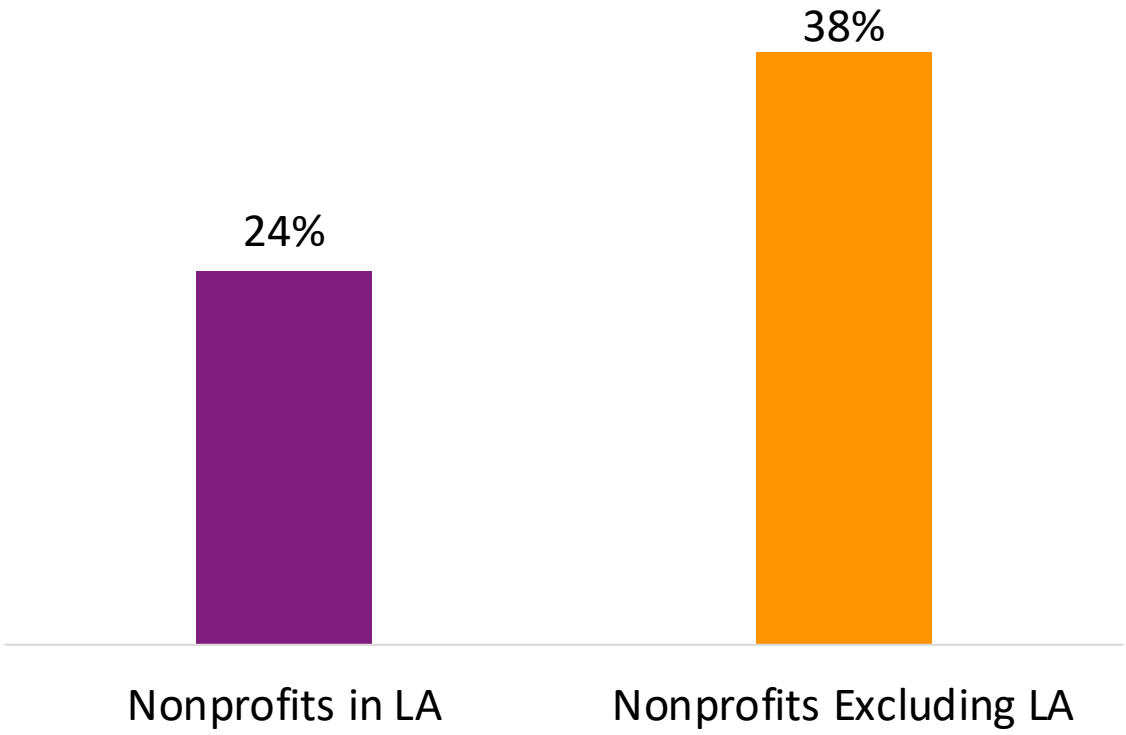
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MEETING DEMAND AND FUNDING REMAIN URGENT ISSUES IN LA

LA nonprofits more likely to report significant increase in demand than national counterparts as a result of COVID

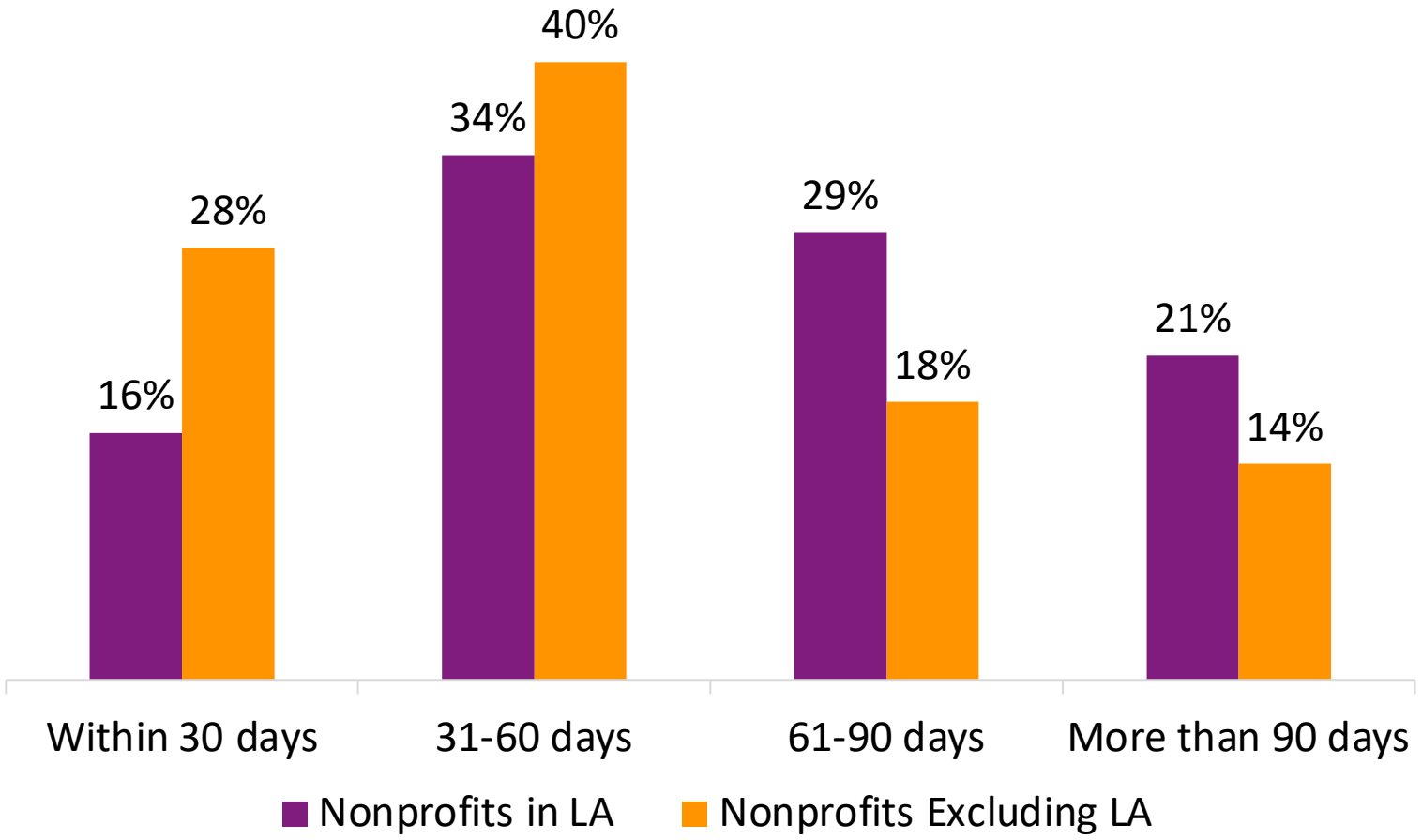


LA nonprofits less likely to report half or more of their total funds were unrestricted funds in FY2021



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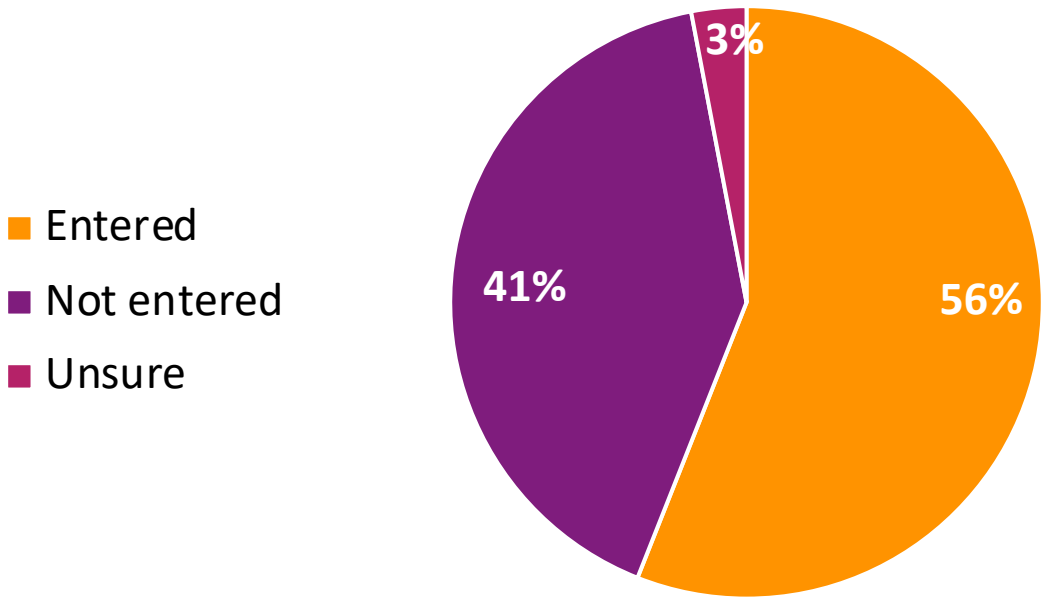
LA WAITS LONGER TO BE REIMBURSED BY GOVERNMENT COMPARED TO NONPROFITS ACROSS THE COUNTRY



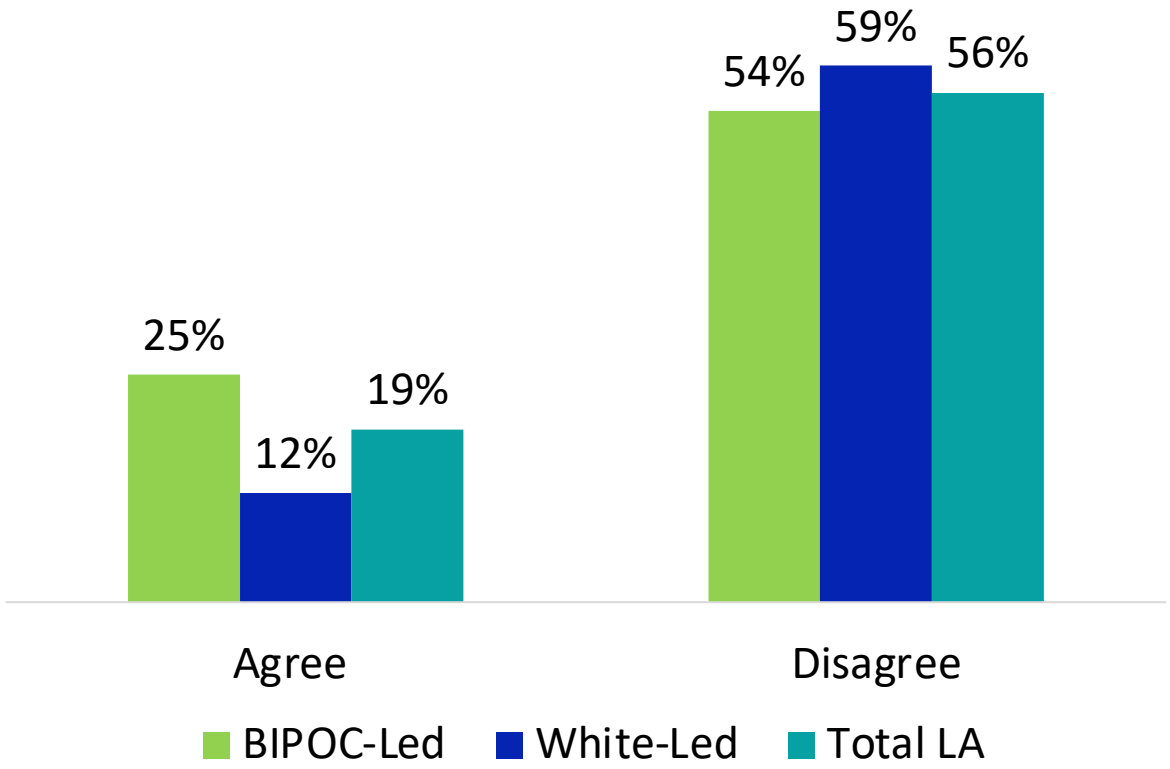
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VARIED EXPERIENCES OF LA NONPROFITS WITH COUNTY DEPARTMENTS

A little more than half of organizations have entered into contracts with LA County



Does LA County cover the total costs for work performed? Agree or disagree



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LA COUNTY ADOPTED BUDGET

FISCAL YEAR 2021-22

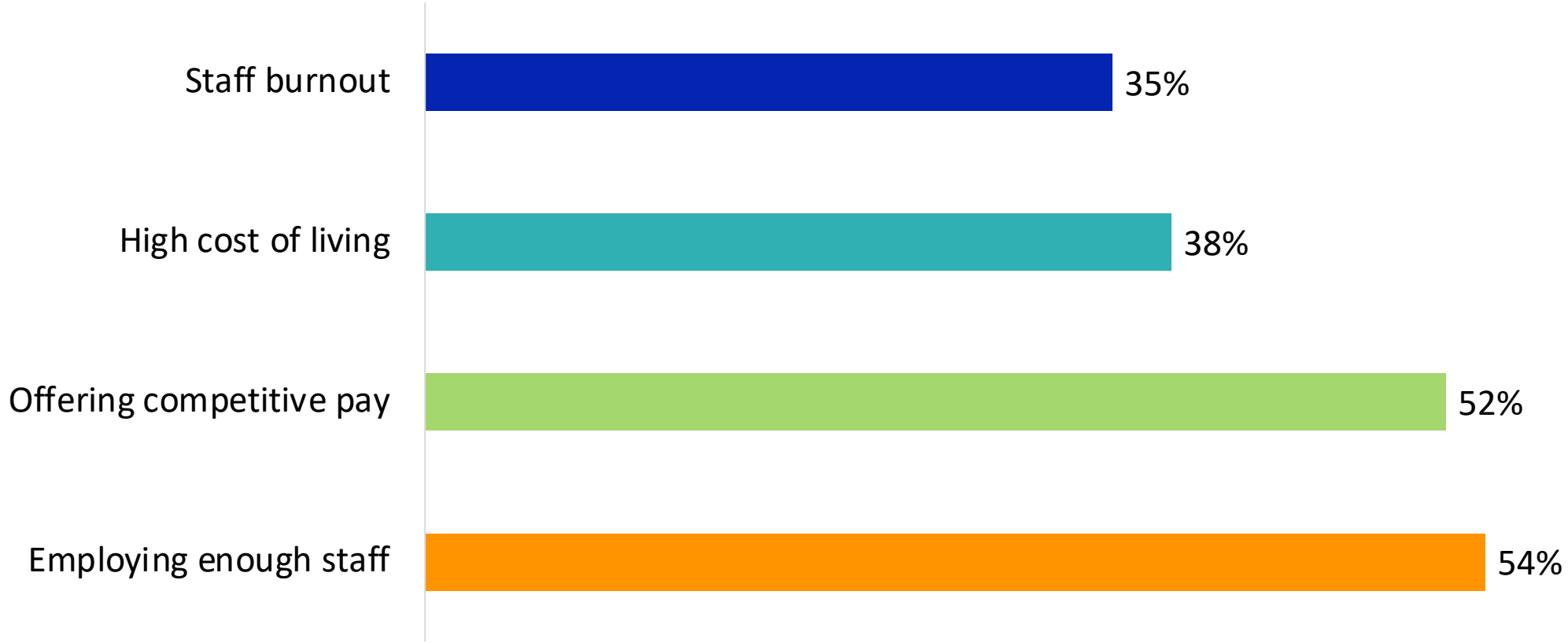
	Gross Appropriation (BILLIONS)	Budgeted Positions
Total Budget	**$39.32**	**111,038**
Department		
Public Health	$1.87	5,401
Mental Health	$2.99	6,442
Children and Family Services	$2.93	9,595
Public Social Services	$4.82	13,839
Health Services	$8.87	26,270

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KEY FINDING #5

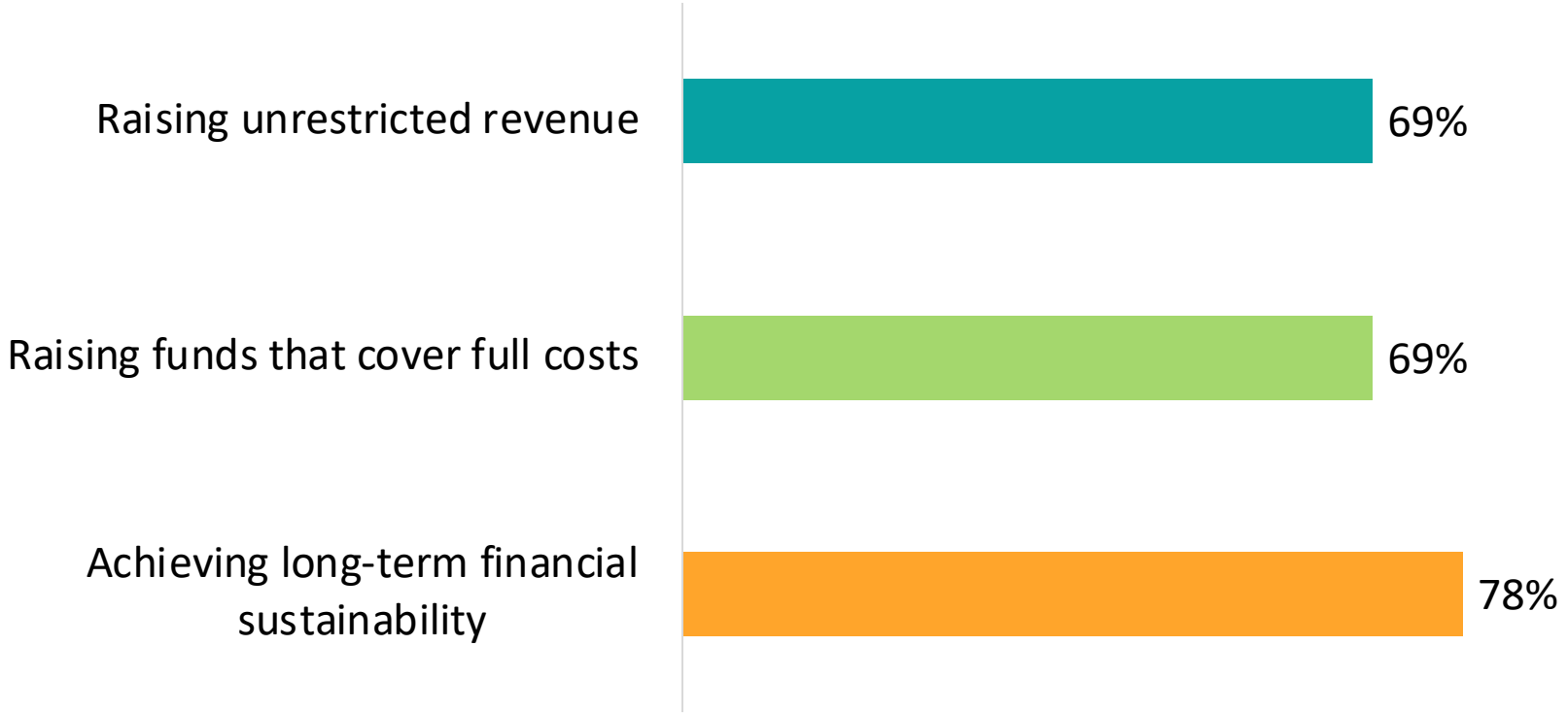
LA nonprofits have urgent need for full cost funding and staffing support

TOP 4 STAFFING CHALLENGES FOR NONPROFITS IN LA



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TOP 3 FINANCIAL CHALLENGES FOR LA NONPROFITS



88% of BIPOC-led vs.
69% of White-led nonprofits
identify long-term financial sustainability as a challenge

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LOOKING FORWARD

Since inception, the Committee for Greater L.A. identified racial inequities embedded across non-profits and our concern for the sector's long-term resilience. This report takes a closer look and reveals the financial vulnerabilities of L.A.'s nonprofit sector, an already financially stretched sector that extended to support vulnerable BIPOC communities during the recent health and economic crises. We look forward to advancing the analysis presented here for a more equitable and effective nonprofit sector for Los Angeles.

MIGUEL A. SANTANA
Chair, Committee for Greater L.A.

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DISCUSSION PANEL



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Joanna S. Jackson
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Weingart Foundation



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Executive Director,
Khmer Girls in Action

MODERATED BY:



Claire Knowlton
Director of Consulting
Nonprofit Finance Fund

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Community Collaborative Promoting Health and Wellness

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This report and event developed with generous support from BANK OF AMERICA